

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

**MINUTES OF SPECIAL BOARD MEETING**

**Monday, August 21, 2023**

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**MINUTES of the Special Meeting of The Port Authority of New York and New Jersey held on Monday, August 21, 2023 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, Vice Chairman  
 Hon. Steven M. Cohen  
 Hon. Winston Fisher  
 Hon. Gary LaBarbera  
 Hon. Rossana Rosado

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

Michael Bozza, Deputy Director, Port  
 Meredith L. Brooks, Principal Board Management Support Specialist, Office of the Secretary  
 Ana Carvajalino, Director, Financial Planning  
 Janet D. Cox, Chief of Staff and Special Counsel to the Executive Director  
 Jennifer S. Davis, Chief, Intergovernmental Affairs  
 Benjamin Feldman, Deputy Chief Communications Officer  
 John Gay, Inspector General  
 James Heitmann, Chief Operating Officer  
 Kirsten Hernandez, Special Assistant to the Executive Director  
 Cristina M. Lado, Director, Government and Community Affairs, New Jersey  
 Elizabeth M. McCarthy, Chief Financial Officer  
 Matthew Murray, Senior Advisor to the Chairman  
 Jessica Ortiz, Deputy Inspector General and Director of Investigations  
 Bethann Rooney, Director, Port  
 Peter D. Simon, Chief of Staff to the Chairman  
 Debra Torres, Chief Ethics and Compliance Officer  
 Derek H. Utter, Chief Development Officer

External Attendees:

Tim Bath, Managing Director, Solomon Partners  
 Brad Julian, Partner, Capstan Consulting LLC

Guests:

Thomas Holl, Senior Counsel, Authorities Unit, Office of the Governor of New Jersey

Natalie Millstein, Senior Advisor for Transportation, Office of the Governor of New York

The public meeting was called to order by Chairman O’Toole at 9:41 a.m. and ended at 9:57 a.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 July 27, 2023 were delivered in electronic form to the Governors of New York and New Jersey on July 28, 2023. The time for action by the Governors of New York and New Jersey expired at midnight on August 11, 2023.

### **Chairman’s Report**

The Chairman advised that there were no written or video statements received in connection with the Port Authority’s public speakers’ program for today’s Special Board Meeting.

**PORT JERSEY-PORT AUTHORITY MARINE TERMINAL – GCT BAYONNE LP –  
AUTHORIZATION OF SUPPLEMENT TO LEASE LPJ-001**

**HOWLAND HOOK MARINE TERMINAL - GCT NEW YORK LP – AUTHORIZATION  
OF SUPPLEMENT TO LEASE HHT-4**

The Port Authority seeks to supplement two of its Port container terminal leases (“Leases”) currently let to two affiliates (each, a “Lessee”) of Global Container Terminals, Inc. (“GCT Parent”). The Lessees operate the container terminals at the Port Jersey-Port Authority Marine Terminal (“Port Jersey”) and the Howland Hook Marine Terminal on Staten Island (“Howland Hook”). These two terminals are hereafter referred to, collectively, as the “GCT Terminals”. GCT Parent desires to sell its leasehold interests at both GCT Terminals to CMA CGM (“Acquirer”), a French shipping company, which is the world’s third-largest ocean carrier with over 600 vessels in service and terminals in 28 countries. Acquirer is controlled by Merit Corporation, a family-controlled entity.

To satisfy the existing transfer conditions in the Leases, which require Port Authority consent to the transfer, Acquirer has agreed with the Port Authority to modify certain provisions of each of the Leases by supplement (each, a “Supplement”) as described to the Board. Under the Leases as modified by the Supplements, it is expected that operations will be improved at the GCT Terminals and the interests of the Port Authority and the Lessees will be better aligned to: (i) handle existing cargo volumes more efficiently; and (ii) expand capacity at the GCT Terminals. In particular, terms and conditions of the Supplements provide for the following: increases of rents based on container throughput (subject to a minimum annual guarantee); assumption by the Lessee of full responsibility for wharf and berth maintenance, rehabilitation, and replacement obligations; participation of the Port Authority in demurrage revenues; commitment by the Lessee to improve the leasehold to meet increased capacity needs over the Lease term; commitment by the Lessee to the Port Authority’s sustainability goals (including achieving Net Zero greenhouse gas emissions by 2050); commitment to the Port Authority’s contracting goals for minority-owned and woman-owned business enterprises and participation by locally-owned businesses; and improved collaboration with respect to Port Authority priorities relating to safety and security, innovation, customer experience, key performance indicators, and enhanced reporting on terminal activities.

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

**RESOLVED**, that, in connection with providing consent to a change of control in each of the current tenants at the Port Jersey-Port Authority Marine Terminal and the Howland Hook Marine Terminal, the Executive Director be, and he hereby is authorized, for and on behalf of the Port Authority, to enter into the following lease supplements (collectively, the “Supplements”): (i) Supplement 4 to that certain lease agreement dated as of June 23, 2010, between the Port Authority and Global Terminal & Container Services, LLC (Lease LPJ-001), subsequently assigned to GCT Bayonne LP (the “Port Jersey Lease”); and (ii) Supplement 2 to that certain amended and restated agreement of lease dated as of January 1, 2013 between

the Port Authority and New York Container Terminal, LLC (Lease HHT-4), subsequently assigned to GCT New York LP (the “Howland Hook Lease”); 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 such other contracts and agreements as may be necessary or appropriate to effectuate the Supplements; and it is further

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

Whereupon, the meeting was adjourned.

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Secretary