

**10703. RESOLUTION 13-24 - AUTHORIZING AUTHORITY EXPENDITURES
PURSUANT TO RESOLUTION 01-84 FOR THE PERIOD, JANUARY 1, 2013
THROUGH DECEMBER 31, 2013**

WHEREAS, The Delaware River and Bay Authority (the “Authority”) adopted Resolution 01-84 requiring Commissioner review and approval of all Authority expenditures in excess of \$25,000; and

WHEREAS, the Authority anticipates expenditures at or over the \$25,000 amount to the following vendors:

DELAWARE RIVER & BAY AUTHORITY
PROJECTED VENDORS TO BE PAID OVER \$25,000
OPERATION EXPENDITURES
FOR THE PERIOD 1/1/13 THROUGH 12/31/13

| VENDOR | SERVICE DESCRIPTION | DETERMINATION | APPROX. ESTIMATED \$ |
|-------------------------------|--|----------------------|-------------------------------------|
| Allied Beverage Distributors | Alcoholic Beverages for CMLF | Sole Source | \$52,000 |
| Delta Centrifugal Corporation | Vessel Equipment | Quotes | \$28,000 |
| Hertrich Fleet Services Inc. | Two (2) Replacement Vehicles | State Contract | \$53,000 |
| Labor Ready, Inc. | Vessel and Terminal Cleaning | Quotes | \$50,000 |
| R.W. Fernstrum & Co. | Vessel Equipment | Proprietary | \$125,000 |
| TTI Environmental, Inc. | Airport Improvements | Quotes | \$41,000 |
| Winner Ford | Two (2) Replacement Vehicles | State Contract | \$83,000 |
| W.W. Grainger, Inc. | Replacement Parking Lot Sweeper | State Contract | \$59,000 |
| York Street Caterers, Inc. | Specialty Fresh Deli Sandwiches and Salads | Sole Source | \$103,000 |

NOW, THEREFORE, BE IT RESOLVED, that the Authority authorizes expenditures to the above listed vendors for the described purposes and authorizes payment.

A motion to approve Resolution 13-24 was made by Commissioner Mroz, seconded by Commissioner Lowe, and approved by a roll call vote of 10-0.

Resolution 13-24 Executive Summary Sheet

Resolution: Authorizing Authority Expenditures Pursuant to Resolution 01-84 for the period, January 1, 2013 through December 31, 2013.

Committee: Budget & Finance

Committee and Board Date: July 16, 2013

Purpose of Resolution:

Authorizes the expenditure of \$25,000 or greater with the identified vendors for the calendar year.

Background for Resolution:

The proposed Resolution meets the requirements of Resolution 01-84, whereby the Authority shall not enter into any contract committing the Authority to spend or make any other expenditures relating to services, material and supplies in the amount of \$25,000 or more unless it has first been approved by a vote of Commissioners.

Background for the specific purchases:

Alcoholic beverages for CMLF

The Authority purchases alcoholic beverages through Allied Beverage Distributors for its Cape May terminal food operations. Allied Beverage holds the exclusive regional distribution rights to the specific brand producers the Authority uses. Distributor prices are regulated by the State of New Jersey Alcoholic Beverage Commission.

Vessel Equipment

The Authority requires four (4) Rudder Post Bearing Shells for the vessel fleet in support of maintaining inventory for future drydocking and repairs. The Authority solicited quotes from three (3) contractors. Quotes were submitted by Delta Centrifugal Corporation (\$28,000) and MetalTek International (\$34,000). One contractor declined to quote. Delta Centrifugal Corporation submitted the lowest responsible quote.

Two (2) Replacement Vehicles

The DRBA evaluates its vehicles and equipment for replacement according to written replacement criteria. The Authority has determined that two (2) Ford Explorers have exceeded their useful life, meet the Authority replacement criteria,

and require replacement. Both vehicles will be replaced by Ford F-150 4X4 Trucks. Hertrich Fleet Services Inc. offers the best State Contract Price of \$26,400 each for the vehicles. The vehicles being replaced will be sold at public auction.

Vessel and Terminal Cleaning

The Authority requires the use of external temporary labor for night cleaning of the Cape May-Lewes Ferry vessels and terminals during our peak summer service months. The Authority contacted six cleaning contractors and met with three of them in an effort to obtain proposals. All but one of the contractors either refused or failed to submit a proposal for this work. Labor Ready, Inc. submitted the lowest responsible quote.

Vessel Equipment

The Authority requires six (6) Main Engine Gridcooler Keel Coolers, six (6) Generator Gridcooler Keel Coolers, and eight (8) compression sealing kits for the M/V Twin Capes in support of maintaining inventory for future drydocking and repairs. Gridcooler Keel Coolers are sold only by R.W. Fernstrum & Co.

Airport Improvements

The Authority requires an Oil/Water Separator Upgrade at the Cape May Airport. This minor capital improvement project involves the removal of an existing underground storage tank, site remediation, restoration, and installation of the new oil/water separator. The Authority solicited bids from three (3) contractors. Bids were received from TTI Environmental, Inc. (\$41,000) and DeMaio's Incorporated (\$58,000). One contractor declined to bid on the work required. TTI Environmental, Inc. submitted the lowest responsible bid.

Two (2) Replacement Vehicles

The DRBA evaluates its vehicles and equipment for replacement according to written replacement criteria. The Authority has determined that two (2) Ford F-350 Utility Body Trucks have exceeded their useful life, meet the Authority replacement criteria, and require replacement. Both vehicles will be replaced with Ford F-350 Utility Body Trucks. Winner Ford offers the best State Contract Price of \$42,200 for the Utility and \$39,500 for the Crew Cab Utility type vehicles. The vehicles being replaced will be sold at public auction.

Replacement Parking Lot Sweeper

The DRBA evaluates its vehicles and equipment for replacement according to written replacement criteria. The Authority has determined that one (1) Tennant M-800 sweeper has exceeded its useful life, meets the Authority replacement

criteria, and requires replacement. The sweeper will be replaced with a Tennant MS30 sweeper. W.W. Grainger, Inc. offers the best State Contract Price for the equipment required.

Specialty Fresh Deli Sandwiches and Salads

The Authority purchases for resale restaurant-quality Grab & Go fresh sandwiches, salads, and snacks on its vessels. As a vehicle of interstate transportation, the Cape May – Lewes Ferry is subject to FDA regulations which require its food source facilities to be inspected and approved by the USDA. York Street Caterers is currently the only identified facility in the area to offer USDA inspected and approved prepackaged fresh food.

Background for Determination category:

Proprietary: Proprietary items are purchases necessary to support and maintain existing Authority systems and equipment that are only available from one source. Resolution 98-31 (paragraph 2, subsection f) provides that “[a] contract may be awarded without competition if the General Manager or Director of Operations of an Authority facility, or Police Administrator, prior to procurement, determines in writing that there is only one source for the required contract”.

Quotes: Quotes items are purchases that are anticipated to be between \$25,000 and \$49,999 for the year for which the Authority has solicited written quotes. Resolution 98-31 (paragraph 4) provides that purchases “more than \$25,000 but less than \$50,000 in the aggregate require the solicitation of three written quotes or all available sources, whichever is less...”

State Contracts: Resolution 98-31, as amended by Resolution 11-36 (paragraph 2, subsection a) provides that “[t]his [competitive bidding] provision shall not apply to purchases by the Authority from suppliers in cases where the Authority is purchasing at prices pursuant to contracts awarded by the States of Delaware or New Jersey for state agencies.

Sole Source: Sole source items are goods and services that the Authority requires that cannot be provided by another source. Resolution 98-31 (paragraph 2, subsection f) provides that “[a] contract may be awarded without competition if the General Manager or Director of Operations of an Authority facility, or Police Administrator, prior to procurement, determines in writing that there is only one source for the required contract”.