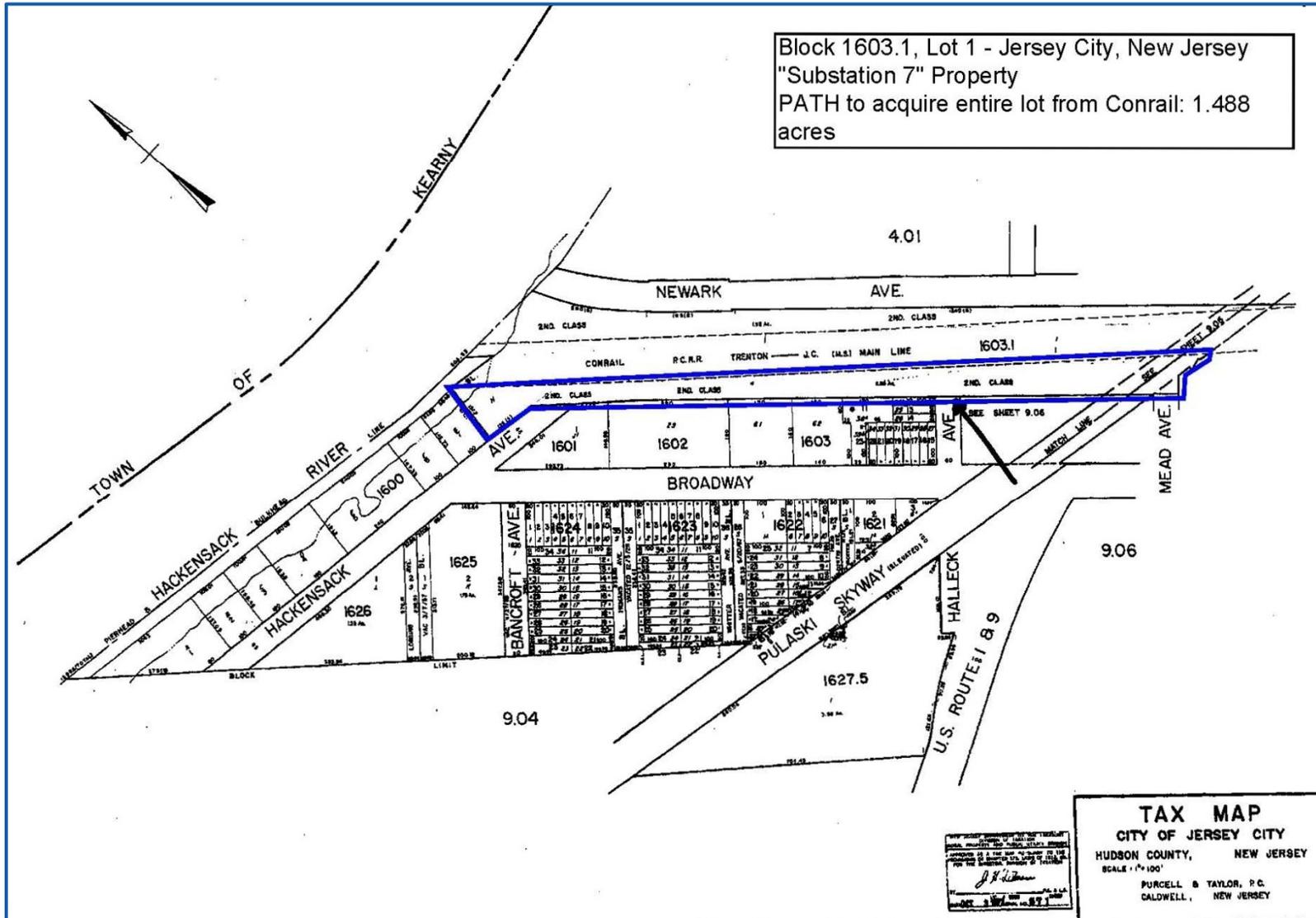


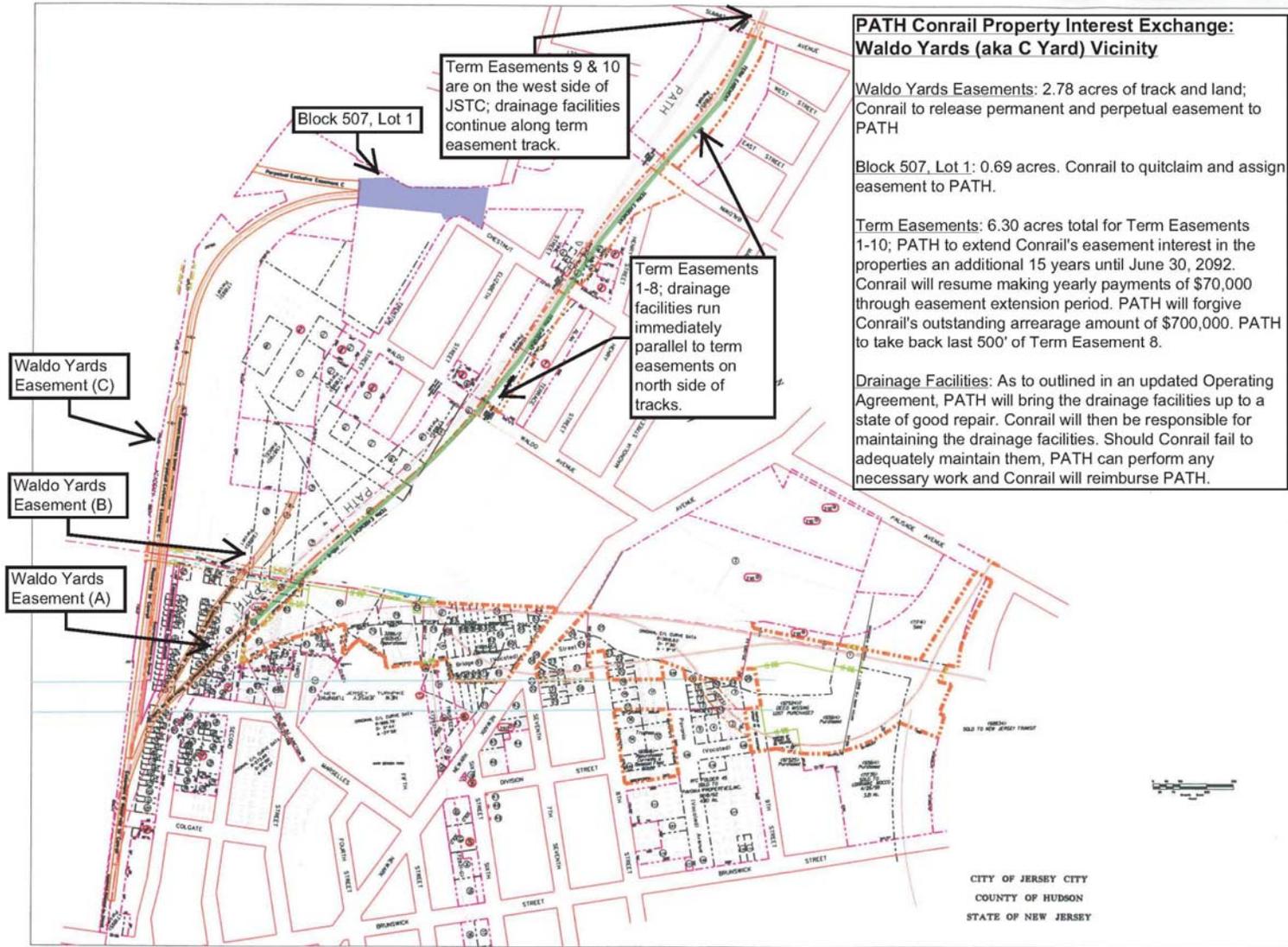
PATH – Agreements with Consolidated Rail Corp. (Conrail)

April 24, 2013
Committee on Operations

Background



Agreements with Conrail



**PATH Conrail Property Interest Exchange:
Waldo Yards (aka C Yard) Vicinity**

Waldo Yards Easements: 2.78 acres of track and land; Conrail to release permanent and perpetual easement to PATH

Block 507, Lot 1: 0.69 acres. Conrail to quitclaim and assign easement to PATH.

Term Easements: 6.30 acres total for Term Easements 1-10; PATH to extend Conrail's easement interest in the properties an additional 15 years until June 30, 2092. Conrail will resume making yearly payments of \$70,000 through easement extension period. PATH will forgive Conrail's outstanding arrearage amount of \$700,000. PATH to take back last 500' of Term Easement 8.

Drainage Facilities: As to outlined in an updated Operating Agreement, PATH will bring the drainage facilities up to a state of good repair. Conrail will then be responsible for maintaining the drainage facilities. Should Conrail fail to adequately maintain them, PATH can perform any necessary work and Conrail will reimburse PATH.

Term Easements 9 & 10 are on the west side of JSTC; drainage facilities continue along term easement track.

Term Easements 1-8; drainage facilities run immediately parallel to term easements on north side of tracks.

Waldo Yards Easement (C)

Waldo Yards Easement (B)

Waldo Yards Easement (A)

Block 507, Lot 1

Financial Benefits

ITEMS CONSIDERED TO BE A BENEFIT FOR PATH:

Substation #7 Property:	\$ 810,000
Waldo Yards Easements:	\$ 968,800
Block 507, Lot 1 (Baldwin Easement):	\$ 240,000
500' x 20' portion of Term Easement #8:	<u>\$ 80,000</u>
TOTAL:	\$ 2,098,800

ITEMS CONSIDERED TO BE A BENEFIT FOR CONRAIL:

Term Easement Arrearage Forgiveness:	\$1,120,000
Drainage Work:	\$ 288,000
Hackensack Bridge:	\$ 0
Engineering work for National Docks Bridge:	<u>\$ 40,000</u>
TOTAL:	\$ 1,448,000