12611. RESOLUTION 26-29 – AUTHORIZES AN AGREEMENT WITH M&T BANK FOR A LETTER OF CREDIT AND PLEDGE OF COLLATERAL

WHEREAS, The Delaware River and Bay Authority (the "Authority") is a bi-state Authority of the State of Delaware and the State of New Jersey, created by compact, that operates and maintains the Delaware Memorial Bridge, the Cape-May Lewes Ferry, Forts Ferry operation and five regional airports; and

WHEREAS, the Authority is required to maintain Workers' Compensation Insurance for the benefit of its employees; and

WHEREAS, the Authority has acquired such coverage and agreed to pay premiums and reimburse insurer for all losses and all paid Allocated Loss Adjustment Expenses in accordance with the terns of said policies; and

WHEREAS, the Authority is required to provide the insurer with collateral in the form of a clean, unconditional, irrevocable Letter of Credit which automatically renews each year until the Authority has fully satisfied all of its' obligations to the insurer; and

WHEREAS, M&T Bank has agreed to provide the Authority with required Letter of Credit; and

WHEREAS, in exchange for said Letter of Credit, the Authority has granted M&T Bank with a security interest in, a lien on and a pledge and assignment of a securities account at Wilmington Trust limited to the amount of collateral required by the Letter of Credit; and

WHEREAS, the current amount of pledged collateral is $1,050.000.00; and

WHEREAS, the collateral amount adjusts each year to reflect 100% of the Ultimate Loss Amount minus amounts for which insurer has been previously reimbursed; and

WHEREAS, M&T bank requires a board resolution authorizing the pledge of collateral outlined in the Pledge Agreement.

NOW, THEREFORE, BE IT RESOLVED, that the Authority be, and on behalf of the Authority, the Executive Director, Chairperson and Vice-Chairperson acting together and with the advice and consent of counsel, are authorized and empowered:

> To mortgage, pledge, hypothecate, sell, assign and transfer to Bank and to grant to Bank security interests in, as security for money borrowed and for all other obligations of the Authority to M&T Bank, all property of the Authority, whether real, personal, or of whatever kind or nature and wherever situated, and whether now owned or hereafter acquired or arising;
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> To make, execute, seal, acknowledge and deliver, in the name of the Authority, promissory notes, loan agreements, credit agreements, construction loan agreements, financing agreements, security agreements, mortgages, deeds of trust,

deeds to secure debt, guaranties, and all other instruments, documents and agreements required by Bank (collectively, the "Loan Documents") in connection with, or to give effect to, the foregoing resolutions or any of the powers and authority therein granted and to continue extend, modify or amend the same from time to time, all such Loan Documents to be in such form and on such terms and conditions as all of the said officer(s) shall, by his, her or their execution and delivery thereof, deem satisfactory; hereby ratifying, approving and confirming ail that all of the said officer(s) has done or may do respecting any of the foregoing; and that the Board of Commissioners may, from time to time, delegate the authority hereinbefore granted to such additional officer(s) or agents of the Authority as the Board of Commissioners may determine; and

That all resolutions relative to the authority of any officer, commissioner or other agent to act on behalf of the Authority in any dealing or transaction with the Bank shall remain in full force and effect until written notice of modification thereof shall be received by Bank and that the Bank may conclusively rely on the signatures of the officers, commissioners or agents designated in such resolutions until notified in writing by the Secretary of the Authority of any change in such officers or agents and thereafter the Bank may conclusively rely on the signatures of the successors in office."

Resolution 26-29 was moved by Commissioner Houghton, seconded by Commissioner Ratchford, and was approved by a roll call vote of 9-0.

RESOLUTION 26-29 – AUTHORIZES AN AGREEMENT WITH M&T BANK FOR A LETTER OF CREDIT AND PLEDGE OF COLLATERAL

Executive Summary

Resolution: Authorizes an Agreement with M&T Bank for a Letter of Credit and Pledge of Collateral

Committee: Budget & Finance

Committee Date: June 16, 2026

Board Date: June 16, 2026

Purpose of Resolution:

To permit the Chair, Vice-Chair and Executive Director to execute the agreement to authorize pledge of collateral needed to back an irrevocable letter of credit related to DRBA's workers' compensation insurance.

Background for Resolution:

The Delaware River and Bay Authority has a Letter of Credit backing our insurance obligations for workers' compensation insurance. M&T Bank has agreed to provide the Letter of Credit and desires a security interest in the collateral DRBA has pledged for same. The current value of the Letter of Credit is $1,050,000 and will automatically adjust each year based on claims obligations. M&T Bank requires a Board Resolution to accompany the agreement authorizing a security interest in the collateral.