

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

MINUTES

Thursday, July 27, 2023

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MINUTES of the Meeting of The Port Authority of New York and New Jersey held Thursday, July 27, 2023 at 2 Montgomery Street, Jersey City, 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, Vice Chairman
 Hon. Steven M. Cohen
 Hon. Leecia R. Eve
 Hon. Winston Fisher
 Hon. Gary LaBarbera*
 Hon. Rossana Rosado*

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

Taylor Abbruzzese, Summer Intern, Law
 James K. Allen Jr., Chief Communications Officer
 Paulo Alves, Assistant Director, Labor Relations
 M. Rizwan Baig, Chief Engineer
 Christopher Beacham, Chief of Staff, Office of the Chief Financial Officer*
 Marco Belardo, Director, Audit
 Richard Bellucci, Chief of Police Operations, Port Authority Police
 Susan J. Berkwitz, Assistant General Counsel
 John A. Berlingieri, Deputy Inspector, Port Authority Police
 Vincent J. Borst, Assistant Director, Office Space and Property Management, Operations Services
 Stephen Bowers, Principal Claims Representative, Law
 Meredith L. Brooks, Principal Board Management Support Specialist, Office of the Secretary
 Raymond Bryan, Assistant Police Chief, Port Authority Police
 Ana Carvajalino, Director, Financial Planning
 Mihai Chitulescu, Attorney, Law
 David W. Compton, Manager, Marketing
 Kyle Costa, Attorney, Law
 Camille Cox, Senior Claims Representative, Law
 Janet D. Cox, Chief of Staff and Special Counselor to the Executive Director
 Jennifer S. Davis, Chief, Intergovernmental Affairs*
 Victor DeCastro, Summer Intern, Labor Relations
 Karla Denalli, Attorney, Law
 Mercedes Derroches, Executive Assistant and Advisor to the Executive Director
 Gregory W. Ehrie, Chief Security Officer
 Charles R. Everett Jr., Director, Aviation*
 Jose Febrillet, Chief, Diversity, Equity and Inclusion

Robert E. Galvin, Chief Technology Officer*

Shannon E. Gates, Principal Board Management Support Specialist, Office of the Secretary

John Gay, Inspector General

Erik H. George, Director, Management & Budget

Zachary Glenn, Summer Intern, Labor Relations

Nichelle Gracey, Assistant Manager, Claims Administration, Law

Mary Lee Hannell, Chief, Human Capital*

James Heitmann, Chief Operating Officer

Kirsten Hernandez, Special Assistant to the Executive Director

Carleen Hodge, Assistant Manager, Claims Administration, Law

Natasha G. Jean Philipp-Cumberbatch, Manager, Corporate Transparency, Office of the Secretary

Ethan Kahn, Summer Intern, Law

Sherien N. Khella, Treasurer

Cristina M. Lado, Director, Government and Community Affairs, New Jersey

Courtney J. Laidlaw, Attorney, Law

William Laventhal, Program Director, Executive Office

Ria Letren, Attorney, Law

Stephen Marinko, Assistant General Counsel

Elizabeth M. McCarthy, Chief Financial Officer

Tara McKenzie Bright, Attorney, Law

Tobi Mettle, Director, Resource Management and Planning, Chief Security Office

Nicole Mikulas, Assistant General Counsel

Rachel E. Moody, Manager, Strategic and External Affairs, Aviation

Polly Moore, Deputy Director, Labor Relations

Matthew F. Murray, Senior Advisor to the Chairman

Veronica Neckles, Principal Claims Representative, Law

Aidan O'Donnell, Deputy Director, Aviation

Keanu Oliveira, Summer Intern, Law

Jessica Ortiz, Deputy Inspector General and Director of Investigations

Evelyn Pagan, Senior Executive Secretary, Office of Diversity, Equity and Inclusion*

Hersh K. Parekh, Director, Government and Community Affairs, New York*

Stephen Peabody, Supervising Legal Management Specialist, Law

Thomas Pietrykoski, Director, Corporate Communications

Alan L. Reiss, Director, World Trade Center Construction*

Risa Resnick, Senior Program Manager, Procurement

Elizabeth Rogak, Attorney, Law

Bethann Rooney, Director, Port

Jessica Russ, General Manager, Board Unit, Office of the Secretary*

Benjamin Shaw, Summer Intern, Labor Relations

Aaron F. Sherburne, Director, World Trade Center*

Aanisah Sheriff, Summer Intern, Law

Peter D. Simon, Chief of Staff to the Chairman

Beverly Thornton, Principal Business Manager, Law

Debra M. Torres, Chief Ethics and Compliance Officer

Akane Tsuchiya-Saltzman, Attorney, Law

Derek H. Utter, Chief Development Officer
Lillian D. Valenti, Chief Procurement Officer

Guests:

Michael Burrello

Michael E. Farbiarz, Former Port Authority General Counsel

Kaia Fisher

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

Bradley Katz

David Ullman, Assistant Secretary for Transportation, Office of the Governor of New York*

Public Commenters:

Matthew Buchys (Written Statement)

Sharon Feinsod (Written Statement)

Debra Greif

Emmanuelle Morgen

Talya Schwartz Naor

Phillip M. Plotch

Topics:

Tolls & Congestion Pricing

Newark Liberty International Airport

Accessibility Rights

PATH

PATH

Port Authority Book

The public meeting was called to order by Chairman O’Toole at 12:17 p.m. and ended at 1:29 p.m. The Board also met in executive session prior to the public session. Commissioner Rosado was present for the executive session and a portion of the public session, participating via teleconference, and submitted her affirmative vote to the Secretary on several of the resolutions before the Board for consideration in public session, prior to departing the public session.

Report on Prior Meeting’s Minutes

Copies of the Minutes of the meeting of June 22, 2023 were delivered in electronic form to the Governors of New York and New Jersey on June 23, 2023. The time for action by the Governors of New York and New Jersey expired at midnight on July 10, 2023.

Chairman’s Report

The Chairman congratulated Commissioner Fisher on his recent appointment to the Board by New York Governor Hochul, and a ceremonial swearing in was held for the new Commissioner as he was welcomed to the Port Authority.

The Chairman advised that as part of the Port Authority’s public speakers’ program, two written statements were received and 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.

Moments of Silence and Remembrance

The Chairman called for a moment of silence in observance of the recent passing of firefighters Augusto Acabou and Wayne Brooks Jr. who tragically perished while fighting the recent fire at Port Newark. The Chairman also asked that the first responders who were injured responding to the fire remain in the thoughts and prayers of those attending the meeting.

The Chairman called for a moment of silence in observance of the recent passing of Marc R. Bailey, a 31-year PATH employee.

TRIBUTE TO MICHAEL E. FARBIARZ AND AWARD OF CHAIRMAN’S AWARD OF ACHIEVEMENT MEDAL

In recognition of nearly seven years of dedicated public service, the Board of Commissioners honor Michael E. Farbiarz for his lasting contributions to The Port Authority of New York and New Jersey and the region it serves.

Since joining the Port Authority in 2016 as General Counsel, Michael brought the full measure of his legal skills, keen intellect and strong work ethic to the responsibility of leading the Law Department and providing rigorous advice to the professional staff and the Board of Commissioners.

During his tenure, Michael fully leveraged his legal skills in the oversight of thousands of litigations, negotiation of new labor contracts for all represented agency employees, developing the factual and legal basis for raising the minimum wage for thousands of airport workers, strengthening the legal framework for many of the agency’s regulations, and providing rigorous and detailed advice on the multitude of issues that arose during the COVID-19 pandemic.

An ardent proponent of integrity as a fundamental tenet for agency success, Michael strongly supported a new Code of Ethics for Commissioners, the complete revision and strengthening of the agency’s Office of Ethics and Compliance, and strengthening focus on safety, including the appointment of the agency’s first Chief Safety Officer.

The Port Authority’s mission to meet critical transportation infrastructure needs and to provide high quality, efficient transportation facilities and services for the people of this region can only be achieved through the hard work and dedication of employees like Michael. His unwavering belief in the importance of the agency to the region and the local communities in which our facilities are located, and his commitment to integrity and innovative solutions to complex legal issues have been an inspiration to the professional staff and the Board of Commissioners.

The Chairman’s Award of Achievement Medal was established in 2006 to provide a means to formally recognize dedicated staff who provide outstanding public service to the agency and the region at large. In the case of Michael E. Farbiarz, it was recommended that the Chairman’s Award of Achievement Medal be awarded on the basis of his integrity and exemplary service in performing the duties of General Counsel over the past nearly seven years, and it is with our utmost appreciation and respect that we honor Michael E. Farbiarz for his public service and essential contributions to the Port Authority and the region it serves, and wish him great success as a newly appointed federal judge.

Pursuant to the foregoing report, the following resolution was adopted, with Commissioners Bollwage, Cohen, Eve, 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.

NOW, therefore, be it

RESOLVED, that the Chairman’s Award of Achievement Medal be awarded to Michael E. Farbiarz in recognition of his service to the Port Authority and the region it serves.

NEWARK LIBERTY INTERNATIONAL AIRPORT – TERMINAL B3 – DEUTSCHE LUFTHANSA AKTIENGESELLSHAFT D/B/A LUFTHANSA GERMAN AIRLINES – LEASE AND-328

It was recommended that the Board authorize the Executive Director to enter into a new Lease No. AND-328 (the Lease) with Deutsche Lufthansa Aktiengesellschaft d/b/a Lufthansa German Airlines (Lufthansa) at Newark Liberty International Airport (EWR) for the letting of approximately 6,311 square feet of space to be used as a passenger lounge in Terminal B3 at EWR, for a term of seven years and three months. Lufthansa currently occupies an approximately 5,000-square-foot lounge in Terminal B3, in addition to associated office and storage space, under separate space permits.

The lease for the existing lounge expired October 31, 2022, and Lufthansa is currently paying for occupancy on a month-to-month basis until the proposed new lease is in place.

Lufthansa would pay total aggregate rental of approximately \$6.45 million over the term of the Lease, in addition to a percentage of gross receipts. Payment of rent on approximately 5,000 square feet of the leasehold would commence on or about October 1, 2023, and payment of rent on the additional 1,311 square feet of the leasehold would commence on or about May 1, 2024.

Lufthansa would make a minimum capital investment of \$7.5 million to refurbish and expand its existing lounge. In the event that the Port Authority terminates the lease without cause prior to the expiration of the term, the Port Authority would be obligated to reimburse Lufthansa for the unamortized portion of that capital investment.

Pursuant to the foregoing report, the following resolution was adopted, with Commissioners Bollwage, Cohen, Eve, 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 the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to enter into a new lease with Deutsche Lufthansa Aktiengesellschaft d/b/a Lufthansa German Airlines for the letting of approximately 6,311 square feet of space to be used as a passenger lounge in Terminal B3 at Newark Liberty International Airport, for a term of approximately seven years and three months, 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 the foregoing lease, and all other 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 lease, contracts, agreements and other documents shall be subject to review by General Counsel or her authorized representative.

TETERBORO AIRPORT – ATLANTIC AVIATION CORPORATION – LEASE TA-121 – LEASE SUPPLEMENT

It was recommended that the Board: authorize the Executive Director to enter into a lease supplement and execute related documents with Atlantic Aviation Corporation (Atlantic) at Teterboro Airport (TEB), pursuant to which Atlantic would: (1) demolish Hangar 3 on its existing leasehold; (2) construct three new hangars (Hangars 6, 7 and 8); (3) invest a minimum of \$63 million in capital improvements to its leasehold; and (4) agree to extend the term of the lease for a 20-year period, through December 31, 2048.

TEB is the prime reliever airport for the New York-New Jersey region, handling general aviation flights that would otherwise cause congestion at the Port Authority's commercial airports or use non-Port Authority facilities located farther from the region's center of economic activity.

Atlantic is one of four fixed-based operators (FBOs) at TEB, which handle general aviation flights, providing aeronautical services such as aircraft parking, fueling, and maintenance. Atlantic currently leases 29.5 acres at TEB, which includes three hangars (Hangars 3, 4 and 5). Atlantic's current lease agreement is scheduled to expire on December 31, 2028.

The proposed lease supplement would facilitate approximately \$63 million in investment by Atlantic that would result in: (i) the demolition of the oldest aircraft hangar, Hangar 3, at TEB (constructed in 1949 by a prior tenant and past its useful life); (ii) the construction of three new modern state-of-the-art and energy efficient new hangars, each measuring approximately 28,600 square feet, and would incorporate a one-story approximately 19,200 square foot office building; and (iii) sustainability improvements, which are aligned with the Port Authority's environmental commitments. Atlantic would be the first FBO at TEB to incorporate LEED Silver sustainability plans and waste management programs in the redevelopment and operation of its leasehold.

Under the proposed supplement, Atlantic would remit approximately \$147 million in rent over the 20-year extension period, including building and ground rent for Hangars 2 and 4, and ground rent for future Hangars 6, 7, and 8. During the agreement term, Atlantic would be subject to annual Consumer Price Index (CPI) adjustments on land and building rent, as well as building and land appraisal adjustments in 2029 and 2039.

Pursuant to the foregoing report, the following resolution was adopted, with Commissioners Bollwage, Cohen, Eve, 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 the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to enter into a lease supplement with Atlantic Aviation Corporation (Atlantic) and execute related documents to extend the current lease for a 20-year period, through December 31, 2048; 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 contracts and agreements as may be necessary or appropriate to effectuate the foregoing lease supplement; and it is further

RESOLVED, that the form of the foregoing lease supplement, and all other contracts, agreements and other documents in connection with the foregoing lease supplement, 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.

JERSEY AVENUE AUTOMOTIVE MAINTENANCE SHOP AND CENTRAL WAREHOUSE BUILDING – LEASE EXTENSION

It was recommended that the Board authorize the Executive Director to enter into an agreement with JHR Realty Co. LLC (the Landlord) to extend the term of Port Authority’s lease of an approximately 85,000-square-foot industrial building at 777 Jersey Avenue, Jersey City, New Jersey for the continued operation of an automotive maintenance shop and central warehouse (JAMS), for an extension term of 39 months, at an aggregate rental estimated at \$7,231,000.

The Port Authority has occupied the JAMS building as a tenant since 1998, and the lease currently is due to expire on December 31, 2023. The building, which was extensively modified for Port Authority-specific uses, houses a vehicle maintenance and repair center, and a centralized parts, equipment and office products storage warehouse and distribution facility.

The term of the lease would be extended through March 2027. The Port Authority would have a right to terminate the lease after March 31, 2025, and throughout the remaining term of the lease, upon providing the Landlord 12 months’ written notice. The proposed extension would provide the Port Authority with the necessary time to determine the optimum location for the long-term operation of these facilities.

Pursuant to the foregoing report, the following resolution was adopted, with Commissioners Bollwage, Cohen, Eve, 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 the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to enter into an agreement with JHR Realty Co. LLC to extend the term of the Port Authority’s lease of an approximately 85,000-square-foot industrial building for the continued operation of an automotive maintenance shop and central warehouse at 777 Jersey Avenue, Jersey City, New Jersey (JAMS), for an extension term of 39 months, 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 the foregoing agreement, and all other 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 leases, contracts, agreements and other documents shall be subject to review by General Counsel or her authorized representative.

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.

Secretary