

**DELAWARE RIVER PORT AUTHORITY**  
**Minutes of the January 16, 2013 Board Meeting**  
**One Port Center, Camden, New Jersey**  
**Wednesday, January 16, 2013, 9 a.m.**

**Present**

**PENNSYLVANIA**

David Simon, Chairman  
Eugene DePasquale  
John Lisko (McCord) (via telephone)  
William Sasso, Esquire (via telephone)  
Walter D'Alessio  
Joanna Cruz, Esquire  
Joann Bell (via telephone)  
Andrew Reilly, Esquire

**Officers and Chiefs**

John Matheussen, CEO  
Michael Conallen, Deputy CEO  
Danielle McNichol, General Counsel  
and Corporate Secretary  
John Hanson, CFO  
Toni Brown, CAO  
John Rink, PATCO, General Manager  
Mike Venuto, Chief Engineer

**DRPA Staff**

Ralph Daniels, PATCO Train Operator  
Fran DiCicco, Administrative Coordinator  
Ann DuVall, Executive Assistant to CEO  
Timothy Ireland, Director, Corp. Comm.  
Kevin LaMarca, Director, IS  
Christina Maroney, Manager, Special Projects  
Sheila Milner, Administrative Coordinator  
Elizabeth McGee, Administrative Assistant  
Thomas Raftery, Inspector General  
Bill Shanahan, Director, Government Rel.  
Cheryl Spicer, Assistant General Manager,  
PATCO  
Susan Squillace, Manager, Purchasing  
Jack Stief, Acting Police Chief,  
Public Safety  
Mike Williams, Graphic Design Administrator

**NEW JERSEY**

Jeffrey L. Nash, Esquire, Vice Chair  
E. Frank DiAntonio  
Al Frattali  
Richard Sweeney  
Charles Fentress  
Rick Taylor  
Tamarisk Jones

**Counsel**

Christopher Gibson, Archer & Greiner,  
NJ Counsel  
Tom Ellis, Duane Morris, PA Counsel

**Others**

Kerstin Sundstrom, Assistant Counsel, NJ Gov.  
Authorities Unit  
Kevin Schmidt, PA Governor's Office  
Kathy Boockvar, Chief Counsel to Auditor  
General  
Zack Davis, Esquire  
William Payne, Esquire  
Bill Doldow  
Kathy Venuti (CAC)  
Mike Rochester (CAC)  
Joe Quigley

The Corporate Secretary announced that pursuant to the By-Laws of this Authority, public notice of this meeting of the DRPA Board of Commissioners has been given by posting proper notice in the lobby at One Port Center, and issuing proper notice to the public and news media.

Chairman Simon called the meeting to order and asked that the Corporate Secretary call the roll. The Corporate Secretary announced that there was a quorum. Chairman Simon stated that the first order of business was to welcome the newly sworn in Pennsylvania Auditor General Eugene DePasquale and his General Counsel, Kathryn Boockvar. The Corporate Secretary administered the oath of office and swore in the new Pennsylvania Commissioner for DRPA and PATCO, Eugene DePasquale. Chairman Simon welcomed Eugene DePasquale to the Board. He stated that Commissioner DePasquale is now the ex-officio Chairman of the Audit Committee. Chairman Simon said that we have changed the table layout as we are attempting to make a little bit more collegial and have everyone closer to the center.

#### **Chairman Comments**

Chairman Simon stated that the Yellow Book Management Audit Report was published and available on the website on Monday. He congratulated the Inspector General, Mr. Raftery and the former Auditor General Mr. Wagner and his designee Rob Teplitz, for their work in shepherding the audit process. He stated that it is a 262 page report and in some places is quite complimentary of the Authority, particularly the Engineering and Finance departments, but there are also a whole series of recommendations which were made to include the operations of the Authority. In cooperation with the Vice Chair, we agreed to form a Strategic Planning Committee to comment and review the recommendations. The first Committee's assignment is to review the report, to evaluate these, a joint Management and Board Committee has been formed to review this, prioritizing the recommendations, and provide a plan to the CEO and to the Board as to how to implement the recommendations. He said that they have asked the Committee to report back to this Board in time for the March meeting. The Committee members are Co-Chairs are John Hanson, Commissioners Cruz and Jones. The other three members are Assistant General Manager Cheryl Spicer and Commissioners D'Alessio and Sweeney. Additional staff for the Committee will consist of Deputy Chief Executive Officer Conallen and the Inspector General. The Inspector General is the most knowledgeable about the report having supervised it and this will be very helpful in filling in the spaces in the report to make it totally understandable.

#### **Report of the Chief Executive Officer**

Mr. Matheussen thanked the Chairman and added his welcome, and that of the staff at DRPA and PATCO, to PA's recently sworn-in Auditor General and new DRPA Commissioner Eugene DePasquale. He said he looks forward to working with him for the benefit of the public and region the Authority serves.

Mr. Matheussen said his report stands as submitted, but he will highlight several items.

Mr. Matheussen noted that in December, the Authority sold \$153 million in investment-grade, tax-exempt, refunding bonds. He said DRPA debt is being restructured to take advantage of low interest rates and it is expected the bond sale to result in savings of nearly \$37 million and annual debt service savings of more than \$11 million.

Mr. Matheussen advised that the stage six of the Walt Whitman Bridge re-decking project began last month, and the project, estimated to take 36-39 months in total, is going well.

Mr. Matheussen advised the final Lean Government/Six Sigma team project reports have been completed and are in various stages of implementation. He noted that Chairman Simon and Vice Chair Nash attended a number of report-out sessions.

Mr. Matheussen said the customer response to the PATCO "Quiet Car" pilot program was very positive, and, as a result, the program will be implemented as a regular course of business. Quiet cars are the last cars on designated trains and are available on Monday through Friday from 6:00 a.m. until 9:00 a.m. and from 4:00 p.m. until 7:00 p.m.

Mr. Matheussen advised the Commissioners the Department of Engineering's Month of November, 2012 Program Performance Report is in the front flap of their Board Books. He indicated Chief Engineer Venuto can provide any additional information if needed.

Mr. Matheussen advised the Commissioners of a second item in the front flap of their books, a recent article pointed out to him by PATCO Assistant GM Cheryl Spicer from the U.S. Secretary of Transportation that is good news for the Glassboro-Camden Line (GCL) mass transit expansion project in our region. It is entitled, "New year brings new approach to transit projects." Mr. Matheussen said it means the GCL project is eligible to compete for federal funds based on successful advocacy of a rule change at the federal level resulting in the FTA getting more transit projects started than ever before. He added this is a big win for South Jersey and thanked the federal, state and local leaders who continue to be supportive of this transportation improvement and job-creating project.

Mr. Matheussen provided an update on the Glassboro-Camden Line and said the possibility of an expansion of mass transit in our region has been examined for the past six years through Feasibility and Alternatives Analysis Studies which were required to qualify for federal funding for the project. He said recently, with Board approval, DRPA has begun to work with STV, Inc. on the Environmental Impact Study (EIS) for the line. The EIS is expected to take 18-24 months to complete. He said the subject of the environmental review process is the construction and operation of an at-grade light rail transit system from Camden to Glassboro, NJ. The proposed 17-mile long project will be located within Camden and Gloucester Counties, and mainly within the existing Conrail freight right-of-way, and will entail installation of new track, signals, grade-crossing protection, and 14 new stations at strategic locations within the corridor. He said the Federal Transit Administration (FTA) is the co-lead agency on the project and he has reached out to FTA Regional Administrator Brigid Hynes-Cherin for a status meeting. He noted the project is being headed up by NJDOT and NJ TRANSIT and DRPA is being utilized as the Project Manager to progress the EIS.

Mr. Matheussen acknowledged the efforts of PATCO Train Operator, Ralph Daniels, who recently did something extraordinary in the life of a child. Mr. Matheussen said he wanted to highlight Ralph's effort as they exemplify his humanity. Mr. Matheussen said he heard from the young man's mother that her son enjoys what he calls "real trains." He has been riding trains off and on since he was 6 months old and asks his mother nightly to tell him a story about her ride in

and home on the PATCO train. She said her son showed a particular interest in hearing about “the gentleman who drives the train” she takes to work every weekday. She told her son his name is Ralph and she told Ralph that her son would like to meet him, on a day that Ralph was off work and the child was on vacation from school, Ralph arrived at the family’s station to ride into Philly with the mother and her son. She said that Ralph, “made my son’s vacation,” and that he not only a wonderful train operator who is always helpful, but he is also a “spectacular representative of PATCO. Mr. Matheussen said he agrees that Ralph sets a great example. He also noted that next month, Ralph starts his 39<sup>th</sup> year of service with PATCO and thanked him for exposing the human side of our organization. PATCO General Manager John Rink added that Ralph was invited to a recent PATCO staff meeting where his story was told and he was given a certificate for his efforts.

Mr. Matheussen noted there is an art exhibition open to the public from January 14 – March 1, 2013, (from 10-4p except Jan. 21) at the Stedman Gallery in Camden (Rutgers-Camden Center for the Arts) entitled, “Visions of Camden,” to which DRPA has loaned some historic framed photographs (which explains why there are several blank spots on the walls at OPC), glass slides and drawings that depict the construction of the Ben Franklin Bridge. He noted as DRPA is such an integral part of the fabric of the City of Camden, we were pleased to be asked to be a part of this collaboration between the Stedman Gallery and MARCH (Mid-Atlantic Regional Center for the Humanities.) He hopes anyone who is interested will stop by and see the works on display.

Mr. Matheussen advised the Board that DRPA has been asked by the NJ Office of Homeland Security and Preparedness, Critical Infrastructure Protection Bureau to participate in the NJ Bridges, Tunnels and Roadways Transportation Sector (BRTS) Working Group. He said this Working Group is comprised of members with a wide range of experience in transportation operations as well as Emergency Management and Public Works. He said he plans to attend the first meeting in February representing DRPA/PATCO, and looks forward to participating with other members for the benefit of the security and resiliency of the State’s transportation systems. He noted in the future he will look to having some other key staff be a part of the group. Mr. Matheussen also said he, Deputy CEO Mike Conallen and Director of Government Relations and Grants Administration Bill Shanahan recently had the opportunity to meet jointly with the Directors of the Pennsylvania and New Jersey Offices of Homeland Security, PA Director Thomas Minton and NJ Director Edward Dickson. He said they had valuable discussions on DRPA/PATCO’s operations and the Homeland Security preparedness priorities of both states and how all can work together for the benefit of the region.

Mr. Matheussen provided the Board with an update on the Ben Franklin Bridge South Walkway Bicycle & Pedestrian Ramp, a project he noted is getting a lot of attention from the public. He said on October 17, 2012 (DRPA-12-082), the Board approved an agreement with Amman & Whitney, Inc. (A&W) to provide professional services for the project. The Notice to Proceed was issued on December 11, 2012 and a kick-off meeting was held with the consultant. The duration of the project is 270 days. He said the consultant has submitted information required at project start-up (insurance certificates, Contract Safety Plan, MBE/MWE certifications, Quality Control/Quality Assurance Plan, etc.). The consultant’s field personnel attended PATCO Safety Training held yesterday, January 15, 2013, and the consultant is performing field survey and inspections this week, January 14<sup>th</sup>. Mr. Matheussen said the anticipated design schedule is as

follows: Jan – Feb. 2013: Concept Design and Stakeholder Outreach; March 2013: Preliminary Design; April – Sept, 2013 Final Design. He said the Stakeholder Groups who will be invited to participate in the design of the ramp include the Citizens Advisory Committee, DVRPC, City of Camden, Cooper's Ferry Partnership, Rutgers University and the Bicycle Coalition of Greater Philadelphia.

Mr. Matheussen concluded with a brief presentation on the December 14, 2012, visit he and PATCO General Manager John Rink made to the Alstom plant in Hornell, NY, as a status update on the car rehabilitation project. Mr. Matheussen shared updated the Board with the following information:

- 24 of 26 car exteriors have been cleaned to near original finish, including asbestos abatement
- There are 6 types of cars in the pilot production line: Vickers A, Vickers B, Budd A, Budd B, Converted single A, Converted single B.
- Car 248 is the furthest along: body repairs complete; sub floor; thermal insulation; side interior liners; interior wiring; new HVAC duct and center ceiling section; undercar brackets complete with pneumatic operating units and some air piping installed; one set of doors in and operating.
- The production line area is being made ready for the production cars where work stations will be set up in assembly line fashion with each station performing a series of operations.

Mr. Matheussen said there was discussion at the visit that Alstom fell behind a little on the pilot cars but Alstom officials assured him and Mr. Rink that there is no need for concern and they will be on schedule for the project. Mr. Matheussen said, with the concurrence with Operations & Maintenance Committee Chairman Sasso, Alstom will make a presentation to the Committee in February, and later, as discussed with the Board Chair and Vice Chair, Alstom will provide a presentation to the full Board later that month. Mr. Matheussen pointed out the complexity of the job Alstom has to perform in that due to the age of the PATCO cars, and due to the fact that both manufacturers of the cars, Vickers and Budd, are no longer in business, PATCO mechanics for years made fabricated parts and repairs to keep the trains running well. So Alstom staff is working to disassemble these repairs and engineer cars that are all the same and uniform in operation.

Mr. Matheussen likened the car rehab project to the beginning stages of the Walt Whitman Bridge re-decking project where a great deal of painstaking work was completed at the beginning of the project to develop the pilot cars, they 'kick the tires' and then production begins efficiently.

He said this visit to the Alstom plant reinforced for him that the Authority selected the right engineering company and the right vendors to do this complex work. Chairman Simon asked when the first production car would be finished and when the last car of the entire project would be done and Mr. Rink said October, 2013 and October 2016, respectively.

This concluded his CEO Report.

## **Report of the Chief Financial Officer**

Mr. Hanson stated most of the financial data has been included as part of the CEO's report and Mr. Hanson discussed further on reforming and the history of the Lean Government Program that produced the Dashboard, with a final review of the Dashboard. With respect to the refunding we refunded \$196 million worth of bonds and turned them into \$153 million worth of bonds at par value. It represents a par value reduction in the debt. The coupon interest rate of the debt refunded was almost 5.45%, the true interest of the refunding bonds is 3.1% thereby creating a significant reduction. As Mr. Matheussen pointed out, it represents a \$37 million net present value reduction and an 18.8% savings on a refunded bonds. That's a key number because the threshold for whether or not to do a bond deal is usually 3%. So if it is greater than 3% you will do the deal. In that perspective, this refunding hit the ball out of the park in terms of achieving savings for the Authority when combined with the debt paydown that the Finance Committee and the Board approved. The annual debt service of the Authority will be reduced by approximately \$11 million per year. \$5 million of that is attributable to the refunding and \$6 million to the earlier debt paydown. As a result of the Authority being able to reduce the par value of the debt the earlier paydown and the normal amortization of the debt at the end of 2012, the debt has been reduced by \$185 million from December 31, 2011 to December 31, 2012. \$95 million of that came from the debt paydown, \$45 million from the amortization and the rest was accomplished through this refunding. In addition to that, we have slightly shortened the amount of time that it is going to take to pay this debt back. The average life of the refunded bonds was 9.5 years, the average life of the bonds that we replaced is 9.1 years. It may be a small accomplishment but it does contribute to the overall financial picture of the Authority.

Mr. Hanson continued with the respect to the Dashboard which is a product of the Lean Government program. Mr. Hanson introduced Christina Maroney, Manager working for the Deputy CEO, Michael Conallen. The Lean Government Program started initially with discussions between Ms. Maroney and me. At the time she was involved in the TransTech Management Audit, as well as Strategic Planning. She shared with me feedback that was coming from the employees regarding their desire to have training opportunities and be more involved in decision making. We involved Chief Engineer, Mike Venuto in the discussions and the result of those discussions became The Lean Government Program. It was a pilot program that was largely a volunteer program and some recruitment. One of the recruitment meetings included Cheryl Spicer, General Manager of PATCO. Cheryl quickly agreed to join our team. Also she shared with me a project she had at PATCO to look at a performance indicator. As we began to apply Lean Six Sigma in the Lean Government Initiative we realized that in addition to employee empowerment it focused on accountability through metrics. As a team we agreed that one of the Lean Government Initiatives would be through the Dashboard. Our team asked Jim White, Director of Finance at the Authority to serve with Cheryl as the process owners of that team. That team worked to put this Dashboard presentation together to create a prototype. Mr. Hanson referred to Cheryl Spicer for additional comments.

Ms. Spicer stated we found in our directors meetings that it keeps PATCO on top of the performance, with opportunities to evaluate how we are doing.

Mr. Hanson stated part of Six Sigma is finding out the customer requirements. Although we recognize that the Board and the public may be the ultimate consumers of this Dashboard, we identified the Executive Staff as surrogates for the Board and other stake holders. The team surveyed the Executive Staff to begin to get an idea of what the KPI should be as well as what the goals should be associated with the KPIs and then ultimately there was a meeting with myself, John Matheussen, the process owners, Mike Conallen, Mike Venuto, where we gave them final direction on both the goals and the KPIs. Mr. Hanson indicated that he would describe this as a Dashboard to give you data at a glance. It uses visual management techniques including colors so that you can identify quickly what is going on. Mr. Hanson noted that this as a production prototype. The authority has purchased software and IS is working on installing it. But for now this Dashboard has been created in Excel. The work now has been transferred to Ms. Maroney and Mr. Conallen to produce this Dashboard and will continue to produce it in production going forward. Mr. Hanson referred to Mr. Conallen for comments.

Mr. Conallen stated the Dashboard is being presented to the Board for its initial consideration. They are looking for feedback from the Board in terms of any additional information or specific information that the Board would like to see so that we can meet the customer requirements. As Mr. Hanson stated it is our goal to have this Dashboard on the website available for the Board to reference at any time. It clearly meets several of our strategic goals. It helps maintain our fiscal responsibility and it also goes a long way to improving the openness and transparency of our organization.

Mr. Hanson stated generally the color coding represents some nuances. Blue is budgeted, red is not favorable, yellow is caution and green is favorable. That is part of the visual management technique. These are default settings and hopefully we will be able to fine tune those thresholds for these colors. Mr. Hanson advised that we were fine-tuning issues of when data collection was provided that needed to be addressed. However, the differences should be small after a month has passed as the differences are identified they will be lumped into the year-to-date. We don't expect there to be dramatic differences and the only one we are expecting is with expenses because of accruals because the time the data is gathered the books are still open for that month.

Mr. Hanson discussed the metrics commenting that we typically have not spent as much time estimating the traffic as we have revenue. With the aid of these metrics, we can make appropriate adjustments.

Mr. Hanson continued that PATCO on-time performance as shown in the legend below 95% is in red, 95% to 98% is in yellow, 98% and above in green, and the goal is on the left in blue. We are in a caution area right now with performance in November 2012 being just above 96%, but almost 97% for the actual year-to-date. Mr. Hanson continued lost time claims represent workers compensation claims. DRPA year-to-date is 30 and PATCO year-to-date is 14. For November 2012 there were no new claims for the DRPA and PATCO had 1.

Mr. Hanson continued that a view of vacancies according to the pie chart, DRPA has 47 vacancies and 567 employees, PATCO has 36 vacancies and 297 employees.

Chairman Simon stated in addition to this Dashboard it has already proven to be of value, at least speaking for myself, I am personally dissatisfied with the two yellow bars in terms of PATCO on-time performance. I have discussed this with the CEO and that is something we are looking carefully to improve that on-time performance.

Mr. Hanson stated that is the philosophy of the Lean Government as well as this Dashboard is to allow the Authority to continuously improve. Until we have metrics like this in place that promote the transparency for accountability we do not have as many opportunities to improve.

Commissioner DePasquale inquired regarding the vacancies are these positions we are seeking to fill from a management perspective?

Mr. Hanson responded I don't think that we expect to leave them unfilled. We carefully identified people we will need on staff for this year's budget to get the work done. What this means is we are going to undertake an effort to get these positions filled.

Ms. Brown added that for DRPA the 47 vacancies are not actual 47 vacancies. To clarify, there are 47 vacancies but 24 of those 47 are currently in the process to be filled with the process going forward. Ten of those positions are for police officers. At PATCO, Ms. Brown indicated that the information was incorrect and that it was really only one. Ms. Brown went on to explain that there are 36 unfilled positions. However, because the positions are not funded until later this year, the positions, while vacant, cannot be filled at this time.

Commissioner DePasquale responded he had been seeking clarification if we were looking to keep them open for a budgetary purpose or if we were looking to fill them. He now understands that they are just unfilled and there is a process in place to fill them. Ms. Brown responded affirmatively.

Commissioner Taylor inquired the reason for the on-time performance lag and have we pinpointed the cause for the delay?

Mr. Matheussen responded these are very tight standards and we want to reach 98% and surpass that number. However, in late October for instance, we had a hurricane. We were down for a period of almost 24 hours. That counts against our on-time service because we literally shut the line off. So it doesn't just mean we are measuring the trips during rush hour or even off peak hours. We are measuring them 24 hours a day, 7 days a week. So when you have a breakdown on the line which prevents us from being able to operate, we have four to five minute headways during rush hour and when you have a car breakdown on the line you then have, perhaps, a 20 minute breakdown, that causes you to not be on-time. We want to surpass those statistics and we continue to work to make sure do. Having these statistics helps us measure month to month and find out how we can improve. Also from lessons learned during the hurricane we put some things into practice that we had not done before which were very helpful. When PATCO does have a breakdown often times there are people left on platforms. Typical rush hour in the morning, people are coming from destinations as far as Lindenwold most of them going into Philadelphia to the four stations there. If you have a breakdown on the line that interrupts that service and now suddenly the train starts run again 20 minutes later, you will come to some of

those stations that are further west from Lindenwold and you have completely filled platforms and a train car that cannot accept passengers. So what we are doing is injecting some empty cars ahead so that they can pick up some of those people who are standing on platforms. That is a lesson learned from Hurricane Sandy and we are employing that and it is working fairly well.

Mr. Rink added in regards to November 2012 the hurricane caused a lot of leaves to come off the trees and land on the rail lines. The leaves on the rails cause an oily residue. When this happens we have to reduce our speed so that when the train applies their brakes they do not slide. During that time we had a machine that went out that cleaned the rails. This sometimes also lead to train delays. Mr. Rink continued that we do track a summary of incidents that happen. About 40% of our late trains are attributed to equipment problems, with about 37% relate to public safety, activities, weather, medical emergencies and other issues. One of the things we are tracking is that with 26 cars up in Alston to be overhauled we are down to 94 trains cars. We need 84 train cars to run our rush hour schedule, which does not leave many spares. If a train is removed from service for repairs, it impacts our on time performance statistics. We also have another matrix that we track our train car availability to run our rush hour service.

Ms. Spicer added that human behavior also effects the service. If a passenger would get sick it will shut down service of a train to clean up and get the train back in service, if a dog gets on the track, etc.

Chairman Simon inquired any one month is just a snap shot and the red bar only reflects one month of being over budget. But based on the operating budget for the year we are in good shape. What are we going to do for the first report in March 2013 or April 2013? Are we going to look back 12 months or are we going to show year-to-date? Mr. Hanson responded that our plan was to do year-to-date.

Chairman Simon stated for the first month the bars will be the same. He suggested that they may want to think about addressing that because any one month a storm may hit and it is not truly representative of the prior twelve months. Particularly in terms of timeliness which is not a budget issue.

Chairman Simon continued that Finance, the Lean Government Team, General Counsel did a great job on this process. As you can see, we are doing our best to run the DRPA like a business. He said the Board cannot do what it is supposed to do without good and accurate information like these KPIs. If any Board member has any additional information they would like to see on a monthly basis get that to Mr. Hanson and Mr. Conallen. Chairman Simon stated that the teams that worked on this project did a tremendous job.

#### **Receipt and Filing of the Balance Sheet – As of September 30, 2012**

The Balance Sheet as of September 30, 2012 was previously mailed to all Commissioners and there were no comments.

On motion duly made and seconded, the Balance Sheet as of September 30, 2012 was received and filed.

**Approval of Finance Committee Report of December 5, 2012**

The Report of the Finance Committee Meeting of December 5, 2012 was previously provided to all Commissioners and there were no comments.

On motion duly made and seconded, the Report of the Finance Committee of December 5, 2012 was approved.

**Approval of December 12, 2012 DRPA Board Meeting Minutes**

The Minutes of the December 12, 2012 Board Meeting of the Delaware River Port Authority were previously provided to the Governor of New Jersey and the DRPA Commissioners and there were no comments.

*Commissioner DePasquale abstained from voting.*

On motion duly made and seconded, the Minutes of the December 12, 2012 Board Meeting were approved.

**Receipt and Filing of the Monthly List of Payments Covering the Month of December 2012**

The Monthly List of Payments covering the month of December 2012 was previously provided to all Commissioners and there were no comments.

On motion duly made and seconded, the Monthly List of Payments covering the month of December 2012 was received and filed.

**Receipt and Filing of the Monthly List of Purchase Orders and Contracts Covering the Month of December 2012**

The Monthly List of Purchase Orders and Contracts covering the month of December 2012 was previously provided to all Commissioners and there were no comments.

On motion duly made and seconded, the Monthly List of Purchase Orders and Contracts covering the month of December 2012 was received and filed.

**Approval of Operations & Maintenance Committee Report of December 12, 2012**

The Report of the Operations & Maintenance Committee Meeting of December 12, 2012 was previously provided to all Commissioners and there were no comments.

**Adopt Resolutions Approved by Operations & Maintenance Committee of December 12, 2012**

Chairman Simon stated that when you look at the report, you can see the level of detail that the Operations & Maintenance Committee goes into with reviewing the items that they look at with the assistance of the Chief Engineer. He said that they do a very thorough job with the leadership of the Chair and Vice Chair. He said that the process is working well and to use John's phrase "kick the tires" in the level of detail as each of these projects come up and the Board can feel more confident in making their decisions based upon the Committee's work.

On motion duly made and seconded, the Report of the Operations & Maintenance Committee of December 12, 2012 was approved.

**Design Services for PATCO R.O.W. Embankment Restoration Phase Five**

Mr. Venuto stated that staff would like to negotiate an agreement with AECOM to provide Design Services for the PATCO R.O.W. Embankment Restoration project in the amount of \$610,096. He said that this is a continuation of the embankment restoration, drainage improvements and retaining wall rehabilitation at various locations on the PATCO Right of Way. Mr. Venuto stated that this is the final phase of a long range PATCO project. He said that this project is 80% funded by the Federal Transit Administration which is approximately \$488,076.80.

On motion duly made and seconded, the following Resolution was unanimously adopted and made the action of the Authority:

**DRPA-13-001          Design Services for PATCO R.O.W. Embankment  
Restoration Phase Five**

**2013 Charity Events Bridge Closure Support Services at BFB, CBB & BRB**

Mr. Pulte stated that staff would like Board approval for five (5) annual charity events during the period January 2013 and December 2013. He stated that the costs are outlined in the Summary Statement & Resolution. He said that Police Unity Tour at the Commodore Barry Bridge, the United Veterans of Bridesburg Parade at the Betsy Ross Bridge, the Annual Cancer Society Annual Bike-A-Thon at the Ben Franklin Bridge, Annual Tour de Shore Bike-A-Thon at the Ben Franklin Bridge and the Ben Franklin Bridge Run for the Larc School. He said that these are traditional events that the Authority has had at each of these bridges in the past.

On motion duly made and seconded, the following Resolution was unanimously adopted and made the action of the Authority:

**DRPA-13-002          2013 Charity Events Bridge Closure Support Services at  
BFB, CBB & BRB**

**Approval of Operations & Maintenance Committee Report of January 7, 2013**

The Report of the Operations & Maintenance Committee Meeting of January 7, 2013 was previously provided to all Commissioners and there were no comments.

On motion duly made and seconded, the Report of the Operations & Maintenance Committee of November 7, 2012 was approved.

**Adopt Resolutions Approved by Operations & Maintenance Committee of January 7, 2013**

**Design Services for Commodore Barry Bridge Painting**

Mr. Venuto stated that staff to negotiate an agreement with AECOM to provide Design, Bidding and Award, and Construction Support Services for the Commodore Barry Bridge in the amount of \$1,035,472. Mr. Venuto stated that this Summary Statement & Resolution was previously approved by Operations & Maintenance Committee and the Board. He said that as part of the Contract with the consultant will provide for design, bidding and support services, and the consultant would assist the Authority to answer questions the contractors may have during construction. Mr. Venuto stated that when the agreement went to Legal for review, it was pointed out that the Summary Statement & Resolution only referenced design services. Bidding and award support services and construction support services are typically included in a designers scope of work. The Operation & Maintenance Committee discussed these services being included when the project was initially presented. The new Summary Statement & Resolution contains language to include design of contact, bid and award and construction support services.

Chairman Simon inquired as to why the engineers estimate was lower. Mr. Venuto stated that the Engineers' estimate was lower than estimated by both of the proposing consultants. After discussing the scope of work with the recommended consultant, the Authority agreed that the project would take more man hours than was anticipated.

On motion duly made and seconded, the following Resolution was unanimously adopted and made the action of the Authority:

**DRPA-13-003                      Design Services for Commodore Barry Bridge Painting**

**Contract No. PPC-23-2012, Freedom Dry Docking and Inspection**

Mr. Venuto stated that staff is seeking authorization to negotiate a construction contract with A.P. Construction, Inc. to perform necessary maintenance and repairs, inspection and testing on the M/V Freedom Ferry in the amount of \$190,000. He said that the United States Coast Guard requires a mandatory dry dock inspection every five years. He said that the dry docking work, necessary repairs and maintenance, and inspection by the United States Coast Guard will provide for the re-certification of the vessel. Mr. Venuto stated that the project was publicly advertised with six sets of documents distributed. He said that a total of two bids were received and staff evaluated the bids and recommends A.P. Construction, Inc. as the low responsive and responsible bidder.

On motion duly made and seconded, the following Resolution was unanimously adopted and made the action of the Authority:

**DRPA-13-004                      Contract No. PPC-23-2012, Freedom Dry Docking and Inspection**

**Federal Transit Administration Section 5307/5340 Grant Application**  
**Federal Transit Administration Section 5309 Grant Application**

On motion duly made and seconded, the following Resolutions were unanimously adopted and made the action of the Authority:

**DRPA-13-005                      Federal Transit Administration Section 5307/5340  
Grant Application**

**DRPA-13-006                      Federal Transit Administration Section 5309 Grant  
Application**

**Security Services for Delaware River Port Authority – One Port Center**

Mr. Pulte stated that staff would like to negotiate a three (3) year contract with Allied Barton to provide security for DRPA's One Port Center Building and its tenants in Camden, New Jersey in the amount of \$475,339. He stated that this contract was posted on the DRPA's website and five (5) vendors were solicited. A total of seven bids were received and reviewed by the OPC Building Manager and Chief Operating Officer. Mr. Pulte stated that the lowest responsive and responsible bidder was submitted by Allied Barton. He stated that the next closest bidder was our present contractor, ABM Security Service. Vice Chair Nash inquired whether we will be keeping our present personnel and Mr. Pulte stated that they are trying to keep them on.

*Commissioner Sasso abstained from voting.*

On motion duly made and seconded, the following Resolution was adopted and made the action of the Authority:

**DRPA-13-007                      Security Services for Delaware River Port Authority –  
One Port Center**

**Snow Removal Services for DRPA's One Port Center Building**

On motion duly made and seconded, the following Resolution was unanimously adopted and made the action of the Authority:

**DRPA-13-008                      Snow Removal Services for DRPA's One Port Center  
Building**

**Adopt Resolutions Approved by Finance Committee of January 9, 2013**

**DRPA/PATCO Owner Controlled Insurance Program Policy Extension**

Ms. Brown stated that staff is seeking authorization to extend the remaining six Owner Controlled Insurance Program (OCIP) policies which are scheduled to expire on March 7, 2013. She stated that this extension was approved by the Finance Committee. She said that on August

1<sup>st</sup> in conjunction with the selection of our new OCIP administrator, the Board voted to extend the last OCIP program for an additional 14 months or until June 30, 2014 which coincides with the completion of the already enrolled OCIP projects. She stated that the last OCIP had eight policies that were supported and two of those policies had been approved by the Board in terms of extensions. Ms. Brown stated that there are six policies that need to be extended to coincide with the new expiration date of the OCIP. She stated that she is seeking authorization to extend those six policies and the carrier for all the policies will remain the same with AIG and all the terms and conditions will remain the same.

*Commissioner Reilly abstained from voting.*

On motion duly made and seconded, the following Resolution was unanimously adopted and made the action of the Authority:

**DRPA-13-009**

**DRPA/PATCO Owner Controlled Insurance Program  
Policy Extension**

**Renewal of Toll Systems Maintenance Agreement**

Chairman Simon stated that this Summary Statement & Resolution is being revisited, as the prior Summary Statement & Resolution was vetoed by the Governor of New Jersey.

Mr. Hanson stated that the new Summary Statement & Resolution there is no opportunity for the vendor to exercise a price unilateral price increase with COLA as was previously in the contract. In addition to that, he stated that this Resolution is slightly different from the one presented to the Finance Committee as there are no renewals for options. He said that it is a straight two year contract term.

Chairman Simon stated that this agreement will supersede the previous one which Governor Christie vetoed over this technicality. Mr. Matheussen stated that he has spoken with the Governor's Authorities Unit and there is recognition that this will move forward. We do have concern regarding the two year period and that we have to begin a competitive process now. This is a complicated service, with both software and hardware. He said that this process is a lengthy one and we might have some models out there such as the New Jersey Turnpike with the New Jersey consortium having gone through a similar process and we may be able to use some of their benchmarks to move this forward. He said that staff needs to start now to create a competitive process to use. Mr. Hanson remarked that the equipment is proprietary so it would follow that it could not be a competitive process for maintenance and service. If we are going to competitively bid this, we will need to scrap the equipment and software we have in place. This contract is to support the equipment of software in place. This is going to be a major change to our revenue reporting and tolls systems. Chairman Simon stated that this contract expires at the end of January and we will have a major problem if this does not get passed today. Mr. Hanson stated that we will have a critical problem and we will not have the ability to collect tolls and report revenue.

Ms. McNichol stated that this is amended on floor, as it is a slightly different modification without the option with a confirmed two year contract, from the Summary Statement & Resolution previously voted out of the Finance Committee.

On motion duly made and seconded, the following Resolution was unanimously adopted and made the action of the Authority:

**DRPA-13-010                      Renewal of Toll Systems Maintenance Agreement**

**RiverLink Ferry Operations**

Chairman Simon stated that this Resolution deals with the ferry operator, and inherent in the passage of this Resolution; the DRPA is going to stay in the ferry business. He said there had been some discussion whether or not this was part of the Authority's core mission, it going to be during the duration of this agreement it is going to be part of the core interstate transportation mission.

Mr. Pulte stated we own a ferry which sits outside on the Camden side that and we operate ferry service from the Camden side to the Philadelphia side mainly during special events, but also during the day from May through Labor Day. He said that we are looking to expand the service for July and possibly weather permitting for the New Year's eve fireworks. He said that we are also looking to expand the hours working with the Aquarium and also other Camden waterfront activities. He stated that this project was advertised on the DRPA's website with two proposals received. Mr. Pulte stated that there were three groups that came to the pre-bid meeting – National Ferry which is located in Virginia, HMS which is our current operator, and Cooper's Ferry. Cooper's Ferry did not submit a proposal. We received two proposals where HMS asked us to pay them \$120,000 per year. Mr. Pulte stated that staff is seeking authorization to negotiate a two year contract with National Ferry Corporation to provide passenger ferry operation services for the RiverLink Ferry in the amount of \$45,000 plus a variable number based on ridership for the first year and in 2014, \$55,000 for the second year plus a variable number based on ridership. Mr. Pulte stated that we will work with the Waterfront Corporation on their activities and also the Camden Waterfront in order to expand the services. He said that this goes hand in hand with our dry dock activities.

Commissioner Sasso inquired about a discussion regarding water taxi service with the ferry service? Mr. Pulte stated that currently the Waterfront Corporation owns some water taxis, HMS's proposal outlined using those water taxis, but at this time the Committee looked at it and decided that the Authority will not use the water taxis. However, Mr. Pulte agrees to advise National Ferry about contacting the Waterfront Corporation about using water taxis for themselves.

On motion duly made and seconded, the following Resolution was unanimously adopted and made the action of the Authority:

**DRPA-13-011                      RiverLink Ferry Operations**

Mr. Matheussen briefed the Board on a matter regarding the RiverLink Ferry and sought the Board's ratification on Emergency Action taken. He advised the Board of the following:

- Mr. Matheussen said after consultation with the CAO, General Counsel and the Inspector General, he authorized staff to direct Aon to bind the necessary coverages needed to protect the ferry boat, in the absence of an operator.
- The contract with the ferry operator (HMS) expired on December 31, 2012.
- The Agreement between DRPA and HMS required the operator to carry the following insurance: (1) Hull & Machinery, including Protection & Indemnity, and (2) Vessel Pollution coverage at \$10 Million Loss Limit.
- Aon presented staff with two quote options through DRPA's incumbent marine coverage carrier (CV Starr): (1) Port Risk coverage – covers the vessel while docked and also provides coverage for the trip to/from the shipyard for repairs; and (2) Full Navigation coverage – covers the vessel anywhere. DRPA's broker recommended the Port Risk coverage.
- CV Starr was unable to provide the Vessel Pollution coverage. Water Quality Insurance Syndicate (WQIS) is the only carrier that could provide the Pollution Vessel Insurance for the ferry boat. However, we secured a total of \$9 Million in Pollution Vessel insurance coverage: \$5 Million in coverage from Water Quality Insurance Syndicate and the remaining \$4 Million to be covered under the Umbrella Policy already provided by CV Starr. Aon has indicated that \$9 Million in Pollution Vessel coverage is sufficient for the ferry while a new operator is being chosen.
- Aon sent the Political Contributions & Certification Forms to CV Starr and Water Quality Insurance Syndicate. As of 1/4/2013, Aon has not been successful in its efforts to secure the completed forms. Letters were sent to parties confirming no political contributions.
- Total annual premium for all coverages: estimated \$14,260 (including terrorism coverage). The premium is net of commission. DRPA will be entitled to a partial reimbursement for the premium paid after DRPA contracts with a new operator.
- Based on these developments, Aon was authorized to bind the required coverage with CV Starr and Water Quality Insurance Syndicate effective 12/31/2013.

The Board voted unanimously to ratify the actions of the Chief Executive Officer.

**Creation of Records Manager, Records Retention Position and Request for Hay Review of Position**

On motion duly made and seconded, the following Resolution was unanimously adopted and made the action of the Authority:

**DRPA-13-013**

**Creation of Records Manager, Records Retention Position and Request for Hay Review of Position**

**Creation of Legal Secretary Position within Office of General Counsel**

On motion duly made and seconded, the following Resolution was unanimously adopted and made the action of the Authority:

**Unfinished Business**

There was no DRPA unfinished business.

**New Business****Item 1 –Consideration of Pending DRPA Contracts (Between 25,000 and \$100,000)**

On motion duly made and seconded, the following Resolution was unanimously adopted and made the action of the Authority:

**DRPA-13-012****Consideration of Pending DRPA Contracts (Between 25,000 and \$100,000)****Item 2 – Termination of CRA Agreement**

Commissioner Mason stated that in the Resolution it lists a Block and Lot and she inquired where this shopping center located. Vice Chair Nash stated that the shopping center was an economic development project back in late 1990's, early 2000's. He said that the intent of the North Camden community was to work with the DRPA and Camden Redevelopment to build this supermarket at 7<sup>th</sup> and Vine. This was unsuccessful and this agreement reimburses the DRPA for all of the economic development money it had invested into the project, while at the same time it allows CRA Camden City to build a charter school at that location. He stated that this would be a wonderful addition to that community especially with the children of North Camden who would have an opportunity to receive a charter school education. Vice Chair Nash said that it is a win-win situation - the DRPA will recover all of its economic development money and the children will get a school at the vacant property.

Commissioner DePasquale stated that when that was originally agreed, was there a timeline that DRPA gave and we are now at the end of the timeline or is there an understanding now that it is not going to happen. Vice Chair Nash stated that there was an understanding that it was not going to happen several years ago and the properties remained vacant until this charter school owner expressed an interest in building a charter school. Commissioner DePasquale stated that it is very hard to get a grocery store in urban areas, but it is a real challenge. Vice Chair Nash asked Mr. Conallen, on a contractual issue, is there a timeframe that was set forth where this had to be accomplished. Mr. Conallen stated that the original contract date was March 27, 2001. It originally stated that if no development took place in six months of execution of the contract, the development rights transferred to the DRPA. He stated that at the far end which is December 31, 2014, if no development had occurred that the Camden Redevelopment Agency would be required to repay the DRPA all of the money it had invested in the project. Commissioner DePasquale stated that an option came on the table prior to of 2014, the grocery store was going to happen; now the charter school is going to happen. Vice Chair Nash agreed that CRA will expedite the repayment to the DRPA as if the 2014 had occurred.

On motion duly made and seconded, the following Resolution was unanimously adopted and made the action of the Authority:

**DRPA-13-015**

**Termination of CRA Agreement**

**Citizens Advisory Committee Update**

Chairman Simon acknowledged Ms. Venuti and Mr. Rochester of the Citizens Advisory Committee. He thanked them for their continued interest in the Authority. There was no report from the Citizens Advisory Committee.

**Public Comment**

There was no public comment.

**Executive Session**

Chairman Simon called for a motion to go into Executive Session. He said that the decisions made in Executive Session will be made public when the issues are resolved. Upon motion duly made and seconded, the Committee moved into Executive Session.

There being no further business, on motion duly made and seconded, the meeting was adjourned.

Respectfully,

A handwritten signature in black ink, appearing to read 'Danielle L. McNichol', written over a horizontal line.

Danielle L. McNichol  
Corporate Secretary

# REPORT OF THE CHIEF EXECUTIVE OFFICER

January 16, 2013

Delaware River Port Authority  
of Pennsylvania and New Jersey  
One Port Center  
2 Riverside Drive  
Camden, NJ 08101-1949

January 16, 2013

## To the Commissioners:

The following is a summary of recent DRPA activities. I have attached the appropriate reports.

### **BRIDGE AND FINANCE**

In late December, we sold \$153 million in investment-grade, tax-exempt, refunding bonds. The bonds have serial maturities from 2014 to 2027, and an option for a 10-year par call. Proceeds from the sale are being used to refund port district project bonds, series 1998B, 1999B and 2001A.

We are restructuring our debt now to take advantage of low interest rates, and we expect the bond sale to result in net present value savings of nearly \$37 million and annual debt service savings of more than \$11 million.

Stage Six of the Walt Whitman Bridge redecking project began last month. The project continues to progress on schedule.

We are developing a construction schedule to replace expansion joints at the Ben Franklin Bridge towers.

Construction on the Ben Franklin Bridge salt storage building has been completed, and a formal project close-out is pending. Miscellaneous structural repairs on the Commodore Barry Bridge also have been completed, and a formal project close-out is pending.

Replacement emergency generators for the Commodore Barry Bridge have been ordered. Pre-installation construction is scheduled to begin this week.

Lean Government/Six Sigma final reports have been completed, and resulting projects are in various stages of implementation.

**FOR BRIDGE AND TRAFFIC HIGHLIGHTS, SEE ATTACHMENT 1**

### **PATCO**

On Jan. 2, Quiet Cars became a permanent feature of PATCO rail service.

The last cars on designated trains, Quiet Cars are available on Monday through Friday from 6 a.m. until 9 a.m. and from 4 p.m. until 7 p.m. Quiet Car passengers are expected to limit cell phone use to silent texting and silent games, to keep conversations brief and whispered and to play music through headphones in a manner that cannot be heard by other passengers.

Our trains are now outfitted with signs informing passengers that the last car on each six-car rush hour train is a Quiet Car. The signs also display the hours of availability.

## **Report of the Chief Executive Officer, January 2013**

During the pilot program, we used the train public address systems to announce the availability of a Quiet Car. In the interest of keeping Quiet Cars quiet – and at the direction of our customers – the on-board announcements have been discontinued.

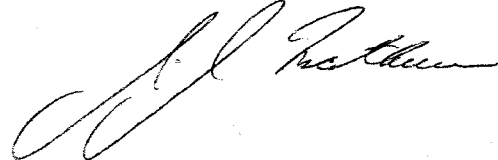
The Quiet Car pilot program launched on March 1 and was originally scheduled to conclude on June 1. Positive customer feedback collected from online surveys encouraged PATCO to extend the pilot until year's end. During the pilot program, the Quiet Car ran 24-hours-a-day, Monday through Friday.

Contractor bids for the PATCO track rehabilitation project on the Ben Franklin Bridge are scheduled to open on Jan. 22.

**FOR PATCO RIDERSHIP AND FINANCIAL INFORMATION  
SEE GENERAL MANAGER'S REPORT IN THE PATCO SECTION**

**FOR A LIST OF BRIDGE AND FINANCE ACTIONS, SEE ATTACHMENT 1  
FOR A LIST OF PERSONNEL ACTIONS, SEE ATTACHMENT 2  
FOR A LIST OF CONTRACTS AND PURCHASES, SEE ATTACHMENT 3  
FOR A LIST OF RISK MANAGEMENT & SAFETY ACTIONS, SEE ATTACHMENT 4**

Respectfully Submitted,

A handwritten signature in black ink, appearing to read 'J. J. Matheussen', written in a cursive style.

John J. Matheussen  
Chief Executive Officer, DRPA  
President, PATCO

**DELAWARE RIVER PORT AUTHORITY  
MONTHLY REPORT  
DECEMBER 2012**

**ATTACHMENT 1**

| <b>POLICE ACTIVITIES</b>                      | <b>CBB</b> | <b>BFB</b> | <b>PAT</b> | <b>BRB</b> | <b>WWB</b> | <b>Dec-12<br/>TOTALS</b> | <b>2012<br/>YTD</b> | <b>Dec-11<br/>TOTALS</b> | <b>2011<br/>YTD</b> |
|-----------------------------------------------|------------|------------|------------|------------|------------|--------------------------|---------------------|--------------------------|---------------------|
| ARESTS-DWI                                    | 1          | 15         | 1          | 5          | 12         | 34                       | 379                 | 27                       | 329                 |
| ARRESTS-CRIMINAL                              | 0          | 6          | 8          | 0          | 0          | 14                       | 221                 | 14                       | 204                 |
| ARRESTS-DISOR/OTH/WARR                        | 2          | 30         | 54         | 1          | 14         | 101                      | 1531                | 81                       | 1247                |
| ARRESTS-TOLL EVASION                          | 1          | 0          | 6          | 0          | 1          | 8                        | 92                  | 2                        | 38                  |
| FIRES EXTINGUISHED                            | 0          | 0          | 0          | 0          | 0          | 0                        | 0                   | 0                        | 9                   |
| DISABLED VEH. REMOVED                         | 25         | 47         | 32         | 4          | 92         | 200                      | 2623                | 232                      | 1698                |
| TOTAL OTHR SUMM-12/2012                       | 81         | 358        | 265        | 139        | 225        | 1068                     | 11251               |                          |                     |
| TOTAL SUMM-12/2011                            | 174        | 447        | 331        | 192        | 655        |                          |                     | 1799                     | 2618                |
| SPEEDING SUMM-12/2012                         | unk        | unk        | unk        | unk        | unk        | 0                        | 295                 |                          |                     |
| SPEEDING SUMM-12/2011                         | 55         | 157        | 75         | 190        | 131        |                          |                     | 608                      | 0                   |
| WARNINGS-12/2012                              | 157        | 270        | 154        | 177        | 302        | 1060                     |                     |                          |                     |
| <b>ACCIDENT STATISTICS<br/>NON-REPORTABLE</b> |            |            |            |            |            |                          |                     |                          |                     |
| ACCIDENTS - 12/2012                           | 1          | 10         | 2          | 1          | 10         | 24                       |                     |                          |                     |
| ACCIDENTS - 12/2011                           | 1          | 5          | 3          | 0          | 19         |                          |                     | 28                       |                     |
| ACCIDENTS-YTD - 2012                          | 27         | 198        | 42         | 9          | 264        |                          | 540                 |                          |                     |
| ACCIDENTS-YTD - 2011                          | 22         | 206        | 52         | 17         | 252        |                          |                     |                          | 549                 |
| <b>ACCIDENT STATISTICS<br/>REPORTABLE</b>     |            |            |            |            |            |                          |                     |                          |                     |
| ACCIDENTS - 12/2012                           | 3          | 4          | 1          | 1          | 4          | 13                       |                     |                          |                     |
| ACCIDENTS - 12/2011                           | 0          | 5          | 4          | 4          | 3          |                          |                     | 16                       |                     |
| ACCIDENTS -YTD - 2012                         | 30         | 83         | 31         | 14         | 88         |                          | 246                 |                          |                     |
| ACCIDENTS -YTD - 2011                         | 15         | 96         | 40         | 32         | 144        |                          |                     |                          | 327                 |
| <b>ACCIDENT INJURIES</b>                      |            |            |            |            |            |                          |                     |                          |                     |
| INJURIES -12/2012                             | 1          | 0          | 0          | 0          | 1          | 2                        |                     |                          |                     |
| INJURIES - 12/2011                            | 0          | 6          | 0          | 0          | 2          |                          |                     | 8                        |                     |
| INJURIES -YTD - 2012                          | 13         | 34         | 7          | 3          | 40         |                          | 97                  |                          |                     |
| INJURIES -YTD - 2011                          | 5          | 27         | 2          | 7          | 55         |                          |                     |                          | 96                  |
| <b>DEATH STATISTICS</b>                       |            |            |            |            |            |                          |                     |                          |                     |
| DEATHS - OTHER - 12/2012                      | 0          | 0          | 0          | 0          | 0          | 0                        |                     |                          |                     |
| DEATHS - MVA - 12/2012                        | 0          | 0          | 0          | 0          | 0          | 0                        |                     |                          |                     |
| DEATHS - YTD - 2012                           | 0          | 3          | 0          | 0          | 2          |                          | 5                   |                          |                     |
| DEATHS - YTD - 2011                           | 0          | 1          | 0          | 0          | 1          |                          |                     |                          | 2                   |

**DELAWARE RIVER PORT AUTHORITY  
ACTIONS OF THE CHIEF EXECUTIVE OFFICER  
COMMISSION MEETING JANUARY 16, 2013  
ARTICLE XII-A  
ATTACHMENT 2**

**PERSONNEL**

\*\*\*\*\*

**TEMPORARY APPOINTMENTS**

|                        |                                                                            |                           |
|------------------------|----------------------------------------------------------------------------|---------------------------|
| Antonio G. Iocono      | Temporary No Benefits<br>Finance Division<br>Accounting (OPC)              | Eff: 12/10/12 to 05/10/13 |
| Kyle Day A. McLaughlin | Temporary No Benefits<br>Finance Division<br>Contract Administration (OPC) | Eff: 12/10/12 to 05/10/13 |

**APPOINTMENTS**

|                     |                                                            |               |
|---------------------|------------------------------------------------------------|---------------|
| James C. Campbell   | Toll Collector<br>Operations Division<br>Bridge/Toll (WWB) | Eff: 12/03/12 |
| Barbara A. Manuella | Toll Collector<br>Operations Division<br>Bridge/Toll (WWB) | Eff: 12/17/12 |

**TEMPORARY ASSIGNMENT TO HIGHER CLASSIFICATION**

|                      |                                                                                              |                                                                                                                           |
|----------------------|----------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------|
| John L. Stief        | From: Captain of Police<br>Public Safety Division<br>Public Safety - Administration<br>(BFB) | To: Acting Police Chief<br>Public Safety Division<br>Public Safety - Administration<br>(BFB)<br>Eff: 12/01/12 to 03/29/13 |
| Michael J. Voll, Jr. | From: Corporal of Police<br>Public Safety Division<br>Public Safety (BFB)                    | To: Acting Sergeant of Police<br>Public Safety Division<br>Public Safety (BFB)<br>Eff: 12/15/12 to 01/18/13               |

**PROMOTIONS** - None

**INTERAGENCY PROMOTION to PATCO** - **from DRPA** - None

**INTERAGENCY TRANSFERS to DRPA** - **from PATCO** - None

**TRANSFERS - DEPARTMENTAL** - None

**RETIREMENTS** - None

**RESIGNATIONS**

|               |                                                                                              |               |
|---------------|----------------------------------------------------------------------------------------------|---------------|
| Lisa M. Kmiec | Assistant General Counsel<br>General Counsel Division<br>Office of the General Counsel (OPC) | Eff: 12/14/12 |
|---------------|----------------------------------------------------------------------------------------------|---------------|

**DECEASED**

|                 |                                                                             |               |
|-----------------|-----------------------------------------------------------------------------|---------------|
| Jan S. Odjemski | Contract Administrator<br>Finance Division<br>Contract Administration (OPC) | Eff: 12/04/12 |
|-----------------|-----------------------------------------------------------------------------|---------------|

**ACTIONS OF THE CHIEF EXECUTIVE OFFICER  
ARTICLE XII-C  
ATTACHMENT 3  
CONTRACTS AND PURCHASES**

**Re: Article XII-C, Section 1 (a)**

Purchase Order P12P0457, Silkroad Technology, Inc. Winsten-Salem, NC. Purchase of Applicant Tracking Software. Contract Value: \$19,000.00. (Low Bid of 3).

Purchase Order P12P0459, Cherry Valley Tractor Sales. Marlton, NJ. Purchase of One (1) Kobota F3680 Tractor with Four (4) Wheel Drive. Contract Value: \$13,000.00. (Low Bid of 1).

Purchase Order P12S0126, Global C/O: Kershner Office Furniture. King of Prussia, PA. Purchase of Sixty-One (61) Global Synopsis Series High-Back Tilter Chairs Model #5090-4. Contract Value: \$15,629.00. (State Contract).

Purchase Order P12S0119, Hewlett Packard Company. Roseville, CA. Purchase of Two (2) HP ProLiant DL380 G7 Servers and Two (2) HP Care Packs to Provide Three (3) Years of Support Services. Contract Value: \$19,942.22. (State Contract).

Purchase Order P12L0027, Transcore. Hummelston, PA. Purchase of Services to Provide Windows 7 Certification for SATSMenu and DVAS, Testing, Deployment and Scheduling. Contract Value: \$12,068.00. (Sole Source).

Purchase Order P13S0005, Software House International. Somerset, NJ. Purchase of Sixty (60) Sophos Anti-Virus Server Software Licenses and One Hundred (100) Endpoint Protection Licenses. Contract Value: \$16,718.40. (State Contract).

Purchase Order P13P0002, Corrpro Companies, Inc. West Chester, PA. Purchase of a One (1) Year Maintenance Contract to Provide Cathodic Protection and Engineering Services. Contract Value: \$19,980.00. (Low Bid of 1).

**Re: Article XII-C, Section 1 (b)**

None

**Re: Article XII-C, Section 8 (Emergency)**

None

**Re: Article XII-C, Section 5**

Authorized payments for Contracts and Engineers for the Bridges and PATCO Systems  
As follows: (see accompanying Schedule 1)

|                          |                       |
|--------------------------|-----------------------|
| Contracts and Engineers: | <u>\$8,396,678.35</u> |
|--------------------------|-----------------------|

**2012 CAPITAL BUDGET**  
**SUBSTITUTION OF PROJECTS**

2012 Capital Budget – Realignment of Funds – From Schedule A (DRPA Miscellaneous Projects) – CBB Administration Building Security Doors A12007 to Schedule A (DRPA Miscellaneous Projects) – Heat Pumps for the OPC Café A12011. The Heat Pumps were Used to Replace Equipment that was Failing to Operate in the Prescribed Manner. Budget Amount: \$24,484.

**ARTICLE XII-C, SECTION 5**  
**SUMMARY OF AUTHORIZED CONTRACT AND ENGINEERING PAYMENTS**  
**BRIDGES AND PATCO SYSTEM**  
**January 16, 2012**

| <i>Resolution #</i> | <i>Contract/Engineer</i>                                                                                          | <i>Contract<br/>Amount</i> | <i>Completed Work (Billed)<br/>Percent</i> | <i>Amount</i>   | <i>Retained<br/>Amount</i> | <i>Prior<br/>Payments</i> | <i>Invoice<br/>No.</i> | <i>Amount</i> |
|---------------------|-------------------------------------------------------------------------------------------------------------------|----------------------------|--------------------------------------------|-----------------|----------------------------|---------------------------|------------------------|---------------|
| (DRPA-09-050)       | <b>Daidone Electric, Inc./Henkels &amp; McCoy, Inc. Joint Venture</b><br>PATCO Power Pole & Pole Line Replacement | \$28,788,446.46            | 89.3%                                      | \$25,720,512.06 | \$1,545,992.91             | \$23,431,541.67           | 37                     | \$742,977.48  |
| (DRPA-10-020)       | <b>American Bridge Company</b><br>WWB Suspension & Anchorage Spans Deck Replacement                               | 128,085,778.00             | 76.7%                                      | 98,263,859.17   | 3,898,202.45               | 93,389,517.44             | 27                     | 976,139.28    |
| (DRPA-12-054)       | <b>Arora Systems Group, LLC</b><br>BFB Standpipe Repairs                                                          | 128,342.00                 | 96.1%                                      | 123,331.98      | 12,333.20                  | 0.00                      | 1                      | 110,998.78    |
| (DRPA-12-048)       | <b>New Jersey Transit</b><br>PATCO Power Pole & Pole Line Replacement - Construction Support & Bus Service        | 599,472.00                 | 40.2%                                      | 241,119.74      | 0.00                       | 147,952.70                | 4                      | 93,167.04     |
| (DRPA-10-132)       | <b>Cornell &amp; Company</b><br>BFB Structural Improvements                                                       | 10,631,333.56              | 94.5%                                      | 10,043,278.56   | 500.00                     | 10,031,559.16             | 17                     | 11,219.40     |
| (DRPA-09-081)       | <b>HNTB Corporation</b><br>PMA201 General Engineering Support                                                     | 93,318.29                  | 64.2%                                      | 59,939.47       | 0.00                       | 52,400.90                 | 16&17                  | 7,538.57      |
| (DRPA-10-010)       | PATCO Lindenwold Yard Diamond Rehabilitation - C.M.S.                                                             | 329,224.76                 | 95.9%                                      | 315,851.47      | 29,077.30                  | 285,439.07                | 25                     | 1,335.10      |
| (DRPA-10-016)       | BFB Deck Truss Rehabilitation - C.M.S.                                                                            | 2,539,855.84               | 88.6%                                      | 2,249,647.72    | 166,071.27                 | 2,078,430.97              | 26                     | 5,145.48      |
| (DRPA-11-065)       | PATCO Lindenwold Yard Track Rehabilitation -Design Services                                                       | 3,090,674.66               | 78.2%                                      | 2,417,646.72    | 212,049.85                 | 2,118,903.99              | 12                     | 86,692.88     |
| (DRPA-12-017)       | WWB - 2012 Biennial Inspection                                                                                    | 769,000.00                 | 93.3%                                      | 717,765.53      | 45,949.21                  | 669,099.44                | 8                      | 2,716.88      |
| (DRPA-09-081)       | PMA204 PATCO Control Line Analysis                                                                                | 117,399.85                 | 96.1%                                      | 112,805.35      | 0.00                       | 95,375.35                 | 8&9                    | 17,430.00     |
| (DRPA-11-061)       | BFB Structural Improvements                                                                                       | 499,708.14                 | 79.8%                                      | 398,702.68      | 33,865.38                  | 357,908.69                | 15                     | 6,928.61      |
| (DRPA-12-015)       | <b>Modjeski and Masters Consulting Engineers</b><br>2012 Biennial Inspection - BRB                                | 409,000.00                 | 86.5%                                      | 353,717.92      | 14,261.87                  | 308,747.85                | 6                      | 30,708.20     |
| (DRPA-12-016)       | <b>Ammann &amp; Whitney</b><br>2012 Biennial Inspection - CBB                                                     | 555,000.00                 | 79.6%                                      | 441,619.72      | 12,508.07                  | 368,483.64                | 4                      | 60,628.01     |
| (DRPA-10-021)       | <b>Urban Engineers, Inc.</b><br>C.M.S. WWB Suspension & Anchorage Spans Deck Replacement                          | 11,688,508.67              | 43.2%                                      | 5,044,287.71    | 358,256.77                 | 4,478,773.43              | 21                     | 207,257.51    |
| (DRPA-11-094)       | Task Order # CM4505 C.M.S. for Pavement Repairs at WWB & CBB                                                      | 86,627.23                  | 21.4%                                      | 18,552.88       | 0.00                       | 6,754.03                  | 2                      | 11,798.85     |
| (DRPA-11-094)       | Task Order # CM4506 C.M.S., Cont. No. 15-N PATCO Lindenwold & Westmont Paving & Repairs                           | 48,087.84                  | 51.7%                                      | 24,881.37       | 0.00                       | 0.00                      | 1&2                    | 24,881.37     |
| (DRPA-09-081)       | <b>Jacobs Engineering Group, Inc.</b><br>PMA304 Development of PMP Transit Car Overhaul                           | 85,609.58                  | 52.1%                                      | 44,585.62       | 0.00                       | 41,372.18                 | 8                      | 3,213.44      |
| (DRPA-09-081)       | PMA309 PM Services for Facility Drawing, Admin. & Cataloging                                                      | 38,697.00                  | 32.0%                                      | 12,371.22       | 0.00                       | 9,404.90                  | 4                      | 2,966.32      |
| (DRPA-11-094)       | Task Order # TT4301 PATCO Transformer Replacement Project - Phase II                                              | 96,882.17                  | 27.5%                                      | 26,601.16       | 0.00                       | 5,814.66                  | 2                      | 20,786.50     |
| (DRPA-11-094)       | <b>Pennoni Associates</b><br>Task Order # EG4402 Property Survey Analysis & Boundary Survey                       | 8,700.00                   | 100.0%                                     | 8,700.00        | 0.00                       | 5,800.00                  | 2                      | 2,900.00      |
| (PATCO-12-001)      | <b>Center City District</b><br>Transit Portal Signage Agreement                                                   | 50,000.00                  | 45.2%                                      | 22,609.50       | 0.00                       | 19,680.00                 | 112612000              | 2,929.50      |
| (DRPA-11-087)       | <b>Burns Engineering, Inc.</b><br>C.M.S. PATCO Accessibility Improvements                                         | 496,870.00                 | 70.9%                                      | 352,422.39      | 29,910.33                  | 307,802.46                | 11                     | 14,709.60     |
| (DRPA-12-011)       | Escalator Replacements at Woodcrest, 12th & 13th & Locust Streets                                                 | 519,100.00                 | 22.6%                                      | 117,259.33      | 11,725.90                  | 81,364.50                 | 8                      | 24,168.93     |
| (DRPA-12-012)       | <b>J.P.C. Group, Inc.</b><br>PATCO Lindenwold Shop Annex                                                          | 8,231,000.00               | 39.1%                                      | 3,219,656.94    | 321,965.70                 | 2,641,091.66              | 8                      | 256,599.58    |
| (DRPA-12-028)       | <b>JBL Electric</b><br>Replacement of Rectifier Transformers for Traction Power                                   | 701,052.00                 | 34.2%                                      | 239,763.30      | 23,976.33                  | 186,124.77                | 3                      | 29,662.20     |

**ARTICLE XII-C, SECTION 5**  
**SUMMARY OF AUTHORIZED CONTRACT AND ENGINEERING PAYMENTS**  
**BRIDGES AND PATCO SYSTEM**  
**January 16, 2012**

| <i>Resolution #</i>                         | <i>Contract/Engineer</i>                                                                                              | <i>Contract Amount</i> | <i>Completed Work (Billed) Percent</i> | <i>Amount</i> | <i>Retained Amount</i> | <i>Prior Payments</i> | <i>Invoice No.</i> | <i>Amount</i>         |
|---------------------------------------------|-----------------------------------------------------------------------------------------------------------------------|------------------------|----------------------------------------|---------------|------------------------|-----------------------|--------------------|-----------------------|
| (DRPA-12-060)                               | <b>Kaser Mechanical, LLC</b><br>BFB Administration Building Domestic Water System Replacement                         | 149,500.00             | 14.4%                                  | 21,500.00     | 2,150.00               | 0.00                  | 1                  | 19,350.00             |
| (DRPA-10-076)                               | <b>Paulus, Sokolowski &amp; Sartor, LLC</b><br>BFB Light Duty Maintenance Building Design & Construction Support      | 233,992.00             | 99.0%                                  | 231,605.60    | 12,458.73              | 214,011.38            | 18                 | 5,135.49              |
| (DRPA-07-019)                               | <b>LTK Engineering Services</b><br>PATCO Transit Car Overhaul Services Agreement                                      | 8,331,070.00           | 63.4%                                  | 5,282,499.20  | 338,364.36             | 4,753,699.56          | 65                 | 190,435.28            |
| (DRPA-10-154)                               | <b>Alstom</b><br>PATCO Transit Car Overhaul                                                                           | 194,197,337.00         | 11.1%                                  | 21,479,508.77 | 1,073,975.45           | 18,620,790.03         | Various            | 1,784,743.29          |
| (DRPA-10-028)                               | <b>Systra Consulting, Inc.</b><br>PATCO Shop Annex Building                                                           | 1,298,271.24           | 59.3%                                  | 769,865.95    | 56,878.42              | 628,322.60            | 16&17              | 84,664.93             |
| (DRPA-08-093)                               | <b>AECOM (Formerly DMJM &amp; Harris, Inc.)</b><br>BRB & CBB Structural Repairs                                       | 1,364,796.00           | 100.0%                                 | 1,364,540.79  | 0.00                   | 1,309,993.62          | 41                 | 54,547.17             |
| (DRPA-09-081)                               | PMA101 PM Services for BFB                                                                                            | 195,833.74             | 113.0%                                 | 221,309.14    | 0.00                   | 189,589.30            | 18                 | 31,719.84             |
| (DRPA-09-081)                               | PMA106 For Project Tracking & Scheduling Services                                                                     | 92,049.21              | 5.0%                                   | 4,564.63      | 0.00                   | 1,119.59              | 2                  | 3,445.04              |
| (DRPA-11-094)                               | Task Order # CM4504 M/V Freedom 2012/2013 Inspection & Repairs                                                        | 39,155.24              | 30.9%                                  | 12,115.38     | 0.00                   | 0.00                  | 1                  | 12,115.38             |
| (DRPA-09-081)                               | PMA104 for Project Specification - Static Message Speed Limit Signs                                                   | 17,859.16              | 99.1%                                  | 17,695.67     | 0.00                   | 14,321.83             | 5                  | 3,373.84              |
| (DRPA-11-075)                               | C.M.S. PATCO R.O.W. Embankment Restoration - Phase 4                                                                  | 481,621.00             | 80.1%                                  | 385,928.63    | 29,998.95              | 335,865.92            | 8                  | 20,063.76             |
| (DRPA-PRE-8-18)                             | BFB Tower Expansion Joint Rehabilitation                                                                              | 648,063.71             | 94.0%                                  | 609,415.25    | 8,236.03               | 524,245.46            | 14                 | 76,933.76             |
| (DRPA-12-068)                               | <b>A.E. Stone, Inc.</b><br>PATCO Lindenwold & Westmont Stations Parking                                               | 3,073,153.70           | 55.9%                                  | 1,717,080.06  | 162,682.85             | 688,398.60            | 2                  | 865,998.61            |
| (DRPA-12-061)                               | Pavement Repairs at Various Locations                                                                                 | 2,144,975.00           | 27.4%                                  | 588,520.00    | 58,852.01              | 52,791.16             | 2                  | 476,876.83            |
| (DRPA-09-001)                               | <b>Remington &amp; Vernick Engineers, Inc.</b><br>Task Order # EM3213 CBB Administration Building Emergency Generator | 41,382.01              | 64.5%                                  | 26,708.44     | 0.00                   | 25,470.64             | 10                 | 1,237.80              |
| (DRPA-11-094)                               | Task Order # EM4203 C.M.S. for BRB Philadelphia Anchorage 5KV Replacement                                             | 48,311.13              | 65.3%                                  | 31,564.88     | 0.00                   | 26,567.51             | 7                  | 4,997.37              |
| (DRPA-11-094)                               | Task Order # EM4202 C.M.S. for Replacement of Rectifier Transformers                                                  | 49,340.07              | 82.2%                                  | 40,533.64     | 0.00                   | 33,050.16             | 6                  | 7,483.48              |
| (DRPA-11-094)                               | Task Order # EM4209 OPC 6th Floor Computer Room New Emergency Power System                                            | 31,875.33              | 1.9%                                   | 609.85        | 0.00                   | 0.00                  | 1                  | 609.85                |
| (DRPA-11-080)                               | <b>Acacia Financial Group, Inc.</b><br>Financial Advisory Services                                                    | 100,000.00             | 60.4%                                  | 60,412.26     | 0.00                   | 55,472.92             | 8&9                | 4,939.34              |
| (DRPA-11-096)                               | <b>Interstate Mobile Care</b><br>DOT CDL & FTA Physicals                                                              | 115,425.00             | 42.2%                                  | 48,725.00     | 0.00                   | 46,596.00             | 11549              | 2,129.00              |
| (DRPA-12-018)                               | <b>TranSystems</b><br>PATCO - 2012 Biennial Inspection                                                                | 363,000.00             | 66.3%                                  | 240,725.02    | 11,777.03              | 184,065.72            | 5                  | 44,882.27             |
| (DRPA-10-105)                               | <b>PRWT Services, Inc.</b><br>Part-Time Toll Collectors 11/01/2010 - 10/31/2013                                       | 3,081,000.00           | 56.0%                                  | 1,724,221.19  | 0.00                   | 1,644,596.31          | Various            | 79,624.88             |
| (DRPA-10-104)                               | <b>TUCS Cleaning Services, Inc.</b><br>Custodial Services                                                             | 1,014,000.00           | 67.3%                                  | 682,697.90    | 0.00                   | 627,711.43            | Various            | 54,986.47             |
| (DRPA-11-027)                               | <b>Canon Financial Services, Inc.</b><br>Canon Copier Equipment - Lease Payment                                       | 382,260.00             | 15.0%                                  | 57,339.00     | 0.00                   | 50,968.00             | 12326048           | 6,371.00              |
| (DRPA-11-027)                               | Canon Copier Equipment - Uniform Software Payment                                                                     | 73,669.20              | 16.8%                                  | 12,343.20     | 0.00                   | 11,115.38             | 12341649           | 1,227.82              |
| (DRPA-12-055)                               | <b>Homeland Defense Solutions, Inc.</b><br>Grants Management                                                          | 70,000.00              | 82.6%                                  | 57,825.00     | 0.00                   | 57,000.00             | 151                | 825.00                |
| <b>Total Contract and Engineer Payments</b> |                                                                                                                       |                        |                                        |               |                        |                       |                    | <b>\$6,594,217.01</b> |

**MONTHLY REPORT**  
**GENERAL PROCUREMENT ACTIVITY**

**During the month of November there were 127 Purchase Orders awarded totaling \$1,203,742.23.**

**Approx. 70.4% or \$847,576.57 of the monthly dollar total was made available to MBE and WBE's, representing 32.2% or 41 of the monthly total number of Purchase Orders.**

**Of the total monthly procurement available to MBE's and WBE's, approx. 32.6% or \$277,068.16 was awarded to MBE's and approx. 1.4% or \$12,549.60 was awarded to WBE's.**

**Of the total number of Purchase Orders available to MBE's and WBE's, approx. 48.7% or 20 Purchase Orders were awarded to MBE's and approx. 17% or 7 Purchase Order was awarded to a WBE.**

**MONTHLY REPORT**  
**GENERAL PROCUREMENT ACTIVITY**

**During the month of December there were 74 Purchase Orders awarded totaling \$230,793.85.**

**Approx. 10.2% or \$23,710.75 of the monthly dollar total was made available to MBE and WBE's, representing 18.9% or 14 of the monthly total number of Purchase Orders.**

**Of the total monthly procurement available to MBE's and WBE's, approx. 31.2% or \$7,409.95 was awarded to MBE's and approx. 13.3% or \$3,156.50 was awarded to WBE's.**

**Of the total number of Purchase Orders available to MBE's and WBE's, approx. 57.1% or 8 Purchase Orders were awarded to MBE's and approx. 21.4% or 3 Purchase Order was awarded to a WBE.**

# DELAWARE RIVER PORT AUTHORITY INTEROFFICE COMMUNICATION

**To:** Toni P. Brown, Chief Administrative Officer

**From:** Marianne Staszewski, Director, Risk Management & Safety  
( Prepared by Mark Armbruster, Safety Specialist )

**Subject:** Risk Management & Safety December Activity Report.

The DRPA Risk Management & Safety Staff were in attendance for the following meetings for the month of December.

| Contractor Meetings Attended By Risk Management & Safety                          |                   |                                                                                                                                                |                                                           |
|-----------------------------------------------------------------------------------|-------------------|------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------|
| DATE                                                                              | CONTRACTOR        | DRPA CONTRACT NO.                                                                                                                              | PROJECT/WORK AREA                                         |
| 12/5, 12/19                                                                       | American Bridge   | WWB-12-2009                                                                                                                                    | Bi-Weekly Safety Meetings WWB Deck Rehabilitation project |
| 12/6                                                                              | Ray Angelini, Inc | CB-23-2011                                                                                                                                     | Pre-Construction Meeting- CBB Fire Alarm Sys              |
| 12/11                                                                             |                   |                                                                                                                                                | BFB South Walkway Bicycle Ramp Project Kick-off Meeting   |
| 12/17                                                                             | Carr and Duff     | G-24-2011,                                                                                                                                     | BRB and WWB Cameras                                       |
| Safety Meetings Attended By Safety Specialists * attended by Risk Management also |                   |                                                                                                                                                |                                                           |
| DATE                                                                              |                   | NAME OF MEETING                                                                                                                                |                                                           |
| 12/5                                                                              |                   | Minimum Qualifications - Safety Specialist                                                                                                     |                                                           |
| 12/7                                                                              |                   | Conference call with David Pataky & Steve Ondich to discuss what training is needed at the various Aon assigned DRPA/PATCO construction sites. |                                                           |
| 12/11                                                                             |                   | Workplace Safety – BRB and BFB                                                                                                                 |                                                           |
| 12/11                                                                             | *                 | Safety Specialist Interviews                                                                                                                   |                                                           |
| 12/11                                                                             | *                 | Monthly Safety Staff Meeting with Director of Risk Management                                                                                  |                                                           |
| 12/12                                                                             |                   | Pennoni site visit - 4th St garage BFB                                                                                                         |                                                           |
| 12/13                                                                             |                   | Workplace Safety – WWB                                                                                                                         |                                                           |
| 12/14                                                                             |                   | Workplace Safety – CBB                                                                                                                         |                                                           |

The DRPA Risk Management & Safety Staff were involved in the following training activities for the month of December.

| Safety Training Conducted or Attended By Risk Management & Safety |  |                                                 |
|-------------------------------------------------------------------|--|-------------------------------------------------|
| DATE                                                              |  | TYPE OF TRAINING                                |
| 12/3, 12/17                                                       |  | New Hire Orientation                            |
| 12/14                                                             |  | PRE-TRIP INSPECTION TRAINING BFB, BRB, WWB, CBB |

The DRPA Risk Management & Safety Staff were involved in the following activities for the month of December.

- The Safety staff conducted day time and night time random drug & alcohol testing on both Public Safety personnel (under policy 147A) and Construction & Maintenance personnel (under policy 147B).
- Safety Specialists reviewed various Health and Safety plans from contractors who were awarded construction and/or design projects during the month of December.
- Safety Specialists reviewed and commented on various engineering Technical and Special Provisions documents for future DRPA projects.
- Risk Management reviewed and recommended the inclusion of proper insurance requirements on various Requests for Bids from the Purchasing Department, Request for Proposals from the Engineering Department, Finance Department and third party contracts for the Legal Department.

**DELAWARE RIVER PORT AUTHORITY**  
**BALANCE SHEET**  
**SEPTEMBER 30, 2012**  
(Unaudited)

| ASSETS                                        | Capital<br>Fund         | Restricted Funds     |                        |                             | Restricted Funds      |                       |                       | Sept. 30, 2012          | (Unaudited)<br>Dec. 31, 2011 |
|-----------------------------------------------|-------------------------|----------------------|------------------------|-----------------------------|-----------------------|-----------------------|-----------------------|-------------------------|------------------------------|
|                                               |                         | Project<br>Funds     | Revenue<br>Fund        | Maintenance<br>Reserve Fund | Bond Service<br>Funds | Bond Reserve<br>Funds | General<br>Fund       | Combined<br>Total       | Combined<br>Total            |
| Cash (Schedule 1)                             |                         | 536,830.97           | 3,528,299.00           |                             |                       |                       | 1,444,530.85          | 5,509,660.82            | 5,449,552.84                 |
| Investment in securities (Schedule 2):        |                         |                      |                        |                             |                       |                       |                       |                         |                              |
| Restricted                                    |                         | 25,017,569.42        |                        | 4,366,019.72                | 31,038,718.02         | 109,342,189.18        |                       | 169,754,496.34          | 275,009,769.84               |
| Unrestricted                                  |                         |                      | 16,354,974.60          |                             |                       |                       | 274,932,006.47        | 291,286,981.07          | 320,026,291.62               |
|                                               |                         | 25,017,569.42        | 16,354,974.60          | 4,366,019.72                | 31,038,718.02         | 109,342,189.18        | 274,932,006.47        | 461,041,477.41          | 595,036,061.48               |
| Accrued interest receivable                   |                         | 3,604.64             | -                      | -                           | -                     | -                     | 515,617.59            | 519,222.23              | 572,162.19                   |
| Accounts receivable                           |                         |                      | 4,969,460.96           |                             |                       |                       | 5,712,715.38          | 10,682,176.34           | 14,026,772.76                |
| Transit system and stores inventory           |                         |                      | 378,555.57             |                             |                       |                       | 5,841,225.78          | 6,219,781.35            | 6,108,118.45                 |
| Prepaid expenses and other assets             |                         |                      | 1,566,184.51           |                             |                       |                       | 559,501.15            | 2,125,685.66            | 3,850,982.03                 |
| Economic development loans - Net (Schedule 5) |                         |                      |                        |                             |                       |                       | 17,366,591.28         | 17,366,591.28           | 17,678,420.50                |
| Investment in facilities                      | \$1,911,547,776.68      |                      |                        |                             |                       |                       | 500,879.03            | 1,912,048,655.71        | 1,824,862,161.75             |
| Less accumulated depreciation                 | 681,986,614.76          |                      |                        |                             |                       |                       | -                     | 681,986,614.76          | 645,944,850.08               |
|                                               | 1,229,561,161.92        |                      |                        |                             |                       |                       | 500,879.03            | 1,230,062,040.95        | 1,178,917,311.67             |
| Debt issuance cost, net of amortization       | 8,266,068.68            |                      |                        |                             |                       |                       | 5,444,860.98          | 13,710,929.66           | 14,905,846.56                |
| Deferred outflows on hedging derivatives      | 173,789,048.42          |                      |                        |                             |                       |                       |                       | 173,789,048.42          | 173,789,048.42               |
|                                               | 1,411,616,279.02        | 25,558,005.03        | 26,797,474.64          | 4,366,019.72                | 31,038,718.02         | 109,342,189.18        | 312,317,928.51        | 1,921,026,614.12        | 2,010,134,256.88             |
| <b>LIABILITIES AND FUND EQUITIES</b>          |                         |                      |                        |                             |                       |                       |                       |                         |                              |
| Accounts payable:                             |                         |                      |                        |                             |                       |                       |                       |                         |                              |
| Retained amount on contracts                  |                         |                      | 77,313.24              |                             |                       |                       | 10,612,888.71         | 10,690,201.95           | 17,094,451.45                |
| Other                                         |                         |                      | 4,461,014.48           |                             |                       |                       | 8,014,133.16          | 12,475,147.64           | 22,230,571.66                |
|                                               |                         |                      | 4,538,327.72           |                             |                       |                       | 18,627,021.87         | 23,165,349.59           | 39,325,023.11                |
| Accrued liabilities:                          |                         |                      |                        |                             |                       |                       |                       |                         |                              |
| Interest                                      |                         |                      |                        |                             | 7,235,876.86          |                       |                       | 7,235,876.86            | 17,807,366.50                |
| Pension                                       |                         |                      | 838,626.82             |                             |                       |                       | 271,544.32            | 1,110,171.74            | 945,279.22                   |
| Sick and vacation leave benefits              |                         |                      | 3,149,438.89           |                             |                       |                       | 1,406,287.35          | 4,555,726.24            | 4,690,958.76                 |
| Derivative Instruments                        | 217,806,759.81          |                      | -                      |                             |                       | 1,649,121.16          | -                     | 219,455,880.97          | 219,455,880.97               |
| Other (Includes OPEB liability)               |                         |                      | 25,851,343.79          |                             |                       |                       | 14,082,843.00         | 39,934,186.79           | 39,934,186.79                |
|                                               | 217,806,759.81          |                      | 29,839,408.50          |                             | 7,235,876.86          | 1,649,121.16          | 15,760,675.27         | 272,291,842.60          | 282,833,670.24               |
| Deferred revenue                              |                         |                      | 6,816,969.47           |                             |                       |                       | -                     | 6,816,969.47            | 6,691,465.30                 |
| Provisions:                                   |                         |                      |                        |                             |                       |                       |                       |                         |                              |
| Other                                         |                         |                      | 2,267,140.99           |                             |                       |                       | 4,859,562.00          | 7,126,702.99            | 7,137,166.73                 |
|                                               |                         |                      | 2,267,140.99           |                             |                       |                       | 4,859,562.00          | 7,126,702.99            | 7,137,166.73                 |
| Funded and long term debt                     | 967,636,912.73          |                      |                        |                             |                       |                       | 226,391,091.65        | 1,194,028,004.38        | 1,332,865,791.59             |
| <b>Total Liabilities</b>                      | <b>1,185,443,672.54</b> |                      | <b>43,461,847.68</b>   |                             | <b>7,235,876.86</b>   |                       | <b>265,638,350.79</b> | <b>1,503,428,869.03</b> | <b>1,668,853,116.97</b>      |
| <b>Fund Equities</b>                          | <b>226,172,606.48</b>   | <b>25,558,005.03</b> | <b>(16,664,373.04)</b> | <b>4,356,019.72</b>         | <b>23,802,841.16</b>  | <b>107,693,068.02</b> | <b>48,679,577.72</b>  | <b>417,597,745.09</b>   | <b>341,281,139.91</b>        |
|                                               | \$ 1,411,616,279.02     | \$ 25,558,005.03     | \$ 26,797,474.64       | \$ 4,356,019.72             | \$ 31,038,718.02      | \$ 109,342,189.18     | \$ 312,317,928.51     | \$ 1,921,026,614.12     | \$ 2,010,134,256.88          |

The accompanying notes are an integral part of the financial statements. These financial statements are unaudited. As a result of work done by our independent auditors, adjustment are sometimes made to the unaudited statements

**DELAWARE RIVER PORT AUTHORITY**  
**STATEMENT OF REVENUES AND EXPENSES (Unaudited)**  
**FOR THE PERIODS INDICATED**

|                                              | Period ending      |                         |                    |                         |                  |                         |                  |                         |
|----------------------------------------------|--------------------|-------------------------|--------------------|-------------------------|------------------|-------------------------|------------------|-------------------------|
|                                              | September 30, 2012 |                         | September 30, 2011 |                         | 3rd Quarter 2012 |                         | 3rd Quarter 2011 |                         |
| Operating revenues and expenses:             |                    |                         |                    |                         |                  |                         |                  |                         |
| Bridge:                                      |                    |                         |                    |                         |                  |                         |                  |                         |
| Tolls (Schedule 4)                           | \$222,769,455.00   |                         | \$196,026,747.36   |                         | \$77,166,464.64  |                         | \$77,457,694.10  |                         |
| Other operating revenues                     | 3,928,424.04       | \$226,697,679.04        | 4,241,532.97       | \$200,268,280.33        | 1,184,285.71     | \$78,350,750.35         | 1,709,669.11     | \$79,167,363.21         |
| Operating expenses                           | 35,015,935.69      |                         | 33,522,729.35      |                         | 12,818,430.50    |                         | 11,898,637.31    |                         |
| Depreciation                                 | 23,965,945.65      | 58,981,881.34           | 23,031,065.88      | 56,553,795.23           | 7,988,648.55     | 20,807,079.05           | 7,677,021.96     | 19,575,659.27           |
|                                              |                    | 167,715,997.70          |                    | 143,714,485.10          |                  | 57,543,671.30           |                  | 59,591,703.94           |
| Transit system:                              |                    |                         |                    |                         |                  |                         |                  |                         |
| Passenger fares                              | 19,766,578.26      |                         | 17,776,439.37      |                         | 6,580,311.67     |                         | 6,227,522.43     |                         |
| Other operating revenues                     | 1,381,761.72       | 21,148,339.98           | 1,345,374.62       | 19,121,813.99           | 437,195.65       | 7,017,507.32            | 421,789.97       | 6,649,312.40            |
| Operating expenses                           | 32,341,657.91      |                         | 31,634,600.22      |                         | 9,314,279.42     |                         | 10,713,383.54    |                         |
| Lease & Community impact expense             | 2,708,367.39       |                         | 2,669,896.26       |                         | 902,789.13       |                         | 889,965.42       |                         |
| Depreciation                                 | 11,837,706.66      | 46,887,731.98           | 11,489,043.33      | 45,793,539.81           | 3,945,902.22     | 14,162,970.77           | 3,829,681.11     | 15,433,030.07           |
|                                              |                    | (25,739,391.98)         |                    | (26,671,725.82)         |                  | (7,145,463.45)          |                  | (8,783,717.67)          |
|                                              |                    | 141,976,605.72          |                    | 117,042,759.28          |                  | 50,398,207.85           |                  | 50,807,986.27           |
| General Administration expenses              |                    | 30,615,765.06           |                    | 30,026,704.38           |                  | 10,857,396.29           |                  | 12,601,730.47           |
| Operating revenues in excess of expenses     |                    | 111,360,840.66          |                    | 87,016,054.90           |                  | 39,540,811.56           |                  | 38,206,255.80           |
| Interest income (Schedule 3)                 |                    | 4,869,450.81            |                    | 5,330,469.23            |                  | 1,584,201.18            |                  | 1,782,378.95            |
| Change in fair value of SWAPS (Note 4)       |                    |                         |                    |                         |                  |                         |                  |                         |
| Interest on funded debt (Note 12):           |                    |                         |                    |                         |                  |                         |                  |                         |
| Port District Project bonds, Series 1998     | (2,162,347.81)     |                         | (2,246,806.62)     |                         | (727,467.25)     |                         | (748,935.54)     |                         |
| Revenue bonds, Series 1999                   | (15,974,310.74)    |                         | (17,867,790.24)    |                         | (5,165,689.60)   |                         | (6,111,323.65)   |                         |
| Port District Project bonds, Series 1999     | (7,596,952.12)     |                         | (7,645,646.43)     |                         | (2,603,051.56)   |                         | (2,548,548.81)   |                         |
| Port District Project bonds, Series 2001     | (3,089,363.56)     |                         | (4,472,416.08)     |                         | (437,651.11)     |                         | (1,490,805.36)   |                         |
| Refunding Revenue bonds, Series 2010         | (958,923.31)       |                         | (788,991.33)       |                         | (350,277.53)     |                         | (251,070.21)     |                         |
| Revenue bonds, Series 2010                   | (11,708,443.87)    |                         | (11,689,498.17)    |                         | (3,911,131.67)   |                         | (3,896,499.39)   |                         |
| Refunding Revenue bonds, Series 2008         | (13,758,155.64)    | (55,244,497.05)         | (14,277,840.48)    | (58,988,989.35)         | (4,611,223.99)   | (17,806,492.71)         | (4,855,247.74)   | (19,902,430.70)         |
| Excess of revenues over expenses             |                    |                         |                    |                         |                  |                         |                  |                         |
| before other income (expenses)               |                    | 60,985,794.42           |                    | 33,357,534.78           |                  | 23,318,520.03           |                  | 20,086,204.05           |
| Other income (expenses):                     |                    |                         |                    |                         |                  |                         |                  |                         |
| Other                                        | (185,638.60)       | (185,638.60)            | (310,543.30)       | (310,543.30)            | (84,572.81)      | (84,572.81)             | (83,682.52)      | (83,682.52)             |
| Port of Philadelphia and Camden              | (28,105.16)        |                         | (168,685.66)       |                         | (10,349.50)      |                         | (78,428.43)      |                         |
| Depreciation and Amortization                | (238,112.37)       | (266,217.53)            | (955,628.07)       | (1,124,313.73)          | (79,370.79)      | (89,720.29)             | (79,370.79)      | (157,799.22)            |
| <b>Income (Loss) before other activities</b> |                    | <b>60,533,938.29</b>    |                    | <b>31,922,677.75</b>    |                  | <b>23,144,226.93</b>    |                  | <b>19,844,722.31</b>    |
| Economic Development Activities              |                    | (6,561,492.64)          |                    | (1,162,404.46)          |                  | (686,756.58)            |                  | (21,907.73)             |
| <b>Net Income (Loss) before special item</b> |                    | <b>53,972,445.65</b>    |                    | <b>30,760,273.29</b>    |                  | <b>22,457,470.35</b>    |                  | <b>19,822,814.58</b>    |
| Special item:                                |                    |                         |                    |                         |                  |                         |                  |                         |
| Discontinued Operations                      |                    |                         |                    |                         |                  |                         |                  |                         |
| <b>Net Income (Loss)</b>                     |                    | <b>\$ 53,972,445.65</b> |                    | <b>\$ 30,760,273.29</b> |                  | <b>\$ 22,457,470.35</b> |                  | <b>\$ 19,822,814.58</b> |

# **CONSOLIDATED STATEMENT OF CASH FLOWS**

**For the period ended September 30 (Unaudited)**

|                                                                                            | <b>9 Months<br/>2012</b>     | <b>9 Months<br/>2011</b>     |
|--------------------------------------------------------------------------------------------|------------------------------|------------------------------|
| <b>OPERATING ACTIVITIES:</b>                                                               |                              |                              |
| Operating revenues in excess of expenses                                                   | \$111,360,840.66             | \$87,016,054.90              |
| Adjustments to reconcile operating income<br>to net cash provided by operating activities: |                              |                              |
| Depreciation                                                                               | 36,041,764.68                | 35,475,737.28                |
| Port of Philadelphia and Camden                                                            | (28,105.16)                  | (168,685.66)                 |
| Economic development activities                                                            | (6,561,492.64)               | (1,162,404.46)               |
| Changes in assets and liabilities which provided (used) cash:                              |                              |                              |
| Accounts receivable                                                                        | 3,344,596.42                 | (881,061.48)                 |
| Economic development loans - Net                                                           | 311,829.22                   | 2,397,726.92                 |
| Derivative Instruments                                                                     | -                            | -                            |
| Transit system and stores inventory                                                        | (111,662.90)                 | (214,442.40)                 |
| Prepaid expenses and other assets                                                          | 1,525,276.37                 | 42,219.98                    |
| Accounts payable                                                                           | (16,159,673.52)              | 339,956.54                   |
| Accrued liabilities                                                                        | 29,662.00                    | 555,980.41                   |
| Deferred revenue                                                                           | 125,504.17                   | 187,398.28                   |
| Other provisions                                                                           | (10,463.74)                  | 447,170.60                   |
| Other                                                                                      | (423,750.97)                 | (1,266,171.37)               |
| Net cash provided by operating activities                                                  | <u>\$129,444,324.59</u>      | <u>\$122,769,479.54</u>      |
| <b>CAPITAL AND RELATED FINANCING ACTIVITIES:</b>                                           |                              |                              |
| Acquisition and construction of capital assets                                             | (87,186,493.96)              | (102,506,167.27)             |
| Cash provided by capital grants                                                            | 22,344,159.53                | 23,570,993.58                |
| Repayment of funded debt                                                                   | (140,127,130.12)             | (42,675,000.00)              |
| Interest paid                                                                              | (63,331,726.88)              | (66,125,903.25)              |
| Proceeds from facility disposals                                                           | -                            | -                            |
| Net cash used for capital and related financing activities                                 | <u>(268,301,191.43)</u>      | <u>(187,736,076.94)</u>      |
| <b>NET DECREASE IN CASH BEFORE INVESTING ACTIVITIES</b>                                    | <u>(138,856,866.84)</u>      | <u>(64,966,597.40)</u>       |
| <b>INVESTMENT ACTIVITIES:</b>                                                              |                              |                              |
| Unrestricted:                                                                              |                              |                              |
| Net Proceeds from sale (purchases) of investments                                          | <u>105,255,273.50</u>        | <u>86,839,091.81</u>         |
| Decrease (Increase) in investments                                                         | <u>105,255,273.50</u>        | <u>86,839,091.81</u>         |
| Restricted:                                                                                |                              |                              |
| Net Proceeds from sale (purchases) of investments                                          | <u>28,739,310.55</u>         | <u>(26,556,110.50)</u>       |
| Decrease in investments                                                                    | <u>28,739,310.55</u>         | <u>(26,556,110.50)</u>       |
| Change in fair value of Derivative instruments                                             | -                            | -                            |
| Receipts of interest income                                                                | <u>4,922,390.77</u>          | <u>5,374,078.69</u>          |
| Net cash provided by investing activities                                                  | <u>138,916,974.82</u>        | <u>65,657,060.00</u>         |
| <b>NET INCREASE IN CASH</b>                                                                | <b>60,107.98</b>             | <b>690,462.60</b>            |
| <b>CASH, BEGINNING OF YEAR</b>                                                             | <u>5,449,552.84</u>          | <u>4,741,363.50</u>          |
| <b>CASH, END OF PERIOD</b>                                                                 | <u><b>\$5,509,660.82</b></u> | <u><b>\$5,431,826.10</b></u> |
| <b>CASH AT SEPTEMBER 30</b>                                                                |                              |                              |
| Unrestricted                                                                               | \$4,972,829.85               | \$4,894,995.13               |
| Restricted                                                                                 | <u>536,830.97</u>            | <u>536,830.97</u>            |
|                                                                                            | <u><b>\$5,509,660.82</b></u> | <u><b>\$5,431,826.10</b></u> |

**DELAWARE RIVER PORT AUTHORITY**  
**STATEMENT OF CHANGES IN FUND EQUITIES**  
**FOR THE PERIOD ENDED SEPTEMBER 30, 2012**  
**(Unaudited)**

|                                                                                 | Capital<br>Fund         | Restricted Funds<br>Project<br>Funds | Revenue<br>Fund        | Restricted Funds<br>Maintenance<br>Reserve Fund | Debt Service<br>Funds | Debt Service<br>Reserve Funds | General<br>Fund      | Combined<br>Total       |
|---------------------------------------------------------------------------------|-------------------------|--------------------------------------|------------------------|-------------------------------------------------|-----------------------|-------------------------------|----------------------|-------------------------|
| <b>Fund equities at January 1, 2011</b>                                         | \$119,604,810.81        | 92,739,948.86                        | (22,302,546.37)        | 4,245,288.38                                    | 48,696,086.49         | 110,412,394.06                | (12,114,842.32)      | <b>\$341,281,139.91</b> |
| <b>Revenue and expenses:</b>                                                    |                         |                                      |                        |                                                 |                       |                               |                      |                         |
| Operating revenues                                                              |                         |                                      | 226,490,868.23         |                                                 |                       |                               | 21,355,350.79        | <b>247,846,219.02</b>   |
| Operating expenses                                                              | (35,803,652.31)         |                                      | (33,556,647.06)        |                                                 |                       |                               | (36,509,313.93)      | <b>(105,869,613.30)</b> |
| General administration expenses                                                 |                         |                                      | (30,615,765.08)        |                                                 |                       |                               | -                    | <b>(30,615,765.06)</b>  |
| Interest income                                                                 |                         | 37,570.48                            | 271,727.95             | 110,731.34                                      | 51,220.67             | 2,258,286.39                  | 2,139,913.98         | <b>4,869,450.81</b>     |
| Change on fair value of Derivative Instruments                                  | -                       |                                      |                        |                                                 |                       |                               | -                    | <b>-</b>                |
| Economic development activities                                                 |                         |                                      |                        |                                                 |                       |                               | (6,561,492.64)       | <b>(6,561,492.64)</b>   |
| Interest on funded debt                                                         | (1,487,579.00)          |                                      |                        |                                                 | (51,992,367.36)       |                               | (1,764,550.69)       | <b>(55,244,497.05)</b>  |
| Other income (expenses)                                                         | (238,112.37)            | -                                    | (95,125.82)            | -                                               | (3,755.20)            | -                             | (114,862.74)         | <b>(451,856.13)</b>     |
|                                                                                 | (37,529,343.68)         | 37,570.48                            | 162,495,058.24         | 110,731.34                                      | (51,944,901.89)       | 2,258,286.39                  | (21,454,955.23)      | <b>53,972,445.65</b>    |
| <b>Contributions for capital improvements,<br/>additions and other projects</b> |                         |                                      | 125,031.70             |                                                 |                       |                               | 22,219,127.83        | <b>22,344,159.53</b>    |
| <b>Interfund transfers and payments:</b>                                        |                         |                                      |                        |                                                 |                       |                               |                      |                         |
| Bond service                                                                    |                         | -                                    | (57,676,442.64)        |                                                 | 144,911,483.16        |                               | (87,235,040.52)      |                         |
| Funds in excess of Bond Reserve requirement                                     |                         |                                      | -                      | -                                               | 4,976,678.48          | (4,976,678.48)                | -                    |                         |
| Funds free and clear of any lien or pledge                                      | -                       | 933.95                               | (99,305,473.97)        |                                                 | 18,058,494.92         | (933.95)                      | 81,246,979.05        |                         |
| Retirement of Bonds                                                             | 56,360,000.00           |                                      |                        |                                                 | (140,895,000.00)      |                               | 84,535,000.00        |                         |
| Net equity From 2010 Rev Bonds D                                                | "                       | "                                    |                        |                                                 | "                     | "                             | "                    | "                       |
| Net equity from 2007 Ref Rev Bonds                                              |                         | "                                    |                        |                                                 | "                     | "                             | "                    | "                       |
| Net equity from 2010 Ref Rev Bonds                                              | "                       | "                                    |                        |                                                 | "                     | "                             | "                    | "                       |
| Funds for permitted capital expenditures                                        |                         | (58,991,909.26)                      | -                      |                                                 |                       |                               | 58,991,909.26        |                         |
| Funds for permitted port projects                                               |                         | (8,228,539.00)                       |                        |                                                 |                       |                               | 8,228,539.00         | -                       |
| Capital additions                                                               | 87,737,139.35           |                                      |                        |                                                 |                       |                               | (87,737,139.35)      |                         |
| <b>Fund equities at September 30, 2012</b>                                      | <b>\$226,172,606.48</b> | <b>25,558,005.03</b>                 | <b>(16,664,373.04)</b> | <b>4,356,019.72</b>                             | <b>23,802,841.16</b>  | <b>107,693,068.02</b>         | <b>46,679,577.72</b> | <b>\$417,597,745.09</b> |

**NOTES TO COMBINED FINANCIAL STATEMENTS**  
**For the Year Period Ended September 30, 2012 (Dollars in Thousands)**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of Operations:** The Delaware River Port Authority (the "Authority") is a public corporate instrumentality of the Commonwealth of Pennsylvania (the "Commonwealth") and the State of New Jersey (the "State"), created with the consent of Congress by compact legislation between the Commonwealth and the State. The Authority has no stockholders or equity holders. The Authority is vested with the ownership, control, operation, and collection of tolls and revenues of certain bridges spanning the Delaware River; namely, the Benjamin Franklin, Walt Whitman, Commodore Barry, and Betsy Ross bridges. The Authority has also constructed and owns a high-speed transit system that is operated by the Port Authority Transit Corporation ("PATCO"). The transit system operates between Philadelphia, Pennsylvania and Lindenwold, New Jersey. The Authority's Port of Philadelphia and Camden Department ("PPC") is responsible for the operation of the Philadelphia Cruise Terminal at Pier 1 at the former Navy Yard, and the Riverlink Ferry System. (The Authority discontinued operations related to the Philadelphia Cruise Terminal effective July 1, 2011). The costs of providing facilities and services to the general public on a continuing basis are recovered primarily in the form of tolls and fares. The Authority is a member of the E-ZPass Interagency Group, the largest interoperable Electronic Toll Collection System in the world, comprised of twenty-two (22) agencies in eleven (11) states. Through September, 2012, customer participation in the E-ZPass electronic toll collection process grew to approximately sixty-seven (67%) of its toll collection activity during rush hour periods. E-ZPass revenues now exceed sixty-three percent (63%) of total toll revenues.

**B. Basis of Presentation:** The Authority is a single enterprise fund and maintains its records on the accrual basis of accounting. Enterprise Funds account for activities (i) that are financed with debt that is secured solely by a pledge of the net revenues from fees and charges of the activity; or (ii) that are required by law or regulations that the activity's cost of providing services, including capital cost (such as depreciation or debt service), be recovered with fees and charges, rather than with taxes or similar revenues; or (iii) that the pricing policies of the activity establish fees and charges designed to recover its costs, including capital costs (such as depreciation or debt service). Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when the related liability is incurred. The Authority has elected not to follow any FASB pronouncements issued after November 30, 1989.

**C. Cash and Cash Equivalents:** The Authority considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents (Note 2). In addition, according to the various Indentures of Trust which govern the flow and accounting of the Authority's financial resources, certain accounts are required to be maintained in order to comply with the provisions of the Indentures of Trust. For the accounts that are restricted, the Authority has recorded the applicable cash and cash equivalents as restricted on the combined financial statements (Note 11).

**D. Investment in Securities:** Investments are stated at fair value, generally based on quoted market prices. Certain investments are maintained in connection with the Authority's funded debt (Notes 3 and 12). Likewise, as with cash and cash equivalents, the accounts that are restricted as per the various Indentures of Trust have been recorded as restricted investments on the combined financial statements (Note 11).

**E. Accounts Receivable:** The Authority establishes a provision for the estimated amount of uncollectible accounts based on an individual account basis.

**F. Transit System Inventory:** Transit system inventory, consisting principally of spare parts for maintenance of transit system facilities, is stated at the lower of cost (first-in, first-out method) or market.

**G. Debt Issuance Costs, Bond Premiums, Bond Discounts and Loss on Refunding:** Debt issuance costs are amortized by the straight-line method from the issue date to maturity. Premiums, discounts and loss on refunding arising from the issuance of the revenue bonds and port district project bonds are amortized by the effective interest method from the issue date to maturity.

**H. Investment in Facilities:** Investment in facilities is stated at cost, which generally includes expenses for administrative and legal expenses incurred during the construction period. Investment in facilities also includes the cost incurred for port-related projects, and improvements, enlargements and betterments to the original facilities. Replacements of existing facilities (except for primarily police and certain other vehicles whose estimated useful life is two years or less) are also recorded at cost. The related costs and accumulated depreciation of the property replaced are removed from the respective accounts, and any gain or loss on disposition is credited or charged to non-operating revenues or expenses. Assets capitalizable generally have an original cost of five thousand dollars (\$5) or more and a useful life in excess of three years. Depreciation and amortization are provided using the straight-line method over the estimated useful lives of the related assets, including those financed by federal and state contributions (Notes 7 and 14).

Asset lives used in the calculation of depreciation are generally as follows:

|                                                     |               |
|-----------------------------------------------------|---------------|
| Bridges, freeways and tunnels                       | 100 years     |
| Buildings, stations and certain bridge components   | 35 - 50 years |
| Electrification, signals and communication system   | 30 - 40 years |
| Transit cars, machinery and equipment               | 10 - 25 years |
| Computer equipment, automobiles and other equipment | 3 - 10 years  |

**I. Maintenance and Repairs:** Maintenance and repair costs considered necessary to maintain bridge facilities in good operating condition are charged to operations as incurred.

**J. Self-insurance:** The Authority provides for the uninsured portion of potential public liability claims and workers' compensation claims through self-insurance programs and charges current operations for estimated claims to be paid (Note 15).

**K. Economic Development Activities:** The Authority establishes loan loss provisions for economic development loans receivable, based upon collection history and analysis of creditor's ability to pay. The Authority has established a loss reserve in the amount of \$3,345 for its economic development loans outstanding.

**L. Net Assets:** Net assets are classified in the following three components:

**Invested in Capital Assets, Net of Related Debt:** This component of net assets consists of capital assets, net of accumulated depreciation, reduced, by the outstanding balances of any bonds, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of invested in capital assets, net of related debt. Rather, that portion of the debt is included in the same net assets component as the unspent proceeds.

**Restricted:** This component of net assets consists of external constraints imposed by creditors (such as debt covenants), grantors, contributors, laws or regulations of other governments, or constraints imposed by law through constitutional provisions or enabling legislation, that restricts the use of net assets.

**Unrestricted Net Assets:** This component of net assets consists of net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt." This component includes net assets that may be allocated for specific purposes by the Board. A deficiency will require future funding.

**M. Operating and Non-operating Revenues and Expenses:** Operating revenues include all revenues derived from facility charges (i.e., toll revenues, which include E-ZPass revenues), PATCO operations (passenger fare, advertising and parking), and other revenue sources. Non-operating revenues principally consist of interest income earned on various interest-bearing accounts and on investments in debt securities.

Operating expenses include expenses associated with the operation, maintenance and repair of the bridges, PATCO, PPC operations, and general administrative expenses. Non-operating expenses principally include expenses attributable to the Authority's interest on funded debt and economic development activities.

When both restricted and unrestricted resources are available for use, it is the Authority's policy to use restricted resources first, then unrestricted resources as they are needed.

**N. Debt Management:** Total outstanding bond debt reflected on the balance sheet is net of unamortized bond discounts, premiums, and loss on refunding (Note 12). The Authority presently has two active interest rate hedge (swap) agreements (derivative instruments) with UBS AG (Paine Webber) to hedge interest rates on a portion of its outstanding long-term debt (Note 4).

**O. Derivative Instruments and the Related Companion Instruments:** The Authority has entered into two interest rate swap agreements with Bank of America, N.A. for the primary purposes of investing and for the aforementioned purpose of hedging interest rates on its outstanding long-term debt. In accordance with Governmental Accounting Standards Board Statement No. 53, Accounting and Financial Reporting for Derivative Instruments, all activity related to the interest rate swap agreements has been recorded on the combined financial statements and is further detailed in Note 4.

**P. Budget:** In accordance with Section 5.15 of the 1998 Revenue Refunding Bonds Indenture of Trust and its Supplemental Indentures and Section 5.07 of the 1998, 1999 and 2001 Port District Project Bond Indentures of Trust, the Authority must annually adopt an Annual Budget on or before December 31 for the ensuing year. Section 5.15 of the 1998 Revenue Bond Indenture of Trust requires that the Authority, on or before December 31, in each fiscal year, adopt a final budget for the ensuing fiscal year of (i) operational expenses, (ii) the PATCO Subsidy, (iii) the amount to be deposited to the credit of the Maintenance Reserve Fund, and (iv) the estimated amounts to be deposited into the Debt Service Fund, the Debt Service Reserve Fund, and the Rebate Fund. Each Annual Budget must also contain the Authority's projections of revenues for the ensuing fiscal year demonstrating compliance with the covenant as to facility charges as set forth in Section 5.09 of the Indentures of Trust. On or before December 31 in each fiscal year, the Authority must file a copy of the Annual Budget for the ensuing fiscal year with the Trustees.

The Port District Project Bond Indentures require the following: the adopted budget must set forth, inter alia, the PATCO Subsidiary, the amount of any operating subsidy paid or payable by the Authority to or for the account of any other subsidiary of the Authority (including, without limitation, the Port of Philadelphia and Camden) and all other material operating expenses of the Authority payable from the General Fund. (See Note 11 for description of funds established under the Trust Indentures.) The Authority must also include the debt service payable on the Bonds and any Additional Subordinated indebtedness during the ensuing fiscal year and all amounts required to be paid by the Authority into the Debt Service Reserve Fund or the Rebate Fund or to any Reserve Fund Credit Facility issuer during the ensuing fiscal year. On or before December 31, in each fiscal year, the Authority must file a copy of the Annual Budget for the ensuing fiscal year with the Trustees and Credit Facility Issuer.

The Authority may at any time adopt an amended or supplemental Annual Budget for the remainder of the then-current fiscal year, which shall be treated as the Annual Budget under the provisions of the Indentures of Trust. A copy of any amended or supplemental Annual Budget must be promptly filed with the Trustee.

**Q. Interfunds:** Interfund receivables/payables represent amounts that are owed, other than charges for goods and services rendered, to/from a particular fund. These receivables/payables are eliminated during the aggregation process.

**R. Reclassifications and Restatement:** Certain reclassifications have been made in the 2010 comparative statements to be in conformity with the 2011 presentation. The data presented for 2010 has been restated, as more fully described in Note 18.

**S. Use of Estimates:** The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the combined financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**T. Income Taxes:** The Authority is a public corporate instrumentality of the State of New Jersey and the Commonwealth of Pennsylvania, and is described in its amended governing Compact, has been "deemed to be exercising an essential government function in effectuating such purposes," and therefore is exempt from income taxes pursuant to the Internal Revenue Code (Section 115).

## NOTE 2. CASH AND CASH EQUIVALENTS

**Custodial Credit Risk Related to Deposits:** Custodial credit risk is the risk that, in the event of a bank failure, the Authority's deposits might not be recovered. The Authority does not have a deposit policy for custodial credit risk. As of September 30, 2012 and December 31, 2011, the Authority's bank balances of \$5,510 and \$5,450 respectively, were exposed to custodial credit risk as follows:

|                                | Sept. 30, 2012 | Dec. 31, 2011 |
|--------------------------------|----------------|---------------|
| Uninsured and uncollateralized | \$ 5,010       | \$ 4,950      |

## NOTE 3. INVESTMENT IN SECURITIES

The Authority's investments in various securities are maintained for specified funds in accordance with the provisions of the Indenture of Trust adopted as of July 1, 1998.

**Custodial Credit Risk Related to Investments:** For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Authority will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. Of the Authority's investments at December 31, 2011, \$528,073 of investments in asset backed securities, commercial paper, corporate bonds and notes, mortgage pass-through securities, municipal bonds, repurchase agreements, U.S. federal agency notes and bonds, and U.S. government treasuries, are uninsured, not registered in the name of the Authority, and held by the counterparty's trust department or agent but not in the Authority's name.

As of December 31, 2011, the Authority had the following investments:

| Investment                             | Maturities            | 2011       |
|----------------------------------------|-----------------------|------------|
| Asset backed securities                | 132.34 months average | \$ 2,759   |
| Collateralized mortgage obligations    | 306.75 months average | -          |
| Commercial paper                       | 6.20 months average   | 51,575     |
| Corporate bonds and notes              | 19.46 months average  | 54,692     |
| Mortgage pass-through securities       | 231.41 months average | 5,302      |
| Municipal bonds                        | 230.53 months average | 1,541      |
| Repurchase agreements                  | daily                 | 822        |
| Short-term investments                 | 1.00 months average   | 368,173    |
| U.S. federal agency notes and bonds    | 26.78 months average  | 17,149     |
| U.S. government treasuries             | 26.64 months average  | 26,005     |
|                                        |                       | 528,018    |
| Certificates of deposits held at banks |                       | 67,018     |
| Total                                  |                       | \$ 595,036 |

The short-term investments listed above consist of money market funds. Since it is the policy of the Authority to utilize these funds for the purchase of investments with longer maturities, these amounts have been classified as investments in the statement of net assets as opposed to cash and cash equivalents.

**Interest Rate Risk:** The Authority's General Fund investment policy limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates and is as follows: the average effective duration of the portfolio is not to exceed twenty-four months, and the maximum effective duration of any individual security is not to exceed five years, unless otherwise specified.

**Credit Risk:** Investments are purchased in accordance with the 1998 Indenture of Trust and its Supplemental Indenture and General Fund investment parameters and generally include U.S. government obligations, money market funds, obligations of U.S. agencies or instrumentalities, and obligations of public agencies or municipalities rated in either of the two highest rating categories by Standard & Poor's Ratings or Moody's Investors Services. In accordance with the 1998 Indenture of Trust and its Supplemental Indentures, the Authority invests in corporate bonds and commercial paper rated A-1 by Standard and Poor's Corporation. Guaranteed Income Contracts are collateralized by U.S. government and agency securities, and debt obligations having a rating in the highest rating category from Moody's Investors Service or Standard and Poor's Rating Services.

As of December 31, 2011, the Authority's investments had the following ratings:

| Investment                          | Standard & Poor's | Moody's      |
|-------------------------------------|-------------------|--------------|
| Asset backed securities             | *                 | *            |
| Commercial paper                    | *                 | P - 1        |
| Corporate bonds and notes           | * to AAA          | * to AAA     |
| Mortgage pass-through securities    | *                 | *            |
| Municipal bonds                     | * to AAA          | BAA3 to Aaaa |
| U.S. federal agency notes and bonds | * to AAA          | * to AAA     |
| U.S. government treasuries          | * to AAA          | * to Aaa     |
| Repurchase agreements               | *                 | *            |

\* investment not rated or no rating available

**Concentration of Credit Risk:** The Authority's policy on the concentration of credit risk (for its General Fund investments) states that no limitations exist on the purchase of investments in obligations of the U.S. government and U.S. federal agencies since they are fully guaranteed by the U.S. government. For the purchase of investments in obligations of all other issuers, total investments held from any one issuer shall not exceed ten percent (10%) of the aggregate market value of the entire portfolio, except for repurchase agreements, which, from any one issuer, shall not exceed twenty-five percent (25%) of the aggregate market value of the portfolio. As of June 30, 2012, the Authority has \$51,575 of investments in Abbey North American commercial paper. These investments are held under the Indentures of Trust and represent 9% of the Authority's total investments.

#### NOTE 4. DERIVATIVE INSTRUMENTS

In accordance with the requirements of GASB 53 related to derivative instruments, the Authority engaged a financial advisory firm to analyze the effectiveness of the two "cash-flow hedges" (specifically the 1995 and 1999 Revenue Bond swaptions). Both swaptions were found to be substantially effective. At December 31, 2011, the value of the Pay-fixed interest rate swap (1995 Revenue Bond Swaption) was \$79,479. At December 31, 2011, the value of the Pay-fixed interest rate swap (1999 Revenue Bond Swaption) was \$94,310. These Pay-fixed interest rate swaps are classified as deferred outflows on the Combined Statement of Net Assets and total \$173,789.

The fair value balances and notional amounts of derivative instruments outstanding at December 31, 2011 and 2010, classified by type, and the changes in fair value of such derivative instruments for the year then ended as reported in the 2011 and 2010 financial statements are as follows (debit (credit)):

|                                                                                      | Classifi-<br>cation | Changes in Fair Value |          | Classifi-<br>cation   | Fair Value at December 31, |          | Notional  |           |  |
|--------------------------------------------------------------------------------------|---------------------|-----------------------|----------|-----------------------|----------------------------|----------|-----------|-----------|--|
|                                                                                      |                     | Amount                |          |                       | Amount                     |          |           |           |  |
|                                                                                      |                     | 2011                  | 2010     |                       | 2011                       | 2010     | 2011      | 2010      |  |
| Investment derivatives:                                                              |                     |                       |          |                       |                            |          |           |           |  |
| Receive-fixed interest rate swaption (1999 PDP, Series B, Debt Service Reserve Fund) | Interest revenue    | \$ 78                 | \$ 17    | Derivative instrument | \$ (344)                   | \$ (422) | \$ 10,436 | \$ 10,436 |  |
| Receive-fixed interest rate swaption (1999 Revenue Bonds Debt Service Reserve Fund)  | Interest revenue    | 296                   | 65       | Derivative instrument | (1,306)                    | (1,602)  | 39,657    | 39,657    |  |
| Pay-fixed interest rate swap                                                         | Interest revenue    | 8,290                 | 9,850    | Derivative instrument | (1,560)                    | (9,850)  | 36,775    | 53,035    |  |
| Cash flow hedges:                                                                    |                     |                       |          |                       |                            |          |           |           |  |
| Pay-fixed interest rate swap (1995 Revenue Bonds Swaption)                           | Deferred outflow    | (18,485)              | (21,131) | Derivative instrument | (79,479)                   | (60,994) | 335,380   | 347,070   |  |
| Pay-fixed interest rate swap (1999 Revenue Bonds Swaption)                           | Deferred outflow    | (30,196)              | (38,852) | Derivative instrument | (94,310)                   | (64,115) | 350,000   | 350,000   |  |

As of December 31, 2010, the Authority determined that a portion of the cash flow hedge, pay-fixed interest rate swap, with a notional amount of \$403,035, no longer met the criteria for effectiveness due to the partial 2010 refunding of the 1999 Revenue Bonds (Note 12).

The fair values of the interest rate swaptions and swaps are indicative values based on mid-market levels as of the close of business on December 31, 2011 and 2010, and were derived from proprietary models based upon well-recognized financial principles and reasonable estimates about relevant future market conditions.

**Objective and Terms of Hedging Derivative Instruments:** The following table summarizes the objective and terms of the Authority's hedging instruments outstanding at December 31, 2011:

| Type                                                       | Objective                                                          | Notional Amount | Effective Date | Maturity Date | Terms                                      |
|------------------------------------------------------------|--------------------------------------------------------------------|-----------------|----------------|---------------|--------------------------------------------|
| Pay-fixed interest rate swap (1995 Revenue Bonds Swaption) | Hedge of changes in cash flows of the 2008 Revenue Refunding Bonds | \$ 335,380      | 01/01/06       | 01/01/26      | Pay 5.447%; receive 66% of one-month LIBOR |
| Pay-fixed interest rate swap (1999 Revenue Bonds Swaption) | Hedge of changes in cash flows of the 2010 Revenue Refunding Bonds | 386,775         | 01/01/10       | 01/01/26      | Pay 5.738%; receive 66% of one-month LIBOR |

**1995 Revenue Bonds Swaption:** On May 2, 2001, the Authority entered into the 1995 Revenue Bonds Swaption with UBS AG in the initial notional amount of \$358,215. Under the 1995 Revenue Bonds Swaption, UBS AG had the option, exercisable 120 days preceding January 1, 2006, January 1, 2007, and January 1, 2008, to elect to have the 1995 Revenue Bonds Swaption commence on the January 1 next succeeding the exercise of the option. Under the 1995 Revenue Bonds Swaption, (i) UBS AG was obligated to pay to the Authority \$7,144 on January 1, 2006, as an exercise premium amount; (ii) UBS AG is obligated to pay periodic payments (payable monthly) to the Authority based upon a variable rate of 66% of the USD-LIBOR-BBA index; and (iii), the Authority is obligated to pay periodic payments (payable monthly) to UBS AG based upon a fixed rate of 5.447% per annum. The periodic interest rates are applied to the notional amount of the 1995 Revenue Bonds Swaption, which amortizes annually, commencing January 1, 2007, from its initial notional amount. Only the net difference in the periodic payments is to be exchanged between the Authority and UBS AG.

The periodic payment obligations of the Authority under the 1995 Revenue Bonds Swaption are secured and payable equally and ratably with Bonds issued under the 1998 Revenue Bond Indenture. Regularly scheduled periodic payments to be made by the Authority under the 1995 Revenue Bonds Swaption are insured by Ambac Assurance. In addition to other Events of Default and Termination Events (as defined in the 1995 Revenue Bond Swaption), there exists an Additional Termination Event with respect to the Authority if the credit rating of Bonds issued under the 1998 Revenue Bond Indenture (without reference to municipal bond insurance or credit enhancement) falls below "Baa3" with respect to Moody's Investors Service ("Moody's") or "BBB-" with respect to Standard & Poor's Ratings Group ("S&P") or Fitch Ratings ("Fitch"), or the Bonds cease to be rated by one of Moody's, S&P or Fitch (and such rating agencies are still in the business of rating obligations such as the Bonds). However, as provided in the 1995 Revenue Bond Swaption, so long as no Insurer Credit Event (as defined therein) has occurred, no Early Termination Date can be designated unless Ambac Assurance has consented in writing thereto.

In consideration for entering into the 1995 Revenue Bonds Swaption, the Authority received a net up-front, non-refundable option payment in the amount of \$22,446 from UBS AG, which has been recorded on the combined financial statements as a noncurrent liability (premium payment payable – derivative companion instrument). In accordance with the provisions of Governmental Accounting Standards Board Statement No. 53, Accounting and Financial Reporting for Derivative Instruments, this derivative companion instrument is considered a "borrowing" resulting from the intrinsic value of the swaption at inception. During the option period, interest accretes at the effective rate implied by the cash flows on the borrowing at inception. Once the swaption is exercised, and becomes an active swap, a portion of the swap interest payments are attributed to principal and interest payments on the borrowing.

On September 3, 2005, UBS AG advised the Authority that it was exercising its option on this swaption as of January 1, 2006. As a result, UBS AG paid the Authority \$7,144 on January 3, 2006 as an exercise premium, which has been recorded as a deferred revenue and is being amortized as interest revenue over the life of the interest rate swap agreement. The Authority made its initial net monthly swap payment in February 2006. The Authority is current on its monthly net swap interest payments to UBS AG, which have totaled \$4.17 million in 2012.

The ratings of the counterparty (UBS AG) to the 1995 Revenue Bonds Swap of Moody's, S&P, and Fitch are A2, A, and A, respectively, as of September 30, 2012. (Note: On June 16, 2012 Moody's downgraded UBS' long-term ratings from Aa3 to A2) As of September 30, 2012 the 1995 Revenue Bond Swaption had a mark to mark value of (\$104,009).

The following schedule represents the accretion of interest and amortization of the premium payment payable – derivative companion instrument through the term of the interest rate swap agreement, at an effective interest rate of 4.62324%:

| Year Ending<br>December 31, | Beginning<br>Balance | Interest<br>Accrual | Inputed<br>Debt<br>Payment | Ending<br>Balance |
|-----------------------------|----------------------|---------------------|----------------------------|-------------------|
| 2012                        | \$ 17,305            | \$ 800              | \$ (2,639)                 | \$ 15,466         |
| 2013                        | 15,466               | 715                 | (2,508)                    | 13,673            |
| 2014                        | 13,673               | 632                 | (2,371)                    | 11,934            |
| 2015                        | 11,934               | 552                 | (2,226)                    | 10,260            |
| 2016                        | 10,260               | 474                 | (2,073)                    | 8,661             |
| 2017-2021                   | 8,661                | 1,354               | (7,759)                    | 2,256             |
| 2022-2025                   | 2,256                | 214                 | (2,470)                    | -                 |

**1999 Revenue Bonds Swaption:** On May 2, 2001, the Authority entered into the 1999 Revenue Bonds Swaption with UBS AG in the initial notional amount of \$403,035. Under the 1999 Revenue Bonds Swaption, UBS AG had the option, exercisable 120 days preceding January 1, 2010, January 1, 2011, and January 1, 2012, to elect to have the 1999 Revenue Bonds Swaption commence on the January 1 next succeeding the exercise of the option. Under the 1999 Revenue Bonds Swaption, if exercised, (i) UBS AG is obligated to pay periodic payments (payable monthly) to the Authority based upon a variable rate of 66% of the USD-LIBOR-BBA index, and (ii), the Authority is obliged to pay periodic payments (payable monthly) to UBS AG based upon a fixed rate of 5.738% per annum. The periodic interest rates are applied to the notional amount of the 1999 Revenue Bonds Swaption, which amortizes annually, commencing January 1, 2011, from its initial notional amount. Only the net difference in the periodic payments is to be exchanged between the Authority and UBS AG.

Once exercised, the 1999 Revenue Bonds Swaption would continue (unless earlier terminated) through January 1, 2026. The periodic payment obligations of the Authority under the 1999 Revenue Bonds Swaption (if exercised) are secured and payable equally and ratably with Bonds issued under the 1998 Revenue Bond indenture. Regularly scheduled periodic payments to be made by the Authority under the 1999 Revenue Bonds Swaption are insured by Ambac Assurance. In addition to other Events of Default and Termination Events (as defined in the 1999 Revenue Bonds Swaption), there exists an Additional Termination Event with respect to the Authority if the credit rating of Bonds issued under the 1998 Revenue Bond Indenture (without reference to municipal bond insurance or credit enhancement), falls below “Baa3” with respect to Moody’s or “BBB-” with respect to S&P or Fitch, or the Bonds cease to be rated by one of Moody’s, S&P or Fitch (and such rating agencies are still in the business of rating obligations such as the Bonds). However, as provided in the 1999 Revenue Bond Swap, so long as no Insurer Credit Event (as defined therein) has occurred, no Early Termination Date can be designated unless Ambac Assurance has consented in writing thereto.

In consideration for entering into the 1999 Revenue Bonds Swaption, the Authority received a net up-front, non-refundable option payment in the amount of \$20,142 from UBS AG, which has been recorded on the combined financial statements as a noncurrent liability (premium payment payable – derivative companion instrument). In accordance with the provisions of Governmental Accounting Standards Board Statement No. 53, Accounting and Financial Reporting for Derivative Instruments, this derivative companion instrument is considered a “borrowing” resulting from the intrinsic value of the swaption at inception. During the option period, interest accretes at the effective rate implied by the cash flows on the borrowing at inception. Once the swaption is exercised, and becomes an active swap, a portion of the swap interest payments are attributed to principal and interest payments on the borrowing.

On September 3, 2009, UBS AG advised the Authority that it was exercising its option on this swaption as of January 1, 2010. The Authority began making net interest payments to UBS AG, the counterparty, commencing in February 2010, representing January’s net interest payment. The Authority is current on its monthly net interest swap payments, having paid \$5.15 million to UBS AG in 2012.

The ratings of the counterparty (UBS AG) to the 1999 Revenue Bonds Swap of Moody’s, S&P, and Fitch are A2, A, and A, respectively, as of September 30, 2012. (Note: On June 16, 2012 Moody’s downgraded UBS’ long-term ratings from Aa3 to A2.) As of September 30, 2012 the 1999 Revenue Bond Swaption had a mark to mark value of (\$130,168).

The following schedule represents the accretion of interest and amortization of the premium payment payable – derivative companion instrument through the term of the interest rate swap agreement, at an effective interest rate of 4.71425%:

| Year Ending<br>December 31, | Beginning<br>Balance | Interest<br>Accrual | Imputed<br>Debt<br>Payment | Ending<br>Balance |
|-----------------------------|----------------------|---------------------|----------------------------|-------------------|
| 2012                        | \$ 25,152            | \$ 1,186            | \$ (3,835)                 | \$ 22,503         |
| 2013                        | 22,503               | 1,061               | (3,649)                    | 19,915            |
| 2014                        | 19,915               | 939                 | (3,453)                    | 17,401            |
| 2015                        | 17,401               | 820                 | (3,245)                    | 14,976            |
| 2016                        | 14,976               | 706                 | (3,025)                    | 12,657            |
| 2017-2021                   | 12,657               | 2,020               | (11,362)                   | 3,315             |
| 2022-2025                   | 3,315                | 321                 | (3,636)                    | -                 |

**Net Swap Payments:** Using rates as of December 31, 2011 and assuming the rates are unchanged for the remaining term of the bonds, the following table shows the debt service requirements and net swap payments for the Authority's hedged variable rate bonds:

| Year<br>Ending<br>December 31, | Variable Rate Bonds |                 |                   | Swap Interest Payments |                  |                   | Total<br>Bonds and<br>Swaps |
|--------------------------------|---------------------|-----------------|-------------------|------------------------|------------------|-------------------|-----------------------------|
|                                | Principal           | Interest        | Total             | Fixed Pay              | Var. Received    | Net Pay           |                             |
| 2012                           | \$ 15,025           | \$ 471          | \$ 15,496         | \$ 38,944              | \$ 1,239         | \$ 37,705         | \$ 53,201                   |
| 2013                           | 15,845              | 460             | 16,305            | 37,039                 | 1,179            | 35,860            | 52,165                      |
| 2014                           | 29,455              | 439             | 29,894            | 35,028                 | 1,115            | 33,913            | 63,807                      |
| 2015                           | 37,920              | 412             | 38,332            | 32,904                 | 1,047            | 31,857            | 70,189                      |
| 2016                           | 40,035              | 384             | 40,419            | 30,660                 | 976              | 29,684            | 70,103                      |
| 2017-2021                      | 236,485             | 1,441           | 237,926           | 114,992                | 3,659            | 111,333           | 349,259                     |
| 2022-2026                      | 310,615             | 460             | 311,075           | 36,715                 | 1,168            | 35,547            | 346,622                     |
|                                | <u>\$ 685,380</u>   | <u>\$ 4,067</u> | <u>\$ 689,447</u> | <u>\$ 326,282</u>      | <u>\$ 10,383</u> | <u>\$ 315,899</u> | <u>\$ 1,005,346</u>         |

**Objective and Terms of Investment Derivative Instruments:** On August 21, 2000, the Authority entered into two (2) interest rate agreements with Bank of America N.A. in the notional amounts of \$39,657 (the "2000 Swaption #1") and \$10,436 (the "2000 Swaption #2", and together with the 2000 Swaption #1, the "2000 Swaptions"). Under the 2000 Swaptions, Bank of America N.A. has the option on certain future dates (two business days preceding July 1, 2005 and each January 1 and July 1 thereafter through and including July 1, 2025 with respect to the 2000 Swaption #1 and two business days preceding January 2, 2006 and each July 1 and January 1 thereafter through and including July 1, 2025 with respect to the 2000 Swaption #2) to cause the 2000 Swaption #1 or the 2000 Swaption #2, as applicable, to commence on the next succeeding January 1 or July 1. If an option is exercised, the 2000 Swaption #1, or the 2000 Swaption #2, as applicable, would continue (unless earlier terminated) through January 1, 2026. The Authority's obligations under the 2000 Swaptions are general unsecured corporate obligations.

If the options relating to the 2000 Swaption #1 or the 2000 Swaption #2 are exercised, Bank of America N.A. is obligated to pay periodic interest payments (payable monthly) to the Authority based upon a fixed rate of 5.9229% per annum and the Authority is obligated to pay periodic interest payments (payable monthly) to Bank of America N.A. at a variable rate based upon the Securities Industry and Financing Markets Association (SIFMA) (formerly the BMA Municipal Swap Index) (a tax-exempt variable rate index). Only the net difference in the periodic payments owed would be exchanged between Bank of America N.A. and the Authority. As of September 30, 2012, Bank of America N.A. has not exercised its options on the aforementioned swaptions with a value totaling (\$949).

In consideration for entering into the 2000 Swaptions, the Authority received net up-front, non-refundable option payments in the aggregate amount of \$1,400 from Bank of America N.A., which represented the time value for holding the written option. Such payments have been recorded as deferred revenue and amortized as interest revenue in prior years.

#### **Risks Related to Derivative Instruments**

**Credit Risk:** For the year ended December 31, 2011, the Authority is not exposed to credit risk on its hedging derivative instruments or investment derivatives as all such derivative instruments are in a liability position based on their fair values. The credit ratings of the counterparties, however, are Aa3, A+, and A+ as rated by Moody's, S&P, and Fitch, respectively.

**Interest Rate Risk:** The Authority is exposed to interest rate risk on its derivative instruments. On its pay-variable, received-fixed interest rate swaptions, as the Securities Industry and Financing Markets Association (SIFMA) rate increases, the Authority's net payments on the swaptions, if exercised, increases. On its pay-fixed, receive-variable interest rate swaps, as the LIBOR rate decreases, the Authority's net payments on the swaps increases. While the Authority's net payments may increase, these increases are partially offset by the variable rate bonds rate.

**Basis Risk:** The Authority is exposed to basis risk on its pay-fixed interest rate swap hedging derivative instruments because the variable-rate payments received by the Authority on these hedging derivative instruments are based on a rate or index other than interest rates the Authority pays on its hedged variable-rate debt, which is remarketed every five (5) days.

**Termination Risk:** The Authority or its counterparties may terminate a derivative instrument if the other party fails to perform under the terms of the contract.

**Rollover Risk:** The Authority is not exposed to rollover risk on its hedging derivative instruments. The Authority's hedging derivative instruments terminate on the same day as the hedged debt matures, unless the Authority opts for earlier termination.

**Market-Access Risk:** If a particular option is exercised and refunding bonds are not issued, the affected series of bonds would not be refunded, and the Authority would make net swap payments as required by the terms of the applicable aforementioned contracts. If the option is exercised and the variable-rate bonds issued, the actual difference ultimately recognized by the transaction will be affected by the relationship between the interest rate terms of the to-be-issued variable-rate bonds versus the payment as stipulated in the swaption agreement.

#### **Swap Management Policy**

On December 28, 2009, the Authority's Board approved a resolution (DRPA#09-099, entitled "Use Debt-Related Swap Agreements") which, among other things, declared: (i) "that it is the direction and intention of the Board that the DRPA not enter into any new debt-related swap agreements...", and (ii) that the staff of the Authority "takes all steps necessary to immediately begin the process of recommending to the Board whether, when, and how to terminate the Authority's current swaps, with all such terminations, if determined to be advisable, to occur in a methodical and careful manner which avoids to the fullest extent possible additional costs or risks may be associated with termination; and that staff report to the Finance Committee of the Board on a monthly basis the status of all current swap agreements..."

#### NOTE 5. ACCOUNTS RECEIVABLE

Accounts receivable for September 30, 2012 and December 31, 2011 are as follows:

|                                                                                                                                                         | 2012      | 2011      |
|---------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|-----------|
| Reimbursements from governmental agencies - capital improvements to the PATCO system due from the Federal Transit Administration and New Jersey Transit | \$ 2,488  | \$ 3,297  |
| Reimbursements from governmental agencies - FEMA, PEMA, and NJ Homeland Security                                                                        | 3,721     | 3,721     |
| Development projects                                                                                                                                    | 3,715     | 3,715     |
| Other                                                                                                                                                   | 4,258     | 6,794     |
| Gross receivables                                                                                                                                       | 14,182    | 17,527    |
| Less: allowance for uncollectibles                                                                                                                      | (3,500)   | (3,500)   |
| Net total receivables                                                                                                                                   | \$ 10,682 | \$ 14,027 |

#### NOTE 6. CHANGES IN LONG-TERM LIABILITIES

Long-term liability activity for the period ended September 30, 2012 is as follows:

|                                                           | Beginning Balance | Increases | Decreases    | Ending Balance | Due within 1 year |
|-----------------------------------------------------------|-------------------|-----------|--------------|----------------|-------------------|
| Bonds and loans payable:                                  |                   |           |              |                |                   |
| 1999 Revenue Bonds                                        | 41,335            | -         | (41,335)     | -              | -                 |
| 1998 Port District Project Bonds                          | 58,195            | -         | (2,720)      | 55,475         | 2,845             |
| 1999 Port District Project Bonds                          | 145,080           | -         | (2,950)      | 142,130        | 3,170             |
| 2001 Port District Project Bonds                          | 112,270           | -         | (78,865)     | 33,405         | 6,785             |
| 2008 Revenue Refunding Bonds                              | 335,380           | -         | (15,025)     | 320,355        | 15,845            |
| 2010 Revenue Refunding Bonds                              | 350,000           | -         | -            | 350,000        | -                 |
| 2010 Revenue Bonds                                        | 308,375           | -         | -            | 308,375        | -                 |
| Less: issuance discounts/premiums                         | (17,769)          | -         | 2,057        | (15,712)       | -                 |
| Total bonds payable                                       | 1,332,866         | -         | (138,838)    | 1,194,028      | 28,645            |
| Other liabilities:                                        |                   |           |              |                |                   |
| Claims and judgments                                      | 3,996             | -         | -            | 3,996          | -                 |
| Self-insurance                                            | 3,141             | -         | -            | 3,141          | -                 |
| Sick and vacation leave                                   | 4,691             | -         | (135)        | 4,556          | 1,172             |
| Deferred revenue                                          | 6,691             | 126       | -            | 6,817          | 665               |
| Other (includes net OPEB obligation)                      | 39,934            | -         | -            | 39,934         | -                 |
| Premium payment payable - derivative companion instrument | 42,458            | -         | -            | 42,458         | 6,474             |
| Derivative instrument - interest rate swap                | 176,999           | -         | -            | 176,999        | -                 |
| Total long-liabilities                                    | \$ 1,610,776      | \$ 126    | \$ (138,973) | \$ 1,471,929   | \$ 36,956         |

#### NOTE 7. INVESTMENT IN FACILITIES

Capital assets for the year ended September 30, 2012 were as follows:

|                                             | Beginning<br>Balance | Increases | Decreases | Ending<br>Balance |
|---------------------------------------------|----------------------|-----------|-----------|-------------------|
| Capital assets not being depreciated        |                      |           |           |                   |
| Land                                        | \$ 74,225            | \$ -      | \$ -      | \$ 74,225         |
| Construction in progress                    | 241,748              | 87,187    | -         | 328,935           |
| Total capital assets not being depreciated  | 315,973              | 87,187    | -         | 403,160           |
| Capital assets being depreciated            |                      |           |           |                   |
| Bridges and related building and equipment  | 1,040,637            | -         | -         | 1,040,637         |
| Transit property and equipment              | 461,995              | -         | -         | 461,995           |
| Port enhancements                           | 6,257                | -         | -         | 6,257             |
| Total capital assets being depreciated      | 1,508,889            | -         | -         | 1,508,889         |
| Less: accumulated depreciation for:         |                      |           |           |                   |
| Bridges and related building and equipment  | (439,106)            | (23,966)  | -         | (463,072)         |
| Transit property and equipment              | (203,024)            | (11,838)  | -         | (214,862)         |
| Port enhancements                           | (3,815)              | (238)     | -         | (4,053)           |
| Total accumulated depreciation              | (645,945)            | (36,042)  | -         | (681,987)         |
| Total capital assets being depreciated, net | 862,944              | (36,042)  | -         | 826,902           |
| Total capital assets, net                   | \$ 1,178,917         | \$ 51,145 | \$ -      | \$ 1,230,062      |

Total depreciation expense for the period ended September 30, 2012 was \$36,042.

**Loss on Abandonment of Aerial Tram Project:** In its Board Resolution DRPA# DRPA-11-105, dated December 14, 2011, the Authority's Board approved the 2012 Capital Budget. In doing so, the Board approved the termination of the Aerial Tram project. As a result, the construction in progress for the Aerial Tram project was written off in 2011 and the loss on abandonment of the project was \$18,318.

**Loss on Disposal of Capital Assets:** In its Board Resolution DRPA #11-003, dated January 5, 2011, the Authority's Board approved the closure of the Cruise Terminal. The Board authorized staff to negotiate a termination agreement for the Cruise Terminal and parking lot, with the right to remain in the terminal rent free (except operating expenses) to accommodate booked events through June 30, 2011. Upon acceptance of the lease termination agreement offered by Philadelphia Authority Industrial Development ("PAID"), PAID agreed to pay the Authority \$250. In addition, the Authority received approximately \$92 in cash receipts related to the disposal. The loss on the disposal of the capital assets relating to the Cruise Terminal for the year-ending 2011 was \$7,929.

#### NOTE 8. DEFERRED COMPENSATION PLAN

The Authority offers its employees a deferred compensation plan in accordance with Internal Revenue Code Section 457. The plan, available to all full-time employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. The Authority does not make any contributions to the plan. To comply with changes in federal regulations and GASB 32, Accounting and Financial Reporting for Internal Revenue Code 457 Deferred Compensation Plans, the Authority amended the Plan in 1998 so that all amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are solely the property of the employees.

**NOTE 9. PENSION PLANS**

Employees of the Authority participate in the Pennsylvania State Employees' Retirement System, the Public Employees' Retirement System of New Jersey, or the Teamsters Pension Plan of Philadelphia and Vicinity.

**Pennsylvania State Employees' Retirement System**

**Plan Description:** Permanent full-time and part-time employees are eligible and required to participate in this cost-sharing multiple-employer defined benefit plan that provides pension, death and disability benefits. A member may retire after completing three years of service and after reaching normal retirement age (the age of 60, except police officers at age 50, or the age at which 35 years of service has been completed, whichever occurs first). Benefits vest after five years of service. If an employee terminates his or her employment after at least five years of service but before the normal retirement age, he or she may receive pension benefits immediately or defer pension benefits until reaching retirement age. Employees who retire after reaching the normal retirement age with at least three years of credited service are entitled to receive pension benefits equal to 2.50% of their final average compensation (average of the three highest years in earnings) times the number of years for which they were a participant in the plan. The pension benefits received by an employee who retires after five years of credited service but before normal retirement age are reduced for the number of years that person is under normal retirement age.

Pension provisions include death benefits, under which the surviving beneficiary may be entitled to receive the employee's accumulated contributions less the amount of pension payments that the employee received, the present value of the employees' account at retirement less the amount of pension benefits received by the employee, the same pension benefits formerly received by the employee, or one-half of the monthly pension payment formerly received by the employee. The maximum pension benefit to the employee previously described may be reduced depending on the benefits elected for the surviving beneficiary.

The Pennsylvania State Employees' Retirement System issues a publicly available annual financial report, including financial statements, which may be obtained by writing to Pennsylvania State Employees' Retirement System, 30 North Third Street, Harrisburg, Pennsylvania 17108-1147.

**Funding Policy:** The contribution requirements of plan members and the Authority are established and amended by the Pennsylvania State Employees' Retirement System Board. As of January 1, 2002, employees are required to contribute 6.25% of their gross earnings to the plan. The Authority was required to, and did, contribute an actuarially determined amount to the plan, which equaled 6.03%, 4.18% and 3.68%, of covered payroll in 2011, 2010 and 2009, respectively. In 2011, 2010 and 2009, the Authority's required contributions to the plan were \$2,604, \$1,817 and \$1,647, respectively, which represented 100% of the required contribution for the aforementioned years.

**New Jersey Public Employees Retirement System (NJ PERS)**

**Plan Description:** Permanent full-time employees, hired after January 1, 2002, who were members of NJPERS when they were hired, are eligible to participate in the cost-sharing multiple-employer defined benefit plan (administered by the New Jersey Division of Pensions and Benefits). The PERS was established in 1955. The PERS provides retirement, death and disability, and medical benefits to qualified members. Vesting and benefit provisions are established by N.J.S.A. 43:15A and 43:3B.

**Funding Policy:** The contribution requirements of plan members are determined by State statute. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members enrolled in the Public Employees' Retirement System were required to contribute 5.5% of their annual covered salary, effective July 1, 2007. However, under the new provisions of Chapter 78, P.L. 2011, employee pension contribution rates will be increased by the following amounts: the employee pension contribution rate will increase from 5.5% to 6.5% of salary, effective October 1, 2011. An additional increase to be phased over the next 7 years will bring the total pension contribution rate to 7.5% of salary. The phased increase from 6.5% to 7.5% will be applied equally over a 7-year period beginning July 1, 2012. The contribution rate will increase by 0.14% each year with the first payroll of July 2012 until the 7.5% contribution rate is reached in July 2018. The State Treasurer has the right under the current law to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however, the statute also requires the return to the normal rate when such surplus pension assets no longer exist. The Authority is billed annually for its normal contribution, plus any accrued liability. The Authority began sending employee contributions to NJ PERS beginning in January 2006. The fiscal year 2008 was the first year that the Authority was required to, and did, contribute an actuarially determined amount to the plan. For the years ended December 31, 2011, 2010 and 2009, the Authority's total contribution to the plan was \$135, \$197 and \$63, respectively, which represented 100% of the required contribution for the aforementioned years. For the years ended December 31, 2011, 2010 and 2009, the contributions consisted of a normal contribution amount of \$45, \$80 and \$29, respectively and an accrued liability amount of \$90, \$117 and \$34, respectively.

#### **Teamsters Pension Plan of Philadelphia and Vicinity**

**Plan Description:** Certain represented employees are eligible and required to participate in the Teamsters Pension Plan of Philadelphia and Vicinity, which is a cost-sharing, multiple-employer benefit plan which provides pension, death and disability benefits. A member may retire at the later of (a) the date the employee reaches 65 or (b) the tenth anniversary of the employee's commencement of participation in the plan. Additionally, employees are eligible for early retirement after 10 years of participation in the plan and (a) completion of 30 years of vested service or (b) attainment of age 50 and completion of 10 years of vested service. Benefits vest after 10 years of service. An employee who retires on or after his or her normal retirement age is entitled to receive benefits based on his or her credited years of service multiplied by a monthly benefit rate, which is determined based on the employer's daily contributions. The benefits are subject to maximum rates that vary according to employer daily contribution rates. Members may also receive benefits after early retirement at reduced rates depending on age at retirement.

An employee who qualifies for disability retirement benefits (total and permanent disability with 10 years of vested service and 5 years of continuous service with at least 300 covered days of contributions) is entitled to receive two hundred dollars per month until retirement age, when retirement benefits would commence.

Provisions include surviving spouse death benefits, under which the surviving spouse is entitled to a 50% survivor annuity in certain cases.

The Teamsters Pension Plan of Philadelphia and Vicinity issues a publicly available annual financial report, including financial statements, which may be obtained by writing to Teamsters Pension Plan of Philadelphia and Vicinity, Fourth and Cherry Streets, Philadelphia, Pennsylvania 19106.

**Funding Policy:** The Teamsters Pension Plan is controlled by the Teamsters Pension Plan of Philadelphia and Vicinity Board. The employer's contribution requirements are determined under the terms of one Collective Bargaining Agreement in force between the employer and the Teamsters. During 2011, the Authority was required to and did contribute twenty-one dollars and eighty cents (\$21.80) per day for each PATCO participating employee. The Authority's contributions totaled 9.81%, 9.6% and 9.89% of covered payroll in 2011, 2010 and 2009, respectively. The employees of the Authority make no contributions to the plan. The Authority contributed \$1,077, \$1,090 and \$1,068 in 2011, 2010 and 2009, respectively, which represented 100% of the required contribution for the aforementioned years.

## NOTE 10. POST-EMPLOYMENT HEALTHCARE PLAN

**Plan Description:** The Authority provides certain health care and life insurance benefits for retired employees, where such benefits are established and amended by the Authority's Board of Commissioners. The Authority's plan provides two agent multiple-employer post-employment healthcare plans which cover two retiree populations: eligible retirees under the age of sixty-five (65) receive benefits through Amerihealth and eligible retirees sixty-five (65) and over receive benefits through the United Health Group (in partnership with AARP) and Aetna. Life insurance benefits to qualifying retirees are provided through Prudential. The plans are administered by the Authority; therefore, premium payments are made directly by the Authority to the insurance carriers.

**Funding Policy:** Employees become eligible for retirement benefits based on hire date and years of service. For employees hired after January 1, 2007, no subsidized retiree benefits are offered. The contribution requirements of plan members and the Authority are established and may be amended by the Authority's Board of Commissioners. Plan members receiving benefits contribute the following amounts: \$65 per month for retiree-only coverage for the base plan, \$130 per month for retiree/spouse (or retiree/child) coverage, and \$195 per month for retiree/family (or children) coverage to age sixty-five (65) for the base plan, and \$55 per month per retiree, per dependent for both the United Health Group (in partnership with AARP) and Aetna coverages. An additional amount is required for those retirees, under age sixty-five (65), who opt to participate in the "buy-up plan" for retirees and their dependents.

**Retirees:** The Authority presently funds its current retiree post employment benefit costs on a "pay-as-you-go" basis and, as shown above, receives annual contributions from retirees to offset a portion of this annual cost. The Authority's contributions to the plan for the years ended 2011, 2010 and 2009 were \$4,242, \$4,256 and \$4,251, respectively.

**Future Retirees:** In accordance with Statement No.45 of the Government Accounting Standards Board, the Authority is required to expense the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty (30) years. The ARC includes the costs of both current and future retirees. The current ARC was determined to be \$5,230 at an unfunded discount rate of 5%. As stated above, the Authority has funded the cost of existing retirees in the amount of \$4,242, and in 2011, the Authority has accrued the benefit costs for future eligible employees, but has not yet begun funding this outstanding liability. The Authority plans to begin funding a portion of this outstanding liability during the fourth quarter of 2012.

**Annual OPEB Cost:** The Authority's annual required contribution (ARC), the interest on the net OPEB obligation, the adjustment to the ARC, the increase or decrease in the net OPEB obligation, the net OPEB obligation, and the percentage of annual OPEB cost contributed to the plan for 2011, 2010 and 2009 are as follows:

|                                                | 2011      | 2010      | 2009      |
|------------------------------------------------|-----------|-----------|-----------|
| Annual Required Contribution (ARC)             | \$ 5,230  | \$ 13,763 | \$ 13,763 |
| Interest on the net OPEB Obligation            | 1,897     | 1,439     | 975       |
| Adjustment to the ARC                          | (1,270)   | (1,782)   | (1,208)   |
| Annual OPEB Cost                               | 5,857     | 13,420    | 13,530    |
| Pay as You Go Cost (Existing Retirees)         | (4,242)   | (4,256)   | (4,251)   |
| Increase (Decrease) in the Net OPEB Obligation | 1,615     | 9,164     | 9,279     |
| Net OPEB Obligation, January 1                 | 37,935    | 28,771    | 19,492    |
| Net OPEB Obligation, December 31               | \$ 39,550 | \$ 37,935 | \$ 28,771 |
| Percentage of Annual OPEB Cost Contributed     | 72%       | 32%       | 31%       |

**Funded Status and Funding Progress:** As of January 1, 2011, the most recent actuarial valuation date, the Authority's Plan was 0% funded. The actuarial accrued liability for benefits was \$113,422, and the actuarial value of plan assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$113,422. The covered payroll (annual payroll of active employees covered by the plan) was \$56,820 and the ratio of the UAAL to the covered payroll was 199.6%. (For additional information, please refer to the "Required Supplementary Information Schedule of Funding Progress for Health Benefits Plan" shown at the end of the footnote section.) Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future.

Examples include assumptions about future employment, mortality and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of the plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

**Actuarial Methods and Assumptions:** Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the January 1, 2011 actuarial valuation, the projected unit credit actuarial cost method was used. Under this method an actuarial accrued liability is determined as the actuarial present value of the portion of projected benefits which is allocated to service before the current plan year. In addition, a normal cost is determined as the actuarial present value of the portion of projected benefits which is allocated to service in the current plan year for each active participant under the assumed retirement age. The UAAL is being amortized (straight-line) for thirty (30) year on an open basis. The actuarial assumptions included the following:

- **Mortality.** The mortality table employed in the valuation was the RP2000 Table Male and Female.
- **Discount Rate.** Future costs have been discounted at the rate of 5.00% compounded annually for GASB 45 purposes.
- **Turnover.** Assumptions for terminations of employment other than for death or retirement will vary by age and years of service with rates of turnover based on State Employees Retirement System of Pennsylvania.
- **Disability.** No terminations of employment due to disability were assumed. Retirees resulting from a disability were factored into the determination of age at retirement.
- **Age of Retirement.** The assumption that the active participants, on average, will receive their benefits when eligible, but no earlier than age 55.
- **Spousal Coverage.** Married employees will remain married.
- **Prior Service.** No prior service for active employees was assumed.
- **Health Care Inflation:**

|                  | Year                 | Pre-65 | Post 65 |
|------------------|----------------------|--------|---------|
| Initial Trend    | 01/01/13 to 01/01/17 | 10.0%  | 10.0%   |
| Ultimate Trend   | 01/01/18 to later    | 5.0%   | 5.0%    |
| Grading Per Year |                      | 1.0%   | 1.0%    |

- **Administration Expenses.** The annual cost to administer the retiree claims was assumed at 2.5% which was included in the annual health care costs.
- **Employee Contributions.** It was assumed that employees will contribute two thousand three hundred forty dollars (\$2,345) per year for family medical coverage and seven hundred eighty dollars (\$792) for single medical coverage.
- **Change in Assumptions.** Effective January 1, 2011, assumptions were changed for mortality, medical trend costs and turnover.

## NOTE 11. INDENTURES OF TRUST

The Authority is subject to the provisions of the following indentures of Trust: Revenue Refunding Bonds of 1998 with TD Bank N.A. (as successor trustee to Commerce Bank NA), dated July 1, 1998; and the Revenue Bonds of 1999 with TD Bank N.A., dated December 1, 1999; the Revenue Refunding Bonds of 2008, with TD Bank, National Association as Trustee, dated July 25, 2008 and the Revenue Refunding Bonds of 2010 and the 2010 Revenue Bonds (Series D), with TD Bank N.A. as Trustee dated May 15, 2010 and July 15, 2010, respectively (collectively the "Bond Resolution"); Port District Project Bonds of 1998 with The Bank of New York Mellon (as successor trustee to U.S. Trust Company of New Jersey), dated August 15, 1998; Port District Bonds of 1999 with The Bank of New York Mellon (as successor trustee to Summit Bank), dated December 1, 1999; Port District Project Bonds of 2001 with TD Bank NA., dated December 1, 2001. The Bond Resolution requires the maintenance of the following accounts:

**Project Fund:** This restricted account was established in accordance with Section 6.02 of the Bond Resolution. The Project Fund is held by the Trustee and is applied to pay the cost of the Projects and is pledged, pending application to such payment of costs for the security of the payment of principal and interest on the Revenue, Revenue Refunding, and Project Bonds (the "Bonds").

**Debt Service Fund:** This restricted account was established in accordance with Section 6.04 of the Bond Resolution for the payment of maturing interest and principal on the Bonds. The balance on deposit must be sufficient to enable the Trustee to withdraw amounts equal to interest due on the Bonds, principal amounts maturing on Bonds, accrued interest included in the purchase price of the bonds purchased for retirement, and sinking fund installments when payments are required.

**Debt Service Reserve Fund:** This restricted account was established in accordance with Section 6.05 of the Bond Resolution. The amount of funds on deposit must be maintained at a level equal to the Maximum Debt Service to insure funds are available for payment of Debt Service.

**Bond Redemption Fund:** This restricted account was established in accordance with section 6.06 of the Bond Resolution to account for amounts received from any source for the redemption of Bonds, other than mandatory sinking fund payments.

**Rebate Fund:** This restricted account was established in accordance with Section 6.07 of the bond Resolution account for amounts deposited from time to time in order to comply with the arbitrage rebate requirements of Section 148 of the Code as applicable to any Series of Tax-Exempt Bonds issued.

**Revenue Fund:** This unrestricted account was established in accordance with Section 6.03 of the Bond Resolution for the Authority to deposit all Revenues. On or before the 20th day of each calendar month, the Trustee shall, to the extent money is available, transfer to or credit funds needed in the following order: (1) the Debt Service Fund, (2) the Debt Service Reserve Fund, (3) any Reserve Fund Credit Facility Issuer, (4) the Trustee's Rebate Fund, (5) the Maintenance Reserve Fund, (6) the General Fund.

**Maintenance Reserve Fund:** This restricted account was established in accordance with Section 6.08 of the Bond Resolution. These funds are maintained for reasonable and necessary expenses with respect to the system for major repairs, renewals, replacements, additions, betterments, enlargements, improvements and extraordinary expenses, all to the extent not provided for in the then current Annual Budget. Money in this account is pledged for the security of payment principal and interest on the bonds. Whenever the amount in this account exceeds the "Maintenance Reserve Fund Requirement", the excess shall be deposited in the General Fund. The "Maintenance Reserve Fund Requirement" on any date is at least \$3,000.

**General Fund:** This unrestricted account was established in accordance with Section 6.09 of the Bond Resolution. All excess funds of the Authority are recorded in the General Account. If the Authority is not in default in the payment of bond principal or interest and all fund requirements are satisfied, the excess funds may be used by the Authority for any lawful purpose.

## NOTE 12. FUNDED AND LONG-TERM DEBT

At September 30, 2012, the Authority had \$1,194,028 in Revenue, Revenue Refunding, and Port District Project Bonds outstanding, consisting of bonds issued in 1998, 1999, 2001, 2008 and 2010. The 1998 Port District Project Bonds were issued pursuant to an Indenture of Trust dated August 15, 1998. The 1999 Revenue Bonds were issued pursuant to the Indenture of Trust dated July 1, 1998, a Second Supplemental Indenture dated August 15, 1998, and a Third Supplemental Indenture dated December 1, 1999. The 1999 Port District Project Bonds were issued to an Indenture of Trust dated December 1, 1999. Under the terms of the 1998 Revenue Refunding Bonds Indenture of Trust, the Authority covenanted not to issue any additional bonds under the 1995 Indenture of Trust. The 2001 Port District Project Bonds were issued pursuant to an Indenture of Trust dated December 1, 2001. The 2008 Revenue Refunding Bonds were issued pursuant to the Indenture of Trust dated July 1, 1998, as supplemented by a Fourth Supplemental Indenture dated October 1, 2007 and a Fifth Supplemental Indenture dated July 15, 2008. The 2010 Revenue Refunding Bonds were issued pursuant an Indenture of Trust dated as of July 1, 1998 as previously supplemented by five supplemental indentures thereto and as further supplemented by a Sixth Supplemental Indenture dated as of March 15, 2010. The 2010 Revenue Bonds are being issued pursuant to the Compact, the New Jersey Act, the Pennsylvania Act (as such terms are defined herein) and an Indenture of Trust, dated as of July 1, 1998, by and between the Authority and TD Bank, National Association, Cherry Hill, as successor to Commerce Bank, National Association (the "Trustee"), as supplemented by a First Supplemental Indenture, dated as of July 1, 1998, a Second Supplemental Indenture, dated as of August 15, 1998, a Third Supplemental Indenture, dated as of December 1, 1999, a Fourth Supplemental Indenture, dated as of October 1, 2007, a Fifth Supplemental Indenture, dated as of July 15, 2008, a Sixth Supplemental Indenture, dated as of March 15, 2010, and a Seventh Supplemental Indenture, dated as of July 1, 2010 (collectively, the "1998 Revenue Bond Indenture").

**1998 Port District Project Bonds:** On September 2, 1998, the Authority issued \$84,705 of Port District Project Bonds, Series of 1998, to provide funds to finance (a) all or a portion of the cost of certain economic development and capital projects, including reimbursing the Authority for the cost of economic development projects financed with Authority funds, (b) a deposit to the Port District Debt Service Reserve Fund established under the 1998 Port District Indenture, and (c) all or a portion of the costs and expenses of the Authority relating to the issuance and sale of the 1998 Port District Bonds.

The 1998 Port District Project Bonds are general corporate obligations of the Authority. Except as expressly provided in the 1998 Port District Indenture, the 1998 Port District Project Bonds are not secured by a lien or charge on, or pledge of, any revenue or other assets of the Authority. No tolls, rents, rates or other such charges are pledged for the benefit of the 1998 Port District Project Bonds. The 1998 Port District Project Bonds are payable from such funds and from other monies of the Authority legally available.

The 1998 Port District Project Bonds outstanding at September 30, 2012 are as follows:

| Maturity Date<br>(January 1)                        | Interest<br>Rate/Yield | Principal<br>Amount | Maturity Date<br>(January 1) | Interest<br>Rate/Yield | Principal<br>Amount |
|-----------------------------------------------------|------------------------|---------------------|------------------------------|------------------------|---------------------|
| Serial Bonds                                        |                        |                     |                              |                        |                     |
|                                                     |                        |                     | 2013                         | 5.00%                  | \$ 2,845            |
|                                                     |                        |                     | 2014                         | 4.75%                  | 2,990               |
|                                                     |                        |                     | 2015                         | 5.00%                  | 3,130               |
|                                                     |                        |                     |                              |                        | <u>8,965</u>        |
| Term Bonds                                          |                        |                     |                              |                        |                     |
| 2016                                                | 4.75%                  | \$ 3,290            | 2021                         | 5.00%                  | 4,175               |
| 2017                                                | 4.75%                  | 3,445               | 2022                         | 5.00%                  | 4,385               |
| 2018                                                | 5.00%                  | 3,605               | 2023                         | 5.00%                  | 4,605               |
| 2019                                                | 5.00%                  | 3,790               | 2024                         | 5.00%                  | 4,835               |
| 2020                                                | 5.00%                  | 3,975               | 2025                         | 5.00%                  | 5,075               |
|                                                     |                        |                     | 2026                         | 5.00%                  | 5,330               |
|                                                     |                        |                     |                              |                        | <u>46,510</u>       |
| Total par value of 1998 Port District Project Bonds |                        |                     |                              |                        | 55,475              |
| Less unamortized bond discount                      |                        |                     |                              |                        | <u>(171)</u>        |
| Total 1998 Port District Project Bonds, net         |                        |                     |                              |                        | <u>\$ 55,304</u>    |

**Optional Redemption:** The 1998 Port District Project Bonds are subject to redemption prior to maturity on or after January 1, 2008, in whole at any time, or in part at any time from time to time in any order of maturity as specified by the Authority, in any principal amount within a maturity as specified by the Authority, and within a maturity as selected by the Trustee by lot at the respective redemption prices expressed as percentages of the principal amount of such Port District Project Bonds or portions thereof to be redeemed as set forth below, together with accrued interest to the redemption date:

| Optional Redemption Dates (Inclusive) | Redemption Price<br>Port District Project Bonds |
|---------------------------------------|-------------------------------------------------|
| January 1, 2009 and thereafter        | 100.00%                                         |

**1999 Revenue Bonds (fully redeemed):** On December 22, 1999, the Authority issued \$422,310 of Revenue Bonds of 1999 to provide funds, together with other funds available, (i) to finance, refinance or reimburse a portion of the costs of certain capital projects undertaken or to be undertaken by the Authority, (ii) to fund a portion of the interest on the 1999 Revenue Bonds during the period of construction and acquisition of the aforesaid projects, (iii) to fund the Debt Service Reserve Requirement for the 1999 Revenue Bonds, and (iv) to pay the costs of issuance of the 1999 Revenue Bonds.

The 1999 Revenue Bonds are equally and ratably payable solely from and secured by a lien on and security interest in (i) the amounts on deposit in the 1995 General Fund established under the Indenture of Trust dated as of November 15, 1995, as supplemented as of November 15, 1995 (collectively, the "1995 Revenue Bond Indenture"), (ii) the amounts on deposit in the Funds established under the 1998 Revenue Bond Indenture, except for the 1998 General Fund and the 1998 Rebate Fund. With the defeasance of the Authority's Revenue Bonds, Series of 1995 (the "1995 Revenue Bonds"), and the 1998 Revenue Refunding Bonds, the 1999 Revenue Bonds are now secured by a lien on or security interest in the Net Revenue of the Authority.

**Optional Redemption:** The 1999 Revenue Bonds were subject to redemption prior to maturity at the option of the Authority on or after January 1, 2010, in whole at any time or in part at any time and from time to time in any order of maturity as specified by the Authority, in any principal amount which is an integral multiple of \$5 as specified by the Authority, and within a maturity as allocated by the Trustee or by lot (and, if 1999 Revenue Bonds of a maturity bear interest at different rates, as allocated by the Trustee or by lot among 1999 Revenue Bonds of the interest rate or rates specified by the Authority) at a redemption price equal to 100% of the principal amounts of such 1999 Revenue Bonds or portions thereof to be redeemed, together with accrued interest to the redemption date. On June 30, 2010, the Authority partially redeemed \$349,360 in bonds with the issuance of \$350,000 in 2010 Revenue Refunding Bonds. On April 26, 2012, the Authority fully redeemed, prior to maturity, the remaining \$24,225 of its 1999 Revenue Bonds.

**1999 Port District Project Bonds:** On December 22, 1999, the Authority issued \$272,095 to provide funds to finance (a) all or a portion of the cost of certain port improvement and economic development projects within the Port District, (b) a deposit of cash or a Reserve Fund Credit Facility to the credit of the Debt Service Reserve Fund established under the 1999 Port District Project Bond Indenture and (c) all or a portion of the costs and expenses of the Authority relating to the issuance and sale of the 1999 Port District Project Bonds.

The 1999 Port District Project Bonds are general corporate obligations of the Authority. The 1999 Port District Project Bonds are not secured by a lien or charge on, or pledge of, any revenues or other assets of the Authority other than the monies, if any, on deposit from time to time in the Funds established under the 1999 Port District Project Bond Indenture. No tolls, rents, rates or other such charges are pledged for the benefit of the 1999 Port District Project Bonds. The 1999 Port District Project Bonds are equally and ratably secured by the funds on deposit in the Funds established under the 1999 Port District Project Bond Indenture, except for the Rebate Fund. The 1999 Port District Project Bonds are payable from such Funds and from other monies of the Authority legally available.

The 1999 Port District Project Bonds are subject to optional redemption and mandatory sinking fund redemption prior to maturity as more fully described herein.

The scheduled payment of principal and interest on the 1999 Port District Project Bonds when due are guaranteed under an insurance policy issued concurrently with the delivery of the 1999 Port District Project Bonds by Financial Security Assurance Inc.

The 1999 Port District Project Bonds outstanding at September 30, 2012 are as follows:

| Maturity Date<br>(January 1)                        | Interest<br>Rate/Yield | Principal<br>Amount | Maturity Date<br>(January 1) | Interest<br>Rate/Yield | Principal<br>Amount |
|-----------------------------------------------------|------------------------|---------------------|------------------------------|------------------------|---------------------|
| Series A Bonds                                      |                        |                     |                              |                        |                     |
|                                                     |                        |                     | 2013                         | 7.54%                  | \$ 3,170            |
|                                                     |                        |                     |                              |                        | <u>3,170</u>        |
| Term Bonds                                          |                        |                     |                              |                        |                     |
| 2014                                                | 7.63%                  | \$ 3,405            | 2018                         | 7.63%                  | 4,570               |
| 2015                                                | 7.63%                  | 3,665               | 2019                         | 7.63%                  | 4,920               |
| 2016                                                | 7.63%                  | 3,945               | 2020                         | 7.63%                  | 5,295               |
| 2017                                                | 7.63%                  | 4,245               | 2021                         | 7.63%                  | 1,035               |
|                                                     |                        |                     |                              |                        | <u>31,080</u>       |
| Series B Bonds                                      |                        |                     |                              |                        |                     |
| 2021                                                | 5.70%                  | \$ 13,060           | 2022                         | 5.70%                  | 16,930              |
|                                                     |                        |                     | 2023                         | 5.70%                  | 17,895              |
|                                                     |                        |                     |                              |                        | <u>47,885</u>       |
| Term Bonds                                          |                        |                     |                              |                        |                     |
| 2024                                                | 5.63%                  | \$ 18,915           | 2025                         | 5.63%                  | 19,980              |
|                                                     |                        |                     | 2026                         | 5.63%                  | 21,100              |
|                                                     |                        |                     |                              |                        | <u>59,995</u>       |
| Total par value of 1999 Port District Project Bonds |                        |                     |                              |                        | 142,130             |
| Less unamortized bond discount                      |                        |                     |                              |                        | <u>(1,616)</u>      |
| Total 1999 Port District Project Bonds, net         |                        |                     |                              |                        | <u>\$ 140,514</u>   |

**Optional Redemption:** The Series A Port District Project Bonds are redeemable by the Authority on any interest payment date in whole or in part, and if in part, in any order of maturity specified by the Authority and in any principal amount within a maturity as specified by the Authority. Any such redemption shall be made at a redemption price equal to accrued interest to the redemption date plus the greater of (i) the principal amount of the Series A Port District Project Bonds to be redeemed, and (ii) an amount equal to the discounted remaining fixed amount payments applicable to the Series A Port District Project Bonds to be redeemed. Allocation of the amounts of Series A Port District Project Bonds to be redeemed shall be proportionate nearly as reasonably possible having due regard for minimum authorized denominations of the 1999 Port District Project Bonds among the respective interest of the holders of the Series A Port District Project Bonds to be redeemed at the time of selection of such Series A Port District Project Bonds for redemption.

The Series B Port District Project Bonds shall be subject to redemption prior to maturity on or after January 1, 2010, in whole at any time, or in part at any time and from time to time in any order of maturity as specified by the Authority, in any principal amount within a maturity as specified by the Authority, and within a maturity as selected by the Trustee by lot at a redemption price equal to 100% of the principal amount of such Series B Port District Project Bonds or portions thereof to be redeemed, together with accrued interest to the redemption date.

**2001 Port District Project Bonds:** On December 27, 2001, the Authority issued \$128,395 of Port District Project Refunding Bonds, Series A of 2001, and \$31,180 Port District Project Bonds, Series B of 2001 (**now fully redeemed**). The 2001 Port District Project Bonds are being issued to provide funds to finance (a) the current refunding of \$100,500 of the Authority's Port District Project Bonds, Series A of 1999 (Federally Taxable), (b) all or a portion of the cost of certain port improvement and economic development projects within the Port District, (c) a deposit of cash to the credit of the Debt Service Reserve Fund established under the 2001 Port District Project Bond Indenture, and (d) all or a portion of the costs and expenses of the Authority relating to the issuance and sale of the 2001 Port District Project Bonds

The 2001 Port District Project Bonds outstanding at September 30, 2012 are as follows:

| Maturity Date<br>(January 1)                 | Interest<br>Rate/Yield | Principal<br>Amount | Maturity Date<br>(January 1) | Interest<br>Rate/Yield | Principal<br>Amount |
|----------------------------------------------|------------------------|---------------------|------------------------------|------------------------|---------------------|
| Series A Refunding Bonds (Federally Taxable) |                        |                     |                              |                        |                     |
|                                              |                        |                     | 2015                         | 5.50%                  | \$ -                |
|                                              |                        |                     | 2016                         | 5.50%                  | -                   |
|                                              |                        |                     | 2017                         | 5.50%                  | 8,080               |
|                                              |                        |                     | 2018                         | 5.50%                  | 8,525               |
|                                              |                        |                     | 2019                         | 5.10%                  | -                   |
|                                              |                        |                     | 2020                         | 5.10%                  | -                   |
|                                              |                        |                     | 2021                         | 5.10%                  | -                   |
| 2013                                         | 5.50%                  | \$ -                | 2022                         | 5.13%                  | -                   |
| 2014                                         | 5.50%                  | -                   | 2023                         | 5.15%                  | -                   |
|                                              |                        |                     |                              |                        | <u>16,605</u>       |
| Term Bonds                                   |                        |                     |                              |                        |                     |
| 2024                                         | 5.20%                  | \$ 1,300            | 2026                         | 5.20%                  | 1,300               |
| 2025                                         | 5.20%                  | 1,300               | 2027                         | 5.20%                  | <u>12,900</u>       |
|                                              |                        |                     |                              |                        | <u>16,800</u>       |
| Total par value of Series A Refunding Bonds  |                        |                     |                              |                        | 33,405              |
| Plus unamortized bond premium                |                        |                     |                              |                        | 874                 |
| Less unamortized loss on refunding           |                        |                     |                              |                        | <u>(3,706)</u>      |
| Total 2001 Series A Refunding Bonds, net     |                        |                     |                              |                        | <u>30,573</u>       |

The 2001 Port District Bonds are general corporate obligations of the Authority. The 2001 Port District Project Bonds are not secured by a lien or charge on, or pledge of, any revenues or other assets of the Authority other than the monies, if any, on deposit from time to time in the Funds established under the 2001 Port District Project Bond Indenture. No tolls, rents, rates or other such charges are pledged for the benefit of the 2001 Port District Project Bonds.

**Optional Redemption:** The Series A Port District Project Refunding Bonds, and the Series B Port District Project Bonds, maturing on or after January 1, 2013 are subject to redemption prior to maturity at the option of the Authority on or after January 1, 2012, in whole at any time, or in part at any time and from time to time, in any order of maturity as specified by the Authority and within a maturity as selected by the Trustee by lot, at a redemption price equal to 100% of the principal amount of such Series A Port District Project Refunding or Series B Port District Project Bonds or portions thereof to be redeemed, together with accrued interest to the redemption date. On April 26, 2012, the Authority redeemed, prior to maturity, \$71,445 of its 2001 Series A & B Port District Project Bonds. As a result, the 2001 PDP Series B bonds were redeemed in full. The redeemed bonds had interest rates varying from 4.625% to 5.750% with maturities through 2025.

**2008 Revenue Refunding Bonds:** On July 25, 2008, the Authority issued \$358,175 in Revenue Refunding Bonds as variable rate demand obligations (VRDO's). The 2008 Revenue Refunding Bonds were issued to provide funds, together with other funds available: (a) to finance the current refunding of \$358,175 aggregate principal amount of the Authority's Revenue Refunding Bonds, Series of 2007, consisting of all of the outstanding bonds of such series; and (b) to pay the costs of issuance of the 2008 Revenue Refunding Bonds.

The 2008 Revenue Refunding Bonds were issued pursuant to the Compact, the New Jersey Act, the Pennsylvania Act (as such terms are defined herein) and an Indenture of Trust dated as of July 1, 1998, by and between the Authority and TD Bank, N.A., Cherry Hill, New Jersey, as successor to Commerce Bank, National Association (the "Trustee"), as supplemented by a First Supplemental Indenture dated as of July 1, 1998, a Second Supplemental Indenture dated as of August 15, 1998, a Third Supplemental Indenture dated as of December 1, 1999, a Fourth Supplemental Indenture dated as of October 1, 1997 and a Fifth Supplemental Indenture dated as of July 15, 2008 (the "Fifth Supplemental Indenture") (collectively, the "1998 Revenue Bond Indenture").

The 2008 Revenue Refunding Bonds, together with all other indebtedness outstanding under the 1998 Revenue Bond Indenture and any parity obligations hereafter issued under the 1998 Revenue Bond Indenture, are equally and ratably payable solely from and secured by a lien on and security interest in (i) the Net Revenues described herein, (ii) all moneys, instruments and securities at any time and from held by the Authority or the Trustee in any Fund created or established under the 1998 Revenue Bond Indenture and (iii) the proceeds of all the foregoing, except for the moneys, instruments and securities held in the 1998 General Fund and the 1998 Rebate Fund. The 2008A Letter of Credit (as defined herein) secures only the 2008A Revenue Refunding Bonds and the 2008B Letter of Credit (as defined herein) secures only the 2008B Revenue Refunding Bonds.

The 2008 Revenue Refunding Bonds are subject to purchase on the demand of the holder at a price equal to principal plus accrued interest on seven days' notice and delivery to the Authority's tender agent, TD Bank, N.A. The tender agent shall provide a copy of said notice to the applicable remarketing agent, who is authorized to use its best efforts to sell the repurchased bonds at a price equal to 100 percent of the principal plus accrued interest to the purchase date.

Under irrevocable letters of credit issued by Bank of America, N.A. and TD Bank, N.A., the trustee or the remarketing agent is entitled to draw an amount sufficient to pay the purchase price of the bonds delivered to it. The letters of credit are valid through July 23, 2013 and require the Authority to make immediate payment of any draws under the line. (See Note 16).

The Authority is required to pay annual facility fees to Bank of America, N.A. and TD Bank, N.A. for the letters of credit. The fee is calculated based on 1.35% of the gross amount available under the line based on the Authority's bond ratings, as determined by Moody's and S&P. In addition, the Authority is required to pay an annual remarketing fee, payable quarterly in arrears, equal to 0.07% of the aggregate principal amount of the bonds outstanding at the beginning of the period.

The 2008 Revenue Refunding Bonds outstanding at September 30, 2012 are as follows:

| Series A                                        |                        |                     | Series B                     |                        |                     |
|-------------------------------------------------|------------------------|---------------------|------------------------------|------------------------|---------------------|
| Maturity Date<br>(January 1)                    | Interest<br>Rate/Yield | Principal<br>Amount | Maturity Date<br>(January 1) | Interest<br>Rate/Yield | Principal<br>Amount |
| 2026                                            | Variable               | \$ 151,750          | 2026                         | Variable               | \$ 168,605          |
| Total par value of 2008 Revenue Refunding Bonds |                        |                     |                              |                        | 320,355             |
| Less unamortized loss on refunding              |                        |                     |                              |                        | (5,960)             |
| Total 2008 Revenue Refunding Bonds, net         |                        |                     |                              |                        | <u>\$ 314,395</u>   |

Interest Rate Mode: Weekly

Rate Determination Date: Generally each Wednesday

Interest Payment Dates: First Business Day of each month

Rate in Effect at December 31, 2011: Series A - 0.060%; Series B - 0.080%

**Optional Redemption:** While in the Weekly Mode, the 2008A Revenue Refunding Bonds are subject to optional redemption by the Authority, in whole or in part, in Authorized Denominations on any Business Day, at redemption price equal to the principal amount thereof, plus accrued interest, if any, to the Redemption Date. While in the Weekly Mode, the 2008B Revenue Refunding Bonds are subject to optional redemption by the Authority, in whole or in part, in Authorized Denominations on any Business Day, at a redemption price equal to the principal amount thereof, plus accrued interest, if any, to the Redemption Date.

**Sinking Fund Redemption:** The 2008 Revenue Refunding Bonds are subject to mandatory redemption in part on January 1 of each year and in the respective principal amounts set forth below at one hundred percent (100%) of the principal amount of 2008 Revenue Refunding Bonds to be redeemed, plus interest accrued to the Redemption Date, from funds which the Authority covenants to deposit in the 2008A Bonds Sinking Fund Account created in the 1998 Debt Service Fund established pursuant to 1998 Revenue Bond Indenture, in amounts sufficient to redeem on January 1 of each year the principal amount of such 2008 Revenue Refunding Bonds for each of the years set forth below:

| Sinking Fund Installments |                   |                   |                   |
|---------------------------|-------------------|-------------------|-------------------|
| January 1                 | Series A          | Series B          | Total             |
| 2013                      | \$ 7,505          | \$ 8,340          | \$ 15,845         |
| 2014                      | 7,915             | 8,795             | 16,710            |
| 2015                      | 8,345             | 9,275             | 17,620            |
| 2016                      | 8,800             | 9,775             | 18,575            |
| 2017                      | 9,280             | 10,310            | 19,590            |
| 2018                      | 9,785             | 10,870            | 20,655            |
| 2019                      | 10,315            | 11,465            | 21,780            |
| 2020                      | 10,880            | 12,090            | 22,970            |
| 2021                      | 11,475            | 12,745            | 24,220            |
| 2022                      | 12,100            | 13,440            | 25,540            |
| 2023                      | 12,755            | 14,175            | 26,930            |
| 2024                      | 13,455            | 14,945            | 28,400            |
| 2025                      | 14,185            | 15,760            | 29,945            |
| 2026                      | 14,955            | 16,620            | 31,575            |
|                           | <u>\$ 151,750</u> | <u>\$ 168,605</u> | <u>\$ 320,355</u> |

**2010 Revenue Refunding Bonds:** On June 30, 2010, the Authority issued \$350,000 in Revenue Refunding Bonds, Series A of 2010, Revenue Refunding Bonds, Series B of 2010 and Revenue Refunding Bonds, Series C of 2010 as variable rate demand obligations ("VRDOs"). The 2010 Revenue Refunding Bonds were issued pursuant to the Indenture of Trust dated as of July 1, 1998 by and between the Authority and TD Bank, National Association, Cherry Hill, New Jersey, as successor to Commerce Bank, National Association ("Trustee"), as previously supplemented by five supplemental indentures thereto and as further supplemented by a Sixth Supplemental Indenture ("Sixth Supplemental Indenture") dated as of March 15, 2010 (collectively, "1998 Revenue Bond Indenture"). The 2010 Revenue Refunding Bonds were issued to provide funds, together with other available funds, to (i) currently refund \$349,360 aggregate principal amount of the Authority's outstanding Revenue Bonds, Series of 1999, (ii) fund any required deposit to the 1998 Debt Service Reserve Fund (defined herein), and (iii) pay the costs of issuance of the 2010 Revenue Refunding Bonds.

The 2010 Revenue Refunding Bonds are subject to purchase on the demand of the holder at a price equal to principal plus accrued interest on seven days' notice and delivery to the Authority's tender agent, TD Bank, N.A. The tender agent shall provide a copy of said notice to the applicable remarketing agent, who is authorized to use its best efforts to sell the repurchased bonds at a price equal to 100 percent of the principal plus accrued interest to the purchase date.

Under irrevocable letters of credit issued by J.P. Morgan Chase, N.A., Bank of America, N.A. and PNC Bank, N.A., the trustee or the remarketing agent is entitled to draw an amount sufficient to pay the purchase price of the bonds delivered to it. The letters of credit are valid through March 29, 2013 and require the Authority to make immediate payment of any draws under the line. (See Note 16.)

The Authority is required to pay annual facility fees to J.P. Morgan Chase, N.A., Bank of America, N.A. and PNC Bank, N.A. for the letters of credit in percentages varying from 1.35% to 1.675% of the gross amount available under the line, based on the Authority's bond ratings as determined by Moody's and S&P. In addition, the Authority is required to pay an annual remarketing fee, payable quarterly in arrears, equal to 0.10% of the aggregate principal amount of the bonds outstanding at the beginning of the period.

The 2010 Revenue Refunding Bonds outstanding at September 30, 2012 were as follows:

|                                                 | Maturity Date<br>(January 1) | Interest<br>Rate/Yield | Principal<br>Amount |
|-------------------------------------------------|------------------------------|------------------------|---------------------|
| Series A                                        | 2026                         | Variable               | \$ 150,000          |
| Series B                                        | 2026                         | Variable               | 150,000             |
| Series C                                        | 2026                         | Variable               | 50,000              |
| Total par value of 2010 Revenue Refunding Bonds |                              |                        | 350,000             |
| Less unamortized loss on refunding              |                              |                        | (4,583)             |
| Total 2010 Revenue Refunding Bonds, net         |                              |                        | <u>\$ 345,417</u>   |

Interest rate Mode: Weekly

Rate Determination Date: Generally each Wednesday

Rate in Effect at December 31, 2011: Series A - 0.080%; Series B - 0.060%; Series C - 0.070%

The issuance of the 2010 Revenue Refunding Bonds resulted in a loss of \$5,624 which represents the costs associated with the refunding of the 1999 Revenue Bonds.

**Optional Redemption:** While in the Weekly Mode, each Series of the 2010 Revenue Refunding Bonds is subject to optional redemption by the Authority, in whole or in part, in Authorized Denominations on any Business Day, at a redemption price equal to the principal amount thereof, plus accrued interest, if any, to the applicable Redemption Date.

**Mandatory Sinking Fund Redemption:** The 2010 Revenue Refunding Bonds are subject to mandatory redemption in part on January 1 of each year and in the respective principal amounts set forth below at 100% of the principal amount of 2010 Revenue Refunding Bonds to be redeemed, plus interest accrued to the Redemption Date, from funds which the Authority covenants to deposit in the 2010A Bonds Sinking Fund Account, 2010B Bonds Sinking Fund Account, and 2010C Bonds Sinking Fund Account created in the 1998 Debt Service Fund established pursuant to 1998 Revenue Bond Indenture, in amounts sufficient to redeem on January 1 of each year the principal amount of such 2010 Revenue Refunding Bonds for each of the years set forth below:

| Sinking Fund Installments |                   |                   |                  |                   |
|---------------------------|-------------------|-------------------|------------------|-------------------|
| January 1                 | Series A          | Series B          | Series C         | Total             |
| 2014                      | \$ 5,460          | \$ 5,460          | \$ 1,825         | \$ 12,745         |
| 2015                      | 8,700             | 8,700             | 2,900            | 20,300            |
| 2016                      | 9,195             | 9,195             | 3,070            | 21,460            |
| 2017                      | 9,730             | 9,730             | 3,240            | 22,700            |
| 2018                      | 10,280            | 10,280            | 3,430            | 23,990            |
| 2019                      | 10,875            | 10,875            | 3,625            | 25,375            |
| 2020                      | 11,500            | 11,500            | 3,830            | 26,830            |
| 2021                      | 12,160            | 12,160            | 4,055            | 28,375            |
| 2022                      | 12,855            | 12,860            | 4,285            | 30,000            |
| 2023                      | 13,595            | 13,595            | 4,530            | 31,720            |
| 2024                      | 14,375            | 14,375            | 4,790            | 33,540            |
| 2025                      | 15,200            | 15,200            | 5,065            | 35,465            |
| 2026                      | 16,075            | 16,070            | 5,355            | 37,500            |
|                           | <u>\$ 150,000</u> | <u>\$ 150,000</u> | <u>\$ 50,000</u> | <u>\$ 350,000</u> |

**2010 Revenue Bonds:** On July 15, 2010, the Authority issued its Revenue Bonds, Series D of 2010 (the "2010 Revenue Bonds"). The 2010 Revenue Bonds were issued by means of a book-entry-only system evidencing ownership and transfer of 2010 Revenue Bonds on the records of The Depository Trust Company, New York, New York ("DTC"), and its participants. Interest on the 2010 Revenue Bonds will be payable semi-annually on January 1 and July 1 of each year commencing January 1, 2011 (each an "Interest Payment Date").

The 2010 Revenue Bonds were issued pursuant to the Compact, the New Jersey Act, the Pennsylvania Act (as such terms are defined herein) and an Indenture of Trust, dated as of July 1, 1998, by and between the Authority and ID Bank, National Association, Cherry Hill, New Jersey, as successor to Commerce Bank, National Association (the "Trustee"), as supplemented by a First Supplemental Indenture, dated as of July 1, 1998, a Second Supplemental Indenture, dated as of August 15, 1998, a Third Supplemental Indenture, dated as of December 1, 1999, a Fourth Supplemental Indenture, dated as of October 1, 2007, a Fifth Supplemental Indenture, dated as of July 15, 2008, a Sixth Supplemental Indenture, dated as of March 15, 2010, and a Seventh Supplemental Indenture, dated as of July 1, 2010 (collectively, the "1998 Revenue Bond Indenture"). The 2010 Revenue Bonds were issued for the purpose of: (i) financing a portion of the costs of the Authority's approved Capital improvement Program; (ii) funding the Debt Service Reserve Requirement for the 2010 Revenue Bonds; and (iii) paying the costs of issuance of the 2010 Revenue Bonds (Series D). (Note: As per its 2008 Reimbursement Resolution, upon issuance of the 2010 Revenue Bonds, the Authority reimbursed its General Fund, for approximately \$100 million, for prior capital expenditures made during the period October 2008 through July 2010).

The 2010 Revenue Bonds are limited obligations of the Authority and are payable solely from the sources referred to in the 2010 Revenue Bonds and the 1998 Revenue Bond Indenture. Neither the credit nor the taxing power of the Commonwealth of Pennsylvania (the "Commonwealth") or the State of New Jersey (the "State") or of any county, city, borough, village, township or other municipality of the Commonwealth or the State is or shall be pledged for the payment of the principal, redemption premium, if any, or interest on the 2010 Revenue Bonds. The 2010 Revenue Bonds are not and shall not be deemed to be a debt or liability of the Commonwealth or the State or of any such county, city, borough, village, township or other municipality, and neither the Commonwealth nor the State nor any such county, city, borough, village, township or other municipality is or shall be liable for the payment of such principal or, redemption premium, or interest. The Authority has no taxing power.

**Mandatory Sinking Fund Redemption:** The 2010 Revenue Bonds maturing January 1, 2035 and January 1, 2040 are subject to mandatory redemption prior to maturity by the Authority, in part, on January 1 of each year in the respective principal amounts set forth below at 100% of the principal amount thereof, plus accrued interest to the Redemption Date from sinking fund installments which are required to be paid in amounts sufficient to redeem on January 1 of each year the principal amount of such 2010 Revenue Bonds specified for each of the years set forth below. Payment of principal and interest on the 2010 Revenue Bonds (the "2010 Insured Bonds"), in the principal amount of \$60,000 maturing January 1, 2040 is guaranteed under an insurance policy issued by Assured Guaranty Municipal Corp. (formerly known as Financial Security Assured, Inc.).

The 2010 Revenue Bonds outstanding at September 30, 2012 are as follows:

| Maturity Date<br>(January 1)          | Interest<br>Rate/Yield | Principal<br>Amount | Maturity Date<br>(January 1) | Interest<br>Rate/Yield | Principal<br>Amount |
|---------------------------------------|------------------------|---------------------|------------------------------|------------------------|---------------------|
| Serial Bonds                          |                        |                     |                              |                        |                     |
|                                       |                        |                     | 2027                         | 5.00%                  | \$ 3,465            |
|                                       |                        |                     | 2028                         | 5.00%                  | 17,210              |
|                                       |                        |                     | 2029                         | 5.00%                  | 18,070              |
|                                       |                        |                     | 2030                         | 5.00%                  | 18,975              |
|                                       |                        |                     |                              |                        | <u>57,720</u>       |
| Term Bonds                            |                        |                     |                              |                        |                     |
| 2031                                  | 5.00%                  | \$ 16,245           | 2036                         | 5.00%                  | 14,575              |
| 2031                                  | 5.05%                  | 3,675               | 2036                         | 5.00%                  | 10,860              |
| 2032                                  | 5.00%                  | 17,055              | 2037                         | 5.00%                  | 15,310              |
| 2032                                  | 5.05%                  | 3,865               | 2037                         | 5.00%                  | 11,400              |
| 2033                                  | 5.00%                  | 17,905              | 2038                         | 5.00%                  | 16,075              |
| 2033                                  | 5.05%                  | 4,060               | 2038                         | 5.00%                  | 11,970              |
| 2034                                  | 5.00%                  | 18,810              | 2039                         | 5.00%                  | 16,875              |
| 2034                                  | 5.05%                  | 4,260               | 2039                         | 5.00%                  | 12,570              |
| 2035                                  | 5.00%                  | 19,750              | 2040                         | 5.00%                  | 17,720              |
| 2035                                  | 5.05%                  | 4,475               | 2040                         | 5.00%                  | 13,200              |
|                                       |                        |                     |                              |                        | <u>250,655</u>      |
| Total par value of 2010 Revenue Bonds |                        |                     |                              |                        | 308,375             |
| Less unamortized bond discount        |                        |                     |                              |                        | <u>(550)</u>        |
| Total 2010 Revenue Bonds, net         |                        |                     |                              |                        | <u>\$ 307,825</u>   |

**Optional Redemption:** The 2010 Revenue Bonds are subject to redemption at the option of the Authority, prior to maturity, in whole or in part (and if in part, in such order of maturity or within a maturity as the Authority shall specify, or if the Authority shall fail to specify, by lot or by such other method as the Paying Agent determines to be fair and reasonable and in any principal amount in Authorized Denominations) at any time on or after January 1, 2020. Any such redemption shall be made at a redemption price equal to 100% of the principal amount of the 2010 Bonds to be redeemed, plus accrued interest to the Redemption Date.

**Maturities of Principal and Interest on Bonds:** The following presents the principal and interest due on all bonds outstanding as of December 31, 2011 (assuming the letter of credit agreements with respect to the variable rate 2008 and 2010 Revenue Refunding Bonds are renewed over the term of the bonds):

| Years Ending<br>December 31,                                       | Principal           | Interest   | Total        |
|--------------------------------------------------------------------|---------------------|------------|--------------|
| 2012                                                               | \$ 45,225           | \$ 35,054  | \$ 80,279    |
| 2013                                                               | 46,700              | 34,249     | 80,949       |
| 2014                                                               | 50,170              | 32,596     | 82,766       |
| 2015                                                               | 53,310              | 31,852     | 85,162       |
| 2016                                                               | 56,330              | 30,663     | 86,993       |
| 2017-2021                                                          | 333,345             | 131,882    | 465,227      |
| 2022-2026                                                          | 444,280             | 96,811     | 541,091      |
| 2027-2031                                                          | 90,540              | 67,231     | 157,771      |
| 2032-2036                                                          | 115,615             | 40,919     | 156,534      |
| 2037-2040                                                          | 115,120             | 8,985      | 124,105      |
|                                                                    | 1,350,635           | \$ 510,242 | \$ 1,860,877 |
| Net unamortized bond discounts,<br>premiums, and loss on refunding | (17,769)            |            |              |
|                                                                    | <u>\$ 1,332,866</u> |            |              |

The interest on variable rate debt is computed using the interest rate effective at December 31, 2011. The interest rates on the Authority's variable rate debt are set by the remarketing agent and are reset weekly. The letter of credit agreements that support the 2008 and 2010 variable rate bonds expire July 2013 and March 2013, respectively. As of December 31, 2011, the outstanding balance on the 2008 and 2010 Revenue Refunding Bonds was \$685,380, which is reported in the table above as maturing in 2012 through 2026. If the letter of credit agreements are not renewed and the 2008 and 2010 variable rate bonds mandatorily redeemed, the 2013 debt service requirement will be \$701,210, rather than the \$46,700 shown in the table above.

Interest on all of the Authority's fixed rate debt (revenue bonds and port district project bonds issued in 1998, 1999, 2001 and 2010) is payable semi-annually on January 1 and July 1 in each year. Interest on the 2008 and 2010 Revenue Refunding Bonds is payable monthly on the first business day of each month. The Authority is current on all of its monthly debt service payments on all obligations.

**Debt Authorized But Not Issued:** In September 2009, as a result of UBS' exercise of its option on the underlying swaption, the Authority's Board approved Resolution DRPA-09-065 authorizing either the: refunding of the 1999 B Port District Project Bonds, cash settlement (termination), or issuance of any necessary interest rate agreements. The swap was terminated in January 2010, but no action with regards to refunding has occurred.

At its November 2009 Board meeting, the Authority's Board approved the following resolutions related to its outstanding bonds and its proposed "new money issuance" to fund its 2010 Capital Program:

1. DRPA-09-064 authorized the Authority to issue new revenue bonds, up to a maximum of \$510 million to fund a portion of the 2010 Capital Plan. (This resolution rescinded the earlier "new money" authorization passed in October 2008). The new bonds can be issued as fixed or variable rate bonds, along with any interest rate hedge agreements, if necessary. The DRPA issued \$308 million in fixed rate bonds in July 2010, pursuant to this resolution.
2. DRPA-09-066 authorized the Authority to refund the 1999 Revenue Bonds (as either fixed or variable rate bonds), issue any necessary interest rate hedge agreements, if necessary, or to terminate the swap. These bonds were partially redeemed with the issuance of \$350 million in 2010 Revenue Refunding Bonds on June 30, 2010. (As mentioned previously, the remaining 1999 Revenue Bonds were redeemed in April of 2012.)
3. DRPA-09-067 authorized the Authority to: refund the 1998B Port District Project Bonds, as tax exempt or taxable, fixed or variable rate bonds, to achieve the debt service savings and to issue any necessary interest rate hedge agreements to hedge interest costs. (Note: no further actions have been taken with regards to these bonds).

On February 15, 2012, the Authority's Board approved resolution DRPA-12-021 authorizing the Authority to issue refunding bonds, as subordinated debt, up to a maximum of \$165 million related to the outstanding Port District Project bonds. (As of this date, the proposed refunding has not occurred.)

## Bond Ratings

**Moody's Investors Service Bond Ratings:** In September 2007, concurrent with the issuance of the 2007 Revenue Refunding Bonds, Moody's affirmed the Authority's existing underlying ratings on all revenue and port district project bonds (which are A3 and Baa3, respectively) and assigned a rating of A3 to the 2007 Revenue Refunding Bonds. In addition, Moody's revised its outlook on the Authority's bonds to "stable".

Concurrent with the issuance of \$358 million in Revenue Refunding Bonds on July 9, 2008, Moody's assigned an A3 rating to the new issue, with a "stable outlook." Moody's also affirmed the A3 ratings on all outstanding revenue bond debt issued under the 1998 Indenture, and its Baa3 ratings on all existing port district project bonds.

Concurrent with the issuance of \$350 million in Revenue Refunding Bonds on June 30, 2010, in its report dated March 2010, Moody's assigned its A3 underlying ratings to the Authority's 2010 Revenue Refunding Bonds Series (A thru C). Moody's affirmed its 'A3' underlying ratings, on the Authority's existing revenue bond debt, and the 'Baa3' long term ratings on its PDP Bonds. The outlook was changed from "stable" to a "negative outlook" on all of the Authority's bonds.

Concurrent with the issuance of \$308.4 million in Revenue Bonds on July 15, 2010, in its report dated May 4, 2010, Moody's assigned its A3 underlying ratings to the Authority's 2010 Revenue Bonds (Series D). Moody's affirmed its 'A3' underlying ratings, on the Authority's existing revenue bond debt, and the 'Baa3' long term ratings on its PDP Bonds. (Note: Moody's also assigned a rating of Aa3 "negative outlook" to the 2010 Insured Revenue Bonds). As of June 30, 2012, all Authority bonds remain with a negative outlook.

**Standard & Poor's Ratings Services Bond Ratings:** On October 2, 2007, concurrent with the issuance of the 2007 Revenue Refunding Bonds, S&P affirmed the Authority's existing underlying BBB+ ratings on all revenue bonds and assigned a rating of BBB+ to the 2007 Revenue Refunding Bonds. S&P also affirmed its BBB- underlying ratings on all port district project bonds and revised its outlook on the Authority's bonds to "stable from negative."

On July 8, 2008, concurrent with the issuance of the 2008 Revenue Refunding Bonds described herein, S&P assigned its BBB+ rating to the new bonds. S&P also affirmed its BBB+ underlying ratings on all outstanding revenue bonds and revised its outlook on these bonds from "stable" to "positive". S&P also affirmed its BBB- ratings on all Port District Project Bonds, which carry a "stable" outlook.

On July 13, 2009, S&P raised the underlying rate (SPUR) on all of the Authority's revenue/revenue refunding bonds from BBB+ to A- with a stable outlook. S&P reaffirmed the existing BBB- ratings on the port district project bonds with a "positive outlook."

Concurrent with the issuance of \$350 million in revenue refunding bonds on June 30, 2010, in its report dated February 24, 2010, S&P assigned its "A-" underlying rating (SPUR) to the Authority's 2010 Revenue Refunding Bond Series A thru C. S&P affirmed its "A-" underlying ratings, on the Authority's existing revenue bond debt, and the "BBB-" long term ratings on its PDP Bonds. The outlook remained as "stable."

Concurrent with the issuance of \$308.4 million in revenue bonds on July 15, 2010, in its report dated May 4, 2010, S&P assigned its "A-" underlying rating (SPUR) to the Authority's 2010 Revenue Bonds (Series D). S&P affirmed its "A-" underlying ratings, on the Authority's existing revenue bond debt, and the "BBB-" long term ratings on its PDP Bonds. (Note: S&P also assigned a rating of AAA "negative outlook" to the 2010 Insured Revenue Bonds). As of June 30, 2012, the outlook remains as "stable" on all of the Authority's bonds. (See Note 20, for additional information with regards to S&P ratings.)

On August 31, 2012, S&P affirmed its 'A-' long-term rating on the Authority's revenue bonds and its 'AAA/A-1' and 'AAA/A-1+' ratings on the two variable rate revenue refunding issues (2008 Series A and B and 2010 Series A, B, and C.) In addition, S&P affirmed its 'BBB-' long-term rating on the Authority's PDP bonds outstanding. The outlook for all of the Authority's bond issues remains as 'stable'.

**Ratings on Jointly Supported Transactions:** Moody's Investors Service ("Moody's") and Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc. ("S&P"), initially assigned their municipal bond ratings to the 2008 Revenue Refunding Bonds as set forth in the following chart based upon the understanding that upon delivery of the 2008A Revenue Refunding Bonds or 2008B Revenue Refunding Bonds, the respective Letter of Credit securing the payment when due of the principal of, or purchase price of 2008A Revenue Refunding Bonds or 2008B Revenue Refunding Bonds tendered for purchase and not otherwise remarketed and interest on the 2008A Revenue Refunding Bonds or 2008B Revenue Refunding Bonds will be delivered by Bank of America, N.A. and TD Bank, N.A., respectively.

|                                |          | Long-term | Short-term |
|--------------------------------|----------|-----------|------------|
| 2008A Revenue Refunding Bonds  | Moody's: | Aaa       | VMIG 1     |
|                                | S&P:     | AA+       | A-1+       |
| 2008 B Revenue Refunding Bonds | Moody's: | Aaa       | VMIG 1     |
|                                | S&P:     | AA-       | A-1+       |

The long-term ratings assigned by Moody's and S&P reflect each organization's approach to rating jointly supported transactions and are based upon the Direct Pay Letters of Credit provided by Bank of America, N.A. for the 2008A Revenue Refunding Bonds and TD Bank, N.A. for the 2008B Revenue Refunding Bonds. Since a loss to a bondholder of a 2008A Revenue Refunding Bond or a 2008B Revenue Refunding Bond would occur only if both the bank providing the applicable Letter of Credit and the Authority default in payment, Moody's and S&P have assigned a long-term rating to the 2008 Revenue Refunding Bonds based upon the joint probability of default by both applicable parties. In determining the joint probability of default, Moody's considers the level of correlation between the bank providing the applicable Letter of Credit and the Authority. Moody's has determined that there is a low level of correlation between the bank providing the applicable Letter of Credit and the Authority. Given this correlation, Moody's believes the joint probability of default results in credit risk consistent with a Aaa rating for the 2008 Revenue Refunding Bonds.

No provider of a Letter of Credit is obligated to maintain its present or any other credit rating and shall have no liability if any such credit rating is lowered, withdrawn, or suspended

In May 2009, the Authority was advised that Standard & Poor's Ratings Services had updated its methodology and assumptions for rating "jointly supported obligations" when each obligor is fully responsible for the entire obligation. In this situation, a default on the obligation would occur only if both obligors default. As a result, in its report dated April 22, 2009 ("List of U.S. Public Finance Ratings Placed on CreditWatch Positive As A Result of Joint-Supported Criteria Update"), S&P changed its ratings on the 2008 Revenue Refunding Bonds (Series A), supported by a Letter of Credit by Bank of America, N.A., from AA+/A-1 to A-/A-1.

### NOTE 13. CONDUIT DEBT OBLIGATIONS

The Authority is authorized to plan, finance, develop, acquire, construct, purchase, lease, maintain, market, improve and operate any project within the Port District including, but not limited to, any terminal, terminal facility, transportation facility, or any other facility of commerce or economic development activity, from funds available after appropriate allocation for maintenance of bridge and other capital facilities. Utilizing this authorization, the Authority has issued certain debt bearing its name to lower the cost of borrowing for specific governmental entities. This debt is commonly referred to as conduit (or non-commitment) debt. Typically, the debt proceeds are used to finance facilities within the Authority's jurisdiction that are transferred to the third party either by lease or by sale. The underlying lease or mortgage loan agreement, which serves as collateral for the promise of payments by the third party, calls for payments that are essentially the same as collateral for the promise of payments by the third party, calls for payments that are essentially the same as those required by the debt. These payments are made by the third-party directly to an independent trustee, who is appointed to service and administer the arrangement. The Authority assumes no responsibility for repayment of this debt beyond the resources provided by the underlying leases or mortgage loans.

As of December 31, 2011, there was one series of Charter School Project Bonds outstanding, issued for the LEAP Academy Charter School, Inc. The corresponding aggregate principal totaling \$8,500 is treated strictly as conduit debt obligations under Interpretation No. 2 of the Governmental Accounting Standards Board (GASB) and accordingly is not included in the financial statements. The following schedule details the series together with the amount outstanding:

| Issue                                     | Issue Date | Issued Amount | 1/1/2010 Beginning Balance | 12/31/2010 Ending Balance | 12/31/2011 Ending Balance |
|-------------------------------------------|------------|---------------|----------------------------|---------------------------|---------------------------|
| Charter School Project Bonds, Series 2003 | 09/01/03   | \$ 8,500      | \$ 7,570                   | \$ 7,310                  | \$ 7,040                  |

#### NOTE 14. GOVERNMENT CONTRIBUTIONS FOR CAPITAL IMPROVEMENTS, ADDITIONS AND OTHER PROJECTS

The Authority receives contributions in aid for financing capital improvements to the rapid transit system from the Federal Transit Administration and New Jersey Transit. Capital improvement grant funds of \$10,067 and \$33,021 were received at June 30, 2012 and December 31, 2011, respectively. The Authority receives federal and state grants for specific construction purposes that are subject to review and audit by the grantor agencies. Although such audits could result in disallowances under terms of the grants, it is the opinion of management that any required reimbursements will not be material to the Authority's net assets.

#### NOTE 15. CONTINGENCIES

Public Liability claim exposures are self-insured by the Authority within its self-insured retention limit of \$5 million for each occurrence, after which, exists a \$25 million limit of Claims made Excess Liability Insurance per occurrence, and in the aggregate, to respond to any large losses exceeding the retention. The Authority, excluding PATCO, self-insures the initial \$1 million limit, per accident, for Workers' Compensation claims, after which a \$5 million limit of Excess Workers' Compensation insurance is retained to respond to significant claims. PATCO is completely self-insured for Workers' Compensation claims.

The Authority purchases commercial insurance for all other risks of loss. The Authority reviews annually and where appropriate adjusts policy loss limits and deductibles as recommended by its insurance consultants in response to prevailing market conditions, loss experience, and revenues. Policy loss limits are established when the professional assistance of independent insurance and engineering consultants to ensure that sufficient coverage exists to accommodate the maximum probable loss that may result in the ordinary course of business. In addition, the amounts of settlements for the last three years have not exceeded the insurance coverage provided in those years.

| Self-Insurance                          | 2011            | 2010            |
|-----------------------------------------|-----------------|-----------------|
| Beginning balance                       | \$ 2,905        | \$ 3,039        |
| Incurred claims                         | 2,225           | 2,307           |
| Payment of claims                       | (2,001)         | (2,445)         |
| Other - administrative fees, recoveries | 12              | 4               |
| Ending balance                          | <u>\$ 3,141</u> | <u>\$ 2,905</u> |

The Authority is involved in various actions arising in the ordinary course of business and from workers' compensation claims. In the opinion of management, the ultimate outcome of these actions will not have a material adverse effect on the Authority's combined financial position and combined results of operations.

#### NOTE 16. COMMITMENTS

**A. Development Projects:** In support of previously authorized economic development projects, the DRPA's Board of Commissioners authorized loan guarantees to various banks, in an amount not-to-exceed \$27,000, to complete the financing of particular projects, as shown below.

As of September 30, 2012, the Authority had executed loan guarantees with various banks, totaling \$19,400. The loan guarantees include: L3 Communications (\$10.0 million), World Trade Center (\$8.0 million), and the Home Port Alliance (\$0.9 million), and Ship Recycling Research (\$0.5 million). These guarantees all remain in force; however, the Authority has made no cash outlays relating to these guarantees.

**L3 Communications Loan Guarantee:** At its March 2010 meeting, the Authority's Board approved a modification of the \$10 million guarantee relating to a letter of credit (LOC) supporting the L3 Communications project in order to accommodate a change in the bank providing the letter of credit, following the expiration of the original LOC. The guarantee survives the expiration of the original LOC. Following the modification, in April 2010, NJ EDA provided a \$20 million guarantee to the LOC provider, while the Authority provided a \$10 million guarantee in favor of NJ EDA, (and not the bank). The changes in the guarantee do not increase exposure or risk. As was the case with the original guarantee, the Authority's guarantee will be accessed only if NJ EDA must pay more than \$10 million on its guarantee.

**FastShip Loan Guarantee (terminated 2010):** Since 1994, the Authority had guaranteed a \$3.5 million loan from Mellon Bank to FastShip, which guarantee was then held by Citizens Bank. No revenues or assets of the Authority were pledged to secure the guarantee. The guarantee had been extended on several occasions. In May of 2010, Citizens Bank demanded payment under the guarantee. On June 30th, 2010, as a result of discussions between the Authority and Citizens Bank, the Authority made a payment of \$3.54 million from its 1998 General Fund in full satisfaction of the Authority's obligation under the guarantee. As a result of such payment, the guarantee has been terminated and the Authority has no further obligations to Citizens Bank with regard to FastShip. The Authority has acquired Citizens Bank's security priority.

**Home Port Alliance Guarantee (extended 2012):** On June 6, 2012, the Authority negotiated a three-year extension of the existing \$0.9 million loan guarantee that supports a loan from TD Bank, N.A. to the Home Port Alliance for the Battleship New Jersey.

**B. Community Impact:** The Authority has an agreement with the City of Philadelphia (City) for Community Impact regarding the PATCO high-speed transit system. The agreement expires on December 31, 2050. In 2012, the base amount payable to the City totaled \$3,060 as adjusted for the cumulative increases in the Consumer Price Index (CPI) between 1999 and 2010. Base payments for 2013 through 2017 shall equal the previous year's base payment adjusted by any increase in the CPI for that year. For the years 2018 through 2050, the annual base payment shall equal one dollar.

In addition, for the duration of the lease the Authority is required to annually create a PATCO Community Impact Fund in the amount of \$500, with payment of such fund to be divided annually between communities within the Commonwealth and the State, based on PATCO track miles in the respective states.

The minimum commitment, adjusted for the effect of the increase in the CPI at September 30, 2012, is as follows:

| Year       | Amount           |
|------------|------------------|
| 2012       | \$ 3,612         |
| 2013       | 3,731            |
| 2014       | 3,830            |
| 2015       | 3,912            |
| 2016       | 4,006            |
| Thereafter | 20,603           |
|            | <u>\$ 39,694</u> |

**C. OCIP Letters of Credit:** In May 2008, the Authority entered into two new separate irrevocable standby Letters of Credit with TD Bank, N.A. (formerly Commerce Bank) and Wachovia Bank in support of the Authority's "Owner Controlled Insurance Program (OCIP)". Under this program, the Authority purchased coverage for all contractors working on major construction projects.

The Letter of Credit with Wells Fargo Bank (formerly Wachovia Bank) was for a four-year term in the amount of \$5,000 with an expiration date of May 7, 2012. The Letter of Credit with TD Bank, N.A. (formerly Commerce Bank) is in an initial amount of \$3,015 and automatically increased annually each May, in the amount of \$816, until it expired on May 7, 2012.

During 2012, the Authority extended its OCIP for a six-month period. As a consequence, in consultation with the insurance carrier, the Authority's LOC requirement supporting the program was reduced by \$5.0 million. The Letter of Credit with TD Bank, N.A. was renewed on May 7, 2012 in the amount of \$5,462. The OCIP Letter of Credit with Wells Fargo Bank, in the amount of \$5,000, was not renewed. There are no additional increases on this letter of credit through its expiration on December 31, 2013.

As of September 30, 2012, the unused amount of the Letter of Credits totaled \$5,462. No drawdowns have been made against any Letter of Credit.

***Direct Pay Letters of Credit (2008 Revenue Refunding Bonds):***

The Authority's 2008 Revenue Refunding Bonds (Series A and B), are secured by irrevocable transferable Direct Pay Letters of Credit (DPLOC) issued by two credit providers, the Bank of America, N.A. and TD Bank, N.A., in the initial amounts of \$172.6 million and \$191.8 million, respectively. The Authority entered into separate Reimbursement Agreements with each credit provider to facilitate the issuance of said DPLOCs.

Each Letter of Credit is in an original stated amount which is sufficient to pay the unpaid principal amount of and up to fifty-three (53) days of accrued interest (at a maximum interest rate of 12%) on the related 2008A Revenue Refunding Bonds or 2008B Revenue Refunding Bonds, when due, and the Purchase Price of the 2008A Revenue Refunding Bonds or the 2008B Revenue Refunding Bonds tendered or deemed tendered for purchase and not remarketed. The Credit Provider for the 2008A Revenue Refunding Bonds is only responsible for payments with respect to the 2008A Revenue Refunding Bonds for which the 2008A Letter of Credit was issued and the Credit Provider for the 2008B Revenue Refunding Bonds is only responsible for payments with respect to the 2008B Revenue Refunding Bonds for which the 2008B Letter of Credit was issued. The 2008A Letter of Credit and the 2008B Letter of Credit were renewed in July of 2010 to expire in July of 2013.

As described in the Official Statement for the 2008 Revenue Refunding Bonds, "any draw under Letter of Credit for principal, interest or Purchase Price creates a reimbursement obligation on the part of the Authority that is secured by the 1998 Revenue Bond Indenture on a parity basis with the 2008 Revenue Refunding Bonds." (Additional information related to this transaction and the accompanying Letters of Credit can be found under Note 12).

The 2008 Direct Pay Letters of Credit were renewed with the Bank of America, N.A. and TD Bank, N.A., in July 2010 for a three-year period ending in July 2013. Pursuant to the Amendatory Agreements to the respective Reimbursement Agreement with each bank, the Authority cannot request a replacement DPLOC prior to July 2012, unless a termination fee is paid to the banks.

***Letter of Credit Provider Ratings:*** Ratings for these banks, as of September 30, 2012 are shown below:

|                                  | Long-Term       |               | Short-Term |      |
|----------------------------------|-----------------|---------------|------------|------|
|                                  | Moody's         | S&P           | Moody's    | S&P  |
| Bank of America, N.A. (Series A) | A3<br>Stable    | A<br>Negative | P-2        | A-1  |
| TD Bank, N.A. (Series B)         | Aa2<br>Negative | AA-<br>Stable | P-1        | A-1+ |

In April 2012, Fitch Ratings assigned a rating of "A/F1" (stable outlook) to the Authority's 2008 Series A Revenue Refunding Bonds, based on the DPLOC support provided by the Bank of America ("A/F1", stable outlook) on the bonds.

On June 21, 2012, Moody's Investor's Service ("Moody's") lowered certain bank ratings. Moody's: (i) lowered the long-term financial strength rating of Bank of America, N.A. from "A2" to "A3" with a "stable" outlook; and (ii) lowered the short-term financial strength rating of Bank of America, N.A. from "P-1" to "P-2". As a result of such ratings downgrades, Moody's: (i) lowered the respective long-term ratings assigned to the 2008A Revenue Refunding Bonds and 2010B Revenue Refunding Bonds to "A2" from "A1", based upon a joint rating criteria methodology consisting of, among other things, the financial strength of each of Bank of America, N.A. and the Authority, and placed the long-term review status of each of the 2008A Revenue Refunding Bonds on "Review for Downgrade"; and (ii) lowered the respective short-term ratings assigned to the 2008A Revenue Refunding Bonds to "VMIG2" from "VMIG1", based solely on the financial strength of Bank of America, N.A. and placed the short-term review status of the 2008A Revenue Refunding Bonds and on "Review for Downgrade".

None of the ratings heretofore assigned to the Bonds by Standard and Poor's Rating Services, a division of The McGraw Hill Companies ("S&P"), have been revised as of the date of the filing of the Material Event Notice. In addition, none of the ratings heretofore assigned to the 2008A Revenue Refunding Bonds or the 2010B Revenue Refunding Bonds

by Fitch Ratings ("Fitch") have been revised as of the date of the filing of the Material Event Notice. The 2010A Revenue Refunding Bonds are not rated by Fitch.

***Direct Pay Letters of Credit (2010 Revenue Refunding Bonds):***

The Authority's 2010 Revenue Refunding Bonds (Series A, B and C), are secured by irrevocable transferable Direct Pay Letters of Credit (DPLOC) issued by three credit providers, the Bank of America, N.A., JP Morgan Chase Bank, National Association and PNC Bank, National Association in the initial amounts of \$152.6 million, \$152.6 million and \$50.9 million, respectively. The Authority entered into separate Reimbursement Agreements with each credit provider to facilitate the issuance of said DPLOCs.

Each Letter of Credit is an irrevocable transferable direct-pay obligation of the respective issuing Credit Provider to pay to the Trustee, upon request and in accordance with the terms thereof, amounts sufficient to pay the unpaid principal amount and up to fifty-three (53) days (or such greater number of days as required by the rating agencies) days' accrued interest (at the maximum interest rate of 12%) on the related 2010 Revenue Refunding bonds, 2010 Revenue Refunding Bonds or 2010 Revenue Refunding Bonds when due, whether at the stated maturity thereof or upon acceleration or call for redemption, and amounts sufficient to pay the Purchase Price of the 2010 Revenue Refunding Bonds, the 2010 Revenue Refunding bonds or the 2010 Revenue Refunding bonds, as applicable, tendered for purchase and not remarketed. A draw under a Letter of Credit for principal and interest or Purchase Price creates a Reimbursement Obligation (as defined in the 1998 Revenue Bond Indenture) on the part of the Authority.

Each Letter of Credit will expire on the earliest to occur of any of the following under the applicable Letter of Credit (the "Termination Date"): (i) the close of business on March 29, 2013 or if such date is extended pursuant to the terms of the corresponding Reimbursement Agreement, the date as so extended; (ii) earlier of (A) the date which is five (5) days following the date on which all of the applicable Series of 2010 Revenue Refunding Bonds are converted to a mode other than the Weekly Mode or (B) the date on which the Credit Provider honors a drawing under the Letter of Credit on or after the Conversion Date (as defined in each Letter of Credit); (iii) the date which is five (5) days following receipt by the Credit Provider of written notice from the Authority that no 2010 Revenue Refunding bonds of the applicable Series remain outstanding, within the meaning of the 1998 Revenue Bond Indenture, all drawings required to be made under the 1998 Revenue Bond Indenture and available under the Letter of Credit have been made and honored or an Alternate Credit Enhancement has been issued to replace the Letter of Credit pursuant to the 1998 Revenue Bond Indenture and the Reimbursement Agreement; and (iv) the date which is fifteen (15) days following the date the Trustee receives a written notice from the Credit Provider specifying the occurrence of an "Event of Default" under the Reimbursement Agreement and directing the Trustee to cause a mandatory tender of the applicable Series of 2010 Revenue Refunding Bonds.

***Letter of Credit Provider Ratings:*** Ratings for these banks, as of June 30, 2012 are shown below:

|                                      | Long-Term     |               | Short-Term |     |
|--------------------------------------|---------------|---------------|------------|-----|
|                                      | Moody's       | S&P           | Moody's    | S&P |
| JP Morgan Chase Bank N.A. (Series A) | Aa3<br>Stable | A+<br>Stable  | P-1        | A-1 |
| Bank of America, N.A. (Series B)     | A3<br>Stable  | A<br>Negative | P-2        | A-1 |
| PNC Bank, N.A. (Series C)            | A<br>Positive | A+<br>Stable  | P-1        | A-1 |

In April 2012, Fitch Ratings assigned a rating of "A/F1" (stable outlook) to the Authority's 2010 Series B Revenue Refunding Bonds, based on the DPLOC support provided by the Bank of America ("A/F1", stable outlook) on the bonds.

On June 21, 2012, Moody's Investor's Service ("Moody's") lowered certain bank ratings. Moody's: (i) lowered the long-term financial strength rating of Bank of America, N.A. from "A2" to "A3" with a "stable" outlook; and (ii)

lowered the short-term financial strength rating of Bank of America, N.A. from "P-1" to "P-2". As a result of such ratings downgrades, Moody's: (i) lowered the respective long-term ratings assigned to the 2010B Revenue Refunding Bonds to "A2" from "A1", based upon a joint rating criteria methodology consisting of, among other things, the financial strength of each of Bank of America, N.A. and the Authority, and placed the long-term review status of the 2010B Revenue Refunding Bonds on "Review for Downgrade"; and (ii) lowered the respective short-term ratings assigned to the 2010B Revenue Refunding Bonds to "VMIG2" from "VMIG1", based solely on the financial strength of Bank of America, N.A. and placed the short-term review status of the 2010B Revenue Refunding Bonds on "Review for Downgrade".

Moody's also lowered the long-term financial strength rating of JPMorgan Chase from "Aa1" to "Aa3" with a "stable" outlook. As a result of such rating downgrade, Moody's lowered the long-term rating assigned to the 2010A Revenue Refunding Bonds to "Aa2" from "Aa1", based upon a joint rating criteria methodology consisting of, among other things, the financial strength of each of JPMorgan Chase and the Authority, and placed the long-term review status of the 2010A Revenue Refunding Bonds on "Review for Downgrade". The respective underlying unenhanced ratings assigned by Moody's to the Bonds remain "A3".

As a result of these bank downgrades, the Authority issued a Material Event Notice on June 26, 2012. None of the ratings heretofore assigned to the Bonds by Standard and Poor's Rating Services, a division of The McGraw Hill Companies ("S&P"), have been revised as of the date of the filing of the Material Event Notice. In addition, none of the ratings heretofore assigned to the 2008A Revenue Refunding Bonds or the 2010B Revenue Refunding Bonds by Fitch Ratings ("Fitch") have been revised as of the date of the filing of the Material Event Notice. The 2010A Revenue Refunding Bonds are not rated by Fitch.

**D. Contractual Commitments:** As of September 30, 2012, the Authority had board-approved capital projects with remaining balances as follows:

|                                              | Total             |
|----------------------------------------------|-------------------|
| Benjamin Franklin Bridge and Administrative: |                   |
| Deck truss rehabilitation                    | \$ 846            |
| Pavement repairs                             | 2,145             |
| Engineering services - program management    | 10,869            |
| Engineering services - task orders           | 1,087             |
| Other                                        | 5,968             |
| Walt Whitman Bridge:                         |                   |
| Bridge inspection                            | 253               |
| Deck condition assessment and design         | 46,482            |
| Suspension rope investigation                | 447               |
| Other                                        | 121               |
| Commodore Barry Bridge:                      |                   |
| Structural repairs                           | 420               |
| Emergency replacement                        | 343               |
| Bridge inspection                            | 213               |
| Other                                        | 7                 |
| Betsy Ross Bridge:                           |                   |
| Bridge inspection                            | 143               |
| Resurfacing design services                  | 107               |
| Other                                        | 151               |
| PATCO System:                                |                   |
| Lindenwold yard diamond crossover            | 1,559             |
| Car overhaul program                         | 178,324           |
| Power cable and pole line replacement        | 4,836             |
| Annex building design and construction       | 7,213             |
| Retaining wall and embankment restoration    | 862               |
| Concourse improvements                       | 42                |
| Escalator replacement                        | 8,988             |
| Other                                        | 2,509             |
| Other:                                       |                   |
| Ferry system                                 | 150               |
|                                              | <u>\$ 274,085</u> |

#### NOTE 17. BRIDGE AND PATCO FARE SCHEDULES

As its monthly August 2008 commission meeting, the Authority's Board approved changes to the Authority's bridge toll schedule and PATCO's passenger fare schedule. The increases were enacted to fund the Authority's on-going 5-year \$1.1 billion capital plan. (The Board Resolution includes language stating that no proceeds from toll schedule changes can be used for regional economic development purposes.)

Effective September 14, 2008, tolls for passenger cars increased from \$3 to \$4, with commercial truck pricing increasing by \$1.50/axle, across all commercial vehicle classes. The commuter discount was adjusted to provide commuters with a \$12 discount for 18 trips during the month and the E-ZPass discount for commercial vehicles was

eliminated. (The commuter discount was ultimately phased out in 2011). The senior citizen discount program was restructured to include an increase of the toll from \$1 to \$2 for manual tolls. Senior citizens utilizing E-ZPass are subject to a \$1.75 toll, a discount of \$0.25 per trip. As of December 31, 2008, sale of the senior discount coupons were discounted, although coupons can still be used.

Effective September 1, 2009, the commuter discount was adjusted to prorate commuters with a six dollar for eighteen trip discount during the month. The commuter discount program was originally scheduled to end as of September 2010. The program was later extended until July 1, 2011, at which point it expired.

At its December 2009 meeting, the Authority's Board approved a 10-month delay in the implementation of the previously scheduled September 1, 2010 toll increase until July 1, 2011.

On August 25, 2010, the Authority's Board approved a resolution to postpone, until July 1, 2011, the: 1) elimination of the E-ZPass commuter discount (\$6/\$18 trips), 2) elimination of the green discount and the, 3) \$0.25 increase in senior citizens discount.

On July 1, 2011, the approved new bridge toll schedule was implemented as shown:

|                                                 | Old<br>Schedule | New<br>Schedule | Increase |
|-------------------------------------------------|-----------------|-----------------|----------|
| Class 1 - Motorcycle                            | \$ 4.00         | \$ 5.00         | \$ 1.00  |
| Class 2 - Automobile                            | 4.00            | 5.00            | 1.00     |
| Class 3 - Two Axle Trucks                       | 12.00           | 15.00           | 3.00     |
| Class 4 - Three Axle Trucks                     | 18.00           | 22.50           | 4.50     |
| Class 5 - Four Axle Trucks                      | 24.00           | 30.00           | 6.00     |
| Class 6 - Five Axle Trucks                      | 30.00           | 37.50           | 7.50     |
| Class 7 - Six Axle Trucks                       | 36.00           | 45.00           | 9.00     |
| Class 8 - Bus                                   | 6.00            | 7.50            | 1.50     |
| Class 9 - Bus                                   | 9.00            | 11.25           | 2.25     |
| Class 10 - Senior Citizen (With 2 Tickets Only) | 2.00            | 2.50            | 0.50     |
| Class 13 - Auto w/trailer (1 axle)              | 6.00            | 8.75            | 2.75     |

**PATCO Passenger Fares:** Effective September 14, 2008, PATCO's passenger fares increased by 10% across all zones. At its December 2009 meeting, the Authority's Board approved a 10-month delay in the implementation of the previously scheduled 10% fare increase from September 1, 2010 to January 1, 2011. At a December 2010 Board meeting, the Authority's Board approved another delay in the fare increase from the revised date of January 1, 2011 to July 1, 2011. On July 1, 2011, the new fare schedule was implemented as shown:

|                                           | Old<br>Schedule | New<br>Schedule | Increase |
|-------------------------------------------|-----------------|-----------------|----------|
| Lindenwold/Ashland Woodcrest              | \$ 2.70         | \$ 3.00         | \$ 0.30  |
| Haddonfield/West Haddonfield/Collingswood | 2.35            | 2.60            | 0.25     |
| Ferry Avenue                              | 2.05            | 2.25            | 0.20     |
| New Jersey                                | 1.45            | 1.60            | 0.15     |
| City Hall/Broadway/Philadelphia           | 1.25            | 1.40            | 0.15     |
| Off-peak Reduced Fare Program             | 0.62            | 0.70            | 0.08     |

As noted above, PATCO has a federally mandated reduced off-peak fare program for "elderly persons and persons with disabilities". These off-peak rates increased from \$0.62/trip to \$0.70/trip.

#### NOTE 18. RESTATEMENT OF NET ASSETS

The Authority utilized an accrual accounting method to record the projected cost of bridge repainting (a non-cash charge that involves debiting an expense and crediting an associated liability). The restatement is to correct the recording of the projected cost of bridge repainting under the accrual method. As a result of the restatement, net assets as of January 1, 2010 and the change in net assets for the year ended December 31, 2010 were restated as follows:

|                                                                               |                    |
|-------------------------------------------------------------------------------|--------------------|
| Net Assets, January 1, 2010, as previously reported                           | \$ 270,331         |
| Removal of the projected cost of repainting accrual                           | <u>60,034</u>      |
| Net Assets, January 1, 2010, restated                                         | <u>\$ 330,365</u>  |
| Change in Net Assets, year ended December 31, 2010,<br>as previously reported | \$ (47,787)        |
| Removal of repainting expense                                                 | <u>4,351</u>       |
| Change in Net Assets, year ended December 31, 2010, restated                  | <u>\$ (43,436)</u> |

The correction on the previously reported change in net assets for the year ending December 31, 2009 was to increase the change in net assets by \$4,152.

#### NOTE 19. NEW GOVERNMENTAL ACCOUNTING PRONOUNCEMENTS

The Governmental Accounting Standards Board (GASB) has issued several statements that have effective dates that may impact future financial presentations. Management has not currently determined what, if any, impact implementation of the following statements may have on the financial statements:

GASB Statement 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*, was issued in December 2009. The objective of this Statement is to address issues related to the use of the alternative measurement method and the frequency and timing of measurements by employers that participate in agent multiple-employer other Post-Employment benefit (OPEB) plans (that is, agent employers). This Statement amends Statement No. 45, *Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions*, to permit certain OPEB plans to use an alternative measurement method. Consistent with this change to the employer-reporting requirements, this Statement also amends a Statement No. 43, *Financial Reporting for Post-Employment Benefit Plans Other Than Pension Plans*, requirement that a defined benefit OPEB plan obtain an actuarial valuation. In addition, this Statement clarifies that when actuarially determined OPEB measures are reported by an agent multiple-employer OPEB plan and its participating employers, those measures should be determined as of a common date and at a minimum frequency to satisfy the agent multiple-employer OPEB plan's financial reporting requirements. The provisions of this Statement will be effective for the Authority beginning with its year ending December 31, 2012.

GASB Statement No. 61, *The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34*, issued November 2010, will be effective for the Authority beginning with its year ending December 31, 2013. This Statement is intended to improve financial reporting for a governmental financial reporting entity by improving guidance for including, presenting, and disclosing information about component units and equity interest transactions of a financial reporting entity. The amendments to the criteria for including component units allow users of financial statements to better assess the accountability of elected officials by ensuring that the financial reporting entity includes only organizations for which the elected officials are financially accountable or that are determined by the government to be misleading to exclude. The amendments to the criteria for blending also improve the focus of a financial reporting entity on the primary government by ensuring that the primary government includes only those component units that are so intertwined with the primary government that they are essentially the same as the primary government, and by clarifying which component units have that characteristic.

GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, issued January 2011, will be effective for the Authority beginning with its year ending December 31, 2012. This Statement is intended to enhance the usefulness of the Codification of Governmental Accounting and Financial Reporting Standards by incorporating guidance that previously could only be found in certain FASB and AICPA pronouncements. This Statement incorporates into the GASB's authoritative literature the applicable guidance previously presented in the following pronouncements issued before November 30, 1989: FASB

Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins of the AICPA's Committee on Accounting Procedure. By incorporating and maintaining this guidance in a single source, the GASB believes that GASB 62 reduces the complexity of locating and using authoritative literature needed to prepare state and local government financial reports.

GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, issued July 2011, will be effective for the Authority beginning with its year ending December 31, 2012. This Statement is intended to improve financial reporting by providing citizens and other users of state and local government financial reports with information about how past transactions will continue to impact a government's financial statements in the future. This Statement provides a new statement of net position format to report all assets, deferred outflows of resources, liabilities deferred inflows of resources, and net position (which is the net residual amount of the other elements). The Statement requires that deferred outflows of resources and deferred inflows of resources be reported separately from assets and liabilities. This Statement also amends certain provisions of Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*, and related pronouncements to reflect the residual measure in the statement of financial position as net position, rather than net assets.

GASB Statement No. 64, *Derivative Instruments: Application of Hedge Accounting Termination Provisions (an amendment of GASB Statement No. 53)*, issued July 2011, will be effective for the Authority beginning with its year ending December 31, 2012. This Statement clarifies that when certain conditions are met, the use of hedge accounting should not be terminated. Those conditions are: (a) the collectability of swap payments is considered to be probable, (b) the replacement of the counterparty or credit support provider meets the criteria of an assignment or in-substance assignment as described in the Statement, and (c) the counterparty or counterparty credit support provider (and not the government) has committed the act of default or termination event. When all of these conditions exist, the GASB believes that the hedging relationship continues and hedge accounting should continue to be applied.

GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, issued March 2012, will be effective for the Authority beginning with the year ending December 31, 2012. The objective of this Statement is to either (a) properly classify certain items that were previously reported as assets and liabilities as deferred outflows of resources or deferred inflows of resources or (b) recognize certain items that were previously reported as assets and liabilities as outflows of resources (expenses or expenditures) or inflows of resources (revenues). These determinations are based on the definitions of that element in Concepts Statements No. 4, *Elements of Financial Statements*.

## **NOTE 20. SUBSEQUENT EVENTS**

**Bond Ratings** - On November 30, 2012 both Moody's and S&P issued ratings reports for the refunding of the Authority's tax exempt Port District Project Bonds, scheduled for closing in late December. Moody's affirmed its existing ratings on both the Revenue and Port District Projects bonds, however, Moody's changed the outlook on all of the Authority's bonds from "negative" to "stable". S&P also affirmed its ratings on all of the Authority bonds, and also changed the outlook on the bonds from "stable" to "positive."

**Capital Budget Funding - Beginning** in August 2012, the Authority began funding its Capital Program with General Fund monies, after project funds from the 2010 Revenue Bond issue were exhausted. The Authority expects to issue new revenue bonds in the mid-to-late second quarter of 2013 to fund a portion of its Capital Program. The Authority expects to reimburse its General Fund for a portion, or all, of the General Fund monies expended on its capital program, based on a previously authorized Reimbursement Resolution passed by the Authority's Board.

On December 14, 2012, the Authority's Board approved the five-year 2013 Capital Plan, totaling \$746.0 million in net expenditures (net of federal funding). The Capital Plan becomes effective after the New Jersey Governor's veto period has expired.

**Port District Project Refunding Bonds, Series 2012** - On December 3, 2012, the Authority issued a Preliminary Official Statement related to the 2012 Port District Project Refunding Bonds. The bonds are being issued to refund and redeem all of the outstanding principal balance of approximately \$196.8 million and interest accrued on the Authority's outstanding Port District Project Bonds (1998 Series B, 1999 Series B and 2011 Series). On December 13, the 2012 Port District Project Bonds, in the amount of \$153.03 million were priced, with closing expected to occur on December 20, 2012. The new bonds are rated Baa3 (stable) and BBB- (positive outlook) by Moody's and S&P, respectively.

**DELAWARE RIVER PORT AUTHORITY**  
**CASH**  
**SEPTEMBER 30, 2012**

Schedule 1

**REVENUE FUND:**

|                                    |                     |                     |                |
|------------------------------------|---------------------|---------------------|----------------|
| Cash on hand:                      |                     |                     |                |
| Change funds for bridges           | \$26,000.00         |                     |                |
| Undeposited tolls and ticket sales | <u>1,108,476.44</u> | <u>1,134,476.44</u> |                |
| Sovereign Bancorp                  |                     | 11,709.42           |                |
| TD Bank N.A.                       |                     | 1,527,190.95        |                |
| Bank of America                    |                     | 597,844.82          |                |
| Bank Of New York Mellon            |                     | (101,192.67)        |                |
| Wells Fargo Bank                   |                     | <u>358,270.04</u>   | \$3,528,299.00 |

**1998 PORT DISTRICT PROJECT FUND:**

|                   |  |          |
|-------------------|--|----------|
| Sovereign Bancorp |  | 4,107.65 |
|-------------------|--|----------|

**1999 PORT DISTRICT PROJECT FUND:**

|                  |  |            |
|------------------|--|------------|
| Wells Fargo Bank |  | 473,157.54 |
|------------------|--|------------|

**1999 PROJECT FUND:**

|                   |  |           |
|-------------------|--|-----------|
| Sovereign Bancorp |  | 59,565.78 |
|-------------------|--|-----------|

**GENERAL FUND:**

|                                                           |  |                   |                              |
|-----------------------------------------------------------|--|-------------------|------------------------------|
| Cash on hand - change and working funds for PATCO Transit |  |                   |                              |
| System Stations                                           |  | 592,243.75        |                              |
| Wells Fargo Bank                                          |  | 475,712.98        |                              |
| Sovereign Bancorp                                         |  | 111,368.16        |                              |
| TD Bank N.A.                                              |  | <u>265,205.96</u> | <u>1,444,530.85</u>          |
| <b>Total</b>                                              |  |                   | <b><u>\$5,509,660.82</u></b> |

**DELAWARE RIVER PORT AUTHORITY  
INVESTMENTS  
SEPTEMBER 30, 2012**

Schedule 2

|                                                               |    | <i>Par Value</i>  | <i>Fair Value</i>    |
|---------------------------------------------------------------|----|-------------------|----------------------|
| <b>REVENUE FUND:</b>                                          |    |                   |                      |
| AIM Money Market                                              | \$ | 15,490,975        | 15,490,974.60        |
| Mellon Bank Money Market                                      |    | <u>864,000</u>    | <u>864,000.00</u>    |
|                                                               | \$ | <u>16,354,975</u> | <u>16,354,974.60</u> |
| <b>MAINTENANCE RESERVE FUND (Restricted):</b>                 |    |                   |                      |
| FHLM Corp Notes due 12/2/12                                   | \$ | 3,064,000         | 3,036,460.25         |
| Goldman Sachs Money Market                                    |    | <u>1,282,015</u>  | <u>1,319,559.47</u>  |
|                                                               | \$ | <u>4,346,015</u>  | <u>4,356,019.72</u>  |
| <b>1998 PORT DISTRICT DEBT SERVICE FUND (Restricted):</b>     |    |                   |                      |
| Federated Treasury Obligations Fund                           | \$ | <u>7,729,356</u>  | <u>7,674,417.43</u>  |
|                                                               | \$ | <u>7,729,356</u>  | <u>7,674,417.43</u>  |
| <b>1999 PDP DEBT SERVICE FUND (Restricted):</b>               |    |                   |                      |
| Federated Treasury Cash Series II                             | \$ | <u>4,556,161</u>  | <u>4,556,160.90</u>  |
|                                                               | \$ | <u>4,556,161</u>  | <u>4,556,160.90</u>  |
| <b>2001 PORT DISTRICT DEBT SERVICE FUND (Restricted):</b>     |    |                   |                      |
| Goldman Sachs Money Market                                    | \$ | <u>447,014</u>    | <u>447,014.47</u>    |
| <b>2010 DEBT SERVICE FUND (Restricted):</b>                   |    |                   |                      |
| Goldman Sachs Money Market                                    | \$ | <u>4,176,814</u>  | <u>4,176,813.98</u>  |
| <b>2008 DEBT SERVICE FUND (Restricted):</b>                   |    |                   |                      |
| Goldman Sachs Money Market                                    | \$ | <u>12,316,498</u> | <u>12,316,498.33</u> |
| <b>1998B BOND RESERVE FUND (Restricted):</b>                  |    |                   |                      |
| Goldman Sachs Money Market                                    | \$ | 37,536,149        | 37,536,148.73        |
| Fortis Funding Commercial Paper due 1/2/13                    |    | <u>40,830,000</u> | <u>40,122,304.19</u> |
|                                                               | \$ | <u>78,366,149</u> | <u>77,658,452.92</u> |
| <b>2010 REVENUE REFUNDING DEBT SERVICE FUND (Restricted):</b> |    |                   |                      |
| Goldman Sachs Money Market                                    | \$ | <u>1,867,813</u>  | <u>1,867,812.91</u>  |
| <b>1999 PDP BOND RESERVE FUND (Restricted):</b>               |    |                   |                      |
| Federated Money Market                                        | \$ | 309,058           | 309,058.33           |
| Fortis Funding Commercial Paper due 1/2/13                    |    | <u>10,745,000</u> | <u>10,590,471.67</u> |
|                                                               | \$ | <u>11,054,058</u> | <u>10,899,530.00</u> |

**DELAWARE RIVER PORT AUTHORITY  
INVESTMENTS  
SEPTEMBER 30, 2012**

Schedule 2

|                                                                   | <i>Par Value</i>      | <i>Fair Value</i>     |
|-------------------------------------------------------------------|-----------------------|-----------------------|
| <b>1998 PORT DISTRICT DEBT SERVICE RESERVE FUND (Restricted):</b> |                       |                       |
| Federated Treasury Obligations Fund                               | \$ 7,206,716          | 7,206,716.34          |
|                                                                   | \$ <u>7,206,716</u>   | <u>7,206,716.34</u>   |
| <b>2001 PORT DISTRICT DEBT SERVICE RESERVE FUND (Restricted):</b> |                       |                       |
| Goldman Sachs Money Market                                        | \$ 13,577,489         | 13,577,489.92         |
|                                                                   | \$ <u>13,577,489</u>  | <u>13,577,489.92</u>  |
| <b>GENERAL FUND:</b>                                              |                       |                       |
| AIM Money Market                                                  | \$ 106,983,790        | 106,983,789.51        |
| Commonwealth Cash Reserve Money Market                            | 8,110,336             | 8,110,336.41          |
| UBS Investments                                                   | 30,466,012            | 30,405,467.76         |
| Morgan Stanley / Dean Witter Investments                          | 24,677,273            | 24,409,634.62         |
| Swarthmore Group Investments                                      | 52,563,898            | 52,269,015.11         |
| Haverford Trust Investments                                       | 5,151,159             | 5,239,898.86          |
| Haverford Trust C/D                                               | 6,357,041             | 6,361,743.84          |
| TD Bank Investment Account                                        | 38,561,397            | 38,561,397.08         |
| US Treasury Bills due 11/15/12                                    | 2,655,000             | 2,654,814.21          |
| Unrealized loss on investments                                    | <u>(64,091)</u>       | <u>(64,090.93)</u>    |
|                                                                   | \$ <u>275,461,815</u> | <u>274,932,006.47</u> |
| <b>1998 PORT DISTRICT PROJECT FUND:</b>                           |                       |                       |
| Commonwealth Cash Reserve Money Market                            | \$ 2,013,315          | 2,013,314.70          |
|                                                                   | \$ <u>2,013,315</u>   | <u>2,013,314.70</u>   |
| <b>1999 PORT DISTRICT PROJECT FUND</b>                            |                       |                       |
| TD Bank C/D due 10/2/12                                           | \$ 19,640,105         | 19,640,105.26         |
|                                                                   | \$ <u>19,640,105</u>  | <u>19,640,105.26</u>  |
| <b>2001 PORT DISTRICT PROJECT FUND:</b>                           |                       |                       |
| TD Bank C/D due 10/2/12                                           | \$ 3,364,149          | 3,364,149.46          |
|                                                                   | \$ <u>3,364,149</u>   | <u>3,364,149.46</u>   |
| <b>Total investments</b>                                          | \$ <u>462,478,442</u> | <u>461,041,477.41</u> |

# DELAWARE RIVER PORT AUTHORITY

Schedule 3

## INTEREST INCOME BY FUND

|                                      | <i>Period Ended</i>   |                       |
|--------------------------------------|-----------------------|-----------------------|
|                                      | 9/30/12               | 9/30/11               |
| Revenue Fund                         | \$271,727.95          | \$274,119.18          |
| Maintenance Reserve Fund             | 110,731.34            | 110,799.19            |
| 1998 Port Project Fund               | 5,226.78              | 2,849.00              |
| 1999 Port Project Fund               | 26,229.20             | 38,795.65             |
| 2001 Port Project Fund               | 232.38                | 5,321.96              |
| 2010 Project Fund                    | 5,882.12              | 33,545.54             |
| 1998 Port District Debt Service Fund | 50,587.23             | 36,881.87             |
| 1999 Debt Service Fund               | 42.02                 | 3,688.86              |
| 1999 Port District Debt Service Fund | 6.45                  | 1.90                  |
| 2001 Port District Debt Service Fund | 76.69                 | 197.87                |
| 2010 Debt Service Fund A, B, C       | 84.37                 | 62.26                 |
| 2010 Debt Service Fund D             | 135.38                | 383.51                |
| 1998 Bond Reserve Fund               | 1,586,103.49          | 1,763,669.49          |
| 1998 Port Debt Service Reserve Fund  | 208,594.57            | 206,275.51            |
| 1999 Port Debt Service Reserve Fund  | 463,588.33            | 463,589.03            |
| 2001 Port Debt Service Reserve Fund  | 0.00                  | 1,792.45              |
| 2008 Debt Service Fund               | 288.53                | 297.33                |
| General Fund                         | 2,139,913.98          | 2,388,198.63          |
|                                      | <u>\$4,869,450.81</u> | <u>\$5,330,469.23</u> |

**DELAWARE RIVER PORT AUTHORITY  
BRIDGE REVENUES AND OPERATING EXPENSES  
FOR THE PERIODS INDICATED**

Schedule 4

|                                 | <i>Period Ended</i>     |                         | <i>3rd Quarter</i>     |                        |
|---------------------------------|-------------------------|-------------------------|------------------------|------------------------|
|                                 | <u>9/30/12</u>          | <u>9/30/11</u>          | <u>2012</u>            | <u>2011</u>            |
| <b>BENJAMIN FRANKLIN BRIDGE</b> |                         |                         |                        |                        |
| Operating revenues:             |                         |                         |                        |                        |
| Bridge tolls                    | \$76,521,851.70         | \$65,540,712.64         | \$26,387,788.44        | \$25,779,775.64        |
| Other                           | 3,724,320.72            | 4,207,668.51            | 1,118,480.82           | 1,703,816.63           |
| Total operating revenues        | 80,246,172.42           | 69,748,381.15           | 27,506,269.26          | 27,483,592.27          |
| Operating expenses              | 12,049,876.83           | 11,836,168.43           | 4,371,961.91           | 4,210,011.60           |
| Net operating revenues          | <u>\$68,196,295.59</u>  | <u>\$57,912,212.72</u>  | <u>\$23,134,307.35</u> | <u>\$23,273,580.67</u> |
| <b>WALT WHITMAN BRIDGE</b>      |                         |                         |                        |                        |
| Operating revenues:             |                         |                         |                        |                        |
| Bridge tolls                    | \$85,668,318.41         | \$75,956,117.36         | \$30,238,522.99        | \$30,546,695.25        |
| Other                           | 204,103.32              | 33,864.46               | 65,804.89              | 5,852.48               |
| Total operating revenues        | 85,872,421.73           | 75,989,981.82           | 30,304,327.88          | 30,552,547.73          |
| Operating expenses              | 11,609,168.36           | 11,010,586.72           | 4,116,745.06           | 3,827,398.46           |
| Net operating revenues          | <u>\$74,263,253.37</u>  | <u>\$64,979,395.10</u>  | <u>\$26,187,582.82</u> | <u>\$26,725,149.27</u> |
| <b>COMMODORE BARRY BRIDGE</b>   |                         |                         |                        |                        |
| Operating revenues:             |                         |                         |                        |                        |
| Bridge tolls                    | \$35,049,221.40         | \$30,925,295.84         | \$12,112,921.35        | \$12,501,823.61        |
| Other                           | 0.00                    | 0.00                    | 0.00                   | 0.00                   |
| Total operating revenues        | 35,049,221.40           | 30,925,295.84           | 12,112,921.35          | 12,501,823.61          |
| Operating expenses              | 5,617,946.85            | 5,165,335.49            | 2,137,496.02           | 1,864,947.09           |
| Net operating revenues          | <u>\$29,431,274.55</u>  | <u>\$25,759,960.35</u>  | <u>\$9,975,425.33</u>  | <u>\$10,636,876.52</u> |
| <b>BETSY ROSS BRIDGE</b>        |                         |                         |                        |                        |
| Operating revenues:             |                         |                         |                        |                        |
| Bridge tolls                    | \$25,530,063.49         | \$23,604,621.52         | \$8,427,231.86         | \$8,629,399.60         |
| Other                           | 0.00                    | 0.00                    | 0.00                   | 0.00                   |
| Total operating revenues        | 25,530,063.49           | 23,604,621.52           | 8,427,231.86           | 8,629,399.60           |
| Operating expenses              | 5,738,943.65            | 5,510,638.71            | 2,192,227.51           | 1,996,280.16           |
| Net operating revenues          | <u>\$19,791,119.84</u>  | <u>\$18,093,982.81</u>  | <u>\$6,235,004.35</u>  | <u>\$6,633,119.44</u>  |
| <b>COMBINED TOTALS</b>          |                         |                         |                        |                        |
| Operating revenues:             |                         |                         |                        |                        |
| Bridge tolls                    | \$222,769,455.00        | \$196,026,747.36        | \$77,166,464.64        | \$77,457,694.10        |
| Other                           | 3,928,424.04            | 4,241,532.97            | 1,184,285.71           | 1,709,669.11           |
| Total operating revenues        | 226,697,879.04          | 200,268,280.33          | 78,350,750.35          | 79,167,363.21          |
| Operating expenses              | 35,015,935.69           | 33,522,729.35           | 12,818,430.50          | 11,898,637.31          |
| Net operating revenues          | <u>\$191,681,943.35</u> | <u>\$166,745,550.98</u> | <u>\$65,532,319.85</u> | <u>\$67,268,725.90</u> |

**DELAWARE RIVER PORT AUTHORITY  
ECONOMIC DEVELOPMENT ACTIVITY  
FOR THE PERIOD ENDED SEPTEMBER 30, 2012**

Schedule 5

|                                                | <i>Period Ended</i>               |                                   | <i>2012 YTD Activity</i>                      |
|------------------------------------------------|-----------------------------------|-----------------------------------|-----------------------------------------------|
|                                                | <u>9/30/2012</u>                  | <u>12/31/11</u>                   | <u>(New Loans and<br/>Principal Payments)</u> |
| <b>ECONOMIC DEVELOPMENT LOANS:</b>             |                                   |                                   |                                               |
| Cooper River Boathouse                         | \$ 808,440.57                     | \$ 841,573.20                     | (\$33,132.63)                                 |
| Vintek Inc.                                    | 64,290.85                         | 144,242.80                        | (79,951.95)                                   |
| Camden Yards Steel Co.                         | 0.01                              | 10,968.96                         | (10,968.95)                                   |
| LEAP Academy                                   | 1,718,414.91                      | 1,881,246.45                      | (162,831.54)                                  |
| Victor Lofts                                   | 2,976,761.78                      | 2,976,761.78                      | -                                             |
| Camden Aquarium                                | 14,865,049.00                     | 14,881,762.00                     | (16,713.00)                                   |
| Home Line Furniture                            | 278,184.82                        | 286,415.97                        | (8,231.15)                                    |
| <b>Total Loans</b>                             | <b>20,711,141.94</b>              | <b>21,022,971.16</b>              | <b>(\$311,829.22)</b>                         |
| <br>Provision for loan losses                  | <br>(3,344,550.66)                | <br>(3,344,550.66)                | <br>-                                         |
| <br><b>Total Loans per Balance Sheet - Net</b> | <br><b><u>\$17,366,591.28</u></b> | <br><b><u>\$17,678,420.50</u></b> | <br><b><u>(\$311,829.22)</u></b>              |

Delaware River Port Authority  
Finance Committee Meeting Minutes  
December 5, 2012 – 9:30 A.M.

**Committee Members:**

David Simon, Esquire (Committee Vice Chair)  
Jeffrey Nash (Committee Chair) (via telephone)  
Rick Taylor  
William Sasso  
Joann Bell  
Walter D'Alessio (via telephone)  
Charles Fentress

**Others Present:**

John Cascarano, Assistant Counsel, NJ Governor Authorities Unit (via telephone)  
Victoria Page-Wooten, Executive Deputy General Counsel  
John Matheussen, Chief Executive Officer  
Michael Conallen, Deputy Chief Executive Officer  
John Hanson, Chief Financial Officer  
Danielle McNichol, General Counsel and Corporate Secretary  
Tim Pulte, Chief Operating Officer  
Toni Brown, Chief Administrative Officer  
Jim White, Director of Finance  
Jim Quinn, Director of Revenue  
Orville Parker, Manager, Budget/Financial Analysis  
Bill Anderson, Budget Analyst, Finance  
Darcie DeBeaumont, Senior Accountant, Finance  
Ron Gilbert, Manager, Accounting  
Jennifer DePoder, Financial Analyst  
Michael Venuto, Chief Engineer  
John Rink, General Manager, PATCO  
John Lotierzo, Director of Finance, PATCO  
Tom Raftery, Inspector General  
Tim Ireland, Director of Communications  
Sheila Milner, Administrative Coordinator  
Elizabeth McGee, Administrative Secretary  
Joe Quigley  
Mike Wilson (Davis Group)  
Bill Schofield (PNC)  
Jeff Jansen (AON)  
Dan Robinson (Pugliese Associates)

Chairman Simon called the meeting to order. He asked the Corporate Secretary to call the roll. The Corporate Secretary called the roll. It was announced by the Corporate Secretary that there was a quorum. Chairman Simon presided.

Chairman Simon called for a motion to go into Executive Session. He said that the decisions made in Executive Session will be made public when the issues are resolved. Chairman Simon said the meeting will come back into Open Session following the Executive Session. Upon motion duly made and seconded, the Committee moved into Executive Session.

Chairman Simon announced that the Finance Committee was back in Open Session. Upon motion duly made and seconded, the recommendation was made to recommend to the full Board the DRPA Operating Budget, PATCO Operating Budget and Capital Budget.

Chairman Simon stated that Resolution in accordance with Section 5.07 of the 1999 Port District Project Bonds Indenture, Resolution in accordance with Section 5.07 of the 1998 Port District Project Bonds Indenture, Resolution in accordance with Section 5.07 of the 2001 Port District Project Bonds Indenture and Resolution in accordance with Sections 5.15 and 5.09 of the 1998 Indenture of Trust were discussed in Executive Session.

Upon motion duly made and seconded, the recommendation was made to recommend to the full Board Resolution in accordance with Section 5.07 of the 1999 Port District Project Bonds Indenture, Resolution in accordance with Section 5.07 of the 1998 Port District Project Bonds Indenture, Resolution in accordance with Section 5.07 of the 2001 Port District Project Bonds Indenture and Resolution in accordance with Sections 5.15 and 5.09 of the 1998 Indenture of Trust.

Chairman Simon stated that the Renewal of DRPA Bridge Property Damage and Loss of Toll Revenue Long-Term Policies does not have to be considered today as there is another thirty days available to discuss the matter. Chairman Simon stated that the renewal will be discussed next month at the Finance Committee.

There being no further business, on motion duly made and seconded, the meeting was adjourned.

DELAWARE RIVER PORT AUTHORITY  
MONTHLY LIST OF PAYMENTS 12/01/12 THRU 12/31/12  
MEETING DATE 01/16/2013

| VENDOR NAME                              | ITEM DESCRIPTION                      | RESOLUTION #/<br>AUTHORIZATION | AMOUNT          |
|------------------------------------------|---------------------------------------|--------------------------------|-----------------|
| STANDARD INSURANCE COMPANY               | A/P Group Life & Accident             | 10-085                         | \$98,422.86     |
|                                          | A/P Group Life & Accident             | Total                          | \$98,422.86     |
| COUNTRY GAS SERVICES INC                 | Alternate Fuel                        | 25KTHRES                       | \$13.50         |
|                                          | Alternate Fuel                        | Total                          | \$13.50         |
| LINDSAY TRANSPORTATION SOLUTIONS         | Attenuator Repairs/Replacement        | 25KTHRES                       | \$1,859.05      |
|                                          | Attenuator Repairs/Replacement        | Total                          | \$1,859.05      |
| ARCHER & GREINER                         | Audit, Legal, Consultant & Other      | 12-020                         | \$7,515.00      |
| BALLARD SPAHR ANDREWS & INGERSOLL        | Audit, Legal, Consultant & Other      | 09-102                         | \$1,526.40      |
| BALLARD SPAHR ANDREWS & INGERSOLL        | Audit, Legal, Consultant & Other      | 12-020                         | \$87.50         |
| BROWN & CONNERY                          | Audit, Legal, Consultant & Other      | 09-102                         | \$28,857.38     |
| DUANE MORRIS, LLP                        | Audit, Legal, Consultant & Other      | 12-020                         | \$13,852.10     |
| HOWARD NEEDLES TAMMEN & BERGENDOFF       | Audit, Legal, Consultant & Other      | 09-081                         | \$7,538.57      |
| PARKER MCCAY P.A.                        | Audit, Legal, Consultant & Other      | 09-102                         | \$1,442.43      |
| PEPPER HAMILTON LLP                      | Audit, Legal, Consultant & Other      | 12-020                         | \$511.33        |
| RIKER DANZIG SCHERER HYLAND AND PERRETTI | Audit, Legal, Consultant & Other      | 09-102                         | \$4,468.43      |
| STEVENS & LEE                            | Audit, Legal, Consultant & Other      | 12-020                         | \$117,641.02    |
| VERTEXT MID-ATLANTIC                     | Audit, Legal, Consultant & Other      | 25KTHRES                       | \$216.90        |
|                                          | Audit, Legal, Consultant & Other      | Total                          | \$183,657.06    |
| NAPA AUTO PARTS                          | Batteries                             | 25KTHRES                       | \$657.96        |
|                                          | Batteries                             | Total                          | \$657.96        |
| KASER MECHANICAL, LLC                    | BFB Admin. Water System Replacement   | 12-060                         | \$19,350.00 **  |
|                                          | BFB Admin. Water System Replacement   | Total                          | \$19,350.00     |
| HOWARD NEEDLES TAMMEN & BERGENDOFF       | BFB Deck Truss Replacement            | 10-016                         | \$5,145.48 **   |
|                                          | BFB Deck Truss Replacement            | Total                          | \$5,145.48      |
| REMINGTON & VERNICK ENGINEERS, INC       | BFB Phila. Anchorage Switchgear       | 09-001                         | \$1,237.80 **   |
|                                          | BFB Phila. Anchorage Switchgear       | Total                          | \$1,237.80      |
| ARORA SYSTEMS GROUP, LLC                 | BFB Standpipe Repairs                 | 12-054                         | \$110,998.78 ** |
|                                          | BFB Standpipe Repairs                 | Total                          | \$110,998.78    |
| CORNELL & CO INC                         | BFB Structural Improvements           | 10-132                         | \$11,219.40 **  |
| HOWARD NEEDLES TAMMEN & BERGENDOFF       | BFB Structural Improvements           | 11-061                         | \$6,928.61 **   |
|                                          | BFB Structural Improvements           | Total                          | \$18,148.01     |
| AECOM TECHNICAL SERVICES, INC            | BFB Tower Expansion Joint Replacement | PRE 8-18                       | \$76,933.76 **  |
|                                          | BFB Tower Expansion Joint Replacement | Total                          | \$76,933.76     |
| BANK OF NEW YORK                         | Bond Service                          | Bond Resolutions               | \$481,701.00    |
| TD BANK NORTH                            | Bond Service                          | Bond Resolutions               | \$2,525,678.58  |
|                                          | Bond Service                          | Total                          | \$3,007,379.58  |
| MODJESKI AND MASTERS CONSULTING          | BRB Biennial Inspection               | 12-015                         | \$30,708.20     |
|                                          | BRB Biennial Inspection               | Total                          | \$30,708.20     |
| PAULUS, SOKOLOWSKI, & SARTOR             | Buildings                             | 10-076                         | \$5,135.49 **   |
|                                          | Buildings                             | Total                          | \$5,135.49      |
| SOUTHERN NEW JERSEY DEVELOPMENT          | Business Meetings                     | 25KTHRES                       | \$35.00         |
|                                          | Business Meetings                     | Total                          | \$35.00         |
| REMINGTON & VERNICK ENGINEERS, INC       | CBB Admin. Emergency Generator        | 11-094                         | \$13,090.70 **  |
|                                          | CBB Admin. Emergency Generator        | Total                          | \$13,090.70     |
| AMMANN & WHITNEY CONSULTING              | CBB Biennial Inspection               | 12-016                         | \$60,628.01     |
|                                          | CBB Biennial Inspection               | Total                          | \$60,628.01     |
| KEITH A HARTMAN                          | CDL License                           | 25KTHRES                       | \$44.00         |
| STEPHEN KAIN                             | CDL License                           | 25KTHRES                       | \$44.00         |
|                                          | CDL License                           | Total                          | \$88.00         |
| UNITED HEALTHCARE INSURANCE              | Cobra Reimbursements                  | 11-079                         | \$2,404.28      |
|                                          | Cobra Reimbursements                  | Total                          | \$2,404.28      |
| AUDIO VISUAL RENTAL SERVICES LLC         | Commissioner Meeting Expense          | 11-067                         | \$2,870.00      |
|                                          | Commissioner Meeting Expense          | Total                          | \$2,870.00      |
| BOROUGH OF COLLINGSWOOD                  | Community Impact Funds                | 94-075                         | \$30,000.00     |
| BOROUGH OF HADDONFIELD                   | Community Impact Funds                | 94-075                         | \$30,000.00     |
| BOROUGH OF LAWNDALE                      | Community Impact Funds                | 94-075                         | \$15,000.00     |
| BOROUGH OF LINDENWOLD                    | Community Impact Funds                | 94-075                         | \$90,000.00     |
| BOROUGH OF SOMERDALE                     | Community Impact Funds                | 94-075                         | \$15,000.00     |
| BOROUGH OF STRATFORD                     | Community Impact Funds                | 94-075                         | \$15,000.00     |
| CITY OF CAMDEN                           | Community Impact Funds                | 94-075                         | \$75,000.00     |
| CITY OF PHILADELPHIA                     | Community Impact Funds                | 94-075                         | \$75,000.00     |
| TOWNSHIP OF CHERRY HILL                  | Community Impact Funds                | 94-075                         | \$75,000.00     |
| TOWNSHIP OF HADDON TOWNSHIP              | Community Impact Funds                | 94-075                         | \$30,000.00     |
| TOWNSHIP OF VOORHEES                     | Community Impact Funds                | 94-075                         | \$50,000.00     |
|                                          | Community Impact Funds                | Total                          | \$500,000.00    |
| EPLUS TECHNOLOGY INC                     | Computer Equipment                    | 12-029                         | \$68,062.56 **  |
| SOFTWARE HOUSE INTERNATIONAL             | Computer Equipment                    | 25KTHRES                       | \$12,865.27 **  |
| TRANSCORE                                | Computer Equipment                    | 12-022                         | \$140.00 **     |
|                                          | Computer Equipment                    | Total                          | \$81,067.83     |
| COURT LIAISON SERVICES, LLC              | Contractual Services                  | 25KTHRES                       | \$2,500.00      |
| HOMELAND DEFENSE SOLUTIONS INC           | Contractual Services                  | 12-055                         | \$825.00        |
| IRON MOUNTAIN INCORPORATED               | Contractual Services                  | 25KTHRES                       | \$2,504.67      |
| MISTRAS GROUP INC.                       | Contractual Services                  | 25KTHRES                       | \$1,187.50      |

DELAWARE RIVER PORT AUTHORITY  
MONTHLY LIST OF PAYMENTS 12/01/12 THRU 12/31/12  
MEETING DATE 01/16/2013

| VENDOR NAME                         | ITEM DESCRIPTION                     | RESOLUTION #/<br>AUTHORIZATION | AMOUNT       |
|-------------------------------------|--------------------------------------|--------------------------------|--------------|
| TACTICAL PUBLIC SAFETY              | Contractual Services                 | 11-112                         | \$4,840.20   |
|                                     | Contractual Services                 | Total                          | \$11,857.37  |
| CANON FINANCIAL SERVICES INC        | Copier Lease                         | 11-027                         | \$7,598.82   |
|                                     | Copier Lease                         | Total                          | \$7,598.82   |
| TUCS CLEANING SERVICE, INC.         | Custodial Services                   | 10-104                         | \$54,986.47  |
|                                     | Custodial Services                   | Total                          | \$54,986.47  |
| BENTLEY SYSTEMS INC                 | Data Processing                      | 25KTHRES                       | \$187.50     |
|                                     | Data Processing                      | Total                          | \$187.50     |
| ISOBUNKERS, LLC                     | Diesel Fuel                          | 12-047                         | \$5,165.70   |
|                                     | Diesel Fuel                          | Total                          | \$5,165.70   |
| CLEAN VENTURE INC                   | Disposal Fees                        | 11-050                         | \$4,951.00   |
| SAFETY-KLEEN                        | Disposal Fees                        | 25KTHRES                       | \$731.41     |
| WASTE MANAGEMENT OF PA INC          | Disposal Fees                        | 11-060                         | \$1,831.75   |
|                                     | Disposal Fees                        | Total                          | \$7,514.16   |
| ATLANTIC CITY ELECTRIC              | Electricity                          | UTILITY                        | \$12,816.17  |
| HESS CORPORATION                    | Electricity                          | UTILITY                        | \$37,496.14  |
| P S E & G                           | Electricity                          | UTILITY                        | \$29,164.61  |
| PECO ENERGY                         | Electricity                          | UTILITY                        | \$37,537.21  |
|                                     | Electricity                          | Total                          | \$117,014.13 |
| UNITED HEALTHCARE INSURANCE         | Employee Medical Insurance           | 11-079                         | \$557,346.72 |
|                                     | Employee Medical Insurance           | Total                          | \$557,346.72 |
| ARTHUR MCLEAN                       | Employee Mileage                     | 25KTHRES                       | \$16.65      |
| BARBARA HOLCOMB                     | Employee Mileage                     | 25KTHRES                       | \$52.30      |
| DANIELLE L. MCNICHOL                | Employee Mileage                     | 25KTHRES                       | \$358.19     |
| DAWN ROBINSON                       | Employee Mileage                     | 25KTHRES                       | \$78.81      |
| DAWN WALLACE                        | Employee Mileage                     | 25KTHRES                       | \$24.42      |
| DONALD DALY                         | Employee Mileage                     | 25KTHRES                       | \$6.66       |
| EDWIN L MOSLEY                      | Employee Mileage                     | 25KTHRES                       | \$24.42      |
| ERIN WATTERSON                      | Employee Mileage                     | 25KTHRES                       | \$21.09      |
| FRAN O'BRIEN                        | Employee Mileage                     | 25KTHRES                       | \$69.41      |
| FRANKLIN WASHINGTON                 | Employee Mileage                     | 25KTHRES                       | \$9.99       |
| GAIL POLK                           | Employee Mileage                     | 25KTHRES                       | \$45.51      |
| GLENN CARNEY                        | Employee Mileage                     | 25KTHRES                       | \$49.95      |
| JAMES MURRAY                        | Employee Mileage                     | 25KTHRES                       | \$68.82      |
| JANEL AIELLO                        | Employee Mileage                     | 25KTHRES                       | \$22.20      |
| JOHANNE CORKER                      | Employee Mileage                     | 25KTHRES                       | \$34.59      |
| JOHN BUCK                           | Employee Mileage                     | 25KTHRES                       | \$24.42      |
| JOHN WOOSLEY                        | Employee Mileage                     | 25KTHRES                       | \$12.21      |
| KAREN A FANNING                     | Employee Mileage                     | 25KTHRES                       | \$53.28      |
| LAURIE NOVICK                       | Employee Mileage                     | 25KTHRES                       | \$53.28      |
| LISA M KMIEC, ESQUIRE               | Employee Mileage                     | 25KTHRES                       | \$26.00      |
| MARINO MORRONE                      | Employee Mileage                     | 25KTHRES                       | \$13.32      |
| MICHAEL MATEY                       | Employee Mileage                     | 25KTHRES                       | \$24.42      |
| PATRICIA GRIFFEY                    | Employee Mileage                     | 25KTHRES                       | \$23.31      |
| PETER FISCHER                       | Employee Mileage                     | 25KTHRES                       | \$22.20      |
| ROBERT SHEERAN                      | Employee Mileage                     | 25KTHRES                       | \$12.21      |
| ROBERT STEWART                      | Employee Mileage                     | 25KTHRES                       | \$22.20      |
| ROBIN VALENTINE                     | Employee Mileage                     | 25KTHRES                       | \$44.40      |
| SCOTT HILLMAN                       | Employee Mileage                     | 25KTHRES                       | \$6.66       |
| SELINA C. THOMPkins                 | Employee Mileage                     | 25KTHRES                       | \$53.28      |
| SYVILLA WILLIAMS                    | Employee Mileage                     | 25KTHRES                       | \$44.40      |
| THOMAS CAREY                        | Employee Mileage                     | 25KTHRES                       | \$12.21      |
| TONI CORSEY                         | Employee Mileage                     | 25KTHRES                       | \$9.99       |
|                                     | Employee Mileage                     | Total                          | \$1,340.80   |
| DIAMOND TOOL & FASTENERS            | Equipment                            | 25KTHRES                       | \$3,089.00   |
| ESTABLISHED TRAFFIC CONTROL         | Equipment                            | 25KTHRES                       | \$1,525.00   |
| MANCINE OPTICAL                     | Equipment                            | 25KTHRES                       | \$403.62     |
| MATHESON TRI-GAS INC                | Equipment                            | 25KTHRES                       | \$2,341.12   |
| NORTHERN TOOL AND EQUIPMENT CO.     | Equipment                            | 25KTHRES                       | \$4,857.79   |
| SAR AUTOMOTIVE EQUIPMENT SPEC       | Equipment                            | 25KTHRES                       | \$4,665.87   |
| SOFTWARE HOUSE INTERNATIONAL        | Equipment                            | 25KTHRES                       | \$3,418.62   |
| STERLING COMPUTERS                  | Equipment                            | 25KTHRES                       | \$2,693.25   |
| THOMSON WEST                        | Equipment                            | 25KTHRES                       | \$788.50     |
| TRANE U. S. INC.                    | Equipment                            | 25KTHRES                       | \$2,576.67   |
|                                     | Equipment                            | Total                          | \$26,359.44  |
| XEROX STATE & LOCAL SOLUTIONS, INC. | E-Z Pass Clearing Account            | 04-031                         | \$72,410.60  |
|                                     | E-Z Pass Clearing Account            | Total                          | \$72,410.60  |
| NJ TURNPIKE AUTHORITY (NJ E-ZPASS)  | E-ZPass Credit Card Fees             | 04-031                         | \$632,451.77 |
| AMERICAN EXPRESS                    | E-ZPass Credit Card Fees             | 04-031                         | \$1.35       |
| PAYMENTECH                          | E-ZPass Credit Card Fees             | 04-031                         | \$314.69     |
|                                     | E-ZPass Credit Card Fees             | Total                          | \$632,767.81 |
| XEROX STATE & LOCAL SOLUTIONS, INC. | E-ZPass Fixed Monthly Operations Fee | 04-031                         | \$26,859.40  |
|                                     | E-ZPass Fixed Monthly Operations Fee | Total                          | \$26,859.40  |

DELAWARE RIVER PORT AUTHORITY  
MONTHLY LIST OF PAYMENTS 12/01/12 THRU 12/31/12  
MEETING DATE 01/16/2013

| VENDOR NAME                          | ITEM DESCRIPTION                        | RESOLUTION #/<br>AUTHORIZATION | AMOUNT          |
|--------------------------------------|-----------------------------------------|--------------------------------|-----------------|
| NEW JERSEY TURNPIKE AUTHORITY        | E-ZPass Toll System                     | 04-031                         | \$15,152.72 **  |
|                                      | E-ZPass Toll System                     | Total                          | \$15,152.72     |
| XEROX STATE & LOCAL SOLUTIONS, INC.  | E-ZPass VPC                             | 04-031                         | \$23,540.95     |
|                                      | E-ZPass VPC                             | Total                          | \$23,540.95     |
| XEROX STATE & LOCAL SOLUTIONS, INC.  | E-ZPass Walk In CSC                     | 04-031                         | \$43,119.04     |
|                                      | E-ZPass Walk In CSC                     | Total                          | \$43,119.04     |
| JACOBS ENGINEERING GROUP INC         | Facility Drawing Scanning               | 09-081                         | \$2,966.32      |
|                                      | Facility Drawing Scanning               | Total                          | \$2,966.32      |
| INTERNAL REVENUE SERVICE-CHICAGO     | Federal/FICA Payroll Taxes              |                                | \$814,089.97    |
|                                      | Federal/FICA Payroll Taxes              | Total                          | \$814,089.97    |
| AECOM TECHNICAL SERVICES, INC        | Ferry Inspection & Repairs              | 11-094                         | \$12,115.38     |
|                                      | Ferry Inspection & Repairs              | Total                          | \$12,115.38     |
| ACACIA FINANCIAL GROUP INC           | Financial Advisory Services             | 11-080                         | \$4,939.34      |
|                                      | Financial Advisory Services             | Total                          | \$4,939.34      |
| AQUARIUS CAPITAL                     | GASB 45 Valuation Services              | 25KTHRES                       | \$1,500.00      |
|                                      | GASB 45 Valuation Services              | Total                          | \$1,500.00      |
| ISOBUNKERS, LLC                      | Gasoline - Unleaded                     | 12-047                         | \$42,645.13     |
|                                      | Gasoline - Unleaded                     | Total                          | \$42,645.13     |
| PPC LUBRICANTS                       | Grease and Oil                          | 11-067                         | \$2,919.00      |
|                                      | Grease and Oil                          | Total                          | \$2,919.00      |
| TREASURER, STATE OF NEW JERSEY       | Hazardous Waste Manifest Processing BFB | 25KTHRES                       | \$220.00        |
|                                      | Hazardous Waste Manifest Processing BFB | Total                          | \$220.00        |
| P S E & G                            | Heat                                    | UTILITY                        | \$15,673.92     |
| PHILADELPHIA GAS WORKS               | Heat                                    | UTILITY                        | \$10,542.10     |
| SOUTH JERSEY GAS COMPANY             | Heat                                    | UTILITY                        | \$7,609.68      |
|                                      | Heat                                    | Total                          | \$33,825.70     |
| AON RISK SERVICES CENTRAL, INC.      | Insurance                               | 12-065                         | \$152,000.00    |
| COMMONWEALTH OF PENNSYLVANIA         | Insurance                               | 25KTHRES                       | \$10,821.00     |
| NATIONAL UNION AIGRM                 | Insurance                               | 08-022                         | \$162,884.38    |
| TSIB (TURNER SURETY & INS BROKERAGE) | Insurance                               | 12-064                         | \$19,750.00     |
|                                      | Insurance                               | Total                          | \$345,455.38    |
| O'NEILL CONSULTING CORP              | IUOE Health & Welfare                   | 25KTHRES                       | \$3,692.36      |
|                                      | IUOE Health & Welfare                   | Total                          | \$3,692.36      |
| IUOE 542 BENEFIT FUNDS               | IUOE Medical Insurance                  | 09-097                         | \$258,849.25    |
|                                      | IUOE Medical Insurance                  | Total                          | \$258,849.25    |
| LAUREL LAWMOWER SERVICE              | Landscaping - Equipment                 | 25KTHRES                       | \$2,500.00      |
|                                      | Landscaping - Equipment                 | Total                          | \$2,500.00      |
| PENN-JERSEY MACHINERY                | Landscaping - Equipment Repairs         | 25KTHRES                       | \$3,133.54      |
|                                      | Landscaping - Equipment Repairs         | Total                          | \$3,133.54      |
| BANK OF AMERICA                      | Letter of Credit Payment                | 09-075                         | \$500.00        |
|                                      | Letter of Credit Payment                | Total                          | \$500.00        |
| SCHNEIDER ELECTRIC                   | Licensing Fees - Software               | 25KTHRES                       | \$1,991.33      |
| SOFTWARE HOUSE INTERNATIONAL         | Licensing Fees - Software               | 25KTHRES                       | \$10,155.20     |
|                                      | Licensing Fees - Software               | Total                          | \$12,146.53     |
| CAMDEN PARKING AUTHORITY             | Limited Mobility Parking                | 25KTHRES                       | \$510.00        |
|                                      | Limited Mobility Parking                | Total                          | \$510.00        |
| TRANSCORE                            | Maint. Fee - Toll Collection Equip      | 04-031                         | \$50,688.24     |
|                                      | Maint. Fee - Toll Collection Equip      | Total                          | \$50,688.24     |
| INTERSTATE MOBILE CARE, INC.         | Medical Testing                         | 11-096                         | \$2,129.00      |
|                                      | Medical Testing                         | Total                          | \$2,129.00      |
| NIGP                                 | Membership Dues                         | 25KTHRES                       | \$555.00        |
|                                      | Membership Dues                         | Total                          | \$555.00        |
| TD BANK NORTH                        | Net Payroll                             |                                | \$112,515.28    |
| WELLS FARGO BANK, NA                 | Net Payroll                             |                                | \$1,942,894.55  |
|                                      | Net Payroll                             | Total                          | \$2,055,409.83  |
| N.J. STATE - GIT                     | NJ Payroll Taxes                        |                                | \$68,889.43     |
|                                      | NJ Payroll Taxes                        | Total                          | \$68,889.43     |
| PAPER MART                           | Office Supplies                         | 11-081                         | \$2,360.75      |
| W.B. MASON CO. INC.                  | Office Supplies                         | 11-115                         | \$4,974.93      |
|                                      | Office Supplies                         | Total                          | \$7,335.68      |
| PA DEPT OF REVENUE                   | PA Payroll Taxes                        |                                | \$22,449.25     |
|                                      | PA Payroll Taxes                        | Total                          | \$22,449.25     |
| PAPER MART                           | Paper                                   | 11-081                         | \$2,408.10      |
|                                      | Paper                                   | Total                          | \$2,408.10      |
| AE STONE INC                         | Parking Lots                            | 12-068                         | \$952,192.73 ** |
|                                      | Parking Lots                            | Total                          | \$952,192.73    |
| XEROX STATE & LOCAL SOLUTIONS, INC.  | Parking TXN Fees                        | 04-031                         | \$439.31        |
|                                      | Parking TXN Fees                        | Total                          | \$439.31        |
| PRWT SERVICES INC                    | Part-time Toll Collectors               | 10-105                         | \$79,624.88     |
|                                      | Part-time Toll Collectors               | Total                          | \$79,624.88     |
| BURNS ENGINEERING INC                | PATCO Accessibility Improvements        | 11-087                         | \$12,024.16 **  |
|                                      | PATCO Accessibility Improvements        | Total                          | \$12,024.16     |
| TRANSYSTEMS CORPORATION              | PATCO Biennial Inspection               | 12-018                         | \$44,882.27     |

DELAWARE RIVER PORT AUTHORITY  
MONTHLY LIST OF PAYMENTS 12/01/12 THRU 12/31/12  
MEETING DATE 01/16/2013

| VENDOR NAME                            | ITEM DESCRIPTION                        | RESOLUTION #/<br>AUTHORIZATION | AMOUNT          |
|----------------------------------------|-----------------------------------------|--------------------------------|-----------------|
|                                        | PATCO Biennial Inspection               | Total                          | \$44,882.27     |
| HOWARD NEEDLES TAMMEN & BERGENDOFF     | PATCO Central Control Line Analysis     | 09-081                         | \$17,430.00     |
|                                        | PATCO Central Control Line Analysis     | Total                          | \$17,430.00     |
| JPC GROUP, INC.                        | PATCO Construction                      | 12-012                         | \$256,599.58 ** |
| SYSTRA CONSULTING INC                  | PATCO Construction                      | 10-028                         | \$84,664.93 **  |
|                                        | PATCO Construction                      | Total                          | \$341,264.51    |
| CANON BUSINESS SOLUTIONS, INC.         | PATCO Copier Expense                    | 11-027                         | \$470.99        |
|                                        | PATCO Copier Expense                    | Total                          | \$470.99        |
| BURNS ENGINEERING INC                  | PATCO Escalator Replacements            | 12-011                         | \$26,854.37 **  |
|                                        | PATCO Escalator Replacements            | Total                          | \$26,854.37     |
| URBAN ENGINEERS INC                    | PATCO Parking Lots                      | 11-094                         | \$24,881.37 **  |
|                                        | PATCO Parking Lots                      | Total                          | \$24,881.37     |
| DAIDONE ELECTRIC INC                   | PATCO Power Pole Replacement            | 09-050                         | \$742,977.48 ** |
| NEW JERSEY TRANSIT                     | PATCO Power Pole Replacement            | 12-048                         | \$93,167.04 **  |
|                                        | PATCO Power Pole Replacement            | Total                          | \$836,144.52    |
| SPRINT                                 | PATCO Telephone                         | UTILITY                        | \$1,565.73      |
| VERIZON                                | PATCO Telephone                         | UTILITY                        | \$8,302.43      |
|                                        | PATCO Telephone                         | Total                          | \$9,868.16      |
| AECOM TECHNICAL SERVICES, INC          | PATCO Tracks Across BFB                 | 09-081                         | \$93,085.89 **  |
|                                        | PATCO Tracks Across BFB                 | Total                          | \$93,085.89     |
| JACOBS ENGINEERING GROUP INC           | PATCO Transformer Replacement           | 11-094                         | \$20,786.50 **  |
| JBL ELECTRIC, INC                      | PATCO Transformer Replacement           | 12-028                         | \$29,662.20 **  |
|                                        | PATCO Transformer Replacement           | Total                          | \$50,448.70     |
| AE STONE INC                           | Pavement Repairs Various PATCO Stations | 12-061                         | \$390,682.71 ** |
|                                        | Pavement Repairs Various PATCO Stations | Total                          | \$390,682.71    |
| PA STATE EMP RETIREMENT SYS            | Pension - SERS                          |                                | \$1,055,659.99  |
|                                        | Pension - SERS                          | Total                          | \$1,055,659.99  |
| CITY OF PHILADELPHIA                   | Phila Employee W/H Taxes                |                                | \$28,797.79     |
|                                        | Phila Employee W/H Taxes                | Total                          | \$28,797.79     |
| POSTAGE BY PHONE                       | Postage                                 | 25KTHRES                       | \$15,000.00     |
| UNITED PARCEL SERVICE (UPS)            | Postage                                 | 25KTHRES                       | \$857.82        |
|                                        | Postage                                 | Total                          | \$15,857.82     |
| HEALTHMARK INC                         | Professional Services                   | 25KTHRES                       | \$115.00        |
| MARCO POLO DESIGN                      | Professional Services                   | 11-081                         | \$50.00         |
| US REGIONAL II OF NJ                   | Professional Services                   | 25KTHRES                       | \$60.00         |
| WORKNET, OBOM                          | Professional Services                   | 25KTHRES                       | \$30.00         |
|                                        | Professional Services                   | Total                          | \$255.00        |
| PENNONI ASSOCIATES INC                 | Property Survey Analysis Services       | 11-094                         | \$2,900.00      |
|                                        | Property Survey Analysis Services       | Total                          | \$2,900.00      |
| AECOM TECHNICAL SERVICES, INC          | Rehabilitation Drainage                 | 11-075                         | \$20,063.76 **  |
|                                        | Rehabilitation Drainage                 | Total                          | \$20,063.76     |
| CANON BUSINESS SOLUTIONS, INC.         | Rentals                                 | 11-027                         | \$2,548.31      |
|                                        | Rentals                                 | Total                          | \$2,548.31      |
| TRANSCORE                              | Repair/Replacement Toll Equip           | 25KTHRES                       | \$4,312.63      |
|                                        | Repair/Replacement Toll Equip           | Total                          | \$4,312.63      |
| FRANKLIN ELECTRIC CO                   | Repairs - Bridges                       | 25KTHRES                       | \$2,801.82      |
| THYSSSEN KRUPP ELEVATOR CO.            | Repairs - Bridges                       | 12-003                         | \$4,540.00      |
|                                        | Repairs - Bridges                       | Total                          | \$7,341.82      |
| ELMER DOOR COMPANY                     | Repairs - Buildings                     | 25KTHRES                       | \$2,280.00      |
| KEYSTONE PROTECTION INDUSTRIES         | Repairs - Buildings                     | 25KTHRES                       | \$4,057.00      |
| TRI-COUNTY TERMITE & PEST CONTROL INC. | Repairs - Buildings                     | 25KTHRES                       | \$140.00        |
| TRI-M GROUP LLC                        | Repairs - Buildings                     | 11-092                         | \$5,680.00      |
|                                        | Repairs - Buildings                     | Total                          | \$12,157.00     |
| BROUDY PERCISION EQUIP                 | Repairs - Heating/AC System             | 25KTHRES                       | \$2,481.63      |
| TRI-M GROUP LLC                        | Repairs - Heating/AC System             | 11-092                         | \$13,842.50     |
|                                        | Repairs - Heating/AC System             | Total                          | \$16,324.13     |
| FRANKLIN ELECTRIC CO                   | Repairs - Signs                         | 25KTHRES                       | \$1,800.00      |
| ONE CALL CONCEPTS                      | Repairs - Signs                         | 25KTHRES                       | \$63.72         |
|                                        | Repairs - Signs                         | Total                          | \$1,863.72      |
| MBI GROUP, INC.                        | Repairs - Equipment                     | 25KTHRES                       | \$10,687.00     |
| THYSSSEN KRUPP ELEVATOR CO.            | Repairs - Equipment                     | 12-003                         | \$410.00        |
| TRI-M GROUP LLC                        | Repairs - Equipment                     | 11-092                         | \$14,415.00     |
| WAYMAN FIRE PROTECTION                 | Repairs - Equipment                     | 25KTHRES                       | \$2,240.00      |
|                                        | Repairs - Equipment                     | Total                          | \$27,752.00     |
| NATIONAL PAVING CO, INC                | Replacement of Roadway                  | 25KTHRES                       | \$1,600.56      |
|                                        | Replacement of Roadway                  | Total                          | \$1,600.56      |
| STANDARD INSURANCE COMPANY             | Retiree Life Insurance                  | 10-085                         | \$37,327.53     |
|                                        | Retiree Life Insurance                  | Total                          | \$37,327.53     |
| HORIZON BLUE CROSS BLUE SHIELD         | Retiree Medical Insurance               | 11-078                         | \$57,988.77     |
| UNITED HEALTHCARE INSURANCE            | Retiree Medical Insurance               | 11-079                         | \$178,101.50    |
| UNITED HEALTHCARE/AARP                 | Retiree Medical Insurance               | 11-101                         | \$115,626.15    |
|                                        | Retiree Medical Insurance               | Total                          | \$351,710.42    |
| ESTATE OF DONALD CHEW                  | Retirees Fringe Ben/Pays                | 25KTHRES                       | \$65.00         |

DELAWARE RIVER PORT AUTHORITY  
MONTHLY LIST OF PAYMENTS 12/01/12 THRU 12/31/12  
MEETING DATE 01/16/2013

| VENDOR NAME                            | ITEM DESCRIPTION                 | RESOLUTION #/<br>AUTHORIZATION | AMOUNT         |
|----------------------------------------|----------------------------------|--------------------------------|----------------|
|                                        | Retirees Fringe Ben/Pays         | Total                          | \$65.00        |
| CENTER CITY DISTRICT                   | Signage Maintenance              | 25KTHRES                       | \$2,929.50     |
|                                        | Signage Maintenance              | Total                          | \$2,929.50     |
| INTERNATIONAL SALT CO                  | Snow Removal - Salt              | 11-093                         | \$15,109.28    |
|                                        | Snow Removal - Salt              | Total                          | \$15,109.28    |
| EPLUS TECHNOLOGY INC                   | Soft/Hardware Service Contracts  | 12-091                         | \$31,856.80    |
| SCHNEIDER ELECTRIC                     | Soft/Hardware Service Contracts  | 25KTHRES                       | \$1,987.75     |
|                                        | Soft/Hardware Service Contracts  | Total                          | \$33,844.55    |
| A&A GLOVE & SAFETY CO.                 | Stores Inventory                 | 25KTHRES                       | \$4,682.84     |
| AIRGAS SAFETY                          | Stores Inventory                 | 25KTHRES                       | \$1,556.67     |
| ANDAX INDUSTRIES                       | Stores Inventory                 | 25KTHRES                       | \$1,056.12     |
| BARTUK HOSE & RUBBER CO                | Stores Inventory                 | 25KTHRES                       | \$446.72       |
| BDF INDUSTRIAL FASTENERS               | Stores Inventory                 | 25KTHRES                       | \$593.40       |
| BESTWORK INDUSTRIES FOR THE BLIND      | Stores Inventory                 | 25KTHRES                       | \$1,888.53     |
| CAMDEN BAG AND PAPER                   | Stores Inventory                 | 25KTHRES                       | \$1,438.60     |
| CYBERTECH                              | Stores Inventory                 | 25KTHRES                       | \$1,129.00     |
| DIAMOND TOOL & FASTENERS               | Stores Inventory                 | 25KTHRES                       | \$539.50       |
| FAIRLITE ELECTRIC SUPPLY CO INC        | Stores Inventory                 | 25KTHRES                       | \$3,421.26     |
| FRANKLIN ELECTRIC CO                   | Stores Inventory                 | 25KTHRES                       | \$4,670.86     |
| GARDEN STATE HIGHWAY PRODUCTS          | Stores Inventory                 | 25KTHRES                       | \$2,988.00     |
| LAWSON PRODUCTS INC                    | Stores Inventory                 | 25KTHRES                       | \$369.56       |
| LINDSAY TRANSPORTATION SOLUTIONS       | Stores Inventory                 | 25KTHRES                       | \$1,830.00     |
| MULTIFACET, INC.                       | Stores Inventory                 | 25KTHRES                       | \$2,010.81     |
| NEW PIG CORPORATION                    | Stores Inventory                 | 25KTHRES                       | \$1,335.74     |
| OAKWOOD UNIFORM & EQUIPMENT INC        | Stores Inventory                 | 25KTHRES                       | \$547.50       |
| OLD DOMINION BRUSH                     | Stores Inventory                 | 25KTHRES                       | \$1,975.35     |
| PABCO INDUSTRIES, INC                  | Stores Inventory                 | 25KTHRES                       | \$2,307.50     |
| PENDERGAST SAFETY EQUIP                | Stores Inventory                 | 25KTHRES                       | \$1,942.20     |
| PROSOAP INC.                           | Stores Inventory                 | 25KTHRES                       | \$439.80       |
| R.E. LEDDEN SUPPLY                     | Stores Inventory                 | 25KTHRES                       | \$379.00       |
| RIBBONS EXPRESS INC                    | Stores Inventory                 | 25KTHRES                       | \$1,111.00     |
| RUMSEY ELECTRIC CO                     | Stores Inventory                 | 25KTHRES                       | \$2.13         |
| SHERWIN WILLIAMS                       | Stores Inventory                 | 25KTHRES                       | \$3,369.63     |
| TENNANT SALES AND SERVICE COMPANY      | Stores Inventory                 | 25KTHRES                       | \$1,446.40     |
| W W GRAINGER INC                       | Stores Inventory                 | 25KTHRES                       | \$269.48       |
| Y-PERS                                 | Stores Inventory                 | 25KTHRES                       | \$2,297.50     |
|                                        | Stores Inventory                 | Total                          | \$46,045.10    |
| CONSTANT CONTACT, INC                  | Subscriptions                    | 25KTHRES                       | \$144.00       |
| DIRECTV                                | Subscriptions                    | 25KTHRES                       | \$24.00        |
|                                        | Subscriptions                    | Total                          | \$168.00       |
| COUNTRY GAS SERVICES INC               | Supplies                         | 25KTHRES                       | \$264.00       |
| GALLS INC                              | Supplies                         | 25KTHRES                       | \$2,172.03     |
| GROUPE LACASSEE                        | Supplies                         | 25KTHRES                       | \$1,079.00     |
| SAFETY-KLEEN                           | Supplies                         | 25KTHRES                       | \$97.00        |
| SOUTH JERSEY WELDING                   | Supplies                         | 25KTHRES                       | \$318.24       |
| TRI-COUNTY TERMITE & PEST CONTROL INC. | Supplies                         | 25KTHRES                       | \$180.00       |
|                                        | Supplies                         | Total                          | \$4,110.27     |
| UBS GLOBAL ASSET MANAGEMENT            | Swap Interest Payments           | 01-019                         | \$3,376,672.39 |
|                                        | Swap Interest Payments           | Total                          | \$3,376,672.39 |
| SPRINT                                 | Telephone                        | UTILITY                        | \$5,523.02     |
| VERIZON                                | Telephone                        | UTILITY                        | \$35,878.23    |
| VERIZON WIRELESS                       | Telephone                        | UTILITY                        | \$2,827.87     |
|                                        | Telephone                        | Total                          | \$44,229.12    |
| DUNBAR ARMORED                         | Toll Deposit Processing Fee      | 25KTHRES                       | \$14,453.46    |
|                                        | Toll Deposit Processing Fee      | Total                          | \$14,453.46    |
| LOU MORRIS                             | Toll Refunds                     | 25KTHRES                       | \$15.00        |
| NJ E-ZPASS                             | Toll Refunds                     | 04-031                         | \$4,653.73     |
|                                        | Toll Refunds                     | Total                          | \$4,668.73     |
| MATHESON TRI-GAS INC                   | Tools                            | 25KTHRES                       | \$34.73        |
|                                        | Tools                            | Total                          | \$34.73        |
| PORT AUTHORITY TRANSIT                 | Track Renewal                    | 6M1865W                        | \$20,536.00 ** |
|                                        | Track Renewal                    | Total                          | \$20,536.00    |
| HOWARD NEEDLES TAMMEN & BERGENDOFF     | Track Upgrading                  | 10-010                         | \$1,335.10 **  |
| HOWARD NEEDLES TAMMEN & BERGENDOFF     | Track Upgrading                  | 11-065                         | \$86,692.88 ** |
|                                        | Track Upgrading                  | Total                          | \$88,027.98    |
| ERNST & YOUNG                          | Training - Registration          | 25KTHRES                       | \$100.00       |
| HAY GROUP, INC                         | Training - Registration          | 25KTHRES                       | \$1,394.40     |
| LORMAN EDUCATION SERVICES              | Training - Registration          | 25KTHRES                       | \$150.00       |
|                                        | Training - Registration          | Total                          | \$1,644.40     |
| EDWARD COBBS                           | Training, Travel and Subsistence | 25KTHRES                       | \$94.55        |
| KRISTEN KLEPACKI                       | Training, Travel and Subsistence | 25KTHRES                       | \$151.70       |
| NYDIA ROSARIO                          | Training, Travel and Subsistence | 25KTHRES                       | \$30.84        |
| SILKROAD TECHNOLOGY, INC.              | Training, Travel and Subsistence | 25KTHRES                       | \$19,000.00    |

DELAWARE RIVER PORT AUTHORITY  
MONTHLY LIST OF PAYMENTS 12/01/12 THRU 12/31/12  
MEETING DATE 01/16/2013

| VENDOR NAME                         | ITEM DESCRIPTION                         | RESOLUTION #/<br>AUTHORIZATION | AMOUNT                 |
|-------------------------------------|------------------------------------------|--------------------------------|------------------------|
| XEROX STATE & LOCAL SOLUTIONS, INC. | Training, Travel and Subsistence         | Total                          | \$19,277.09            |
|                                     | Transaction Fees                         | 04-031                         | \$172,510.66           |
|                                     | Transaction Fees                         | Total                          | \$172,510.66           |
| ALSTOM TRANSPORTATION INCORPORATED  | Transit Car Overhaul                     | 10-154                         | \$1,784,743.29 **      |
|                                     | Transit Car Overhaul                     | 09-081                         | \$3,213.44 **          |
|                                     | Transit Car Overhaul                     | 07-019                         | \$190,435.28 **        |
| JACOBS ENGINEERING GROUP INC        | Transit Car Overhaul                     | Total                          | \$1,978,392.01         |
|                                     | Transit Car Overhaul                     | 11-060                         | \$3,268.65             |
|                                     | Transit Car Overhaul                     | Total                          | \$3,268.65             |
| LTK ENGINEERING SERVICES            | Trash Removal                            | 25KTHRES                       | \$1,955.18             |
|                                     | Trash Removal                            | 25KTHRES                       | \$343.00               |
|                                     | Trash Removal                            | 25KTHRES                       | \$134.99               |
| WASTE MANAGEMENT OF NEW JERSEY      | Uniforms                                 | 25KTHRES                       | \$1,269.00             |
|                                     | Uniforms                                 | 25KTHRES                       | \$305.55               |
|                                     | Uniforms                                 | 25KTHRES                       | \$2,486.50             |
| A&M INDUSTRIAL SUPPLY               | Uniforms                                 | 12-052                         | \$166.00               |
|                                     | Uniforms                                 | 25KTHRES                       | \$56.16                |
|                                     | Uniforms                                 | 25KTHRES                       | \$658.12               |
| ACME UNIFORM RENTAL SER INC         | Uniforms                                 | Total                          | \$7,374.50             |
|                                     | Uniforms                                 | 25KTHRES                       | \$384,613.91           |
|                                     | Uniforms                                 | Total                          | \$384,613.91           |
| BEST UNIFORM RENTAL, INC            | Union Dues, Employee Contributions, Etc. | 12-038                         | \$6,879.06             |
|                                     | Union Dues, Employee Contributions, Etc. | Total                          | \$6,879.06             |
|                                     | Union Dues, Employee Contributions, Etc. | 25KTHRES                       | \$896.00               |
| LANDSMAN UNIFORM                    | Vehicle Repairs - Inside                 | Total                          | \$896.00               |
|                                     | Vehicle Repairs - Inside                 | 25KTHRES                       | \$4,233.47             |
|                                     | Vehicle Repairs - Inside                 | Total                          | \$4,233.47             |
| LANDSMAN UNIFORM                    | Vehicle Repairs - Outside                | 25KTHRES                       | \$3,154.51 **          |
|                                     | Vehicle Repairs - Outside                | Total                          | \$3,154.51             |
|                                     | Vehicle Repairs - Outside                | UTILITY                        | \$4,465.65             |
| LAWMEN SUPPLY CO OF NJ              | Vehicle Supplies                         | UTILITY                        | \$589.39               |
|                                     | Vehicle Supplies                         | UTILITY                        | \$294.92               |
|                                     | Vehicle Supplies                         | UTILITY                        | \$732.84               |
| RED THE UNIFORM TAILOR              | Vehicles                                 | Total                          | \$6,082.80             |
|                                     | Vehicles                                 | 10-116                         | \$101,864.26           |
|                                     | Vehicles                                 | 10-116                         | \$75,509.21            |
| RED WING BRANDS OF AMERICA, INC.    | Water and Sewer                          | Total                          | \$177,373.47           |
|                                     | Water and Sewer                          | 11-094                         | \$11,798.85 **         |
|                                     | Water and Sewer                          | Total                          | \$11,798.85            |
| SOUTH JERSEY WELDING                | Workmen's Compensation                   | 12-017                         | \$2,716.88             |
|                                     | Workmen's Compensation                   | Total                          | \$2,716.88             |
|                                     | Workmen's Compensation                   | 10-020                         | \$976,139.28 **        |
| TACTICAL PUBLIC SAFETY              | WWB & CBB Pavement Repairs               | 10-021                         | \$207,257.51 **        |
|                                     | WWB & CBB Pavement Repairs               | Total                          | \$1,183,396.79         |
|                                     | WWB & CBB Pavement Repairs               |                                |                        |
|                                     |                                          |                                | <u>\$21,656,199.62</u> |

## DRPA MONTHLY LIST OF PURCHASE ORDER CONTRACTS - DECEMBER 2012

| VENDOR NAME                           | ITEM DESCRIPTION                          | PO NUMBER | AMOUNT      | RESOLUTION |
|---------------------------------------|-------------------------------------------|-----------|-------------|------------|
| A&A GLOVE & SAFETY CO.                | Stores Inventory Account                  | P12P0463  | \$1,007.76  | 25KTHRES   |
| A&A GLOVE & SAFETY CO.                | Stores Inventory Account                  | P12P0466  | \$336.00    | 25KTHRES   |
| A&A GLOVE & SAFETY CO.                | Stores Inventory Account                  | P12P0489  | \$440.00    | 25KTHRES   |
| A&M INDUSTRIAL SUPPLY                 | Stores Inventory Account                  | P12P0475  | \$956.80    | 25KTHRES   |
| A&M INDUSTRIAL SUPPLY                 | Uniforms                                  | P12P0471  | \$315.76    | 25KTHRES   |
| A&M INDUSTRIAL SUPPLY                 | Uniforms                                  | P13P0003  | \$49.34     | 25KTHRES   |
| ACME UNIFORM RENTAL SER INC           | Uniform Laundry Services                  | P13B0016  | \$7,000.00  | 25KTHRES   |
| ALLEN REPRODUCTION CO                 | Engineering Blueprint Reproduction        | P13B0017  | \$5,000.00  | 25KTHRES   |
| AMERICAN EXPEDITING COMPANY           | DRPA Courier Services                     | P13B0028  | \$3,000.00  | 25KTHRES   |
| AMERICAN PICTURE FRAMING              | Restoration/Framing of Bridge Photographs | P13B0023  | \$2,000.00  | 25KTHRES   |
| AMERICAN RED CROSS                    | First Aid Supplies & Services             | P13B0025  | \$5,000.00  | 25KTHRES   |
| AMERICAN UNIFORM SALES INC            | Uniforms                                  | P12E0037  | \$998.40    | 25KTHRES   |
| ATLANTIC TACTICAL OF NEW JERSEY       | Uniforms                                  | P12S0088  | -\$1,805.40 | 25KTHRES   |
| AUTOMATION AIDS, INC.                 | Stores Inventory Account                  | P12P0483  | \$310.00    | 25KTHRES   |
| BDF INDUSTRIAL FASTENERS              | Stores Inventory Account                  | P12P0490  | \$227.04    | 25KTHRES   |
| BERBEN INSIGNIA COMPANY               | Police Badges & Namplates                 | P13B0009  | \$1,250.00  | 25KTHRES   |
| BEST UNIFORM RENTAL, INC              | Uniforms                                  | P12E0041  | \$744.39    | 25KTHRES   |
| BEST UNIFORM RENTAL, INC              | New Recruit Academy Uniforms              | P13B0010  | \$2,000.00  | 25KTHRES   |
| BILLOWS ELECTRIC SUPPLY               | Stores Inventory Account                  | P12P0474  | \$631.74    | 25KTHRES   |
| BROWN'S GRAPHIC SOLUTIONS, INC        | Board and Office Nameplates               | P13B0026  | \$500.00    | 25KTHRES   |
| CAMDEN COMPUTERS INC (CCI)            | Computer Repairs and Maintenance          | P13B0011  | \$4,000.00  | 25KTHRES   |
| CERTIFIED SPEEDOMETER SERVICE         | Police Speedometer Calibrations           | P13B0004  | \$5,000.00  | 25KTHRES   |
| CHAMMINGS ELECTRIC, INC               | Repairs - Bridges                         | P12E0042  | \$1,078.37  | 25KTHRES   |
| CHERRY VALLEY TRACTOR SALES           | Repair Facilities - Equip Rental          | P12P0459  | \$13,000.00 | 25KTHRES   |
| CJ'S AUTOBODY                         | Vehicle Repairs - Outside                 | P13P0004  | \$2,580.25  | 25KTHRES   |
| CONCEPTUAL GLASS & SHOWER DOOR        | Automotive Glass                          | P13B0029  | \$4,000.00  | 25KTHRES   |
| CORRPRO COMPANIES, INC.               | Repairs - Bridges                         | P13P0002  | \$19,980.00 | 25KTHRES   |
| COUNTRY GAS SERVICES INC              | Propane Gas                               | P13B0030  | \$2,500.00  | 25KTHRES   |
| DAVIDHEISERS, INC.                    | Police Radar repairs & certification      | P13B0005  | \$1,500.00  | 25KTHRES   |
| DELL MARKETING L.P.                   | Equipment & Tools                         | P13B0012  | \$10,000.00 | 25KTHRES   |
| DRAEGER SAFETY DIAGNOSTICS, IN        | Police Breathalyzer Testing               | P13B0007  | \$4,500.00  | 25KTHRES   |
| EPLUS TECHNOLOGY INC                  | Miscellaneous Equipment                   | P12S0128  | \$4,420.80  | 25KTHRES   |
| ESRI INC.                             | Licensing Fees - Software                 | P13M0002  | \$400.00    | 25KTHRES   |
| FAIRLITE ELECTRIC SUPPLY CO INC       | Stores Inventory Account                  | P12P0473  | \$748.00    | 25KTHRES   |
| FAIRLITE ELECTRIC SUPPLY CO INC       | Stores Inventory Account                  | P12P0477  | \$2,241.88  | 25KTHRES   |
| FAIRLITE ELECTRIC SUPPLY CO INC       | Stores Inventory Account                  | P12P0486  | \$664.32    | 25KTHRES   |
| GLOBAL C/O: KERSHNER OFFICE FURNITURE | Furniture and Fixtures                    | P12S0118  | \$9,348.00  | 25KTHRES   |
| GLOBAL C/O: KERSHNER OFFICE FURNITURE | Furniture and Fixtures                    | P12S0126  | \$15,629.00 | 25KTHRES   |
| GRANATE FUEL AND SUPPLIES COMP        | Facility Generators/Off-Road Diesel       | P13B0031  | \$5,000.00  | 25KTHRES   |
| GRAYBAR ELECTRIC COMPANY INC          | Equipment & Tools                         | P13B0013  | \$5,000.00  | 25KTHRES   |
| HENKE MANUFACTURING                   | Stores Inventory Account                  | P12P0484  | \$5,685.30  | 25KTHRES   |
| HEWLETT PACKARD COMPANY               | Computer Equipment                        | P12S0119  | \$19,942.22 | 25KTHRES   |
| HOLMAN FORD                           | Vehicle Repairs - Outside                 | P12P0467  | \$2,662.75  | 25KTHRES   |
| INDUSTRIAL HYDRAULICS & RUBBER, LLC   | Repairs - Buildings                       | P12P0472  | \$2,760.00  | 25KTHRES   |
| LANDSMAN UNIFORM                      | Stores Inventory Account                  | P12P0470  | \$347.50    | 25KTHRES   |
| LARGEMOOR FILM SERVICE                | Film & Camera Services                    | P13B0021  | \$1,000.00  | 25KTHRES   |
| LAWMEN SUPPLY CO OF NJ                | Police Accessories & Supplies             | P13B0008  | \$4,000.00  | 25KTHRES   |
| LINDSAY TRANSPORTATION SOLUTIONS      | Stores Inventory Account                  | P12L0028  | \$7,020.00  | 25KTHRES   |
| MAPLE SHADE ARTS & DRAFT              | Drafting & Survey Supplies                | P13B0022  | \$1,000.00  | 25KTHRES   |
| MARLAC ELECTRONICS INC                | Equipment & Tools                         | P13B0014  | \$2,500.00  | 25KTHRES   |
| MBI GROUP, INC.                       | Repairs - Buildings                       | P12E0031  | \$1,972.00  | 25KTHRES   |
| MONARCH MARINE                        | Police Marine Unit Engine Repairs         | P13B0003  | \$3,500.00  | 25KTHRES   |
| MULTIFACET, INC.                      | Stores Inventory Account                  | P12P0468  | \$864.00    | 25KTHRES   |
| MULTIFACET, INC.                      | Stores Inventory Account                  | P12P0476  | \$189.28    | 25KTHRES   |
| MULTIFACET, INC.                      | Stores Inventory Account                  | P12P0487  | \$360.00    | 25KTHRES   |
| ONE CALL CONCEPTS                     | Contractor Notification Services          | P13B0020  | \$1,500.00  | 25KTHRES   |
| ORION SAFETY PRODUCTS                 | Stores Inventory Account                  | P12P0478  | \$1,949.00  | 25KTHRES   |

## DRPA MONTHLY LIST OF PURCHASE ORDER CONTRACTS - DECEMBER 2012

| VENDOR NAME                    | ITEM DESCRIPTION                    | PO NUMBER | AMOUNT      | RESOLUTION |
|--------------------------------|-------------------------------------|-----------|-------------|------------|
| PAPER MART                     | Paper                               | P12P0480  | \$13,465.30 | 25KTHRES   |
| PAUL'S CUSTOM AWARDS & TROPHIE | Police Officer Awards               | P13B0001  | \$1,500.00  | 25KTHRES   |
| PEIRCE-PHELPS INC              | Repairs - Heating/AC System         | P12P0460  | \$3,458.00  | 25KTHRES   |
| PENDERGAST SAFETY EQUIP        | Stores Inventory Account            | P12P0469  | \$952.80    | 25KTHRES   |
| PENDERGAST SAFETY EQUIP        | Stores Inventory Account            | P12P0488  | \$412.20    | 25KTHRES   |
| PENNONI ASSOCIATES INC         | Core Sampling Services              | P13B0019  | \$5,000.00  | 25KTHRES   |
| PITNEY BOWES                   | Postage Meter Supplies              | P13B0027  | \$1,500.00  | 25KTHRES   |
| POLLUTION CONTROL FINANCING AU | Disposal of Street Sweepings        | P13B0032  | \$5,000.00  | 25KTHRES   |
| R & R RADAR INC.               | Police NJ Radar Unit Certifications | P13B0006  | \$5,000.00  | 25KTHRES   |
| R.E. LEDDEN SUPPLY             | Stores Inventory Account            | P12P0482  | \$431.28    | 25KTHRES   |
| RIDGWAY'S                      | Reproduction Services               | P13B0018  | \$2,500.00  | 25KTHRES   |
| RR DONNELLEY                   | Office Supplies                     | P12P0481  | \$712.39    | 25KTHRES   |
| SALERNO TIRE CORPORATION       | Stores Inventory Account            | P12P0464  | \$5,979.68  | 25KTHRES   |
| SALERNO TIRE CORPORATION       | Stores Inventory Account            | P12P0465  | \$1,301.04  | 25KTHRES   |
| SCHNEIDER ELECTRIC             | Repairs Bridge                      | P12P0461  | \$2,500.00  | 25KTHRES   |
| SHERWIN WILLIAMS               | Stores Inventory Account            | P12P0462  | \$446.76    | 25KTHRES   |
| STAPLES BUSINESS ADVANTAGE     | Office Supplies                     | P12S0120  | \$960.00    | 25KTHRES   |
| STAPLES BUSINESS ADVANTAGE     | Office Supplies                     | P12S0121  | \$2,240.00  | 25KTHRES   |
| STAPLES BUSINESS ADVANTAGE     | Office Supplies                     | P12S0122  | \$1,920.00  | 25KTHRES   |
| STAPLES BUSINESS ADVANTAGE     | Office Supplies                     | P12S0123  | \$3,401.40  | 25KTHRES   |
| STAPLES BUSINESS ADVANTAGE     | Office Supplies                     | P12S0124  | \$1,481.40  | 25KTHRES   |
| STAPLES BUSINESS ADVANTAGE     | Office Supplies                     | P12S0125  | \$7,936.90  | 25KTHRES   |
| TACTICAL PUBLIC SAFETY         | Radio Batteries and Accessories     | P13B0024  | \$3,500.00  | 25KTHRES   |
| THIS AND THAT UNIFORMS         | Uniforms                            | P12P0458  | \$309.00    | 25KTHRES   |
| TRAFFIX DEVICES INC.           | Attenuator Repairs/Replacement      | P12S0104  | \$3,120.11  | 25KTHRES   |
| TRANE U. S. INC.               | Repairs - Heating/AC System         | P12P0485  | \$7,359.00  | 25KTHRES   |
| TRANSCORE                      | Contractual Services                | P12L0027  | \$12,068.00 | 25KTHRES   |
| UNI-SELECT USA, INC            | Stores Inventory Account            | P12P0479  | \$315.84    | 25KTHRES   |
| VISUAL COMPUTER SOLUTIONS, INC | Licensing Fees - Software           | P13M0001  | \$5,868.94  | 25KTHRES   |
| W.B. MASON CO. INC.            | Office Supplies                     | P12A0042  | \$100.00    | 11-115     |
| WM. HARGROVE MARINA            | Fuel for Police Marine Unit         | P13B0002  | \$3,000.00  | 25KTHRES   |

**Report of Operations and Maintenance Committee  
DELAWARE RIVER PORT AUTHORITY  
One Port Center, Camden, New Jersey  
Wednesday, December 12, 2012, 9 a.m.**

**Committee Members**

William Sasso, Committee Chair  
Joanna Cruz, Esquire (via telephone)  
Richard Sweeney  
Al Frattali  
Charles Fentress  
E. Frank DiAntonio

**Officers and Chiefs**

John Matheussen, CEO  
Danielle McNichol, General Counsel and  
Corporate Secretary  
John Hanson, CFO  
Tim Pulte, COO  
Toni Brown, CAO  
John Rink, PATCO, General Manager  
Mike Venuto, Chief Engineer

**DRPA Staff**

Fran DiCicco, Administrative Coordinator  
Ann DuVall, Executive Assistant to CEO  
Timothy Ireland, Director, Corp. Comm.  
Kevin LaMarca, Director, IS  
Mark Lopez, Manager, Government Relations  
John Lotierzo, Director, Finance, PATCO  
Sheila Milner, Administrative Coordinator  
Elizabeth McGee, Administrative Assistant  
Thomas Raftery, Inspector General  
Bill Shanahan, Director, Government Rel.  
Susan Squillace, Manager, Purchasing  
Jack Stief, Acting Police Chief,  
Public Safety  
Dawn Whiton, Administrative Coordinator

**Commissioners**

Jeffrey L. Nash, Esquire, Vice Chair  
Denise Y. Mason  
Walter D' Alessio (via telephone)  
Robert Teplitz (Wagner) (via telephone)  
John Lisko, Esquire (McCord) (via telephone)  
Andrew Reilly, Esquire  
David Simon, Esquire

**Counsel**

David Rapuano, Archer & Greiner, NJ Counsel  
Tom Ellis, Duane Morris, PA Counsel

**Others**

Kathleen Duffy Bruder, Esquire, Deputy Chief  
of Staff, Governor Corbett's Office  
Victoria Page-Wooten, Executive Deputy  
General Counsel  
Fred Stuart (CAC)  
Kathy Venuti (CAC)  
Julie Still (CAC)  
Al Huber (CAC)  
Tyrone Wesley (CAC)  
Joseph Powell

The Corporate Secretary announced that pursuant to the Bylaws of this Authority, public notice of this meeting of the DRPA Operations and Maintenance Committee has been given by posting proper notice in the lobby at One Port Center, and issuing proper notice to the public and news media.

Chairman Sasso called the meeting of the DRPA Operations and Maintenance Committee to order and asked that the Corporate Secretary call the roll. The Corporate Secretary then called the roll for the Committee and announced that there was a quorum. Chairman Sasso presided.

**Item 1 – Design Services for PATCO R.O.W. Embankment Restoration Phase Five**

Mike Venuto, Chief Engineer, requested that the Board authorize staff to negotiate an agreement with AECOM to provide Design Services for the PATCO R.O.W. Embankment Restoration project in the amount of \$610,096. He stated that this project will engage services of a consulting engineering firm to design stabilization of the embankments, improve drainage and rehabilitate retaining walls at various locations on the PATCO right-of-way in New Jersey. Mr. Venuto stated that the project was publicly advertised and 17 firms responded with Statements of Qualifications. He said that six firms were deemed qualified and were sent Request for Proposals. Mr. Venuto said that staff has evaluated the bids and recommends award of an agreement with AECOM. He said this project is partially (80%) funded by the FTA.

On motion duly made and seconded, the following Resolution was approved and is recommended to the Board for adoption:

**DRPA -12-xxx                      Design Services for PATCO R.O.W. Embankment  
Restoration Phase Five**

**Item 2 – 2013 Charity Events Bridge Closure Support Services at BFB, CBB & BRB**

Tim Pulte, Chief Operating Officer, requested that the Board authorize staff to provide overtime labor support services for five annual charity events involving bridge roadway or ramp closures, three held at the BFB, one held at the CBB and one held at the BRB. He stated that the Charity Events are 2013 Police Unity Tour at CBB, 2013 United Veterans of Bridesburg Parade at BRB, 2013 American Cancer Society Annual Bike-A-Thon on the BFB, 2013 – 25<sup>th</sup> Annual Tour de Shore Bike-A-Thon on the BFB, and 2013 Ben Franklin Bridge Run or Larc School. The total costs for the 2013 overtime labor is to not exceed \$13,425.

On motion duly made and seconded, the following Resolution was approved and is recommended to the Board for adoption:

**DRPA -12-xxx                      2013 Charity Events Bridge Closure Support  
Services at BFB, CBB & BRB**

There being no further business, on motion duly made and seconded, the meeting was adjourned.

Respectfully submitted,

Chairman William Sasso

## **SUMMARY STATEMENT**

**ITEM NO. DRPA-13-001**

**SUBJECT: Design Services for PATCO  
R.O.W. Embankment Restoration Phase  
Five**

**COMMITTEE:**

**Operations & Maintenance**

**COMMITTEE MEETING DATE:**

**December 12, 2012**

**BOARD ACTION DATE:**

**January 16, 2013**

**PROPOSAL:** That the Board authorizes staff to negotiate an agreement with AECOM to provide Design Services for the PATCO R.O.W. Embankment Restoration Project.

**Amount:** \$610,096.00

**Consultant:** AECOM Technical Services, Inc.  
1700 Market Street, Suite 1600  
Philadelphia, PA 19103

**Other Consultants:** Gannett Fleming, Inc.  
Hatch Mott MacDonald, LLC  
KS Engineers, P.C.  
TranSystems Corporation Consultants  
URS Corporation

**Engineers Estimate:** \$589,334.00

**PURPOSE:** To engage services of a consulting engineering firm with the expertise necessary to design stabilization of the embankments, improve drainage and rehabilitate retaining walls at various locations on the PATCO Right-of-way in New Jersey.

**BACKGROUND:** This design services project is a continuation of the embankment restoration, drainage improvements and retaining wall rehabilitation at various locations on the PATCO Right-of-way in New Jersey. Four (4) phases of embankment rehabilitation work have been completed. This design project will enable DRPA/PATCO to improve the embankment stability, drainage system, and repair retaining walls.

The Authority publicly advertised its intent to retain a consultant and invited interested firms to submit Statements of Qualifications.

**SUMMARY STATEMENT**  
**O&M Committee: 1/16/2013**

**Design Services for PATCO R.O.W.  
Embankment Restoration Phase Five**

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Seventeen (17) firms responded with Statements of Qualifications on November 15, 2011. Six (6) firms were deemed qualified and were sent a formal Request for Proposal. All six (6) firms responded with Proposals. A review committee of staff engineers evaluated the Proposals on the basis of technical merit. Based on the technical evaluation the proposal submitted by AECOM was deemed to be the most responsive to the requirement for design services for this project, as outlined in the Request for Proposal.

This project involves the use of federal funding through the Federal Transit Administration (FTA). In accordance with the federally approved Brooks method of consultant selection, which is qualifications based, the Price Proposal submitted by AECOM was opened and evaluated against the Engineer's Estimate. Based on this evaluation, a negotiated price of \$610,096.00 was determined to be fair and reasonable.

It is recommended that an engineering services agreement be negotiated with AECOM for the costs and associated fees not to exceed \$610,096.00 to provide engineering services in accordance with the Request for Proposal.

|                 |                                                |                                                                          |
|-----------------|------------------------------------------------|--------------------------------------------------------------------------|
| <b>SUMMARY:</b> | <b>Amount:</b>                                 | <b>\$610,096.00</b>                                                      |
|                 | <b>Source of Funds:</b>                        | <b>General Fund/Subject to Reimbursement<br/>by Future Bond Proceeds</b> |
|                 | <b>Capital Project #:</b>                      | <b>PF9903</b>                                                            |
|                 | <b>Operating Budget:</b>                       | <b>N/A</b>                                                               |
|                 | <b>Master Plan Status:</b>                     | <b>N/A</b>                                                               |
|                 | <b>Other Fund Sources:</b>                     | <b>Federal Transit Administration (80%)<br/>(\$488,076.80)</b>           |
|                 | <b>Duration of Contract:</b>                   | <b>12 months</b>                                                         |
|                 | <b>Other Parties Involved:</b>                 | <b>Federal Transit Administration</b>                                    |
|                 | <b>Estimated Number of<br/>Jobs Supported:</b> | <b>2</b>                                                                 |

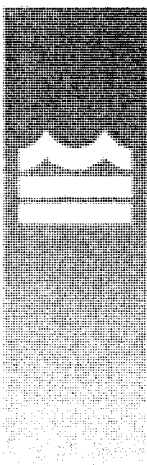
**DRPA-13-001**  
**Operations & Maintenance Committee: December 12, 2012**  
**Board Date: January 16, 2013**  
**Design Services for PATCO R.O.W.**  
**Embankment Restoration Phase Five**

**RESOLUTION**

**RESOLVED:** That the Board of Commissioners of the Delaware River Port Authority accepts the Proposal of AECOM to provide Design Services for the PATCO R.O.W. Embankment Restoration Phase 5 Project and that the proper officers of the Authority be and hereby are authorized to negotiate an Agreement with AECOM for an amount not to exceed \$610,096.00, as per the attached Summary Statement; and be it further

**RESOLVED:** 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.

|                 |                                                |                                                                          |
|-----------------|------------------------------------------------|--------------------------------------------------------------------------|
| <b>SUMMARY:</b> | <b>Amount:</b>                                 | <b>\$610,096.00</b>                                                      |
|                 | <b>Source of Funds:</b>                        | <b>General Fund/Subject to Reimbursement by<br/>Future Bond Proceeds</b> |
|                 | <b>Capital Project #:</b>                      | <b>PF9903</b>                                                            |
|                 | <b>Operating Budget:</b>                       | <b>N/A</b>                                                               |
|                 | <b>Master Plan Status:</b>                     | <b>N/A</b>                                                               |
|                 | <b>Other Fund Sources:</b>                     | <b>Federal Transit Administration (80%)<br/>(\$488,076.80)</b>           |
|                 | <b>Duration of Contract:</b>                   | <b>12 months</b>                                                         |
|                 | <b>Other Parties Involved:</b>                 | <b>Federal Transit Administration</b>                                    |
|                 | <b>Estimated Number of<br/>Jobs Supported:</b> | <b>2</b>                                                                 |



## **MEMORANDUM**

**DELAWARE RIVER PORT AUTHORITY**  
*of Pennsylvania & New Jersey*

**TO:** O&M Committee Members  
**FROM:** Michael P. Venuto, Director of Engineering/Chief Engineer, Engineering  
**SUBJECT:** Professional Service Selection for  
Design Services for PATCO Right-of-Way Embankment Restoration  
Technical Proposal Evaluation, Findings and Recommendation Report  
**DATE:** November 23, 2012

The Request for Qualifications (RFQs), which was posted on the Authority's web-site, invited consultants to submit Statements of Qualifications (SOQs). Seventeen (17) firms submitted SOQs on November 15, 2011.

Since this project is partially funded by the Federal Transit Administration the Brooks method of consultant selection was used. The SOQ evaluation serves as a method for developing a "short list" of firms to receive a Request for Proposal (RFP). The Review Committee evaluated the SOQ's and recommended soliciting Technical from the top ranked firms:

AECOM Technical Services, Inc.  
Gannett Fleming, Inc.  
Hatch Mott MacDonald, LLC  
KS Engineers, P.C.  
TranSystems Corporation Consultants  
URS Corporation

The short listed firms were sent a RFP on March 28, 2012. The Technical Proposals were received on May 2, 2012 from all of the short listed firms. The Review Committee, consisting of three (3) staff engineers reviewed and evaluated the Technical Proposals.

AECOM was the highest technically ranked firm. The firm demonstrated relevant experience on similar projects and understanding of the embankment stabilization needs along the PATCO Right-of-Way. The proposed Project Manager was the project manager on a previous phase of the project and has a significant amount of experience on railroad projects. Overall, the team assembled by AECOM was found to possess the necessary experience and qualifications to successfully complete the project.

The Review Committee recommended that the Price Proposal be requested from AECOM and negotiations commenced using the Engineer's Estimate in the amount of \$589,334.00, as a guide.

The Price Proposal was opened on November 19, 2012.

Below are the Technical Proposal rankings, proposed hours and fees of the firm, along with the Engineer's estimate of hours.

| Firm                | Hours | Original Price Proposal | Negotiated |              |
|---------------------|-------|-------------------------|------------|--------------|
|                     |       |                         | Hours      | Fee          |
| Engineer's Estimate | 4,548 | \$589,334.00            |            |              |
| AECOM               | 6,194 | \$747,536.00            | 5,011      | \$610,096.00 |

The Price Proposal from the highest technically ranked firm, AECOM, dated November 16, 2012 was reviewed by Engineering Department staff. It was observed to be 27% higher than the Engineer's Estimate. Negotiations commenced which resulted in a final Price Proposal in an amount of \$610,096.00. Based on the Review Committee's findings, the Price Proposal of AECOM has been determined to be fair and reasonable and therefore the committee recommends that an Engineering Services Agreement be issued to the highest technically ranked firm, AECOM.

Based on a review of the Review Committee's evaluation and supporting documentation, I concur with the recommendation to engage AECOM of Philadelphia, Pennsylvania, in the amount of \$610,096.00 for this Agreement.

:ala

## **SUMMARY STATEMENT**

**ITEM NO.:** DRPA-13-002

**SUBJECT:** 2013 Charity Events Bridge Closure Support Services at BFB, CBB & BRB

**COMMITTEE:**

Operations and Maintenance

**COMMITTEE MEETING DATE:**

December 12, 2012

**BOARD ACTION DATE:**

January 16, 2013

**PROPOSAL:** That the Board authorizes staff to provide overtime labor support services for five (5) Annual charity events during the period of January 2013 through December 2013 involving bridge roadway or ramp closures, three (3) held at the Benjamin Franklin Bridge, one (1) held at the Commodore Barry Bridge and one (1) held at the Betsy Ross Bridge.

**PURPOSE:** To provide support services consisting of Construction & Maintenance manpower for signage placement, lane closure, and traffic control and additional Public Safety police presence for the events.

**BACKGROUND:** Over the past several years, DRPA has allowed charity-related events requiring bridge roadway or ramp closures, generally during off-peak time periods of lower traffic volume and early weekend or holiday mornings. Coordination with local and state police and transportation agencies has been required as well as public notification to assure safe, efficient bridge closures that would minimize the impact to the traveling public.

Below is a listing of dates, description, approximate closure duration and approximate overtime labor cost to DRPA for each of the five (5) charity event bridge or ramp closures during the period of January 2013 through December 2013.

Friday, May 10, 2013 Police Unity Tour at CBB. Raises awareness of Law Enforcement Officers who have died in the line of duty and raises funds for the National Law Enforcement Officers' Memorial and Museum. For more than 11 years, the westbound Commodore Barry Bridge has been closed for approximately 20 minutes to accommodate bicyclists participating in the tour. The group bikes from North Jersey to the National Law Enforcement Officers Memorial in Washington, DC. Time of bridge roadway closure occurs depends on arrival time of the group.

|                                |   |        |
|--------------------------------|---|--------|
| Bridge Operations Support Cost | = | \$ 200 |
| Public Safety Support Cost     | = | \$ 120 |
| Estimated Toll Rev Loss        |   | \$ 0   |

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Monday, May 27, 2013 United Veterans of Bridesburg Parade (BRB). The primary purpose of the parade is to honor Veterans and Military Personnel on Memorial Day. Since 1989, DRPA has accommodated this request by allowing closure only of the Betsy Ross Bridge's Richmond Street exit ramp, not the bridge roadway. Alternate exit options remain. DRPA allows closure of the Richmond Street ramp from 8:30 a.m. to 12:30 p.m. The parade is always scheduled on Memorial Day.

|                                |   |       |
|--------------------------------|---|-------|
| Bridge Operations Support Cost | = | \$805 |
| Public Safety Support Cost     | = | \$0   |
| Estimated Toll Revenue Loss    |   | \$ 0  |

Total Cost = \$805

Sunday, July 14, 2013 American Cancer Society Annual Bike-A-Thon on the BFB. For more than 40 years, DRPA has permitted use of the Ben Franklin Bridge roadway to accommodate this bike ride from Philadelphia to Hammonton, NJ. The event attracts more than 4,000 riders and raises funds for cancer research, and provides special services to cancer patients. DRPA has allowed closure of the BFB roadway in both directions from 6:30 am – 7:45 am.

|                                |   |         |
|--------------------------------|---|---------|
| Bridge Operations Support Cost | = | \$2,930 |
| Public Safety Support Cost     | = | \$1,000 |
| Estimated Toll Revenue Loss    |   | \$ 0    |

Total Cost = \$3,930

Sunday, July 28, 2013 - 25<sup>th</sup> Annual Tour de Shore Bike-A-Thon on the BFB. For over 20 years, the Tour de Shore has crossed the Ben Franklin Bridge for this charity event that begins in Philadelphia and ends in Atlantic City. For many years, the event took place on the BFB footwalk. The event now exceeds over 1,600 participants. Proceeds benefit law enforcement charities and surviving family members of police and firefighters throughout the region. For the past five years, DRPA has allowed closure of the BFB roadway in both directions from 6:45 am - 8:30 am.

|                                |   |         |
|--------------------------------|---|---------|
| Bridge Operations Support Cost | = | \$2,930 |
| Public Safety Support Cost     | = | \$1,000 |
| Estimated Toll Revenue Loss    |   | \$ 0    |

Total Cost = \$3,930

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Sunday, November 3, 2013, Ben Franklin Bridge Run for Larc School. For many years, DRPA has supported the efforts of the Special Olympics. Since 1995, DRPA has directed its support to the Larc School in Bellmawr, New Jersey. Larc is a special education school serving students with a wide range of moderate to severe disabilities ranging in age from 3 to 21. Services are provided at no cost to families. For this event, the BFB is closed from 7:45 am – 9:30 am.

|                                  |         |
|----------------------------------|---------|
| Bridge Operations Support Cost = | \$3,440 |
| Public Safety Support Cost =     | \$1,000 |
| Estimated Toll Revenue Loss=     | \$ 0    |

Total Cost = \$4,440

It is recommended that the Board authorize DRPA to provide support services for the charity events during 2013 at a total overtime labor cost not anticipated to exceed \$13, 425.

**SUMMARY:**

|                         |                  |
|-------------------------|------------------|
| Amount:                 | \$13,425         |
| Source of Funds:        | Operating Budget |
| Capital Project #:      | N/A              |
| Operating Budget:       | \$13, 425        |
| Master Plan Status:     | N/A              |
| Other Fund Sources:     | N/A              |
| Duration of Contract:   | N/A              |
| Other Parties Involved: | N/A              |

**DRPA-13-002**  
**Operations & Maintenance Committee: December 12, 2012**  
**Board Date: January 16, 2013**  
**2013 Charity Events Bridge**  
**Closure Support Services at**  
**BFB, CBB & BRB**

**RESOLUTION**

**RESOLVED:** That the Board authorizes DRPA to provide overtime labor support services for five (5) 2013 annual charity events during the period of January 2013 through December 2013 involving bridge roadway or ramp closures. Three (3) at the Benjamin Franklin Bridge, one (1) at the Commodore Barry Bridge and one (1) at the Betsy Ross Bridge Richmond Street ramp

|                 |                                |                         |
|-----------------|--------------------------------|-------------------------|
| <b>SUMMARY:</b> | <b>Amount:</b>                 | <b>\$13,425</b>         |
|                 | <b>Source of Funds:</b>        | <b>Operating Budget</b> |
|                 | <b>Capital Project #:</b>      | <b>N/A</b>              |
|                 | <b>Operating Budget:</b>       | <b>\$13,425</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>N/A</b>              |

Delaware River Port Authority  
Operations & Maintenance Committee Meeting Minutes  
January 7, 2013 – 8:00 a.m.

**Attendance:**

**Committee Members:**

William Sasso, Chairman  
E. Frank DiAntonio  
Al Frattali  
Joanna Cruz  
Richard Sweeney  
Charles Fentress

**Others Present:**

Kerstin Sundstrom, Assistant Counsel, NJ Governors Unit (via telephone)  
John Matheussen, Chief Executive Officer  
Danielle McNichol, General Counsel and Corporate Secretary  
Tim Pulte, Chief Operating Officer  
John Rink, PATCO, General Manager  
Mike Venuto, Chief Engineer  
Cheryl Spicer, Assistant General Manager, PATCO  
Charles Kain, Project Manager  
Fran DiCicco, Administrative Coordinator  
Sheila Milner, Administrative Coordinator  
Elizabeth McGee, Administrative Secretary  
Tom Raftery, Inspector General  
Tim Ireland (briefly)

Chairman Sasso called the meeting to order and asked for the roll to be called. The Corporate Secretary called the roll and stated that there was a quorum. Chairman Sasso presided and stated that there were 6 items relating to the January 7, 2013 meeting.

**January 7, 2013 Committee Meeting**

Mr. Venuto presented a brief explanation as to the change in format of the Operations & Maintenance Committee which was suggested by Chairman Simon. He stated that usually the Operations & Maintenance Committee is an information session. Mr. Venuto stated that the change in the Committee Meeting is that there will be a presentation of all Summary Statements & Resolutions, a discussion and then items will be recommended to be voted out of the Committee Meeting. Mr. Venuto said that after the items are voted out of Committee, they will go to the full Board two weeks later.

Mr. Venuto stated that with the new process being instituted, the Summary Statements & Resolutions being handed at the meeting. In the future, the Summary Statements & Resolutions will be forwarded to all Commissioners prior to the Operations & Maintenance Committee meeting for their review. He stated that these items will be voted upon today and will go to the full Board on January 16, 2013. Mr. Venuto stated that the "Other Committee Items" which are listed on the agenda will be discussed for informational purposes. He said that the "General Discussion" is the monthly discussion to inform the Operations & Maintenance Committee of other DRPA/PATCO business.

Mr. Matheussen stated that some of the Commissioners will remember that going back six to seven years, the Authority used to have Committee Meetings on a different day than the Board meeting. He stated that when the then new Chairman and Vice Chair came in, they wanted both the Board and Committee Meetings on the same day.

#### *Design Services for Commodore Barry Bridge Painting*

Mr. Venuto stated that staff is seeking authorization to negotiate an agreement with AECOM Technical Services to provide design, bidding and award and construction support services for the Commodore Barry Bridge in the amount of \$1,035,472. He stated that this contract was brought to the Operations & Maintenance Committee and Board in previous months. He said that as part of the Contract with the consultant will provide for design, bidding and support services, and the consultant would assist the Authority to answer questions the contractors may have during construction. Mr. Venuto stated that when the agreement went to Legal for review, it was pointed out that the Summary Statement & Resolution only referenced design services. Bidding and award support services and construction support services are typically included in a designers scope of work. The Operation & Maintenance Committee discussed these services being included when the project was initially presented. However, our Summary Statement & Resolution did not include the specific language. The new Summary Statement & Resolution contains language to include design of contract, bid and award and construction support services. The amount of the Summary Statement & Resolution has not changed. Mr. Venuto stated that the Engineers estimate was \$946,000.

Chairman Sasso inquired as to why the amount from the consultant is so much more than the Engineers' estimate? Mr. Venuto stated that the Authority had two firms who were qualified and AECOM was ranked technically higher and had the necessary experience and qualifications to complete the project. He stated that both firms had similar estimates above the Engineers' estimate.

Commissioner Frattali stated there were more man hours included. Mr. Venuto stated that the Engineers' estimate of man hours was 6,244 hours. He stated that once the consultants evaluated the scope of the work and they estimated approximately 2,000 hours more hours, the Authority agreed that the project would take more hours than was anticipated.

Chairman Sasso asked for a motion. On motion duly made and seconded, the following Resolution (Design Services for Commodore Barry Bridge Painting) was unanimously adopted by the Committee to go to the full Board on January 16, 2013.

*Contract No. PPC-23-2012, M/V Freedom Dry Docking and Inspection*

Mr. Venuto stated that staff is seeking authorization to negotiate a construction contract with A.P. Construction, Inc. to perform necessary maintenance and repairs, inspection and testing on the M/V Freedom Ferry in the amount of \$190,000. He stated that there was one other bidder in the amount of \$207,923 and the Engineers estimate was \$255,670. Mr. Venuto stated that the United States Coast Guard requires a mandatory dry dock inspection every five (5) years. The dry dock inspection requires the vessel to be driven to a dry dock facility and taken out of the water. He stated that the dry dock work, necessary repairs and maintenance, and inspection by the United States Coast Guard will provide for the recertification of the vessel. Mr. Venuto stated that A.P. Construction was the low bidder and they have a competitive bid. He said that A.P. Construction feels comfortable doing this work on the Ferry and will be partnering with a dry dock firm.

Chairman Sasso asked for a motion. On motion duly made and seconded, the following Resolution (Contract No. PPC-23-2012, M/V Freedom 2012/2013 Dry Docking Inspection and Repairs) was unanimously adopted by the Committee to go to the full Board on January 16, 2013.

Mr. Venuto stated that at this time Tim Pulte is working on the aspect of the Ferry operations and will do a presentation to the Finance Committee on Wednesday, January 8, 2013. The new operator will be responsible for driving the Ferry to and from dry dock. Chairman Sasso inquired whether the Commissioners will receive the presentation. Ms. McNichol stated that it will be considered at the Board meeting, but mainly the Finance Committee.

*FY2012 FTA 5307/5340 Projects*  
*FY2012 FTA 5309 Projects*

Mr. Shanahan stated that staff is seeking authorization to prepare an application to the Federal Transit Administration for Section 5309 funds in the amount of \$7,364,549 for PATCO capital improvements having a total planned project cost of \$9,205,686. He said that every year the DRPA gets an allotment from Federal Transit Administration. Mr. Shanahan stated that the DRPA asks the Board to accept these funds. He stated that Section 5340 has maxed out and 5307 and 5340 have been combined. He said that the DRPA must provide 20% of the total or \$1,841,137.

Chairman Sasso inquired as to the amounts of the projects. Mr. Shanahan stated that the federal portion is \$7,364,549 for the Section 5309. The Section 5307 federal portion is \$4,117,122. He responded to Chairman Sasso's inquiry regarding the funding going up and down, Mr. Shanahan responded that the DRPA receives a percentage from the region. He said that it is typically \$10M per year. Mr. Rink stated that the grant application lists the projects and it is tied into the Capital Budget which was recently approved by the Board.

Chairman Sasso asked for a motion. On motion duly made and seconded, the following Resolutions (Federal Transit Administration Section 5307/5340 Grant Application and Federal

Transit Administration Section 5309 Grant Application) were unanimously adopted by the Committee to go to the full Board on January 16, 2013.

#### *OPC Security Contract*

Mr. Pulte stated that staff is seeking authorization to negotiate a three (3) year contract with Allied Barton to provide security for the DRPA's One Port Center Building and its tenants in the amount of \$475,239. This project was publicly advertised and Allied Barton was the lowest responsive and responsible bidder. He stated that ABM Security Service is our current provider.

Chairman Sasso asked for a motion. On motion duly made and seconded, the following Resolution (Security Services for the Delaware River Port Authority – One Port Center) was unanimously adopted by the Committee to go to the full Board on January 16, 2013.

*Chairman Sasso abstained from voting.*

#### *OPC Snow Removal Contract*

Mr. Pulte stated that staff is seeking authorization to negotiate a three (3) year contract with Decker's Inc. to provide snow removal services for One Port Center Building and the adjacent parking lot in the amount of \$100,500. This project was publicly advertised with two bidders on the contract. He stated that pricing for snow removal is determined by the amount of snow and/or ice which is being removed on the sidewalks and parking lot. Mr. Pulte stated that after performing several scenarios, it was determined that Decker's, Inc. was the lowest responsive and responsible bidder.

Chairman Sasso inquired whether the price is the same no matter how much snow we receive. Mr. Pulte stated that the price will be adjusted as to the amount of snow. He stated that this is the maximum amount of the contract and the contract will be updated if we receive a tremendous amount of snow which goes beyond the \$100,500. In response to Commissioner DiAntonio's inquiry regarding the amount from the other bidder, Mr. Pulte stated the amount was a couple thousand dollars higher.

Chairman Sasso asked for a motion. On motion duly made and seconded, the following Resolution (Snow Removal Services for DRPA's One Port Center Building) was unanimously adopted by the Committee to go to the full Board on January 16, 2013.

#### **Other Committee Items**

##### *PARTSWG Regional Cooperative Agreements*

##### *PARTSWG PSA Phase II*

##### *PARTSWG PSA Phase III*

Mr. Shanahan stated that this is an informational briefing. He said that DRPA acts as a fiduciary for the regional grants for the regional transportation in the Philadelphia area. He said that staff is seeking to enter into a Regional Cooperative Agreement with SEPTA, New Jersey Transit and

Delaware Area Rapid Transit (DART). Mr. Shanahan stated that this agreement would prepare, file, and administer regional projects on behalf of the Philadelphia Regional Transit Security Working Group's receipt of the DHS Transit Security Grant Program funding. He stated that the Authority applies for programs with the other entities as it does not make sense to do it as a single entity. An example would be the training session. He stated that all agencies are on the same page for standardized transit training. Mr. Shanahan said that there is a large push to get the public involved through public service announcements. He said that if someone sees something, they will call in the issue to the appropriate telephone number. Mr. Shanahan stated that we will get these regional projects which are a tier one region. He said that the Authority numbers are smaller than SEPTA. The different phases and the way the monies come in and have to phase them in. Phase 2 has more substantive items and goes into social media. Phase 3 goes into the evolution of it.

Mr. Rink stated that phase one was a commercial on TV and radio and Channel 6. He stated that the public announcements ran during the newscasts at 6 and 11 p.m. when most people are watching the news. All three agencies were shown. The advertisement is "if you see something, you say something." Those people will make the call. Mr. Shanahan stated that if you see peculiar behavior that is not looking acceptable or if you see someone sitting on the platform and not going anywhere, you might want to make a call. He said that our passengers have the greatest number of eyes that we have.

#### *PATCO Equipment Department – 50 Machined Axles*

Mr. Rink stated that staff is seeking authorization to negotiate a contract with Penn Machine Company for the procurement and delivery of 50 machined axles. He stated that this project was publicly advertised and three responses were received, including one no-bid. Mr. Rink stated that Penn Machine Company was the low bid in the amount of \$107,700 and one other bidder in the amount of \$167,350. He stated that these axles are used in the overhaul of PATCO Transit Car trucks and are re-used if they pass inspection. He stated that these axles will replace the axles that fail inspection. Mr. Rink stated that requests for bids were sent to four supplies and publicly advertised on the DRPA website. Upon approval of Board, the Authority will have a contract with them. He stated that the political contributions were sent to the Inspector General's office and were properly filled out and in compliance.

Chairman Sasso stated that no vote was necessary today and this presentation was for informational purposes and will go to the Board in February.

#### *Utilization of RiverLink Ferry for Training Purposes*

Mr. Kain stated that staff is seeking authorization to allow the New Jersey State Police T.E.A.M.S. Unit to utilize the RiverLink Ferry for training purposes. He stated that this will allow the New Jersey State Police to conduct a three phase training operation due to the possible threat to domestic ferry operations. Mr. Kain stated that there is no cost to the DRPA and will work in conjunction with other agencies. He stated that full scale drills and exercises are mandatory every five (5) years and will put the Authority in compliance with Maritime

Transportation Security Act (MTSA). Mr. Pulte stated that the Navy Seals have used the Ferry for the same operations a few years back.

Commissioner Fentress inquired whether the Authority's police force participates in this operation and Mr. Kain replied negatively – only State Police. Mr. Matheussen stated that he sits on the Board of the Battleship and they have people propelled from helicopters during training sessions. He stated that the Authority police do not propel from helicopters; they participate on drills on the bridges.

Mr. Venuto stated that this will be voted on in February. This is purely for informational purposes until we have an operator. Chairman Sasso stated that once the Authority obtains an operator; will the Authority make sure all is in place and that there is there a contract with New Jersey State Police. Ms. McNichol stated that will be doing an indemnification agreement with the New Jersey State Police.

## **General Discussion**

### *2013 DRPA/PATCO Rock Salt Update*

Mr. Venuto stated that the Authority buys rock salt on a New Jersey State Contract which has been extended to January 31, 2013. He said that Ms. Squillace of Purchasing is waiting for the contract to be resolved prior to ordering rock salt for 2013. He stated that we may need an expedited authorization for this contract. In response to Commissioner Frattali's question as to how much rock salt is purchased, Mr. Venuto stated that we have purchased approximately 4700 tons. Mr. Pulte stated that the Authority has an agreement with PennDot that if the Authority runs out, they will lend us salt and then we will replace it. He said we also use a salt and water brine mixture. Mr. Pulte stated that it is put down on the road surface 48 hours prior to a snow storm. He stated that the Authority mixes it and the Authority trucks have been modified and brine dispersing mechanism is put on the back of the truck. Mr. Pulte stated that they have started to us this mixture on the BFB walkways. He said that the walkway takes a lot of man hours with the run off and then once you plow it, it freezes.

### *Spending Tracking*

Mr. Venuto stated that the spending tracking is through November 2012. He stated that the bills are one months behind, so at the end of January, the Authority will pay December bills. At the next meeting, the spending tracking will have the final numbers for 2012.

Mr. Venuto stated that as of November 2012, the target percent spent was 84%. He said that we anticipate that we will end up around this same area for total spending in 2012. He said that some projects came in less than anticipated. Mr. Venuto stated that we are looking to evolve this document over the year and include other metrics. He stated that we are in the process of projecting our projects for 2013. Spending is not the only measure of success; we are challenging our engineers to think of other metrics and will come back to this Committee with ideas to improve this report.

Commissioner DiAntonio inquired how the Walt Whitman Bridge target spending was 92.9%. He asked if it only has 8% left of spending to complete the project. Mr. Venuto stated that as of November, we anticipated spending 92% of \$36.5M. We spent 105%. We are ahead of schedule on this project.

Mr. Matheussen stated that at the Executive Meeting on Wednesday, a discussion will be held on the subject of delays on PATCO trains and that, at times, delays are inevitable. He stated that the Authority is trying to make sure that transit users are not delayed. Mr. Matheussen stated with regard to the incident on the Ben Franklin Bridge this morning, the trains were using the eastbound track during the rush hour traveling into New Jersey. He stated there were no passengers on the train that was on the bridge and there was an injured person on the track. He said that as soon as the last westbound train goes over the track into Philadelphia, the Authority will open up other track and start sending empty trains back into New Jersey. He said that some will go as far as Haddonfield or Ferry Avenue. Some trains will go to Lindenwold and pick up people on platforms and bring them back into Philadelphia using the normal westbound track. He said our headways into Philadelphia go into 20 minutes or longer. Sometimes we get a complaint from passengers as to why we do this. Mr. Matheussen stated that the Authority does the best we can as we are in the customer service business. He stated that Ms. Spicer and Mr. Ireland had been working together to get information out to the media and sending service alerts and tweets. He stated that some people will get these messages directly to their phones if they are signed up e-alerts with the Authority. Mr. Matheussen stated that the variable message signs also have the information posted to them. He stated that at this point the train is moving off the bridge. He stated that the span of time for this incident was from approximately 8:00 a.m. to 8:45 a.m.

Mr. Rink stated that when issues come up, we do a hot wash to see what works and what does not work. He stated that sometimes service backs up and when we have delays of 4 to 5 minutes, it then moves to 6 to 7 minutes. Mr. Rink stated that with these delays, the trains get full and complaints come in as commuters were not be able to enter the train. He said that PATCO tries to turn trains in Collingswood and get them into the City. He stated that PATCO has approximately 500 customers coming into New Jersey and 17,000 going into Philadelphia. A situation like this could delay them up to 30 minutes. We look at these occurrences and see how we can improve the situations. Mr. Rink stated that PATCO has 94 trains in the current fleet and 10 spare trains.

#### *Alstom Visit*

Mr. Rink stated that Mr. Matheussen and other PATCO staff took a trip to Alston to check on the status of the PATCO cars back in December. He stated that it was a very interesting visit and the plant is huge. Mr. Rink stated that right now they are working on two pilot cars and once they are completed they will come back to PATCO and go through various testing. The pilot cars will arrive in June. Mr. Rink provided various photographs from the visit to Committee members.

Mr. Rink stated that as you can see from the pictures, the ceilings are in, the new diffusers are in and it is much better looking. The subfloors are in along with the interior side panels and new windows. They have installed new doors and new door operators. Now the entire door

operating system will be above the door. Each door panel will operate independently. The mechanism was on the floor before and in order to work on the door, the seat had to be removed. He stated that the asbestos has been removed. Scaffolding has been installed around the car to do any structural repair work and they do a high water test for leaks. It is completely sealed and ready to go. They are working on under carriage layouts of various conduits and cables. The new design has a break system of each car. All the cars have been stripped and ready to go. They showed us what they did for NY and the cars there.

Mr. Rink stated that for the February Operations & Maintenance Committee meeting, people from Alston will be here and give a presentation on the overhaul process. He said that if everything is fine we will do a shorter presentation for the Board at the February Board meeting. Mr. Rink stated that it will take approximately a month from beginning to the end when the car is sent back to us. Currently staff is overseeing a factory test in Quebec for the door operators. He said that they were working on testing when we were visiting and once that is complete it will be released. The staff did the testing of the seats in Chicago and once that testing is released. In late June is when we will be receiving the pilot cars. There is a delay in schedule on the pilot cars, but the overall project schedule is on time.

Mr. Matheussen stated that the only down side is the delay in the pilot cars and working out the details. Alston assured us there will be no delay in the actual project. He said the situation is similar to the Walt Whitman Bridge re-decking project. There is a lot of preparatory work that no one sees before the project gets going. Mr. Matheussen stated that some of these cars are 40 years old and we are trying to make all the cars uniform. These cars have been repaired by PATCO and now they are removing some of those parts to make them all uniform.

Mr. Rink showed photographs of the Alston facility and discussed what each photograph depicted. Mr. Matheussen stated that this is a well-planned out and designed project. As Mr. Rink is showing pictures of the Alston facility, Mr. Matheussen said that each blue platform represents a work station. PATCO is on one side and another train is on the other side. Chairman Sasso inquired as to where Alston is located and Mr. Matheussen stated that it is up north in NY State about one hour before Buffalo, New York. He stated that the only way to get to Alston is by driving.

Commissioner DiAntonio asked if they are doing six cars at a time and Mr. Rink stated it would be about a months. They are doing the verification testing this week. In late June, we will receive the first pilot PATCO cars and they will go through a series of tests on the PATCO system. The next cars will be here around October and then the other 18 cars. The original were due in March, but there was a delay. They are now on schedule and the other cars will be completed on schedule. Mr. Rink stated PATCO staff works with them so that they have the knowledge as to how to repair the cars in the future. Chairman Sasso inquired whether the asbestos and abatement issues have been resolved and Mr. Rink answered affirmatively.

Chairman Sasso stated that there was no further business for the Operations & Maintenance Committee. The meeting was adjourned.

## **SUMMARY STATEMENT**

**ITEM NO. DRPA-13-003**

**SUBJECT: Design Services for  
Commodore Barry Bridge Painting**

**COMMITTEE:**

**Operations & Maintenance**

**COMMITTEE MEETING DATE:**

**January 7, 2013**

**BOARD ACTION DATE:**

**January 16, 2013**

**PROPOSAL:** That the Board authorizes staff to negotiate an agreement with AECOM Technical Services to provide Design, Bidding and Award, and Construction Support Services for the Commodore Barry Bridge.

**Amount:** \$1,035,472.00

**Consultant:** AECOM Technical Services, Inc.  
1700 Market Street, Suite 1600  
Philadelphia, PA 19103

**Other Consultants:** TranSystems Corporation Consultants

**Engineers Estimate:** \$946,000.00

**PURPOSE:** The Biennial Inspections and third-party coating condition assessments conducted on the Commodore Barry Bridge reported extensive coating failures and corrosion damage and recommended painting the bridge.

**BACKGROUND:** The Commodore Barry Bridge was last painted in 1996. The work to be completed under this agreement will include conducting field investigations, coating condition assessments, modeling conceptual containment and preparing contract specifications and drawings with which the Authority can solicit bids for painting the Commodore Barry Bridge. In addition, the work will include provisions of professional services related to the Bidding and Award of the painting contracts, and Construction Support Services, pursuant to the requirements of the below-reference Request for Proposal.

The Authority publicly advertised its intent to retain a consultant and invited interested firms to submit Statements of Qualifications. Two (2) firms responded with Statements of Qualifications on May 31, 2011. Both firms were deemed qualified and were sent a formal Request for

**SUMMARY STATEMENT  
O&M 1/16/2013**

**Design Services for  
Commodore Barry Bridge Painting**

**Proposal.** A review committee of four (4) staff engineers evaluated the Proposals on the basis of Technical merit.

AECOM Technical Services, Inc. was the highest technically ranked firm. The proposed design, bidding and award, and construction support teams have demonstrated extensive bridge rehabilitation and painting experience work on similar projects for the DRPA and other transit agencies. Overall, the team assembled by AECOM Technical Services, Inc. was found to possess the necessary experience and qualifications to successfully complete the project.

In accordance with the Delaware River Port Authority's qualification based selection procedure, the Price Proposal was evaluated against the Engineer's Estimate and that of other recommended firms. Based on this evaluation and subsequent negotiation, AECOM Technical Services Inc.'s price was determined to be fair and reasonable.

It is recommended that an engineering services agreement be negotiated with AECOM Technical Services, Inc. for the costs and associated fees not to exceed \$1,035,472.00 to provide engineering services in accordance with the Request for Proposal.

**SUMMARY:**

|                                                |                                                                                                                                                                              |
|------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Amount:</b>                                 | <b>\$1,035,472.00</b>                                                                                                                                                        |
| <b>Source of Funds:</b>                        | <b>General Fund/Subject to Reimbursement<br/>from Future Bond Proceeds</b>                                                                                                   |
| <b>Capital Project #:</b>                      | <b>CB1203</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>Design Services, 6 months;<br/>Bidding and Award and Construction<br/>Support Services, approximately 36 months<br/>from issuance of Contractor Notice to<br/>Proceed</b> |
| <b>Other Parties Involved:</b>                 | <b>N/A</b>                                                                                                                                                                   |
| <b>Estimated Number of<br/>Jobs Supported:</b> | <b>4</b>                                                                                                                                                                     |

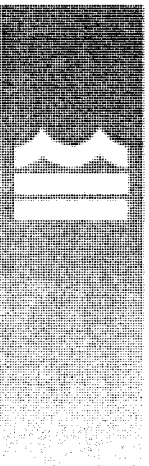
**DRPA-13-003**  
**Operations & Maintenance Committee: January 7, 2013**  
**Board Date: January 16, 2013**  
**Design Services for Commodore Barry Bridge Painting**

**RESOLUTION**

**RESOLVED:** That the Board of Commissioners of the Delaware River Port Authority accepts the Proposal of AECOM Technical Services, Inc. to provide Design Services for Commodore Barry Bridge painting and that the proper officers of the Authority be and hereby are authorized to negotiate an Agreement with AECOM Technical Services, Inc. for an amount not to exceed \$1,035,472.00, as per the attached Summary Statement; and be it further

**RESOLVED:** 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.

|                 |                                            |                                                                                                                                                                  |
|-----------------|--------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>SUMMARY:</b> | <b>Amount:</b>                             | <b>\$1,035,472.00</b>                                                                                                                                            |
|                 | <b>Source of Funds:</b>                    | <b>General Fund/Subject to Reimbursement from Future Bond Proceeds</b>                                                                                           |
|                 | <b>Capital Project #:</b>                  | <b>CB1203</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>Design Services, 6 months;<br/>Bidding and Award and Construction Support Services, approximately 36 months from issuance of Contractor Notice to Proceed</b> |
|                 | <b>Other Parties Involved:</b>             | <b>N/A</b>                                                                                                                                                       |
|                 | <b>Estimated Number of Jobs Supported:</b> | <b>4</b>                                                                                                                                                         |



## MEMORANDUM

**DELAWARE RIVER PORT AUTHORITY**  
*of Pennsylvania & New Jersey*

**TO:** O&M Committee Members  
**FROM:** Michael P. Venuto, Director of Engineering/Chief Engineer, Engineering  
**SUBJECT:** Professional Service Selection for  
Design Services for Commodore Barry Bridge Painting  
Technical Proposal Evaluation, Findings and Recommendation Report  
**DATE:** September 19, 2012

The Request for Qualifications (RFQs), which was posted on the Authority's web-site, invited consultants to submit Statements of Qualifications (SOQs). Two (2) firms submitted SOQs on May 31, 2011.

Policy 303a outlines the procedure for Request for Proposal selection of consultants by the Engineering Department. The SOQ evaluation serves as a method for developing a "short list" of firms to receive a Request for Proposal (RFP). The Review Committee evaluated the SOQ's and recommended soliciting Technical and sealed Price Proposals from the top ranked firms:

AECOM Technical Services, Inc.  
TranSystems Corporation Consultants

The short listed firms were sent a RFP on May 23, 2012. The Technical Proposals and separate sealed Price Proposals were received on June 19, 2012 from both firms. The Review Committee, consisting of four (4) staff engineers, reviewed and evaluated the Technical Proposals.

AECOM Technical Services, Inc. was the highest technically ranked firm. The proposed design team has demonstrated extensive bridge rehabilitation and painting experience work on similar projects for the DRPA and other transit agencies. Overall, the team assembled by AECOM Technical Services, Inc. was found to possess the necessary experience and qualifications to successfully complete the project.

The Review Committee recommended that the Price Proposal be opened and negotiations commence using other recommended firm's Price Proposals and the Engineer's Estimate in the amount of \$946,000.00, as a guide. Price Proposals were opened on June 25, 2012.

Below are the Technical Proposal rankings, proposed hours and fees of these firms, along with the Engineer's estimate of hours.

| Rank | Firm                                | Hours | Original Price Proposal | Negotiated |                |
|------|-------------------------------------|-------|-------------------------|------------|----------------|
|      |                                     |       |                         | Hours      | Fee            |
|      | Engineer's Estimate                 | 6,244 | \$946,000.00            |            |                |
| 1    | AECOM Technical Services, Inc.      | 8,440 | \$1,035,472.00          | 8,440      | \$1,035,472.00 |
| 2    | TranSystems Corporation Consultants | 8,026 | \$1,054,039.00          |            |                |

The Price Proposal from the highest technically ranked firm, AECOM Technical Services, Inc., dated June 19, 2012 as reviewed by Engineering Department staff. It was observed to be 9.5% higher than the Engineer's Estimate. Based on negotiations conducted with AECOM Technical Services, Inc., the scope of work has been revised to include responding to technical questions and requests for information requested by the contractor during construction. AECOM Technical Services, Inc.'s revised Price Proposal has been revised to include the costs and man-hour adjustments. The final negotiated price for this project is \$1,035,472.00.

Based on a review of the Review Committee's evaluation and supporting documentation, I concur with the recommendation to engage AECOM Technical Services, Inc. of Philadelphia, PA, in the amount of \$1,035,472.00 for this Agreement.

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## **SUMMARY STATEMENT**

**ITEM NO. DRPA-13-004**

**SUBJECT: Contract No. PPC-23-2012,  
M/V Freedom 2012/2013 Dry Docking  
Inspection and Repairs**

**COMMITTEE:**

**Operations & Maintenance**

**COMMITTEE MEETING DATE:**

**January 7, 2013**

**BOARD ACTION DATE:**

**January 16, 2013**

**PROPOSAL:**

**That the Board authorizes staff to negotiate a construction contract with the firm of A.P. Construction, Inc. to perform necessary maintenance and repairs, inspection and testing on the M/V Freedom Ferry.**

**Amount: \$190,000.00**

**Contractor: A.P. Construction, Inc.  
915 South Black Horse Pike  
Blackwood, New Jersey 08012**

**Other Bidder: General Ship Repair Corporation \$207,923.00**

**Engineers Estimate: \$255,670.00**

**PURPOSE:**

**The purpose of this construction contract is to prepare the M/V Freedom Ferry for the mandatory United States Coast Guard dry dock inspection. This contract will also provide for general maintenance and repairs.**

**BACKGROUND:**

**The M/V Freedom Ferry is classified by the United States Coast Guard (USCG) as a small passenger vessel under the requirements of Title 46 of the Code of Federal Regulations Subchapter K. The M/V Freedom Ferry is due for the mandatory five year dry dock inspection by the USCG. The dry docking work, necessary repairs and maintenance, and inspection by the USCG will provide for the re-certification.**

**SUMMARY:**

**The project was publicly advertised and bid documents were offered to the public beginning on November 20, 2012 with a bid opening date of December 20, 2012. Six (6) sets of documents were distributed. A total of Two (2) bids were received. The low responsive and responsible bid was submitted by A.P. Construction, Inc. in the amount of \$190,000.00.**

**SUMMARY STATEMENT**  
**O&M 1/16/2013**

**Contract No. PPC-23-2012,**  
**M/V Freedom 2012/2013**  
**Dry Docking Inspection and Repairs**

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Staff has completed the evaluation of bids and recommends that the contract be awarded to A.P. Construction, Inc. in the amount of \$190,000.00 as the low responsive and responsible bidder.

|                 |                                |                         |
|-----------------|--------------------------------|-------------------------|
| <b>SUMMARY:</b> | <b>Amount:</b>                 | <b>\$190,000.00</b>     |
|                 | <b>Source of Funds:</b>        | <b>General Fund</b>     |
|                 | <b>Capital Project #:</b>      | <b>P13001</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>45 Calendar Days</b> |
|                 | <b>Other Parties Involved:</b> | <b>N/A</b>              |
|                 | <b>Estimated Number of</b>     |                         |
|                 | <b>Jobs Supported:</b>         | <b>6</b>                |

**DRPA-13-004**  
**Operations & Maintenance Committee: January 7, 2013**  
**Board Date: January 16, 2013**  
**Contract No. PPC-23-2012, M/V Freedom 2012/2013**  
**Dry Docking Inspection and Repairs**

**RESOLUTION**

**RESOLVED:** That the Board of Commissioners of the Delaware River Port Authority accepts the bid of \$190,000.00 A.P. Construction, Inc. perform necessary maintenance repairs, inspection and testing on the M/V Freedom Ferry, and that the proper officers of the Authority be and hereby are authorized to negotiate a time and material contract with A.P. Construction, Inc. for the required work in an amount not to exceed \$190,000.00, as per the attached Summary Statement; and be it further

**RESOLVED:** 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.

|                 |                                |                         |
|-----------------|--------------------------------|-------------------------|
| <b>SUMMARY:</b> | <b>Amount:</b>                 | <b>\$190,000.00</b>     |
|                 | <b>Source of Funds:</b>        | <b>General Fund</b>     |
|                 | <b>Capital Project #:</b>      | <b>P13001</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>45 calendar days</b> |
|                 | <b>Other Parties Involved:</b> | <b>N/A</b>              |
|                 | <b>Estimated Number of</b>     |                         |
|                 | <b>Jobs Supported:</b>         | <b>6</b>                |

## **SUMMARY STATEMENT**

**ITEM NO.:** DRPA-13-005

**SUBJECT:** Federal Transit Administration  
Section 5307/5340 Grant  
Application

**COMMITTEE:**

Operations & Maintenance

**COMMITTEE MEETING DATE:**

January 7, 2013

**BOARD ACTION DATE:**

January 16, 2013

**PROPOSAL:**

That the DRPA Commission authorize staff to prepare an application to the Federal Transit Administration for Sections 5307/5340 funds in the amount of \$4,117,112. for PATCO capital improvements having a total planned project cost of \$5,146,403. Also, that the DRPA Commission authorize the non-federal matching share which must be provided by the authority in the amount of \$1,029,281 or 20% of the total.

**PURPOSE:**

To make application to the federal government for FY12 FTA capital funds for PATCO improvements in the amount of \$4,117,122. These funds must be matched by the Authority in the amount of \$1,029,281.

**BACKGROUND:**

The Federal Transit Administration Sections 5307/5340 program makes funds available to urbanized areas on the basis of a statutory formula. Federal Transit Law mandates that applications be advanced in relation to adopted regional programs for transportation improvements. This application contains programs which are part of the approved Transportation Improvement Program of the Delaware Valley Regional Planning Commission for FY12. Staff is now preparing an application which requests funding under 49 U.S.C. 5307/5340 for use in the advancement of five capital projects:

1. Rebuild PATCO Cars
2. Embankment Restoration
3. Preventive Maintenance
4. Transit Enhancements

The accompanying resolution has been drawn to satisfy federal requirements concerning specific Board approvals which are necessary to the grant approval process.

**SUMMARY STATEMENT**  
**O&M 1/16/2013**

**Federal Transit Administration**  
**Sections 5307/5340 Grant Application**

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|                 |                                |                                           |
|-----------------|--------------------------------|-------------------------------------------|
| <b>SUMMARY:</b> | <b>Amount:</b>                 | <b>\$5,146,403</b>                        |
|                 | <b>Source of Funds:</b>        | <b>Project Fund 20% \$1,029,281.</b>      |
|                 | <b>Capital Project #:</b>      | <b>PF9903; FT0503; PF0902; PF0903</b>     |
|                 | <b>Master Plan Status:</b>     | <b>2005 Update to Master Plan</b>         |
|                 | <b>Other Fund Sources:</b>     | <b>Federal Transit Administration 80%</b> |
|                 |                                | <b>\$4,117,122.</b>                       |
|                 | <b>Duration of Contract:</b>   | <b>Grant Completion</b>                   |
|                 | <b>Other Parties Involved:</b> | <b>Federal Transit Administration</b>     |

**DRPA-13-005**

**Operations & Maintenance Committee: January 7, 2013**  
**Board Date: January 16, 2013**  
**Federal Transit Administration Sections 5307/5340**  
**Grant Application**

**RESOLUTION**

**RESOLVED:** That the appropriate officers of the Delaware River Port Authority be and hereby are authorized to execute and file an application in proper form on behalf of the Authority with the U.S. Department of Transportation, requesting financial assistance pursuant to 49 U.S.C. 5307/5340 in the amount of \$4,117,122 and to expend such funds from FY12 appropriations; and be it further

**RESOLVED:** That the appropriate officers of the Authority be and hereby are authorized to negotiate an agreement to commit Authority funds in the amount of \$1,029,281 and to expend such funds as a non-federal contribution to secure the federal grant; and be it further

**RESOLVED:** The Chair, Vice Chair 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 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 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 documents on behalf of DRPA.

|                 |                                |                                           |
|-----------------|--------------------------------|-------------------------------------------|
| <b>SUMMARY:</b> | <b>Amount:</b>                 | <b>\$5,146,403</b>                        |
|                 | <b>Source of Funds:</b>        | <b>Project Fund 20% \$1,029,281.</b>      |
|                 | <b>Capital Project #:</b>      | <b>FT0503; PF9903; PF0902; PF0903</b>     |
|                 | <b>Master Plan Status:</b>     | <b>2005 Update to Master Plan</b>         |
|                 | <b>Other Fund Sources:</b>     | <b>Federal Transit Administration 80%</b> |
|                 |                                | <b>\$4,117,122</b>                        |
|                 | <b>Duration of Contract:</b>   | <b>Grant Completion</b>                   |
|                 | <b>Other Parties Involved:</b> | <b>Federal Transit Administration</b>     |

## **SUMMARY STATEMENT**

**ITEM NO.:** DRPA-13-006

**SUBJECT:** Federal Transit Administration  
Section 5309 Grant Application

**COMMITTEE:**

Operations & Maintenance

**COMMITTEE MEETING DATE:**

January 7, 2013

**BOARD ACTION DATE:**

January 16, 2013

**PROPOSAL:**

That the DRPA Commission authorize staff to prepare an application to the Federal Transit Administration for Section 5309 funds in the amount of \$7,364,549 for PATCO capital improvements having a total planned project cost of \$9,205,686. Also, that the DRPA Commission authorize the non-federal matching share which must be provided by the authority in the amount of \$1,841,137 or 20% of the total.

**PURPOSE:**

To make application to the federal government for FY12 FTA capital funds for PATCO improvements in the amount of \$7,364,549. These funds must be matched by the Authority in the amount of \$1,841,137.

**BACKGROUND:**

The Federal Transit Administration Section 5309 program makes funds available from previously agreed distributions within the Greater Philadelphia area. Federal Transit Law mandates that applications be advanced in relation to adopted regional programs for transportation improvements. This application contains programs which are part of the approved Transportation Improvement Program of the Delaware Valley Regional Planning Commission for FY12.

Staff is now preparing an application which requests funding under 49 U.S.C. 5309 for use in the advancement of seven capital projects:

1. Smoke and Fire Control
2. Lindenwold Yard Tie Renewal
3. Install Elevators at PATCO Stations
4. Center Tower/SCADA
5. Viaduct Rehab

The accompanying resolution has been drawn to satisfy federal requirements concerning specific Board approvals which are necessary to the grant approval process.

**SUMMARY STATEMENT**  
**O&M 1/16/2013**

**Federal Transit Administration**  
**Section 5309 Grant Application**

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|                 |                                |                                                           |
|-----------------|--------------------------------|-----------------------------------------------------------|
| <b>SUMMARY:</b> | <b>Amount:</b>                 | <b>\$9,205,686</b>                                        |
|                 | <b>Source of Funds:</b>        | <b>Project Fund 20% \$1,841,137</b>                       |
|                 | <b>Capital Project #:</b>      | <b>PF0705; PF1001; PD0910; PF13XX;<br/>PF13XX</b>         |
|                 | <b>Master Plan Status:</b>     | <b>2005 Update to Master Plan</b>                         |
|                 | <b>Other Fund Sources:</b>     | <b>Federal Transit Administration 80%<br/>\$7,364,547</b> |
|                 | <b>Duration of Contract:</b>   | <b>Grant Completion</b>                                   |
|                 | <b>Other Parties Involved:</b> | <b>Federal Transit Administration</b>                     |

**DRPA-13-006**

**Operations & Maintenance Committee: January 7, 2013**  
**Board Date: January 16, 2013**  
**Federal Transit Administration Section 5309 Grant Application**

**RESOLUTION**

**RESOLVED:** That the appropriate officers of the Delaware River Port Authority be and hereby are authorized to execute and file an application in proper form on behalf of the Authority with the U.S. Department of Transportation, requesting financial assistance pursuant to 49 U.S.C. 5309 in the amount of \$7,364,549 and to expend such funds from FY12 appropriations; and be it further

**RESOLVED:** That the appropriate officers of the Authority be and hereby are authorized to negotiate an agreement to commit Authority funds in the amount of \$1,841,137 and to expend such funds as a non-federal contribution to secure the federal grant; and be it further

**RESOLVED:** The Chair, Vice Chair 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 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 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 documents on behalf of DRPA.

|                 |                                |                                                           |
|-----------------|--------------------------------|-----------------------------------------------------------|
| <b>SUMMARY:</b> | <b>Amount:</b>                 | <b>\$9,205,686</b>                                        |
|                 | <b>Source of Funds:</b>        | <b>Project Fund 20% \$1,841,137</b>                       |
|                 | <b>Capital Project #:</b>      | <b>PF0705; PF1001; PD0910; PF13XX;<br/>PF13XX</b>         |
|                 | <b>Master Plan Status:</b>     | <b>2005 Update to Master Plan</b>                         |
|                 | <b>Other Fund Sources:</b>     | <b>Federal Transit Administration 80%<br/>\$7,364,549</b> |
|                 | <b>Duration of Contract:</b>   | <b>Grant Completion</b>                                   |
|                 | <b>Other Parties Involved:</b> | <b>Federal Transit Administration</b>                     |

## **SUMMARY STATEMENT**

**ITEM NO: DRPA-13-007**

**SUBJECT: Security Services for  
Delaware River Port  
Authority - One Port Center**

**COMMITTEE:**

**Operations and Maintenance**

**COMMITTEE MEETING DATE:**

**January 7, 2013**

**BOARD ACTION DATE:**

**January 16, 2012**

**PROPOSAL:** That the Board authorize DRPA staff to negotiate a three (3) year contract with Allied Barton to provide security for DRPA's One Port Center Building and its tenants in Camden, New Jersey.

**Amount:** \$475,239.00

**Contractor:** Allied Barton

|                      |                                 |                     |
|----------------------|---------------------------------|---------------------|
| <b>Other Bidders</b> | <b>ABM Security Service</b>     | <b>\$495,427.92</b> |
|                      | <b>Davis Group</b>              | <b>\$517,564.32</b> |
|                      | <b>Strike Force</b>             | <b>\$510,967.08</b> |
|                      | <b>McRoberts Protective Ag.</b> | <b>\$659,353.72</b> |
|                      | <b>Security Resources</b>       | <b>\$566,280.00</b> |
|                      | <b>Sunstates Security</b>       | <b>\$523,332.00</b> |

**PURPOSE:** To provide security services for One Port Center and its tenants in Camden, New Jersey.

**BACKGROUND:** An invitation to bid was posted on DRPA's website on October 23, 2012 and five (5) vendors were solicited. A total of seven (7) bids were received and reviewed by the OPC Building Manager and Chief Operating Officer, which are listed above.

The lowest responsive and responsible bid was submitted by Allied Barton in the amount of \$475,239.00. Therefore, staff recommends that the contract be awarded to Allied Barton.

**SUMMARY STATEMENT**  
**O&M 01/16/2013**

-2-

**Security Services for Delaware  
River Port Authority - One  
Port Center**

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|                 |                                |                                        |
|-----------------|--------------------------------|----------------------------------------|
| <b>SUMMARY:</b> | <b>Amount:</b>                 | <b>\$475,239.00</b>                    |
|                 | <b>Source of Funds:</b>        | <b>Operating Budget - Revenue Fund</b> |
|                 | <b>Capital Project #:</b>      | <b>N/A</b>                             |
|                 | <b>Operating Budget:</b>       | <b>\$475,239.00</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>Three (3) years</b>                 |
|                 | <b>Other Parties Involved:</b> | <b>N/A</b>                             |

**DRPA-13-007**

**Operations and Maintenance Committee: January 7, 2013**  
**Board Date: January 16, 2013**  
**Security Services for Delaware River Port Authority - One Port Center**

**RESOLUTION**

**RESOLVED:** That the Board of Commissioners of the Delaware River Port Authority authorize DRPA staff to negotiate a three (3) contract with Allied Barton to provide security for DRPA's One Port Center Building and its tenants in Camden, New Jersey.

**RESOLVED:** The Chair, Vice Chair and the Chief Executive Officer 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 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 documents on behalf of DRPA

|                 |                                |                                        |
|-----------------|--------------------------------|----------------------------------------|
| <b>SUMMARY:</b> | <b>Amount:</b>                 | <b>\$475,239.00</b>                    |
|                 | <b>Source of Funds:</b>        | <b>Operating Budget - Revenue Fund</b> |
|                 | <b>Capital Project #:</b>      | <b>N/A</b>                             |
|                 | <b>Operating Budget:</b>       | <b>\$475,239.00</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>Three (3) Years</b>                 |
|                 | <b>Other Parties Involved:</b> | <b>N/A</b>                             |

## **SUMMARY STATEMENT**

**ITEM NO: DRPA-13-008**

**SUBJECT: Snow Removal Services for  
DRPA's One Port Center Building**

**COMMITTEE:**

**Operations and Maintenance**

**COMMITTEE MEETING DATE:**

**January 7, 2013**

**BOARD ACTION DATE:**

**January 16, 2013**

**PROPOSAL:** That the Board authorize DRPA staff to negotiate a three (3) year contract with Decker's Inc. to provide snow removal services for One Port Center Building and the adjacent parking lot.

**Amount:** \$100,500.00 (n-t-e)

**Contractor:** Decker's, Inc.  
16 Lakeside Avenue  
Cherry Hill, NJ 08003

**Other Bidder:** Lipinski Snow Services, LLC

**PURPOSE:** To provide snow removal services for One Port Center and the adjacent parking lot.

**BACKGROUND:** An invitation to bid was posted on DRPA's website on October 23, 2012 and 5 vendors were solicited, and seven (7) bids were received. Bids were received by OPC Building Manager and Chief Operating Officer.

Pricing for snow removal is determined by the amount of snow received, ice control and the area in which the snow and/or ice is being removed (sidewalk, parking lot). After performing several scenarios, we found the lowest responsive and responsible bid was submitted by Decker's, Inc. Therefore, staff recommends that the contract be awarded to Decker's Inc.

**SUMMARY STATEMENT  
O&M 01/16/2013**

-2-

**Snow Removal Services for  
DRPA's One Port Center  
Building**

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|                 |                                |                                        |
|-----------------|--------------------------------|----------------------------------------|
| <b>SUMMARY:</b> | <b>Amount:</b>                 | <b>\$100,500.00 (n-t-e)</b>            |
|                 | <b>Source of Funds:</b>        | <b>Operating Budget – Revenue Fund</b> |
|                 | <b>Capital Project #:</b>      | <b>N/A</b>                             |
|                 | <b>Operating Budget:</b>       | <b>\$100,500.00 (n-t-e)</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>Three (3) years</b>                 |
|                 | <b>Other Parties Involved:</b> | <b>N/A</b>                             |

**DRPA- 13-008**  
**Operations and Maintenance Committee: January 7, 2013**  
**Board Date: January 16, 2013**  
**Snow Removal Services for**  
**DRPA's One Port Center**  
**Building**

**RESOLUTION**

**RESOLVED:** That the Board authorizes DRPA staff to negotiate a three (3) contract with Decker's, Inc. for snow removal services for DRPA's One Port Center Building.

**RESOLVED:** The Chair, Vice Chair and the Chief Executive Officer 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 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 documents on behalf of DRPA.

|                 |                                |                                        |
|-----------------|--------------------------------|----------------------------------------|
| <b>SUMMARY:</b> | <b>Amount:</b>                 | <b>\$100,500.00 (n-t-e)</b>            |
|                 | <b>Source of Funds:</b>        | <b>Operating Budget – Revenue Fund</b> |
|                 | <b>Capital Project #:</b>      | <b>N/A</b>                             |
|                 | <b>Operating Budget:</b>       | <b>\$100,500.00 (n-t-e)</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>Three (3) Years</b>                 |
|                 | <b>Other Parties Involved:</b> | <b>N/A</b>                             |

## **SUMMARY STATEMENT**

**ITEM NO.: DRPA-13-009**

**SUBJECT: DRPA/PATCO Owner  
Controlled Insurance Program Policy  
Extensions**

**COMMITTEE:**

**Finance**

**COMMITTEE MEETING DATE:**

**January 9, 2013**

**BOARD ACTION DATE:**

**January 16, 2013**

**PROPOSAL:** Staff seeks Board authorization to extend the remaining six (6) OCIP policies, which are scheduled to expire on March 7, 2013.

1. Primary General Liability
2. Primary Workers' Compensation
3. Lead Excess Layer - \$25M Limit
4. First Excess Layer - \$25M xo \$25M
5. Second Excess Layer - \$50M xo \$50M
6. Railroad Protective Liability

If approved, the existing OCIP policies would be extended until June 30, 2014, which is the projected completion date of the currently enrolled OCIP construction projects. The carrier for all policies remains AIG. The terms and conditions for all policies remain the same.

**PURPOSE:**

Since 2000, the DRPA has used an Owner Controlled Insurance Program (OCIP) as an alternative method by which to recognize and address the risks inherent in the various construction and maintenance projects at all of its facilities, including PATCO in a fiscally-sound manner. Through the OCIP, the DRPA provides insurance coverage for qualifying construction and maintenance capital projects. The DRPA secures broad coverage and higher liability limits. The broad coverage allows the inclusion of all parties involved as insured.

Each of the Authority's OCIP has been for a four-year term: 2000-2004; 2004-2008; and 2008-2012.

### **2008-2012 OCIP:**

Eight (8) policies support this OCIP.

Before the last OCIP expired on March 7, 2012, the Board authorized our former OCIP Broker/Administrator to extend all of the OCIP policies for an additional six months. The extension policies had varied expiration dates.

Two OCIP policies -- Builder's Risk Liability and Contractors' Pollution Liability -- had earlier expiration dates. The Board twice approved policy extensions to coincide with the anticipated completion date of the currently enrolled OCIP projects, which is June 30, 2014. The extension Contractors' Pollution Liability Policy now expires on June 30, 2014. The extension Builder's Risk Policy now expires on September 30, 2014.

To allow for the completion of capital projects that were previously enrolled in the 2008-2012 OCIP, the Board, on August 1, 2012, extended the OCIP for 14 months or until June 30, 2014. The remaining six (6) OCIP policies will expire on March 7, 2013, and need to be extended to coincide with the projected completion date (June 30, 2014).

**BACKGROUND:** As part of the Request for Proposal for an OCIP Broker/Administrator (issued on June 25, 2012) Respondents were asked to propose fixed service fees for the OCIP brokerage, consultant, and administration responsibilities for the following three (3) options:

- Option #1: A fixed service fee for services required extending the current OCIP program until all currently enrolled OCIP projects are completed on or about June 30, 2014. (A list of the currently enrolled OCIP projects was attached to the RFP);
- Option #2: A fixed service fee for services required for a three-year OCIP renewal policy term from September 7, 2012 to March 7, 2015; and
- Option #3: A fixed service fee for services required for a four-year OCIP renewal policy term from September 7, 2012 to March 7, 2016

On August 1, 2012, the Board appointed Turner Surety Insurance Brokerage, Inc. (TSIB) as the new OCIP administrator. In doing so, the Board determined that the Authority would elect to extend the expiring OCIP to June 30, 2014 ("Option #1).

The extended OCIP includes the following lines of coverage:

- Primary General Liability
- Primary Workers' Compensation

- Lead Excess Layer - \$25M limits
- First Excess Layer - \$25M xo \$25M
- Second Excess Layer - \$50M xo \$50M
- Railroad Protective Liability
- Builder's Risk
- Contractor's Pollution Liability

**Shortly after being appointed as OCIP Broker/Administrator, TSIB secured and the Board approved the following extension quotes:**

- **Builder's Risk (Lexington Insurance Co./AIG)**  
September 30, 2012-September 30, 2014  
Estimated Premium: \$44,168
- **Contractor's Pollution Liability (Commerce and Industry Co./AIG)**  
August 28, 2012-June 30, 2014  
Estimated Premium: \$80,849

**The remaining six (6) OCIP policies will expire on March 7, 2013, and staff seeks Board authorization to extend them until June 30, 2014 (the projected termination date of the extended OCIP).**

- **Primary General Liability (AIG)**  
Estimated Premium - \$75,000
- **Primary Worker's Compensation (AIG)**  
Estimated Premium - (included in General Liability pricing)
- **Lead Excess Liability (AIG)**  
Estimated Premium - \$135,000
- **First Excess Layer (Lexington/AIG)**  
Estimated Premium - \$67,500
- **Second Excess Layer (AIG)**  
Estimated Premium - \$81,500
- **Railroad Protective Liability (AIG)**  
Estimated Premium - (included in General Liability pricing)

**Total Estimated Premium = \$359,000 (all premiums are net of commission).**

**AIG required DRPA to issue Letters of Credit ("LOC") for the 2008-2012 term valued at approximately \$10.5 million. The LOC was subsequently reduced to \$5.2 million due to the resolution of claims**

associated with the 2000-2004 and 2004-2008 OCIPs. The term of LOC was extended through December 31, 2013. The DRPA may be required to renew its current LOCs to cover the policy terms through September 30, 2014 and beyond to cover any remaining open claims. DRPA may also be required to furnish additional collateral based on AIG's review of the DRPA's financial statements.

|                 |                                |                                                                             |
|-----------------|--------------------------------|-----------------------------------------------------------------------------|
| <b>SUMMARY:</b> | <b>Amount:</b>                 | <b>estimated \$359,000</b>                                                  |
|                 | <b>Source of Funds:</b>        | <b>General Fund</b>                                                         |
|                 | <b>Capital Project #:</b>      | <b>OCIP08</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>March 7, 2013-June 30, 2014</b>                                          |
|                 |                                | <b>LOCs through a date to be determined</b>                                 |
|                 | <b>Other Parties Involved:</b> | <b>Turner Surety and Insurance Brokerage, Inc., AIG Insurance Companies</b> |

**DRPA-13-009**  
**Finance Committee: January 9, 2013**  
**Board Date: January 16, 2013**  
**DRPA/PATCO Owner Controlled Insurance**  
**Program Policy Extensions**

**RESOLUTION**

**RESOLVED:** That the Board authorizes staff to extend until June 30, 2014 (the projected termination date of the extended OCIP) the following six (6) policies: Primary General Liability (estimated \$75,000), Primary Workers' Compensation (premium included in General Liability pricing), Lead Excess Layer-\$25M limits (estimated \$135,000), First Excess Layer-\$25M xo \$25M (estimated \$67,500), Second Excess Layer-\$50M xo \$50M (estimated \$81,500) and Railroad Protective (premium included in General Liability pricing) for a total estimated premium of \$359,000 (net of commission), under the same terms and conditions with the incumbent carrier, AIG; and be it further

**RESOLVED:** That the Board authorizes staff to extend the Letters of Credit for the 2008-2012 OCIP for a date yet to be determined; 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.

|                 |                                |                                                     |
|-----------------|--------------------------------|-----------------------------------------------------|
| <b>SUMMARY:</b> | <b>Amount:</b>                 | <b>estimated \$359,000</b>                          |
|                 | <b>Source of Funds:</b>        | <b>General Fund</b>                                 |
|                 | <b>Capital Project #:</b>      | <b>OCIP08</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>March 7, 2013-June 30, 2014</b>                  |
|                 |                                | <b>LOCs through a date to be determined</b>         |
|                 | <b>Other Parties Involved:</b> | <b>Turner Surety and Insurance Brokerage, Inc.,</b> |
|                 |                                | <b>AIG Insurance Companies</b>                      |

## **SUMMARY STATEMENT**

**ITEM NO.:** DRPA-13-010

**SUBJECT:** Renewal of Toll System Maintenance Service Agreement

**COMMITTEE:**

Finance

**COMMITTEE MEETING DATE:**

January 9, 2013

**BOARD ACTION DATE:**

January 16, 2013

**PROPOSAL:**

That the Board authorize staff to enter into a new Maintenance Service Agreement (MSA) with TransCore LP to continue to provide maintenance and support services for the in-lane toll equipment and the Scalable Automated Toll System (SATS) which provides the audit and reporting functions related to DRPA's toll lane traffic and revenue.

**PURPOSE:**

To provide for the continuing maintenance of DRPA's recently upgraded toll collection system, the electronic toll collection (ETC) system's violation enforcement system (VES), and the related Scalable Automatic Toll System (SATS) which provides the audit and reporting functions related to DRPA's toll lane traffic and revenue.

**BACKGROUND:**

DRPA presently has a Maintenance Service Agreement (MSA) with TransCore for its existing toll lane equipment, the VES system, and the related Scalable Automatic Toll System (SATS) which provides the audit and reporting functions related to DRPA's toll lane traffic and revenue. All these systems were installed by TransCore starting in 1998 and have been upgraded by TransCore as authorized by the Board in 2006 and 2008. Of the deliverables authorized in 2008, the upgrade of the toll system was completed in late 2009, and the upgrade of the VES system was completed in August 2010.

TransCore has provided and licensed the software and systems integration services for the existing ETC system and has continued to maintain and upgrade these systems. These systems include proprietary designs at both the lane level as well as in the backend systems / host software level.

The hardware design, hardware components (custom boards) and software installed on the DRPA ETC system is proprietary to TransCore and is licensed to a specific user which prohibits other firms from performing maintenance on TransCore proprietary items. TransCore has not entered into any licensing agreements with third parties to maintain the SATS software in use by DRPA. TransCore is considered to be the sole-source for these services.

The ongoing development of system design and the SATS software to support new requirements or end-of-life replacements of interfaces and custom software will require modification and configuration of proprietary

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software and system designs owned by TransCore LP. Therefore, the toll system software can only be modified and redistributed by TransCore.

The DRPA capital and operating budgets proposed several items for 2013, some requiring end-of-life replacement of equipment and systems, and others which will also enhance the functionality of the toll system and its processing and reporting capabilities.

The present MSA was effective February 1, 2002. In conjunction with the upgrades authorized by the Board in 2008, a "Supplemental Agreement to the Maintenance Service Agreement" dated January 9, 2009, provided for a 2-year renewal of the MSA (effective 02/01/2009) with optional 2-year renewals thereafter. In October 2010, the Board authorized staff to accept and permit the existing Maintenance Service Agreement (MSA) with TransCore LP to renew for an additional two year period beginning February 1, 2011.

Since 2002, the Authority's standard contract formats, disclosures and requirements have developed. This new agreement with TransCore will bring the MSA into conformity with current standards stipulated by the Board.

The proposed cost for the MSA to become effective February 1, 2013, is \$53,775 per month for a two (2) year period, or \$645,300 annually.

|                 |                                |                                          |
|-----------------|--------------------------------|------------------------------------------|
| <b>SUMMARY:</b> | <b>Amount:</b>                 | <b>\$53,775 per month for 24 months.</b> |
|                 | <b>Source of Funds:</b>        | <b>Revenue Fund</b>                      |
|                 | <b>Capital Project #:</b>      | <b>N/A</b>                               |
|                 | <b>Operating Budget:</b>       | <b>DRPA Operations C/E 22</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>24 months effective 02/01/2013</b>    |
|                 | <b>Other Parties Involved:</b> | <b>N/A</b>                               |

**DRPA-13-010**  
**Finance Committee: January 9, 2013**  
**Board Date: January 16, 2013**  
**Renewal of Toll System Maintenance**  
**Service Agreement**

**RESOLUTION**

**RESOLVED:** That the Board authorizes staff to enter into a new Maintenance Service Agreement (MSA) with TransCore LP as of February 1, 2013, to continue to provide maintenance and support services for the in-lane toll equipment and the Scalable Automated Toll System (SATS) which provides the audit and reporting functions related to DRPA's toll lane traffic and revenue at an annual cost of \$645,300, payable monthly, for a two (2) year term (24 months at \$53,775 per month).

|                 |                                |                                          |
|-----------------|--------------------------------|------------------------------------------|
| <b>SUMMARY:</b> | <b>Amount:</b>                 | <b>\$53,775 per month for 24 months.</b> |
|                 | <b>Source of Funds:</b>        | <b>Revenue Fund</b>                      |
|                 | <b>Capital Project #:</b>      | <b>N/A</b>                               |
|                 | <b>Operating Budget:</b>       | <b>DRPA Operations C/E 22</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>24 months effective 02/01/2013.</b>   |
|                 | <b>Other Parties Involved:</b> | <b>N/A</b>                               |

## **SUMMARY STATEMENT**

**ITEM NO.:** DRPA-13-011

**RiverLink Ferry Operations**

**COMMITTEE:**

**Finance**

**COMMITTEE MEETING DATE:**

**January 9, 2013**

**BOARD ACTION DATE:**

**January 16, 2013**

**PROPOSAL:**

**That the Board of Commissioners of the Delaware River Port  
Authorize authorize staff to negotiate a contract with National  
Ferry Corporation to provide passenger ferry operation  
services for the RiverLink Ferry.**

**2013 Revenue Amount:** \$45,000 (plus variable payments  
listed in proposal)

**2014 Revenue Amount:** \$55,000 (plus variable payments  
listed in proposal)

**Operator:** National Ferry Corporation  
14001C Saint Germain Drive  
Suite 342  
Centreville, Va 20101

**Other Proposers:** HMS Ferries, Inc.

**PURPOSE:**

**To operate all aspects of the RiverLink Ferry System (RLFS),  
including but not limited to ferry service, customer support, and  
marketing for a two-year contract (2013 and 2014), with a third  
year option (2015).**

**BACKGROUND:**

**The Delaware River Port Authority (DRPA) owns a double-ended  
ferry, the Freedom, that operates seasonally for recreational  
purposes between docks at Penn's Landing in Philadelphia,  
Pennsylvania and Wiggins Park in Camden, New Jersey. The  
ferry system is marketed under the name "RiverLink Ferry  
System".**

**A request for proposal was posted to DRPA's website on  
November 9<sup>th</sup>, 2012. A mandatory pre-proposal meeting was  
held on Monday, November 19<sup>th</sup> and a mandatory walk-  
through and site visit was held after the meeting.**

**A total of two (2) proposals were received. Staff reviewed the  
proposals and recommends that the contract be awarded to  
National Ferry Corporation.**

**SUMMARY: Amount:**

**2013 Revenue Amount \$45,000.00**  
**(plus variable payments listed in proposal)**  
**2014 Revenue Amount \$55,000.00**  
**(plus variable payments listed in proposal)**

**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**

**RESOLUTION**

**RESOLVED:** That the Board of Commissioners of the Delaware River Port Authority authorize staff to negotiate a two (2) year contract with a third year option with National Ferry Corporation to provide Passenger Ferry Operation Services for the RiverLink Ferry.

**RESOLVED:** 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.

|                 |                                |                                                                                                                                                                                              |
|-----------------|--------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>SUMMARY:</b> | <b>Amount:</b>                 | <b>2013 Revenue Amount \$45,000.00</b><br><b>(plus variable payments listed in proposal)</b><br><b>2014 Revenue Amount \$55,000.00</b><br><b>(plus variable payments listed in proposal)</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>N/A</b>                                                                                                                                                                                   |

## **SUMMARY STATEMENT**

**ITEM NO. DRPA-13-013**

**SUBJECT: Creation of Manager,  
Records Retention Position and Request  
for Hay Review of Position**

**COMMITTEE:**

**Finance**

**COMMITTEE MEETING DATE:**

**January 9, 2013**

**BOARD ACTION DATE:**

**January 16, 2013**

**PROPOSAL:**

**That the Board: (1) accept the recommendation of the Committee to approve the position of Manager, Records Retention for the DRPA's Office of General Counsel/Corporate Secretary and (2) accept the recommendation of the Audit Committee to have the position reviewed by the Hay Group and to compensate the position in accordance with the Hay recommendation.**

**PURPOSE:**

**To obtain approval for the new position Manager, Records Retention, created to perform duties for the Office of General Counsel/Corporate Secretary regarding the operation of the Authority's Records Management Program, serving as intake officer for Right-to-Know requests and responsible for records management.**

**In addition, in order to accurately place the position on the Hay salary scale, it will be necessary to have the position reviewed by the compensation consultant, the Hay Group.**

**BACKGROUND:**

**As per the request of General Counsel based upon a need for a position responsible for the operation of the Authority's Records Management Program, a position was created which also will serve as intake officer for Right-to-Know requests and oversee the records management process in the Office of Corporate Secretary and perform other duties as set forth in the Job Specification. In order to adequately place the position of the Hay salary scale, it is recommended that the position be sent for review by the compensation consultant, The Hay Group for review.**

**Attached is the job description outlining the job responsibilities of the new position.**

**SUMMARY STATEMENT**  
**Finance 1/16/2013**

**Creation of Manager, Records Retention  
Position and Request for Hay Review of  
Position**

---

|                 |                                |                                |
|-----------------|--------------------------------|--------------------------------|
| <b>SUMMARY:</b> | <b>Amount:</b>                 | <b>not to exceed \$107,066</b> |
|                 | <b>Source of Funds:</b>        | <b>Operating Fund</b>          |
|                 | <b>Capital Project #:</b>      | <b>N/A</b>                     |
|                 | <b>Operating Budget:</b>       | <b>Yes</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>N/A</b>                     |

**DRPA-13-013**  
**Finance Committee: January 9, 2013**  
**Board Date: January 16, 2013**  
**Creation of Manager, Records**  
**Retention Position and Request for**  
**Hay Review of Position**

**RESOLUTION**

**RESOLVED:** That the Board (1) authorizes the creation of the position entitled, "Manager, Records Retention" as described in the attached job description, and (2) accept the recommendation of the Audit Committee to have the position reviewed by the Hay Group and to compensate the position in accordance with the Hay recommendation; and be it further

**RESOLVED:** The Chair, Vice Chair 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 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 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 documents on behalf of DRPA.

|                 |                                |                                |
|-----------------|--------------------------------|--------------------------------|
| <b>SUMMARY:</b> | <b>Amount:</b>                 | <b>Not to exceed \$107,066</b> |
|                 | <b>Source of Funds:</b>        | <b>Operating Funds</b>         |
|                 | <b>Capital Project #:</b>      | <b>N/A</b>                     |
|                 | <b>Operating Budget:</b>       | <b>Yes</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>N/A</b>                     |

## **Delaware River Port Authority Job Description/Specifications**

|                    |                                            |                         |
|--------------------|--------------------------------------------|-------------------------|
| <b>Job Title:</b>  | <b>MANAGER, RECORDS RETENTION</b>          | <b>Job Code:</b>        |
| <b>Division:</b>   | <b>Executive</b>                           | <b>Grade: TBD</b>       |
| <b>Department:</b> | <b>General Counsel/Corporate Secretary</b> | <b>Date: TBD</b>        |
| <b>Reports to:</b> | <b>General Counsel</b>                     | <b>FLSA Status: TBD</b> |

### **Position Purpose**

Responsible for the operation of the Authority's Records Management Program, serves as intake officer for Right-to-Know requests and responsible for records management in the Corporate Secretary's Office.

### **Qualifications**

To perform this job successfully, an individual must be able to perform each essential duty satisfactorily. The requirements listed below are representative of the duties, responsibilities, knowledge, skill, and/or ability required. The Authority will adhere to all applicable laws and regulations in assessing an employee's ability to carry out or otherwise meet the job requirements set forth herein in a satisfactory manner.

### **Essential Duties and Responsibilities**

1. Develop, implement and maintain Authority policies and procedures for management of records and work with support staff and information systems staff to assure that appropriate procedures for managing records stored in hard copy and digitally are in place and are followed.
2. Develop and maintain retention schedules for all Authority records in conformance with the appropriate business, statutory and regulatory requirements for each record type and obtain Authority legal and financial approval for schedules.
3. Serve as the point person for records management functions.
4. Manage the storage of all records including archival and video records, kept on and off site and provide storage capability for records so scheduled; insures destruction of all record in accord with approved schedules.
5. Advise and consult on the effective implementation of document management systems, knowledge management systems, imaging systems, record and file management applications, and other technologies for the storage and retention of Authority records.
6. Provides for a vital records program that assures cost-effective protection for important Authority records. Works with Authority staff responsible for security and disaster recovery to assure that vital records are protected.
7. Develop and implement in-house records management training programs.
8. Develop, maintain and keep updated Authority Records Management Manual.
9. Assure maintenance of databases application for record management, indexing and classification.
10. Serve as an intake officer of the Right-to-Know/Open Public Records programs, is responsible for Authority responses to inquiries regarding same.

11. Manage the Corporate Secretary department for records processing, Board agendas and matters placed on the Board agenda.
12. Perform other related duties as required and assigned.

**Skills/Knowledge/Abilities**

1. The individual must display leadership qualities through motivating others to perform well, by inspiring the trust and respect of staff and mobilizing others to fulfill the vision and goals of the organization.
2. The individual must be an effective manager of staff by including staff in planning and decision-making process, providing regular performance feedback and encouraging the growth and development of the skills of the staff.
3. The individual must be able to effectively delegate work assignments by matching the responsibilities to the appropriate staff person. He or she must set expectations and monitor the delegated responsibilities and provide recognition for successful results.
4. The individual must demonstrate the ability to organize, and analyze complex and diverse information and use same to resolve problems in a timely manner. The individual must understand the business implications of decisions he or she makes and must align his or her work with organizational goals and strategies.
5. Must have an understanding of the Organization's strengths, weaknesses, external threats, opportunities, its markets, and competition in order to develop and implement strategies that are aligned with and designed to achieve organizational goals and successes.
6. The individual must be willing to continuously build knowledge and skills and share expertise with others and set and achieve challenging goals.
7. The individual must be able to manage difficult customer situations and respond promptly to customer needs. Maintenance of confidentiality is essential.
8. The individual must be able to speak and write clearly in order to communicate effectively. Must be able to demonstrate group presentation skills.
9. The individual must display openness to others views; must be able to balance team and individual responsibilities. Must contribute to building positive team spirit by supporting everyone's efforts to succeed.
10. The individual must show respect and sensitivity for cultural differences and work toward promoting a harassment free environment and a diverse workforce. The individual must treat everyone with respect, work with integrity, and uphold and support organizational values and goals.
11. The individual must follow all organizational policies and procedures, complete tasks correctly and on time.
12. The individual must display willingness to make timely decisions and be able to support said decisions, exhibit sound and accurate judgments and include the appropriate people in the decision-making process. Must be willing to adapt to changes in the work environment.
13. The individual must be able to prioritize and plan work activities using time efficiently. He or she must react well under pressure and accept responsibilities for his/her own actions. The individual must respond to management direction.
14. The individual must demonstrate accuracy and thoroughness, apply feedback to improve performance and monitor own work to ensure quality. Generate suggestions to improve individual and departmental performance.
15. The individual must be punctual at all times and ensure that work responsibilities are

covered in his/her absence.

**Job Title:     Records Manager**

**Job Code:**

**Supervisory Responsibilities**

Administrative Coordinators

**Education and/or Experience**

- A Bachelor's degree in Business Administration or related field.
- Minimum of three years' experience in business or government positions involving Right-to-Know and/or Open Public Records
- Certified Records Manager (CRM) preferred.
- Possess excellent research skills.
- To perform this job successfully, an individual should have excellent computer skills requiring a thorough knowledge and proficiency in relevant personal computer applications such as word processing and spreadsheet applications.

**Physical Requirements**

The physical demands described here are representative of those that must be met by an employee to successfully perform the essential functions of this job.

While performing the duties of this job, the employee is required to sit (85%). The employee is required to stand and walk (10%) and lift, climb, bend (5%). The employee must occasionally lift, hold, and carry objects up to 25 + pounds. Have normal day and night time vision, corrected or uncorrected. Have normal hearing, corrected or uncorrected. Must be able to perform all position functions. Must be able to physically operate all job related equipment for the position functions. The employee must maintain a neat and clean appearance.

**Working Conditions**

The work environment characteristics described here are representative of those an employee encounters while performing the essential functions of this job.

1.     The employee must be organized, work well under pressure, and be able to prioritize assignments appropriately.
2.     The employee must communicate well with the public, and remain poised under pressure.
3.     The employee must understand the importance of discretion and adhering to deadlines.

**Reviewed and Approved By:**

Prepared By: Tamika E.C. Espino  
Rev: 9/18/2012 klf

## **SUMMARY STATEMENT**

**ITEM NO. DRPA-13-014**

**SUBJECT: Creation of Legal Secretary  
Position within Office of General Counsel**

**COMMITTEE:**

**Finance**

**COMMITTEE MEETING DATE:**

**January 9, 2013**

**BOARD ACTION DATE:**

**January 16, 2013**

**PROPOSAL:**

**That the Board: (1) accept the recommendation of the Committee to approve the position of Legal Secretary for DRPA's Office of General Counsel and (2) accept the recommendation of the Audit Committee to compensate the position as a Grade 7 in accordance with the recent Hay recommendation.**

**PURPOSE:**

**To obtain approval for the new position Legal Secretary, created to perform duties for the Office of General Counsel which require technical and interpersonal skills over and above those required of the Administrative Secretary position.**

**In addition to assuming general secretary responsibilities, those individuals who occupy the Legal Secretary position are required to interact, discuss and exchange information with chiefs, deputies and other representatives of management relative to the status of claims, investigations, summary statements and resolutions and other matters handled by the Office of General Counsel.**

**BACKGROUND:**

**As per the request of General Counsel based upon a need for an administrative position requiring more technical and interpersonal skills over and above those required of the administrative secretary position, a new position was developed which incorporates these skills. This position, titled, *Legal Secretary* was sent for review and evaluation by the Hay Compensation Group. Hay concluded that based on the responsibilities required of the job that it should be valued at a Grade 7 on the Hay job evaluation scale.**

**Attached is the job description outlining the job responsibilities of the new position.**

**SUMMARY STATEMENT**  
**Finance 1/16/2013**

**Creation of Legal Secretary Position  
within the DRPA's Office of General  
Counsel**

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|                 |                                |                                                              |
|-----------------|--------------------------------|--------------------------------------------------------------|
| <b>SUMMARY:</b> | <b>Amount:</b>                 | <b>Grade 7 min: \$37,583; mid: \$46,978; max:<br/>56,375</b> |
|                 | <b>Source of Funds:</b>        | <b>Operating Fund</b>                                        |
|                 | <b>Capital Project #:</b>      | <b>N/A</b>                                                   |
|                 | <b>Operating Budget:</b>       | <b>Yes</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>N/A</b>                                                   |

**DRPA-13-014**  
**Finance Committee: January 9, 2013**  
**Board Date: January 16, 2013**  
**Creation of Legal Secretary Position in**  
**Office of General Counsel**

**RESOLUTION**

**RESOLVED:** That the Board (1) authorizes the creation of the position entitled, "Legal Secretary" as described in the attached job description, and (2) accepts the recommendation of the Audit Committee to compensate the position as a Grade 7 in accordance with the Hay recommendation; and be it further

**RESOLVED:** The Chair, Vice Chair 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 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 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 documents on behalf of DRPA.

|                 |                                |                                                                    |
|-----------------|--------------------------------|--------------------------------------------------------------------|
| <b>SUMMARY:</b> | <b>Amount:</b>                 | <b>Grade 7 min: \$37,583;</b><br><b>mid: \$46,978; max: 56,375</b> |
|                 | <b>Source of Funds:</b>        | <b>Operating Fund</b>                                              |
|                 | <b>Capital Project #:</b>      | <b>N/A</b>                                                         |
|                 | <b>Operating Budget:</b>       | <b>Yes</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>N/A</b>                                                         |

## **Delaware River Port Authority**

### **Job Description/Specifications**

|                    |                                      |                                 |
|--------------------|--------------------------------------|---------------------------------|
| <b>Job Title:</b>  | <b>LEGAL SECRETARY</b>               | <b>Job Code: TBD</b>            |
| <b>Division:</b>   | <b>General Counsel</b>               | <b>Grade: 7</b>                 |
| <b>Department:</b> | <b>Office of the General Counsel</b> | <b>Date: September 21, 2012</b> |
| <b>Reports to:</b> | <b>General Counsel</b>               | <b>FLSA Status: Non-Exempt</b>  |

#### **Position Purpose**

Perform the duties of secretarial, administrative and clerical support to the Office of General Counsel. This position requires a professional individual with excellent technical and interpersonal skills who is service oriented, tactful, persuasive, has the ability to meet project time lines and maintains confidentiality appropriate to the position.

#### **Qualifications**

To perform this job successfully, an individual must be able to perform each essential duty satisfactorily. The requirements listed below are representative of the duties, responsibilities, knowledge, skill, and/or ability required. The Authority will adhere to all applicable laws and regulations in assessing an employee's ability to carry out or otherwise meet the job requirements set forth herein in a satisfactory manner.

#### **Essential Duties and Responsibilities**

1. Provides administrative, secretarial, clerical, research, reporting time and payroll maintenance services to the Office of General Counsel, Corporate Secretary and Claims Administration including but not limited to carrying out tasks without supervision once initial training is provided, drafting and typing correspondence, opening and maintaining files, conducting research, assembling materials for reports and creating reports, , ordering office supplies and equipment, completing claim forms and filing them and working with the CaseTrack Matter Management System (or other electronic case tracking plan).
2. Drafts correspondence, reports, and other documents independently, provided that appropriate training and instruction has been given.
3. Works with Claims Administration staff to assist them in carrying out their obligations and duties.
4. Assists in preparing and filing of pleadings for courts in New Jersey and Pennsylvania for Litigation, Workers Compensation claims, and property damage claims.
5. Works cooperatively with all members of the Office of General Counsel, and particularly with other secretarial and clerical staff.
6. Assists in reviewing invoices for legal services received by the Department and in processing these for payment.
8. Assists in purchasing and procurement activities including using the Banner system or its equivalent. Prepares necessary paperwork for monthly reports, ordering of supplies, and office equipment maintenance without supervision after receiving appropriate training.
9. Performs file organization and management.
10. Interacts courteously with other employees at all levels and with outside counsel and other visitors.
11. Manages time sheets, expense records and payroll records as required; assists in receiving, logging and distributing mail.

**Title: Legal Secretary****Job Code:****Essential Duties and Responsibilities (cont.)**

12. Interacts, discusses and provides information with Chiefs, Deputies and other management regarding status of claims, investigations, Summary Statements and Resolutions, and other matters handled by the Office of General Counsel.
13. Arranges attendance at seminars, and conferences.
14. Performs other related duties as required and assigned; including working with Corporate Secretary as required.
15. Assists in maintaining a safe and secure work environment by participating in required training, recognizing and reporting hazards and suspicious activity, and using all required personal protective equipment.

**Skills/Knowledge/Abilities**

1. In all aspects of work within the Office of General Counsel it is essential that all employees understand the need for confidentiality professionalism, respect and responsibility.
2. The individual must demonstrate accuracy and efficiency in the work product produced, ability to transcribe, knowledge of filing concepts, in depth knowledge of Microsoft Office applications in use at the Authority.
3. Individual must be able to manage difficult customer and client situations with a professional, responsive action for the customer and/or client.
4. The individual must be able to read, understand written and verbal instructions, speak and write clearly in order to communicate effectively. The selected individual must be able to learn concepts related to the workplace quickly and accurately.
5. The individual must display openness to others views, must be able to balance team and individual responsibilities. Must contribute to building a positive team spirit by supporting everyone's efforts to succeed.
6. The individual must show respect and sensitivity for cultural differences and work toward promoting a harassment free environment and diverse workforce. The individual must treat everyone with respect, work with integrity and uphold and support organizational values and goals.
7. The individual must follow all organizational policies and procedures.
8. The individual must be able to prioritize and plan work activities using time efficiently. He or she must react well under pressure and accept responsibilities for his/her own actions. The individual must respond to management direction.
9. The individual must demonstrate accuracy and thoroughness, apply feedback to improve performance and monitor his or her own work to ensure quality. Individual should always be willing to generate suggestions to improve individual and departmental performance.
10. The individual must be punctual at all times and ensure that work responsibilities are covered in his or her absence. Must complete tasks correctly and on time.
11. Is able to handle multiple responsibilities, manages her or his time effectively and works well under pressure.

**Supervisory Responsibilities**

This job has no supervisory responsibilities.

**Title: Legal Secretary**

**Job Code:**

**Education and/or Experience**

- High school diploma or general education degree (GED).
- Must have minimum of five (5) years of relevant experience as a legal secretary or administrative assistant; experience in a legal setting, a law firm or corporate law department, administrative or judicial agency preferred.
- Must be able to type effectively and efficiently
- Must be able to use Microsoft Office Suite products, including Powerpoint, Excel, Word and Outlook.
- Must have demonstrable excellent oral and written communication skills in order to communicate effectively, at all levels, both internally and externally
- Proficiency in relevant personal computer applications such as word processing, spreadsheet applications and data base management, scheduling using the computer based calendar application, the Banner system or successor financial systems as needed

**Physical Requirements**

The physical demands described here are representative of those that must be met by an employee to successfully perform the essential functions of this job.

While performing the duties of this job, the employee is required to sit (80%). The employee is required to stand and walk (15%) and lift, climb, bend (5%). The employee must occasionally lift, hold, and carry objects up to 25 + pounds. Have normal day and night time vision, corrected or uncorrected. Have normal hearing, corrected or uncorrected. Must be able to perform all position functions. Must be able to physically operate all job related equipment for the position functions. The employee must maintain a neat and clean appearance.

**Working Conditions**

The work environment characteristics described here are representative of those an employee encounters while performing the essential functions of this job.

1. The employee must be organized, work well under pressure, and be able to prioritize assignments appropriately.
2. The employee must have excellent English language skills including reading, writing and editing.
3. The employee must communicate well with the public, and remain poised under pressure.
4. The employee must understand the importance of discretion, confidentiality and adhering to deadlines.

**Reviewed and Approved By:**

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**Prepared By: RLB & GF (November 28, 2011)**

**Rev. 9/21/2012 klf**

## **SUMMARY STATEMENT**

**ITEM NO.: DRPA-13-012**

**SUBJECT:** Consideration of Pending DRPA  
Contracts (Between \$25,000 and \$100,000)

**COMMITTEE:**

New Business

**COMMITTEE MEETING DATE:**

N/A

**BOARD ACTION DATE:**

January 16, 2013

**PROPOSAL:** That the Board consider authorizing staff to enter into contracts as shown on the Attachment to this Resolution.

**PURPOSE:** To permit staff to continue and maintain DRPA operations in a safe and orderly manner.

**BACKGROUND:** At the Meeting held August 18, 2010 the DRPA Commission adopted Resolution 10-046 providing that all DRPA contracts must be adopted at an open meeting of the DRPA Board. The Board proposed modifications to that Resolution at its meeting of September 15, 2010; specifically that all contracts between \$25,000 and \$100,000 be brought to the Board for approval. The contracts are listed on the Attachment hereto with the understanding that the Board may be willing to consider all of these contracts at one time, but if any member of the Board wishes to remove any one or more items from the list for separate consideration, each member will have that privilege.

**SUMMARY:**

|                                |                   |
|--------------------------------|-------------------|
| <b>Amount:</b>                 | N/A               |
| <b>Source of Funds:</b>        | See Attached List |
| <b>Capital Project #:</b>      | N/A               |
| <b>Operating Budget:</b>       | N/A               |
| <b>Master Plan Status:</b>     | N/A               |
| <b>Other Fund Sources:</b>     | N/A               |
| <b>Duration of Contract:</b>   | N/A               |
| <b>Other Parties Involved:</b> | N/A               |

**DRPA-13-012**  
**New Business: January 16, 2013**  
**Board Date: January 16, 2013**  
**Consideration of Pending DRPA Contracts**  
**(Between \$25,000 and \$100,000)**

**RESOLUTION**

**RESOLVED:** That the Board authorizes and directs that subject to approval by counsel and the Chief Executive Officer, staff proceed to negotiate and enter into the contracts listed on the Attachment hereto.

**SUMMARY:**

|                                |                          |
|--------------------------------|--------------------------|
| <b>Amount:</b>                 | <b>N/A</b>               |
| <b>Source of Funds:</b>        | <b>See Attached List</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>N/A</b>               |

CONSIDERATION OF PENDING DRPA CONTRACTS (BETWEEN \$25,000 - \$100,000) JANUARY 16, 2013

| Item # | Vendor/Contractor            | Description                                                                                                                                                                                                                                     | Amount      | Procurement Method                                      | Bids Received                   | Bid Amounts | Source of Funds |
|--------|------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|---------------------------------------------------------|---------------------------------|-------------|-----------------|
| 1      | Hewlett Packard<br>Omaha, NE | Purchase additional storage drives for the Authority's Microsoft Exchange environment. Microsoft Exchange is the Authority's email system and the additional drives will enable the IS Department to make the email environment more efficient. | \$26,258.40 | WSCA/NJ State Contract #M-0483,<br>Vendor Award #70262. | 1. Hewlett Packard<br>Omaha, NE | \$26,258.40 | Revenue Fund    |

## **SUMMARY STATEMENT**

**ITEM NO.: DRPA-13-015**

**SUBJECT: Termination of CRA  
Agreement**

**COMMITTEE:**

**New Business**

**COMMITTEE MEETING DATE:**

**January 16, 2013**

**BOARD ACTION DATE:**

**January 16, 2013**

**PROPOSAL:** That the Board authorizes staff to negotiate a termination of the agreement titled "Redevelopment Agreement By and Between The Delaware River Port Authority and the Camden Redevelopment Agency", dated March 27, 2001, with the Camden Redevelopment Agency ("CRA") for an amount not to less than \$550,000.00 paid by CRA to the Authority.

**Amount:** Not less than \$550,000.00

**Other Party:** Camden Redevelopment Agency  
520 Market Street  
City Hall-Suite 1300  
Camden, NJ 08101-5120

**PURPOSE:** To secure repayment of funds to the Authority from the CRA in accord with the agreement titled "Redevelopment Agreement By and Between The Delaware River Port Authority and the Camden Redevelopment Agency", dated March 27, 2001. Pursuant to the agreement, the CRA is obligated to repay the Authority all funds disbursed by the Authority pursuant to the agreement.

**BACKGROUND:** On March 27, 2001, the Authority entered into an agreement with the CRA titled "Redevelopment Agreement By and Between The Delaware River Port Authority and the Camden Redevelopment Agency", (the "2001 Redevelopment Agreement"). The purpose of the 2001 Redevelopment Agreement was to permit CRA and others to redevelop certain property in the City of Camden, with the financial assistance of DRPA. Specifically, the 2001 Redevelopment Agreement called for DRPA to advance funds, not to exceed One Million Six Hundred Thousand Dollars (\$1,600,00.00), as certain milestones were met for the development of a shopping center on properties known as

Block 85, Lot 1; Block 86, Lot 51; Block 87, Lots 3 through 65, inclusive; and Block 89, Lots 66 through 105 and 109 through 118, inclusive, all as designated on the tax map of the City of Camden, County of Camden and State of New Jersey (collectively, the "Redevelopment Properties"). DRPA advanced to or for the benefit of CRA "Redevelopment Funds" to be used for the acquisition and redevelopment of the Redevelopment Properties, and CRA acquired the Redevelopment Properties, but DRPA, CRA and others were not able to bring about the redevelopment of the Redevelopment Properties as contemplated by the 2001 Redevelopment Agreement.

The 2001 Redevelopment Agreement provided that if the shopping center project was not begun within six (6) months, DRPA would thereafter have the exclusive right to redevelop the Redevelopment Properties until December 31, 2014, at which time DRPA would be permitted to terminate the 2001 Redevelopment Agreement and receive a reimbursement of all of the Redevelopment Funds which it had actually advanced. The Authority and CRA have jointly concluded that it is not feasible to develop the Redevelopment Properties for the purposes set forth in the 2001 Redevelopment Agreement, nor will it be likely that they can be so developed before December 31, 2014 and that the parties should enter into a Partial Termination of the 2001 Redevelopment Agreement.

Staff recommends entering into a Partial Termination Agreement with the CRA for the Redevelopment Properties in exchange for a payment from CRA to the Authority of not less than \$550,000.00.

|                 |                                |                                    |
|-----------------|--------------------------------|------------------------------------|
| <b>SUMMARY:</b> | <b>Amount:</b>                 | <b>\$550,000.00</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>Not more than 7 years</b>       |
|                 | <b>Other Parties Involved:</b> | <b>Camden Redevelopment Agency</b> |

**DRPA-13-015**  
**New Business: January 16, 2013**  
**Board Date: January 16, 2013**  
**Termination of CRA Agreement**

**RESOLUTION**

**RESOLVED:** That the Board authorizes staff to negotiate a Partial Termination Agreement with the CRA of the agreement titled "Redevelopment Agreement By and Between The Delaware River Port Authority and the Camden Redevelopment Agency" for payment to the Authority of an amount not less than \$550,000.00.

**RESOLVED:** The Chair, Vice Chair 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 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 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 documents on behalf of DRPA.

|                                |                                      |
|--------------------------------|--------------------------------------|
| <b>SUMMARY: Amount:</b>        | <b>\$550,000.00</b>                  |
| <b>Source of Funds:</b>        | <b>2010 Revenue Bonds (Series D)</b> |
| <b>Capital Project #:</b>      | <b>TE0702</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>Not more than 7 years</b>         |
| <b>Other Parties Involved:</b> | <b>Camden Redevelopment Agency</b>   |

MJC  
Deputy CEO