



MINUTES OF THE BOARD OF DIRECTORS MEETING

JUNE 18, 2019

PhilaPort Board Members Present:

Rocky Bryan, Robert Clark, Jonathan Kemmerley, Anthony Mannino (telephone), Paul McNichol, Michael Pearson (telephone), John Skoutelas

PhilaPort Board Members Absent:

Chairman Gerard Sweeney, John Dougherty, James Shacklett

PhilaPort Staff Present:

Jeffrey Theobald, Edward Henderson, Colette Pete, James Walsh, Lisa Magee, Sean Mahoney, Denise Brumbaugh

Commonwealth of Pennsylvania:

Elizabeth Bonini, Nedra Ralston

Others:

Paul Breeman, Vince Brosovich, Florence Buckley, Boise Butler, Robert Callegari, Jan Chanin, Harvey Chanin, Manny Citron, John Cook, Meredith Hegg, Raymond Heinzelmann, Lisa Kline, Mordechai Liebley, Jean MacFarlane, Marty Mascuilli, Mr. Melton, David Moscatello, Marissa Moylan, Meenal Raval, Samuel Rubin, Scott Taylor, Matt Walker, Peter Winslow, Sophia Zaia, Vitaliy Morodinsky

In the absence of Chairman Gerard Sweeney, Jeff Theobald convened an Executive Session.

Jeff Theobald convened a Public Session.

The next order of business was the approval of the Board Meeting minutes of May 21, 2019. The minutes were moved, seconded and approved.

RESOLUTIONS:

2019-05 APPROVAL OF FOREIGN-TRADE ZONE BOUNDARY MODIFICATION AND TO ENTER INTO OPERATOR'S AGREEMENT

WHEREAS, the Philadelphia Regional Port Authority ("PhilaPort") 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 and to promote economic growth within the Commonwealth of Pennsylvania as well as to make and enter into contracts; and,

WHEREAS, PhilaPort is the Grantee of Foreign-Trade Zone 35 (“FTZ No. 35”) which includes the site identified as 1000 South Port Road, Fairless Hills, Pennsylvania; and,

WHEREAS, Kinder Morgan Bulk Terminals, LLC (“Kinder Morgan”), conducts warehousing operations as an operator with Philadelphia Regional Port Authority and expressed an interest in operating a general purpose Foreign-Trade Sub-Zone at 1000 South Port Road, Philadelphia, Pennsylvania; and,

WHEREAS, Kinder Morgan sought a minor boundary modification of Foreign Trade Zone 35 along with the right to use PhilaPort’s facilities located at 1000 South. Port Road, Fairless Hills, Pennsylvania for warehousing and distribution and to have a portion of the facility designated for Foreign-Trade Sub-Zone status and use, a copy of the request is attached hereto and incorporated by reference as Exhibit “A”; and,

WHEREAS, the requested modification to boundaries did not result in an expansion of the scope of authorized zone activity; and,

WHEREAS, the United States Department of Commerce, Foreign Trade Zones Board approved the request to establish a subzone for the sole use of Kinder Morgan, designating the subzone as 35 H.; and,

WHEREAS, Kinder Morgan desires to enter into an Operator’s Agreement to serve as operator of Foreign Trade Sub-Zone 35 H.; and,

WHEREAS, staff requests approval for PhilaPort to enter into an Operator’s Agreement with Kinder Morgan to operate Subzone 35 H, consistent with the mission of PhilaPort.

WHEREAS, the Board of PhilaPort has determined on the basis of information provided to it by staff to approve and permit PhilaPort to enter into an Operator’s Agreement with Kinder Morgan for the site identified as Foreign Trade Sub-Zone 35 H.

NOW, THEREFORE, BE IT RESOLVED:

1. That Exhibit “A” is hereby adopted and incorporated herein by reference.
2. The Executive Director and CEO of PhilaPort, with the advice of its Chief Counsel, is hereby authorized to enter into an Operator’s Agreement with Kinder Morgan to operate Foreign Trade Sub-Zone 35 H and is directed to execute, acknowledge and deliver on behalf of PhilaPort 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. 2019-05 on file with the Authority.

2019-06 AUTHORIZATION TO SUBMIT BUILD GRANT APPLICATIONS

WHEREAS, the Philadelphia Regional Port Authority (“PhilaPort”) 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 promote 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 United States Department of Transportation administers a BUILD Grant Program (“Program”); and

WHEREAS, the staff of PhilaPort identified a port infrastructure project that would be eligible for grant funding under the Program as set forth in Exhibit “A” attached hereto and incorporated herein by reference; and

WHEREAS, the Board of PhilaPort based upon the information provided by staff authorizes the submission of a rail freight grant for the port infrastructure set forth in Exhibit “A”.

NOW, THEREFORE, BE IT RESOLVED:

1. That PhilaPort hereby authorizes its staff to apply for grant funding through the United States Department of Transportation BUILD Grant Program as set forth in Exhibit “A.”
2. The Executive Director and CEO of PhilaPort, with the advice of its Chief Counsel, is hereby authorized and directed to negotiate the specific terms and conditions of the agreements and the Executive Director and CEO is hereby authorized and directed to execute, acknowledge and deliver on behalf of PhilaPort any agreements, documents or other instruments as may be necessary to effectuate such arrangements.

The motion was made, seconded and approved. Resolution No. 2019-06 on file with the Authority.

2019-07 ADOPTION OF FY 2020 OPERATING BUDGET

WHEREAS, staff has presented the proposed FY 2019/20 Operating Budget (which information is attached hereto as Exhibit "A" and incorporated herein by reference); and

WHEREAS, the Board of PhilaPort adopts the proposed FY 2019/20 Operating Budget.

NOW, THEREFORE, BE IT RESOLVED:

1. The FY 2019/20 Operating Budget is adopted and PhilaPort may seek and expend funds consistent with the approved Operating Budget for Fiscal Year 2019/20.

2. The Executive Director and CEO of PhilaPort, with the advice of its Chief Counsel, is hereby authorized and directed to execute, acknowledge and deliver on behalf of PhilaPort any documents or other instruments as may be necessary, including, but not limited to, execution of interagency agreements, to effectuate the purposes of this Resolution.

The motion was made, seconded and approved. Resolution No. 2019-07 on file with the Authority.

There being no further public business to come before the board, the Public Session was adjourned.

Respectfully Submitted,

A handwritten signature in blue ink that reads "Denise M. Brumbaugh". The signature is written in a cursive, flowing style.

Denise M. Brumbaugh