

MINUTES OF MEETING

THE DELAWARE RIVER AND BAY AUTHORITY

October 19, 2004

Commissioners from Delaware

Commissioners from New Jersey

PRESENT

F. Michael Parkowski, Chairperson
Thomas J. Cooper
Verna W. Hensley
William E. Lowe, III
Gary B. Patterson

Warren S. Wallace, Vice Chairperson
Edward W. Dorn
Maureen T. Koebig
Robert Y. McWilliams
Charles E. Pessagno

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The meeting convened at 11:15 a.m. with Chairperson Parkowski presiding.

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

The Chairperson of the Authority called the meeting to order. 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.

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9114. APPROVAL OF MINUTES:

On motion by Commissioner McWilliams and seconded by Commissioner Dorn, the minutes of the September 21, 2004 meeting were approved by a voice vote of 10-0.

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9115. EXECUTIVE DIRECTOR'S REPORT:

The Executive Director presented the following highlights that occurred within the Authority during the month of September.

The International Bridge Tunnel and Turnpike Association (IBTTA) held its 2004 annual Conference in Philadelphia from September 19-22. The Authority played an important role in the success of this event. On September 19, the Conference's Opening Reception was held aboard the MV Twin Capes, which departed from Wiggins Park in Camden, New Jersey, for a two-hour cruise on the Delaware River. Approximately 700 national and international guests attended this reception. Earlier that day, the Delaware Memorial Bridge hosted an IBTTA technical tour. Staff highlighted our security and safety measures undertaken at the Delaware Memorial Bridge, including an overview of bridge security improvements, camera surveillance system, police monitoring system, and our new Tactical Operations Center.

AIRPORTS

Dover Civil Air Terminal and Delaware Airpark staff assisted the arrivals of over 120 aircraft associated with the September 2004 NASCAR Race at Dover Downs. Our two airport facilities handled 96% of all race team and race fan air traffic. Site preparation began for the new Delaware Airpark terminal building, which is expected to be completed February 2005.

In mid-September, construction of the Delaware State University/DRBA hangar /terminal complex at Delaware Airpark commenced. This new facility will enter service in Spring 2005.

A tornado associated with the remnants of Hurricane Jeanne touched down at New Castle Airport causing extensive damage to the Delaware Air National Guard's facility and several C-130 aircraft. The airport suffered damage to the terminal building and the complete destruction of a storage shed located in the maintenance yard.

CAPE MAY-LEWES FERRY

In September, vehicle traffic was off 1.2% and passenger traffic down 3.9%, when compared to the 3-year (2001-2003) September averages. Year-to-date vehicle traffic declined 8.6%, and passenger traffic was off 15.2%, when compared to the 3-year averages. Internet ferry reservations in September represented 23.4% of total ferry reservations.

DELAWARE MEMORIAL BRIDGE

In September, total bridge traffic increased by 3.3% when compared to the 3-year (2001-2003) September average. Total bridge traffic year-to-date rose 4.4% over the 3-year average.

E-ZPass traffic continues to increase. E-ZPass traffic for September was 48.5% of the total overall traffic as compared to 44.6% for the previous year. E-ZPass traffic represents 47.3% year-to-date, an increase of 4% for the same period in 2003.

HUMAN RESOURCES

<u>Permanent Full-Time:</u>	Authorized Positions	Filled Positions
	481	441

Certain Authority employees voted 100-53 to allow the International Union of Operating Engineers, AFL-CIO, Local 542 to represent them in collective bargaining. One hundred fifty-five employees in maintenance, tolls, food service and airports were eligible to cast a ballot. The three-day employee voting process was completed on September 23, without incident.

POLICE

Summary of Police activities:

Enforcement/Activity	September 2003	September 2004
Traffic Summons	522	487
Criminal Arrests	58	21
Trffic Accidents	28	5128
Traffic Reprimands	886	404

Aid to Motorists	September 2003	September 2004
Disabled Vehicles	181	149
Public Assists	76	46
Medical Assists	5	11
Acrophobiacs	42	18

The Executive Director noted that Peggy Mitchell, Food and Retail Manager, received the

Governor's 2004 Award for Excellence in Food Safety. Ms. Mitchell works landside at the Lewes Ferry Terminal.

The Executive Director also introduced Gerry DiNicola Owens as the Authority's new Chief Information Officer.

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9116. COMMITTEE REPORTS – BUDGET & FINANCE

Commissioner Patterson presented the following minutes of the Budget & Finance meeting held October 5, 2004.

Commissioners from Delaware

Commissioners from New Jersey

PRESENT

Committee Chair Patterson
Commissioner Cooper, Committee Member
Commissioner Hensley, Committee Member-
via teleconference
Commissioner Lathem
Commissioner Lowe

Commissioner Dorn, Committee Member
Commissioner Pessagno, Committee Member-via
teleconference
Commissioner Koebig

Staff

Jim Johnson
Don Rainear
Brad Hopkins
Jim Walls
Trudy Spence-Parker
Victor Ferzetti
Joe Larotonda
Anna Marie Gonnella Rosato

Authority Secretary
Thomas Pankok

- I. Committee Chair Patterson welcomed the Budget & Finance Committee and opened the meeting at approximately 8:40 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.
- II. The Committee reviewed the Community Contribution requests for October. After review of the requested contributions, the Committee approved requests from Delaware. A recommendation for requests from New Jersey was delayed pending further direction from New Jersey Commissioners. A Resolution authorizing the recommended requests will be presented for full Board consideration at the October meeting.
- III. The Chief Financial Officer reviewed the proposed 2005 Operating Budget. The proposed budget total of \$66,941,231 represents an increase of 5.2% over the 2004 adopted Budget. The Committee was presented with Exhibits indicating the 2004 Budget by Division and identified Major Increases. The CFO explained the major increases, line by line, and answered questions as presented.

The Committee supported the proposed 2005 Operating Budget. The proposed budget will be presented at Public Hearings in both New Jersey and Delaware in October and to the Budget & Finance Committee again in November for further review and subsequent recommendation to the full Board for approval at the November Commission meeting. The tentative dates for the public hearings are October 20th at the Cape May Terminal and October 27th at the Bridge location.

IV. Committee Chair Patterson reported that he, the Executive Director, and the Chief Financial Officer met with Governor Minner's Washington, D.C. legislative representative to discuss the possibility of the formation of a coalition of States to seek Federal funds for security projects. He will update the Committee as necessary.

There being no further business to discuss, the Budget & Finance Committee meeting was adjourned at 9:50 a.m.

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9117. COMMITTEE REPORT – PERSONNEL & INSURANCE

The CHRO presented the following minutes of the Personnel & Insurance Committee meeting held October 5, 2004.

Commissioners from Delaware

Commissioners from New Jersey

PRESENT

Committee Chair Lathem
Commissioner Cooper, Committee Member
Commissioner Lowe, Committee Member
Commissioner Hensley-via teleconference

Committee Vice-Chair Pessagno-via teleconference
Commissioner Dorn, Committee Member-via teleconference

Commissioner Koebig, Committee Member

Commissioner Patterson

Vice Chairperson, Wallace-via teleconference

Staff

Authority Secretary

James Johnson, Jr.
Don Rainear
Brad Hopkins
Jim Walls
Trudy Spence-Parker

Tom Pankok

I. Committee Chair Lathem welcomed the Personnel & Insurance Committee and opened the meeting at approximately 9:55 a.m. The Authority Secretary reported that the public meeting of the Personnel & Insurance 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 meeting may be preceded by an Executive Session, closed to the public to discuss matters of a confidential nature.

The Committee Chair requested an Executive Session, closed to the public to discuss matters of a confidential nature. On motion by Commissioner Lowe, seconded by Commissioner Koebig, the Session was closed.

The following matters of a confidential nature were discussed.

- Personnel Matters

MEBA Contract Negotiations & Status

The Chief Operations Officer reviewed the MEBA Contract Negotiations & Status. After review, the Committee directed staff to provide additional information before any recommendation could be made to the full Board. Staff will continue to update the Committee on the progress and status of the negotiations.

Local 542 Update

The Chief Operations Officer updated the Committee regarding the status of Local 542. Staff also recommended that the Authority's Delaware Labor Counsel be involved in the process and communications. The Committee supported staff's recommendation. Staff will continue to update the Committee on the progress and status of the negotiations

There being no further business to discuss in Executive Session, on motion by Commissioner Cooper, seconded by Commissioner Lowe, the session was opened to the public.

There being no further business, on motion by Commissioner Cooper, the Personnel & Insurance Committee Meeting was adjourned at 10:20 a.m.

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9118. COMMITTEE REPORT – ECONOMIC DEVELOPMENT

Commissioner Hensley presented the following minutes of the Economic Development Committee meeting held October 5, 2004.

Commissioners from Delaware

Commissioners from New Jersey

PRESENT

Committee Chair Hensley-via teleconference
Commissioner Cooper, Committee Member
Commissioner Lowe

Committee Vice-Chair Koebig
Commissioner Dorn, Committee Member-via teleconference
Vice Chairperson Wallace-via teleconference

Staff

Authority Secretary

James Johnson, Jr.
Don Rainear
Brad Hopkins
Jim Walls
Trudy Spence-Parker
AJ Crescenzi
John Sarro
Anna Marie Gonnella Rosato
Michelle Griscom Collins

Tom Pankok

I. Committee Chair Hensley welcomed the Economic Development Committee and opened the meeting at approximately 10:25 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.

- Millville Motorsports Project

The Deputy Executive Director introduced officials representing the New Jersey Motor Sports Raceway, officials from the City of Millville, and Assemblyman Fisher. The Deputy Executive Director reported that in order for the Motorsports Raceway Project to move forward, the project would require a release of lands from the DRBA to the City of Millville. Assemblyman Fisher addressed the Committee regarding his support of this project and the support of the project on behalf of Senator Sweeney and Senator Burzichelli. Assemblyman Fisher also expressed the support of numerous elected officials and community leaders. Assemblyman Fisher further stated that 6,000 signatures had been collected from

residents in support of the project. Officials from the City of Millville also gave their endorsement and reiterated the importance of this project to the City of Millville and Cumberland County.

Committee Chair Hensley questioned the officials regarding the traffic impact on the communities surrounding the Millville Airport. Officials responded that the traffic engineers, as well as the Chief of Police, reported that the current existing infrastructure was adequate to support the additional traffic.

Staff also questioned the reasoning behind the FAA being last in the decision-making process regarding the release of lands and would that present a problem in the future. It was reported that the FAA specifically requested that all approvals and paperwork be submitted in one complete package for their final approval.

After numerous questions and discussion, Committee Chair Hensley recommended a two-step approval process for this project. The Committee concurred with Committee Chair Hensley’s recommendation to give preliminary Committee approval. During the remainder of the month, all documents would then be drafted by Authority Legal Counsel and reviewed at the November Budget & Finance Committee meeting for recommendation and subsequent full Board consideration and approval at the November meeting.

On motion by Commissioner Koebig, seconded by Commissioner Dorn, the Committee gave unanimous approval for the two-step process to release land leased by the DRBA to the City of Millville for the New Jersey Motorsports Raceway Project.

There being no further business, the Economic Development Committee was adjourned at 11:40 a.m.

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9119. DELAWARE RIVER AND BAY AUTHORITY – TRAFFIC AND REVENUE SUMMARY:

The CFO presented a chart 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 month of August.

Without objections, the chart was ordered filed with the permanent records of the Authority.

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9120. DELAWARE RIVER AND BAY AUTHORITY - STATEMENT OF INCOME AND EXPENSE:

The CFO presented a chart showing a statement of income and expenses with comparisons to the same period last year.

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

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9121. DELAWARE RIVER AND BAY AUTHORITY - OPERATING EXPENSE BY DIVISION:

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

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

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9122. DELAWARE RIVER AND BAY AUTHORITY - CAPITAL IMPROVEMENT PROGRAM:

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

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

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9123. DELAWARE RIVER AND BAY AUTHORITY - CASH POSITION (MARKET VALUE) AS OF SEPTEMBER 30, 2004:

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

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

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9124. PUBLIC COMMENT ON ACTION ITEMS:

Chairperson Parkowski noted the following action items being considered today and asked for public comment.

- Resolution #04-50 Approval of Community Contribution Requests
- Resolution #04-51 Preliminary Authorization of an Amendment to the Acquisition Agreement and Ground Lease Between the DRBA and the City of Millville Relating to the Redevelopment of a Motorsports Facility

Chairperson Parkowski noted that he received information that MEBA voted on the tentative Agreement last night and that they ratified it. He understood from staff that the negotiations went well and that he supports staff's recommendation. In keeping with the Commissioners process, and a request from the Governors of New Jersey and Delaware to receive agenda items two weeks prior to Authority meetings, the tentative Agreement will go before the Personnel & Insurance Committee on November 3, 2004 and then to the full Board on November 16, 2004.

Spencer Lynch, MEBA, spoke. He stated that the negotiations went well and done without any attorneys at the table. He also stated that the tentative Agreement was ratified by the MEBA membership.

There were no other public comments on the action items.

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9125. SUMMARY OF AUTHORIZED CONTRACT PAYMENTS:

The Chairman noted the Summary of Authorized Contract Payments.

<u>Contractor</u>	<u>Payment</u>
Eastern Highway Specialists	\$36,974.70
Allied Painting, Inc.	\$268,768.80
Cianbro Corporation	\$294,750.00
State Hi-Way Safety	\$175,923.90
EDIS	\$ 23,006.85

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9126. CHAIRPERSON'S CALL FOR ACTION ON THE
RESOLUTIONS BEFORE THE BOARD:

Chairperson Parkowski presented the following Resolutions.

**RESOLUTION 04-50 - APPROVAL OF COMMUNITY CONTRIBUTION
REQUESTS.**

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 October, 2004; and

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

Community Contributions

New Jersey

Atlantic Cape Community College Foundation, Inc.	\$ 2,500
Cape May Beach Patrol Benevolent Association Scholarship Fund	\$ 2,280
Total New Jersey	<u>\$ 4,780</u>

Delaware

Children's Beach House, Inc.	\$ 15,000
Delaware Hospice, Inc.	\$ 3,000
First Night Dover, Inc.	\$ 3,000
Chesapeake Bay Girl Scout Council	\$ 2,000
The International Association of Approved Basketball Officials Foundation, Inc. (IAABO)	\$ 5,000
Parent Information Center of DE., Inc.	\$ 3,000
Society of St Vincent dePaul	\$ 2,000
Pratt-Cororan Assoc. For The Delaware College of Art & Design	\$ 2,000
Total Delaware	<u>\$ 35,000</u>
Grand Total (New Jersey and Delaware)	<u>\$ 39,780</u>

Resolution 04-50 was moved by Commissioner Patterson and seconded by Commissioner McWilliams. With Commissioner Hensley abstaining from voting on the contribution for Parent Information Center of Delaware, Inc., and Commissioner Pessagno abstaining from the Atlantic Cape Community College Foundation and the Cape May Beach Patrol Benevolent Association contributions, Resolution 04-51 was approved by a roll call vote of 10-0 with the above noted abstentions where such votes were 9 in favor and 1 abstention.

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**RESOLUTION 04-51 - PRELIMINARY AUTHORIZATION OF AN
AMENDMENT TO THE ACQUISITION AGREEMENT AND GROUND LEASE
BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND THE CITY
OF MILLVILLE RELATING TO THE DEVELOPMENT OF A MOTORSPORTS
FACILITY**

WHEREAS, The Delaware River and Bay Authority (the "Authority") and the City of Millville, New Jersey (the "City"), entered into an Acquisition Agreement, dated

August 1, 1999, and Ground Lease, dated October 20, 1999 (collectively the "Agreement"), regarding certain property and improvements thereto located in the City, commonly known as the Millville Airport (the "Airport"); and

WHEREAS, the Agreement, inter alia, provided the Authority with a thirty year leasehold interest in said Airport; and

WHEREAS, the City has requested that the Authority amend the Agreement to release certain parcels from the terms and conditions of said Agreement, said parcels to be: (a) an approximate 91 acre portion, Lot 2, Block 125 as shown on the Tax Map of the City; and (b) an approximate 139 acre portion, Lot 5, Block 125, as shown on the Tax Map of the City ("FAA Restricted Property"), for the purpose of facilitating the development of a motorsports park and resort (the "Project"), as proposed by New Jersey Motorsports Park, LLC, ("NJMP"); and

WHEREAS, the release of the FAA Restricted Property is subject to the approval of the Federal Aviation Administration (the "FAA") and subject to the receipt of fair market value consideration in accordance with FAA requirements; and

WHEREAS, the City and NJMP have acknowledged that the development of the FAA Restricted Property by NJMP is conditioned on the approval of and subject to FAA approval and regulations and DRBA review and approval that such development of the Project does not in any way negatively affect the operation of the Airport; and

WHEREAS, the City, in addition to any other consideration for the Authority amending the Agreement, will include in the Agreement for the use and control of the Authority for Airport purposes certain land, which the City owns known as Lot 12 of Block 125, as shown on the City Tax Map, containing approximately 15 acres of vacant land, subject to the approval of the City Commission; and

WHEREAS, the City, in addition to any other consideration for the Authority amending the Agreement, and subject to the approval of the City Commission, will use its best efforts to work with the Authority to acquire all or a portion of Lot 26 of Block 125, as shown on the City Tax Map, containing approximately 19 acres which adjoins the Airport so that it can be utilized for the development of the Airport; and

WHEREAS, the Authority has recently installed perimeter and security fencing at the Airport, with the financial assistance of the FAA, a portion of which is located on the property to be released; and

WHEREAS, the City and NJMP have agreed that in the event the released parcels are sold or leased to NJMP, the City and/or NJMP will be responsible for all costs associated with any necessary or appropriate relocation and addition of said fencing to insure the security of the Airport; and

WHEREAS, in the event that the proposed development by NJMP may require the relocation of the Airport's static test area run-up pad then and, in such event, it will be the responsibility of the City and/or NJMP to pay for any and all costs of the relocation of said static test area run-up pad to a site to be determined at the sole discretion of the Authority; and

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director and/or his designee is hereby authorized to negotiate and, with assistance of counsel, develop appropriate agreements to amend the Agreement between the Authority and the City to effectuate the release of the above-mentioned parcels, under the general terms and conditions and for the purposes stated herein.

BE IT FURTHER RESOLVED, that the Executive Director and/or his designee is hereby authorized to negotiate and, with assistance of counsel, develop appropriate agreement(s) between the Authority and the NJMP to reflect the terms, conditions, responsibilities and obligations of the two parties as generally stated above.

BE IT FURTHER RESOLVED, that upon completion of the negotiations and preparation of the aforementioned agreements, the Executive Director and/or his designee shall present said agreements to the Board of Commissioners for their approval after review and advice of Authority Counsel.

Resolution 04-51 was motioned by Commissioner Pessagno, seconded by Commissioner Koebig and approved by a roll call vote of 10-0.

Vice-Chairperson Wallace noted the importance of the Motorsports Facility to the City of Millville and to Cumberland County. He stated that the process of giving preliminary approval first follows the path of similar projects such as the Delaware State University project and the South Jersey Technology Park at Rowan University. Final approval will be pending upon receipt of all the appropriate documents, review and approval from the Economic Development Committee and then the full board.

Vice-Chairperson Wallace also stated that, with the loss of Dallas Aeromotive at the Millville Airport, the developer should look at the existing facility to see if it could be retrofitted and consider employment of the 240 employees that will lose their jobs.

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9127. COMMISSIONERS PUBLIC FORUM

Chairperson Parkowski asked if any member of the public requested to address the Commission.

The Director of Ferry Operations, Harry Nilsen, introduced Heath Gehrke as the new Assistant Director of Ferry Operations. Mr. Gehrke’s office will be located at the Lewes Ferry Terminal.

Commissioner Patterson asked the Projects Committee to review and consider the Randell Wiedemann report on the development of the Civil Air Terminal.

Commissioner Hensley stated that she attended the DRBA Employee Recognition dinner held last weekend and wanted to recognize the good job staff has done in putting on the event as well as to congratulate the employees who received awards.

Chairperson Parkowski also noted the Commissioners appreciation of employees and cited DRBA’s presence in Philadelphia at the IBTTA Conference as another example of dedication.

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There being no further business before the Commission, a motion to adjourn was made by Commissioner Patterson, seconded by Commissioner Pessagno and unanimously carried.

The meeting was adjourned at 11:48 p.m.

Respectfully submitted,
THE DELAWARE RIVER AND BAY AUTHORITY

Thomas A. Pankok