

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

**MINUTES  
Thursday, June 27, 2024**

Report on Prior Meeting's Minutes	58
Chairman's Report	58
Tribute to Steven M. Cohen	59
Memorandum of Agreement with Port Authority Maintenance Supervisors Association	60
Gateway Program - Support for Gateway Development Commission Railroad Rehabilitation and Improvement Financing Loan and Related Direct Agreement	61
Confidential Item	68

**MINUTES of the Meeting of The Port Authority of New York and New Jersey held Thursday, June 27, 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. George Helmy  
 Hon. Joseph Kelley  
 Hon. Kevin P. McCabe\*  
 Hon. Michelle E. Richardson

**NEW YORK**

Hon. Jeffrey H. Lynford  
 Hon. Leecia R. Eve  
 Hon. Elizabeth R. Fine  
 Hon. Winston C. Fisher  
 Hon. Gary LaBarbera

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, Director, Human Resources  
 Ana M. Carvajalino, Director, Financial Planning  
 Ramon Cedeno, Summer Intern, Office of the Chief Operating Officer  
 Tania Choudhury, Summer Intern, Office of the Chief Operating Officer  
 Edward T. Cetnar, Director of Public Safety / Superintendent of Police  
 Clarelle D. DeGraffe, Director, Rail Transit  
 Alfred P. Doblin, Director, Strategic Communications, Chief Communications Office  
 Alexander Drahos, Summer Intern, Office of the Chief Operating Officer  
 Courtney Eddington, Principal Contract Specialist, Procurement  
 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  
 Michelle Graham, Contract Staff, Labor Relations  
 Jessica S. Gummerman, Deputy Secretary  
 Mary Lee Hannell, Chief, Human Capital  
 James D. Heitmann, Chief Operating Officer  
 Kirsten Hernandez, Special Assistant to the Executive Director\*  
 Benjamin Hunter, Leadership Fellow, Human Resources\*  
 Natasha G. Jean Philipp-Cumberbatch, Manager, Corporate Transparency, Office of the Secretary  
 Sherien N. Khella, Treasurer

\* Remote participants via teleconference.

Annesa H. Lau, Director, Workforce Transformation & Digital Innovation, Office of the  
 Chief Operating Officer  
 Kirsten Law, Summer Intern, Labor Relations  
 Stephen Marinko, Assistant General Counsel  
 Elizabeth M. McCarthy, Chief Financial Officer  
 Zachary McCue, Chief, Intergovernmental Affairs  
 Edmund Mendrala, Associate Procurement Support Specialist, Procurement  
 Matthew F. Murray, Senior Advisor to the Chairman  
 Kathryn W. Parneros, Executive Policy Analyst, Office of the Secretary\*  
 Steven P. Plate, Chief, Major Capital Projects  
 Nathan D. Reilly, First Deputy General Counsel and Director of Legal Affairs  
 Wendy Rodriguez-Figueroa, Senior Labor Relations Specialist, Labor Relations  
 Bethann Rooney, Director, Port  
 Jessica Russ, General Manager, Board Unit, Office of the Secretary\*  
 Chad M. Serpa, Senior External Relations Client Manager, Government and Community  
 Affairs, New Jersey  
 Vinay Sharma, Summer Intern, Office of the Chief Operating Officer  
 Peter D. Simon, Chief of Staff to the Chairman  
 Debra M. Torres, Chief Ethics and Compliance Officer  
 Hani Upadhyay, Engineering Aid, Engineering  
 Derek H. Utter, Chief Development Officer  
 Lillian D. Valenti, Chief Procurement Officer  
 Joseph Vuolo, Geographic Information Systems Specialist, Technology  
 Michael S. Wojnar, Special Counselor to the Executive Director\*

Guests:

Steven M. Cohen, Former Port Authority Commissioner  
 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\*  
 Michael A. Waldman

Public Commenters:

Murray Bodin  
 Matthew Buchys-Hyland (Video Statement)  
 Noyoltizin De Jesus  
 Douglas Freeman  
 Argentina Gallagher  
 Jacquelin Guity  
 Ken Jacobs (Video Statement)  
 Patrick Jean  
 Robert Morgan  
 Miriam Neptune  
 Tisha Taylor  
 Karla Walter (Video Statement)

Topic:

Safety  
 Welcoming New Commissioner  
 Airport Workers Wages and Benefits  
 Newark South Ward  
 Airport Workers Wages and Benefits  
 Airport Issues and Minimum Wages  
 Airport Workers Wages and Benefits  
 Airport Issues and Minimum Wages  
 Capital Improvements/Safety  
 Airport Workers Wages and Benefits  
 Airport Workers Wages and Benefits  
 Airport Workers Wages and Benefits

\* Remote participants via teleconference.

The public meeting was called to order by Chairman O'Toole at 1:03 p.m. and ended at 2:26 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 May 23, 2024 were delivered in electronic form to the Governors of New York and New Jersey on May 24, 2024. The time for action by the Governors of New York and New Jersey expired at midnight on June 10, 2024.

### **Chairman's Report**

The Chairman congratulated Commissioner Fine on her recent appointment to the Board by New York Governor Hochul, and a ceremonial swearing in was held as she was welcomed to the Port Authority.

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

## **TRIBUTE TO STEVEN M. COHEN**

The following resolution was unanimously adopted to express the appreciation of the members of the Board of Commissioners of The Port Authority of New York and New Jersey to Commissioner Steven M. Cohen in light of his recent departure from the Board.

**WHEREAS**, from his most recent appointment to the Board in July 2021 (having previously served on the Board from 2015 to 2016), Steven M. Cohen has given tirelessly of his time, talent, and expertise to further the mission and goals of the Port Authority. Commissioner Cohen served with distinction as a member of the Board of Commissioners and has been committed to the agency's core mission of building and maintaining transportation infrastructure for the region; and

**WHEREAS**, Commissioner Cohen served as the Chair of the Committee on Finance, providing important leadership in ensuring that the Board continued to fulfill its oversight responsibilities in ensuring fiscal responsibility through a challenging period for the Port Authority, as the agency emerged from the global COVID-19 pandemic; and

**WHEREAS**, Commissioner Cohen served as a member of the Committee on Security, providing guidance in the advancement of the agency's Security Operations and Security Capital Programs, ensuring the safety and security of the agency's facilities, so that the public and commerce may have the benefit of dependable, trustworthy passage throughout the region; and

**WHEREAS**, Commissioner Cohen has been an advocate of the communities in which agency facilities are located, and has reinforced the importance of maintaining open and proactive communications to address local community concerns with respect to the impact of the agency's operations.

**NOW, therefore, be it**

**RESOLVED**, that the Commissioners of The Port Authority of New York and New Jersey do hereby express to the Honorable Steven M. Cohen, their sincere appreciation for his leadership and service to the agency and the region it serves; and it is further

**RESOLVED**, that the Board of Commissioners hereby directs that this resolution be suitably engraved and presented to the Honorable Steven M. Cohen as a token of the high esteem in which he is held by the Board and staff alike.

**MEMORANDUM OF AGREEMENT WITH PORT AUTHORITY MAINTENANCE 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 Maintenance Supervisors Association (“PAMSA”).

The PAMSA union represents approximately 227 Port Authority employees in civilian supervisory titles across Port Authority operations. On May 21, 2024, PAMSA and the Port Authority reached a third-year extension agreement. That agreement was ratified by the members on June 4, 2024.

The agreement spans 12 months, from a commencement date of August 31, 2024, to August 30, 2025. Terms of the agreement include an annual wage increase of 3 percent.

Pursuant to the foregoing report, the following resolution was adopted, with Commissioners Bollwage, Eve, Fine, Fisher, Helmy, Kelley, LaBarbera, Lynford, McCabe, O’Toole and Richardson 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 May 21, 2024, agreement between The Port Authority of New York and New Jersey (“Port Authority”) and the Port Authority Maintenance Supervisors Association (“PAMSA”), ratified by the PAMSA membership on June 4, 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 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.

**GATEWAY PROGRAM – SUPPORT FOR GATEWAY DEVELOPMENT  
COMMISSION RAILROAD REHABILITATION AND IMPROVEMENT  
FINANCING LOAN AND RELATED DIRECT AGREEMENT**

The States of New York and New Jersey (States) have long identified a critical need for passenger rail mass transit across the Hudson River to facilitate economic growth in the Port District. Following Superstorm Sandy in 2012, the route between Newark Pennsylvania Station (NPS) and Pennsylvania Station New York (PSNY) utilized by commuter rail service (conducted by New Jersey Transit (NJT)) and intercity passenger rail service over the Northeast Corridor (NEC) (conducted by National Railroad Passenger Corporation (also known as Amtrak)) has been imperiled, as the tunnel carrying that service (North River Tunnel) was inundated with salt water during the storm. Amtrak’s plan to rehabilitate the North River Tunnel (which it owns), requires it to be taken out of service. To nonetheless maintain NJT and Amtrak service during rehabilitation and to ultimately increase the capacity of under-river passenger rail transit, Amtrak has proposed that a new two-tube tunnel be built, roughly parallel to the North River Tunnel (New Tunnel) which will initially carry all passenger rail traffic while the North River Tunnel is being repaired. Once the repair is complete, both tunnels will be available to carry passengers into PSNY, to avoid the single point of failure at the Hudson River which exists for NJT and Amtrak service today and to increase the number of trains that can be accommodated by the tunnels upon completion of future upgrades to the NEC in the New York-New Jersey area.

In 2019, the States established the Gateway Development Commission (GDC) as a bi-state agency to help ensure the functionality of intercity and commuter rail infrastructure between them and throughout Amtrak’s Northeast Corridor. At this time, GDC has sponsored its “Hudson Tunnel Project” composed of: (i) construction of the New Tunnel from New Jersey to PSNY; (ii) construction of the third concrete casing at Hudson Yards, in Manhattan, which will preserve the right-of-way for the New Tunnel under the Hudson Yards development to connect to PSNY; and (iii) subsequent rehabilitation of the existing North River Tunnel. In May 2021, the Hudson Tunnel Project received a Record of Decision (ROD) from the Federal Transit Administration (FTA) and the Federal Railroad Administration, permitting the project to move forward under the National Environmental Policy Act (which ROD included the description of the alignment of the New Tunnel attached as **Exhibit 1** hereto). In June 2024, GDC received notice that the last portion of \$12 billion in federal and Amtrak funding for the Hudson Tunnel Project had been secured against the forecasted total project cost of \$16 billion.

A local contribution of approximately \$4 billion makes up the rest of the funding for the Hudson Tunnel Project for the balance of its total project cost. The two States have determined that this local share will be provided by the Port Authority and the two States in the form of three separate support agreements to GDC to serve as several (and not joint) sources of repayment for three separate loan arrangements (each, a RRIF Loan) under the Railroad Rehabilitation and Improvement Financing (RRIF) program of the United States Department of Transportation (USDOT), which loans are issued by and through the Executive Director of the Build America Bureau (the RRIF Lender).

As of April 8, 2024, the Port Authority conditionally entered into a Funding Agreement with GDC (as amended in accordance with the next sentence, the Funding Agreement) to evidence its obligation to support the RRIF Loan dedicated to funding the New Tunnel, subject to finalization of terms and conditions of (x) that RRIF Loan and (y) a direct obligation made by the Port Authority to the RRIF Lender to perform as required by the Funding Agreement (Direct

Agreement). In completing the negotiations on the Direct Agreement, the RRIF Lender required several immaterial changes be made to the Funding Agreement; specifically, to: (i) reflect a statutory change in the calculation of interest on the RRIF Loan to reflect the probability of default; (ii) specify the limited Port Authority defaults under the Direct Agreement which would result in higher “default” interest rates (including failure to make Contract Payments, revocation of its obligations under the Funding Agreement or the Direct Agreement by the Port Authority or material default following notice and opportunity to cure (but excluding GDC defaults under the RRIF Loan)); (iii) clarify payment of certain fees and expenses directly related to enforcement of the Port Authority obligations as an additional Port Authority cost; and (iv) make other immaterial clarifications to the language of the Funding Agreement. The Direct Agreement also modified the Funding Agreement to include, for the benefit of the Port Authority, the obligation of GDC to comply with the agreement evidencing the RRIF Loan apage 7nd certain provisions of its “project development agreement” with the two States and Amtrak, so that the Port Authority has assurance that the New Tunnel will be completed and then maintained for its expected useful life. The Port Authority’s obligations under the Funding Agreement and the Direct Agreement are hereinafter referred to as the “Support Obligation.”

## **Background**

As contemplated in its 2017-2026 Capital Plan, in March 2024, the Board conditionally approved the \$2.7 billion Support Obligation for the New Tunnel portion of the Hudson Tunnel Project in the Funding Agreement, subject to approval of the final terms and conditions of the Support Obligation once they were known. The approval of the Board was also conditioned on the availability of all remaining funding (i) from the USDOT or its constituent administrations under full funding grant agreements and other documentation in aggregate amounts of approximately \$12 billion (inclusive of approximately \$1 billion from Amtrak), and (ii) from each of the States for the remainder of the local share that is not supported by the Port Authority under funding agreements with GDC similar to the Port Authority’s, for total Hudson Tunnel Project funding of approximately \$16 billion. (All amounts referred to herein are as shown on the GDC final financial plan submitted to the FTA as part of its grant application in January 2024 (GDC Financial Plan)).

The Board has previously authorized various aspects of support for the Hudson Tunnel Project in multiple resolutions in the period 2015-2024, culminating in its determination in June 2018 to confirm the 2017-2026 Capital Plan allocation of \$2.7 billion to the project. Prior resolutions in December 2015, March 2016, November 2016, and February 2018 authorized limited amounts of funding for early planning and engineering, design and limited construction. In February 2018, the Board certified one such funding obligation as a new facility of the Port Authority (Gateway Funding Facility). In each resolution, the Board conditioned Port Authority support on: (i) capping the principal amount of the support at \$2.7 billion (inclusive of capitalized interest during construction, credit risk premia and most fees and expenses), (ii) assurance that the Port Authority would not be the primary obligor under the RRIF Loan and (iii) assurance that the Port Authority would not be liable for any construction completion, cost overrun or project funding risk in connection with the Hudson Tunnel Project.

The parties have now concluded negotiations on the terms of all necessary documents to fully fund and proceed with the Hudson Tunnel Project (and specifically, the New Tunnel portion) in accordance with the Board’s conditions, and it is therefore recommended that the Board: (i) authorize the Executive Director to restate the Funding Agreement as originally executed, to give

effect to the modifications in the Direct Agreement described above; (ii) confirm the effectiveness of the Funding Agreement (giving effect to those modifications); (iii) authorize the Executive Director to execute and deliver, and the Port Authority to perform under, the Direct Agreement; (iv) rescind the 2018 certification of the Gateway Funding Facility as an independent facility of the Port Authority and instead treat those financial obligations consistently with the treatment for the Support Obligation as described below; and (v) authorize the Executive Director to take such additional actions or enter into such other documents and certificates as may further evidence the Support Obligation or otherwise effectuate the Port Authority's participation in the New Tunnel portion of the Hudson Tunnel Project, so long as no such actions or documents materially deviate from the conditions to participation as described herein.

### **Terms of Funding Agreement and Direct Agreement**

The Funding Agreement with GDC obligates the Port Authority to make periodic "Contract Payments" to a collateral agent as directed by GDC, to be applied against payments under the New Tunnel RRIF Loan. The amount of each Contract Payment will be determined by reference to a schedule appended to the Funding Agreement at the closing of all financing for the Hudson Tunnel Project (Financial Close). Because the interest on the New Tunnel RRIF Loan accrues and is capitalized during the New Tunnel construction period, the initial principal amount of the New Tunnel RRIF Loan (based on the GDC Financial Plan and excluding such capitalized interest) is \$1,870,000,000 and the corresponding debt service component of the Contract Payments by the Port Authority are currently anticipated to begin in 2034 in an annual amount of \$137 million, rising to an annual amount of \$174 million in the period 2040-2069 based on the interest rate assumptions in the GDC Financial Plan. The term of the RRIF Loan is approximately 35 years, based on actual commencement of Contract Payments upon completion of the New Tunnel (or, if earlier, October 15, 2034). Included in the interest payable through the Contract Payments (as part of the debt service on the New Tunnel RRIF Loan) may be a premium component calculated by the RRIF Lender at Financial Close based on its assessment at that time of applicable credit risk on the New Tunnel RRIF Loan.

In furtherance of the Board's conditions to the Support Obligation, the Contract Payments cannot be accelerated for GDC default under the New Tunnel RRIF Loan and the Port Authority is not required to pay default interest arising from GDC defaults. As stated above, the aggregate principal amount of all Contract Payments (after inclusion of capitalized interest and most fees and expenses) cannot exceed \$2.7 billion and, except in the case of default interest arising from specified Port Authority defaults, no Contract Payment can exceed the individual semi-annual amounts set forth on the schedule of payments attached to the Funding Agreement.

The Contract Payments are special obligations of the Port Authority and are payable solely from, and subject to the availability of, net revenues deposited to the Consolidated Bond Reserve Fund, and in the event such net revenues are insufficient therefor, other moneys of the Port Authority legally available for such payments when due, with the understanding that: (i) payment of the Contract Payments requires prior payment of debt service on Port Authority Consolidated Bonds as required by the applicable provisions of the Consolidated Bond Resolution and payment into the General Reserve Fund of the amount necessary to maintain the General Reserve Fund at the amount specified in the General Reserve Fund Statutes; (ii) the payment of Contract Payments is not secured by or payable from the General Reserve Fund; and (iii) the Port Authority's obligation to make the Contract Payments does not create any lien on, pledge of or security interest in any revenues, reserve funds or other property of the Port Authority.

Under the Direct Agreement, the Port Authority has agreed to comply with its obligations under the Funding Agreement and provided an acknowledgement to the RRIF Lender that GDC is pledging the Funding Agreement (including GDC's rights in and to the Contract Payments) as collateral for the New Tunnel RRIF Loan Agreement, and will cooperate with the RRIF Lender to effect the purposes of the Direct Agreement. In addition, the Port Authority has undertaken certain reporting obligations to the RRIF Lender (including a mitigation plan in the event of a default or prospective default by the Port Authority under the Funding Agreement). The Port Authority has also covenanted that it will not enter into additional special obligations if at the time of such incurrence, the ratio of Net Revenues to Debt Service is not at least 1.15, where "Net Revenues" are Port Authority net revenues for any period of twelve consecutive months during the thirty-six month period preceding the time of incurrence and "Debt Service" is the prospective debt service for the calendar year after such time of issuance when the debt service for all obligations outstanding at the time of issuance, including such new special obligations is projected to be at a maximum.

### **Accounting for the Support Obligation**

The Port Authority is receiving as consideration for assuming the Support Obligation: (i) the assurance that the passenger mass transit access across the Hudson River will remain reliable in the future, so that wear and tear on the PATH rail transit system will not accelerate and that the Port Authority will not be required to alleviate excessive congestion on its current Hudson River vehicular crossings or add additional Hudson River vehicular crossing capacity to accommodate passengers to Manhattan that are not able to use the existing rail mass transit routes; and (ii) the assurance that its passengers on the PATH system and its Newark Liberty International Airport and John F. Kennedy International Airport AirTrains can continue to reliably access routes to Midtown Manhattan. Reflecting the continuing reliability of the trans-Hudson passenger rail mass transit, the Support Obligation will be accounted for as an intangible improvement to PATH.

So that the Board, in the exercise of sound business judgment, may determine whether to authorize the Support Obligation, the Chief Financial Officer (CFO) has reviewed with the Board, among other things, the financial condition of the Port Authority and the economic implications of the Support Obligation on the Port Authority's Consolidated Bonds and other financial obligations. The CFO developed her analysis by starting with the anticipated financial results for the Port Authority for the period 2024-2033, based on the current Integrated Financial Model and, conservatively, adding the maximum debt service of \$174 million annually as a liability thereunder beginning in 2028. The CFO notes in her opinion that (i) it is not reasonable to forecast accurately beyond a ten-year period - after that period, her judgment with respect to the financial ability of the Port Authority to continue to maintain net revenues sufficient to pay its debt service is based upon the continued ability of the Port Authority to function and fulfill its agreements with the holders of its obligations; and (ii) as with all forecasts of this nature, her analysis remains subject to uncertainties, and, inevitably, some estimates and assumptions will not be realized and unanticipated events and circumstances may occur. Therefore, there may be differences between forecasts and actual results, and those differences may be material.

Subject to the assumptions and such other matters that are covered in her opinion, it is the CFO's opinion that the incurrence of the Support Obligation and the performance thereunder, will not, during the period 2034-2069, materially impair the sound credit standing of the Port Authority or the investment status of Consolidated Bonds or the ability of the Port Authority to fulfill its

commitments, whether statutory or contractual or reasonably incidental thereto, including its undertakings to the holders of Consolidated Bonds.

The CFO's opinion is based in part on information supplied by the Comptroller, the Director of Financial Planning, the Director of Management & Budget, the Chief Development Officer, and the Chief Engineer, which information the CFO believes to be accurate. In reaching the conclusions set forth in her opinion, the CFO considered the covenants with holders of the Port Authority's Consolidated Bonds to establish charges in connection with the Port Authority's facilities, to the end that at least sufficient net revenues may be produced therefrom to provide for the debt service on all Consolidated Bonds and to maintain in good condition all facilities and to operate them in an efficient and economical manner, such that renewals and replacements necessary for the proper and economic maintenance and operation are made.

### **Statutory Authority**

In accordance with the requirements for Board authorization of commitments for the expenditure of Port Authority funds in the amount of \$50 million or more, the Port Authority's Law Department is required to provide an opinion to the Board that the proposed expenditure is legally authorized. An opinion concluding that legal authorization exists has been provided to the Commissioners. In addition, a Memorandum of Law from outside counsel which is nationally recognized as expert in appellate litigation, has concluded that a court, correctly briefed on this matter, should find that the Port Authority has statutory authority to provide the Support Obligation. Each of the States has provided through their executive offices, their respective views that the Port Authority has statutory authority to provide, and perform, the Support Obligation.

Pursuant to the foregoing report, the following resolution was adopted, with Commissioners Bollwage, Eve, Fisher, Helmy, Kelley, LaBarbera, Lynford, McCabe, O'Toole and Richardson in favor. Commissioner Fine did not participate in the consideration of, or vote on this matter. 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 amendment and restatement of the Hudson Tunnel Project RRIF Loan Funding Agreement with Gateway Development Commission (GDC) authorized by the Board in executive session at its meeting on March 21, 2024, and entered into by the Executive Director as of April 8, 2024 (Original Funding Agreement) providing for funding for two new railroad tubes connecting the States of New York and New Jersey (with an alignment as further described on Exhibit 1 hereto (the New Tunnel)) be, and it hereby is, approved on the terms described in the report to the Board and the Executive Director be, and he hereby is, authorized to execute and deliver the Original Funding Agreement as so amended and restated (Restated Funding Agreement), with any other modifications and revisions that do not materially change the obligation of the Port Authority under the Restated Funding Agreement as so described; and it is further

**RESOLVED**, that the Board confirm, and it hereby does confirm, that the conditions for effectiveness of the Restated Funding Agreement have been satisfied, *provided* only that the Port Authority’s obligations under the Restated Funding Agreement remain subject to completion of a “financial closing” for the Hudson Tunnel Project including the concurrent execution of documents which evidence: (i) the federal funding of GDC’s Hudson Tunnel Project, of which the New Tunnel is a part, and (ii) the funding obligations of the States of New York and New Jersey (States) for RRIF loans structured similarly to the obligations of the Port Authority under the Restated Funding Agreement, such completion to be definitively determined by the Chief Financial Officer and the General Counsel of the Port Authority; and it is further

**RESOLVED**, that the direct agreement (Direct Agreement) by and among the Port Authority, GDC and the United States Department of Transportation (USDOT), acting by and through the Executive Director of the Build America Bureau (the RRIF Lender) be, and it hereby is, approved on the terms described in the report to the Board and the Executive Director be, and he hereby is, authorized to execute and deliver the Direct Agreement, with any other modifications and revisions that do not materially change the obligation of the Port Authority under the Direct Agreement as so described; and it is further

**RESOLVED**, that the certification by the Board on February 15, 2018 of a new facility in the form of a payment obligation for certain capital costs of the Hudson Tunnel Project and referred to as the “Gateway Funding Facility” be, and it hereby is, rescinded, and that obligation is instead accounted for on the books and records of the Port Authority Trans Hudson Corporation (PATH) rapid transit system as an intangible improvement; and it is further

**RESOLVED** that the form of the Restated Funding Agreement, the Direct Agreement and any other documents or certificates entered into in accordance with this resolution shall be subject to the approval of the General Counsel or her authorized representative, following review by the General Counsel or her authorized representative.

## EXHIBIT 1

*New Hudson River Tunnel**New Jersey Surface Alignment*

Two new tracks would diverge from, and run alongside and to the south of, the existing NEC between approximately NJ TRANSIT's Frank R. Lautenberg Secaucus Junction Station and the new tunnel in New Jersey. The new tracks would begin at a realigned Allied Interlocking in Secaucus, New Jersey just east of Secaucus Junction Station. The new surface alignment would be on a new retained embankment beside the existing NEC embankment in the Meadowlands between approximately County Road and Secaucus Road in Secaucus, and then on a new viaduct from just east of Secaucus Road to just west of Tonnelle Avenue (U.S. Routes 1 and 9) in North Bergen, New Jersey. From Tonnelle Avenue it would continue on an embankment transitioning to a below-grade cut approaching the new tunnel portal. A new maintenance road would run along the south side of the new viaduct. The two new tracks would cross Secaucus Road and a freight railroad right-of-way near Tonnelle Avenue on new undergrade rail bridges.

*New Tunnel Segment in New Jersey*

The new Hudson River Tunnel would have two tracks in two separate tubes that would begin at a new portal in the western slope of the Palisades near Tonnelle Avenue in North Bergen, New Jersey, about 600 feet south of the existing North River Tunnel portal. The tunnel would be 150 to 250 feet beneath the surface of the rock formation of the Palisades and then would continue about 60 to 75 feet below the surface beneath Hoboken and Weehawken.

*New Tunnel Segment Beneath Hudson River*

Beneath the Hudson River, the top (i.e., crown) of the tunnel would generally be located 25 to 50 feet below the river bottom for much of its length across the Hudson. In one area near the Manhattan shoreline, the tunnel would be shallower (at its shallowest it would be 9.5 feet below the river bottom), and ground improvements would be undertaken during construction to facilitate tunnel boring in this area (discussed below).

*New Tunnel in Manhattan*

The new tunnel would continue through the below-ground foundation of the Manhattan bulkhead below the bottom of the Hudson River and continue about 45 feet below the surface beneath Hudson River Park and Twelfth Avenue (New York State Route 9A); beneath the block between West 29th and West 30th Streets on the west side of Twelfth Avenue (Manhattan Block 675); and beneath West 30th Street. On the north side of West 30th Street, the alignment would meet the underground Hudson Yards Right-of-Way Preservation Project that Amtrak is currently working to complete beneath the Hudson Yards overbuild project at the Western and Eastern Rail Yards in Manhattan. The Preferred Alternative would then continue with new tracks and associated rail systems within the concrete tunnel box of the Hudson Yards Right-of-Way Preservation Project beneath the West Side Yard to connect to the existing approach tracks that serve PSNY.

From the end of the Hudson Yards Right-of-Way Preservation Project, the new Hudson River Tunnel would continue beneath Tenth Avenue to a tunnel portal east of Tenth Avenue, within the complex of tracks located beneath the existing building that spans the tracks on the east side of Tenth Avenue (450 West 33rd Street) and connect to the existing PSNY approach tracks there in an area referred to as A Yard.

**CONFIDENTIAL ITEM**

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

Whereupon, the meeting was adjourned.

---

Secretary