

PORT AUTHORITY TRANS-HUDSON CORPORATION

MINUTES

Tuesday, November 21, 2023

Report on Prior Meeting's Minutes	25
PATH – Hoboken Station - Easement Agreement with New Jersey Transit Corporation	26
PATH - Journal Square Transportation Center – TK1 JS LLC d/b/a Teriyaki One Japanese Grill – Lease LRR 401 – New Lease	27
PATH – Railcar and Track State of Good Repair Program Authorization	28

MINUTES of the Meeting of Port Authority Trans-Hudson Corporation held Tuesday, November 21, 2023 at 150 Greenwich Street, New York, New York and via videoconference.

PRESENT:

NEW JERSEY

Hon. Kevin J. O’Toole, Chairman
 Hon. J. Christian Bollwage
 Hon. George Helmy
 Hon. Joseph Kelley
 Hon. Kevin P. McCabe*
 Hon. Michelle E. Richardson*

NEW YORK

Hon. Jeffrey H. Lynford, Vice Chairman
 Hon. Steven M. Cohen
 Hon. Leecia R. Eve
 Hon. Winston C. Fisher
 Hon. Gary LaBarbera
 Hon. Rossana Rosado*

Richard Cotton, President
 Amy H. Fisher, Counsel

Richard Abbato
 James K. Allen Jr.*
 M. Rizwan Baig
 Christopher Beacham*
 Meredith L. Brooks
 Ana Carvajalino*
 Edward T. Cetnar
 David W. Compton
 Clarelle DeGraffe
 Diannae C. Ehler*
 Gregory W. Ehrie
 Charles R. Everett, Jr.
 Benjamin Feldman
 Robert E. Galvin*
 Shannon E. Gates
 John Gay
 Erik H. George
 Mary Lee Hannell
 James Heitmann
 Kirsten Hernandez*
 Natasha G. Jean Philipp-Cumberbatch
 Sherien N. Khella

Cristina M. Lado
William Laventhal
Stephen Marinko
Elizabeth M. McCarthy
Jacqueline McCarthy
James E. McCoy
Matthew F. Murray
Jessica Ortiz
Hersh K. Parekh
Matthew Pedersen
Thomas Pietrykoski
Alan L. Reiss*
Bethann Rooney
Jessica Russ*
Peter D. Simon
Debra M. Torres
Derek H. Utter
Lillian D. Valenti
Michael Vozza
Li Pei Wang
Michael Wojnar

Guests:

Thomas Holl, Senior Counsel, Authorities Unit, Office of the Governor of
New Jersey
David Ullman, Assistant Secretary for Transportation, Office of the Governor
of New York

Public Commenters:

Matthew Buchys-Hyland (Video Statement)
Christopher Greif
Rachel Kepnes (Video Statement)

Topics:

PATH Meetings
OMNY/Accessibility
Animal Rights

Report on Prior Meeting's Minutes

Copies of the Minutes of the meeting of September 21, 2023 were delivered in electronic form to the Governors of New York and New Jersey on September 22, 2023. The time for action by the Governors of New York and New Jersey expired at midnight on October 6, 2023.

PATH – HOBOKEN STATION - EASEMENT AGREEMENT WITH NEW JERSEY TRANSIT CORPORATION

It was recommended that the Board authorize the President of Port Authority Trans-Hudson Corporation (PATH) to enter into an easement agreement (Easement Agreement) with New Jersey Transit Corporation (NJ Transit), pursuant to which NJ Transit would grant PATH a permanent easement for the installation, construction, operation, alteration, maintenance, inspection, repair, replacement, removal and use of Stairwell No. 3 at the PATH Hoboken Station.

At its September 27, 2018, meeting, the Board authorized a project for the Restoration of Infrastructure at the Hoboken, Newport, Exchange Place, and Grove Street PATH Stations in New Jersey to rehabilitate structural, mechanical, plumbing and electrical systems, and provide for other infrastructure repairs at the stations to address damage resulting from Superstorm Sandy. As part of the project authorized in 2018, in order to facilitate the construction work at the Hoboken PATH Station, and to comply with applicable requirements under the Americans with Disabilities Act (ADA), PATH needs to reconstruct Stairwell No. 3. For flood protection purposes, PATH would also install, maintain and operate a flood door and related structures for the Stairwell No. 3 opening.

PATH's Hoboken Station is located in, around and under NJ Transit's Hoboken rail and bus terminal. Under the Easement Agreement, NJ Transit would grant PATH a permanent easement, on approximately 93 square feet of NJ Transit property at street-level at the NJ Transit bus terminal, for the installation, construction, operation, alteration, maintenance, inspection, repair, replacement, removal and use of Stairwell No. 3. No compensation would be paid to NJ Transit for the easement and upon completion of the construction work, PATH's responsibilities under the Easement Agreement would be limited to the maintenance of the reconstructed Stairwell #3 and the operation and maintenance of the PATH flood door.

Pursuant to the foregoing report, the following resolution was adopted, with Directors Bollwage, Cohen, Eve, Fisher, Helmy, Kelley, LaBarbera, Lynford, McCabe, O'Toole, Richardson and Rosado 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 the President be and he hereby is authorized, for and on behalf of Port Authority Trans-Hudson Corporation (PATH), to enter into an easement agreement with New Jersey Transit Corporation (NJ Transit), pursuant to which NJ Transit would grant PATH a permanent easement for the installation, construction, operation, alteration, maintenance, inspection, repair, replacement, removal and use of Stairwell #3 at the PATH Hoboken Station; and it is further

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

**PATH - JOURNAL SQUARE TRANSPORTATION CENTER – TK1 JS LLC D/B/A
TERIYAKI ONE JAPANESE GRILL – LEASE LRR 401 – NEW LEASE**

It was recommended that the Board authorize the President of Port Authority Trans-Hudson Corporation (PATH) to enter into a new lease – Lease LRR 401 (the Lease) – with TK1 JS LLC d/b/a Teriyaki One Japanese Grill (Teriyaki One) for the letting of approximately 1,926 square feet of retail space on the Plaza Level at Journal Square Transportation Center (JSTC), for the operation of a restaurant, for a term of ten years.

Under the proposed Lease, Teriyaki One would pay a total aggregate rental estimated at \$1,457,605 over the initial ten-year lease term. Teriyaki One would have two five-year options to extend its letting of the space.

Teriyaki One would make a minimum capital investment of \$800,000 for renovations to the leasehold. Teriyaki One also would be required to undertake a mid-lease refurbishment of the premises during the sixth year of the Lease. PATH has the right to terminate the Lease, without cause, upon 120 days' notice. If PATH terminates the Lease, without cause, during the base term, PATH would be obligated to reimburse Teriyaki One for the unamortized portion of its capital investment in the leasehold, which would include the cost of the mid-lease refurbishment, if the lease were terminated after such refurbishment.

PATH would pay a total brokerage commission to GRID Real Estate LLC (GRID), in accordance with the terms of its existing retail brokerage agreement with GRID. The Lease would commence on or about December 8, 2023, and Teriyaki One would receive up to six months of free rent to build out the space.

Pursuant to the foregoing report, the following resolution was adopted, with Directors Bollwage, Cohen, Eve, Fisher, Helmy, Kelley, LaBarbera, Lynford, McCabe, O'Toole, Richardson and Rosado 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 the President be and he hereby is authorized, for and on behalf of Port Authority Trans-Hudson Corporation (PATH), to enter into a new lease with TK1 JS LLC d/b/a Teriyaki One (Teriyaki One) for the letting of approximately 1,926 square feet of retail space at Journal Square Transportation Center, for the operation of a restaurant, for a term of ten years, with Teriyaki One to have two five-year renewal options; substantially in accordance with the terms outlined to the Board; and it is further

RESOLVED, that the President be and he hereby is authorized, for and on behalf of PATH, to enter into any other contracts and agreements as may be necessary or appropriate in connection with the foregoing; and it is further

RESOLVED, that the form of the foregoing lease, and all other contracts, agreements and other documents in connection with the foregoing, shall be subject to the approval of Counsel or her authorized representative, and the terms of such lease, contracts, agreements and other documents shall be subject to review by Counsel or her authorized representative.

PATH – RAILCAR AND TRACK STATE OF GOOD REPAIR PROGRAM AUTHORIZATION

It was recommended that the Board authorize a \$230 million program to maintain elements of the Port Authority Trans-Hudson Corporation (“PATH”) track system and the PATH railcar fleet in a state of good repair (“PATH SGR Program” or “Program”). The Program is expected to be delivered over a multi-year period and includes a Program contingency to account for unforeseen conditions and additional work that may be required during the delivery of the Program.

The assets of the Hudson and Manhattan Railroad’s interurban rapid transit system were acquired by the Port Authority in 1962, which chartered PATH as a wholly owned subsidiary to operate the system. The existing PATH tunnels are over 100 years old, and some of the track systems predate their acquisition by the Port Authority. The overall transit system requires a steady and continuous maintenance focus to ensure it remains in a good state of repair at all times. The current PATH railcar fleet includes 350 railcars that were placed in service between 2008 and 2011, and 72 newly acquired or on-order railcars with delivery expected through 2024. PATH has continued to make needed investments in the PATH system, including (A) the 2018 addition of a new signal system for the PATH system to achieve positive train control compliance with federally mandated standards; (B) approximately \$1.5 billion in track and tunnel repairs to address damage caused in 2012 by Superstorm Sandy and the installation of resiliency measures, including at electrical substations, PATH stations and maintenance support facilities, to mitigate against similar damage from future storms (performed in 2012 to date, to be completed in 2034); and (C) the ongoing multi-year “PATH Improvement Plan,” which includes customer-focused operational improvements.

In order to best protect the value of the improvements to the PATH system, it is now advisable to: (i) rehabilitate trackwork in primarily tunnel areas between the Journal Square Transportation Center, Hoboken and Exchange Place PATH Stations, at an approximate cost of \$168 million; and (ii) repair stabilization, propulsion and auxiliary power systems on approximately 135 railcars of original 350 PA5 PATH railcar fleet, and retain expert assistance to formalize a plan for future life cycle maintenance for the railcars, at an approximate cost of \$62 million. The Program investments would avoid future operational restrictions on the PATH system and improve reliability and availability of railcars by addressing critical components which can cause in-service railcar failures.

Pursuant to the foregoing report, the Board adopted the following resolution, with Directors Bollwage, Cohen, Eve, Fisher, Helmy, Kelley, LaBarbera, Lynford, McCabe, O’Toole, Richardson and Rosado 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 the Port Authority Trans-Hudson Corporation (“PATH”) state of good repair program (“PATH SGR Program”) for the rehabilitation of the trackwork primarily in tunnel areas between the Journal Square Transportation Center, Hoboken and Exchange Place PATH Stations, at an approximate cost of \$168 million, and the repair of certain operating equipment and systems on approximately 135 PATH railcars, at an estimated cost of \$62 million, be and it hereby is authorized, in order to retain those components of the PATH rail

transit system in a state of good repair, for a total PATH SGR Program cost not to exceed \$230 million, inclusive of costs for supervision and overhead and a contingency reserve; and it is further

RESOLVED, that the President be, and he hereby is authorized, for and on behalf of PATH, to take all action necessary or desirable to effectuate the PATH SGR Program, including procuring and entering into construction contracts, contracts for professional, technical, and advisory services, and such other contracts and agreements as may be necessary to effectuate the foregoing Program; and it is further

RESOLVED, that the form of all contracts, agreements and other documents in connection with the PATH SGR Program shall be subject to the approval of Counsel or her authorized representative; and the terms of such contracts, agreements and other documents shall be subject to review by the Counsel or her authorized representative.

Whereupon, the meeting was adjourned.

Counsel