

PHILADELPHIA REGIONAL PORT AUTHORITY

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

MARCH 19, 2008

Philadelphia Regional Port Authority Board Members Present:

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

Philadelphia Regional Port Authority Members Absent:

Frank Gillen, Michael Rashid

Philadelphia Regional Port Authority Staff Members Present:

James T. McDermott, Robert Blackburn, Jack Dempsey, Gregory Iannarelli, Donald Brennan, Francis Kelly, Edward Henderson, Sean Mahoney, Joseph Petruzzi, Marian Simpson, James Walsh, Nicholas Walsh

Commonwealth of Pennsylvania:

BJ Clark

Others:

Brian Preski, Esq., Ray Heinzelmann, Mike Gabor, Tim O'Neill, Michael Meehan, Kurt Godfrey, Barbara Bisgaier, Jeffrey Blumenfeld

Chairman Estey convened an Executive Session.

The Public Session was reconvened.

The first order of business was the approval of the Board Meeting Minutes of February 20, 2008. Mr. Rubin noted a correction to be made to the minutes regarding the Resolution for the law firm title of Schnader Harrison Segal & Lewis, LLP. The correction was made. The minutes were moved, seconded and approved.

RESOLUTIONS:

#2008-10 CONTRACT FOR ON-CALL ENGINEERING SERVICES WITH CH2M HILL

The motion was made, 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 Board of the Authority has determined, on the basis of information provided to it (which information is attached hereto as Exhibit "A" incorporated herein by reference), to enter into a professional services contract with CH2M Hill to provide on-call engineering services to the Authority for a one-year term.

NOW, THEREFORE, BE IT RESOLVED:

1. That the Authority enter into an agreement with CH2M Hill to provide on-call engineering services to the Authority for a one-year term.
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. 2008-10 and Exhibit "A" on file with the Authority. Mr. Rubin abstained from voting on this Resolution.

#2008-P2 CONTRACT FOR PRPA'S INDEPENDENT AUDITORS

This Resolution was tabled.

#2008-11 AUTHORIZATION TO LEASE TIOGA LAYBERTH TO PENNSHIP SERVICES, LLC

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(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 is the owner of the Tioga layberth in Philadelphia; and

WHEREAS, the Authority expects that the current tenant will not renew its layberth agreement with the Authority; and

WHEREAS, the Authority has identified PennShip Services, LLC as a potential tenant to layberth at Tioga upon the expiration of the current layberth agreement; and

WHEREAS, the Authority desires to begin negotiations with PennShip Services, LLC; 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 negotiating a layberth agreement with PennShip Services, LLC.

NOW, THEREFORE, BE IT RESOLVED:

1. That the Authority enter into negotiations with PennShip Services, LLC for the Tioga layberth.
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 to be presented to the Board for approval.

The motion was made, seconded and approved. Resolution No. 2008-11 and Exhibit "A" on file with the Authority.

#2008-12 AMENDMENT TO THE LEASE WITH DELAWARE RIVER STEVEDORES, INC. ("DRS") FOR THE TIOGA MARINE TERMINAL

Chairman Estey said he would like the record to reflect that he was aware of the on-going negotiations between the Philadelphia Regional Port Authority and Delaware River Stevedores, Inc. He said the Board and staff is changing, in some respects, the way we do business from a terminology and a base line perspective. He further stated that this is a good deal for both the PRPA and DRS as well as for the City of Philadelphia, which is a positive thing. He concluded by saying that the members of the PRPA staff should be commended for their efforts. Mr. McDermott agreed and pointed out that the close cooperation of the Governor's Office; in particular Chairman John Estey, BJ Clark and Nicole Westerman, as well as elected officials, should be commended for contributing to the success of the negotiations. He added that in his tenure at the Port Authority the lease with DRS provides the best rate of return to the Authority.

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 for the leasing, management and operation of port facilities, as such are defined in the PRPA Act; and

WHEREAS, Section 11 (c) of the PRPA Act provides that the Authority may negotiate and execute leases for 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 Board of the Authority has determined, on the basis of information provided by the staff of the Authority, to amend the Lease by and between the Authority and Delaware River Stevedores, Inc. for the Tioga Marine Terminal.

NOW, THEREFORE, BE IT RESOLVED:

1. That the Authority amend the Lease incorporating the terms as outlined in Exhibit "A" attached to this Resolution (the "Amended Lease").

Philadelphia Regional Port Authority
Minutes of the Meeting
March 19, 2008
Page 5

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 Amendment to the Lease 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 2008-12 and Exhibit "A" on file with the Authority. Mr. Chad Rubin abstained from voting on this Resolution.

There being no further business to come before the Board the meeting was adjourned.

Respectfully submitted,

Marian Simpson
Secretary to the Board