

**PHILADELPHIA REGIONAL PORT AUTHORITY**

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

**APRIL 16, 2008**

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

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

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

John Cuff, Thomas Kelly, Michael Rashid

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

James T. McDermott, Jr., Robert Blackburn, Jack Dempsey, Gregory Iannarelli, Francis Kelly, Don Brennan, William McLaughlin, Charles Lawrence, Edward Henderson, Joseph Petruzzi, Jim Walsh, Nick Walsh, Marian Simpson

**Commonwealth of Pennsylvania:**

BJ Clark

**Others:**

Brian Preski, Esq., Robert Callegari, William Gahagan, Chuck McDonald, Kurt Godfrey, Michael Meehan

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 March 19, 2008. The minutes were moved, seconded and approved.

**RESOLUTIONS:**

**#2008-13 FOREIGN TRADE ZONE OPERATING AGREEMENT**

The motion was made, seconded as follows:

**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 make and enter into contracts in furtherance of its responsibilities; and

**WHEREAS**, the Authority is the grantee of Foreign-Trade Zone No. 35; and

**WHEREAS**, 5-K Logistics, Inc. (“5-K”), a warehouse operator in the Port of Philadelphia, desires to conduct foreign-trade zone operations at its warehouse facilities; and

**WHEREAS**, by way of Resolution 2007-45, the Board authorized the staff of the Authority to designate such warehouse space as part of Foreign-Trade Zone 35; and

**WHEREAS**, staff submitted the requisite application to the Foreign-Trade Zones Board to obtain such designation; and

**WHEREAS**, prior to foreign-trade zone operations commencing at the warehouse, 5-K is required, among other things, to enter into an operating agreement with the Authority; and

**WHEREAS**, the Board of the Authority has determined based upon the information as set forth in Exhibit “A” attached hereto and incorporated herein by reference to authorize entering into a Foreign-Trade Zone Operator’s Agreement with 5-K Logistics, Inc.

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

1. That the Authority enter into an agreement with the Contractor to perform the services as may be necessary to carry out the operation of the Foreign-Trade Zone, as designated by the Foreign-Trade Zone Board. The terms of the agreement require the Authority collect \$10,000 annually from 5-K Logistics, Inc.
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. 2008-13 and Exhibit "A" on file with the Authority.

**#2008-14 ADOPTION OF SHORT TERM CAPITAL IMPROVEMENT PLAN**

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 6(a) of the PRPA Act provides that the Authority is created for the purpose of acquiring, holding, developing, constructing, improving, maintaining, managing, operating, financing, furnishing, fixturing, equipping, repairing, leasing or subleasing, as either lessor or lessee or sublessor or sublessee, and owning port facilities, port-related projects, or parts thereof, and equipment within the port district; and

**WHEREAS**, the Authority's primary source of funding for capital maintenance is through funding from the Commonwealth of Pennsylvania delegated to the Authority by the Department of General Services; and

**WHEREAS**, the staff of the Authority has identified short-term capital infrastructure improvements; 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) that the staff should submit a \$20 million capital funding request to the Office of the Budget and the Department of General Services.

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

1. That the Authority adopts the Short Term Capital Improvement Plan attached hereto as Exhibit "A".
2. That the Authority submit requests for funding of capital improvement projects to the Commonwealth of Pennsylvania consistent with the Capital Improvement Plan.

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3. 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 any agreement necessary to effectuate the purposes of this Resolution.

The motion was made, seconded and approved. Resolution No. 2008-14 and Exhibit "A" on file with the Authority. Mr. Lawrence distributed a revised Exhibit "A" for this Resolution.

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

Respectfully Submitted,

Marian Simpson  
Secretary for the Board