

PORT AUTHORITY TRANS-HUDSON CORPORATION

MINUTES

Thursday, November 19, 2009

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**MINUTES of the Meeting of Port Authority Trans-Hudson Corporation held Thursday,
November 19, 2009 at 225 Park Avenue South, City, County and State of New York**

PRESENT:

NEW JERSEY

Hon. Anthony R. Coscia, Chairman
Hon. Virginia S. Bauer
Hon. Raymond M. Pocino
Hon. Anthony J. Sartor
Hon. David S. Steiner

NEW YORK

Hon. Henry R. Silverman, Vice-Chairman
Hon. Michael J. Chasanoff
Hon. Stanley E. Grayson
Hon. H. Sidney Holmes, III

Christopher O. Ward, President
Ernesto L. Butcher, Vice-President
Darrell B. Buchbinder, Counsel

Susan M. Baer
Catherine M. Bergamini
A. Paul Blanco
Steven J. Coleman
Arpan Dasgupta
John C. Denise
Michael P. DePallo
Sandra E. Dixon
Michael P. Dombrowski
John J. Drobny
Karen E. Eastman
Michael G. Fabiano
Michael B. Francois
Jennifer Friedberg
Richard Friedman
Glenn P. Guzi
Linda C. Handel
Mark D. Hoffer
Howard G. Kadin
Victoria C. Kelly
Kevin J. Kirchman
Louis J. LaCapra
Conor Lanz
Richard M. Larrabee
Francis J. Lombardi
Stephen Marinko
Ronald Marsico
Candace McAdams
James E. McCoy
Sanjay S. Mody
Christopher J. Mohr
Anne Marie C. Mulligan
Lynn A. Nerney

Steven P. Plate
Ileana Rivera
Stephen H. Sigmund
Timothy G. Stickelman
Gerald B. Stoughton
Ralph Tragale
David B. Tweedy
I. Midori Valdivia
Lillian D. Valenti
Sheree R. Van Duyne
Andrew S. Warshaw
Peter J. Zipf

Guest:

Sonia Frontera

Speaker:

Kenneth P. Philmus

The public meeting was called to order by Chairman Coscia at 1:39 p.m. and ended at 1:51 p.m. The Board met in executive session prior to the public session and on November 10, 2009.

Action on Minutes

The Vice-President submitted for approval Minutes of the meeting of October 22, 2009. He reported that copies of these Minutes were delivered in electronic form to the Governors of New York and New Jersey on October 23, 2009. He reported further that the time for action by the Governors of New York and New Jersey expired at midnight on November 9, 2009.

Whereupon, the Board of Directors unanimously approved the Minutes of the meeting of October 22, 2009.

Report of Committee on Capital Programs/Agency Planning

The Committee on Capital Programs/Agency Planning reported, for information, on matters discussed in public session at its meeting on November 19, 2009, which included discussion of planning for the replacement and upgrade of a substation for the Port Authority Trans-Hudson Corporation rail system, and the report was received.

PATH – REPLACEMENT/UPGRADE OF SUBSTATIONS AND SWITCHING STATIONS – ADDITIONAL PLANNING AUTHORIZATION

It was recommended that the Board authorize additional planning work, in the amount of \$2 million, for conceptual design, design development and support of property acquisition for the replacement and upgrade of Substation #8, bringing the total authorized planning amount to \$6.5 million for the replacement and upgrade of various Port Authority Trans-Hudson Corporation (PATH) rail system power substations and switching stations located in New Jersey. Additional planning is required due to a departure from the original concept of demolishing the existing substation and replacing it with a new substation in the same location, and due to the complexity of construction staging and phasing.

PATH substations and switching stations serve to convert high-voltage power received from a power company to a usable voltage and to deliver the power to the PATH trains via the third rail. The PATH system contains ten substations and three switching stations, which range in age from 17 to 40 years old. In April 2007, the Board authorized \$4.5 million in planning work, through Stage II design, for the replacement and upgrade of three PATH substations (#7, #8 and #9) and the direct current (DC) switchgear in two switching stations (#6 and #10), all of which are located in New Jersey and are nearing the end of their 40-year service life.

The authorized planning amounts were estimated based on the August 2005 conceptual electrical design, which assumed that one substation would be taken out of service at a time, followed by the demolition of the structure and construction of a new substation on the same property. Subsequently, it was determined that removing a substation from service for an extended period of time would create an unacceptable risk, because there might be insufficient backup if one of the other substations failed. As a result, the planning effort then focused on selection of the best available locations to build each of the new substations.

Substation #8 is located east of the New Jersey Turnpike in Kearny, New Jersey. The availability of appropriate sites in the area is limited. Numerous concepts for placement of Substation #8 were evaluated and eliminated, due to constructability issues and operational impacts. However, construction of a new substation on the north side of the tracks is considered to be feasible, but will require further planning. The effort of identifying and evaluating multiple sites exhausted available funds; thus, an increase in planning funds was recommended. Planning for Substation #7 has already been completed, and in February 2009 the Board authorized a project for the replacement and upgrade of that substation and the DC switchgear in Switching Station #6. No additional planning monies are required for Substation #9.

Pursuant to the foregoing report, the following resolution was adopted with Directors Bauer, Chasanoff, Coscia, Grayson, Holmes, Pocino, Sartor, Silverman and Steiner voting in favor; none against:

RESOLVED, that additional planning work for the replacement/upgrade of Substation #8 for the Port Authority Trans-Hudson Corporation (PATH) rail system, including compensation for professional service firms, staff and administration costs, facility force work and financial expense, in an amount of \$2 million, resulting in a revised total cost for planning of \$6.5 million in connection with the replacement and upgrade of various PATH power substations and switching stations, be and it hereby is authorized; and is further

RESOLVED, that the President be and he hereby is authorized, for and on behalf of PATH, to take action with respect to contracts for professional and advisory services and such other contracts and agreements as may be necessary to effectuate the foregoing planning work, 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 and agreements in connection with the foregoing shall be subject to the approval of Counsel or his authorized representative.

Whereupon, the meeting was adjourned.

Vice-President