

MINUTES OF MEETING
THE DELAWARE RIVER AND BAY AUTHORITY
Tuesday, November 17, 2015
James Julian Boardroom
Delaware Memorial Bridge Plaza
New Castle, Delaware 19720

The meeting convened at 12:00 p.m. with Chairperson Lowe presiding.

The opening prayer was given by Rev. Dorn, followed by the Pledge of Allegiance led by the Executive Director.

Chairperson Lowe called on the Authority Assistant Secretary to read the meeting notice and take roll.

The Assistant Secretary announced that a notice of the meeting had been distributed to the offices of the Governor of New Jersey and the Governor of Delaware, to appropriate staff members and consultants, to the press in both States and to any other individuals who had indicated an interest in receiving a copy of the meeting notice.

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Commissioners from Delaware

Commissioners from New Jersey

PRESENT

William E. Lowe, Chairperson
Crystal L. Carey
Richard W. Downes
James L. Ford, III
Samuel E. Lathem
Terry C. Murphy

James N. Hogan, Vice-Chairperson
Edward W. Dorn
Ceil Smith
Douglas Van Sant
Shirley R. Wilson
(Vacant)

ABSENT

None

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Chairperson Lowe called for the acceptance of the Agenda and noted that Commissioner Murphy was under a time constraint so all action items would be handled first.

Commissioner Dorn motioned to accept the Agenda, seconded by Commissioner Smith, and the motion carried by a voice vote of 11-0.

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11026. APPROVAL OF THE OCTOBER 20, 2015 & NOVEMBER 5, 2015 MINUTES

Commissioner Wilson motioned to approve the October 20th and November 5, 2015 meeting minutes, seconded by Commissioner Dorn, and unanimously approved by a voice vote of 11-0.

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11027. DELAWARE RIVER AND BAY AUTHORITY – TRAFFIC AND REVENUE SUMMARY.

The Chief Financial Officer (CFO) presented charts showing Actual versus Projected Revenues for the Delaware Memorial Bridge, the Cape May-Lewes Ferry, Airports, Delaware City-Salem Ferry Crossing, and Food Services for the month of October.

Without objection, the charts were ordered filed with the permanent records of the Authority.

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11028. DELAWARE RIVER AND BAY AUTHORITY – STATEMENT OF INCOME AND EXPENSE.

The CFO presented charts showing statements of income and expenses for the month of October with comparisons to the same period last year.

Without objection, the charts were ordered filed with the permanent records of the Authority.

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11029. DELAWARE RIVER AND BAY AUTHORITY – OPERATING EXPENSE BY DIVISION.

The CFO presented a chart for October showing expenses by division for the quarter to date vs. the projected quarter and for year to date vs. total budget.

Without objection, the charts were ordered filed with the permanent records of the Authority.

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11030. DELAWARE RIVER AND BAY AUTHORITY – CAPITAL IMPROVEMENT PROGRAM.

The CFO presented a chart for the month of October showing the capital budget for crossing and economic development projects and dollars committed to date for the projects. The chart also included cash expenditures spent to date for the committed projects.

Without objection, the charts were ordered filed with the permanent records of the Authority.

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11031. DELAWARE RIVER AND BAY AUTHORITY – CASH POSITION (MARKET VALUE) AS OF OCTOBER, 2015.

The CFO presented charts indicating the cash fund balances for the entire Authority.

Without objection, the charts were ordered filed with the permanent records of the Authority.

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11032. AUTHORITY CUSTOMER TRENDS (ACT) REPORT

The Authority Customer Trends (ACT) Report included in the financials allows management to view on a month-to-date basis trends in areas such as traffic, customer service, aircraft landings, and workplace incidents. Copies are distributed daily to employees via email and posted on bulletin boards for those without computers.

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11033. PUBLIC COMMENT ON ACTION ITEMS

Chairperson Lowe noted that there are three (3) Resolutions and one (1) contract award to be considered today. All action items have been reviewed and recommended for consideration during today’s Committee meetings. He then called for public comments.

Chairperson Lowe noted that Resolution 15-45 was tabled during the Budget and Finance Committee Meeting.

There were no public comments.

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11034. DELAWARE MEMORIAL BRIDGE CABLE PRESERVATION – FIRST & SECOND STRUCTURES DEHUMIDIFICATION OF MAIN CABLES AND ANCHORAGES – CONTRACT # DMB-15-02-RFP

The COO noted that a public bid opening was held on September 25, 2015 in which two (2) bids were received. The COO and the Projects Committee recommended awarding the contract to the lowest responsive bidder American Bridge of Pennsylvania in the amount of \$33,590,000.00.

A motion to award Contract #DMB-15-02-RFP to the aforementioned firm in the amount of \$33,590,000.00 was made by Commissioner Downes, seconded by Commissioner Murphy, and approved by a voice vote of 11-0.

11035. CHAIRPERSON’S CALL FOR RESOLUTIONS BEFORE THE BOARD

RESOLUTION 15-43 - AUTHORIZING AUTHORITY EXPENDITURES PURSUANT TO RESOLUTION 01-84 FOR THE PERIOD, JANUARY 1, 2015 THROUGH DECEMBER 31, 2015

WHEREAS, The Delaware River and Bay Authority (the “Authority”) adopted Resolution 01-84 requiring Commissioner review and approval of all Authority expenditures in excess of \$25,000; and

WHEREAS, the Authority anticipates expenditures at or over the \$25,000 amount to the following vendors:

**DELAWARE RIVER & BAY AUTHORITY
PROJECTED VENDORS TO BE PAID OVER \$25,000
OPERATION EXPENDITURES
FOR THE PERIOD 1/1/15 THROUGH 12/31/15**

VENDOR	PURCHASE DESCRIPTION	CLASSIFICATION	ESTIMATED \$
Bayshore Ford Trucks Sales	Heavy Duty Truck Parts	State Contract	\$ 26,000
Blueglobes, LLC	Airfield Lighting at ILG and MIV	Proprietary	\$ 61,000
Collin’s Business Systems, Inc.	Voice Recording and Quality Evaluation System for the CMLF Reservation System	State Contract	\$ 27,000
Garden State Highway Products	Various Highway Repair and Traffic Safety Products	<i>See background</i>	\$ 38,000
Singer Equipment Company, Inc.	Convection and Microwave Ovens for CMLF Vessels	State Contract	\$ 31,000

NOW, THEREFORE, BE IT RESOLVED, that the Authority authorizes expenditures to the above-listed vendors for the described purposes and authorizes payment.

A motion to approve Resolution 15-43 was made by Commissioner Lathem, seconded by Commissioner Smith, and approved by a roll call vote of 11-0.

Resolution 15-43 Executive Summary Sheet

Resolution: Authorizing Authority Expenditures Pursuant to Resolution 01-84 for the period January 1, 2015 through December 31, 2015.

Committee: Budget & Finance

Committee and Board Date: November 17, 2015

Purpose of Resolution:

Authorizes the expenditures of \$25,000 or greater with the identified vendor(s) for the calendar year.

Background for Resolution:

The proposed Resolution meets the requirements of Resolution 01-84, whereby the Authority shall not enter into any contract committing the Authority to spend or make any other expenditures relating to services, material and supplies in the amount of \$25,000 or more unless it has first been approved by a vote of Commissioners.

Background for the specific purchases:

Heavy Duty Truck Parts

The Authority requires the purchase of various parts from Bayshore Ford Trucks Sales and does so at prices pursuant to the firm's state contract to provide Heavy Duty Vehicle Parts and Accessories.

Airfield Lighting at ILG and MIV

The Authority made several emergency purchases for electrical repairs and to replace runway lights damaged by severe weather (lightning) or snow plow in 2015. This year, ILG lost lighting at two runways for a period of time and MIV suffered damage to Taxiways A, C, G, & J. There are three airfield lighting manufacturers in the United States: ADB, Crouse Hinds, and Honeywell. 90% of the total lighting replaced at each airport was ADB Brand. The Authority must buy ADB products through their licensed distributor, Blueglobes, LLC.

Voice Recording and Quality Evaluation System for the CMLF Reservation System

The Cape May-Lewes Ferry Reservation system relies on a voice recording system installed in 2013 by Collins Business Systems, Inc. for standardized quality evaluation, historical and offline analysis of customer service interactions, and improved customer service agent training using actual call center interactions. Costs associated with this system in 2015 included: annual support contract, recording and channel licenses, installation and configuration for the Cape May Terminal Call center expansion project, which the Authority purchase from Collins Business Systems at prices pursuant to the firm's state contract to provide Telecommunications Systems & Services.

Various Highway Repair and Traffic Safety Products

Various items were purchased from Garden State Highway Products in 2015. Of the ten (10) individual purchases made with the vendor, none individually exceeded the reporting threshold. However, collectively, this mixture of capital

and operating fund purchases exceeded the annual threshold amount with the vendor. Items purchased included: cold patch for asphalt repair at ILG and DMB, a breakaway sign post assembly for the DMB Sign Shop, a full-size message board with trailer for DMB, a radar speed trailer for DMB and several hundred traffic cones.

Convection and Microwave Ovens for CMLF Vessels

The Authority purchased from Singer Equipment Company, Inc. at prices pursuant to the firm's state contract to provide Commercial Food Service Equipment

Classification Definitions:

Proprietary. A purchase necessary to support or maintain existing Authority equipment for which a vendor has the right to prohibit an equivalent product from being supplied. Similar products or services may be available, however the Authority must purchase from the original equipment manufacturer or service provider to uphold a contract, warranty, etc. A proprietary specification restricts the acceptable product or service to one manufacturer or vendor; however the product or service may be available from more than one distributor.

State Contract. A purchase which, under normal circumstances, would require competitive bidding, however the vendor has agreed to provide the goods or services to the Authority at fees less than or equal to that vendor's respective contract as awarded by the State of Delaware or New Jersey. *"Any contract for the purchase of materiel and supplies and non-professional services...which contract individually exceeds \$50,000, or in the combination with other contracts, exceeds \$50,000 in any one calendar year shall be pursuant to a contract entered into by the Authority after competitive bidding. This provision shall not apply to purchases by the Authority from suppliers in cases where the Authority is purchasing at prices pursuant to contracts awarded by the States of Delaware or New Jersey for state agencies."* (DRBA Resolution 11-36 Part 2.a.).

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RESOLUTION 15-44 – ADOPTION OF THE DELAWARE RIVER AND BAY AUTHORITY'S 2016 OPERATING BUDGET

WHEREAS, Section 505 of the Trust Agreement, dated October 1, 1993, requires that The Delaware River and Bay Authority (the "Authority") adopt a budget for each fiscal year; and

WHEREAS, the proposed operating expenses for FY2016, excluding the Airports division and Economic Development Facilities are \$74,319,635.00 and

WHEREAS, the budget includes funds for salaries and wages of Authority personnel, and materials and services for Authority activities; and

WHEREAS, for FY2016, principal and interest on outstanding bonds are projected at approximately \$25,345,531.00 in aggregate debt service; and

WHEREAS, the amount to be deposited to the credit of the Reserve Maintenance Fund with respect to Crossing Facilities shall be \$175,000.00 per month or \$2,100,000.00 for FY2016; and

WHEREAS, the projected revenue of the Authority for FY2016, excluding the Airports division and Economic Development facilities, is approximately \$121,944,784.00 resulting in a debt service coverage of 1.88x; and

WHEREAS, the proposed operating budget for the Airports division is \$7,388,837.00; and

WHEREAS, the proposed operating budget for the Economic Development facilities are \$793,897.00; and

WHEREAS, the proposed operating budget for FY2016 has incorporated principles of activity-based budgeting, which allocate certain costs to individual divisions rather than a central administrative budget: and

WHEREAS, the Budget and Finance Committee has developed, reviewed, and approved the proposed 2016 Operating Budget and recommends its adoption to the Board of Commissioners.

NOW, THEREFORE, BE IT RESOLVED, that the Commission hereby adopts an operating budget (see Exhibit A attached hereto and incorporated by reference) of \$74,319,635.00 for the Bridge, Ferry, Food Services, Delaware City-Salem Ferry, Police, and Administration Divisions, and a budget of \$7,388,837.00 for the Airports division, a budget of \$793,897.00 for Economic Development facilities for a total of \$82,502,369.00 for FY2016, and authorizes the Executive Director to exercise the approved management discretion and spend within the approved FY2016 budget.

BE IT FURTHER RESOLVED that the Executive Director is authorized to exercise management discretion to transfer funds within a division, as well as, between divisions for such identified costs associated with ITS, HR, Finance, Engineering, Education, Communications and Infrastructure Preservation expenses as long as such transfer does not exceed the total expenditures of the Authority. (See Exhibit B attached hereto and incorporated by reference).

**DELAWARE RIVER & BAY AUTHORITY
EXPENDITURE ANALYSIS
BY DIVISION
FOR THE PERIOD 2012-2016**

EXHIBIT A

	2012 Actual	%	2013 Adopted	%	2014 Adopted	%	2015 Adopted	%	2016 Proposed	%
		+,(-)		+,(-)		+,(-)		+,(-)		+,(-)
1 Administration	17,069,264	7.16	12,363,930	(27.57)	12,864,949	4.05	12,973,260	0.84	13,362,171	3.00
2 Bridge	18,904,543	(2.64)	20,863,038	10.36	20,451,898	(1.97)	20,898,358	2.18	20,045,303	(4.08)
3 Ferry	23,556,498	(1.83)	27,102,516	15.05	26,354,893	(2.76)	25,841,802	(1.95)	25,975,302	0.52
4 Authority Police	<u>8,239,560</u>	2.49	<u>8,420,144</u>	2.19	<u>8,790,718</u>	4.40	<u>8,775,353</u>	(0.17)	<u>9,561,822</u>	8.96
5 Sub-Total	67,769,865	0.58	68,749,628	1.45	68,462,458	(0.42)	68,488,773	0.04	68,944,598	0.67
6 Food Services	4,212,129	2.27	4,729,511	12.28	4,355,966	(7.90)	4,334,665	(0.49)	5,248,477	21.08
7 Forts Ferry Crossing	<u>112,319</u>	24.82	<u>145,509</u>	29.55	<u>135,863</u>	(6.63)	<u>140,362</u>	3.31	<u>126,562</u>	(9.83)
8 Sub-Total	72,094,312	0.71	73,624,648	2.12	72,954,287	(0.91)	72,963,800	0.01	74,319,637	1.86
9 Airports Division	6,244,251	5.37	7,385,288	18.27	7,149,303	(3.20)	7,265,646	1.63	7,388,835	1.70
10 Economic Development	1,060,178	(4.58)	1,131,013	6.68	1,130,942	(0.01)	787,929	(30.33)	793,897	0.76
11 Total DRBA Budget	<u>79,398,741</u>	0.98	<u>82,140,949</u>	3.45	<u>81,234,532</u>	(1.10)	<u>81,017,375</u>	(0.27)	<u>82,502,370</u>	1.83

DELAWARE RIVER & BAY AUTHORITY
 ALLOCATED EXPENDITURES
 FY 2016 PROPOSED
 EXHIBIT B

Department	Admin.	DMB	CMLF	Police	Food & Retail	Forts Ferry	Airport	Total
Executive Director	1,883,485	191,332	250,916	129,706	25,073	2,500	84,169	2,567,181
Human Resources	1,388,209	-	115,278	13,750	-	-	-	1,517,237
Education & Dev.	245,600	143,000	171,400	119,000	23,600	-	58,700	761,300
IT	1,868,262	219,800	675,264	226,350	79,500	-	29,400	3,098,576
Office Services	-	5,500	12,000	14,000	2,500	-	7,500	41,500
Safety	-	-	-	-	-	-	-	-
Finance	1,958,494	2,070,050	1,607,499	220,849	93,996	17,520	531,567	6,499,975
Engineering	567,331	558,297	157,305	-	-	9,900	77,096	1,369,929
Electronics	753,715	193,850	184,436	41,500	7,000	-	27,500	1,208,001
Total Administration:	8,665,096	3,381,829	3,174,098	765,155	231,669	29,920	815,932	17,063,699
Infrastructure Preservation:	-	400,000	300,000	-	-	-	100,000	800,000
Grand Total:	8,665,096	3,781,829	3,474,098	765,155	231,669	29,920	915,932	17,863,699

A motion to approve Resolution 15-44 was made by Commissioner Wilson and seconded by Commissioner Dorn. Resolution 15-44 was approved by a roll call vote of 11-0.

Resolution 15-44 Executive Summary Sheet

Resolution: Resolution 15-44 – Adoption of the Delaware River and Bay Authority’s 2016 Operating Budget

Committee: Budget & Finance

Committee Date: November 17, 2015

Board Date: November 17, 2015

Purpose of Resolution:

Resolution 15-44 formally authorizes funds for the fiscal year’s current operating expenses.

Background for Resolution:

The Authority has issued outstanding debt under a Trust Agreement dated October 1, 1993. Section 505 of the Agreement stipulates that the Authority covenants to adopt a final budget for each ensuing fiscal year. The budget is to address Current Expenses, Amounts Deposited into the Reserve Maintenance Fund, Revenue Projections and Compliance with the Covenant as to tolls, in Section 501 (a)(i).

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RESOLUTION 15-46 – CHANGES THE DATE OF THE JANUARY AND FEBRUARY 2016 BOARD OF COMMISSIONERS MEETINGS

WHEREAS, pursuant to Section 5.1 of the Bylaws adopted by the Delaware River and Bay Authority (the “Authority”), the regular monthly meeting of the Commissioners shall be held on the third Tuesday of each month; and

WHEREAS, the January 2016 Board meeting is currently scheduled for Tuesday, January 19, 2016; and

WHEREAS, due to scheduling conflicts with Martin Luther King Day, the Commissioners desire to reschedule the meeting to the third Wednesday of January, January 20, 2016.

WHEREAS, the February 2016 Board meeting is currently scheduled for Tuesday, February 16, 2016; and

WHEREAS, due to the scheduling conflicts with Presidents' Day, the Commissioners desire to reschedule the meeting to the third Wednesday of February, February 17, 2016.

NOW, THEREFORE, BE IT RESOLVED, that the January monthly meeting of the Board of Commissioners of the DRBA shall be moved from January 19, 2016 to January 20, 2016.

NOW, THEREFORE, BE IT FURTHER RESOLVED, that the February monthly meeting of the Board of Commissioners of the DRBA shall be moved from February 16, 2016 to February 17, 2016.

A motion to approve Resolution 15-46 was made by Commissioner Dorn, seconded by Commissioner Smith, and approved by a roll call vote of 11-0.

Resolution 15-46 Executive Summary Sheet

Resolution: Changes the date of the January 2016 and February 2016 Board of Commissioners' Meetings

Committee: N/A

Committee Date: N/A

Board Date: November 17, 2016

Purpose of Resolution:

To change the date of the January and February regular monthly meetings of the Board of Commissioners from January 19, 2016 to January 20, 2016 and from February 16, 2016 to February 17, 2016.

Background for Resolution:

Due to the Martin Luther King Holiday day, there are scheduling conflicts with the regularly scheduled January meeting.

Due to the Presidents' Day Holiday, there are scheduling conflicts with the regularly scheduled February meeting.

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11036. EXECUTIVE DIRECTOR'S COMMENTS

Executive Director Green informed the board that Danielle Blount, had been appointed as a Family Court judge and was being replaced by Scott Perkins from the DE AG's office starting next month; The Army Corps of Engineers has approved the dock expansion for Lewes terminal; Congressman LoBiondo and General Gibson of the FAA, were the keynote speakers at the UAS symposium held at the NASW museum on October 29th and 30th.

M/V Delaware is at Caddell Shipyard for the repowering program. Veterans Day celebration took place on November 11th. He thanked the team that made this possible. He also mentioned that the virtual memorial was available at the website. He announced that next year's event will be live streamed.

Dassault Falcon will be holding a General Aviation Jobs day on November 20th event however, it is closed to the public but commissioners were invited to attend; and finally the Holiday lunch for employees will be held right after the December 15th board meeting.

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11037. COMMISSIONERS PUBLIC FORUM

Chairperson Lowe called for comments from the public and the Commissioners. Frank Bankard of 542 spoke and said that he had not received all the information he asked for regarding printed agendas for board meetings, collective bargain agreements and health care cost for his union members and he was still waiting. He asked for dates to meet with management.

Dennis Flynn of MEBA also spoke about the planned layoffs for the members of his team. He asked the board to reconsider it.

There were no comments by commissioners.

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There being no further business, a motion to adjourn was made by Commissioner Downes, seconded by Commissioner Carey, and unanimously carried by a voice vote of 11-0.

The meeting was adjourned at 12:30 p.m.

Respectfully submitted,

THE DELAWARE RIVER AND BAY AUTHORITY

Frank W. Minor
Assistant Secretary