

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

**MINUTES**

**Thursday, September 19, 2024**

Report on Prior Meeting’s Minutes	96
Chairman’s Report	96
Moments of Silence and Remembrance	96
Brookfield Place and Hoboken Ferry Terminals – Operation and Maintenance of Terminals and Provision of Ferry Transportation Services - Operating Agreement	97
Newark Liberty International Airport – Terminal B Concessions Program – DNEL Supply LLC – New Lease – AND-477	99
Memorandum of Agreement with Port Authority Field Supervisors Association	101
John F. Kennedy International Airport – Installation of Flood Mitigation Measures at 17 Drainage Outfalls – Project Authorization and Authorization to Award Contract JFK-164.016	102

**MINUTES of the Meeting of The Port Authority of New York and New Jersey held Thursday, September 19, 2024, at 2 Montgomery Street, Jersey City, Hudson County, State of New Jersey and via videoconference.**

**PRESENT:**

**NEW JERSEY**

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

**NEW YORK**

Hon. Jeffrey H. Lynford, Vice Chairman  
 Hon. Leecia R. Eve\*  
 Hon. Elizabeth R. Fine  
 Hon. Winston C. Fisher  
 Hon. Gary LaBarbera  
 Hon. Rossana Rosado\*

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

Richard J. Abbato, Principal Board Management Support Specialist, Office of the Secretary  
 James K. Allen Jr., Chief Communications Officer  
 M. Rizwan Baig, Chief Engineer  
 Christopher J. Beacham, Chief of Staff, Office of the Chief Financial Officer  
 Christina Callahan, Chief, Human Capital  
 Ana M. Carvajalino, Director, Financial Planning  
 Edward T. Cetnar, Director, Public Safety/Superintendent of Police  
 Lisa M. Dewey-Mattia, Chief of Staff and Special Counsel to the Executive Director\*  
 Alfred P. Doblin, Director, Strategic Communications, Chief Communications Office  
 Diannae C. Ehler, Director, Tunnels Bridges and Terminals  
 Gregory W. Ehrie, Chief Security Officer  
 Benjamin E. Feldman, Deputy Chief Communications Officer  
 Kristen L. Figaro, Director, Government and Community Affairs, New Jersey  
 Robert E. Galvin, Chief Technology Officer  
 Shannon E. Gates, Principal Board Management Support Specialist, Office of the Secretary  
 John Gay, Inspector General  
 Erik H. George, Director, Management and Budget\*  
 Jessica S. Gummerman, Deputy Secretary  
 James D. Heitmann, Chief Operating Officer  
 Kirsten Hernandez, Special Assistant to the Executive Director\*  
 Benjamin Hunter, Leadership Fellow, Executive Directors Office  
 Natasha G. Jean Philipp-Cumberbatch, Manager, Corporate Transparency, Office of the Secretary

\* Remote participants via teleconference.

John Kamocsai, Chief Structural Engineer, Engineering  
 Sherien N. Khella, Treasurer  
 Annesa H. Lau, Director, Workforce Transformation & Digital Innovation, Office of the  
 Chief Operating Officer  
 Stephen Marinko, Assistant General Counsel  
 Elizabeth M. McCarthy, Chief Financial Officer  
 Jacqueline C. McCarthy, Director, Aviation Redevelopment  
 Zachary McCue, Chief, Intergovernmental Affairs  
 Sarah McKeon, First Deputy Director, Aviation Department  
 Polly R. Moore, Deputy Director, Labor Relations  
 Matthew F. Murray, Senior Advisor to the Chairman  
 Hersh K. Parekh, Deputy Chief, Intergovernmental Affairs\*  
 Thomas Pietrykoski, Director, Corporate Communications  
 Steven P. Plate, Chief, Major Capital Projects  
 Nathan D. Reilly, First Deputy General Counsel and Director of Legal Affairs  
 Alan L. Reiss, Director, World Trade Center Construction\*  
 Bethann Rooney, Director, Port  
 Jessica Russ, General Manager, Board Unit, Office of the Secretary\*  
 Peter D. Simon, Chief of Staff to the Chairman  
 Debra M. Torres, Chief Ethics and Compliance Officer  
 Derek H. Utter, Chief Development Officer  
 Lillian D. Valenti, Chief Procurement Officer  
 Michael S. Wojnar, Special Counselor to the Executive Director\*

Guests:

Patrick Donovan, Port Authority Liaison, New York City SEAL Swim  
 Brad Haberlin, New York City SEAL Swim  
 Jessica S. O'Connor, Associate Counsel, Authorities Unit, Office of the Governor of New  
 Jersey  
 David Ullman, Assistant Secretary for Transportation, Office of the Governor of New York\*

Public Commenters:

Jason Anthony (Video Statement)  
 Murray Bodin  
 Matthew Buchys-Hyland (Video Statement)  
 Jacqueline Guilty  
 Sophia Harris  
  
 Anna Humphrey  
 Patrick Jean  
 Eurol Montrose  
 Felicia Palmer  
 Hudson Williams

Topic:

Accessibility  
 Roadway Safety  
 Public Comment  
 Airport Workers Wage Policy  
 Yvette Stephens' Statement on Airport  
 Workers Wage Policy  
 Airport Workers Wage Policy  
 Airport Workers Wage Policy  
 Airport Workers Wage Policy  
 PATH Weekend Service  
 Airport Workers Wage Policy

\* Remote participants via teleconference.

The public meeting was called to order by Chairman O'Toole at 1:08 p.m. and ended at 2:09 p.m. The Board also met in executive session prior to the public session. Commissioner Eve was present for the executive session and most of the public session and submitted her affirmative votes to the Secretary on the resolutions before the Board for consideration in public session, prior to departing the public session.

### **Report on Prior Meeting's Minutes**

Copies of the Minutes of the meeting of July 25, 2024 were delivered in electronic form to the Governors of New York and New Jersey on July 26, 2024. The time for action by the Governors of New York and New Jersey expired at midnight on August 9, 2024.

### **Chairman's Report**

The Chairman advised that as part of the Port Authority's public speakers' program, two video statements were received. The video statements were shown as part of the public Board meeting.

### **Moments of Silence and Remembrance**

In observance of the 23<sup>rd</sup> anniversary of the September 11, 2001 terrorist attacks on The World Trade Center, the Chairman requested a moment of silence in memory of the 84 Port Authority employees lost on that day, and the first responders and recovery workers who were lost due to illnesses relating to their work at the World Trade Center site, and those who continue to suffer from 9/11-related illnesses, as well as for those who perished as a result of the bombing of The World Trade Center on February 26, 1993.

The Chairman called for a moment of silence in observance of the recent passing of Tennyson G. Lewis, a 22-year employee of PATH/Rail Transit.

The Chairman also called for a moment of silence in observance of the recent passing of U.S. Congressman William James Pascrell, Jr.

## **BROOKFIELD PLACE AND HOBOKEN FERRY TERMINALS – OPERATION AND MAINTENANCE OF TERMINALS AND PROVISION OF FERRY TRANSPORTATION SERVICES - OPERATING AGREEMENT**

It was recommended that the Board authorize the Executive Director to enter into a new Ferry Terminal and Service Operating Agreement (Operating Agreement) with Port Imperial Ferry Corp. d/b/a NY Waterway (NY Waterway), the highest rated proposer, in response to a publicly advertised Request for Proposals (RFP) process, for the following services (Operator Services): (i) operation and maintenance of Brookfield Place Ferry Terminal (BPFT) and Hoboken Ferry Terminal (HBFT); (ii) provision of ferry transportation service on the route operating directly between BPFT and HBFT (BPFT—HBFT Route); (iii) issuance and administration of terminal vessel landing slot authorizations; and (iv) provision of cross-honoring ferry service for Port Authority Trans-Hudson rail system passengers on the BPFT—HBFT Route, for a term of 15 years, with one 180-day extension exercisable at the discretion of the Port Authority.

Since 1988, NY Waterway and its predecessors have provided Operator Services pursuant to agreements with the Port Authority.

In January 2024, the Port Authority issued a publicly advertised RFP for a 15-year Operating Agreement for operation and maintenance of BPFT and HBFT, and the provision of ferry transportation service on the BPFT—HBFT Route. Three firms submitted proposals in response to the RFP. Following evaluation of the three proposals, staff recommended that the Port Authority enter into an operating agreement with the highest rated proposer, NY Waterway.

Under the Operating Agreement, NY Waterway would be responsible, at its sole expense, for the following: (i) all maintenance work not assigned as a responsibility of the Port Authority; and (ii) the completion of select capital projects and customer experience enhancements within 24 months of the effective date of the agreement. Under the Operating Agreement, the Port Authority would be responsible for maintenance work for select marine and structural elements and for capital work addressing the replacement of entire asset systems when such systems are beyond repair. In addition to the ferry service on the BFT-HBFT Route, the Operating Agreement would authorize the issuance of terminal vessel landing slot authorizations for additional ferry and other passenger vessel service operations by NY Waterway and by third parties on such terms and conditions as may be determined by the Port Authority.

The proposed agreement would provide that NY Waterway pay the following revenue share to the Port Authority, effective immediately upon agreement commencement and for the full term: (1) a Percentage Fee based on a share of terminal operations revenue, which is composed of concessions, advertising, and landing fees; (2) a Passenger Fee, with the per-passenger amount dependent on annual ridership levels on the BPFT—HBFT Route; and (3) a provision that Passenger Fees would be subject to a cumulative increase at the same percentage rate as any increase in passenger fare imposed by NY Waterway. Passenger fare increases would be limited to one annual increase at specified percentage levels. The total revenue to the Port Authority from the proposed agreement based on forecasted business activity is estimated at \$10.9 million over the 15-year term of the agreement.

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

**RESOLVED**, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to enter into a Ferry Terminal and Service Operating Agreement with Port Imperial Ferry Corp. d/b/a NY Waterway for the: (i) operation and maintenance of Brookfield Place Ferry Terminal (BPFT) and Hoboken Ferry Terminal (HBFT); (ii) provision of ferry transportation service on the route operating directly between BPFT and HBFT (BPFT—HBFT Route); (iii) issuance and administration of terminal vessel landing slot authorizations to NY Waterway and to third parties on such terms and conditions as may be determined by the Port Authority; and (iv) provision of cross-honoring ferry service for Port Authority Trans-Hudson rail system passengers on the BPFT—HBFT Route, for a term of 15 years with a 180-day extension exercisable at the discretion of the Port Authority, all substantially in accordance with the terms outlined to the Board; and it is further

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

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

**NEWARK LIBERTY INTERNATIONAL AIRPORT – TERMINAL B CONCESSIONS PROGRAM – DNEL SUPPLY LLC – NEW LEASE – AND-477**

It was recommended that the Board authorize the Executive Director to enter into a lease with DNEL Supply LLC (DNEL Supply), a joint venture composed of DFASS Operator EWR, LLC, SLA Worldwide, LLC and Creative Concourse Concessions, LLC, for the letting of approximately 7,535 square feet of concession space for duty-free / duty-paid shops at six locations in Terminal B at Newark Liberty International Airport for a seven-year term, with three one-year mutual options to extend the lease term. The lease term would commence from the date of beneficial occupancy of the leased premises, estimated to be on or about November 1, 2024.

The proposed lease, which was the result of a competitive selection process and negotiation process to take into account delays created by COVID-19's impact on international air travel, would provide for the payment of a minimum annual guarantee rent, based on the greater of: (i) an annual rate per international enplaned passenger, subject to annual escalation; or annual percentage rent, with varying percentage rates based on the amount of annual gross receipts. The lease is expected to result in approximately \$33 million in revenue to the Port Authority over the initial seven-year term.

DNEL Supply would make an initial capital investment in the premises in the amount of at least \$4.5 million and a refurbishment investment by the fifth anniversary date of the proposed lease, in an amount of \$2.2 million. The Port Authority may terminate the lease, without cause, upon 30 days' notice, subject to reimbursement of the unamortized capital investment of the lessee, to be calculated on a straight-line basis for the remaining term of the lease, up to the required initial and refurbishment amounts; and, for purposes of such reimbursement obligation, the amount of DNEL Supply's initial capital investment would be deemed not to exceed \$4.5 million. The proposed lease terms were subject to a market validation performed by a third party on the Port Authority's behalf.

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

**RESOLVED**, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to enter into a lease agreement with DNEL Supply LLC, a joint venture composed of DFASS Operator EWR, LLC, SLA Worldwide, LLC and Creative Concourse Concessions, LLC, for the letting of approximately 7,535 square feet of concession retail space for duty-free / duty-paid shops at six locations at Terminal B at Newark Liberty International Airport, for a seven-year term, together with three one-year mutual options to extend the term, substantially in accordance with the terms outlined to the Board; and it is further

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

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

**MEMORANDUM OF AGREEMENT WITH PORT AUTHORITY FIELD SUPERVISORS ASSOCIATION**

It was recommended that the Board approve a collective bargaining agreement between The Port Authority of New York and New Jersey (“Port Authority”) and the Port Authority Field Supervisors Association (“FSA”).

The FSA represents approximately 284 Port Authority supervisory personnel across its facilities. The FSA and the Port Authority reached a tentative collective bargaining agreement on August 28, 2024. That agreement was ratified by the FSA members on September 6, 2024.

The agreement spans 38 months, from a retroactive commencement date of April 1, 2022, to May 30, 2025. Terms of the agreement include annual three percent wage increases that, over the covered period, total 9 percent.

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

**RESOLVED**, that the August 28, 2024 collective bargaining agreement between The Port Authority of New York and New Jersey and the Port Authority Field Supervisors Association, ratified by the membership on September 6, 2024, be and it hereby is approved; and it is further

**RESOLVED**, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to exercise all discretion and take any and all action necessary or appropriate in his judgment to effectuate the foregoing, including, but not limited to, the execution of all relevant agreements, contracts, or analogous documents, together with amendments and supplements thereof, and to take action in accordance with the terms of such agreements, contracts, and other documents as may be necessary in connection therewith.

**JOHN F. KENNEDY INTERNATIONAL AIRPORT – INSTALLATION OF FLOOD MITIGATION MEASURES AT 17 DRAINAGE OUTFALLS – PROJECT AUTHORIZATION AND AUTHORIZATION TO AWARD CONTRACT JFK-164.016**

It was recommended that the Board authorize a project to provide backflow prevention work at 17 drainage outfalls that serve the airfield at John F. Kennedy International Airport (JFK), at an estimated total project cost of \$52.2 million. It also was recommended that the Executive Director be authorized to award Contract JFK-164.016 to construct the project, at an estimated amount of \$28.3 million, which is included in the estimated total project cost.

During a typical rainstorm event, stormwater drains from various catch basins and manholes located throughout JFK to the stormwater drainage pipes. This network of drainage pipes is connected to 22 outfalls that discharge the stormwater into Jamaica Bay. In October 2012, Superstorm Sandy caused elevated water levels and storm surges in Jamaica Bay, which led to saltwater infiltrating the stormwater drainage system and entering the airfield. As a result, airfield electrical systems and other critical airfield equipment were flooded and exposed to saltwater for an extensive period, causing major disruptions to facility operations and damage to the airfield electrical systems and equipment.

The proposed project would enhance storm mitigation and resiliency at 17 of the 22 drainage outfalls at JFK. The work on the outfalls would prevent saltwater from flowing into JFK's drainage system and damaging the airfield electrical systems during storm surges.

The proposed project would complete a series of storm mitigation and resiliency improvements undertaken at JFK since Superstorm Sandy. In February 2015, five of the 22 outfalls were prioritized for repair due to their direct impact on critical assets at JFK. During a project to replace airfield light circuits damaged by Superstorm Sandy, it was determined that the in-pavement electrical infrastructure was exposed to saltwater backflow through the drainage system during storm surges. This project would install backflow prevention devices for the remaining 17 drainage outfalls and provide for the rehabilitation of Outfalls 7 and 11, as the condition of those two outfalls necessitates rehabilitation work in order to install the backflow prevention devices.

At its May 2021 meeting, the Board authorized planning and preliminary design work for the proposed project, at an estimated total cost of \$1.95 million (which is reflected within the total project cost of \$52.2 million).

The Federal Emergency Management Agency (FEMA) has approved \$42.8 million in grant funding for backflow prevention work on the 17 outfalls, to protect the FEMA-funded infrastructure being installed as part of the light circuit replacement project. It is anticipated that FEMA would reimburse the Port Authority 90 percent of eligible costs for the proposed project. Any project costs not recoverable through the grant would be recoverable through JFK flight fees.

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

**RESOLVED**, that a project to construct and install backflow prevention devices at 17 drainage outfalls at John F. Kennedy International Airport to protect the airfield, including electrical infrastructure from the backflow of saltwater through the drainage system during storm surges, at an estimated total project cost of \$52.2 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 award Contract JFK-164.016 to install the backflow prevention devices at 17 outfalls and to rehabilitate two of those outfalls prior to device installation, pursuant to a publicly advertised procurement, at an estimated amount of \$28.3 million, which is included in the estimated total project cost; and it is further

**RESOLVED**, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to take action with respect to other construction contracts, contracts for professional, technical, and advisory services, and such other contracts and agreements as may be necessary to effectuate the foregoing project, pursuant to authority granted in the By-Laws or other resolution adopted by the Board; and it is further

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

Whereupon, the meeting was adjourned.

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Secretary