

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

MINUTES

Thursday, July 25, 2019

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MINUTES of the Meeting of The Port Authority of New York and New Jersey held Thursday, July 25, 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

NEW YORK

Hon. Leecia R. Eve
 Hon. Daniel J. Horwitz
 Hon. Gary LaBarbera
 Hon. George T. McDonald
 Hon. Rossana Rosado

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

Brian Babb, Summer Intern, Law
 Adam L. Barsky, Chief of Staff to the Executive Director and Special Counselor
 Luke Bassis, Deputy Director, Procurement
 Carol Bennett, Assistant Director Capital Planning, Office of Business Diversity and Civil Rights
 John Bilich, Chief Security Officer
 Benjamin M. Branham, Chief Communications Officer
 Michael Brown, Assistant Chief, Public Safety
 Ana Carvajalino, Director, Office of Financial Planning
 Rebecca L. Cassidy, General Manager, Board Unit, Office of the Secretary
 Steven J. Coleman, Deputy Director, Media Relations
 Silvia Cuevas, Leadership Fellow, Human Resources
 Jennifer S. Davis, Chief Intergovernmental Affairs Officer
 Clarelle D. DeGraffe, Director, Rail Transit
 Jimmy Diaz, Excelsior Fellow, Marketing
 Michael P. Dombrowski, Audio Visual Specialist, Marketing
 Diannae C. Ehler, Director, Tunnels, Bridges and Terminals
 Jose Febrillet, Director, Project Management Office
 Amy H. Fisher, First Deputy General Counsel
 Kevin Frick, Attorney, Law
 Ann M. Georgas, Legal Management, Manager, Law
 Mercedes Guzman, Secretary to the Executive Director
 Mary Lee Hannell, Chief, Human Capital
 Natasha G. Jean Philipp-Cumberbatch, Manager, Corporate Transparency, Office of the Secretary
 Norma Juarez, Summer Intern, Law
 Louis Klock, Deputy Director, Public Safety
 Milena Kosc, Principal Board Management and Support Specialist, Office of the Secretary
 Alexandra Koscove, Summer Intern, Law
 Abigail Krusemark, Summer Intern, Law
 Lindsey M. Kryzak, Director, Media Relations
 Scott Ladd, Assistant Director, Media Relations

Cristina M. Lado, Director, Government and Community Affairs, New Jersey
 Aaron Lasker, Summer Intern, Law
 Huntley A. Lawrence, Director, Aviation
 Christopher Lyons, Summer Intern, Law
 John Malles, Deputy Director, Technology Department
 Stephen Marinko, Assistant General Counsel
 Michael G. Massiah, Chief Diversity and Inclusion Officer
 Sara Mazurek, Summer Intern, Law
 Elizabeth M. McCarthy, Chief Financial Officer
 James E. McCoy, Deputy Secretary, Office of the Secretary
 David McKinley, Summer Intern, Law
 Alec Nadeau, Special Assistant to the Executive Director
 Steven P. Plate, Chief, Major Capital Projects
 Alan L. Reiss, Director, World Trade Center Construction
 Sam Ruda, Director, Port
 Jessica Russ, Executive Policy Analyst, Office of the Secretary
 Peter D. Simon, Chief of Staff to the Chairman
 Mark B. Spector, Director, Real Estate
 James A. Starace, Chief Engineer/Director of Engineering
 Patrick Sun, Summer Intern, Law
 K. Ocean Stokes, Senior Business Manager, Engineering Department
 Debra M. Torres, Chief Ethics and Compliance Officer
 Derek H. Utter, Chief Development Officer
 Christine Weydig, Director, Office of Environmental and Energy Programs
 Christine Xu, Summer Intern, Law
 Ben Zang, Summer Intern, Law

Guests:

Edmund Caulfield, Associate Counsel, Authorities Unit, Office of the Governor of New Jersey
 Joanne Hernandez, Senior Policy Advisor for Transportation, Office of the Governor of
 New York

Speakers:

Terry Agnew, SEIU 32BJ
 Carl Auguste, PATH Labor Coalition/ATDA
 Arthur Blakey, PATH Labor Coalition/ATDA
 Murray Bodin, Member of the Public
 Michael Brady, PATH
 Peter Erwin, Sullivan Hernandez Agency
 Israel Melendez, SEIU 32BJ
 Roberto Perez, Unite Here Local 100
 Margarita Segura, Unite Here Local 100
 Nadia Small, Unite Here Local 100
 Yolanda Sullivan, Sullivan Hernandez Agency
 Neile Weissman, Complete George

Topic:

Security Contract Bargaining
 Status of PATH Labor contracts
 Status of PATH Labor contracts
 Transportation Issues
 PATH Supervisors
 M/W/SBE-related matters
 Security Contract Bargaining
 Airport workers healthcare issues
 Airport workers healthcare issues
 Airport workers healthcare issues
 M/W/SBE-related matters
 Widening Paths on GWB

The public meeting was called to order by Chairman O’Toole at 12:35 p.m. and ended at 1:20 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 June 27, 2019 were delivered to the Governors of New York (in electronic form) and New Jersey (in paper form) on June 28, 2019. The time for action by the Governors of New York and New Jersey expired at midnight on July 15, 2019.

NEWARK LIBERTY INTERNATIONAL AIRPORT – TERMINAL B CONCESSIONS PROGRAM – EXTENSION OF AGREEMENT AND MODIFICATION OF TERMS - ANB-753

It was recommended that the Board authorize the Executive Director to enter into a modification and extension of an agreement with URW Airports, LLC (previously known as Westfield Airports, LLC (URW)) for the management of concessions in Terminal B at Newark Liberty International Airport (EWR). The existing agreement with URW expires August 31, 2019, and would be extended for an additional five months, ending January 31, 2020, with a two-month option for further extension, exercisable by the Port Authority.

At its meeting of July 26, 2007, the Board authorized the Executive Director to enter into the concession management agreement with URW, covering Terminals A and B at EWR, for a seven-year term, with a three-year extension option. On December 4, 2013, the Board authorized an extension of the term of the agreement for an additional two-year period, through August 31, 2019.

The proposed extension agreement would provide for the continuation of URW's services in Terminal B while a replacement operator is selected for that terminal. URW's services at Terminal A would be replaced by Munich Airport International (MAI), which has been engaged to operate, maintain and manage concession functions in Terminal A, effective September 1, 2019. The extension agreement would further provide for an option for continued management of Terminal A concessions by URW, on a month-to-month basis, as of September 1, 2019, if MAI's commencement of operations in Terminal A is delayed. In case of such delay, during the month-to-month extension period, the management fee to URW for both Terminals A and B would continue under the fee structure in the existing agreement, rather than the new negotiated fee structure for the proposed extension agreement. If there is no delay, during the extension period the management fee paid to URW would be modified to one based on a percentage of gross sales in Terminal B.

Pursuant to the foregoing report, the following resolution was adopted, with Commissioners Bagger, Eve, LaBarbera, McCabe, McDonald, O'Toole, and Rosado in favor. Commissioner Horwitz recused and did not participate in the consideration of, or vote on, this item. 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 modification and extension of an agreement with URW Airports, LLC (previously known as Westfield Airports, LLC) for the management of concessions in Terminal B at Newark Liberty International Airport for a five-month period, with a two-month extension option, 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.

PORT JERSEY-PORT AUTHORITY MARINE TERMINAL – BMW OF NORTH AMERICA, LLC – NEW LEASE AMT-006

It was recommended that the Board authorize the Executive Director to enter into a ten-year lease agreement with BMW of North America, LLC (BMW) for the letting of open area, a vehicle preparation center, and a multi-level vehicle storage garage (collectively, the Premises) at the Port Jersey-Port Authority Marine Terminal (Port Jersey), for the continued operation of an import automobile processing facility.

BMW has been a tenant at Port Jersey since 1987, providing import, export and processing services for motor vehicle brands and models within the BMW corporate group under existing leases with the Port Authority that expired on April 30, 2019. Auto processing is an important part of the Port Authority's marine terminal business, generating significant revenue and supporting hundreds of jobs.

The new lease agreement would commence retroactive to May 1, 2019 and run for a ten-year term. In addition to the letting of the Premises, the lease would grant BMW the right to use a berth for the loading and unloading of seagoing car-carrying vessels, a paved access route connecting the berth to the Premises, and an approximate five-acre area as a first point of rest at Port Jersey. Under the lease agreement, BMW would be required to invest a minimum of \$2,000,000 for eligible capital improvements into the Premises by April 30, 2027, and would be required to pay a penalty if it failed to invest such minimum amount. BMW would assume responsibility for the maintenance and repair of the Premises, structural or otherwise.

The total aggregate rent to be paid by BMW over the term of the lease would be approximately \$35 million. BMW would also guarantee an annual minimum throughput of vehicles (Minimum Annual Guarantee) to be handled at the Premises and would be subject to a per-vehicle shortfall penalty. The per-vehicle shortfall rate would be adjusted pursuant to the percentage increase in the Marine Terminal Tariff – Federal Maritime Commission Schedule No. PA-10 wharfage rate for unboxed vehicles, so that the Port Authority would be assured of achieving a specified revenue from import/export of vehicles at the Premises. BMW would be eligible for incentives in the form of a rent credit if the annual vehicle throughput handled at the Premises exceeds specified thresholds above the Minimum Annual Guarantee.

Pursuant to the foregoing report, the following resolution was adopted, with Commissioners Bagger, Eve, Horwitz, LaBarbera, McCabe, McDonald, O'Toole, 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 ten-year lease agreement with BMW of North America, LLC for the letting of open area, a vehicle preparation center, and a multi-level vehicle storage garage at the Port Jersey-Port Authority Marine Terminal, for the continued operation of an import automobile processing facility, 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 other documents shall be subject to review by General Counsel or his authorized representative.

**PORT AUTHORITY BUS TERMINAL – VILLA PIZZA OF BELLPORT, INC. d/b/a
VILLA PIZZA – NEW LEASE LBT-760**

It was recommended that the Board authorize the Executive Director to enter into a lease agreement (Lease) with Villa Pizza of Bellport, Inc. d/b/a Villa Pizza (Villa Pizza), to provide for the letting of approximately 3,150 square feet of retail space on the first floor of the South Wing of the Port Authority Bus Terminal (PABT). Villa Pizza is a current tenant and would continue to occupy the space to operate an Italian-style restaurant and a Jersey Mike's Subs, with the option of adding an additional concept.

The Lease would commence on or about August 1, 2019 and run for a term of six years, with two five-year extension periods, exercisable at Villa Pizza's option. The new Lease would provide for Villa Pizza to renovate and rebrand its leasehold at its sole cost, expected to be approximately \$2.3 million. For the avoidance of doubt, the Port Authority may terminate the Lease, without cause, upon 60 days' notice, including in the event of a redevelopment of the PABT, subject to reimbursement of Villa Pizza's unamortized capital investment of up to \$2.3 million. The Port Authority would receive a total aggregate rental of approximately \$3.23 million over the six-year term of the Lease, including base rent and index rent. Villa Pizza would also pay percentage rental on the portion of its gross receipts that exceeds an annual threshold amount. Villa Pizza would receive an eight-month rent abatement during build-out of the space.

The proposed Lease was brokered by Cushman & Wakefield (C&W), in accordance with the terms of the PABT Retail Management Agreement with C&W, and a brokerage commission would be paid to C&W.

Pursuant to the foregoing report, the following resolution was adopted, with Commissioners Bagger, Eve, Horwitz, LaBarbera, McCabe, McDonald, O'Toole, 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 lease agreement LBT-760 with Villa Pizza of Bellport, Inc. for approximately 3,150 square feet of retail space on the first floor of the South Wing of the Port Authority Bus Terminal, for a six-year term, with two five-year extension options exercisable by the lessee, 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 – REPLACEMENT OF FIRE PROTECTION SYSTEMS AT HANGAR 19 – PROJECT AUTHORIZATION

It was recommended that the Board authorize a project to replace the fire protection systems at Hangar 19 at John F. Kennedy International Airport (JFK), at an estimated total project cost of approximately \$30 million.

Hangar 19, a 295,000-square-foot, 92-foot-high facility used for aircraft maintenance and snow removal, is located on the western side of JFK, north of Taxiway “Q.” An assessment of the hangar’s fire protection systems was performed and concluded that the systems were nearing the end of their useful life.

The proposed project would provide for the replacement of all fire suppression valves, foam tanks, sprinkler systems, emergency evacuation ventilation systems and fire alarms, and associated electrical and plumbing work. A key piece of this project would involve the installation of a new central fire alarm panel connected to a comprehensive facility-wide fire detection system. In the hangar’s two North Bays, the project would replace deluge fire suppression valves and sprinkler heads. In the two South Bays, the fire protection system featuring foam monitors and deluge sprinklers would be replaced. Furthermore, the project would include replacement of the ventilation systems used in the emergency evacuation tunnel underneath the facility, along with new emergency power for all essential life safety systems.

Pursuant to the foregoing report, the following resolution was adopted, with Commissioners Bagger, Eve, Horwitz, LaBarbera, McCabe, McDonald, O’Toole, 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 replace the fire protection systems at Hangar 19 at John F. Kennedy International Airport, at an estimated total project cost of approximately \$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 take action with respect to 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 agreements, contracts 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.

HOLLAND TUNNEL, LINCOLN TUNNEL AND GEORGE WASHINGTON BRIDGE – IMPLEMENTATION OF CASHLESS TOLLING – PROJECT AUTHORIZATION

Open-road cashless tolling, which is currently in operation at the Bayonne Bridge and the Outerbridge Crossing and will be in place at the Goethals Bridge later this year, provides for the seamless movement of traffic, saves commuter time, enhances safety, reduces traffic accidents, reduces traffic congestion, and decreases vehicular emissions.

In order to realize the benefits of open-road cashless tolling operations at all Port Authority bridge and tunnel facilities, it was recommended that the Board authorize: (1) a project (Project) to implement an open-road cashless tolling system at the Holland Tunnel (HT), Lincoln Tunnel (LT), and George Washington Bridge (GWB), at a total estimated project cost of \$240 million, including payments to contractors, allowances for extra work and net cost work, engineering, administrative and financial expenses, and project contingencies; and (2) the Executive Director to (a) award competitively procured work-order contracts for all physical changes required to deploy open-road cashless tolling at the impacted crossings, including gantry construction, roadway modifications, demolition, and all related work, including (a) a contract for work at the HT and the LT, at an estimated amount of \$60 million; and (b) a contract for work at the GWB, at an estimated amount of \$89 million. It was also recommended that the Executive Director take the following actions required to operate and maintain open-road cashless tolling, at an estimated aggregate amount of approximately \$6 million, including: (1) amend a contract with Conduent State & Local Solutions, Inc. to expand E-ZPass New York Customer Service Center facilities and equipment, that would be required to process Tolls-by-Mail transactions generated by users of the HT, LT, and GWB, at an estimated cost of \$2.5 million; (2) amend a contract with CRA, Inc. to provide additional support staff services, at an estimated cost of \$2 million; and (3) extend a contract with Traffic Technologies Inc. to provide continued technical support for ongoing E-ZPass and Tolls-by-Mail operations for a two-year period, through February 28, 2022, at an estimated cost of \$1.5 million.

The construction schedule for the Project would be developed in coordination with the affected communities.

Pursuant to the foregoing report, the following resolution was adopted, with Commissioners Bagger, Eve, Horwitz, LaBarbera, McCabe, McDonald, O'Toole, 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 (Project) to implement an open-road cashless tolling system at the Holland Tunnel (HT), Lincoln Tunnel (LT), and George Washington Bridge (GWB), at a total estimated project cost of \$240 million, including payments to contractors, allowances for extra work and net cost work, engineering, administrative and financial expenses, and project contingencies, 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 the following actions in connection with the delivery of the foregoing Project: award competitively procured work-order contracts, for all physical changes required to deploy open-road cashless tolling at the impacted crossings, including a contract for work at the HT and the LT, at an estimated amount of \$60 million, and a contract for work at the GWB, at an estimated amount of \$89 million; 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 the following actions with respect to the operation of all-electronic tolling, at an estimated aggregate amount of approximately \$6 million, including actions required following the successful completion of the Project: (2) amend an existing contract with Conduent State & Local Solutions, Inc. to expand E-ZPass New York Customer Service Center facilities and equipment, as necessary to process additional Tolls-by-Mail transactions generated by users of the HT, LT, and GWB, at an estimated cost of \$2.5 million; (2) amend a contract with CRA, Inc. to provide additional staff support services, at an estimated cost of \$2 million; and (3) extend the term of an existing contract with Traffic Technologies Inc. for continued technical support services for the ongoing E-ZPass and Tolls-by-Mail operations for a two-year period, through February 28, 2022, at an estimated cost of \$1.5 million; 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 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.

NEW JERSEY MARINE TERMINALS – REHABILITATION OF BUILDING ROOFS – PLANNING AUTHORIZATION

It was recommended that the Board authorize planning and preliminary design work for the development of a project for the rehabilitation of the roofs of up to 15 buildings for which the Port Authority is responsible for roof maintenance at the New Jersey Marine Terminals (NJMT), at an estimated total cost of \$1.1 million. The proposed planning effort would include: (1) field surveys of roofs, including roof systems, curbs/drains, roof penetrations, skylights, guardrails, heating, ventilation and air conditioning units, radio equipment and all other items to establish the condition and remaining useful life of each roof; and (2) the development of an order-of-magnitude estimate, prioritization of individual roofs and a timeline to implement the project.

The Port Authority assumed responsibility for Port Newark in 1948, opened the Elizabeth-Port Authority Marine Terminal in 1962, and acquired the Port Jersey-Port Authority Marine Terminal in phases between 2008 and 2010. Collectively, these facilities are known as the NJMT. The Port Authority is responsible for the roof maintenance of buildings within the NJMT that house Port Authority operations and administration functions, or that are the Port Authority's responsibility based on lease agreements. The future implementation of the proposed project would extend the remaining useful life and serviceability of the identified buildings, ensure business continuity for the buildings utilized for the Port Authority's operations, and allow for continued revenue from the buildings leased out to tenants.

Pursuant to the foregoing report, the following resolution was adopted, with Commissioners Bagger, Eve, Horwitz, LaBarbera, McCabe, McDonald, O'Toole, 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 planning and preliminary design work for a project for the rehabilitation of roofs of up to 15 Port Authority-maintained buildings at the New Jersey Marine Terminals, at an estimated total cost of \$1.1 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 and design 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 and design 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.

NEW JERSEY MARINE TERMINALS – REHABILITATION OR REPLACEMENT OF FIRE PROTECTION SYSTEMS - PLANNING AUTHORIZATION

It was recommended that the Board authorize planning and preliminary design work to develop a project for the rehabilitation or replacement of the fire protection systems of up to 20 buildings at the New Jersey Marine Terminals (NJMT) for which the Port Authority is responsible for fire protection system maintenance, at an estimated total cost of \$1.65 million.

The Port Authority assumed responsibility for Port Newark in 1948, opened the Elizabeth-Port Authority Marine Terminal in 1962, and acquired the Port Jersey-Port Authority Marine Terminal in phases between 2008 and 2010. Collectively, these facilities are known as the NJMT. The Port Authority is currently responsible for the maintenance of fire protection systems at 20 buildings within the NJMT. These systems require rehabilitation or replacement in order to conform with the latest fire safety codes and standards for fire suppression systems. The proposed Stage 1 planning and design work would include the development of an order-of-magnitude estimate and a timeline to complete the rehabilitation or replacement of fire protection systems in up to 20 NJMT buildings.

The proposed project would seek to bring up to 20 Port Authority-maintained buildings at the NJMT into full conformity with the latest fire protection codes, and up to date with the latest fire protection technology. The modernization of fire protection systems would protect electronic equipment from water damage, through the use of clean agent systems, and make available space more attractive to prospective NJMT building tenants. It is anticipated that the modern systems also would lower future maintenance costs for fire protection systems.

Pursuant to the foregoing report, the following resolution was adopted, with Commissioners Bagger, Eve, Horwitz, LaBarbera, McCabe, McDonald, O'Toole, 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 planning and preliminary design work for the development of a project to rehabilitate or replace the fire protection systems of up to 20 buildings at the New Jersey Marine Terminals for which the Port Authority is responsible for fire protection system maintenance, at an estimated total cost of \$1.65 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, technical, and advisory services and such other contracts and agreements as may be necessary to effectuate the foregoing planning and design 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 and design 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.

PORT NEWARK – CORBIN STREET BERTH 3 – WHARF RECONSTRUCTION – PROJECT REAUTHORIZATION AND AWARD OF CONTRACT

It was recommended that the Board: (1) reauthorize a project for the design and reconstruction of a section of Corbin Street, including the wharf and culvert at Berth 3 at Port Newark, at an estimated total project cost of \$54.8 million, an increase of approximately \$6.9 million from the previously authorized amount; and (2) authorize the Executive Director to award Contract PN-654.072 to Conti Enterprises, Inc., the lowest bidder, to complete the reconstruction of the Berth 3 culvert and a section of Corbin Street, at an estimated total amount of \$5.7 million.

Corbin Street, the primary north-south roadway for motor vehicles serving Port Newark, is supported structurally by Berth 3, which was built in the 1920s and is one of the oldest wharf structures at Port Newark. In 2009, a partial collapse of the seawall at the north end of Berth 3 occurred, and immediate repairs were performed. Based on further inspections of Berth 3, it was determined that the entire structure needed to be replaced, due to accelerated marine borer activities and the age of the structure.

At its meeting of December 8, 2011, the Board authorized a project for the design and reconstruction of a section of Corbin Street, along with the wharf and culvert at Berth 3, at an estimated total project cost of \$39 million. Contract PN-654.537 was awarded to J.H. Reid General Contractor in 2012, to perform the reconstruction work, at a total estimated cost of approximately \$24.8 million. In 2014, the amount of that contract was increased by \$2.5 million, for a total estimated cost of approximately \$27.3 million, in order to address: (1) the collapse of a 150-foot section of existing seawall and supporting timber platform at the south end of Berth 3, which necessitated the construction of a temporary access platform to rebuild the collapsed seawall and continue with the wharf reconstruction; and (2) the reconstruction of the adjacent interface of Berths 3 and 5, which had progressively deteriorated due to increased marine borer activity.

On July 23, 2015, the Board reauthorized the project, at an increased total estimated project cost of \$47.9 million, and increased the amount of Contract PN-654.537 to \$31.8 million, to cover an increase in the extra work allowance for the contract. The 2015 project reauthorization and increase in contract amount were required to address various field conditions and constructability issues, including: (1) design modifications of the subsurface sheet pile line and roadway deck structure under Corbin Street, to avoid conflicts with underground utilities; (2) construction of a second temporary work platform on Corbin Street, to prevent special and costly work procedures for crane operations and to comply with additional Public Service Electric & Gas Company requirements for underground gas main protection during construction activities; (3) extra work associated with relocation and temporary protection of underground gas, water and telephone utility lines; (4) reimbursement of incremental rental costs for temporary generators and fuel for the affected operator of a barge terminal at Port Newark, due to power disruption during construction; and (5) construction contingency for additional unforeseen field conditions.

In July 2018, Contract PN-654.537 was terminated by mutual agreement of the parties, due to the contractor's financial challenges in completing the project. Project construction is currently approximately 80-percent complete.

The currently proposed project reauthorization and award of Contract PN-654.072 are needed in order to complete the remaining design work and reconstruction of a section of Corbin Street, along with the wharf and culvert at Berth 3, in order to ensure the safety and reliability of the primary roadway artery of Port Newark and the adjacent berth at Port Newark. Contract PN-654.072 is being awarded to Conti Enterprises, Inc., the lowest-priced qualified bidder pursuant to a publicly advertised procurement process.

Pursuant to the foregoing report, the following resolution was adopted, with Commissioners Bagger, Eve, Horwitz, LaBarbera, McCabe, McDonald, O'Toole, 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 for the design and reconstruction of a section of Corbin Street, including the wharf and culvert at Berth 3 in Port Newark, at an estimated total project cost of \$54.8 million (increased by approximately \$6.9 million from the previously authorized amount of \$47.9 million), be and it hereby is reauthorized; 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 PN-654.072 to Conti Enterprises, Inc., the lowest-priced qualified bidder pursuant to a publicly advertised procurement process, for the performance of construction work associated with the foregoing project, at an estimated total amount of \$5.7 million; 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.

**PORT NEWARK – REPLACEMENT OR REHABILITATION OF BERTHS 10 AND 12
– PLANNING AUTHORIZATION**

It was recommended that the Board authorize planning and preliminary design work necessary to develop a project for the rehabilitation or replacement of Berths 10 and 12 at Port Newark, in an estimated amount of \$1.14 million. The planning effort would include the development of a Life Cycle Cost Analysis to: (1) evaluate the options to either (a) extensively rehabilitate the berths, or (b) replace the berths; and (2) develop order of magnitude cost estimates and timelines to complete the work necessary to rehabilitate or replace the berths.

Berths 10 and 12 are public berths at Port Newark that were constructed in 1965. A portion of Berth 10 was reconstructed in 2009. The berths are used primarily for the off-loading of bulk cargo. The project to rehabilitate or replace Berths 10 and 12 is one of five wharf reconstruction projects previously identified as being in need of rehabilitation or replacement, and is also being prioritized as part of a Port Authority-wide Wharf Replacement Program study that is expected to be completed in 2020. The proposed planning authorization would provide for the development of a project to return Berths 10 and 12 to a state of good repair and ensure the safety and operational capacity of these berths, in order to continue generating revenue at Port Newark.

Pursuant to the foregoing report, the following resolution was adopted, with Commissioners Bagger, Eve, Horwitz, LaBarbera, McCabe, McDonald, O'Toole, 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 planning and preliminary design work for a project to either rehabilitate or replace Berths 10 and 12 at Port Newark, in an estimated amount of \$1.14 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 and design 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 and design 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.

ONE WORLD TRADE CENTER – RETENTION OF AFFILIATE(S) OF THE DURST ORGANIZATION IN SUPPORT OF REHABILITATION OF BUILDING WATER TANKS – INCREASE IN AUTHORIZATION

It was recommended that the Board authorize the Executive Director to increase, by an estimated \$1.42 million (from \$3.55 million to \$4.97 million), the amount to be provided by the Port Authority under an existing agreement with Royal 1 WTC Management LLC (Royal), an affiliate of the Durst Organization (Durst), to effectuate the rehabilitation of water tanks at One World Trade Center (One WTC).

At its meeting on August 5, 2010, the Board authorized a transaction with Durst or an affiliate, through which Durst would become a joint venture partner with the Port Authority in the net leasehold interest of One WTC, and would participate and/or advise in the construction, financing, leasing, management and operation of One WTC. On or about August 1, 2013, WTC Tower 1 LLC and Royal entered in an Amended and Restated Property Management Agreement (APMA), which designated and appointed Royal as its exclusive agent to manage One WTC. Pursuant to the APMA, in the event that WTC Tower 1 LLC elects to perform any capital improvements and other construction work, Royal will: (1) act as either the construction manager or the owner's representative, and will receive an additional fee for such services; and (2) retain the construction and related services necessary to implement the work.

At its meeting on May 24, 2018, the Board authorized the Executive Director to enter into an agreement with Royal, in order to effectuate three capital improvement projects at One WTC, at an aggregate amount of \$9,676,160, which included a project for the rehabilitation of building water tanks (Water Tank Project), in the amount of \$3.55 million. An increase in the amount authorized for the Water Tank Project is proposed, because the bids received for this work exceeded the 2017 engineer's estimate. The cost increase is necessary to accommodate a revised means and methods for the project, in support of preventing future delamination. The cost increase also reflects construction phasing, in order to ensure continued service to One WTC tenants.

The Water Tank Project is necessary to maintain a state of good repair at One WTC. Royal would act as construction manager for the Water Tank Project, which would be deemed an Additional Services Arrangement under the APMA, qualifying Royal for an additional construction management fee.

Pursuant to the foregoing report, the following resolution was adopted, with Commissioners Bagger, Eve, Horwitz, LaBarbera, McCabe, McDonald, O'Toole, 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 increase, by an estimated \$1,42 million (from \$3.55 million to \$4.97 million), the amount to be provided by the Port Authority under an existing agreement with Royal 1 WTC Management LLC, an affiliate of the Durst Organization, to effectuate the rehabilitation of water tanks at One World Trade Center; 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 agreements 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 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.

Deputy Secretary