

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

**MINUTES**

**Thursday, September 22, 2022**

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**MINUTES of the Meeting of The Port Authority of New York and New Jersey held Thursday, September 22, 2022 at 2 Montgomery Street, Jersey City, New Jersey and via videoconference.**

**PRESENT:**

**NEW JERSEY**

Hon. Kevin J. O’Toole, Chairman  
 Hon. Dana M. Martinotti  
 Hon. Kevin P. McCabe  
 Hon. Robert J. Menendez  
 Hon. Michelle E. Richardson

**NEW YORK**

Hon. Jeffrey H. Lynford, Vice Chairman  
 Hon. Steven M. Cohen  
 Hon. Leecia R. Eve\*  
 Hon. Daniel J. Horwitz  
 Hon. Rossana Rosado

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

Brian Ahern, Police Officer  
 James K. Allen Jr., Chief Communications Officer  
 Christopher Beacham, Chief of Staff, Chief Financial Officer\*  
 Carrol Bennett, Acting Chief, Diversity, Equity and Inclusion\*  
 Meredith L. Brooks, Associate Board Management Support Specialist, Office of the Secretary  
 Michael Brown, Deputy Superintendent of Port Authority Police Department  
 Ana Carvajalino, Director, Financial Planning\*  
 Rebecca L. Cassidy, General Manager, Board Unit, Office of the Secretary  
 Edward Cetnar, Superintendent of Police  
 David Compton, Manager, Marketing  
 Frank Conti, Police Officer  
 Janet D. Cox, Chief of Staff and Special Counselor to the Executive Director  
 Jennifer S. Davis, Chief, Intergovernmental Affairs  
 Clarelle D. DeGraffe, Director, Rail Transit\*  
 Diannae C. Ehler, Director, Tunnels, Bridges and Terminals\*  
 Charles Everett, Director, Aviation\*  
 Benjamin Feldman, Deputy Chief Communications Officer\*  
 Kristen Figaro, Senior External Relations Client Manager, Intergovernmental Affairs  
 Amy H. Fisher, First Deputy General Counsel and Director of Legal Affairs  
 Robert E. Galvin, Chief Technology Officer  
 John Gay, Inspector General  
 Robert W. Gibbon, Special Counselor to the Executive Director\*  
 Ryan J. Gilbert, Senior Management Analyst, Office of the Secretary  
 Mary Lee Hannell, Chief, Human Capital\*  
 Natasha G. Jean Philipp-Cumberbatch, Manager, Corporate Transparency, Office of the Secretary

Shaun Kehoe, Police Officer  
 Sherien N. Khella, Treasurer  
 Duncan Kisia, Deputy Director, Planning and Regional Development\*  
 Amanda Kwan, Manager, Media Support Services, Media Relations  
 Scott Ladd, Assistant Director, Media Relations  
 Cristina M. Lado, Director, Government and Community Affairs, New Jersey  
 Brian Lapp, Chief Health and Safety Officer\*  
 Huntley A. Lawrence, Chief Operating Officer  
 Elizabeth M. McCarthy, Chief Financial Officer  
 Tobi Mettle, Interim Director, Resource Management and Planning, Chief Security  
 Office  
 Michael Mollahan, Police Officer  
 Cesar Morales, Police Officer  
 Matthew Murray, Senior Advisor to the Chairman\*  
 Jessica Ortiz, Deputy Inspector General and Director of Investigations  
 Hersh K. Parekh, Director, Government and Community Affairs, New York\*  
 Thomas Pietrykoski, Director, Corporate Communications  
 Bethann Rooney, Director, Port  
 Jessica Russ, Executive Policy Analyst, Office of the Secretary\*  
 Peter D. Simon, Chief of Staff to the Chairman  
 Ronald Shindel, Police Inspector  
 James A. Starace, Chief Engineer  
 Debra M. Torres, Chief Ethics and Compliance Officer  
 Derek H. Utter, Chief Development Officer  
 Lillian D. Valenti, Chief Procurement Officer

Guests:

Noreen M. Giblin, Deputy Chief Counsel Authorities Unit, Office of the Governor of New  
 Jersey\*  
 Natalie Millstein, Senior Advisor for Transportation, Office of the Governor of New York\*

Public Commenter:

Arthur Blakely

Topic:

PATH Contract Negotiations

The public meeting was called to order by Chairman O’Toole at 12:13 p.m. and ended at 1:01 p.m. The Board also met in executive session prior to the public session. Commissioner Menendez was present for portions of the executive session.

### **Report on Prior Meeting’s Minutes**

Copies of the Minutes of the meeting of July 28, 2022 were delivered in electronic form to the Governors of New York and New Jersey on July 29, 2022. The time for action by the Governors of New York and New Jersey expired at midnight on August 12, 2022.

### **Documents Filed with the Board**

The comment period for the revisions to the Rules and Regulations of the Marine Terminal Tariff Federal Maritime Commission Schedule No. PA-10, which were filed with the Board on July 28, 2022, expired.

### **Moment of Silence**

In observance of the 21<sup>st</sup> anniversary of the September 11, 2001 terrorist attacks on The World Trade Center, the Chairman requested a moment of silence in memory of the 84 Port Authority employees lost on that day, and the first responders and recovery workers who were lost due to illnesses relating to their work at the World Trade Center site, as well as for those who perished as a result of the bombing of The World Trade Center on February 26, 1993.

### **Memorial Tribute to Police Officer Anthony Varvaro**

The Chairman noted the recent passing of Police Officer Anthony Varvaro, who was tragically killed by a wrong-way driver on the New Jersey Turnpike on September 11, 2022. Following the Chairman’s remarks, a memorial video was shown demonstrating Police Officer Varvaro’s commitment to the agency. The Chairman then called for a moment of silence in memory of Police Officer Varvaro.

### **Passing of Former Commissioner Anthony J. Sartor**

The Chairman noted the recent passing of former Commissioner Anthony J. Sartor, who served on the Board for 15 years. The Chairman also acknowledged Commissioner Sartor’s significant contributions to the Port Authority, including as chair of the subcommittee responsible for the oversight of the rebuilding of the World Trade Center site.

**ELIZABETH – PORT AUTHORITY MARINE TERMINAL – COLUMBIA CONTAINER SERVICES, LLC – NEW LEASE EP-320**

It was recommended that the Board authorize the Executive Director to enter into a new lease (Lease) with Columbia Container Services, LLC (Columbia), for a term of 10 years commencing on or about October 31, 2022, for the letting of an estimated 1,342,955 square feet of open area, together with the structure known as Building 1500, at the Elizabeth-Port Authority Marine Terminal (EPAMT), for the operation of a marine transportation equipment storage, handling, maintenance and repair facility, and related activities, including, but not limited to, offices and employee support, subject to a right in favor of the Port Authority to recapture up to three acres of the premises at any time during the Lease term.

Columbia has provided chassis depot services at the Port Authority's marine terminals since 2002. They have been leasing the subject property at the EPAMT since October 30, 2017 under Lease EP-308, which is set to expire on October 30, 2022. The proposed new lease would ensure continuity of on-port chassis storage with the existing tenant, which is critical to support efficient port operations.

Pursuant to the Lease, Columbia would continue to lease the property and would invest an estimated \$2 million for leasehold improvements, consisting of milling, paving, fencing, lighting, electrical work and such other construction work as may be approved by the Port Authority. If Columbia fails to complete the project by October 31, 2030 (with a six-month cure period), Columbia would be required to make equal monthly payments, as additional rent, to the Port Authority for the remainder of the term of the Lease, in an amount equal to the difference between the investment amount and the amount actually expended to complete the construction work.

The Port Authority would have the right to consent to changes of control, assignments and subleases to third parties, and to receive consent fees. Specific amounts of consent fees and overage rentals for subleases would be set forth in the Lease. In the event of a change of control of Columbia, the Port Authority would have the right to amend the Lease terms and receive non-monetary concessions (such as imposition of additional restrictions on Columbia's operations).

The amount of the total aggregate rental to be paid by Columbia over the term of the proposed Lease would be approximately \$25,408,485. The proposed Lease terms represent fair market value and are supported by an independent appraisal performed on behalf of the Port Authority.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Cohen, Eve, Horwitz, Lynford, Martinotti, McCabe, Menendez, 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 with Columbia Container Services, LLC, for a term of 10 years commencing on or about October 31, 2022, for the letting of an estimated 1,342,955 square feet of open area, together with the structure known as Building 1500, at the Elizabeth-Port Authority Marine Terminal, for the operation of a marine transportation equipment storage, handling, maintenance and repair facility, and other related activities, 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 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 his authorized representative, and the terms of such lease, contracts, agreements and other documents shall be subject to review by General Counsel or his authorized representative.

**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.

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Secretary