

**PORT AUTHORITY TRANS-HUDSON CORPORATION**

**MINUTES**

**Thursday, December 14, 2000**

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**MINUTES of the Meeting of Port Authority Trans-Hudson Corporation held Thursday, December 14, 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. William J. Martini  
Hon. Alan G. Philibosian  
Hon. Anthony J. Sartor

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

Kayla M. Bergeron  
Daniel D. Bergstein  
Bruce D. Bohlen  
Lillian C. Borrone  
John D. Brill  
Gregory G. Burnham  
Anthony G. Cracchiolo  
William R. DeCota  
Michael P. DePallo  
Karen E. Eastman  
Michael G. Fabiano  
Michael S. Glassner  
Edward L. Jackson  
Howard G. Kadin  
Louis J. LaCapra  
Richard M. Larrabee  
Francis J. Lombardi  
Maria Luongo  
Stephen Marinko  
Charles F. McClafferty  
Allen M. Morrison  
Fred V. Morrone  
Catherine F. Pavelec  
Kenneth P. Philmus  
Alan L. Reiss  
Cruz C. Russell  
Ronald H. Shiftan  
Douglas L. Smith  
Gregory J. Trevor  
Robert E. Van Etten  
Christopher O. Ward  
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 2:30 p.m. and ended at 2:52 p.m. The Board met in executive session prior to the public meeting.

**Report of Committee on Construction**

The Committee on Construction reported in executive session, for information, and the report was received and is included with these minutes.

**PORT AUTHORITY TRANS-HUDSON (PATH) CORPORATION - PATH SYSTEM  
PROPOSED FARE INCREASE - PUBLIC HEARINGS**

It was reported to the Board of Directors of Port Authority Trans-Hudson Corporation that the Interstate Transportation Network of The Port Authority of New York and New Jersey (Network), of which the Port Authority Trans-Hudson (PATH) rail system is a part, is generating insufficient revenues to cover the Network's operating expenses, and the gap between operating expenses for the entire Network, including PATH, and revenues is projected to widen significantly in the future. Accordingly, due to such financial pressures, it was proposed to the Board that the one-way PATH cash fare be increased from its current \$1.00 to \$2.00 in 2001. The proposal also includes multiple-trip discounts for round trips, ten trips, twenty trips and a monthly pass that effectively reduce the average fare to \$1.53. The proposed increase would reduce the net operating deficit of the PATH rail system from \$187.9 million to an estimated \$151.3 million in 2001. A proposal to seek public input on a corresponding change in the toll structure for the Port Authority's vehicular interstate crossings is also being recommended to the Port Authority Board of Commissioners.

Consistent with policy established by the Board of Directors in 1977, public hearings would be held on ten days' notice with respect to the above-described changes in the fare structure. The notice of hearing will set forth the existing fares and the proposed fares, and shall state the purposes for which such fares are to be instituted or changed.

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

**RESOLVED**, that the President be and he hereby is authorized and directed, for and on behalf of Port Authority Trans-Hudson (PATH) Corporation, to arrange for public hearing(s) on a proposed increase in the one-way cash fare charged on the PATH System from \$1.00 to \$2.00 in 2001, with multiple-trip discounts for round trips, ten trips, twenty trips, and a monthly pass that effectively reduce the average fare to \$1.53; and it is further

**RESOLVED**, that the President is hereby directed to report the results of the public hearing(s) to the Board of Directors prior to further action.

**PORT AUTHORITY TRANS-HUDSON (PATH) CORPORATION - EXTENSION OF AGREEMENT WITH NEW JERSEY TRANSIT TO SELL PATH QUICKCARDS THROUGH TICKET VENDING MACHINES AND MONTHLY MAIL-IN PROGRAMS**

On December 10, 1992, the Board authorized the Vice President and General Manager to enter into a joint ticketing agreement with New Jersey Transit (NJT), retroactive to January 1, 1991, pursuant to which NJT would sell monthly QuickCards to Port Authority Trans-Hudson Corporation (PATH) riders as part of NJT's Mail-Tik Program. The QuickCards were to be sold either in conjunction with a NJT ticket purchase or separately. This agreement expired on December 31, 1995.

On April 11, 1996, the Board authorized the President to enter into a new agreement with NJT, effective January 1, 1996, which provided for the sale of QuickCards through NJT's Mail-Tik Program and also through NJT's Ticket Vending Machines. This agreement will expire on December 31, 2000.

The proposed extension would continue this agreement currently in effect through December 31, 2002, at an estimated cost of \$355,000, and provide PATH with a one-year renewal option, at an estimated cost of \$196,000. The only change to the existing terms and conditions is a provision which will excuse NJT from paying PATH for a QuickCard Mail-Tik purchase when the customer's check is not honored by the customer's bank. PATH will also absorb any related bank fees.

These programs provide commuters with services that reduce waiting time and offer convenient choices regarding the method of fare payment. The Mail-Tik programs permit a customer to write a check, to charge by credit card or to use Transit Check vouchers. NJT'S Ticket Vending Machines accept cash as well as credit and debit cards.

Pursuant to the foregoing report, the following resolution was adopted with Directors Chasanoff, Donovan, Eisenberg, Gargano, Kalikow, Mack, Martini, Philibosian, Race and Song voting in favor; Director Sartor 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: (1) extend an agreement with New Jersey Transit Corporation (NJT) for an additional two-year term at an estimated cost of \$355,000 for the sale of PATH monthly QuickCards through NJT's monthly mail-in (Mail-Tik) program, and through NJT's Ticket Vending Machines; the form of the extension shall be subject to the approval of Counsel or his duly authorized representative; and (2) exercise, at his discretion, a one-year renewal option at an estimated cost of \$196,000.

**FINAL CONTRACTS PAYMENTS**

The Comptroller's Department reports, 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 October 1, 2000 to October 31, 2000.

<b>CONTRACT NUMBER</b>	<b>CONTRACT TITLE FACILITY AND CONTRACTOR</b>	<b>TOTAL AUTHORIZED</b>		<b>TOTAL PAYMENTS</b>	
PAT150597	TUNNEL TURNOUTS REHABILITATION	2,940,008	(A)	2,940,008	(A)
	PHASE I	80,000	(C)	5,671	(C)
	PORT AUTHORITY TRANS HUDSON CORP.	235,000	(D)	184,198	(D)
	BEATTY RAILWAY ENGINEERING, LTD	201,165	(E)	201,165	(E)
		12,120	(F)	--0--	(F)
		3,468,293		3,331,042	
PAT150677A	SIGNAL RELAY ROOMS REHABILITATION	630,400	(A)	624,625	(A,H)
	PORT AUTHORITY TRANS HUDSON CORP.	27,600	(B)	27,600	(B)
	CLOVER CONSTRUCTION CONSULTANTS, INC	66,000	(D)	51,723	(D)
		55,000	(G)	4,440	(G)
		779,000		708,388	
PAT489	MODIFICATIONS TO HARRISON CAR MAINTENANCE FACILITY CRANES	234,000	(A)	234,000	(A)
	PORT AUTHORITY TRANS HUDSON CORP.	15,210	(D)	13,700	(D)
		--0--	(I)	9,579	(I)
	CIPRIETTI-TOLISANO ASSOCIATES, INC	249,210		257,279	

(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

(E) Supplemental Agreement No.1 which included an increase in the amount of \$201,165 for lump sum work, authorized on 7/6/98.

(F) Supplemental Agreement No.1 which included an increase in the amount of \$12,120 for extra work, authorized on 7/6/98.

- (G) Increase in classified work in the amount of \$55,000 authorized on 4/24/95.
- (H) The difference between "Total Authorized" and "Total Payments" represents credit change orders in the total amount of \$5,775 for changes in the scope of the work.
- (I) Increase in compensation pursuant to clause of the contract entitled "Compensation for Emergency Delays."

Whereupon, the meeting was adjourned.

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Vice-President