

MINUTES OF MEETING
THE DELAWARE RIVER AND BAY AUTHORITY
Tuesday September 12, 2006
Millville Airport
1 Thunderbolt Drive
Millville, New Jersey 08332

The meeting convened at 11:05 a.m. with Vice-Chairperson Parkowski presiding.

The opening prayer was given by Commissioner Lathem followed by the Pledge of Allegiance led by the Executive Director.

Vice-Chairperson Parkowski called on the Authority Secretary to read the meeting notice and take roll.

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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Commissioners from New Jersey

Commissioners from Delaware

PRESENT

Edward W. Dorn
Maureen T. Koebig (via telephone)
Gary F. Simmerman
Ceil Smith

F. Michael Parkowski, Vice-Chairperson
Thomas J. Cooper
Verna Hensley (via telephone)
Samuel E. Lathem
William E. Lowe, III
Gary B. Patterson

ABSENT

Niels S. Favre

Vice-Chairperson Parkowski stated that the Commissioners were pleased to be in Cumberland County at the Millville Airport.

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9462. APPROVAL OF THE JULY 18, 2006 MINUTES

Commissioner Simmerman motioned for approval of the July 18, 2006 minutes, seconded by Commissioner Lathem and approved by a voice vote of 10-0.

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9463. EXECUTIVE DIRECTOR'S REPORT

The Executive Director presented the following highlights that occurred within the Authority during the months of July and August.

Delaware Memorial Bridge

Total traffic during the month of July decreased 4.5%, compared to July 2005. Non-commercial traffic decreased 5.0% and commercial traffic decreased 0.8%. Total traffic during the month of August decreased 0.2%, compared to August 2005. Non-commercial traffic decreased 0.3% and commercial traffic increased 0.4%. When

compared to the three-year average, August traffic decreased 2.0%. Total traffic year-to-date increased 0.8% over the three-year average.

E-Z Pass traffic for July represented 51.6% of the total traffic, compared to 48.3% for the previous year. E-Z Pass traffic for August represented 54.2% of the total traffic, compared to 51.2% for the previous year. Total E-Z Pass traffic year-to-date was 54.7%, an increase of 3.4% from the same period in 2005.

Recognizing the need for increased public awareness of the upcoming construction season on the bridge, Don Rainear, Jim Salmon, John Jones, and Joe Volk met and developed a construction brochure. This brochure has been widely distributed to our E-Z Pass customers, the media, our employees and customers passing through the toll plaza. We are also using our overhead variable message to alert travelers to the construction season. Scheduled to begin in September and end in December, Sunday at 10:00 p.m. through Friday at noon we will be accomplishing expansion joint replacement and general deck maintenance. Two of four lanes on each span will be closed during the day and three of four lanes on each span will be closed from midnight until 6:00AM. Work will be suspended on weekends and Holidays whenever possible. Our contractor will be working multiple shifts to complete the work as quickly and safely as possible.

We conducted our annual "wet test" of the Toll Plaza fire suppression system. Everything worked well as designed. A well deserved thanks goes out to our Engineering and Maintenance, Toll Operations and IT personnel that prepared for and participated in this exercise.

As the result of a traffic stop at Rts. 295 & 13 (in Delaware) by Ptl. Derrick Richardson on August 29th, 81.5 grams of heroin were seized. Three (3) hidden compartments were found in the suspect's vehicle. The suspect was arrested and charged with drug trafficking, criminal impersonation, driving under the influence, and violation of probation. The suspect was committed to Gander Hill Detention Center in default of bail.

Cape May Lewes Ferry

In July, vehicle traffic decreased 7.7% and passenger traffic decreased 6.5%, when compared to July 2005. In August, vehicle traffic decreased 3.4% and passenger traffic decreased 2.4%, when compared to August 2005. Compared to the average of the last three years, year-to-date vehicle traffic and passenger traffic decreased 2.6% and 3.5%, respectively.

In July, CMLF food and retail sales decreased 8.8% and 13.4%, respectively, from July 2005. In August, CMLF food and retail sales decreased 2.0% and 3.8%, respectively, from August 2005. Year-to-date food and beverage decreased 1.8% and retail revenues decreased 2.6% when compared to 2005.

We continue to evaluate our food products and selections on the vessels and during the summer introduced the Panache Creative Cuisine sandwiches line. Our offerings include: Buffalo Chicken, Chicken Caesar, King Ranch, Chicken Salad, Smoked Turkey & Swiss, Virginia Ham & Swiss, Tuna Salad, and Italiano Supreme Hoagie. We have received complements from our customers on this new offering.

On Monday, August 14th the crew members of the M/V Twin Capes spotted and assisted in the rescue of two individuals from a capsized catamaran. Because of the professionalism of our crew members, we maintained station at the site while the US Coast Guard arrived in very short order and the two individuals were retrieved from the bay. Both were taken to the Cape May Ferry terminal where they were examined by paramedics and released. We will be recognizing these individuals today with a resolution that expresses our appreciation for their efforts.

Airports

On August 10th, the Department of Homeland Security raised the Threat Level for aviation to HIGH-ORANGE for domestic air flights and SEVERE-RED for international flights entering the US from the United Kingdom. The New Castle Airport initiated all measures mandated by TSA to meet this current threat condition.

At New Castle Airport, the project to rehabilitate Taxiways M and K and the new hold apron and blast wall is nearing completion. The project valued at over \$3.7 million is currently 90% complete.

Economic Development

The lease terms have been finalized with a New Jersey company for approximately 28,469 square feet of office space at the Salem Business Centre in Salem, New Jersey. Execution of this lease will yield a higher sale value to the Heritage Group for the entire complex. The authorization of this lease is before the Board today in the form of a Resolution.

Additionally, the terms and conditions of a lease renewal with Citibank of Delaware at Corporate Commons have been finalized. The lease for this land, which is adjacent to New Castle Airport, is for an initial ten-year term with renewal options that could extend the lease upwards of thirty five years. The authorization of this lease renewal is before the Board today in the form of a Resolution.

Finance

Victor Ferzetti and staff have begun the Fiscal Year 2007 budget planning process. Guidance documents were distributed to all Departments and their budgets were submitted at the end of August. During September, each Department will present the details of their budget to the Finance staff and we will begin preliminary discussions with the Board in October.

Kelly Phillips Parker our Centralized Purchasing Manager has been busy with Request for Proposals. Staff has initiated the RFP process for five General Engineering Services related to the Bridge, Ferry, New Jersey airports, Delaware airports and Environmental Services at the Authority. The term limits for these existing professional service contracts have run out. The services are required and were programmed in the approved Capital Improvement Plan. It is anticipated that these items will be before the Board by year-end.

Information Technology

Work has been completed on a Request for Proposal for a new fare collection system at the Cape May Lewes Ferry. We anticipate that this solicitation and vendor selection will be completed during the fourth quarter of 2006.

Employee Happenings

Permanent Full-time staffing levels at the end of August:

Authorized Positions	481
Positions Filled	445
Positions Filled (on LTD)	9
Total Positions that are Vacant	27
Vacant Positions in the Hiring process	18

The first supervisory and management cohort participating in the Authority's leadership training "Leading in the 21st Century", has completed the six week leadership course. Sixteen participants, representing all business units within the Authority have received a Certificate of Achievement and three college credit hours towards accreditation in a junior college management curriculum. Congratulations to all participants! Approximately 100 employees will participate in this program through the remainder of this year.

Congratulations to Colonel McCarnan for being elected to serve on the Executive Board of Directors of the Delaware Safety Council.

Our HR and IT staff teamed together to make an enhancement to the information contained on employees' paycheck stubs. The addition of leave accruals including sick, annual and personal time leave accruals for all permanent and full time employees have been placed on employees' paycheck stubs with other accrual information. As a result,

employees can track the amounts of sick, annual and personal leave that they have taken during a pay period, as well as the balance of time available to them.

Our employees delivered one hundred (100) book bags filled with new school supplies to underprivileged children. The book bags were distributed to four randomly selected school districts, including South Harrison and West Cape May in New Jersey and Woodbridge and Red Clay in Delaware. Throughout the organization, various departments competed to collect the most pennies. However, the number of pennies was decreased by the value of silver coins deposited into the jars by competing departments. In addition to the more than \$600.00 in coins that was raised, employees also purchased and donated school supplies, which were dropped off at collection boxes located throughout the various Authority buildings. Thank you to all the employees whom participated in this endeavor for your generosity.

The Authority participated in the Blood Bank of Delmarva's 2006 Summer Blood Challenge which ran from May 22 through September 2, 2006. We achieved 10.9% employee participation this year compared to 1.3% from last year. Thanks to all that participated for such a worthy cause.

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9464. COMMITTEE REPORT – BUDGET & FINANCE

Commissioner Simmerman presented the following Budget & Finance Committee meeting minutes for September 5, 2006.

BUDGET & FINANCE COMMITTEE MEETING
Tuesday, September 5, 2006
Delaware Memorial Bridge Complex
New Castle, Delaware

A public meeting of The Delaware River and Bay Authority's Budget & Finance Committee was held on Tuesday, September 5, 2006, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from New Jersey

Commissioners from Delaware

PRESENT

Committee Chair Simmerman
Commissioner Favre, Committee Member
Commissioner Smith, Committee Member
Commissioner Dorn
Commissioner Koebig

Commissioner Hensley, Committee Member
Commissioner Lathem, Committee Member

Staff

Authority Secretary

Jim Johnson, Jr.
Victor Ferzetti
Jim Walls
Trudy Spence-Parker
Gerry DiNicola Owens
Joe Larotonda
Ken Hynson
Kelly Phillips Parker
Anna Marie Gonnella Rosato
Colonel McCarnan

Tom Pankok

- I. Committee Chair Simmerman welcomed the Budget & Finance Committee and opened the meeting at approximately 9:15 a.m. The Authority Secretary 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.

II. The Acting Chief Financial Officer reviewed the proposed Resolutions.

- Community Contribution Requests – the Committee reviewed the Community Contribution requests for September. Committee Chair Simmerman also reported that the Ad Hoc Committee on Community Contributions met and that staff will provide clean copies of the Revised Policy and Application to Committee members for review and consideration. Any comments should be directed to the Executive Director, Deputy Executive Director or Committee Chair Simmerman. It was further reported that the New Jersey Commissioners had the opportunity to meet with the New Jersey Authority's Unit and the Governor's staff regarding this Policy and the adherence to the Policy.
- Over \$25,000 Vendor List – The Acting Chief Financial Officer reviewed and discussed each item on the Vendor List noting that the vendor American Express is for expenses incurred by the use of the three travel cards for Commission, staff, or other employee travel.
- Armored Car Service – The Acting CFO reported that an RFP for Armored Car Service had been conducted with AT Systems being the low bidder. By participating in the RFP process, the Authority will save approximately 50% of its current armored car expense.
- Temporary Execution of Agreements – In the absence of an Authority Chairperson, New Jersey Legal Counsel, in consultation with Delaware Counsel, drafted a Resolution allowing an interim procedure for the execution of Authority agreements. The Deputy Executive Director reported that the Chair, Vice Chair, or ranking New Jersey member of the Committee in which the Agreement originated would execute. Commissioner Hensley questioned whether an Amendment to the By-Laws would be necessary. The Deputy Executive Director reported that it was not a By-Laws issue.
- Employees' Pension Plan – The Acting CFO reported that the Resolution authorizing changes to the Employees' Pension plan were tabled in June until subsequent informational meetings were conducted Authority-wide. Those meetings have been completed and staff recommended the Committee again move this issue from Committee to the full Board for consideration.
- Riverfront Property Management – The Acting CFO reported that, due to the upcoming expiration of the current property management contract, an RFP for Property Management for the Riverfront Market had been conducted. One proposal from Emory Hill was received, reviewed, and determined to be qualified. The cost structure would remain the same as with the previous provider. Commissioner Lathem questioned whether Emory Hill had individuals experienced and familiar with managing this type of a business and that he had received many complaints from the vendors. The Deputy Executive Director discussed the process taken to develop and negotiate consistent leases with the current vendors. The DED further reported that he is currently investigating enhanced marketing initiatives for the Market.

After discussion, on motion by Commissioner Favre, seconded by Commissioner Hensley, the Committee recommended blanket approval of these Resolutions. All Resolutions will be presented to the full Board for consideration at the September meeting.

III. The Acting CFO reviewed the FY 2006 Operating Budget. Staff continues to monitor two significant areas which are extremely tight this year. The Authority Police budget has been strained this year due to increased heightened security

alerts, accommodation of special events, and additional TSA requirements resulting from Delta Airlines locating at the New Castle Airport. Staff is also monitoring the Bridge Division Operating Budget and the increased utility expenses from electric and natural gas.

The Acting CFO reported that staff is currently reviewing the FY 2007 submissions to the Operating Budget and noted the following potential increases for 2007.

- Wages
- Insurance
- Healthcare
- E-ZPass
- Vessel Fuel
- Electric & Natural Gas

The Acting CFO also requested any issues the Committee may wish staff to investigate for discussion in October. Commissioner Lathem requested that staff investigate alternative fuel sources. Commissioner Simmerman reported that staff had been directed to review every area within the budget for improvement in efficiency and that all alternatives must be looked into before any toll increase would be considered in 2007. Commissioner Hensley also requested that staff review current practices in business and evaluate if such practices can be applied to the Authority.

- IV. As an informational update, the Acting CFO reported that in November, 2005, the CMLF crew boat, the American River, had been declared surplus property in accordance with the Authority's Disposition of Surplus Property Policy. Staff had been negotiating and is close to finalizing negotiations with a potential buyer and discussed the proposed terms and conditions. Staff will continue to negotiate and report back to the Committee.

With no further business to discuss, on motion by Commissioner Hensley, the Budget & Finance Committee adjourned at 10:07 a.m.

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9465. COMMITTEE REPORT – PERSONNEL & INSURANCE

Commissioner Dorn presented the following Personnel & Insurance Committee meeting minutes for September 5, 2006.

PERSONNEL & INSURANCE COMMITTEE MEETING

Tuesday, September 5, 2006

Delaware Memorial Bridge Complex
New Castle, Delaware

A public meeting of The Delaware River and Bay Authority's Personnel & Insurance Committee was held on Tuesday, September 5, 2006, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from New Jersey

Commissioners from Delaware

PRESENT

Committee Chair Dorn
Commissioner Favre, Committee Member
Commissioner Koebig, Committee Member
Commissioner Simmerman
Commissioner Smith

Committee Vice-Chair Lathem
Commissioner Hensley
Vice Chairperson Parkowski

Staff

Jim Johnson
Don Rinear
Victor Ferzetti
Jim Walls
Trudy Spence-Parker
Gerry DiNicola Owens
Colonel McCarnan

Authority Secretary

Tom Pankok

- I. Committee Chair Dorn welcomed the Personnel & Insurance Committee and opened the meeting at approximately 10:08 a.m. The Authority Secretary reported that the public meeting of the Personnel & Insurance Committee had been duly noticed in accordance with the Authority's Freedom of Information Regulations, read the Statement of Notice, and called the roll.
- II. 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.

- PERSONNEL MATTERS

With no further business to discuss in Executive Session, on motion by Commissioner Favre, seconded by Commissioner Lathem, the session was opened to the public.

- III. The Chief Human Resource Officer reported that, on August 14, 2006, a catamaran capsized in the Delaware Bay approximately 1.5 miles from the Cape May shoreline causing a man and woman to go overboard. Crew Members of the Twin Capes assisted in the rescue. In recognition of outstanding employee performance, the Chief Human Resource Officer presented a Resolution to applauding the individual crew members for their outstanding public service. After discussion, on motion by Commissioner Koebig, seconded by Commissioner Lathem, the Committee recommended approval of the Resolution, which will be presented for full Board consideration at the September meeting.
- IV. The CHRO presented the Delaware River and Bay Authority Volunteer Policy. The Executive Director appointed a Task Force chaired by John McCarnan that developed the policy. The CHRO was a liaison to the task force. The CHRO reported that the Authority encourages its employees to participate in Authority sponsored and personal interest volunteer programs. The CHRO reviewed the Executive Summary. After discussion, the Committee asked several questions and staff provided the necessary information. This Policy becomes effective October 1, 2006.
- V. The CHRO reviewed a recent Press Release and provided an update of the Community Initiatives' Bookbag Event held on August 22, 2006. Members of the Community Initiatives Committee delivered 100 filled bookbags to selected schools in New Jersey and Delaware.
- VI. The CHRO reported that the Authority, in conjunction with Habitat for Humanity, will be participating, on the construction of a two-story townhome. The initial construction of the townhome will occur at the DRBA Bridge facility on October 12, 2006, and conclude that day with a press/media conference and photos. The building will then be packed and transported to a location in Wilmington, Delaware to be completed by May, 2007. Staff will continue to update the Committee as necessary.
- VII. The CHRO presented a DRAFT of the Delaware River and Bay Authority Catastrophic Leave Policy. This policy will allow employees to help co-workers in

need by donating available leave time. This policy is still in the developmental stages and presented to the Committee for review and consideration.

With no further business to discuss, on motion by Commissioner Lathem, seconded by Commissioner Favre, the Personnel & Insurance Committee meeting adjourned at 11:00 a.m.

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9466. COMMITTEE REPORT – PROJECTS

Commissioner Hensley deferred the briefing of the September 5, 2006 Projects Committee meeting to Commissioner Dorn. Commissioner Dorn then presented the following minutes.

PROJECTS COMMITTEE
Tuesday, September 5, 2006
Delaware Memorial Bridge Complex
New Castle, Delaware

A public meeting of the Delaware River and Bay Authority's Projects Committee was held on Tuesday, September 5, 2006, at the Delaware Memorial Bridge Administration Building, New Castle, Delaware.

Commissioners from Delaware

Commissioners from New Jersey

PRESENT

Commissioner Hensley, Committee Chair
Vice Chair Person Parkowski
Commissioner Lathem

Commissioner Dorn, Committee Vice Chair
Commissioner Koebig, Committee Mbr
Commissioner Simmerman, Committee Mbr
Commissioner Smith

Staff

Jim Johnson
Don Rainear
Jim Walls
Trudy Spence-Parker
Gerry DiNicola-Owens
Victor Ferzetti
John Jones
Kelly Phillips-Parker
A. J. Crescenzi
John Sarro
Anne Marie Gonnella-Rosato

- I. The Projects Committee meeting convened at approximately 10:55 AM. Those in attendance were provided an informational package consisting of an agenda, one bid tab, three contract close-out letters, and the monthly contractor payment chart.

- III. Bid Openings/Award Actions: One bid tab was presented to the Projects Committee for consideration. A public bid opening was held on August 31, 2006 for PA-06-05 for a 2008 Ford F550 Dump Truck equipped with sander body and snow plow. The vehicle would be primarily used at the Millville Airport and is on the approved 2006 capital equipment purchase plan. The recommendation was made to award the contract to the only bidder, Bayshore Ford Truck Sales, Inc. in the amount of \$91,630.00. The Projects Committee concurred with the recommendation and authorized the award action to be presented at the September board meeting.

Contract Close-Out Actions:

- Contract DMB-01-06, Electrical Systems Rehabilitation, Delaware Memorial Bridge: The recommendation was made to close this contract and that final payment be made to the contractor, Cianbro Corporation of Pittsfield, Maine. The final price for this project is \$7,816,261.78. The Projects Committee concurred with the recommendation.
- Contract MVA-04-01, Rehabilitation of Lighting and Signage, Millville Airport: The recommendation was made to close out this contract and that final payment be made to the contractor, DeltaLine Construction Co., Inc. of Egg Harbor Township, New Jersey. The total price for this project is \$2,964,515.80. The Projects Committee concurred with the recommendation.
- Contract CMLF-05-04, Drydocking and Repairs M/V Cape May and M/V Twin Capes: The recommendation was made to close out this contract and that final payment be made to the contractor, Colonna's Shipyard, Inc. of Norfolk, Virginia. The total price for this project is \$2,384,909.88. The Projects Committee concurred with the recommendation.

IV. Miscellaneous Items/Updates:

- Salem Business Center Improvements: An overview was provided of the Carney's Point Business Centre tenant fit-out initiative (28,469 SF) for Clement Pappas. The fit-out will be completed on the 2nd floor of the existing office building at an estimated cost of \$1.26 million which includes a \$60,000 contingency. The Clement Pappas share is estimated to cost \$959,920 which equates to \$33.72/SF. Any amount over \$32.50/SF will be paid for by Clement Pappas. The tenant fit-out design will be completed by Tevebaugh Associates (via Resolution 00-40) at an estimated cost of \$81,000. The construction will be completed via a construction management process executed by InSite-Hessert (via Resolution 01-08) at an estimated cost of \$1,179,000. Staff reported that the possibility existed that the design and/or construction effort could result in exceeding either resolution by a small percentage. The project will be 6 months in duration once design is initiated. The Projects Committee concurred with the project approach and initiative.
- TSA Screening at New Castle Airport: The COO provided an update of the status of TSA passenger security screening at New Castle Airport. It was reported that staff will continue to work with TSA on the open issues remaining with the pilot program for security screeners. In the interim, the TSA has continued to provide passenger screening services at New Castle Airport beyond the 45-day bridge program deadline of August 12th. Senate Amendment 4608 to H.R. 5441, the DHS Appropriations Bill, mandates that TSA provide screening services at New Castle Airport as long as commercial air service operates. This bill will be negotiated in Conference Committee over the next few weeks before the start of federal FY 2007. On September 8th, Authority staff will meet with TSA representatives in Washington, DC, to resolve issues associated with the passenger screening pilot program option.
- Contract Payment Review process: An overview was provided regarding the enhanced contractor payment chart. The enhancement provides more information regarding contract change orders (during the current reporting period) that results in the current contract amount exceeding the contract award amount. The Projects Committee approved of the enhancement.

V. Contractor Payment (through August): The Projects Committee was informed of the monthly construction contractor payments to be made in September.

VI. There being no further business for the Projects Committee, the public meeting was adjourned at approximately 11:25 AM.

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9467. COMMITTEE REPORT – ECONOMIC DEVELOPMENT

Commissioner Koebig deferred the briefing of the September 5, 2006 Economic Development Committee meeting to Commissioner Lowe. Commissioner Lowe then presented the following minutes.

ECONOMIC DEVELOPMENT COMMITTEE
Tuesday, September 5, 2006
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, September 5, 2006, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from New Jersey

Commissioners from Delaware

PRESENT

Committee Chair Koebig
Commissioner Dorn, Committee Member
Commissioner Smith, Committee Member
Commissioner Simmerman

Vice Chairperson Parkowski
Commissioner Hensley
Commissioner Lathem

Staff

Jim Johnson
Don Rainear
Victor Ferzetti
Jim Walls
Trudy Spence-Parker
Gerry Owens
Michelle Griscom-Collins
AJ Crescenzi
John Jones
Anna Marie Gonnella Rosato

Authority Secretary

Tom Pankok

I. The Committee Chair Koebig welcomed the meeting of the Economic Development Committee and opened the meeting at approximately 11:28 a.m. The Authority Secretary 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.

II. The Deputy Executive Director reviewed the following Action Items.

Cape May Airport:

The Deputy Executive Director reviewed a proposed Lease Agreement with Morey Organization. This Agreement is a Land Lease at \$0.18 per square foot, for an initial term of twenty-three years, for the construction and operation of a hangar at the Cape May Airport.

New Castle Airport:

- Easter Seals - The Deputy Executive Director reviewed a proposed Agreement of Sale with Easter Seals Delaware and Maryland’s Eastern

Shore. The DED also explained the contingencies associated with the sale. The sale of the 5.525 acres at Corporate Commons contiguous to Easter Seals existing facility is at a fair market value of approximately \$966,875. Staff will continue to update the Committee as necessary.

- White Cleaners – The Deputy Executive Director reviewed a proposed Lease Agreement with White Cleaners at the New Castle Airport. This is a lease renewal for five years at an initial term of \$28,000 annually.

Economic Development:

- Citibank DE – The Deputy Executive Director reviewed a proposed Lease Agreement with Citibank, located at the Corporate Commons Complex. This Lease Agreement is for 16.34 acres, with all appurtenances, at an annual rent of \$475,000 for an initial term of ten years. This Lease Agreement will serve to increase the New Castle Airport revenues by approximately \$300,000 annually.
- AJ Crescenzi reviewed an Executive Summary of the proposed Lease Agreement with a New Jersey company,– associated with the sale of the Salem Business Centre. The Lease Agreement is for 28,469 square feet at \$19.10 per square foot for an initial term of fifteen years. The New Jersey company will receive a Tenant Improvement Allowance of \$32.72 per square foot. If the Authority executes the lease with the company it will increase the sale’s price of the building to the Heritage Group from \$9.1 million to \$11 million.

After discussion, on motion by Commissioner Dorn, seconded by Commissioner Smith, the Committee recommended blanket approval of these items. Resolutions will be presented to the full Board for consideration at the September meeting.

- III. The Deputy Executive Director reported that he and the Executive Director, along with Commissioner Patterson, met with the President of the New Castle County Chamber of Commerce to discuss a potential lease of the former DEMA building at the Corporate Commons Complex. This complex, consisting of 13 acres of vacant land and approximately 3 acres of developed land with the 27,000 square foot so called DEMA building. The vacant land has been approved for 194,000 sq. ft of office buildings and the required parking. Staff will continue to update the Committee as necessary regarding the negotiations.
- IV. Commissioner Koebig questioned whether the closing of the restaurant at the Cape May Airport would be permanent. The Deputy Executive Director reported that he is investigating potential interested operators. Vice Chairperson Parkowski questioned the need for a restaurant due to low activity at the airport. Staff reported that there is potential for increased restaurant business due to the many businesses in the area; however, consistency and reliability in the restaurant operations has been lacking resulting in customers seeking other alternatives.

There being no further business to discuss, on motion by Commissioner Dorn, the Economic Development Committee adjourned at 12:02 p.m.

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9468. DELAWARE RIVER AND BAY AUTHORITY – TRAFFIC AND REVENUE SUMMARY.

The Acting Chief Financial Officer (CFO) presented charts showing Actual versus Projected Revenues for the Delaware Memorial Bridge, the Cape May-Lewes Ferry, Airports, Three Forts Ferry Crossing, and Food Services for the months of June and July.

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

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9469. DELAWARE RIVER AND BAY AUTHORITY – STATEMENT OF INCOME AND EXPENSE.

The Acting CFO presented charts showing statements of income and expenses for the months of June and July with comparisons to the same periods last year.

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

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9470. DELAWARE RIVER AND BAY AUTHORITY – OPERATING EXPENSE BY DIVISION.

The Acting CFO presented charts for July and August showing expenses by division for the quarter to date vs. the projected quarter and for year to date vs. total budget.

Without objection, the charts were ordered filed with the permanent records of the Authority.

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9471. DELAWARE RIVER AND BAY AUTHORITY – CAPITAL IMPROVEMENT PROGRAM.

The Acting CFO presented charts for the months of July and August showing the capital budget for crossing and economic development projects and dollars committed to date for the projects. The charts also includes cash expenditures spent to date for the committed projects.

Without objection, the charts were ordered filed with the permanent records of the Authority.

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9472. DELAWARE RIVER AND BAY AUTHORITY – CASH POSITION (MARKET VALUE) AS OF JULY 31 AND AUGUST 31, 2006.

The Acting CFO presented charts indicating the cash fund balances for the entire Authority.

Without objection, the charts were ordered filed with the permanent records of the Authority.

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9473. PUBLIC COMMENT ON ACTION ITEMS.

Vice-Chairperson Parkowski presented the following action items that were being considered and asked for public comment.

- Purchase Agreement PA-06-05 2008 Ford F550 Super Duty Regular Cab
- Contract Close-out CMLF005-04 Drydocking & Repairs M/V Cape May & Twin Capes
- Contract Close-out DMB-01-06 Electrical Systems Rehabilitation
- Contract Close-out MVA-04-01 Rehabilitation of Lighting & Signage, Millville Airport
- Resolution 06-24 Amendment to the Restated DRBA Employees' Retirement Plan
- Resolution 06-39 Approval of Community Contribution Requests
- Resolution 06-40 Authorizes Expenditures \$25,000 and Over
- Resolution 06-41 Authorizes a Service Agreement with AT Services Atlantic for Armored Car Services

- Resolution 06-42 Authorizes a Service Agreement with Emory Hill for Property Mgmt Services for the Riverfront Market and Restaurant
- Resolution 06-43 Authorizes an Interim Methodology for the Execution of Authority Agreements
- Resolution 06-44 Authorizes a Lease Agreement with Morey Organization at Cape May Airport
- Resolution 06-45 Authorizes a Lease Agreement with White Cleaners at New Castle Airport
- Resolution 06-46 Authorizes an Agreement of Sale with Easter Seals and Maryland's Eastern Shore at Corporate Commons
- Resolution 06-47 Authorizes a Lease Agreement with CitiBank at Corporate Commons
- Resolution 06-48 Authorizes a Lease Agreement with a New Jersey company at Salem Business Centre
- Resolution 06-49 Recognizes and Applauds Outstanding Employee Performance

Mr. Howard Moon, CMLF Reservations Manager, spoke regarding Resolution 06-24. He believes that the Commissioners should vote no on the Resolution based upon what he said are fundamental fairness issues in the calculation of an employees highest three years of service and asked if there was enough research done.

Vice-Chairperson Parkowski thanked Mr. Moon for his comments. He said that the Authority, unlike other organizations that are trying to keep their plans afloat, looked into the future of its Plan and found a need to make adjustments if it were to remain sound. He noted that the Commissioners in May postponed the passage of the Resolution until staff met with employees to explain the changes. Vice-Chairperson Parkowski stated that 73% of the entire workforce participated in the informational meetings held throughout the Authority and that it was time to go forward and vote on Resolution 06-24.

Acting Chief Financial Officer Ferzetti stated that the total benefit calculation is on the three highest years less any earned lump sum value as of December 31, 2006. This equation is consistent with the policy decision to limit the lump sum liability.

Vice-Chairperson Parkowski asked if there were others that wished to speak.

There were no further comments from the public.

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9474. SUMMARY OF AUTHORIZED CONTRACT PAYMENTS.

The Chief Operating Officer (COO) read the following Summary of Authorized Contract Payments for September, 2006.

<u>Contractor</u>		<u>Payment</u>
DMB-04-04	J.D. Eckman, Inc.	\$338,435.92
DMB-02-01	Daisy Construction	\$ 8,544.95
DMB-01-06	Cianbro Corporation	\$ 5,000.00
NCA-01-02	Diamond Materials	\$191,913.81
DAP-04-02	EDIS	\$ 63,575.09
MVA-04-01	Delta Line Construction	\$ 500.00

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9475. APPROVAL OF PURCHASE AGREEMENT PA-06-05 – 2008 FORD F 550 SUPER DUTY REGULAR CAB LX CHASSIS, 4 WHEEL DRIVE, DRW, DELAWARE MEMORIAL BRIDGE.

The COO stated that the equipment will primarily be used at the Millville Airport and is approved on the approved 2006 capital equipment purchase plan. Bayshore Ford Truck Sales, Inc. of New Castle, Delaware was the only bidder with a bid amount of \$91,630.00. The COO and the Projects Committee recommend awarding the contract to the bidder noted above.

A motion to award the contract to Bayshore Ford Truck Sales, Inc. was made by Commissioner Hensley, seconded by Commissioner Lowe and approved by a voice vote of 10-0.

* * * * *

9476. CONTRACT CLOSE-OUT CMLF-05-04- DRYDOCKING AND REPAIRS M/V CAPE MAY AND TWIN CAPES.

The COO noted that recent information has caused the final payment against Contract CMLF-05-04 to be held until certain repairs to the rudders have been corrected.

* * * * *

9477. APPROVAL OF FINAL PAYMENT OF CONTRACT NO. DMB-01-06 – ELECTRICAL SYSTEMS REHABILITATION, DMB.

On July 26, 2004 Contract No. DMB-01-06, Electrical Systems Rehabilitation, was awarded to Cianbro Corporation of Pittsfield, Maine for the bid price of \$7,740,097.75.

During the contract period, Change Order No.'s 1-16 were approved for the project.

- 1. August 15, 2006 Adjustment in quantities to reflect actual field conditions. Add: \$76,164.03.

Staff and the Projects Committee have recommended the Authority accept the project and make final payment to the contractor. The total price for this project is 7,816,261.78.

On motion by Commissioner Simmerman, seconded by Commissioner Cooper, the recommendation of the COO and the Projects Committee to closeout Contract No. DMB-01-06 was unanimously approved by a voice vote of 10-0.

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9478. APPROVAL OF FINAL PAYMENT OF CONTRACT NO. MVA-04-01 – REHABILITATION OF LIGHTING AND SIGNAGE, MILLVILLE AIRPORT

On February 7, 2005 Contract No. MVA-04-01, Rehabilitation of Lighting and Signage, was awarded to DeltaLine Construction Co., Inc. of Egg Harbor Township, New Jersey for the bid price of \$2,297,033.00.

During the contract period, Change Order No.'s 1-8 were approved for the project.

- August 21, 2006 Adjustments in quantities to reflect actual field conditions. Add: \$667,482.80

Staff and the Projects Committee have recommended the Authority accept the project and make final payment to the contractor. The total price for this project is \$2,964,515.80.

On motion by Commissioner Smith, seconded by Commissioner Simmerman, the recommendation of the COO and the Projects Committee to closeout Contract No. MVA-04-01 was unanimously approved by a voice vote of 10-0.

* * * * *

9479. VICE-CHAIRPERSON’S CALL FOR ACTION ON THE RESOLUTIONS BEFORE THE BOARD.

RESOLUTION 06-24 – AUTHORIZES THE 06-24 AMENDMENT TO THE RESTATED DELAWARE RIVER AND BAY AUTHORITY EMPLOYEES’ RETIREMENT PLAN

WHEREAS, The Delaware River and Bay Authority (the “Authority”) currently maintains The Restated Delaware River and Bay Authority Employees’ Retirement Plan (the “Retirement Plan”); and

WHEREAS, pursuant to Section 8.1(a) of the Retirement Plan, the Authority has the right to amend the Retirement Plan pursuant to a resolution of the Commissioners of the Authority; and

WHEREAS, the Authority desires to amend the Retirement Plan as it relates to benefit distribution options upon a participant’s retirement in order to stabilize the future financial liabilities of the Retirement Plan; and

WHEREAS, current participants in the Retirement Plan have the ability to select a “Lump Sum” benefit at retirement; and

WHEREAS, current participants in the Retirement Plan also have the option to select survivor benefits in the form of a reduced annuity under the Retirement Plan; and

WHEREAS, the Commissioners have deemed it advisable to amend the Retirement Plan to eliminate the full “Lump Sum” benefit distribution option for all future benefits of current active participants earned after January 1, 2007; and

WHEREAS, the Commissioners have deemed it advisable to amend the Retirement Plan to immediately eliminate the full “Lump Sum” benefit distribution option for all new employees hired after the adoption of this Resolution 06-24; and

WHEREAS, the Commissioners have deemed it advisable to amend the Retirement Plan to offer an unreduced “50% Joint and Survivor” annuity benefit distribution option and an unreduced “10-year Certain and Continuous” annuity benefit distribution option and an enhancement for the 66.66% and 100% Joint and Survivor annuity benefit for all persons who were active participants as of the date of this resolution.

NOW THEREFORE BE IT RESOLVED, the Executive Director is authorized to (I) execute an amendment to the Retirement Plan, in accordance with applicable law, to provide that, effective January 1, 2007, the full “Lump Sum” benefit distribution option is eliminated for all active participants on all future benefits earned after such date and (II) effective immediately, eliminate the full “Lump Sum” benefit distribution option for all new hires and (III) offer an enhancement to all eligible participants for the “Joint and Survivor” benefit distribution options and the “10 Year Certain and Continuous” benefit distribution option for persons who were active participants as of the date of this resolution and (IV) to fund the amendments with a one-time contribution from the General Fund.

A motion to approve Resolution 06-24 was made by Commissioner Lowe, seconded by Commissioner Patterson and unanimously approved by a roll call vote of 10-0.

* * * * *

RESOLUTION 06 - 39 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 States 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; and

WHEREAS; the Budget and Finance Committee have met and approved certain Community Contributions for the month of September 2006; and

NOW, THEREFORE, BE IT RESOLVED that the Authority hereby approves the following Community Contributions:

Community Contributions

New Jersey

Alzheimer’s Disease and Related Disorders Association	\$ 5,000
American Red Cross (Cape May County Chapter)	\$ 2,000
Challenged Children’s Charities Corporation	\$ 5,000
Girl Scouts of the South Jersey Pines	\$ 5,000
Preservation Salem Incorporated	\$ 5,000
Township of Deerfield Recreation Committee	\$ 5,000
Seabrook House Foundation	\$ 5,000

Total	<u>\$ 32,000</u>
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Delaware

Cape Henlopen Senior Center Incorporated	\$ 1,300
Delaware Futures Incorporated	\$ 5,000
Delaware Wrestling Alliance Incorporated	\$ 5,000
Junior Achievement of Delaware	\$ 6,500
Northeast Rally Club	\$ 1,000
Parent Information Center of Delaware	\$ 4,000
The Center for Therapeutic and Educational Riding Incorporated	\$ 4,000
USO Delaware	\$ 2,500
Read Aloud Delaware	\$ 5,000

Total	<u>\$ 34,300</u>
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Grand Total (New Jersey and Delaware)	<u>\$ 66,300</u>
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A motion to approve Resolution 06-39 was made by Commissioner Dorn, seconded by Commissioner Patterson. With Commissioner Hensley abstaining from voting on the Parent Information Center of Delaware, Resolution 06-39 was approved by a roll call vote of 10-0, with the above noted abstention where such vote was 9 in favor and 1 abstention.

* * * * *

RESOLUTION 06-40 - AUTHORIZING AUTHORITY EXPENDITURES PURSUANT TO RESOLUTION 01-84 FOR THE PERIOD, JANUARY 1 THROUGH DECEMBER 31, 2006.

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 1/1/06 THROUGH 12/31/06

VENDOR	SERVICE DESCRIPTION	DETERMINATION	ESTIMATED EXPENDITURE
American Express	Authority travel expenses	Finance review	\$49,000
Amsan Sanitary Supply	Sanitary supplies	State Contract	\$35,000
Amtech Elevator Services	Elevator repair services	Quotes	\$30,000
Contemporary Staffing Solutions	Human Resources temporary personnel	HR Selection	\$35,000
Fairlite Electric	Assorted electrical supplies	Quotes	\$35,000
G.A. Blanco and Sons, Inc.	Office furniture	State Contract	\$49,000
I.U.O.E. Local 542	Union dues	Union Contract	\$60,000
Marine Safety Corporation	Coast Guard vessel inspection	Limited Source	\$75,000
Panache Cuisine	USDA/FDA Certified fresh deli sandwiches for CMLF	Limited Source	\$45,000
Riggins, Inc.	Unleaded fuel	State Contract	\$350,000
Salem Community College	Leadership training program	HR Selection	\$30,000
Star Building Services, Inc.	Janitorial Services for New Castle Airport	Quotes	\$30,000
Thyssen Krupp	Elevator inspection and repair services	Prior Contract	\$30,000
Tri-State Carpet	Authority-wide carpet replacement	State Contract	\$49,000
Waste Management	Waste hauling and disposal services for DMB, NCA and DAP	Prior State Contract	\$30,000
Wilhelm Roofing Co., Inc.	Hangar 90 improvements, Millville Airport	Quotes	\$30,000

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

A motion to approve Resolution 06-40 was made by Commissioner Cooper, seconded by Commissioner Dorn and approved by a roll call vote of 10-0

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RESOLUTION 06-41- AUTHORIZING A SERVICES AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND AT SYSTEMS ATLANTIC, INC. TO PROVIDE AUTHORITY-WIDE ARMORED CAR SERVICES

WHEREAS, The Delaware River and Bay Authority (the “Authority”) is a bi-state Authority created by Compact for the purpose of owning, operating and controlling both Crossing and Non-Crossing facilities; and

WHEREAS, the Authority desires to procure professional armored car services to transport the revenue collected at the Delaware Memorial Bridge and Cape May-Lewes Ferry for deposit to the Authority-designated banking institution; and

WHEREAS, the Authority publicly advertised and issued a formal Request for Proposals for said services (“RFP”) in compliance with Resolution 98-31 which governs the procedure for the procurement of professional services; and

WHEREAS, in response to said RFP the Authority received one (1) written proposal submitted by AT Systems Atlantic, Inc. (“ATSA”); and

WHEREAS, said proposal contemplates a Services Agreement (“Services Agreement”) with a base term of three (3) years subject to the Authority’s option to extend the term for two (2), one (1) year renewals; and

WHEREAS, Authority staff has evaluated the ATSA proposal pursuant to the aforementioned requirements and regulations; and

WHEREAS the Budget & Finance Committee has reviewed said recommendation and concurs with the evaluation.

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby authorized to finalize the terms and conditions of a Services Agreement with AT Systems Atlantic, Inc. to provide professional armored car services and to have said Services Agreement, upon review and advice of counsel, executed by the Budget & Finance Committee Chairperson, Authority Vice-Chairperson and Executive Director.

A motion to approve Resolution 06-41 was made by Commissioner Dorn, seconded by Commissioner Smith and approved by a roll call vote of 10-0.

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RESOLUTION 06-42 – AUTHORIZING A SERVICES AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND EMORY HILL REAL ESTATE SERVICES, INC. TO PROVIDE PROPERTY MANAGEMENT SERVICES FOR THE RIVERFRONT MARKET AND RESTAURANT

WHEREAS, The Delaware River and Bay Authority (the “Authority”) is a bi-state Authority created by Compact for the purpose of owning, operating and controlling both Crossing and Non-Crossing facilities; and

WHEREAS, the Authority desires to procure property management services for the land and buildings at the Riverfront Market and Restaurant located in Wilmington, Delaware; and

WHEREAS, the Authority solicited formal written proposals for said services in compliance with Resolution 98-31 which governs the procedure for the procurement of professional services; and

WHEREAS, in response to said solicitation, the Authority received one (1) written proposal submitted by Emory Hill Real Estate Services, Inc.; and

WHEREAS, said proposal contemplates a Services Agreement (“Services Agreement” with a base term of two (2) years subject to the Authority’s option to extend the term for one (1), one (1) year renewal; and

WHEREAS, Authority staff has evaluated the proposal pursuant to the aforementioned requirements and regulations; and

WHEREAS the Budget & Finance Committee has reviewed said recommendation and concurs with the evaluation.

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby authorized to finalize the terms and conditions of a Services Agreement with Emory Hill Real Estate Services, Inc. to provide property management services for the Riverfront Market and Restaurant and to have such agreement, upon review and advice of counsel, executed by the Budget & Finance Committee Chairperson, Authority Vice-Chairperson and Executive Director.

A motion to approve Resolution 06-42 was made by Commissioner Lowe, seconded by Commissioner Lathem and approved by a roll call vote of 10-0.

* * * * *

RESOLUTION 06-43 AUTHORIZING AN INTERIM METHODOLOGY FOR THE EXECUTION OF AUTHORITY AGREEMENTS.

WHEREAS, The Delaware River and Bay Authority (the “Authority”) is a bi-state agency created by Compact with public crossing facilities and assets in the States of New Jersey and Delaware, for which it is empowered to enter into contracts, licenses, leases and other agreements; and

WHEREAS, in furtherance of these powers, the Authority participates in a variety of contractual agreements; and

WHEREAS, a vacancy has occurred in the position of the Authority Chairperson; and

WHEREAS, prior to such vacancy, certain contracts, leases and other agreements were approved by Resolution of the Authority Commissioners, said Resolutions specifically authorizing the execution of said agreements by the Authority Chairperson, Vice-Chairperson and Executive Director; and

WHEREAS, certain of said contracts have been incapable of execution by reason of the aforesaid vacancy; and

WHEREAS, the prompt execution of said agreements is necessary for the furtherance of the Authority’s public purpose and in the best interest of the Authority; and

WHEREAS, the Authority desires to adopt an interim procedure whereby said agreements and future agreements may be executed during the pendency of said vacancy.

NOW, THEREFORE, BE IT RESOLVED, as follows:

1. As to those agreements, delineated on Appendix A annexed hereto, which were adopted at or about the time the occurrence of said vacancy and which, by reason thereof, remain unexecuted:

- a. Said agreements are hereby reconfirmed and approved; and
- b. In lieu of execution thereof by the Chairperson (and in addition to execution by the Vice-Chairperson and Executive Director) the ranking New Jersey member (either the Committee Chairperson or the Committee Vice Chairperson, as the case may be) of the Authority Committee having jurisdiction over the agreement subject matter (and from which said agreement originated and was approved) (the “Ranking New Jersey Member”), is hereby authorized to executed said agreement on behalf of the Authority. The Ranking New Jersey Member of each Committee is delineated on Appendix B, annexed hereto.

BE IT FURTHER RESOLVED, as follows:

1. That any other outstanding unexecuted contracts or agreements not delineated in Appendix A, which are unexecuted as a result of the aforesaid vacancy shall be executed by the Ranking New Jersey Member as defined above, the Vice Chairperson of the Authority, and the Executive Director.

2. Pending appointment of an Authority Chairperson, future agreements (other than agreements deemed routine and for which execution thereof solely by the Executive Director is authorized pursuant to Resolution 06-04) shall, subject to review and advice of counsel, be executed by the Ranking New Jersey Member, Vice-Chairperson and Executive Director.

Appendix A

Contract CMLF-06-01	TTI Environmental - Furnish and Install Fuel Monitoring System
Contract CMLF-06-02	Colonna’s Shipyard – Drydocking and Repairs at Millville, New Jersey
Contract MVA-04-02	Glasgow, Inc.- Rehabilitation of Taxiway “J” at the Millville Airport
Resolution 06-33	Amending Resolution 06-08 - Ground Lease Modification with State of Delaware
Resolution 06-34	Amend Ground Lease with Delaware Airpark
Resolution 06-37	MediGuide America of Greenville, Delaware – Contract for the Second Opinion Program
Resolution 06-38	Hornblower Marine Services – Marine Master Planning Services Agreements
Resolution 06-19	Lease Agreement with Duffy, Millville Airport
Resolution 06-25 Airport	Lease Agreement with Flight Line Girls, Millville
Resolution 06-15 Jersey	Sale of Salem Business Center in Carney’s Point, New

Appendix B

Projects Committee

Chair *Verna Hensley (DE)*
Vice Chair *Edward Dorn (NJ)***
 Gary Simmerman (NJ)
 Bill Lowe (DE)
 Maureen Koebig (NJ)
 Gary Patterson (DE)

Personnel and Insurance Committee

Chair **Edward Dorn (NJ) ****
Vice Chair **Samuel Lathem (DE)**
 Thomas Cooper (DE)
 Niels Favre (NJ)
 Maureen Koebig (NJ)
 William Lowe (DE)

Economic Development Committee

Chair **Maureen Koebig (NJ)****
Vice Chair **William Lowe (DE)**
 Thomas Cooper (DE)
 Edward Dorn (NJ)
 Ceil Smith (NJ)
 Gary Patterson (DE)

Audit Committee

Chair **Thomas Cooper (DE)**
Vice Chair **Niels Favre (NJ)****
 Edward Dorn (NJ)
 Verna Hensley (DE)
 Gary Simmerman (NJ)
 William Lowe (DE)

Budget and Finance Committee

Chair **Gary Simmerman (NJ)****
Vice Chair **Gary Patterson (DE)**
 Verna Hensley (DE)
 Niels Favre (NJ)
 Ceil Smith (NJ)
 Samuel Lathem (DE)

Ad Hoc Committee for the CFO Search

Chair **Sam Lathem (DE)**
 Thomas Cooper (DE)
 Verna Hensley (DE)
 Edward Dorn (NJ)**
 Niels Favre (NJ)
 Maureen Koebig (NJ)

Ad Hoc Bylaws Committee*

Chair **Samuel Lathem (DE)**
Vice Chair **Niels Favre (NJ)****
 Verna Hensley (DE)
 Ceil Smith (NJ)
 Maureen Koebig (NJ)
 Gary Patterson (DE)

*Meets at the request of the Committee Chair

(Note): The Chairperson and Vice-Chairperson of DRBA are ex-officio members of all committees.

**Ranking New Jersey Member

On motion by Commissioner Simmerman, seconded by Commissioner Lathem, Resolution 06-43 was approved by a roll call vote of 10-0.

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RESOLUTION 06-44 - AUTHORIZING A LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND MOREY ORGANIZATION, INC. FOR PREMISES SITUATE AT THE CAPE MAY AIRPORT.

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

WHEREAS, The Morey Organization, Inc. (“Morey”) desires to enter into a ground lease (the “Lease Agreement”) for certain premises consisting of approximately 4,680 square feet of land (the “Premises”) situate within the Airport; and

WHEREAS, Morey desires to construct a hangar on the Premises; and

WHEREAS, Morey will agree to construct and operate the hangar in conformance with all Authority standards and conditions; and

WHEREAS, the initial term of the Lease Agreement shall be twenty-three (23) years; and

WHEREAS, Morey has agreed to pay the Authority annual rent equal \$0.18 per square foot of land leased for the first year of the Lease Agreement, subject to annual Consumer Price Index (“CPI”) increases thereafter; and

WHEREAS, in addition to the aforesaid CPI adjustments, the rent during initial term shall be adjusted to reflect the fair market value thereof (as determined by the Authority) (“Fair Market Value”) at the beginning of the eleventh year of the term; and

WHEREAS, Morey shall have the option to renew the Lease Agreement for one (1) period (the “Option Period”) of fifteen (15) years; and

WHEREAS, rent during the Option Period shall be based upon the Fair Market Value thereof (as determined by the Authority) as of the first year of the Option Period subject to annual CPI adjustments for the balance of the Option Period; and

WHEREAS, the Economic Development Committee has reviewed the terms of the proposed Lease Agreement and recommends approval thereof by the Commissioners.

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby authorized to finalize the terms and conditions of the Lease Agreement with Morey Organization, Inc. and, with the advice and consent of counsel, to have such Lease Agreement executed by the Economic Development Committee Chairperson, Authority Vice Chairperson, and the Executive Director.

A motion to approve Resolution 06-44 was made by Commissioner Simmerman, seconded by Commissioner Koebig and approved by a roll call vote of 10-0.

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RESOLUTION 06-45 - AUTHORIZING A LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND WHITE CLEANERS, INC. FOR PREMISES SITUATE AT THE NEW CASTLE AIRPORT

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

WHEREAS, White Cleaners, Inc. (“White”) desires to enter into a lease agreement (“Lease Agreement”) for certain premises situate at Airport Building 5004 (the “Premises”), said Premises consisting of 1,566 square feet of rentable space; and

WHEREAS, the initial term of the Lease Agreement shall be five (5) years; and

WHEREAS, White has agreed to pay the Authority annual rent of Twenty-Eight Thousand dollars (\$28,000) during the first year of the Lease term subject to annual Consumer Price Index (CPI) increases thereafter; and

WHEREAS, White shall have the option to renew the Lease Agreement for one period (the “Option Period”) of five (5) years; and

WHEREAS, rent for the first year of the Option Period shall be based upon the Fair Market Value thereof (as determined by the Authority) as of the first year of the Option Period subject to annual CPI adjustments for balance of the Option Period; and

WHEREAS, the Economic Development Committee has reviewed the terms of the proposed Lease Agreement and recommends approval thereof by the Commissioners.

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby authorized to finalize the terms and conditions of the Lease Agreement with White Cleaners and, with the advice and consent of counsel, to have such Lease Agreement executed by the Economic Development Committee Chairperson, Authority Vice Chairperson, and the Executive Director

A motion to approve Resolution 06-45 was made by Commissioner Cooper, seconded by Commissioner Dorn and approved by a roll call vote of 10-0.

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RESOLUTION 06-46 - AUTHORIZING AN AGREEMENT OF SALE BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND EASTER SEALS DELAWARE AND MARYLAND’S EASTERN SHORE, INC. FOR REAL PROPERTY SITUATE AT CORPORATE COMMONS, NEW CASTLE, DELAWARE

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

WHEREAS, the Easter Seals Delaware and Maryland’s Eastern Shore Inc. (“Easter Seals”) desires to enter into an agreement of sale (“Agreement of Sale”) to purchase a certain parcel of land totaling 5.525 +/- acres together with any and all improvements thereon (the “Property”), said Property being contiguous to Easter Seals’ existing facility and to be utilized for expansion purposes; and

WHEREAS, Easter Seals has agreed to pay the Authority the Fair Market Value of the Property being One Hundred and Seventy-five Thousand dollars(\$175,000) per acre for a total purchase price of Nine Hundred and Sixty-six Thousand Eight Hundred and Seventy-five dollars (\$966,875); and

WHEREAS, the Agreement of Sale shall be contingent upon the following:

- The Federal Aviation Administration (FAA) executing and delivering a release of the Property from applicable FAA restrictions.
- The consent and agreement of the New Castle County to convey the Property to Easter Seals as the record title holder of the Property.
- The Air National Guard (“Guard”) surrendering to the Authority certain real property commonly known as Parcel 3 (Old Officers Club/PX) containing 1.62 acres in a cleaned and level condition.
- The Property can be re-zoned from zoning classification I to zoning classification BP under the Unified Development Code of New Castle County; and

WHEREAS, the Economic Development Committee has reviewed the terms of the proposed Agreement of Sale and recommends approval thereof by the Commissioners.

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby authorized to finalize the terms and conditions of the Agreement of Sale and, with the advice and consent of counsel, to have such Agreement of Sale executed by the Economic Development Committee Chairperson, Authority Vice Chairperson, and the Executive Director.

A motion to approve Resolution 06-46 was made by Commissioner Dorn, seconded by Commissioner Smith. With Commissioner Hensley abstaining, Resolution 06-46 was approved by a roll call vote of 9-0 and 1 abstention.

* * * * *

RESOLUTION 06-47 - AUTHORIZING A LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND CITIBANK DELAWARE FOR THE PREMISES SITUATE AT CORPORATE COMMONS

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

WHEREAS, Citibank Delaware (“Citibank”) desires to enter into a lease agreement (the “Lease Agreement”) for approximately 16.34 acres, of land and appurtenances (the “Premises”) located within the Corporate Commons; and

WHEREAS, the initial term of the Lease Agreement is for ten (10) years; and

WHEREAS, Citibank has agreed to pay the Authority annual rent of Four Hundred and Seventy-Five Thousand dollars (\$475,000) per annum during each year of the initial term of the Lease Agreement; and

WHEREAS, Citibank shall have the option to extend the term of the Lease Agreement for one (1) period of ten (10) years and five (5) consecutive periods of five (5) years each thereafter; and

WHEREAS, rent shall be adjusted annually by a fixed escalator of 2.5%; and

WHEREAS, in addition to said annual escalator adjustments, rent shall also be adjusted to reflect fair market value adjustments commencing on the first day of the 5th anniversary of the commencement date of the Lease Agreement and continuing on each 5th anniversary thereafter during the initial term and any renewal term.

WHEREAS, the Economic Development Committee has reviewed the terms of the proposed Lease Agreement and recommends approval thereof by the Commissioners.

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby authorized to finalize the terms and conditions of the Lease Agreement with Citibank Delaware and, with the advice and consent of counsel, to have such Lease Agreement executed by the Economic Development Committee Chairperson, Authority Vice Chairperson, and the Executive Director.

A motion to approve Resolution 06-47 was made by Commissioner Patterson, seconded by Commissioner Smith and approved by a roll call vote of 10-0.

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RESOLUTON 06-48 AUTHORIZING A LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND A NEW JERSEY COMPANY FOR PREMISES SITUATE AT THE SALEM BUSINESS CENTRE, SALEM, NEW JERSEY

WHEREAS, The Delaware River and Bay Authority (the “Authority”) owns a two story 80,000 square foot office building (the “Building”) in the Salem Business Centre (the “Centre”), located in Carneys Point Township, Salem County, New Jersey; and

WHEREAS, the Authority desires to lease office space at the Centre; and

WHEREAS, a New Jersey company (“Company”) desires to lease approximately 28,469 square feet of office space in the Building pursuant to a written lease agreement (the “Lease Agreement”); and

WHEREAS, the term of the Lease Agreement will be for an initial term of fifteen (15) years at an average rental rate of Nineteen dollars and 10 cents (\$19.10) per square

foot (i.e., rental rates between \$17.50 per square foot in year 1 and \$20.50 per square foot in year 15) plus Tenant electric and utility charges; and

WHEREAS, the Company will be responsible for its share of all Operating Expenses over the base year of the Lease; and

WHEREAS, the Company will have an Early Termination Option after ten (10) years with an agreed upon early termination fee and reimbursement fee; and

WHEREAS, the Lease Agreement shall provide certain lease inducements in the form of mutually agreed rent abatement and credits for tenant moving expenses; and

WHEREAS, the Company will receive a Tenant Improvement Allowance of Thirty Two dollars and fifty cents (\$32.50) per square foot; any overage in tenant improvements to be the responsibility of the Company and

WHEREAS, the Company will have the option to extend the term of the Lease Agreement for three (3) consecutive periods of five (5) years each at the then mutually determined (or appraised) fair market rental; and

WHEREAS, Landlord and Tenant are to agree to a mutually acceptable form of Lease Agreement; and

WHEREAS, the Economic Development Committee has reviewed the terms of the proposed Lease Agreement and recommends approval thereof by the Commissioners.

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director, or his designee, is hereby authorized to negotiate the final terms and conditions of a Lease Agreement between the Authority and the Company for approximately 28,469 square feet of rental space in the Building and, with the advice and consent of Counsel, have such Lease Agreement executed by the Economic Development Committee Chairperson, Authority Vice Chairperson, and the Executed Director.

A motion to approve Resolution 06-48 was made by Commissioner Simmerman, seconded by Commissioner Smith and approved by a roll call vote of 10-0.

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**RESOLUTION 06 – 49 RECOGNIZING AND APPLAUDING
OUTSTANDING EMPLOYEE PERFORMANCE**

WHEREAS, The Delaware River and Bay Authority (the “Authority”) is the owner and operator of the Cape May - Lewes Ferry, and;

WHEREAS, the Cape May - Lewes Ferry operates more than 6,000 crossings annually and transports approximately 375,000 vehicles and 1.1 million passengers each year between Cape May, New Jersey and Lewes, Delaware; and

WHEREAS, the Authority employs caring, dedicated and highly trained individuals to respond to all types of emergency situations; and

WHEREAS, on August 14, 2006, a catamaran capsized in the Delaware Bay approximately 1.5 miles from the Cape May shoreline causing a man and woman to go overboard; and

WHEREAS, M.V. Twin Capes crewmember Mark Vogelsong, reported a man in the water to the bridge; and

WHEREAS, the M.V. Twin Capes was immediately brought about; and

WHEREAS, the M.V. Twin Capes immediately notified the Coast Guard; and

WHEREAS, M.V. Twin Capes crewmember Gayle Carter reported a woman in the water; and

WHEREAS, the M.V. Twin Capes maneuvered towards the people in the water and did not get underway until the U.S. Coast Guard safely retrieved both people; and

WHEREAS the people were taken to the Cape May Ferry Terminal by the U.S. Coast Guard where they were examined by paramedics and released; and

WHEREAS the following M.V. Twin Capes crewmembers participated in the rescue attempt of these two people:

Captain:	Peter Dudley
Pilot:	Joseph Napoleon
Boatswain:	Gayle Carter
Able Seaman 1:	Sharon Urban
Able Seaman 2:	John Hughes
Able Seaman 3:	Dorothy Bender
Ordinary Seaman 1:	Lucas McCann
Ordinary Seaman 2:	Jason Lesczynski
Chief Engineer:	Mark DeSorbo
Assistant Engineer:	Rick Murphy
Galley Supervisor:	Kathleen Kingsman
Food Handler 1:	James DeStefano
Food Handler 2:	Michael Matthews
Food Handler 3:	Megan Dobbins
Gift Shop:	Mary Jane Hazel
Bartender 1:	Mark Vogelsong
Bartender 2:	Daniel Estoclet

NOW, THEREFORE, BE IT RESOLVED, that the preceding employees are hereby recognized and applauded for outstanding service to the public and the Authority and formally recognized for their dedication and professionalism.

A motion to approve Resolution 06-49 was made by Commissioner Hensley, seconded by Commissioner Smith and approved by a roll call vote of 10-0.

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9480. COMMISSIONERS PUBLIC FORUM

Vice-Chairperson Parkowski asked if any members of the public would like to address the Commission.

Dr. Joseph Salvatore, Chairman, Wildwood Naval Air Museum, thanked the Commissioners and staff for their assistance in making the recent Wings of Freedom show at the Cape May Airport a success.

Vice-Chairperson Parkowski thanked Dr. Salvatore for his persistence in making the event happen and noted the benefit of the airport facility.

Commissioner Simmerman stated that he was pleased to host the meeting at the Millville Airport and regretted that Commissioners Hensley, Koebig and Favre were not present.

Commissioner Patterson noted that Kent County SPCA sent a letter thanking the Authority for its contribution toward their Spring fundraiser.

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There being no further business, a motion to adjourn was made by Commissioner Simmerman, seconded by Commissioner Dorn and unanimously carried.

The meeting was adjourned 12:05 p.m.

Respectfully submitted,

THE DELAWARE RIVER AND BAY AUTHORITY

Thomas A. Pankok
Secretary