

MINUTES OF MEETING

THE DELAWARE RIVER AND BAY AUTHORITY

February 17, 2004

Commissioners from Delaware

Commissioners from New Jersey

PRESENT

F. Michael Parkowski, Chairman
Thomas J. Cooper
Verna W. Hensley
William E. Lowe, III
Samuel E. Lathem
Gary B. Patterson (conference call)

Edward W. Dorn
Maureen T. Koebig
Robert Y. McWilliams
Charles E. Pessagno

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The meeting convened at 11:20 a.m. with Chairman Parkowski presiding.

The opening prayer was given by Commissioner Lathem followed by the Pledge of Allegiance led by Col. John R. McCarnan.

The Chairman 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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8987. APPROVAL OF MINUTES: On motion by Commissioner Lathem and seconded by Commissioner McWilliams, the minutes of the January 20, 2004 meeting were approved by a roll call vote of 10-0.

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8988. EXECUTIVE DIRECTOR’S REPORT: The Executive Director presented the following highlights that occurred within the Authority during the month of January:

AIRPORTS

Airports personnel performed snow removal and de-icing activities throughout the 4-day winter weather event, January 25-28th, to maintain airport operations across the Authority. Airports and Ferry maintenance personnel worked hand-in-hand for snow removal activities at Cape May Airport.

On January 13th, NCA tenants and Airports personnel attended a Transportation Safety Administration briefing at New Castle Airport. The key message from the TSA is that, “daily users of the airfield should stop and challenge anyone that does not have a usual airfield presence.”

CAPE MAY-LEWES FERRY

In comparison to 2003, vehicle traffic was down 8.6% in January. Passenger traffic declined 6.3% in January from 2003. Severe winter weather caused heavy ice conditions in the Cape May Canal and Bayshore channel. Sixteen crossings were cancelled during the month due to ice or weather conditions. Authority employees worked diligently to keep vessels and facilities in service and the Canal open for ferry operations. The M/V Delaware is out of commission for two months for main engine overhaul and annual maintenance at the Cape May Terminal.

DELAWARE MEMORIAL BRIDGE

Authority Maintenance and Police personnel responded superbly during the sustained 4-day emergency snow removal operation, January 25-28th. As a result, the winter weather impact to Delaware Memorial Bridge customers was minimized.

Total bridge traffic during January 2004 decreased by approximately 0.4% (5000 vehicles) versus the monthly total in 2003. In part, this deviation can be attributed to weather since there were a total of five snow or ice days during this month versus three days in 2003. During the adverse weather, the daily traffic averaged approximately 10,000 fewer vehicles than normal.

E-ZPass traffic represented 47.9% of the total traffic during January 2004, which is the highest monthly percentage recorded since electronic toll collection operations started on the Delaware Memorial Bridge in July, 2001. The morning rush hour (7-8 a.m.) routinely reflected 74% use of E-ZPass and the weekend use has increased steadily to 50% of the total traffic.

Jeff Hoffman, Senior Toll Collector, delivered a series of orientation classes to Maintenance, Police, and Tolls personnel to familiarize them with the new fire suppression system in the DMB toll plaza. This new system was placed into operation in mid-January.

HUMAN RESOURCES

An Inclement Weather Policy was introduced to provide guidance to employees during periods of severe weather conditions. In part, this policy identifies essential employees who are required to report for work to maintain critical Authority operations, even during declared States of Emergency. This policy also established a process for the declaration of Liberal Leave, allowing non-essential employees to opt to take leave rather than report to work during severe weather conditions. A telephone hotline was also created to provide our employees with accurate and up-to-date information on severe weather events that may impact employees reporting to work.

The SHRM (Society for Human Resource Management) Certification program commenced on February 3, 2004, for Human Resource employees. Wilmington College is conducting this program which focuses on the following issues: Occupational Health, Safety & Security; Workforce Planning & Employment; Compensation & Benefits; Employee & Labor Relations; Strategic Management; and Human Resource Development.

The Master of Science in Strategic Leadership program commenced January 15th for ten Authority employees, additional students from the surrounding area are also attending. This 18-month graduate degree program is being conducted onsite in the Julia Building by Neumann College.

The Authority hosted a Job Shadowing Day on February 4th for eighth grade students in the Salem County School District. Students were provided an insight into the following areas: Automotive; Electric; Reservations; E-ZPass; Cafeteria; Tolls; and Police. The success of this program can be credited to the support and dedication of the Authority personnel who participated in this event.

Wanda L. McClairn was hired as Toll Accounting Clerk in the Controller's Office, effective January

12, 2004.

Anthony J. Crescenzi joined the Authority on February 2, 2004, as Business Development Representative, working with the Deputy Executive Director.

Personnel Status

| <u>Permanent Full-Time:</u> | <u>Authorized Positions</u> | <u>Filled Positions</u> |
|-----------------------------|-----------------------------|-------------------------|
| Total Permanent | 481 | 439 |

POLICE

Summary of Police activities:

| <u>Enforcement/Activity</u> | <u>Jan 2003</u> | <u>Jan 2004</u> |
|-----------------------------|-----------------|-----------------|
| Traffic Summons | 489 | 376 |
| Criminal Arrests | 4 | 19 |
| Traffic Accidents | 25 | 18 |
| Traffic Reprimands | 805 | 234 |
| | | |
| <u>Aid to Motorists</u> | <u>Jan 2003</u> | <u>Jan 2004</u> |
| Disabled Vehicles | 144 | 142 |
| Public Assists | 54 | 51 |
| Medical Assists | 2 | 4 |
| Acrophobiacs | 17 | 30 |

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8989. COMMITTEE REPORTS – BUDGET & FINANCE

On behalf of Commissioner Patterson, Commissioner McWilliams presented the following minutes of the Budget & Finance Committee meeting held February 3, 2004.

Commissioners from Delaware

Commissioners from New Jersey

PRESENT

Committee Chair Patterson
 Commissioner Cooper, Committee Member
 Commissioner Hensley, Committee Member
 Commissioner Lathem
 Commissioner Lowe
 Chairperson Parkowski

Committee Vice-Chair McWilliams
 Commissioner Dorn
 Commissioner Koebig
 Vice-Chair Wallace

Staff

Invited Guests

Jim Johnson, Jr.
 Don Rainear
 Brad Hopkins
 Jim Walls
 Trudy Spence-Parker
 Joe Larotonda
 Victor Ferzetti
 Ken Hynson
 Colonel McCarnan

Cavanaugh Capital Management
 Jim Cavanaugh
 Megan Brune
 Tom Graff

Linda Murphy
TJ Murray

- I. Committee Chair Patterson welcomed the Budget & Finance Committee and opened the meeting at approximately 9:05 a.m. The Committee Chair reported that the public meeting of the Budget & Finance Committee had been duly advertised in accordance with the Authority's Freedom of Information Regulations, read the Statement of Notice, and called the roll.
- II. Committee Chair Patterson introduced the Authority's Financial Advisor, Mr. Jim Cavanaugh from Cavanaugh Capital Management, and Mr. Cavanaugh introduced his team. Mr. Cavanaugh began to review the Authority's investment results. It was reported that the Authority's investments are structured with minimal risks with the most returns. Megan Brune reviewed the Authority's Pension Funds. Mr. Cavanaugh also recommended that the Authority take advantage of potential savings from refunding Series 1993 Bonds. Staff recommended, and the Committee concurred, that an RFP be advertised for Bond Underwriters. On motion by Commissioner McWilliams and a unanimous voice vote, the Committee authorized staff to advertise an RFP for Bond Underwriters. These professional services will be advertised in the Bond Buyer.
- III. Committee Chair Patterson reviewed the Community Contribution requests for the month of February. After review of the requested contributions, the Committee approved requests from Delaware totaling \$13,500 and requests from New Jersey totaling \$31,550, for a grand total of \$45,050. On motion by Commissioner McWilliams, the Committee recommended a Resolution authorizing a total of \$45,050 for Community Contributions be presented for full Board consideration at the February meeting.
- IV. At the request of the Committee Chair, Colonel McCarnan gave an overview of the utilization of the Police helicopter. It was reported that the helicopter has been operational for 4.5 years and has flown a total of 622 hours for an average of 150 flying hours per year. The mission established for the usage of the helicopter has been counter terrorism, drug operations, investigative, and in support of other agencies and flies on scheduled missions. By supporting other agencies, the Authority receives mutual support from other agencies when necessary. The Committee questioned the difference between the State of Delaware's helicopter usage and the Authority's helicopter usage. The State's helicopters are used primarily for Med-Evac; therefore, could be diverted at any time during other missions. It was also reported that the Authority police helicopter is not equipped for Med-Evacs. After discussion of the location of the helicopter and its use for possible counter terrorism missions, the Committee took no further action at this time; however, suggested that the helicopter be scheduled for an inspection by the Board in March.
- V. Miscellaneous Budget & Financial Matters
 - The Chief Financial Officer reported that, subject to the final audit, the year end total operating budget for 2003 should be approximately \$3 million under budget.
 - The Chief Financial Officer reported that Pine Grove Park in Pennsylvania had purchased the Carousel in the amount of \$40,000.
 - The Chief Financial Officer also reported that the Authority had received a counter offer regarding the sale of the property located on Lincoln Boulevard in Cape May. The Committee discussed the offer and on motion by Commissioner McWilliams, seconded by Commissioner Koebig, the Committee authorized staff to accept the counter offer.

There being no further business, the Budget & Finance Committee Meeting was adjourned at 10:45 a.m.

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Commissioner Koebig presented the following minutes of the Projects Committee meeting held February 3, 2004.

Commissioners from Delaware

Commissioners from New Jersey

PRESENT

Committee Vice Chair Lowe
Commissioner Lathem, Committee Member
Commissioner Hensley
Commissioner Patterson

Committee Chair Koebig
Commissioner Dorn, Committee Member

Staff

Jim Johnson, Jr.
Donald Rainear
Jim Walls
Brad Hopkins
Trudy Spence-Parker
John Jones
Thomas Pankok

- I The Projects Committee convened at approximately 11:00 a.m. Staff provided those in attendance with an information package consisting primarily of project and contract close-out information and a monthly contractor payment chart.
- II Bid Opening/Award Actions: One bid opening was recently held to obtain rescue craft sponson replacements for the Cape May-Lewes Ferry vessels. These floatation devices are utilized for vessel stabilization. Three vendors submitted bids. Staff recommended that the work be awarded to the low bidder, Maritime Solutions. The Projects Committee supported the recommendation and directed that the information be incorporated in the over-\$25,000 resolution at the February Board meeting.
- III Contract Close-Out: the COO recommended that Contract No. DMB-01-05, Toll Booth Canopy Fire Suppression System be closed-out at the final contract price of \$245,623.00. The Projects Committee supported the recommendation and directed that a contract close-out recommendation be presented at the February Board meeting.
- IV Miscellaneous On-going Actions: Staff provided an update regarding exploratory review and analysis pertaining to our current prevailing wage policy for Authority Capital projects. Staff reported that the current policy is to use prevailing wage rates when the Authority is in receipt of Federal or State funds for capital projects. The COO indicated that some construction projects will soon be ready to advertise and recommended a decision be made on this issue by March to maximize good weather potential this construction season. The Projects Committee recommended that this topic be placed on the March committee meeting agendas for Projects, Budget and Finance, and Economic Development Committees.
- V Contractor Payment Review (thru January): Staff provided the Committee with a December summation of payments that will be paid towards active construction contracts in January.

There being no further business for the Projects Committee, the public meeting was adjourned at approximately 11:35 a.m.

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8991. COMMITTEE REPORT – ECONOMIC DEVELOPMENT

Commissioner Hensley presented the following minutes of the Economic Development Committee meeting held February 3, 2004.

Commissioners from Delaware

PRESENT

Committee Chair Hensley
Commissioner Cooper, Committee Member
Commissioner Lathem
Commissioner Lowe
Commissioner Patterson

Commissioners from New Jersey

Committee Vice-Chair Koebig
Commissioner Dorn, Committee Member
Commissioner McWilliams

Staff

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

- I. Committee Chair Hensley welcomed the Economic Development Committee and opened the meeting at approximately 12:50 p.m. The Committee Chair reported that the public meeting of the Economic Development Committee had been duly advertised 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 Lathem, seconded by Commissioner Koebig, the session was closed.

The following matters of a confidential nature were discussed.

- Contract/Lease Negotiations

There being no further business to discuss in Executive Session, on motion by Commissioner Lathem, seconded by Commissioner Dorn, the session was opened to the Public.

- II. General Economic Development Projects and Updates

Rowan Technology Park. The Deputy Executive Director requested authority to prepare a Resolution for the February Board Meeting to authorize the Executive Director and other appropriate Authority staff to finalize the terms of a loan/lease for the development and lease of a 50,000 square foot Innovation Center in the Rowan Technology Park. Motion Dorn second Cooper, voting in favor: Chairlady Hensley, Commissioners Cooper, Dorn and Koebig.

Commissioner Hensley noted that there are ongoing details to be worked out therefore a Resolution will not be introduced today.

Delaware State University Hangar Project. The Deputy Executive Director requested authority to prepare a Resolution for the February Board Meeting authorizing the Executive Director and other appropriate Authority staff to negotiate and finalize terms for the development, funding and lease of a new 10,000+/- square feet Hangar at Delaware Air Park for use by the University. Motion Cooper, second Koebig, voting in favor: Chairlady Hensley, Commissioners Dorn, Cooper and Koebig.

Commissioner Hensley noted that a Resolution has been prepared and will be presented today for action.

Delaware Bay Oyster Revitalization Project: The Deputy Executive Director updated the Committee on the status of the Oyster Revitalization Project. It was reported that this project is supported by both the State of New Jersey and the State of Delaware and various agencies within both states. The oyster industry has seen substantial impact to the industry due to disease in the Delaware Bay. Researchers have developed a program of transplanting young oysters into the upper part of the Delaware Bay where there is a lower salinity, and then transplanting to an area higher in salinity for the remainder of their growth. Similar projects have seen success in other areas of the country. The project requests the Authority to be a sponsor of this project in order to receive funding through the Army Corps of Engineers. The organization has requested \$50,000 per year for three years from the Authority that could be leveraged into approximately \$1-2 million. No Board action is necessary at this time.

DEMA – National Guard: The Deputy Executive Director reported that the discussions and negotiations with the National Guard have moved toward a completion. The Deputy ED will update the Committee as necessary.

Commissioner Hensley noted that negotiations are continuing and that the Commissioner's will be updated at the next meeting.

Salem Business Center Update: The Authority's Marketing Firm will be hosting a marketing event for the Salem Business Center in March. It was reported that the firm is utilizing an internet site and has printed brochures in its endeavors to market this facility. Interested parties recently visited the site. The Deputy ED will update the Committee as necessary.

Corporate Commons Update: The Authority currently owns approximately 13 acres in Corporate Commons and had previously received approval from the County to develop the property. Because of the County approvals, this property has become very valuable to developers. The Deputy ED requested authorization to prepare a Request for Proposal for the property. The Deputy ED will update the Committee as necessary.

III. Airport Economic Development Projects and Updates

New Castle Airport:

- Jet Direct: Jet Direct has proposed constructing a hangar on the Boeing Business Jet site; however they would like their own fuel facility. It was reported that the sense in the airport community is not to have too many FBO's so as to dilute the business of others. The Authority proposes that the fuel facility be utilized for aircraft they are directly associated with in their business.
- Hercules Hangar: The Deputy ED updated the Committee regarding previous unsuccessful RFP's; however, there still seems to be substantial interest in this property. The Deputy ED will update the Committee as necessary.
- Easter Seal Expansion Project: The Authority has entered into a Letter of Intent with the Easter Seals to lease approximately 5 acres of Authority property. The organization is in the process of completing their due diligence. The Deputy ED will update the Committee as necessary.

Cape May Airport:

- T-Hangar Development: The Authority recently received four responses to an RFP for the construction of T-Hangars at the Cape May Airport. This project is consistent with the Airport Layout Plan for Cape May Airport and with the Authority's direction to

encourage private-sector spending for future development. The Authority is working with Delaware and New Jersey Legal Counsel in the development of a proto-type lease and a draft should be available soon. After review of the project and on motion by Commissioner Dorn, the Committee recommended support of this project.

Commissioner Hensley noted that a Resolution has been prepared and will be presented today for action.

Millville Airport:

- Through the Fence Project: The Deputy ED reported that a group of investors with property adjacent to the Millville Airport have requested access to the airport property. Staff has notified the investors of various Authority requirements and they have indicated they will comply. Staff continues to negotiate and update the Committee as necessary.
- Multi-Tenant Hangar Update: The Deputy ED reported that there has been interest in the facility and recommended advertising Request for Proposals to market the facility.

There being no further business, the Economic Development Committee adjourned at 2:00 p.m.

Following the report and minutes, the Deputy Executive Director provided to the Commissioners the recently printed brochure for the DRBA Salem Business Centre.

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8992. COMMITTEE REPORT – PERSONNEL & INSURANCE

Commissioner Lathem presented the following minutes of the Personnel & Insurance Committee meeting held February 3, 2004.

Commissioners from Delaware

Commissioners from New Jersey

PRESENT

Committee Chair Lathem
Commissioner Cooper, Committee Member

Commissioner Koebig, Committee Member
Commissioner McWilliams

Staff

Jim Johnson, Jr.
Don Raineart
Brad Hopkins
Trudy Spence-Parker
Jim Walls
TJ Murray
Consuello Petty-Judkins

- I. Committee Chair Lathem welcomed the Personnel & Insurance Committee and opened the meeting at approximately 3:25 p.m. The Chief Human Resource Officer reported that the public meeting of the Personnel & Insurance Committee had been duly advertised 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 McWilliams, seconded by Commissioner Koebig, and unanimous voice vote, the Session was closed.

The following matters of a confidential nature were discussed.

- Personnel Matters

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

There being no further business, the Personnel & Insurance Committee Meeting was adjourned at 4:50 p.m.

Chairman Parkowski noted that there are many issues involving personnel matters that are of a confidential nature and are closed to the public.

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8993. COMMITTEE REPORT – AUDIT & GOVERNANCE

Commissioner McWilliams presented the following minutes of the Audit & Governance Committee meeting held on February 3, 2004.

Commissioners from Delaware

Commissioners from New Jersey

PRESENT

Committee Vice Chair Hensley
Commissioner Lowe, Committee Member

Committee Chair McWilliams
Commissioner Koebig, Committee Member

Staff

Jim Johnson, Jr.
Don Rainear
Brad Hopkins
Jim Walls
Joe Larotonda
Michele Cleary

Invited Guests

Bowman & Company, LLP
Bryan Healey
Michelle Gasiorowski

- II. Committee Chair McWilliams welcomed the Audit & Governance Committee and opened the meeting at approximately 2:34 p.m. The Chief Financial Officer reported that the public meeting of the Audit & Governance Committee had been duly advertised in accordance with the Authority's Freedom of Information Regulations, read the Statement of Notice, and called the roll.
- III. Representatives from the Authority's outside, independent auditing firm, Bowman & Company, LLP discussed the Scope of the Audit of the DRBA Employees' Retirement Plan. As the Authority became GAAP compliant in 2003, the annual audit of the Pension Plan is now a requirement and will include the following:
- Test Employer Contributions
 - Test Benefits Paid Out
 - Verify the Assets of the Pension Fund Accounts
 - Verify the Data Used by the Actuaries
- III. The Auditors then reviewed the changes in the Authority's Financial Statements due to GAAP. Some of the changes include:
- Depreciation of Fixed Assets.

- Accrued Employee Sick and Annual Leave
- Inclusion of a Management Letter

The Auditors also reported that the GFOA issues a Certificate of Excellence in Reporting and the Authority may want to consider a submission of the Annual Report in the future. This Certificate may be used as a good peer group comparison. The Auditors reported that a Draft of the Pension Audit will be ready by April for review by the Committee.

- IV. The Chief Financial Officer presented the Committee with the results of the 3rd Quarter 2003 Travel and Business Expenses, in accordance with the Authority’s Travel and Business Expense Policy. It was reported that all expenses were proper, accurate, and within Policy guidelines. The Chief Financial Officer recommended some minor changes to the Policy and forms included within the Policy. These changes will be incorporated into a Resolution amending the Policy and presented to the Committee for review and consideration.

There being no further business, the Audit & Governance Committee Meeting was adjourned at 2:55 p.m.

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8994. COMMITTEE REPORT – AD HOC BY-LAWS

On behalf of Commissioner Patterson, Commissioner McWilliams presented the following minutes of the Ad Hoc By-Laws Committee meeting held February 3, 2004.

Commissioners from Delaware

Commissioners from New Jersey

PRESENT

Committee Chair Patterson
 Commissioner Lowe, Committee Member
 Commissioner Hensley

Commissioner McWilliams, Committee Member
 Commissioner Dorn
 Commissioner Koebig

Staff

Brad Hopkins

- IV. Committee Chair Patterson welcomed the Ad Hoc By-Laws Committee and opened the meeting at approximately 12:15 p.m. The Committee Chair reported that the public meeting of the Ad Hoc By-Laws Committee had been duly advertised in accordance with the Authority’s Freedom of Information Regulations, read the Statement of Notice, and called the roll.
- V. Staff distributed the most recent copies of the DRAFT By-Laws and the Committee reviewed and discussed the latest recommended revisions. During the review, the Committee and Staff participated in discussions on the following topics with changes to the following Sections:
- Article II – Officers: Incorporating new language for Section 3.11
 - Article V – Meetings: Incorporating new language and striking old language for Section 5.10
 - Article VIII– Committees: Incorporating new language for Section 8.12
 - Article X – Code of Ethics: Incorporating new language for Section 10.1, (g)
 - Other miscellaneous edits and amendments

- After discussions, on motion by Commissioner McWilliams, seconded by Commissioner Lowe, the Committee recommended that the By-Laws, as revised, be forwarded to the full Board for consideration at the March meeting. Committee Chair Patterson requested that the draft be distributed to the full Board, Authority Counsel, and Governors' Offices for review.

There being no further business, the Ad Hoc By-Laws Committee Meeting was adjourned at 12:40 p.m.

Commissioner McWilliams stated that the Committee met several times over the last few years to establish the By-Laws. They have been approved by the Governor's of both States but need a little tweaking from the attorneys. They are anticipated to be on the agenda for next months' meeting.

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8995. 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.

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

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8996. 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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8997. 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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8998. 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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8999. DELAWARE RIVER AND BAY AUTHORITY - CASH POSITION (MARKET VALUE) AS OF JANUARY 31, 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.

The CFO fielded a question regarding bond refinancing. He stated that he is exploring refinancing of existing bonds. Twenty-five RFP's have been sent out and he anticipates a dozen will be returned. The due date is February 19. Along with the CFO, the Budget Director and Capital Management will be

scoring the returns. The top four will be brought in for interviews and a recommendation will be made at the March meeting.

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9000. APPROVAL OF FINAL PAYMENT OF CONTRACT NUMBER DMB-01-05: The COO presented the following contract closeout and recommended approval of Final Payment.

On motion by Commissioner McWilliams and seconded by Commissioner Pessagno, the recommendation of the COO and the Projects Committee to close-out Contract DMB-01-05 was unanimously approved by a voice vote of 10-0.

Referring to the Summary of Authorized Contract Payments for February 17, 2004 Commissioner Hensley asked whether Contract #SP-03-01 regarding the Riverfront Restaurant was a final payment. The COO said that it was not because of outstanding punch list items that need to be addressed before the last payment is made.

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9001. PUBLIC COMMENT

Chairman Parkowski called for public comments on Action items on the Agenda.

Vincent Ascione, Local 542 representative, asked the Chairman to explain the process for Authority expenditures in excess of \$25,000 referring to Resolution 04-06.

Chairman Parkowski noted that the Commissioners adopted policy that allows the Authority to spend in excess of \$25,000 with any vendor providing it receives approval from the Commissioners.

As part of the Authority’s reform, the Commissioners each month receive a confidential list of checks for every expenditure so that they can see where the dollars are going.

Chairman Parkowski stated that, in the future, copies of resolutions will be made available outside the conference room the day of the meeting to facilitate for public comments regarding them.

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9002. THE CHAIRMAN PRESENTED THE FOLLOWING RESOLUTIONS:

RESOLUTION 04-03-AUTHORIZING LAND LEASES FOR T-HANGARS DEVELOPMENT AT CAPE MAY AIRPORT

WHEREAS, The Delaware River and Bay Authority (the “Authority”), is the operator of the Cape May Airport; and

WHEREAS, the Authority solicited and advertised for request for proposals for the lease of land and development of T-Hangars at the Cape May Airport; and

WHEREAS, the Authority received several proposals that met the criteria set forth in the aforementioned request for proposals; and

WHEREAS, the proposals were reviewed by appropriate Authority staff; and

WHEREAS, the staff recommends that the Authority enter into 25 year land leases at or above the

appraised fair market value of \$0.18 per square foot with CPI increases of the land with those proposers that satisfied the criteria of the request for proposals; and

Whereas the following is the list of individuals that are eligible to enter into the above-mentioned Lease Agreement:

1. William J. Kindle
2. Robert J. Smeltzer
3. Ronald J. Gelzunas, D.O.
4. Joseph T. Gilmartin
5. Richard D. Stocker
6. Nicholas J. Riccio
7. Donald Crist

WHEREAS, William Kindle, Robert Smeltzer, Ronald Gelzunas and Joseph T. Gilmartin will be forming an Limited Liability Company or Partnership or other similar entity for the purpose of entering into a Lease Agreement with the Authority and they will be individually, jointly, and severally liable for the performance and payment of the terms of the Lease Agreement with the Authority; and

WHEREAS , Richard Stocker , Nicholas Riccio, and Donald Crist will be constructing individual T Hangars and will be individually liable to all terms and conditions of the Lease Agreement; and

WHEREAS, the proposers listed above have agreed to construct and operate the T hangars in conformance with all Authority standards and conditions.

NOW THEREFORE BE IT RESOLVED, that the Executive Director or his designee is hereby authorized to finalize the terms and conditions of a Lease Agreement with the proposers listed herein below, and with the advice and consent of Counsel, to have such Lease Agreements executed by the Chairperson, Vice Chairperson, and the Executive Director.

Resolution 04-03 was moved by Commissioner Koebig, seconded by Commissioner Cooper unimously approved by a roll vote of 10-0.

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RESOLUTION 04-06 AUTHORIZING AUTHORITY EXPENDITURES PURSUANT TO RESOLUTION 01-84 FOR THE PERIOD, JANUARY 1 THROUGH DECEMBER 31, 2004.

WHEREAS, The Delaware River and Bay Authority (the “Authority”) adopted Resolution 01-84 requiring Commission 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 1/1/04 THROUGH 12/31/04**

| VENDOR | SERVICE DESCRIPTION |
|----------------------|----------------------------|
| Besam | Automated Entrance Doors |
| Eastern Salt Company | Roadway Salt |

| | |
|-----------------------------|--------------------------------|
| Cryotech Deicing Technology | Runway Deicer |
| Harte Hanks | CMLF Schedule Printing |
| Industrial Clutch | Vessel Clutch Parts |
| Johnson Ship Propeller | Propeller Repairs |
| Marine Safety Corporation | Re-certification of IBAs |
| Maritime Solution | Sponsons |
| Steel Services | Purchase of Steel |
| United Refrigeration | Refrigeration Parts & Supplies |

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

Resolution 04-06 was moved by Commissioner Cooper, seconded by Commissioner Lathem and unanimously approved by a roll call vote of 10-0.

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RESOLUTION 04-07 - APPROVAL OF COMMUNITY CONTRIBUTION REQUESTS

WHEREAS, The Delaware River and Bay Authority (the “Authority”) is a bi-state agency with public crossing facilities and assets in the State of New Jersey and Delaware; and

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 request; and

WHEREAS; the Budget and Finance Committee met and approved Community Contribution requests for the month of February, 2004; and

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

| Community Contributions | |
|--|-------------------------|
| New Jersey | |
| AIDS Coalition of Southern New Jersey | \$ 2,500 |
| Cape Mediation Services Incorporated | \$ 2,500 |
| Historic Cold Spring Village Foundation Incorporated | \$ 2,050 |
| HomeCare and HospiceCare of South Jersey | \$ 5,000 |
| National Youth Athletic Association Basketball Incorporated | \$ 3,500 |
| Paulsboro Community Development Center Incorporated | \$ 3,000 |
| Project New Start Community Development Corporation Incorporated | \$ 3,000 |
| Salem County Vocational and Technical School Foundation Incorporated | \$ 5,000 |
| Total New Jersey | \$ <u>26,550</u> |
| Delaware | |
| Delaware Heritage Commission | \$ 1,000 |
| Delaware River and Bay Lighthouse Foundation Incorporated | \$ 5,000 |
| New Castle County Community Partnership Incorporated | \$ 2,500 |
| Mom’s House (Dover) | \$ 2,000 |
| Seamen’s Center of Wilmington Incorporated | \$ 3,000 |

Total Delaware **\$ 13,500**

Grand Total (New Jersey and Delaware) **\$ 40,050**

Resolution 04-07 was moved by Commissioner McWilliams, seconded by Commissioner Dorn and unanimously approved by a roll call vote of 10-0.

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RESOLUTION 04-08 – RELATING TO THE PRELIMINARY AUTHORIZATION OF A PROJECT WITH DELAWARE STATE UNIVERSITY.

WHEREAS, the Delaware River and Bay Authority (The “Authority”) was created as a body politic and an agency of government of the State of Delaware and the State of New Jersey, by virtue of Chapters 145 and 146, Volume 53, Laws of Delaware, approved by the Governor of the State of Delaware July 21, 1961, and Chapter 66 of the Pamphlet Laws of 1961 of the State of New Jersey, approved by the Governor of the State of New Jersey June 3, 1961 (said Chapters 145 and 146 and said Chapter 66 issuing material being hereinafter sometimes collectively called the “Original Enabling Legislation”), pursuant to which the State of Delaware and the and the State of New Jersey entered, subject to the consent of the Congress of the United States of America, into a compact (hereinafter sometimes called the “Original Compact”) creating the Authority; and

WHEREAS, the consent of the Congress of the United States of America was given to the States of Delaware and New Jersey to enter into the Original Compact by a Joint Resolution of the Congress, approved September 20, 1962 (Public Law 87-678, 87th Congress); and

WHEREAS, by virtue of Chapter 252, Volume 67, Laws of Delaware, approved by the Governor of the State of Delaware June 28, 1990, and Chapter 192 of the Pamphlet Laws of 1989 of the State of New Jersey, approved by the Governor of the State of New Jersey October 18, 1989 (said Chapter 252 and said Chapter 192, together with the Original Enabling Legislation being hereinafter sometimes collectively called the “Enabling Legislation”), the State of Delaware and the State of New Jersey entered, subject to the consent of the Congress of the United States of America, into certain amendments to the Original Compact (as so amended and as may be further amended from time to time hereinafter sometimes called the “Compact”); and

WHEREAS, the consent of the Congress of the United States of America was given to the State of Delaware and New Jersey to enter into the Compact by a Joint Resolution of the Congress, approved November 15, 1990 (Public Law 101-565, 101st Congress); and

WHEREAS, by virtue of the Compact and the Enabling Legislation, the Authority’s powers include authorization to plan, finance, develop, construct, purchase, lease, maintain, improve and operate: (i) crossings between the States of Delaware and New Jersey, (ii) transportation or terminal facilities in Delaware and the New Jersey counties of Cape May, Cumberland, Gloucester and Salem and (iii) commerce facilities or development in Delaware and in the New Jersey counties of Cape May, Cumberland, Gloucester and Salem; and

WHEREAS, the Delaware State University has submitted to the Authority a project that includes the development of a Hangar/office building, which will house the University’s pilot training and related aviation programs. This building is estimated to cost approximately \$1,250,000.00; and

WHEREAS, the Authority has determined preliminarily that it has the power to participate in these projects under the powers granted to it under the Compact and that such project would help fulfill the Authority’s mission.

WHEREAS, the Board of Commissioners, by the adoption of this Resolution is indicating its intention to authorize certain action be undertaken in connection with the negotiation and finalization of terms and conditions and the drafting of agreements with Delaware State University for the above described project in accordance with requirements of the Authority's Compact, appropriate State Statutes, Federal requirements related to fair and reasonable tolls and applicable Authority Resolutions and policy guidelines.

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director and/or his designee shall develop appropriate agreements with Delaware State University for the development of an airport hangar/office building for the pilot training and related programs of Delaware State University at Delaware Air Park in Cheswold, Delaware, which shall be considered projects of the Authority as defined pursuant to Article II of the Compact. Upon the completion of appropriate agreements for the above-stated projects, the Executive Director and/or his designee shall present said Agreements to the Board of Commissioners for their approval and execution after review and advice of Counsel.

Resolution 04-08 was moved by Commissioner Patterson, seconded by Commissioner Pessagno and unanimously approved by a roll call vote of 10-0.

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9003. COMMISSIONERS PUBLIC FORUM

Chairman Parkowski questioned whether any member of the public requested to address the Commission on broader comments.

Albert Jackson addressed the Commission. He spoke on issues regarding the DRBA reform, personnel matters and diversity. He also commended the new CHRO on her employee survey.

Chairman Parkowski responded by stating the following: (i) that he stands by the Executive Director one hundred percent in his implementation of diversity hiring practices; (ii) since Mr. Johnson has been on board, the Authority has hired 27 employees for permanent full-time jobs. Four of those employees have since left the organization. Of the 23 remaining employees, black, non-hispanic origin males and females are represented at 17.4% and 8.7% respectively for a total of 26.1%. White, non-hispanic origin males and females are represented at 56.5% and 17.4% respectively for a total of 63.9%; (iii) the Human Resource office is doing an excellent job; and (iv) the Commissioners are committed to seeing changes.

Vincent Ascione, Local 542, noted that union officials met with DRBA staff in what proved to be a good meeting. He hopes the process will move as quickly as possible. He spoke with the Executive Director before the meeting and understands that the Board prefers to have an election process instead of recognition by cards. Since the first meeting went well, Mr. Ascione anticipates the process to proceed well and thanked staff for their efforts.

* * * * *

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

The meeting was adjourned at 12:02 p.m.

Respectfully submitted,
THE DELAWARE RIVER AND BAY AUTHORITY

Thomas A. Pankok
Secretary