SUMMARY OF RESOLUTION

Authorization to Engage Underwriters and Trustee for 2011 Bond Issuance

By resolution dated November 24, 2010, the Board of Port Authority of Allegheny County (Authority) authorized the issuance by the Authority of certain bonds, in one or more series, in an aggregate principal amount not-to-exceed $325,000,000 to be designated as Port Authority of Allegheny County Special Revenue Transportation Bonds, Refunding Series of 2011 (2011 Bond Issuance), or such other designation as the Authority deems appropriate.

Section 2 of the November 24, 2010 Board resolution authorized certain Authority personnel, with the assistance of its financial advisors, Public Financial Management, Inc. and G-Entry Principle, P.C., to issue requests for proposals for Underwriters and a Trustee with respect to 2011 Bond Issuance. This resolution further provided that final selection of the Underwriters and Trustees would be subject to final review and approval of the Board by subsequent resolution.

On November 29, 2010, the Authority publicly advertised and issued requests for proposals (RFP) for both Underwriters and for a Trustee in accordance with the applicable provisions of the Second Class County Port Authority Act, as amended, and consistent with the Authority's procedures and policies.

In response to RFP for Underwriters, the Authority received 19 timely and responsive proposals by the stated submission deadline of 4:00 p.m. on December 17, 2010. One proposal, submitted by Wells Fargo Securities, had to be rejected as it was not submitted until after the stated deadline. Two other entities, M&T Securities and Fidelity Capital Markets, submitted expressions of interest in serving as co-managing underwriters but neither entity submitted a responsive proposal. In response to RFP for a Trustee, the Authority received four timely and responsive proposals by the stated submission deadline of 4:00 p.m. on December 17, 2010.

An Evaluation Committee (Committee) was convened to evaluate the Underwriter proposals based upon three broad factors in the following order of priority: (1) Underwriter Financial Condition, (2) Underwriter Experience and Approach to Execute the Financing and (3) Underwriter Fees.

Based upon its review and evaluation, Committee determined that the highest rated Underwriter proposal was submitted by RBC Capital Markets and that RBC Capital Markets should act as Senior Manager for 2011 Bond Issuance. Committee next evaluated the remaining proposals for purposes of identifying an appropriate pool of Co-Managers and determined that the proposals submitted by Bank of America Merrill Lynch, PNC Capital Markets, LLC, Loop Capital Markets LLC (a certified Disadvantaged Business Enterprise) and Janney, Montgomery Scott, LLC, were the highest rated proposals for purposes of acting as Co-Managers relative to 2011 Bond Issuance.

Committee also evaluated the four proposals submitted in response to RFP for a Trustee. Committee considered several factors in rating these proposals, including proposed fees, relevant experience and current trust assets under management. Based upon its review and evaluation, Committee determined that US Bank submitted the highest rated proposal to act as Trustee for 2011 Bond Issuance.

This resolution would authorize the Authority to engage the above-referenced firms as Underwriters and as Trustee relative to 2011 Bond Issuance. This resolution would further authorize the Authority to form a Pricing Advisory Group and utilize a supplemental or new trust indenture to carry out 2011 Bond Issuance.

1/12/11
J. Letwin

RESOLUTION

WHEREAS, by resolution dated November 24, 2010, the Board of Port Authority of Allegheny County (Authority) authorized the issuance by the Authority of certain bonds, in one or more series, in an aggregate principal amount not to exceed $325,000,000 to be designated as Port Authority of Allegheny County Special Revenue Transportation Bonds, Refunding Series of 2011 (2011 Bond Issuance), or such other designation as the Authority deems appropriate; and

WHEREAS, Section 2 of the November 24, 2010 Board resolution authorized certain Authority personnel, with the assistance of its financial advisors, Public Financial Management, Inc. and G-Entry Principle, P.C., to issue requests for proposals for Underwriters and a Trustee with respect to 2011 Bond Issuance; and

WHEREAS, in order to obtain qualified firms to act as Underwriters and Trustee for 2011 Bond Issuance, requests for proposals detailing the required scope of services were prepared and publicly advertised; and

WHEREAS, 19 responsive and timely proposals for Underwriters and four timely and responsive proposals for a Trustee were received by the publicly advertised and stated submission deadline for proposals on December 17, 2010; and

WHEREAS, an Evaluation Committee (Committee) was convened and determined that RBC Capital Markets submitted the highest rated proposal for acting as the Underwriter and should be selected as Senior Manager for 2011 Bond Issuance; and

WHEREAS, Committee further determined that the proposals submitted by Bank of America Merrill Lynch, PNC Capital Markets, LLC, Loop Capital Markets LLC and Janney Montgomery Scott, LLC, were the highest rated proposals for purposes of acting as Co-Managers relative to 2011 Bond Issuance; and

WHEREAS, Committee also determined that US Bank submitted the highest rated proposal for acting as the Trustee and should be selected as the Trustee for 2011 Bond Issuance; and

WHEREAS, the engagement of the above-referenced entities to act as the Senior Manager, Co-Managers and Trustee, respectively, for 2011 Bond Issuance is recommended for approval.

NOW, THEREFORE, BE IT RESOLVED, that the chief executive officer and/or chief financial officer be, and they hereby are, authorized to engage the above-referenced entities as Senior Manager, Co-Managers and Trustee, respectively, for purposes of 2011 Bond Issuance, in a form approved by counsel.

BE IT FURTHER RESOLVED that there is hereby created a Pricing Advisory Group of the Authority, which shall consist of three persons: the Chairman of the Board of the Authority, the Chairman of the Performance Oversight Committee of the Board of the Authority, and the chief executive officer of the Authority. The Pricing Advisory Group is hereby authorized to approve, on behalf of the Authority, the final terms and provisions of 2011 Bond Issuance, in a form approved by counsel.

BE IT FURTHER RESOLVED that 2011 Bond Issuance may be accomplished through the use of a supplement indenture to the original trust indenture or a new trust indenture, as determined to be most appropriate by the chief financial officer of the Authority, and that relevant Authority staff is also authorized to take all such other actions necessary and proper to carry out the purpose and intent of this resolution and to otherwise complete 2011 Bond Issuance.