

## **SUMMARY STATEMENT**

**ITEM NO.: DRPA-16-056**

**SUBJECT: Amendment to Sale of  
RiverLink Ferry Resolution**

**COMMITTEE:**

**Finance**

**COMMITTEE MEETING DATE:**

**April 13, 2016**

**BOARD ACTION DATE:**

**April 20, 2016**

**PROPOSAL:** That the Board amend the Resolution DRPA-15-012 (previously authorized on January 21, 2015) to clarify the entity to which the RiverLink Ferry may be sold and the amount to be paid by the purchaser.

**PURPOSE:** To convey ownership of the RiverLink Ferry (M/V Freedom) to the Delaware River Waterfront Corporation (DRWC), an entity determined to be eligible by the Federal Government in order to provide continuing ferry service between Pennsylvania and New Jersey.

**BACKGROUND:** By Resolution DRPA-15-012 the Board authorized the sale of the RiverLink Ferry for the sum of \$300,000.00 to the Delaware River Ferry Company, LLC. That transaction was never completed.

The maintenance, refurbishment, and operation of the RiverLink Ferry was undertaken on DRPA's behalf by the DRWC during the 2014-15 and 2015-16 seasons through a Management Agreement with great success. The applicable Federal government agencies have determined that the DRWC is an appropriate "governmental" entity to take title to the Vessel.

The acquisition, refurbishment commencement and operation of ferry service by the DRPA was funded with FHWA and FTA Federal funds. These agencies have required extensive communication and negotiation with regard to the sale of the M/V Freedom. They have required a return to them, as a refund of the \$1,306,000.00 Federal funds used for

**the vessel's purchase and modification, a substantial portion of any proceeds received by the DRPA from the sale of the M/V Freedom.**

**Both the Federal Government and the DRPA's primary concern is to operate the M/V Freedom to continue its intended purpose for ferry services.**

**Direct conversation with the appropriate Federal authorities suggest that the transfer of the M/V Freedom to another governmental entity at no cost could be completed without payment for the Vessel or reimbursement to the FHWA or FTA. The Federal agencies have advised that the prior DRPA year-long negotiation and submittal of multiple documents will be sufficient to approve a transfer for no payment with no further review. This option to transfer the M/V Freedom to the DRWC as a transaction between governmental agencies without financial consideration assures continued ferry service and eliminates all further DRPA financial obligations.**

<b>SUMMARY:</b>	<b>Amount:</b>	<b>N/A</b>
	<b>Source of Funds:</b>	<b>N/A</b>
	<b>Capital Project #:</b>	<b>N/A</b>
	<b>Operating Budget:</b>	<b>N/A</b>
	<b>Master Plan Status:</b>	<b>N/A</b>
	<b>Other Fund Sources:</b>	<b>N/A</b>
	<b>Duration of Contract:</b>	<b>N/A</b>
	<b>Other Parties Involved:</b>	<b>DRWC, FTA and FHWA</b>

**RESOLUTION**

**RESOLVED:**           The Board authorizes DRPA staff to negotiate the transfer of the RiverLink Ferry Vessel to the DRWC, and

It is further Resolved that in full consideration for this transfer the DRWC shall assume all financial responsibility for the operation, maintenance, insurance and sea worthiness of the M/V Freedom Vessel and continuing operation of the ferry service.

**RESOLVED:**           The Chair, Vice Chair and 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 Chair, Vice Chair and Chief Executive Officer and if thereafter either the Chair or Vice Chair is absent or unavailable, the remaining officer may execute the said document(s) on behalf of DRPA along with the Chief Executive Officer. If such agreements, contracts, or other documents have been approved by the Chair, Vice Chair and Chief Executive Officer, and if both the Chair and Vice Chair 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 document(s) on behalf of the DRPA.

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