

PORT AUTHORITY TRANS-HUDSON CORPORATION

**COMMITTEE ON OPERATIONS
MINUTES**

Thursday, August 13, 2009

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PORT AUTHORITY TRANS-HUDSON CORPORATION

COMMITTEE ON OPERATIONS

MINUTES

225 Park Avenue South

New York, NY

Thursday, August 13, 2009

PRESENT:

Hon. Virginia S. Bauer
Hon. H. Sidney Holmes, III
Hon. David S. Steiner
Committee Members

Karen E. Eastman, Assistant Secretary

Cynthia L. Bacon
A. Paul Blanco
Michael G. Fabiano
Michael B. Francois
Mark D. Hoffer
Lawrence S. Hofrichter
Louis J. LaCapra
Susan Bass Levin
James E. McCoy
Sanjay S. Mody
Sheree Van Duyne

Guest:
Sonia Frontera

The meeting was called to order in executive session by Director Steiner at 11:12 a.m. and ended at 11:30 a.m.

Action on Minutes

The Assistant Secretary reported that the Minutes of the meetings of July 24, 2008 and January 22, 2009 had been signed and distributed to the Directors.

Whereupon, the Committee approved the Minutes of the meetings of July 24, 2008 and January 22, 2009.

PATH – MEMORANDUM OF AGREEMENT WITH THE AMERICAN RAILWAY AND AIRWAY SUPERVISORS ASSOCIATION, LOCAL 5075

It was recommended that the Committee on Operations (Committee) approve the action of the President in authorizing the execution of a tentative agreement with respect to amendments to the collective bargaining agreement with the American Railway and Airway Supervisors Association, Local 5075 (ARASA), as representative of certain Port Authority Trans-Hudson Corporation (PATH) employees, providing for changes in wages and benefits and the establishment of a new moratorium period. This agreement was entered into on March 13, 2009, subject to Committee approval, and was ratified by the ARASA members on May 15, 2009.

ARASA is the sole representative of 19 PATH employees who supervise inspection and maintenance functions on PATH's rail car equipment. Under the current agreement, ARASA was precluded by a moratorium provision from serving a notice proposing changes in pay, rules or working conditions to be effective before January 28, 2005. The moratorium period having passed, PATH negotiated with ARASA pursuant to the Railway Labor Act and has reached an agreement that provides for, but is not limited to, the following changes in the collective bargaining agreement:

1. New moratorium provision against serving a notice proposing changes in pay, rules or working conditions to be effective before January 27, 2012.
2. Seven wage increases, effective as follows:
 - January 28, 2005 3.0 percent
 - January 28, 2006 3.0 percent
 - January 28, 2007 3.0 percent
 - January 28, 2008 3.0 percent
 - January 28, 2009 3.0 percent
 - January 28, 2010 3.0 percent
 - January 28, 2011 3.0 percent
3. Improvements to the contributions PATH makes to the Unions' Employee Pension Plan and the introduction of same-sex domestic partner healthcare coverage.
4. Work-rule changes to permit PATH to eliminate a ten-minute afternoon coffee break, and enroll all current and future employees into a direct deposit payroll system.
5. An adjustment to the dental insurance coverage and introduction of a bi-annual process that allows ARASA members to select a lower-cost dental plan; vacation forfeiture for poor attendance; freezing of wage steps in 2011; and the ability to assign ARASA members to perform non-represented work.

The Committee has the power to act on this matter under Article VIII, Section D, Paragraph 4 of the By-Laws.

Pursuant to the foregoing report, the following resolution was adopted by the Committee in executive session with Directors Bauer, Holmes and Steiner voting in favor; none against:

RESOLVED, that the action of the President in authorizing the execution, for and on behalf of Port Authority Trans-Hudson Corporation (PATH), of a tentative agreement with respect to amendments to the collective bargaining agreement with the American Railway and Airway Supervisors Association, Local 5075, as representative of certain PATH employees, providing for changes in wages and benefits and other terms and conditions of employment, and the establishment of a moratorium period of 84 months, expiring January 27, 2012, be and it hereby is approved.

Whereupon, the meeting was adjourned.

Assistant Secretary