

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

MINUTES

Thursday, May 23, 2024

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MINUTES of the Meeting of The Port Authority of New York and New Jersey held Thursday, May 23, 2024 at 150 Greenwich Street, New York City, New York 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. Steven M. Cohen
 Hon. Leecia R. Eve*
 Hon. Gary LaBarbera
 Hon. Rossana Rosado*

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

Richard J. Abbato, Principal Board Management Support Specialist, Office of the Secretary
 James K. Allen Jr., Chief Communications Officer
 M. Rizwan Baig, Chief Engineer
 Luke Bassis, Deputy Director, Procurement
 Christopher J. Beacham, Chief of Staff, Office of the Chief Financial Officer*
 Michael Brown, Chief of Department/Deputy Superintendent of Police
 Ana M. Carvajalino, Director, Financial Planning
 Edward T. Cetnar, Director of Public Safety / Superintendent of Police
 David W. Compton, Manager, Marketing
 Clarelle D. DeGraffe, Director, Rail Transit
 Lisa M. Dewey-Mattia, Chief of Staff and Special Counsel to the Executive Director
 Diannae C. Ehler, Director, Tunnels, Bridges and Terminals*
 Gregory W. Ehrie, Chief Security Officer
 Charles R. Everett Jr., Director, Aviation
 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
 Jessica S. Gummerman, Deputy Secretary
 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
 Amanda Kwan, Deputy Director, Media Relations
 Brian A. Lapp, Chief Health and Safety Officer
 Stephen Marinko, Assistant General Counsel
 Elizabeth M. McCarthy, Chief Financial Officer
 Zachary McCue, Chief, Intergovernmental Affairs

* Remote participants via teleconference.

MaryAnn Millwater, Senior Executive Secretary, Office of the Secretary*
 Matthew F. Murray, Senior Advisor to the Chairman
 Danielle M. Outlaw, First Deputy Chief Security Officer*
 Kathryn W. Parneros, Executive Policy Analyst, Office of the Secretary
 Thomas Pietrykoski, Director, Corporate Communications
 Steven P. Plate, Chief, Major Capital Projects
 Wilfred E. Quashie, Police Lieutenant
 Nathan D. Reilly, First Deputy General Counsel and Director of Legal Affairs
 Alan L. Reiss, Director, World Trade Center Construction*
 Bethann Rooney, Director, Port
 Jessica Russ, General Manager, Board Unit, Office of the Secretary*
 Peter D. Simon, Chief of Staff to the Chairman
 Dennis F. Stabile, Deputy Director, Tunnels, Bridges and Terminals
 Debra M. Torres, Chief Ethics and Compliance Officer
 Derek H. Utter, Chief Development Officer
 Lillian D. Valenti, Chief Procurement Officer
 Li Pei Wang, Director, Project Management*
 Michael S. Wojnar, Special Counselor to the Executive Director
 Jolene M. Yeats, Director, World Trade Center*

Guest:

Nivardo Lopez, Deputy Secretary for Transportation, State of New York

Public Commenters:

Jason Anthony

Murray Bodin

Matthew Buchys-Hyland (Video Statement)

Mike Cusick (Written Statement)

Kara Dorsey (Written Statement)

Hon. Vito Fossella, Staten Island Borough
 President (Written Statement)

Hon. Daniel S. Goldman, U.S. Congressman
 (Video Statement)

Debra Grief

Jaqueline Guilty

Sophia Harris

Patrick Jean

Yannet Lathrop (Video Statement)

Rajkumari Maharaj

Tanjanina Reynolds

Tiffany-Ann Taylor

Karla Walter (Video Statement)

Ashley Williams

Topic:

OMNY/ Homeless at Port Authority
 Bus Terminal

Safety

Fare Evasion

Brooklyn-PA Marine Terminal &
 Howland Hook

Wages and Benefits for Airport Workers

Red Hook/Howland Hook Announcement

Red Hook/Howland Hook Announcement

Accessibility

Wages and Benefits for Airport Workers

Wages and Benefits for Airport Workers

Airport Issues and Concerns

Wages and Benefits for Airport Workers

Wages and Benefits for Airport Workers

Wages and Benefits for Airport Workers

Brooklyn-PA Marine Terminal &
 Howland Hook

Wages and Benefits for Airport Workers

Wages and Benefits for Airport Workers

* Remote participants via teleconference.

The public meeting was called to order by Chairman O’Toole at 12:17 p.m. and ended at 1:31 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 April 25, 2024 were delivered in electronic form to the Governors of New York and New Jersey on April 26, 2024. The time for action by the Governors of New York and New Jersey expired at midnight on May 10, 2024.

Chairman’s Report

The Chairman advised that as part of the Port Authority’s public speakers’ program, four video statements and three written statements were received. The written statements were provided to the Commissioners and other relevant staff prior to today’s Board Meeting. The written statements will also be filed with the transcripts of today’s meetings on the Port Authority’s website. The video statements were shown as part of the public Board Meeting.

**BROOKLYN-PORT AUTHORITY MARINE TERMINAL AND HOWLAND HOOK
MARINE TERMINAL – MEMORANDUM OF UNDERSTANDING AND
AUTHORIZATION TO ENTER INTO EXCHANGE OF OWNERSHIP**

The Port Authority seeks approval of a Memorandum of Understanding (MOU) with the City of New York (City), New York City Economic Development Corporation (NYCEDC) and the State of New York (State) pursuant to which, following receipt of all necessary permits and approvals, the Port Authority would transfer ownership of the Brooklyn-Port Authority Marine Terminal (BPAMT) to the City, or its designee, and the City would transfer ownership of the Staten Island Howland Hook Marine Terminal (Howland Hook) to the Port Authority (such transaction, the “Property Transfer”). The MOU was entered into on April 17, 2024 by the Executive Director, subject to the requisite approval of the Board.

BPAMT covers the waterfront at Piers 7-12 in Brooklyn, owned by the Port Authority together with certain upland areas owned by the City. A portion of BPAMT is the subject of a three-party agreement entered into by the Port Authority, the City and the State in 1979, which terminates in 2031 (Tri-Party Agreement). Howland Hook is a 345-acre waterfront industrial property, of which 225 acres is owned by the City and leased to the Port Authority and the remaining 120 acres, which is also known as Port Ivory, is owned by the Port Authority.

Prior to effectuation of the Property Transfer, the MOU provides that the Port Authority would net lease BPAMT to NYCEDC through 2058 (BPAMT Lease), matching the term of the existing lease of Howland Hook from the City to the Port Authority (HH Lease).

Both the BPAMT Lease and an amendment to the HH Lease would provide (x) reciprocal rights and obligations at each site, and (y) operational control and all financial benefit to the tenant with limited oversight by the landlord. The rent under the leases is intended to be set off against each other so that neither party will have an ongoing cash payment obligation to the other. In the event the permits and approvals for the Property Transfer are not obtained before April 30, 2031, the City and the Port Authority have agreed to use reasonable efforts to extend both leases through 2123, subject to necessary approvals, which may include approval under Section 1301(2)(f) of the City Charter in the case of the HH Lease (the BPAMT Lease and the HH Lease amendment, as they may be extended, are hereinafter referred to as the Lease Transactions and the Property Transfer and the Lease Transactions are collectively referred to as the “Swap”).

The Port Authority is required under its statute to operate BPAMT for marine purposes. But, with respect to the Port Authority’s international cargo container operations, the BPAMT facility is outdated and functionally obsolete and, given its constrained location, is no longer viable for major international cargo container operations. Conversely, the Port Authority believes Howland Hook, which more closely matches the size and scope of its other port facilities and is proximate to roadway and rail links, will facilitate the Port Authority’s Port Master Plan 2050, particularly in light of its 2023 sublease (through 2047) to CMA CGM, the third largest container shipping company in the world, which has expressed interest in expansion of the facility and is expected to make an estimated investment of more than \$200 million. In connection with the Swap, the City has stated its intent to launch an engagement process with local elected officials, waterfront stakeholders, Brooklyn businesses, and local communities to develop a shared mixed-use vision for the future of this portion of the Brooklyn waterfront.

In the event that the Lease Transactions are consummated, the Port Authority would have no continuing economic or operational role at BPAMT; therefore, the site is no longer required for the purpose it was acquired, and the Chief Engineer has so certified as required by statute.

BPAMT and Howland Hook would each be leased (and ultimately transferred) on an “as is, where is” basis, with each party assuming existing and future environmental liabilities. Upon consummation of the Lease Transactions, the documents provide that the parties’ respective rental costs would be fully offset against each other. The BPAMT lease also provides that the Port Authority would transfer its site maintenance obligations for BPAMT to NYCEDC; *provided*, that the Port Authority would maintain certain code compliance functions for on-site structures for a limited period. The Port Authority does not anticipate incremental site maintenance costs at Howland Hook.

All existing operating arrangements and leases at BPAMT would be assigned to NYCEDC (including the current Operating Agreement with Red Hook Container Terminal LLC (Operator), extended in 2023 through 2028). The Operator’s current barging operation between premises provided by the Port Authority at Port Newark and BPAMT would continue through 2028 without charge to the Operator and thereafter, if desired by NYCEDC, on market terms for the lease of Port Authority Port Newark premises to be agreed upon at the time. The parties would also amend the current “payment in lieu of taxes” (PILOT) arrangement at BPAMT to limit PILOT payments from the Port Authority to no longer than the next three years.

It is therefore recommended that the Board (1) find that, in light of the Lease Transactions and/or the Property Transfers and the certification of the Chief Engineer, that BPAMT is no longer required for the purpose for which it was acquired; and (2) authorize the Executive Director, on terms consistent with the MOU in all material respects, to enter into the BPAMT Lease and the HH Lease amendment and any other documents, certificates or other materials necessary or desirable to effectuate the foregoing, including the Property Transfer.

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

RESOLVED, that it is hereby found and determined that the property interests of the Port Authority in and to the Brooklyn-Port Authority Marine Terminal (BPAMT), are no longer required for the purpose for which they were acquired; and it is further

RESOLVED, that the Memorandum of Understanding with the City of New York (City), the New York City Economic Development Corporation (NYCEDC), and the State of New York outlining a proposed property transfer (Exchange Transaction) of the Brooklyn-Port Authority Marine Terminal (BPAMT) from the Port Authority to the City, or its designee, in return for a property transfer of the Howland Hook Marine Terminal (Howland Hook) from the City to the Port Authority, in each case substantially in accordance with the terms outlined to the Board, which MOU was executed on behalf of the Port Authority, subject to Board approval (MOU) is approved and the Executive Director’s execution of the MOU (subject to the Board’s approval) is ratified, to the extent necessary; and it is further

RESOLVED, that in furtherance of the Exchange Transaction, the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to enter into the following agreements: (1) a lease of the BPAMT by the Port Authority to NYCEDC; (2) an amendment of the Howland Hook lease between the City and the Port Authority; (3) a Points of Agreement among the Port Authority, the City, and NYCEDC; (4) an amendment of the PILOT Agreement between the Port Authority and the City dated July 17, 1956; and (5) assignments of existing leases and agreements to NYCEDC, all substantially in accordance with the terms outlined to the Board; and it is further

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to take any and all other action necessary or desirable to effectuate the Exchange Transaction, including the execution of agreements, contracts and other documents to facilitate all phases of the Exchange Transaction, up to and including the transfer of ownership interests in the relevant Port Authority real and personal property (including the execution of a deed of conveyance for BPAMT), together with amendments and supplements thereof, including amendments and supplements to existing agreements, and to take action in accordance with the terms of such agreements, contracts and other documents, as may be necessary in connection therewith; and it is further

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

**NEW YORK STEWART INTERNATIONAL AIRPORT – SWF DEVELOPMENT, LLC –
AERONAUTICAL SUPPORT FACILITY DEVELOPMENT – NEW LEASE**

It was recommended that the Board authorize the Executive Director to enter into a new 30-year lease, with three five-year extension options, with SWF Development, LLC (SWFD), a development consortium composed of Sky Harbour, LLC, MJJ Builders, Corp and Passero Associates, for the design, construction, financing, operation, and maintenance of a corporate jet park facility on approximately 12.5 acres of currently vacant, undeveloped land at New York Stewart International Airport (SWF).

Prior to 2019, there was an industry trend to base corporate aircraft at lower-cost airports with room to accommodate aeronautical support facilities that were within a reasonable proximity to primary general aviation airport hubs. This trend was driven by increasing rental rates at general aviation hubs and limited availability of hangar space. During the COVID-19 pandemic, corporate jet activity rapidly accelerated. In 2021, corporate jet flights increased by 14 percent globally, compared to 2019. In 2022, activity increased 10 percent, compared to 2021. As a result of these trends, there is increased demand for new developments to accommodate support facilities for general aviation activity at airports with the necessary land capacity throughout the region.

In response to this recent trend, the Port Authority issued a Request for Qualifications (RFQ), for the development, financing, operation and maintenance of general aviation and aeronautical support facilities at SWF. The response to the RFQ resulted in a list of five firms that were pre-qualified to bid. Each of the five pre-qualified firms submitted proposals for the Port Authority's consideration in 2023. In this resolution, staff is recommending that the Board approve a lease with SWFD, one of the pre-qualified proposers, based on the following: (1) the quality of its development proposal; (2) its demonstrated ability to attract users for the proposed development; (3) its significant capital investment commitment; and (4) the financial terms of its proposal that meet the Port Authority market valuation. A second development proposal that resulted from the RFQ is advancing separately for the Board's consideration at this month's meeting.

Under the proposed lease, SWFD would commit to a minimum capital investment of \$60 million in developing a corporate jet hangar service facility within four years of execution of the lease. This investment would allow for the development of the following: (1) 13 approximately 14,000-square-foot hangars totaling approximately 182,000 square feet of development; (2) all necessary airside pavement to access the SWF airfield; (3) required landside vehicle parking space; and (4) a stormwater retention pond. In the event that SWFD failed to make such minimum investment, it would be required to reimburse the Port Authority for any shortfall. Total aggregate ground rental revenue to the Port Authority under this proposed 30-year ground lease is estimated at \$24.6 million.

All development costs, including costs to prepare the site, access the site, and provide utility-enabling infrastructure to the site, would be solely the responsibility of SWFD. Under the lease, SWFD would be solely responsible for all care, operations, maintenance, and upkeep of the premises, including snow removal. If the Port Authority exercised its right to terminate the lease without cause, the Port Authority would be responsible for reimbursing SWFD for the unamortized portion of its capital investment. SWFD would perform pre-construction environmental sampling of the leased area, and would have the right to terminate the lease, to the extent that pre-existing environmental conditions exceed certain agreed upon thresholds.

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

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to enter into a new 30-year lease, with three five-year extension options, with SWF Development, LLC, a development consortium composed of Sky Harbour, LLC, MJJ Builders, Corp and Passero Associates, for the design, construction, financing, operation, and maintenance of a corporate jet park facility on approximately 12.5 acres of currently vacant, undeveloped land at New York Stewart International Airport, substantially in accordance with the terms outlined to the Board; and it is further

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

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

NEW YORK STEWART INTERNATIONAL AIRPORT – AVIATION FACILITIES COMPANY MANAGEMENT, LLC – AERONAUTICAL SUPPORT FACILITY DEVELOPMENT – NEW LEASE

It was recommended that the Board authorize the Executive Director to enter into a new 30-year lease, with three five-year extension options, with Aviation Facilities Company Management, LLC (AFCO) for the design, construction, financing, operation, and maintenance of a corporate jet hangar service facility on approximately 9.5 acres of currently vacant, undeveloped land at New York Stewart International Airport (SWF).

Prior to 2019, there was an industry trend to base corporate aircraft at lower-cost airports with room to accommodate aeronautical support facilities that were within a reasonable proximity to primary general aviation airport hubs. This trend was driven by increasing rental rates at general aviation hubs and limited availability of hangar space. During the COVID-19 pandemic, corporate jet activity rapidly accelerated. In 2021, corporate jet flights increased by 14 percent globally, compared to 2019. In 2022, activity increased 10 percent, compared to 2021. As a result of these trends, there is increased demand for new developments to accommodate support facilities for general aviation activity at airports with the necessary land capacity throughout the region.

In response to this recent trend, the Port Authority issued a Request for Qualifications (RFQ), for the development, financing, operation and maintenance of general aviation and aeronautical support facilities at SWF. The response to the RFQ resulted in a list of five firms that were pre-qualified to bid. Each of the five pre-qualified firms submitted proposals for the Port Authority's consideration in 2023. In this resolution, staff is recommending that the Board approve a lease with AFCO, one of the pre-qualified proposers, based on the following: (1) the quality of its development proposal; (2) its identification of a committed user for the proposed development; (3) its significant capital investment commitment; and (4) the financial terms of its proposal that meet the Port Authority market valuation. A second development proposal that resulted from the RFQ is advancing separately for the Board's consideration at this month's meeting.

Under the proposed lease, AFCO would commit to a minimum capital investment of \$59 million in developing a corporate jet hangar service facility within four years of execution of the lease. This investment would allow for the development of the following: (1) two approximately 60,000-square-foot hangars totaling approximately 125,000 square feet of development; (2) all necessary airside pavement to access the SWF airfield; (3) required landside vehicle parking space; and (4) a stormwater retention pond. In the event that AFCO failed to make such minimum investment, it would be required to reimburse the Port Authority for any shortfall. Total aggregate ground rental revenue to the Port Authority under this proposed 30-year ground lease is estimated at \$18.7 million.

All development costs, including costs to prepare the site, access the site, and provide utility-enabling infrastructure to the site, would be solely the responsibility of AFCO. Under the lease, AFCO would be solely responsible for all care, operations, maintenance, and upkeep of the premises, including snow removal. If the Port Authority exercised its right to terminate the lease without cause, the Port Authority would be responsible for reimbursing AFCO for the unamortized portion of its capital investment. AFCO would perform pre-construction environmental sampling of the leased area, and would have the right to terminate the lease, to the extent that pre-existing environmental conditions exceed certain agreed upon thresholds.

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

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to enter into a new 30-year lease, with three five-year extension options, with Aviation Facilities Company Management, LLC for the design, construction, financing, operation, and maintenance of a corporate jet hangar service facility on approximately 9.5 acres of currently vacant, undeveloped land at New York Stewart International Airport, substantially in accordance with the terms outlined to the Board; and it is further

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

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

**TETERBORO AIRPORT – OPERATIONS AND MAINTENANCE SERVICES –
AUTHORIZATION TO AWARD CONTRACT TO AVPORTS LLC**

It was recommended that the Board authorize the Executive Director to enter into a contract with Avports LLC (Avports) to perform operations and maintenance (O&M) services at Teterboro Airport (TEB) for an initial term of ten years, at a total estimated amount of \$120,555,235, inclusive of fixed reimbursable expenses, a management fee and an allowance for extra work. The contract also provides for Port Authority options to extend the contract for one, five-year period, and one, 120-day period, which may be exercised at the discretion of the Executive Director. The ten-year lease term would commence on or about September 1, 2024.

TEB is managed by the Port Authority, and O&M services have been contracted for the airport since 2000, when Avports, as the highest rated proposer in response to a publicly advertised Request for Proposals (RFP), was initially retained for ten years pursuant to Board action. On September 30, 2010, the Board authorized the Executive Director to enter into a new negotiated five-year agreement with Avports, which also included a five-year extension option that was exercised. In June 2020 and April 2023, the Board authorized further extensions of that contract through August 31, 2024. The extensions were provided in order to allow the Port Authority additional time to conduct a procurement process for a replacement contract.

In May 2023, the Port Authority publicly advertised a RFP for O&M services at TEB. The proposed contract provides for the award of a replacement maintenance O&M contract at TEB with the incumbent, AvPorts, which was the only proposer in response to the RFP.

The staff recommendation to award the new contract with Avports for continued O&M services is based on the following: (1) the excellent past performance of Avports in providing these services; and (2) the strength of Avports' proposal, including a competitive cost reimbursement proposal and competitive management fee, when compared to what other airports in the region pay for these services.

Under the proposed contract, Avports would continue to perform all airport O&M services, including an on-site manager and all appropriate personnel, equipment and materials necessary to support safe airport operations, and to maintain TEB in compliance with Federal Aviation Administration operational safety certifications. O&M services would include: (1) airport operations, maintenance, and repair services, (2) accounting and financial services, and (3) aircraft noise abatement and environmental services.

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

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to: (1) enter into a contract with Avports LLC to perform operations and maintenance services at Teterboro Airport for an initial term of ten years, at a total estimated amount of \$120,555,235, inclusive of fixed reimbursable expenses, a management fee and an allowance for extra work; and (2) at his discretion, exercise options to extend the contract for a five-year period, and one 120-day

extension; substantially in accordance with the terms outlined to the Board; and it is further

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

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

PORT NEWARK – HUDSON TANK STORAGE COMPANY – NEW LEASE LPN-375

It was recommended that the Board authorize the Executive Director to enter into a new lease agreement (Lease) with Hudson Tank Storage Company (Hudson Tank) to provide for the continued letting of its existing leasehold premises (Existing Premises), inclusive of an estimated 13.6 acres at Port Newark, consisting of open area, Buildings 173 and 173B, and Berth 14, together with the addition of an estimated 1.4 acres of open area immediately west of the Existing Premises (Expansion Area), resulting in a total of approximately 15 acres of leased area (collectively, the Premises), commencing retroactively on June 1, 2023 for the Existing Premises and commencing July 1, 2024 for the Expansion Area, and expiring on May 31, 2033. The proposed lease terms represent fair market value of the Premises and are supported by an independent appraisal performed on behalf of the Port Authority.

Hudson Tank has operated a bulk liquid storage and distribution facility at Port Newark since 1975 and has been leasing the Existing Premises on a holdover basis since the prior lease expired on May 31, 2023. The Port Authority worked with Hudson Tank to provide the Expansion Area to meet its current and future business needs, and to allow Hudson Tank the opportunity to expand the tank farm on the Premises. All commodities handled at Hudson Tank, including pharmaceutical grade oils, food grade oils, oleochemicals, fatty acids and glycerin, are classified as non-hazardous commodities. Hudson Tank also provides material handling and storage for AarhusKarlshamn USA, Inc., a major processor of edible oils at Port Newark. The proposed lease would provide for continued rental revenue to the Port Authority at market rate.

The aggregate estimated rental over the term of the Lease would be approximately \$33,597,869. Hudson Tank would invest a minimum of \$2 million in leasehold improvements to the Premises. In the event Hudson Tank does not make the minimum investment by June 1, 2032, Hudson Tank would be responsible for payment of the shortfall to the Port Authority in a single lump-sum payment.

Hudson Tank would be responsible for all maintenance and repairs to the Premises, including fire protection and life safety systems and the maintenance of Berth 14, including fendering, surface and subsurface conditions, and would contribute up to \$500,000 in total toward Berth 14 maintenance over the term of the lease.

Pursuant to the foregoing report, the following resolution was adopted, with Commissioners Bollwage, Cohen, Eve, Helmy, Kelley, LaBarbera, McCabe, Richardson, and Rosado in favor. Chairman O'Toole 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 lease agreement with Hudson Tank Storage Company to provide for the letting of approximately 15 acres at Port Newark, inclusive of open area, Buildings 173 and 173B, and Berth 14, 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 or agreements necessary or appropriate in connection with the foregoing; and it is further

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

MEMORANDUM OF AGREEMENT WITH INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, LOCAL 3

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 International Brotherhood of Electrical Workers, Local 3 (“IBEW”).

The IBEW represents approximately 246 Port Authority employees in equipment maintenance functions across the Port Authority. The IBEW and the Port Authority reached a tentative collective bargaining agreement on April 9, 2024. That agreement was ratified by the members on April 24, 2024.

The agreement spans 26 months, from a retroactive commencement date of December 4, 2022, to February 3, 2025. Terms of the agreement include:

- Over the covered period, annual wage increases totaling 6 percent;
- The addition of June 19 (“Juneteenth”) as a paid holiday

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

RESOLVED, that the April 9, 2024, agreement between The Port Authority of New York and New Jersey (“Port Authority”) and the International Brotherhood of Electrical Workers, Local 3 (“IBEW”), ratified by the IBEW membership on April 24, 2024, be and it hereby is approved; and it is further.

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

MEMORANDUM OF AGREEMENT WITH PORT AUTHORITY LIEUTENANTS BENEVOLENT ASSOCIATION

It was recommended that the Board of Commissioners approve a collective bargaining agreement between the Port Authority and the Port Authority Lieutenants Benevolent Association (“LBA”).

The LBA represents approximately 100 Port Authority police lieutenants. The LBA and the Port Authority reached a tentative collective bargaining agreement on May 10, 2024. That agreement was ratified by the LBA members on May 13, 2024.

The agreement spans 32 months, from a retroactive commencement date of January 21, 2023 to September 20, 2025. Terms of the agreement include annual wage increases that, over the covered period, total 9 percent. In addition, the Port Authority has decided to outfit agency police lieutenants with body-worn cameras, in keeping with national best practices. Police lieutenants are legally entitled to be compensated for wearing and using such cameras, and under the agreement would receive a yearly stipend of \$3,000 for doing so. The LBA has also agreed to increase the scheduled workday for police lieutenants by an additional five minutes without additional compensation.

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

RESOLVED, that the May 10, 2024 collective bargaining agreement between the Port Authority of New York and New Jersey and the Port Authority Lieutenants Benevolent Association, ratified by the membership on May 13, 2024, be and it hereby is approved; and it is further

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

**MEMORANDUM OF AGREEMENT WITH PORT AUTHORITY DETECTIVES
ENDOWMENT ASSOCIATION**

It was recommended that the Board of Commissioners approve a collective bargaining agreement between the Port Authority and the Port Authority Detectives Endowment Association (“DEA”).

The DEA represents approximately 93 Port Authority detectives. The DEA and the Port Authority reached a tentative collective bargaining agreement on May 10, 2024. That agreement was ratified by the DEA members on May 18, 2024.

The agreement spans 32 months, from a retroactive commencement date of January 21, 2023 to September 20, 2025. Terms of the agreement include annual wage increases that, over the covered period, total 9 percent. In addition, the Port Authority has decided to outfit agency detectives with body-worn cameras, in keeping with national best practices. Police detectives are legally entitled to be compensated for wearing and using such cameras, and under the agreement would receive a yearly stipend of \$1,500 for doing so.

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

RESOLVED, that the May 10, 2024 collective bargaining agreement between the Port Authority of New York and New Jersey and the Port Authority Detectives Endowment Association, ratified by the membership on May 18, 2024, be and it hereby is approved; and it is further

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

GEORGE WASHINGTON BRIDGE – REHABILITATION OF STRUCTURAL STEEL OF THE UNDERSIDE OF THE LOWER LEVEL – PROJECT REAUTHORIZATION AND AWARD OF CONTRACTS GWB-244.287 AND GWB-244.287M

The George Washington Bridge (GWB), which opened the upper level in 1931 and the lower level in 1962, is a critical link between the states of New York and New Jersey. The Port Authority is currently implementing a comprehensive “Restoring the George” Program, which is composed of 11 projects to rehabilitate or replace various structural elements of the GWB and its approach structures. The program will extend the useful service life of the bridge and maintain it in a state of good repair.

In furtherance of the “Restoring the George” Program, it was recommended that the Board reauthorize one of the 11 projects – specifically, the project intended to rehabilitate the structural steel of the underside of the lower level of the George Washington Bridge (GWB), to provide structural steel rehabilitation in order to maintain a state of good repair (Project), at an estimated total project cost of \$453.4 million (an increase of \$141.7 million from the previously authorized amount). This Project represents approximately 20 percent of the total forecasted cost of the “Restoring the George” Program.

It was also recommended that the Executive Director be authorized to award the following two contracts related to the foregoing Project, to the lowest-priced qualified bidder, the joint venture of El Sol Contracting/ES II Enterprises: (1) Contract GWB-244.287, for the rehabilitation of structural steel, removal of lead-based paint, repainting of the underside of the lower level and replacement of four mobile maintenance platforms used for maintenance and inspection of the bridge, at an estimated total construction cost of \$222,316,043, inclusive of allowances for extra work, net cost work, performance bond and a risk contingency; and (2) Contract GWB-244.287M, for the maintenance of the mobile maintenance platforms and associated systems, at an estimated cost of \$1,840,000, inclusive of an allowance for extra work for an initial three-year term, with a three-year extension option at the same terms and conditions.

In September 2019, the Board: (1) authorized the Project for the rehabilitation of structural steel, removal of paint and repainting and replacement of the mobile maintenance platforms on the underside of the lower level of the GWB, at an estimated total project cost of \$311.7 million; and (2) authorized the Executive Director to award Contracts GWB-244.112 and GWB-244.112M for the construction of the project and for maintenance of the mobile platforms, at a total amount of \$199.7 million, inclusive of allowances for extra work, net cost work, performance bond and a risk contingency. Due to COVID-19-related budget constraints, Contracts GWB-244.112 and GWB-244.112M were suspended in 2020, before any construction work started, and were subsequently cancelled in January 2021. It was subsequently decided to implement the Project under three contracts. These contracts were publicly bid.

In October 2022, the Port Authority awarded the first competitively bid contract (Contract GWB-244.286), in the amount of \$25.5 million, to address priority steel repairs identified during biennial inspections of the GWB. This contract is forecast for completion in the third quarter of 2025. The balance of the scope of work, including the full rehabilitation of steel on the underside of the lower level, removal of the original lead-based paint coating, and repainting and replacement of the lower level's four mobile maintenance platforms, would be performed under a second competitively bid construction contract, Contract GWB-244.287. Following the installation of the four mobile maintenance platforms, maintenance of the platforms and related infrastructure would be performed under the third competitively bid contract, the maintenance contract, GWB-244.287M.

Project reauthorization is being sought to accommodate an increase of \$141.7 million in the cost to deliver the Project, which is available from the Program contingency allocated in the Capital Plan for the “Restoring the George” Program. The additional project cost is attributable to several factors, including: (1) performing work in the stop – start fashion occasioned by the COVID-19 cancellation of the original contracts; (2) contractor demobilization and mobilization of new contractors; (3) cost escalation due to the delay in completing the project, largely as a result of the COVID-19 cancellation; (4) inflation and post-COVID-19 market conditions affecting material and labor costs, which are reflected in the most recent bids; and (5) the need for additional expert professional design services and repackaging, bidding and awarding of new contracts.

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

RESOLVED, that the project for the rehabilitation of the structural steel of the underside of the lower level of the George Washington Bridge, (GWB), to provide structural steel rehabilitation in order to maintain a state of good repair, at an estimated total project cost of \$453.4 million (an increase of \$141.7 million from the previously authorized amount of \$311.7 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 the following two contracts in connection with the foregoing project, to the lowest-priced qualified bidder, the joint venture of El Sol Contracting/ES II Enterprises: (1) Contract GWB-244.287, for the rehabilitation of structural steel, removal of lead-based paint, repainting of the underside of the lower level and the replacement of four mobile maintenance platforms used for maintenance and inspection of the GWB, at an estimated total construction cost of \$222,316,043, inclusive of allowances for extra work, net cost work, performance bond and a risk contingency; and (2) Contract GWB-244.287M, for the maintenance of mobile platforms and associated systems, at a cost of approximately \$1,840,000, inclusive of an allowance for extra work for an initial three-year term, with a three-year extension option at the same terms and conditions; 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 documents in connection with the foregoing project shall be subject to the approval of General Counsel or her authorized representative, and the terms of such contracts, agreements and other documents shall be subject to review by General Counsel or her authorized representative.

Whereupon, the meeting was adjourned.

Secretary