SUMMARY STATEMENT

ITEM NO.                       SUBJECT:   Renewal of Marine Insurance

COMMITTEE:                    New Business

COMMITTEE MEETING DATE:      N/A

BOARD ACTION DATE:           June 10, 2009

PROPOSAL:  That the Board authorize the renewal of the DRPA Marine Insurance Program placed by our brokers at Willis of New Jersey, Inc., for a one year term beginning August 1, 2009 through July 31, 2010.

The Marine Insurance Program, includes the following components: Marine General Liability, and Hull & Machinery which includes Protection & Indemnity. The two policies that cover all three components will expire on August 1, 2009.

Willis of New Jersey, Inc. aggressively marketed this coverage for the 2008-2009 policy period to several insurance companies in order to secure the most competitive pricing available to the Authority. Our broker has recommended that we refrain from marketing the coverage on an annual basis. Last year’s marketing summary was previously provided to the Board. No carriers could match the terms and conditions offered by our current incumbent, Federal Insurance Company. This carrier has an AM Best Rating of A ++(Superior).

PURPOSE:  To reduce the DRPA’s marine and terminal operator’s exposure to risk by providing coverage for operations, work in progress, liability for loss of life and contractual liability related to the Authority’s Ferry, Public Safety, and Cruise Terminal operations.

BACKGROUND:  The expiring combined premiums for last year’s program, which included: (1) Marine General Liability; (2) Hull & Machinery; (3) Protection & Indemnity; and (4) Excess Marine Liability totaled $45,900.

This year, the base Marine Insurance Program includes: 1) Marine General Liability; (2) Hull & Machinery; and (3) Protection & Indemnity. The combined premium for the 2009-2010 policy period will be $39,270.

This year, the Excess Marine Liability policy will be presented in a separate Summary Statement and Resolution.
### SUMMARY:

<table>
<thead>
<tr>
<th>Description</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amount</td>
<td>$39,270</td>
</tr>
<tr>
<td>Source of Funds</td>
<td>Revenue and General Funds</td>
</tr>
<tr>
<td>Capital Project #</td>
<td>N/A</td>
</tr>
<tr>
<td>Operating Budget</td>
<td>DRPA Risk Mgt. C/E #8 – TBD (DRPA/Cruise)</td>
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<tr>
<td>Master Plan Status</td>
<td>N/A</td>
</tr>
<tr>
<td>Other Fund Sources</td>
<td>N/A</td>
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<tr>
<td>Duration of Contract</td>
<td>August 1, 2009 – July 31, 2010</td>
</tr>
<tr>
<td>Other Parties Involved</td>
<td>Willis of New Jersey</td>
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RESOLUTION

RESOLVED: That the Board of Commissioners approves and authorizes the placement of the Marine General Liability Insurance Program, which includes the following components: (1) Marine General Liability, and (2) Protection & Indemnity with Federal Insurance Company, for a one year term beginning August 1, 2009 through July 31, 2010. The total premium for this policy is $39,270; and be it further

RESOLVED: That the Chairman, Vice Chairman and the Chief Executive Officer must approve and are hereby authorized to approve and execute all necessary agreements, contracts, or other documents on behalf of the DRPA. If such agreements, contracts, or other documents have been approved by the Chairman, Vice Chairman and Chief Executive Officer and if thereafter either the Chairman or Vice Chairman is absent or unavailable, the remaining Officer may execute the said document(s) on behalf of DRPA along with the Chief Executive Officer. If both the Chairman and Vice Chairman are absent or unavailable, and if it is necessary to execute the said document(s) while they are absent or unavailable, then the Chief Executive Officer shall execute such documents on behalf of DRPA.

SUMMARY: Amount: $39,270
Source of Funds: Revenue and General Funds
Capital Project #: N/A
Operating Budget: DRPA Risk Mgmt. C/E #8 – TBD (DRPA/Cruise)
Master Plan Status: N/A
Other Fund Sources: N/A
Duration of Contract: August 1, 2009 – July 31, 2010
Other Parties Involved: Willis of New Jersey