

## **SUMMARY STATEMENT**

**ITEM NO.: DRPA-16-063**

**SUBJECT: Amendment of Schedule A (Project List) to Indenture of Trust for PDP Bonds, Series A of 1999 (Bond Resolution DRPA 99-051); Authorization to Reallocate Unspent PDP Bond, Series A of 1999 Proceeds (See DRPA-99-051, DRPA-01-147, DRPA-02-042, DRPA 08-019)**

**COMMITTEE:**

**Finance**

**COMMITTEE MEETING DATE:**

**May 11, 2016**

**BOARD ACTION DATE:**

**May 18, 2016**

**PROPOSAL:**

**That the DRPA amend Schedule A (Project List) to the Indenture of Trust based on the Bond Resolution DRPA 99-051 adopted August 18, 1999 authorizing issuance of Port District Project Bonds, Series A of 1999 (Federally Taxable) (“1999A PDP Bonds”) in order to authorize alternative, permissible, uses for a portion of the unspent Proceeds of 1999A PDP Bonds; That DRPA amend Resolution DRPA 08-019 (which reallocated proceeds of the PDP Bonds, Series A of 1999 originally allocated under DRPA 01-147 and reallocated under DRPA 02-042 ) to permit use of \$2,492,465.38 of unspent proceeds of 1999A PDP Bonds (the “Excess 1999A Bonds Proceeds”) to (a) pay the cost of a PATCO Threat & Vulnerability Assessment, and (b) to pay a portion of the costs of the Walt Whitman Bridge Stiffening Truss, Tower and Anchorage Steel Painting Project, with the Excess 1999A Bond Proceeds to be allocated between these two Projects in such relative amounts and expended at such times as the Chief Executive Officer and the Chief Financial Officer, with the advice and counsel of the Authority staff, shall determine.**

**PURPOSE:**

**To reallocate the Excess 1999A Bond Proceeds to (a) pay the costs of a PATCO Threat & Vulnerability Assessment, and (b) pay a portion of the costs of the Walt Whitman Bridge Stiffening Truss, Tower and Anchorage Steel Painting Project.**

**BACKGROUND:** In August of 1999, the Authority issued its 1999A PDP Bonds for the purpose of financing the costs of certain economic development projects of the Authority. The 1999A PDP Bonds were authorized to be issued pursuant to and in accordance with the Port District Project Indenture of Trust, dated as of December 1, 1999 ("1999 PDP Indenture"), which 1999 PDP Indenture was authorized by DRPA Bond Resolution 99-051, adopted on August 18, 1999, as the same has been heretofore amended pursuant to DRPA Resolutions 01-147, 02-42 and 08-019, duly adopted on December 19, 2001, June 19, 2002 and February 20, 2008, respectively. Pursuant to the aforesaid DRPA Resolutions, a portion of the proceeds of the 1999B PDP Bonds was allocated to a Grant to BPG Land Partners VIII, LLC for infrastructure improvements for a mixed-use development project along the Delaware River waterfront in Chester, Pennsylvania pursuant to a Project Grant Agreement dated July 8, 2009 (the "Grant Agreement"). The 1999 PDP Indenture provides that 1999A Excess Bond Proceeds can be used by DRPA for any lawful purpose. The Grant Agreement has now expired and the DRPA Board, along with the staff, has identified two additional capital projects to which it believes would be in furtherance of the public goals of DRPA to apply the Excess 1999A Bond Proceeds: (a) to the payment of the costs of a proposed PATCO Threat & Vulnerability Assessment, the estimated cost of which is \$500,000 (the "Threat Assessment Project"), which the Board desires to add to the DRPA 2016 Capital Project Budget; and (b) to assist in paying a portion of the costs of the Walt Whitman Bridge Stiffening Truss, Tower and Anchorage Steel Blast Cleaning and Painting Project, the estimated design, construction and inspection costs are approximately \$66,000,000 (the "Walt Whitman Bridge Painting Project"); with the Excess 1999A Bond Proceeds to be allocated between these two Projects in such relative amounts and expended at such times as the Chief Executive Officer and the Chief Financial Officer, with the advice and counsel of the Authority staff, shall determine.

In furtherance of such determination, and after careful investigation and analysis, the Board, together with staff and the Authority's professional advisors, have determined that the addition of the Threat Assessment

SUMMARY STATEMENT  
Finance 5/11/16

**Amendment of Schedule A  
(Project List) to Indenture of Trust for  
PDP Bonds, Series A of 1999 (Bond  
Resolution DRPA-99-051); Authorization  
to Reallocate Unspent PDP Bond, Series A  
of 1999 Proceeds (See DRPA-99-051,  
DRPA-01-147, DRPA 02-042, DRPA-08-019)**

---

**Project to the DRPA 2016 Capital Project Budget and the utilization of the 1999A Excess Bond Proceeds to fund the Threat Assessment Project and the Walt Whitman Bridge Painting Project is permitted by and in conformity with the Compact, the Authority's Bylaws, applicable DRPA Resolutions and the 1999 PDP Indenture and, where applicable, federal income tax rules and regulations.**

**Pursuant to this Resolution, the Board now desires to authorize the Chief Executive Officer and the Chief Financial Officer, with the advice and counsel of Authority staff, to: (i) add the Threat Assessment Project to the DRPA 2016 Capital Project Budget; and (ii) reallocate the 1999A Excess Bond Proceeds (a) to the payment of the costs of the Threat Assessment Project; and (b) to assist in paying a portion of the costs of the Walt Whitman Bridge Painting Project. Upon adoption of this Resolution the Chief Executive Officer will have the authority to amend Schedule "A" to the 1999 PDP Indenture and shall immediately thereafter deposit said amendment in the records of the Corporate Secretary with the minutes of the Board meeting authorizing this Resolution.**

<b>SUMMARY:</b>	<b>Amount:</b>	<b>\$2,492,465.38</b>
	<b>Source of Funds:</b>	<b>1999A PDP Bonds</b>
	<b>Capital Project #'s:</b>	<b>WWB1301, New Project# for Threat Assessment</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>Threat Assessment Vendor; Corcon, Inc.</b>

**DRPA-16-063**  
**Finance Committee: May 11, 2016**  
**Board Date: May 18, 2016**  
**Amendment of Schedule A (Project List) to**  
**Indenture of Trust for PDP Bonds, Series A of 1999**  
**(Bond Resolution DRPA 99-051); Authorization**  
**to Reallocate Unspent PDP Bond, Series A of 1999 Proceeds (See**  
**DRPA-99-051, DRPA-01-147, DRPA-02-042, DRPA 08-019)**

**RESOLUTION**

**RESOLVED:** That the Board of Commissioners ("Board") hereby authorizes the Chief Executive Officer and the Chief Financial Officer (each acting with the prior approval and consent of the other) to: (i) add the proposed PATCO Threat & Vulnerability Assessment, the estimated cost of which is \$500,000 (the "Threat Assessment Project"), to the DRPA 2016 Capital Project Budget; and (ii) reallocate the \$2,492,465.38 of remaining proceeds of the Port District Project Bonds, Series A of 1999 (Federally Taxable) (the "Excess 1999A Bond Proceeds") previously allocated to a Grant to BPG Land Partners VIII, LLC for infrastructure improvements for a mixed-use development project along the Delaware River waterfront in Chester, Pennsylvania pursuant to a Project Grant Agreement dated July 8, 2009, to: (a) the payment of the costs of the Threat Assessment Project; and (b) assist in paying a portion of the costs of the Walt Whitman Bridge Stiffening Truss, Tower and Anchorage Steel Blast Cleaning and Painting Project, the estimated design, construction and inspection costs are approximately \$66,000,000 (the "Walt Whitman Bridge Painting Project"); with the Excess 1999A Bond Proceeds to be allocated between these two Projects in such relative amounts and expended at such times as the Chief Executive Officer and the Chief Financial Officer, with the advice and counsel of the Authority staff, shall determine .

**RESOLVED:** That the Board hereby authorizes the Chief Executive Officer to amend Schedule "A" (Project List) of the Indenture of Trust, dated as of December 1, 1999 ("1999 PDP Indenture") authorized by DRPA Bond Resolution 99-051, adopted on August 18, 1999, as the same has been heretofore amended, which 1999 PDP Indenture authorized the issuance of the Port District Project Bonds, Series A of 1999 (Federally Taxable) (the "1999A Bonds"), in order to memorialize the reallocated projects authorized by this Resolution, and the Chief Executive Officer shall immediately thereafter deposit said amendment in the records of the Corporate Secretary with the minutes of the Board meeting authorizing this Resolution; and

**RESOLVED:** That staff be and are hereby authorized and directed to undertake all necessary and convenient actions including, but not limited to, the negotiation of forms of agreement, contracts or other similar documents, subject in each case to review and advice of Counsel, in order to provide funding to qualified entities or persons for purposes of assisting, undertaking and/or completing Threat Assessment Project and the portion of the Walt Whitman Bridge Painting Project to be finance with the Excess 1999A Bond Proceeds, all in accordance and consistent with this Resolution, the 1999 PDP Indenture, the Compact, the Authority's Bylaws, the applicable DRPA Resolutions, as amended, and in accordance with the applicable federal income tax rules and regulations; and

**RESOLVED:** That any agreements, contracts or other documents executed or delivered in connection with the Threat Assessment Project and the Walt Whitman Bridge Painting Project shall include appropriate protections for the Authority, as issuer of the 1999A PDP Bonds.

**SUMMARY:**

<b>Amount:</b>	<b>\$2,492,465.38 from 1999A PDP Bonds</b>
<b>Source of Funds:</b>	<b>1999A PDP Bonds</b>
<b>Capital Project #:</b>	<b>WWB1301, New Project# for Threat Assessment</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 Contracts:</b>	<b>N/A</b>
<b>Other Parties Involved:</b>	<b>Threat Assessment Vendor; Corcon, Inc.</b>