

PORT AUTHORITY TRANS-HUDSON CORPORATION

COMMITTEE ON OPERATIONS

MINUTES

Thursday, May 24, 2007

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PORT AUTHORITY TRANS-HUDSON CORPORATION

**MINUTES OF
COMMITTEE ON OPERATIONS**

225 Park Avenue South

New York, NY

Thursday, May 24, 2007

PRESENT:

Hon. Jack G. Sinagra, Vice-Chair

Hon. Christine A. Ferer

Hon. Angelo J. Genova

Hon. Anthony J. Sartor

Hon. Henry R. Silverman

Committee Members

Ernesto L. Butcher, Vice-President

Arthur J. Cifelli

Michael P. DePallo

Karen E. Eastman

Michael G. Fabiano

Michael B. Francois

Lawrence S. Hofrichter

Louis J. LaCapra

Shawn K. Laurenti

Michael G. Massiah

Paul D. Segalini

Sheree R. Van Duyne

Guest

Sonia Frontera

The Committee meeting was called to order in executive session by the Vice-Chair at 11:55 a.m. and was adjourned at 12:02 p.m.

Action on Minutes

The Vice-President reported that the Minutes of the meeting of October 21, 2004 had been signed and distributed to the Directors.

Whereupon, the Committee approved the Minutes of the meeting of October 21, 2004.

PATH – MEMORANDUM OF AGREEMENT WITH THE BROTHERHOOD OF LOCOMOTIVE ENGINEERS AND TRAINMEN

It was recommended that the Committee on Operations approve the tentative agreement arrived at concerning amendments to the collective bargaining agreement between Port Authority Trans-Hudson Corporation (PATH) and the Brotherhood of Locomotive Engineers and Trainmen (BLE), as a representative of certain PATH employees, providing for changes in wages and benefits and the establishment of a new moratorium period. This tentative agreement was entered into on March 15, 2007, subject to Committee approval, and was ratified by the BLE members on April 13, 2007.

The BLE is the exclusive representative, under the Railway Labor Act, of 167 PATH employees who operate PATH trains. Under the existing collective bargaining agreement, the BLE was precluded from proposing changes in pay, rules or working conditions to be effective before September 7, 2005. Staff negotiated with the BLE and we have reached a tentative agreement which provides for, among other things, the following changes:

1. A new moratorium provision against proposing changes in pay, rules or working conditions to be effective before September 8, 2011.
2. Wage increases to be effective as follows:
 - September 8, 2005 3.0 percent
 - September 8, 2006 3.0 percent
 - September 8, 2007 3.0 percent
 - September 8, 2008 3.0 percent
 - September 8, 2009 3.0 percent
 - September 8, 2010 3.0 percent
3. An increase in the contributions PATH makes to the Brotherhood of Locomotive Engineers PATH Employees Pension Fund.
4. Coverage under a single Preferred Provider Health Plan (which currently is administered by United Healthcare). The introduction of same-sex domestic partner healthcare coverage for the covered membership.
5. Modified vacation benefits for new employees who are BLE members and a modification of the contractual grievance process.
6. Work-rule changes to permit PATH to reduce service on the day after Thanksgiving and to schedule Engineers over multiple service lines throughout the year.

The Committee has the power to act on this matter under Article XI, Section D, Paragraph 8 of the By-Laws. The amendments to the collective bargaining agreement have been approved as to form.

Pursuant to the foregoing report, the following resolution was adopted by the Committee in executive session with Directors Ferer, Genova, Sartor, Sinagra and Silverman voting in favor; none against:

RESOLVED, that the tentative agreement with respect to amendments to the collective bargaining agreement between Port Authority Trans-Hudson Corporation (PATH) and the Brotherhood of Locomotive Engineers and Trainmen, as representative of certain PATH employees, providing for changes in wages and benefits and other terms and conditions of employment and the establishment of a moratorium period of 72 months, expiring September 8, 2011, be and it hereby is approved.

Whereupon, the meeting was adjourned.

Vice-President and General Manager