

PORT AUTHORITY TRANS-HUDSON CORPORATION

MINUTES

Thursday, February 22, 2001

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MINUTES of the Meeting of the Port Authority Trans-Hudson Corporation held Thursday, February 22, 2001, at One World Trade Center, City, County and State of New York.

PRESENT:

NEW JERSEY

Hon. Lewis M. Eisenberg, Chairman
Hon. Kathleen A. Donovan
Hon. William J. Martini
Hon. Alan G. Philibosian
Hon. Anthony J. Sartor
Hon. James Weinstein

Robert E. Boyle, President
Ernesto L. Butcher, Vice-President
Jeffrey S. Green, Counsel

Kayla M. Bergeron
Daniel D. Bergstein
Bruce D. Bohlen
John D. Brill, Director
Darrell B. Buchbinder
Rosemary Chiricolo
William R. DeCota
Michael P. DePallo
Karen E. Eastman
Nancy J. Ertag-Brand
Michael Glassner
Marylee Hannell
Edward L. Jackson
Howard G. Kadin
Louis J. LaCapra
Richard M. Larrabee
Francis J. Lombardi
Charles F. McClafferty
James E. McCoy
Allen M. Morrison
Cherrie L. Nanninga
Catherine F. Pavelec
Kenneth P. Philmus
William Radinson
Alan L. Reiss
Ronald H. Shiftan
Gerald B. Stoughton
Gregory J. Trevor
Christopher O. Ward
Robert D. Williams
Peter Yerkes
Margaret R. Zoch

Guests

John G. Donnelly
Robert Zerrillo

NEW YORK

Hon. Charles A. Gargano, Vice-Chairman
Hon. Michael J. Chasanoff
Hon. Peter S. Kalikow
Hon. David S. Mack
Hon. Bradford J. Race, Jr.
Hon. Anastasia M. Song

The public meeting was called to order by Chairman Eisenberg at 2:47 p.m. and ended at 2:57 p.m. The Board met in executive session prior to the public meeting.

Action on Minutes

The Vice-President submitted for approval Minutes of action taken at the Board meetings of November 30, 2000, December 14, 2000 and January 25, 2001. He reported that copies of these Minutes were sent to all of the Directors and to the Governors of New York and New Jersey. He reported further that the time for action by the Governors of New York and New Jersey has expired. The Minutes for the Board's special meeting on January 25, 2001, were approved by Governor Christine Todd Whitman of New Jersey on January 29, 2001.

Report of Committee on Finance

The Committee on Finance reported in executive session, for information, and the report was received and is included with these minutes.

Report of Committee on Construction

The Committee on Construction reported in executive session, for information, and the report was received and is included with these minutes.

Report of Committee on Operations

The Committee on Operations reported in executive session, for information, and the report was received and is included with these minutes.

PATH – JOURNAL SQUARE TRANSPORTATION CENTER – NEW LEASE AGREEMENT WITH DUANE READE – SURRENDER AGREEMENTS WITH HUDSON NEWS COMPANY AND TELEPORT COMMUNICATIONS

It was recommended that the Board authorize the President of the Port Authority Trans-Hudson Corporation (PATH) to enter into a lease agreement with Duane Reade, Inc. (Duane Reade) covering approximately 5,543 rentable square feet of space at the Journal Square Transportation Center (JSTC) for a term of approximately ten years, six months, commencing on or about April 1, 2001, at an aggregate basic rental over the term of approximately \$1,450,000, and surrender agreements with the Hudson News Company and Teleport Communications to assemble space for the Duane Reade store. The Hudson News Company has agreed to surrender its leasehold, without cost to PATH. If no surrender agreement with Teleport Communications is reached, the Duane Reade lease will contain an option to add the Teleport Communications space upon the expiration of that lease. Upon expiration of the Rainbow Shops lease on the concourse level of JSTC, Duane Reade will also have the option to lease the former Rainbow Shops space.

PATH will have the right to terminate the Duane Reade lease agreement without cause, upon 30 days' written notice. In the event that PATH exercises such right Duane Reade will be reimbursed for the unamortized portion of its initial capital investment in the premises to the extent that such initial capital investment does not exceed an amount specified in the lease agreement.

PATH will pay a brokerage commission of approximately \$40,000 to Winick Realty Group. If Duane Reade exercises the option to lease the additional Rainbow Shops space, an additional brokerage commission will be paid to Winick Realty Group.

Pursuant to the foregoing report, the following resolution was adopted with Directors Chasanoff, Donovan, Eisenberg, Gargano, Kalikow, Mack, Martini, Philibosian, Race, Sartor, Song and Weinstein voting in favor; none against:

RESOLVED, that the President be and he hereby is authorized, for and on behalf of Port Authority Trans-Hudson Corporation, to enter into (1) a lease agreement with Duane Reade, Inc. covering approximately 5,543 rentable square feet of space at the Journal Square Transportation Center, (2) a brokerage agreement with Winick Realty Group, and (3) surrender agreements with the Hudson News Company and Teleport Communications, in each case substantially in accordance with the terms outlined to the Board, or on such other terms as the President deems appropriate, subject to the condition set forth in the following delegation; and it is further

RESOLVED, that the Committee on Operations be and it hereby is authorized to approve the final terms of the agreements in the event the gross effective rent or the terms of the letting are not substantially in accordance with the terms outlined to the Board; and it is further

RESOLVED, that the form of the agreements shall be subject to the approval of Counsel or his authorized representative.

FINAL CONTRACTS PAYMENTS

The Comptroller's Department reported, for information only, that the contracts set forth hereafter have been completed satisfactorily by the contractors. Final Payments have been made in the period of December 1, 2000 to December 31, 2000.

CONTRACT NUMBER	CONTRACT TITLE FACILITY AND CONTRACTOR	TOTAL AUTHORIZED		TOTAL PAYMENTS	
PAT537	ADMINISTRATION BUILDING ROOF & AIR	309,489.00	(A)	309,489.00	(A)
	DUCT REPLACEMENT	13,000.00	(C)	--0--	(C)
	PORT AUTHORITY TRANS HUDSON CORP.	24,759.00	(D)	2,266.00	(D)
	DAN MCCARRON & SONS	347,248.00		311,755.00	
PAT539	SAFETY IMPROVEMENTS	60,800.00	(A)	60,800.00	(A)
	PORT AUTHORITY TRANS HUDSON CORP.	4,864.00	(D)	1,751.00	(D)
	DAN MCCARRON & SONS	65,664.00		62,551.00	
PAT524	SOUTH STREET YARD, SECURITY FENCE	32,200.00	(A)	17,352.00	(A,G)
	PORT AUTHORITY TRANS HUDSON CORP.	106,094.00	(B)	106,094.00	(B)
	RICK'S CONSTRUCTION & IRONWORKS,	9,000.00	(C)	41,125.00	(C)
	INC	12,000.00	(D)	7,500.00	(D)
		10,609.00	(E)	10,192.00	(E)
		--0--	(F)	9,652.00	(F)
		169,903.00		191,915.00	

(A) Lump Sum

(B) Classified Work

(C) Net Cost - amount in the "Total Authorized" column represents the estimated net cost amount. However, the amount in the "Total Payments" column is the authorized net cost amount.

(D) Extra Work

(E) Per AP 45-1.01.5, classified work may exceed authorization amount limited to 10% or \$250,000 (whichever is less) without further authorization.

(F) Increase in compensation in the amount of \$9,652 pursuant to the "Emergency Delays" clause, as provided for in the contract.

(G) The difference between "Total Authorized" and "Total Payments" represents backcharges in the amount of \$14,848 for an overpayment on Contract LT443 for which the general contractor here was originally a subcontractor to Samuels Construction Co, Inc. Samuels was held in breach of Contract LT443 and the general contractor here completed the work.

Contract and Purchase Order Authorizations and Amendments - Quarterly Report

In accordance with the By-Laws, the President reported actions taken under Article XII, sections (g)(1) and (g)(2), for the period October 1, 2000 to December 31, 2000.

CONTRACT AND PURCHASE ORDER AUTHORIZATIONS

AWARDEE	DESCRIPTION	AUTHORIZATION	PROCUREMENT METHOD
Digitize Incorporated P.O. #4500015118	Data Log Subsystem	\$ 139,940	Publicly Advertised
Multi-Source Electrical Corp. P.O. #4500015609	Resistor, Load Indicating Assembly	\$ 240,180	Publicly Advertised
William G. Moore & Son, Inc. P.O.#4500016700	Timber, Switch Ties	\$ 113,335	Publicly Advertised
Cleveland Track Material P.O. #4500015827	Track Turnouts	\$ 245,436	Publicly Advertised
International Salt Company LLC Contract #4600002244	Rock Salt-One Year Requirements Contract	\$ 100,000	Government Contract
B&N&K Restoration Co., Inc. MF-515.500	Asbestos removal on a work order basis at various New Jersey PATH facilities for a two-year period.	\$ 1,000,000	Publicly Advertised
ABAX Incorporated MF-515.700	Asbestos removal on a work order basis at various New York PATH facilities for a two-year period.	\$ 1,000,000	Publicly Advertised
General Farebox, Inc.	Requirements contract for the purchase of ticket stock for PATH's Automated Fare Collection System for a one-year period.	\$ 250,000	Sole Source

CONTRACT AND PURCHASE ORDER AUTHORIZATIONS

AWARDEE	DESCRIPTION	AUTHORIZATION	PROCUREMENT METHOD
Eastern Lobby Shops, Ltd; D.R. Enterprises; S&S Inc; Devraju Inc; Martin News & Shops at WTC, Inc; Harrison Newsstand; Hudson County News Co; Farhan Inc; Priya Candy, Inc; Larry's Dinnette; Samarat Corp.	New and/or renewal of existing contractual agreements with various off-site vendors to sell PATH QuickCards.	\$ 250,000	Negotiated.

Tort Claim Settlements - Quarterly Report

The President reported, for information only, that in accordance with the authority granted under Article XII, section (g)(4) of the By-Laws, the following claims were previously settled, and reported closed during the period October 1, 2000 to December 31, 2000.

I. TORT CLAIMS AGAINST THE PORT AUTHORITY, TRANS-HUDSON CORPORATION, CLOSED

Employee Claims

NAME	AMOUNT PAID
WAGNER, CHARLES	\$8,250.00
MASSETT, JR., CHARLES	\$10,000.00
FERMO, PATRICK	\$35,000.00
ELLISON, RAYMOND J	\$27,500.00
FITZPATRICK, JAMES	\$25,000.00
O'DONNELL, FRANCIS A	\$5,000.00
INSERRA, THOMAS J	\$5,000.00
KELLEHER, DENNIS M	\$12,570.00
LIND, KENNETH S	\$21,740.48
SMITH GLENN D	\$15,000.00
SCULLY GARY M	\$40,000.00
ROBINSON HERLY JR	\$415.38
IACHELLO FRANK M	\$600.24
FUINO JOHN J	\$1,025.64
TOTAL	\$207,101.74

**II. TORT CLAIMS AGAINST THE PORT AUTHORITY, TRANS-HUDSON CORPORATION,
CLOSED**

Patron Claims

NAME	AMOUNT PAID
TRAN, KHON	\$2,589.60
MONTIEL, MICHAEL S	\$246.25
REIDY, JOHN	\$1,765.66
COX, VIRGINIA	\$30,000.00
BOBBITT, JEANNE	\$4,000.00
TOTAL	\$38,601.51

Whereupon, the meeting was adjourned.

Vice-President