

PORT AUTHORITY TRANS-HUDSON CORPORATION

COMMITTEE ON OPERATIONS

MINUTES

Thursday, July 24, 2008

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PORT AUTHORITY TRANS-HUDSON CORPORATION

**MINUTES OF
COMMITTEE ON OPERATIONS
225 Park Avenue South
New York, NY
Thursday, July 24, 2008**

PRESENT:

Hon. Virginia S. Bauer
Hon. Christine A. Ferer
Hon. H. Sidney Holmes III
Hon. David S. Steiner
Committee Members

Ernesto L. Butcher, Vice-President

Rebecca C. Croneberger
Arpan Dasgupta
Michael P. DePallo
Francis A. DiMola
Karen E. Eastman
Michael G. Fabiano
Michael B. Francois
Cedrick T. Fulton
Christopher M. Hartwyk
Lawrence S. Hofrichter
Louis J. LaCapra
Richard M. Larrabee
James E. McCoy
Sanjay S. Mody
Desiree Ramos

Guests:

Sonia Frontera
Stacie N. O'Brien

The Committee meeting was called to order in executive session by Director Steiner at 12:20 p.m. and ended at 12:41 p.m.

Action on Minutes

The Vice-President reported that the Minutes of the meeting of February 21, 2008 had been signed and distributed to the Directors.

Whereupon, the Committee approved the Minutes of the meeting of February 21, 2008.

PATH - MEMORANDUM OF AGREEMENT WITH BROTHERHOOD OF RAILROAD SIGNALMEN

It was recommended that the Committee on Operations approve a tentative agreement with respect to amendments to the collective bargaining agreement with the Brotherhood of Railroad Signalmen (BRS), as representative of certain Port Authority Trans-Hudson Corporation (PATH) employees, providing for changes in wages and benefits and the establishment of a new moratorium period. This tentative agreement was entered into on February 28, 2008, subject to Committee approval, and ratified by the BRS members on June 3, 2008.

The BRS is the sole representative of 55 PATH employees who perform signal maintenance, inspection, and repair duties. Under the current agreement, the BRS was precluded by a moratorium provision from serving notice proposing changes in pay, rules or working conditions to be effective before January 28, 2005. The moratorium period having passed, PATH negotiated with the BRS pursuant to the Railway Labor Act and has reached an agreement which provides for, but is not limited to, the following changes in the collective bargaining agreement:

1. New moratorium period of 84 months, effective January 29, 2005 and expiring January 28, 2012;
2. Seven general wage increases of three percent, dispensed annually;
3. An increase in annual contributions made by PATH to the employees' pension plans;
4. Conversion of all employees to direct deposit payroll distribution;
5. A cost reducing offset, which requires all employees covered by the collective bargaining agreement to be enrolled into a less costly dental plan; and
6. Work rule changes to increase productivity and reduce overtime expense by reducing wash-up time on regular tours and eliminating wash-up time on weekend overtime tours.

The Committee has the power to act on this matter under Article VIII, Section D, Paragraph 4 of the By-Laws.

Pursuant to the foregoing report, the following resolution was adopted by the Committee in executive session with Directors Bauer, Ferer, Holmes and Steiner voting in favor; none against:

RESOLVED, that the action of the President in authorizing the execution, for and on behalf of Port Authority Trans-Hudson Corporation (PATH), of a tentative agreement with respect to amendments to the collective bargaining agreement with the Brotherhood of Railroad Signalmen, 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 84 months, expiring January 28, 2012, be and it hereby is approved.

PATH – MEMORANDA OF AGREEMENT WITH INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS UNION (SUPERVISORS) AND WITH INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS UNION (CRAFTS)

It was recommended that the Committee on Operations approve a tentative agreement with respect to amendments to the collective bargaining agreements with Local 864, International Brotherhood of Electrical Workers (IBEW), as representative of certain Port Authority Trans-Hudson Corporation (PATH) employees, providing for changes in wages and benefits and the establishment of new moratorium periods for the two bargaining units. This tentative agreement was entered into on May 29, 2008, subject to Committee approval, and ratified by the IBEW members on June 5, 2008.

The IBEW is the sole representative for the 140 supervisory and craft employees responsible for maintaining and operating PATH power and electrical systems. Under the current separate agreements, the IBEW was precluded by moratorium provisions from serving notices proposing changes in pay, rules or working conditions to be effective before April 25, 2005 (supervisory staff) and May 30, 2005 (crafts). The moratorium periods having passed, PATH negotiated with the IBEW pursuant to the Railway Labor Act and has reached an accord applicable to both agreements.

The tentative agreement provides for, but is not limited to, the following changes to the collective bargaining agreements:

1. New moratorium periods of 84 months, effective April 25, 2005, and expiring April 24, 2012, for supervisory staff, and effective May 30, 2005, and expiring May 29, 2012, for crafts employees;
2. Seven general wage increases of three percent, dispensed annually;
3. An increase in annual contributions made by PATH to the employees' pension plans;
4. The introduction of a new higher-level wage step for journey-level employees who perform skilled electrical and communication repair work;
5. A cost-reducing offset, which requires all employees covered by the collective bargaining agreements to enroll into a less costly dental plan;
6. Conversion of all employees to direct deposit payroll distribution;
7. An increase in productivity and reduction in overtime expense by work rule changes, including reduction of wash-up time on regular tours, eliminating wash-up time on overtime tours, and permitting electricians to perform cable splicing and bridge electrician work; and
8. A freeze of existing wage rates for Step 2 and Step 3 journey-level positions for two years.

The Committee has the power to act on this matter under Article VIII, Section D, and Paragraph 4 of the By-Laws.

Pursuant to the foregoing report, the following resolution was adopted by the Committee in executive session with Directors Bauer, Ferer, Holmes and Steiner voting in favor; none against:

RESOLVED, that the action of the President in authorizing the execution, for and on behalf of Port Authority Trans-Hudson Corporation (PATH), of a tentative agreement with respect to amendments to the collective bargaining agreements with Local 864, International Brotherhood of Electrical Workers, 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 84 months, expiring April 24, 2012, for supervisory staff, and May 29, 2012, for crafts employees, be and it hereby is approved.

Whereupon, the meeting was adjourned.

Vice-President