

**AUTHORIZATION TO ENTER INTO A BERTHING AGREEMENT WITH
NORWEGIAN CRUISE LINE**

Philadelphia Regional Port Authority

Resolution No. 2025-13

November 19, 2025

WHEREAS, the Philadelphia Regional Port Authority (“PhilaPort” or “Authority”) is authorized under Section 6 of the Philadelphia Regional Port Authority Act, July 10, 1989, P.L. 291, No. 50, 55 P.S. Sections 697.1-697.24 of the General Assembly of the Commonwealth of Pennsylvania (the “PRPA Act”) to expand industrial and commercial activities of the Commonwealth in the operation and management of port facilities and port-related facilities; and

WHEREAS, the PRPA Act authorizes PhilaPort to purchase and lease property (Section 6(b)(5)); construct, improve, maintain, and operate port facilities (Section 6(b)(7)); enter into contracts for development and operation of port-related projects (Section 6(b)(8)); execute contracts and instruments necessary for its business (Section 6(b)(12)); enter into agreements with public and private entities (Section 6(b)(13)); and contract for the use of port facilities and fix related fees and charges (Sections 6(b)(17) and 6(b)(22)).

WHEREAS, consistent with its statutory authority and Strategic Plan, PhilaPort’s Board of Directors has determined to develop a cruise terminal as part of its port expansion initiatives;

WHEREAS, PhilaPort has prioritized the launch of cruise service in connection with the celebration of the 250th birthday of the United States of America, recognizing its potential to promote tourism, economic development, and public engagement;

WHEREAS, cruise passenger activity is expected to generate substantial direct and indirect employment and tax revenues for the Commonwealth, and stimulate labor-intensive and other support services vital to the economic well-being of the public;

WHEREAS, PhilaPort has identified the Hog Island Terminal Facility located in Tinicum, PA as a suitable site for a dedicated cruise terminal;

WHEREAS, Norwegian Cruise Lines (“NCL”) has committed to enter into a seven-year Berthing Agreement at the Hog Island Terminal Facility with an initial commitment of 41 sailings per year;

WHEREAS, PhilaPort and NCL have negotiated the terms of the Berthing Agreement to facilitate NCL vessel operations at the Hog Island Terminal Facility; and

WHEREAS, the Board has reviewed supporting documentation (attached as Exhibit “A”) and determined that entering into the Berthing Agreement and awarding related contracts is in the best interest of the Authority;

NOW, THEREFORE, BE IT RESOLVED:

1. PhilaPort is authorized to enter into a Berthing Agreement with NCL for cruise services at Hog Island, contingent upon the purchase of the Hog Island Terminal Facility.
2. PhilaPort is authorized to award supply, service and construction contracts necessary to implement the Berthing Agreement pursuant to Commonwealth Procurement Code, 62 Pa.C.S. § 101, et. Seq., Section 515 (relating to sole source awards) and 516 (relating to emergency procurements) due to the urgency of need to ensure that the cruise terminal is operational and ready to receive passengers by the first scheduled sailing in April 2026.
3. The Executive Director and CEO, with advice from the Chief General Counsel, is further authorized to negotiate and execute any amendments, ancillary agreements, or instruments necessary to implement the Berthing Agreement and related infrastructure projects.

**AUTHORIZATION TO ENTER INTO A BERTHING AGREEMENT WITH
NORWEGIAN CRUISE LINE**

Philadelphia Regional Port Authority

Resolution No. 2025-13

November 19, 2025

MOVED: Richard Lazer

SECONDED: John Skoutelas

APPROVAL: YES

Qualified Majority Required: No

Pearson*

Bryan**

Clark*

Cuff**

Lazer***

Maser*

Shacklett**

Butler**

Santone***

Whitaker*

Skoutelas***

Gubernatorial Appointee*

Legislative Appointee**

Gubernatorial Appointee - County Recommendation ***



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EXHIBIT "A"

Resolution No. 2025-13

November 19, 2025

PhilaPort Staff has worked with Energy Transfer Marketing & Terminals L.P. ("ETMT") and Norwegian Cruise Lines ("NCL") to review the feasibility of a dedicated cruise terminal facility at ET's Hog Island terminal (Tinicum, PA). In addition, PhilaPort has finalized a separate Agreement of Sale of Real Property and a Construction, Operation Easement and Access Declaration with ETMT, which is also being presented for the Board's approval by separate Resolution.

NCL and PhilaPort have agreed to the material terms of a berthing agreement for NCL's seven-year commitment to accommodate a Home Port at Hog Island for a minimum of 41 vessels per year. The specifics of the agreement include:

- **Site Location:** Berthing agreement is contingent upon finalizing Purchase and Sales Agreement for the Hog Island facility with ET.
- **Term Length:** Seven-year agreement beginning April 15, 2026, through March 31, 2033.
- **Berthing Commitment:** NCL commits to a minimum of 41 vessel calls per year at the Hog Island cruise terminal.
- **Fee:** Fixed fee of \$7.56 million, subject to 3.5% annual escalation
- **Marine Development Costs:** PhilaPort to invest \$25M to \$32M in Marine improvements.
- **Landside Development Costs:** NCL to expend \$15 million in landside improvements and PhilaPort to contribute \$5 million. NCL reimbursed by PhilaPort via a \$18.08 million credit over 4 years to include capital carrying cost considerations (the "Landside Improvement Credit"). NCL to also receive a 3.5% project management fee.
- **Exclusivity:** NCL granted exclusive Home Port rights until landside development costs are repaid.
- **Additional Potential Revenue Opportunities for PhilaPort:**
 - Passenger volume exceeding minimum 41 vessel calls.
 - Other cruise lines using the terminal for ports of call.
 - If developed PhilaPort to have rights to on site parking
 - Additional Home Port agreements after NCL's exclusivity period ends.
- **Contingencies:** Agreement is contingent on:
 - PhilaPort acquiring the Hog Island Terminal Facility.
 - Board and Commonwealth approvals.

- Finalization of improvement costs.

PhilaPort Staff recommends that the Board of Directors authorize the execution of the berthing Agreement with NCL based upon the terms outlined above.

**AUTHORIZATION TO ENTER INTO AN AGREEMENT OF SALE OF REAL
PROPERTY AND CONSTRUCTION, OPERATION EASEMENT AND ACCESS
DECLARATION WITH ENERGY TRANSFER MARKETING & TERMINALS L.P.**

Philadelphia Regional Port Authority

Resolution No. 2025-14

November 19, 2025

WHEREAS, the Philadelphia Regional Port Authority (“PhilaPort” or “Authority”) is authorized under Section 6 of the Philadelphia Regional Port Authority Act, July 10, 1989, P.L. 291, No. 50, 55 P.S. Sections 697.1-697.24 of the General Assembly of the Commonwealth of Pennsylvania (the “PRPA Act”) to expand industrial and commercial activities of the Commonwealth in the operation and management of port facilities and port-related facilities; and

WHEREAS, the PRPA Act authorizes PhilaPort to purchase and lease property (Section 6(b)(5)); construct, improve, maintain, and operate port facilities (Section 6(b)(7)); enter into contracts for development and operation of port-related projects (Section 6(b)(8)); execute contracts and instruments necessary for its business (Section 6(b)(12)); enter into agreements with public and private entities (Section 6(b)(13)); and contract for the use of port facilities and fix related fees and charges (Sections 6(b)(17) and 6(b)(22));

WHEREAS, consistent with its statutory authority and Strategic Plan: Destination 2040, PhilaPort’s Board of Directors has determined to develop a cruise terminal as part of its port expansion initiatives;

WHEREAS, PhilaPort has prioritized the launch of cruise service in connection with the celebration of the 250th Anniversary of the United States of America, recognizing its potential to promote tourism, economic development, and public engagement;

WHEREAS, cruise passenger activity is expected to generate substantial direct and indirect employment and tax revenues for the Commonwealth, and stimulate labor-intensive and other support services vital to the economic well-being of the public;

WHEREAS, PhilaPort has identified the Hog Island Dock Terminal Facility located in Tinicum, PA as a suitable site for a dedicated cruise terminal;

WHEREAS, Energy Transfer Marketing & Terminals L.P. (“ETMT”) is the owner of the Hog Island Dock Terminal Facility;

WHEREAS, PhilaPort and ETMT have negotiated the terms of an Agreement of Sale of Real Property (“AOS”) and Construction, Operation Easement and Access Declaration (“COEAD”) for the Hog Island Dock Terminal Facility; and

WHEREAS, the Board has reviewed supporting documentation (attached as Exhibit “A”) and determined that entering into the AOS and COEAD and awarding related contracts is in the best interest of the Authority;

NOW, THEREFORE, BE IT RESOLVED:

1. PhilaPort is authorized to enter into an Agreement of Sale of Real Property and Construction, Operation Easement and Access Declaration with ETMT to purchase the Hog Island Dock Terminal Facility.
2. PhilaPort is authorized to award supply, service and construction contracts necessary to implement the Agreement of Sale of Real Property and Construction, Operation Easement and Access Declaration pursuant to Commonwealth Procurement Code, 62 Pa.C.S. § 101, et. Seq., Section 515 (relating to sole source awards) and 516 (relating to emergency procurements) due to the urgency of need to ensure that the cruise terminal is operational and ready to receive passengers by the first scheduled sailing in April 2026.
3. The Executive Director and CEO, with advice from the Chief General Counsel, is further authorized to negotiate and execute any amendments, ancillary agreements, or instruments necessary to implement the Agreement of Sale of Real Property, and Construction, Operation Easement and Access Declaration, and related infrastructure projects.

**AUTHORIZATION TO ENTER INTO ANAGREMENT OF SALE AND REAL
PROPERTY AND CONSTRUCTION, OPERATION EASEMENT AND ACCESS
DECLARATION WITH ENERGY TRANSFER MARKETING AND TERMINALS L.P.**

Philadelphia Regional Port Authority

**Resolution No. 2025-14
November 19, 2025**

MOVED: David Cuff

SECONDED: James Shacklett

APPROVAL: YES

Qualified Majority Required: No

Pearson*

Bryan**

Clark*

Cuff**

Lazer***

Maser*

Shacklett**

Butler**

Santone***

Whitaker*

Skoutelas***

Gubernatorial Appointee*

Legislative Appointee**

Gubernatorial Appointee - County Recommendation ***

EXHIBIT “A”

Resolution No. 2025-14

November 19, 2025

PhilaPort Staff has worked with Energy Transfer Marketing & Terminals L.P. (“ETMT”) and Norwegian Cruise Lines (“NCL”) to review the feasibility of a dedicated cruise terminal facility at ETMT’s Hog Island Dock Terminal Facility located in Tinicum, PA. In addition, PhilaPort has finalized a separate Berthing Agreement with NCL, which is also being presented for the Board’s approval by separate Resolution.

ETMT and PhilaPort have agreed to the material terms of an Agreement of Sale of Real Property and a Construction, Operation Easement and Access Declaration for PhilaPort to purchase the Hog Island Dock Terminal Facility for use as a cruise passenger terminal for a seven-year period.

The specifics of the Agreement of Sale of Real Property to PhilaPort include:

- Property Conveyance: ETMT will convey to PhilaPort a fee simple determinable interest in approximately 15.47 acres of land and improvements at the Hog Island Dock Terminal Facility for a seven-year period, after which ownership reverts back to ET.
- Purchase Price: \$10.00 consideration.
 - Both ET and PhilaPort have agreed to reciprocal purchase prices of \$20 million each.
 - These amounts are structured to offset one another, resulting in nominal consideration under normal circumstances.
 - However, if PhilaPort defaults or fails to make scheduled installment payments, ETMT reserves the right to accelerate the payment schedule or enforce other remedies triggered by default.
 - PhilaPort remains responsible for reimbursing ET for its predevelopment expenses and closing costs.
- PhilaPort to accept the property in “As-Is” and “WHERE IS” Condition and Release of Claims including all costs for environmental and hazardous substances. PhilaPort is responsible for ET costs related to changes or complications in ETMT’s current remediation approach

- Use and Development:
 - PhilaPort will develop the site solely as a cruise terminal and related functions in accordance with a conceptual plan. PhilaPort must comply with a specifically outlined development plan.
 - PhilaPort shall be solely responsible for any Hazardous Substances that are unearthed, discovered, revealed, exacerbated, mobilized or found at the Property after the Effective Date of the LOI,
 - ETMT retains approval rights over material changes to site layout, infrastructure, and environmental controls.
- Approvals:
 - Execution of the Agreement is contingent upon approvals from PhilaPort's Board, the Office of the Attorney General, and the Office of the Budget.
- Easements and Access
 - ETMT retains easement rights for subsurface infrastructure and environmental monitoring.
 - ETMT has irrevocable access to the property for remediation activities, subject to notice and coordination requirements.
- Reimbursement and Indemnification
 - PhilaPort must reimburse ETMT for increased operating costs resulting from the project, including legal, environmental, and administrative expenses.
 - PhilaPort's tenants and contractors must indemnify ETMT for claims arising from their use, construction, or operations on the property.
 - PhilaPort must reimburse ETMT for liabilities arising from its tenants and consultants.
- Remedies and Enforcement
 - ETMT may accelerate payments or enforce remedies in the event of PhilaPort default.

AUTHORIZATION TO ENTER INTO AN AGREEMENT OF SALE OF REAL PROPERTY WITH PECO ENERGY COMPANY FOR A PORTION OF THE MUSTIN PROPERTY

Philadelphia Regional Port Authority

Resolution No. 2025-15

November 19, 2025

WHEREAS, the Philadelphia Regional Port Authority (“PhilaPort” or “Authority”) is authorized under Section 6 of the Philadelphia Regional Port Authority Act, July 10, 1989, P.L. 291, No. 50, 55 P.S. Sections 697.1-697.24 of the General Assembly of the Commonwealth of Pennsylvania (the “PRPA Act”) to expand industrial and commercial activities of the Commonwealth in the operation and management of port facilities and port-related facilities; and

WHEREAS, Section 6(b)(5) of the PRPA Act authorizes PhilaPort to sell and dispose of property;

WHEREAS, PhilaPort has recently acquired a 152-acre parcel known as the Mustin Site;

WHEREAS, as a consideration of acquiring the site the Commonwealth has requested PhilaPort to sell a portion of the site to PECO Energy Company (“PECO”) who intends to locate an electrical substation to support development in the Navy Yard;

WHEREAS, PhilaPort and PECO (“Parties) have reviewed the sites features and adjacent use considerations and have determined that an approximate 12.75-acre parcel on the northern portion of the site is the most feasible location (see Exhibit A);

WHEREAS, the parties are negotiating a Purchase and Sales Agreement for the sale of approximately 12.75 acre at the Mustin Site for \$12.75 Million.

WHEREAS, the Board has determined that the disposition of a portion of the Mustin Site to PECO as requested by the Commonwealth is in the best interest of the Authority;

NOW, THEREFORE, BE IT RESOLVED:

1. PhilaPort is authorized to enter a disposition of Sale of Real Property with PECO for approximately 12.75 acres of the Mustin Site.
2. The Executive Director and CEO, with advice from the Chief General Counsel, is further authorized to negotiate and execute any amendments, ancillary agreements, or instruments necessary to effectuate any agreements and other requirements needed to sell a portion of the Mustin Site to PECO.

**AUTHORIZATION TO ENTER INTO AN AGREEMENT OF SALE OF REAL
PROPERTY WITH PECO ENERTGY COMPANY FOR A PORTION OF THE MUSTIN
PROPERTY**

Philadelphia Regional Port Authority

**Resolution No. 2025-15
November 19, 2025**

MOVED: John Skoutelas

SECONDED: James Shacklett

APPROVAL: YES

Qualified Majority Required: No

Pearson*

Bryan**

Clark*

Cuff**

Lazer***

Maser*

Shacklett**

Butler**

Santone***

Whitaker*

Skoutelas***

Gubernatorial Appointee*

Legislative Appointee**

Gubernatorial Appointee - County Recommendation ***

EXHIBIT "A"
RESOLUTION NO. 15 November 19, 2025



**AUTHORIZATION TO ENTER INTO CONSENT ORDER AND AGREEMENT AND TO
ENTER INTO PROFESSIONAL SERVICES CONTRACT**

Philadelphia Regional Port Authority

Resolution No. 2025-16
November 19, 2025

WHEREAS, the Philadelphia Regional Port Authority ("PhilaPort") has been authorized under Section 6 of the Act of July 10, 1989, P.L. 55 P.S. Sections 697.1 *et seq.* 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, the PRPA Act authorizes PhilaPort to make and execute contracts and other instruments necessary or convenient for the conduct of its business and the exercise of the powers of the authority pursuant to 55 P.S. Sections 6 (b)(12)(21); and,

WHEREAS, Section 6 (b)(17) of the PRPA Act permits PhilaPort to enter into contracts with the Commonwealth, its agencies and instrumentalities, municipalities, political subdivisions or corporations, on such terms as the authority shall deem proper for the use of any port facility, port-related project or property of the authority, and fixing the amount to be paid; and,

WHEREAS, PhilaPort Staff has identified a matter as set forth and described in Exhibit "A" attached hereto and incorporated by reference that requires Board authorization to enter and settle; and

WHEREAS, in conjunction with the Consent Order and Agreement PhilaPort has identified a Consultant to address the matters contained therein; and

WHEREAS, the Board of PhilaPort, based upon the information presented to it has determined to authorize execution of the Agreements based upon the matters set forth in Exhibit "A" with the entities identified and for the amounts stated.

NOW, THEREFORE, BE IT RESOLVED:

1. That PhilaPort negotiate and enter into the Consent Order and Agreement and a Professional Services Agreement based upon the respective negotiated terms, conditions and amounts identified 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 by which PhilaPort shall be bound as noted above, 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 .

TO: Philadelphia Regional Port Authority

**AUTHORIZATION TO ENTER INTO CONSENT ORDER AND AGREEMENT AND
TO ENTER INTO PROFESSIONAL SERVICES CONTRACT**

Philadelphia Regional Port Authority

**Resolution No. 2025- 16
November 19, 2025**

MOVED: Robert Bryan

SECONDED: James Shacklett

APPROVAL: YES

Qualified Majority Required: No

Pearson*

Bryan**

Clark*

Cuff**

Lazer***

Maser*

Shacklett**

Butler**

Santone***

Whitaker*

Skoutelas***

Gubernatorial Appointee*

Legislative Appointee**

Gubernatorial Appointee - County Recommendation ***

Board of Directors

FROM: James Walsh
Sr. Director of Operations

DATE: November 19, 2025

SUBJECT: CONSENT ORDER AND AGREEMENT REGARDING SOUTHPORT SITE 2 AND PROFESSIONAL SERVICES AGREEMENT

The Philadelphia Regional Port Authority Act in conjunction with PhilaPort's Contracting Policies grant and authorize PhilaPort Staff the latitude and ability to enter into certain administrative agreements. PhilaPort has identified the following matter requiring Board approval.

By way of background, in October 2018, PhilaPort received permit E51-283 to develop Site 2 at Southport. The permit included approximately 4.07 acres of compensatory mitigation to take place and be completed at the commencement of or prior to the placement of fill in the wetland onsite. The mitigation project was delayed due to a number of factors. However, the construction for the Site 2 improvement project moved forward. In November 2023, the Pennsylvania Department of Environmental Protection ("PaDEP") performed an inspection of Site 2, subsequently issued a notice to PhilaPort of a failure to adhere to Special Condition (E) of permit E51-283. [REDACTED]

PhilaPort and PaDEP have worked collaboratively and constructively to resolve any outstanding issues resulting in a Consent Order and Agreement, the material terms of which the following action is required:

- PhilaPort to perform 6.11 acres of compensatory wetland mitigation
- PhilaPort to remit \$11,200.00 to PaDEP

In furtherance of the PaDEP Agreement and to satisfy the wetland obligations for Southport Site 2, PhilaPort has identified First Pennsylvania Resources, LLC. ("RES") of which PaDEP is aware, as having the requisite skill, knowledge, experience and capability to perform the services described above or to provide wetland mitigation credits. RES has an identified mitigation site. The contemplated Agreement would include, among other things, all necessary planning, designing, permitting, construction, monitoring and compliance. The path of engaging RES offers an expedient, cost-effective solution. Anticipated cost is a lump sum of \$6,465,500.00 to be paid in installments at specified milestones.