

MINUTES OF MEETING
THE DELAWARE RIVER AND BAY AUTHORITY
Tuesday, September 20, 2011
James Julian Boardroom
Delaware Memorial Bridge Plaza
New Castle, Delaware 19720

The meeting convened at 12:35 p.m. with Chairperson Lowe presiding.

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

Deputy Executive Director Minor 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.

* * * * *

Commissioners from Delaware

Commissioners from New Jersey

PRESENT

William E. Lowe, Chairperson
Richard W. Downes
Scott A. Green

Terry C. Murphy
Gary F. Traynor

James N. Hogan, Vice-Chairperson
Edward W. Dorn

Ceil Smith
Douglas Van Sant

ABSENT

Samuel E. Lathem

Niels S. Favre

* * * * *

Chairperson Lowe called for the acceptance of the Agenda.

Commissioner Green motioned to accept the Agenda, seconded by Commissioner Downes, and approved by a voice vote of 9-0.

* * * * *

10422. APPROVAL OF THE JULY 19, 2011 MINUTES

Commissioner Green motioned for approval of the July 19, 2011 minutes, seconded by Commissioner Murphy, and approved by a voice vote of 9-0.

* * * * *

10423. EXECUTIVE DIRECTOR'S REPORT

The Executive Director presented his report for the months of July and August, 2011.

Earthquake and Hurricane Irene

All in the same week, Mother Nature unleashed her power. On August 23rd we were rocked by tremors from a 5.8 magnitude earthquake that hit near Mineral, Virginia. After inspection of our assets, we determined that no damage from this event was sustained. Four days later we found ourselves in the midst of the wind and rain from Hurricane Irene.

Throughout Hurricane Irene, our employees exhibited their dedication and professionalism. This

Hurricane could not be underestimated and we took all precautions prior to the storm to prevent loss of assets – from mobilizing the command center to moving our vessels to safer harbor and preparing our facilities for potential storm damage. During the storm, employees were away from their homes and families to do their jobs which I know was a difficult thing to do. Some were away for several days. Throughout the storm we maintained contact with all our facilities and personnel as well as neighboring transportation facilities in New Jersey, Delaware and Pennsylvania. The Delaware Memorial Bridge remained open however; we did impose lane restrictions and periodic stoppages of vehicles due to the winds. There were no reported employee injuries, customer injuries or traffic accidents during this storm.

And after the storm, we spent time quickly getting things back in order so that we could serve our customers. We inspected our facilities with the assistance of our consultants and found no damage. The only damage we did face however was a loss of revenue at the bridge and ferry evidenced by low traffic volumes and the closure of the Ferry for four days.

I know some of our employees were without power, had flooding issues and faced a lot of clean up. Despite these issues, they came to work with a smile on their face and a willingness to do their part for the organization. Again, I just want to say Thank you to all involved and I want to personally thank Jim Walls, our Chief Operations Officer who led the efforts!

Delaware Memorial Bridge

In July, total traffic decreased 1.2%, non-commercial traffic decreased 0.8%, and commercial traffic decreased 4.1%, compared to July 2010. When compared to the 3-year average, total July traffic decreased 1.2%. Year-to-date total traffic decreased 0.3%, non-commercial traffic decreased 0.5%, and commercial traffic increased 0.7%, compared to the previous year. When compared to the 3-year average, year-to-date total traffic decreased 1.2%.

E-ZPass traffic for July represented 60.7% of the total overall traffic as compared to 58.5% for the previous year. Year-to-date total electronic traffic represented 63.0%, an increase of 2.1% from 2010.

In August, total traffic decreased 8.7%, non-commercial traffic decreased 9.4%, and commercial traffic decreased 2.2%, compared to August 2010. When compared to the 3-year average, total August traffic decreased 8.3%. Year-to-date total traffic decreased 1.6%, non-commercial traffic decreased 1.8%, and commercial traffic increased 0.3%, compared to the previous year. When compared to the 3-year average, year-to-date total traffic decreased 2.3%.

E-ZPass traffic for August represented 63.6% of the total overall traffic as compared to 60.1% for the previous year. Year-to-date total electronic traffic represented 63.1%, an increase of 2.3% from 2010.

Towards the end of August, the assessors from the Commission on Accreditation for Law Enforcement Agencies, Inc. (CALEA) were on-site to conduct the re-accreditation process of the Authorities Police Department. During this visit, the assessors inspected our facilities, conducted interviews, and thoroughly examined our files that contained proofs of compliance for 479 CALEA standards. The assessors were Chief Paul MacMillan of the Massachusetts Bay Transportation Authority and Paul McCurtain of the St. Charles, Illinois Police Department. After a thorough review of all standards, the assessment team was satisfied that our department met all compliance requirements and they have recommended that the Commission award re-accreditation for a three year period.

Cape May Lewes Ferry

In July, vehicle traffic decreased 2.8%, passenger traffic increased 0.1%, and fare revenues decreased 0.5%, compared to July 2010. Year-to-date vehicle traffic decreased 4.1%, passenger traffic decreased 3.2%, and fare revenues decreased 3.0%, compared to the same period in 2010. Compared to the 3-year average, year-to-date vehicle traffic decreased 2.1%, passenger traffic decreased 2.0%, and fare revenues decreased 0.2%.

In August, vehicle traffic decreased 19.4%, passenger traffic decreased 16.9%, and fare revenues decreased 18.9%, compared to August 2010. Year-to-date vehicle traffic decreased 8.0%, passenger traffic decreased 7.8%, and fare revenues decreased 7.4%, compared to the same

period in 2010. Compared to the 3-year average, year-to-date vehicle traffic decreased 11.1%, passenger traffic decreased 11.6%, and fare revenues decreased 8.6%.

In July, CMLF food and beverage revenues increased 4.2% and retail revenues decreased 1.3% compared to July 2010. Year-to-date food and beverage revenues decreased 0.6% and retail revenues decreased 8.9% compared to the same period in 2010. When compared to the 3-year average, year-to-date food and retail revenues increased 1.5%.

In August, CMLF food and beverage revenues decreased 12.2% and retail revenues decreased 17.5% compared to August 2010. Year-to-date food and beverage revenues decreased 0.9% and retail revenues decreased 6.6% compared to the same period in 2010. When compared to the 3-year average, year-to-date food and retail revenues decreased 6.6%.

The two full-day Concessions Open House events were held in mid-August. Thirty-four (34) hospitality operator representatives attended these events, which included: terminal facility tours in Lewes and Cape May; observations of underway vessel operations; food, beverage, and retail presentations; Q&A sessions; and hospitality operator networking sessions. Updated information for potential hospitality operators is available at: www.CMLFconcessions@drba.net.

The Delaware Department of Natural Resources chartered the M/V Delaware in mid-August, to witness the sinking of the Destroyer Radford. Over 300 passengers, including veterans who served aboard the vessel and members of the press, attended this successful event.

Airports

Staff and the Authorities New Jersey legal counsel participated in a meeting at the Cape May Airport regarding Dr. Salvatore’s proposed historic district (approximately 200 acres). The meeting also included representatives from NJ State Historic Preservation Office (SHPO), LTMUA, Cape May County, Lower Township, and Dr. Salvatore. Based on briefs filed with the SHPO by interested parties, the SHPO will issue a determination as to the eligibility of the district within the next 30-60 days.

Finance and Procurement

Staff issued the RFI concerning Energy Projects at DRBA Facilities-Installation of Wind and/or Solar Energy Projects the Delaware River and Bay Authority Facilities. The Pre-Submission Meeting for RFI-11-01 - Installation of Wind and/or Solar Energy Projects at Delaware River and Bay Authority Facilities was held and 20 companies attended. This pre-submission meeting was not mandatory. To-date, we have approximately 31 companies that have registered in our system and received the RFI.

Staff finalized the RFP for Investment Manager/Financial Advisor Services and the document was readied for public advertisement which is scheduled in early September.

Mercer, the Authority’s current actuary, notified the Authority that it will be exiting the pension actuary services field. Staff has begun the development of an RFP for Pension and OPEB Actuarial Services.

In July, the Moody’s Investor Service released their review on the Authorities outstanding debt and creditworthiness. The rating service maintained the Authorities A1 rating with a stable outlook.

Employee Happenings

The Collective Bargaining Agreement for FOP Lodge #14 was executed by all parties in August.

Permanent Full-time staffing levels at the end August:

| | |
|-------------------------------------|-----|
| Authorized Positions | 418 |
| Positions Filled | 369 |
| Positions Filled (on LTD) | 6 |
| Total Positions that are Vacant | 43 |
| Vacant Positions in Process to fill | 2 |

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

* * * * *

10424. DELAWARE RIVER AND BAY AUTHORITY – TRAFFIC AND REVENUE SUMMARY.

The 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, July, and August.

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

* * * * *

10425. DELAWARE RIVER AND BAY AUTHORITY – STATEMENT OF INCOME AND EXPENSE.

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

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

* * * * *

10426. DELAWARE RIVER AND BAY AUTHORITY – OPERATING EXPENSE BY DIVISION.

The 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.

* * * * *

10427. DELAWARE RIVER AND BAY AUTHORITY – CAPITAL IMPROVEMENT PROGRAM.

The CFO presented charts for the month 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 include cash expenditures spent to date for the committed projects.

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

* * * * *

10428. DELAWARE RIVER AND BAY AUTHORITY – CASH POSITION (MARKET VALUE) AS OF JULY AND AUGUST, 2011.

The 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.

* * * * *

10429. PUBLIC COMMENT ON ACTION ITEMS.

Chairperson Lowe presented the following action items out of Committee that were being considered and asked for public comment.

- Contract MVA-11-01 Millville Airport Obstruction Removal, Phase II
- Contract CMA-06-01 Cape May Airport Obstruction Removal, Phase I
- Contract DAP-11-01 Delaware Airpark Improvements, Phase I
- Contract CMLF-11-02 2011 Maintenance Dredging, Lewes Terminal
- Contract CMLF-11-04 Repainting and Window Replacement for the DE Breakwater Lighthouse

- Contract Close-out CMA-04-04R2 Rehabilitation of Taxiway A at the Cape May Airport
- Resolution 11-35 Authorizing Authority Expenditures in Excess of \$25,000
- Resolution 11-36 Amends Resolution 98-31 As Amended by Res 09-52 To Account for Changes in the Procurement Procedures of the Sates of Delaware and New Jersey
- Resolution 11-37 Amends Resolution 08-34 Adopting a Disadvantage Business Enterprise (DBE) Policy for all Authority-funded Capital Construction Contracts in Excess of \$250,000 and to Waive Such DBE Requirements when Required as a Condition of Accepting Grant Funds
- Resolution 11-38 Lease Agreement with House of Print, LLL at the Cape May Airport
- Resolution 11-39 Lease Agreement with Rapid Restoration LLC at the Cape May Airport
- Resolution 11-40 Lease Agreement with Dassault Falcon Jet-Wilm Corp at New Castle Airport
- Resolution 11-41 Lease Agreement with Federal Aviation Administration at New Castle Airport

There were no public comments.

* * * * *

10430. APPROVAL OF OBSTRUCTION REMOVAL/EASEMENT ACQUISITION, MILLVILLE AIRPORT, PHASE II, CONTRACT #MVA-11-01

The COO noted that a public bid opening was held on June 29, 2011 in which five (5) bids were received. Downes Tree Service Inc. of Hawthorne, New Jersey was the lowest responsive bidder with a bid price of \$994,180.00. The COO and the Projects Committee recommend approval.

Commissioner Downes stated that Downes Tree Service was not related to him nor did he have a connection to the business.

A motion to award Contract #MVA-11-01 to the aforementioned firm in the amount of \$994,180.00 was made by Commissioner Murphy, seconded by Commissioner Smith, and approved by a voice vote of 9-0.

* * * * *

10431. APPROVAL OF OBSTRUCTION REMOVAL AT THE CAPE MAY AIRPORT, PHASE 1, CONTRACT #CMA-06-01

The COO noted that a public bid opening was held on June 30, 2011 in which five (5) bids were received. The recommendation is to award the base bid only without Add Alternates No. 1 and 2 to the lowest responsive bidder, Downes Tree Service, Inc. of Hawthorne, New Jersey in the amount of \$443,350.00. The COO and the Projects Committee recommend approval.

Commissioner Downes again stated that Downes Tree Service was not related to him nor did he have a connection to the business.

A motion to award Contract CMA-06-01 to the aforementioned firm in the amount of \$443,350.00 for the base bid only was made by Commissioner Green, seconded by Commissioner Downes, and approved by a voice vote of 9-0.

* * * * *

10432. DELAWARE AIRPARK IMPROVEMENTS, PHASE I, CONTRACT #DAP-06-01

The COO noted that a public bid opening was held on July 12, 2011 in which nine (9) bids were received. He stated that an Army Corps of Engineers has not approved the necessary wetlands permit and FAA funding has not been confirmed. The COO and the Projects Committee recommend rejecting all bids until the wetlands permit is issued and FAA funding is in place.

A motion to reject all bids received for Contract #DAP-06-01 was made by Commissioner Green, seconded by Commissioner Van Sant, and unanimously approved by a voice vote of 9-0.

* * * * *

10433. APPROVAL OF 2011 MAINTENANCE DREDGING, LEWES TERMINAL, CONTRACT #CMLF-11-02

The COO noted that a public bid opening was held on September 13, 2011 in which three (3) bids were received. The COO recommended award of the bid to the lowest responsive bidder, Corman Construction, Inc. of Annapolis Junction, Maryland, in the amount of \$530,309.00. The COO and the Projects Committee recommend approval.

A motion to award Contract CMLF-11-02 to the aforementioned firm in the amount of \$530,309.00 was made by Commissioner Smith, seconded by Commissioner Murphy, and approved by a voice vote of 9-0.

* * * * *

10434. DELAWARE BREAKWATER LIGHTHOUSE REPAINTING & WINDO REPLACEMENT, CONTRACT #CMLF-11-04

The COO noted that a public bid opening was held on September 13, 2011 in which one (1) bid was received. He stated that, under the conditions of returning the Lighthouse to the State of Delaware, the Authority agreed to complete some repairs. As a result of the bid being significantly higher than the engineer's estimate, the COO recommended the rejection of the bid. The Projects Committee concurred with the COO recommendation.

A motion to reject Contract #CMLF-11-04 was made by Commissioner Smith, seconded by Commissioner Van Sant, and approved by a voice vote of 9-0.

* * * * *

10435. CONTRACT CLOSE-OUT – REHABILITATE PORTIONS OF TAXIWAY A, CAPE MAY AIRPORT, CONTRACT #CMA-04-04RS

On November 22, 2010 Contract No. CMA-04-04R2, Rehabilitation Taxiway A, was awarded to South State, Inc. of Bridgeton, New Jersey for the bid price of \$791,349.50.

During the contract period Change Order No. 1 was approved for the project.

1. August 31, 2011 Adjustments in quantities to reflect actual field conditions.
Subtract: \$20,580.63.

It is recommended that the Authority accept the project and make final payment to the contractor. The total price for this project is \$770,768.87.

A motion to close-out Contract #CMA-04-04RS was made by Commissioner Murphy, seconded by Commissioner Smith, and unanimously approved by a voice vote of 9-0.

* * * * *

10436. CHAIRPERSON'S CALL FOR ACTION ON THE RESOLUTIONS BEFORE THE BOARD

RESOLUTION 11-35 - AUTHORIZING AUTHORITY EXPENDITURES PURSUANT TO RESOLUTION 01-84 FOR THE PERIOD, JANUARY 1, 2011 THROUGH DECEMBER 31, 2011

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

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

DELAWARE RIVER & BAY AUTHORITY
PROJECTED VENDORS TO BE PAID OVER \$25,000
OPERATION EXPENDITURES
FOR THE PERIOD 1/1/11 THROUGH 12/31/11

| VENDOR | SERVICE DESCRIPTION | DETERMINATION | APPROX. ESTIMATED \$ |
|-----------------------------|--|----------------|----------------------------|
| Allied Beverage | Alcoholic beverages for CMLF | Sole Source | \$70,000 |
| Amsan Midatlantic | Janitorial and cleaning supplies | State Contract | \$45,000 |
| Armorica Sales | Vessel paint | Proprietary | \$49,000 |
| Centurylink | Long-distance telephone service | State Contract | \$90,000 |
| Cryotech Deicing Technology | Runway de-icer | Sole Source | \$40,000 |
| Garda CL Atlantic Inc. | Armored car services | Sole Responder | \$49,000 |
| Greg Jones | Consulting services for CMLF Food Service Project | Sole Source | \$50,000 |
| Johnson Controls | HVAC Maintenance and Training | Proprietary | \$45,000 |
| Johnson & Towers | Vessel Generator Parts | Proprietary | \$48,000 |
| Kent Oil Company | AV Gas for DAP | Sole Responder | \$75,000 |
| Modern Controls Inc. | HVAC parts and services | Proprietary | \$40,000 |
| Oracle | Annual support for DRBA Oracle databases | Sole Source | \$32,000 |
| Pepsi Bottling Group | CMLF fountain and bottled Pepsi products | Proprietary | \$90,000 |
| Randive, Inc. | CMLF vessel hull cleaning services | Quotes | \$45,000 |
| Ransome Caterpillar | CMLF vessel generator parts and service | Proprietary | \$80,000 |
| Riggins, Inc. | Gasoline | State Contract | \$75,000 |
| Sperry Marine | 3 rd Year of 5 year parts and labor warranty agreement for radar system | Proprietary | \$43,000 |
| Waste Management | Trash removal services | Proprietary | \$50,000 |

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

A motion to approve Resolution 11-35 was made by Commissioner Smith, seconded by Commissioner Downes, and approved by a roll call vote of 9-0.

Resolution 11-35 Executive Summary Sheet

Resolution: Authorizing Authority Expenditures Pursuant to Resolution 01-84 for the period, January 1, 2011 through December 31, 2011.

Committee: Budget & Finance

Committee/Commission Date:

September 20, 2011

Purpose of Resolution:

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

Background for Resolution:

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

Background for Determination categories:

Proprietary:

Proprietary items are purchases necessary to support and maintain existing Authority systems and equipment that are only available from one source. Resolution 98-31 (paragraph 2, subsection f) provides that “ [a] contract may be awarded without competition if the General Manager or Director of Operations of an Authority facility, or Police Administrator, prior to procurement, determines in writing that there is only 1 source for the required contract”.

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

Sole Source:

Sole source items are goods and services that the Authority requires that cannot be provided by another source. Resolution 98-31 (paragraph 2, subsection f) provides that “ [a] contract may be awarded without competition if the General Manager or Director of Operations of an Authority facility, or Police Administrator, prior to procurement, determines in writing that there is only 1 source for the required contract”.

* * * * *

RESOLUTION 11-36 – AMENDS RESOLUTION 98-31, AS AMENDED BY RESOLUTION 09-52, TO ACCOUNT FOR CHANGES IN THE PROCUREMENT PROCEDURES OF THE STATES OF DELAWARE AND NEW JERSEY FOR THE PROCUREMENT OF MATERIEL, SUPPLIES AND NON-PROFESSIONAL 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 in the states of Delaware and New Jersey; and

WHEREAS, the Authority adopted Resolution 98-31 entitled Procedure for Procurement of Professional Services, Materiel and Supplies, Construction and Construction Management Contracts and Transfer of Funds at the September 15, 1998 meeting of the Board of Commissioners and Resolution 09-52 which modified the advertising requirements of 98-31; and

WHEREAS, the Authority reviews its procurement practices from time to time; and

WHEREAS, the Authority strives to procure its materiel, supplies and non-professional services pursuant to best governmental practices and in the most economical manner; and

WHEREAS, Section 2a. of Resolution 98-31, as amended by Resolution 09-52, provides that the Authority may utilize state contracts that are competitively bid by the States of Delaware or New Jersey for state agencies to procure materiel, supplies and non-professional services; and

WHEREAS, in an effort to secure the best pricing and terms both the State of Delaware and the State of New Jersey increasingly pool their procurement requirements with other states, participate in purchasing cooperatives and piggy back on existing publicly bid contracts for state and governmental entities which they may or may not individually publicly advertise, bid and award; and

WHEREAS, the Authority desires to amend Resolution 98-31, as amended by Resolution 09-52, to account for these changes in procurement practices by the States of Delaware and New Jersey to maintain the ability to utilize such contracts to secure the best possible pricing and terms for Authority purchases by replacing Section 2a. in its entirety.

NOW, THEREFORE, BE RESOLVED, that Resolution 98-31, as amended by Resolution 09-52, is hereby amended by deleting Section 2a. in its entirety and replacing it with the following language:

2. a. Any contract for the purchase of materiel and supplies and non-professional services for the Authority with any person, partnership, corporation, company, association or similar entity or any affiliate thereof which contract individually exceeds \$50,000, or in the combination with other contracts, exceeds \$50,000 in any one calendar year shall be pursuant to a contract entered into by the Authority after competitive bidding. The advertisement for such bids shall be published at least one time in one newspaper of general circulation in each of the States of Delaware and New Jersey and shall be posted on the Authority website. The advertisement shall indicate the character, quantity and location of the work or the character and quantity of materiel, the time and place where the plans and specifications or descriptions may be obtained and where proposals are to be received. This provision shall not apply to purchases by the Authority from suppliers in cases where the Authority is purchasing at prices pursuant to contracts awarded by the States of Delaware or New Jersey for state agencies. "Materiel" means materials, equipment, tools, supplies, or any other personal property, but does not include real property, or electric, gas, water, telephone, or similar utilities.

A motion to approve Resolution 11-36 was made by Commissioner Downes, seconded by Commissioner Green, and approved by a roll call vote of 9-0.

Resolution 11-36 Executive Summary Sheet

Resolution: Amending Resolution 98-31, as amended by Resolution 09-52, to account for changes in the procurement procedures of the States of Delaware and New Jersey for the procurement of materiel, supplies and non-professional services.

Committee: Budget & Finance

Committee/Commission Date:

September 20, 2011

Purpose of Resolution:

The Authority desires to amend Resolution 98-31, as amended by Resolution 09-52, to account for changes in procurement practices by the States of Delaware and New Jersey to maintain the ability to utilize such state contracts to secure the best possible pricing and terms for Authority purchases.

Background for Resolution:

Resolution 98-31, as currently adopted, allows the Authority to utilize contracts that have been competitively bid by the States of Delaware and/or New Jersey for use by state agencies in order to secure the best possible pricing and terms for Authority purchases.

In an effort to leverage state requirements both states are increasingly pooling their procurement requirements with other states, participating in purchasing cooperatives and piggy backing on existing publicly bid contracts for state and governmental entities, which they may or may not individually publicly advertise, bid and award.

This resolution would maintain the Authority's ability to continue to utilize state contracts to secure the best prices and terms for Authority purchases regardless of whether the states competitively bid the requirements themselves or utilized another procurement method in establishing the state contract pricing.

* * * * *

RESOLUTION 11-37 AMENDS RESOLUTION 08-34, WHICH ADOPTED A DISADVANTAGED BUSINESS ENTERPRISE (DBE) POLICY FOR ALL AUTHORITY-FUNDED CAPITAL CONSTRUCTION CONTRACTS IN EXCESS OF \$250,000, TO WAIVE SUCH DBE REQUIREMENTS WHEN REQUIRED AS A CONDITION OF ACCEPTING GRANT FUNDS

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 instituted a Disadvantaged Business Enterprise (“DBE”) Program Policy in 1996, as required by the Federal Aviation Administration (“FAA”) under Regulation 49 CFR Part 26, as a condition of accepting FAA funding for airport projects; and

WHEREAS, the Authority currently incorporates Federal DBE requirements in all Airport Improvement Projects of the Authority that receive FAA funding in excess of \$250,000; and

WHEREAS, the Authority implemented a DBE Policy incorporating this same methodology to include Disadvantaged, Minority-owned and Women-owned Business Enterprises in all Authority-funded capital construction projects in excess of \$250,000; and

WHEREAS, the Authority occasionally receives grant funding for capital construction projects that may require the Authority to spend more than \$250,000 of Authority funds, triggering the DBE participation requirements of Resolution 08-34 ; and

WHEREAS, as a condition of accepting of such grant funds, the Authority may be required to apply DBE provisions to such capital construction contracts that differ from the Authority DBE policy; and

WHEREAS, the Authority, as a matter of policy, has determined that it is in the best of interest of the Authority to accept grant funds to fund its capital improvement projects when available and desires to waive the DBE requirements of Resolution 08-34 when required as a condition of accepting such grant funds.

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director, with the advice and consent of counsel, is hereby authorized and directed to waive the DBE requirements of Resolution 08-34 for all Authority-funded capital construction contracts in excess of \$250,000 in order to satisfy alternative DBE requirements required as a condition of accepting grant funds.

Discussion ensued regarding conflicts with federal DBE requirements and the Authority’s policy under Resolution 08-34. In order to receive federal funding, the Authority must comply with federal standards. The adoption of Resolution 11-37 allows the Authority to waive its DBE/WBE/MBE requirements and accept federal requirements on capital projects in excess of \$250,000 when required as a condition of accepting federal grants. It was suggested that the WBE and MBE companies in the DRBA database also file for DBE status.

Executive Director Johnson stated that, based on the discussion, he will assign staff to outreach to the DBE/WBE/MBE companies in the Authority’s database.

A motion to approve Resolution 11-37 incorporating the Executive Director’s comments was made by Commissioner Downes, seconded by Commissioner Smith. A roll call vote was taken. Commissioners Downes, Green, Murphy, and Traynor from the State of Delaware voted yes. Commissioners Smith, Van Sant, and Hogan from the State of New Jersey voted yes, while Commissioner Dorn voted no.

Resolution 11-37 failed to produce the four (4) majority votes required from each State to pass Authority actions as required by Article VI, 6.2 of the Authority By-Laws.

Resolution 11-37 Executive Summary Sheet

Resolution: Amending Resolution 08-34 to waive the DBE requirements of Resolution 08-34 when required as a condition of accepting grant funds

Committee: Projects Committee

Committee/Commission Date: September 20, 2011

Purpose of Resolution:

The Authority desires to amend Resolution 08-34 to allow the Authority to waive the DBE requirements for Authority-funded capital projects in excess of \$250,000 when required by the acceptance of grant funds for such capital construction projects.

Background for Resolution:

The Authority, as a matter of policy, has determined that it is in the best of interest of the Authority to accept grant funds to fund its capital improvement projects when available. Recognizing, that as a condition of accepting such grant funds, the Authority may be required to incorporate DBE requirements in Authority-funded capital projects in excess of \$250,000 that differ from the DBE requirements established by Resolution 08-34, the Authority desires to waive the DBE requirements of Resolution 08-34 when required as a condition of accepting grant funds.

* * * * *

RESOLUTION 11-38 - LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND HOUSE OF PRINT LLC AT THE CAPE MAY AIRPORT

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

WHEREAS, House of Print LLC (“House of Print”) desires to lease approximately 1,500 square feet of warehouse/shop space located in Unit 4 Building 96 at the Cape May Airport; and

WHEREAS, House of Print has agreed to pay the Authority annual rental in the amount of Seven Thousand Two Hundred Dollars (\$7,200.00); and

WHEREAS, the initial term of the lease agreement (“Agreement”) is for one (1) year; and

WHEREAS, House of Print shall have the option of renewing the Lease Agreement for two (2), one (1) year periods; and

WHEREAS, House of Print has agreed to pay the Authority annual rent in the amount of \$9,000 during the first renewal term and \$10,500 for the second renewal term for the new unit.

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

A motion to approve Resolution 11-38 was made by Commissioner Murphy, seconded by Commissioner Van Sant. With Commissioner Green voting no, Resolution 11-38 was approved by a roll call vote of 8 yes and 1 no.

Resolution 11-38 Executive Summary

Resolution: Authorizing the -Execution of a Lease Agreement between the Delaware River and Bay Authority and House of Print LLC, regarding Cape May Airport

Committee: Economic Development

Committee Date: September 20, 2011

Board Date: September 20, 2011

Purpose of Resolution:

To permit the Executive Director, Chairman, and Vice Chairman, to execute and deliver a lease agreement for space at the Cape May Airport.

Background for Resolution:

The Delaware River and Bay Authority operates Building 96 located in the Cape May Industrial Park. The building has 10 units each comprising approximately 1,500 sq. ft. of space. House of Print, LLC wishes to lease this Unit 4 in Building 96 from the Authority to operate a graphic design business. The lease price is comparable with all recent leases done for similar space within Building 96.

* * * * *

RESOLUTION 11-39 - LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND RAPID RESTORATION LLC AT THE CAPE MAY AIRPORT

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

WHEREAS, Rapid Restoration LLC ("Rapid") desires to lease approximately 1,500 square feet of warehouse/shop space located in Unit 9 Building 96 at the Cape May Airport; and

WHEREAS, Rapid has agreed to pay the Authority annual rental in the amount of Eight Thousand Four Hundred Dollars (\$8,400.00); and

WHEREAS, the initial term of the lease agreement ("Agreement") is for one (1) year; and

WHEREAS, Rapid shall have the option of renewing the Agreement for two (2), one (1) year periods; and

WHEREAS, Rapid has agreed to pay the Authority annual rent in the amount of \$11,000 during the first renewal term and \$12,000 for the second renewal term for the new unit.

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby authorized to finalize the terms and conditions of the Agreement with Rapid Restoration, LLC and, with the advice and consent of counsel, to have such Agreement executed by the Chairperson, Vice Chairperson and the Executive Director.

A motion to approve Resolution 11-39 was made by Commissioner Traynor, seconded by Commissioner Downes. With Commissioner Green voting no, Resolution 11-39 was approved by a roll call vote of 8 yes and 1 no.

Resolution 11-39 Executive Summary

Resolution: Authorizing the Execution of a Lease Agreement between the Delaware River and Bay Authority and Rapid Restoration LLC, at the Cape May Airport

Committee: Economic Development

Committee Date: September 20, 2011

Board Date: September 20, 2011

Purpose of Resolution:
To permit the Executive Director, Chairman and Vice Chairman to execute and deliver a lease agreement for space at the Cape May Airport.

Background for Resolution:
The Delaware River and Bay Authority operates Building 96 located in the Cape May Industrial Park. The building has 10 units each comprising approximately 1,500 sq. ft. of space. Rapid Restoration LLC wishes to lease Unit 9 in this building from the Authority to operate growing commercial restoration franchise business. The lease price is based upon an appraisal. This particular unit is more improved than other units in the facility and as such the rate is slightly higher. The structure of the lease is comparable with all recent leases done for similar space within Building 96.

* * * * *

RESOLUTION 11-40 - LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND DASSAULT FALCON JET – WILMINGTON CORP. AT THE NEW CASTLE AIRPORT

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

WHEREAS, Dassault Falcon Jet – Wilmington Corp. (“Dassault”) desires to lease approximately 5,500 square feet of hangar space located in Unit 5 at 11 Penns Way at the New Castle Airport; and

WHEREAS, Dassault has agreed to pay the Authority annual rental in the amount of Forty-Six Thousand Eight Hundred Dollars (\$46,800.00); and

WHEREAS, the initial term of the lease agreement (“ Agreement”) is for one (1) year; and

WHEREAS, Dassault shall have the option of renewing the Agreement for two (2), one (1) year periods; and

WHEREAS, rent during the option periods shall be adjusted each year by the CPI.

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby authorized to finalize the terms and conditions of the Agreement with Dassault Falcon Jet – Wilmington Corp. and, with the advice and consent of counsel, to have such Agreement executed by the Chairperson, Vice Chairperson and the Executive Director.

A motion to approve Resolution 11-40 was made by Commissioner Green, seconded by Commissioner Smith, and approved by a roll call of 9-0.

Resolution 11-40 Executive Summary

Resolution: Authorizing the execution of a Lease Agreement between the Delaware River and Bay Authority and Dassault Falcon Jet – Wilmington Corp., regarding New Castle Airport

Committee: Economic Development

Committee Date: September 20, 2011

Board Date: September 20, 2011

Purpose of Resolution:

To permit the Executive Director, Chairman, and Vice Chairman, to execute and deliver a lease agreement for space at the New Castle Airport.

Background for Resolution:

The Delaware River and Bay Authority owns a hangar known as Unit 5 at 11 Penns Way at the New Castle Airport. Dassault LLC wishes to lease this hangar facility for the storage of parts and equipment used for their MRO facility at the airport. The lease price is based upon an appraisal and market demand. The property was appraised in November 2009 and has been unrented since that time.

* * * * *

RESOLUTION 11-41 - LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND THE FEDERAL AVIATION ADMINISTRATION 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, the Federal Aviation Administration (“FAA”) desires to lease approximately 5,397 sq.ft of space in the Air Traffic Control Tower and Base Building; and

WHEREAS, the initial term of the lease agreement (“Agreement”) shall be five (5) years; and

WHEREAS, the FAA has agreed to pay the Authority monthly rent based upon the following schedule.

| | |
|------|-----------|
| 2012 | \$7657.11 |
| 2013 | \$7810.25 |
| 2014 | \$7966.46 |
| 2015 | \$8125.79 |
| 2016 | \$8288.30 |

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby authorized to finalize the terms and conditions of the Agreement with the Federal Aviation Administration and, with the advice and consent of counsel, to have such Agreement executed by the Chairperson, Vice Chairperson, and the Executive Director.

A motion to approve Resolution 11-41 was made by Commissioner Murphy, seconded by Commissioner Downes, and approved by a roll call vote of 9-0.

Resolution 11-41 Executive Summary

Resolution: Authorizing the Execution of a Lease Agreement between the Delaware River and Bay Authority and the Federal Aviation Administration at the New Castle Airport.

Committee: Economic Development

Committee Date: September 20, 2011

Board Date: September 20, 2011

Purpose of Resolution:
To permit the Executive Director, Chairman, and Vice Chairman, to execute and deliver a lease agreement for space at the New Castle Airport.

Background for Resolution:
The Delaware River and Bay Authority owns the control tower at the New Castle Airport. The Federal Aviation Administration operates from the control tower and provides flight control at the New Castle Airport from 6:30 am till 11pm. The Agreement is prepared by the Federal Aviation Administration and the prices are predetermined by the federal government.

* * * * *

10437. COMMISSIONERS PUBLIC FORUM

There were no public comments.

Commissioner Murphy inquired about the condition of Lincoln Road in Cape May if the Cape May Approach Road Project does not receive the federal funding.

The Executive Director noted that the roadway is in bad condition and will need additional maintenance cost to upkeep it.

Deputy Executive Director noted that the Garden State Wine Growers Wine Festival will be held October 8 and 9 at the Cape May Ferry Terminal.

* * * * *

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

The meeting was adjourned 1:05 p.m.

Respectfully submitted,
THE DELAWARE RIVER AND BAY AUTHORITY

Frank W. Minor, Deputy Executive Director
Secretary Pro Tem