

**AGREEMENT BETWEEN THE NEW JERSEY DEPARTMENT OF
COMMERCE AND ECONOMIC DEVELOPMENT AND THE PORT
AUTHORITY OF NEW YORK AND NEW JERSEY RESPECTING
PROJECT SELECTION AND FUNDING WITH REGARD TO THE
JOINT DREDGING PLAN**

THIS AGREEMENT, made as of the 1st day of November, 1997, between THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY, (hereinafter referred to as the "Port Authority"), a body corporate and politic created by Compact (the "Compact") between the States of New Jersey and New York with the consent of the Congress of the United States, having its principal office at One World Trade Center, Borough of Manhattan, City, County and State of New York, and the NEW JERSEY DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT (hereinafter referred to as the "Department") a governmental agency of the State of New Jersey having its principal office at 20 West State Street, Trenton, New Jersey 08625-0823.

WITNESSETH:

WHEREAS, the Board of Commissioners of the Port Authority at its meeting held on May 9, 1996 resolved to commit up to \$130 million on dredging projects in connection with the development of a comprehensive dredging and disposal plan for the New York and New Jersey region; and

WHEREAS, the Department has been entrusted with the implementation of the New Jersey portion of the Governors' Joint Dredging Plan; and

WHEREAS, the Port Authority is willing, subject to all the terms and conditions of this Agreement, to provide up to \$65 million for a program of projects, (the "Program"), to be agreed upon by the Department and the Port Authority related to the dredging and disposal of dredged material and related projects including sediment testing, development of contaminant identification technology, material management initiatives, pollution prevention and navigation studies, such \$65 million constituting New Jersey's share of the aforesaid \$130 million;

NOW, THEREFORE, the Port Authority and the Department hereby agree as follows:

SECTION A - COMMITMENT BY PORT AUTHORITY

(1) Subject to all the provisions of this Agreement, the Port Authority hereby agrees to make available amounts not to exceed in total Sixty Five Million Dollars (\$65,000,000) for Actual Costs as defined in this Agreement incurred in connection with Program Projects as defined in this Agreement.

(2) Program Projects shall mean each of the projects described on the document attached hereto as Exhibit A and such other projects as the Port Authority and the Department may from time-to-time agree upon in writing. It is understood and agreed that the Department will provide such detail with respect to any project requested by the Department as the Port Authority may reasonably request, including scope of work descriptions, cost estimates and schedules for contract execution and performance of work.

SECTION B - PROCEDURE FOR PAYMENTS BY THE PORT AUTHORITY

(1) Except with respect to any Program Project being effectuated by the Port Authority, to which this Section B shall not apply, on November 1, 1997, on May 1, 1998 and on each November 1 and May 1 thereafter, the Department shall provide the Director of the Port Commerce Department of the Port Authority (or the successor in duties of such position) or such Director's designee with a good faith estimate of the dollar amount of invoices expected to be paid for Actual Costs by the Department for approved projects during the six-month period beginning on each such November 1 and May 1, providing such detail with respect to such estimate as the Port Authority may reasonably require. The Port Authority shall promptly pay such estimate to the Department within twenty (20) working days following receipt of such estimate. Each estimate of anticipated invoices (other than for the six-month period beginning November 1, 1997) shall contain a summary of Actual Costs (as defined in Section C herein) incurred during the preceding six-month period. Each such summary shall constitute a representation by the Department that it knows of no reason why the costs described in such summary are not properly includable as Actual Costs under the terms of this Agreement. In the event that Actual Costs during the preceding six-month period were less than the estimate for such six-month period, the difference shall be deducted by the Department in calculating the Department's estimate of the amount needed from the Port Authority for the subsequent six-month period. In the event that the Department's Actual Costs during the preceding six-month period were more than the estimate for such period, the difference shall be added by the Port Authority with the amount paid to the Department as the estimate of the next six-month period's Actual Costs. The Department may at any time during a six-month period amend its initial estimate for such period, providing such detail with respect to such revised estimate as the Port Authority may reasonably require; the Port Authority shall pay to the Department any additional amount required in connection with such revised estimate within thirty (30) working days following receipt of such revised estimate.

(2) Upon completion of each Program Project, the Department shall certify that such Project has been completed and shall provide a final invoice for such Project, certified by the then currently designated fiscal officer of the Department. The Department shall keep and maintain, and require others to keep and maintain, in a manner consistent with accepted accounting practices, complete and accurate records and documents relating to the effectuation of each Program Project. Such records and documents shall be kept and maintained in the Port District as defined in Article II of the Compact for a period of at least 3 years following completion of such Project. The Port Authority shall

have the right to audit all such records at any time and from time to time prior to the completion of such 3-year period.

SECTION C - DEFINITION OF ACTUAL COSTS

Actual Costs (the total of which shall not exceed in any event \$65 million) under this Agreement shall mean (i) the cost of all payments made by the Department to third parties for services performed in the effectuation of Program Projects; (ii) any costs of the Department incurred in connection with a Project which the Port Authority has expressly agreed to provide in connection with the Authority's concurrence with such project; and (iii) with respect to any Program Project being performed by the Port Authority, either directly or by contractors, the Port Authority's costs for such Program Project (or such fraction of such costs as the Department and the Port Authority have agreed shall be applied to the Port Authority's \$65 million commitment) as determined by the Port Authority under the Port Authority's normal accounting procedures applicable to such Program Project. Without limiting the generality of any other provision of this Agreement, the Department shall provide the Port Authority such supporting documentation with respect to any item of Actual Cost as the Port Authority at any time and from time to time may require.

SECTION D - NO PORT AUTHORITY LIABILITY

Except with respect to Program Projects being effectuated by the Port Authority, to which this Section D shall not apply, the Department acknowledges and agrees that the Port Authority shall have no responsibility for any other Program Project or any aspect (including any environmental aspects) thereof. The Port Authority's only obligation in connection with the Program shall be to provide funds in accordance with this Agreement. As between the Port Authority and the Department, the Department hereby assumes the following risks, whether or not they arise from acts or omissions of the Department: all risks of loss or damage to property or injury to or death of persons, and risks of other damage to whomsoever occurring, arising out of or in any way connected with this Agreement or the effectuation or any other aspect (including all environmental matters) of any Program Project other than a Program Project being effectuated by the Port Authority.

SECTION E - INDEMNIFICATION; INSURANCE

(1) Except with respect to Program Projects being effectuated by the Port Authority, to which this Section E shall not apply, the Department agrees to have its contractors assume all risk of loss or damage to property or injury to or death of persons arising out of the effectuation of any Program Project and agrees to cause its contractors to defend, at their own expense, against any and all suits, claims, losses, demands or damages of whatsoever kind or nature, arising out of or claimed to arise out of their effectuation of any Program Project or their breach of any contract pertaining to such

Project. Such contractors will be prohibited from raising any defenses involving in any way the jurisdiction of the tribunal, immunity of the Port Authority, governmental nature of the Port Authority, without first obtaining expressed advance written permission from the General Counsel of the Port Authority.

(2) The Department shall cause the Port Authority to be named as an additional insured on any policy of comprehensive public liability insurance maintained by the Department with respect to any claims arising out of or relating in any way to the effectuation of a Program Project. Such policy shall be specifically endorsed to prohibit the insurance carrier from raising any defense involving in any way the jurisdiction of the tribunal, immunity of the Port Authority, the governmental nature of the Port Authority or the provisions of any statutes respecting suits against the Port Authority, without first obtaining express advance written permission from the General Counsel of the Port Authority.

SECTION F - NEWARK BAY CONFINED DISPOSAL FACILITY

With respect to the approved Project described as the "Newark Bay Confined Disposal Facility" (hereinafter called the "Facility" in this Section) listed on Exhibit "A" hereof, the Port Authority and the Department agree as follows: The Port Authority shall notify the Department when the Facility is able to receive dredged material. On or about the first day of each calendar month thereafter, the Port Authority shall provide to the Department a report setting forth the volume capacity available to the Department for use in the coming month. The report will also state the total volume capacity of the facility at the time of the report and the amount of capacity used by the Department up to the time of the preparation of the report. The Port Authority and the Department agree that the Port Authority shall allocate one-third (one-third) of available capacity at any given time to the Department. The Department understands and agrees that the Port Authority makes no representations of any kind with respect to the Facility, including when the Facility will be ready to receive material, the ultimate available capacity of the Facility or any other aspect of the Facility. Additionally, the Department understands and agrees that it will be at all times be treated as any other user of the Facility and shall have no greater rights with respect to the Facility as any other user, except as specifically provided in this Section with respect to the reservation of available capacity and except that the Department shall not be required to pay the Port Authority a user fee for use of the facility.

SECTION G - GENERAL

(1) The Port Authority may, upon reasonable notice, during regular business hours, examine all records of the Department relating to any and all costs invoiced by the Department under this Agreement.

(2) No payment, approval, failure to approve or make payment, act or omission to act on the part of the Port Authority shall preclude the Port Authority from

subsequently asserting that any payment, approval or act on its part was incorrect and requesting an adjustment to remedy same or seeking all remedies allowed by law.

(3) This Agreement shall not be construed to create any rights on behalf of any party other than the Port Authority and the Department.

(4) No Commissioner, Director, officer, agent or employee of the Port Authority or the Department shall be held personally liable under any provision of this Agreement or because of its execution or attempted execution or because of any breach or alleged breach hereof.

(5) The Department shall, upon request by the Port Authority, provide to the Port Authority copies of such reports or other documents containing information, including percentage breakdowns and dollar aggregates, as it may receive or prepare relating to levels of minority and/or female participation in the workforce with respect to any Program Project and relating to levels of minority and/or women-owned business participation as contractors and subcontractors in the Project.

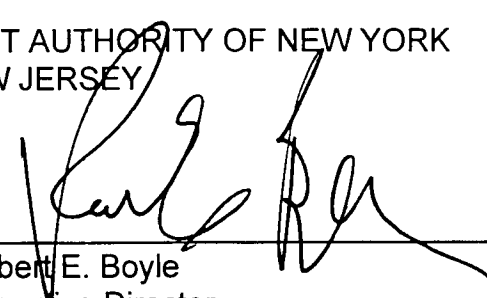
(6) If any provision of this Agreement shall be such as to destroy its mutuality or to render it invalid or illegal, then, if it shall not appear to have been so material that without it this Agreement would not have been made by the parties, it shall not be deemed to form part hereof but the balance of this Agreement shall remain in full force and effect.

(7) The entire agreement between the parties is contained herein and no change in or modification, termination or discharge of this Agreement shall be effective unless in writing and signed by the party to be charged therewith.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be signed, sealed and attested.

THE PORT AUTHORITY OF NEW YORK
AND NEW JERSEY

By: *LeB*


Robert E. Boyle
Executive Director

NEW JERSEY THE DEPARTMENT OF
COMMERCE AND ECONOMIC DEVELOPMENT

By:


Director of Maritime Resources

12/7/97

**EXHIBIT A TO THE AGREEMENT (THE "AGREEMENT") BETWEEN
THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY AND
THE NEW JERSEY DEPARTMENT OF COMMERCE AND ECONOMIC
DEVELOPMENT MADE AS OF NOVEMBER 1, 1997**

Program Projects (as per Section A, subparagraph 2 of the Agreement)

1. One-third of the Actual Costs (as defined in the Agreement) of the Comprehensive Evaluation of Optimum Channel Depths for the entire New York/New Jersey Port being undertaken by the U.S. Army Corp. of Engineers (this study is also known as the "Fifty-foot Study"). The total local sponsor share of these Actual Costs is estimated at \$9 million, making the Department's share under this Agreement approximately \$3 million, it being understood that the estimate of \$9 million is an approximation only and is provided solely for information purposes.

2. One-third of the Actual Costs (as defined in the Agreement) of the effectuation by the Port Authority of the Newark Bay Confined Disposal Facility. The Department's share of these Actual Costs is currently estimated at approximately \$16.3 million, it being understood that these estimates are approximations only and are provided solely for information purposes.

3. Expenses of the Department over the next two (2) years incurred in connection with the administration of the Agreement, not to exceed in any event \$300,000, all as set forth in an agreement between the Department and the Port Authority executed July 7, 1997.

4. Provision for a work boat in connection with work of the New Jersey Geological Survey in Newark Bay (Actual Costs for this Project are agreed to be \$3,980).

5. A study entitled "Use of Dredged Material as Fill In Transportation Related Project" to be performed by the Stevens Institute of Technology.

EXHIBIT B TO THE AGREEMENT (THE "MASTER AGREEMENT")
BETWEEN THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY
AND THE NEW JERSEY DEPARTMENT OF COMMERCE AND
ECONOMIC DEVELOPMENT MADE AS OF NOVEMBER 1, 1997

1. A project to provide up to \$150,000 in Actual Costs as defined in the Master Agreement (hereinafter in this Exhibit the "Actual Costs") for New Jersey's share of the cost of providing accurate real-time oceanographic and meteorologic information tailored to the specific needs of the port community. The State of New Jersey and the Port Authority have divided the cost, which is \$300,000 total. New Jersey's share, which will be paid under the Master Agreement, is \$150,000.
2. New Jersey Toxics Workplan - A research program to (1) determine the chemical constituents of sediments that cause toxicity to marine organisms; (2) develop a methodology to determine the sources of these chemical contaminants; and (3) develop a program of enforcement action to abate these sources. Actual Costs for the Project payable under the Master Agreement shall not exceed \$9.5 million.
3. Purchase of a vessel that will be equipped with a device that will skim debris from our waterways and from combined sewer outfalls in order to prevent this debris from sinking to marine sediments or washing up on beaches and shorelines. Actual Costs for this Project payable under the Master Agreement shall not exceed \$500,000.
4. The Perth Amboy Project - The New Jersey Department of Commerce and Economic Development, Office of Maritime Resources, will pay to process and transport 40,000 cyd of dredged material to the Bark Camp Mine Reclamation site in Pennsylvania to demonstrate the use of dredged materials in strip mine reclamation. This project also serves to assist the City of Perth Amboy in the redevelopment of their waterfront through a Green Acres funded expansion of their municipal marina. Actual Costs for this Project payable under the Master Agreement shall not exceed \$2.62 million.
5. OENJ2 (Benn Project) - Under this Project, Maritime Resources will pay for the placement, monitoring and testing of dredged material placed at the Orion site. Actual Costs for this Project payable under the Master Agreement shall not exceed \$6.0 million.
6. A Program of public outreach to help the citizens of New Jersey for the use of dredged material in roadway projects. Actual Costs for this Project payable under the Master Agreement shall not exceed \$150,000.

THE PORT AUTHORITY OF NY & NJ



ONE WORLD TRADE CENTER
NEW YORK, NEW YORK 10048
LAW DEPARTMENT
JEFFREY S. GREEN
GENERAL COUNSEL
WALTER M. FRANK, CHIEF
COMMERCIAL LITIGATION DIVISION
(212) 435-6221

September 10, 1998

Contains
Exhibit B

New Jersey Department of Commerce and Economic Development
Commissioner Gualberto Medina
20 West State Street
Trenton, New Jersey 08625-0823

Dear Commissioner Medina:

As you know, the Port Authority of New York and New Jersey (the "Port Authority") and the New Jersey Department of Commerce and Economic Development (the "Department") have previously entered into an agreement (the "Master Agreement") made as of November 1, 1997 pursuant to which the Port Authority is providing up to \$65 million for a program of projects related to the dredging and disposal of dredged material.

Section A(2) of the Master Agreement provides that such projects ("Program Projects") include the projects identified in Exhibit "A" to the Master Agreement and are also to include such other projects as the Port Authority and the Department may from time-to-time agree upon in writing.

I have attached to this letter as "Exhibit B" a list of certain projects which the Port Authority and the Department have recently agreed upon. This letter will confirm that such additional projects are Program Projects under the Master Agreement and that all the provisions of the Master Agreement, including Section D entitled "No Port Authority Liability" and Section E entitled "Indemnification; Insurance", shall apply to such additional Program Projects.

Notwithstanding anything in the Master Agreement to the contrary, this letter will confirm that with respect to the \$117,000 project with the Sediment and Dredged Material Technology Institute ("SDMTI"), Project No. 5 on the list of Program Projects attached to the Master Agreement as "Exhibit A", the Port Authority shall enter into a contract directly with SDMTI for the performance of such Program Project and shall pay SDMTI an amount, not to exceed \$117,000, in connection with such Program Project, such amount to be credited against the \$65 Million Port Authority Commitment contained in the Master Agreement.

This letter will also confirm the following understandings between the Port Authority and the Department:

1. The New Jersey Department of Transportation, Division of Project Management (NJDOT/DPM), has collaborated with the Department in developing construction and environmental standards for the use of dredged materials as manufactured soil in connection with the Program Project known as the BERM Project (Project No. 5 on Exhibit B).
2. The OENJ Corporation ("OENJ"), a corporation organized under the laws of the State of Delaware with offices located at 1000 Kapkowski Road, Elizabeth, New Jersey, 07201, currently manages the only permitted facility with a Leachate Monitoring and Collection System approved by the New Jersey Department of Environmental Protection for the beneficial use of dredged materials in development projects.
3. OENJ has an existing contract with the Port Authority to provide capacity for the deposition and beneficial use of dredged materials, and has agreed to provide a portion of that capacity for the BERM Project.
4. By separate agreement with the Department and OENJ, NJDOT/DPM will supervise and manage the conduct of the BERM Project.
5. OENJ will be the sole responsible party for the construction phase of the Berm Project in accordance with the agreement between the Department and NJDOT/DPM and has agreed to provide the Department, NJDOT/DPM and the Port Authority with a copy of all results of the Project.
6. The Port Authority will utilize its existing contract with OENJ to provide capacity up to 100,000 cubic yards at the OENJ site for the Berm Project. Except as provided in the first sentence of this paragraph 6, the Port Authority shall have no responsibility of any kind for any other aspect of the Berm Project and all the provisions of the Master Agreement shall apply to the Berm Project, including Sections D and E of the Master Agreement, as with any other Program Project.

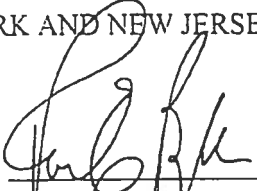
Commissioner Gualberto Medina

September 10, 1998

7. This letter agreement will not become binding on any party until it is fully executed by the Port Authority and the Department or their designees.

THE PORT AUTHORITY OF NEW
YORK AND NEW JERSEY

Date: October 8, 1998

By: 
Robert E. Boyle
Executive Director

NEW JERSEY DEPARTMENT OF
COMMERCE AND ECONOMIC
DEVELOPMENT

Date: _____


By: 
Gualberto Medina
Commissioner

EXHIBIT C TO THE AGREEMENT (THE "MASTER AGREEMENT")
BETWEEN THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY
AND THE NEW JERSEY DEPARTMENT OF COMMERCE AND
ECONOMIC DEVELOPMENT (NOW KNOWN AS, THE NEW JERSEY COMMERCE
AND ECONOMIC GROWTH COMMISSION) MADE AS OF NOVEMBER 1, 1997

1. New Jersey Sediment Remediation Demo^s – The New Jersey Commerce and Economic Growth Commission has requested funding in the amount of \$110,000 to conduct harbor sediment contaminant identification and reduction studies and to engage in pollution prevention initiatives.
2. New Jersey Air Guard System – The New Jersey Commerce and Economic Growth Commission is seeking authorization to install an Air Guard System at a cost of \$506,630 to be used at the IMMT – Bayonne Terminal. The purpose of this device is to reduce sedimentation to minimize dredging requirements at the pier.

THE PORT AUTHORITY OF NY & NJ



November 2, 1998

ROBERT E. BOYLE
EXECUTIVE DIRECTOR

ONE WORLD TRADE CENTER
NEW YORK, NY 10048

(212) 435-7271
(973) 961-6600 x7271
E-MAIL: rboyle@panynj.gov

Commissioner Gualberto Medina
The New Jersey Commerce and
Economic Growth Commission
20 West State Street
Trenton, New Jersey 08625-0823

Dear Commissioner Medina:

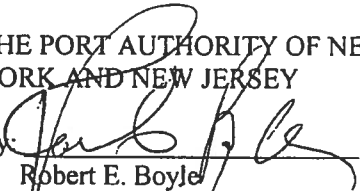
As you know, the Port Authority of New York and New Jersey (the "Port Authority") and the New Jersey Department of Commerce and Economic Development (now known as The New Jersey Commerce and Economic Growth Commission) have previously entered into an agreement (the "Master Agreement") made as of November 1, 1997 pursuant to which the Port Authority is providing up to \$65 million for a program of projects related to the dredging and disposal of dredged material.

Section A(2) of the Master Agreement provides that such projects ("Program Projects") include the projects identified in Exhibit "A" to the Master Agreement and are also to include such other projects as the Port Authority and the Commission may from time-to-time agree upon in writing. Pursuant to a letter agreement between the Port Authority and the Commission, dated September 10, 1998, certain additional projects were added as Program Projects.

I have attached to this letter as "Exhibit C" a list of certain projects which the Port Authority and the Commission have recently agreed upon. This letter will confirm that such additional projects are Program Projects under the Master Agreement and that all the provisions of the Master Agreement, including Section D entitled "No Port Authority Liability" and Section E entitled "Indemnification Insurance," shall apply to such additional Program Projects. This letter agreement will become binding on any party when it is fully executed by the Port Authority and the Commission.

Date: 11/23/98

THE PORT AUTHORITY OF NEW
YORK AND NEW JERSEY

By: 
Robert E. Boyle
Executive Director

THE NEW JERSEY COMMERCE AND
ECONOMIC GROWTH COMMISSION
(formerly known as, NEW JERSEY
DEPARTMENT OF COMMERCE AND
ECONOMIC DEVELOPMENT)

Date: 11/6/98


By: 
Gualberto Medina
Commissioner

EXHIBIT D TO THE AGREEMENT (THE "MASTER AGREEMENT")
BETWEEN THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY
AND THE NEW JERSEY COMMERCE AND ECONOMIC
GROWTH COMMISSION
MADE AS OF NOVEMBER 1, 1997

1. Arthur Kill Extension Study - The State of New Jersey has requested funding up to the amount of \$1,000,000 in order to amend the Corps' pre-construction, engineering and design study of the 45 foot channel in the Arthur Kill to include areas south of the Howland Hook Marine Terminal to assess the navigation needs of the petroleum industry.
2. Air Guard System (Phase II) - New Jersey State requests \$177,430 to install the Air Guard System at the Tosco Refinery in Linden, New Jersey, as a further test of this alternative technology, which reduces sedimentation to minimize dredging requirements.
3. PROPAT Demonstration Project - A \$5,000,000 project to evaluate the use of PROPAT as a conditioning and stabilizing agent for beneficial use of dredged material. PROPAT is a trademarked, recycled product composed of non-metallic interior materials from automobiles combined with stabilizing agents to prevent leaching. The test will evaluate the environmental and geotechnical suitability of the stabilized dredged material.
4. Air Quality Monitoring Project - In order to analyze the potential of PCBs and other semi-volatile organics to vaporize during the processing of dredged materials, the State of New Jersey has requested \$584,268 for a study. The study will monitor air quality at the Bayonne golf course site, which is to be developed by OENJ Cherokee Corporation, a brownfield re-developer that takes contaminated, old barren sites and transforms them into useful properties with cement-stabilized sediment from the harbor.



June 2, 1999

New Jersey Commerce and Economic Growth Commission
CEO/Secretary Gualberto Medina
20 West State Street – 12th Floor
PO Box 820
Trenton, New Jersey 08625-0820

Dear Secretary Medina:

As you know, the Port Authority of New York and New Jersey (the "Port Authority") and the New Jersey Commerce and Economic Growth Commission (the "Commission"), which was formerly known as the New Jersey Department of Commerce and Economic Development, have previously entered into an agreement (the "Master Agreement") made as of November 1, 1997 pursuant to which the Port Authority is providing up to \$65 million for a program of projects related to the dredging and disposal of dredged material.

Section A(2) of the Master Agreement provides that such projects ("Program Projects") include the projects identified in Exhibit "A" to the Master Agreement and are also to include such other projects as the Port Authority and the Commission may from time-to-time agree upon in writing.

I have attached to this letter as "Exhibit D" a list of certain projects which the Port Authority and the Commission have recently agreed upon. This letter will confirm that such additional projects are Program Projects under the Master Agreement and that all the provisions of the Master Agreement, including Section D entitled "No Port Authority Liability" and Section E entitled "Indemnification; Insurance", shall apply to such additional Program Projects.

This letter agreement will become binding when it is fully executed by both the Port Authority and the Commission.

THE PORT AUTHORITY OF
NEW YORK AND NEW JERSEY

Date: _____

By: _____

Robert E. Boyle
Executive Director

NEW JERSEY COMMERCE AND
ECONOMIC GROWTH
COMMISSION

Date: _____

By: _____

Gualberto Medina
CEO/Secretary



EXHIBIT E TO THE AGREEMENT (THE "MASTER AGREEMENT")
BETWEEN THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY
AND THE NEW JERSEY COMMERCE AND ECONOMIC
GROWTH COMMISSION
MADE AS OF NOVEMBER 1, 1997

- I. **Red Hook Anchorage Feasibility Study** - The States of New York and New Jersey have requested that the Port Authority act as local sponsor and enter into a Feasibility Cost Sharing Study with the U.S. Army Corps of Engineers for a study to deepen the Red Hook Anchorage to 60 feet below mean low water. The States have agreed to share equally the local sponsor share of fifty-percent of the total estimated project cost of \$1,511,104. Should the total project cost exceed the estimated total, the States have agreed to share any cost overruns equally. The New Jersey Commerce and Economic Growth Commission has requested funding in an amount no less than \$377,776 to pay New Jersey's share of this obligation and any cost overruns.



July 26, 1999

(212) 435-7000
(973) 961-6600

New Jersey Commerce and Economic Growth Commission
Frank McDonough
Executive Director, New Jersey Maritime Resources
28 West State Street - 8th Floor
PO Box 837
Trenton, New Jersey 08625-0837

Dear Executive Director McDonough:

As you know, the Port Authority of New York and New Jersey (the "Port Authority") and the New Jersey Commerce and Economic Growth Commission (the "Commission") have previously entered into an agreement (the "Master Agreement") made as of November 1, 1997 pursuant to which the Port Authority is providing up to \$65 million for a program of projects related to the dredging and disposal of dredged material.

Section A (2) of the Master Agreement provides that such projects ("Program Projects") include the projects identified in Exhibit "A" to the Master Agreement and are also to include such other projects as the Port Authority and the Commission may from time-to-time agree upon in writing.

I have attached to this letter as Exhibit "I", to the Master Agreement, a list of certain projects which the Port Authority and the Commission have recently agreed upon. This letter will confirm that such additional projects are Program Projects under the Master Agreement and that all the provisions of the Master Agreement, including Section D entitled "No Port Authority Liability" and Section E entitled "Indemnification; Insurance", shall apply to such additional Program Projects.

This letter agreement will become binding when it is fully executed by both the Port Authority and the Commission.

Date:

8/3/99

By:

THE PORT AUTHORITY OF
NEW YORK AND NEW JERSEY

Robert E. Boyle
Executive Director

Date:

7/23/99

By:

NEW JERSEY COMMERCE AND
ECONOMIC GROWTH
COMMISSION

Frank McDonough
Executive Director,
NJ Maritime Resources



EXHIBIT F TO THE AGREEMENT (THE "MASTER AGREEMENT")
BETWEEN THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY
AND THE NEW JERSEY COMMERCE AND ECONOMIC
GROWTH COMMISSION
MADE AS OF NOVEMBER 1, 1997

1. Hudson River Foundation Project (CARP) - The States of New York and New Jersey have requested the Port Authority to enter into a contract with the Hudson River Foundation for the administration of contracts for quality assurance/quality control and modeling in connection with the Contamination Assessment and Reduction Project (CARP). Actual Costs for the Project payable under this Master Agreement with New Jersey shall not exceed \$3,060,000.
2. New Jersey Landfill Demonstration Project - The State has requested \$5,500,000 to study the benefits of using dredged materials for landfill coverage. Three million dollars (\$3,000,000) will be utilized for a project to place red-brown clay from the Kill Van Kull/Arthur Kill deepening project as closure material for two abandoned landfills in New Jersey. A further \$2,500,000 to be used for demonstration projects on the benefits of utilizing dredged material as daily cover material at two operating sanitary landfill sites. Actual Costs for this Project payable under this Master Agreement shall not exceed \$5,500,000.
3. Claremont Channel Deepening - The State of New Jersey will enter into a contract with Hugo Neu Schnitzer East to deepen the Claremont Channel. Material dredged from the channel will be utilized for mine reclamation in Pennsylvania and for stabilized landfill at Port Liberte, New Jersey. The \$15,700,000 project will be completed with \$6,750,000 from the New Jersey Bond Act, \$2,818,645 of Port Authority monies reallocated from the South Busway Project and \$5,000,000 previously authorized to evaluate the use of PROPAT as a conditioning agent. A further \$2,100,000 is requested under this Master Agreement to cover the project cost. Actual costs for this project payable under the Master Agreement including amounts authorized for the PROPAT demonstration in Exhibit D, shall not exceed \$7,100,000 million.
4. Port Jersey Channel Sediment Testing - At request of the State, the Port Authority will perform sediment testing for upland placement of materials to be dredged from the first contract of the Port Jersey Channel Deepening project to 41 feet. Actual Costs for this Project payable under this Master Agreement shall not exceed \$140,000.
5. PORTS (II) - The State has requested funding for the operation and maintenance of PORTS (Physical Oceanographic Real-Time System), a system that provides accurate real-time oceanographic information on the harbor. This is in addition to an earlier authorization of \$150,000 described in Exhibit B bringing the total costs of the PORTS project to \$300,000.
6. Staffing (II) - The State has requested funding for staffing, technical and administrative expenses associated with the implementation of the Joint Dredging Plan from June 1999 through December 2001. Actual Costs for this Project payable under the Master Agreement including amounts in Exhibit A shall not exceed \$600,000.

THE PORT AUTHORITY OF NY & NJ



ROBERT E. BOYLE
EXECUTIVE DIRECTOR

ONE WORLD TRADE CENTER
NEW YORK, NY 10048

(212) 435-7271
(973) 961-6600 x7271
E-MAIL: rboyle@panynj.gov

March 9, 2000

Mr. Richard Gimello
Executive Director, Office of New Jersey Maritime Resources
New Jersey Department of Transportation
28 West State Street - 8th Floor
PO Box 837
Trenton, New Jersey 08625-0837

Dear Mr. Gimello:

The Port Authority of New York and New Jersey (the "Port Authority") and The New Jersey Commerce and Economic Growth Commission (formerly the New Jersey Department of Commerce and Economic Development and hereinafter in this agreement called the "Commission"), acting through its Office of Maritime Resources entered into an agreement (the "Master Agreement") made as of November 1, 1997, pursuant to which the Port Authority is providing up to \$65 million for a program of projects related to the dredging and disposal of dredged material. The New Jersey Department of Transportation ("NJDOT") has advised the Port Authority that, pursuant to a Memorandum of Understanding between The Commission and NJDOT executed on January 10, 2000, the Commission has transferred all its rights and duties under the Master Agreement, and NJDOT has agreed to assume all such rights and duties, to NJDOT.

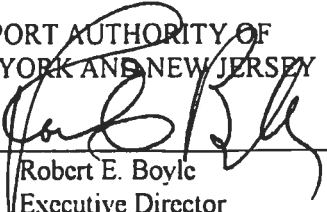
Section A (2) of the Master Agreement provides that projects ("Program Projects") to be funded under the Master Agreement include the projects identified in Exhibit "A" to the Master Agreement and are also to include such other projects as the Port Authority and the Commission may from time-to-time agree upon in writing.

I have attached to this letter, as Exhibit "F" to the Master Agreement, a list of certain projects, which the Port Authority and NJDOT have recently agreed upon. This letter will confirm that such additional projects are Program Projects under the Master Agreement and that all the provisions of the Master Agreement, including Section D entitled "No Port Authority Liability" and Section E entitled "Indemnification; Insurance", shall apply to such additional Program Projects.

This letter agreement will become binding when it is fully executed in the spaces provided below by both the Port Authority and NJDOT.

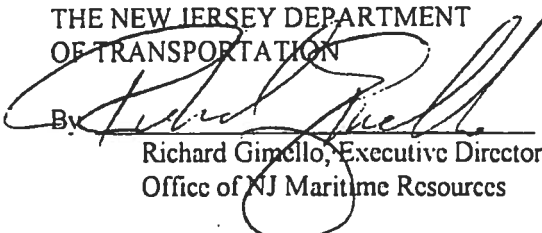
THE PORT AUTHORITY OF
NEW YORK AND NEW JERSEY

Date: 3/21/00

By: 
Robert E. Boyle
Executive Director

THE NEW JERSEY DEPARTMENT
OF TRANSPORTATION

Date: March 17, 2000

By: 
Richard Gimello, Executive Director
Office of NJ Maritime Resources

**EXHIBIT G TO THE AGREEMENT (THE "MASTER AGREEMENT")
BETWEEN THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY
AND THE NEW JERSEY COMMERCE AND ECONOMIC
GROWTH COMMISSION
MADE AS OF NOVEMBER 1, 1997**

1. Center for Advanced Infrastructure and Transportation ~~(CAIT)~~ - The State of New Jersey has requested the Port Authority to provide ~~\$50,000~~ for a grant to the Center for Advanced Infrastructure and Transportation (CAIT), Department of Civil and Environmental Engineering, Rutgers University. This grant will be used to support the technical evaluation of end use products and other beneficial uses of dredged material. Actual Costs for the Project payable under this Master Agreement with New Jersey shall not exceed \$50,000.
2. Preliminary construction estimate for Port Jersey Channel - In 1998 the State of New Jersey requested the Port Authority to develop a preliminary construction cost estimate for deepening the Port Jersey Channel to 50 feet. The findings of this study have been used by the State and the Port Authority to evaluate deep-water access for proposed container facilities at the Military Ocean Terminal at Bayonne and Port Jersey. The study was completed in 1999 at a cost of \$57,363. The State of New Jersey has requested that this cost be charged to those funds available to the State pursuant to the Master Agreement.

POR0035-23. Original estimate was \$90K. PANYNJ
completed for us.

THE PORT AUTHORITY OF NY & NJ

ROBERT E. BOYLE
EXECUTIVE DIRECTOR

September 11, 2000

ONE WORLD TRADE CENTER
NEW YORK, NY 10048

(212) 435-7271
(973) 961-6600 x7271
E-MAIL: rboyle@panynj.gov

Mr. Richard Gimello
Executive Director, Office of New Jersey Maritime Resources
New Jersey Department of Transportation
28 West State Street - 8th Floor
PO Box 837
Trenton, New Jersey 08625-0837

Dear Mr. Gimello:

The Port Authority of New York and New Jersey (the "Port Authority") and The New Jersey Commerce and Economic Growth Commission (formerly the New Jersey Department of Commerce and Economic Development and hereinafter in this agreement called the "Commission"), acting through its Office of Maritime Resources entered into an agreement (the "Master Agreement") made as of November 1, 1997, pursuant to which the Port Authority is providing up to \$65 million for a program of projects related to the dredging and disposal of dredged material. The New Jersey Department of Transportation ("NJDOT") has advised the Port Authority that, pursuant to a Memorandum of Understanding between The Commission and NJDOT executed on January 10, 2000, the Commission has transferred all its rights and duties under the Master Agreement to NJDOT, and NJDOT has agreed to assume all such rights and duties. Section A (2) of the Master Agreement provides that projects ("Program Projects") to be funded under the Master Agreement include the projects identified in Exhibit "A" to the Master Agreement and are also to include such other projects as the Port Authority and the Commission may from time-to-time agree upon in writing.

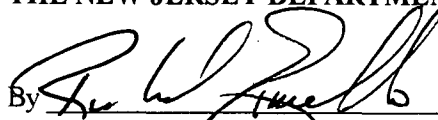
I have attached to this letter, as Exhibit "G" to the Master Agreement, a list of certain projects, which the Port Authority and NJDOT have recently agreed upon. This letter will confirm that such additional projects are Program Projects under the Master Agreement and that all the provisions of the Master Agreement, including Section D entitled "No Port Authority Liability" and Section E entitled "Indemnification; Insurance", shall apply to such additional Program Projects. This letter agreement will become binding when it is fully executed in the spaces provided below by both the Port Authority and NJDOT.

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

By: 
Robert E. Boyle, Executive Director

Date: 9-19-00

THE NEW JERSEY DEPARTMENT OF TRANSPORTATION

By: 
Richard Gimello, Executive Director
Office of NJ Maritime Resources

Date: 9-10-00

EXHIBIT H TO THE AGREEMENT (THE "MASTER AGREEMENT")
BETWEEN THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY
AND THE NEW JERSEY COMMERCE AND ECONOMIC
GROWTH COMMISSION
MADE AS OF NOVEMBER 1, 1997

1. Newark Bay and Kill Van Kull - In support of the Army Corps of Engineers' Newark Bay and Kill Van Kull (NB/KVK) channel deepening project to 45-feet, the State has agreed to cover the differential in cost for upland placement of dredged material in lieu of placement in the Newark Bay Confined Disposal Facility. Contract 4, Area 7 of the project was bid for upland placement with a cost differential estimated at \$4,000,000. Funds available under the Master Agreement will be utilized to cover this obligation. Actual costs for the Project payable under this Master Agreement with New Jersey shall not exceed \$4,000,000.

2. Air Quality Monitoring Project - Supported by data from the U.S. Environmental Protection Agency, which indicates that the lower Hudson Raritan Estuary has the highest average concentration of mercury in its sediments among large East Coast urban estuaries, the New Jersey Department of Environmental Protection has determined that the Air Quality Monitoring Project should be expanded to include mercury emissions. The research will support the Port Authority's own investigations of viable upland beneficial uses for dredged material. This request will supplement the \$584,268 previously allocated for this project, thereby bringing the total funding of the Air Quality Monitoring Project to \$834,268.

November 6, 2000

Mr. Richard Gimello
Executive Director, Office of New Jersey Maritime Resources
New Jersey Department of Transportation
28 West State Street - 8th Floor
PO Box 837
Trenton, New Jersey 08625-0837

Dear Mr. Gimello:

The Port Authority of New York and New Jersey (the "Port Authority") and The New Jersey Commerce and Economic Growth Commission (formerly the New Jersey Department of Commerce and Economic Development and hereinafter in this agreement called the "Commission"), acting through its Office of Maritime Resources entered into an agreement (the "Master Agreement") made as of November 1, 1997, pursuant to which the Port Authority is providing up to \$65 million for a program of projects related to the dredging and disposal of dredged material. The New Jersey Department of Transportation ("NJDOT") has advised the Port Authority that, pursuant to a Memorandum of Understanding between The Commission and NJDOT executed on January 10, 2000, the Commission has transferred all its rights and duties under the Master Agreement to NJDOT, and NJDOT has agreed to assume all such rights and duties.

Section A (2) of the Master Agreement provides that projects ("Program Projects") to be funded under the Master Agreement include the projects identified in Exhibit "A" to the Master Agreement and are also to include such other projects as the Port Authority and the Commission may from time-to-time agree upon in writing.

I have attached to this letter, as Exhibit "H" to the Master Agreement, a list of certain projects, which the Port Authority and NJDOT have recently agreed upon. This letter will confirm that such additional projects are Program Projects under the Master Agreement and that all the provisions of the Master Agreement, including Section D entitled "No Port Authority Liability" and Section E entitled "Indemnification; Insurance", shall apply to such additional Program Projects

Mr. Richard Gimello

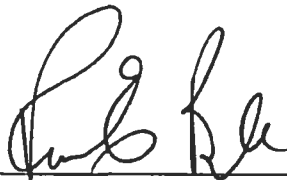
Page 2

November 6, 2000

This letter agreement will become binding when it is fully executed in the spaces provided below by both the Port Authority and NJDOT.

THE PORT AUTHORITY OF
NEW YORK AND NEW JERSEY

Date: 11/16/00

By: 
Robert E. Boyle
Executive Director

THE NEW JERSEY DEPARTMENT
OF TRANSPORTATION

Date: 11/13/00


By: 
Richard Gimello, Executive Director
Office of NJ Maritime Resources

EXHIBIT I TO THE AGREEMENT (THE "MASTER AGREEMENT")
BETWEEN THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY
AND THE NEW JERSEY COMMERCE AND ECONOMIC
GROWTH COMMISSION
MADE AS OF NOVEMBER 1, 1997

Comprehensive Port Improvement Plan (CPIP) - The States of New York and New Jersey have requested that the Port Authority participate in the development of a Comprehensive Port Improvement Plan (CPIP) and an Environmental Impact Study (EIS) with the State of New Jersey, New York State Empire State Development Corporation (ESDC), New York City Economic Development Corporation (EDC) and the U.S. Army Corps of Engineers. The CPIP and related EIS will address specific water, landside and infrastructure improvements and environmental issues associated with port development such as impact mitigation, harbor restoration, sediment contaminant reduction, public access, proposed fills and landside traffic congestion. It is estimated that the CPIP and related EIS will cost approximately \$15 million to be shared among the Port Authority, the States of New York and New Jersey and EDC.

New Jersey has requested that \$2.5 million be allocated from the Bi-State Dredging Fund. The balance of New Jersey's share will come from other sources within the State.

Mr. Richard Gimello
Executive Director, Office of New Jersey Maritime Resources
New Jersey Department of Transportation
28 West State Street - 8th Floor
PO Box 837
Trenton, New Jersey 08625-0837

Dear Mr. Gimello:

The Port Authority of New York and New Jersey (the "Port Authority") and The New Jersey Commerce and Economic Growth Commission (formerly the New Jersey Department of Commerce and Economic Development and hereinafter in this agreement called the "Commission"), acting through its Office of Maritime Resources entered into an agreement (the "Master Agreement") made as of November 1, 1997, pursuant to which the Port Authority is providing up to \$65 million for a program of projects related to the dredging and disposal of dredged material. The New Jersey Department of Transportation ("NJDOT") has advised the Port Authority that, pursuant to a Memorandum of Understanding between The Commission and NJDOT executed on January 10, 2000, the Commission has transferred all its rights and duties under the Master Agreement to NJDOT, and NJDOT has agreed to assume all such rights and duties.

Section A (2) of the Master Agreement provides that projects ("Program Projects") to be funded under the Master Agreement include the projects identified in Exhibit "A" to the Master Agreement and are also to include such other projects as the Port Authority and the Commission may from time-to-time agree upon in writing.

I have attached to this letter, as Exhibit "I" to the Master Agreement, a project, which the Port Authority and the NJDOT have recently agreed upon. This letter will confirm that the additional project is a Program Project under the Master Agreement and that all the provisions of the Master Agreement, including Section D entitled "No Port Authority Liability" and Section E entitled "Indemnification; Insurance", shall apply to such additional Program Projects.

THE PORT AUTHORITY OF NEW YORK & NEW JERSEY

This letter agreement will become binding when it is fully executed in the spaces provided below by both the Port Authority and NJDOT.

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

Date: 6/15/01

By: 
Neil D. Levin
Executive Director

THE NEW JERSEY DEPARTMENT OF TRANSPORTATION

Date: 6/6/01

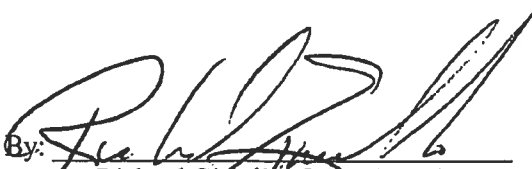
By: 
Richard Gimello, Executive Director
Office of NJ Maritime Resources

EXHIBIT J TO THE AGREEMENT (THE "MASTER AGREEMENT")
BETWEEN THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY
AND THE NEW JERSEY COMMERCE AND ECONOMIC
GROWTH COMMISSION
MADE AS OF NOVEMBER 1, 1997

- 1. Lower Passaic River Restoration Project** - The State has requested that the Port Authority pay for a feasibility study to be conducted by the U.S. Army Corps of Engineers (Corps) for remediation and restoration of the Lower Passaic River, which is one of the ten most contaminated rivers in the country. Investigations indicate that the sediments contain various contaminants including, but not limited to, dioxin, polychlorinated biphenyls, polycyclic aromatic hydrocarbons, DDT and metals (in particular, mercury and lead). Contaminated sediments in the river limit the potential for waterfront development and future land use and are a significant contributor to the contaminant loading in the New York/New Jersey Harbor. Actual costs for the project payable under this Master Agreement shall not exceed \$2 million.
- 2. Port Jersey Channel Deepening to 41'** - The PA is a local co-sponsor with the State of New Jersey on the 41-foot Port Jersey Channel deepening project, as authorized by the Board in June 2000. The State has requested that the PA pay the premium on \$20 million of environmental liability insurance which the PA has procured at a cost of \$236,000 for this project. Additionally, the State has requested that the PA provide engineering oversight for the planning and implementation of this project. These services will include the review of Corps documents, including bid specifications, channel drawings and permit and construction documentation as well as the preparation and/or review of environmental assessments, environmental impact statements and other studies and the provision of project management services. The cost of these services is estimated at \$500,000. In total, actual costs for the project payable under this Master Agreement shall not exceed \$736,000.

Mr. Richard Gimello
Executive Director, Office of New Jersey Maritime Resources
New Jersey Department of Transportation
25 Scotch Road
PO Box 837
Trenton, New Jersey 08625-0837

Dear Mr. Gimello:

The Port Authority of New York and New Jersey (the "Port Authority") and The New Jersey Commerce and Economic Growth Commission (formerly the New Jersey Department of Commerce and Economic Development and hereinafter in this agreement called the "Commission"), acting through its Office of Maritime Resources entered into an agreement (the "Master Agreement") made as of November 1, 1997, pursuant to which the Port Authority is providing up to \$65 million for a program of projects related to the dredging and disposal of dredged material. The New Jersey Department of Transportation ("NJDOT") has advised the Port Authority that, pursuant to a Memorandum of Understanding between The Commission and NJDOT executed on January 10, 2000, the Commission has transferred all its rights and duties under the Master Agreement to NJDOT, and NJDOT has agreed to assume all such rights and duties.

Section A (2) of the Master Agreement provides that projects ("Program Projects") to be funded under the Master Agreement include the projects identified in Exhibit "A" to the Master Agreement and are also to include such other projects as the Port Authority and the Commission may from time-to-time agree upon in writing.

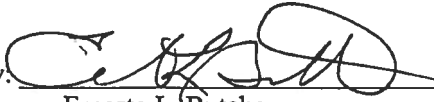
I have attached to this letter, as Exhibit "J" to the Master Agreement, a project, which the Port Authority and the NJDOT have recently agreed upon. This letter will confirm that the additional project is a Program Project under the Master Agreement and that all the provisions of the Master Agreement, including Section D entitled "No Port Authority Liability" and Section E entitled "Indemnification; Insurance", shall apply to such additional Program Projects.

THE PORT AUTHORITY OF NY & NJ

This letter agreement will become binding when it is fully executed in the spaces provided below by both the Port Authority and NJDOT.

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

Date: 9/6/02

By: 
Ernesto L. Butcher
Chief Operating Officer

THE NEW JERSEY DEPARTMENT OF TRANSPORTATION

Date: Aug 29, 2002

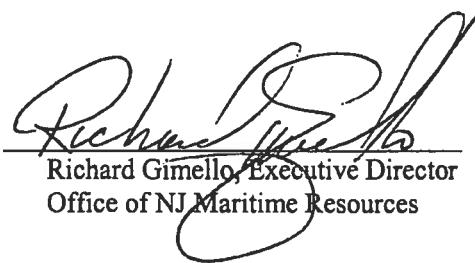
By: 
Richard Gimello, Executive Director
Office of NJ Maritime Resources

EXHIBIT K TO THE AGREEMENT (THE "MASTER AGREEMENT")
BETWEEN THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY
AND THE NEW JERSEY COMMERCE AND ECONOMIC
GROWTH COMMISSION
MADE AS OF NOVEMBER 1, 1997

Air Quality Monitoring Project - The State has requested an increase in the amount of \$377,210 towards the existing Air Quality Monitoring Project to quantify the degree to which PCBs and mercury volatilize from dredged material stabilized with cement. This increase marks the second request from New Jersey to expand this program under which the State is determining the potential for organic chemicals to volatilize during the processing of dredged material. The study was expanded in 2000 to include monitoring at the Bayonne, NJ site for mercury emissions. The study will now be expanded to examine dredged material in a controlled laboratory environment so as to determine the length of time over which volatilization occurs and the relationship between the amount of chemical present in the dredged material and the amount released to the air. This latest request brings the cumulative funding for this project to \$1,211,478.

Mr. Richard Gimello
Executive Director, Office of New Jersey Maritime Resources
New Jersey Department of Transportation
25 Scotch Road
PO Box 837
Trenton, New Jersey 08625-0837

Dear Mr. Gimello:

The Port Authority of New York and New Jersey (the "Port Authority") and The New Jersey Commerce and Economic Growth Commission (formerly the New Jersey Department of Commerce and Economic Development and hereinafter in this agreement called the "Commission"), acting through its Office of Maritime Resources entered into an agreement (the "Master Agreement") made as of November 1, 1997, pursuant to which the Port Authority is providing up to \$65 million for a program of projects related to the dredging and disposal of dredged material. The New Jersey Department of Transportation ("NJDOT") has advised the Port Authority that, pursuant to a Memorandum of Understanding between The Commission and NJDOT executed on January 10, 2000, the Commission has transferred all its rights and duties under the Master Agreement to NJDOT, and NJDOT has agreed to assume all such rights and duties.

Section A (2) of the Master Agreement provides that projects ("Program Projects") to be funded under the Master Agreement include the projects identified in Exhibit "A" to the Master Agreement and are also to include such other projects as the Port Authority and the Commission may from time-to-time agree upon in writing.


I have attached to this letter, as Exhibit "K" to the Master Agreement, a project, which the Port Authority and the NJDOT have recently agreed upon. This letter will confirm that the additional project is a Program Project under the Master Agreement and that all the provisions of the Master Agreement, including Section D entitled "No Port Authority Liability" and Section E entitled "Indemnification; Insurance", shall apply to such additional Program Projects.

THE PORT AUTHORITY OF NY & NJ

This letter agreement will become binding when it is fully executed in the spaces provided below by both the Port Authority and NJDOT.


THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

Date: 4/1/03

By: 
Ernesto L. Butcher
Chief Operating Officer

THE NEW JERSEY DEPARTMENT OF TRANSPORTATION

Date: 3/24/03

By: 
Richard Gimello, Executive Director
Office of NJ Maritime Resources



**EXHIBIT L TO THE AGREEMENT (THE "MASTER AGREEMENT")
BETWEEN THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY
AND THE NEW JERSEY COMMERCE AND ECONOMIC
GROWTH COMMISSION
MADE AS OF NOVEMBER 1, 1997**

PORTS – The State of New Jersey plans to provide funding for the period May 2003 through March 2004 for the continuation of PORTS (Physical Oceanographic Real-Time System), a system developed by the National Oceanic and Atmospheric Administration (NOAA), which provides accurate real-time oceanographic information about the harbor thus assuring safe vessel navigation. Actual cost for the Project payable under this Master agreement with New Jersey shall not exceed \$95,000.



Mr. Richard Gimello
Executive Director, Office of New Jersey Maritime Resources
New Jersey Department of Transportation
25 Scotch Road
PO Box 837
Trenton, New Jersey 08625-0837

Dear Mr. Gimello:

The Port Authority of New York and New Jersey (the "Port Authority") and The New Jersey Commerce and Economic Growth Commission (formerly the New Jersey Department of Commerce and Economic Development and hereinafter in this agreement called the "Commission"), acting through its Office of Maritime Resources entered into an agreement (the "Master Agreement") made as of November 1, 1997, pursuant to which the Port Authority is providing up to \$65 million for a program of projects related to the dredging and disposal of dredged material. The New Jersey Department of Transportation ("NJDOT") has advised the Port Authority that, pursuant to a Memorandum of Understanding between The Commission and NJDOT executed on January 10, 2000, the Commission has transferred all its rights and duties under the Master Agreement to NJDOT, and NJDOT has agreed to assume all such rights and duties.

Section A (2) of the Master Agreement provides that projects ("Program Projects") to be funded under the Master Agreement include the projects identified in Exhibit "A" to the Master Agreement and are also to include such other projects as the Port Authority and the Commission may from time-to-time agree upon in writing.

I have attached to this letter, as Exhibit "L" to the Master Agreement, a project, which the Port Authority and the NJDOT have recently agreed upon. This letter will confirm that the additional project is a Program Project under the Master Agreement and that all the provisions of the Master Agreement, including Section D entitled "No Port Authority Liability" and Section E entitled "Indemnification; Insurance", shall apply to such additional Program Projects.



This letter agreement will become binding when it is fully executed in the spaces provided below by both the Port Authority and NJDOT.

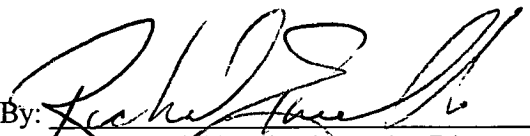
THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

Date: 10-10-03

By: 
Ernesto L. Butcher
Chief Operating Officer

THE NEW JERSEY DEPARTMENT OF TRANSPORTATION

Date: 9/5/03

By: 
Richard Gimello, Executive Director
Office of NJ Maritime Resources



THE PORT AUTHORITY OF NY & NJ

EXHIBIT M TO THE AGREEMENT (THE "MASTER AGREEMENT")
BETWEEN THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY
AND THE NEW JERSEY COMMERCE AND ECONOMIC
GROWTH COMMISSION
MADE AS OF NOVEMBER 1, 1997

Contamination Assessment and Reduction Project (CARP) – The State of New Jersey has requested an increase in the amount of \$112,973 towards the existing Hudson River Foundation Contamination Assessment and Reduction Project, currently authorized at \$3,060,000. This request consists of two components. The first relates to data management activities needed to load new New Jersey Department of Environmental Protection data submittals into the CARP database and to maintain the CARP system for data distribution. The second component is to perform additional testing of sediment samples including coordination with an outside lab, interpretation of the data and reporting. The cumulative funding for this project for New Jersey's share of the committed funds is \$3,172,973.



THE PORT AUTHORITY OF NY & NJ

Mr. Richard Gimello
Executive Director, Office of New Jersey Maritime Resources
New Jersey Department of Transportation
1035 Parkway Avenue
E&O Building – 1st Floor
Trenton, New Jersey 08625-0837

Dear Mr. Gimello:

The Port Authority of New York and New Jersey (the "Port Authority") and The New Jersey Commerce and Economic Growth Commission (formerly the New Jersey Department of Commerce and Economic Development and hereinafter in this agreement called the "Commission"), acting through its Office of Maritime Resources entered into an agreement (the "Master Agreement") made as of November 1, 1997, pursuant to which the Port Authority is providing up to \$65 million for a program of projects related to the dredging and disposal of dredged material. The New Jersey Department of Transportation ("NJDOT") has advised the Port Authority that, pursuant to a Memorandum of Understanding between The Commission and NJDOT executed on January 10, 2000, the Commission has transferred all its rights and duties under the Master Agreement to NJDOT, and NJDOT has agreed to assume all such rights and duties.

Section A (2) of the Master Agreement provides that projects ("Program Projects") to be funded under the Master Agreement include the projects identified in Exhibit "A" to the Master Agreement and are also to include such other projects as the Port Authority and the Commission may from time-to-time agree upon in writing.

I have attached to this letter, as Exhibit "M" to the Master Agreement, a project, which the Port Authority and the NJDOT have recently agreed upon. This letter will confirm that the additional project is a Program Project under the Master Agreement and that all the provisions of the Master Agreement, including Section D entitled "No Port Authority Liability" and Section E entitled "Indemnification; Insurance", shall apply to such additional Program Projects.

*Port Commerce Department
225 Park Avenue South
New York, NY 10003
T: 212 435 7000*




THE PORT AUTHORITY OF NY & NJ

This letter agreement will become binding when it is fully executed in the spaces provided below by both the Port Authority and NJDOT.

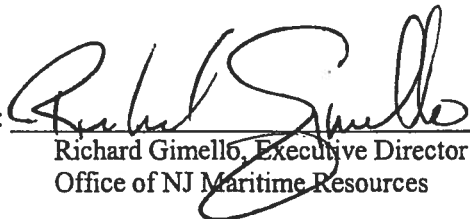
THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

Date: 5/11/04

By: 
Ernesto L. Butcher
Chief Operating Officer

THE NEW JERSEY DEPARTMENT OF TRANSPORTATION

Date: 5/4/04

By: 
Richard Gimello, Executive Director
Office of NJ Maritime Resources



THE PORT AUTHORITY OF NY & NJ

EXHIBIT N TO THE AGREEMENT (THE "MASTER AGREEMENT")
BETWEEN THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY
AND THE NEW JERSEY COMMERCE AND ECONOMIC
GROWTH COMMISSION
MADE AS OF NOVEMBER 1, 1997

1. **Deep Soil Mixing Technology** – The requested funds will be used to evaluate whether soft silt sediment can be solidified in-place to minimize the dispersal of contaminants during the dredging process. Conventional dredging and handling techniques, which call for dredging and subsequent treatment with cement and other agents in barges or on land, are not considered ideal for highly contaminated sediments. This pilot study involves the solidification of approximately 500 cubic yards of river sediments located at a waterfront property in Keasbey, New Jersey. Cement slurry will be added to contaminated sediments in-place using mixing augurs. This approach is intended to prevent contaminated sediments from being dispersed during excavation, while still allowing excavation to be performed using conventional dredging equipment. Actual cost for the Project payable under this Master agreement with New Jersey shall not exceed \$418,000.
2. **PORTS** – The State of New Jersey plans to provide funding for the period of May 2004 through April 2005 for the continuation of PORTS (Physical Oceanographic Real-Time System), a system developed by the National Oceanic and Atmospheric Administration (NOAA), which provides accurate real-time oceanographic information about the harbor thus assuring safer vessel navigation at all times, including periods when navigation is complicated by channel dredging operations.. Actual cost for the Project payable under this Master agreement with New Jersey shall not exceed \$95,000.



THE PORT AUTHORITY OF NY & NJ

Mr. Richard Gimello
Executive Director
Office of New Jersey Maritime Resources
New Jersey Department of Transportation
1035 Parkway Avenue
E&O Building – 1st Floor
Trenton, New Jersey 08625-0837

Dear Mr. Gimello:

The Port Authority of New York and New Jersey (the "Port Authority") and The New Jersey Commerce and Economic Growth Commission (formerly the New Jersey Department of Commerce and Economic Development and hereinafter in this agreement called the "Commission"), acting through its Office of Maritime Resources entered into an agreement (the "Master Agreement") made as of November 1, 1997, pursuant to which the Port Authority is providing up to \$65 million for a program of projects related to the dredging and disposal of dredged material. The New Jersey Department of Transportation ("NJDOT") has advised the Port Authority that, pursuant to a Memorandum of Understanding between The Commission and NJDOT executed on January 10, 2000, the Commission has transferred all its rights and duties under the Master Agreement to NJDOT, and NJDOT has agreed to assume all such rights and duties.

Section A (2) of the Master Agreement provides that projects ("Program Projects") to be funded under the Master Agreement include the projects identified in Exhibit "A" to the Master Agreement and are also to include such other projects as the Port Authority and the Commission may from time-to-time agree upon in writing.

I have attached to this letter, as Exhibit "N" to the Master Agreement, a project, which the Port Authority and the NJDOT have recently agreed upon. This letter will confirm that the additional project is a Program Project under the Master Agreement and that all the provisions of the Master Agreement, including Section D entitled "No Port Authority Liability" and Section E entitled "Indemnification; Insurance", shall apply to such additional Program Projects.

*Port Commerce Department
225 Park Avenue South
New York, NY 10003
T: 212 435 7000*



THE PORT AUTHORITY OF NY & NJ

EXHIBIT PTO THE AGREEMENT (THE "MASTER AGREEMENT")
BETWEEN THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY
AND THE NEW JERSEY COMMERCE AND ECONOMIC
GROWTH COMMISSION
MADE AS OF NOVEMBER 1, 1997

1. **Lower Passaic River Restoration Project** - The State has requested funding for dredging, decontamination and monitoring of contaminated sediment in the Passaic River in connection with the feasibility study being conducted by the U.S. Army Corps of Engineers (Corps) for remediation and restoration of the Lower Passaic River. Investigations of the river have indicated that the sediments contain various contaminants including, but not limited to, dioxin, polychlorinated biphenyls, polycyclic aromatic hydrocarbons, DDT and metals (in particular, mercury and lead). Contaminated sediments in the river limit the potential for waterfront development and future land use and are a significant contributor to the contaminant loading in the New York/New Jersey Harbor. Actual costs for the project payable under this Master Agreement shall not exceed \$1.25 million.



THE PORT AUTHORITY OF NY & NJ

Mr. Richard Gimello
Executive Director, Division of Intermodal Services
Office of New Jersey Maritime Resources
New Jersey Department of Transportation
25 Scotch Road
PO Box 837
Trenton, New Jersey 08625-0837

Dear Mr. Gimello:

The Port Authority of New York and New Jersey (the "Port Authority") and The New Jersey Commerce and Economic Growth Commission (formerly the New Jersey Department of Commerce and Economic Development and hereinafter in this agreement called the "Commission"), acting through its Office of Maritime Resources entered into an agreement (the "Master Agreement") made as of November 1, 1997, pursuant to which the Port Authority is providing up to \$65 million for a program of projects related to the dredging and disposal of dredged material. The New Jersey Department of Transportation ("NJDOT") has advised the Port Authority that, pursuant to a Memorandum of Understanding between The Commission and NJDOT executed on January 10, 2000, the Commission has transferred all its rights and duties under the Master Agreement to NJDOT, and NJDOT has agreed to assume all such rights and duties.

Section A (2) of the Master Agreement provides that projects ("Program Projects") to be funded under the Master Agreement include the projects identified in Exhibit "A" to the Master Agreement and are also to include such other projects as the Port Authority and the Commission may from time-to-time agree upon in writing.

I have attached to this letter, as Exhibit "P" to the Master Agreement, a project, which the Port Authority and the NJDOT have recently agreed upon. This letter will confirm that the additional project is a Program Project under the Master Agreement and that all the provisions of the Master Agreement, including Section D entitled "No Port Authority Liability" and Section E entitled "Indemnification; Insurance", shall apply to such additional Program Projects.

*Port Commerce Department
225 Park Avenue South
New York, NY 10003
T: 212 435 7000*



THE PORT AUTHORITY OF NY & NJ

**EXHIBIT Q TO THE AGREEMENT (THE "MASTER AGREEMENT")
BETWEEN THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY
AND THE NEW JERSEY COMMERCE AND ECONOMIC
GROWTH COMMISSION
MADE AS OF NOVEMBER 1, 1997**

PORTS – The State of New Jersey plans to provide funding for the period May 2005 through April 2006 for the continuation of PORTS (Physical Oceanographic Real-Time System), a system developed by the National Oceanic and Atmospheric Administration (NOAA), which provides accurate real-time oceanographic information about the harbor thus aiding safe vessel navigation. The State has further indicated that it may, at its sole election, provide funding for PORTS for the period May 2006 through April 2007. Actual cost for the Project payable under this Master agreement with New Jersey shall not exceed \$97,500 for the period April 2005 to April 2006 and an estimated \$100,000 for the period May 2006 to April 2007.



THE PORT AUTHORITY OF NY & NJ

Mr. Richard Gimello
Executive Director, Office of New Jersey Maritime Resources
New Jersey Department of Transportation
25 Scotch Road
PO Box 837
Trenton, New Jersey 08625-0837

Dear Mr. Gimello:

The Port Authority of New York and New Jersey (the "Port Authority") and The New Jersey Commerce and Economic Growth Commission (formerly the New Jersey Department of Commerce and Economic Development and hereinafter in this agreement called the "Commission"), acting through its Office of Maritime Resources entered into an agreement (the "Master Agreement") made as of November 1, 1997, pursuant to which the Port Authority is providing up to \$65 million for a program of projects related to the dredging and disposal of dredged material. The New Jersey Department of Transportation ("NJDOT") has advised the Port Authority that, pursuant to a Memorandum of Understanding between The Commission and NJDOT executed on January 10, 2000, the Commission has transferred all its rights and duties under the Master Agreement to NJDOT, and NJDOT has agreed to assume all such rights and duties.

Section A (2) of the Master Agreement provides that projects ("Program Projects") to be funded under the Master Agreement include the projects identified in Exhibit "A" to the Master Agreement and are also to include such other projects as the Port Authority and the Commission may from time-to-time agree upon in writing.

I have attached to this letter, as Exhibit "Q" to the Master Agreement, a project, which the Port Authority and the NJDOT have recently agreed upon. This letter will confirm that the additional project is a Program Project under the Master Agreement and that all the provisions of the Master Agreement, including Section D entitled "No Port Authority Liability" and Section E entitled "Indemnification; Insurance", shall apply to such additional Program Projects.

*Port Commerce Department
225 Park Avenue South - 11th Floor
New York, NY 10003
T: 212 435 7000*




THE PORT AUTHORITY OF NY & NJ

This letter agreement will become binding when it is fully executed in the spaces provided below by both the Port Authority and NJDOT.

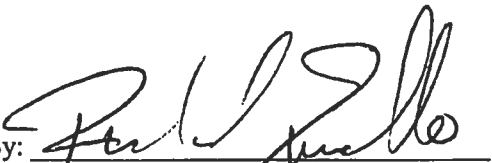
THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

Date: 9/30/05

By: 
Ernesto L. Butcher
Chief Operating Officer

THE NEW JERSEY DEPARTMENT OF TRANSPORTATION

Date: 9/21/05

By: 
Richard Gimello, Executive Director
Office of NJ Maritime Resources



THE PORT AUTHORITY OF NY & NJ

**EXHIBIT R TO THE AGREEMENT (THE "MASTER AGREEMENT")
BETWEEN THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY
AND THE NEW JERSEY COMMERCE AND ECONOMIC
GROWTH COMMISSION
MADE AS OF NOVEMBER 1, 1997**

Contamination Assessment and Reduction Project (CARP) - The State of New Jersey has requested additional funding for completion of the Hudson River Foundation contract, including adding outstanding NJDEP data into the project's database; creating a database query interface that will allow the CARP data to be accessed and distributed on a CD; producing a final CARP report; printing an initial 1000 copies of the final CARP report and database CD for distribution; updating the CARP website to include the final report and other relevant documents; and project management services. Actual Costs for the Project payable under this Master Agreement with New Jersey shall not exceed \$103,195. This latest request brings the cumulative funding for this project in the State of New Jersey to \$3,276,168.



THE PORT AUTHORITY OF NY & NJ

Mr. James L. Badgley
Acting Director, Division of Intermodal Services
New Jersey Department of Transportation
1035 Parkway Avenue
PO Box 837
Trenton, New Jersey 08625-0837

Dear Mr. Badgley:

The Port Authority of New York and New Jersey (the "Port Authority") and The New Jersey Commerce and Economic Growth Commission (formerly the New Jersey Department of Commerce and Economic Development and hereinafter in this agreement called the "Commission"), acting through its Office of Maritime Resources entered into an agreement (the "Master Agreement") made as of November 1, 1997, pursuant to which the Port Authority is providing up to \$65 million for a program of projects related to the dredging and disposal of dredged material. The New Jersey Department of Transportation ("NJDOT") has advised the Port Authority that, pursuant to a Memorandum of Understanding between The Commission and NJDOT executed on January 10, 2000, the Commission has transferred all its rights and duties under the Master Agreement to NJDOT, and NJDOT has agreed to assume all such rights and duties.

Section A (2) of the Master Agreement provides that projects ("Program Projects") to be funded under the Master Agreement include the projects identified in Exhibit "A" to the Master Agreement and are also to include such other projects as the Port Authority and the Commission may from time-to-time agree upon in writing.

I have attached to this letter, as Exhibit "R" to the Master Agreement, a project, which the Port Authority and the NJDOT have recently agreed upon. This letter will confirm that the additional project is a Program Project under the Master Agreement and that all the provisions of the Master Agreement, including Section D entitled "No Port Authority Liability" and Section E entitled "Indemnification; Insurance", shall apply to such additional Program Projects.

Port Commerce Department
225 Park Avenue South - 11th Floor
New York, NY 10003
T: 212 435 7000

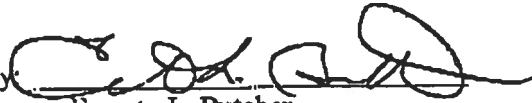


THE PORT AUTHORITY OF NY & NJ

This letter agreement will become binding when it is fully executed in the spaces provided below by both the Port Authority and NJDOT.

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

Date: 9/14/06

By: 
Ernesto L. Butcher
Chief Operating Officer

THE NEW JERSEY DEPARTMENT OF TRANSPORTATION

Date: 8/31/06

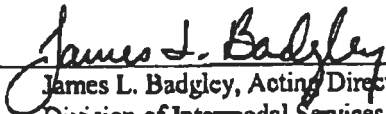
By: 
James L. Badgley, Acting Director
Division of Intermodal Services

EXHIBIT S TO THE AGREEMENT (THE "MASTER AGREEMENT")
BETWEEN THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY
AND THE NEW JERSEY COMMERCE AND ECONOMIC
GROWTH COMMISSION
MADE AS OF NOVEMBER 1, 1997

PORTS- The State of New Jersey plans to provide funding for the period May 2007 through April 2008 for the continuation of PORTS (Physical Oceanographic Real-Time System), a system developed by the National Oceanic and Atmospheric Administration (NOAA), which provides accurate real-time oceanographic information about the harbor thus aiding safe vessel navigation. Actual Costs for the Project payable under this Master Agreement with New Jersey shall not exceed \$97,500.

Mr. James L. Badgley
Acting Director of Multi Modal Services
New Jersey Department of Transportation
1035 Parkway Avenue
PO Box 600
Trenton, New Jersey 08625-0600

Dear Mr. Badgley:

The Port Authority of New York and New Jersey (the "Port Authority") and The New Jersey Commerce and Economic Growth Commission (formerly the New Jersey Department of Commerce and Economic Development and hereinafter in this agreement called the "Commission"), acting through its Office of Maritime Resources entered into an agreement (the "Master Agreement") made as of November 1, 1997, pursuant to which the Port Authority is providing up to \$65 million for a program of projects related to the dredging and disposal of dredged material. The New Jersey Department of Transportation ("NJDOT") has advised the Port Authority that, pursuant to a Memorandum of Understanding between The Commission and NJDOT executed on January 10, 2000, the Commission has transferred all its rights and duties under the Master Agreement to NJDOT, and NJDOT has agreed to assume all such rights and duties.


Section A (2) of the Master Agreement provides that projects ("Program Projects") to be funded under the Master Agreement include the projects identified in Exhibit "A" to the Master Agreement and are also to include such other projects as the Port Authority and the Commission may from time-to-time agree upon in writing.

I have attached to this letter, as Exhibit "S" to the Master Agreement, a project, which the Port Authority and the NJDOT have recently agreed upon. This letter will confirm that the additional project is a Program Project under the Master Agreement and that all the provisions of the Master Agreement, including Section D entitled "No Port Authority Liability" and Section E entitled "Indemnification; Insurance", shall apply to such additional Program Projects.

This letter agreement will become binding when it is fully executed in the spaces provided below by both the Port Authority and NJDOT.

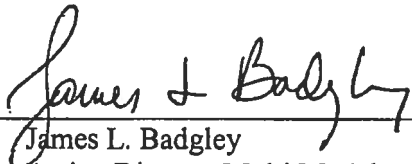
THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

Date: 11/19/07

By: 
Ernesto L. Butcher
Deputy Executive Director,
Operations

THE NEW JERSEY DEPARTMENT OF TRANSPORTATION

Date: 10/11/07

By: 
James L. Badgley
Acting Director Multi Modal
Services

**EXHIBIT "T" TO THE AGREEMENT (THE "MASTER AGREEMENT")
BETWEEN THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY
AND THE NEW JERSEY COMMERCE AND ECONOMIC
GROWTH COMMISSION
MADE AS OF NOVEMBER 1, 1997**

Contamination Assessment and Reduction Project (CARP) – The State of New Jersey has requested an increase in the amount of \$7,500 towards the existing Hudson River Foundation Contamination Assessment and Reduction Project, currently authorized at \$3,276,302. This request will be used to fund a portion of the CARP conference that was hosted by the Hudson River Foundation in November 2007. The purpose of the conference was to introduce and explain the CARP model to the environmental, regulatory and policy-making communities through public outreach. The total amount earmarked for this project from New Jersey's share of the Bi-State Dredging Commitment is \$3,283,802.

Mr. Robert M. Miller
Director, Division of Multimodal Services
New Jersey Department of Transportation
1035 Parkway Avenue
PO Box 600
Trenton, New Jersey 08625-0600

Dear Mr. Miller:

The Port Authority of New York and New Jersey (the "Port Authority") and The New Jersey Commerce and Economic Growth Commission (formerly the New Jersey Department of Commerce and Economic Development and hereinafter in this agreement called the "Commission"), acting through its Office of Maritime Resources entered into an agreement (the "Master Agreement") made as of November 1, 1997, pursuant to which the Port Authority is providing up to \$65 million for a program of projects related to the dredging and disposal of dredged material. The New Jersey Department of Transportation ("NJDOT") has advised the Port Authority that, pursuant to a Memorandum of Understanding between The Commission and NJDOT executed on January 10, 2000, the Commission has transferred all its rights and duties under the Master Agreement to NJDOT, and NJDOT has agreed to assume all such rights and duties.

Section A (2) of the Master Agreement provides that projects ("Program Projects") to be funded under the Master Agreement include the projects identified in Exhibit "A" to the Master Agreement and are also to include such other projects as the Port Authority and the Commission may from time-to-time agree upon in writing.

I have attached to this letter, as Exhibit "T" to the Master Agreement, a project, which the Port Authority and the NJDOT have recently agreed upon. This letter will confirm that the additional project is a Program Project under the Master Agreement and that all the provisions of the Master Agreement, including Section D entitled "No Port Authority Liability" and Section E entitled "Indemnification; Insurance", shall apply to such additional Program Projects.


THE PORT AUTHORITY OF NY & NJ

225 PARK AVENUE SOUTH
NEW YORK, NY 10003
(212) 435-7000

This letter agreement will become binding when it is fully executed in the spaces provided below by both the Port Authority and NJDOT.

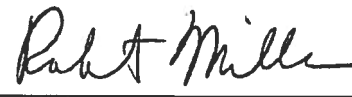
THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

Date: 3/3/08

By: 
Ernesto L. Butcher
Deputy Executive Director,
Operations

THE NEW JERSEY DEPARTMENT OF TRANSPORTATION

Date: 2/19/08

By: 
Robert M. Miller
Director, Division of Multimodal
Services



THE PORT AUTHORITY OF NY & NJ

**EXHIBIT "U" TO THE AGREEMENT (THE "MASTER AGREEMENT")
BETWEEN THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY
AND THE NEW JERSEY COMMERCE AND ECONOMIC
GROWTH COMMISSION
MADE AS OF NOVEMBER 1, 1997**

Faster Freight Cleaner Air (FFCA) Conference- The State of New Jersey has requested release of the amount of \$25,000 to fund its sponsorship of the Faster Freight Cleaner Air Conference to be held in July 2008. The purpose of the conference is to showcase solutions and resources to improve operations and reduce air emissions from the goods movement industry. The total amount earmarked for this project from New Jersey's share of the Bi-State Dredging Commitment is \$25,000.



THE PORT AUTHORITY OF NY & NJ

Mr. Robert M. Miller
Director, Division of Multimodal Services
New Jersey Department of Transportation
1035 Parkway Avenue
PO Box 600
Trenton, New Jersey 08625-0600

Dear Mr. Miller:

The Port Authority of New York and New Jersey (the "Port Authority") and The New Jersey Commerce and Economic Growth Commission (formerly the New Jersey Department of Commerce and Economic Development and hereinafter in this agreement called the "Commission"), acting through its Office of Maritime Resources entered into an agreement (the "Master Agreement") made as of November 1, 1997, pursuant to which the Port Authority is providing up to \$65 million for a program of projects related to the dredging and disposal of dredged material. The New Jersey Department of Transportation ("NJDOT") has advised the Port Authority that, pursuant to a Memorandum of Understanding between The Commission and NJDOT executed on January 10, 2000, the Commission has transferred all its rights and duties under the Master Agreement to NJDOT, and NJDOT has agreed to assume all such rights and duties.

Section A (2) of the Master Agreement provides that projects ("Program Projects") to be funded under the Master Agreement include the projects identified in Exhibit "A" to the Master Agreement and are also to include such other projects as the Port Authority and the Commission may from time-to-time agree upon in writing.

I have attached to this letter, as Exhibit "U" to the Master Agreement, a project, which the Port Authority and the NJDOT have recently agreed upon. This letter will confirm that the additional project is a Program Project under the Master Agreement and that all the provisions of the Master Agreement, including Section D entitled "No Port Authority Liability" and Section E entitled "Indemnification; Insurance", shall apply to such additional Program Projects.

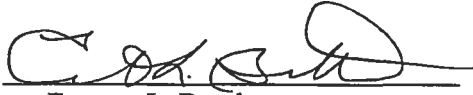


THE PORT AUTHORITY OF NY & NJ

This letter agreement will become binding when it is fully executed in the spaces provided below by both the Port Authority and NJDOT.


THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

Date: 7/14/08

By: 
Ernesto L. Butcher
Chief Operating Officer

THE NEW JERSEY DEPARTMENT OF TRANSPORTATION

Date: 6-18-08

By: 
Robert M. Miller
Director, Division of Multimodal
Services