

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

MINUTES

Thursday, February 22, 2007

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MINUTES of the Meeting of The Port Authority of New York and New Jersey held Thursday, February 22, 2007 at 225 Park Avenue South, City, County and State of New York

PRESENT:

NEW JERSEY

Hon. Anthony R. Coscia, Chairman
 Hon. Angelo J. Genova
 Hon. Anthony J. Sartor
 Hon. Jack G. Sinagra
 Hon. David S. Steiner

NEW YORK

Hon. Charles A. Gargano, Vice-Chairman
 Hon. Bruce A. Blakeman
 Hon. Michael J. Chasanoff
 Hon. Christine A. Ferer
 Hon. David S. Mack

Anthony E. Shorris, Executive Director
 Darrell B. Buchbinder, General Counsel
 Karen E. Eastman, Secretary

Terry A. Benczik, Client Manager, Government and Community Affairs
 Catherine M. Bergamini, Principal Administrator, Port Commerce
 A. Paul Blanco, Chief Financial Officer
 John D. Brill, Director, Audit
 Ernesto L. Butcher, Chief Operating Officer
 Wilfred Chabrier, Director, Office of Regional and Economic Development
 Arthur J. Cifelli, Deputy Chief of Staff
 Steven J. Coleman, Public Information Officer, Public Affairs
 Thomas F. Costanzo, Manager, Waterfront Development Capital Projects, Port Commerce
 John D'Amore, Deputy Director, Technology Services
 William R. DeCota, Director, Aviation
 Michael P. DePallo, Director, PATH
 John C. Denise, Supervisor, Audio Visual/Photography, Public Affairs
 Michael J. Deveney, Supervisor, Port Operations, Port Commerce
 Pasquale DiFulco, Senior Public Information Officer, Public Affairs
 Michael Dombrowski, Cinematographer, Public Affairs
 John J. Drobny, Director, Project Management
 Michael G. Fabiano, Deputy Chief Financial Officer/Comptroller
 Ziomara Y. Foster, Senior Administrator, Office of the Secretary
 James P. Fox, Deputy Executive Director
 Michael B. Francois, Chief, Real Estate/Regional and Economic Development
 Linda C. Handel, Assistant Secretary
 Christopher Hartwyk, First Deputy General Counsel
 Alan H. Hicks, Senior Public Information Officer, Public Affairs
 Caroline Ioannou, Executive Advisor to General Counsel, Law
 Howard G. Kadin, Senior Attorney, Law
 Victoria C. Kelly, Director, Tunnels, Bridges and Terminals
 Kevin Kirchman, Deputy Director, Public Affairs
 Louis J. LaCapra, Chief Administrative Officer
 Marc LaVorgna, Assistant Director, Media Relations, Public Affairs
 Richard M. Larrabee, Director, Port Commerce
 Timothy Lizura, Director, World Trade Center Redevelopment
 Francis J. Lombardi, Chief Engineer
 Norma Manigan, Program Director, External Affairs, Public Affairs
 John J. McCarthy, Director, Public Affairs
 James E. McCoy, Manager, Board Management Support, Office of the Secretary
 Carlene V. McIntyre, Chief, Opinions and Appeals, Law

Sanjay Mody, Advisor to the Chairman
Camille Moglia, Staff Administrator, Office of the Chief Financial Officer
Anne Marie C. Mulligan, Treasurer
Lynn A. Nerney, Senior Administrator, Office of the Secretary
Antoinette Peterson, Associate Board Management and Support Specialist, Office of the Secretary
Steven P. Plate, Director, Priority Capital Programs
Andrew Rachlin, Special Assistant to the Executive Director
Alan L. Reiss, Deputy Director, Aviation
Stephen Sigmund, Chief, Public and Government Affairs
Timothy G. Stickelman, Chief, Public Securities Law, Law
Ralph Tragale, Client Manager, Government and Community Affairs
Robert E. Van Etten, Inspector General
Sheree R. Van Duyne, Manager of Policies and Protocol, Office of the Secretary

Guests:

James Carey, Authorities Unit, Office of the Governor of New Jersey
Kenneth J. Ringler, Jr., Invited Guest

Public Speaker:

Jill Gruber, Executive Director, Hudson Valley Materials Exchange

The public session was called to order by Chairman Coscia at 2:05 p.m. and ended at 2:25 p.m. The Board met in executive session prior to the public session.

Action on Minutes

The Secretary submitted for approval Minutes of the special meeting of January 25, 2007. She reported that copies of these Minutes were sent to all of the Commissioners and to the Governors of New York and New Jersey. She reported further that the time for action by the Governors of New York and New Jersey has expired.

Whereupon, the Board of Commissioners unanimously approved the Minutes.

Report of World Trade Center Redevelopment Subcommittee

The World Trade Center Redevelopment Subcommittee reported, for information, on matters discussed in executive session at its meeting on February 22, 2007, which included matters involving ongoing negotiations or review of contracts or proposals, matters related to the development of future Port Authority facilities or projects and the redevelopment of existing facilities or projects when public disclosure may impact property values, matters involving public safety or law enforcement and matters related to the purchase, sale or lease of real property or securities where disclosure would affect the value thereof or the public interest, and the report was received.

Report of Security Subcommittee

The Security Subcommittee reported, for information, on matters discussed in executive session at its meeting on February 22, 2007, which included matters involving public safety or law enforcement and matters involving ongoing negotiations or review of contracts or proposals, and the report was received.

Report of Committee on Finance

The Committee on Finance reported, for information, on certain matters discussed and action taken in public and in executive session at its meeting on February 22, 2007, which included the Port Authority's organizational effectiveness and change management efforts and matters involving ongoing negotiations or review of contracts or proposals, as well as matters filed with the Committee pursuant to Board action or separately reported to the Board of Commissioners at this meeting of the Board, and the report was received.

Report of Committee on Operations

The Committee on Operations reported, for information, on certain matters discussed in public session at its meeting on February 22, 2007, which included supplements for use and occupancy agreements at Teterboro Airport, agreements for operation and maintenance of intermodal rail infrastructure support facilities at Port Newark and the Elizabeth-Port Authority Marine Terminal, a lease agreement for space at the Brooklyn-Port Authority Marine Terminal

and a proposal to facilitate transfers of leases and changes of ownership at port facilities, and the report was received.

Report of Committee on Construction

The Committee on Construction reported, for information, on certain matters discussed in public session at its meeting on February 22, 2007, which included a review of fourth quarter/2006 year-end construction results and the status of various projects included in the 2006 Capital Budget, as well as matters filed with the Committee pursuant to Board action or separately reported to the Board of Commissioners at this meeting of the Board, and the report was received.

Executive Director Report

The Executive Director provided a status report on various projects and accomplishments in each of our core business areas.

Moment of Silence

In observance of the upcoming fourteenth anniversary of the first terrorist attack on The World Trade Center, the Chairman requested a moment of silence in memory of the six victims, including four Port Authority employees, who perished on February 26, 1993.

Staff Reports

Presentations were made by staff on: World Trade Center (WTC) Site – Project Authorization for Construction of the Freedom Tower; WTC Site – Freedom Tower Project – Award of Construction Trade Contracts and Professional Services Agreements; and WTC Site – West Bathtub Vehicular Access – Planning Authorization and Award of Supplemental Agreement for Professional, Architectural and Engineering Services.

WORLD TRADE CENTER SITE – PROJECT AUTHORIZATION FOR CONSTRUCTION OF THE FREEDOM TOWER

It was recommended that a project be authorized to construct the Freedom Tower (FT) at the World Trade Center (WTC) site, at an estimated total cost of \$2.877 billion, including the construction of all below-grade, above-grade (including a television transmission antenna), and common-site infrastructure, finance charges associated with the project and costs related to the coordination of construction with other projects at the WTC site.

On November 16, 2006, the Port Authority acquired 1 World Trade Center, LLC (1 WTC LLC) from Silverstein Properties Inc. (SPI), as authorized by the Board at its meeting of September 21, 2006.

On September 16, 2006, the Port Authority entered into Memorandum of Agreement No. 3 with the U.S. General Services Administration (GSA) for its occupancy of approximately 645,000 rentable square feet in the FT, and executed term sheets with the Metropolitan Television Alliance LLC (MTVA), a group representing nine television broadcast entities in the greater New York City area for proprietary use of the FT's antenna mast for broadcast television signals, and the New York State Office of General Services (NYS OGS) for approximately 415,000 square feet of FT office space on September 20, 2006 and September 6, 2006, respectively. At its meeting of December 14, 2006, the Board authorized 1 WTC LLC to enter into a lease with the NYS OGS under terms and conditions consistent with the September 6, 2006 term sheet.

At its meeting on April 26, 2006, the Board authorized and directed the Chairman and Executive Director to work with SPI to prepare the definitive documents to effectuate the Conceptual Framework Agreement (CFA) regarding the development of the WTC site. At its meeting on June 29, 2006, the Board authorized, in order to fulfill CFA requirements, an increase in authorization for certain professional, technical and advisory services contracts in connection with the CFA to: (1) evaluate GSA criteria and prepare gap analyses, (2) evaluate NYS OGS criteria, and (3) evaluate site-wide impacts to common infrastructure elements. At its meeting on September 21, 2006, the Board authorized implementation of the CFA, including authorizations to retain the services of Skidmore, Owings & Merrill, LLP (SOM) (to provide continuing architectural services) and to retain Tishman Construction Corporation (to provide FT construction services), both through the end of 2006. Subsequently, at the January 25, 2007 meeting of the Board, 1 WTC LLC was authorized to enter into an agreement with Tishman Construction Corporation (Tishman) for general contractor and construction management services for the FT, in an estimated amount of \$26.5 million, and \$170 million to be paid for general conditions work to be managed by Tishman.

Authorization is being sought separately at this meeting for 1 WTC LLC to implement portions of the FT construction program.

Completion of the core and shell of the FT is expected to occur in 2012, with fit-out of space for beneficial occupancy to commence in September 2012 and be fully completed by 2015.

Under the renegotiated terms with SPI, 1 WTC LLC will receive 34.6 percent of the insurance proceeds available for rebuilding at the WTC site. The FT portion of this insurance is estimated to provide a source of approximately \$609 million for the FT Project, based on the current amount available. It is assumed that ground rental expense during construction paid from business interruption insurance will be made available as a source of capital funding for the Project. Approximately \$345 million of insurance recovery attributable to 6 WTC under the Port Authority's Property Damage and Lost Revenue Insurance Program, in effect on September 11, 2001, has been identified as a source of funding for the FT construction, in association with the GSA occupancy. The cost of a retail program within the FT's sub-grade, estimated at \$27 million, will be reimbursed by WTC Retail LLC, also a wholly owned entity of the Port Authority. MTVA will pay \$20 million to cover a portion of the capital construction costs of the antenna mast. The Port Authority's expenditure of \$250 million in connection with the construction of the FT (exclusive of insurance proceeds pertaining to the FT) would offset the Port Authority's entire commitment to the State of New York under the Port Authority's Regional Transportation Program. The balance of the project funding would include Liberty Bonds and other project debt.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Coscia, Chasanoff, Ferer, Gargano, Genova, Mack, Sartor, Sinagra and Steiner voting in favor; none against:

RESOLVED, that 1 World Trade Center, LLC be and it hereby is authorized to advance a project to construct the Freedom Tower at the World Trade Center site, at an estimated total cost of \$2.877 billion, including all below-grade, above-grade (including a television transmission antenna) and common-site infrastructure, inclusive of payments to the general contractor and trade contractors, payments for professional, technical and advisory services, engineering, testing, peer review and inspection services and financing costs; 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.

WORLD TRADE CENTER SITE – FREEDOM TOWER PROJECT – AWARD OF CONSTRUCTION TRADE CONTRACTS AND PROFESSIONAL SERVICES AGREEMENTS

It was recommended that the Board authorize 1 World Trade Center, LLC (1 WTC LLC), in order to further the construction of the Freedom Tower (FT), to: (1) enter into construction trade contracts, through its agent, Tishman Construction Corporation (Tishman), estimated at \$429.6 million; (2) expend an estimated \$35.3 million for continued payments to Tishman for the trade contracts held by Tishman under the General Contractor Agreement; (3) enter into professional service agreements to provide technical, peer, testing, inspection and specialty advisory services, in a total estimated amount of \$25.1 million; and (4) expend an estimated \$2.25 million for payments to Skidmore Owings & Merrill LLP (SOM) for the period from March 1, 2007 through May 31, 2007 to provide continued Freedom Tower design services. The details of the aforementioned construction trade contracts and professional service agreements are set forth in the attached addendum.

Payments to Tishman, SOM, and other design and professional firms have been previously authorized by the Board, totaling \$90 million for work expected to be required through February 2007, composed of \$60 million for Tishman, \$14 million for SOM, and \$16 million for other design and professional firms.

At its January 25, 2007 meeting, the Board authorized 1 WTC LLC to execute an amendment to the September 2003 General Contractor Agreement to allow Tishman to provide construction management and general contractor services for the FT Project. Tishman, on behalf of 1 WTC LLC, has a number of below-grade trade work packages that are ready for award. Authorization to award these packages, including those for below-grade ventilation, electrical, plumbing, heating and air conditioning, and concrete (with an option for above-grade concrete), is required to advance construction of the FT at this time. These awards are estimated at \$429.6 million.

The form of trade contract being utilized by Tishman as construction manager was developed by Port Authority staff and maintains, to the greatest degree possible, Port Authority policies and procedures for the work, including provisions allowing for termination for convenience, and requirements for minority and women-owned business enterprise utilization, confidentiality, security and integrity monitoring, and a competitive bidding process.

The terms of the construction trade contracts proposed for award were negotiated and will be awarded to the lowest responsive bidder, in accordance with the procurement procedures established in the Third Freedom Tower Amendment, authorized by the Board at its January 25, 2007 meeting. Trade contracts held by Tishman under the General Contractor Agreement, dated September 2003, between Tishman and 1 WTC LLC, were entered into by Tishman prior to the November 16, 2006 closing and were therefore acquired by 1 WTC LLC at said closing.

Negotiations are ongoing with the principal FT design firm, SOM. However, there are 20 other professional, technical, peer, testing, inspection and specialty advisory service firms whose services are now necessary to advance the project, details of which are included in the attached addendum. Execution of these agreements is necessary now to continue design activities on the project. The aggregate value of the agreements is estimated at \$25.1 million.

The form of the aforementioned professional services agreements was developed by Port Authority staff and includes, to the greatest degree possible, provisions which maintain Port Authority policy and procedures, including termination for convenience. There is a scope of services for each firm's agreement and a budget estimate for each contract scope, against which individual task orders would be issued, up to the budget estimate. The majority of these firms were employed by 1 WTC LLC prior to the November 16, 2006 closing. Favorable pricing and contract terms were subsequently negotiated by Port Authority staff.

In addition, authorization is being requested, in an estimated amount of \$2.25 million, for payments to SOM to provide continued design services for the FT for the period of March 1, 2007 to May 31, 2007.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Coscia, Chasanoff, Ferer, Gargano, Genova, Mack and Steiner voting in favor; none against; Commissioners Sartor and Sinagra recused:

RESOLVED, that 1 World Trade Center, LLC (1 WTC LLC) be and it hereby is authorized to enter into construction trade contracts in connection with the construction of the Freedom Tower, as specified in the attached addendum, through its agent, Tishman Construction Corporation (Tishman), in an estimated total amount of \$429.6 million, inclusive of an eight percent allowance for extra work (if necessary) for each contract; and it is further

RESOLVED, that 1 WTC LLC be and it hereby is authorized to expend an estimated total amount of \$35.3 million for continued payments to Tishman for the trade contracts specified in the attached addendum and held by Tishman under its General Contractor Agreement in connection with the construction of the Freedom Tower; and it is further

RESOLVED, that 1 WTC LLC be and it hereby is authorized to enter into professional service agreements in connection with the construction of the Freedom Tower, as specified in the attached addendum, in a total estimated amount of \$25.1 million; and it is further

RESOLVED, that 1 WTC LLC be and it hereby is authorized to expend an estimated amount of \$2.25 million for payments to Skidmore Owings & Merrill LLP to provide continued Freedom Tower design services for the period from March 1, 2007 to May 31, 2007; and it is further

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

ADDENDUM

The subject construction trade contract awards authorized herein are to be administered by Tishman as contract manager and are as follows:

- 1) Ventilation - Heritage Mechanical Services
Bid Award Price: \$4,815,000
- 2) Electrical - Five Star Electric Corp.
Bid Award Price: \$14, 963,000
- 3) Plumbing - Cardoza Plumbing Corp.
Bid Award Price: \$16,205,000
- 4) Heating and Air Conditioning – F.W. Sims, Inc.
Bid Award Price: \$9,350,000
- 5) Concrete
 - (a) Below-Grade – Collavino Construction Co., Ltd.
Bid Award Price: \$115,000,000
 - (b) Option for Above-Grade Concrete – Collavino Construction Co., Ltd.
Estimated Bid Award Price: \$237,500,000

An eight percent allowance for extra work (if necessary) will be included for each of the above-specified construction trade contracts.

Funding for the subject Tishman trade contracts being held by Tishman under the General Contractor Agreement is estimated as follows:

- 1.) Banker Steel Company, L.L.C.
Structural steel and metal decks
Total remaining payments: \$10,322,692
- 2.) Ferguson Neudorf Glass Inc.
Curtain wall mock-up
Total remaining payments: \$35,000
- 3.) Highland Tank and Manufacturing
Fuel oil tanks
Total remaining payments: \$126,414
- 4.) La Quila Group
Excavation and foundation work
Total remaining payments: \$23,822,648
- 5.) Petrocelli Electric Co. Inc.
Utility relocation
Total remaining payments: \$968,000
- 6.) Turtle and Hughes Inc.
Electrical equipment
Total remaining payments: \$14,688

The following Professional Services Agreements authorized herein are to be entered into by
1 WTC LLC:

Name	Service	Estimated Compensation
Booz Allen Hamilton, Inc.	Circulation Studies	\$ 100,000
Cerami & Associates, Inc.	Acoustic Design	\$ 100,000
Lerch Bates, Inc. ata. Citadel Consulting	Facade Access Services	\$ 100,000
Claude R Engle Lighting Consultants, Inc.	Lighting Design	\$ 250,000
Code Consultants Professional Engineers, PC	Fire Modeling and Code Consultant Services	\$ 350,000
Dan Euser Water Architecture, Inc.	Plaza Water Features Design Services	\$ 100,000
Ducibella Venter & Santore	Security Consultant	\$ 400,000
Israel Berger & Associates, Inc.	Exterior Wall Systems Monitoring	\$ 2,000,000
Jaros, Baum and Bolles Consultant Engineers	Mechanical, Electrical, Plumbing, Fire Protection Consulting Services	\$ 7,000,000
L-3 Communications ESSCO, Inc.	Antenna Shroud	\$ 1,000,000
Leslie E. Robertson Associates, RLLP	Structural Peer Review	\$ 300,000
Mueser Rutledge Consulting Engineers	Foundation Design	\$ 2,000,000
Pentagram Design, Inc.	Graphics & Signage Design	\$ 500,000
Peter Walker and Partners Landscape Architecture Inc.	Landscape Architect	\$ 1,000,000
Philip Habib & Associates	Civil & Traffic Engineering	\$ 100,000
Rowan Williams Davies & Irwin, Inc.	Wind Tunnel Tests	\$ 750,000
Schlaich Bergermann and Partner, LP	Specialty Structural	\$ 1,500,000
Thatcher Associates LLC	Integrity Monitor	\$ 343,000
Weidlinger Associates Inc.	Blast Engineering	\$ 250,000
WSP Cantor Seinuk	Structural Engineering	\$ 7,000,000

**DOWNTOWN RESTORATION PROGRAM – WORLD TRADE CENTER SITE –
WEST BATHTUB VEHICULAR ACCESS PROJECT – PLANNING
AUTHORIZATION AND AWARD OF SUPPLEMENTAL AGREEMENT FOR
EXPERT PROFESSIONAL ARCHITECTURAL AND ENGINEERING
SERVICES**

It was recommended that the Board authorize: (1) preliminary engineering (Stage II) design efforts, in an estimated amount of \$2 million, for engineering, project administration and other requirements and for the retention of professional architectural and engineering services in connection with a project to establish vehicular access to the World Trade Center (WTC) site through the West Bathtub area (West Bathtub Vehicular Access Project); and (2) the Executive Director to authorize the award of a supplemental agreement to Liberty Security Partners (LSP) under the existing agreement entitled, “Performance of Expert Professional Architectural and Engineering Services for the World Trade Center Vehicular Security Center and Tour Bus Parking Facility – Phase I and Phase II” (VSC Agreement), for professional architectural and engineering services in conjunction with this planning effort, in an estimated amount of \$1.2 million.

In the spring of 2006, the need for additional vehicular access to the WTC site was identified. This access is necessary to facilitate first responder vehicle access, screening scalability and overall site defense depth. The West Bathtub Vehicular Access Project would provide “black car” access management to the Freedom Tower and connect vehicular routing below grade from the Freedom Tower car-parking program to the Vehicular Security Center (VSC), via a common roadway network in the East Bathtub. Certain Stage I (Conceptual Design) work was performed internally by the Port Authority.

The West Bathtub Vehicular Access Project seeks to establish vehicular access to the below-grade infrastructure at the northern section of the WTC site, thus complementing the planned VSC to the south. The enhanced vehicular access would accommodate one-way vehicular traffic with direct access to the West Bathtub. The proposed site is defined by the Freedom Tower, Vesey Street, Greenwich Street and Fulton Street.

The baseline project scope consists of the following:

- A vehicular ramp structure (the helix) that connects to Vesey Street at grade, the Tower 1 (T1) parking level, and a truck loading area.
- Traffic designs and analyses of the helix.
- Mechanical, electrical and plumbing (MEP) programs that support the operations of the helix and its connecting roadways.
- Structural support for the helix.

In order for the baseline project scope to function seamlessly and reap potential efficiencies by sharing and coordinating with its neighboring programs, the following design work is required for the project to succeed:

- Connecting roadway sections to and from the helix at various levels described in the baseline scope.

- Vesey Street screening and traffic designs.
- Potential sharing/modification to MEP designs proposed by other programs.
- Potential sharing/modification to structural designs proposed by other programs.
- Coordination with other programs at the project site, such as the Performing Arts Center, the Freedom Tower and the WTC Transportation Hub.

In addition, the design team would coordinate with other stakeholders on their respective programmatic, egress, MEP, structural, traffic and security requirements.

The design team is expected to explore and evaluate potential options and alternatives and help define design and construction demising lines among various programs from an engineering and design point of view. The design team then would determine the Stage II baseline scheme before producing a complete and comprehensive Stage II document. The design team also would help formulate assumptions on the concept of operations for the West Bathtub Vehicular Access Project, in conjunction with the WTC Master Manager and the VSC Design Team. The duration of the design effort is estimated at seven months, from March through September of 2007.

LSP was selected, under a publicly advertised Request For Proposals process, to perform the professional architectural and engineering services under the VSC agreement, and its work has been ongoing since October 2006. The scope of work of the VSC agreement includes many elements that are essentially the same as those of the West Bathtub Vehicular Access Project. The West Bathtub Vehicular Access Project would be integrated with the underground roadway system now under design by LSP. In addition, to minimize cost and Port Authority Trans-Hudson rail service interruption, West Bathtub Vehicular Access Project construction would have to take place in conjunction with the WTC Transportation Hub construction activity at the track level, which is anticipated to start in the third quarter of 2008. Significant time saving and efficiencies would be realized by awarding the West Bathtub Vehicular Access Project design services scope of work to LSP via a supplemental agreement.

There are currently no identified external funding sources for this project. However, staff is continuing to explore potential federal security grant funding.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Coscia, Chasanoff, Ferer, Gargano, Genova, Mack, Sartor, Sinagra and Steiner voting in favor; none against:

RESOLVED, that preliminary engineering (Stage II) design efforts, in an estimated amount of \$2 million, for engineering, project administration and other requirements in connection with a project to establish vehicular access to the World Trade Center site through the West Bathtub Area (West Bathtub Vehicular Access Project), be and they hereby are 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 authorize the award of a supplemental agreement to Liberty Security Partners under the existing agreement entitled, "Performance of Expert Professional Architectural and Engineering Services for the World Trade Center Vehicular Security Center and Tour Bus Parking Facility – Phase I

and Phase II,” for professional, architectural and engineering services in connection with the West Bathtub Vehicular Access Project, in an estimated amount of \$1.2 million; the form of the agreement shall be subject to the approval of General Counsel or his authorized representative.

**TETERBORO AIRPORT – GENERAL AVIATION AIRCRAFT SERVICE, INC. AND
JET AVIATION TETERBORO L.P. – SUPPLEMENTAL USE AND
OCCUPANCY AGREEMENTS**

It was recommended that the Board authorize the Executive Director to enter into supplemental use and occupancy agreements with General Aviation Aircraft Service, Inc. (GAAS) and Jet Aviation Teterboro L.P. (Jet Aviation) providing for the use and occupancy of Hangars 12 and 121 and associated land space at Teterboro Airport (TEB), to be co-terminous with their existing agreements, which will expire in 2026 and 2022, respectively.

In June 2003, the Board authorized an agreement with First Aviation Services (FAS) to develop a 20-acre site in the south area of TEB and relocate its Fixed Base Operator (FBO) facility from Hangars 1 and 12. The proposed agreements with GAAS and Jet Aviation would enable staff to address a number of operational and safety concerns, including on-airport congestion, and do so without expanding the airport. In addition, GAAS would be provided with the use of Hangar 12 and would be permitted, at its own cost and expense, to demolish Hangar 14, to create a more efficient operation as well as increase the size of its leasehold, which it had been precluded from doing in its current location. Jet Aviation would be provided with the use of Hangar 121, to ensure an efficient operation is feasible in the south area of the airport.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Ferer, Gargano, Genova, Mack, Sartor, Sinagra and Steiner voting in favor; none against; Commissioner Coscia recused:

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to enter into supplemental use and occupancy agreements with General Aviation Aircraft Service, Inc. and Jet Aviation Teterboro L.P. for the use and occupancy of Hangars 12 and 121 at Teterboro Airport, substantially in accordance with the terms and conditions outlined to the Board; the form of each agreement 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 AND EXPRESSRAIL ELIZABETH LEAD TRACKS – AGREEMENTS WITH CONSOLIDATED RAIL CORPORATION, NORFOLK SOUTHERN RAILWAY COMPANY AND CSX TRANSPORTATION, INC.

It was recommended that the Board authorize the Executive Director to enter into agreements with the Consolidated Rail Corporation, Norfolk Southern Railway Company and CSX Transportation, Inc. (collectively, Conrail) to provide for the terms and conditions for the maintenance and operation of the ExpressRail Corbin Street Intermodal Rail Support Facility (Support Facility) and the two ExpressRail Elizabeth lead tracks (Lead Tracks), and the Port Authority's construction of Phase 1B of the Support Facility on Conrail property. These actions would provide for the efficient operation and maintenance of critical rail infrastructure supporting Port Authority marine terminals in New York and New Jersey, and would facilitate the completion of construction of authorized projects in connection with the Port Intermodal Rail Development Program.

The development of a comprehensive Port Intermodal Rail Development Program has been authorized previously by the Board, in an estimated aggregate amount of \$530 million, to accommodate current and forecast container activity capable of serving on-dock rail facilities at the Port Authority's marine terminals over the next 20 years. The ExpressRail System will result in dedicated rail facilities in Port Newark, the Elizabeth-Port Authority Marine Terminal (EPAMT) and Howland Hook Marine Terminal (ExpressRail Port Newark, ExpressRail Elizabeth and ExpressRail Staten Island). ExpressRail Elizabeth and the interim ExpressRail Port Newark facilities are operational, and ExpressRail Staten Island will be operational shortly, upon re-activation of the Staten Island Railroad.

In order for the Port of New York and New Jersey's rail facilities 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 three on-dock ExpressRail facilities. In recognition of this need, at its meetings of March 20, 2003 and February 24, 2005, the Board authorized a total of approximately \$8 million for the planning and preliminary design of the Support Facility. Due to numerous conflicts between the track alignment and major underground utility systems and a Federal Aviation Administration ground radar tower for Newark Liberty International Airport, the project was divided into phases to allow for staged development. At its meetings in February 2005, April 2005 and October 2006, the Board authorized the relocation of utilities and the construction of various phases of the Support Facility, which will ultimately provide over 100,000 linear feet of support track, and the construction of a permanent ExpressRail Port Newark facility.

Conrail currently provides rail service to ExpressRail Elizabeth and the interim ExpressRail Port Newark facility, and will utilize the track being constructed to support Port Authority rail facilities in New York and New Jersey. The rail operator's maintenance of the Support Facility and the Lead Tracks would provide the most efficient approach to coordinating operations and maintenance activities. In addition to routine maintenance, Conrail would be responsible for repairing any damage from its operations to the track of the Support Facility and the Lead Tracks, for a ten-year period. At the end of the ten-year period, the Port Authority would re-evaluate the maintenance portion of the agreements. The term for the use and operation of the property would be for a 30-year period. Although Conrail owns the land on which

approximately one-half the support track and associated infrastructure of the Support Facility are being constructed, the terms of the maintenance and operating agreement would provide for the Port Authority to retain title to all infrastructure constructed by the Port Authority on Conrail property in connection with the Support Facility.

Under Lease EP-156, Conrail leases approximately 28 acres of property west of Corbin Street at the EPAMT for storage and loading trains, at an annual rental rate of approximately \$85,000. Because the leasehold is located within the area in which Phase 1B of the Support Facility is being constructed, Conrail will no longer be able to use the property pursuant to the terms of its lease agreement. As a term of the proposed construction, operation and maintenance agreement, Conrail has agreed to surrender Lease EP-156, but would continue making the approximately \$85,000 annual payment to the Port Authority for a ten-year period. The Port Authority would make payments to Conrail in an amount of approximately \$80,000 per year, to be adjusted annually based upon the Association of American Railroads – Rail Cost Adjustment Factor. This exchange of payments represents the negotiated consideration to Conrail for the performance of maintenance for the initial ten-year period.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Coscia, Chasanoff, Ferer, Gargano, Genova, Mack, Sartor and Sinagra; 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 agreements with Consolidated Rail Corporation (Conrail), Norfolk Southern Railway Company (NS) and CSX Transportation, Inc. (CSX), either individually or collectively, to provide for: (1) the operation and maintenance of the ExpressRail Corbin Street Intermodal Rail Support Facility (Support Facility) and the two ExpressRail Elizabeth lead tracks (Lead Tracks), and the Port Authority's construction of Phase 1B of the Support Facility on Conrail property; (2) the surrender of Lease EP-156 with Conrail for 28 acres west of Corbin Street at the Elizabeth-Port Authority Marine Terminal, which is required to construct Phase 1B of the Support Facility; (3) payment by Conrail, NS or CSX of approximately \$85,000 annually through 2017; (4) payment by the Port Authority to Conrail, NS or CSX for maintenance of the Support Facility and the Lead Tracks, currently estimated at \$80,000 per year, which will be adjusted annually based upon the American Association of Railroads – Rail Cost Adjustment Factor; (5) reimbursement by the Port Authority to Conrail, NS or CSX of an amount not to exceed \$750,000 for installation of a switch and the raising of the Conrail mainline to an elevation necessary to accommodate a connection to the new Support Facility; and (6) any agreements necessary to effectuate this matter; 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.

BROOKLYN-PORT AUTHORITY MARINE TERMINAL – WINDMILL DISTRIBUTING COMPANY, L.P. d/b/a PHOENIX BEVERAGES, INC. – NEW LEASE

It was recommended that the Board authorize the Executive Director to enter into a lease agreement with Windmill Distributing Company, L.P. d/b/a Phoenix Beverages, Inc. (Phoenix) for the letting of Pier 7 and associated open area at the Brooklyn-Port Authority Marine Terminal for a term commencing on or about April 1, 2007 and ending on or about March 31, 2022.

The lease would provide for a \$34.5 million minimum guaranteed aggregate rental, with the potential of a maximum aggregate rental of \$40.2 million over the base term. Phoenix would be obligated, at its sole cost and expense, to make capital improvements to Pier 7, in an estimated amount of \$3.4 million. The Port Authority would have the right to extend the lease for a five-year period on the same terms and conditions.

The Port Authority instituted two landlord/tenant proceedings in Civil Court of the City of New York (one in July 2004 concerning the southern portion of Pier 7 and one in August 2004 concerning the northern portion of Pier 7) against the present occupant, American Warehousing of New York, Inc. (AW), to evict it from Pier 7. In response to the Port Authority's actions, in August 2004 and June 2005, respectively, AW filed two separate complaints against the Port Authority with the Federal Maritime Commission (FMC). The Civil Court, over the Port Authority's objection, stayed both actions pending a decision by the FMC. AW moved to dismiss the Civil Court actions on technical grounds; after this motion was granted, the Port Authority refiled both actions, which were again stayed pending the FMC determination. The FMC Administrative Law Judge made his initial decision holding that the Port Authority did not violate the Shipping Act of 1984 by declining to enter into a long-term lease with AW and taking other actions, and denied AW's request for reparations and other relief. The Port Authority then moved to lift the stay of the Civil Court actions to proceed with the eviction; the Civil Court has not yet rendered a decision on the motion to lift the stay. The FMC recently advised that it will extend its decision date from February 5, 2007 to July 5, 2007. The proposed lease with Phoenix would provide that Phoenix would have the right to terminate the lease if the FMC does not rule in favor of the Port Authority on or before July 6, 2007, with each party releasing the other from liability. In addition, the lease would provide that the Port Authority will not be liable to Phoenix if Pier 7 is not delivered to it because AW remains in possession.

The Port Authority would obtain the formal written consent of New York City Economic Development Corporation (NYCEDC) prior to entering into the lease with Phoenix, as is required under the Memorandum of Understanding for the transfer of Piers 7 through 12 at the Brooklyn-Port Authority Marine Terminal to the City of New York.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Coscia, Chasanoff, Ferer, Gargano, Genova, Mack, Sartor, Sinagra 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 agreement with Windmill Distributing Company, L.P. d/b/a Phoenix Beverages, Inc. for the letting of Pier 7 and associated open area at the Brooklyn-Port Authority Marine Terminal for a term commencing on or about April 1, 2007 and ending on or about March 31, 2022, substantially in accordance with the terms and conditions outlined to the Board; the form of the agreement shall be subject to the approval of General Counsel or his authorized representative.

PORT FACILITIES – CONSENT TO TRANSFERS OF LEASES AND CHANGES OF OWNERSHIP INTERESTS

Proposed changes in tenancies or tenant ownership at the Port Authority's marine terminals typically require the Port Authority's consent under the lease or other agreement governing the tenancy. These changes may include assignment, transfer, sale or conveyance of the lease or an interest in the lease, or change in ownership or control of the tenant or a parent company, related entity, or beneficial owner (Tenant Entity Changes). Given rapidly changing conditions in infrastructure capital markets and an anticipated future increase in the number of proposed Tenant Entity Changes, it is important for the Port Authority to be able to respond to requests for its consent to proposed changes in a uniform, efficient and timely manner.

It was recommended that, with respect to proposed Tenant Entity Changes, the Board authorize the Executive Director to consent to such proposed Tenant Entity Changes, provided, however, that the Executive Director, after appropriate due diligence has been conducted, determines that the entity (or entities) assuming ownership or control of the lease or tenant: (1) is (or are) suitable to control tenant operations at a Port Authority marine terminal facility by reason of integrity, financial capacity, security qualifications and operational ability; (2) shall commit to make appropriate capital investments in the facility, including support of capital investment or programs previously undertaken by the existing tenant; and (3) shall pay to the Port Authority such economic consideration as the Executive Director determines to be appropriate under the circumstances, taking into account such factors as the cost incurred by the Port Authority in connection with the Tenant Entity Change transaction, as well as existing Port Authority investment in the facility and economic risks arising out of such Tenant Entity Change.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Coscia, Chasanoff, Ferer, Gargano, Genova, Mack, Sartor, Sinagra 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 consent to any proposed (1) assignment, transfer, sale or conveyance of a lease or an interest in a lease by a tenant at any of the Port Authority's marine terminal facilities, and (2) any change of ownership or control of a tenant at any of the Port Authority's marine terminal facilities, or of a parent company, related entity, or beneficial owner of a tenant (both (1) and (2) to be referred to, collectively, as Tenant Entity Changes); and it is further

RESOLVED, that such consent by the Executive Director shall be subject to appropriate due diligence necessary to review any proposed Tenant Entity Change, so that he may be satisfied that the new entity (or entities) to which the lease or interest in the lease would be transferred, or which would assume ownership or control of a lease or a tenant at a Port Authority marine terminal: (1) is (or are) suitable to control tenant operations at a Port Authority marine terminal by reason of integrity, financial capacity, security qualifications and operational ability; (2) shall commit to make appropriate capital investments in the facility, including support of capital investment or programs previously undertaken by the existing tenant; and (3) shall pay to the Port Authority such economic consideration as the Executive Director determines to be appropriate under the circumstances, taking into account such factors as the cost

incurred by the Port Authority in connection with the Tenant Change transaction, as well as existing Port Authority investment in the facility and economic risks arising out of such Tenant Entity Change; 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 agreements and execute any other documents necessary to effectuate or in connection with a Tenant Entity Change, upon satisfaction of the foregoing conditions, including the execution of contracts, agreements and other documents, together with amendments and supplements thereof, or amendments and supplements to existing contracts, agreements and other documents, and to take action in accordance with the terms of such contracts, agreements and documents as may be necessary or appropriate in connection therewith; and it is further

RESOLVED, that the form of all documents necessary to effectuate any Tenant Entity Change shall be subject to approval by General Counsel or his authorized representative.

SETTLEMENT OF CLAIM – KATHLEEN WOODARD v. THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY v. GLOBE GROUND NORTH AMERICA, LLC

It was recommended that the Board authorize General Counsel to finalize the settlement of an action entitled “Kathleen Woodard v. The Port Authority of New York and New Jersey v. Globe Ground North America, LLC” in the total amount of \$235,000, of which the co-defendant, Globe Ground N.A., LLC (Globe Ground), would pay \$95,000, and the Port Authority would pay the remaining \$140,000, inclusive of attorneys’ fees, costs and disbursements. Plaintiff would provide the Port Authority with a General Release and a Stipulation of Discontinuance with Prejudice.

Plaintiff Kathleen Woodard, who was 45 years old at the time of the incident on March 26, 2003, was going from the US Airways Terminal at LaGuardia Airport to the Delta Air Lines Terminal to catch a flight home to Alabama when she fell while trying to board a Globe Ground shuttle bus. The bus driver claimed that he stopped the bus a few feet from the curb in order to avoid an indentation in the roadway. Plaintiff claimed that she lost her balance and fell when she stepped in the indentation in the roadway. Ms. Woodward sustained various significant personal injuries resulting from the incident requiring medical treatment.

Plaintiff initially filed suit against the Port Authority only. The Port Authority then impleaded Globe Ground via a Third-Party Summons and Complaint. Plaintiff subsequently moved to add Globe Ground as a direct defendant.

Pursuant to the foregoing report, the following resolution was adopted in executive session with Commissioners Blakeman, Coscia, Chasanoff, Ferer, Gargano, Genova, Mack, Sartor, Sinagra and Steiner voting in favor; none against:

RESOLVED, that General Counsel be and he hereby is authorized, for and on behalf of the Port Authority, to finalize the settlement of a lawsuit entitled “Kathleen Woodard v. The Port Authority of New York and New Jersey v. Globe Ground North America, LLC” in an amount to be paid by the Port Authority of \$140,000, inclusive of attorneys’ fees, costs and disbursements.

SETTLEMENT OF CLAIM – ERNEST DIGIOVANNI, A/A/O THE ESTATE OF JOHN DIGIOVANNI v. THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

It was recommended that the Board authorize General Counsel to finalize the settlement of a wrongful death claim in the action entitled “Ernest DiGiovanni, as Administrator of the Estate of John DiGiovanni v. The Port Authority of New York and New Jersey” in the amount of \$200,000, inclusive of attorneys’ fees, costs and disbursements. Plaintiff would provide the Port Authority with a General Release, a Decree from the Surrogate’s Court approving the settlement, and a Stipulation of Discontinuance with Prejudice. The Port Authority would be fully reimbursed for the settlement amount by its excess insurance carriers, because the Port Authority’s self-insured retention has already been exhausted and the settlement was approved by the insurer responsible for the first layer of excess coverage.

On February 26, 1993, the date of the terrorist bombing of The World Trade Center (WTC), plaintiff’s decedent, John DiGiovanni, who was 45 years old at the time and employed by Kerr Manufacturing Co. as a Dental Supply Salesperson, died as a result of injuries suffered while he was in the B2-level parking garage of the WTC at the time the bombing occurred. Ernest DiGiovanni, the administrator of the estate and decedent’s brother, filed an action seeking damages for wrongful death.

Pursuant to the foregoing report, the following resolution was adopted in executive session with Commissioners Blakeman, Coscia, Chasanoff, Ferer, Gargano, Genova, Mack, Sartor, Sinagra and Steiner voting in favor; none against:

RESOLVED, that General Counsel be and he hereby is authorized, for and on behalf of the Port Authority, to finalize the settlement of the action entitled “Ernest DiGiovanni, a/a/o the Estate of John DiGiovanni v. The Port Authority of New York and New Jersey” in the amount of \$200,000, inclusive of liens, attorneys’ fees, costs and disbursements.

SETTLEMENT OF CLAIM – GIUSEPPE SUSINO AND KRYSTINA SUSINO v. THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

It was recommended that the Board authorize General Counsel to finalize the settlement of an action entitled “Giuseppe Susino and Krystina Susino v. The Port Authority of New York and New Jersey” in the amount of \$150,000. Plaintiff would provide the Port Authority with a General Release and a Stipulation of Discontinuance with Prejudice.

Plaintiff, Giuseppe Susino (Krystina Susino voluntarily discontinued her action against the Port Authority several years ago), who was 51 years old at the time of the incident on September 8, 1999, alleges that while working for American Stevedoring, Inc. (ASI) at the Red Hook Container Terminal in Brooklyn, New York, a “Hustler” vehicle (a large vehicle that moves cargo containers) that he was operating on the piers drove into a five-foot-by-ten-foot pothole filled with water. Upon hitting the hole, plaintiff bounced off his seat, striking his body against the vehicle. Mr. Susino sustained various significant personal injuries resulting from the incident requiring medical treatment.

The Port Authority’s lease agreement with ASI provides that the Port Authority is responsible for maintaining the exterior pavement of the leasehold and fixing structural defects in the pavement.

Pursuant to the foregoing report, the following resolution was adopted in executive session with Commissioners Blakeman, Coscia, Chasanoff, Ferer, Gargano, Genova, Mack, Sartor, Sinagra and Steiner voting in favor; none against:

RESOLVED, that General Counsel be and he hereby is authorized, for and on behalf of the Port Authority, to finalize the settlement of a lawsuit entitled “Giuseppe Susino and Krystina Susino v. The Port Authority of New York and New Jersey” in the amount of \$150,000, inclusive of attorneys’ fees, costs and disbursements.

**SETTLEMENT OF CLAIM – ZURICH AMERICA INSURANCE COMPANY, AS
SUBROGEE OF XEROX CORPORATION v. THE PORT AUTHORITY OF
NEW YORK AND NEW JERSEY**

It was recommended that the Board authorize General Counsel to finalize the settlement of claims for property damage, business interruption, and lost profits in the action entitled “Zurich America Insurance Company, as Subrogee of Xerox Corporation v. The Port Authority of New York and New Jersey” in the aggregate amount of \$1,137,612, inclusive of attorneys’ fees, costs, disbursements and any claim for interest on the damages sustained. In return, plaintiff would provide the Port Authority with a General Release and Stipulation of Discontinuance with Prejudice. The Port Authority’s excess insurers have authorized the settlement. The settlement amount would be paid directly to plaintiff by the Port Authority, and the Port Authority’s excess insurers would then reimburse the Port Authority in full. The payment would reduce the available excess liability coverage by an equivalent amount.

The matter being settled involves a subrogated claim brought by an insurer arising from, or on behalf of, tenants in The World Trade Center at the time of the February 26, 1993 terrorist bombing. The plaintiff alleges that, as a result of the Port Authority’s negligence, its subrogor suffered property damage, business interruption damages and loss of profits.

Pursuant to the foregoing report, the following resolution was adopted in executive session with Commissioners Blakeman, Coscia, Chasanoff, Ferer, Gargano, Genova, Mack, Sartor, Sinagra and Steiner voting in favor; none against:

RESOLVED, that General Counsel be and he hereby is authorized, for and on behalf of the Port Authority, to finalize the settlement of the action entitled “Zurich America Insurance Company, as Subrogee of Xerox Corporation v. The Port Authority of New York and New Jersey” in the amount of \$1,137,612, inclusive of attorneys’ fees, costs and disbursements.

TRIBUTE TO KENNETH J. RINGLER, JR.

The following resolution was unanimously adopted by the Board of Commissioners upon the recent retirement of Kenneth J. Ringler, Jr., Executive Director.

WHEREAS, from the time he joined the Port Authority as Executive Director on October 27, 2004, Kenneth J. Ringler, Jr., has served with great distinction in leading The Port Authority of New York and New Jersey during a period of renewal, rebuilding and change management; and

WHEREAS, after a long and distinguished career in the public service in the State of New York, Kenneth J. Ringler Jr., immediately took the helm of a public agency and, notwithstanding significant fiscal constraints, developed an ambitious agenda that demonstrated his tremendous leadership skills and proven ability to get things done; and

WHEREAS, Kenneth J. Ringler, Jr., has led this agency through a period of organizational effectiveness and change management, which has resulted in recurring savings to the agency in excess of \$130 million, demonstrating his commitment to the agency's fiscal responsibility to the region and his focus on corporate governance and accountability; and

WHEREAS, Kenneth J. Ringler, Jr., has continued to place great emphasis upon the safety and security of the agency's facilities, providing for record levels of investment in security infrastructure and increased police personnel, so that the public and commerce may be ensured dependable, trustworthy passage throughout the region; and

WHEREAS, as Executive Director, Kenneth J. Ringler, Jr., has demonstrated an unparalleled commitment to the rebuilding of Lower Manhattan and has led staff in the resolution of a number of critical agreements, including implementation of the Conceptual Framework for the redevelopment of the World Trade Center site, which will enable the rebuilding effort to move forward in a rational and expedited fashion; and

WHEREAS, Kenneth J. Ringler, Jr., has overseen the advancement of several key Port Authority projects, including the World Trade Center Transportation Hub; Newark Liberty International Airport's Terminal B Modernization Program; a new passenger terminal at John F. Kennedy International Airport; the acceleration of the Port Intermodal Rail Development Program; implementation of highway-speed E-ZPass at a number of Port Authority bridge crossings; and acquisition of the new PATH railcar fleet; and

WHEREAS, Kenneth J. Ringler, Jr., has placed great emphasis on the importance of every employee and has implemented various programs to promote employee communication, recognize staff accomplishments and foster teambuilding, including direct interaction with, and solicitation of ideas from, staff at all levels, in an effort to improve the agency and the employee workplace; and

WHEREAS, in recognition of his outstanding leadership and contributions to the agency, Kenneth J. Ringler, Jr., was presented with the inaugural Chairman's Award of Achievement in May 2006;

AND, in addition,

WHEREAS, by resolution adopted by the Board on March 14, 1957, the Howard S. Cullman Distinguished Service Medal was established, which award is the highest award for service given by the Port Authority to a Port Authority employee who has performed the most outstanding service; and

WHEREAS, in the case of Kenneth J. Ringler, Jr., it is recommended that the Howard S. Cullman Distinguished Service Medal be awarded to Kenneth J. Ringler, Jr., for his leadership and accomplishments during one of the most trying and challenging periods in the agency's history and for his dedication to public service to this agency and to the region it serves.

NOW, therefore, be it

RESOLVED, that the Commissioners of The Port Authority of New York and New Jersey hereby express to Kenneth J. Ringler, Jr., their sincere appreciation for his service to and leadership of the agency and the region it serves; and it is further

RESOLVED, that the Howard S. Cullman Distinguished Service Medal be awarded to Kenneth J. Ringler, Jr., for the performance of outstanding service; and it is further

RESOLVED, that the Board of Commissioners hereby directs that this resolution be suitably engraved and presented to Kenneth J. Ringler, Jr., as a token of the high esteem in which he is held by the Board and staff alike.

TRIBUTE TO EDMOND F. SCHORNO

The following resolution was unanimously adopted to express the appreciation of the members of the Board of Commissioners of The Port Authority of New York and New Jersey to Edmond F. Schorno upon his recent retirement.

WHEREAS, from the time he joined the Port Authority on April 1, 2002 as Chief of Staff, Edmond F. Schorno has served with great distinction and has given the full measure of his time and talents to further the mission and goals of The Port Authority of New York and New Jersey; and

WHEREAS, Ed Schorno has been an outstanding leader and has demonstrated exceptional day-to-day management of the agency, and has instituted management controls to ensure compliance throughout the agency; and

WHEREAS, Ed Schorno has brought his formidable knowledge, expertise, and problem-solving skills to a wide variety of issues, including spearheading efforts that brought about fundamental change to the agency's approach to managing police resources while maintaining the highest level of safety and security at our facilities; and

WHEREAS, Ed Schorno has been an advocate of employee communication, diversity and agency-wide charitable campaigns that have earned him the trust and respect of staff at all levels, who have come to know him as a true leader who represents all that is good in public service; and

WHEREAS, Ed Schorno has been instrumental in shaping the culture of the agency, by leaving behind a legacy of achievement and success that will serve the agency for many years to come; and

WHEREAS, in keeping with the agency's continuing tradition of excellence and achievement, in 2006, Edmond F. Schorno was awarded the Howard S. Cullman Distinguished Service Medal, the highest award for service given by the Port Authority to an employee who has performed the most outstanding service, as well as the Chairman's Award of Achievement for his tireless efforts in support of the agency and the people of the region it serves,

NOW, therefore, be it

RESOLVED, that the Commissioners of The Port Authority of New York and New Jersey hereby express to Edmond F. Schorno their sincere appreciation for his service to the agency and the region it serves; and it is further

RESOLVED, that the Board of Commissioners hereby directs that this resolution be suitably engraved and presented to Edmond F. Schorno as a token of the high esteem in which he is held by the Board and staff alike.

Whereupon, the meeting was adjourned.

Secretary