

## SUMMARY OF RESOLUTION

### Authorization to Enter into a Revolving Credit Facility with Huntington National Bank to Finance Working Capital Cash Flow Deficits

Port Authority of Allegheny County (Authority) receives annual operating grants from the Commonwealth of Pennsylvania (Commonwealth) and the County of Allegheny, Pennsylvania (County). The Authority anticipates that it will experience temporary working capital cash flow deficits as a result of the timing of receipt of the operating grants from Commonwealth and County.

Consistent with the Authority's Board-adopted Procurement Policy and Procedures for Competitive Negotiations for Professional and Technical Services, a request for proposal to fund the anticipated working cash flow deficits was duly advertised and submitted to interested local financial institutions, and thereafter, the Authority received three proposals. After evaluation of the proposals, the Authority determined that the proposal submitted by Huntington National Bank (HNB) was the highest rated proposal from a responsive proposer and is in the best financial interests of the Authority.

The Authority desires to enter into a revolving credit facility in an amount not to exceed \$25,000,000 with HNB, which would be secured by and would be payable from certain operating grant funds received from Commonwealth. The term of the financing would begin on or about September 1, 2011 and end by no later than June 30, 2012, with an option to extend the revolving credit facility by two additional fiscal years upon mutual agreement of the parties. The revolving credit facility would only be used as and when working capital deficits occur.

## RESOLUTION

**WHEREAS**, Port Authority of Allegheny County (Authority) receives annual operating grants from the Commonwealth of Pennsylvania (Commonwealth) and the County of Allegheny, Pennsylvania (County); and

**WHEREAS**, the timing of the receipt of such grants are not expected to match the operating expenditures which the Authority is required to make. As such, the Authority requires a revolving credit facility (Working Capital Credit Facility) to fund working cash flow deficits; and

**WHEREAS**, in order to obtain a qualified firm to provide Working Capital Credit Facility, a request for proposal detailing the required scope of services was prepared, duly advertised and submitted to interested local financial institutions; and

**WHEREAS**, three proposals were received by the advertised date and have been evaluated by the Authority; and

**WHEREAS**, the proposal submitted by Huntington National Bank (HNB) has been determined to be the highest rated proposal from a responsive proposer for providing Working Capital Credit Facility; and

**WHEREAS**, the Authority desires to enter into Working Capital Credit Facility with HNB, in an amount not to exceed \$25,000,000 and with a term to begin on or about September 1, 2011 and end by no later than June 30, 2012, with an option to extend Working Capital Credit Facility up to two additional fiscal years by agreement of the parties, in order to finance any working capital cash flow deficits resulting from the timing of the receipt of the grants from Commonwealth and County; and

**WHEREAS**, Working Capital Credit Facility will be secured by a pledge of certain operating grant funds to be received from Commonwealth.

**NOW, THEREFORE, BE IT RESOLVED**, that the chief executive officer and/or chief financial officer be, and hereby are, authorized to negotiate the terms of Working Capital Credit Facility with HNB, in a form approved by counsel, and thereafter, the chief executive officer and/or chief financial officer are hereby authorized to execute such documents and instruments, and to take such other actions, as may be necessary and proper to complete Working Capital Credit Facility and effectuate the intent of this resolution.