

DELAWARE RIVER AND BAY AUTHORITY

BUDGET & FINANCE COMMITTEE MEETING

Tuesday, December 17, 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 Tuesday, December 17, 2013, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from New Jersey

PRESENT

Committee Chair Mroz
Commissioner Smith, Committee Member
Commissioner Van Sant, Committee Member
Commissioner Dorn
Commissioner Wilson-via phone
Chairperson Hogan

Commissioners from Delaware

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

Vice-Chairperson Lowe

Legal Counsel

Phil Norcross - NJ

Mike Houghton - DE

Governors' Representatives

Kerstin Sundstrom - NJ

Danielle Blount - DE

Staff

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

1. Committee Chair Mroz opened the Budget & Finance Committee meeting at approximately 9:04 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. Committee Chair Mroz called for a motion to accept the Budget & Finance Committee Minutes from November 19, 2013. Commissioner Downes made a motion, Commissioner Murphy seconded, and the Committee Minutes were accepted.

3. Resolution:

a. RESOLUTION 13-47 – AUTHORIZES AUTHORITY EXPENDITURES PURSUANT TO RESOLUTION 01-84 FOR THE PERIOD, JANUARY 1, 2014 THROUGH DECEMBER 31, 2014

The Chief Financial Officer (CFO) presented the Over \$25,000 Vendor List and reported it was the first for the FY 2014 year. The list includes Utilities, Benefits, State Contract, Government, Sole Source, Proprietary and Quotes. The CFO highlighted and discussed the four (4) vendor quotes. Commissioner Downes questioned CVS Caremark Prescription Benefit and the CFO noted that the Authority self-insures health care costs up to \$150,000 per case. Chief Human Resource Officer reported the benefit had been removed as part of Highmark of Delaware's health benefit in order to be able to help contain costs. Commissioner Murphy questioned AmWins and requested information on a per employee benefit. Committee Chair Mroz requested that a separate review of Health Care Coverage be provided at an appropriate time and included on the Agenda. The CHRO noted that February would be appropriate.

After discussion, and with no further questions, Commissioner Smith made a motion, Commissioner Van Sant 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 December meeting later today.

4. Miscellaneous:

a. Standard & Poors Update:

The CFO provided correspondence from Standard & Poors affirming the Authority's Credit Rating, which remains at A/Stable Outlook and reviewed each of the stated credit strengths and weaknesses.

b. Proposed Additional Contribution to Pension Fund:

The CFO provided information compiled by Boomershine, the Authority's Actuarial Firm, which contrasted the Employees' Pension Fund Total Plan Funded Status from 69% Funded in 2009 to the most current 84% Funded 2013. The past Committee and Board decisions to act on the recommendations of staff, to address the unfunded liability with additional contributions from surplus operating funds in years 2010, 2011, and 2012, above the Annual Required Contribution (ARC), have enabled the Pension Plan to surpass the recommended benchmark of 80%. The CFO reported he estimates the FY 2013 Operating

Budget will be approximately \$6 million under budget and recommended, in consultation with Dave Boomershine, making an additional \$2 million contribution from the unspent 2013 year end budget. The proposed \$2 million contribution, above the ARC, boosts the Plan to an estimated 85.3% funded. It is the CFO's recommendation that no further additional contributions would be necessary, unless the Plan falls below 85% funded. The Committee discussed the recommendation and the CFO explained the "flow of Authority funds" noting that unspent operation budget funds go to the General Fund to be used for "any lawful purpose." Committee Chair Mroz stated this was a prudent recommendation and absent any objections, staff will proceed to make the additional contribution. The Committee concurred with the action.

5. Committee Chair Mroz 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 Smith, and the Session was closed.

The following matters of a confidential nature were discussed.

- LONG RANGE PLANNING

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

7. With no further business to discuss, Commissioner Traynor made a motion to adjourn, and the Budget & Finance Committee adjourned at 10:45 a.m.

DELAWARE RIVER AND BAY AUTHORITY

ECONOMIC DEVELOPMENT COMMITTEE MEETING

Tuesday, December 17, 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, December 17, 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-via phone
Commissioner Mroz
Commissioner Van Sant
Chairperson Hogan

Commissioners from Delaware

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

Vice-Chairperson Lowe

Legal Counsel

Phil Norcross - NJ

Mike Houghton - DE

Governors' Representatives

Kerstin Sundstrom - NJ

Danielle Blount - DE

Staff

Scott Green
Frank Minor
Victor Ferzetti
Jim Walls
Gerry Owens
Charlotte Crowell
Anna Marie Gonnella Rosato

1. Committee Vice-Chair Smith welcomed the Economic Development Committee and opened the meeting at approximately 10:45 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 November 19, 2013. Commissioner Dorn made a motion, Commissioner Downes seconded, and the Committee Minutes were accepted.
3. Action Items: None

4. Open Discussions/Other Issues:

Airport Layout Plan Update:

The Director-Airports provided an update on the public hearing recently conducted by the Delaware River and Bay Authority and C&S Companies at the Millville Airport regarding the 20-Year Airport Layout Plan. The Director-Airports reported this was an opportunity for the public to learn about the process. C&S will gather public comments will be for review. The Deputy Executive Director (DED) reported that he and staff are working in conjunction with Cumberland County on possible options to attract aviation and non-aviation related businesses to the Airport.

5. With no further business to discuss, a motion to adjourn was made by Commissioner Downes, and the Economic Development Committee adjourned at 10:48 a.m.

DELAWARE RIVER AND BAY AUTHORITY

PERSONNEL COMMITTEE MEETING

Tuesday, December 17, 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, December 17, 2013, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from New Jersey

PRESENT

Committee Chair Dorn
Commissioner Van Sant, Committee Member
Commissioner Wilson, Committee Member-via phone
Commissioner Mroz
Commissioner Smith
Chairperson Hogan

Commissioners from Delaware

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

Vice-Chairperson Lowe

Legal Counsel

Phil Norcross - NJ

Mike Houghton - DE

Governors' Representatives

Kerstin Sundstrom - NJ

Danielle Blount - DE

Staff

Scott Green
Frank Minor
Victor Ferzetti
Jim Walls
Gerry Owens
Charlotte Crowell
Ruth Warner
Michelle Hammel

1. Committee Chair Dorn welcomed the Personnel Committee and opened the meeting at 10:48 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 November 19, 2013. Commissioner Lathem made a motion, Commissioner Murphy seconded, and the Committee Minutes were accepted.

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

The following matters of a confidential nature were discussed.

- LABOR NEGOTIATIONS
- PERSONNEL 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 Van Sant, and the Session was opened to the public.

4. With no further business to discuss, Commissioner Lathem made a motion to adjourn, and the Personnel Committee adjourned at 11:20 a.m.

THE DELAWARE RIVER AND BAY AUTHORITY

PROJECTS COMMITTEE

Tuesday, December 17, 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, December 17, 2013, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from New Jersey

PRESENT

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

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
Shoukry Elnahal
Steve Williams
Michelle Hammel
TJ Murray
Heath Gehrke

Commissioners from Delaware

Commissioner Lathem, Committee Member
Commissioner Downes
Commissioner Traynor
Commissioner Murphy

Vice-Chairperson Lowe

Mike Houghton – DE

Danielle Blount – DE

1. Committee Chair Smith welcomed the Projects Committee and opened the meeting at approximately 11:20 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 November 19, 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, one (1) Resolution and one (1) monthly contractor payment chart (through November).

3. Resolutions:

RESOLUTION 13-48 – ADOPTION OF THE DELAWARE RIVER AND BAY AUTHORITY’S 2014 CAPITAL IMPROVEMENT PROGRAM (CIP)

The COO introduced a Resolution for Adoption of the Delaware River and Bay Authority’s 2014 Capital Improvement Program (CIP). The COO recommended approval of the Resolution for Adoption of the 2014 Capital Improvement Program. The Committee concurred with the recommendation. Committee Chair Smith asked if there were any questions. Commissioner Dorn made a motion, Commissioner Lathem seconded and the Projects Committee unanimously recommended forwarding the Resolution to the full Board for approval. The Resolution will be presented to the full Board for approval at the December meeting later today.

4. Bid Openings: None.

5. Contract Close-Out Actions: None

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

7. Miscellaneous Items/Updates:

8. Move to Executive Session: There was no need for an Executive Session.

9. With no further business to discuss, Commissioner Lathem made a motion to adjourn, seconded by Commissioner Dorn, and the Projects Committee adjourned at 11:26 a.m.

DELAWARE RIVER AND BAY AUTHORITY

AUDIT & GOVERNANCE COMMITTEE MEETING

Tuesday, December 17, 2013

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, December 17, 2013, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from New Jersey

PRESENT

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

Commissioners from Delaware

Committee Chair Downes
Commissioner Lathem, Committee Member
Commissioner Murphy
Commissioner Traynor

Vice-Chairperson Lowe

Legal Counsel

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Governors' Representatives

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Anna Marie Gonnella Rosato
Michelle Hammel
TJ Murray
Joe Larotonda
Rick Arroyo
Ruth Warner
Heath Gehrke
Steve Williams
Jim Salmon

1. Committee Chair Downes welcomed the Audit & Governance Committee and opened the meeting at 11:26 a.m. The Deputy Executive Director 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 Downes called for a motion to accept the Audit & Governance Committee Minutes from July 16, 2013. Commissioner Van Sant made a motion, Commissioner Lathem seconded, and the Committee Minutes were accepted.

3. 2013 Audit Discussion:

The Chief Financial Officer (CFO) presented the Committee with the FY 2013 Audit Schedule. Committee Chair Downes expressed concern that only he would be interviewed and requested the interview also include the Audit Committee. The CFO noted to the Committee that the process is performed, in accordance with Auditing Standards, and that an interview is part of the process. The Authority's Independent Auditors, CliftonLarsonAllen, will attend the February Audit Committee meeting.

4. With no further business to discuss, Commissioner Van Sant made a motion to adjourn and the Audit & Governance Committee meeting adjourned at 11:31 a.m.