

PORT AUTHORITY TRANS-HUDSON CORPORATION

MINUTES

Thursday, June 26, 2003

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MINUTES of the Meeting of Port Authority Trans-Hudson Corporation held Thursday, June 26, 2003, at 225 Park Avenue South, City, County and State of New York.

PRESENT:

NEW JERSEY

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

Joseph J. Seymour, President
 Ernesto L. Butcher, Vice-President
 Jeffrey S. Green, Counsel

Gwendolyn Archie
 Kayla M. Bergeron
 A. Paul Blanco
 Bruce D. Bohlen
 John D. Brill
 Gregory G. Burnham
 Timothy Castano
 Arthur J. Cifelli
 Steven J. Coleman
 Anthony G. Cracchiolo
 William R. DeCota
 John C. Denise
 Michael P. DePallo
 Charles D. DeRienzo
 Pasquale DiFulco
 Karen E. Eastman
 Michael G. Fabiano
 Michael B. Francois
 Linda C. Handel
 Edward L. Jackson
 Howard G. Kadin
 Richard M. Larrabee
 Francis J. Lombardi
 Robert R. Lurie
 Gloria Martinez
 Daniel S. Maynard
 Charles F. McClafferty
 James E. McCoy
 Lynn A. Nerney
 Catherine F. Pavelec
 Michael A. Petralia
 Kenneth P. Philmus
 Edmond F. Schorno
 Douglas L. Smith
 Harry Spector
 John F. Spencer
 Tiffany A. Townsend
 Gregory J. Trevor
 Sean P. Walsh
 Jason Yan

NEW YORK

Hon. Charles A. Gargano, Vice-Chairman
 Hon. Bruce A. Blakeman
 Hon. Michael J. Chasanoff
 Hon. David S. Mack
 Hon. Henry R. Silverman
 Hon. Anastasia M. Song

The public session was called to order by Chairman Coscia at 2:37 p.m. and ended at 2:45 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 May 29, 2003. 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 Construction

The Committee on Construction reported, for information, on matters discussed in executive session at its meeting on June 26, 2003, which included a discussion of contract matters and the report was received.

PORT AUTHORITY TRANS-HUDSON CORPORATION – PATH UNIFIED COMMUNICATIONS NETWORK PROJECT – PROJECT AUTHORIZATION AND AWARD OF CONTRACTS

It was recommended that the Board authorize: a) a project for the furnishing and installation of Port Authority Trans-Hudson (PATH) Unified Communications Network at an estimated cost of \$30 million; and b) the award of specific contracts in furtherance of the project.

PATH's existing digital communications equipment is over 10 years old and no longer supported by the manufacturer, Nortel Networks, and the manufacturer of the existing point-to-point Closed Circuit Video System, iMPath Networks, Inc., is in Chapter 11 proceedings. With no spare or replacement parts available, these systems are very difficult to maintain. The recommended project involves the removal of the existing digital communication network and the point-to-point video equipment and replacement of both networks with an up-to-date high-speed Synchronous Optical Network (SONET) Unified Network to transport high-speed voice, video and communications data. The new SONET Network will support a primary control center, security center and other future requirements throughout the PATH system. PATH's recently acquired MacMillan Bloedel site has been selected as the location for the secondary fare collection data center. Fiber optic cable will be installed to this site to support this system.

Additional project contracts to those authorized by the Board with this project authorization will include: a) under the provisions of a New York State contract, Cisco Systems, Inc., is to provide hardware, software, installation and spare parts for the High-Speed SONET Unified Network. In addition, this contract will include two years of maintenance, migration services and technical support at an estimated cost of \$9,200,000; and b) work orders issued under Contracts PAT-602 – PATH – Building Improvement Via Work Order and PAT-603 – PATH – Site Improvements Via Work Order for the furnishing and installation of fiber optic cable from the Hoban Control Center to the MacMillan Bloedel site for the secondary fare collection data center, and, at various sites, site preparation work, staging and migration planning for the installation of the SONET Networks at an estimated cost of \$2,300,000.

The project is anticipated to be performed between July 2003 and December 2004.

The project allows for the future expansion of PATH system security, and will significantly improve the capacity and reliability of all PATH's data, voice, video and communication systems.

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

RESOLVED, that a project for the furnishing and installation of the Port Authority Trans-Hudson (PATH) Unified Communications Network, to consist of: a) removal and replacement of the existing analog communications system with an up-to-date high-speed digital communications network based on Synchronous Optical Network (SONET) technology capable of supporting the needs of the new PATH

security program and all present and foreseeable future communications needs; b) removal and replacement of the existing digital communications equipment (DCE) manufacturer-discontinued communication network and ancillary equipment with an up-to-date high speed DCE network based on SONET technology; c) removal and replacement of the existing point-to-point analog video system, including the purchase and installation of new encoders and decoders to support the existing system and the World Trade Center Terminal closed-circuit television (CCTV) migration to SONET technology; and d) installation of fiber optic cable from the Journal Square Transportation Center to PATH's MacMillan Bloedel site for the backup Fare Collection Data Center; all at an estimated cost of \$30 million, including payments to contractors, allowances for extra work (if necessary) and net cost work, planning, engineering, administrative and financial expenses, and a project contingency (if necessary), be and it hereby is authorized; and it is further

RESOLVED, that the President be and he hereby is authorized, for and on behalf of PATH Corporation, to take action with respect to purchase and construction contracts and contracts for professional and advisory services related to the foregoing project as he deems in the best interest of PATH Corporation, including, without limitation, award to the lowest bidder(s) qualified by reason of responsibility, experience and capacity to perform the work and whose bid prices the President deems reasonable; or to reject all proposals, solicit new proposals on revised or the same requirements or negotiate with one or more proposers or other contractors as he deems in the best interest of PATH Corporation, and to order extra work (if necessary) and net cost work in connection with each contract, including supplemental agreements thereto, and enter into such other agreements as may be necessary to effectuate the project; and it is further

RESOLVED, that the President be and he hereby is authorized, for and on behalf of PATH Corporation, to award the following contracts for the implementation of the Unified Communications Network Project: a) a publicly advertised contract for the provision of hardware, software, installation, maintenance services and spare parts for the DCE data, voice, and radio network at an estimated cost of \$6,500,000 through a Request for Proposal (RFP) process; b) a publicly advertised contract for the purchase, installation and migration of three hundred encoders and decoders to support the existing system and the World Trade Center security CCTV system, at an estimated cost of \$3,000,000, through an RFP process; and c) a contract for network integration and monitoring services under a Government contract, at an estimated cost of \$1,700,000; and it is further

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

Whereupon, the meeting was adjourned.

Vice-President