

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

**MINUTES**

**Thursday, June 24, 2004**

Action on Minutes	228
Report of Committee on Finance	228
Report of Committee on Capital Programs/Port Planning	228
Report of Committee on Construction	228
Report of Committee on Operations	228
Chairman's Report	228
Staff Report	229
John F. Kennedy International Airport – Radiant Aviation Services Inc. – Project Authorization, Contract Award for Construction and Agreement for Operation and Maintenance of an Infrared Radiant Deicing Facility At Hangar 12	229 230
John F. Kennedy International Airport – Revised Supplements to Agreement AYB-513 – Avis Rent A Car System, Inc., AYB-516 – Dollar Rent A Car System, Inc., AYB-515 – Budget Rent A Car Corporation and AYB-514 – National Car Rental System, Inc. and Revised Amendments to Corresponding Operating Permits	233
John F. Kennedy International Airport – JFK International Air Terminal LLC – Lease Supplements	235
LaGuardia Airport – Increase in Project Authorization and Amendment of Contract LGA-124.065 for the Design, Construction and Installation of Two Engineered Material Arresting Systems	240
Agreement with the National Oceanic and Atmospheric Administration for the Operation and Maintenance of the Physical Oceanographic Real-Time System	242
Seismic Retrofit Program for the George Washington Bridge New York Approaches and the Port Authority Bus Terminal - Project Authorization and Award of Contract BT-254.220 and GWB-244.221 (This matter, which was adopted by the Board of Commissioners in executive session, is no longer confidential.)	244
Memorandum of Agreement with the Metropolitan Transportation Authority Bridges and Tunnels	246
Revisions to Port Authority Policy and Program for Minority and Woman-Owned Business Enterprise and Small Business Enterprise Programs	247

Settlement of Claim – Scott Weston v. The Port Authority of New York and New Jersey and India Clemons	255
Settlement of Claim – PAB Aviation, Inc., Treasure Solutions, Inc. and United States Aviation Underwriters, Inc. v. The United States of America v. The Port Authority of New York and New Jersey	257
Partial Settlement of Claim – Northwest Airlines, Inc. v. The Port Authority of New York and New Jersey	258
Tribute to Anastasia M. Song	259
Tribute to Charles F. McClafferty	260
Contract and Purchase Order Authorizations and Amendments – Quarterly Report	261
Tort Claim Settlements – Quarterly Report	263
Final Contract Payments	267
Investments and Deposits	269

**MINUTES of the Meeting of The Port Authority of New York and New Jersey held Thursday, June 24, 2004, at 225 Park Avenue South, City, County and State of New York.**

**PRESENT:**

**NEW JERSEY**

Hon. Anthony R. Coscia, Chairman  
 Hon. Raymond M. Pocino  
 Hon. Anthony J. Sartor  
 Hon. Jack G. Sinagra  
 Hon. David S. Steiner

**NEW YORK**

Hon. Bruce A. Blakeman  
 Hon. Michael J. Chasanoff  
 Hon. Christine A. Ferer  
 Hon. David S. Mack  
 Hon. Henry R. Silverman

Joseph J. Seymour, Executive Director  
 Darrell B. Buchbinder, General Counsel-Elect  
 Karen E. Eastman, Secretary

Gwendolyn Archie, Senior Administrator, Office of the Secretary  
 Kayla M. Bergeron, Director, Public Affairs  
 A. Paul Blanco, Chief of Regional and Economic Development  
 Bruce D. Bohlen, Treasurer  
 John D. Brill, Director, Audit  
 Gregory G. Burnham, Chief Technology Officer  
 Ernesto L. Butcher, Chief Operating Officer  
 Patrick G. Caggiano, Director, Economic Development  
 Timothy Castano, Senior Business Consultant, Office of the Chairman  
 Wilfred A. Chabrier, General Manager, Office of Business and Job Opportunity  
 Anthony B. Ciavolella, Public Information Officer, Public Affairs  
 Arthur J. Cifelli, Acting Deputy Executive Director/Director, Government and Community Affairs  
 Steven J. Coleman, Public Information Officer, Public Affairs  
 Anthony G. Cracchiolo, Director, Priority Capital Programs  
 William R. DeCota, Director, Aviation  
 John C. Denise, Supervisor, Audio Visual/Photography, Operations Services  
 Michael P. DePallo, Director, PATH  
 Pasquale DiFulco, Public Information Officer, Public Affairs  
 Nancy J. Ertag-Brand, Executive Advisor to the Chief Financial Officer  
 Michael B. Francois, Director, Real Estate  
 Lash L. Green, Manager, Program Development and Administration, Office of Business and Job Opportunity  
 Linda C. Handel, Assistant Secretary  
 L. Jay Hector, Senior Policy Advisor to the Vice-Chairman  
 Paul Higgins, Policy Advisor to the Vice-Chairman  
 Edward L. Jackson, Director, Financial Services  
 Howard G. Kadin, Senior Attorney, Law  
 Louis J. LaCapra, Chief Administrative Officer  
 Richard M. Larrabee, Director, Port Commerce  
 Francis J. Lombardi, Chief Engineer  
 Robert R. Lurie, Chief of Strategic Planning  
 Stephen Marinko, Attorney, Law  
 Michael G. Massiah, Director, Human Resources  
 Charles F. McClafferty, Chief Financial Officer  
 James E. McCoy, Manager, Board Management Support, Office of the Secretary  
 Concetta M. Mincieli, Senior Executive Secretary, Office of the Secretary  
 Anne Marie C. Mulligan, Deputy Treasurer

Lynn A. Nerney, Senior Administrator, Office of the Secretary

Michael F. O'Connor, Chief of Public Safety and Emergency Management  
Catherine F. Pavelec, Manager, Administration, Protocol and Executive Correspondence,  
Office of the Secretary  
Kenneth P. Philmus, Director, Tunnels, Bridges and Terminals  
Alan L. Reiss, Deputy Director, Aviation  
Edmond F. Schorno, Chief of Staff  
Deborah J. Shapiro, Senior Executive Secretary, Office of the Chief Financial Officer  
Douglas L. Smith, Director, Office of Forecasting and Capital Planning  
Gerald B. Stoughton, Assistant Director, Office of Forecasting and Capital Planning  
Robert A. Sudman, Assistant Comptroller  
Ralph Tragale, Client Manager, Government and Community Affairs  
Emery J. Ungrady, Deputy Chief of Staff  
Peter J. Zipf, Deputy Chief Engineer

The public session was called to order by Chairman Coscia at 2:20 p.m. and ended at 2:39 p.m. The Board met in executive session prior to the public session. Vice-Chairman Gargano was present during the executive session.

### **Action on Minutes**

The Secretary submitted for approval Minutes of the meeting of May 20, 2004. 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 Committee on Finance**

The Committee on Finance reported, for information, on matters discussed in executive session at its meeting on June 24, 2004, which included discussion of lease and contract matters, in addition to 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 and is included with these minutes.

### **Report of Committee on Capital Programs/Port Planning**

The Committee on Capital Programs/Port Planning reported, for information, on matters discussed at its meeting on June 24, 2004, which included discussion on extending an agreement, on behalf of the States of New York and New Jersey, for the operation and maintenance of the Physical Oceanographic Real-Time System, and the report was received.

### **Report of Committee on Construction**

The Committee on Construction reported, for information, on matters discussed at its meeting on June 24, 2004, which included discussion of a project for the construction of two aircraft arrestor beds at LaGuardia Airport, as well as matters discussed in executive session, which included discussion of contract matters, in addition to 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 and is included with these minutes.

### **Report of Committee on Operations**

The Committee on Operations reported, for information, on matters discussed and action taken in executive session at its meeting on June 24, 2004, which included discussion of personnel and contract matters, lease matters, and matters which could affect the competitive economic position of the Port Authority, the Port District or businesses with which we deal, in addition to 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 and is included with these minutes.

**Chairman's Report**

On behalf of the Board, Commissioner Coscia welcomed Commissioner Christine A. Ferer and congratulated her on her recent appointment to the Board by New York Governor George E.Pataki.

**Staff Report**

A presentation was made by staff on 2003 year-end results of the Minority/Woman-Owned/Small Business Enterprise programs.

**JOHN F. KENNEDY INTERNATIONAL AIRPORT – RADIANT AVIATION SERVICES INC. – PROJECT AUTHORIZATION, CONTRACT AWARD FOR CONSTRUCTION AND AGREEMENT FOR OPERATION AND MAINTENANCE OF AN INFRARED RADIANT DEICING FACILITY AT HANGAR 12**

It was recommended that the Board authorize: (1) a project for design and construction of an infrared radiant deicing facility on approximately 2.3 acres of land adjacent to Hangar 12 at John F. Kennedy International Airport (JFK) at an estimated project cost of \$9.5 million; and (2) the Executive Director to enter into a sole-source contract with Radiant Aviation Services, Inc. (Radiant) for design and construction of the infrared radiant deicing facility at a fixed price of \$8,261,253, and a separate sole-source agreement for operation and maintenance of that facility for a period not to exceed 20 years, which would also include technology licensing arrangements.

Pursuant to the proposed operation and maintenance agreement, the revenues generated by the deicing services would be utilized first to pay all fixed and variable costs of operation and maintenance, then to pay the Port Authority, in annual payments over the 20-year term of the agreement, an amount equivalent to its investment in the net project costs, estimated at \$2.8 million, along with an amount equivalent to 8 percent per annum that would accrue on the unpaid balance, and fees associated with the land value of the approximately 2.3-acre site at \$85,488 per acre, subject to annual escalation. Following those allocations, Radiant would be entitled to receive the agreed upon license fees for use of its deicing technology and any remaining revenues would be split on the basis of 80 percent to the Port Authority and 20 percent to Radiant. If revenues are insufficient after costs are accounted for to cover the annual payments to the Port Authority and Radiant, the amounts due would be carried over to the following year, with an amount equivalent to 8 percent per annum to accrue on the unpaid balance. Radiant would establish a \$350,000 escrow account to cover any fixed or variable costs that are not covered by revenues in any given year. If the agreement is terminated by the Port Authority, Radiant would continue to receive license fees through the 20-year term.

In 2002, Radiant sent an unsolicited proposal to the Port Authority offering to provide its patented Infra-Tek technology for use in an infrared radiant deicing facility at JFK. The Infra-Tek system is the only radiant deicing system that has earned Federal Aviation Administration (FAA) Flight Standards approval for deicing commercial aircraft. Use of this system provides an environmental benefit in that it employs infrared energy and only a minimal amount of glycol, a deicing fluid, to deice aircraft. The Infra-Tek system has been installed for Continental Airlines at Newark Liberty International Airport, and earlier versions were installed at Rheinlander-Oneida County Airport in Wisconsin and Buffalo International Airport in New York. Because there is not enough ramp capacity at JFK to deice aircraft without causing delays, the Port Authority decided to engage in negotiations with Radiant for an infrared deicing facility.

Under the proposed contract, Radiant would design and construct a new state-of-the-art deicing facility capable of deicing some Group 5 aircraft (up to the B747-300 size) as well as Group 2, 3 and 4 aircraft, and furnish and install the deicing system. In August 2003, the FAA approved a grant agreement with the Port Authority for the construction of an Infrared Aircraft Deicing Facility on the Hangar 12 Ramp at JFK in the amount of \$6.75 million, reducing the project cost to the Port Authority to approximately \$2.8 million net.

Because airlines have sole responsibility for deicing their aircraft before departure, Radiant will execute International Air Transport Association (IATA)-based agreements with the airlines using the infrared radiant deicing facility. American Eagle, Aero Mexico, British Airways, America West, KLM, Lufthansa, and North American Airlines have already provided Letters of Intent to use the system as their primary deicing method. The level of commitment indicates that the project will be financially self-sustaining.

Because Radiant is the only source for this technology, they are best suited to ensure the successful operation of the facility, having an intimate knowledge of the process and costs associated with its operation and maintenance. As sole-source supplier, they also have a vested interest in its efficient operation. Additionally, a lower cost for construction has been negotiated because the purchase of the facility was packaged with the operation and maintenance services.

As operator of the facility, Radiant will market the deicing services to the airlines to ensure its economic viability as an alternative to conventional deicing. Thus, having Radiant operate and maintain the facility on a sole-source basis is economically and operationally beneficial to the Port Authority.

This deicing facility would increase deicing capacity at JFK and improve operational performance by reducing airline delays and flight cancellations that could result from insufficient deicing capacity.

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

**RESOLVED**, that a project for the design and construction of an infrared deicing facility at Hangar 12 at John F. Kennedy International Airport (JFK) at an estimated project cost of \$9.5 million (the Project) including payments to contractors, allowances for extra work, if necessary, and administrative, engineering and financing expenses, be and it hereby is authorized; and it is further

**RESOLVED**, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to take action with respect to purchase and construction contracts, contracts for professional and advisory services and such other contracts and agreements as may be necessary to effectuate the Project, subject to advising the Commissioners of individual contracts or agreements to be acted on pursuant to this authorization prior to taking or authorizing such action; and it is further

**RESOLVED**, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to award a sole-source contract to Radiant Aviation Services, Inc. (Radiant) for design and construction of a radiant deicing facility at Hangar 12 at JFK in the amount of \$8,261,253; and it is further

**RESOLVED**, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to enter into a sole-source agreement with Radiant for operation and maintenance of such deicing facility for a period not to exceed 20 years, pursuant to which Radiant will distribute operating revenues after paying all fixed and variable costs of operation and maintenance in the following order of priority: 1) pay the Port Authority, in annual payments over the 20-year term of the agreement, an amount equivalent to that portion of the Port Authority's Project costs which are not covered by a grant approved for construction of the deicing facility by the Federal Aviation Administration, such portion being currently estimated at \$2.8 million, along with an amount equivalent to 8 percent per annum that would accrue on the unpaid balance, and fees associated with the land value of the approximately 2.3-acre site at \$85,488 per acre, subject to annual escalation; 2) allocate to Radiant license fees for use of its deicing technology; and 3) share any remaining revenues with the Port Authority at the rate of 80 percent to the Port Authority and 20 percent to Radiant; provided, in addition, Radiant will establish a \$350,000 escrow account to cover any fixed or variable costs that are not covered by revenues in any given year; and it is further

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

**JOHN F. KENNEDY INTERNATIONAL AIRPORT – REVISED SUPPLEMENTS TO AGREEMENT AYB-513 – AVIS RENT A CAR SYSTEM, INC., AYB-516 – DOLLAR RENT A CAR SYSTEM, INC., AYB-515 – BUDGET RENT A CAR CORPORATION AND AYB-514 – NATIONAL CAR RENTAL SYSTEM, INC. AND REVISED AMENDMENTS TO CORRESPONDING OPERATING PERMITS**

It was recommended that the Board authorize the Executive Director to amend the terms of previously authorized supplemental lease and permit agreements with four rental car companies regarding their operations at John F. Kennedy International Airport (JFK), specifically, to: (1) permit Avis Rent A Car System, Inc. (Avis) to reduce the amount of its capital investment in its leased premises from \$10 million to an amount not to exceed \$8.3 million; (2) eliminate Port Authority capital investment funds of \$1 million each for Budget Rent A Car Corporation (Budget) and National Car Rental System, Inc. (National); and (3) permit Budget, Dollar Rent A Car System, Inc. (Dollar) and National to increase their capital investments for the development of a common customer service building in amounts not to exceed \$5 million for each company.

At its meetings on May 30, 2002 and February 20, 2003, the Board authorized the Executive Director to enter into supplemental lease and permit agreements with Avis, Budget, Dollar, National and The Hertz Corporation (Hertz) for the purposes of extending the terms of the respective lease agreements through December 30, 2015 and permitting the rental car companies to make capital investments in specified amounts for the redesign of their leased premises at the JFK Federal Circle Airtrain Station.

Avis has completed its customer service building at an approximate cost of \$8.3 million, rather than the \$10 million originally estimated, and thus reduction of the previously authorized Avis capital investment amount from \$10 million to approximately \$8.3 million is requested. In addition, Budget, Dollar and National will construct a common customer service office building, which will require increased capital investments by each of them in amounts not to exceed \$5 million. Further, previously authorized Port Authority capital investment funds of \$1 million each for Budget and National are no longer required.

The termination provisions of the existing leases and operating permits for Avis, Budget, National and Dollar will continue to provide that if the Port Authority terminates the operating permit of any of said rental car companies without cause, the Port Authority will pay that company its unamortized investment; however, with respect to the proposed capital investment in the re-designed facilities, such payment would be up to \$8.3 million for Avis and not exceeding \$5 million for each of Budget, Dollar and National. Each company's revised investment will be amortized based upon an agreed upon formula for amortization set forth in its operating permit, and the amortization will continue to be credited against the company's percentage fees, subject to certain limits specified in the permit. All other terms and conditions of the previously authorized supplemental lease and permit agreements will remain unchanged.

Pursuant to the foregoing report, the following resolution was adopted with

Commissioners Blakeman, Chasanoff, Coscia, Ferer, Mack, Pocino, Sartor, Sinagra and Steiner voting in favor; Commissioner Silverman abstaining; none against:

**RESOLVED**, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to enter into revised supplemental lease agreements and revised permit agreement amendments with Avis Rent A Car System, Inc., Budget Rent A Car Corporation, Dollar Rent A Car System, Inc. and National Car Rental System, Inc. providing for revised capital investment amounts by the said rental car companies at their respective leased premises at the John F. Kennedy International Airport and the elimination of certain previously authorized Port Authority capital investment funds, substantially in accordance with the terms and conditions outlined to the Board; and it is further

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

**JOHN F. KENNEDY INTERNATIONAL AIRPORT – JFK INTERNATIONAL AIR TERMINAL LLC – LEASE SUPPLEMENTS**

At its meeting of January 23, 1997, the Board authorized a lease (Lease AYC-685) with JFK International Air Terminal LLC (JFKIAT) for the development of a new 1.4 million-square-foot, 16-gate airline passenger terminal (Terminal 4) at John F. Kennedy International Airport (JFK). The project was initially financed with \$934 million of Port Authority Special Project Bonds, Series 6 (the Series 6 Bonds) and a \$15 million equity contribution from JFKIAT. Lease AYC-685 (the Lease) provides that the net revenues derived by JFKIAT from the operation of Terminal 4 are to be distributed between the Port Authority and JFKIAT after the payment by JFKIAT of permitted operation and maintenance expenses, ground rent and facility rent (in an amount equal to debt service on the Series 6 Bonds) and certain other JFKIAT payment obligations. Such authorization was in effectuation of the mission and management responsibilities of the Port Authority, including its organizational, staffing, operating and financial policies. In connection with such authorization, the Board exercised its right pursuant to applicable legislative authorization and the lease with the City of New York for JFK and LaGuardia Airport (City Lease) to determine, in its sole discretion, the proper policing of JFK and the control of vehicular and pedestrian traffic at Terminal 4. On April 5, 2001, the Board authorized the investment of Port Authority operating funds in an amount not to exceed \$180 million to be used by JFKIAT for certain project costs attributable to the completion of Terminal 4 (the Completion Financing). Repayment of the Completion Financing by JFKIAT was subordinated to the payment of facility rental for debt service on the Series 6 Bonds and certain other payment obligations, but was made superior to the distribution of the net revenues derived by JFKIAT from the operation of Terminal 4 between the Port Authority and JFKIAT. Based on advice from JFKIAT that as a result of the weakness in the aviation industry, JFKIAT expected to be unable to meet its June and December 2003 Completion Financing obligations, at its meeting of November 21, 2002, the Board authorized a deferral of JFKIAT's 2003 payment obligations under the Completion Financing. JFKIAT subsequently failed to make such payments.

JFKIAT has advised that it will not be able to meet its June 1, 2004 Completion Financing obligation and, if the City Lease is not extended by December 1, 2004, it also will not be able to meet its December 1, 2004 Completion Financing obligation. JFKIAT did not make the June 1, 2004 Completion Financing payment, and, in accordance with the lease provisions covering the Completion Financing, on June 2, 2004, notice of the June 1st non-payment was sent to the Trustee for the Series 6 Bonds and to the bond insurer, MBIA Insurance Corporation.

It was recommended that a supplement to the Lease (the Deferral Supplement) be entered into to permit JFKIAT to defer its 2004 payment obligations under the Completion Financing to the extent that net revenues from the operation of Terminal 4 are not available to make such payments (the Deferred 2004 Payment Obligations). An amount equivalent to 8.75 percent per annum would accrue on the Deferred 2004 Payment Obligations. The Deferred 2004 Payment Obligations and accrued amounts would become payable on June 1, 2005. This supplement would also make minor adjustments to the Terminal 4 lease line in order to accommodate future redevelopment of the Terminal 5 site at JFK, with a corresponding change in ground rental payable under the Lease; would liberalize the foreign flag Federal Inspection Service non-

compete covenant in the Lease to facilitate terminal financing at JFK and the operation of terminals by the Port Authority; provide for the payment of Completion Financing if there is a Lease default; and strengthen JFKIAT's obligation to use the Port Authority's exclusive provider of wireless services for public use at Terminal 4. Further, it is anticipated that certain of the agreements pertaining to the Series 6 Bonds and the Completion Financing may be amended in connection with the execution of the Deferral Supplement.

It was further recommended that if the City Lease is extended, the Terminal 4 financial position be stabilized by restructuring the Completion Financing and the distribution of the net revenues derived by JFKIAT from the operation of Terminal 4 between JFKIAT and the Port Authority. If the City Lease is extended by May 1, 2005, a second supplement to the Lease (the Restructuring Supplement) would become effective, providing for the restructuring and simplification of the distribution of net revenues derived by JFKIAT from the operation of Terminal 4 and the restructuring of the Completion Financing. Net revenues derived by JFKIAT from the operation of Terminal 4 would be applied as set forth below, after the funding of permitted operation and maintenance expenses, ground rent, facility rental and certain other JFKIAT payment obligations.

If the City Lease is extended before December 1, 2004, the June 1, 2004 Completion Financing payments (together with an amount equivalent to 8.75 percent per annum) and the December 1, 2004 Completion Financing payments would be made to the extent of available funds. The first \$500,000 of available funds in excess thereof would be distributed to JFKIAT as a 2004 terminal management fee. Any balance would be distributed to the Port Authority. Any deficit (the Deferred Amount) in the Completion Financing payments would be deferred and paid as set forth below.

In 2005, whether or not the City Lease is extended before December 1, 2004, the 2005 Completion Financing payments and 90 percent of Lessee Terminal Management Funds as calculated and defined in the Lease will be calculated on a *pari passu* basis, with the Lessee Terminal Management Funds cash distribution capped at 50 percent of the amount of the Lessee Terminal Management Funds as calculated and defined in the Lease. An amount equivalent to 8.75 percent would accrue on any unpaid Completion Financing payments, which together with the amount of the unpaid Completion Financing would be added to the Deferred Amount. If additional net cash flow were available, this excess would be used to reduce the Deferred Amount. If the entire Deferred Amount is paid, then the excess will be applied on a *pari passu* basis to the Lessee Retail Management Funds and to the Port Authority's First Additional Land Rental, both as defined in the Lease, except that the First Additional Land Rental would be the amount of First Additional Land Rental due as of December 31, 2004, together with interest accruing thereon as set forth in the Lease.

In 2006 and for each year thereafter until 100 percent of the annual Completion Financing obligations are paid, the net cash flow would be applied as in 2005, with a cap on the Lessee Terminal Management Funds of 50 percent of the amount as defined in the Lease. If, however, the Deferred Amount (excluding the 2004 Deferred Payment Obligations and related accrued amount) exceeds \$60 million, the Lessee Terminal Management Funds would be capped at

\$500,000 of the *pari passu* calculation. In the year that 100 percent of the annual Completion Financing obligations are paid, the excess if any would be used to reduce the Deferred Amount.

In each year subsequent to the year in which 100 percent of the annual Completion Financing obligations are paid, an amount equal to the sum of the annual Completion Financing payments and the Amortized Deferred Amount would be paid to the extent of available net cash flow. The Amortized Deferred Amount would be that amount which if paid each and every calendar year for a number of consecutive years (such number of consecutive years to be the number of calendar years from and including the first such subsequent year and to and including 2025) would, after such number of consecutive equal annual payments (combining annual amortization and interest on the declining unpaid balance at the annual rate of 8.75 percent), discharge a debt in an amount equal to the Deferred Amount. If during any year net cash flow is insufficient to pay 100 percent of the annual Completion Financing payments and the Amortized Deferred Amount, then the deficit for that year would be added to the next year's payments that are due to the Port Authority on account of the Completion Financing, together with an amount equivalent to 8.75 percent per annum. If in any year net cash flow exceeds 100 percent of the annual Completion Financing obligations and the Amortized Deferred Amount, such excess would first be applied to pay 90 percent of the Lessee Terminal Management Funds and the remaining excess, if any, would be applied on a *pari passu* basis to the Lessee Retail Management Funds and to the Port Authority's First Additional Land Rental. The amount of the First Additional Land Rental payable in the first year of amortization would be the amount of unpaid First Additional Land Rental due as of December 31, 2004, together with accrued interest and, thereafter, the amount of the First Additional Land Rental would be based upon the 2004 First Additional Land Rental and accrued interest thereon and calculated as set forth in the Lease. If, after such *pari passu* distributions, there is excess available net cash flow in any year, then 10 percent of such excess shall be paid to JFKIAT and 90 percent of such excess shall be paid to the Port Authority.

The Restructuring Supplement also would permit JFKIAT to use any remaining amount of the \$180 million of Completion Financing to offset its liability for facility rental by making such amounts available for the payment of debt service on the Series 6 Bonds through 2005 if sufficient funds are not otherwise available. It is anticipated that certain of the agreements pertaining to the Series 6 Bonds and the Completion Financing may be amended in connection with the Restructuring Supplement. Under the Restructuring Supplement, JFKIAT may be given the right to submit a proposal in the future with respect to the refinancing of the Series 6 Bonds and extension of the Lease for an additional 5 years, on the basis that the receipt of such proposal would not impose any obligation on the Port Authority to take any action with respect to such proposal and any review and/or action by the Port Authority would be at the sole discretion of the Port Authority. Additionally, the Restructuring Supplement will set forth certain utility, maintenance and security obligations as between JFKIAT and the Port Authority for the connector between Terminal 4 and the air traffic control tower at JFK.

Upon execution of the Restructuring Supplement, the Port Authority may declare JFKIAT in default under the Completion Financing or the Lease should the Deferred Amount exceed \$60 million.

Effectively, in connection with the recommended deferral and restructuring of the Completion Financing, the authorized amount of the Port Authority's investment of operating funds under the Completion Financing would be increased to the extent set forth above in connection with such deferral.

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

**RESOLVED**, that the Executive Director and his designated representatives be and they each hereby are authorized, for and on behalf of the Port Authority, to: (1) enter into a further supplemental agreement to Lease AYC-685, as amended and supplemented, (the Lease) with JFK International Air Terminal LLC (JFKIAT) for Terminal 4 at John F. Kennedy International Airport (JFK) for the deferral of payments due the Port Authority during 2004 with respect to investment made by the Port Authority in connection with the completion of Terminal 4 (the Completion Financing) and certain other matters, on substantially the terms and conditions outlined to the Board; and (2) execute 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 to effectuate such deferral; and it is further

**RESOLVED**, that the Executive Director and his designated representatives be and they each hereby are authorized, for and on behalf of the Port Authority, to: (1) enter into a further supplemental agreement to the Lease covering the restructuring of the rental terms of the Lease and the Completion Financing and amendment of other provisions, on substantially the terms and conditions outlined to the Board; and (2) execute 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 to effectuate the restructuring described above; and it is further

**RESOLVED**, that, subsequent to the execution and delivery of each such lease supplement and any such contracts, agreements and other documents described above, the Executive Director, Chief Financial Officer, Treasurer or Deputy Treasurer are each hereby authorized, for and on behalf of the Port Authority, to: (1) invest additional Port Authority operating funds to effectuate the payment deferrals under the Completion Financing described above; and (2) execute 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 to effectuate such increased investment in connection therewith; and it is further

**RESOLVED**, that the form of the supplemental agreements and any other contracts, agreements and other documents executed by the Port Authority in connection with the foregoing shall be subject to the approval of General Counsel or his authorized representative.

**LAGUARDIA AIRPORT – INCREASE IN PROJECT AUTHORIZATION AND AMENDMENT OF CONTRACT LGA-124.065 FOR THE DESIGN, CONSTRUCTION AND INSTALLATION OF TWO ENGINEERED MATERIAL ARRESTING SYSTEMS**

It was recommended that the Board authorize: (1) an increase in the authorization for the project for the design, construction and installation of two Engineered Material Arresting Systems (EMAS) at LaGuardia Airport (LGA) by an estimated amount of \$11 million, for a total project authorization in an estimated amount of \$20.8 million; and (2) the Executive Director to enter into an 18-month Supplemental Agreement to Contract LGA-124.065 with Engineered Arresting Systems Corporation and Edwards and Kelcey, Inc., a joint venture (the Contractor), at a fixed cost of \$9.5 million for replacing the EMAS originally installed at the end of Runway 22 and furnishing and installing a new EMAS at the end of Runway 13 at LGA.

Since an SAS DC-10 airliner overran runway 4R at John F. Kennedy International Airport (JFK) in 1978, the Port Authority has been working towards a way to safely stop aircraft at areas of our airports where runway overrun area is lacking. Working together with the Federal Aviation Administration (FAA), the Port Authority assisted in pioneering a technology called EMAS. Since the installation of the first prototype at JFK, this foam concrete system has safely arrested two aircraft from overrunning Runway 4R and reaching Thurston Basin.

As a result of the success of EMAS, the FAA has determined that this technology is a practicable alternative for providing the Runway Safety Area required of all airports that receive federal funding. Analyses completed by the FAA have identified EMAS as the most practicable alternative for providing adequate Runway Safety Area at the ends of Runways 22 and 13 at LGA, where minimal overrun areas currently exist.

In April 1998, the Board authorized the installation of two EMAS at LGA at a total estimated project cost of \$9.8 million. In December 1998, an EMAS was installed at the end of Runway 22 at LGA, and within a few months the foam concrete EMAS began to demonstrate significant degradation. This degradation was found to have resulted primarily from the jet blast emitted by aircraft departing Runway 4, and the EMAS was subsequently removed in August 1999. In addition, all work to install an EMAS on the end of Runway 13 was stopped until the design problem could be solved. In response, a test program was established to improve the EMAS design and mitigate the impact of jet blast and moisture infiltration on EMAS durability. The testing program resulted in the installation of two separate test EMAS at LGA along with wind tunnel testing at the FAA Technical Center in Atlantic City.

Based on the results of this testing program, the Port Authority and the FAA believe that the EMAS technology has been sufficiently redesigned to withstand aircraft jet blast and minimize moisture infiltration, and that the significant safety enhancement provided by this technology warrants its installation now at the ends of Runways 22 and 13 at LGA.

These project costs are fully recoverable through Airport Improvement Program grants (65 percent), the airport flight fee (30 percent) and the negotiated contractor contribution

(5 percent). Certain project costs, such as insurance expense and financial expense are not reimbursable from the FAA.

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

**RESOLVED**, that an increase in the authorization for the project for the design, construction and installation of two Engineered Material Arresting Systems (EMAS) at LaGuardia Airport (LGA) by an estimated amount of \$11 million, for a total project authorization in the estimated amount of \$20.8 million, be and it hereby is authorized; and it is further

**RESOLVED**, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to enter into an 18-month Supplemental Agreement to Contract LGA-124.065 with Engineered Arresting Systems Corporation and Edwards and Kelcey, Inc., a joint venture, at a fixed cost of \$9.5 million for replacing the EMAS originally installed at the end of Runway 22 and furnishing and installing a new EMAS at the end of Runway 13 at LGA; and it is further

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

**AGREEMENT WITH THE NATIONAL OCEANIC AND ATMOSPHERIC  
ADMINISTRATION FOR THE OPERATION AND MAINTENANCE OF THE  
PHYSICAL OCEANOGRAPHIC REAL-TIME SYSTEM**

It was recommended that the Board authorize the Executive Director to enter into an agreement, on behalf of the States of New York and New Jersey (the States), with the National Oceanic and Atmospheric Administration (NOAA), an agency of the United States Department of Commerce, to extend the current contract for the operation and maintenance of the Physical Oceanographic Real-Time System (PORTS) for a one-year period at an estimated cost of \$190,000.

PORTS is a hydrologic data collection and dissemination system consisting of sensors, communication lines and computer software. Developed by the National Ocean Service, a division of NOAA, it was first initiated in the Port of New York and New Jersey (Port) in August 1994 as a demonstration program. PORTS provides the professional mariner with accurate information regarding tides and currents, assists terminal operators in the daily operation of marine facilities, enhances environmental protection of natural resources and provides opportunities, through real-time data, to capitalize on the commercial potential of the Port. The program has been enhanced to provide not only actual tides and currents but forecasts of future conditions as well.

PORTS provides an enhanced measure of safety, especially during logistically complex dredging operations, as the program supplies continuous hydrologic information to the harbor pilots, who are responsible for maneuvering large vessels through the channels. The information provided through PORTS allows ship operators to increase the amount of cargo they can carry consistent with safe navigation. Real-time hydrologic information helps prevent accidents and groundings, which can result in injuries and loss of life and can lead to oil spills and other harm to the waterways in the region.

Start-up costs were absorbed by NOAA as the system was being developed. However, under the terms of the PORTS program, a local sponsor of the system must pay for its ongoing operation and maintenance. In 1998, PORTS funding was assumed by the States, on a temporary basis, through the utilization of Bistate Dredging monies to fund a Port Authority contract with the Maritime Association of the Port of New York and New Jersey which, in turn, contracted with NOAA for the operation and maintenance of PORTS through September 2001. In October 2001, the Board authorized the Executive Director to enter directly into an agreement, on behalf of the Port Authority, with NOAA for the operation and maintenance of PORTS for a one-year period at a cost of \$262,000. In 2003, the States agreed to fund the system utilizing \$190,000 in Bistate Dredging monies, and requested that the Port Authority extend its agreement with NOAA for a one-year period and administer the contract on their behalf. The Board authorized the Executive Director to enter into that extension in July 2003. This year, the States again have requested that the Port Authority extend and administer the NOAA contract and that \$190,000 in Bistate Dredging funds be utilized to continue the PORTS program.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Coscia, Ferer, Mack, Pocino, Sartor, Silverman, 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 an agreement with the National Oceanic and Atmospheric Administration (NOAA) extending the current agreement with NOAA to operate and maintain the Physical Oceanographic and Real-Time System for an additional one-year period at an estimated cost of \$190,000 from the Bistate Dredging commitment; 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.

**SEISMIC RETROFIT PROGRAM FOR THE GEORGE WASHINGTON BRIDGE NEW YORK APPROACHES AND THE PORT AUTHORITY BUS TERMINAL – PROJECT AUTHORIZATION AND AWARD OF CONTRACTS BT-254.220 AND GWB-244.221**

It was recommended that the Board authorize: (1) a project to retrofit the George Washington Bridge (GWB) New York approaches and the Port Authority Bus Terminal (PABT) to address seismic vulnerabilities at an estimated total project cost of \$75.9 million; (2) the Executive Director to enter into agreements as may be necessary to effectuate the project; and (3) the Executive Director to award Contracts BT-254.220 and GWB-244.221 in connection with the project.

Studies conducted by the National Earthquake Hazards Reduction Program, in association with the American Society of Civil Engineers, have designated New York City as an area subject to earthquake activity. According to recent seismic vulnerability and risk assessments performed by Port Authority-retained consultants, it was determined that the probability of an earthquake that could cause partial or total collapse of elements of either the GWB New York approaches or the PABT is significant.

The seismic assessments conducted on the various New York approach ramps leading to and from the GWB revealed that certain elements of the ramps would experience a stability or structural failure during an earthquake. The cost of replacing the ramp structures would exceed \$1 billion, the ramps would take years to reconstruct and the delay could impact the regional economy by as much as \$1.3 billion per year. Approach structures located in New Jersey have been or are in the process of being seismically retrofitted as part of ongoing contracts.

The PABT's South Wing originally was designed in 1949 and subsequently expanded in the 1960s and 1970s. During those periods, seismic design was not required. As a result, a seismic event could render part or all of the facility inoperable for a significant period of time. This would adversely affect approximately 2.3 million bus movements per year (arrivals and departures) and over 200,000 people per day, in addition to the potential loss of life. Moreover, replacement costs would be in excess of \$1 billion, and the impact on the loss of regional economic activity would exceed \$500 million per year.

As a result of the potential adverse effects that a seismic event could have in the region, staff submitted an application to the Federal Emergency Management Agency (FEMA) for federal funding support. On March 19, 2003, FEMA granted approval of an award of \$46.3 million to the Port Authority to undertake the requested initiatives. Seismic vulnerability assessments were performed over a number of years, and the availability of FEMA funding provides the opportunity to implement several of these important initiatives.

The proposed action would provide the strengthening required to prevent failure of certain structures during a seismic event, minimize costs associated with repairs, protect life and maintain the structural integrity of both facilities.

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

**RESOLVED**, that a project to retrofit the George Washington Bridge (GWB) New York approaches and the Port Authority Bus Terminal (PABT) to address seismic vulnerabilities, at an estimated project cost of \$75.9 million (the Project), including payments to contractors, allowances for extra work (if necessary) and net cost work, engineering, administrative and financial expenses and a contingency, if necessary, be and it hereby is authorized; and it is further

**RESOLVED**, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to take action with respect to purchase and construction contracts, contracts for professional and advisory services and such other contracts and agreements as may be necessary to effectuate the Project, subject to advising the Commissioners of individual contracts or agreements to be acted upon pursuant to this authorization prior to taking or authorizing such action; and it is further

**RESOLVED**, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to award: (1) Contract BT-254.220 to retrofit structural elements at the PABT at an estimated contract price of \$34.9 million; and (2) Contract GWB-244.221 to retrofit structural elements of the New York approaches to the GWB at an estimated contract price of \$17.9 million, in each case to the lowest qualified bidder following a publicly advertised Request for Qualifications; 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.

**MEMORANDUM OF AGREEMENT WITH THE METROPOLITAN  
TRANSPORTATION AUTHORITY BRIDGES AND TUNNELS**

It was recommended that the Board authorize the Executive Director to enter into a Memorandum of Agreement with the Metropolitan Transportation Authority Bridges and Tunnels (MTA B&T) to reimburse it for consulting services MTA B&T obtains related to the development of a Request for Proposals (RFP) for E-ZPass Customer Service Center (CSC) services, with the Port Authority's payment not to exceed \$50,000.

The New York State Thruway Authority (NYSTA), the MTA B&T, and the Port Authority entered into an agreement with Lockheed Martin IMS in December 1997 to provide comprehensive customer service in the State of New York for the E-ZPass program for a term of five years. In December 2002, these agencies, collectively known as E-ZPass NY, exercised the first of two 2-year renewal options with Affiliated Computer Services State and Local Solutions (ACS), formerly Lockheed Martin IMS. In December 2004, the agencies intend to exercise the second and final two-year renewal option with ACS, which would end in December 2006. E-ZPass NY has determined that an RFP process must be conducted to select a contractor for the operation of the CSC after December 2006. The CSC includes the customer call center, account maintenance, and transaction and violations processing. As the new RFP is developed, an important issue that will be considered is the potential for combining of E-ZPass NY CSC operations with those of the New Jersey Electronic Toll Collection Group. Approximately 88 percent of all E-ZPass accounts are within the two states.

The MTA B&T has selected Linda Spock Consulting to provide professional services to assist in the preparation of an RFP at a total cost of \$150,000. The expected proposal date is early 2005. The Port Authority, MTA B&T, and the NYSTA will share the cost equally.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Coscia, Pocino, Sartor, Silverman, Sinagra and Steiner voting in favor; Commissioners Ferer and Mack abstaining; 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 Memorandum of Agreement with the Metropolitan Transportation Authority Bridges and Tunnels (MTA B&T) to reimburse it for consulting services related to the development of a Request for Proposals (RFP) for E-ZPass Customer Service Center services, with the Port Authority's cost not to exceed \$50,000; and it is further

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

**REVISIONS TO PORT AUTHORITY POLICY AND PROGRAMS FOR MINORITY AND WOMAN-OWNED BUSINESS ENTERPRISE AND SMALL BUSINESS ENTERPRISE PROGRAMS**

It was recommended that the Board: (1) accept the findings and recommendations of the *Port Authority of New York & New Jersey Disparity Study* conducted by MGT of America (MGT), consultants retained by the Port Authority; (2) accept the revisions recommended by MGT to "Port Authority Policy and Programs for Minority, Women and Small Business Enterprises (M/W/SBEs)" and (3) pursuant to the set-aside and price preference programs previously authorized in that policy, increase the authorization to award construction and non-construction contracts from \$500,000 to an amount not to exceed \$1 million pursuant to a competitive low-bid process. The Port Authority commissioned MGT to conduct a disparity study of M/WBE utilization in construction contracts, procurement of goods and services and other business activities occurring between 1996 and 2001 to identify if a disparity exists between the utilization of M/WBE and their availability to perform contract work.

In 1993, a disparity study entitled *A Study of Disparity & Utilization of Minority and Women Owned Businesses for the Port Authority of New York & New Jersey* was conducted with regard to construction, procurement of goods and services and other business activities. As mandated by the United States Supreme Court's decision in *City of Richmond v. Croson* (*Croson*), MBE programs administered by state and local governments must be based on findings of underutilization of minorities in business opportunities in order to pass constitutional muster. Accordingly, the 1993 study was commissioned to provide a factual predicate for the Port Authority's continuation of its MBE and WBE programs and to assure that such programs are narrowly tailored as required by *Croson*. The study determined that minorities and women were underutilized, and the Board accepted the findings and recommendation of that disparity study and adopted the agency's current participation goals of 12 percent for certified MBEs and 5 percent for WBEs.

The new study demonstrates that there continues to be a disparity between the utilization of M/WBEs and their availability for Port Authority contracts, and supports the agency's current overall M/WBE goals for the M/WBE programs. The continuation of disparity in all procurement groups has led to staff-recommended modifications to the M/W/SBE policy which include increasing the authorization to award contracts and expanding the SBE program to strengthen contract opportunities for all M/W/SBEs.

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

**RESOLVED**, that the Board hereby accepts and adopts the findings and recommendations of the *Port Authority of New York & New Jersey Disparity Study* conducted by MGT of America, consultants retained by the Port Authority, which determined that minorities and women were underutilized, and also accepts and reaffirms the participation goal for the Port Authority of 12 percent for certified Minority Business Enterprises (MBEs) and 5 percent for Women Business Enterprises (WBEs); and it is further

**RESOLVED**, that the Board hereby adopts the “Revised Port Authority Policy For Minority, Women And Small Business Enterprise (M/W/SBE) Programs” (the Revised Policy) (attached hereto), to increase the participation of minorities, women and small businesses in Port Authority procurement opportunities by reliance on a menu of programs narrowly tailored to remedy the underutilization of racial, ethnic and gender protected classes found for the major procurement categories; and it is further

**RESOLVED**, that the Chairman and the Executive Director be and each hereby is authorized individually, for and on behalf of the Port Authority, to award construction and non-construction contracts under the M/W/SBE Programs in an amount not to exceed \$1 million, pursuant to a competitive low-bid process; and it is further

**RESOLVED**, that the Executive Director shall periodically report to the Board on all contracts authorized under the M/W/SBE Programs, whether awarded pursuant to this delegation or otherwise.

## **REVISED PORT AUTHORITY POLICY FOR MINORITY, WOMEN AND SMALL BUSINESS ENTERPRISE (M/W/SBE) PROGRAMS**

### **PURPOSE**

It is the policy of The Port Authority of New York and New Jersey to maximize business opportunities available to minorities, women and small entrepreneurs in the New York/New Jersey region to the fullest extent consistent with the agency's commitment to ensure an acceptable level of quality, generally at the lowest cost in its procurements and consistent with the constitutional requirements for such programs. Accordingly, the Port Authority accepts the findings of disparity between the availability and utilization of certain ethnic, racial and gender groups and adopts the findings contained in the disparity and utilization study conducted by MGT of America, entitled "Port Authority of New York and New Jersey Disparity Study." A similar study was performed by the Port Authority in 1993 and the findings also concluded that the Port Authority has a compelling interest in remedying disparate utilization of firms owned by M/WBEs.

The Board previously set forth the Port Authority's commitment to affirmative action in its resolutions of March 10, 1988 with regard to MBE/WBE Programs, July 12, 1990 with respect to the SBE Program and on June 14, 1984 and November 8, 1984 in connection with the respective authorizations for industrial and waterfront development projects and City of Newark projects and for various other major leases and contracts. The policy set forth herein, which was originally adopted after the Board accepted the findings of disparity contained in the 1993 study, reaffirms the role of present and past Port Authority programs in accomplishing this objective and the programs provided for herein constitute additional methods of attaining such objective. To the extent that the initiatives outlined in this policy statement exceed or vary from those previously undertaken, the requirements of this policy statement shall control.

### **FACTUAL FINDINGS OF DISPARITY**

The January 1989 United States Supreme Court decision in *City of Richmond v. Croson* mandated that there be factual findings of discrimination against specific ethnic minorities in specific industries in order for the MBE programs of state and local jurisdictions to be constitutionally permissible. Although WBE programs were not at issue in *Croson*, it is generally accepted that gender-based programs must also be justified.

Based on the current study, the Port Authority has concluded that, notwithstanding a long history of programs aimed at maximizing MBE/WBE participation rates, there continues to be a disparate utilization of firms owned by women and the ethnic groups specified in the present Port Authority MBE classifications, including Black, Hispanic, Asian and Native American, in relation to their availability in our vendor pool, in the categories of construction, architectural/engineering professional services, operational services and equipment/supply contracts.

## **ELIGIBILITY CRITERIA**

The following definitions of MBEs and WBEs shall continue as the basis for determining eligibility as either an MBE or WBE with regard to the Port Authority's basic certification criteria.

"Minority owned business" or "MBE" means a business entity which is at least 51 percent owned by one or more members of one or more minority groups, or, in the case of a publicly held corporation, at least 51 percent of the stock of which is owned by one or more members of one or more minority groups, and whose management and daily business operations are controlled by one or more such individuals who are citizens or permanent resident aliens.

"Women owned business" or "WBE" means a business which is at least 51 percent owned by one or more women, or, in the case of a publicly held corporation, 51 percent of the stock of which is owned by one or more women, and whose management and daily business operations are controlled by one or more women who are citizens or permanent resident aliens.

To be certified by the Port Authority, and thus be eligible for contracting opportunities, such ownership interest must be shown to be real, substantial and continuing.

"Minority group" means any of the following racial or ethnic groups:

- (1) Black persons having origins in any of the black African racial groups not of Hispanic origin;
- (2) Hispanic persons of Puerto Rican, Mexican, Dominican, Cuban, Central, or South American culture or origin, regardless of race;
- (3) Asian and Pacific Islander persons having origins in any of the original peoples of the Far East, Southeast Asia, the Indian subcontinent or the Pacific Islands;
- (4) Native American or Alaskan Native persons having origins in any of the original peoples of North America and maintaining identifiable tribal affiliations through membership and participation or community identification.

Consonant with the constitutional requirement that there be factual findings of discrimination with regard to the specific ethnic, racial or gender group to be benefited by a given program, the basic eligibility criteria may be modified by the Executive Director with respect to any given program or contract to exclude a group for which a disparity cannot be substantiated. Such group may be restored by the Executive Director to eligible status if the utilization rate of the group significantly declines after the group is removed from the protected class. Additionally, the Executive Director shall determine whether any individual participant in these programs should be graduated based upon guidelines to be set forth by the Executive Director in the Executive Guide to Policies and Programs (the Guide). All such modifications or restorations shall be implemented consistent with an appendix to the Guide, which shall be filed with the Board at least ten business days prior to such implementation.

The definition of a Small Business Enterprise (SBE), which is generally a firm with its principal place of business in New York or New Jersey having average annualized gross receipts within the limit for the industry or service classification in which it is certified, and, as more fully defined in the Executive Director's memoranda authorizing additional industry standards, shall continue unmodified by this resolution. Limits are guided by the United States Small Business Administration.

## **PARTICIPATION IN PORT AUTHORITY CONTRACTS**

The Port Authority's approach to increasing the participation of minorities, women and small businesses in its procurement opportunities will continue to rely on a menu of programs narrowly tailored to remedy the under-utilization of racial, ethnic and gender protected classes found for the major procurement categories: construction, architecture/engineering professional services, equipment/supply and operational services.

Based upon the findings set forth in Chapter Eight, Analytical Findings and Recommendations, in the *Port Authority of New York & New Jersey Disparity Study* prepared by MGT of America, it is anticipated that the combined availability in the various prime procurement categories of MBE/WBE will continue to be 12 percent MBE and 5 percent WBE, and are therefore the Port Authority's long-range aspirational goals in prime contracting.

To reduce the disparity in prime contract awards in each procurement category, annual performance targets will be established for each procurement category based on MBE/WBE availability, disparity and contract opportunities.

Subcontractor and subconsultant goals, which have been 12 percent MBE and 5 percent WBE, will be set by project teams consisting of Engineering, Procurement, Business and Job Opportunity, and the line department on a contract-by-contract basis.

An annual report and presentation will be given to the Board concerning targets and progress in attaining overall goals and in reducing the disparity in each procurement category.

The major program areas, as more fully described herein, are: (1) the setting aside of selected prime contracts for competitive bids by MBEs and WBEs where findings justify its use as a narrowly tailored remedy; (2) enforcing good faith subcontracting or other utilization arrangements by primes to MBEs and WBEs; (3) setting aside selected requests for proposals and prime non-construction contracts for competitive or negotiated solicitations where findings justify its use as a narrowly tailored remedy; (4) a continuation of the race-neutral SBE Program to permit the minority or female status of a firm to be considered in solicitation and award determinations; and (5) a price preference program for equipment/supplies and certain services to provide for a ten percent price preference for all MBE/WBEs and five percent for all SBEs.

The principal features of these programs include:

- The setting aside of prime construction contracting opportunities for general contractors, single-trade specialty contractors and small MBE/WBEs where findings justify its use as a narrowly tailored remedy. Eligible firms must be certified and prequalified. The contracts will span a range of award amounts to encourage growth and development. These

contracts will be proposed by the line departments and Business and Job Opportunity and selected by the Chief Engineer, with the concurrence of the line department director, following his analysis of the type of construction required, whether such construction is time critical or requires a high level of experience, and the number of available MBE/WBEs who are either general contractors, specialty contractors or small contractors. The MBE/WBEs invited to bid will be selected in accordance with the Guide hereinafter referred to in the section of this Policy statement entitled "Administration."

- Flexibility in the application of bonding requirements, if any.
- Delegation of authority to the Chairman and Executive Director, each individually, to award construction and non-construction contracts pursuant to the programs authorized in this policy, in an amount not to exceed \$1,000,000 pursuant to a competitive low-bid process.
- Designating of all construction contracts under \$500,000 as set aside for MBE/WBE solicitation and construction contracts valued between \$500,000 and \$1 million will be set aside for SBEs, as well as MBE/WBEs unless technical requirements, or the unavailability of a sufficient number of MBE/WBEs or SBEs, emergency or other circumstances make it advisable not to set aside a particular contract or category of contracts. SBE lists need not be race and gender neutral and MBE/WBE firms may be added to SBE solicitation lists to ensure their significant participation.
- Augmenting the existing good-faith MBE/WBE subcontracting program or other utilization arrangements by requiring that the contractor demonstrate a commitment to comply with the contract goals by submitting documentation pre-award and throughout the performance of the contract, as appropriate. Individual contracts will be analyzed to set and include feasible subcontracting goals. A procedure by which a contractor may be granted a full or partial waiver of the subcontracting goals both prior and subsequent to contract award when he/she demonstrates that his/her good-faith efforts cannot produce full compliance will be an element of the program. An added enforcement mechanism will be the denial of award, on a case-by-case basis, if the contractor has not demonstrated good-faith efforts and the grant of a waiver is not warranted by the circumstances.
- Setting aside selected requests for proposals and prime equipment/supply contracts for competitive or negotiated solicitations where findings justify set asides as a narrowly tailored remedy.
- Providing a 10 percent price preference for MBE/WBEs, where designated. SBE firms will continue to be eligible for a five percent price preference where designated. The price preference program will now include equipment/supplies and, where appropriate, certain service contracts. The price preference program will apply only to contracts estimated not to exceed \$1,000,000 unless prior Board authorization is obtained for a price preference with respect to a specific procurement, which is estimated to exceed \$1,000,000.
- Allocating, where appropriate, approximately ten percent of the total points achievable in an RFP evaluation to the proposer's MBE/WBE plan.

- Maintaining internal record-keeping procedures to increase verifiable data to monitor the programs and refine such procedures, as appropriate.
- Encouraging the use of MBE/WBE joint ventures or mentoring strategies when specified standards for meaningful participation are met.
- Providing criteria and a procedure to “graduate” individual firms from the M/W/SBE program.

Participation of MBE/WBEs in the prime construction contract set-aside program, including direct A/E services and the price preference program, will be limited to MBE/WBE firms that have their principal place of business in New York and New Jersey. There will be no restriction on the geographic location of construction subcontractors and subconsultants, provided that they have a history of doing business in New York or New Jersey. For equipment and supply and operational services contracts, the Executive Director may permit MBE/WBE firms located outside the region to participate in set aides when the participation of such firms is required to ensure adequate competition and such firms have a history of doing business in New York or New Jersey Business Development Programs.

An effective program for MBE and WBE involvement also depends upon increasing the number of firms that can compete and are capable of carrying out Port Authority contracts. The Port Authority working with other interested agencies and authorities will also seek to encourage the formation and growth of minority and women business enterprises capable of meeting the vast construction, procurement and service needs of the region. Means of achieving this end include support of training and education programs for minority and female entrepreneurs, assisting minority- and women-owned businesses in obtaining needed financing from various public and private sources, and the development of other innovative techniques aimed at overcoming barriers to the formation and growth of such businesses.

The Port Authority will continue its business assistance programs for M/W/SBE construction contractors through programs designed to encourage success like the Mentor protégé program and programs that support the growth and development of small contractors.

### **Disadvantaged Business Enterprise Program**

The revised M/W/SBE Programs will operate in conjunction with the Disadvantaged Business Enterprise (DBE) Program, which will be separately administered for contracts funded by the Federal Aviation Administration or other federal financial assistance programs, as required by applicable federal laws and regulations.

### **Opportunities with Tenants and Major Contractors**

The policy of the Port Authority has been and will continue to be to require, where feasible, that tenants carrying out major construction projects at its facilities seek meaningful minority and women business participation consistent with the long-range goals cited in the disparity study for those projects. As with Port Authority projects, this requirement applies to MBE/WBE and DBE participation as contractors, vendors and subcontractors, and to the

composition of the work force on such projects. Compliance with this policy will be closely monitored and enforced.

The Port Authority will also make a good-faith effort to ensure that leasing opportunities at facilities are made available to minorities and women.

### **Administration**

The Port Authority's Business and Job Opportunity Unit (BJO) is responsible for overall administration of the Port Authority's policy initiatives. BJO will work with procurement units and all departments, and seek the counsel of the Law Department, to ensure that these programs are administered in accordance with sound business principles and in conformance with legal requirements.

BJO provides overall supervision to the Port Authority's efforts to aggressively seek out and certify MBEs and WBEs, works with other departments to set goals for each contract and monitors which MBEs and WBEs are bidding on Port Authority contracts and their success rates. To be certified for these contracting opportunities, a minority or woman's ownership interest must be shown to be real, substantial and continuing.

Individualized requirements for each of the components of the program are now contained in the Guide which, in order to fully implement this policy, will be revised by BJO and the Law Department, with the concurrence of all involved staff and line departments, and issued by the Executive Director and filed with the Board at least ten days prior to implementation. The Executive Director is authorized to make further revisions to the Guide periodically. The Executive Director shall have the authority to determine the eligibility of an MBE/WBE group with respect to any procurement category and to any contract to reflect availability and utilization rates of a particular racial, ethnic or gender group. All such revisions shall be implemented consistent with an appendix to the Guide, which will be reviewed and filed with the Board.

### **LOGICAL STOPPING POINT**

The availability and utilization rates will be analyzed on an ongoing basis and periodic reports will be provided to the Board. Any and all programs that are no longer required to eliminate the disparity for a given procurement category will be terminated when utilization equals availability for three years or such other time period as the Board deems appropriate.

**SETTLEMENT OF CLAIM – SCOTT WESTON V. THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY AND INDIA CLEMONS**

It was recommended that the Board authorize General Counsel, for and on behalf of the Port Authority, to enter into a settlement of a personal injury claim, entitled Scott Weston v. The Port Authority of New York and New Jersey and India Clemons, by paying plaintiff the sum of \$630,000. In return, plaintiff will provide the Port Authority with a General Release and Stipulation of Discontinuance with Prejudice.

Plaintiff Scott Weston worked as a laborer employed by Thomas Gannon & Sons, a sub-contractor of a general contractor, Grace Industries, that had been retained by the Port Authority to resurface taxiways at John F. Kennedy International Airport (JFK). On September 20, 2001 at approximately 5:30 a.m. on JFK Taxiway B, he was kneeling while taping over a runway light in preparation to repave the taxiway. He had not been given any instruction concerning safety and protection either by the Port Authority, the general contractor or his employer. No reflective clothing or equipment had been issued, nor was any required.

A Port Authority Airport Operations Agent was operating a Port Authority twelve-passenger van. She proceeded into the construction area after passing orange cones, which had been placed across Taxiway B to stop aircraft from proceeding further. Her speed was, according to her testimony, 35 to 40 miles per hour. She did not observe the plaintiff until her vehicle was in close proximity to him. Although she had applied the brakes, she was unable to stop the vehicle before striking him.

Plaintiff sustained fractures of the left jaw, left eye socket orbit and multiple ribs, as well as a lacerated right kidney, pleural effusion, liver hematoma, a fracture of the right kidney pole, fractures of several bones of the right foot and ankle and degloving injuries to the hip, with an open pelvic wound to the right hip. He was hospitalized for six days immediately following the accident. Subsequently, he was required to undergo a skin graft procedure. He has not returned to work. Both plaintiff's physician and the Port Authority's physician agree that plaintiff has a partial permanent disability which prevents him from resuming his occupation as a laborer. His lost earnings presently stand at \$77,000. His medical expenses to date are \$45,000. Because the general contractor and plaintiff's employer were responsible for protection and safety at the site and are covered by the Port Authority's Controlled Insurance Plan ("CIP"), Underwriters at Lloyds will contribute \$150,000 towards the settlement, thus reducing the amount being paid by the Port Authority to \$480,000. Plaintiff initially demanded \$1,500,000 to settle this action. The trial court made a recommendation of \$1,000,000.

In view of the unfavorable liability prospects for the Port Authority in this case, together with plaintiff's serious permanent injuries and continuing lost wages, staff recommended that the Board authorize General Counsel to enter into this settlement agreement for the sum of \$630,000, \$150,000 of which will be reimbursed by CIP. If this matter were tried before a jury, the verdict, in all likelihood, would be in excess of this settlement amount.

Pursuant to the foregoing report, the following resolution was adopted in executive session with Commissioners Blakeman, Chasanoff, Coscia, Ferer, Gargano, Mack, Pocino, Sartor, Silverman, 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 enter into an agreement providing for the settlement of a lawsuit entitled Scott Weston v. The Port Authority of New York and New Jersey and India Clemons, pursuant to which the Port Authority would pay plaintiff and his attorneys the sum of \$630,000.

**SETTLEMENT OF CLAIM – PAB AVIATION, INC., TREASURE SOLUTIONS, INC.  
AND UNITED STATES AVIATION UNDERWRITERS, INC. V. THE UNITED  
STATES OF AMERICA V. THE PORT AUTHORITY OF NEW YORK AND  
NEW JERSEY**

It was recommended that the Board authorize General Counsel, for and on behalf of the Port Authority, to enter into an agreement with defendant/third-party plaintiff, the United States of America (the Federal Government), for a settlement of its claim for contribution from the Port Authority arising from an accident at LaGuardia Airport (LGA) on March 25, 1997. At approximately 5:10 a.m. on that date, during its landing rollout at LGA, an aircraft owned by Treasure Solutions, Inc. and operated by PAB Aviation, Inc., collided with a Port Authority maintenance truck, resulting in the aircraft being totaled. At the time of the incident, both the pilot and the Port Authority electricians occupying the truck had been cleared to utilize the runway by the air traffic control tower. The air traffic controller who cleared the aircraft to land claimed that he did not observe the Port Authority truck on the runway because the vehicle's lights were not on.

The Federal Government settled the claims of Treasure Solutions and its insurance carrier, United States Aviation Underwriters, for an amount of \$3,125,000 and reserved the right to pursue claims for contribution against the Port Authority. Although initially demanding \$850,000 to settle this action, the Federal Government agreed to accept \$562,500 from the Port Authority. In return, the Federal Government will provide the Port Authority with a general release and stipulation of discontinuance with respect to these claims.

Pursuant to the foregoing report, the following resolution was adopted in executive session with Commissioners Blakeman, Chasanoff, Coscia, Ferer, Gargano, Mack, Pocino, Sartor, Silverman, 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 enter into agreement with defendant/third-party plaintiff, the United States of America (the Federal Government), to provide for the settlement of the Federal Government's claim for contribution to the settlement it had previously entered into with plaintiffs, Treasure Solutions, Inc. and its insurance carrier, United States Aviation Underwriters, Inc., by paying to the defendant/third-party plaintiff the sum of \$562,000 to resolve this claim.

**PARTIAL SETTLEMENT OF CLAIM – NORTHWEST AIRLINES, INC. V. THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY**

It was recommended that the Board authorize General Counsel, for and on behalf of the Port Authority, to enter into an agreement with the plaintiff, Northwest Airlines, Inc., for a settlement of its claim for damages arising out of an aviation accident at John F. Kennedy International Airport (JFK) on December 27, 2000. The settlement amount of \$120,000 would avoid the substantial risk that a jury would award the full amount claimed by the plaintiff for damage to its aircraft of \$283,478, together with interest from the date of incident. The subject action also involves three other pending claims by plaintiff arising out of alleged ice ingestion damage to 747 aircraft in 2001, for an aggregate amount in excess of \$700,000, that are not part of the proposed partial settlement of this action. The plaintiff will provide a stipulation of dismissal and general release as to the claim being settled.

Plaintiff was operating a DC-9-51 passenger aircraft at JFK, which was struck upon take-off by a 100-pound light cover that had dislodged from the runway. The aircraft sustained a three-foot gash in the fuselage and was diverted to Newark Liberty International Airport, where it landed without further incident.

The light cover was part of a Medium Intensity Light System that was installed by the Port Authority at the request of and according to specifications set by the Federal Aviation Administration (FAA). A National Transportation Safety Board investigation concluded that the incident occurred due to a failure of one or more of the bolts that secured the light cover. The construction of the system was completed by the Port Authority's contractor in August 2000. The Port Authority did not have a maintenance schedule for the equipment, as staff was waiting for commissioning of the system by the FAA. However, the system had not been commissioned by the FAA at the time of the incident, and therefore was under the ownership of the Port Authority.

Pursuant to the foregoing report, the following resolution was adopted in executive session with Commissioners Blakeman, Chasanoff, Coscia, Ferer, Gargano, Mack, Pocino, Sartor, Silverman, 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 enter into an agreement with plaintiff, Northwest Airlines, Inc., providing for the settlement of a claim for damages sustained by an aircraft owned by plaintiff on December 27, 2000, which is one of several claims asserted in a lawsuit entitled Northwest Airlines, Inc. v. The Port Authority of New York and New Jersey, by paying to the plaintiff and its attorneys the sum of \$120,000 to resolve that claim.

**TRIBUTE TO ANASTASIA M. SONG**

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 Commissioner Anastasia M. Song as she retires from the Board.

**WHEREAS**, Hon. Anastasia M. Song was appointed to the Board by New York Governor George E. Pataki in 1998; and

**WHEREAS**, Anastasia M. Song served with great distinction as Chair of the Committee on Finance, Chair of the Audit Committee, and as a member of the Board's Committees on Operations and Construction as well as various Subcommittees; and

**WHEREAS**, Anastasia M. Song, with her vast experience in infrastructure finance, operations and quantitative analysis has tirelessly provided her expertise to this agency and its staff, particularly after the events of September 11, 2001; and

**WHEREAS**, during her tenure on the Board, Anastasia M. Song worked to further the agency's goals and mission and was especially supportive of the efforts of staff at all levels,

**NOW, therefore, be it**

**RESOLVED**, that the Commissioners of The Port Authority of New York and New Jersey wish to express their appreciation and the entire staff's appreciation to Anastasia M. Song for her years of service to the Port Authority and the people of 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 Hon. Anastasia M. Song as a token of the high esteem in which she is held by the Board and staff alike.

**TRIBUTE TO CHARLES F. MCCLAFFERTY**

The following resolution was unanimously adopted by the Board of Commissioners upon the departure of Charles F. McClafferty, Chief Financial Officer.

**WHEREAS**, from the time he joined the Port Authority in 1971 throughout his tenure as Chief Financial Officer, Charles F. McClafferty has been a dedicated public servant who committed himself to the highest standards of financial reporting, performance and achievement; and

**WHEREAS**, during his 33 years of distinguished service, Charles F. McClafferty oversaw the agency's financial accounting and reporting activities, internal audit matters, and finally its multi-billion dollar Budget and Capital Plan; played a prominent role in the New York City lease negotiations concerning John F. Kennedy International and LaGuardia Airports and led staff through major negotiations with the airlines; and

**WHEREAS**, Charles F. McClafferty was the driving force in managing and securing the agency's unprecedented financial and insurance matters following the events of September 11, 2001; and

**WHEREAS**, through his involvement with key financial organizations throughout the region, Charles F. McClafferty has maintained the reputation of the Port Authority in the New York/New Jersey financial community during the most difficult time in the agency's history,

**NOW, therefore, be it**

**RESOLVED**, that the Commissioners of The Port Authority of New York and New Jersey do hereby express to Charles F. McClafferty their sincere appreciation for his lifetime of 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 Charles F. McClafferty as a token of the high esteem in which he is held by the Board and staff alike.

## CONTRACT AND PURCHASE ORDER AUTHORIZATION AND AMENDMENTS - QUARTERLY REPORT

**REPORT:** In accordance with Article XII, sections (g)(1) and (g)(2) of the By-Laws, the Executive Director reported, for information only, that the following contracts were awarded or amended for the period of October 1, 2003 through December 31, 2003.

AWARDEE	DESCRIPTION	CONTRACT AMOUNT	PROCUREMENT METHOD
Oakwood Uniform & Equipment, Inc.	Spiewak Tech Winter Parkas	\$496,103	Government Contract
ODB Municipal Products	Runway Sweeper Parts	\$75,711	Publicly Bid
Wayne Dodge	Aftermarket Chrysler Parts	\$147,400	Publicly Bid
DLT Solutions, Inc.	Subscription Licenses	\$142,163	Government Contract
System 2/90 Inc.	Office Signage	\$147,384	Government Contract
Ray's Sport Shop, Inc.	Winchester Ammunition	\$173,614	Government Contract
New York Entertainment	Event Production and Entertainment	\$83,150	Publicly Bid
Gabrielli Truck Sales	Aftermarket Mack Truck Parts	\$153,300	Publicly Bid
Marquardt & Co., Inc.	Cover Stock – Print Shop	\$116,536	Publicly Bid
Hertrich Fleet Services, Inc.	Caravans	\$445,700	Government Contract
Big Apple Copy & Printing Center	Black & White and Engineering Drawings	\$173,835	Publicly Bid
Arch Wireless	Paging Services	\$500,000	Government Contract
Bayway Lumber & Home Center	Lumber, Building Supplies	\$190,873	Publicly Bid
Long Island Glass & Door, Inc.	Automatic & Manual Door Repair – LGA	\$141,007	Publicly Bid
Security Dodge Parts Div.	Genuine Chrysler Aftermarket Replacement Parts	\$169,000	Publicly Bid
Alpine Trading Company	Ike Jackets	\$117,353	Publicly Bid
Fit-Rite Uniform Co., Inc.	Dress Uniforms – FS, FM	\$83,465	Publicly Bid
Boro-Wide Recycling Corp.	Refuse Removal - Sec. I – LGA	\$446,362	Publicly Bid
Pravco, Inc.	Emergency Roof Repairs – NJMT	\$210,940	Publicly Bid
Pravco, Inc.	Call-In Roofing Services - EWR	\$499,600	Publicly Bid

<b>AWARDEE</b>	<b>DESCRIPTION</b>	<b>CONTRACT AMOUNT</b>	<b>PROCUREMENT METHOD</b>
Truck King International	International Truck Corp. - Aftermarket Parts	\$133,000	Publicly Bid
Hertrich Fleet Services, Inc.	Ford Wagons	\$224,960	Government Contract
Knoll, Inc.	Knoll Furniture - JFK, Bldg 145, Property 270	\$189,477	Government Contract
ASAP Software	Non-Microsoft Software	\$300,000	Government Contract
Xerox Corporation	Copy Machine – Print Shop	\$264,398	Government Contract
Auto Driveaway Co.	PA Vehicle Transportation	\$102,025	Publicly Bid
Cingular Wireless	Blackberry Devices	\$400,000	Government Contract
Waste Management of New York, LLC	Transfer Station Services - LGA	\$148,824	Publicly Bid
Computing Concepts, Inc.	Computer Hardware	\$496,838	Government Contract
Dejana Industries	Septic/Sump Cleaning - TB&T	\$249,000	Negotiated
Unique Sand Products Corp.	Silica Sand - All Airports	\$862,200	Publicly Bid
Westwood Computer Corp.	HP Printers	\$500,000	Government Contract
West Group	Legal Database Services and Publication	\$190,000	Government Contract
Potters Industries Inc	Glass Beads, Paving – PT NWK / JFK	\$115,000	Government Contract
Metropolis A.C. Corporation	HVAC Services, NJMT	\$130,539	Publicly Bid
SAS Institute Inc.	Software Maintenance	\$78,730	Negotiated/ Sole Source
Sun Microsystems, Inc.	Sun Server Maintenance	\$395,358	Government Contract
United Parcel Service	Courier Service	\$650,000	Government Contract
Brookside Painting Inc.	Painting Services - Real Estate	\$470,794	Publicly Bid
Skycomp, Incorporated	Aerial Traffic Survey-TB&T	\$263,437	Publicly Bid

**Tort Claim Settlements - Report**

The Executive Director reported, for information only, that in accordance with the authority granted under Article XII, section (g)(4) of the By-Laws, the following claims were previously settled, and reported closed during the period October 1, 2003 to December 31, 2003.

**TORT CLAIMS OF THE PORT AUTHORITY, CLOSED**

<b>NAME</b>	<b>FACILITY</b>	<b>AMOUNT COLLECTED</b>
AMERICAN AIRLINES	John F. Kennedy International Airport	\$ 1,486.72
BRAUN CORP	John F. Kennedy International Airport	4,278.45
BUDGET RENT A CAR	Lincoln Tunnel	2,053.11
BUDGET RENT A CAR	LaGuardia Airport	1,476.82
CONTINENTAL AIRLINES	Newark Liberty International Airport	649.92
CORP ATER MONETA	Lincoln Tunnel	41,699.75
DANNUNZIO & SONS	Newark Liberty International Airport	8,426.52
ECUADORIAN LINE	Howland Hook Marine Terminal	1,078.43
GAINES STEPHANIE D	John F. Kennedy International Airport	5,348.06
GOODWIN DAVID P	Lincoln Tunnel	375.00
GORDON CHARLES	George Washington Bridge	1,721.41
GREYHOUND LINES	Lincoln Tunnel	2,053.11
HIRALDO EUSEBIO A	George Washington Bridge	2,000.00
JOB LEASING INC	Port Newark	1,500.00
KOLPERWHATS RAY	Newark Liberty International Airport	2,495.00
MECCA & SON TRUCK	Holland Tunnel	5,348.06
NJ TRANSIT CORP	Lincoln Tunnel	1,642.49
NUMBER 22 HILLSIDE	Newark Liberty International Airport	8,967.60
NUMBER 22 HILLSIDE	Newark Liberty International Airport	1,973.25
PATERSON PICKLE CO	George Washington Bridge	300.00
PETIT NIGEL	LaGuardia Airport	1,585.64
RYDER TRUCK RENTAL	Lincoln Tunnel	1,927.49
STEVENS TRANSPORT	George Washington Bridge	1,710.00
TRI DIM	Newark Liberty International Airport	3,500.00
TRUCKLEASE CORP	George Washington Bridge	1,568.06
VALDEZ WILSON R	Port Newark	6,470.69
YONKERS CONTRACT	World Trade Center	1,287.63
	<b>TOTAL</b>	<b>\$ 112,923.21</b>

**TORT CLAIMS AGAINST THE PORT AUTHORITY, CLOSED**

<b>NAME</b>	<b>FACILITY</b>	<b>AMOUNT PAID</b>
BREW SUSAN	Port Authority Bus Terminal	1,500.00
DURAN MARLENE	Newark Liberty International Airport	19,500.00
CORTEZ RICHARD	Holland Tunnel	5,000.00
REY DOMINIQUE	LaGuardia Airport	3,000.00
HOWARD BEDE – ARI INS	Port Newark	3,633.31
DURAZZO BIAGIO	Brooklyn-Port Authority Marine Terminal	2,000.00
CONTINENTAL AIRLINES	Newark Liberty International Airport	1,200.00
CASE NATALIE R	Goethals Bridge	13,525.00
DICK STEVEN C	Newark Liberty International Airport	490.00
LEFKOWITZ JON	George Washington Bridge	832.28
WINSTON SHATON	LaGuardia Airport	5,000.00
PATTERSON MICHAEL	Off Property	7,500.00
VITAL RIPERT	Newark Liberty International Airport	10,000.00
CARTIGIANO M- PROGRES	Bayonne Bridge	862.92
BEAVER CONCRETE/GATE	LaGuardia Airport	7,300.00
ISLAND PUMP & TANK	LaGuardia Airport	884.06
LEVENTIS STEVE	George Washington Bridge	150.00
PINO RONALD – GEICO ASO	Off Property	1,293.10
JENSEN CONNIE W	George Washington Bridge	449.96
SPRITZER GEORGE	George Washington Bridge	108.07
XU XIAOYU	George Washington Bridge	580.00
TAYLOR MICHAEL L	George Washington Bridge	324.04
PEDLOU JOE	LaGuardia Airport	2,651.35
DOMBROWSKI CHRIS-NJ	Newark Liberty International Airport	3,306.11
CABRERA BERNICE	George Washington Bridge	1,114.82
ROGERS LAKESHA	Off Property	150.00
LENNON KEVIN	George Washington Bridge	908.50
ILIE MARIO M	George Washington Bridge	2,274.56
FREDDOLINO ARTHUR	LaGuardia Airport	266.88
LANDIS PHILLIP DAVID	Lincoln Tunnel	583.00
TEIXEIRA MANUEL	Lincoln Tunnel	754.72
DASILVA VICTOR	Lincoln Tunnel	593.60
FREIRA VASCO P	Lincoln Tunnel	479.12
TAVARES ANTONIO A	Lincoln Tunnel	754.72
RILEY MICHAEL E	Lincoln Tunnel	703.84
DIAZ SANDRA/CONSTABLE	Lincoln Tunnel	500.32
DASILVA MARIO T	Lincoln Tunnel	619.04
GRAZIOSO ANTHONY L	Lincoln Tunnel	797.12
WEISS BRIAN M	Lincoln Tunnel	703.84

**TORT CLAIMS AGAINST THE PORT AUTHORITY, CLOSED (continued)**

<b>NAME</b>	<b>FACILITY</b>	<b>AMOUNT PAID</b>
J FLETCHER CREAMER	Lincoln Tunnel	\$ 640.24
ZISOW MIRIAM	Newark Liberty International Airport	1,675.20
WILSON KAREN K	Lincoln Tunnel	1,876.41
BRAVMANN LUDWIG	George Washington Bridge	107.56
PALENA ANTHONY P	Lincoln Tunnel	1,467.57
GIUSTINO ONOFRIO	Outerbridge Crossing	1,226.95
PRULELLO MICHAEL	George Washington Bridge	150.00
REGY JOHN	George Washington Bridge	646.43
KAPRIELIAN ARAM	Port Authority Technical Center	750.00
KAPRIELIAN ARAM	Port Authority Technical Center	3,163.55
NADEL CRAIG – METLIFE	Holland Tunnel	354.94
BOLDEN FLORENCE	Holland Tunnel	1,625.69
RODITI JACK	George Washington Bridge	381.49
WOLF THEODORE	Newark Liberty International Airport	579.00
JOHNSON DAVID B	LaGuardia Airport	2,749.11
GOMBERG ALLAN	Bayonne Bridge	80.00
LYNCH WILLIAM D	Off Property	12,000.00
FERRARA JAMES	George Washington Bridge	631.77
FERRARA JAMES	George Washington Bridge	4,422.77
SULIGA PATRICIA	Port Authority Technical Center	371.00
HMS SERVICES INC	John F. Kennedy International Airport	3,057.18
THOMPSON EDWIN	Newark Liberty International Airport	743.73
CULLIN WALTER JR	LaGuardia Airport	700.00
AMAYA ROSA	LaGuardia Airport	444.65
AMAYA ROSA	LaGuardia Airport	1,988.60
ADENUGA OLAYINKA	Lincoln Tunnel	954.00
WEISGAL JONATHAN	George Washington Bridge	1,084.54
ROMASZ RICHARD	Newark Liberty International Airport	668.12
MALDONADO MARGARET	LaGuardia Airport	341.96
HUNTER JEVON	LaGuardia Airport	135.78
O'LEARY JOSEPH	Outerbridge Crossing	850.00
WYSOCKI LISA	LaGuardia Airport	275.60
RABINOWITZ EDWARD	LaGuardia Airport	206.57
ARENA SALVATORE JR	LaGuardia Airport	80.00
AJOH JAMES U	Newark Liberty International Airport	320.56
TOBONSOLORZANO LEE	Lincoln Tunnel	2,868.36
BARAHONA IVAN	George Washington Bridge	150.00
NEWKIRK MATT	Port Authority Bus Terminal	164.98
LAMM LINDSEY G	Port Authority Bus Terminal	112.95
SANCHEZ EDWIN	Lincoln Tunnel	817.69
HOFFMAN BERNARD	Lincoln Tunnel	227.15

**TORT CLAIMS AGAINST THE PORT AUTHORITY, CLOSED (continued)**

<b>NAME</b>	<b>FACILITY</b>	<b>AMOUNT PAID</b>
LATIERNO THOMAS	Lincoln Tunnel	\$ 1,031.80
CASSELLA BRIAN G	Lincoln Tunnel	586.60
SMITH PATRICK F	Lincoln Tunnel	586.60
COULTMAN EDMUND A	John F. Kennedy International Airport	759.03
BRIDGE INFO SYSTEMS	World Trade Center	5,000.00
MERKIN ELLIOT – NJ MANF	Newark Liberty International Airport	500.00
CAMPBELL PHILLIP A	Holland Tunnel	2,141.30
MAIRA LEWIS	Newark Liberty International Airport	530.82
LOPER RENEE M	Lincoln Tunnel	662.50
DOMBROWSKI CHRISTINE	Newark Liberty International Airport	1,518.46
REINHARDT HENRY JR	LaGuardia Airport	813.15
MARUZEN INTL – TOKIO	Lincoln Tunnel	1,400.00
LOMNICKY LINDA	Port Authority Bus Terminal	258.25
ESSAR LEASING CORP	LaGuardia Airport	1,296.41
AMATO EDNA	LaGuardia Airport	771.23
VIZZARI JENNA	LaGuardia Airport	1,200.01
RICKMAN RICHARD G	Lincoln Tunnel	754.64
ENTERPRISE ARCHITECT	LaGuardia Airport	2,833.40
SLOANE AVA	Newark Liberty International Airport	180.16
SCHACHTER KENNETH W	Lincoln Tunnel	280.97
STEVENS GEORGE	Lincoln Tunnel	376.30
MARRERO GILBERTO	Off Property	212.00
ZAPPEL JAY	World Trade Center	40,000.00
BAILEY REGINALD	Port Authority Bus Terminal	5,000.00
GIGLIO CHRISTOPHER	John F. Kennedy International Airport	5,000.00
CUSTODIO ARTHUR	John F. Kennedy International Airport	17,500.00
PERERZ CANDIDA	Off Property	30,000.00
	<b>TOTAL</b>	<b>\$ 274,580.01</b>

**FINAL CONTRACT PAYMENTS**

The Comptroller's Department reported, for information only, that the contracts set forth hereafter have been completed satisfactorily by the contractors. Final payments have been made in the period of March 1, 2004 to March 31, 2004.

<b>CONTRACT NUMBER</b>	<b>CONTRACT TITLE FACILITY AND CONTRACTOR</b>	<b>ORIGINAL AUTHORIZATION</b>	<b>TOTAL AUTHORIZED</b>	<b>TOTAL PAYMENTS</b>
BP364006	PIER 8 - ROOF AND SPRINKLER REHABILITATION BROOKLYN PORT AUTHORITY MARINE TERMINAL KSI CONTRACTING, LLC.	2,128,000 (A) 70,000 (C) <u>170,240</u> (D) 2,368,240	2,128,000 70,000 <u>420,240</u> (F) 2,618,240	2,003,000 (G) --0-- <u>195,361</u> 2,198,361
EWR154198	TERMINAL B-2 ELEVATOR AND VERTICAL CIRCULATION IMPROVEMENTS NEWARK LIBERTY INTERNATIONAL AIRPORT TWIN TOWERS ENTERPRISES, INC.	5,188,555 (A) 1,500,000 (C) 541,085 (D) <u>42,068</u> (E) 7,271,708	5,188,555 1,500,000 541,085 <u>42,068</u> 7,271,708	5,188,555 1,759,924 412,654 <u>42,068</u> 7,403,201
EWR638	TIMBER JOIST & FAÇADE REPAIR AT BUILDING #5 NEWARK LIBERTY INTERNATIONAL AIRPORT DAN McCARRON & SON	27,941 (A) 15,050 (B) 6,000 (C) <u>3,500</u> (D) 52,491	27,941 15,050 6,000 <u>13,000</u> (H) 61,991	27,941 15,200 (I) 6,626 <u>4,338</u> 54,105
GWB454	MAINTENANCE PAVEMENT REPAIR GEORGE WASHINGTON BRIDGE PERFETTO CONTRACTING COMPANY INC.	540,300 (B) 231,000 (C) 46,278 (D) <u>--0--</u> 817,578	540,300 231,000 46,278 <u>--0--</u> 817,578	426,394 67,307 <u>--0--</u> <u>2,644</u> (J) 496,345
MFB100515	IMMEDIATE REPAIRS LINCOLN TUNNEL AND PORT AUTHORITY BUS TERMINAL GARDNER M. BISHOP AND JOSEPH M. SANZARI, A JV	<u>1,000,000</u> (C) 1,000,000	<u>1,000,000</u> 1,000,000	<u>568,095</u> 568,095
EWR997531A	GENERAL SIGNAGE NEWARK LIBERTY INTERNATIONAL AIRPORT SPECTRUM SIGNS, INC.	<u>4,000,000</u> (C) 4,000,000	<u>4,000,000</u> 4,000,000	<u>3,992,029</u> 3,992,029

EWR154166	FACILITY PRIORITY IMPROVEMENTS	<u>5,000,000</u> (C)	<u>8,000,000</u> (K)	<u>7,503,434</u>
	PHASE II	5,000,000	8,000,000	7,503,434
	NEWARK LIBERTY			
	INTERNATIONAL AIRPORT			
	AUSTIN HELLE COMPANY, INC.			
MF274038	DESIGN/CONSTRUCTION OF AN	16,875,000 (A)	22,576,703 (L,M)	22,576,703
	ELECTRONIC TOLL	<u>1,350,000</u> (D)	<u>2,511,375</u> (N)	<u>2,500,495</u>
	COLLECTION SYSTEM	18,225,000	25,088,078	25,077,198

(A) Lump Sum.

(B) Classified Work.

(C) Net Cost - amount in the "Total Authorized" column represents the authorized estimated net cost amount. However, the amount in the "Total Payments" column is the actual net cost amount paid.

(D) Extra Work.

(E) Premium for furnishing performance and payment bond as provided for in the contract.

(F) Increase in extra work in the amount of \$250,000 authorized on 5/25/2000.

(G) The difference between "Total Authorized" and "Total Payments" represents credit change orders in the total amount of \$125,000 for changes in the scope of the work.

(H) Increase in extra work in the amount of \$9,500 authorized on 8/19/98.

(I) Increase in unclassified work.

(J) Increase in compensation pursuant to "Emergency Delays" clause, in the amount of \$2,644 as provided for in the contract.

(K) Increase in net cost work in the amount of \$3,000,000 authorized on 3/31/99.

(L) Supplemental Agreement No. 1 which provided for an increase in the amount of \$2,863,720 for lump sum work on 5/6/97.

(M) Supplemental Agreement No. 2 which included an increase in the amount of \$2,837,983 for lump sum work on 4/16/98.

(N) Supplemental Agreement No. 2 which included an increase in the amount of \$1,161,375 for extra work on 4/16/98.

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

The Committee on Finance reported, for information only, that in accordance with authority granted by the Committee, the Executive Director had authorized the following security transactions, time accounts, interest rate exchange contracts and variable rate master note agreement during the period of April 1, 2004 through April 30, 2004

**REPORT A**

Purchase of Port Authority Bonds

(Unless otherwise noted, all Port Authority Bonds are callable at par).

<b><u>Purchase Date</u></b>	<b><u>Par Value</u></b>	<b><u>Description</u></b>	<b><u>Coupon Rate</u></b>	<b><u>Maturity Date</u></b>	<b><u>Purchase Price</u></b>	<b><u>Call Year</u></b>	<b><u>YTC @ Cost</u></b>	<b><u>BEY @ Cost</u></b>	<b><u>Total Principal</u></b>	<b><u>Dealer</u></b>
-----------------------------	-------------------------	---------------------------	---------------------------	-----------------------------	------------------------------	-------------------------	--------------------------	--------------------------	-------------------------------	----------------------

No new transactions this period.

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Purchase of Securities

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
04/01/04	\$50,000,000	USTB	--	04/29/04	99.93	0.940%	0.945%	\$49,963,444.45	Deutsche Bank
04/01/04	41,955,000	UBSFIN CP	--	04/02/04	99.99	1.030	1.035	41,953,799.63	Merrill Lynch
04/01/04	700,000	JFK-APO	6.375%	12/01/15	99.90	--	6.487	699,300.00	JFKIAT-APO
04/02/04	50,000,000	FHDN	--	04/30/04	99.92	0.990	0.995	49,961,500.00	BANC ONE
04/02/04	10,000,000	FCDN	--	04/05/04	99.99	0.950	0.955	9,999,208.33	Lehman Brothers
04/02/04	44,970,000	UBSFIN CP	--	04/05/04	99.99	1.000	1.005	44,966,252.51	Banc of America
04/02/04	10,000,000	USTN	2.250	02/15/07	100.67	--	2.007	10,067,187.50	ABN AMRO
04/05/04	50,000,000	FHDN	--	06/02/04	99.84	1.010	1.016	49,918,638.89	BANC ONE
04/05/04	50,000,000	GECC CP	--	04/06/04	99.99	0.990	0.995	49,998,625.00	G.E. Capital
04/05/04	39,620,000	UBSFIN CP	--	04/06/04	99.99	1.000	1.005	39,618,899.44	Lehman Brothers
04/05/04	10,000,000	USTN	2.250	02/15/07	99.95	--	2.266	9,995,312.50	Merrill Lynch
04/05/04	10,000,000	USTN	1.500	03/31/06	99.24	--	1.892	9,924,218.75	Banc of America

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
04/06/04	\$50,000,000	FHDN	--	04/21/04	99.96	0.980%	0.985%	\$49,979,583.33	Mizuho
04/06/04	50,000,000	GECC CP	--	04/13/04	99.98	1.000	1.005	49,990,277.78	G.E. Capital
04/06/04	39,000,000	UBSFIN CP	--	04/07/04	99.99	0.990	0.995	38,998,927.50	Banc of America
04/06/04	10,000,000	USTN	1.250%	05/31/05	99.84	--	1.392	9,984,375.00	Legg Mason
04/06/04	15,000,000	USTN	1.625	02/28/06	99.58	--	1.853	14,936,718.75	Legg Mason
04/07/04	2,520,000	USTB	--	05/27/04	99.88	0.896	0.901	2,516,864.00	ABN AMRO
04/07/04	1,010,000	USTB	--	06/03/04	99.86	0.891	0.896	1,008,575.14	ABN AMRO
04/07/04	19,200,000	USTB	--	05/13/04	99.91	0.890	0.894	19,182,912.00	ABN AMRO
04/07/04	7,302,000	USTB	--	06/10/04	99.84	0.895	0.900	7,290,381.71	Morgan Stanley
04/07/04	50,000,000	USTB	--	06/24/04	99.81	0.893	0.897	49,903,312.50	Lehman Brothers
04/07/04	25,000,000	USTB	--	04/15/04	99.98	0.970	0.975	24,994,611.11	Merrill Lynch
04/07/04	50,000,000	USTB	--	04/29/04	99.94	0.920	0.925	49,971,888.89	Citiglobal

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
04/07/04	\$50,000,000	USTB	--	04/15/04	99.98	0.970%	0.975%	\$49,989,222.22	Merrill Lynch
04/07/04	50,000,000	USTB	--	04/15/04	99.98	0.970	0.975	49,989,222.22	Merrill Lynch
04/07/04	50,000,000	USTB	--	04/15/04	99.98	0.970	0.975	49,989,222.22	Merrill Lynch
04/07/04	50,000,000	USTB	--	04/15/04	99.98	0.970	0.975	49,989,222.22	Merrill Lynch
04/07/04	1,170,000	USTB	--	09/09/04	99.58	0.982	0.989	1,165,053.17	Merrill Lynch
04/07/04	50,000,000	FHDN	--	05/05/04	99.92	0.990	0.995	49,961,500.00	Merrill Lynch
04/07/04	50,000,000	GECC CP	--	04/08/04	99.99	1.000	1.005	49,998,611.11	G.E. Capital
04/08/04	30,000,000	USTB	--	04/19/04	99.97	0.975	0.980	29,991,062.50	ABN AMRO
04/08/04	20,000,000	USTB	--	04/29/04	99.95	0.935	0.940	19,989,091.67	Deutsche Bank
04/08/04	45,000,000	USTB	--	04/29/04	99.95	0.931	0.936	44,975,561.25	Merrill Lynch
04/08/04	50,000,000	USTB	--	04/19/04	99.97	0.975	0.980	49,985,104.17	Merrill Lynch
04/08/04	50,000,000	USTB	--	04/19/04	99.97	0.975	0.980	49,985,104.17	Merrill Lynch

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
04/08/04	\$50,000,000	USTB	--	05/06/04	99.93	0.9222%	0.927%	\$49,964,144.45	Banc of America
04/08/04	50,000,000	USTB	--	04/15/04	99.98	0.976	0.980	49,990,515.97	ABN AMRO
04/08/04	50,000,000	USTB	--	04/19/04	99.97	0.970	0.975	49,985,180.56	Citiglobal
04/08/04	36,920,000	UBSFIN CP	--	04/12/04	99.99	1.000	1.005	36,915,897.78	Banc of America
04/12/04	50,000,000	USTB	--	05/06/04	99.94	0.912	0.916	49,969,600.00	ABN AMRO
04/12/04	50,000,000	FHDN	--	06/09/04	99.84	1.000	1.006	49,919,444.14	Mizuho
04/12/04	50,000,000	FHDN	--	06/11/04	99.83	1.000	1.006	49,916,666.67	Mizuho
04/12/04	15,600,000	UBSFIN CP	--	04/13/04	99.99	1.010	1.015	15,599,562.33	Merrill Lynch
04/12/04	50,000,000	CITIGROUP	--	04/19/04	99.98	1.000	1.005	49,990,277.78	Citigroup
04/13/04	50,000,000	GE CORP CP	--	04/14/04	99.99	1.000	1.005	49,998,611.11	G.E. Capital
04/13/04	50,000,000	UBSFIN CP	--	04/14/04	99.99	1.010	1.015	49,998,597.20	Banc of America
04/13/04	27,245,000	UBSFIN CP	--	04/14/04	99.99	1.010	1.015	27,244,235.61	Banc of America

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
04/14/04	\$50,000,000	FHDN	--	05/12/04	99.92	0.990%	0.995%	\$49,961,500.00	BANC ONE
04/14/04	50,000,000	FHDN	--	06/16/04	99.83	1.000	1.006	49,912,500.00	Mizuho
04/14/04	25,000,000	FHDN	--	06/04/04	99.86	1.000	1.006	24,964,583.33	Mizuho
04/14/04	50,000,000	UBSFIN CP	--	04/15/04	99.99	1.000	1.005	49,998,611.10	Lehman Brothers
04/14/04	39,400,000	UBSFIN CP	--	04/15/04	99.99	1.000	1.005	39,398,905.55	Banc of America
04/14/04	10,000,000	USTN	1.500%	03/31/06	99.13	--	1.958	9,912,500.00	ABN AMRO
04/15/04	19,371,000	USTB	--	04/19/04	99.99	0.970	0.975	19,368,912.24	Banc of America
04/15/04	50,000,000	USTB	--	04/19/04	99.99	0.970	0.975	49,994,611.11	Banc of America
04/15/04	30,000,000	USTB	--	04/19/04	99.99	0.970	0.975	29,996,766.67	Banc of America
04/15/04	50,000,000	GECC CP	--	04/20/04	99.99	1.000	1.005	49,993,055.56	G.E. Capital
04/15/04	50,000,000	GECC CP	--	04/20/04	99.99	1.000	1.005	49,993,055.56	G.E. Capital
04/15/04	25,000,000	DBKFIN CP	--	04/16/04	99.99	1.030	1.035	24,999,284.73	Deutsche Bank CP

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
04/15/04	\$32,775,000	DBKFIN CP	--	04/16/04	99.99	1.030%	1.035%	\$32,774,062.27	Deutsche Bank
04/15/04	10,000,000	USTN	1.500%	03/31/06	98.91	--	2.070	9,891,406.25	Greenwich Capital
04/16/04	31,760,000	USTB	--	04/19/04	99.99	0.965	0.970	31,757,445.97	ABN AMRO
04/16/04	22,500,000	USTB	--	04/19/04	99.99	0.968	0.972	22,498,185.83	Merrill Lynch
04/16/04	50,000,000	USTB	--	04/19/04	99.99	0.965	0.970	49,995,979.17	Citiglobal
04/16/04	50,000,000	FHDN	--	05/14/04	99.92	0.990	0.995	49,961,500.00	Mizuho
04/16/04	14,000,000	FHDN	--	07/14/04	99.75	1.030	1.037	13,964,350.56	Mizuho
04/16/04	10,000,000	USTN	2.375	08/15/06	100.22	--	2.280	10,021,875.00	Banc of America
04/19/04	50,000,000	USTB	--	05/13/04	99.94	0.896	0.900	49,970,150.00	Merrill Lynch
04/19/04	50,000,000	USTB	--	07/01/04	99.82	0.910	0.915	49,907,736.11	Merrill Lynch
04/19/04	50,000,000	USTB	--	04/29/04	99.98	0.885	0.889	49,987,708.34	ABN AMRO
04/19/04	50,000,000	USTB	--	05/13/04	99.94	0.895	0.899	49,970,166.67	ABN AMRO

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
04/19/04	\$50,000,000	CITIGROUP	--	04/20/04	99.99	0.990%	0.995%	\$49,998,625.00	Citigroup
04/19/04	50,000,000	UBSFIN CP	--	04/20/04	99.99	0.990	0.995	49,998,625.00	Banc of America
04/19/04	19,630,000	UBSFIN CP	--	04/20/04	99.99	0.990	0.995	19,629,460.18	Banc of America
04/20/04	50,000,000	GECC CP	--	04/21/04	99.99	0.960	0.965	49,998,666.67	G.E. Capital
04/20/04	50,000,000	GECC CP	--	04/21/04	99.99	0.960	0.965	49,998,666.67	G.E. Capital
04/20/04	50,000,000	UBSFIN CP	--	04/22/04	99.99	0.970	0.975	49,997,305.56	Lehman Brothers
04/20/04	26,385,000	UBSFIN CP	--	04/21/04	99.99	0.970	0.975	26,384,289.08	Merrill Lynch
04/20/04	50,000,000	CITIGLOBAL	--	04/29/04	99.98	0.990	0.995	49,987,625.00	Citiglobal
04/20/04	50,000,000	CITIGLOBAL	--	04/29/04	99.98	0.990	0.995	49,987,625.00	Citiglobal
04/21/04	50,000,000	FHDN	--	06/23/04	99.83	0.970	0.976	49,915,125.00	Mizuho
04/21/04	50,000,000	FHDN	--	06/18/04	99.84	0.970	0.975	49,921,861.11	Banc of America
04/21/04	50,000,000	GECC CP	--	04/22/04	99.99	0.970	0.975	49,998,652.78	G.E. Capital

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
04/21/04	\$50,000,000	GECC CP	--	04/22/04	99.99	0.970%	0.975%	\$49,998,652.78	G.E. Capital
04/21/04	34,310,000	UBSFIN CP	--	04/22/04	99.99	0.970	0.975	34,309,075.55	Lehman Brothers
04/22/04	50,000,000	USTB	--	06/17/04	99.86	0.920	0.925	49,928,444.44	Banc of America
04/22/04	50,000,000	USTB	--	06/17/04	99.86	0.920	0.925	49,928,444.44	Banc of America
04/22/04	25,000,000	USTB	--	06/17/04	99.86	0.920	0.925	24,964,222.22	Banc of America
04/22/04	50,000,000	USTB	--	06/17/04	99.86	0.920	0.925	49,928,444.44	Banc of America
04/22/04	25,000,000	USTB	--	09/16/04	99.55	1.110	1.119	24,886,687.50	Deutsche Bank
04/22/04	50,000,000	USTB	--	07/01/04	99.82	0.938	0.943	49,908,854.17	Deutsche Bank
04/22/04	50,000,000	USTB	--	05/20/04	99.93	0.915	0.920	49,964,416.67	Greenwich Capital
04/22/04	25,000,000	UBSFIN CP	--	04/23/04	99.99	0.960	0.965	24,999,333.33	Banc of America
04/22/04	45,440,000	UBSAM CP	--	04/23/04	99.99	0.960	0.965	45,438,788.25	Banc of America
04/22/04	25,000,000	USTN	1.875%	01/31/06	99.62	--	2.091	24,905,273.44	Banc of America

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
04/23/04	\$11,000,000	FHDN	--	07/23/04	99.74	1.035%	1.042%	\$10,971,221.25	Merrill Lynch
04/23/04	50,000,000	FHDN	--	05/21/04	99.93	0.950	0.955	49,963,055.55	Merrill Lynch
04/23/04	25,000,000	UBSFIN CP	--	04/26/04	99.99	0.960	0.965	24,998,000.00	Merrill Lynch
04/23/04	36,650,000	UBSFIN CP	--	04/26/04	99.99	0.960	0.965	36,647,068.00	Merrill Lynch
04/26/04	49,890,000	UBSFIN CP	--	04/27/04	99.99	0.970	0.975	49,888,655.76	Banc of America
04/27/04	20,000,000	USTB	--	09/23/04	99.55	1.085	1.093	19,910,186.11	ABN AMRO
04/27/04	47,000,000	USTB	--	05/06/04	99.98	0.870	0.874	46,989,777.50	Deutsche Bank
04/27/04	15,000,000	USTB	--	06/24/04	99.85	0.904	0.909	14,978,153.33	Citiglobal
04/27/04	15,000,000	USTB	--	06/10/04	99.89	0.892	0.896	14,983,646.67	Citiglobal
04/27/04	15,000,000	USTB	--	08/26/04	99.66	1.018	1.024	14,948,701.04	Banc of America
04/27/04	39,000,000	USTB	--	05/06/04	99.98	0.870	0.874	38,991,517.50	ABN AMRO
04/27/04	50,000,000	USTB	--	06/24/04	99.85	0.905	0.910	49,927,097.22	Deutsche Bank

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
04/27/04	\$50,000,000	USTB	--	07/22/04	99.77	0.955%	0.961%	\$49,885,930.56	Deutsche Bank
04/27/04	50,000,000	USTB	--	08/26/04	99.66	1.015	1.022	49,829,423.61	Deutsche Bank
04/27/04	25,000,000	USTB	--	10/21/04	99.43	1.150	1.160	24,858,645.83	Deutsche Bank
04/27/04	50,000,000	UBSFIN CP	--	04/28/04	99.99	0.970	0.975	49,998,652.78	Banc of America
04/27/04	8,000,000	UBSFIN CP	--	04/28/04	99.99	0.970	0.975	7,999,784.44	Banc of America
04/28/04	50,000,000	GE CORP CP	--	04/29/04	99.99	0.970	0.975	49,998,652.78	G.E. Capital
04/28/04	30,000,000	UBSFIN CP	--	04/29/04	99.99	0.980	0.985	29,999,183.34	Banc of America
04/28/04	34,775,000	UBSFIN CP	--	04/29/04	99.99	0.980	0.985	34,774,053.35	Banc of America
04/29/04	50,000,000	USTB	--	05/27/04	99.93	0.875	0.879	49,965,972.22	Deutsche Bank
04/29/04	20,000,000	USTB	--	05/27/04	99.93	0.875	0.879	19,986,388.89	Deutsche Bank
04/29/04	50,000,000	USTB	--	05/27/04	99.93	0.875	0.879	49,965,972.22	Deutsche Bank
04/29/04	50,000,000	USTB	--	05/27/04	99.93	0.875	0.879	49,965,972.22	Deutsche Bank

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
04/29/04	\$50,000,000	FHDN	--	06/30/04	99.83	0.975%	0.981%	\$49,916,041.67	Mizuho
04/29/04	50,000,000	UBSFIN CP	--	04/30/04	99.99	1.000	1.005	49,998,611.10	Merrill Lynch
04/29/04	22,050,000	UBSFIN CP	--	04/30/04	99.99	1.000	1.005	22,049,387.45	Merrill Lynch
04/29/04	5,000,000	USTN	2.250%	02/15/07	98.74	--	2.718	4,937,109.38	Merrill Lynch
04/30/04	24,300,000	USTB	--	06/17/04	99.89	0.850	0.854	24,272,460.00	Deutsche Bank
04/30/04	25,000,000	USTB	--	08/26/04	99.69	0.955	0.961	24,921,743.06	Legg Mason
04/30/04	50,000,000	USTB	--	07/29/04	99.77	0.930	0.935	49,883,750.00	Legg Mason
04/30/04	50,000,000	USTB	--	10/28/04	99.43	1.130	1.140	49,715,930.56	Legg Mason
04/30/04	25,000,000	USTN	2.000	11/30/04	100.45	--	1.232	25,111,328.13	Legg Mason
04/30/04	35,000,000	USTB	--	07/29/04	99.77	0.940	0.946	34,917,750.00	Legg Mason
04/30/04	50,000,000	FHDN	--	05/28/04	99.93	0.950	0.955	49,963,055.56	Mizuho
04/30/04	50,000,000	FHDN	--	07/02/04	99.83	0.985	0.991	49,913,812.50	Mizuho

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
04/30/04	\$50,000,000	DBKFIN CP	--	05/03/04	99.99	1.030%	1.035%	\$49,995,708.35	Deutsche Bank
04/30/04	30,935,000	DBKFIN CP	--	05/03/04	99.99	1.030	1.035	30,932,344.76	Deutsche Bank
04/30/04	<u>15,375,000</u>	USTN	2.250%	04/30/06	99.77	--	2.368	<u>15,340,166.02</u>	Legg Mason
	<u>\$4,981,758,000</u>							<u>\$4,977,792,452.24</u>	

BEY - Bond Equivalent Yield

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Sale of Securities

<u>Sale Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Sale Price</u>	<u>Discount Rate</u>	<u>Principal</u>	<u>Dealer</u>
------------------	------------------	--------------------	--------------------	----------------------	-------------------	----------------------	------------------	---------------

No transactions this period.

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Repurchase Transactions

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Lehman Brothers	04/01/04	04/15/04	\$ 980,000	1.010%	\$ 378.39 *
Lehman Brothers	04/01/04	04/06/04	1,232,500	1.010	170.16 *
Citiglobal	04/01/04	04/02/04	8,975,000	0.980	244.32 *
Banc of America	04/01/04	Open	10,112,500 *	Variable **	8,036.62 ***
Citiglobal	04/01/04	04/02/04	18,040,000	0.980	491.09 *
Citiglobal	04/01/04	04/02/04	21,900,000	0.980	596.17 *
Daiwa	04/01/04	04/05/04	25,668,000	0.990	2,823.48
Daiwa	04/01/04	04/05/04	30,088,000	0.990	3,309.68
Citiglobal	04/01/04	04/02/04	30,965,000	0.980	842.94 *
Mizuho	04/01/04	04/02/04	31,984,000	0.970	861.79 *
Mizuho	04/01/04	04/02/04	31,984,000	0.970	861.79 *
Daiwa	04/01/04	04/05/04	34,307,000	0.990	3,773.77

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Citiglobal	04/01/04	04/02/04	\$ 39,940,000	0.980%	\$ 1,087.26 *
Citiglobal	04/01/04	04/02/04	39,940,000	0.980	1,087.26 *
Citiglobal	04/01/04	04/02/04	39,940,000	0.980	1,087.26 *
Lehman Brothers	04/01/04	04/06/04	45,675,000	1.010	6,305.69 *
Lehman Brothers	04/01/04	04/06/04	45,675,000	1.010	6,305.69 *
Nomura	04/01/04	04/02/04	46,649,000	0.990	1,282.85
Lehman Brothers	04/01/04	04/15/04	48,895,000	1.010	18,878.91 *
Lehman Brothers	04/01/04	04/06/04	48,955,000	1.010	6,758.51 *
Daiwa	04/01/04	04/05/04	50,000,000	0.990	5,500.00
Daiwa	04/01/04	04/05/04	50,000,000	0.990	5,500.00
Citiglobal	04/02/04	04/06/04	20,555,000	0.980	2,238.21 *
Citiglobal	04/02/04	04/06/04	29,385,000	0.980	3,199.70 *

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Mizuho	04/02/04	04/05/04	\$ 36,554,000	0.980%	\$ 2,985.24
Mizuho	04/02/04	04/05/04	45,977,000	1.000	3,831.42 *
Mizuho	04/02/04	04/05/04	46,976,500	1.000	3,914.71 *
Mizuho	04/02/04	04/05/04	46,976,500	1.000	3,914.71 *
Nomura	04/05/04	04/06/04	1,184,000	0.990	32.56
Banc of America	04/05/04	Open	10,025,000 *	Variable **	6,878.27 ***
Nomura	04/05/04	04/06/04	17,662,000	0.990	485.71
Daiwa	04/05/04	04/06/04	23,867,000	0.990	656.34
Daiwa	04/05/04	04/06/04	28,946,000	0.990	796.02
Daiwa	04/05/04	04/06/04	34,311,000	0.990	943.55
Nomura	04/05/04	04/06/04	48,816,000	0.990	1,342.44
Nomura	04/05/04	04/06/04	48,938,000	0.990	1,345.80

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Banc of America	04/06/04	Open	\$ 10,025,000 *	Variable **	\$ 6,599.80 ***
Mizuho	04/06/04	04/07/04	23,216,000	0.980	631.99
Mizuho	04/06/04	04/07/04	23,868,000	0.980	649.74
Mizuho	04/06/04	04/07/04	26,784,000	0.980	729.12
Mizuho	04/06/04	04/07/04	28,947,000	0.980	788.00
Mizuho	04/06/04	04/07/04	34,312,000	0.980	934.05
Mizuho	04/06/04	04/07/04	41,612,000	0.980	1,132.77
Lehman Brothers	04/06/04	04/15/04	45,450,000	1.000	11,223.63 *
Lehman Brothers	04/06/04	04/15/04	45,450,000	1.000	11,223.63 *
Lehman Brothers	04/06/04	04/20/04	50,062,500	1.000	19,065.48 *
Bear, Stearns & Co.	04/07/04	04/12/04	681,000	0.960	90.80
Daiwa	04/07/04	04/12/04	11,596,000	0.990	1,594.45

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
BNP Paribas	04/07/04	04/12/04	\$ 13,419,000	0.960%	\$ 1,789.20
Daiwa	04/07/04	04/12/04	17,624,000	0.990	2,423.30
Daiwa	04/07/04	04/12/04	20,011,000	0.990	2,751.51
Daiwa	04/07/04	04/12/04	21,589,000	0.990	2,968.49
Daiwa	04/07/04	04/12/04	22,360,000	0.990	3,074.50
BNP Paribas	04/07/04	04/12/04	25,304,000	0.960	3,373.87
BNP Paribas	04/07/04	04/12/04	26,077,000	0.960	3,476.93
Daiwa	04/07/04	04/12/04	26,169,000	0.990	3,598.24
Daiwa	04/07/04	04/12/04	34,313,000	0.990	4,718.04
Bear, Stearns & Co.	04/07/04	04/12/04	49,319,000	0.960	6,575.87
Lehman Brothers	04/08/04	Open	9,925,000 *	Variable **	5,996.36 ***
BNP Paribas	04/12/04	04/13/04	2,048,000	0.980	55.75

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Mizuho	04/12/04	04/15/04	\$ 19,181,000	1.000%	\$ 1,598.42 *
Mizuho	04/12/04	04/16/04	20,537,500	1.000	2,281.94 *
Mizuho	04/12/04	04/16/04	20,537,500	1.000	2,281.94 *
Nomura	04/12/04	04/13/04	21,855,000	0.990	601.01
Nomura	04/12/04	04/13/04	22,922,000	0.990	630.36
Nomura	04/12/04	04/13/04	24,062,000	0.990	661.71
Mizuho	04/12/04	04/16/04	29,400,000	1.000	3,266.67 *
Mizuho	04/12/04	04/16/04	29,400,000	1.000	3,266.67 *
Mizuho	04/12/04	04/19/04	30,961,250	1.000	5,891.24 *
Nomura	04/12/04	04/13/04	34,317,000	0.990	943.72
BNP Paribas	04/12/04	04/13/04	41,600,000	0.980	1,132.44
BNP Paribas	04/12/04	04/13/04	47,952,000	0.980	1,305.36

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Daiwa	04/13/04	04/14/04	\$ 613,000	0.990%	\$ 16.86
Daiwa	04/13/04	04/14/04	21,855,000	0.990	601.01
Daiwa	04/13/04	04/14/04	22,922,000	0.990	630.36
Daiwa	04/13/04	04/14/04	24,062,000	0.990	661.71
Daiwa	04/13/04	04/14/04	34,318,000	0.990	943.75
Daiwa	04/13/04	04/14/04	41,635,000	0.990	1,144.96
Daiwa	04/13/04	04/14/04	49,387,000	0.990	1,358.14
Bear, Stearns & Co.	04/14/04	04/15/04	1,010,000	0.980	27.49
Nomura	04/14/04	04/19/04	21,856,000	0.970	2,944.49
Nomura	04/14/04	04/19/04	22,164,000	0.970	2,985.98
Nomura	04/14/04	04/19/04	23,390,000	0.970	3,151.15
Bear, Stearns & Co.	04/14/04	04/15/04	31,700,000	0.980	862.94

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Nomura	04/14/04	04/19/04	\$ 34,319,000	0.970%	\$ 4,623.53
Bear, Stearns & Co.	04/14/04	04/15/04	48,990,000	0.980	1,333.62
Lehman Brothers	04/15/04	Open	9,900,000 *	Variable **	4,070.00 ***
Daiwa	04/15/04	04/19/04	27,963,000	0.980	3,044.86
Daiwa	04/15/04	04/19/04	37,924,000	0.980	4,129.50
Morgan Stanley	04/15/04	04/16/04	41,800,000	1.000	1,161.11
Daiwa	04/15/04	04/19/04	43,150,000	0.980	4,698.56
Lehman Brothers	04/15/04	04/22/04	45,225,000	1.000	8,366.62 *
Lehman Brothers	04/15/04	04/22/04	45,225,000	1.000	8,366.62 *
Daiwa	04/15/04	04/19/04	54,963,000	0.980	5,984.86
Mizuho	04/19/04	04/20/04	1,038,000	0.960	27.68
Lehman Brothers	04/19/04	Open	9,912,500 *	Variable **	3,015.06 ***

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Morgan Stanley	04/19/04	04/21/04	\$ 15,289,000	0.960%	\$ 815.41
Daiwa	04/19/04	04/20/04	21,556,000	0.960	574.83
Daiwa	04/19/04	04/20/04	25,000,000	0.960	666.67
Mizuho	04/19/04	04/23/04	30,961,250	0.950	3,225.13 *
Daiwa	04/19/04	04/20/04	34,324,000	0.960	915.31
Morgan Stanley	04/19/04	04/21/04	36,884,000	0.960	1,967.15
Daiwa	04/19/04	04/20/04	41,539,000	0.960	1,107.71
Mizuho	04/19/04	04/20/04	48,962,000	0.960	1,305.65
Morgan Stanley	04/19/04	04/21/04	49,420,000	0.960	2,635.73
Morgan Stanley	04/19/04	04/21/04	49,420,000	0.960	2,635.73
Daiwa	04/19/04	04/20/04	53,136,000	0.960	1,416.96
Nomura	04/20/04	04/22/04	3,414,000	0.930	176.39

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Nomura	04/20/04	04/22/04	\$ 21,556,000	0.930%	\$ 1,113.73
Nomura	04/20/04	04/22/04	25,000,000	0.930	1,291.67
Nomura	04/20/04	04/22/04	34,325,000	0.930	1,773.46
Nomura	04/20/04	04/22/04	40,069,000	0.930	2,070.23
Nomura	04/20/04	04/22/04	48,755,000	0.930	2,519.01
BNP Paribas	04/21/04	04/22/04	16,277,000	0.920	415.97
BNP Paribas	04/21/04	04/22/04	37,886,000	0.920	968.20
BNP Paribas	04/21/04	04/22/04	48,929,000	0.920	1,250.41
BNP Paribas	04/21/04	04/22/04	48,929,000	0.920	1,250.41
Banc of America	04/22/04	04/26/04	3,014,000	0.900	301.40
Morgan Stanley	04/22/04	04/26/04	8,748,000	0.900	874.80
Morgan Stanley	04/22/04	04/26/04	14,239,000	0.900	1,423.90

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Banc of America	04/22/04	04/26/04	\$ 21,629,000	0.900%	\$ 2,162.90
Banc of America	04/22/04	04/26/04	34,362,000	0.900	3,436.20
Lehman Brothers	04/22/04	04/23/04	39,900,000	0.900	997.50 *
Lehman Brothers	04/22/04	04/23/04	39,900,000	0.900	997.50 *
Lehman Brothers	04/22/04	04/23/04	39,900,000	0.900	997.50 *
Banc of America	04/22/04	04/26/04	40,071,000	0.900	4,007.10
Nomura	04/22/04	04/26/04	41,303,000	0.900	4,130.30
Mizuho	04/22/04	04/23/04	42,228,875	0.900	1,055.72 *
Mizuho	04/22/04	04/23/04	42,228,875	0.900	1,055.72 *
Mizuho	04/22/04	04/23/04	42,228,875	0.900	1,055.72 *
Mizuho	04/22/04	04/23/04	42,228,875	0.900	1,055.72 *
Lehman Brothers	04/22/04	04/23/04	50,000,000	0.900	1,250.00

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Banc of America	04/22/04	04/26/04	\$ 50,300,000	0.900%	\$ 5,030.00
Nomura	04/22/04	04/26/04	52,491,000	0.900	5,249.10
Nomura	04/22/04	04/26/04	53,103,000	0.900	5,310.30
Nomura	04/22/04	04/26/04	53,103,000	0.900	5,310.30
Morgan Stanley	04/22/04	04/26/04	53,140,000	0.900	5,314.00
Lehman Brothers	04/23/04	Open	42,446,875	Variable **	8,536.53 ***
Lehman Brothers	04/23/04	Open	42,446,875	Variable **	8,536.53 ***
Lehman Brothers	04/23/04	Open	42,446,875	Variable **	8,536.53 ***
Lehman Brothers	04/23/04	Open	42,446,875	Variable **	8,536.53 ***
Morgan Stanley	04/23/04	04/26/04	50,000,000	0.890	3,708.33
Mizuho	04/26/04	04/29/04	1,022,500	0.900	76.69 *
BNP Paribas	04/26/04	04/27/04	4,044,000	0.900	101.10

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Nomura	04/26/04	04/27/04	\$ 14,023,000	0.900%	\$ 350.58
BNP Paribas	04/26/04	04/27/04	14,260,000	0.900	356.50
BNP Paribas	04/26/04	04/27/04	21,631,000	0.900	540.78
Mizuho	04/26/04	04/27/04	22,516,000	0.900	562.90
Banc of America	04/26/04	04/27/04	30,560,000	0.910	772.49
BNP Paribas	04/26/04	04/27/04	34,366,000	0.900	859.15
BNP Paribas	04/26/04	04/27/04	40,075,000	0.900	1,001.88
Banc of America	04/26/04	Open	45,112,500 *	Variable **	5,714.24 ***
Banc of America	04/26/04	Open	45,112,500 *	Variable **	5,714.25 ***
Mizuho	04/26/04	04/27/04	48,250,000	0.900	1,206.25
Mizuho	04/26/04	04/29/04	48,915,000	0.900	3,668.63 *
Nomura	04/26/04	04/27/04	48,938,000	0.900	1,223.45

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Nomura	04/26/04	04/27/04	\$ 48,938,000	0.900%	\$ 1,223.45
Mizuho	04/26/04	04/27/04	49,234,000	0.900	1,230.85
BNP Paribas	04/26/04	04/27/04	49,276,000	0.900	1,231.90
Banc of America	04/26/04	04/27/04	49,440,000	0.910	1,249.73
Morgan Stanley	04/27/04	04/29/04	3,901,000	0.910	197.22
Morgan Stanley	04/27/04	04/29/04	21,631,000	0.910	1,093.57
Morgan Stanley	04/27/04	04/29/04	34,367,000	0.910	1,737.44
Morgan Stanley	04/27/04	04/29/04	40,076,000	0.910	2,026.06
Morgan Stanley	04/27/04	04/29/04	49,420,000	0.910	2,498.46
Mizuho	04/28/04	04/29/04	1,167,500	0.900	29.19 *
Banc of America	04/28/04	Open	29,887,500 *	Variable **	2,283.08 ***
Mizuho	04/28/04	Open	30,961,250	Variable **	2,322.09 ***

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Banc of America	04/28/04	Open	\$ 34,868,750 *	Variable **	\$ 2,663.58 ***
Mizuho	04/28/04	04/29/04	48,770,000	0.900	1,219.25 *
Daiwa	04/29/04	05/03/04	345,000	0.940	18.02
Citiglobal	04/29/04	Open	1,000,000 *	Variable **	51.11 ***
Citiglobal	04/29/04	Open	1,000,000 *	Variable **	51.11 ***
Daiwa	04/29/04	05/03/04	3,648,000	0.940	190.51
Daiwa	04/29/04	05/03/04	7,281,000	0.940	380.23
Daiwa	04/29/04	05/03/04	9,386,000	0.940	490.16
BNP Paribas	04/29/04	04/30/04	15,349,000	0.910	387.99
Citiglobal	04/29/04	Open	20,400,000 *	Variable **	1,042.67 ***
Citiglobal	04/29/04	Open	20,400,000 *	Variable **	1,042.67 ***
BNP Paribas	04/29/04	04/30/04	27,131,000	0.910	685.81

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Daiwa	04/29/04	05/03/04	\$ 28,665,000	0.940%	\$ 1,496.95
Citiglobal	04/29/04	Open	29,550,000 *	Variable **	1,510.33 ***
Citiglobal	04/29/04	Open	29,550,000 *	Variable **	1,510.33 ***
Daiwa	04/29/04	05/03/04	34,382,000	0.940	1,795.51
Daiwa	04/29/04	05/03/04	48,750,000	0.940	2,545.84
Citiglobal	04/29/04	Open	48,950,000 *	Variable **	2,501.89 ***
Citiglobal	04/29/04	Open	48,950,000 *	Variable **	2,501.89 ***
BNP Paribas	04/29/04	04/30/04	48,996,000	0.910	1,238.51
BNP Paribas	04/29/04	04/30/04	48,996,000	0.910	1,238.51
BNP Paribas	04/29/04	04/30/04	48,996,000	0.910	1,238.51
Mizuho	04/30/04	Open	42,978,500 *	Variable **	1,098.34 ***

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Mizuho	04/30/04	Open	\$42,978,500	Variable **	1,098.34 ***

\* This transaction was executed simultaneously with a like reverse/repurchase agreement.

\*\* This rate subject to change daily.

\*\*\* Total interest earned is to the last day of the month.

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Reverse Repurchase Transactions (All transactions are executed simultaneously with a like repurchase agreement)

<u>Dealer</u>	<u>Sale Date</u>	<u>Purchase Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Paid</u>
Lehman Brothers	04/01/04	04/06/04	\$50,187,500	0.810%	\$6,057.35
Lehman Brothers	04/01/04	04/15/04	49,875,000	0.650	16,292.50
Lehman Brothers	04/01/04	04/06/04	45,675,000	0.850	5,328.75
Lehman Brothers	04/01/04	04/06/04	45,675,000	0.850	5,328.75
Citiglobal	04/01/04	04/02/04	39,940,000	0.880	976.31
Citiglobal	04/01/04	04/02/04	39,940,000	0.880	976.31
Citiglobal	04/01/04	04/02/04	39,940,000	0.880	976.31
Citiglobal	04/01/04	04/02/04	39,940,000	0.880	976.31
Citiglobal	04/01/04	04/02/04	39,940,000	0.880	976.31
Mizuho	04/01/04	04/02/04	31,984,000	0.600	533.07
Mizuho	04/01/04	04/02/04	31,984,000	0.600	533.07
Banc of America	04/01/04	Open	10,112,500 *	Variable **	3,789.38 ***

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Reverse Repurchase Transactions (All transactions are executed simultaneously with a like repurchase agreement)

<u>Dealer</u>	<u>Sale Date</u>	<u>Purchase Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Paid</u>
Citiglobal	04/02/04	04/06/04	\$49,940,000	0.880%	\$4,883.03
Mizuho	04/02/04	04/05/04	46,976,500	0.900	3,523.24
Mizuho	04/02/04	04/05/04	46,976,500	0.900	3,523.24
Mizuho	04/02/04	04/05/04	45,977,000	0.900	3,448.28
Banc of America	04/05/04	Open	10,025,000 *	Variable **	3,130.02 ***
Lehman Brothers	04/06/04	04/20/04	50,062,500	0.900	17,118.58
Lehman Brothers	04/06/04	04/15/04	45,450,000	0.800	9,658.13
Lehman Brothers	04/06/04	04/15/04	45,450,000	0.800	9,658.14
Banc of America	04/06/04	Open	10,025,000 *	Variable **	2,976.86 ***
Lehman Brothers	04/08/04	Open	9,925,000 *	Variable **	956.66 ***
Mizuho	04/12/04	04/16/04	49,937,500	0.900	4,993.75
Mizuho	04/12/04	04/16/04	49,937,500	0.900	4,993.75

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Reverse Repurchase Transactions (All transactions are executed simultaneously with a like repurchase agreement)

<u>Dealer</u>	<u>Sale Date</u>	<u>Purchase Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Paid</u>
Mizuho	04/12/04	04/19/04	\$30,961,250	0.900%	\$5,289.22
Mizuho	04/12/04	04/15/04	19,181,000	0.800	1,278.73
Lehman Brothers	04/15/04	04/22/04	45,225,000	0.800	7,248.56
Lehman Brothers	04/15/04	04/22/04	45,225,000	0.800	7,248.56
Lehman Brothers	04/15/04	Open	9,900,000 *	Variable **	321.75 ***
Mizuho	04/19/04	04/23/04	30,961,250	0.850	2,881.12
Lehman Brothers	04/19/04	Open	9,912,500 *	Variable **	184.47 ***
Mizuho	04/22/04	04/23/04	42,228,875	0.800	938.42
Mizuho	04/22/04	04/23/04	42,228,875	0.800	938.42
Mizuho	04/22/04	04/23/04	42,228,875	0.800	938.42
Mizuho	04/22/04	04/23/04	42,228,875	0.800	938.42
Lehman Brothers	04/22/04	04/23/04	39,900,000	0.750	831.25

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Reverse Repurchase Transactions (All transactions are executed simultaneously with a like repurchase agreement)

<u>Dealer</u>	<u>Sale Date</u>	<u>Purchase Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Paid</u>
Lehman Brothers	04/22/04	04/23/04	\$39,900,000	0.750%	\$ 831.25
Lehman Brothers	04/22/04	04/23/04	39,900,000	0.750	831.25
Lehman Brothers	04/23/04	Open	42,446,875 *	Variable **	7,593.28 ***
Lehman Brothers	04/23/04	Open	42,446,875 *	Variable **	7,593.28 ***
Lehman Brothers	04/23/04	Open	42,446,875 *	Variable **	7,593.28 ***
Lehman Brothers	04/23/04	Open	42,446,875 *	Variable **	7,593.28 ***
Mizuho	04/26/04	04/29/04	49,937,500	0.750	2,774.31
Banc of America	04/26/04	Open	45,112,500	Variable **	4,085.19 ***
Banc of America	04/26/04	Open	45,112,500	Variable **	4,085.19 ***
Mizuho	04/28/04	04/29/04	49,937,500	0.500	693.58
Banc of America	04/28/04	Open	34,868,750	Variable **	1,898.41 ***
Mizuho	04/28/04	Open	30,961,250	Variable **	1,376.06 ***

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Reverse Repurchase Transactions (All transactions are executed simultaneously with a like repurchase agreement)

<u>Dealer</u>	<u>Sale Date</u>	<u>Purchase Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Paid</u>
Banc of America	04/28/04	Open	\$29,887,500 *	Variable **	\$1,627.20 ***
Citiglobal	04/29/04	Open	49,950,000 *	Variable **	2,220.00 ***
Citiglobal	04/29/04	Open	49,950,000 *	Variable **	1,942.50 ***
Citiglobal	04/29/04	Open	49,950,000 *	Variable **	2,220.00 ***
Citiglobal	04/29/04	Open	49,950,000 *	Variable **	2,220.00 ***
Mizuho	04/30/04	Open	42,978,500 *	Variable **	859.57 ***
Mizuho	04/30/04	Open	42,978,500 *	Variable **	859.57 ***

\* This rate subject to change daily.

\*\* Total interest paid is to the last day of the month.

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

**REPORT B:** In addition to the transactions described in Report A of this report, the Executive Director also reports the following transactions during the period of April 1, 2004 through April 30, 2004, pertaining to investments in United States Treasury securities and interest rate options contracts with respect to United States Treasury securities pursuant to the guidelines established by the Board of Commissioners on August 25, 1988.

Options Transactions - Purchased

<u>Transaction Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Price</u>	<u>Exercise Price</u>	<u>Expirations/ Settlement</u>	<u>Dealer</u>	<u>Option Premium</u>
-------------------------	------------------	--------------------	--------------	-----------------------	------------------------------------	---------------	-----------------------

No new transactions this period.

Options Transactions - Sold

<u>Transaction Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Price</u>	<u>Exercise Price</u>	<u>Expirations/ Settlement</u>	<u>Dealer</u>	<u>Option Premium</u>
-------------------------	------------------	--------------------	--------------	-----------------------	------------------------------------	---------------	-----------------------

No new transactions this period.

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

**REPORT C:** In addition to the transactions described in Report A and B, the Executive Director also reports the following transactions during the period of April 1, 2004 through April 30, 2004 pertaining to the execution or cancellation of Interest Rate Exchange Contracts pursuant to the guidelines established by the Board of Commissioners on December 10, 1992.

Interest Rate Exchange Contracts

<u>Date</u>	<u>Counterparty</u>	<u>Notional Amount</u>	<u>Start Date</u>	<u>Termination Date</u>	<u>Fixed Interest Rate Paid</u>	<u>Variable Interest Rate Received</u>
-------------	---------------------	------------------------	-------------------	-------------------------	---------------------------------	--

No new transactions this period.

As of April 30, 2004, the Port Authority has interest rate exchange contracts in place on notional amounts totaling \$377 million, all of which pertain to refundings.

**REPORT D:** In addition to the transactions described in Report A, B and C, the Executive Director also reports the following transactions during the period of April 1, 2004 through April 30, 2004 under the Variable Rate Master Note Program as amended and supplemented through October 13, 1994.

Variable Rate Master Note Placements

<u>Date of Issuance</u>	<u>Amount</u>	<u>Purchaser</u>	<u>Term</u>	<u>Variable Rate Index</u>
-------------------------	---------------	------------------	-------------	----------------------------

No new transactions this period.

Whereupon, the meeting was adjourned.

---

Secretary