

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

MINUTES

Thursday, October 24, 2019

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MINUTES of the Meeting of The Port Authority of New York and New Jersey held Thursday, October 24, 2019 at 150 Greenwich Street, City, County and State of New York

PRESENT:

NEW JERSEY

Hon. Kevin J. O'Toole, Chairman
 Hon. Richard H. Bagger
 Hon. Kevin P. McCabe
 Hon. Raymond M. Pocino

NEW YORK

Hon. Jeffrey H. Lynford, Vice Chairman
 Hon. Leecia R. Eve
 Hon. Daniel J. Horwitz
 Hon. George T. McDonald

Richard Cotton, Executive Director
 Michael E. Farbiarz, General Counsel
 Linda C. Handel, Secretary

Cheryl Ann Albiez, Senior Public Information Officer, Media Relations
 James K. Allen Jr., Chief of Staff to the Vice Chairman
 Carol Bennett, Assistant Director of Capital Planning, Office of Business Diversity and Civil Rights
 Justin E. Bernbach, Director, Government and Community Affairs, New York
 John Bilich, Chief Security Officer
 Martha Bogle, Chief of Design, Engineering
 Benjamin M. Branham, Chief Communications Officer
 Meredith L. Brooks, Assoc. Board Management & Support Specialist, Office of Secretary
 Alana Calmi, Senior Public Information Officer, Media Relations
 Ana Carvajalino, Director, Office of Financial Planning
 Rebecca L. Cassidy, General Manager, Board Unit, Office of the Secretary
 Edward T. Cetnar, Director, Public Safety/Superintendent of Police
 Steven J. Coleman, Deputy Director, Media Relations
 Jennifer S. Davis, Chief Intergovernmental Affairs Officer
 Clarelle D. DeGraffe, Director, Rail Transit
 Alfred P. Doblin, Director, Chief Communications Office
 Michael P. Dombrowski, Audio Visual Specialist, Marketing
 Jose Febrillet, Director, Project Management Office
 Benjamin Feldman, Senior Program Manager, Intergovernmental Affairs
 Robert E. Galvin, Chief Technology Officer
 Robert Gibbon, Special Counselor to the Executive Director
 Glenessa Gordon, General Manager, Office of Business Diversity and Civil Rights
 Glenn Guzi, Senior Program Manager, World Trade Center Construction
 Mercedes Guzman, Administrative Assistant to Executive Director
 MaryLee Hannell, Chief, Human Capital
 Natasha G. Jean Philipp-Cumberbatch, Manager, Corporate Transparency, Office of the Secretary
 Benjamin Jervis, Executive Policy Analyst, Aviation
 Lindsay M. Kryzak, Director, Media Relations
 Scott Ladd, Assistant Director, Media Relations
 Cristina M. Lado, Director, Government and Community Affairs, New Jersey
 Huntley A. Lawrence, Director, Aviation
 Stephen Marinko, Assistant General Counsel, Law
 Michael G. Massiah, Chief Diversity and Inclusion Officer

Tobi Mettle, Deputy Chief of Staff for Agency Initiatives, Office of the Executive Director
 Daniel G. McCarron, Comptroller
 Elizabeth M. McCarthy, Chief Financial Officer
 James E. McCoy, Deputy Secretary, Office of the Secretary
 Mary K. Murphy, Director, Office of Planning & Regional Development
 Alec Nadeau, Manager, Executive Initiatives and Policy
 Aidan O'Donnell, Executive Advisor, Aviation Department
 Hersh K. Parekh, Director, Government and Community Relations for Aviation
 Redevelopment in New York
 Carl Peters, Principal Business Development Representative, Office of Business Diversity
 and Civil Rights
 Steven Plate, Chief, Major Capital Projects
 Suchetha Premchan, Business Development Executive, Office of Business Diversity
 and Civil Rights
 Alan Reiss, Director, World Trade Center Construction
 Bethann Rooney, Deputy Director, Port
 Peter Simon, Chief of Staff to the Chairman
 Mark B. Spector, Director, Real Estate
 Deborah Torres, Chief Ethics and Compliance Officer
 Derek H. Utter, Chief Development Officer
 Lillian D. Valenti, Chief Procurement and Contracting Officer

Guests:

Edmund Caulfield, Associate Counsel, Authorities Unit, Office of the Governor of New Jersey
 Joanne Hernandez, Senior Policy Advisor, Transportation, Office of the Governor of New York
 Brian Wilton, Deputy Chief Counsel - Director of Authorities, Office of the Governor of New
 Jersey

Speakers:

Arthur Blakey III, Brotherhood of Locomotive Engineers
 Murray Bodin
 Laura Colacurcio, Association for a Better New York
 Betty Crockett, Newark's South Ward Resident

Maria Free, NY Building Congress
 Amanda Kramer, Covington & Burling LLP

Anthony Pilla, Brotherhood of Locomotive Engineers
 Rebecca Pryor, Sensible Way to LGA
 Margarita Segura, UniteHere Local 100
 Charlene Talarico

Neile Weissman, Complete George

Topic:

PATH Labor Agreements
 Transportation Issues
 AirTrain LaGuardia
 Newark Liberty International
 Airport Redevelopment
 AirTrain LaGuardia
 EWR Airport Terminal B
 Concessions Program
 PATH Labor Agreements
 AirTrain LaGuardia
 Airport Workers Rights
 Human Resources Policies and
 Procedures
 Sustainability at Port Authority
 Facilities

The public meeting was called to order by Chairman O’Toole at 12:50 p.m. and ended at 1:52 p.m. The Board also met in executive session prior to the public session.

Report on Prior Meeting’s Minutes

Copies of the Minutes of the meeting of September 26, 2019 were delivered to the Governors of New York (in electronic form) and New Jersey (in paper form) on September 27, 2019. The time for action by the Governors of New York and New Jersey expired at midnight on October 11, 2019.

PORT AUTHORITY POLICY FOR SERVICE-DISABLED VETERAN-OWNED BUSINESS ENTERPRISES

It was recommended that the Board authorize a Port Authority Policy for Service-Disabled Veteran-Owned Business (SDVOB) Enterprise Program (SDVOB Program) that would implement a series of measures to increase opportunities for SDVOBs that are Small Business Enterprises (SBEs) to compete for and obtain Port Authority contracts. The program would include the following elements: (1) a good-faith SDVOB sub-contracting goal of three percent of the value of contracts, subject to the availability of SDVOB firms in respective contract categories; (2) provide SDVOB firms with the opportunity to bid on contracts with an estimated value of up to \$2.5 million, as part of the existing SBE set-aside program, subject to the identification of SDVOB firms in the respective contract categories; (3) grant SDVOBs a ten-percent price preference on publicly advertised bid solicitations with a value of up to \$1 million; and (4) several other measures, including: waiving certain bonding requirements for contracts with a value of less than \$2.5 million; participating in a construction mentor-protégé program; providing for semi-monthly payment submissions for SBE set-aside contracts; creating a list of SDVOB firms in the Port Authority's vendor database; and conducting outreach events for SDVOB firms.

The Port Authority is committed to expanding opportunities for veterans of the United States Armed Forces and has established a number of policies to promote employment of veterans by the agency. More than a decade ago, the agency adopted veterans' opportunities policies and practices in recruiting and hiring for positions in the Port Authority Police Department (PAPD), which have been highly successful in attracting veterans to the PAPD. At its meeting of September 28, 2017, the Board directed the Executive Director, with assistance from the Chief of Human Capital, to institute policies and procedures to promote the recruitment of veterans for all Port Authority employment positions, which has resulted in a 15 percent increase in the number of veterans employed by the Port Authority. In September 2018, the agency updated its administrative policy on military leave, to more effectively enable employees who are veterans to continue to serve as members of a reserve component of the United States Armed Forces. The proposed SDVOB Program would build upon these efforts to expand opportunities for veterans who have long performed a vital role in protecting our country by serving both at home and overseas.

To be eligible for certification as a SDVOB under the SDVOB Program, a participant would have to meet the following requirements: (1) provide documentation issued by the U.S. Department of Veteran Affairs as confirmation of service-disability status; (2) qualify for the Port Authority SBE program, which is generally guided by the U.S. Small Business Administration (SBA) program; and (3) firms must have principal offices located in either, or both of, New York and New Jersey. In addition, the Port Authority would conduct analyses to determine technical requirements and SDVOB availability in determining the practicality of setting aside a particular contract or category of contracts to SDVOB firms, and when establishing good faith SDVOB subcontracting goals for individual contracts.

Pursuant to the foregoing report, the following resolution was adopted, with Commissioners Bagger, Eve, Horwitz, Lynford, McCabe, McDonald, O'Toole, and Pocino 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 hereby is directed, for and on behalf of the Port Authority, to take all actions necessary or appropriate to establish and implement a Service-Disabled Veteran-Owned Business (SDVOB) Enterprise Program (SDVOB Program) to increase opportunities for SDVOBs to compete for and obtain Port Authority contracts, including promulgating SDVOB Program guidelines, substantially in accordance with the terms set forth in the foregoing report; and it is further

RESOLVED, that the Executive Director hereby is directed to report to the Board on the agency's progress in meeting the goals of the SDVOB Program periodically, as appropriate.

NEWARK LIBERTY INTERNATIONAL AIRPORT – TERMINAL B CONCESSIONS PROGRAM – DUFRY RETAILERS TERMINAL B JV – NEW LEASE AGREEMENT – ANC-881

It was recommended that the Board authorize the Executive Director to enter into a lease agreement with Dufry Retailers Terminal B JV (Dufry), a joint venture composed of Dufry North America LLC and Byrd Retail Group LLC, for new duty-free/duty-paid shops at six locations in Terminal B at Newark Liberty International Airport, comprising approximately 7,535 square feet of concessions space. The lease term would be for seven years, commencing on or about December 1, 2019. The lease would be subject to termination by the Port Authority without cause, upon 30 days' notice and reimbursement to Dufry of the unamortized value of its capital investment in the lease premises.

The proposed lease would also provide for the greater of an estimated aggregate minimum annual guarantee to the Port Authority of approximately \$42.2 million over the seven-year term of the lease, or percentage rent based on the gross receipts of the concessionaire's operation. Dufry would make an initial capital investment in the premises of approximately \$6.8 million, and a refurbishment investment by year five of operations, in an amount of approximately \$678,000.

Pursuant to the foregoing report, the following resolution was adopted, with Commissioners Bagger, Eve, Horwitz, Lynford, McCabe, McDonald, O'Toole, and Pocino 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 Dufry Retailers Terminal B JV, a joint venture composed of Dufry North America LLC and Byrd Retail Group LLC, for approximately 7,535 square feet of retail space at six locations at Terminal B at Newark Liberty International Airport, for a seven-year 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 his authorized representative, and the terms of such contracts, agreements and documents shall be subject to review by General Counsel or his authorized representative.

JOHN F. KENNEDY INTERNATIONAL AIRPORT REDEVELOPMENT - AUTHORIZATION OF EARLY ACTION WORKS AND CONTINUED PLANNING

Since 2017, the Port Authority has engaged in planning for the redevelopment of John F. Kennedy International Airport (the “Airport”), first opened to the public in 1948, in response to significant over-utilization of aircraft and passenger facilities (“JFK Redevelopment”). Since opening, passenger volume at the Airport has tripled, with accelerated growth in recent years. Continued increased usage is predicted, with current forecasts estimating activity reaching 100 million annual passengers by 2050. In accommodating the growth to date, on-airport facilities, including passenger terminals, have been added or demolished pragmatically as necessary, resulting in disjointed operations and an inconsistent level of service.

In its 2017-2026 Capital Plan, the Board has allocated \$2.9 billion for redevelopment at the Airport. Based on the report of Governor Andrew Cuomo’s Airport Advisory Panel in 2017, planning has focused on: (i) improving passenger terminals to meet expectations for airline and passenger services and amenities reflecting 21st century standards and creating a cohesive “One JFK” environment across the Airport; (ii) working with existing terminal operators and their financial and construction partners to upgrade passenger terminals, improve frontage and create additional gate capacity for aircraft, reflecting expected changes in aircraft fleets; (iii) improving roadways to address multiple bottlenecks; (iv) expanding ground transportation amenities in a central ground transportation center; (v) constructing flexible, multi-airline hardstand and aircraft service areas in the north and south terminal areas; (vi) enhancing security and sustainability; (vii) redeveloping an area in the north of the Airport for cargo operations; (viii) realigning taxiways to conform to terminal modifications and extending Taxiway K4; and (ix) upgrading fuel and electric utilities to serve the redeveloped facilities.

At its meetings on February 16, 2017 and December 13, 2018, the Board authorized planning and early stage expenditures for the JFK redevelopment in an amount not to exceed \$150 million. At its meeting on October 25, 2018, the Board authorized the Executive Director to negotiate exclusively with two developer groups – one in the north of the Airport sponsored by JetBlue and its partners (collectively, “JMP”) and one in the south sponsored by the existing Terminal One Group airlines and its partners (collectively, “TOGA”), to enter into lease arrangements for design, construction, financing, ownership and operation of two new passenger terminal complexes with increased capacity to replace existing terminal facilities, which negotiations are proceeding and are expected to conclude in late 2019. On February 14, 2019, the Board authorized the Port Authority to enter into a lease supplement with American Airlines for the expansion of, and improvements to, the T8 terminal, to facilitate the north complex construction.

The Port Authority now requests authorization to spend an additional \$445 million for early works actions, additional planning and design services and other expenses as follows:

- (i) Construction work on a south Airport Multi-Use Aircraft Facilities Development Project, including demolition of existing buildings, relocation of aircraft parking and construction of new hardstand facilities, and provision of a central aircraft de-icing facility (\$150 million);
- (ii) Construction work on a north Airport Hardstands Development Project for repaving airfield areas and providing new aircraft hardstands (\$20 million);

- (iii) Construction work on a west Airport Airfield Development Project for airfield enhancements, including aircraft hardstand redevelopment and apron repaving (\$25 million);
- (iv) Preparation for multi-party construction at the Airport central terminal area through work order and early action works for traffic management through intelligent transportation systems and development of a traffic command and control center; funding of community-based programs related to the Port Authority's portion of the project, including business and employment opportunities at the airport; early environmental due diligence work, and airfield paving and signage, including preparation of construction support spaces and project management spaces (\$100 million);
- (v) Funding for construction management services, integrity monitoring services, legal and financial consultants, and staff and agency overhead allocations and financial expense (\$85 million); and
- (vi) Expansion of contractor services for The Mott McDonald Group, the Port Authority's airport planning consultant (\$30 million) and HNTB Corporation, for program management services (\$35 million).

Pursuant to the foregoing report, the following resolution was adopted, with Commissioners Bagger, Eve, Horwitz, Lynford, McCabe, McDonald, O'Toole, and Pocino 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 early work actions and additional planning work in support of the redevelopment ("JFK Redevelopment") of the John F. Kennedy International Airport (the "Airport"), at a total estimated amount of \$445 million, be and they hereby are authorized, to include: (i) design and construction of a multi-use aircraft facilities development project in the southern portion of the Airport to provide additional aircraft hardstand capability and a centralized de-icing facility; (ii) design and construction of a Hardstands Development Project in the northern portion of the Airport to provide additional aircraft hardstand capability; (iii) an Airfield Development Project for enhancements including construction related to aircraft hardstand redevelopment and apron repaving; (iv) community programs related to the Port Authority's portion of the JFK Redevelopment Project; (v) early stage construction planning work, including traffic management costs and expenses to provide for construction coordination; (vi) early environmental due diligence work; (vii) development of space for construction and project management; (viii) funding for additional master planning efforts, project management services, construction management services and integrity monitoring; and (ix) staff allocation and overhead expenses, including financial expense; 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 supplemental contracts with The Mott McDonald Group, the Port Authority's airport master planner, and HNTB Corporation, the project manager, to effectuate the foregoing, for additional consideration of \$30 million and \$35 million, respectively; and it is further

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to take action with respect to other contracts for

professional and advisory services and such other contracts and agreements as may be necessary to effectuate the foregoing early works efforts, 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 shall be subject to the approval of the General Counsel or his authorized representative, and the terms of such contracts, agreements and other documents shall be subject to review by the General Counsel or his authorized representative.

JOHN F. KENNEDY INTERNATIONAL AIRPORT – REHABILITATION OF WATER DISTRIBUTION SYSTEMS – PLANNING AUTHORIZATION

It was recommended that the Board authorize planning work to support the replacement of the water distribution systems at John F. Kennedy International Airport (JFK), at an estimated total cost of \$5 million.

As the airport operator, the Port Authority operates and maintains the water distribution systems at JFK. These systems include approximately 100 miles of water mains, as well as associated pumps, valves and other pipes. These distribution systems, which were constructed in the 1940s, draw water from City of New York lines into the various terminals, buildings, fuel farms, and other JFK assets. Most of the pipes require rehabilitation or replacement in order to maintain a state of good repair.

Under the proposed planning authorization, the Port Authority would undertake planning, preliminary design and engineering work for the replacement of water mains, pipes, valves and pumps. This planning effort would include extensive surveys and testing of the existing distribution systems, leading to the development of a computerized network model of the systems to prioritize replacement and rehabilitation of pipeline segments and other components of the systems.

Pursuant to the foregoing report, the following resolution was adopted, with Commissioners Bagger, Eve, Horwitz, Lynford, McCabe, McDonald, O'Toole, and Pocino 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 planning work to support the replacement of the water distribution systems at John F. Kennedy International Airport, at an estimated total cost of \$5 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 take action with respect to contracts for professional and advisory services and such other contracts and agreements as may be necessary to effectuate the foregoing planning work, pursuant to authority granted in the By-Laws or other resolution adopted by the Board; and it is further

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

NEWARK LIBERTY INTERNATIONAL AIRPORT – MASTER PLANNING AND TERMINAL TWO DEVELOPMENT PROGRAM – PLANNING AUTHORIZATION

It was recommended that the Board authorize: (1) vision planning to advance the master planning efforts for the redevelopment of Newark Liberty International Airport (EWR), and, consistent with the vision planning efforts, provide for planning work for the development of a new Terminal Two to replace the existing Terminal B, at a total estimated cost of \$35 million; and (2) the Executive Director to submit an application to the Federal Aviation Administration for permission to use up to \$35 million in Passenger Facility Charges to recover eligible expenditures associated with the proposed planning work.

As EWR emerges into its next phase of redevelopment, a comprehensive assessment of existing airport infrastructure and required facilities must be undertaken. To that end, a portion of the proposed planning authorization would provide for vision planning work, estimated at \$6 million, to provide high-level and conceptual implementation strategies for EWR's continued redevelopment. The proposed scope of work for vision planning would include: (1) defining EWR's short- and long-term comprehensive terminal expansion plans, and other improvements necessary to facilitate growth, meet emerging demands, and provide world-class customer service; and (2) studying the growth potential at EWR and performing a comprehensive assessment of the existing infrastructure and locations, to determine necessary improvements and relocations to support terminal expansion and redevelopment.

Construction of a new Terminal One at EWR to replace the existing Terminal A is underway, and the new terminal is expected to partially open in 2021 and be fully operational by 2022. EWR's Terminal B opened in 1973, the same year as Terminal A. Although Terminal B was renovated over a decade ago, it is space-constrained and is not designed to fully meet current and future demand. In 2018, EWR recorded its highest growth rate in passenger volume. The development of a new Terminal Two to replace Terminal B would create a new, modern and world-class international terminal that is equipped to handle the forecasted increase in passenger volume, while enhancing customer satisfaction and experience.

Planning efforts for a new Terminal Two, consistent with EWR's vision planning efforts, at an estimated cost of \$29 million, would include: (1) assessing potential early airside and landside infrastructure relocation and site work needed to support redevelopment at the airport; (2) assessing various options for delivering the EWR Terminal Two Redevelopment Program, ranging from private financing by airlines or private terminal operators under public-private partnership models to stand-alone investment by the agency; (3) developing Requests for Information, Requests for Qualifications, and Requests for Proposals for the proposed redevelopment program; (4) preparing the necessary documents pursuant to the National Environmental Policy Act in support of the terminal redevelopment; and (5) coordinating with the neighboring community on the redevelopment plans.

Pursuant to the foregoing report, the following resolution was adopted, with Commissioners Bagger, Eve, Horwitz, Lynford, McCabe, McDonald, O'Toole, and Pocino 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 vision planning to advance the master planning efforts for the redevelopment of Newark Liberty International Airport (EWR), and, consistent with the vision planning efforts, planning work for the development of a new Terminal Two to replace the existing Terminal B, at a total estimated cost of \$35 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 submit an application to the Federal Aviation Administration for permission to use up to \$35 million in Passenger Facility Charges to recover eligible expenditures associated with the foregoing planning work; and it is further

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to take action with respect to contracts for professional and advisory services and such other contracts and agreements as may be necessary to effectuate the foregoing planning work, 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 planning work shall be subject to the approval of General Counsel or his authorized representative, and the terms of such contracts, agreements and other documents shall be subject to review by General Counsel or his authorized representative.

NEWARK LIBERTY INTERNATIONAL AIRPORT – NEW AIRTRAIN NEWARK - PROGRAM AUTHORIZATION

It was recommended that the Board authorize: (1) a program for the development of a new AirTrain Newark to replace the existing AirTrain system (Program) at Newark Liberty International Airport (EWR), at a total estimated Program amount of \$2.05 billion; and (2) the Executive Director to: (a) increase, by an estimated \$30 million, the amount of an existing agreement with Lea+Elliot, Inc. to provide continued professional and advisory services, on an as-needed basis, to support delivery of the Program, bringing the total authorized contract amount to an estimated \$60 million; (b) execute agreements with private, and federal, state, and municipal government entities, to facilitate the Program, including, but not limited to, agreements for the acquisition of property, access rights and rights of entry, leases, and cost recovery agreements with airlines at EWR; and (c) take other necessary actions to facilitate delivery of the Program, including execution of agreements, contracts and other documents with any appropriate parties to facilitate such actions, together with amendments and supplements thereof, including amendments to existing agreements, and to take action in accordance with the terms of such agreements, contracts and other documents as may be needed. The award of contract(s) to design, build, operate and maintain the new AirTrain Newark is not authorized at this time, and would require future Board approval.

AirTrain Newark is a critical component of the operation of EWR. Approximately 33,000 passengers per day and 12 million passengers per year use the AirTrain system. It provides access to the Northeast Corridor (NEC) Rail Link and provides customers and employees with the ability to transfer between terminals, parking lots and rental car facilities. The existing AirTrain system, which opened in 1996, is reaching the end of its useful life, requires extensive maintenance and repair, and cannot efficiently meet current or forecasted demand.

The proposed authorization would provide for the replacement of the existing system with a brand new AirTrain system. This includes: rehabilitation of three existing stations and construction of a new station, development of approximately 13,000 feet of guideway, a power distribution system with approximately four substations, a control center, supervisory control and data acquisition systems, a Maintenance Control Facility (MCF), a multilevel parking structure at the NEC station to replace parking spaces lost due to surface spaces removed to construct the MCF, a connector bridge to the terminals, acquisition of an approximately 16-vehicle fleet, and implementation of automated train control. The Program would include the evaluation of alternative technologies to deliver the new system.

At its April 30, 2015 meeting, the Board authorized planning work, at an estimated cost of \$40 million, for the future replacement of the AirTrain system, which amount is included in the proposed Program authorization. Substantial planning work completed to date includes: the development of feasible alignments in accordance with the EWR Terminal One Redevelopment Program, analysis of operational and construction feasibility, procurement strategy development, initial ridership forecasts and analysis, technology assessments, electrical power demand estimation, and concept of operations. Pursuant to the planning authorization, the Executive Director authorized an agreement with Lea+Elliot, Inc. in August 2015 for expert professional technical services, on an as-needed basis, to support the first phase planning effort for the replacement of the AirTrain Newark system, at an amount not to exceed \$30 million, with services beyond planning, including assistance with procurement of contract(s) awards and oversight of the implementation of the selected technology, subject to Board authorization.

On December 7, 2017, as part of a broader authorization for the EWR Terminal One Redevelopment Program, the Board authorized a project for the design and construction of a certain number of AirTrain Newark guideway foundations, which were located within the right-of-way of the redevelopment program, at an estimated cost of \$75 million. The work on that project is expected to be completed in 2021.

It is currently anticipated that various options will be considered with respect to the Program delivery, including a Design, Build, Operate and Maintain (DBOM) contract. Future Board approval would be sought for the design and construction of the system and supporting infrastructure, and to operate and maintain the system.

Pursuant to the foregoing report, the following resolution was adopted, with Commissioners Bagger, Eve, Horwitz, Lynford, McCabe, McDonald, O'Toole, and Pocino 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 program for the development of a new AirTrain Newark to replace the existing AirTrain system (Program) at Newark Liberty International Airport (EWR), at a total estimated Program amount of \$2.05 billion, 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: (1) increase, by an estimated \$30 million, the amount of an existing agreement with Lea+Elliot, Inc. to provide continued professional and advisory services, on an as-needed basis, to support delivery of the Program, bringing the total authorized contract amount to an estimated \$60 million; (2) execute agreements with private, and federal, state, and municipal government entities, to facilitate the Program, including, but not limited to, agreements for the acquisition of property, access rights and rights of entry, leases, and cost recovery agreements with airlines at EWR; and (3) take other necessary actions pursuant to the authority granted in the By-Laws or other resolutions adopted by the Board to facilitate delivery of the Program, including execution of agreements, contracts and other documents with any appropriate parties to facilitate such actions, together with amendments and supplements thereof, including amendments to existing agreements, and to take action in accordance with the terms of such agreements, contracts and other documents as may be needed, substantially in accordance with the terms outlined to the Board; and it is further

RESOLVED, that in undertaking the actions described above to facilitate delivery of the Program, the Executive Director shall not award a contract(s) to design, build, operate and maintain the AirTrain system, unless and until the Board has specifically approved any such proposed contract award; and it is further

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

**LAGUARDIA AIRPORT – AIRPORT ACCESS IMPROVEMENT – NEW AIRTRAIN
LAGUARDIA - PROGRAM AUTHORIZATION**

It was recommended that the Board authorize: (1) implementation of an airport access program (Program) that provides a rail mass transit system (AirTrain LaGuardia) linking LaGuardia Airport (LGA) to the Long Island Rail Road (LIRR) Mets-Willets Point Station (Willets-Point Station) and New York City Transit's No. 7 subway line located in Willets-Point Queens (Mets-Willets Point), at a total estimated cost of \$2.05 billion; and (2) the Executive Director to (a) effectuate and/or enter into agreement(s) with the City of New York (City), Metropolitan Transportation Authority (MTA) and its subsidiaries (including the LIRR and New York City Transit Buses and Subways), United States Tennis Association (USTA), Queens Ballpark Company LLC (Mets), and other private, state, federal or municipal entities as may be needed to facilitate delivery of the Program, setting forth the parties' respective responsibilities regarding the preparation of design documents, solicitation and award of contracts, project construction, acquisition, disposition, exchange or transfer of property interests, among other items; (b) take other necessary actions to facilitate delivery of the Program, including execution of agreements, contracts and other documents with any appropriate parties to facilitate such actions, together with amendments and supplements thereof, including amendments to existing agreements, and to take action in accordance with the terms of such agreements, contracts and other documents as may be needed. The implementation of the Program, including certain provisions of the agreements to be executed pursuant to this Program authorization, the acquisition of properties and the future construction and operation of the Program, among other items, is subject to the Federal Aviation Administration's (FAA) completion of an environmental impact statement (EIS) in accordance with the National Environmental Policy Act (NEPA), and the issuance of a Record of Decision (ROD). In addition, award of contract to design, build, operate and maintain (DBOM Contract) AirTrain LaGuardia is not authorized at this time, and would require future Board approval.

LGA is the only major U.S. East Coast airport without direct rail mass transit access. Under current congested traffic conditions, travel times are unpredictable for automobiles, taxis, and buses, creating the potential for missed flights. With passenger demand at LGA expected to reach 35 million passengers annually in 2030, adding a convenient, predictable, and reliable AirTrain connection to LGA is a crucial component of modernizing the airport for an improved passenger experience, reducing the airport's impact on the environment, and reducing the airport's impact on congestion plaguing the roadway network leading to and from the airport. This item would authorize a Program to implement a new AirTrain LaGuardia, to provide convenient and reliable access to LGA for airport users, subject to the FAA's completion of an EIS in accordance with NEPA. AirTrain LaGuardia would connect the airport to a new AirTrain station at Willets Point. The new AirTrain station at Willets Point would provide a seamless connection to existing LIRR and No. 7 subway service.

In June 2018, the New York State legislature passed an act providing the New York State Department of Transportation (NYSDOT) with the authority to acquire property within a defined corridor to facilitate the construction, operation, maintenance, repair, and replacement of an AirTrain system connecting LGA to Willets-Point Station and the No. 7 Station (Legislation). The corridor included in the Legislation minimizes impacts to private commercial or residential properties. The Port Authority anticipates working with NYSDOT to acquire the property interests

needed to facilitate the Program by negotiated agreement with affected state, municipal and private entities. Included in the Legislation was the requirement for the Port Authority to enter into a memorandum of agreement with the City to address rehabilitation of the Passerelle pedestrian bridge (a program already included in the City's capital plan, with a budget of \$124 million) (Passerelle Bridge), which connects the No. 7 Station to the LIRR Willets-Point Station, as well as providing access to Flushing Meadow Corona Park.

In addition, the MTA planned to proceed with certain improvements to the LIRR Willets-Point Station and has identified funds for such purposes in its capital plan. The improvements include upgrades addressing compliance with the American with Disabilities Act, among other improvements. Currently, LIRR Willets-Point Station service occurs on an event-only basis. In order to address the increased service required for AirTrain LaGuardia, certain upgrades are required to convert the station from events-only service to regular service.

Due to the complexity of simultaneously reconstructing the Passerelle Bridge with the proposed LIRR Willets-Point Station upgrades and the proposed AirTrain construction within this constricted geographic area, staff believes it is prudent to proceed with coordinating as much of the work as possible, inclusive of design (as appropriate) and construction, with the Port Authority managing certain project work on behalf of the City and the MTA. Arrangements with respect to the construction and cost sharing for the Port Authority-managed work would be subject to the approval of the DBOM Contract.

The Program is included in the 2017-2026 Capital Plan. Future Board authorization would be sought for the award of the DBOM Contract, following the FAA's issuance of the ROD.

Pursuant to the foregoing report, the following resolution was adopted, with Commissioners Bagger, Eve, Horwitz, Lynford, McCabe, McDonald, O'Toole, and Pocino 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 program to implement an airport access program (Program) providing a rail mass transit system (AirTrain) linking La Guardia Airport to the Long Island Rail Road Mets-Willets Point Station and New York City Transit's No. 7 subway line located in Willets-Point Queens, at a total estimated cost of \$2.05 billion, be and it hereby is authorized, 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: (1) effectuate and/or enter into agreement(s) with the Metropolitan Transportation Authority and its subsidiaries (including the Long Island Rail Road Company and New York City Transit Buses and Subways), the City of New York (City), the United States Tennis Association (USTA), Queens Ballpark Company LLC (Mets), and any other entities as may be needed to facilitate delivery of the Program, setting forth the parties' respective responsibilities regarding the preparation of design documents, solicitation and award of contracts, project construction, acquisition, disposition, exchange or transfer of property interests, among other matters; and (2) take other necessary actions pursuant to the authority granted in

the By-Laws or other resolutions adopted by the Board to facilitate delivery of the Program, including execution of agreements, contracts and other documents with any appropriate parties to facilitate such actions, together with amendments and supplements thereof, including amendments to existing agreements, and to take action in accordance with the terms of such agreements, contracts and other documents as may be needed, with certain provisions of the agreements, including the acquisition of property and construction of the Program, among other matters, subject to the Federal Aviation Administration's (FAA) issuance of the Record of Decision, substantially in accordance with the terms outlined to the Board; and it is further

RESOLVED, that in undertaking the actions described above to facilitate delivery of the Program, the Executive Director shall not award a contract to design, build, operate and maintain the AirTrain system, unless and until the FAA has issued the ROD, and the Board has specifically authorized any such proposed contract award; and it is further

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

PORT JERSEY-PORT AUTHORITY MARINE TERMINAL – REHABILITATION OF BERTHS E-1 AND E-2 – PROJECT AUTHORIZATION AND AWARD OF CONTRACT PJ-664.513

It was recommended that the Board authorize: (1) a project for the final design and reconstruction of existing Berths E-1 and E-2 (the “Berths”) located at the Port Jersey-Port Authority Marine Terminal’s Dry Dock facility in Bayonne, New Jersey, at an estimated total project cost of \$30 million; and (2) the Executive Director to award Contract PJ-664.513 for construction of the Berths, to the lowest-priced qualified bidder, at an estimated cost of \$18.6 million, included in the estimated total project cost. Pursuant to a U.S. Department of Commerce Economic Development Administration (EDA) grant, the EDA would reimburse 50 percent of eligible project costs, up to \$9.9 million.

Berths E-1 and E-2 were constructed in 1942. The Bayonne Local Redevelopment Authority was awarded grants by the EDA in each of 2008, 2009 and 2010 to stabilize and enhance the viability of the facility at an aggregate amount \$17.5 million. The Port Authority acquired the Dry Dock facility from the City of Bayonne in 2010. Of the total grant funds, the EDA had obligated \$7.6 million to complete certain repairs to the facility. That work was completed by the City of Bayonne’s contractor in 2015. Upon completion of the work, the Port Authority formally requested that the remaining \$9.9 million in grant funds be transferred to the Port Authority. That process required that new preliminary estimates and a scope of work be prepared by the Port Authority, and that the earlier grant by the EDA and the City be reconciled and closed. Following EDA’s completion of due diligence of the Port Authority’s request, the grant funds were transferred to the Port Authority on May 4, 2018 to cover a portion of the cost to rehabilitate Berths E-1 and E-2.

The work on the proposed project would help facilitate these infrastructure improvements, bring the Berths into a state of good repair, and ensure their safe and operational capacity to continue generating revenue at the port. The scope of work for the project would include the demolition of deteriorated platforms and bulkheads at Berths E-1 and E-2, as well as reconstruction of the interior platforms, piling and appropriate tie-up areas, to allow access to vessels undergoing repairs in the dry dock.

Pursuant to the foregoing report, the following resolution was adopted, with Commissioners Bagger, Eve, Horwitz, Lynford, McCabe, McDonald, O’Toole, and Pocino 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 for the final design and reconstruction of existing Berths E-1 and E-2 at the Port Jersey-Port Authority Marine Terminal’s Dry Dock facility in Bayonne, New Jersey, at an estimated total project cost of \$30 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 PJ-664.513 for the reconstruction of Berths E-1 and E-2 in connection with the foregoing project, to the lowest-priced qualified bidder, at an estimated cost of \$18.6 million, 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 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 his authorized representative, and the terms of such contracts, agreements and other documents shall be subject to review by General Counsel or his authorized representative.

Whereupon, the meeting was adjourned.

Secretary