

PORT AUTHORITY TRANS-HUDSON CORPORATION

MINUTES*

Thursday, November 17, 2016

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PENDING
GUBERNATORIAL
REVIEW

* The actions set forth in these Minutes shall have no force and effect until the expiration of the statutorily required gubernatorial review period (currently expected to occur at Midnight on December 5, 2016), unless sooner approved by the Governors of both the State of New York and the State of New Jersey, or vetoed by either.

MINUTES of the Meeting of Port Authority Trans-Hudson Corporation held Thursday, November 17, 2016 at 150 Greenwich Street, City, County and State of New York

PRESENT:

NEW JERSEY

Hon. John J. Degnan, Chairman
 Hon. Richard H. Bagger
 Hon. George R. Laufenberg
 Hon. William P. Schuber
 Hon. David S. Steiner

NEW YORK

Hon. Michael D. Fascitelli
 Hon. Hamilton E. James
 Hon. Kenneth Lipper
 Hon. Jeffrey H. Lynford

Patrick J. Foye, President
 Michael E. Farbiarz, Counsel

Julia Basile
 Thomas E. Belfiore
 Justin E. Bernbach
 John Bilich
 Vincent J. Borst
 Molly C. Campbell
 Steven J. Coleman
 Janet D. Cox
 Nicole Crifo
 Stephanie E. Dawson
 Clarelle D. DeGraffe
 Gerard A. Del Tufo
 John C. Denise
 Michael P. Dombrowski
 Karen E. Eastman
 Benjamin S. Engle
 Michael A. Fedorko
 Cedrick T. Fulton
 Frank H. Gallo
 Robert E. Galvin
 David P. Garten
 Glen P. Guzi
 Linda C. Handel
 Mary Lee Hannell
 Patricia A. Hurley
 Howard G. Kadin
 Cristina M. Lado
 William Laventhal
 Michael Lavery

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Huntley A. Lawrence
John H. Ma
Ronald Marsico
Michael G. Massiah
Hugh P. McCann
Elizabeth M. McCarthy
James E. McCoy
David J. McGrath
Mark F. Muriello
Kristine O'Brien
Suchetha Premchan
Alan L. Reiss
James A. Starace
Timothy G. Stickelman
Lillian D. Valenti
Sheree R. Van Duyne
Anni Zhu

Guest:

Mary Maples

Speakers:

Murray Bodin
Tiffany Caldwell
Angelo Daniels
Hon. Robert M. Gordon
Arthur Piccolo
Victor Salazar
Mohammed Sultan
Beverly Thompson
Magarita Vazquez
Hon. Loretta Weinberg
Neile Weissman
Miriam Yepes

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The public meeting was called to order by Chairman Degnan at 12:20 p.m. and ended at 1:49 p.m. The Board also met in executive session prior to the public session.

Action on Minutes

Counsel submitted for approval Minutes of the meeting of October 20, 2016. He reported that copies of these Minutes were delivered to the Governors of New York (in electronic form) and New Jersey (in paper form) on October 21, 2016. He reported further that the time for action by the Governors of New York and New Jersey expired at midnight on November 4, 2016.

Whereupon, the Board of Directors unanimously approved the Minutes of the meeting of October 20, 2016.

Report of Committee on Capital Planning, Execution and Asset Management

The Committee on Capital Planning, Execution and Asset Management reported, for information, on matters discussed in public session at its meeting on November 17, 2016, which included discussion of an item that authorizes projects to improve the flood resiliency of PATH's Harrison Car Maintenance Facility (HCMF) and certain other rail infrastructure to the east of the HCMF, and the report was received.

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PATH – HARRISON CAR MAINTENANCE FACILITY (HCMF) AND TRACKS G AND H RIGHT OF WAY EAST OF THE HCMF – CONSTRUCTION AND INSTALLATION OF PERMANENT FLOOD PROTECTION MEASURES – PROJECT AUTHORIZATIONS

It was recommended that the Board authorize: (1)(a) a project to provide for the design and construction of a permanent flood barrier protection system and the removal of the existing flood wall system along the south and west perimeter of the Port Authority Trans-Hudson Corporation (PATH) rail system's Harrison Car Maintenance Facility (HCMF), to enhance the flood resiliency of the HCMF, at a total estimated project cost of \$27.2 million; and (b) the President of PATH to enter into an agreement(s) with the Town of Harrison, New Jersey (Town) to obtain necessary property interests to accommodate the installation of the flood barrier protection system, a portion of which is to be located on property owned by the Town (collectively, (1)(a) and (1)(b) to be referred to as the HCMF Project); and (2) a project to provide for the design and construction of a permanent concrete sea wall and for the removal of the existing temporary flood wall, to protect PATH rail system tracks and associated electrical and mechanical infrastructure located at the PATH right of way east of the HCMF (Right of Way Project), at a total estimated project cost of \$32.2 million.

The HCMF is located at the foot of Cape May Street in Harrison, along the banks of the Passaic River. The facility's shop serves as the primary location for PATH's rail car maintenance and repair activity. The adjoining rail car storage yard and adjacent rail tracks are also critical to PATH operations.

As a result of Hurricane Sandy and its associated storm surge, the HCMF, the rail car storage yard, and a section of PATH Tracks G and H located to the east of the HCMF were flooded, causing significant service outages and damage to the facility, rolling stock and rail yard. To address this issue on a temporary basis, in 2013, approximately 2,700 linear feet of a combined floodwall system, composed of bin block and cast-in-place concrete, was installed adjacent to the HCMF, and a protective 2,700-linear-foot sandbag wall was installed at the right of way adjacent to Tracks G and H, in order to provide temporary protection of these areas from future flood events. The existing temporary floodwall system at the HCMF averages approximately six feet in height, which does not meet the required flood protection standards under revised Federal Emergency Management Agency (FEMA) guidelines issued in 2015.

Permanent Flood Barrier Protection at the HCMF

The HCMF Project would provide for the design and construction of a permanent cast-in-place wall, at a height of 8.5 feet and a length of approximately 5,540 linear feet, and the installation of movable flood gates at the entrance to the HCMF.

The HCMF Project would protect critical assets, maintain safe operations and enhance flood resiliency at the HCMF in the event of another major storm surge.

The design phase of the HCMF Project would evaluate potential environmental issues, including applicable environmental permits that are required for the project.

The Federal Transit Administration (FTA) has awarded grant funds for the HCMF Project,

which is anticipated to result in cost recovery of 75 percent of eligible project costs, up to a maximum of \$14,861,400 in federal funds. Staff is exploring other grant funding options to recover additional costs associated with this project.

Construction of Concrete Sea Wall at Right of Way East of the HCMF

The Right of Way Project, which takes into account revised FEMA guidelines issued in 2015, would provide for the removal of the temporary flood wall and construction of a permanent cantilever concrete sea wall supported on sheet piles. The permanent wall would be approximately 3,500 linear feet long, with a height varying from eight to ten feet, based on ground elevation.

The Right of Way Project would enable PATH to safely operate the rail system between Journal Square Transportation Center and Newark Penn Station. At the same time, a permanent wall and deployable barriers would protect the PATH infrastructure from significant service outages in the event of another major storm surge.

The design phase of the Right of Way Project would evaluate potential environmental impacts, including specific environmental permits required for this project.

The FTA has awarded grant funds for the Right of Way Project, which is anticipated to result in cost recovery of 75 percent of eligible costs of up to \$16,815,875 in federal funds. Staff is exploring further grant funding options for additional costs associated with this project.

Pursuant to the foregoing report, the following resolution was adopted, with Directors Bagger, Degnan, Fascitelli, James, Laufenberg, Lipper, Lynford, Schuber and Steiner voting in favor. Counsel confirmed that sufficient affirmative votes were cast for the action to be taken, a quorum of the Board being present.

RESOLVED, that: (1) a project to provide for the design and construction of a permanent flood barrier protection system and the removal of the existing flood wall system along the south and west perimeter of the Port Authority Trans-Hudson Corporation (PATH) rail system's Harrison Car Maintenance Facility (HCMF), to enhance flood resiliency of the HCMF, at a total estimated project cost of \$27.2 million, be and it hereby is authorized; and (2) the President be and he hereby is authorized, for and on behalf of PATH, in connection with the HCMF Project, to enter into an agreement(s) with the Town of Harrison, New Jersey (Town) to obtain necessary property interests to accommodate the installation of the flood barrier protection system, a portion of which is to be located on property owned by the Town (collectively, (1) and (2) to be referred to as the HCMF Project); and it is further

RESOLVED, that a project to provide for the design and construction of a permanent concrete sea wall and for the removal of the existing flood wall, to protect PATH rail system tracks and associated electrical and mechanical infrastructure located at the PATH right of way east of the HCMF (Right of Way Project), at a total estimated project cost of \$32.2 million, 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, to take action with respect to construction contracts, contracts for professional and advisory services and such other contracts and agreements as may be necessary to effectuate the HCMF Project and the Right of Way Project, pursuant to authority granted in the By-Laws or other resolution adopted by the Board; and it is further

RESOLVED, that the form of all contracts, agreements and other documents in connection with the HCMF Project and the Right of Way Project shall be subject to the approval of Counsel or his authorized representative, and the terms of such contracts, agreements and other documents shall be subject to review by Counsel or his authorized representative.

PENDING
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Whereupon, the meeting was adjourned.

Counsel

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