ITEM NO.: DRPA-18-131

SUBJECT: Authorization to Defer Effective Date of Biennial CPI-Based Toll Increase to January 1, 2021

COMMITTEE: Finance

COMMITTEE MEETING DATE: November 28, 2018

BOARD ACTION DATE: December 5, 2018

PROPOSAL: That the Board authorizes and directs that the scheduled effective date for the Consumer Price Index-based biennial toll increase approved by DRPA Resolution 08-064, as amended by DRPA Resolution 09-096, and DRPA Resolution 14-147, be deferred from January 1, 2019 to January 1, 2021.

PURPOSE: To reduce the burden on toll payers by deferring the scheduled effective date from January 1, 2019 to January 1, 2021 for the biennial toll increase corresponding to increases in the regional Consumer Price Index for the period beginning September 30, 2013 and ending September 30, 2018.

BACKGROUND: At its meeting of August 20, 2008, the Board of Commissioners of the Authority ("Board") approved a revised Toll Schedule in the form of Attachment "A" to DRPA Resolution 08-064. The Toll Schedule included a number of revisions, including, among other things, a scheduled biennial increase in tolls based upon certain increases in the Consumer Price Index for the Philadelphia region ("CPI") to commence on January 1, 2013 and biennially thereafter. Pursuant to DRPA Resolution 09-096 duly adopted on December 9, 2009, the Board amended the Toll Schedule to defer the date of certain toll increases scheduled to occur on September 1, 2010 to instead occur on July 1, 2011.

A biennial toll increase was not implemented on January 1, 2013 resulting from the fact that the CPI for the biennial calculation period ended September 30, 2012 did not exceed the then-current Toll Schedule. The Board has now been advised by the Finance Committee that increases in the CPI for the biennial calculation period ended September 30, 2018 would result in an increase in the Toll Schedule, which toll increase would become effective on January 1, 2019.

Notwithstanding the foregoing, the Board has determined, that sufficient revenues and bond project funds and General Fund “pay-go” capital funds are available to fund the next four to five years of its capital plan, and that it is therefore both proper and prudent to defer the effective date for the scheduled biennial CPI-based toll increase from January 1, 2019 to January 1, 2021.
Authorization to Defer Effective Date of Biennial CPI-Based Toll Increase to January 1, 2021

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<th>SUMMARY:</th>
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<tbody>
<tr>
<td>Amount:</td>
<td>N/A</td>
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<td>Source of Funds:</td>
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<td>Capital Project #:</td>
<td>N/A</td>
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<td>Operating Budget:</td>
<td>N/A</td>
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<td>Master Plan Status:</td>
<td>N/A</td>
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<td>Other Fund Sources:</td>
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<td>Duration of Contract:</td>
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<td>Other Parties Involved:</td>
<td>N/A</td>
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RESOLUTION

RESOLVED: That the Board of Commissioners of the Authority ("Board") hereby authorize and approve the deferral of the scheduled effective date for the biennial Consumer Price Index-based toll increase authorized by DRPA-08-064, as amended by DRPA-09-096, and DRPA 14-147, from January 1, 2017 to January 1, 2019; and

RESOLVED: That the Chair, Vice Chair and Chief Executive Officer must approve and are hereby authorized to approve and execute any and all necessary schedules, agreements, contracts or other documents on behalf of the Authority. If such schedules, agreements, contracts or other documents have been approved by the Chair and the Chief Executive Officer and if, thereafter, the Chair is absent or unavailable, and it is necessary to execute said document(s) while the Chair is absent or unavailable, the Chief Executive Officer may execute said document(s) on behalf of the Authority; and

RESOLVED: That Authority staff are hereby authorized to take all other necessary and convenient actions, subject in each case to review and advice of the Chief Executive Officer and Counsel, in order to undertake and effectuate on behalf of the Authority the deferral of the scheduled effective date for the biennial Consumer Price Index-based toll increase from January 1, 2019 to January 1, 2021, all in accordance and consistent with DRPA-08-064, as amended by DRPA-09-096, and DRPA 14-147, and this Resolution.

SUMMARY:

Amount: N/A
Source of Funds: N/A
Capital Project #: N/A
Operating Budget: N/A
Master Plan Status: N/A
Other Fund Sources: N/A
Duration of Contract: N/A
Other Parties Involved: N/A