PORT AUTHORITY TRANS-HUDSON CORPORATION

MINUTES
Wednesday, April 25, 2007

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MINUTES of a Meeting of Port Authority Trans-Hudson Corporation held Wednesday, April 25, 2007, at 225 Park Avenue South, City, County and State of New York

PRESENT:

NEW JERSEY	**NEW YORK**
Hon. Anthony R. Coscia, Chairman	Hon. Charles A. Gargano, Vice-Chairman
Hon. Angelo J. Genova	Hon. Bruce A. Blakeman
Hon. David S. Steiner	Hon. Michael J. Chasanoff
	Hon. David S. Mack

Anthony E. Shorris, President
Ernesto L. Butcher, Vice-President and General Manager
Darrell B. Buchbinder, Counsel

Linda K. Bentz
Terry A. Benczik
A. Paul Blanco
John D. Brill
Steven J. Coleman
John D'Amore
Michael P. DePallo
John C. Denise
Pasquale DiFulco
Francis A. DiMola
Michael Dombrowski
John J. Drobny
Karen E. Eastman
Michael G. Fabiano
Ziomara Y. Foster
James P. Fox
Michael B. Francois
William H. Goldstein
Linda C. Handel
Alan H. Hicks
Howard G. Kadin
Victoria C. Kelly
Kevin J. Kirchman
Louis J. LaCapra
Richard M. Larrabee
Shawn K. Laurenti
Marc LaVorgna
Francis J. Lombardi
Stephen Marinko
Michael G. Massiah
John J. McCarthy
James E. McCoy
Sanjay Mody

Anne Marie C. Mulligan
Lynn A. Nerney
Tony F. Oliver
Steven P. Plate
Andrew Rachlin
Alan L. Reiss
Andrea Roitman
Juanita Scarlett
Alexandria Sica
Stephen Sigmund
Sheree R. Van Duyne
Peter J. Zipf

Guest:
Sonia Frontera

Public Speakers:
Christine Berthet
Kathleen Treat

The public session was called to order by Chairman Coscia at 2:06 p.m. and ended at 2:32 p.m. The Board met in executive session prior to the public session. Directors Ferer and Silverman were present for a portion of the executive session.

Action on Minutes

The Vice-President submitted for approval Minutes of the meeting of February 22, 2007. 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 certain matters discussed in public session at its meeting on April 25, 2007, which included a review of a planning matter for the replacement and upgrade of electrical substations and switching stations for the Port Authority Trans-Hudson rail system, and the report was received.

PORT AUTHORITY TRANS-HUDSON CORPORATION – REPLACEMENT/ UPGRADE OF SUBSTATIONS AND SWITCHING STATIONS – PLANNING AUTHORIZATION

It was recommended that the Board authorize planning for the replacement/upgrading of Substations #7, 8 and 9 of the Port Authority Trans-Hudson rail system (PATH) and the direct current (DC) switchgear in Switching Stations #6 and 10, including compensation for professional service firms, staff and administration costs, facility force work and financial expense, at a total estimated cost of $4.5 million.

A critical component of PATH operations is the traction power required to move the trains. Based on recommendations made during the Stage I condition survey, it was determined that Substations #7, 8 and 9 and Switching Stations #6 and 10 are nearing the end of their useful lives and should be replaced.

The conceptual design report calls for the replacement of Substations #8 and 9 and Switching Stations #6 and 10, in kind. Substation #7 would receive additional equipment to provide for future capacity growth.

This planning authorization would include a study to evaluate the potential of power regeneration in the new substation design, because the new PA-5 cars to be added to the PATH railcar fleet offer this opportunity. Power regeneration, if feasible, may realize a recurring cost savings and help to meet environmental objectives. The Stage II design also would look at the possibility of increasing the voltage to the third rails in order to enhance electrical efficiency. This effort would be consistent with the Port Authority's energy management sustainable design initiative.

Performance of this work would result in improved reliability and maintainability with fully indoor, enclosed substations, and the ability to provide improved service and security to PATH customers through the introduction of new technology.

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

> **RESOLVED**, that planning for the replacement/upgrading of Substations #7, 8 and 9 of the Port Authority Trans-Hudson (PATH) rail system and the direct current (DC) switchgear in Switching Stations #6 and 10, including compensation for professional service firms, staff and administration costs, facility force work and financial expense, at a total estimated cost of $4.5 million, be and it hereby is authorized; and it is further
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> **RESOLVED,** that the President be and he hereby is authorized, for and on behalf of PATH Corporation, to take action with respect to contracts for professional and advisory services and such other contracts and agreements as may be necessary to effectuate the foregoing planning work, subject to advising the Directors

of individual contracts or agreements to be acted on pursuant to this authorization prior to taking or authorizing such action; and it is further

RESOLVED, that all contracts and agreements in connection with the foregoing shall be subject to the approval of Counsel or his authorized representative.

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

It was recommended that the Board authorize Counsel, for and on behalf of Port Authority Trans-Hudson Corporation (PATH), to finalize the settlement of a personal injury action entitled "Michael Wanca v. Port Authority Trans-Hudson Corporation," brought pursuant to the Federal Employers' Liability Act, in the amount of $166,182.61, inclusive of attorneys' fees, costs and disbursements. Of this amount, $75,000 would be paid to plaintiff and his attorney in satisfaction of plaintiff's claims for pain and suffering and out-of-pocket wage loss; $16,133.76 represents the waiver of a lien held by PATH for wage benefits paid to plaintiff; and $75,048.85 represents the waiver of a lien held by PATH for medical bills. In return, plaintiff would provide PATH with a General Release and Stipulation of Dismissal with Prejudice.

On March 18, 2002, plaintiff Michael Wanca, who was 50 years old at the time of the incident and employed by PATH as an Electrician, fell from an elevated, stationary PATH car at the PATH Car Repair Shop in Harrison, New Jersey. Plaintiff sustained various personal injuries requiring medical attention and lost time from work as a result of this incident.

Pursuant to the foregoing report, the following resolution was adopted in executive session with Directors Blakeman, Chasanoff, Coscia, Gargano, Genova, Mack 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, to finalize the settlement of the pending civil action entitled "Michael Wanca v. Port Authority Trans-Hudson Corporation" for a total amount of $166,182.61, inclusive of attorneys' fees, costs and disbursements.

Whereupon, the meeting was adjourned.

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Vice-President