

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

**MINUTES**

**Thursday, March 25, 2021**

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**MINUTES of the Meeting of The Port Authority of New York and New Jersey held Thursday, March 25, 2021 via teleconference.**

**PRESENT:**

**NEW JERSEY**

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

**NEW YORK**

Hon. Jeffrey H. Lynford, Vice Chairman  
 Hon. Leecia R. Eve  
 Hon. Gary LaBarbera  
 Hon. Rossana Rosado

Richard Cotton, Executive Director  
 Michael E. Farbiarz, General Counsel  
 James E. McCoy, Secretary

James K. Allen Jr., Chief of Staff to the Vice Chairman  
 Justin E. Bernbach, Director, Government and Community Affairs, New York  
 John Bilich, Chief Security Officer  
 Michael Bock, Police Officer  
 Benjamin M. Branham, Chief Communications Officer  
 Mark Burkhardt, Police Officer  
 Brian Caraveo, Cinematographer, Marketing  
 Ana Carvajalino, Director, Financial Planning  
 Rebecca L. Cassidy, General Manager, Board Unit, Office of the Secretary  
 Edward T. Cetnar, Director, Public Safety/Superintendent of Police  
 Janet D. Cox, Chief of Staff and Special Counsel to the Executive Director  
 Jeffrey Croissant, Police Officer  
 Clarelle D. DeGraffe, Director, Rail Transit  
 Michael P. Dombrowski, Audio Visual Specialist, Marketing  
 Diannae C. Ehler, Director, Tunnels, Bridges and Terminals  
 Benjamin Feldman, Senior Advisor to the Chairman  
 Amy H. Fisher, First Deputy General Counsel and Director of Legal Affairs  
 Robert E. Galvin, Chief Technology Officer  
 Jaime Garcia, IT Systems Support Specialist  
 Erik H. George, Executive Advisor, Chief Financial Officer  
 Robert Gibbon, Special Counselor to the Executive Director  
 Connor J. Glory, Police Officer  
 Mary Lee Hannell, Chief, Human Capital  
 Milena Kosc-Garcia, Principal Board Management and Support Specialist, Office of the Secretary  
 Cristina M. Lado, Director, Government and Community Affairs, New Jersey  
 Huntley A. Lawrence, Acting Chief Operating Officer/Director, Aviation  
 Michael G. Massiah, Chief, Diversity and Inclusion  
 Elizabeth M. McCarthy, Chief Financial Officer  
 Tobi Mettle, Chief of Staff for Agency Initiatives, Office of the Executive Director

Alec Nadeau, Manager, Executive Initiatives and Policy, Office of the Executive Director  
 Jason Nielsen, Police Officer  
 Daniel Olbrich, Police Officer  
 Hersh K. Parekh, Director, Government and Community Relations for Aviation  
 Redevelopment in New York  
 Steven P. Plate, Chief, Major Capital Projects  
 Alan L. Reiss, Director, World Trade Center Construction and Interim Director  
 of World Trade Center Operations  
 Jessica Russ, Executive Policy Analyst, Office of the Secretary  
 Peter D. Simon, Chief of Staff to the Chairman  
 James A. Starace, Chief Engineer/Director of Engineering  
 Stephen C. Sudol, Police Officer  
 Derek H. Utter, Chief Development Officer  
 Lillian D. Valenti, Chief Procurement and Contracting Officer  
 Matthew Vecchione, Police Officer

Guests:

Edmund Caulfield, Associate Counsel, Authorities Unit, Office of the Governor of New Jersey  
 Dr. Mehmet Oz, Cardiothoracic Surgeon

Public Commenters:

Liam Blank, Tri-State Transportation Campaign  
 Charlene Talarico  
 Neile Weissman, Complete George

Topic:

Federal Aid for the Port Authority  
 Port Authority Personnel Matters  
 GWB Bike Paths

The public meeting was called to order by Chairman O’Toole at 12:21 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 February 11, 2021 were delivered in electronic form to the Governors of New York and New Jersey on February 12, 2021. The time for action by the Governors of New York and New Jersey expired at midnight on March 1, 2021.

### **Chairman’s Report**

The Chairman advised that due to the ongoing public health crisis posed by COVID-19, and in light of the recommendation from the Centers for Disease Control and Prevention and the States of New York and New Jersey, today’s meeting is being held via teleconference, with audio of the proceedings simultaneously webcast on the Port Authority’s website.

The Chairman also advised that as part of the Port Authority’s public speakers’ program, three written statements were received and provided to the Directors 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.

## **WORLD TRADE CENTER SITE – SITE-WIDE PROPERTY MANAGEMENT SERVICES – AWARD OF CONTRACT**

It was recommended that the Board authorize the Executive Director to: (1) enter into a contract with CBRE Government Services LLC (CBRE) to provide site-wide property management services at the World Trade Center (WTC) site for a seven-year term, with three one-year extension options, for site-wide centralized infrastructure, public spaces, and certain other assets at the WTC site, with the contract to provide for: (a) a total management fee over the initial seven-year contract term of \$6,123,434; (b) a fixed multiplier applied to direct salary costs for CBRE's non-represented employees; and (c) sub-contract services to be retained under the contract on the Port Authority's behalf; and (2) expend funds in the amount of up to \$21 million for the following contract services, covering the period of July 2021 through December 2021, that would be billed on a "pass-through" basis: (a) CBRE's direct staff costs (including multiplier) and reimbursable expenses required for the management, operation, repair, and maintenance of the WTC site in accordance with the contract terms; (b) CBRE's management fee for the first six months of the contract; and (c) sub-contract services to be retained under the contract on the Port Authority's behalf, including janitorial, repairs and maintenance, administrative and related services, and procurement of materials required to operate the WTC site.

The Port Authority is responsible for the management, operation, and maintenance of site-wide centralized infrastructure, public spaces, and certain other assets at the WTC site. This includes the Vehicular Security Center and Vehicle Roadway Network; the WTC Transportation Hub, excluding the retail net lessee-managed retail space; the Central Chiller Plant and WTC River Water Pump Station; the Primary Electrical Distribution Center; the East/West Concourse to Brookfield Place; the East and West Bathtub slurry walls; Liberty Park; the WTC Hub Plaza; and the PATH fare zone, with the exception of the track level, which is the responsibility of PATH.

The existing contract for these services with Cushman & Wakefield has been in place since 2013, with funding of the contract subject to annual approval by the Board, as the WTC site was in a transitional state during the contract term. At its meeting of December 12, 2019, the Board approved the first of three one-year contract extension options contained in the existing contract covering the period July 2020 through June 2021.

Consistent with prior discussions with the Board, in September 2020, staff issued a Request for Proposals for site-wide property management services at the WTC site, considering the passage of time since the contract was awarded and the evolution of the WTC site to full operations.

Four responses to the RFP were received in November 2020. Each proposal was evaluated based on predetermined weighted criteria by an internal selection committee composed of Port Authority professional staff, who recommended award of the contract to the highest rated proposer, CBRE.

CBRE would be responsible for performing the management, operation, and maintenance of the WTC site 24 hours per day, 365 days per year, to a first-class standard that meets the Port Authority's obligations to WTC net lessees, as well as the current COVID-19 cleaning regimens. The selected contractor would provide these services through both its direct staff and managed subcontractors. As the WTC site has now successfully transitioned to a fully operational state, on a going-forward basis the annual allocation of funds for this contract will be authorized as part of the annual budget approval process.

Pursuant to the foregoing report, the following resolution was adopted, with Commissioners Bagger, Eve, LaBarbera, Lynford, McCabe, O'Toole and Rosado in favor. Commissioner Pocino 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: (1) enter into a contract with CBRE Government Services LLC to provide site-wide property management services at the World Trade Center (WTC) site for a seven-year term, with three one-year extension options, for the management, operation, and maintenance of site-wide centralized infrastructure, public spaces, and certain other assets at the WTC site, substantially in accordance with the terms outlined to the Board; and it is further

**RESOLVED**, that the form of all contracts, agreements and other documents in connection with the foregoing shall be subject to the approval of 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.

## **PUBLICATION OF ANNUAL AUDITED FINANCIAL STATEMENTS**

Pursuant to the By-Laws and its Charter, the Audit Committee's members have reviewed and approved the Port Authority's audited Financial Statements and Appended Note Disclosures for the year ended December 31, 2020 (2020 Financial Statements), and recommended to the Board that such Financial Statements be included in the Port Authority's 2020 Annual Report and other publications, as appropriate. It was therefore recommended that the Board authorize the publication of the 2020 Annual Report which shall include the 2020 audited Financial Statements.

Pursuant to the foregoing report, the following resolution was adopted, with Commissioners Bagger, Eve, LaBarbera, Lynford, McCabe, O'Toole, Pocino 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 publication of the Port Authority's 2020 Annual Report, which shall include the Port Authority's audited Financial Statements and Appended Note Disclosures for the year ended December 31, 2020, be and the same hereby is authorized.

**CONFIDENTIAL ITEM**

The Board approved a matter in executive session, which shall not be made available for public inspection until such time as litigation related to this matter has concluded.

Whereupon, the meeting was adjourned.

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Secretary