

PHILADELPHIA REGIONAL PORT AUTHORITY

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

AUGUST 19, 2009

Philadelphia Regional Port Authority Board Members Present:

Chairman John Estey, Boise Butler, John Cuff, Shawn Dougherty, Vahan Gureghian, Clifford Haines, Chad Rubin (via telephone)

Philadelphia Regional Port Authority Board Members Absent:

Rina Cutler, Michael Rashid, Herb Vederman, Harry Williams

Philadelphia Regional Port Authority Staff Present:

James T. McDermott, Jr., Robert Blackburn, Jack Dempsey, Gregory Iannarelli, Donald Brennan, Edward Henderson, Charles Lawrence, Francis Kelly, Donna Powell, James Walsh, Nicholas Walsh, Sean Mahoney, Joseph Menta, Kate Bailey, Lisa Magee, Marian Simpson

Commonwealth of Pennsylvania:

Herb Packer, Alex Ficken, Kate McNamara

Others:

Brian Preski, Esq., Robert Palaima, Congressman Borski, Linda Lloyd, Michael Meehan

Chairman Estey called the meeting to order and convened an Executive Session.

The Public Session was reconvened and the first order of business was the approval of the meeting minutes of June 17, 2009 and the telephone conference call board meeting of August 5, 2009. The minutes were moved, seconded and approved.

RESOLUTIONS:

**#2009-25 Authorization to Enter into a Lease Agreement with Kinder Morgan
Liquids Terminals, 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

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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 currently leases a portion of the Tioga Marine Terminal to Kinder Morgan Liquids Terminals, LLC; and

WHEREAS, the lease term ends December 31, 2009; and

WHEREAS, staff of the Authority and representatives of Kinder Morgan Liquids Terminals, LLC entered negotiations to extend the lease and have agreed to terms subject to the approval of the Board of the Authority; 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 a lease with Kinder Morgan Liquids Terminals, LLC consistent with the terms set forth in Exhibit "A".

NOW, THEREFORE, BE IT RESOLVED:

That the Authority enter into a lease with Kinder Morgan Liquids Terminals, LLC incorporating the terms as outlined in Exhibit "A".

1. That the Authority enter into a lease with Kinder Morgan Liquids Terminals, LLC incorporating the terms as outlined in Exhibit "A".
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. 2009-25 and Exhibit "A" on file with the Authority. Mr. Chad Rubin abstained from voting on this Resolution.

#2009-26 Authorization to Enter into an Agreement with Terrasan Environmental Solutions, Inc.

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

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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 issued a request for proposals for the removal of superstructure at Pier 124 South; and

WHEREAS, Terrasan Environmental Solutions, Inc. responded to the Request for Proposals and their proposal was determined to be the most advantageous to the Authority; and

WHEREAS, staff of the Authority and Terrasan Environmental Solutions, Inc. entered into an agreement for the removal of superstructure at Pier 124; and

WHEREAS, the Authority's adjacent site, Pier 122 South has four non-functional cranes located thereon; and

WHEREAS, the Terrasan Environmental Solutions, Inc. submitted a proposal for the removal of the four cranes at Pier 122 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 incorporated herein by reference), to approve entering into an agreement with Terrasan Environmental Solutions, Inc. consistent with the terms set forth in Exhibit "A".

NOW, THEREFORE, BE IT RESOLVED:

1. That the Authority enter into an agreement with Terrasan Environmental Solutions, Inc. consistent with the terms set forth in Exhibit "A".
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 or other instruments as may be necessary to effectuate the purposes of this Resolution.

The motion was made, seconded and approved. Resolution No. 2009-26 and Exhibit "A" on file with the Authority.

**#2009-27 Authorization to Enter into a Lease Agreement with Philly
RoRo Partners, 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 issued a request for proposals for the operation of Pier 98 Annex, the Whiskey Yard and the Savage Yard; and

WHEREAS, the Philly RORO Partners, LLC responded to the Request for Proposals and their proposal was determined to be the most advantageous to the Authority; and

WHEREAS, staff of the Authority and representatives of Philly RORO Partners, LLC entered negotiations to lease Piers 98 Annex, the Whiskey Yard and the Savage Yard and have agreed to terms subject to the approval of the Board of the Authority; 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 a lease with Philly RORO Partners, LLC in substantially the same form and consistent with the terms set forth in Exhibit "A".

NOW, THEREFORE, BE IT RESOLVED:

1. That the Authority enter into a lease with Philly RORO Partners, LLC in substantially the same form and consistent with the terms set forth in Exhibit "A".
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, to include the delegation agreement for improvement funds as contemplated in Exhibit "A", documents or other instruments as may be necessary to effectuate the purposes of this Resolution.

The motion was made, seconded and approved. Resolution No. 2009-27 and Exhibit "A" on file with the Authority. Mr. Chad Rubin abstained from voting on this Resolution.

#2009-28 Authorization to Apply for Grant Funding Under the Transportation Investment Generating Economic Recovery Program

The motion was made and seconded as follows:

WHEREAS, the Philadelphia Regional Port Authority has been authorized, under Section 6 of the Act of July 10, 1989, P.L. 291, 55 P.S. Section 697.1, et seq. of the General Assembly of the Commonwealth of Pennsylvania (the "PRPA Act") to apply for and accept grants for the purpose of advancing regional port facilities and port related projects to include furtherance of cooperative state efforts; and

WHEREAS, the Department of Transportation announced \$1.5 billion dollars of federal funding through the Transportation Investment Generating Economic Recovery program ("TIGER Grant"), which was authorized by the American Recovery and Reinvestment Act of 2009; and

WHEREAS, eligible projects include port infrastructure projects; and

WHEREAS, the staff of the Authority identified several port infrastructure projects that would benefit the region if grant funding is received; and

WHEREAS, the Board of the Authority has determined, on the basis of the information provided to it (which information is attached hereto as Exhibit "A" and incorporated herein by reference) to approve submission of a TIGER Grant application.

NOW, THEREFORE, BE IT RESOLVED:

1. That the Authority hereby authorizes its staff to apply for grant funding under the Tiger Grant program.
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 or other instruments as may be necessary to effectuate such arrangements.

The motion was made, seconded and approved. Resolution No. 2009-28 and Exhibit "A" on file with the Authority.

**#2009-30 Resolution to Suspend the RFPs for 3200 East Tioga Street and the
Tioga Marine Terminal Lay Berth**

The motion was made and seconded as follows:

A motion to suspend the RFPs for 3200 East Tioga Street and the Tioga Marine Terminal Layberth was made, seconded and approved. Resolution No. 2009-30 on file with the Authority.

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

Respectfully Submitted:

Marian Simpson
Secretary to the Board of Directors