

PORT AUTHORITY TRANS-HUDSON CORPORATION

MINUTES

Thursday, November 30, 2000

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MINUTES of the Meeting of Port Authority Trans-Hudson Corporation held Thursday, November 30, 2000, at One World Trade Center, City, County and State of New York.

PRESENT:

NEW JERSEY

Hon. Lewis M. Eisenberg, Chairman
Hon. Kathleen A. Donovan
Hon. Alan G. Philibosian
Hon. Anthony J. Sartor
Hon. James Weinstein

Robert E. Boyle, President
Ernesto L. Butcher, Vice-President
Jeffrey S. Green, Counsel

Daniel D. Bergstein
Bruce D. Bohlen
John D. Brill
Gregory G. Burnham
William DeCota
Michael P. DePallo
John J. Drobny
Karen E. Eastman
Michael Glassner
Edward Jackson
Howard G. Kadin
Walter A. Kristlibas
Louis J. LaCapra
Richard M. Larrabee
Francis J. Lombardi
Stephen Marinko
Charles F. McClafferty
James E. McCoy
Allen M. Morrison
Joanne A. Paternoster
Catherine F. Pavelec
Kenneth P. Philmus
Alan L. Reiss
Paul D. Segalini
Douglas L. Smith
Gregory J. Trevor
Robert E. Van Etten
Christopher O. Ward
Angela F. Wood
Peter Yerkes
Margaret R. Zoch

Guest

Carolyn Laney

NEW YORK

Hon. Charles A. Gargano, Vice-Chairman
Hon. Michael J. Chasanoff
Hon. Peter S. Kalikow
Hon. David S. Mack
Hon. Bradford J. Race, Jr.
Hon. Anastasia M. Song

The public meeting was called to order by Chairman Eisenberg at 2:31 p.m. and ended at 2:36 p.m. The Board met in executive session prior to the public meeting.

Action on Minutes

The Vice-President submitted for approval Minutes of action taken at the Board's meeting of October 26, 2000. 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, 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.

Report of Committee on Finance

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

PATH – AUTHORIZATION TO CONTRACT WITH TRANSITCENTER, INC. TO TERMINATE PATH’S ROLE AS HOST AGENCY FOR TRANSITCENTER AND TO TRANSFER RESPONSIBILITY FOR TRANSITCENTER PROGRAMS TO TRANSITCENTER, INC.

In 1986, Port Authority Trans-Hudson Corporation (PATH) entered into an Interagency Agreement with the Metropolitan Transportation Authority and New Jersey Transit Corporation, collectively the “Member Agencies,” to serve as the host for a public-private program known as TransitCenter. This program was intended to encourage the use of mass transportation through the use of federal tax benefits available to employers and employees, and through other employer-based programs. The Member Agencies agreed to provide annual financing to support the development of this program.

This initiative resulted in the creation of the TransitChek program in 1987, which has become widely utilized in the tri-state area. Due to the success of the TransitChek program, TransitCenter has been financially self-sufficient since 1997.

In 1999, the Board authorized PATH’s continued participation in TransitCenter through an extension of the Interagency Agreement until TransitCenter, Inc. begins operation. The Board also authorized PATH to serve on the Board of TransitCenter, Inc. On May 23, 2000, the Certificate of Incorporation for TransitCenter, Inc. was filed with the State of New York. On June 2, 2000, the Corporation’s seven-member board, on which the General Manager/Director represents PATH, was constituted through the adoption of bylaws and officers were elected.

In order for TransitCenter, Inc. to begin independent operation by January 1, 2001, it is necessary to transfer to the corporation all the property, rights and other assets currently held by PATH on behalf of TransitCenter.

The contract with TransitCenter, Inc. will: assign to the corporation contracts previously entered into on behalf of TransitCenter; provide for bank accounts held by PATH on behalf of TransitCenter to be closed in the normal course of business or transferred; transfer funds held by PATH or the Port Authority for TransitCenter; transfer title and rights to property held by PATH or the Port Authority or bought with funds from TransitCenter; and settle all current and future claims among the TransitCenter members concerning any activities undertaken by PATH or the Port Authority on behalf of TransitCenter. In addition, arrangements may need to be made with PATH and the Port Authority to take advantage of cost efficiencies concerning such things as future purchases, continuing existing leases paid for by PATH on behalf of TransitCenter, Inc. and acting as the grant recipient for TransitCenter by applying for, receiving and administering grant funds on behalf of TransitCenter, Inc. which will support operational viability.

Pursuant to the foregoing report, the following resolution was adopted with Directors Chasanoff, Donovan, Eisenberg, Gargano, Philibosian, Race and Song and voting in favor; Directors Kalikow, Mack, Sartor and Weinstein abstaining; none against:

RESOLVED, that the President be and he hereby is authorized, for and on behalf of Port Authority Trans-Hudson Corporation (PATH), to enter into an appropriate agreement or agreements with TransitCenter, Inc. (Corporation) for the following purposes:

1. Transfer to the Corporation all contracts, leases, legal arrangements and agreements of any type which were entered into by PATH on behalf of TransitCenter;

2. Transfer to the Corporation title and rights to any and all property, tangible or intangible, including intellectual property rights, which have been acquired by PATH on behalf of TransitCenter;

3. Transfer to the Corporation all revenues, funds, investments, income or any other financial resources that have been acquired by PATH on behalf of TransitCenter;

4. Provide for the accounting and payment of all expenses incurred and revenues received prior to January 1, 2001, to ensure that PATH is reimbursed for all expenses incurred on behalf of TransitCenter and that the Corporation receives all net revenues generated by it or on its behalf which were collected by PATH;

5. Provide for the continuation of any services for the Corporation through PATH or The Port Authority of New York and New Jersey (Port Authority) which the President determines are in the best interest of PATH or the Port Authority, under such terms and conditions as he shall determine are reasonable;

6. Settle, subject to the approval of the Board, any claims and liabilities among the TransitCenter members, PATH, The Metropolitan Transportation Authority and the New Jersey Transit Corporation, that have arisen or might arise as a result of PATH's or the Port Authority's operation of TransitCenter programs prior to January 1, 2001; and

7. Take such other actions as he shall determine are required, necessary or desirable for the successful assumption of TransitCenter services and programs by the new Corporation; and it is further

RESOLVED, that the form of the agreement(s) shall be subject to the approval of Counsel or his authorized representative.

FINAL CONTRACTS PAYMENTS

The Comptroller's Department 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 September 1, 2000 to September 30, 2000.

CONTRACT NUMBER	CONTRACT TITLE FACILITY AND CONTRACTOR	TOTAL AUTHORIZED	TOTAL PAYMENTS
PAT964900	BRICK TUNNEL REPAIRS	4,500 (A)	4,500 (A)
	PORT AUTHORITY TRANS HUDSON CORP.	373,750 (B)	257,825 (B)
	TROCOM CONSTRUCTION CORP.	75,000 (C)	1,742 (C)
		23,000 (D)	--0-- (D)
		476,250	264,067

- (A) Lump Sum
- (B) Classified Work
- (C) Net Cost - amount in the "Total Authorized" column represents the estimated net cost amount. However, the amount in the "Total Payments" column is the authorized net cost amount.
- (D) Extra Work

Contract And Purchase Order Authorizations And Amendments – Quarterly Report

In accordance with the By-Laws, the President reports actions taken under Article XII, section (g)(1) and (g)(2), for the period July 1, 2000 to September 30, 2000.

I. CONTRACT AND PURCHASE ORDER AUTHORIZATIONS

AWARDEE	PURCHASE ORDER DESCRIPTION	AUTHORIZATION	PROCUREMENT METHOD
Electroswitch Corporation	750 Master Key Switches and custom punch and die tooling for the PATH Car Fleet	\$ 166,490	Sole Source/ Negotiated
Kasgro Rail Corporation	Retrofit of brake systems of five Miner flatcars	\$ 190,800	Sole Source
Phillip Fordyce Construction Inc. PAT-559	Replacement of doors at the Journal Square Transportation Center	\$ 385,181	Publicly Advertised
Modern Track Machinery, Inc. TRK 50-99	Design, build and deliver a Rail Distributor to transport continuous welded rail throughout the PATH system	\$ 788,000	Publicly Advertised
Selco Manufacturing Corporation P.O. #4500014439	Tunnel Breaker Enclosures	\$ 131,410	Publicly Advertised
SAFT America Inc. P.O. #4500014712	Railcar Batteries	\$ 474,240	Publicly Advertised
Chris Andersen Roofing Contract #4600001974	PVC Geneflex Roof Repair for PATH-Three Year Contract	\$ 124,914	Publicly Advertised

Tort Claim Settlements - Quarterly Report

The President reported, for information only, that in accordance with the authority granted under Article XII, section (g)(4) of the By-Laws, the following claims were previously settled, and reported closed during the period July 1, 2000 to September 30, 2000.

I. TORT CLAIMS AGAINST THE PORT AUTHORITY, TRANS-HUDSON CORPORATION, CLOSED

Employee Claims

NAME	AMOUNT PAID
BLUM, FRANCIS E	\$ 1,700.00
COLLIGAN, ROBERT J	1,500.00
FUINO JOHN J	1,000.00
GAGLIANO, CIRO	6,500.00
GOODSON, KEVIN	3,672.78
GORDON, BRIAN A	8,750.00
KOWALEWSKI EDWARD	7,500.00
MONIELLO JOHN J	1,620.00
O'CONNOR, FRANCIS X	7,500.00
PLEFFNER, EDWARD F	12,000.00
SCOTTSON ALLAN	20,000.00
TOTAL	\$71,742.78

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

Patron Claims

NAME	AMOUNT PAID
GARZON ABNER	4,250.00
HENEIN, SAMIR	12,500.00
HOLMES, JOSEPH E	15,000.00
SEELALL, EHILEA	34,000.00
SHANNON, MICHELLE	6,250.00
TOTAL	\$72,000.00

In addition, a confidential settlement was reached, the terms of which shall not be available for public inspection until otherwise agreed to by the parties involved.

Whereupon, the meeting was adjourned.

Vice-President