

DELAWARE RIVER AND BAY AUTHORITY

PERSONNEL COMMITTEE MEETING

Tuesday, March 10, 2015

Delaware Memorial Bridge Complex
New Castle, Delaware

A public meeting of The Delaware River and Bay Authority's Personnel Committee was held on Wednesday, Tuesday, March 10, 2015, at the Delaware Memorial Bridge Complex, New Castle, Delaware

Commissioners from Delaware

PRESENT

Committee Chair Lathem

Commissioner Carey, Committee Member-via phone

Commissioner Murphy, Committee Member

Chairperson Lowe

Commissioners from New Jersey

Committee Vice-Chair Dorn

Commissioner Smith, Committee Member-
arrived after roll call

Governors' Representatives

Danielle Blount – DE – via phone

Staff

Scott Green

Frank Minor

Charlotte Crowell

Gerry Owens

Victor Ferzetti

Joe Larotonda

Gregory Chambers

Ruth Warner

1. Committee Chair Lathem welcomed the Personnel Committee and opened the meeting at 10:05 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 Lathem reported that the Personnel Committee meeting was called as a result of discussions held during the February Committee meeting regarding the role of the Committee as related to the appointment of the six (6) positions governed by Authority By-Laws as well as positions identified in Resolution 01-85. Committee Chair Lathem provided the historical background, past practices, reason for the adoption of Resolution 01-85 in 2001 and subsequent adoption of Authority By-Laws in 2004.

The Committee discussed their level of involvement in past selection processes. The Executive Director (ED) reported that, according to Legal Counsel, there has been an uncertainty as to whether the By-Laws superseded Resolution 01-85; however, going forward Senior Staff will proceed and follow the direction of the Committee and Board, once the processes have been decided and clarified. The ED added that the By-Laws govern the top six (6) positions and the current practice for the appointment of these positions requires full Board action. The current practice for positions governed by Resolution 01-85 requires Personnel Committee review and consent.

Committee Vice-Chair Dorn stressed that he felt the Personnel Committee should have input as to who is to be hired and wants the process to be fair and equitable.

The Committee began a lengthy discussion. The Chief Human Resource Officer (CHRO) reported on the process that was used when she was hired which included the use of an executive search firm and consisted of multiple interviews with the executive search firm, interviews conducted by the ED and Senior Staff, selection of one finalist by the ED, a final interview by the Personnel Committee, recommendation by the Personnel Committee to the full Board and finally full Board approval via Resolution. The Committee concurred with that process.

With regard to positions governed by Resolution 01-85, the Committee discussed the need to revise or amend the Resolution to update the position titles and to codify a process. As part of the process the Committee requested a briefing, prior to receiving the recommended candidate(s) to be interviewed, to justify the recommendation.

The ED reported that staff will refine and finalize the process, work in conjunction with Legal Counsel on the language for a Resolution, and present recommendations to the Committee.

Committee Chair Lathem asked the Committee, especially those participating on the phone, Commissioner Carey and the Delaware Governor's Representative, if there were any additional questions regarding the matter and there were none.

Committee Chair Lathem questioned the process with regard to diversity and outreach. The CHRO introduced Gregory Chambers, EEO/AA and Diversity Manager, who provided the information on the process used during the Chief Operations Officer (COO) search, which included making known the Authority's requirements for diversity to the executive search firm. He referred to the executive search firm's EEO statement and their report of minority and women placements in high level positions; anyone wishing to have a copy of this information should contact the CHRO. He also outlined his process regarding outreach to contacts and media when the Authority posts open positions. The CHRO commented that for the COO search, out of the eight (8) candidates that were interviewed in the first round, two (2) were minority females and one (1) was a minority male; in the four (4) that were interviewed in the second round, one (1) was a minority male.

It was noted that the Authority will be conducting a job fair in Cape May on May 14th and in Lewes on May 28th.

3. Benefits Broker Update:

The CHRO reported that the RFP for Employee Benefits Brokerage and Consulting Services had been conducted, bid proposals had been scored, and interviews conducted; however, no cost proposals had been opened to further the Procurement negotiations process pending the outcome of the New Jersey Commissioners' caucus regarding the necessity to continue utilizing the services of a Benefits Broker/Consultant. Commissioner Murphy felt that the Authority has already received significant cost savings in the first years of the contract but felt future cost savings would be much smaller. The CHRO reported that the Authority does not have the internal expertise either in Human Resources or Procurement to maneuver through Health Care Reform or procuring the different benefits line of services. Commissioner Murphy noted that Highmark has people employed to provide information to the Authority. The CHRO introduced Ruth Warner, Pension and Benefits Manager. It was reported that Highmark only provides raw data but does not do the analysis necessary for the Authority to review and make informed decisions on benefits plan designs, etc. The current broker has moved the Authority to on-line enrollments and Health Care Reform support (past and future administration and compliance). The Acting COO reported that he regards these services and specialized skill set in the same manner as insurance brokerage services. The Authority pays a flat fee vs. percentage so that the broker represents the Authority, and no other interests. The Acting COO recommended the Authority continue utilizing the services of a Benefits Broker/Consultant and agreed that we do not have the internal expertise to broker the services for lines of benefits. The ED noted that in-house expertise could be developed over time but would add to staff. The CHRO questioned whether the New Jersey Commissioners had caucused on the matter and Commissioner Smith reported, yes; however, she felt if Staff feels the need to continue with those services than she would support continuing. The ED reported he would discuss the matter with the Commissioners.

5. With no further business to discuss, Commissioner Murphy made a motion to adjourn, and the Personnel Committee adjourned at 11:33 a.m.

DELAWARE RIVER AND BAY AUTHORITY
BUDGET & FINANCE COMMITTEE MEETING
Tuesday, March 17, 2015
Delaware Memorial Bridge Complex
New Castle, Delaware

A public meeting of The Delaware River and Bay Authority's Budget & Finance Committee Meeting was held on Tuesday, March 17, 2015, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from Delaware

PRESENT

Committee Chair Downes
Commissioner Ford, Committee Member
Commissioner Murphy, Committee Member
Commissioner Carey
Commissioner Lathem
Chairperson Lowe

Commissioners from New Jersey

Committee Vice-Chair Wilson
Commissioner Smith, Committee Member
Commissioner Van Sant, Committee Member
Commissioner Dorn

Vice-Chairperson Hogan

Legal Counsel

Mike Houghton - DE

Phil Norcross - NJ

Governors' Representatives

Chris Howard - NJ

Staff

Scott Green
Frank Minor
Victor Ferzetti
Charlotte Crowell
Vince Meconi
Gerry Owens
Joe Larotonda
Michelle Hammel
TJ Murray
Edith Brako
Travis Crawford
Jim Salmon
Steve Williams
Heath Gehrke
Gregory Chambers

1. Committee Chair Downes opened the Budget & Finance Committee meeting at approximately 9:04 a.m. The Deputy Executive Director (DED) reported that the public meeting

of the Budget & Finance Committee had been duly noticed in accordance with the Authority's Freedom of Information Regulations, read the Statement of Notice, and called the roll.

2. Committee Chair Downes called for a motion to accept the Budget & Finance Committee Minutes from February 18, 2015. Commissioner Wilson made a motion, Commissioner Van Sant seconded, and the Committee Minutes were accepted.

3. Resolutions:

a. RESOLUTION 15-06 – AUTHORIZING AUTHORITY EXPENDITURES PURSUANT TO RESOLUTION 01-84 FOR THE PERIOD, JANUARY 1, 2015 THROUGH DECEMBER 31, 2015

The Acting CFO presented a revised Over \$25,000 List, with the one addition. After discussion and with no questions, Commissioner Van Sant made a motion, Commissioner Smith seconded, and the Committee recommended forwarding the revised Resolution to the full Board for approval. The Resolution will be presented to the full Board for consideration at the March meeting later today.

b. RESOLUTION 15-07 - AUTHORIZES THE ADOPTION OF A PENSION FUNDING POLICY FOR THE DELAWARE RIVER AND BAY AUTHORITY EMPLOYEES' RETIREMENT PLAN

The Acting CFO presented the Resolution. The Acting CFO reported that new GASB Standards 67 & 68 became effective for fiscal years beginning after June 30, 2014, changing the focus between pension accounting and funding measures. The Policy, which conforms to existing Board practice, will provide a reasonable assurance that the cost of future pension benefits will be funded in an equitable and sustainable manner. The Policy can be reviewed, changed or modified by Resolution. After discussion, Commissioner Wilson made a motion, Commissioner Smith seconded, and the Committee recommended forwarding the Resolution to the full Board for approval. The Resolution will be presented to the full Board for consideration at the March meeting later today.

c. RESOLUTION 15-08 - AUTHORIZES THE ADOPTION OF AN OPEB FUNDING POLICY FOR THE OTHER POST EMPLOYMENT BENEFITS ("OPEB") TRUST

The Acting CFO presented the Resolution and reported that the Resolution establishes the same type of Policy, which conforms to existing Board practice, as for the Retirement Plan. Although new accounting and reporting standards have not been adopted by GASB to date, it is anticipated that similar standards will be adopted it is the recommendation of the Authority's Actuary and staff to adopt this funding policy. After discussion, Commissioner Van Sant made a motion, Commissioner Wilson seconded, and the Committee recommended forwarding the Resolution to the full Board for approval. The Resolution will be presented to the full Board for consideration at the March meeting later today.

4. Discussion Items:

- Contract Extension of Other Post Employment Benefit (OPEB) Trustee Services

The Acting CFO reported that an RFP for OPEB Trustee Services had been conducted in 2009. Those services were awarded to Bank of New York Mellon, for an initial term of five (5) years with two (2) optional two (2) year term renewals, at an annual cost of approximately \$12,000. It is the recommendation of staff to exercise the first, two (2) year option. Committee Chair Downes questioned whether the Committee had any objection to staff's recommendation and there were none.

5. Miscellaneous:

- Insurance Review Update

The Acting CFO reported that the one (1) remaining outstanding issue from the 2013 Insurance Review has now been resolved. The Authority has been able obtain Pollution Liability Insurance coverage with a three (3) year policy period, \$3 million limit, \$50,000 deductible per occurrence, at an annual cost of \$29,000. This Policy covers the sixty-four (64) Authority-wide storage tanks. The Committee questioned whether the Policy included historical coverage and the Acting CFO reported that it did not and would be obtaining historical coverage as a separate policy. Authority Vice-Chair Hogan questioned the historical liability of facilities obtained and operated by the Authority. Legal Counsel reported that the protective language would have been included in those operating agreements.

6. With no further business to discuss, Commissioner Murphy made a motion to adjourn and the Budget & Finance Committee adjourned at 9:20 a.m.

DELAWARE RIVER AND BAY AUTHORITY

PERSONNEL COMMITTEE MEETING

Tuesday, March 17, 2015

Delaware Memorial Bridge Complex
New Castle, Delaware

A public meeting of The Delaware River and Bay Authority's Personnel Committee was held on Tuesday, March 17, 2015, at the Delaware Memorial Bridge Complex, New Castle, Delaware

Commissioners from Delaware

PRESENT

Committee Chair Lathem
Commissioner Carey, Committee Member
Commissioner Murphy, Committee Member
Commissioner Downes
Commissioner Ford
Chairperson Lowe

Commissioners from New Jersey

Committee Vice-Chair Dorn
Commissioner Smith, Committee Member
Commissioner Van Sant
Commissioner Wilson
Vice-Chairperson Hogan

Legal Counsel

Mike Houghton - DE

Phil Norcross - NJ

Governors' Representatives

Chris Howard - NJ

Staff

Scott Green
Frank Minor
Victor Ferzetti
Charlotte Crowell
Gerry Owens
Vince Meconi
Joe Larotonda
Michelle Hammel
Gregory Chambers
Ruth Warner
Andrew Ritchie
TJ Murray
Jim Salmon
Heath Gehrke

4. Committee Chair Lathem welcomed the Personnel Committee and opened the meeting at 9:20 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.

5. Committee Chair Lathem called for a motion to accept the Personnel Committee Minutes from February 18 and March 10, 2015. Commissioner Dorn made a motion, Commissioner Smith seconded, and the Committee Minutes were accepted.

6. Committee Chair Lathem requested an Executive Session, closed to the public to discuss matters of a confidential nature. A motion was made by Commissioner Murphy, seconded by Commissioner Dorn, and the Session was closed.

The following matters of a confidential nature were discussed.

- LITIGATION
- PERSONNEL MATTERS

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

7. The Chief Human Resource Officer (CHRO) introduced Gregory Chambers, the EEO/AA and Diversity Manager, who gave a presentation on Diversity and EEO Functions. Prior to the presentation, Mr. Chambers provided his background, work experience and affiliations. The following information was presented.

- Diversity and EEO Functions
- Recruitment & Outreach
- Media Outlets
- Career/Job Fairs
- Internship Program Outreach
- Community Resources

Mr. Chambers reported that the current workforce of 367 full-time employees consists of 25% female and 14% minority. The Committee questioned how he would target for specific technical positions and Mr. Chambers reported that he would discuss with the hiring manager to determine whether there were other specific organizations to contact. He also reported, as an example, he and Engineering Management will give a presentation at the University of Delaware later in March to specifically target female engineers. Commissioner Dorn reported that Calvary Community Development works with women engineers and suggested bringing the group to the Authority. The ED welcomed this proposal.

The Committee thanked Mr. Chambers for providing the presentation and voiced appreciation for his work.

The CHRO provided the Commissioners with a listing of the current full-time and seasonal/casual vacancies and the Executive Director commented that they will receive the vacancy lists on a monthly basis.

5. With no further business to discuss, Commissioner Dorn made a motion to adjourn, and the Personnel Committee adjourned at 10:18 a.m.

DELAWARE RIVER AND BAY AUTHORITY

ECONOMIC DEVELOPMENT COMMITTEE MEETING

Tuesday, March 17, 2015

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, March 17, 2015, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from Delaware

PRESENT

Committee Vice-Chair Ford
Commissioner Carey, Committee Member
Commissioner Downes, Committee Member
Commissioner Lathem
Commissioner Murphy
Chairperson Lowe

Legal Counsel

Mike Houghton - DE

Governors' Representatives

Staff

Scott Green
Frank Minor
Victor Ferzetti
Charlotte Crowell
Joe Larotonda
Michelle Hammel
TJ Murray
Edith Brako
Jim Salmon
Steve Williams
Gregory Chambers

Commissioners from New Jersey

Committee Chair Dorn
Commissioner Smith, Committee Member
Commissioner Van Sant, Committee Member
Commissioner Wilson

Vice-Chairperson Hogan

Phil Norcross – NJ

Chris Howard - NJ

1. Committee Chair Dorn welcomed the Economic Development Committee and opened the meeting at approximately 10:19 a.m. The Deputy Executive Director (DED) reported that the public meeting of the Economic Development Committee had been duly noticed in accordance with the Authority's Freedom of Information Regulations, read the Statement of Notice, and called the roll.

2. Committee Chair Dorn called for a motion to accept the Economic Development Committee Minutes from February 18, 2015. Commissioner Ford made a motion, Commissioner Smith seconded, and the Committee Minutes were accepted.

3. Action Items:

a. RESOLUTION 15-09 – LEASE TERMINATION AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND THE BOEING COMPANY

The DED presented the Resolution and reviewed the terms of the Termination Agreement. Boeing's Lease is set to expire February 2, 2016; however, Boeing no longer has work for that facility as their contract work with the US Army has ended. The termination payment of \$252,485 represents approximately five (5) months of rental payments, half of the remaining term. The DED reported that if Boeing's business need returns that they would consider working with the Authority again; however, staff will actively market the facilities to potential tenants. After discussion, Commissioner Ford made a motion, Commissioner Smith seconded, and the Economic Development Committee unanimously recommended forwarding the Resolution to the full Board for consideration at the March meeting later today.

4. Open Discussion/Other Issues:

a. Dallas Airmotive Update – Commissioner Van Sant reported hearing that Dallas Airmotive was vacating Millville Airport with fifteen (15) jobs at stake and asked for an update. Staff reported that the Lease Agreement with Dallas Airmotive consists of a ground lease of approximately \$12,000 annually and that the tenant had made no official statement to the Authority regarding closing.

b. WWD – Multi-Tenant Building Update – Committee Vice-Chair Ford requested an update regarding the Multi-Tenant Building project and partnering with Cape May County. It was reported that the Authority met with Jackson Cross to begin developing a marketing plan to determine the size of the new building, Cape May County is committed to entrance road improvements with groundbreaking to begin this spring.

5. The Acting COO 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 Smith, seconded by Commissioner Ford, and the Session was closed.

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 Ford, seconded by Commissioner Van Sant, and the Session was opened to the public.

6. With no further business to discuss, a motion to adjourn was made by Commissioner Ford, and the Economic Development Committee adjourned at 10:41 a.m.

DELAWARE RIVER AND BAY AUTHORITY

PROJECTS COMMITTEE MEETING

Tuesday, March 17, 2015

Delaware Memorial Bridge Complex
New Castle, Delaware

A public meeting of The Delaware River and Bay Authority's Projects Committee was held on Tuesday, March 17, 2015, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from Delaware

PRESENT

Committee Chair Murphy
Commissioner Ford, Committee Member
Commissioner Lathem, Committee Member
Commissioner Carey
Commissioner Downes
Chairperson Lowe

Commissioners from New Jersey

Committee Vice-Chair Smith
Commissioner Van Sant, Committee Member
Commissioner Wilson, Committee Member
Commissioner Dorn

Vice-Chairperson Hogan

Legal Counsel

Mike Houghton - DE

Phil Norcross - NJ

Governors' Representatives

Chris Howard - NJ

Staff

Scott Green
Frank Minor
Victor Ferzetti
Charlotte Crowell
Gerry Owens
Joe Larotonda
Jim Salmon
TJ Murray
Edith Brako
Michelle Hammel
Steve Williams

4. Committee Chair Murphy opened the Projects Committee meeting at approximately 10:18 a.m. The Deputy Executive Director 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.

5. Committee Chair Murphy called for a motion to accept the Projects Committee Minutes from February 18, 2015. Commissioner Ford made a motion, Commissioner Smith seconded, and the Committee Minutes were accepted. Those in attendance were provided an informational

package consisting of an agenda and one (1) monthly contractor payment charts (through February).

6. Bid Opening: None.

7. Contract Close-Out Actions: None.

5. Contractor Payment (through February): The Acting Chief Operations Officer (COO) reviewed for the Committee the monthly construction contractor payments to be made for the work completed through February.

6. Miscellaneous Items/Updates:

a. Extension of Contract CMLF-12-09 – Ferry Shuttle Bus Service, Cape May County Zoo

b. Extension of Contract CMLF-12-10 – Ferry Shuttle Bus Service, Cape May Ferry Terminal and the City of Cape May Transportation Depot

The Acting COO reported that the two (2) Contracts had each been awarded through bid processes two (2) years ago. It is the recommendation of staff to exercise the one (1) year option and to extend the contract for this year and re-bid or re-evaluate options going forward. After discussion, Committee Chair Murphy asked whether there were any objections to extending the two (2) Contracts for one (1) year and there were none.

7. Open Discussion/Other Issues:

a. Re-Power M/V Delaware Update

The Acting COO reminded the Committee of the previous discussion in December regarding the award of a federal grant in the amount of \$975,000 for engine replacement/emissions reduction and the M/V Delaware was already scheduled for drydocking at which time the repowering could take place and staff moved quickly to order engines and gears needed. At the previous briefing, the in-house estimate was provided at \$4.7 million; however, the Engineer Estimate has increased to \$6 million due to exhaust system, cooling system, and upgraded generators. Rolls Royce, the consultant, was engaged to develop and staff feels that the current Estimate is reasonable and will continue to update the Committee as necessary. Committee members concurred with the decision to proceed.

b. DMB Roadway Repair

The Acting COO reported that it has been a difficult winter and the necessary roadway repairs will begin to lanes 2, 3 and 4, in anticipation of upcoming closure of lane 1 due to the upcoming painting contract. Repairs to lane 1 will occur during the closure.

c. Forts Ferry Crossing Update

The Director-Ferry Operations reminded the Committee that the ferry will run to Pea Patch Island and Fort Mott and will not include regular service to Salem, NJ. He reported that he met with DNREC and NJDEP to re-name the service to Forts Ferry Crossing. Agreements are being finalized and should be ready for execution soon.

8. With no further business to discuss, Commissioner Lathem made a motion to adjourn, and the Projects Committee adjourned at 10:58 a.m.

DELAWARE RIVER AND BAY AUTHORITY

AUDIT & GOVERNANCE COMMITTEE MEETING

Tuesday, March 17, 2015

Delaware Memorial Bridge Complex
New Castle, Delaware

A public meeting of The Delaware River and Bay Authority's Audit & Governance Committee was held on Tuesday, March 17, 2015, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from Delaware

PRESENT

Committee Vice-Chair Carey
Commissioner Downes, Committee Member
Commissioner Lathem, Committee Member
Commissioner Ford
Commissioner Murphy
Vice-Chairperson Lowe

Commissioners from New Jersey

Committee Chair Wilson
Commissioner Smith, Committee Member
Commissioner Dorn
Commissioner Van Sant

Chairperson Hogan

Legal Counsel

Phil Norcross - NJ

Governors' Representatives

Chris Howard - NJ

Staff

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Joe Larotonda
Gerry Owens
Charlotte Crowell
Ruth Warner
Vince Meconi
Michelle Hammel
TJ Murray
Steve Williams
Edith Brako
Heath Gehrke

1. Committee Chair Wilson welcomed the Audit & Governance Committee and opened the meeting at 10:58 a.m. The Deputy Executive Director (DED) reported that the public meeting of the Audit & Governance 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 Wilson called for a motion to accept the Audit & Governance Committee Minutes from January 21, 2015. Commissioner Lathem made a motion, Commissioner Smith seconded, and the Committee Minutes were accepted.

3. The Acting Chief Financial Officer (CFO) requested an Executive Session. Committee Chair Wilson 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.

- LEGAL MATTERS

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 Downes, and the Session was opened to the public.

4. With no further business to discuss, a motion to adjourn was made by Commissioner Lathem, and the Audit & Governance Committee adjourned at 11:08 a.m.