

PORT AUTHORITY TRANS-HUDSON CORPORATION

MINUTES

Thursday, May 26, 2005

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MINUTES of the Meeting of Port Authority Trans-Hudson Corporation held Thursday, May 26, 2005, at 225 Park Avenue South, City, County and State of New York.

PRESENT:

Hon. Anthony R. Coscia, Chairman
 Hon. Angelo J. Genova
 Hon. Raymond M. Pocino
 Hon. Anthony J. Sartor
 Hon. Jack G. Sinagra
 Hon. David S. Steiner

Hon. Charles A. Gargano, Vice-Chairman
 Hon. Bruce A. Blakeman
 Hon. Henry R. Silverman

Kenneth J. Ringler Jr., President
 Ernesto L. Butcher, Vice-President and General Manager
 Darrell B. Buchbinder, Counsel

Gwendolyn Archie
 A. Paul Blanco
 Gregory G. Burnham
 Timothy Castano
 Anthony B. Ciavolella
 Arthur J. Cifelli
 Steven J. Coleman
 Anthony G. Cracchiolo
 William R. DeCota
 John C. Denise
 Michael P. DePallo
 Pasquale DiFulco
 Francis A. DiMola
 John J. Drobny
 Karen E. Eastman
 Michael G. Fabiano
 James P. Fox
 Michael B. Francois
 Linda C. Handel
 L. Jay Hector
 Edward L. Jackson
 Howard G. Kadin
 Victoria C. Kelly
 Kevin J. Kirchman
 Louis J. LaCapra
 Richard M. Larrabee
 Shawn K. Laurenti
 Francis J. Lombardi
 Robert F. Lurie
 Stephen Marinko
 James E. McCoy
 Anne Marie C. Mulligan
 Lynn A. Nerney
 Michael A. Petralia

Samuel J. Plumeri, Jr.
Alan L. Reiss
Edmond F. Schorno
Lysa C. Scully
Kenneth W. Snapp
Gerald B. Stoughton
Ralph Tragale
Sheree R. Van Duyne
Peter J. Zipf

The public session was called to order by Chairman Coscia at 2:00 p.m. and ended at 2:20 p.m. The Board met in executive session prior to the public session.

Action on Minutes

The Vice-President submitted for approval Minutes of the meeting of April 27, 2005. 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.

Whereupon, the Board of Directors unanimously approved the Minutes.

Report of Committee on Finance

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

Report of Committee on Construction

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

Report of Committee on Operations

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

SETTLEMENT OF CLAIM – JOSEPH DELUCA v. PORT AUTHORITY TRANS-HUDSON CORPORATION

It was recommended that Counsel be authorized to settle the pending action brought by Joseph DeLuca (plaintiff) for the total amount of \$240,894.72. Of this amount, \$175,000 would be for plaintiff's pain and suffering and out-of-pocket wage loss; \$36,416.92 represents a lien held by Port Authority Trans-Hudson Corporation (PATH) for wage benefits paid to plaintiff; and \$29,477.80 represents a lien for medical bills paid by PATH on plaintiff's behalf. The PATH liens would be deducted from the total settlement, and the remaining \$175,000 would be paid to plaintiff and his attorney. In return, plaintiff would provide PATH with a general release and stipulation of dismissal with prejudice.

On March 6, 2003, plaintiff, Joseph DeLuca, 58 years old at time of incident and a PATH Motor/Switchman, allegedly slipped on a step while attempting to enter the front end of a parked PATH rail car. As this occurred, he was able to grab a handle and regain his footing in an effort to avoid falling or coming in contact with the third rail. Plaintiff contends that there was grease and ice on the step.

Radiographs revealed that plaintiff suffered complete tears of the rotator cuff of both shoulders. The treating physician recommended open surgery to repair both shoulders. Hence, on April 24, 2003, Mr. DeLuca underwent surgery to repair the right rotator cuff, and on October 21, 2003, surgery to repair the left rotator cuff tear was performed.

Plaintiff's medical expert opined that Mr. DeLuca would continue to have limited range of motion and weakness. He further concluded that the injuries are permanent and characterized plaintiff's prognosis as poor. Significantly, he found that Mr. DeLuca is not able to return to work as a Motor/Switchman.

PATH's medical expert concluded that the injury of March 6, 2003 exacerbated plaintiff's underlying rotator cuff disease and concluded that the accident resulted in the need for the patient to undergo surgery on both shoulders.

Plaintiff retired from PATH on March 1, 2004 at the age of 59. He indicated that before the accident, he had planned to retire at age 60. There is an out-of-pocket wage loss of \$21,186.12. He is receiving a Railroad Retirement pension of \$3,000 per month (gross) and a union pension of \$780 per month.

It was hereby recommended that the Board authorize Counsel to enter into this settlement.

Pursuant to the foregoing report, the following resolution was adopted in executive session with Directors Blakeman, Coscia, Gargano, Genova, Pocino, Sartor, Silverman, Sinagra and Steiner voting in favor; none against:

RESOLVED, that Counsel be and he hereby is authorized, for and on behalf of Port Authority Trans-Hudson Corporation (PATH), to settle the pending

civil action entitled Joseph DeLuca v. The Port Authority Trans-Hudson Corporation
for the total amount of \$240,894.72.

CONTRACT AND PURCHASE ORDER AUTHORIZATION AND AMENDMENTS – QUARTERLY REPORT

REPORT B: In accordance with Article XII, sections (f)(1) and (f)(2) of the By-Laws, the President reported, for information only, that the following contracts were awarded or amended for the period of January 1, 2005 through March 31, 2005.

AWARDEE	DESCRIPTION	AUTHORIZATION	PROCUREMENT METHOD
Fine Organics Corporation	Alkaline & Acid Rail Car Cleaners	\$123,550	Publicly Bid/Low Bid
Magnadata USA, Inc.	Single Ride Ticket Stock - PATH	\$241,500	Government Contract
TLT-Babcock, Inc.	PATH Ventilation System Maintenance	\$114,000	Negotiated

Tort Claim Settlements - Report

The President reported, for information only, that in accordance with the authority granted under Article XII, section (f)(4) of the By-Laws, the following claims were previously settled, and reported closed during the period January 1, 2005 to March 31, 2005.

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

Employee Claims

<u>NAME</u>	<u>AMOUNT PAID</u>
CLARK RICHARD	\$ 1,250.00
WAGNER KEITH	1,450.00
MORGANTI MATTHEW	1,930.00
FERRARA MARTIN	10,000.00
TOTAL	\$14,630.00

Patron Claims

<u>NAME</u>	<u>AMOUNT PAID</u>
KAMEL MAGED	1,000.00
GARNER JONATHAN	21.73
GRASSE DAVID	719.42
TOTAL	\$1,741.15

FINAL CONTRACT PAYMENTS

The Comptroller 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 February 1, 2005 to February 28, 2005.

CONTRACT NUMBER	CONTRACT TITLE FACILITY AND CONTRACTOR	ORIGINAL AUTHORIZATION	TOTAL AUTHORIZED	TOTAL PAYMENTS
PAT624314	MACMILLIAN BLOEDEL - REPLACEMENT OF HVAC SYSTEM	118,490 (A) 20,000 (B)	118,490 20,000	118,490 0
	PORT AUTHORITY TRANS-HUDSON CORPORATION	<u>12,080</u> (C) 150,570	<u>12,080</u> 150,570	<u>11,562</u> 130,052
	CAROL HARDY MECHANICAL, INC.			

(A) Lump Sum.

(B) Net Cost - amount in the "Total Authorized" column represents the authorized estimated net cost amount.

However, the amount in the "Total Payments" column is the actual net cost amount paid.

(C) Extra Work.

Whereupon, the meeting was adjourned.

Vice-President