

**PHILADELPHIA REGIONAL PORT AUTHORITY**

**MINUTES OF THE PHILADELPHIA REGIONAL PORT AUTHORITY  
BOARD OF DIRECTORS MEETING**

**DECEMBER 14, 2007**

**Philadelphia Regional Port Authority Board Members Present:**

Chairman John Estey, Anthony Aliano (via telephone), Boise Butler, John Cuff, Frank Gillen, Clifford Haines, Thomas Kelly, Chad Rubin, Herb Vederman, Harry Williams

**Philadelphia Regional Port Authority Board Members Absent:**

Michael Rashid

**Philadelphia Regional Port Authority Staff Present:**

James T. McDermott, Jr., Robert Blackburn, Jack Dempsey, Greg Iannarelli, Don Brennan, Francis Kelly, Chuck Lawrence, William McLaughlin, Marian Simpson, Nicholas Walsh

**Others:**

Brian Preski, Michael Meehan, B.J. Clark, Bob Callegari, Rick Wooten, Chuck McDonald, Curt Godfrey

The December meeting of the Board of Directors of the Philadelphia Regional Port Authority was held on December 14, 2007 at 3:30 p.m. in the office of the Philadelphia Regional Port Authority, 3460 North Delaware Avenue, Philadelphia, PA.

Chairman Estey convened an Executive Session.

The Public Session was reconvened.

The first order of business was the approval of the meeting minutes of the November 16, 2007 meeting. Mr. Rubin noted an error in the Audit Resolution on page 5. The resolution regarding the Financial Audit Report and Management Letter should read 2006-2007 not 2005-2006. The meeting minutes were moved, seconded and approved as amended.

**RESOLUTIONS FOR CONSIDERATION:**

**#2007-65      Authorization to Retain Borski Associates, LLC**

Chairman Estey asked Mr. McLaughlin to comment on the Resolution.

The motion was made and seconded as follows:

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**WHEREAS**, the Philadelphia Regional Port Authority (the “Authority”) has been authorized under Section 6 of the Act of July 10, 1989, P.L. 55 P.S. Sections 697.1 – 697.24 of the General Assembly of the Commonwealth of Pennsylvania (the “PRPA Act”) to make and enter into contracts in furtherance of its purposes; and

**WHEREAS**, Section 11(d) of the PRPA Act sets out procedures whereby such contracts may be awarded for professional services in furtherance of the powers and duties of the Authority without competitive bidding; and

**WHEREAS**, the Board of the Authority has determined to secure the services of Borski Associates to represent the Authority on matters relating to federal appropriations in the areas of transportation, infrastructure and homeland security; and

**WHEREAS**, the staff of the Authority has determined that Borski Associates has the requisite expertise and capacity to provide the services herein described.

**NOW, THEREFORE, BE IT RESOLVED:**

1. That the Authority enter into an agreement with Borski Associates to perform the services described in Exhibit “A”, inclusive of all such services, supplies and materials as may be necessary or desirable with respect thereto, but in any event such agreement shall provide for total payments to Borski Associates, inclusive of all expenses for which Borski Associates is to be reimbursed by the Authority, to be not greater than the amounts described in Exhibit “A” on a one-year basis not to exceed \$6,250.00 per month from January 1, 2008 through December 31, 2008.
2. The Executive Director of the Authority, with the advice of its Chief Counsel, is hereby authorized and directed to negotiate the specific terms and conditions of the agreement by which the services shall be provided as noted above, and the Executive Director is hereby authorized and directed to execute, acknowledge and deliver on behalf of the Authority any agreements, documents or other instruments as may be necessary to effectuate such arrangements.

The motion was made, seconded and approved. Resolution No. 2007-65 and Exhibit “A” on file with Authority.

**#2007-66 Approval of FTZ Minor Boundary Modification for Aker Philadelphia Shipyard, Inc.**

Chairman Estey asked Mr. Nicholas Walsh to comment on the Resolution.

The motion was made and seconded as follows:

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**WHEREAS**, the Philadelphia Regional Port Authority (the “Authority”) was established under the Act of July 10, 1989, P.L. 55 P.S., Sections 697.1 – 697.24 of the General Assembly of the Commonwealth of Pennsylvania (the “PRPA Act”) to increase commerce, expand industrial and commercial activities of port related projects to promote economic growth within the Commonwealth of Pennsylvania; and

**WHEREAS**, the Authority is the Grantee of Foreign-Trade Zone 35 (“FTZ No. 35”); and

**WHEREAS**, Akers Philadelphia Ship Yard, (“Akers”) who conducts warehousing operations in the Port of Philadelphia, has expressed an interest in operating a general purpose Foreign-Trade Zone and seeks to have its facility designated for Foreign-Trade Zone use, a copy of the request is attached hereto and incorporated by reference; and

**WHEREAS**, the Authority as grantee of FTZ No. 35 must submit an application to the Foreign-Trade Zones Board for any such designation; and

**WHEREAS**, the Board of the Authority has determined on the basis of information provided by its staff to submit an application to the Foreign-Trade Zones Board for a modification to FTZ No. 35.

**NOW, THEREFORE, BE IT RESOLVED:**

1. The Executive Director of the Authority, with the advice of its Chief Counsel, is hereby authorized and directed to submit an application to the Foreign-Trade Zones Board for a modification to FTZ No. 35.
2. The Executive Director of the Authority, with the advice of its Chief Counsel, is hereby authorized and directed to execute, acknowledge and deliver on behalf of the Authority any documents or other instruments as may be necessary to effectuate the purposes of this resolution.

The motion was made, seconded and approved. Resolution No. 2007-66 and Exhibit “A” on file with the Authority.

**#2007-67 Amended and Restated Lease for Pier 82**

Chairman Estey asked Mr. Robert Blackburn to comment on the Resolution.

The motion was made and seconded as follows:

**WHEREAS**, the Philadelphia Regional Port Authority (the “Authority”) has been authorized under Section 6 of the Act of July 10, 1989, P.L. 55 P.S. Sections 697.1-

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697.24 of the General Assembly of the Commonwealth of Pennsylvania (the “PRPA Act”) to make and enter into contracts in furtherance of its purposes; and

**WHEREAS**, Section 11 (c) of the PRPA Act provides that the Authority may negotiate and execute contracts for management, operation, licensing or leasing of its port facilities, port-related projects, or any part thereof by approval of the majority of its Board and permits the Authority to execute contracts in furtherance of its powers and duties with respect to port facilities; and

**WHEREAS**, the Authority owns Pier 82 South and entered into an Amended and Restated Lease and Operating Agreement with Penn Warehousing & Distribution, Inc. (“Penn Warehousing”) dated March 12, 2001; and

**WHEREAS**, Penn Warehousing approached the Authority to make capital improvements to Pier 82 South; and

**WHEREAS**, in exchange for the Authority making the requested capital improvements, Penn Warehousing agrees to enter into an Amended and Restated Lease and Operating Agreement based upon the terms and conditions set forth in Exhibit “A” attached hereto and incorporated by reference; and

**WHEREAS**, the Board of the Authority has determined, on the basis of information provided to it (which information is attached hereto as Exhibit “A” and incorporated herein by reference), to approve entering into an Amended and Restated Lease and Operating Agreement with Penn Warehousing based upon the terms and conditions set forth in Exhibit “A”.

**NOW, THEREFORE, BE IT RESOLVED:**

1. That the Authority execute an Amended and Restated Lease and Operating Agreement based upon the terms and conditions set forth in Exhibit “A” with Penn Warehousing for Pier 82.
2. The Executive Director of the Authority, with the advice of its Chief Counsel, is hereby authorized and directed to negotiate the specific terms and conditions of the agreement, and the Executive Director is hereby authorized and directed to execute, acknowledge and deliver on behalf of the Authority any agreements, documents of other instruments as may be necessary to effectuate the purposes of this Resolution.

The motion was made, seconded and approved. Resolution No. 2007-67 and Exhibit “A” on file with the Authority.

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**#2007-68 Cargo Simulation At Packer Avenue Marine Terminal for Fast Ship  
Capable Terminal**

Chairman Estey asked Mr. Nicholas Walsh to comment on the Resolution.

The motion was made and seconded as follows:

**WHEREAS**, the Philadelphia Regional Port Authority (the “Authority”) has been authorized under Section 6 of the Act of July 10, 1989, P.L. 55 P.S. Sections 697.1-697.24 of the General Assembly of the Commonwealth of Pennsylvania (the “PRPA Act”) to make and enter into contracts in furtherance of its purposes; and

**WHEREAS**, Section 11 (d) of the PRPA Act sets out procedures whereby such contracts may be awarded for professional services in furtherance of the powers and duties of the Authority without competitive bidding; and

**WHEREAS**, the Authority received a Marine Cargo Terminal Grant (“Grant”) from the Department of Transportation, Maritime Administration; and

**WHEREAS**, the Authority retained FastShip, Inc., as Project Manager to assist in complying with the deliverables set forth in the Grant; and

**WHEREAS**, as part of the deliverables under the Grant, the Authority is to generate and submit a development plan of a marine cargo terminal capable of handling high-speed advance vessels and meeting military sea lift requirements (“Development Plan”); and

**WHEREAS**, in furtherance of completing the Development Plan, the Authority received a proposal from TBA b.v. (“Contractor”) to perform a cargo simulation at the Packer Avenue Marine Terminal; and

**WHEREAS**, the staff of the Authority has determined that the Contractor has the requisite expertise and capability to provide the services herein described in; and

**WHEREAS**, the Board of the Authority has determined, on the basis of information provided to it (which information is attached hereto as Exhibit “A” and incorporated herein by reference), to enter into a professional services contract with the Contractor to develop site criteria and create a preliminary layout of a terminal capable of meeting the requirements set forth in the Grant.

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**NOW, THEREFORE, BE IT RESOLVED:**

1. That the Authority enter into an agreement with the Contractor for the services as described in Exhibit "A" in the amount not to exceed \$325,395.00.
2. The Executive Director of the Authority, with the advice of its Chief Counsel, is hereby authorized and directed to negotiate the specific terms and conditions of the agreement, and the Executive Director is hereby authorized and directed to execute, acknowledge and deliver on behalf of the Authority any agreements, documents of other instruments as may be necessary to effectuate the purposes of this Resolution.

The motion was made, seconded and approved. Resolution No. 2007-68 and Exhibit "A" on file with the Authority.

**#2007-69 Authorization to Acquire 3020 East Tioga Street**

Chairman Estey asked Mr. James McDermott to comment on the Resolution.

The motion was made and seconded as follows:

**WHEREAS**, the Philadelphia Regional Port Authority (the "Authority") has been authorized under Section 6 of the Act of July 10, 1989, P.L.55 P.S. Sections 697.1 – 697.24 of the General Assembly of the Commonwealth of Pennsylvania (the "PRPA Act") to make and enter into contracts in furtherance of its purposes; and

**WHEREAS**, Section 6(a)(5) of the PRPA Act provides that the authority may acquire, by gift or otherwise, purchase, hold, receive, lease, sublease and use any franchise, license, property, real, personal or mixed, tangible or intangible, or any interest therein, necessary or desirable for carrying out the purposes of the Authority; and

**WHEREAS**, the City of Philadelphia is the owner of approximately two(2) acres of land, known as 3020 East Tioga Street ("Property"); and

**WHEREAS**, the City of Philadelphia, through the Philadelphia Authority of industrial Development is willing to convey the Property to the Authority under the terms outlined in Exhibit "A" which information is attached hereto and incorporated herein by reference and for the amount of \$500,000; and

**WHEREAS**, the Board of the Authority has determined, on the basis of information provided to it (which information is attached hereto as Exhibit "A" and incorporated herein by reference), to authorize acquisition of the Property and execution of any documents necessary to acquire the Properties.

**NOW, THEREFORE, BE IT RESOLVED:**

1. That the Authority enter into an Agreement for the acquisition of the Property and execute any documents necessary to acquire the Property for the amount not to exceed \$500,000.
2. The Executive Director of the Authority, with the advice of its Chief Counsel, is hereby authorized and directed to execute, acknowledge and deliver on behalf of the Authority any agreements, documents or other instruments as may be necessary to effectuate the purposes of this Resolution.

The motion was made, seconded and approved. Resolution No. 2007-69 and Exhibit "A" on file with the Authority.

**#2007-70 Authorization to Purchase Two Liebherr Cranes from Penn Terminals**

Chairman Estey asked Mr. James McDermott to comment on the Resolution.

The motion was made and seconded as follows:

**WHEREAS**, the Philadelphia Regional Port Authority (the "Authority") has been authorized under Section 6 of the Act of July 10, 1989, P.L. 55 P.S. Sections 697.1-697.24 of the General Assembly of the Commonwealth of Pennsylvania (the "PRPA Act") to make and enter into contracts in furtherance of its purposes; and

**WHEREAS**, Section 6(a)(5) of the PRPA Act provides that the Authority may acquire, by gift or otherwise, purchase, hold, receive, lease, sublease and use any franchise, license, property, real, personal or mixed, tangible or intangible, or any interest therein, necessary or desirable for carrying out the purposes of the Authority; and

**WHEREAS**, new service calls at the Tioga Marine Terminal and Pier 82 South necessitate the acquisition of a mobile harbor crane for each terminal ("Cranes") as early as January 1, 2008 and not later than April 15, 2008; and

**WHEREAS**, Penn Terminals, Inc. is selling two used Cranes; and

**WHEREAS**, the mobile harbor cranes being sold by Penn Terminals, Inc. are suited for the needs of the operations at the Tioga Marine Terminal and Pier 82 South; and

**WHEREAS**, the Board of the Authority has determined, on the basis of information provided to it (which information is attached hereto as Exhibit "A" and

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incorporated herein by reference), to authorize acquisition of the Property and execution of any documents necessary to acquire the Properties.

**NOW, THEREFORE, BE IT RESOLVED:**

1. That the Authority enter into an Agreement for the acquisition of the Cranes for the amount not to exceed \$4,850,000 and execute any documents necessary to acquire, move and place the Cranes.
2. The Executive Director of the Authority, with the advice of its Chief Counsel, is hereby authorized and directed to submit requests for proposals and negotiate the specific terms and conditions of any agreement necessary to acquire the Properties, and the Executive Director is hereby authorized and directed to execute, acknowledge and deliver on behalf of the Authority any agreements, documents of other instruments as may be necessary to effectuate the purposes of this Resolution.

The motion was made, seconded and approved. Resolution No. 2007-70 and Exhibit "A" on file with the Authority.

**UPDATES:**

Chairman Estey said he would like to have an informational briefing on SouthPort sometime in January.

Mr. McLaughlin noted that Mr. Boise Butler, President of ILA, Local 1291, was re-elected. Chairman Estey asked that the minutes reflect the Board's congratulations to Mr. Butler.

Chairman Estey asked if there was any other business to come before the Board and there being no further business the meeting was adjourned.

Respectfully submitted,

Marian Simpson  
Board Secretary