

DELAWARE RIVER AND BAY AUTHORITY

ECONOMIC DEVELOPMENT COMMITTEE MEETING

Tuesday, July 21, 2015

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, July 21, 2015, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from Delaware

PRESENT

Committee Vice-Chair Ford-via phone
Commissioner Downes, Committee Member
Commissioner Lathem
Commissioner Murphy

Chairperson Lowe

Legal Counsel

Mike Houghton - DE

Governors' Representatives

Danielle Blount - DE

Staff

Scott Green
Frank Minor
Vince Meconi
Victor Ferzetti
Charlotte Crowell
Gerry Owens
Michelle Hammel
TJ Murray
Michelle Griscom
Jim Salmon
Steve Williams
Joe Nadel
Dave Winch
Mike Howard
Travis Crawford

Commissioners from New Jersey

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

Vice-Chairperson Hogan

Phil Norcross - NJ

Michael Collins – NJ

1. Committee Chair Dorn welcomed the Economic Development Committee and opened the meeting at approximately 9:04 a.m. The Deputy Executive Director (DED) reported that the

public meeting of the Economic Development Committee had been duly noticed in accordance with the Authority's Freedom of Information Regulations, read the Statement of Notice, and called the roll.

2. Committee Chair Dorn called for a motion to accept the Economic Development Committee Minutes from June 16, 2015. Commissioner Smith made a motion, Commissioner Lathem seconded, and the Committee Minutes were accepted.

3. Action Items:

RESOLUTION 15-27 – AUTHORIZING THE PURCHASE OF LAND AT THE MILLVILLE AIRPORT, MILVILLE, NEW JERSEY

The Deputy Executive Director (DED) presented and reviewed the Resolution. It was reported that the FAA approved Airport Layout Plan recognizes the importance of safety improvements/enhancements to the continued health and economic development of the Airport. NuQuest runs a "thru the fence" operation and desires to sell approximately 11.296 acres directly adjacent to the Airport. FAA advisories state that, as a general principle, the FAA does not support the granting of access to the public landing area by aircraft stored and serviced offsite on adjacent property which could create situations and lead to violations of the airport's federal obligations. The FAA has agreed to provide a grant to fund 90% of the purchase price of \$1.2 million, in order to ensure no future violations of the Airport's federal obligations. After discussion, Commissioner Smith made a motion, Commissioner Van Sant seconded, and the Economic Development Committee unanimously recommended forwarding the Resolution to the full Board for consideration at the July meeting later today.

4. Open Discussion/Other Issues: None.

5. With no further business to discuss, a motion to adjourn was made by Commissioner Downes, and the Economic Development Committee adjourned at 9:07 a.m.

DELAWARE RIVER AND BAY AUTHORITY

PROJECTS COMMITTEE MEETING

Tuesday, July 21, 2015

Delaware Memorial Bridge Complex
New Castle, Delaware

A public meeting of The Delaware River and Bay Authority's Projects Committee was held on Tuesday, July 21, 2015, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from Delaware

PRESENT

Committee Chair Murphy
Commissioner Ford, Committee Member
(via Phone)
Commissioner Lathem, Committee Member
Commissioner Downes
Commissioner Carey

Commissioners from New Jersey

Committee Vice-Chair Smith
Commissioner Wilson, Committee Member
Commissioner Dorn
Commission Van Sant, Committee Member

Chairperson Lowe

Vice-Chairperson Hogan

Legal Counsel

Mike Houghton - DE

Phil Norcross - NJ

Governors' Representatives

Danielle Blount - DE

Michael Collins - NJ

Staff

Scott Green
Frank Minor
Victor Ferzetti
Vince Meconi
Charlotte Crowell
Gerry Owens
Jim Salmon
TJ Murray
Edith Brako
Michelle Hammel
Steve Williams
Heath Gehrke
Jamil McGhee

1. Committee Chair Murphy opened the Projects Committee meeting at approximately 9:08 a.m. The Deputy Executive Director reported that the public meeting of the Projects Committee

had been duly noticed in accordance with the Authority's Freedom of Information Regulations and reported there was a quorum.

2. Committee Chair Murphy called for a motion to accept the Projects Committee Minutes from June 16, 2015. Commissioner Wilson made a motion, Commissioner Van Sant seconded, and the Committee Minutes were accepted. Those in attendance were provided an informational package consisting of an agenda, one (1) resolution, six (6) bid openings, two (2) miscellaneous items/updates and one (1) monthly contractor payment charts (through June).

3. Resolutions:

--Resolution 15-25: Authorizing the Awarding of the Drydocking/Repowering Project

The Authority has previously determined the MV Delaware will be repowered, and awarded a contract in the amount of \$3,270,000 to design and furnish a new engine, gears and parts. The Authority has received a grant of \$975,000 from the Environmental Protection Agency to partially defray the cost of the repowering. The Authority annually solicits bids for routine repair and refit of one of its ferries at drydocking in the off season. This year the ferry is the MV Delaware. The Authority is now soliciting bids to remove the Delaware's current engine and install the new one.

Bidding for the repowering and the repair have been combined into one project in order that the work can be performed simultaneously by a single drydocking facility. Due to the complexity of the combined project, the bid due date was extended two weeks, until July 21, 2015.

Staff will need some time to properly evaluate the bids that are received but the next Board of Commissioners meeting is not until September 15, 2015. However, the project must begin no later than November 1, 2015, in order for it be completed within 4 months, in time for the 2016 peak season.

The Commissioners authorized the Chairman, Vice Chairman and Executive Director, with the advice of counsel, to finalize the terms and conditions of the contract to repower and repair the MV Delaware, provided that the contract is awarded to the lowest responsible bidder, and provided that the cost of the contract does not exceed the engineering estimate plus 10% (\$6,174,000, of which \$975,000 will be funded via the aforementioned EPA grant).

It was reported that the last several projects have been done by the Thames River Shipyard in Connecticut. Their prices have been favorable but they have advised us that due to their busy schedule they will not be bidding this year. The Authority should have 5 bidders but a 10% contingency is in order because prevailing wages rates vary in other areas of the country and our usual low bidder will not be bidding. This is the first time in a while that the Authority has used prevailing wage rates on a vessel construction project because it has exceeded our 2 million dollar prevailing wage rate threshold.

The COO also reported that at the September meeting the Commissioners may see a request for an owner's representative in which a contractor would be hired to be on site at the ship yard regularly to oversee the work. This is the Authority's largest shipyard contract in recent years so extra supervision may be needed.

After discussion, Commissioner Smith made a motion, Commissioner Lathem seconded, and the Committee recommended forwarding the Resolution to the full Board for approval. The Resolution will be presented to the full Board for consideration at the July meeting later today.

4. Bid Opening:

CMLF-15-01: Drydocking, Repairs and Marine Engine Repower - M/V Delaware

A public Bid opening will be held on July 21, 2015.

ILG-13-05: New Castle Airport - Rehabilitate Taxiway A

A public Bid opening was held on June 18, 2015, in which four (4) bids were submitted. The COO reported that the contract consists of demolition and reconstruction of aviation pavement surfaces, storm water improvements, pavement markings, and electrical infrastructure upgrades. The COO recommended the contract award to the lowest bidder, Diamond Materials, in the amount of \$2,739,622.65 for the base bid and 2 alternates. FAA share of project funding is 90%.

33N-15-01: Delaware Airpark - Runway 9-27 Extension and Associated Improvements, Package III

A public Bid opening was held on June 23, 2015, in which six (6) bids were submitted. The COO reported that the contract consists of construction of runway and taxiway pavements, electrical infrastructure and airfield lighting, drainage conveyance systems, and site grading. The COO recommended the contract award to the lowest bidder, Diamond Materials, in the amount of \$5,882,684.09. FAA share of project funding is 90%.

WWD-15-01: Cape May Airport - Rehabilitate Runway 1-19 and RSA - Phase I

A public Bid opening was held on June 16, 2015, in which three (3) bids were submitted. The COO reported that the contract consists of the rehabilitation of Runway 1-19 including an overlay of the existing Runway 1-19 as well as an Alternate for the construction of a 250' Runway 1-19 shift. The project will involve crack and joint pavement repairs, turf grading, removal of drainage structures within the runway pavement, additional drainage structures and pipes, replacement of electrical cables and lights for the entire runway length, new cable and conduits for new Precision Approach Path Indicators (PAPIs) for both runway ends, site grading, seeding and mulching as well as pavement marking. The COO recommended the contract award to the lowest bidder, South State Inc., in the amount of \$5,331,003.00. FAA share of project funding is 90%.

MIV-15-01: Millville Airport - Drainage Improvements

A public Bid opening was held on June 16, 2015, in which three (3) bids were submitted. The COO reported that the contract consists of the rehabilitation of the existing airfield drainage system. The project will involve cleaning and televising drainage pipes, rehabilitating existing drainage structures, addition of a catch basin, grading around drainage structures and re-grading ditches to restore the drainage system to its intended capacity. The COO recommended the

contract award to the lowest bidder, West Bay Construction, in the amount of \$238,845.00. FAA share of project funding is 90%.

PA-15-02: Runway De-icer System Truck with Fifty Foot Boom and Snow Plow

A public Bid opening was held on June 26, 2015, in which one (1) bid was submitted. The COO reported that the new spray tanker truck will be essential to the airport's runway and taxiway de-icing operations. It will replace the current spray tanker truck – a 1994 model which will be 22 years old. The new one is anticipated to be delivered in 2016. The rollover plow will work in tandem with the spray tanker's de-icing capabilities, offering the advantages of high speeds and steel blades, which are superior on iced and glazed-over runway and taxiway pavements.

The COO recommended the contract award to the lowest bidder, Wausau Equipment Company, in the amount of \$329,985.00. FAA share of project funding is 90%.

A motion was made by Commissioner Smith, seconded by Commissioner Wilson, and the Projects Committee concurred with the recommendations to accept the five (5) bids and authorized the action to be presented at the July Commission meeting later today.

5. Contract Close-Out Actions: None
6. Contractor Payment (through June): The Chief Operations Officer (COO) reviewed for the Committee the monthly construction contractor payments to be made for the work completed through June.
7. Miscellaneous Items/Updates:
 - a. Vessel Sale Update
The COO reported that last year the board approved to sell Twin Capes. In the past year Heath Gehrke has received a number of inquiries that have not panned out. Now we have received a \$500,000 offer from Capt. Basil Joseph of Treasure Queen Tours in Trinidad and Tobago. If Captain Joseph makes good on his offer by making payment by certified check or wire transfer we intend to sell him the ferry. Captain Joseph has plans to inspect the ferry later this month so the sale may be imminent. We have no way of knowing if the sale will happen till we have the cash in hand. They have a current ferry which is much smaller than the one they will be purchasing. It will primarily be used for entertainment purposes.
 - b. Food & Retail Highlights
The COO stated that the Cape May/Lewes Ferry received the Award of Excellence from Trip Advisor for the fourth consecutive year with our highest score yet. This is for the entire ferry operation but food and retail have made major contributions.
The Authority's food and retail sections are seeing double digit increase in sales nearly every month compared to the same month last year. Expenses are higher because of our investments, but the projection is that the food and retail deficit will decrease by 56% by the end of this years as compared to 2014. The deficit was \$519,000 in 2014 and the projected 2015 deficit is \$229,000.

The Lewes kitchen renovation project has been completed and the Lewes on the Rocks Café just won Best Waterfront Dining from Delaware Today. We have zero FDA deficiencies this year. It was also stated that both our terminals are becoming increasingly more attractive for community events and we should see more of them in the future such as the Beebe Bash. This is an annual event held by the local hospital in Lewes. This was the first time that the event was hosted at the Lewes terminal which was extremely successful. They raised over \$100,000 for their charity plus a \$10,000 profit for the Authority. The Authority believes the event will be back.

c. MV Delaware Repair

There was emergency repair on the MV Delaware last week. One of the chief engineers, Bob Greenling noticed a sound in the blower on the port main engine. He reported it to the mechanics and they checked it out but originally didn't hear the same sound. Later on that evening they did pull the blower back and checked the bearing and indeed it was about to fail. In 2010 we had a blower fail on the MV Cape Henlopen and it was down for about a month. The Authority was fortunate that it was found before it blew so we could avoid that circumstance. The mechanics worked on the vessel for two days to get it back running by Friday and the weekend.

d. Funding Request

The Executive Director (ED) presented a funding request made on the behalf of the Maritime Exchange of Philadelphia & Pilots' Association of the Delaware River and Bay for a commitment of \$60,000 toward the \$300,000 operation and maintenance of the Ports Navigation System. This system, consisting of gauges and sensors all along the Delaware River and Bay, was initially funded by the National Oceanic and Atmospheric Administration (NOAA). With the loss of funding due to federal cutbacks, the Delaware River and Bay Authority, along with the Delaware River Port Authority, South Jersey Port Corporation, Port of Wilmington and the Port of Philadelphia, have each been asked to contribute \$60,000. New Jersey Legal Counsel stated that the program could be supported by providing greater navigational aid and protection of the bridges. The ED added he would like to provide this assistance in support of the Coast Guard. If the Committee concurred with the recommendation, a Resolution would be presented for consideration at the September meeting. Commissioner Murphy suggested language to support for a maximum length of time. The Committee concurred with the recommendation.

8. Move to Executive Session:

The COO recommended the Committee move to Executive Session, closed to the public to discuss matters of the confidential nature. A motion was made by Commissioner Smith, seconded by Commissioner Wilson and the Session was closed.

The following matter of the confidential nature were discussed.

- Long Range Planning

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

9. Open for Public Session: None
10. Open Discussion/Other Issues: None
11. With no further business to discuss, Commissioner Downes made a motion to adjourn, and the Projects Committee adjourned at 9:50 a.m.

DELAWARE RIVER AND BAY AUTHORITY
BUDGET & FINANCE COMMITTEE MEETING
Tuesday, July 21, 2015
Delaware Memorial Bridge Complex
New Castle, Delaware

A public meeting of The Delaware River and Bay Authority's Budget & Finance Committee Meeting was held on Tuesday, July 21, 2015, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from Delaware

PRESENT

Committee Chair Downes
Commissioner Ford, Committee Member-via
phone
Commissioner Murphy, Committee Member
Commissioner Carey
Commissioner Lathem
Chairperson Lowe

Commissioners from New Jersey

Committee Vice-Chair Wilson
Commissioner Smith, Committee Member
Commissioner Van Sant, Committee Member
Commissioner Dorn

Vice-Chairperson Hogan

Legal Counsel

Mike Houghton - DE

Phil Norcross - NJ

Governors' Representatives

Danielle Blount - DE

Michael Collins - NJ

Staff

Scott Green
Frank Minor
Victor Ferzetti
Charlotte Crowell
Vince Meconi
Gerry Owens
Michelle Hammel
TJ Murray
Edith Brako
Jim Salmon
Mike Howard
Dave Winch
Travis Crawford
Heath Gehrke
Steve Williams

12. Committee Chair Downes opened the Budget & Finance Committee meeting at approximately 9:56 a.m. The Deputy Executive Director (DED) 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.

13. Committee Chair Downes called for a motion to accept the Budget & Finance Committee Minutes from June 16, 2015. Commissioner Wilson made a motion, Commissioner Smith seconded, and the Committee Minutes were accepted.

14. Resolutions:

a. RESOLUTION 15-24 – AUTHORIZING AUTHORITY EXPENDITURES PURSUANT TO RESOLUTION 01-84 FOR THE PERIOD, JANUARY 1, 2015 THROUGH DECEMBER 31, 2015

The Chief Financial Officer (CFO) presented the Over \$25,000 List and noted one addition, A. Brooks Roofing, Inc. This item was added due to repairs necessary for Building 96 at the Cape May Airport. The CFO reminded the Committee of the May Critical Need discussion in May regarding Building 97, that Building 96 may need attention prior to the implementation of the roof assessment. After discussion Commissioner Wilson made a motion, Commissioner Murphy seconded, and the Committee recommended forwarding the Resolution to the full Board for approval. The Resolution will be presented to the full Board for consideration at the July meeting later today.

15. Discussion Items:

Mid-Year Financial Review

The CFO and Assistant Director of Finance presented and discussed the 2015 Mid-Year review of Traffic, Revenue, and Expenditures ending June 30, 2015. The following information was presented.

- Traffic Comparison
- Revenue Comparison – Projected vs Actual
- Adopted Budget vs Projected Year End Revenues
- Expenditure Comparison by Division
- Expenditure Comparison by Category

The CFO noted that the 3.8% increase in Bridge Traffic has not been seen since 2002 and is a very positive indicator. The addition of hot foods and catering and the positive changes implemented in Food Service are expected to enhance revenues.

16. The CFO requested an Executive Session. Committee Chair Downes called for a motion to move the meeting to Executive Session, closed to the public to discuss matters of a confidential nature. A motion was made by Commissioner Smith, seconded by Commissioner Murphy, and the Session was closed.

The following matters of a confidential nature were discussed.

- LEGAL MATTERS

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

5. Miscellaneous: None.

6. With no further business to discuss, Commissioner Van Sant made a motion to adjourn and the Budget & Finance Committee adjourned at 10:38 a.m.

DELAWARE RIVER AND BAY AUTHORITY

PERSONNEL COMMITTEE MEETING

Tuesday, July 21, 2015

Delaware Memorial Bridge Complex
New Castle, Delaware

A public meeting of The Delaware River and Bay Authority's Personnel Committee was held on Tuesday, July 21, 2015, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from Delaware

PRESENT

Committee Chair Lathem
Commissioner Carey, Committee Member
Commissioner Murphy, Committee Member
Commissioner Downes
Commissioner Ford-via phone
Chairperson Lowe

Commissioners from New Jersey

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

Legal Counsel

Mike Houghton - DE

Phil Norcross - NJ

Governors' Representatives

Danielle Blount

Michael Collins – NJ

Staff

Scott Green
Frank Minor
Charlotte Crowell
Victor Ferzetti
Vince Meconi
Gerry Owens
Michelle Hammel
Ruth Warner

1. Committee Chair Lathem welcomed the Personnel Committee and opened the meeting at 10:38 a.m. The Deputy Executive Director reported that the public meeting of the Personnel Committee had been duly noticed in accordance with the Authority's Freedom of Information Regulations, read the Statement of Notice, and called the roll.

2. Committee Chair Lathem called for a motion to accept the Personnel Committee Minutes from June 16, 2015. Commissioner Dorn made a motion, Commissioner Smith seconded, and the Committee Minutes were accepted.

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

The following matters of a confidential nature were discussed:

- LABOR NEGOTIATIONS
- PERSONNEL MATTERS

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

4. Resolution:

RESOLUTION 15-27 – RESOLUTION BY THE DELAWARE RIVER AND BAY AUTHORITY AUTHORIZING AMENDMENTS TO RESOLUTION 04-65

The Chief Human Resource Officer (CHRO) presented and reviewed the Resolution. The CHRO reported an employee who was provided a written offer of employment prior to March 1, 2005, including a description of benefits available to employees hired prior to March 1, 2005; however the first day of work was not until after March 1, 2005. Since that time, the employee has relied on the written representations made during the hiring process and has been paying for benefits provided under the same terms and conditions as all other employees hired prior to March 1, 2005. The CHRO reported that the purpose of the Resolution is to eliminate ambiguity and ensure that carriers honor benefits in accordance with the Authority's documented criteria. After discussion, Commissioner Murphy made a motion, Commissioner Smith seconded, and the Personnel Committee unanimously recommended forwarding the Resolution to the full Board for consideration at the July meeting later today.

5. Miscellaneous: None.

6. With no further business to discuss, Commissioner Dorn made a motion to adjourn, and the Personnel Committee adjourned at 12:35 p.m.