

MINUTES OF MEETING
THE DELAWARE RIVER AND BAY AUTHORITY
Tuesday, September 16, 2008
Gallery of the Cape May Ferry Terminal
Sandman Boulevard and Lincoln Drive
North Cape May, New Jersey 08204

The meeting convened at 11:05 a.m. with Chairperson Parkowski presiding.

The opening prayer was given by Reverend Dorn, followed by the Pledge of Allegiance led by Colonel McCarnan.

Chairperson Parkowski noted the presence of Delaware's new Deputy Legal Counsel, Rebecca Byrd, then called on the Secretary to read the meeting notice and take roll.

The 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.

* * * * *

Commissioners from Delaware

Commissioners from New Jersey

PRESENT

F. Michael Parkowski, Chairperson
Thomas J. Cooper
Verna W. Hensley (via phone)
Samuel E. Lathem
William Lowe
Gary B. Patterson

James N. Hogan, Vice-Chairperson

Rev. Edward W. Dorn
Niels S. Favre
Gary F. Simmerman
Ceil Smith

ABSENT

Susan A. DeLanzo

9836. APPROVAL OF THE JULY 15, 2008 MINUTES

Commissioner Lathem motioned for approval of the July 15, 2008 minutes, seconded by Commissioner Favre, and approved by a voice vote of 11-0.

* * * * *

9837. EXECUTIVE DIRECTOR'S REPORT

The Executive Director filed the following report for the months of July and August, 2008.

Delaware Memorial Bridge

Total traffic during the month of July decreased 7.9% compared to the same period in 2007. Non-commercial traffic decreased 7.1% and commercial traffic decreased 6.2%. When compared to the 3-year average, total traffic for July decreased 7.6%. Total traffic year-to-date decreased 3.2% compared to 2007. When compared to the 3-year average, total traffic year-to-date decreased 4.1%.

Total traffic during the month of August decreased 4.3% compared to the same period in 2007. Non-commercial traffic decreased 3.1% and commercial traffic decreased 12.6%. When compared to the 3-year average, total traffic for August decreased 2.7%. Total

traffic year-to-date decreased 4.0% compared to 2007. When compared to the 3-year average, total traffic year-to-date decreased 3.9 %.

E-ZPass traffic for July represented 57.1% of the total overall traffic as compared to 54.1% for the previous year. E-ZPass traffic for August represented 57.7% of the total overall traffic as compared to 55.9% for the previous year. Total electronic traffic for 2008 represented 59.0%, an increase of 2.5% from 2007.

Cape May Lewes Ferry

In July, vehicle and passenger traffic decreased 6.4% and 5.2%, respectively, when compared to July 2007. When compared to the average of the last three years, year-to-date vehicle traffic and passenger traffic decreased 7.9% and 6.3%, respectively. In July, fare revenues increased 1.8%, when compared to July 2007. Year-to-date fare revenues increased 1.8% compared to 2007.

In August, vehicle and passenger traffic increased 0.9% and 3.5% respectively when compared to August 2007. Year-to-date vehicle and passenger traffic have decreased 4.0% and 2.1% respectively compared to 2007. When compared to the average of the last three years, year-to-date vehicle traffic and passenger traffic decreased 4.4% and 1.4%, respectively. In August, fare revenues increased 11.4% when compared to August 2007. Year-to-date fare revenues increased 4.4% compared to 2007.

In July, CMLF food sales and retail sales decreased 11.5% and 15.9% respectively, as compared to July 2007. In August, CMLF food and retail sales decreased 0.7% and 5.7% respectively, as compared to August 2007. Year-to-date food and retail sales decreased 7.2% and 10% respectively when compared to 2007.

In June, I informed you of the emergency condition that resulted from the damage to pilings at the berthing area for our vessels in Cape May. Staff indicated that an emergency condition existed by reason of extraordinary conditions or contingencies that could not reasonably be foreseen and guarded against. Over the past 45 - 60 days, staff along with the Authority's engineering consultant has analyzed the failure, evaluated alternative replacement options and recommended a replacement solution. Pursuant to Resolution 98-31 (as amended by Resolution 01-84), Section 6, all provisions of this Resolution were waived to meet the critical needs of the Authority as required by this emergency. We provided an update of this emergency repair in the Projects Committee this month.

Special thanks to Captain George Nason, his crew and our Police for their efforts on August 31st assisting a vessel that was in distress. Captain Nason reported that a vessel was taking on water and we responded to the scene and assisted until the Coast Guard arrived. Our Marine unit continued to assist with the Coast Guard until the disabled vessel was in Roosevelt Inlet in Lewes.

Airports

The yearly emergency response tabletop exercise was conducted at New Castle Airport. This emergency exercise was held to meet the requirements of FAA FAR Part 139. Twenty-one responders from local jurisdictions including the Delaware Emergency Management Agency participated.

The Collings Foundation's Wings of Freedom tour visited New Castle Airport over a 3-day period in August. The event which was covered by the media consisted of WWII vintage aircraft displays and rides. The NASW Aviation Museum at Cape May Airport conducted its annual AirFest. The event was well attended and also included the Collings Foundation aircraft.

Thanks to Don Rainear and his staff for preparing a well attended ribbon cutting ceremony and open house for the new aviation hanger complex and restaurant facility at Cape May Airport. Commissioner Favre spoke on the role of the Authority in the hanger complex which was funded through local private investment.

Finance

Because of the market disruptions related in part to the downgrade of Ambac Assurance Corporation, the institution which issued the Municipal bond insurance on the 2000B bonds (variable rate), the debt service costs have been substantially increased. Therefore, after much consultation and review of market conditions, it was determined to refund the 2000B bonds. Victor Ferzetti and his staff have been working with our financial team on the \$30 million issue of the series 2008 bonds. The proceeds from these bonds will be used to redeem the Series 2000B bonds.

Police

The CALEA Accreditation on-site assessment was completed last month. Congratulations to all of our officers and administrative staff for their involvement and preparation for this on-site assessment. Thanks to Vice Chairman Hogan for providing his time to the on-site team for an interview. The Department was in compliance with all standards applicable to a similar department.

Employee Happenings

Permanent Full-time staffing levels at the end of August:

Authorized Positions	456
Positions Filled	419
Positions Filled (on LTD)	6
Total Positions that are Vacant	31

Without objection, the report was ordered filed with the permanent records of the Authority.

* * * * *

Chairperson Parkowski noted that design issues that would eventually be addressed by a naval architect, such as hull designs and draft, have arisen during investigation of a possible new vessel design and asked for clarification before the impending trip to Holland.

The Director of Ferry Operations (DFO) spoke on the draft of the new ferries that are being considered. He stated that the vessel, Sea Spirit, the Authority observed in Australia has a maximum draft of 8 feet, 2 inches. It would be important to ensure that a vessel for our needs be designed with a maximum of 8 feet. The DFO also noted that the hull designs being considered are made of steel and the superstructure is aluminum construction. The ferry Pentalina, which was scheduled to be visited in Scotland will not be available. In its place staff and Commissioners will visit the M/V Isle of Lewis Ferry.

Vice-Chairperson Hogan noted his concern over the Pentalina Ferry. He stated that it was a heavier design, larger in size and that it will not be in Scotland to view during the Authority's visit.

Chairperson Parkowski stated that he wholeheartedly endorses the Commissioners visit overseas to see the vessel as opposed to reading reports.

Commissioner Favre complimented the Chief Operations Officer for the detailed packet he received in the mail.

* * * * *

9838. COMMITTEE REPORT – BUDGET & FINANCE
COMMITTEE

Commissioner Patterson presented the following Budget & Finance meeting minutes of September 2, 2008. He noted that Resolution 08-42 that was to be presented today for approval has been withdrawn.

BUDGET & FINANCE COMMITTEE MEETING
Tuesday, September 2, 2008
Delaware Memorial Bridge Complex
New Castle, Delaware

A public meeting of The Delaware River and Bay Authority's Budget & Finance Committee was held on Tuesday, September 2, 2008, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from Delaware

PRESENT

Committee Chair Patterson
Commissioner Cooper, Committee Member
Commissioner Hensley, Committee Member
Commissioner Lathem
Commissioner Lowe
Chairperson Parkowski

Commissioners from New Jersey

Committee Vice-Chair Simmerman
Commissioner Smith, Committee Member
Commissioner DeLanzo
Commissioner Dorn
Vice-Chairperson Hogan

Governors Representatives

Sonia Frontera – NJ

Staff

Jim Johnson
Don Rainear
Victor Ferzetti
Jim Walls
Gerry Owens
Ken Hynson
Joe Larotonda
AJ Crescenzi
Kelly Phillips Parker
Anna Marie Gonnella Rosato
John Jones
John Sarro

Authority Secretary

Tom Pankok

Committee Chair Patterson welcomed the Budget & Finance Committee and opened the meeting at approximately 9:15 a.m. The Authority Secretary 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.

The Committee reviewed the Community Contribution requests for September. After review, on motion by Commissioner Smith, seconded by Commissioner Simmerman, the Committee recommended approval of the Community Contribution requests. A Resolution authorizing the requests will be presented to the full Board for consideration at the September meeting.

The Acting Chief Financial Officer (CFO) reviewed the vendors and items included in the proposed Resolution authorizing the Over \$25,000 Vendor list. The Acting CFO noted the vendors, Agate Construction, Northstar Marine, Virginia Harbor Services, and ZS Technologies. All vendors associated with the Emergency Pile Replacement of the two failed pile clusters in Cape May. The cost includes replacement of two composite monopiles and one for a future date. Committee Chair Patterson questioned the website upgrades by Aloysius Butler & Clark. The Acting CFO reported that this was an on-going project and for work to upgrade the Cape May-Lewes Ferry website. Furthermore, the Acting CFO reported that the project should have gone out for three quotes and did

not. He informed the Committee that he spoke with the responsible individual concerning future compliance with bid requirements. After review, on motion by Commissioner Smith, seconded by Commissioner Hensley, the Committee recommended approval of the proposed Resolution. The Resolution will be presented to the full Board for consideration at the September meeting.

The Acting CFO provided a review of the Resolution authorizing the issuance and award of Authority Revenue Bonds and a summary of associated documents. The Resolution gives the authority to the Authority Chair, Vice-Chair, and the Budget & Finance Committee Chair and Secretary, to execute various documents. As discussed during the previous Budget & Finance Committee, the Committee concurred with staff's recommendation to solicit interest from banks in order to procure a Letter of Credit. Committee Chair Patterson questioned how TD Commerce Bank was selected. The Acting CFO reported that Citigroup solicited approximately six banks and Commerce was the most advantageous and, after negotiating terms and fees, the cost of the Letter of Credit would be 65 basis points for a three-year commitment. Committee Vice-Chair Simmerman questioned the total cost of the transaction. The Acting CFO estimated the cost between \$300-400,000. The Committee also questioned how Bond Counsel was selected. The Acting CFO reported that an RFP had been conducted several years ago for refunding of any existing outstanding debt of the Authority and would be covered under the original Resolution. Committee Vice-Chair Simmerman added that, although it is a very costly transaction and the Authority did not have options, this transaction was in the best interest of the Authority. Commissioner Patterson questioned if the bonds were going to be sold on a retail basis and how they were insured. The Acting CFO informed him that the minimum denomination was \$100,000, which limited the retail market. He also informed the Committee that the LOC Bank becomes the primary credit on the transaction, and there would be no insurance provider as Ambac provided on the 2000B issuance. The Acting CFO added that the Bonds will be called 15 days after the established veto period ends. After review, on motion by Commissioner Simmerman, seconded by Commissioner Smith, the Committee recommended approval of the Series 2008 Refunding. A Resolution will be presented to the full Board for consideration at the September meeting.

The Acting CFO presented the 2009 Operating Budget Schedule. Significant dates for Commissioners are as follows.

- September 2, 2008 Present Preliminary 2009 Policy Issues to the Budget & Finance Committee
- October 6, 2008 Present Draft Budget to the Budget & Finance Committee
- November 3, 2008 Present Reviewed 2009 Operating Budget to the Budget & Finance Committee
- November 17, 2008 Present Proposed 2009 Operating Budget to the Board
- November 18, 2008 Adopt Formal 2009 Budget

Vice-Chair Hogan questioned whether there was enough time allotted for the Budget Meetings with Managers. Chairperson Parkowski noted that revenues at the Bridge are down 3-5% and looking for belt tightening. The Acting CFO reported that this year would be a much more intensive process having directed managers to go to a zero based budget. Chairperson Parkowski noted that the Authority is currently operating 456 authorized permanent positions, of which about 30 are vacant.. He noted that Labor and Benefits are major portions of the budget and evaluating which should be filled or eliminated should be the first place to look for savings.

With no further business to discuss, on motion by Commissioner Simmerman, the Budget & Finance Committee adjourned at 9:50 a.m.

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

* * * * *

Commissioner Lathem presented the following Personnel Committee meeting minutes of September 2, 2008.

PERSONNEL COMMITTEE MEETING
Tuesday, September 2, 2008
Delaware Memorial Bridge Complex
New Castle, Delaware

A public meeting of The Delaware River and Bay Authority’s Personnel Committee was held on Tuesday, September 2, 2008, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from Delaware

Commissioners from New Jersey

PRESENT

Committee Chair Lathem
Commissioner Lowe, Committee Member
Commissioner Cooper, Committee Member

Committee Vice-Chair Dorn
Commissioner DeLanzo, Committee Member
Commissioner Simmerman
Commissioner Smith
Vice-Chairperson Hogan

Governors’ Representatives

Sonia Frontera-NJ

Staff

Jim Johnson, Jr.
Don Rainear
Victor Ferzetti
Jim Walls
Gerry DiNicola Owens

- I. Committee Chair Lathem welcomed the Personnel Committee and opened the meeting at 12:37 p.m. The Deputy Executive Director 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.
- II. Committee Chair Lathem requested an Executive Session, closed to the public to discuss matters of a confidential nature. On motion by Commissioner Lowe, the Session was closed.

The following matters of a confidential nature were discussed.

- PERSONNEL MATTERS
- LEGAL UPDATE

With no further business to discuss in Executive Session, on motion by Commissioner Lowe, the Personnel Committee was opened to the public.

With no further business to discuss, on motion by Commissioner Lowe, the Personnel Committee adjourned at 12:52 p.m.

Without objection, the report was ordered filed with the permanent records of the Authority.

* * * * *

Commissioner Lowe presented the following Projects Committee meeting minutes of September 2, 2008.

PROJECTS COMMITTEE
Tuesday, September 2, 2008
Delaware Memorial Bridge Complex
New Castle, Delaware

A public meeting of the Delaware River and Bay Authority's Projects Committee was held on Tuesday, September 2, 2008, at the Delaware Memorial Bridge Administration Building, New Castle, Delaware.

Commissioners from Delaware

PRESENT

Commissioner Lowe, Committee Chair
Commissioner Hensley, Committee Mbr
Commissioner Patterson, Committee Mbr
Commissioner Lathem

Commissioners from New Jersey

Commissioner Dorn, Committee Mbr
Commissioner Simmerman, Committee Mbr
Commissioner Delanzo
Commissioner Smith
Vice-Chairperson Hogan

Governors' Representative

Sonia Frontera – NJ

Staff

Jim Johnson
Don Rainear
Jim Walls
Gerry DiNicola-Owens
Victor Ferzetti
John Jones
Kelly Phillips-Parker
Anna Marie Gonnella Rosato
John Sarro
A.J. Cresczeni
Steve Williams

- I. The Projects Committee meeting convened at approximately 11:50 a.m. Those in attendance were provided an informational package consisting of an agenda, one bid tabulation, one contract close-out action, and the monthly contractor payment chart with associated change order information.
- II. Resolutions: None
- III. Bid Openings/Award Actions:
 - NCA-06-03, Obstruction Removal-Phase I, New Castle Airport: A public bid opening was held on May 28, 2008 in which two bids were received. The COO recommended that the award be made to the lowest responsive bidder, Eastern States Construction in the amount of \$561,200.00. It was reported that the Federal Aviation Administration (FAA) supports the project at the 95% funding level. The Projects Committee concurred with the recommendation and authorized the action be presented at the September board meeting.
- IV. Contract Close-Out Actions:
- V. Contract No. CMA-07-01, Airfield Lighting Generator, Cape May Airport: The COO made the recommendation to close this contract out and that final payment be made to the contractor, Scalfio Electric, Inc of Vineland, New Jersey. The final price for this project is \$72,000.00. The Projects Committee concurred with the

recommendation and authorized the action be presented at the September board meeting.

VI. Contractor Payment (through August): The COO informed the Committee of the monthly construction contractor payments to be made in September.

VII. Miscellaneous Items/Updates:

- The COO recommended that the existing three (3) year (2007-2009) General Engineering Consultant (GEC) professional services contract (held by S.T. Hudson Engineering) aggregate threshold be raised by \$400,000. The COO reported that the increase was necessary due to unforeseen circumstances associated with two (2) emergency CMLF actions, moving-up the Freeman Highway bridge rehabilitation project from the out-years, and costs associated with NJDOT review of the Cape May approach roads project. The Projects Committee concurred with the recommendation and authorized the threshold be raised by \$400,000.
- The Director of Engineering and Maintenance provided an update on the Lewes security gates project. He stated that the project was bid in Spring 2008 and that the only bidder was non-responsive and therefore rejected. The DRBA is in receipt of a security grant for this work. The recommended course of action is to re-bid the work this fall with the electronics component of the work being listed as an Add Alternate to the work. It was reported that the electronics work in the project led to reduced interest by traditional fencing contractors that normally bid on this work. Should the Add Alternate bid item not be awarded, then that work would be done via in-house workforces. The Projects Committee concurred with the recommendation.
- The Director of Engineering and Maintenance provided an update on the emergency replacement of two failed wooden pile clusters supporting Cape May slips #3 and #4 with composite monopiles. Choosing the composite monopile over other alternatives (wood and steel) was based on an alternative analysis completed by staff and the CMLF marine consultant. He reported that the current schedule calls for replacement to be complete by October 31st at an estimated cost of \$1.2 million. Staff stated that the plan was mindful of the potential changes in the CMLF ferry fleet.
- Randal Weidemann, an Aviation Consultant, gave a presentation on the Delaware Airpark business plan. The presentation included airport issues, existing airport setting, baseline financial outlook, business plan alternatives, and a recommended business plan. Recommendations included hangar development (20 each T-hangars near term, 20 each T-hangars with possible FAA funding, and low cost box hangars), runway replacement/extension when FAA funding permits, marketing of corporate aviation after the runway is constructed, construction of a replacement aviation fuel farm, increasing tenants rates/charges, standardizing through-the-fence agreements, seeking one (1) maintenance fixed-based operator (FBO), and developing non-aviation property. It was stated that the recommended plan would save \$238,000 over the baseline financial projections. All questions were answered to the satisfaction of the Committee.

VIII. There being no further business for the Projects Committee, the public meeting was adjourned at approximately 12:30 p.m.

Without objection, the report was ordered filed with the permanent records of the Authority.

* * * * *

Commissioner Smith presented the following Economic Development Committee meeting minutes of September 2, 2008.

ECONOMIC DEVELOPMENT COMMITTEE
Tuesday, September 2, 2008
Delaware Memorial Bridge Complex
New Castle, Delaware

A public meeting of The Delaware River and Bay Authority’s Economic Development Committee was held on Tuesday, September 2, 2008, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from Delaware

PRESENT

Committee Vice-Chair Hensley
Commissioner Cooper, Committee Member
Commissioner Patterson, Committee Member
Commissioner Lathem
Commissioner Lowe
Chairperson Parkowski

Commissioners from New Jersey

Committee Chair Smith
Commissioner Dorn, Committee Member
Commissioner DeLanzo, Committee Member
Commissioner Simmerman
Vice-Chairperson Hogan

Governors Representatives

Sonia Frontera - NJ

Staff

Jim Johnson
Don Rainear
Victor Ferzetti
Jim Walls
Gerry Owens
Anna Marie Gonnella Rosato
AJ Crescenzi
Kelly Phillips Parker
Commerce
John Jones

Authority Secretary

Tom Pankok

Invited Guests

Les Edwards, CEO, Isogen
Austin McDonald, COO, Isogen
Buddy Berger, Legal Counsel for Isogen
Patty Cannon, DEDO
Mark Kleinschmidt, NCC Chamber of

- I. Committee Chair Smith welcomed the Economic Development Committee and opened the meeting at approximately 9:50 a.m. The Authority Secretary 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.
- II. The Deputy Executive Director provided the following Airport updates.

Cape May Airport

A building located at the Cape May Airport and recently acquired through court action had been part of our Acquisition Agreement with Cape May County. The 15,000 square foot building can be used as industrial or warehouse space and an appraisal has been completed. An RFP will be developed in an attempt to lease the building and produce a positive revenue stream.

Millville Airport

The Authority has received several inquiries regarding hangar development for the use of storage space for cars since the opening of the New Jersey Motorsports Park. Staff will update as necessary.

- II. The Deputy Executive Director provided information regarding the following proposed Agreements for Committee consideration.

- Lease Agreement between the Delaware River and Bay Authority and David Macomber at the Cape May Airport to provide approximately 700 square feet of space for a printing operation at an annual rent of \$2,400 for the initial term of one year with two one-year options and rental increase to \$3,600 during the first option and \$5,000 during the second option. In the interest of full disclosure and transparency, the Executive Director noted that the tenant is related to an employee at the Authority. After review, on motion by Commissioner Patterson, seconded by Commissioner Hensley, the Committee recommended approval of the Agreement. A Resolution will be presented to the full Board for consideration at the September meeting.

III. Isogen Update

It was reported that an acquaintance of Vice-Chair Hogan was no longer associated with Isogen; and, therefore, Vice-Chair Hogan no longer had a conflict and it was no longer necessary for him to step out during discussions. The Deputy Executive Director updated the Committee on the recent meetings conducted in conjunction with the Delaware Economic Development Office, New Castle County, and principals of Isogen on the proposed sale of property located at the New Castle Airport. Negotiations are in the final stages on the Agreement

of Sale and parties will meet to resolve outstanding issues and hope to conclude within the next three to four weeks.

The Deputy Executive Director introduced representatives of Isogen, Les Edwards, CEO; Austin McDonald, COO; and, Buddy Berger, Legal Counsel. The representatives thanked the Committee for the opportunity to speak, for the cooperation received, and acknowledged the assistance of Chris Coons for New Castle County's support and help. Mr. Edwards and Mr. McDonald then gave a presentation on the status and overview of the project. The following was presented.

- Market Drivers for Isogen and Science Center
- Isogen Vision
- Evolution of Isogen
- What Isogen Means to Local Economy
- Summary and Conclusions
- Background Slides
 - Management Team – Track Record for Success
 - State of the Art Facility Design
 - Timelines and Conclusions

At the conclusion of the presentation Authority Chair Parkowski asked what type of regulatory approvals are necessary. Mr. Edwards reported a Level 1 – or Self Approval/Policing; a Level 2 – manufacturing the clinical product; and, Level 3 – which is a more complex process involving 14-15 months in clinical production to get to commercial production.

Commissioner Simmerman asked whether this business was competitive. It was reported that it is a highly specialized manufacturing that cannot be outsourced to the lowest bidder, but undertaken by the people who know how to do it and do it well. 80-90% of the time when competing against large companies, Isogen has been chosen to consult on the business of specialized processing.

The Committee thanked the representatives of Isogen for their presentation. Commissioner Patterson asked that Mr. Mark Kleinschmidt, from the New Castle County Chamber of Commerce be allowed to address the Committee on the current use of the property.

Mr. Kleinschmidt presented a packet with recent news articles on the Chamber's new Emerging Enterprise Center's incubator and tenants. Mr. Kleinschmidt reported that the New Castle County Chamber of Commerce entered into discussions with the Authority in August 2006, to lease the vacant DRBA property in Corporate Commons and entered into a lease in June 2007, and added that the lease will become part of the deliberations as the Authority moves forward with Isogen. The Chamber leases approximately 8,200 square feet of space at \$17.00 a square foot and sub-leases to the incubator tenants at \$13.00 a square foot. The Authority receives \$127,000 per year in rent for a total of \$635,000 for the five year lease, not factoring in CPI. The building houses the headquarters for the New Castle County Chamber of Commerce and the Emerging Enterprise Center and has 15 full time employees. Since January, 2200 members have come through the facility representing over 600 businesses. The EEC enters into six month leases with tenants with a maximum stay of two years. Currently the EEC has six tenants with three being minority/women owned businesses.

Mr. Kleinschmidt added that the situation has come to an "us or them" policy decision by the Board and would like to see the Authority be able to work out the situation to accommodate both Isogen and the Chamber. Vice-Chair Hogan added that Isogen's presentation included security needs and could the Chamber accommodate those needs. Mr. Kleinschmidt reported that the security issues have not been fully explored and the Chamber would like to be able to meet their five year lease commitment.

The Committee thanked Mr. Kleinschmidt for his comments.

III. The Deputy Executive Director requested an Executive Session. On motion by Commissioner Patterson, the session was closed.

The following matters of a confidential nature were discussed.

- LONG TERM PLANNING ALTERNATIVES

With no further business to discuss, on motion by Commissioner Cooper, the Economic Development Committee adjourned at 11:42 a.m.

Without objection, the report was ordered filed with the permanent records of the Authority.

* * * * *

Chairperson Parkowski noted that Commissioners Lathem and Dorn have volunteered to head a task force to review the Authority's RFP process to determine if there are any hindrances to minority-owned and women-owned businesses participation. He stated that meetings were held and progress in being made.

Commissioner Dorn noted that the Task Force met several times and that the meetings went very well. The Task Force is an outstanding mix of staff, and various community leaders. He hoped that the Task Force will serve as a model to other agencies.

* * * * *

9842. DELAWARE RIVER AND BAY AUTHORITY – TRAFFIC AND REVENUE SUMMARY.

The Acting Chief Financial Officer (CFO) presented charts showing Actual versus Projected Revenues for the Delaware Memorial Bridge, the Cape May-Lewes Ferry, Airports, Three Forts Ferry Crossing, and Food Services for the months of June and July.

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

* * * * *

9843. DELAWARE RIVER AND BAY AUTHORITY – STATEMENT OF INCOME AND EXPENSE.

The Acting CFO presented charts showing statements of income and expenses for the months of June and July with comparisons to the same periods last year.

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

* * * * *

9844. DELAWARE RIVER AND BAY AUTHORITY – OPERATING EXPENSE BY DIVISION.

The Acting CFO presented charts for July and August 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.

* * * * *

9845. DELAWARE RIVER AND BAY AUTHORITY – CAPITAL IMPROVEMENT PROGRAM.

The Acting CFO presented charts for the months of July and August showing the capital budget for crossing and economic development projects and dollars committed to date for the projects. The charts also include cash expenditures spent to date for the committed projects.

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

* * * * *

9846. DELAWARE RIVER AND BAY AUTHORITY – CASH POSITION (MARKET VALUE) AS OF JULY 31 AND AUGUST 31, 2008.

The Acting 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.

* * * * *

9847. PUBLIC COMMENT ON ACTION ITEMS.

Chairperson Parkowski presented the following action items that were being considered and asked for public comment.

- Contract #NCA-06-03 Construction Removal-Phase I, New Castle Airport
- Close-out Contract #CMA-07-01 Airfield Lighting Generator, Cape May Airport
- Resolution 08-40 Approval of the Community Contribution Requests
- Resolution 08-41 Authorizing Authority Expenditures \$25,000 and over
- Resolution 08-42 WITHDRAWN - Relating to the Issuance and Award of the DRBA Revenue Bonds, Refunding Series 2008
- Resolution 08-43 Lease Agreement with David Macomber at the Cape May Airport

There were no public comments.

* * * * *

9848. SUMMARY OF AUTHORIZED CONTRACT PAYMENTS.

<u>Contractor</u>		<u>Payment</u>
DMB-07-02	Marinis Brothers	\$ 267,489.04
DMB-06-03	J.D. Eckman, Inc.	\$ 686,924.39
DMB-04-01	Mumford and Miller	\$1,968,706.76
CMLF-07-07	Walt's Professional Painting	\$ 3,825.00
NCA-04-01	Diamond Materials	\$ 13,975.00
CAT-07-01	Joseph T. Hardy & Sons	\$ 88,751.28
CMA-07-01	Scalfo Electric, Inc.	\$ 500.00
CMA-07-02	K.E. Seifert, Inc.	\$ 131,853.95

* * * * *

9849. OBSTRUCTION REMOVAL-PHASE I: CONTRACT # NCA-06-03

The COO noted that a public bid opening was held on May 28, 2008 in which two (2) bids were received. The COO and the Projects Committee recommend awarding the contract to the lowest responsive bidder, Eastern States Construction of Wilmington, DE in the amount of \$561,200.00. It was reported that the Federal Aviation Administration supports the project at the 95% funding level.

A motion to award Contract NCA-06-03 to the aforementioned in the amount of \$561,200.00 was made by Commissioner Favre, seconded by Commissioner Patterson and unanimously approved by a roll call vote of 11-0.

* * * * *

9850. CONTRACT CLOSE-OUT: AIRFIELD LIGHTING GENERATOR, CAPE MAY AIRPORT – CONTRACT #CMA-07-01

On May 6, 2008 Contract No. CMA-07-01, Airfield Lighting Generator, was awarded to Scalfo Electric, Inc. of Vineland, New Jersey for the bid price of \$72,000.00.

During the contract period there were no Change Orders approved for the project.

It is recommended that the Authority accept the project and make final payment to the contractor. The total price for this project is \$72,000.00.

A motion to close-out Contract CMA-07-01 was made by Commissioner Lowe, seconded by Commissioner Favre, and unanimously approved by a voice vote of 11-0.

* * * * *

9851. CHAIRPERSON'S CALL FOR ACTION ON THE RESOLUTIONS BEFORE THE BOAD

RESOLUTION 08 - 40 APPROVAL OF COMMUNITY CONTRIBUTION REQUESTS

WHEREAS, The Delaware River and Bay Authority (the "Authority") is

a bi-state agency with public crossing facilities and assets in the States of New Jersey and Delaware; and

WHEREAS, the Authority has developed a Community Contributions Policy which outlines the purpose of the program and process for consideration of requests; and

WHEREAS, the policy requires full board approval for any Community Contribution; and

WHEREAS; the Budget and Finance Committee met and approved Community Contributions for the month of September 08; and

NOW, THEREFORE, BE IT RESOLVED that the Authority hereby approves the following Community Contributions.

Community Contributions

<u>New Jersey</u>	
Big Brothers Big Sisters of Cumberland and Salem Counties	\$ 5,000
Cape May County Council on Alcoholism and Drug Abuse Incorporated	\$ 3,500
Creditworthy Incorporated	\$ 5,000
Cumberland County Historical Society	\$ 7,500
Friends of Victory Lakes Association	\$ 5,000
Total	<u>\$ 26,000</u>
<u>Delaware</u>	
Coastal Concerts Incorporated	\$ 1,000
Greater Lewes Foundation	\$ 1,700
Kingswood Community Center Incorporated	\$ 3,000
Meals on Wheels Delaware	\$ 1,250
Opportunity Center Incorporated	\$ 1,000
United Way of Delaware Incorporated	\$ 5,000
Variety The Children Charity	\$ 2,500
Total	<u>\$ 15,450</u>
Grand Total (New Jersey and Delaware)	<u>\$ 41,450</u>

A motion to approve Resolution 08-40 was made by Commissioner Patterson, seconded by Commissioner Dorn and approved by a roll call vote of 11-0.

* * * * *

RESOLUTION 08-41 - AUTHORIZING AUTHORITY EXPENDITURES PURSUANT TO RESOLUTION 01-84 FOR THE PERIOD, JANUARY 1 THROUGH DECEMBER 31, 2008.

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 1/1/08 THROUGH 12/31/08

VENDOR	SERVICE DESCRIPTION	DETERMINATION
--------	---------------------	---------------

Advanced Staffing Agate Construction	Administrative Temp Staffing Emergency Pile Cluster Repair Installation of composite piles And floating fendering donut for monopile	Emergency Quotes
Aloysius Butler & Clark Brennan's Office Interiors, Inc.	CMLF Website Upgrades Purchase/Installation of call center New systems furniture	State Contract
Cherry Valley Tractor Sales	Cape May Airport - Grounds Keeping Tractor (Replacement, approved CIP Purchase)	State Contract
DVL Incorporated	UPS Power system for New Castle Computer Room renovation	Proprietary
Fairlite Electric Supply Co.	Electrical supplies for CMLF	Quotes
Northstar Marine	Emergency Pile Cluster Repair Removal of damaged pile clusters	Emergency
Virginia Harbor Services (Trelleborg Engineered Systems)	Emergency Pile Cluster Repair Provide floating fendering donut for monopile	Emergency
ZS Technologies	Emergency Pile Cluster Repair Provide 3 each composite monopiles	Emergency

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 08-41 was made by Commissioner Simmerman, seconded by Commissioner Patterson. With Chairperson Parkowski abstaining, Resolution 08-41 was approved by a roll call vote of 10-0 and 1 abstention.

* * * * *

RESOLUTION 08-43 - LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND DAVID MACOMBER AT THE CAPE MAY AIRPORT

WHEREAS, The Delaware River and Bay Authority (the "Authority"), is the operator of the Cape May Airport; and

WHEREAS, David Macomber desires to lease approximately 702 square feet of restaurant space in the Cape May Airport Terminal Building; and

WHEREAS, David Macomber has agreed to pay the Authority an annual Facility Rent in the amount of \$2,400 for the rental of the Facility; and

WHEREAS, the initial term of the Lease Agreement (the "Lease Agreement") is for one (1) year; and

WHEREAS, David Macomber shall have the option of renewing this Lease Agreement for two (2) option periods of one (1) year each; and

WHEREAS, rent during the first option year shall be \$3,600 annually and rent during the second option period shall be \$5,000 annually.

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby authorized to finalize the terms and conditions of the Lease Agreement with David Macomber and, with the advice and consent of counsel, to have such Agreement executed by the Chairperson, Vice Chairperson, and the Executive Director.

A motion to approve Resolution 08-43 was made by Commissioner Simmerman, seconded by Commissioner Dorn and approved by a roll call vote of 11-0.

* * * * *

RESOLUTION 08-44 – AUTHORIZING THE EXECUTIVE DIRECTOR TO EXTEND AN OFFER OF EMPLOYMENT

WHEREAS, The Delaware River and Bay Authority (the “Authority”) adopted Resolution 01-85 at its October 16, 2001 public meeting; and

WHEREAS, Resolution 01-85 amended Section I entitled, “Employment Procedure of the Authority’s Personnel Manual”; and

WHEREAS, that amendment requires that persons being hired, transferred or promoted into specific positions shall be expressly approved by a vote of the Commissioners taken at a regular meeting of the Commissioners; and

WHEREAS, that amendment further requires that persons being hired, transferred or promoted into specific positions shall be expressly approved by a vote of the Commissioners taken at a regular meeting of the Commissioners; and

WHEREAS, the Authority has duly advertised, recruited and interviewed for the position of Port Captain for the Cape May Lewes Ferry; and

WHEREAS, the Board of Commissioners hereby authorizes and directs the Executive Director to make this offer of employment; and

WHEREAS, the adoption of this Resolution hereby approves such offer of employment and meets all applicable requirements of Resolution 01-85; and

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby authorized and directed to make an offer of employment to the designated candidate for the position of Port Captain.

A motion to approve Resolution 08-44 was made by Commissioner Favre, seconded by Commissioner Lowe and approved by a roll call vote of 11-0.

* * * * *

9852. COMMISSIONERS PUBLIC FORUM

Chairperson Parkowski asked if any members of the public would like to address the Commissioners.

Mr. Fred Coldren, Business Manager at the Cape May Terminal spoke. Referring to the HO scale model of the MV Twin Capes in the rear of the room, Mr. Coldren gave a brief history of the model. He said that master craftsman Donald R. Jeker created the model in 2000, spending 3,000 hours to complete. Mr. Jeker’s family notified Mr. Coldren of the passing of Donald in December, 2007. And, as a tribute to him, his family offered the model as a gift to the Authority where it would be in full view of the public.

A motion to accept the HO scale model MV Twin Capes was made by Commissioner Simmerman, seconded by Commissioner Dorn.

Chairperson Parkowski thanked the Jeker family for their gift and stated that a formal Resolution will be presented at the next Board meeting.

Commissioner Lathem wanted to thank staff for performing CHRO duties along with their regular duties. He also thanked the Airports division for assisting with the mechanics of getting Delaware's favorite son in and out of New Castle Airport.

The Airports director thanked Colonel McCarnan and his staff for assisting at the airport.

Commissioner Simmerman noted that the next Commissioners meeting will be held at the Millville Airport. He urged everyone to allow time to tour the New Jersey Motorsports Park.

Vice-Chairperson Hogan stated that he participated in the police accreditation program and was impressed at what he observed.

Vice-Chairperson Hogan stated that the Delaware Airpark Business Plan has some issues that need to be addressed and that Airpark can be valuable to the Dover area.

The Airports Director, fielding a question from Commissioner Simmerman, stated that the next airport plan will be the Cape May Airport Plan and will be presented at the October 6th Committee meeting. A draft of the Millville Airport Plan is expected shortly.

Chairperson Parkowski stated that business plans should be prepared for all facilities and requested the Airports director and Commissioner Lowe to include the airports presentations on the Projects Agenda.

* * * * *

There being no further business, a motion to adjourn was made by Commissioner Dorn, seconded by Commissioner Simmerman, and unanimously carried.

The meeting was adjourned 11:55 a.m.

Respectfully submitted,

THE DELAWARE RIVER AND BAY AUTHORITY

Thomas A. Pankok
Secretary