

PORT AUTHORITY TRANSIT CORPORATION

Minutes of the July 18, 2012 Board Meeting

One Port Center, Camden, New Jersey

Wednesday, July 18, 2012, 9 a.m.

Present

PENNSYLVANIA

Governor Tom Corbett, Chair
Robert Teplitz, Esquire (Wagner)
John Lisko (McCord) (via telephone)
William Sasso, Esquire
Walter D'Alessio
Joanna Cruz, Esquire (via telephone)
Joann Bell

Officers and Chiefs

John Matheussen, CEO
Michael Conallen, Deputy CEO
Danielle McNichol, General Counsel
and Corporate Secretary
John Hanson, CFO
Toni Brown, CAO
John Rink, PATCO, General Manager
Mike Venuto, Chief Engineer

DRPA Staff

Dan Auletto, Bridge Director, WWB
Fran DiCicco, Administrative Coordinator
Ann DuVall, Executive Assistant to CEO
Brian Everly, Plaza Supervisor BFB
Sylvia Gray-Newman, Admin. Coord.
Timothy Ireland, Director, Corp. Comm.
Karen Jacobson, Assistant General Counsel
Lisa Kmiec, Assistant General Counsel
Kevin LaMarca, Director, IS
Sheila Milner, Administrative Coordinator
Robert Only, Director, Homeland Security
Wayne Quesada, Electrical Engineer
Thomas Raftery, Inspector General
Mike Reher, Sgt. Public Safety
John Rogale, Dir. Labor Contract
Compliance
Bill Shanahan, Director, Government Rel.
Susan Squillace, Acting Mgr., Purchasing
John Stief, Acting Police Chief, Public
Safety
Hank Trum, Director, Fleet Management,
BFB
Mike Voll, Cpl. Public Safety, BFB
Dawn Whiton, Administrative Coordinator
Linda Willis, Acting Purchasing Agent

NEW JERSEY

Jeffrey L. Nash, Esquire, Vice Chair
E. Frank DiAntonio
Charles Fentress
Tamarisk Jones
Denise Y. Mason

Counsel

Christopher Gibson, Archer & Greiner, NJ
Counsel
Tom Ellis, Duane Morris, PA Counsel

Others

John Cascarano, Assistant Counsel, NJ Gov.
Authorities Unit
Kathleen Duffy Bruder, Esquire, PA Gov.'s
Office
Julie Still, CAC

The Corporate Secretary announced that pursuant to the By Laws of this Authority, public notice of this meeting of the PATCO Board of Directors has been given by posting proper notice in the lobby at One Port Center, and issuing proper notice to the public and news media.

Chairman Corbett called the meeting to order and asked that the Corporate Secretary call the roll. The Corporate Secretary then called the roll and announced that there was a quorum. Chairman Corbett presided.

Report of the General Manager

John Rink, General Manager of PATCO, stated that the report is submitted as it stands, but highlighted a couple items in his report. As Mr. Matheussen stated in his CEO report, for the month of July, PATCO was successful in finding an untapped advertising source and Rutgers University- Camden School of Business was PATCO's first sponsor for tickets. He said that while working through their advertising contractor, PATCO has also procured a sponsor for the September tickets which will be Krispy Kreme. . Mr. Rink said there is a discount for a donut listed on the ticket as part of the sponsorship. He said that as previously approved by the Board, PATCO's online store opened for business on June 12, 2012 and goods are available for purchase at www.zazzle.com/shoppatco.

This concluded the Report of the General Manager.

Approval of June 20, 2012 PATCO Board Meeting Minutes

The Minutes of the June 20, 2012 Board Meeting of the Port Authority Transit Corporation were previously provided to the Governor of New Jersey and the PATCO Directors and there were no comments.

On motion duly made and seconded, the Minutes of the June 20, 2012 Board Meeting were approved.

Receipt and Filing of the Monthly List of Payments Covering the Month of June 2012

The Monthly List of Payments covering the month of June 2012 was previously provided to all Directors and there were no comments.

On motion duly made and seconded, the Monthly List of Payments covering the month of June 2012 was received and filed.

Receipt and Filing of Balance Sheet & Equity Statement Dated May 31, 2012

The Balance Sheet and Equity Statement dated May 31, 2012 were previously provided to all Commissioners and there were no comments.

On motion duly made and seconded, the Balance Sheet and Equity Statement dated May 31, 2012 was received and filed.

Approval of PATCO Operations & Maintenance Committee Report of June 20, 2012

The Report of the PATCO Operations & Maintenance Committee Meeting of June 20, 2012 was previously provided to all Directors and there were no comments.

On motion duly made and seconded, the Report of the PATCO Operations & Maintenance Committee of June 20, 2012 was approved.

Adopt Resolution Approved by PATCO Operations & Maintenance Committee of June 20, 2012

On motion duly made and seconded, the following Resolution was unanimously adopted and made the action of the Authority:

PATCO-12-014 Extension of Cubic Contract for FREEDOM Card Service Center

Commissioner Lisko stated that he would like Mr. Rink to provide an update on the Ashland Station escalator issue which took place over the past few weeks. He said Pennsylvania Treasurer McCord has a constituent who reached out to him and asked him the status of the escalator repair, and he would appreciate any information in that regard. Vice Chair Nash stated he has received many calls regarding the escalator and several others and escalators are an ongoing challenge.

Mr. Rink stated that a piece of metal was either dropped by a customer or an employee and got jammed into the upper comb plane teeth of the escalator. The escalator continued to run and that piece of metal damaged each one of the escalator stairs. He said that the contractor and PATCO's consultant looked at what was needed on site and every stair in the escalator will have to be replaced. He stated that PATCO is working with their consultant and contractor and has found a company that can refurbish and repair the steps, but it is quite costly and is outside PATCO's maintenance contract, and as such, is a -cost PATCO will have to incur. He said review is now underway to come to the best price. In response to Vice Chair Nash's inquiry as to the cost, Mr. Rink stated that it will be between \$24,000 and \$25,000. He stated that unfortunately with the ridges on the steps themselves, they got scored to a certain point beyond code so the escalator cannot be left in service.. In response to Vice Chair Nash's inquiry as to how long it take to repair the escalator, Mr. Rink stated, depending on the amount of the repairs, it would take a several weeks and with the amount of the costs, it will have to be presented to the Board under the Consideration of Pending PATCO Contracts.-

Vice Chair Nash said that some type of notification should go out to the public indicating the problem with the escalator and how long it will take to repair it. He also said that Mr. Ireland should also publish a media report on the website. Mr. Rink said that through the appearance of the escalator, it does not look damaged, but as each stair goes through its cycle, it was damaged. Mr. Matheussen said that notification to the public is an excellent suggestion and that PATCO has a fairly significant customer email database and has also handed out documents to customers on matters. As has been done in the past, PATCO will work with Mr. Ireland to advise customers of the situation. He also asked the media present at the Board Meeting to make a note of it in their respective publications.

Unfinished Business

There was no Unfinished Business for the PATCO Board.

New Business

Item 1 – Consideration of Pending PATCO Contracts (Between \$25,000 and \$100,000)

On motion duly made and seconded, the following Resolution was unanimously adopted and made the action of the Authority:

**PATCO-12-015 Consideration of Pending PATCO Contracts (Between
\$25,000 and \$100,000)**

There being no further business, on motion duly made and seconded, the meeting was adjourned.

Respectfully submitted,

Danielle L. McNichol
Corporate Secretary

The PATCO Board Meeting was reopened to discuss the emergency repair of the escalator at Ashland station. In response to Vice Chair Nash's inquiry as to the cost, Mr. Rink stated it will be over \$25,000.

Staff would like to proceed as quickly as possible with the repair of this escalator. As there is only one escalator at Ashland, all riders will have to take the steps. Mr. Matheussen stated that under the contract, the maintenance of the escalator is there, but not for emergency repairs. This type of repair would have to be competitively bid, but needs to be expedited. He stated that PATCO should work through Commissioner Sasso and his Committee to get this project working.

On motion duly made and seconded, a motion to delegate this decision to Chairman Sasso of the Operations & Maintenance Committee was approved.

There being no further business, on motion duly made and seconded, the meeting was again adjourned.