

SUMMARY STATEMENT

ITEM NO.: DRPA-18-023

SUBJECT: Authorization to Reallocate Certain Unspent PDP Bond, Series B of 1999 Proceeds for a Certain Other Capital Project (See DRPA Resolutions 99-051, 08-020, 09-052, 09-100 and 11-111)

COMMITTEE:

Finance

COMMITTEE MEETING DATE:

February 7, 2018

BOARD ACTION DATE:

February 7, 2018

PROPOSAL: That the Delaware River Port Authority ("Authority") amend (a) Resolution DRPA 11-111 (which reallocated proceeds of the Authority's Port District Project Bonds, Series B of 1999 ("1999B PDP Bonds") previously allocated under DRPA 99-051, 08-020 and 09-052) to permit use of \$26,674.98 of unspent proceeds of the 1999B PDP Bonds, and (b) Resolution DRPA 09-100 (which reallocated proceeds of the 1999B PDP Bonds previously allocated under DRPA 99-051 and 08-020) to permit use of \$75,336.09 of unspent proceeds of the 1999B PDP Bonds, such amounts totaling \$102,011.07, to pay a portion of the costs of the PATCO Stations Elevator Installation Project.

PURPOSE: To reallocate unspent proceeds of the 1999B PDP Bonds to pay a portion of the costs of the PATCO Stations Elevator Installation Project, which consists of the installation of new elevators at the six (6) PATCO stations that currently do not have elevators, including construction and construction monitoring.

BACKGROUND: In August of 1999, the Authority issued the 1999B PDP Bonds for the purpose of financing the costs of certain economic development projects of the Authority. The 1999B 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 DRPA-99-051, adopted on August 18, 1999, as the same has been heretofore amended pursuant to DRPA Resolutions 08-020, 09-052, 09-100 and 11-111 duly adopted on February 20, 2008, July 15, 2009, December 28, 2009 and December 14, 2011, respectively. Pursuant to such Resolutions, a portion of the proceeds of the 1999B PDP Bonds were allocated to the demolition of the Riverfront State Prison in the City of Camden and the redevelopment of the site (the "Camden Prison Demolition and Redevelopment Project") and a portion of the proceeds of the 1999B PDP Bonds were allocated to fund the initial costs for the possible

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redevelopment of the former DuPont Facility in Greenwich Township, Gloucester County pursuant to the Grant Agreement, dated May 14, 2010, between the Authority and the Gloucester County Improvement Authority (the "GCIA Project"). The 1999B PDP Bonds were refunded on a tax-exempt basis by the Authority's Port District Project Refunding Bonds, Series 2012 (the "2012 PDP Bonds") issued pursuant to the Indenture of Trust, dated as of December 1, 2012 (the "2012 PDP Indenture"). The proceeds of the 1999B PDP Bonds and the earnings thereon are governed by the Compact, the laws of New Jersey and Pennsylvania, the applicable DRPA Resolutions and the 2012 PDP Indenture. In the Tax Compliance Agreement, dated as December 20, 2012, relating to the 2012 PDP Bonds, the Authority represented that the \$13,492,237.11 of unspent proceeds of the 1999B PDP Bonds then remaining in the 1999B PDP Bonds Project Account of the Project Fund were "Transferred Proceeds" of the 2012 PDP Bonds and would be applied to remaining Port District Projects (as such term is defined in the 1999 PDP Indenture).

Of the aforesaid sum, \$26,674.98 applicable to the Camden Prison Demolition and Redevelopment Project has been determined to be no longer necessary for such project and \$75,336.09 applicable to the GCIA Project has been determined to be no longer necessary for such project, such amounts totaling \$102,011.07 (the "1999B Excess Bond Proceeds"), because both such projects were completed and the total reimbursement requests submitted before closeout were less than the grant awards for such projects. Under the applicable federal tax laws, rule and regulations, the 1999B Excess Bond Proceeds, as "Transferred Proceeds" of the 2012 PDP Bonds, may be applied to the payment of principal of the 2012 PDP Bonds or applied towards other capital projects of the Authority.

The Board of Commissioners of the Authority ("Board"), with the assistance and direction of Authority's Chief Executive Officer, Chief Financial Officer/Treasurer and staff, has identified a capital project to which it wishes to apply the Excess 1999B Bond Proceeds to pay, as soon as practicable, after the date of the adoption of this Resolution by the Board, a portion of the costs of a project consisting of the installation of new elevators at the six (6) PATCO Stations that do not have elevators (Ashland, Haddonfield, Westmont, Collingswood, City Hall and 12th-13th & Locust) (the "PATCO Stations Elevator Installation Project"). This project will make such stations compliant with the Americans with

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Disabilities Act; and the estimated cost of such project is approximately \$35,899,000 for construction and construction monitoring.

In furtherance of such determination, and after careful investigation and analysis, the Board, together with Authority's Chief Executive Officer, Chief Financial Officer/Treasurer and the Authority's professional advisors, have determined that the utilization of the 1999B Excess Bond Proceeds to fund a portion of the costs of the PATCO Stations Elevator Installation Project is permitted by and in conformity with the Compact, the Authority's Bylaws, the 2012 PDP Indenture and federal income tax laws, rules and regulations.

Pursuant to this Resolution, the Board now desires to authorize the Chief Executive Officer and the Chief Financial Officer/Treasurer, with the advice and counsel of Authority staff, to reallocate a portion of the 1999B Excess Bond Proceeds in the amounts of \$26,674.98 and \$75,336.09 (totaling, \$102,011.07) to pay, as soon as practicable after the date of the adoption of this Resolution by the Board, a portion of the costs of the PATCO Stations Elevator Installation Project.

SUMMARY:

Amount:	\$102,011.07
Source of Funds:	1999B PDP Bonds
Capital Project #:	PF1201
Operating Budget:	N/A
Master Plan Status:	N/A
Other Fund Sources:	N/A
Duration of Contract:	N/A
Other Parties Involved:	A.P. Construction

DRPA-18-023
Finance Committee: February 7, 2018
Board Date: February 7, 2018
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For Certain Other Capital Project

RESOLUTION

RESOLVED: That the Board of Commissioners ("Board") of the Delaware River Port Authority ("Authority") hereby authorizes the Chief Executive Officer and the Chief Financial Officer/Treasurer (each acting with the prior approval and consent of the other) to reallocate unspent proceeds derived from the issuance of the Authority's Port District Project Bonds, Series B of 1999 ("1999B PDP Bonds") in the amounts of \$26,674.98 and \$75,336.09, totaling \$102,011.07 (the "1999B Excess Bond Proceeds"), to pay, as soon as practicable after the date of the adoption of this Resolution by the Board, a portion of the costs of a capital project consisting of the installation of new elevators at the six (6) PATCO stations without elevators in order to make such stations compliant with the Americans with Disability Act (the "PATCO Stations Elevator Installation Project"); and

RESOLVED: That the Board hereby authorizes the Chief Executive Officer to memorialize the reallocated project authorized by this Resolution by causing this Resolution to be deposited in the records of the Corporate Secretary with the minutes of the Board meeting authorizing this Resolution; and

RESOLVED: That Chief Executive Officer, Chief Financial Officer/Treasurer and duly authorized staff of each of the foregoing be and are hereby authorized and directed to undertake all necessary and convenient actions including, but not limited to, the negotiation of forms of agreements, contracts or other similar documents, subject in each case to review and advice of Counsel, for purposes of assisting, undertaking and/or completing the portion of the PATCO Stations Elevator Installation Project to be funded with the 1999B Excess Bond Proceeds, all in accordance and consistent with this Resolution, the Indenture of Trust dated as of December 1, 2012, pursuant to which were issued the Authority's Port District Project Refunding Bonds, Series 2012 (the "2012 PDP Bonds") which refunded the 1999B PDP Bonds, the Compact, the Authority's Bylaws, and the applicable Authority Resolutions, as amended, and in accordance with the applicable federal income tax laws, rules and regulations; and

RESOLVED: That any agreements, contracts or other documents executed or delivered in connection with the PATCO Stations Elevator Installation Project shall include appropriate protections for the Authority, as issuer

of the 2012 PDP Bonds, and to ensure the protection of the tax-exempt status of the interest on the 2012 PDP Bonds for federal income tax purposes, where applicable.

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	Capital Project #:	PF1201
	Operating Budget:	N/A
	Master Plan Status:	N/A
	Other Fund Sources:	N/A
	Duration of Contract:	N/A
	Other Parties Involved:	A.P. Construction