

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

MINUTES

Thursday, April 24, 2025

Report on Prior Meeting's Minutes	23
Moment of Silence	23
John F. Kennedy International Airport – Cargo Building 9 – Korean Airlines Co., Ltd. – Supplement to Lease AYC-646	24
John F. Kennedy International Airport – Worldwide Flight Services, Inc. Cargo Building 151 – New Building Lease	26
John F. Kennedy International Airport – AirTrain JFK – Redevelopment Planning and Early-Action Program Phase 1 – Planning Authorization	28
Confidential Item	29

MINUTES of the Meeting of The Port Authority of New York and New Jersey held Thursday, April 24, 2025, at 150 Greenwich Street, New York City, New York and via videoconference.

PRESENT:

NEW JERSEY

Hon. Kevin J. O’Toole, Chairman
 Hon. J. Christian Bollwage
 Hon. George Helmy*
 Hon. Joseph Kelley
 Hon. Kevin P. McCabe
 Hon. Michelle E. Richardson*

NEW YORK

Hon. Leecia R. Eve
 Hon. Elizabeth R. Fine
 Hon. Winston C. Fisher*
 Hon. Gary LaBarbera
 Hon. Rossana Rosado*

Richard Cotton, Executive Director
 Amy H. Fisher, General Counsel
 James E. McCoy, Secretary

Richard J. Abbato, Principal Board Management Support Specialist, Office of the Secretary
 James K. Allen Jr., Chief Communications Officer
 M. Rizwan Baig, Chief Engineer
 Christopher J. Beacham, Chief of Staff, Office of the Chief Financial Officer*
 Christina Callahan, Chief, Human Capital
 Ana M. Carvajalino, Director, Financial Planning
 Clarelle D. DeGraffe, Director, Rail Transit*
 Lisa M. Dewey-Mattia, Chief of Staff and Special Counsel to the Executive Director
 Gregory W. Ehrie, Chief Security Officer
 Benjamin E. Feldman, Deputy Chief Communications Officer
 Whitney Ferguson, Deputy Inspector General*
 Kristen L. Figaro, Director, Government and Community Affairs, New Jersey
 Robert E. Galvin, Chief Technology Officer
 Shannon E. Gates, Principal Board Management Support Specialist, Office of the Secretary
 John Gay, Inspector General
 Abigail Goldenberg, Esq., Law
 Jessica S. Gummerman, Deputy Secretary
 James D. Heitmann, Chief Operating Officer
 Kirsten Hernandez, Special Assistant to the Executive Director

* Remote participants via videoconference.

Sherien N. Khella, Treasurer
 Stephen Marinko, Assistant General Counsel
 Elizabeth M. McCarthy, Chief Financial Officer
 Zachary McCue, Chief, Intergovernmental Affairs
 Matthew F. Murray, Senior Advisor to the Chairman
 Kathryn W. Parneros, Assistant Manager, Board Unit, Office of the Secretary*
 Thomas Pietrykoski, Director, Corporate Communications
 Nathan D. Reilly, First Deputy General Counsel and Director of Legal Affairs
 Alan L. Reiss, Director, World Trade Center Construction*
 Elizabeth Rogak, Assistant General Counsel
 Jessica Russ, General Manager, Board Unit, Office of the Secretary*
 Peter D. Simon, Chief of Staff to the Chairman
 Debra M. Torres, Chief Ethics and Compliance Officer*
 Derek H. Utter, Chief Development Officer
 Lillian D. Valenti, Chief Procurement Officer
 Li Pei Wang, Director, Project Management
 Michael S. Wojnar, Special Counselor to the Executive Director
 Jolene M. Yeats, Director, World Trade Center*

Guests:

Jessica S. O'Connor, Associate Counsel, Authorities Unit, Office of the Governor of New Jersey
 David Ullman, Assistant Secretary for Transportation, Office of Governor of New York*

Public Commenters:

Jason Anthony
 John Seel
 John Taranu

Topic:

Accessibility/Safety
 JFK Staffing
 PATH Service

* Remote participants via videoconference.

The public meeting was called to order by Chairman O’Toole at 12:50 p.m. and ended at 1:24 p.m. The Board also met in executive session prior to the public session. Commissioner Helmy was present for the executive session, participating via videoconference, and submitted his affirmative votes to the Secretary on the resolutions before the Board for consideration in public session.

Report on Prior Meeting’s Minutes

Copies of the Minutes of the meeting of March 27, 2025 were delivered in electronic form to the Governors of New York and New Jersey on March 28, 2025. The Governors of New Jersey and New York had, on April 9, 2025 and April 10, 2025, respectively, approved the action taken by the Board with respect to the approval of a resolution authorizing a supplemental lease with APM Terminals North America, Inc. at the Elizabeth-Port Authority Marine Terminal. The time for action by the Governors of New York and New Jersey with respect to the other items expired at midnight on April 11, 2025.

Moment of Silence

The Chairman called for a moment of silence in observance of the recent passing of Jonathan P. Edmundson, a recently hired Port Authority employee who held the position of General Maintainer at John F. Kennedy International Airport.

JOHN F. KENNEDY INTERNATIONAL AIRPORT – CARGO BUILDING 9 – KOREAN AIRLINES CO., LTD. – SUPPLEMENT TO LEASE AYC-646

It was recommended that the Board authorize the Executive Director to enter into a supplement (“Lease Supplement”) to Lease AYC-646 (“KAL Lease”) with Korean Airlines (“KAL”) at John F. Kennedy Airport (the “Airport”) to extend the existing term past its expiration on November 1, 2024 for an 11-year period, expiring October 31, 2035 (“Extended Term”). The Lease Supplement provides that the parties may, by mutual consent, determine to further extend the Lease for three consecutive one-year periods.

KAL began operations at the Airport in 1972 and in 1996 entered into the Lease, pursuant to which it developed and constructed the 19.69-acre cargo facility referred to as “Building 9” at its cost. Building 9 opened in 2000. By extending the Lease as described below, the Port Authority will receive increased rentals from an important cargo handler and stable tenant.

Upon entering into the Lease Supplement, KAL would be required to complete a \$15 million facility improvement to double its cargo handling capacity and refurbish the 25-year-old building with electric infrastructure for charging ground handling equipment and other utility upgrades and employee amenities. In the event that such expenditures made by December 31, 2027, are less than \$15 million, KAL would be required to pay the difference to the Port Authority as additional rent.

The Lease Supplement provides for payment to the Port Authority of an estimated \$189.4 million in rent over the Extended Term, composed of (x) ground rent at standard Airport rates, (y) building rent on a square-foot basis for warehouse and office purposes, and (z) additional aircraft parking area rent per acre. Ground rent and building rent will be subject to annual escalation, and the aircraft parking area rent is subject to a rate adjustment after 5 years. These rentals reflect a significant increase for the Port Authority from rents specified in the original Lease, primarily as a result of including a charge for building rent in the Lease Supplement, which had been abated under the original Lease because KAL had incurred capital costs in connection with the original development and construction. The proposed lease terms were subject to a market validation performed by a third party on the Port Authority’s behalf.

The Port Authority would retain the right to terminate the Lease, without cause, on one year’s notice. If the Port Authority so terminates the Lease, it would reimburse KAL for the unamortized cost of its minimum capital investment.

Pursuant to the foregoing report, the following resolution was adopted, with Commissioners Bollwage, Eve, Fine, Fisher, Helmy, Kelley, LaBarbera, McCabe, O’Toole, Richardson, and Rosado in favor. General Counsel confirmed that sufficient affirmative votes were cast for the action to be taken, a quorum of the Board being present.

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 Lease AYC-646 with Korean Airlines Co., Ltd., for the continued letting of Building 9 and associated ground area at John F. Kennedy International Airport, to extend the existing term past its

expiration on November 1, 2024 for an 11-year period, expiring October 31, 2035, with the ability of the parties to further extend the Lease for three consecutive one-year periods by mutual consent, on terms and conditions substantially similar to those presented in the report to the Board; and it is further

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

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

JOHN F. KENNEDY INTERNATIONAL AIRPORT – WORLDWIDE FLIGHT SERVICES, INC. CARGO BUILDING 151 – NEW BUILDING LEASE

It was recommended that the Board authorize the Executive Director to enter into a 10-year lease, expiring in March 2035 (“Lease”) at John F. Kennedy Airport (the “Airport”) with Worldwide Flight Services, Inc. and its successors as described below (“WFS”) for a site at the Airport where it currently conducts cargo operations (“Premises”), which Premises will include a Centralized Examination Station (“CES”) operated by WFS on behalf of U.S. Customs and Border Protection (“CBP”) under federal regulation.

The Premises, a 24-acre existing site known as “Building 151,” includes a cargo handling building (constructed in 1956) and improved adjacent outdoor space. WFS initially occupied the Premises in 2016 under a one-year space permit and has continued to occupy the Premises for cargo handling operations since that time. Building 151 is currently the busiest cargo building at the Airport and has been used primarily as a cargo hub for multiple airlines and other shippers.

The Lease will permit WFS to conduct cargo operations at the Premises through March 31, 2035. In 2024, WFS was awarded a 5-year contract by CBP to operate a CES operation on the Premises. Under the contract, WFS has agreed to modify space at the Premises for CES operations at a cost of \$8.2 million (“CES Investment”) and to conduct inspection operations as a private party under federal standards with the ability to charge inspection fees for examination services for its own account. In the event that the contract between CBP and WFS is not extended through the end of the Lease term, the Port Authority has agreed to permit WFS to sublease the CES to another party selected by CBP (if CBP determines to continue to conduct CES operations at the Premises), without consent by the Port Authority and to permit WFS to recoup any unamortized costs comprising the CES Investment from that party as a condition to the sublease.

The Lease requires WFS to expend an additional \$5 million to upgrade other portions of the Premises (such upgrade investment is hereinafter referred to as the “Facility Investment”). Any portion of the Facility Investment not made in the first 5-year period will instead be paid to the Port Authority as additional rent.

The Lease provides for payment of an estimated \$180.6 million in rent over the 10-year lease term, composed of (x) ground rent at standard Airport rates, (y) building rent on a square foot basis for warehouse and office purposes, and (z) and additional aircraft parking area rent per acre. Ground rent and building rent will be subject to annual escalation and the aircraft parking area rent is subject to a rate adjustment after 5 years. The proposed lease terms were subject to a market validation performed by a third party on the Port Authority’s behalf.

Pursuant to the foregoing report, the following resolution was adopted, with Commissioners Bollwage, Eve, Fine, Fisher, Helmy, Kelley, LaBarbera, McCabe, O’Toole, Richardson, and Rosado in favor. General Counsel confirmed that sufficient affirmative votes were cast for the action to be taken, a quorum of the Board being present.

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 (“Lease”) with Worldwide Flight Services, Inc. (“WFS”) for a 10-year period through March 31, 2035 on terms and conditions substantially similar to those presented in the report 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 take action with respect to other contracts and agreements as may be necessary or appropriate to effectuate the foregoing lease agreement; and it is further

RESOLVED, that the form of the Lease, and all other contracts, agreements and other documents in connection with the foregoing Lease, shall be subject to the approval of General Counsel or her authorized representative; and the terms of such contracts, agreements and other documents shall be subject to review by General Counsel or her authorized representative.

**JOHN F. KENNEDY INTERNATIONAL AIRPORT – AIRTRAIN JFK –
REDEVELOPMENT PLANNING AND EARLY-ACTION PROGRAM PHASE 1 –
PLANNING AUTHORIZATION**

AirTrain JFK (AirTrain), which opened for service in 2003, is vital to the operation of John F. Kennedy International Airport (Airport). The AirTrain provides reliable mass transit connections from New York City Subway (Subway) and Long Island Rail Road (LIRR) stations at Jamaica and the Subway at Howard Beach to the Airport, and between the Airport's passenger terminals and other Airport services. The AirTrain system was built with future capacity in mind and has the flexibility to expand from the current operations of two-car trains to four-car trains, subject to additional investment. Today, AirTrain serves over 24 million riders annually, and usage is expected to grow to 33 million riders by 2050.

To ensure that the AirTrain JFK system continues to meet the needs of users of the system, it is necessary to begin planning work to develop projects to expand capacity to best meet the forecast future demand and refurbish or replace elements of the system to maintain a state of good repair. It is also desirable to advance near-term improvements for immediate action for the benefit of our customers, such as modification of existing railcars to accommodate additional riders and improvements to signage and wayfinding. It was therefore recommended that the Board authorize preliminary planning, design and early-action work, in an estimated total amount of \$60 million, to develop a project for the future refurbishment and expansion of the capacity of the AirTrain system and to implement certain early-action work now to improve the customer experience.

Pursuant to the foregoing report, the following resolution was adopted, with Commissioners Bollwage, Eve, Fine, Fisher, Helmy, Kelley, LaBarbera, McCabe, O'Toole, Richardson, and Rosado in favor. General Counsel confirmed that sufficient affirmative votes were cast for the action to be taken, a quorum of the Board being present.

RESOLVED, that preliminary planning, design and early-action work, in an estimated total amount of \$60 million, to refurbish and expand the capacity of the AirTrain JFK system serving John F. Kennedy International Airport, be and it hereby is authorized; and it is further

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to take action with respect to contracts for professional, technical, and advisory services and such other contracts and agreements as may be necessary to effectuate the foregoing preliminary planning, design and early-action work, pursuant to authority granted herein or otherwise within his discretion; and it is further

RESOLVED, that the form of any contracts, agreements or other documents in connection with the foregoing planning, preliminary design, and early-action work shall be subject to the approval of General Counsel or her authorized representative, and the terms of such contracts, agreements and other documents shall be subject to review by General Counsel or her authorized representative.

CONFIDENTIAL ITEM

The Board approved a matter in executive session, which shall not be made available for public inspection until such actions have been completed.

Whereupon, the meeting was adjourned.

Secretary