

974.901

D55

C.2

NEW JERSEY STATE LIBRARY

DEC 23 1971

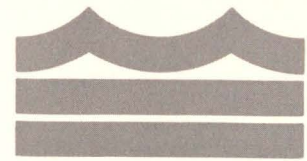
185 W. State Street
Trenton, N. J.



DELAWARE RIVER
PORT AUTHORITY

1970

ANNUAL REPORT



**DELAWARE RIVER
PORT AUTHORITY**

of Pennsylvania
and New Jersey

**REPORT OF
COMMISSIONERS**

For the Year Ended December 31, 1970

MONTHLY MEETING

Port Authority Commissioners meet
the third Wednesday of each month
in the board room of the
Administration Building, Benjamin
Franklin Bridge Plaza, Camden, N.J.

COMMISSIONERS

NEW JERSEY

Ralph Cornell
Chairman
Joseph M. Hitzel Jr.
Bartholomew A. Sheehan
John C. Gilmour Jr.
Francis J. Lucas
William G. Rohrer
Daniel B. Toll
Burton D. Zehner

PENNSYLVANIA

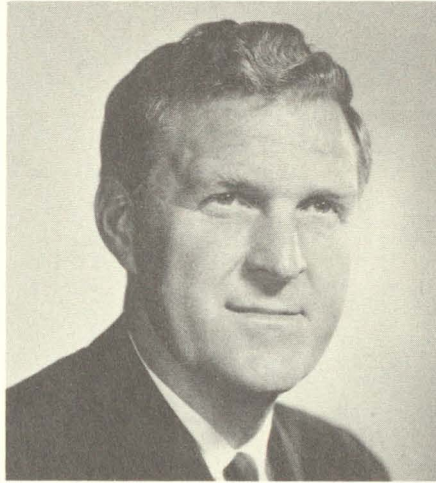
R. Stewart Rauch Jr.
Vice Chairman
Grace M. Sloan
Robert P. Casey
John P. Crisconi
David M. Walker
Harrison F. Dunning
Keyv K. Kaiserman
Geoffrey S. Smith

OFFICERS

C. H. McWilliams
*Acting Executive
Director/Secretary*
Thomas J. Auchter
Treasurer

LEGAL STAFF

Morris Duane
Pennsylvania Counsel
E. Stevenson Fluharty
New Jersey Counsel
Charles V. Stoelker Jr.
Special Counsel
Thomas F. Connery Jr.
Special Counsel



Honorable Raymond P. Shafer
Governor of the Commonwealth of Pennsylvania

THE HONORABLE:

The Governors and Legislatures of the Commonwealth of Pennsylvania and the State of New Jersey

At the conclusion of 1970 the Delaware River Port Authority was face-to-face with one of the tightest financial situations in its history.

The confrontation was largely the product of the continued escalation of construction costs, particularly those related to the Philadelphia-Pennsauken and Chester-Bridgeport bridges.

The price tags on these major spans being built across the Delaware River have undergone a series of upward revisions. In the past 12 months their estimated cost has grown \$24.5 million, putting the Chester bridge at \$110 million and the Pennsauken at \$100 million.

Operating revenues from the Walt Whitman and Benjamin Franklin bridges and the Philadelphia-Lindenwold rapid transit line amounted to \$28,427,302 as compared with \$27,324,096 in 1969, but net income dipped 18.1 per cent to \$8,264,152.

Interest payments on funded debt rose substantially to \$10,348,388, reflecting the

issuance of an additional \$70 million of revenue bonds in May. A year earlier \$140 million of first series revenue bonds were sold.

This indebtedness was incurred to finance the largest construction program in DRPA history, the two new bridges and the transit line, now nearly two years old.

Transit Ridership

The Lindenwold Line continued to attract worldwide attention as an example of automated rapid transit.

There was a steady flow of visiting engineers, public officials, representatives of other transportation systems, writers and students.

Ridership continued the uptrend which has been in evidence since revenue operations began in early 1969. A new monthly record was set in December when 844,055 passengers were accommodated, raising the 1970 total to 8.6 million, a 41 per cent increase over the previous year.

A series of daily highs were established over the 12-month period. One of these occurred on an unlikely occasion, Earth Day. Hundreds of



Honorable William T. Cahill
Governor of the State of New Jersey

New Jersey youngsters decided to ride pollution-free PATCO to an ecology rally in Philadelphia, rather than go by bus or automobile. The result was that 33,544 paid fares that day, more than in any previous 24 hours.

The present single day's peak of 37,325 was established November 23, when regular traffic was augmented by a Philadelphia Eagles professional football game and by early Christmas shoppers taking advantage of evening hours at midcity shops.

Several of the individual highs were posted on Wednesdays, coinciding with night openings of large downtown department stores. The coincidence attracted notice since it offered evidence that shoppers can be weaned back to urban retail establishments—with their wider selection of merchandise—if there is transportation available which eliminates the headaches of traffic congestion and parking expense.

The steady increase in patronage has led to several actions by PATCO management. One of these has been the addition of 2200 parking spaces. Another is the installation of crossover tracks west of Lindenwold station to provide faster train turnabout. It gives the equivalent of

an extra six-car train during the periods of heaviest demand.

In the effort to promote off-peak business PATCO is making unoccupied spaces in four pay parking lots free after 10 A.M. We know of no one else who does this.

Customer goodwill has been important to PATCO from the beginning. An on-time performance average exceeding 98 per cent has helped. So has the emphasis upon cleanliness of stations and equipment. Also prompt handling of complaints.

Part of it, too, is relating to the riders, issuing a monthly newsletter to keep them informed, having Santa's helpers distribute toys to children at Christmas, inviting all who have the same birthday to share the Line's first anniversary with cake and punch, issuing meaningful timetables, offering one-for-the-road coffee on New Year's Eve after Liberace was persuaded to kick-off a "Don't Drive" poster campaign, and adding trains on a half-hour basis between midnight and 1:30 A.M. when second-shift workers advised that the former hourly owl service was an inconvenience to them.

Tangible evidences of what others think of the Lindenwold Line include the Outstanding Civil Engineering Achievement Award for 1970



Ralph Cornell
Chairman

from the Philadelphia Section of the American Society of Civil Engineers, a Beautiful America Award from Holiday Magazine and sharing the 1970 Delaware Valley Council Award with DRPA's World Trade Division for the agency's overall program of environmental improvement.

The Award from Holiday stated in part: "... for demonstrating that good commuter service can win Americans from autos to trains, with the resulting benefits of less land needed for highways and decreased air pollution."

Despite all the recognition it has received, the Line suffered an operating loss of \$147,572 and it appears that some adjustment in fares will be necessary.

Planning Advanced

On February 6, an application for a Federal Grant to study required improvements and extensions of the Philadelphia-Lindenwold Line was submitted to the Urban Mass Transportation Administration. The New Jersey Department of Transportation joined with the Port Authority in serving as sponsor of this proposed study. On June 16, the Authority was notified by UMTA that a study grant in the amount of \$743,000 had been approved.

To cover the \$372,000 one-third local share of the \$1,115,000 study, DRPA and NJ DOT each will contribute \$87,600 in cash, and DRPA, NJ DOT and the City of Philadelphia will provide staff time and services amounting to \$196,800.

After invitations for proposals from nationally recognized transportation consultants were evaluated, the contract to provide consulting services for the conduct of the Mass Transit Study was signed with the joint venture of Gannett, Fleming Corddry & Carpenter, Inc./Bellante Clauss Miller & Nolan.

By the year's end, DRPA Engineering Planning Staff and the Joint consultants had made considerable progress in their efforts to prepare a Preliminary Application for the *first phase* of the DRPA/PATCO transit improvement program which was expected to provide for a Woodcrest Station on the Lindenwold Line; an extension to the vicinity of Berlin; a possible extension to Moorestown; improvements in Philadelphia, which, as a minimum, would provide the facility to operate eight-car trains; and a substantial number of new electric cars.

Bridge Traffic

Combined traffic on DRPA's Walt Whitman and Benjamin Franklin bridges declined for the third year in a row. The total of 53,545,057 vehicles was 1.2 per cent under the 1969 figure and the smallest since 1965.

The Whitman span actually experienced a slight gain, with 30,416,187 crossings as compared with 30,367,688 in 1969. The latter figure represented the only year-to-year decline in the 14-year history of this bridge whose traffic has topped that of the Franklin each year since 1963.

In 1970 the differential of 7,287,317 between the two DRPA spans was the widest yet and the Franklin's total of 23,128,870 vehicles was the smallest since the 21,085,868 of 1949.

The Franklin has suffered a roadway deterioration problem, particularly in areas adjacent to expansion and relief joints. It has made for a rough ride.

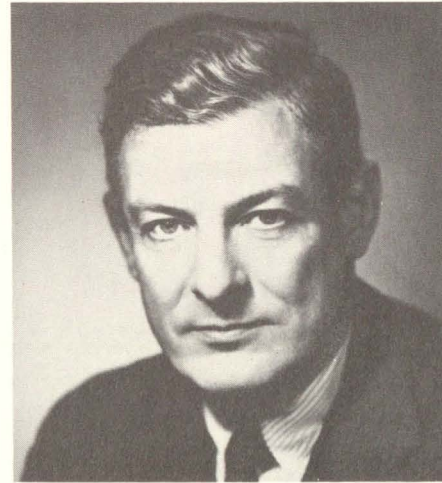
A two-step corrective program was initiated in 1968. Phase One, consisting of removing and replacing bad concrete, was completed in 1970 by in-house forces at a cost of \$235,000. The Bridge Division has estimated that an outside contractor would have charged \$1.5 million for the work. The second phase of the project involves complete replacement of bituminous pavement. It is scheduled for 1971.

The Franklin underwent another improvement the past year. Completed was a \$696,000 contract to paint the span and approaches from the roadway level down and clean, point and waterproof the masonry. It was the first time the stonework was rehabilitated. There have been periodic paintings, however.

Still ahead for this span is a direct connection with the North-South Freeway (Interstate 76), something which is expected to bring additional traffic. It will necessitate a toll plaza modernization in Camden.

Also involving the Franklin's future is the Pennsylvania Department of Transportation plan for an easterly extension of the Vine Street Expressway in Philadelphia interconnecting to the bridge, the Delaware Expressway (I-95) and the present street system.

A similar involvement exists between I-95, the Philadelphia street system and the Whitman bridge. The plan calls for work to commence in



R. Stewart Rauch Jr.
Vice Chairman

Five Year Traffic Statistics

	Benjamin Franklin Bridge	Walt Whitman Bridge	Total
1966	25,982,752	29,500,590	55,483,342
1967	25,972,923	30,658,718	56,631,641
1968	24,603,409	30,709,720	55,313,129
1969	23,825,477	30,367,688	54,193,165
1970	23,128,870	30,416,187	53,545,057
Cumulative Figures			
Benjamin Franklin Bridge—7-1-26 to 12-31-70		846,158,184
Walt Whitman Bridge—5-16-57 to 12-31-70		331,054,103
COMBINED		1,177,212,287

1971 on new ramps and the relocating of some now in use near the toll booths.

Toll collection methods at both spans are under study. DRPA has engaged Coverdale & Colpitts, transportation engineers, to evaluate its present system in terms of developments in the industry and to make a recommendation involving the Chester and Pennsauken bridges as well.

Construction Advanced

All four are also involved in the planning of a central maintenance facility in Camden. At present the Whitman and Franklin have their own shops, but the existing building at the latter is in the path of the Rutgers University campus expansion and DRPA is relinquishing it in return for a new site nearer its Administration Building.

In planning the new structure, thoughts naturally turned to an investigation of the central approach. It was decided that it offered greater flexibility and had other advantages since the bridges are within a 20-mile stretch on the river. As a result, the architectural firm of Eshbach Pullinger Stevens & Bruder has nearly completed design, plans and specifications for a one-story, steel frame, brick and veneer building to cost an estimated \$1 million.

Both bridge projects moved substantially forward during the past 12 months.

Seven prime contractors were busy on the Pennsauken span's foundations, supporting piers,

drainage systems and utility relocations. Erection of fabricated structural steel began in July. A total of \$20 million of work was completed on this bridge in 1970.

Three contracts totaling \$11.2 million were let. These covered the Richmond Street overpass and embankment in Philadelphia, substructure and superstructure for girder spans and the toll plaza embankment in New Jersey.

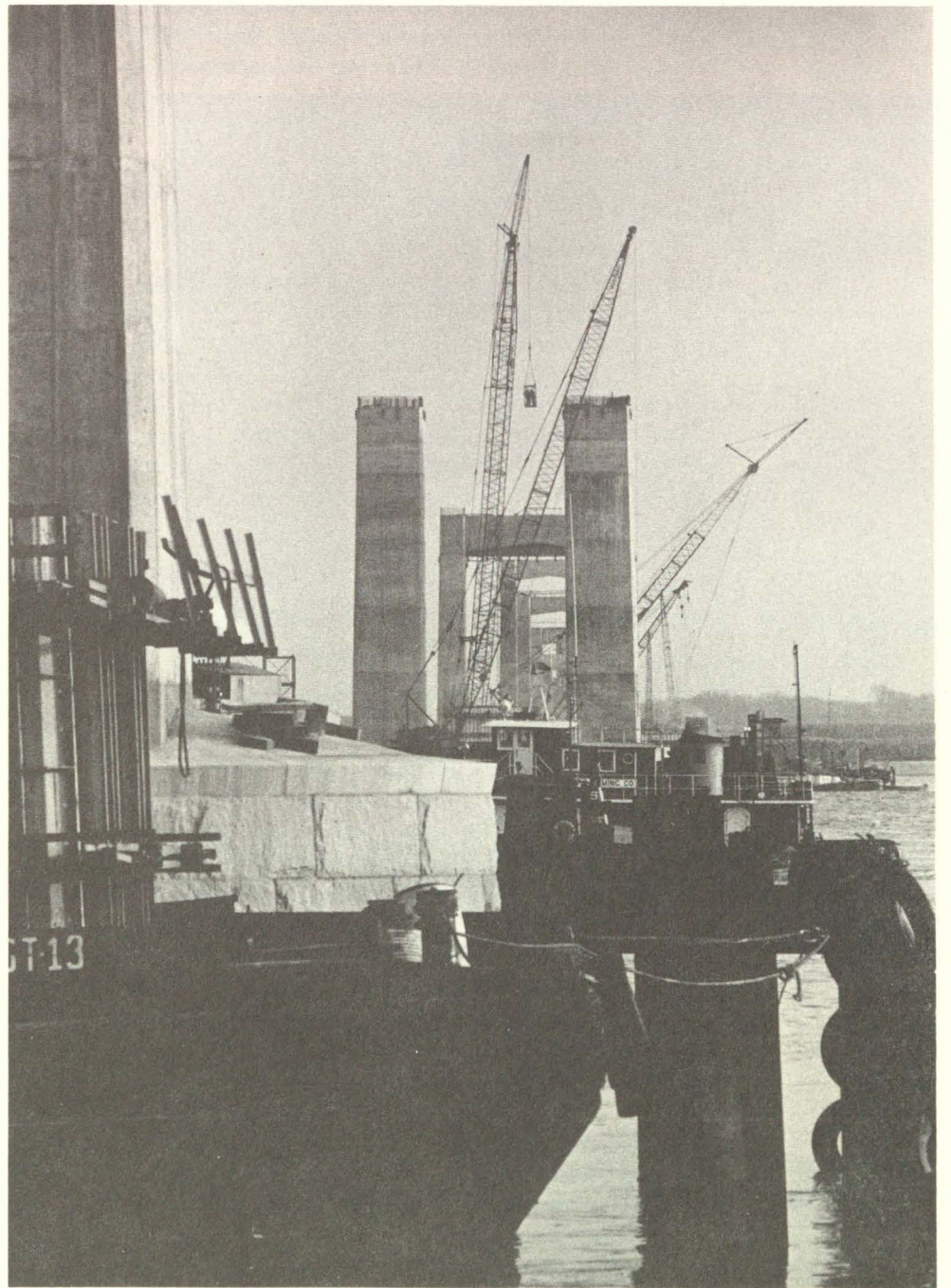
This means that construction is now under way from that point to the westerly limit of DRPA responsibility in Pennsylvania.

Design progress has advanced to 97 per cent of completion, with all remaining contracts initiated and proceeding on schedule.

Considerable effort has been expended in attempting to develop agreements with the Pennsylvania Department of Transportation regarding the I-95 interconnection and with the New Jersey Department of Transportation on the U.S. Route 130 interchange. Unfortunately, no compact has been consummated. The I-95 matter does not affect our timetable, but the lack of an understanding on Rt. 130 has had a detrimental effect on construction for which DRPA is responsible.

The schedule on the Chester bridge fell somewhat behind because of unanticipated difficulty with the foundation of a large pier on the Pennsylvania side. Now that the problem has been solved, the contractor is proceeding and there is hope that some of the lost time will be made up.

Seven prime contractors are presently





involved on the job and awards exceeding \$18 million during the year covered an embankment for the Bridgeport toll plaza, plus substructure and superstructure work on both approaches to the main span.

Final design is proceeding on the remaining contracts. These embrace bridge lighting, administrative and toll plaza area and the Bridgeport approach interchange with U.S. 130. It is anticipated that all remaining contracts will be let in 1971.

Meanwhile, agreements with the City of Chester, Chester Township, the Chester Water Authority and the Pennsylvania Department of Transportation have been executed.

World Trade Promotion

In January, World Trade Division held its first annual international staff meeting with most representatives attending. During the week our people were addressed by personnel from all phases of the local maritime industry. This proved to be highly successful and did much to strengthen solicitation efforts both domestically and abroad.

Concerted efforts on volume commodities resulted in large export tonnages of steel and both export and import increases in machinery and chemicals. Plywood and canned goods imports continue to grow.

The new Port Handbook was completed, and 7500 copies were distributed throughout the world.

A four-week tour of the Philadelphia Orchestra brought together throughout the 12 cities top-level European industrial and the ever important government and civic people with several of our own DRPA Commissioners and representatives. Distribution worldwide of "Ports of Call," the Orchestra's recording, followed, and reaction was most favorable.

The annual Maritime Day observance during World Trade Week again proved a success with more than 450 persons attending.

Investigative trips by World Trade staff resulted in locating qualified personnel to man newly approved offices in Hong Kong and Bogota. We also can report having obtained the services of a man with good background for the Milan Office, which replaces Brussels.

Cooperative interoffice efforts resulted in the establishment of a joint Irish Shipping/

Manchester Liner Service. This meant direct sailings from Dublin and Manchester to Philadelphia, filling a void. Tonnages reported by the agent are good.

A study tour, sanctioned by the World Trade Division, and made up of some of our people together with representatives from terminals, labor, steamship agents and other port interests, took place in June. Arrangements were made by our European men for visits with officials in the ports of Hamburg, Bremen, Bremerhaven, Amsterdam, Rotterdam, Marseille, LeHavre and Felixstowe. The exchange of ideas and information was accepted by all as very productive and beneficial.

With the announcement by Lloyds of London that effective December 1, 1970 rejection insurance rates would be increased to 12.5 per cent on fresh frozen meat from Australia to Philadelphia versus a rate of 3 per cent at competitive ports, an immediate research project was started. Detailed data was obtained from numerous sources and constant meetings of interested parties were held over a five-week period. Staff and City and terminal representatives presented the facts and figures in person to Lloyds in London. They decided not to impose the high penalty rate, but rather to assess the 3 per cent at Philadelphia, consistent with the rate applicable to competitive ports.

International waterborne commerce, through Ameriport—Ports of Philadelphia, totaled 54,057,635 short tons, a decrease of 6 per cent from the previous calendar year. Exports were up 45 per cent to a total of 4,418,671 short tons, while imports decreased 9 per cent and showed a total of 49,638,964 short tons during 1970.

General cargo—the type which is boxed, bagged, containerized, or handled in individual units—and which leaves the largest direct income in the port area—showed an increase of over 8 per cent in 1970 over the previous year. Both export and import general cargo shared in the increase, although the largest percentage gain was made by exports.

Preliminary estimates of Ameriport's 1970 total tonnage, both foreign and domestic, place the commerce at approximately 124 million short tons, a new high for the port, and an increase of 26 per cent during the decade of the sixties. 1969's combined foreign and domestic tonnage for the local port totaled 120,772,048 short tons.

Vessel arrivals in the port during 1970 totaled 5,817, an increase of 7.6 per cent over the previous year. It will be remembered that the port was strike-bound during the early part of 1969, which makes a comparison with that year suspect. However, it should be noted that the 1970 vessel-arrival figure represented a 2.2 per cent increase over 1968. Hopefully, the long-term downward trend in arrivals has stopped.

Net Income Down

Operating revenues for 1970 amounted to \$28,427,302 as compared to \$27,324,096 for the preceding year. Operating expenses totaled \$12,610,263 which resulted in net operating revenues of \$15,817,039 or an increase of 4.1 per cent over 1969. Interest on our Funded Debt increased \$3,506,834 to \$10,348,388 as a result of our continued financing program and World Trade Division expenses increased from \$1,377,211 to \$1,493,999 or 8.5 per cent. Net income for the year after providing for depreciation on the rapid transit system of \$2,059,969 amounted to \$8,264,152, a decrease of 18.1 per cent from the previous year.

Interest income from investments during the year rose from \$4,757,719 to \$6,803,329. This increase in interest income was a combination of the high short-term rates during the first half of the year, continued prudent investment management by the Finance Committee, and additional funds available for investment as the result of our long-term financing program. All investments of the Port Authority funds were in obligations of the United States Government or its Agencies in accordance with our 1969 Bond Resolution.

As a result of the changing yield structure in the investment market and in order to take full advantage of higher interest rates, the Commissioners requested that, as of June 22, our banks of deposit issue new six-month 7 per cent Time Certificates of Deposit to replace the old six-month 6¼ per cent Time Certificates of Deposit. All of our banks of deposit agreed to this new rate with the result that these funds of the Authority provided this attractive rate of return for this period. During the last six months of 1970, short-term interest rates adjusted rather sharply on the down side with the result that when these Certificates of Deposit matured, they were renewed for six months at a 6 per cent



The DOLLAR—1970

INCOME

Operating Revenues—80.6c

Interest and Other—19.4c

EXPENSES

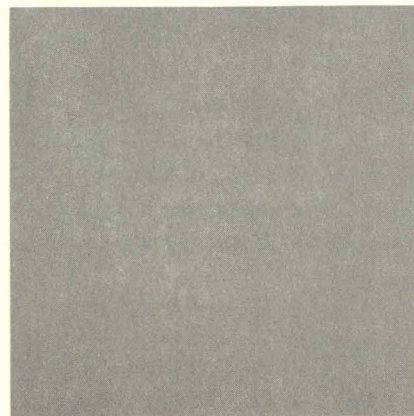
Direct Operating—46.7c

Administrative—5.9c

Interest—38.4c

World Trade Development—5.5c

Other—3.5c



interest rate and mature on June 23, 1971. As has been the practice of the Port Authority, all of its bank deposits as required by the 1969 Bond Resolution are secured by direct obligations of either the United States Government, the Commonwealth of Pennsylvania or the State of New Jersey pledged with the Federal Reserve Bank of Philadelphia.

On June 17, the Commissioners accepted a bid by a group of national bond underwriters to purchase \$70,000,000 Series 1970 Revenue Bonds which were dated May 15. The proceeds of this issue were used to finance part of the 1969 refunding and construction program to provide the required deposit in the Bond Reserve Fund, to complete the balance due for construction of the Rapid Transit System and to pay certain other costs and expenses of financing. The bonds mature on January 15, 2010, and bear an interest rate of 7½ per cent per annum payable on January 15 and July 15 in each year.

Personnel Program

The Personnel Relations Division was established in 1970 and assumed responsibility for all employment, compensation, employee insurance and retirement programs, as well as for employee benefits and services, education and training, personnel records and labor relations.

For the third consecutive year the Authority successfully conducted a summer employment program for needy college students. This program, developed to provide financial assistance to those who might not otherwise be able to pursue college educations, provided summer employment for 85 local residents. The temporary work force provided replacements for employees on vacation in the toll lanes and augmented the work force on seasonal maintenance programs.

The number of employees on the payroll decreased slightly from 595 in 1969 to 588 at the end of 1970. There were 10 retirements.

Service Expanded

Demands on public relations services increased in dimension and scope, and new





programs were initiated to serve the broadening range of Authority activities.

The first of these was a regional "Keep the Delaware Shipshape" campaign to clean up floating debris in the Delaware River. A booklet describing and illustrating the problem was prepared and widely distributed. Distinctive placards were produced and posted at all commercial piers and wharves in the region and at boat club docks on both sides of the river from Trenton to Wilmington. These efforts were bolstered by press and television coverage.

The High Speed Line observed its first birthday, and appropriate ceremonies, which attracted considerable press coverage, were arranged at the Lindenwold terminal.

Support for the World Trade Division's participation in the Philadelphia Orchestra European tour similarly required the preparation of special material. Both copy and full-color illustration for the Orchestra's special "Ports of Call" album jacket were produced. Pocket pamphlets listing the advantages of Ameriport in concise form were made up both for the tour and for subsequent distribution. And an Illustrated booklet, citing simultaneously in four languages the triple attractions of the Orchestra, the City of Philadelphia and Ameriport, accompanied the Orchestra to Europe for distribution there among the influential who affect the flow of commerce in our port.

Distribution began of the Authority's revised bridge map showing principal regional routes served by the Benjamin Franklin and Walt Whitman Bridges.

The professionally prepared 16 mm color film, "Transportation Breakthrough," depicting the construction and operation of the High Speed Line and the contribution it makes to solving regional highway congestion problems, was distributed. Rapid dissemination was obtained by placing copies of the film at all area television stations. It is estimated that more than 150,000 persons saw the film on television within the first several months. It was presented by the network outlets as well as all the independent channels. A copy has been placed in the Camden County Audio Visual Aids Library for viewing by the 96,751 students of the 167 schools in the Line's prime territory.

The Division's Public Affairs Manager has initiated an organized program to arrange showings to service clubs and civic organizations.

Almost 1,000 references to Authority activity

appeared in print this year. While most of these occurred in area media, reports also appeared, among other places, in the New York Times, the Chicago Tribune, the Boston Globe, the Washington Post, the Journal of Commerce and in Reader's Digest. These, of course, are in addition to the reports on both the speed line and the port that appeared in trade publications. In most cases, these were either based on information supplied by our Public Relations staff or actually prepared by it.

The Authority's port oriented magazine The Log continued its winning ways, receiving recognition in both the annual show sponsored by the Art Directors Club of Philadelphia and in the Printing Week Graphic Arts competition.

The Division's one-man visual aids section filled some 150 requests for equipment and services for the various divisions of the Authority, and filled the frequent demands for photographs received constantly from publications and organizations.

New Commissioners

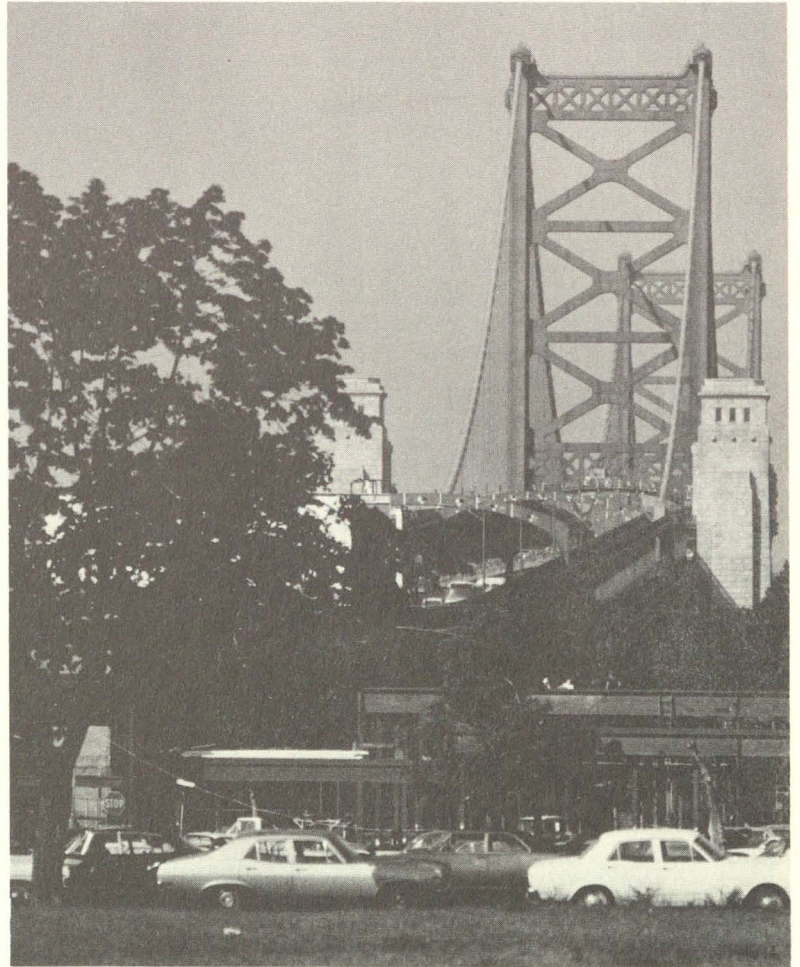
Governor William T. Cahill of New Jersey named five new Commissioners and reappointed three others. The newcomers are John C. Gilmour, Francis J. Lucas, William G. Rohrer, Burton D. Zehner and Daniel B. Toll. Renamed were Joseph M. Hitzel Jr., Bartholomew A. Sheehan and Ralph Cornell.

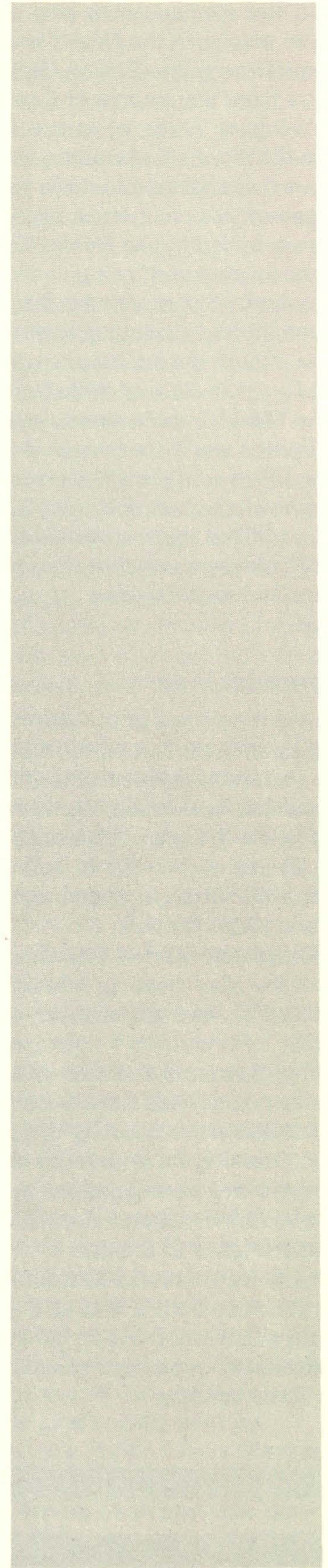
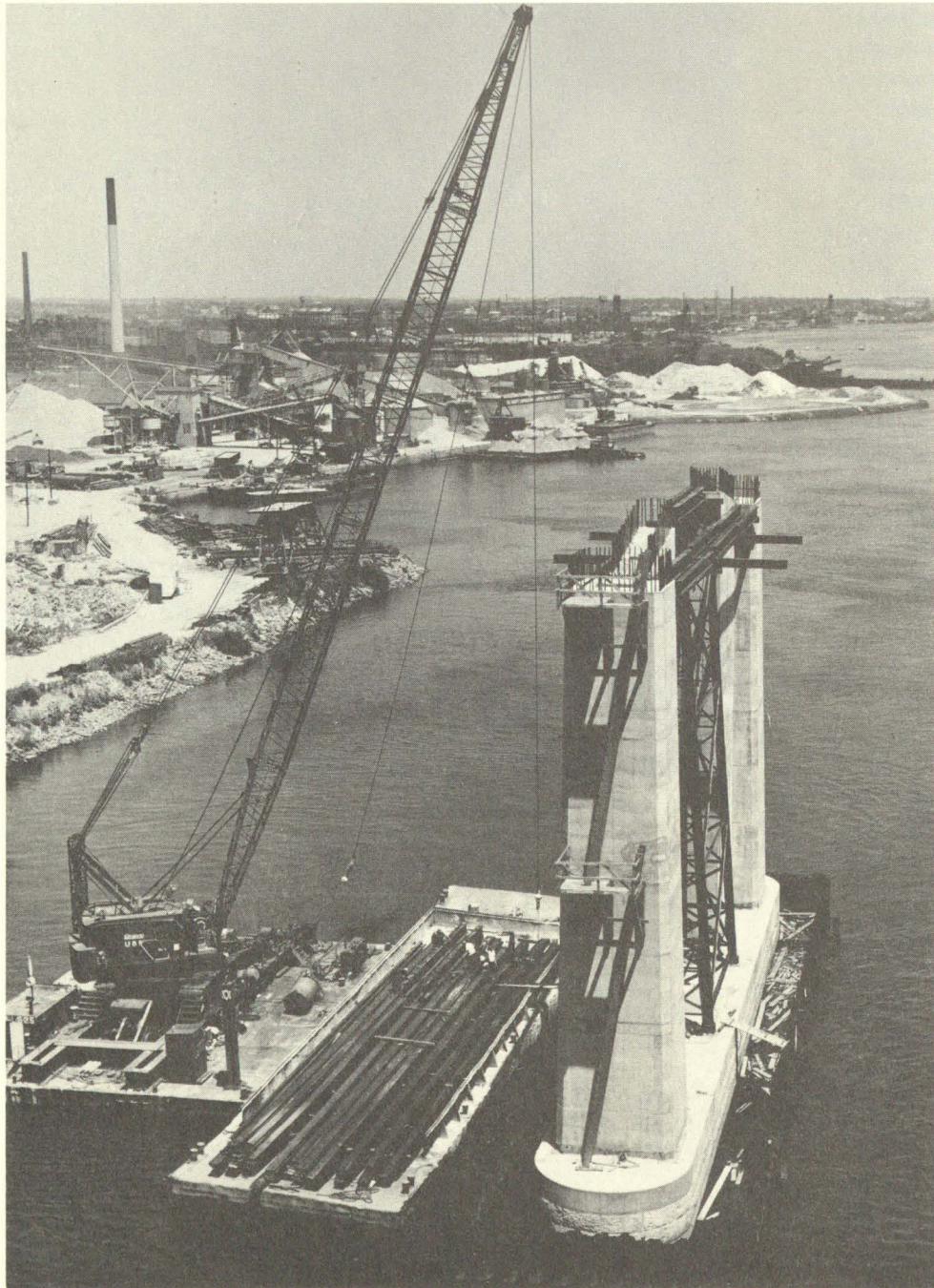
Mr. Cornell was elected Chairman of the Authority at the May meeting. It is his second term in this office, having previously served in 1961-62.

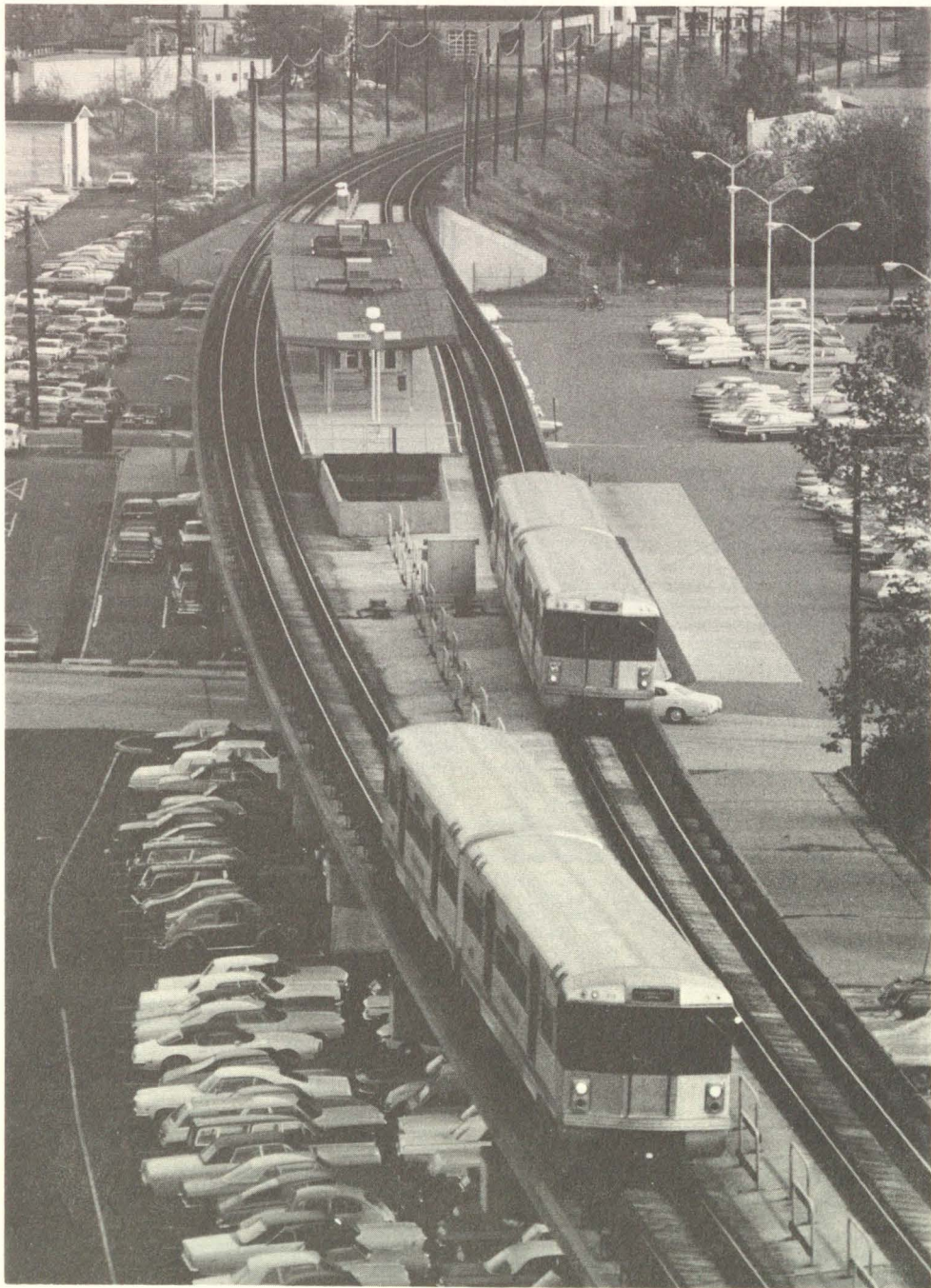
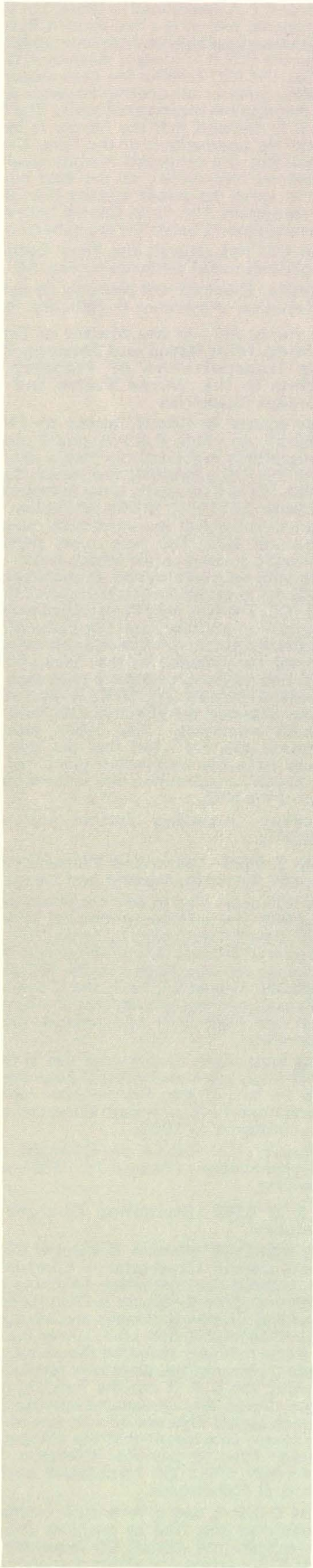
Governor Raymond P. Shafer of Pennsylvania reappointed R. Stewart Rauch Jr., Kevy K. Kaiserman, Geoffrey S. Smith and Harrison F. Dunning on an interim basis.

Commissioners were saddened by the deaths of two former Commissioners, James P. Johnson and Charles C. Smith.

The Authority continued to exert an economic influence on the area, and its Administrative Services Division purchased nearly \$1 million of goods and services from Delaware Valley vendors.







Proceedings Before the Federal Maritime Commission

Docket 65-31—Investigation of Overland and OCP Rates & Absorptions

This case is an outgrowth of an investigation by the FMC to determine whether Agreement 8200 had provisions which might be unjustly discriminatory or unfair as between carriers, shippers, exporters, or ports. The Traffic Board of the North Atlantic Ports Association was a party to this case. The Delaware River Port Authority did not enter a separate appearance as it is a member of the Traffic Board.

In February, 1969, the FMC issued its decision and stated that the establishment and maintenance of overland and OCP rates by carriers in the Trans-Pacific trade is routine rate making embraced within the approved Section 15 agreements of the Pacific Westbound and other Trans-Pacific conferences. However, the FMC found the Conference was negligent in not updating their agreements to make this rate situation more explicit. The Pacific Conferences challenged this interpretation.

In August, 1970, the Court of Appeals (fifth circuit, New Orleans) upheld the FMC decision. In October, 1970, a petition was filed with the Supreme Court to reverse the lower court decision.

Status: Awaiting Supreme Court decision. Pending.

Docket 1153—Investigation of Truck Loading and Lighter Loading and Unloading Practices at New York Harbor

Since this matter concerned practices at New York Harbor, the Philadelphia maritime industry felt that the D.R.P.A. should not enter the case. However, we followed the case closely.

In 1969, the FMC issued their decision in the case prescribing vehicle detention rules on truck and lighter loading and unloading practices. The New York Terminal Conference was not satisfied with the order and petitioned the U.S. Court of Appeals for a review of the order. The court ruled that the FMC order was to become effective August 7, 1969, but the monies paid for claimed detention charges were to be placed in an escrow fund pending the outcome of the litigation. On June 11, 1970, the court upheld in its entirety the Vehicle Detention Rules prescribed by the FMC. The funds held in escrow were to be dispersed and the escrow account closed out as of September 30, 1970.

Status: Although the rules have been published in the New York Terminal Conference Truck Loading and Unloading Tariff #7 and the case has been closed, there is a great deal of confusion in the application of the rules. The FMC has been requested to investigate the enforcement of the rules.

Docket 65-46—Investigation into the Lawfulness of the 17% Surcharge on Truck Loading and Unloading at New York Harbor

As in Docket 1153, the Philadelphia Marine Terminal Association felt that participation by the D.R.P.A. in this proceeding could place Philadelphia in a difficult position. However, we attended some of the hearings as an observer and followed the case closely.

Late in 1968, the FMC expanded the investigation to include a 23% rate increase published in the New York Terminal Conference Truck Loading and Unloading Tariff #7. The Commission amended the investigation to specifically determine whether the implementation of the definition of truck loading and unloading service, as quoted by the Terminal Conference in their tariff, constituted a just and reasonable practice within the meaning of the section. In 1970, several hearings were held to determine the definition of the phrase "place of rest."

Status: Awaiting further action by FMC. Pending.

Docket 68-9—Free Time on Export Freight at Ports of New York and Philadelphia

The D.R.P.A. has participated in this proceeding in support of the Philadelphia Marine Terminal Association. In April, 1970, the FMC issued its order to establish 10 working days free time on export freight with some exceptions for U.S. Government cargo and goods moving in the Australian-New Zealand and West African trade. The rule became effective August 17, 1970 at New York and Philadelphia.

Status: Case closed.

Docket 69-53—Filing of Through Routes and Through Rates

This was a rulemaking procedure instigated by the FMC to establish a basis for the filing of through routes and through rates from and to an inland United States point via land transportation, thence by water and finally by land again, to or from a foreign destination.

The D.R.P.A., in conjunction with approximately nine other organizations in the Port area, filed a statement on behalf of the Ports of Philadelphia. This matter was closely related to a similar proceeding before the ICC (Ex Parte 261) and bills introduced in the Congress of the United States entitled "Trade Simplification Act."

On April 15, 1970, the FMC issued its report and order. Briefly, it required common carriers by water to file tariffs covering through transportation between ports or points in the United States and ports and points in a foreign country. The tariffs must list all participating carriers, a description of the service to be performed by each carrier and the division, rate or charge that is to be collected by the water carrier. The regulations became effective June 20, 1970.

Status: Proceeding closed.

Docket 69-56—Agreement #9827 Between United States Lines, Inc. and Sea-Land Service, Inc.

Extensive hearings were held in this matter during the early part of 1970. The D.R.P.A. intervened in the case to protect the Port of Philadelphia. Although the steamship lines opposing this agreement feel that this is an antitrust case, the D.R.P.A.'s purpose in the case is to assure adequate steamship service for our Port regardless of whether the agreement is approved or not. On July 28, 1970, the examiner released his recommended report in which he approved the proposed agreement. However, the examiner refused to impose any condition that service be established from the Port of Philadelphia. He based his action upon the fact that during the course of the hearings a Sea-Land witness testified that they intended starting a Philadelphia-Puerto Rico service in 1971. The examiner believed that service to other parts of the world could be furnished by feeder service via Puerto Rico. The D.R.P.A. filed exceptions to the report.

A decision in the case has been delayed because late in 1970 a proposed sale of U.S. Lines to Reynolds Industries was announced. This new agreement must be approved by the FMC and could have a bearing on Agreement #9827.

Status: Awaiting further action by FMC. Pending.

Docket 69-58—Agreement #9813—Conference Agreement Trans-Atlantic Freight Conference

This is an investigation by the FMC of an agreement filed on behalf of 8 steamship lines to establish a conference in the North Atlantic for the movement of containers. The FMC wants to investigate 21 different subjects which are part of the agreement. The D.R.P.A. has intervened on behalf of the Ports of Philadelphia. Hearings have been held in Washington, D.C. during the last half of 1970. Due to the fact that the headquarters of the various parties are located in many distant cities of the world, it is not possible to arrange meetings on short notice. This has delayed the progress of the case.

Status: Further hearings scheduled for 1971. Pending.

Docket 70-19—Intermodal Service to Portland, Oregon

The City of Portland, Oregon filed a petition with the FMC requesting an investigation into the practices of Sea-Land Service, Inc. and other members of the Trans-Pacific Freight Conference of Japan and the Trans-Pacific Freight Conference (Hong Kong) relating to the absorption of inland freight charges for containers discharged or loaded at the Port of Seattle but destined for or originating in the Portland, Oregon area. The D.R.P.A. intervened in this case because the absorption practice is exercised at the North Atlantic ports. Consequently, the decision in this case could have an effect at the Ports of Philadelphia. Hearings were held in Washington, D.C. during November and December.

Status: Further hearings scheduled for 1971. Pending.

Proceedings Before the Interstate Commerce Commission

Finance Docket 23832-23833—Merger of N & W-C & O and Inclusion of Five Eastern Railroads into the System

The D.R.P.A. intervened in support of the Reading Company, one of the five Eastern Railroads. Oral argument was held in November, 1969, at which time the D.R.P.A. made a statement. On June 16, 1970, the ICC ordered the case reopened for the limited purpose of securing evidence with respect to the possible diversion of traffic. The N & W and C & O contend that the merger is necessary to meet the competition of the Penn Central. They state that the proposed merger would create a balanced two-system in the East which would better serve the public interest than the existing three-system. The Penn Central believes that the three-system is better for the general public.

The ICC has ordered the Penn Central and the applicants to file evidence by Feb. 15, 1971.

Status: Hearings will probably be held after the submission of evidence in February. Pending.

Ex Parte 261—In the Matter of Tariffs Containing Joint Rates and Through Routes for the Transportation of Property Between Points in the United States and Points in Foreign Countries

This matter is closely related to FMC Docket #69-53. In 1969, D.R.P.A. and 9 other Ports of Philadelphia organizations filed a joint statement with the ICC expressing our views. September 4, 1970, the ICC issued its order to become effective October 26, 1970. Briefly, the order stated that carriers subject to its jurisdiction must file tariffs with the ICC. The new rules provide that a domestic surface carrier which enters into a joint rate with an ocean carrier or conference must file both the joint rate and its division of the rate with the ICC. The ICC held in abeyance pending a final decision in another case (Ex Parte 266) whether certain freight forwarders and non vessel operators should be included in the rules. Although the ICC had originally stated the rules were to become effective October 26, 1970, it later changed the order and said the effective date would be postponed indefinitely. This action was necessary because the FMC felt that the rule as written "may have the inadvertent effect" of subjecting an ocean transportation rate to the regulatory control of the ICC.

Status: Awaiting further action by ICC. Pending.

I & S 8508—Increased Waterborne Charge North Atlantic, Pacific and Canadian Ports

By schedules filed to become effective November 1, 1969, the railroads attempted to increase the 12¢ waterborne charge by 4¢ per 100 pounds. As a result of protests by numerous port interests, the increase was suspended by the ICC and hearings held. On August 25, 1970, the ICC found that the railroads had not proven that the increases were just and reasonable and ordered the schedules cancelled.

The importance of this case lies in the fact that after many attempts the ports have been successful in having the Commission recognize that conditions have changed since the charge was first instituted in 1958.

Status: ICC Action on Railroads petition for reconsideration of August 25, 1970 order awaited. Pending.

I & S 8592—Switching Charges at Philadelphia

By schedules effective November 20, 1970, the Penn Central Transportation Company proposed to increase the charge for switching cars for the account of the Baltimore & Ohio Railroad and the Reading Company at piers and sidings served by the Philadelphia Belt Line. Under the agreement, the two railroads absorbed the charge and did not pass it along to the shipper or receiver. However, neither the B & O nor the Reading believed the new charge was reasonable and published tariffs which stated they would only absorb part of the increase. This meant that the shipper or receiver would have to pay the difference. This would adversely affect the competitive position of the Ports of Philadelphia.

The D.R.P.A. and several other interested parties petitioned the ICC to suspend the tariffs and investigate the matter. On November 17, 1970, the ICC ordered the tariffs suspended and instituted an investigation. On December 7, 1970, the ICC ordered the railroads to file statements in support of their position.

Status: Statements from protestants due February 1, 1971 and hearing scheduled for February 16, 1971. Pending.

Financial Statements

FINANCIAL SUMMARY

Revenues and Expenses	19
Balance Sheet	20
Changes in Fund Equities	22
Notes to Financial Statements	24
Cash	25
Investments	26
Rapid Transit System	28
Chester-Bridgeport Bridge	30
Philadelphia-Pennsauken Bridge	32
Toll Bridge Traffic and Operations	34
Rapid Transit Operations	35

PEAT, MARWICK, MITCHELL & CO.
CERTIFIED PUBLIC ACCOUNTANTS
1500 WALNUT STREET
PHILADELPHIA, PA. 19102

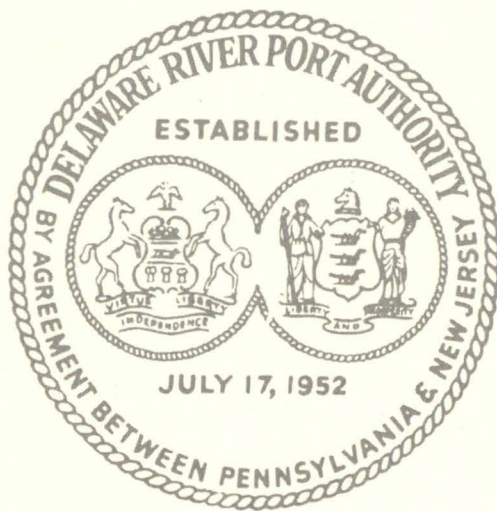
Delaware River Port Authority
Camden, New Jersey:

We have examined the balance sheet of Delaware River Port Authority as of December 31, 1970 and the related statements of revenues and expenses and changes in fund equities for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the above mentioned financial statements present fairly the financial position of Delaware River Port Authority at December 31, 1970, the revenues and expenses resulting from its operations and the changes in fund equities for the year then ended, in conformity with generally accepted accounting principles and as set forth in note 1 to financial statements, applied on a basis consistent with that of the preceding year. The current year's supplementary data included in Schedules 1 through 7 have been subjected to the same auditing procedures and, in our opinion, are stated fairly in all material respects when considered in conjunction with the basic financial statements taken as a whole.

Peat, Marwick, Mitchell & Co.

January 22, 1971



Statement of Revenues and Expenses

Year ended December 31, 1970 with comparative figures for 1969

	1969	1970
OPERATING REVENUES (notes 1 and 2):		
Bridge tolls	\$24,393,563	24,199,205
Transit system passenger fares	2,822,443	4,034,883
Other (including \$159,665 from transit system)	108,090	193,214
Total operating revenues	<u>27,324,096</u>	<u>28,427,302</u>
OPERATING EXPENSES (note 1):		
Bridges	5,906,819	6,221,447
Transit system (including depreciation of \$2,059,969)	6,227,658	6,388,816
Total operating expenses	<u>12,134,477</u>	<u>12,610,263</u>
Net operating revenues	<u>15,189,619</u>	<u>15,817,039</u>
GENERAL ADMINISTRATION EXPENSES:		
Salaries including employee benefits	885,676	1,098,262
Other	497,361	504,246
	<u>1,383,037</u>	<u>1,602,508</u>
	13,806,582	14,214,531
INTEREST INCOME —Investments and time deposits	<u>4,757,719</u>	<u>6,803,329</u>
	18,564,301	21,017,860
INTEREST ON FUNDED DEBT:		
1953 First Series Revenue Bonds	1,017,533	—
1969 First Series Revenue Bonds	4,881,430	7,741,418
1970 Series Revenue Bonds	—	2,606,970
Notes payable, banks	942,591	—
Total interest on funded debt	<u>6,841,554</u>	<u>10,348,388</u>
	11,722,747	10,669,472
OTHER DEDUCTIONS, NET:		
World Trade development expenses:		
Salaries including employee benefits	590,867	674,814
Other	786,344	819,185
	<u>1,377,211</u>	<u>1,493,999</u>
Loss on Chester-Bridgeport Ferry (note 3)	252,005	266,213
Gain on sale of land	—	(17,730)
Loss on facilities, net of insurance recovery	—	662,838
Total other deductions	<u>1,629,216</u>	<u>2,405,320</u>
Net income	<u>\$10,093,531</u>	<u>8,264,152</u>

See accompanying notes to financial statements.

Balance Sheet

December 31, 1970 with comparative figures for 1969

	Total		Capital Fund	Revenue Fund	Bond Service Fund	Bond Reserve Fund	Construction Fund	General Fund
	1969	1970						
ASSETS								
Cash (note 2)	\$ 164,089	276,557	—	44,787	—	—	2,367	229,403
Investments, at amortized cost (note 2)	82,195,332	118,841,131	—	5,969,331	9,665,703	18,612,653	72,945,704	11,647,740
Accrued interest receivable	650,611	1,423,851	—	4,983	—	219,454	1,182,290	17,124
Accounts receivable	296,114	404,891	—	2,546	—	—	17,742	384,603
Transit system supply inventory, at lower of cost or market	564,726	657,096	—	—	—	—	—	657,096
Prepaid expenses principally insurance	374,724	243,222	—	140,176	—	—	—	103,046
Investment in facilities, at cost (notes 1 and 4):								
Benjamin Franklin Bridge	42,087,395	42,241,272	42,052,114	—	—	—	163,125	26,033
Walt Whitman Bridge	86,521,617	86,552,929	86,536,116	—	—	—	—	16,813
Southern New Jersey Rapid Transit System (net of accumulated depreciation—\$3,064,887)	93,496,677	93,349,214	8,524,990	—	—	—	83,388,679	1,435,545
Chester-Bridgeport Bridge	10,957,890	27,774,608	114,255	—	—	—	27,660,353	—
Philadelphia-Pennsauken Bridge	9,421,479	35,540,042	974,496	—	—	—	34,565,546	—
Chester-Bridgeport Ferry (note 3)	504,549	455,563	154,954	—	—	—	—	300,609
Total investment in facilities	<u>242,989,607</u>	<u>285,913,628</u>	<u>138,356,925</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>145,777,703</u>	<u>1,779,000</u>
Future extensions to Southern New Jersey Rapid Transit System	12,853	75,931	18,772	—	—	—	—	57,159
Port facilities studies, at cost	120,120	120,120	120,120	—	—	—	—	—
	<u>\$327,368,176</u>	<u>407,956,427</u>	<u>138,495,817</u>	<u>6,161,823</u>	<u>9,665,703</u>	<u>18,832,107</u>	<u>219,925,806</u>	<u>14,875,171</u>
LIABILITIES AND FUND EQUITIES								
Accounts payable:								
Contracts payable	\$ 687,911	—	—	—	—	—	—	—
Retained amounts on contracts	2,248,107	3,130,376	—	—	—	—	3,123,493	6,883
Other	1,003,369	1,238,380	—	235,365	—	—	27,002	976,013
	<u>3,939,387</u>	<u>4,368,756</u>	<u>—</u>	<u>235,365</u>	<u>—</u>	<u>—</u>	<u>3,150,495</u>	<u>982,896</u>
Accrued liabilities:								
Interest	5,160,982	6,938,826	—	—	6,938,826	—	—	—
Pension	341,487	440,207	—	235,068	—	—	49,022	156,117
Sick leave benefits	630,593	797,594	—	762,185	—	—	—	35,409
	<u>6,133,062</u>	<u>8,176,627</u>	<u>—</u>	<u>997,253</u>	<u>6,938,826</u>	<u>—</u>	<u>49,022</u>	<u>191,526</u>
Deferred income on truck tickets	297,920	357,784	—	357,784	—	—	—	—
Reserve for replacements and painting	2,106,959	1,898,260	—	1,898,260	—	—	—	—
Funded debt (note 2):								
1969 First Series Revenue Bonds	140,000,000	140,000,000	50,992,612	—	—	12,300,500	76,706,888	—
1970 Series Revenue Bonds	—	70,000,000	—	—	—	5,292,924	64,707,076	—
	<u>140,000,000</u>	<u>210,000,000</u>	<u>50,992,612</u>	<u>—</u>	<u>—</u>	<u>17,593,424</u>	<u>141,413,964</u>	<u>—</u>
Fund equities	174,890,848	183,155,000	87,503,205	2,673,161	2,726,877	1,238,683	75,312,325	13,700,749
	<u>\$327,368,176</u>	<u>407,956,427</u>	<u>138,495,817</u>	<u>6,161,823</u>	<u>9,665,703</u>	<u>18,832,107</u>	<u>219,925,806</u>	<u>14,875,171</u>

See accompanying notes to financial statements.

Statement of Changes in Fund Equities

Year ended December 31, 1970

	Total	Capital Fund	Revenue Fund	Bond Service Fund	Bond Reserve Fund	Construction Fund	Construction Reserve Fund	General Fund
BALANCE AT BEGINNING OF YEAR	\$174,890,848	88,234,346	6,413,623	650,802	901,865	47,443,598	10,520,345	20,726,269
REVENUES AND EXPENSES:								
Operating revenues	28,427,302	—	24,232,754	—	—	—	—	4,194,548
Operating and general administrative expenses	(14,212,771)	(93,946)	(7,823,955)	—	—	(1,934,173)	—	(4,360,697)
Interest income	6,803,329	—	467,073	342,007	1,200,362	3,712,216	109,800	971,871
Interest on funded debt	(10,348,388)	—	—	(10,348,388)	—	—	—	—
Other income (deductions), net	(2,405,320)	(681,930)	—	—	—	19,092	—	(1,742,482)
	<u>8,264,152</u>	<u>(775,876)</u>	<u>16,875,872</u>	<u>(10,006,381)</u>	<u>1,200,362</u>	<u>1,797,135</u>	<u>109,800</u>	<u>(936,760)</u>
INTERFUND TRANSFERS:								
Bond service fund requirement	—	—	(12,082,456)	12,082,456	—	—	—	—
Funds in excess of bond reserve requirement	—	—	863,544	—	(863,544)	—	—	—
Excess funds free of lien or pledge	—	—	(9,397,422)	—	—	—	—	9,397,422
Proceeds of equipment sold	—	(230,000)	—	—	—	230,000	—	—
Proceeds of land sold	—	—	—	—	—	(13,635)	—	13,635
Completed capital additions	—	274,735	—	—	—	—	—	(274,735)
Contribution toward cost of construction of new facilities	—	—	—	—	—	20,387,037	—	(20,387,037)
Closing of construction reserve fund balance	—	—	—	—	—	5,468,190	(10,630,145)	5,161,955
BALANCE AT END OF YEAR	<u>\$183,155,000</u>	<u>87,503,205</u>	<u>2,673,161</u>	<u>2,726,877</u>	<u>1,238,683</u>	<u>75,312,325</u>	<u>—</u>	<u>13,700,749</u>

See accompanying notes to financial statements.

Notes to Financial Statements

December 31, 1970

(1) Accounting Principles

The accounts are maintained in accordance with generally accepted accounting principles and principles set forth hereunder, which are based on the provisions of the Bond Resolution and on the Authority's interpretation of the resolution.

a. Investment in facilities is stated at cost, which generally includes expenses in connection with the offering, selling and issuance of the bonds, and administrative and legal expenses during the construction period. Investment in facilities also includes cost of improvements, enlargements and betterments to the original facility.

b. Depreciation of facilities is not included as an operating expense or otherwise provided, except for the Southern New Jersey Rapid Transit System and the Chester-Bridgeport Ferry. The cost of maintenance, repairs and replacements deemed necessary to maintain bridge facilities in good operating condition is charged to operations.

c. Certain of the Authority's operations are carried out by subsidiary legal entities, the accounts of which are included herein.

(2) Funded Debt

a. On July 7, 1970, the Authority issued an additional series of bonds under the terms of the 1969 General Bond Resolution (Series 1970 Revenue Bonds) in the principal amount of \$70,000,000.

b. Bonds outstanding at December 31, 1970 are as follows:

Maturing date	Description	Principal amount
1969 First Series Revenue Bonds:		
January 15, 1975	4.90% Serial Bonds	\$ 1,000,000
January 15, 1976	5.00% Serial Bonds	2,125,000
January 15, 1977	5.10% Serial Bonds	1,500,000
January 15, 1978	5.15% Serial Bonds	2,050,000
January 15, 1979	5.20% Serial Bonds	2,900,000
January 15, 1980	5.25% Serial Bonds	3,575,000
January 15, 1981	5.30% Serial Bonds	4,200,000
January 15, 1982	5.35% Serial Bonds	4,825,000
January 15, 1983	5.35% Serial Bonds	5,350,000
January 15, 1984	5.40% Serial Bonds	5,975,000
January 15, 1985	5.40% Serial Bonds	6,500,000
January 15, 2009	5.625% Term Bonds	100,000,000
Total 1969 First Series Revenue Bonds		140,000,000
1970 Series Revenue Bonds—		
January 15, 2010	7.75% Series Revenue Bonds	70,000,000
Total bonds outstanding		<u>\$210,000,000</u>

Interest is payable semi-annually on January 15 and July 15 of each year. The bonds maturing on or after January 15, 1980 are redeemable on or after January 15, 1979 as a whole at any time or in part on any interest payment date in inverse order of maturity at 103% to and including January 14, 1982, at 102% to and including January 14, 1985, at 101% to and including January 14, 1988, at 100½% to and including January 14, 1991 and thereafter at 100% plus accrued interest in each case.

c. All revenues, cash and securities are pledged under the Bond Resolution except those of the General Fund.

d. The bond service fund requirement amounting to \$8,036,025 and the bond reserve requirement amounting to \$17,725,500 as of the period ended December 31, 1970 were met by the Authority.

(3) Chester-Bridgeport Ferry

The Chester-Bridgeport Ferry is operated by an independent company under an agreement dated May 1, 1966 with the Authority's subsidiary, Port Authority Ferry Corporation. Terms of the agreement require the Port Authority Ferry Corporation to reimburse the company for losses sustained in the operation of the ferry. The Authority, in turn, receives maximum annual reimbursements of \$75,000 from the Commonwealth of Pennsylvania and its subsidiary receives like reimbursement from the State of New Jersey. The operating loss of the ferry was \$416,213 for 1970, after depreciation of \$99,885 but before these reimbursements.

The Authority has covenanted to cease operations of the ferry when the Chester-Bridgeport bridge is constructed and opened to traffic; therefore, the remaining cost (\$455,563) of these facilities, exclusive of land in the amount of \$154,954, is being depreciated over the expected period until completion of the bridge.

(4) Commitments

As of December 31, 1970, the Authority had contractual commitments as follows:

	Revenue Fund	Construction Fund	General Fund	Total
Benjamin Franklin Bridge	\$ 44,394	190,438	70,773	305,605
Walt Whitman Bridge	108,143	—	—	108,143
Chester-Bridgeport Bridge	—	69,671,948	—	69,671,948
Philadelphia-Pennsauken Bridge	—	27,819,193	—	27,819,193
Southern New Jersey Rapid Transit System	—	2,005,662	23,569	2,029,231
Future extensions to Southern New Jersey Rapid Transit System	—	—	788,800	788,800
World trade development	—	—	73,214	73,214
	<u>\$152,537</u>	<u>99,687,241</u>	<u>956,356</u>	<u>100,796,134</u>

The Authority has also agreed to contribute \$3,000,000 to the State of New Jersey and \$3,375,000 to the Commonwealth of Pennsylvania for highway construction leading to certain of its facilities.

The current engineering estimate for the total cost of construction of the Chester-Bridgeport and Philadelphia-Pennsauken bridges aggregates approximately \$200,000,000 of which approximately \$63,000,000 has been incurred to date. A portion of the remaining cost will require additional future financing.

In addition, an original commitment of \$3,000,000 to the Authority by the New Jersey State Highway Department for elimination of grade crossings on the Southern New Jersey Rapid Transit System has a balance remaining of \$1,000,000 as of December 31, 1970.

Cash

SCHEDULE 1

December 31, 1970

REVENUE FUND:

Cash on hand	\$ 28,650	
The Bank of New Jersey—Camden, N.J.—Regular	3,170	
The Bank of New Jersey—Camden, N.J.—Payroll	1,000	
The First Pennsylvania Banking and Trust Company—Philadelphia, Pa.	9,967	
National Savings and Trust Company, Washington, D.C.	<u>2,000</u>	\$ 44,787

CONSTRUCTION FUND:

The First Pennsylvania Banking and Trust Company—Philadelphia, Pa.		2,367
--	--	-------

GENERAL FUND:

Cash on hand	2,030	
Cash change funds—for Southern New Jersey Rapid Transit System	57,000	
Bank de Bruxelles—Brussels, Belgium	8,063	
The Bank of New Jersey—Camden, N.J.—Regular	134,656	
The Bank of New Jersey—Camden, N.J.—Payroll	1,000	
The First National Bank of Chicago, Ill.	2,400	
The Fugui Bank, Limited—Tokyo, Japan	5,554	
Girard Trust Bank—London, United Kingdom	6,000	
The Hong Kong and Shanghai Banking Corporation—Hong Kong	5,000	
Manufacturers Hanover Trust Company—New York, N.Y.	2,700	
Pittsburgh National Bank—Pittsburgh, Pa.	2,400	
Provident National Bank—Philadelphia, Pa.	<u>2,600</u>	229,403
Total cash		<u>\$276,557</u>

Investments

SCHEDULE 2

December 31, 1970

	Par value	Amortized cost	Market value
REVENUE FUND:			
F.H.L.B. 8.20% Notes due 5/25/71	\$ 625,000	625,000	631,445
U. S. Treasury Discount Bills due 8/31/71	<u>5,580,000</u>	<u>5,344,331</u>	<u>5,397,325</u>
	<u>6,205,000</u>	<u>5,969,331</u>	<u>6,028,770</u>
BOND SERVICE FUND:			
U. S. Treasury Discount Bills due 1/14/71	950,000	948,006	948,338
F.N.M.A. Discount Notes due 1/14/71	6,540,000	6,522,634	6,528,555
F.N.M.A. Discount Notes due 7/14/71	<u>2,260,000</u>	<u>2,195,063</u>	<u>2,195,731</u>
	<u>9,750,000</u>	<u>9,665,703</u>	<u>9,672,624</u>
BOND RESERVE FUND:			
U. S. Treasury 6.50% Notes due 5/15/76	13,112,000	13,096,116	13,382,435
U. S. Treasury 8% Notes due 2/15/77	3,469,000	3,516,537	3,785,546
F.N.M.A. 6.375% Debentures due 6/10/77	<u>2,000,000</u>	<u>2,000,000</u>	<u>1,987,500</u>
	<u>18,581,000</u>	<u>18,612,653</u>	<u>19,155,481</u>
CONSTRUCTION FUND:			
U. S. Treasury Discount Bills due 1/21/71	4,495,000	4,480,886	4,483,201
F.I.C.B. 7.40% Debentures due 2/1/71	9,000,000	8,999,134	9,005,625
Export-Import—P.C.—5% due 2/20/71	10,230,000	10,229,994	10,217,212
U. S. Treasury Discount Bills due 3/18/71	5,400,000	5,330,122	5,343,405
F.H.L.B. 7.25% Notes due 4/26/71	10,000,000	9,991,309	10,050,000
F.H.L.B. 8.45% Notes due 6/25/71	10,000,000	10,046,874	10,137,500
U. S. Treasury Discount Bills due 6/30/71	580,000	560,812	565,857
F.I.C.B. 7.10% Debentures due 7/1/71	5,000,000	5,000,000	5,037,500
F.H.L.B. 7.50% Notes due 7/27/71	5,000,000	5,000,000	5,057,812
F.I.C.B. 6.80% Debentures due 8/2/71	5,100,000	5,141,137	5,136,656
F.N.M.A. Discount Notes due 8/17/71	985,000	951,478	952,105
U. S. Treasury Discount Bills due 8/31/71	120,000	116,088	116,072
F.N.M.A.—P.C.—5% due 1/19/72	5,235,000	5,237,870	5,156,475
F.N.M.A.—P.C.—5.50% due 6/29/72	<u>1,860,000</u>	<u>1,860,000</u>	<u>1,841,400</u>
	<u>73,005,000</u>	<u>72,945,704</u>	<u>73,100,820</u>

	Par value	Amortized cost	Market value
GENERAL FUND:			
Bank Certificates of Deposit 6% due 6/23/71 :			
Bank of Mid-Jersey—Bordentown, N.J.	\$ 100,000	100,000	100,000
The Bank of New Jersey—Camden, N.J.	100,000	100,000	100,000
Burlington County Trust Company—Moorestown, N.J.	100,000	100,000	100,000
Cape May County National Bank—Ocean City, N.J.	100,000	100,000	100,000
The Citizens Bank—Philadelphia, Pa.	316,667	316,667	316,667
Colonial National Bank—Haddonfield, N.J.	100,000	100,000	100,000
Continental Bank of New Jersey—Maple Shade, N.J.	100,000	100,000	100,000
Delaware Valley National Bank—Cherry Hill, N.J.	100,000	100,000	100,000
The Farmers and Merchants National Bank of Bridgeton, N.J.	100,000	100,000	100,000
Fidelity Bank and Trust Company of New Jersey—Pennsauken, N.J.	100,000	100,000	100,000
First National Bank and Trust Company of Beverly, N.J.	100,000	100,000	100,000
First National Bank of Moorestown, N.J.	100,000	100,000	100,000
First National Bank of South Jersey—Pleasantville, N.J.	100,000	100,000	100,000
The First National Bank of Stone Harbor, N.J.	100,000	100,000	100,000
The First Pennsylvania Banking and Trust Company—Philadelphia, Pa.	316,667	316,667	316,667
Frankford Trust Company—Philadelphia, Pa.	316,667	316,667	316,667
Lincoln National Bank—Philadelphia, Pa.	316,667	316,667	316,667
Mechanics National Bank of Burlington County—Burlington, N.J.	100,000	100,000	100,000
Neshaminy Valley Bank—Cornwell Heights, Pa.	316,667	316,667	316,667
The Penns Grove National Bank and Trust Company—Penns Grove, N.J.	100,000	100,000	100,000
Peoples Bank of South Jersey—Hurffville, N.J.	100,000	100,000	100,000
Peoples National Bank of New Jersey—Haddon Township, N.J.	100,000	100,000	100,000
Pioneers State Bank of Laurel Springs, N.J.	100,000	100,000	100,000
Provident National Bank—Philadelphia, Pa.	316,667	316,667	316,667
The Third National Bank and Trust Company of Camden, N.J.	100,000	100,000	100,000
U. S. Treasury Discount Bills due 1/21/71	130,000	129,659	129,659
U. S. Treasury Discount Bills due 8/31/71	835,000	807,755	807,664
F.N.M.A.—P.C.—5.50% due 6/29/72	6,170,000	6,170,000	6,108,300
U. S. Treasury 4% Bonds due 8/15/72	741,000	740,324	724,328
	<u>11,676,002</u>	<u>11,647,740</u>	<u>11,569,953</u>
Total investments	<u>\$119,217,002</u>	<u>118,841,131</u>	<u>119,527,648</u>

Southern New Jersey Rapid Transit System SCHEDULE 3

December 31, 1970

	Total commitment	Amount earned (and/or billed)	Amount paid or to be paid	Amount retained	Amount unearned (and/or not billed)
CONSTRUCTION :					
Completed contracts	\$27,376,056	27,376,056	27,376,056	—	—
Incompleted contracts	11,132,562	9,835,471	9,830,981	4,490	1,297,091
Total construction	<u>38,508,618</u>	<u>37,211,527</u>	<u>37,207,037</u>	<u>4,490</u>	<u>1,297,091</u>
EQUIPMENT :					
Completed contracts	19,360,756	19,360,756	19,360,756	—	—
Incompleted contracts	13,746,753	13,232,714	13,140,771 21,843(a)	70,100	514,039
Total equipment	<u>33,107,509</u>	<u>32,593,470</u>	<u>32,501,527</u> <u>21,843(a)</u>	<u>70,100</u>	<u>514,039</u>
ENGINEERING :					
Consulting, design and supervision	5,951,776	5,913,050	5,822,929	90,121	38,726
Test borings, soil exploration and other engineering	987,546	977,098	977,098	—	10,448
Field surveys	381,595	377,135	375,283	1,852	4,460
Total engineering	<u>7,320,917</u>	<u>7,267,283</u>	<u>7,175,310</u>	<u>91,973</u>	<u>53,634</u>
ADMINISTRATION AND FINANCIAL	2,482,134	2,446,759	2,443,028 3,731(b)	—	35,375
REAL ESTATE (LAND)	3,930,101	3,925,281	3,925,281	—	4,820
RIGHT-OF-WAY	6,168,780	6,168,780	6,168,780	—	—
PUBLIC UTILITY RELOCATION (CONTINGENT)	524,915	400,643	400,643	—	124,272
SURVEYS	463,276	463,276	463,276	—	—
	<u>92,506,250</u>	<u>90,477,019</u>	<u>90,310,456</u>	<u>166,563</u>	<u>2,029,231</u>
LESS AMOUNT PAID BY NEW JERSEY STATE HIGHWAY DEPARTMENT	<u>(2,000,000)</u>	<u>(2,000,000)</u>	<u>(2,000,000)</u>	<u>—</u>	<u>—</u>
	90,506,250	88,477,019	88,310,456	166,563	2,029,231
ORIGINAL BENJAMIN FRANKLIN BRIDGE LINE	<u>7,937,082</u>	<u>7,937,082</u>	<u>7,937,082</u>	<u>—</u>	<u>—</u>
	98,443,332	96,414,101	96,247,538	166,563	2,029,231
LESS ACCUMULATED DEPRECIATION	<u>(3,064,887)</u>	<u>(3,064,887)</u>	<u>(3,064,887)</u>	<u>—</u>	<u>—</u>
Total	<u><u>\$95,378,445</u></u>	<u><u>93,349,214</u></u>	<u><u>93,182,651</u></u>	<u><u>166,563</u></u>	<u><u>2,029,231</u></u>

(a) Included in accounts payable—other.

(b) \$3,543 included in accrued liabilities—pension and \$188 in accounts payable—other.

Southern New Jersey Rapid Transit System _____ SCHEDULE 3A

Incompleted Construction and Equipment Contracts

December 31, 1970

	Total commitment	Amount earned (and/or billed)	Amount paid	Amount retained	Amount unearned (and/or not billed)
CONSTRUCTION:					
No. 6 Poirier & McLane Corporation—Township of Haddon and Borough of Haddonfield, N.J.—Paving, grading, drainage, utilities, structures and track work	\$ 8,345,555	8,345,555	8,345,455	100	—
Less cash received from:					
New Jersey Bell Telephone Company	(18,130)	(18,130)	(18,130)	—	—
Borough of Haddonfield	(2,060)	(2,060)	(2,060)	—	—
New Jersey Water Company	(528)	(528)	(528)	—	—
Public Service Electric and Gas Company	(2,908)	(2,908)	(2,908)	—	—
	<u>8,321,929</u>	<u>8,321,929</u>	<u>8,321,829</u>	<u>100</u>	<u>—</u>
No. 14—A & B—Lindenwold Shop:					
A Emcee Construction Co., Inc.—General construction work	1,014,759	1,014,759	1,014,659	100	—
B Pilgrim Steel Co.—Structural steel and miscellaneous metal work	<u>293,277</u>	<u>293,277</u>	<u>293,177</u>	<u>100</u>	<u>—</u>
	<u>1,308,036</u>	<u>1,308,036</u>	<u>1,307,836</u>	<u>200</u>	<u>—</u>
No. 15—A Emcee Construction Co., Inc.—Parking lot additions at Ashland and Lindenwold stations and miscellaneous work	<u>166,800</u>	<u>166,800</u>	<u>166,700</u>	<u>100</u>	<u>—</u>
No. 26 Delta Line Construction Co.—Traffic signals at Berlin Road and Lindenwold Access Road in the Boroughs of Lindenwold and Stratford	15,771	7,680	6,912	768	8,091
Doyle & McDonnell Inc.—Landscape work for seven rapid transit stations	31,026	31,026	27,704	3,322	—
8th and Market Streets terminal reconstruction	750,000	—	—	—	750,000
Estimated costs due New Jersey State Highway Department	<u>539,000</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>539,000</u>
Total incompleted construction contracts	<u>\$11,132,562</u>	<u>9,835,471</u>	<u>9,830,981</u>	<u>4,490</u>	<u>1,297,091</u>
EQUIPMENT:					
No. 18 The Budd Company—Electric rapid transit cars	\$13,746,670	13,232,631	13,162,531	70,100	514,039
Less spare parts inventory transferred to subsidiary	<u>(75,674)</u>	<u>(75,674)</u>	<u>(75,674)</u>	<u>—</u>	<u>—</u>
	<u>13,670,996</u>	<u>13,156,957</u>	<u>13,086,857</u>	<u>70,100</u>	<u>514,039</u>
Miscellaneous equipment	<u>75,757</u>	<u>75,757</u>	<u>53,914</u> <u>21,843(a)</u>	<u>—</u>	<u>—</u>
Total incompleted equipment contracts	<u>\$13,746,753</u>	<u>13,232,714</u>	<u>13,140,771</u> <u>21,843(a)</u>	<u>70,100</u>	<u>514,039</u>

(a) \$21,843 is included in accounts payable—other.

Chester-Bridgeport Bridge

SCHEDULE 4

December 31, 1970

	Total commitment	Amount earned (and/or billed)	Amount paid or to be paid	Amount retained	Amount unearned (and/or not billed)
CONSTRUCTION :					
Completed contracts	\$ 506,125	506,125	506,125	—	—
Incompleted contracts	<u>83,881,272</u>	<u>16,789,701</u>	<u>15,690,125</u>	<u>1,099,576</u>	<u>67,091,571</u>
Total construction	<u>84,387,397</u>	<u>17,295,826</u>	<u>16,196,250</u>	<u>1,099,576</u>	<u>67,091,571</u>
ENGINEERING :					
Design and supervision of construction—5.5% of \$94,236,880 (estimated construction costs)	5,183,028	3,433,520	3,403,230	30,290	1,749,508
Test borings and other engineering	471,087	434,981	434,539	442	36,106
Traffic, toll and other studies	<u>217,144</u>	<u>217,144</u>	<u>217,144</u>	<u>—</u>	<u>—</u>
Total engineering	<u>5,871,259</u>	<u>4,085,645</u>	<u>4,054,913</u>	<u>30,732</u>	<u>1,785,614</u>
ADMINISTRATION AND FINANCIAL	4,388,223	3,663,811	3,649,195 14,616(a)	—	724,412
REAL ESTATE (LAND)	2,724,677	2,724,227	2,724,227	—	450
PUBLIC UTILITY RELOCATION	<u>75,000</u>	<u>5,099</u>	<u>5,099</u>	<u>—</u>	<u>69,901</u>
Total	<u>\$97,446,556</u>	<u>27,774,608</u>	<u>26,644,300</u>	<u>1,130,308</u>	<u>69,671,948</u>

(a) \$13,956 is included in accrued liabilities—pension and \$660 is included in accounts payable—other.

Chester-Bridgeport Bridge _____ SCHEDULE 4A

Incompleted Construction Contracts

December 31, 1970

		Total commitment	Amount earned (and/or billed)	Amount paid	Amount retained	Amount unearned (and/or not billed)
No. CBB-3	American Dredging Company— Bridgeport approach fill	\$ 949,131	803,811	756,354	47,457	145,320
No. CBB-4	Mayer Pollack Steel Corporation— Chester demolition	128,620	118,800	112,369	6,431	9,820
No. CBB-5	J. Rich Steers, Inc. and Peter Kiewit Sons, Company—Truss piers	19,142,231	14,981,319	14,024,208	957,111	4,160,912
No. CBB-6	Bethlehem Steel Corporation—Truss superstructure, cantilever truss superstructure, Chester and Bridgeport deck truss superstructures and deck truss superstructure	46,571,315	—	—	—	46,571,315
No. CBB-7-A	National Engineering and Contracting Company—Chester approach piers	3,475,774	789,241	710,317	78,924	2,686,533
No. CBB-7-B	Bristol Steel and Iron Works, Inc.— Chester approach superstructure	5,271,401	—	—	—	5,271,401
No. CBB-8	National Engineering and Contracting Company—Bridgeport approach, piers and Bridgeport approach superstructure	<u>8,342,800</u>	<u>96,530</u>	<u>86,877</u>	<u>9,653</u>	<u>8,246,270</u>
	Total incompleted construction contracts	<u><u>\$83,881,272</u></u>	<u><u>16,789,701</u></u>	<u><u>15,690,125</u></u>	<u><u>1,099,576</u></u>	<u><u>67,091,571</u></u>

Philadelphia-Pennsauken Bridge

SCHEDULE 5

December 31, 1970

	Total commitment	Amount earned (and/or billed)	Amount paid or to be paid	Amount retained	Amount unearned (and/or not billed)
CONSTRUCTION:					
Completed contracts	\$ 27,744	27,744	27,744	—	—
Incompleted contracts	<u>49,700,528</u>	<u>23,779,227</u>	<u>21,997,194</u>	<u>1,782,033</u>	<u>25,921,301</u>
Total construction	<u>49,728,272</u>	<u>23,806,971</u>	<u>22,024,938</u>	<u>1,782,033</u>	<u>25,921,301</u>
ENGINEERING:					
Design and supervision of construction—5.5% of \$65,143,572 (estimated construction costs)	3,582,896	2,575,389	2,527,053	48,336	1,007,507
Test borings and other engineering	531,862	485,787	485,344	443	46,075
Traffic, toll and other studies	284,382	284,382	284,382	—	—
Total engineering	<u>4,399,140</u>	<u>3,345,558</u>	<u>3,296,779</u>	<u>48,779</u>	<u>1,053,582</u>
ADMINISTRATION AND FINANCIAL	4,291,200	3,685,311	3,670,695	—	605,889
REAL ESTATE (LAND)	4,601,950	4,559,700	4,559,700	—	42,250
PUBLIC UTILITY RELOCATION (CONTINGENT)	338,673	142,502	142,502	—	196,171
Total	<u>\$63,359,235</u>	<u>35,540,042</u>	<u>33,709,230</u>	<u>1,830,812</u>	<u>27,819,193</u>

(a) \$13,956 is included in accrued liabilities—pension and \$660 is included in accounts payable—other.

Philadelphia-Pennsauken Bridge

Incompleted Construction Contracts

SCHEDULE 5A

December 31, 1970

		Total commitment	Amount earned (and/or billed)	Amount paid	Amount retained	Amount unearned (and/or not billed)
No. PPB-1	Dravo Corporation—River piers and pier protection dolphins and deck truss piers	\$11,562,452	10,641,012	10,062,890	578,122	921,440
No. PPB-2	Harris Structural Steel Company—Thru truss spans superstructure, deck truss spans superstructure, Pennsylvania and New Jersey approaches	18,570,939	3,046,679	2,742,011	304,668	15,524,260
No. PPB-3	Kaufman Construction Company, Inc.—New Jersey girder spans	8,588,237	4,818,800	4,389,471	429,329	3,769,437
No. PPB-5	Rockland Construction Company—Pennsylvania girder spans	6,079,942	3,268,310	2,964,313	303,997	2,811,632
No. PPB-6	J. E. Brenneman Company—Richmond Street overpass and Pennsylvania approach	2,117,662	268,515	241,663	26,852	1,849,147
No. PPB-7	Kaufman Construction Company, Inc.—Toll plaza embankment, roadway and access roads	2,781,296	1,735,911	1,596,846	139,065	1,045,385
	Total incompleted construction contracts	<u>\$49,700,528</u>	<u>23,779,227</u>	<u>21,997,194</u>	<u>1,782,033</u>	<u>25,921,301</u>

Toll Bridge Traffic and Operations SCHEDULE 6

Year ended December 31, 1970

	Toll	Total Traffic	Amount	Benjamin Franklin Bridge Traffic	Bridge Amount	Walt Whitman Bridge Traffic	Bridge Amount
BRIDGE TOLLS:							
Passenger automobiles and light trucks	\$.50	26,824,224	\$13,412,112	11,684,383	\$ 5,842,192	15,139,841	\$ 7,569,920
Commutation tickets	.25	22,304,672	5,576,168	9,328,092	2,332,023	12,976,580	3,244,145
Commutation tickets	.35	743,637	260,273	335,121	117,292	408,516	142,981
Buses	.75	788,926	591,695	724,924	543,693	64,002	48,002
Commercial trucks	1.00	1,322,456	1,322,456	646,673	646,673	675,783	675,783
Commercial trucks	1.50	211,949	317,923	64,562	96,843	147,387	221,080
Commercial trucks	2.00	501,385	1,002,770	160,886	321,772	340,499	680,998
Commercial trucks	2.50	711,883	1,779,708	139,393	348,483	572,490	1,431,225
Commercial trucks	3.00	1,079	3,237	158	474	921	2,763
Passenger automobiles and trailers	.75	68,380	51,285	16,623	12,467	51,757	38,818
Special permits	—	907	16,826	44	775	863	16,051
Motorcycles	<u>.25</u>	65,559	16,390	28,011	7,003	37,548	9,387
Discounts, refunds and other net deductions			(151,638)		(41,278)		(110,360)
Total traffic		<u>53,545,057</u>		<u>23,128,870</u>		<u>30,416,187</u>	
Total bridge tolls			<u>\$24,199,205</u>		<u>\$10,228,412</u>		<u>\$13,970,793</u>

BRIDGE OPERATING EXPENSES:

Salaries including employee benefits	\$ 4,998,653	\$ 2,411,151	\$ 2,587,502
Equipment and supplies	280,641	120,649	159,992
Repairs	546,596	270,224	276,372
Insurance	141,067	67,167	73,900
Other	254,490	116,364	138,126
Total bridge operating expenses	<u>\$ 6,221,447</u>	<u>\$ 2,985,555</u>	<u>\$ 3,235,892</u>

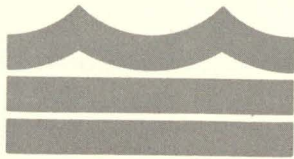
Transit System Passengers and Operations SCHEDULE 7

Year ended December 31, 1970

	Passengers	Total	Amount
OPERATING REVENUES:			
Passenger fares:			
Single trip tickets:			
\$.30	906,392		\$ 271,918
.40	1,475,006		590,002
.50	1,796,359		898,180
.60	1,241,342		744,805
Ten trip tickets:			
\$3.00	167,850		50,355
4.00	819,670		327,868
5.00	1,078,090		539,045
6.00	1,022,950		613,770
Unallocated ticket revenues			2,972
Total passenger fares			4,038,915
Less refunds			4,032
Net passenger fares			4,034,883
Other			159,665
Total operating revenues			<u><u>4,194,548</u></u>

OPERATING EXPENSES:			
Maintenance of way and power			\$ 635,723
Maintenance of equipment			760,770
Purchased power			519,289
Transportation			1,096,094
Superintendence and general office			896,017
General insurance			434,226
Rent of Philadelphia subway properties			1
			4,342,120
Depreciation of the transit facilities owned by the Authority			2,046,696
Total operating expenses			6,388,816
Transit system operating loss			<u><u>2,194,268</u></u>

INTEREST EXPENSE (Pro Forma Computation):			
On funded debt applicable to the transit system			3,879,400
Allocated to the transit system on advances from the Authority's General Fund			1,001,411
			<u><u>4,880,811</u></u>
Transit system loss after pro forma interest expense			<u><u>\$7,075,079</u></u>



**DELAWARE RIVER
PORT AUTHORITY**

of Pennsylvania
and New Jersey

STAFF

Thomas J. Auchter
Director, Division of Finance

Willard Cooper
Director, Regional Planning

Edward F. Cotter
*Director, Division
of Administrative Services*

Andrew G. Ferez Jr.
*Director, Division
of Bridges*

Martin E. Jenkins
Director, Personnel Relations

Robert B. Johnston
*Director, Construction
Division*

James R. Kelly
*Director, Division
of World Trade*

Fred F. Kravath
*Director, Engineering Planning
and Special Consultant*

John A. Malone
*Director, Division
of Public Relations*

John R. Woodruff
Chief Engineer

John E. Yeomans
Resident Attorney

**PORT AUTHORITY
TRANSIT CORP.**

Richard E. Pinkham
General Manager

WORLD TRADE DIVISION

HEADQUARTERS

Philadelphia
Public Ledger Building

REGIONAL OFFICES

New York
42 Broadway

Chicago
327 S. LaSalle Street

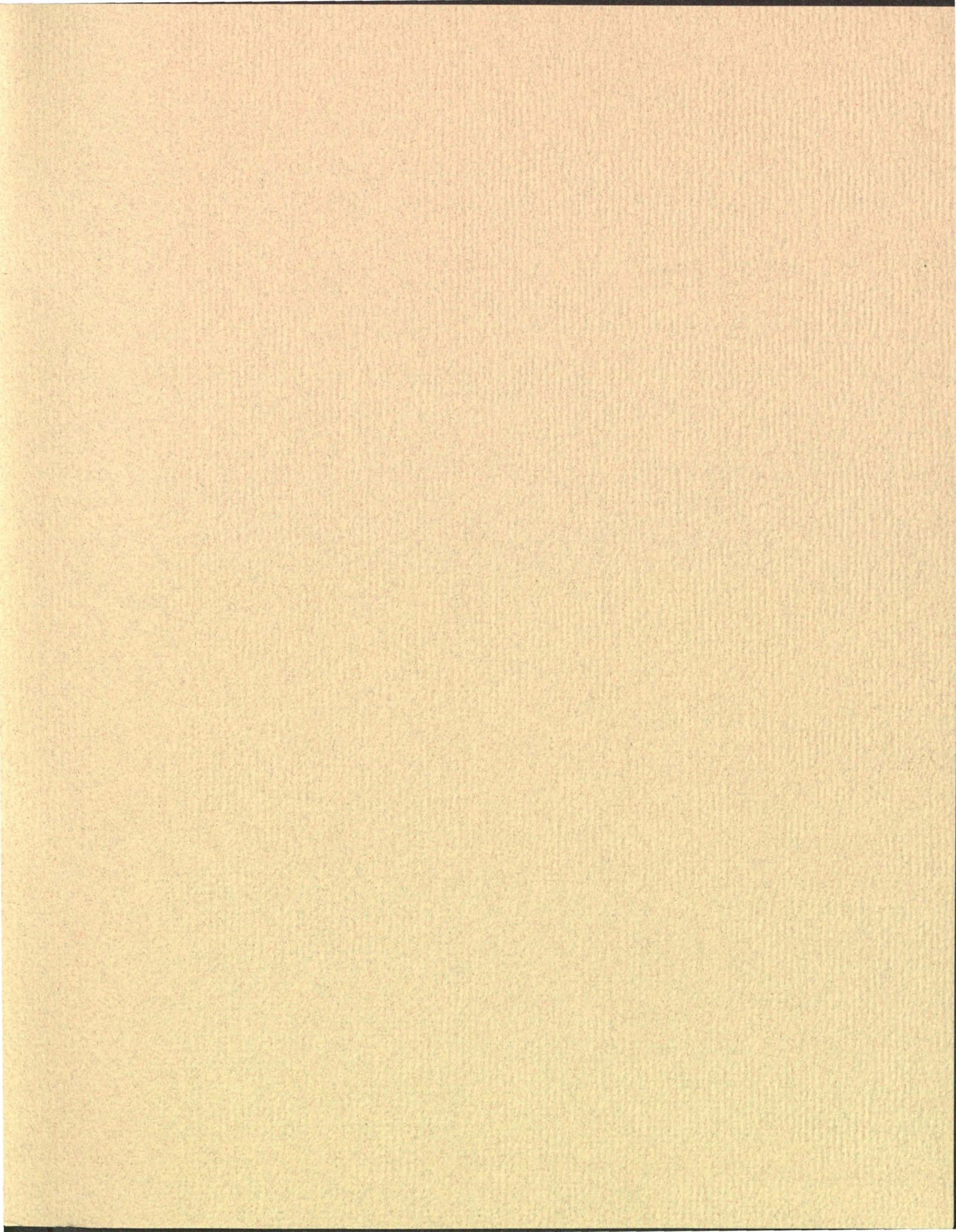
Washington, D.C.
1725 K Street, N.W.

Pittsburgh
Gulf Building

London
128 Mount Street

Brussels
Haagdoornlaan 30

Tokyo
World Trade Center Building





**DELAWARE RIVER
PORT AUTHORITY**

Benjamin Franklin Bridge Plaza ● Camden, New Jersey 08101