

DELAWARE RIVER AND BAY AUTHORITY

ECONOMIC DEVELOPMENT COMMITTEE MEETING

Tuesday, October 15, 2019

Delaware Memorial Bridge Complex
New Castle, Delaware

A public meeting of The Delaware River and Bay Authority's Economic Development Committee Meeting was held on Tuesday, October 15, 2019 at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners of New Jersey

Committee Chair Ransome
Commissioner Bennett, Comm. Member
Commissioner Wilson, Comm. Member
Commissioner McCann
Commissioner Smith

Vice-Chairperson Hogan

Legal Counsel

Phillip Norcross

Governors' Representatives

Craig Ambrose - NJ Representative

Staff

Tom Cook
Steve Williams
Victor Ferzetti
Vince Meconi
Gerry Owens
Michelle Hammel – via: telephone
Jim Salmon
TJ Murray
Tara Donofrio
Lindsay Premo
Michele Pyle

Commissioners of Delaware

Committee Vice-Chair Ford
Commissioner Ratchford, Comm. Member
Commissioner Carey, Comm. Member
Commissioner Decker - absent
Commissioner Faust- absent

Chairperson Lathem

Michael Houghton

Guests

Heath Gehrke
Ed Ramsey

1. Chair Ransome opened the Economic Development Committee meeting at approximately 9:05 a.m. The Deputy Executive Director (DED) reported that the public meeting of the Economic Development Committee had been duly noticed in accordance with the Authority's Freedom of Information Regulations, read the Statement of Notice, and called the roll.

2. Chair Ransome called for a motion to accept the Economic Development Committee Minutes from September 17, 2019. Commissioner Bennett made a motion, Commissioner Ratchford seconded, and the Committee Minutes were accepted.

3. Resolutions:

- **RESOLUTION 19-41 - LEASE AMENDMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND DASSAULT FALCON JET – WILMINGTON CORP.**

After discussion, Commissioner Bennett made a motion, Commissioner Ratchford, seconded, and the Economic Development Committee recommended forwarding Resolution 19-41 to the full Board for approval. The Resolution will be presented to the full Board for consideration at the October meeting later today.

With no further business to discuss, Committee Chair Ransome adjourned the Economic Development Committee at 9:08 a.m.

DELAWARE RIVER AND BAY AUTHORITY
BUDGET & FINANCE COMMITTEE MEETING
Tuesday, October 15, 2019
Delaware Memorial Bridge Complex
New Castle, Delaware

A public meeting of The Delaware River and Bay Authority's Budget & Finance Committee Meeting was held on Tuesday, October 15, 2019 at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Delaware Commissioners

Committee Chair Decker, Absent
Commissioner Ratchford, Committee Member
Commissioner Ford, Committee Member
Commissioner Faust
Commissioner Carey

Chairperson Lathem

Mike Houghton – DE

Governors' Representatives

Craig Ambrose – NJ

Staff

Tom Cook
Steve Williams
Victor Ferzetti
Vince Meconi
Charlotte Crowell
Gerry Owens
Jim Salmon
TJ Murray
Michelle Hammel
Tara Donofrio
Michele Pyle
Lindsay Premo
Joe Larotonda
Heath Gehrke

New Jersey Commissioners

Committee Vice-Chair Bennett
Commissioner Smith, Committee Member
Commissioner Ransome
Commissioner McCann
Commissioner Wilson, Committee Member

Vice-Chairperson Hogan

Phil Norcross – NJ

Guests

1. Committee Vice-Chair Bennett opened the Budget & Finance Committee meeting at approximately 9:28 a.m. The Deputy Executive Director (DED) reported that the public meeting of the Budget & Finance Committee had been duly noticed in accordance with the

Authority's Freedom of Information Regulations, read the Statement of Notice, and called the roll.

2. Committee Vice-Chair Bennett called for a motion to accept the Budget & Finance Committee Minutes from September 17, 2019. Commissioner Smith made a motion, Commissioner Ford seconded, and the Committee Minutes were accepted.
3. Discussion Items:

) Third Quarter Traffic and Revenue Review

The Chief Financial Officer (CFO) introduced Jim Danna, the Authority's Controller. Mr. Danna presented the Third Quarter data. According to Mr. Danna, bridge traffic increased by 2.6%, including an increase in commercial vehicles. Ferry traffic also increased by 3.44%, which was notable due to the 6% decrease in crossings.

Committee member Ratchford asked what drives the changes in traffic overall. The CFO explained that the near perfect weather experienced during the summer played the biggest part. The CFO also commended the Director of Ferry Operations Heath Gehrke for his team's focus on underdeveloped areas to persuade more people to utilize the ferry. The CFO speculated that had the MV Delaware been fully operational, the numbers would be even better. Mr. Ratchford asked if there was an increase in fare, and if so, what the optimal interval of increase was. The CFO explained that a modest increase was implemented, and that if modest increases were implemented no longer than two years apart, customers seem to not be turned off by the adjustment.

Mr. Danna went on to discuss that revenue for the bridge, the ferry, and the food and retail divisions had all increased, except for the Forts Ferry, which was modestly lower due to staffing problems that have been resolved. Revenue from a Police K-9 program, investments, and from airports went up, noting that airports was significantly higher than projected due to Citibank remaining a tenant.

Mr. Danna then explained expenditures by division, which were in general decreased by \$1.6 million, with large decreases in Benefits, operating expenses, and legal fees.

In summary, Mr. Danna explained that traffic has increased overall, revenue is up, and expenses are down.

) Preliminary 2020 Operating Budget

The CFO presented the preliminary operating budget to the Board. He explained that wages would be increasing by 1.8% reflecting the 1% + \$1,000 methodology, and that overtime wages would also be affected. He pointed out that wages for temporary workers was reduced due to the cancellation of the Winter Fest this year. Chairperson Lathem asked where most overtime hours are earned. The CFO explained that OT hours are generally earned in the Police department, at the Ferry for the summer peak season and special events and at the DMB during the winter season.

The CFO explained that the group medical budget was increased about \$450,000, partially due to a Resolution being voted on at today's meeting. He pointed out that EZpass budget was increasing due to utilization increase and the toll revenue increase. He explained that the insurance is an estimate currently, and that the Authority will be working on getting a solid number soon. Infrastructure preservation budget increased due to higher needs for evaluation and assessments of current infrastructure. He outlined \$150,000 for updating the current Authority Website. Committee member Ratchford asked if the website's security was under any sort of threat. The Chief Information Officer (CIO) explained that while security has been overall fine, it is something that the Authority takes very seriously and that it is safer to take preventative measures, especially when the website runs on old technology. Mr. Ratchford asked how many attempted hacks have taken place over the lifespan of the websites. The CIO explained that other than one issue through a vendor in Food and Retail, none of the Authority's websites have been breached. The Executive Director commended the CIO on her team's current work on the security of the websites.

The CFO also explained that budget for cloud based services/software would be increasing, and that while it would be more costly in the short-term, that long term it would save money. The CFO also pointed out that the new deal with Grain would change the budget for Food and Retail, and therefore it was not currently included in the budget until the impact was calculated.

) Millville Airport Declaration of Surplus Property

The CFO presented a Wind Tee that is obsolete at the Millville Airport that the Authority planned to dispose of. He explained that the Museum in Millville had expressed interest in the item, and suggested that the item be declared surplus and be donated. Committee member Ratchford asked if the Authority would be paying for the removal. The CFO explained that the item had already been removed, just not disposed of. The committee agreed to declare the property surplus.

) Lewes Surplus Property

The CFO asked the Chief Operations Officer (COO) to briefly discuss future surplus property in Lewes. The COO explained that a small tractor valued at approximately \$13,000 was no longer in use, and that Del Tech expressed interest in it. In exchange, they offered training credits for approximately 80-100 sessions of training that could be used by Authority Employees. The COO explained that a resolution would be created and brought in front of the Board next month, but wanted to alert the Board ahead of time of this potential agreement.

4. Committee Vice-Chair Bennett requested an Executive Session closed to the public to discuss matters of a confidential nature. A motion was made by Commissioner Ford, seconded by Commissioner Ratchford, and the Session was closed.

The following matters of a confidential nature were discussed:

- Lease Negotiations

5. With no further business to discuss in Executive Session, a motion to open the meeting to the public was made by Commissioner Smith, seconded by Commissioner Ford, and the Session was opened to the public.

6. Action Items:

) RESOLUTION 19-39 – Authorizing Authority Expenditures Pursuant to Resolution 01-84 for the period January 1, 2019 through December 31, 2019

The CFO presented and reported on the Over \$25,000 list. Staff recommended for consideration. Commissioner Smith made a motion, Commissioner Ford seconded, and the Budget & Finance Committee recommended forwarding the Resolution to the full Board for approval. The Resolution will be presented to the full Board for consideration at the meeting later today.

) RESOLUTION 19-40 – Lease Agreement Between The Delaware River And Bay Authority And Omg On The Rocks Dining, LLC T/A Grain Craft Bar + Kitchen On The Rocks, A Wholly Owned Subsidiary Of OMG Dining LLC

The CFO turned to the COO to present and report on the prospective lease agreement between the Authority and Grain Craft Bar and Kitchen. The COO explained that the lease is for a ten year period with an option of two additional five year periods that would be mutually agreed upon by both parties. The COO also pointed out the base rent, as well as the terms explaining an increase in rent payments based on income. The COO recommended approval of the resolution.

Phil Norcross, the legal representative from New Jersey, asked if the percent rent was on top of the base rent. The COO affirmed this. Mr. Norcross then asked about a provision in the resolution that stated that the board would not need to approve any extension and expressed concerns with that language. After a brief discussion between the COO, the CFO, Mr. Norcross, Delaware representative Michael Houghton, and in-house counsel and Chief Ethics Officer Michelle Hammel, it was agreed that language could be removed to imply by omission that board approval would be necessary for an extension to be granted.

Staff recommended for consideration with revision. Commissioner Ford made a motion, Commissioner Smith seconded, and the Budget & Finance Committee recommended forwarding the Resolution as revised to the full Board for approval. The Resolution will be presented to the full Board for consideration at the meeting later today.

7. With no further business to discuss, Committee Chair Decker made a motion to adjourn and the Budget & Finance Committee adjourned at 10:56 a.m.

DELAWARE RIVER AND BAY AUTHORITY

PERSONNEL COMMITTEE MEETING

Tuesday, October 15, 2019

Delaware Memorial Bridge Complex
New Castle, Delaware

A public meeting of The Delaware River and Bay Authority's Personnel Committee Meeting was held on Tuesday, October 15, 2019 at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Delaware Commissioners

Committee Chair Carey
Commissioner Decker Committee Member-
Absent
Commissioner Faust, Committee Member
Commissioner Ratchford
Commissioner Ford

Chairman Lathem

Legal Counsel

Mike Houghton – DE

Governors' Representatives

Craig Ambrose – NJ

Staff

Tom Cook
Steve Williams
Victor Ferzetti
Vince Meconi
Charlotte Crowell
Gerry Owens
Michelle Hammel –via teleconference
Jim Salmon
TJ Murray
Michele Pyle
Tara Donofrio
Lindsay Premo
John Sarro
Chris Field

New Jersey Commissioners

Committee Vice-Chair Smith
Commissioner Ransome, Committee Member

Commissioner McCann, Committee Member
Commissioner Wilson
Commissioner Bennett

Vice Chairman Hogan

Phil Norcross– NJ

Guests

William Cook, Esq., Brown & Connery, LLC
Ed Ramsey

1. Committee Chair Carey opened the Personnel Committee meeting at approximately 10:56 a.m. The Deputy Executive Director (DED) reported that the public meeting of the Personnel Committee had been duly noticed in accordance with the Authority's Freedom of Information Regulations, read the Statement of Notice, and called the roll.
2. Committee Chair Carey called for a motion to accept the Personnel Committee Minutes from September 17, 2019. Committee Vice-Chair Smith made a motion, Commissioner Ransome seconded, and the Committee Minutes were accepted.
3. Committee Chair Carey requested an Executive Session, closed to the public, to discuss matters of a confidential nature. A motion was made by Committee Vice-Chair Smith, seconded by Commissioner McCann, and the Session was closed.

The following matters of a confidential nature were discussed:

-) LITIGATION UPDATE
-) LABOR UPDATE
-) PERSONNEL MATTERS

With no further business to discuss in Executive Session, a motion to open the meeting to the public was made by Commissioner Ransome, seconded by Commissioner McCann and the Session was opened to the public

4. Action Items:

- **RESOLUTION 19-42 – Authorizing the approval of a Memorandum of Agreement modifying the collective bargaining agreement between the Delaware River and Bay Authority and International Union of Operating Engineers, Local 542, for Police Dispatchers**
- The purpose of this memorandum of agreement is to include the Police Dispatchers in the current Collective Bargaining Agreement, retroactive to January 1, 2019 to expire December 31, 2022.

After discussion, Commissioner McCann made a motion, Commissioner Ransome seconded, and the Personnel Committee recommended forwarding the Resolution to the full Board for approval. The Resolution will be presented to the full Board for consideration at the October meeting later today.

- **RESOLUTION 19-43 – Authorizing Amendments to the Authority's Full-Time Employees' Health Care Cost Sharing**
The purpose of this resolution is to make changes to the health care contributions by all permanent full-time employees and continue biennial review of the health care costs and benefits for Authority employees. This resolution will continue with the current two health plan options, the PPO and EPO, and will add a third option, the High Deductible Health Plan (HDHP) with Health Savings Account (HSA).

After discussion, Commissioner Ransome made a motion, Committee Vice-Chair Smith seconded, and the Personnel Committee recommended forwarding the Resolution to the full Board for approval. The Resolution will be presented to the full Board for consideration at the October meeting later today.

5. With no further business to discuss, Committee Chair Carey called for a motion to adjourn; Commissioner Ransome made a motion, Committee Co-Chair Smith seconded and the Personnel Committee adjourned at 11:29 a.m.

DELAWARE RIVER AND BAY AUTHORITY

PROJECTS COMMITTEE MEETING

Tuesday, October 15, 2019

Delaware Memorial Bridge Complex
New Castle, Delaware

A public meeting of The Delaware River and Bay Authority's Projects Committee Meeting was held on Tuesday, October 15, 2019 at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioner of Delaware

Committee Chair Ratchford
Commissioner Ford, Committee Member
Commissioner Faust, Committee Member
Commissioner Decker - absent
Commissioner Carey
Chairman Lathem

Commissioners of New Jersey

Committee Vice-Chair Ransome
Commissioner Bennett, Committee Member
Commissioner McCann, Committee Member
Commissioner Wilson
Commissioner Smith
Vice Chairman Hogan

Legal Counsel

Mike Houghton – DE

Phil Norcross – NJ

Governors' Representatives

Craig Ambrose – NJ

Staff

Tom Cook
Steve Williams
Victor Ferzetti
Vince Meconi
Gerry Owens
Charlotte Crowell
Jim Salmon
TJ Murray
Michelle Hammel via teleconference
Michele Pyle
Tara Donofrio
Lindsey Premo
John Sarro
Dave Hoppenjans
Heath Gehrke
Silvana Dominioni
Chris Fields

Guests

Ed Ramsey

1. Committee Chair Ratchford opened the Projects Committee meeting at 11:30 a.m.
2. Committee Chair Ratchford called for a motion to accept the Projects Committee Minutes from September 17, 2019. Committee Vice-Chair Ransome made a motion, Commissioner McCann seconded, and the Committee Minutes were accepted.
3. Bid Opening:

) **CMLF – 19-03: Maintenance Dredging – Cape May Terminal**

A public bid was held on October 1, 2019, in which (3) bids were submitted. The project involves the annual maintenance dredging at the Cape May Terminal early 2020.

The COO recommended awarding the contract to the lowest bidder, in the amount of \$393,800 to Barnegat Bay Dredging Company, Inc. of Harvey Cedars, NJ.

Committee Chair Ratchford called for a motion, Commissioner McCann made a motion, seconded by Committee Vice-Chair Ransome. The Projects Committee authorized the action to be presented to the full Board at the October meeting later today.

4. Contractor Payment Review:

The COO reviewed for the Committee the monthly construction contractor payments to be made for the work completed through September, 2019. In September, the DRBA had (9) payments totaling about \$2 million for projects at the bridge, ferry and four airports.

5. Discussion Items:

) **Croda Update by DRBA's COO**

The COO introduced Environmental, Health & Safety (EHS) Director Silvana Dominioni. For the benefit of our newest commissioner, Croda is the chemical plant located right next door to the bridge that manufactures ethylene oxide, a toxic & explosive chemical. The Sunday after Thanksgiving last year, the plant sprang a leak, & as a precaution, we shut down the bridge for 6 hours on what was literally the single busiest traffic day of the year. Fortunately, no one was hurt as a result of the release. Eventually, Croda reimbursed us for our lost revenue & our expenses that day.

The COO gave an update on what has transpired the past year. He noted Croda has increased their staffing of emergency/safety personnel so there is now an appropriately trained individual at the plant 24/7. Croda is working to prevent future

communications breakdown like that which occurred during the event last November. The COO once again commended DRBA staff who were onsite during the event.

Croda has not yet received approval from Delaware's environmental regulators to resume manufacture of ethylene oxide, although that approval is expected within the next 30 days. Ethylene oxide has been stored at the Croda plant since the 1940s, even before the bridge was built. It was only last year that they started manufacturing it on site.

For the DRBA, EHS staff held another table top exercise with Croda. In addition, Croda was at the DRBA recently to hold (2) town hall meetings for our employees, to answer our employees' questions; both went well.

October 10th, DRBA's EHS held the 1st of 2 drills for all employees at the Delaware Memorial Bridge. In that drill, all employees at the bridge sheltered in place, either in the Julia Building basement or the Maintenance Building basement. The HVAC was also shut down, as done during the actual event last year. This drill also went well.

The second drill, will be conducted on November 1st, evacuating the entire site. Except for the police & toll collectors, all staff will be dismissed, including the contractors working on the bridge. Employees will not clock out. The EHS safety team will remain as they patrol the area in hazmat suits.

Finally, the DRBA will upgrading the EHS equipment, buying new monitors and a hazmat vehicle. It will be ordered as soon as the veto period expires, expecting to have it in place by the end of the year.

Commissioner Wilson asked for additional details about the hazmat vehicle. The EHS director explained it will be equipped with spill response equipment, respirators, fire extinguishers, safety suits, lighting, and an office. Being mobile, it can be utilized at any DRBA site.

Committee Chair Ratchford noted the staff should be commended for being not only being trained, prior to this Croda incident, but also for responding as quickly and efficiently as they did.

) I-295 Reconstruction Project Substantial Completion

The COO reported that the project has reach substantial completion. There are a few punch list items to complete, mostly not visible to the traveling public, hopefully done by the end of next month.

6. Committee Chair Ratchford requested an Executive Session, closed to the public, to discuss matters of a confidential nature. A motion was made by Committee Vice-Chair Ransome, seconded by Commissioner McCann, and the Session was closed. Due to the nature of the subject matter, the Executive Director excused himself from the Executive Session.

The following matters of a confidential nature were discussed:

) Litigation

With no further business to discuss in Executive Session, a motion to open the meeting to the public was made by Commissioner McCann, seconded by Commissioner Faust and the Session was opened to the public.

7. With no further business to discuss, Committee Chair Ratchford called for a motion to adjourn; Commissioner McMann made a motion and Committee Vice-Chair Ransome seconded, and the Projects Committee adjourned at 11:45a.m.