SUMMARY STATEMENT

ITEM NO.                      SUBJECT: Amendment of Schedule A (Project List) to Indenture of Trust for 1999 PDP Bonds, Series B (non taxable). See DRPA Resolution 99-051

COMMITTEE:                  New Business

COMMITTEE MEETING DATE:     N/A

BOARD ACTION DATE:          February 20, 2008

PROPOSAL:  That the DRPA amend Schedule A (Project List) to the Indenture of Trust authorized by DRPA Bond Resolution 99-051 adopted on August 18, 1999 authorizing issuance of the PDP Bonds, Series B in order to authorize alternative, permissible, uses for the Bond Proceeds.

PURPOSE:  To authorize alternative uses for the Proceeds from the 1999 PDP Bonds, Series B (non taxable) that will be permissible under applicable bond and tax laws.

BACKGROUND:  DRPA Resolution 99-051 was adopted at a DRPA Board meeting held on August 18, 1999. This resolution authorized issuance of both Senior Revenue Bonds and Subordinated Revenue Bonds (the latter are referred to as Port District Project Bonds or “PDP Bonds”). Schedule A to the Indenture of Trust for Series B of the PDP Bonds listed projects to be funded with the proceeds of that bond issue. (1) One such project was the Delaware River Main Channel Deepening project (“Deepening Project”). The DRPA Commission now wishes to amend Schedule A to eliminate funding for the Deepening Project with the DRPA as Non Federal Sponsor and replace that Project with a grant of $19.250 million to the Philadelphia Regional Port Authority (“PRPA”) for the purpose of carrying out the Main Channel Deepening Project with the Philadelphia Regional Port Authority as Non Federal Sponsor in place of the DRPA as authorized by the DRPA Commission by Resolution DRPA 07-013 (adopted May 17, 2007). DRPA staff will negotiate an agreement with PRPA setting forth appropriate terms and conditions for the use of these funds, and including appropriate protections for the interests of DRPA as the issuer of the 1999 PDP Bonds, Series B. (2) The balance of the proceeds of the PDP Bonds, Series B that were originally dedicated to the Main Channel Deepening Project, in the amount of $19.250 million, will be reallocated to other projects developed pursuant to the Southern New Jersey Waterfront Master Plan, and as provided in DRPA 07-013 and its attachment, and consistent with the obligations of the DRPA as issuer of the 1999 PDP Bonds, Series B.
<table>
<thead>
<tr>
<th>SUMMARY:</th>
<th>Amount:</th>
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<tbody>
<tr>
<td>Source of Funds:</td>
<td>(1) $19.250 million [reallocated under DRPA 99-051]; (2) 19.250 million [reallocated under DRPA 99-51]</td>
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<tr>
<td>Operating Budget:</td>
<td>1999 Port District Project Bonds, Series B</td>
</tr>
<tr>
<td>Master Plan Status:</td>
<td>N/A</td>
</tr>
<tr>
<td>Other Fund Sources:</td>
<td>(1) Commonwealth of Pennsylvania; (2) to be determined</td>
</tr>
<tr>
<td>Duration of Contract:</td>
<td>N/A</td>
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<tr>
<td>Other Parties Involved:</td>
<td>(1) Philadelphia Regional Port Authority, United States Army Corps of Engineers, Commonwealth of Pennsylvania; (2) to be determined</td>
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RESOLUTION

RESOLVED: That the Board of Commissioners hereby amends Schedule A to the Indenture of Trust for the 1999 DRPA Port District Project Bonds, Series B (non taxable) authorized by DRPA Resolution 99-051 to remove the Deepening Project listed therein and to replace it with the projects described below; and be it

FURTHER RESOLVED: That the Board of Commissioners authorizes and directs that staff negotiate an agreement with the Philadelphia Regional Port Authority ("PRPA") whereby DRPA will carry out the intent of DRPA Resolution 07-013 including the attachment thereto by allocating $19.250 million for use by PRPA on a basis to be agreed by the parties in order to support PRPA in becoming the Non Federal Sponsor for the Delaware River Main Channel Dredging Project replacing DRPA in that role as provided in DRPA 07-013 and its attachments, and providing protections to DRPA as issuer of the bonds; and be it

FURTHER RESOLVED: That the Board of Commissioners authorizes and directs staff to work with appropriate internal and external parties to develop, review and, subject to Chair, Vice Chair and Chief Executive Officer sign off, approve projects developed pursuant to the Southern New Jersey Waterfront Master Plan; and be it

FURTHER RESOLVED: That when a particular project related to the Southern New Jersey Waterfront Master Plan has been developed and approved by Chair, Vice Chair and Chief Executive Officer, then staff is authorized to negotiate appropriate agreements with parties necessary to carry out the intent of the said projects using up to $19.250 of the proceeds of the said 1999 PDP Bonds, Series B; such agreements to include appropriate protections for DRPA as the issuer of the bonds; and be it
FURTHER RESOLVED: The Chair and the Chief Executive Officer must approve and are hereby authorized to approve and execute all necessary agreements, contracts, or other documents related to the Main Channel Deeping Project on behalf of the DRPA. If such agreements, contracts, or other documents have been approved by the Chair and Chief Executive Officer and if thereafter the Chair is absent or unavailable then the Chief Executive Officer shall execute such documents on behalf of DRPA. The Vice Chair and Chief Executive Officer must approve and are hereby authorized to approve and execute all necessary agreements, contracts, or other documents related to the Southern New Jersey Waterfront Master Plan on behalf of the DRPA. If such agreements, contracts, or other documents have been approved by the Vice Chair and Chief Executive Officer and if thereafter the Vice Chair is absent or unavailable, then the Chief Executive Officer shall execute such documents on behalf of DRPA.

SUMMARY:

Amount: (1) $19.250 million [reallocator of funds approved under DRPA 99-051]; (2) 19.250 million [reallocation of funds approved under DRPA 99-051]

Source of Funds: 1999 Port District Project Bonds, Series B

Operating Budget: N/A

Master Plan Status: (1) Approved [as to funds to be reallocated for use by PRPA]; (2) to be Approved [as to funds related to the Southern New Jersey Waterfront Master Plan]

Other Fund Sources: (1) Commonwealth of Pennsylvania; (2) to be determined

Duration of Contract: N/A

Other Parties Involved: (1) Philadelphia Regional Port Authority, United States Army Corps of Engineers, Commonwealth of Pennsylvania; (2) to be determined