

DELAWARE RIVER AND BAY AUTHORITY

ECONOMIC DEVELOPMENT COMMITTEE MEETING

Tuesday, October 15, 2013

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, October 15, 2013, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from New Jersey

PRESENT

Committee Vice-Chair Smith
Commissioner Dorn, Committee Member
Commissioner Wilson, Committee Member
Commissioner Mroz

Chairperson Hogan

Legal Counsel

Phil Norcross - NJ

Governors' Representatives

Kerstin Sundstrom - NJ

Staff

Scott Green
Frank Minor
Victor Ferzetti
Jim Walls
Gerry Owens
Charlotte Crowell
Michelle Griscom
Anna Marie Gonnella Rosato
Jim Salmon
Ruth Warner
Michele Hammel
TJ Murray
Steve Williams
Shoukry Elnahal

Commissioners from Delaware

Commissioner Downes, Committee Member
Commissioner Traynor, Committee Member
Commissioner Lathem

Vice-Chairperson Lowe

Mike Houghton - DE

1. Committee Vice-Chair Smith welcomed the Economic Development Committee and opened the meeting at approximately 9:21 a.m. The Deputy Executive Director 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. Committee Vice-Chair Smith called for a motion to accept the Economic Development Committee Minutes from September 17, 2013. Commissioner Dorn made a motion, Commissioner Downes seconded, and the Committee Minutes were accepted.

3. Action Items:

a. RESOLUTION 13-39 – AMENDS STANDING RESOLUTIONS RELATING TO THE OPERATION OF AUTHORITY FACILITIES –

The Deputy Executive Director (DED) presented the Resolution and reviewed the Executive Summary. Michelle Hammel reported the Resolution was previously tabled in September, in order for Legal Counsel to make revisions and to finalize with additional language to address areas of concern. Commissioner Traynor questioned the Executive Director's reporting requirement and level of documents to be reported. Delaware Legal Counsel answered to his satisfaction. Commissioner Downes suggested a listing of routine matters could be included in the Commissioners' information packet.

After discussion, Commissioner Downes made a motion, Commissioner Wilson seconded, and the Economic Development Committee unanimously recommended forwarding the Resolution to the full board for consideration at the October meeting later today.

4. Open Discussions/Other Issues: None.

5. With no further business to discuss, a motion to adjourn was made by Commissioner Wilson, and the Economic Development Committee adjourned at 9:27 a.m.

DELAWARE RIVER AND BAY AUTHORITY

PERSONNEL COMMITTEE MEETING

Tuesday, October 15, 2013

Delaware Memorial Bridge Complex
New Castle, Delaware

A public meeting of The Delaware River and Bay Authority's Personnel Committee was held on Tuesday, October 15, 2013, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from New Jersey

PRESENT

Committee Chair Dorn
Commissioner Wilson, Committee Member
Commissioner Mroz
Commissioner Smith

Chairperson Hogan

Legal Counsel

Phil Norcross - NJ

Governors' Representatives

Kerstin Sundstrom - NJ

Staff

Scott Green
Frank Minor
Victor Ferzetti
Jim Walls
Gerry Owens
Charlotte Crowell
Anna Marie Gonnella Rosato
Jim Salmon
Ruth Warner
Michelle Hammel
TJ Murray
Steve Williams

Commissioners from Delaware

Committee Vice-Chair Lathem
Commissioner Traynor, Committee Member
Commissioner Downes

Vice-Chairperson Lowe

Mike Houghton - DE

1. Committee Chair Dorn welcomed the Personnel Committee and opened the meeting at 9:22 a.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.

2. Committee Chair Dorn called for a motion to accept the Personnel Committee Minutes from September 17, 2013 and October 7, 2013. Commissioner Lathem made a motion, Commissioner Wilson seconded, and the Committee Minutes were accepted.

3. Resolution:

a. RESOLUTION 13-43 – AUTHORIZING MODIFICATIONS TO THE BENEFITS PLAN DESIGN –

The Chief Human Resource Officer (CHRO) presented and reviewed the Resolution and read the recommended modifications to the Plan Design, effective January 1, 2014. The CHRO noted that the spousal coordination of benefits will be effective January 1, 2015.

Commissioner Traynor voiced concern that the Resolution being presented was not inclusive of all of the Plan Design modifications which were presented, discussed, and recommended for approval by the Personnel Committee at the Special Personnel Committee meeting held October 7, 2013. Also not being presented was the Resolution Authorizing Amendments to Restated Delaware River and Bay Authority Employees' Retirement Plan. He further noted the Committee recommended both Resolutions as a package and shouldn't both be tabled. The ED reported, in regard to the procedural question, that Commissioner Traynor was correct; however, staff was attempting to get approval, including the Governors' Veto Period, for today's modifications, in time to meet the deadline for open enrollment, the first week in November. The matters to be deferred a month are not impacted by the open enrollment.

The Committee, in conjunction with Legal Counsel, had a lengthy discussion of the proper procedure for approval of the Resolution as presented. After discussion, and on the advice of Legal Counsel, Commissioner Traynor made a motion to amend the Personnel Committee Agenda to include consideration of the two (2) Resolutions, which were presented and approved at the October 7, 2013 Personnel Committee meeting. Commissioner Lathem seconded, and the Committee unanimously approved amending the Agenda.

b. RESOLUTION 13-43A – RESOLUTION BY THE DELAWARE RIVER AND BAY AUTHORITY AUTHORIZING MODIFICATIONS TO THE BENEFITS PLAN DESIGN RESOLUTION –

c. RESOLUTION 13-43B – AUTHORIZES THE AMENDMENTS TO THE RESTATED DELAWARE RIVER AND BAY AUTHORITY EMPLOYEES' RETIREMENT PLAN -

Commissioner Traynor made a motion to Table Resolution 13-43A and Resolution 13-43B, Commissioner Wilson seconded, and the Personnel Committee unanimously recommended tabling both Resolutions.

Commissioner Trayner made a motion, Commissioner Wilson seconded, and the Personnel Committee unanimously recommended forwarding Resolution 13-43, as presented today, to the full Board for approval. The Resolution will be presented to the full Board for consideration at the October meeting later today.

4. Committee Vice-Chair Lathem requested an Executive Session. Committee Chair Dorn asked for a motion to move the meeting to Executive Session, closed to the public to discuss

matters of a confidential nature. A motion was made by Commissioner Lathem, seconded by Commissioner Smith, and the Session was closed.

The following matters of a confidential nature were discussed.

- LABOR NEGOTIATIONS
- PERSONNEL MATTERS

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

5. With no further business to discuss, Commissioner Lathem made a motion to adjourn, and the Personnel Committee adjourned at 9:49 a.m.

THE DELAWARE RIVER AND BAY AUTHORITY

PROJECTS COMMITTEE

Tuesday, October 15, 2013

Delaware Memorial Bridge Complex
New Castle, Delaware

A public meeting of the Delaware River and Bay Authority's Projects Committee was held on Tuesday, October 15, 2013, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from New Jersey

PRESENT

Committee Chair Smith
Commissioner Dorn, Committee Member
Commissioner Wilson, Committee Member
Commissioner Mroz
Chairperson Hogan

Commissioners from Delaware

Commissioner Lathem, Committee Member
Commissioner Downes
Commissioner Traynor
Vice-Chairperson Lowe

Legal Counsel

Phil Norcross – NJ

Mike Houghton – DE

Governors' Representatives

Kerstin Sundstrom, Esquire – NJ

Staff

Scott Green
Frank Minor
Victor Ferzetti
Jim Walls
Gerry Owens
Charlotte Crowell
Anna Marie Gonnella Rosato
Jim Salmon
Ruth Warner
Shoukry Elnahal
Dave Hoppenjans
Steve Williams
Michelle Hammel
TJ Murray

1. Committee Chair Smith welcomed the Projects Committee and opened the meeting at approximately 9:50 a.m. Committee Chair Smith reported that the public meeting of the Projects Committee had been duly noticed in accordance with the Authority's Freedom of Information Regulations and reported there was a quorum.

2. Committee Chair Smith called for a motion to accept the Projects Committee minutes from September 17, 2013. Commissioner Dorn made a motion to accept the minutes, Commissioner Lathem seconded the motion, and the Committee Minutes were approved. Those in attendance were provided an informational package consisting of an agenda, two (2) Resolutions, two (2) Bid Openings, one (1) Contract Close-out and one (1) monthly contractor payment chart (through September).

3. Resolutions:

Resolution No. 13-41 – Authorizes An Increase to the Not-to-Exceed Limit of Contract CS-10-03 Professional “On-Call” General Engineering and Consulting Services for the Delaware River & Bay Authority with AECOM USA, Inc. The COO reported that this Resolution authorizes the \$750,000 increase to the not to exceed limits of Contract CS-10-03, Professional “On Call” General Engineering and Consulting Services for New Castle Airport, Delaware Airpark and the Civil Air Terminal. The COO recommended adoption of this Resolution. A motion was made by Commissioner Wilson, seconded by Commissioner Dorn, and the Projects Committee concurred with the recommendation and authorized the action to be presented at the October Commissioner meeting later today.

Resolution No. 13-42 – Information Sharing Agreement Between the Delaware River & Bay Authority and United States Department of Justice, Drug Enforcement Administration. The COO reported that this Resolution is an Agreement with the DEA for sharing of information. The COO recommended more information before signing this Agreement and recommended taking no action at this time. A motion to Table this action was made by Commissioner Wilson, seconded by Commissioner Lathem, and the Projects Committee concurred with the recommendation to Table this action until the November meeting.

4. Bid Openings:

Contract No. CMLF-12-08R: 2013 Vessel Drydocking and Repairs – M/V Twin Capes. A public Bid Opening was held on August 23, 2013, in which three (3) bids were submitted. At the September meeting a motion was made to Table this action. The COO noted that the Board of Commissioners has refocused on the disposition of the M/V Twin Capes and recommended the rejection of all three bids. A motion was made by Commissioner Dorn, seconded by Commissioner Wilson, and the Projects Committee concurred with the recommendation and authorized the action to be presented at the October Commission meeting later today.

Contract No. DMB-13-02R: Miscellaneous Steel Repairs, First and Second Structures – Delaware Memorial Bridge. A public Bid Opening was held on September 18, 2013, in which three (3) bids were submitted. The COO reported that the contract consists of structural steel repairs in various locations throughout the First and Second Structures. The COO recommended the contract award to the lowest bidder, Cornell and Company, Inc. of Woodbury, New Jersey, in the amount of \$2,250,000.00. A motion was made by Commissioner Dorn, seconded by Commissioner Wilson, and the Projects Committee concurred with the recommendation and authorized the action to be presented at the October Commission meeting later today.

5. Contract Close-Out Actions:

Contract No. DMB-12-01 – 2013 Bridge Painting-Spot Repair Girder Span with 100% Overcoat of North Fascia and Sidewalks-Delaware Memorial Bridge. The scope of work on this contract was to spot repair and paint on Girder Span with overcoat of North Fascia and sidewalks on Delaware Memorial Bridge. The final contract amount is \$900,040.00. The COO recommended close-out of the contract and final payment to Allied Painting, Inc. of Cherry Hill, New Jersey. A motion to move the close-out action to the full Board was made by Commissioner Wilson, seconded by Commissioner Dorn, and the Projects Committee unanimously approved the close-out action to be presented at the October meeting later today.

6. Contractor Payment (through September): The COO reviewed for the Committee the monthly construction contractor payments to be made for the work completed through September.

7. Miscellaneous Items/Updates:

Studies on Building a Delaware Bay Bridge-Tunnel

The Executive Director handed out thumb drives with copies of seven (7) regarding the feasibility of building a Delaware Bay Bridge-Tunnel from Southern Delaware to Southern New Jersey dated from 1964 to 1991 for the Commissioners. There has been ongoing interest in this alternative crossing.

8. Move to Executive Session.

Staff requested an Executive Session. Committee Chair Smith asked for a motion to move the meeting to Executive Session, closed to the public to discuss matters of a confidential nature. Commissioner Wilson made a motion, seconded by Commissioner Lathem, and the Session was closed. During the Executive Session, on the advice of Legal Counsel, Authority Chair Hogan left the room.

The following matters of a confidential nature were discussed.

- LONG RANGE PLANNING

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

9. With no further business to discuss, Commissioner Dorn made a motion to adjourn, seconded by Commissioner Lathem, and the Projects Committee adjourned at 10:25 a.m.

DELAWARE RIVER AND BAY AUTHORITY

PERSONNEL COMMITTEE MEETING

Tuesday, October 15, 2013

Delaware Memorial Bridge Complex
New Castle, Delaware

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Commissioners from New Jersey

PRESENT

Committee Chair Dorn
Commissioner Wilson, Committee Member
Commissioner Mroz
Commissioner Smith

Chairperson Hogan

Legal Counsel

Phil Norcross - NJ

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Staff

Scott Green
Frank Minor
Victor Ferzetti
Jim Walls
Gerry Owens
Charlotte Crowell
Anna Marie Gonnella Rosato
Jim Salmon
Ruth Warner
Michelle Hammel
TJ Murray
Steve Williams

Commissioners from Delaware

Committee Vice-Chair Lathem
Commissioner Traynor, Committee Member
Commissioner Downes

Vice-Chairperson Lowe

Mike Houghton - DE

3. Committee Chair Dorn welcomed the Personnel Committee and opened the meeting at 9:22 a.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.

4. Committee Chair Dorn called for a motion to accept the Personnel Committee Minutes from September 17, 2013 and October 7, 2013. Commissioner Lathem made a motion, Commissioner Wilson seconded, and the Committee Minutes were accepted.

3. Resolution:

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Commissioner Traynor voiced concern that the Resolution being presented was not inclusive of all of the Plan Design modifications which were presented, discussed, and recommended for approval by the Personnel Committee at the Special Personnel Committee meeting held October 7, 2013. Also not being presented was the Resolution Authorizing Amendments to Restated Delaware River and Bay Authority Employees' Retirement Plan. He further noted the Committee recommended both Resolutions as a package and shouldn't both be tabled. The ED reported, in regard to the procedural question, that Commissioner Traynor was correct; however, staff was attempting to get approval, including the Governors' Veto Period, for today's modifications, in time to meet the deadline for open enrollment, the first week in November. The matters to be deferred a month are not impacted by the open enrollment.

The Committee, in conjunction with Legal Counsel, had a lengthy discussion of the proper procedure for approval of the Resolution as presented. After discussion, and on the advice of Legal Counsel, Commissioner Traynor made a motion to amend the Personnel Committee Agenda to include consideration of the two (2) Resolutions, which were presented and approved at the October 7, 2013 Personnel Committee meeting. Commissioner Lathem seconded, and the Committee unanimously approved amending the Agenda.

b. RESOLUTION 13-43A – RESOLUTION BY THE DELAWARE RIVER AND BAY AUTHORITY AUTHORIZING MODIFICATIONS TO THE BENEFITS PLAN DESIGN RESOLUTION –

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Commissioner Trayner made a motion, Commissioner Wilson seconded, and the Personnel Committee unanimously recommended forwarding Resolution 13-43, as presented today, to the full Board for approval. The Resolution will be presented to the full Board for consideration at the October meeting later today.

4. Committee Vice-Chair Lathem requested an Executive Session. Committee Chair Dorn asked for a motion to move the meeting to Executive Session, closed to the public to discuss

matters of a confidential nature. A motion was made by Commissioner Lathem, seconded by Commissioner Smith, and the Session was closed.

The following matters of a confidential nature were discussed.

- LABOR NEGOTIATIONS
- PERSONNEL MATTERS

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

5. With no further business to discuss, Commissioner Lathem made a motion to adjourn, and the Personnel Committee adjourned at 9:49 a.m.

DELAWARE RIVER AND BAY AUTHORITY
BUDGET & FINANCE COMMITTEE MEETING
Friday, October 25, 2013
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 Friday, October 25, 2013, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from New Jersey
PRESENT

Committee Chair Mroz
Commissioner Smith, Committee Member-via
phone

Commissioners from Delaware

Committee Vice-Chair Traynor
Commissioner Downes, Committee Member-via
phone

Vice-Chairperson Lowe-via phone

Governors' Representatives

Kerstin Sundstrom – NJ-via phone

Danielle Blount – DE-via phone

Staff

Scott Green-via phone
Frank Minor
Victor Ferzetti
Jim Walls
Charlotte Crowell
Joe Larotonda
Joe Nadal
Dana Read
Anna Marie Gonnella Rosato

1. Committee Chair Mroz opened the Budget & Finance Committee meeting at approximately 9:36 a.m. The Deputy Executive Director 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. Review of the FY 2014 Preliminary Budget:

Committee Chair Mroz reported that all Committee members, in attendance and participating via phone, received the proposed 2014 Operating Budget materials as well as the 2013 Operating Budget materials as presented last year for comparison. Committee Chair Mroz also noted the purpose of the Committee meeting was to conduct a full discussion of the proposed 2014 Operating Budget and no action would be taken at this time.

Committee Chair Mroz turned the meeting over to the CFO who presented the following associated material.

- FY 2014 Preliminary Financial Model
- Revenue Analysis For The Period 2013-2014
- Expenditure Analysis By Division 2010-2014
- Expenditure Analysis By Category 2010-2014
- FY 2014 Major Increases/Decreases
- Breakdown of Remaining Categories
- Funded Positions 2014 Budget
- Cape May-Lewes Ferry Vessel Fuel Budget
- Insurance Review 2013-2014
- Statements of Income and Expense
- Other Operating Facilities Net Income (Loss) FY 2014
- Economic Development Division Net Income (Loss) FY 2014 – Salem Business Centre & Riverfront Market
- Economic Development Division Net Income (Loss) FY 2014 – Airports
- Frontier Airlines Financial Impact – 2014
- Healthcare Cost Analysis 2014 Budget

The CFO reported the 2014 Operating Budget, as presented, in the amount of \$81,323,130, reflects a decrease of 1.00%, or \$817,819 under the Adopted FY 2013 Operating Budget. The Budget maintains a forecasted debt service coverage ratio of 1.88x for 2014. 2013 expenses to date have been significantly under budget and may be in the projected ratio range from 1.94-2.03x at the end of the year. The CFO noted the Preliminary Financial Model reflects the adopted 2013 Crossing and Non-Crossing CIP. It does not model a future debt issuance at this time.

Commissioner Downes questioned the approximately forty (40) unfunded, but authorized positions and the possibility of the Authority further reducing the Operating Budget by eliminating additional positions. Committee Chair Mroz questioned whether staff anticipated a need for additional positions associated with Frontier Airlines operating. The COO reported that there has been a spike in recent retirements and staff moves cautiously to fill some positions due to litigation or other matters. The CFO noted that, although there may be forty (40) unfilled positions, they are not always the same unfilled positions from year-to-year. Staff is currently taking a hard look at safety and security at the ferry and New Castle Airport. The CFO added the authorized positions have been reduced to 415 from 550 since the early 2000s. Committee Chair Mroz requested the Executive Director (ED) and staff further review authorized positions.

During the presentation, the Committee asked several questions which were answered by the CFO. Commissioner Downes voiced concern that the Annual Required Contribution (ARC) to the Employees' Pension Plan was reduced by \$1.6 million and the Authority should continue to make strides to fund the Plan to 90%. The CFO agreed with Commissioner Downes' desire to get the plan to 90% funding. The CFO noted the ARC is based on the actuarial calculations performed by Boomershine. GAAP accounting rules only recognize the ARC as current expenses, which consists of the normal cost and unfunded liability costs. The ARC has been reduced this year as a result of the Authority's ability to provide additional funding and has shortened the timeframe of the amortization. The reduction in the ARC funding does not prevent

the Authority from addressing the pension funding issue. While funding the ARC improves the plan finances, the Authority, historically, has been able apply additional funds to the Pension Plan, with Committee approval, from unspent operating funds at the end of the year. Committee Vice-Chair Traynor reported he was comfortable with the ARC for FY 2014 and that this Board is committed to improving the funding; however, given the type of scrutiny to the Authority's bottom line, budgeting above the ARC may remove any flexibility or create unnecessary issues. Committee Chair Mroz added the practice of the Authority has been prudent, additional funds could be applied to the Pension Plan if necessary, but not to go above the recommended ARC.

[Due to time constraints, Commissioners Smith and Downes ended their participation at approximately 10:40 a.m.]

Committee Chair Mroz requested the CFO contact all Committee members for specific questions, feedback and/or follow-up. If any other Commissioners have questions, please direct them to the CFO, and for the CFO to update the Committee Chair and Vice-Chair. The CFO added the materials, once finalized, will be incorporated into a Resolution authorizing the Adoption of the Delaware River and Bay Authority's 2014 Operating Budget and will be presented to the Budget & Finance Committee for consideration at the November Committee meeting. Committee Vice-Chair Traynor requested if any changes are made to the material presented today they are to be highlighted and reviewed at the November Committee meeting.

With no further business to discuss, a motion to adjourn was made by Commissioner Traynor, and the Budget & Finance Committee adjourned at 10:53 a.m.