

MINUTES OF MEETING
THE DELAWARE RIVER AND BAY AUTHORITY
Tuesday, January 15, 2013
James Julian Boardroom
Delaware Memorial Bridge Plaza
New Castle, Delaware 19720

The meeting convened at 11:35 a.m. with Chairperson Lowe presiding.

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

Chairperson Lowe called on the Authority Assistant Secretary to read the meeting notice and take roll.

The Assistant 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 Delaware

Commissioners from New Jersey

PRESENT

William E. Lowe, Chairperson
Richard W. Downes
Fernando N. Guajardo
Samuel E. Lathem
Terry C. Murphy
Gary F. Traynor

James N. Hogan, Vice-Chairperson
Edward W. Dorn
Richard S. Mroz
Ceil Smith

Shirley R. Wilson

ABSENT

Douglas Van Sant

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Chairperson Lowe called for an amendment to the Agenda to include the rescission and rebidding of Contract PA-12-04-02 for snow removal equipment at the New Castle Airport due to an FAA grant issue and to rebid the purchase.

Commissioner Lathem motioned to accept the amended Agenda to include the rescission and rebidding of snow removal equipment at New Castle Airport, seconded by Commissioner Dorn, and the motion carried by a voice vote of 11-0.

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10607. APPROVAL OF THE DECEMBER 18, 2012 MINUTES

Commissioner Lathem motioned to approve the December 18, 2012 meeting minutes, seconded by Commissioner Mroz, and unanimously approved by a voice vote of 11-0.

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10608. DELAWARE RIVER AND BAY AUTHORITY – TRAFFIC AND REVENUE SUMMARY.

The Chief Financial Officer (CFO) presented a chart showing Actual versus Projected Revenues for the Delaware Memorial Bridge, the Cape May-Lewes Ferry, Airports, Three Forts Ferry Crossing, and Food Services for the month of December.

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

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10609. DELAWARE RIVER AND BAY AUTHORITY – STATEMENT OF INCOME AND EXPENSE.

The CFO presented a chart showing statements of income and expenses for the month of December with comparisons to the same period last year.

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

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10610. DELAWARE RIVER AND BAY AUTHORITY – OPERATING EXPENSE BY DIVISION.

The CFO presented a chart for December showing expenses by division for the quarter to date vs. the projected quarter and for year to date vs. total budget.

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

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10611. DELAWARE RIVER AND BAY AUTHORITY – CAPITAL IMPROVEMENT PROGRAM.

The CFO presented a chart for the month of December showing the capital budget for crossing and economic development projects and dollars committed to date for the projects. The chart also included cash expenditures spent to date for the committed projects.

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

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10612. DELAWARE RIVER AND BAY AUTHORITY – CASH POSITION (MARKET VALUE) AS OF December, 2012.

The CFO presented a chart indicating the cash fund balances for the entire Authority.

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

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10613. AUTHORITY CUSTOMER TRENDS (ACT) REPORT

The CFO stated that the Authority Customer Trends (ACT) Report included in the financials allows management to view on a month-to-date basis trends in areas such as traffic, customer service, aircraft landings, and workplace incidents. Copies are distributed daily to employees via email and posted on bulletin boards for those without computers.

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10614. PUBLIC COMMENT ON ACTION ITEMS

Chairperson Lowe noted the following action items that were being considered and asked for public comment.

Rescission and Rebidding of Contract PA-12-04-02 Snow Removal Equipment, New Castle Airport
Contract Close-out – DMB-10-06 Inspection of Main Ropes & Suspender Cables 1st & 2nd Structures
Contract Close-out – CMLF-12-03 2012 Maintenance Dredging-Cape May Terminal
Resolution 13-01 – Authorizing Authority Expenditures in Excess of \$25,000
Resolution 13-02 – Authorizing Lease Termination Payment for the Breakwater Lighthouse
Resolution 13-03 – Adoption of the Authority CIP
Resolution 13-04 – Lease Amendment with General Polygon Systems, Inc. at New Castle Airport
Resolution 13-05 – WITHDRAWN
Resolution 13-06 – Amends the Ground Lease with City of Millville relating to the Millville Airport
Resolution 13-07 – Lease Agreement with Delaware Army National Guard at New Castle Airport

There were no public comments.

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10615. RESCISSION OF CONTRACT # PA-12-04-02 SNOW REMOVAL EQUIPMENT AND TO REBID

The COO noted that Contract # PA-12-04-02 was awarded in October, 2012 for the purchase of snow removal equipment at New Castle Airport. Due to issues with the associated FAA grant, the COO and the Projects committee recommend rescinding the approval and rebidding the equipment seeking 90% funding from the FAA.

A motion to rescind Contract # PA-12-04-02 and rebid the snow equipment with 90% FAA funding was made by Commissioner Traynor, seconded Commissioner Murphy and approved by a voice vote of 11-0.

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Chairperson Lowe called for a combined motion on the close-out of Contracts DMB-10-06 and CMLF-12-03

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10616. CONTRACT CLOSE-OUT – INSPECTION OF MAIL CABLES & SUSPENDER ROPES 1ST AND 2ND STRUCTURES- CONTRACT DMB-10-06

On August 17, 2011 Contract No. DMB-10-06, Inspection of Main Ropes and Suspender Cables 1st and 2nd Structures, was awarded to Piasecki Steel Construction Corp of Castleton, New York for the bid price of \$5,464,900.00.

During the contract period Change Order No. 1 was approved for the project.
Add: \$43,000.00.

It is recommended that the Authority accept the project and make final payment to the contractor. The total price for this project is \$5,507,900.00.

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10617. CONTRACT CLOSE-OUT - MAINTENANCE DREDGING – CAPE MAY TERMINAL – CMLF-12-03

On September 18, 2012 Contract No. CMLF-12-03, 2012 Maintenance Dredging – Cape May Terminal, was awarded to Barnegat Bay Dredging Company, Inc. of Harvey Cedars, New Jersey for the bid price of \$512,000.00.

During the contract period Change Order No. 1 was approved for the project.
Subtract: (\$97,709.50.)

It is recommended that the Authority accept the project and make final payment to the contractor. The total price for this project is \$414,290.50.

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A motion to close-out Contracts DMB 10-06 and CMLF-12-03 was made by Commissioner Downes, seconded by Commissioner Lathem, and approved by a voice vote of 11-0.

10618. CHAIRPERSON'S CALL FOR RESOLUTIONS BEFORE THE BOARD

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

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

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

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

VENDOR	SERVICE DESCRIPTION	DETERMINATION	APPROX. ESTIMATED \$
Allen Steel Co.	Dry-dock Repairs to the M/V Delafort	Quotes	\$50,000
Allied Marine Services	Replacement Vessel Toilet Parts	Proprietary	\$26,000
American Bureau of Shipping (ABS)	Vessel Inspections and Certifications	Sole Source	\$30,000
Chesapeake Supply & Equipment Co.	Joint Sealer for DRBA Roadways	State Contract	\$30,000
DBC	Annual US Coast Guard Evacuation Slide Inspection and Replacement Evacuation System Parts for the M/V Twin Capes and M/V Cape May	Proprietary	\$100,000
Fairbanks Morse	Replacement Parts for Vessel Main Engines	Proprietary	\$300,000
International Salt Co., LLC.	Snow Removal Salt for the Delaware Memorial Bridge and Appurtenances	State Contract	\$100,000
Johnson Controls	Maintenance and Repair Services for the Delaware Memorial Bridge Complex HVAC System	Quotes	\$37,000
Johnson & Towers	Replacement Parts for Vessel Generators	Proprietary	\$75,000
Kirby Off-shore Marine Inc.	Vessel Lube Oil	Proprietary	\$100,000
Marine Safety	Vessel Life Raft Inspections	Proprietary	\$30,000
Northrup Grumman (Sperry Marine)	Maintenance and Repairs of Vessel Navigation Equipment	Proprietary	\$60,000
Pedroni Fuel Company	Diesel Fuel for Delaware Memorial Bridge Vehicles and Equipment	State Contract	\$80,000
Randive	Vessel Inspections and Hull Cleanings	Proprietary	\$80,000
Riggins, Inc.	Unleaded Gasoline for Delaware Memorial Bridge Vehicles and Equipment	State Contract	\$150,000
Sea Safety	Vessel Life Raft Inspections	Proprietary	\$30,000
Ships Machinery International Inc.	Replacement Parts for the Vessel Electric Bow Thrusters	Proprietary	\$35,000
Waste Management	Waste and Recycle Removal for the Delaware Memorial Bridge Facilities	State Contract	\$47,000

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

A motion to approve Resolution 13-01 was made by Commissioner Lathem, seconded by Commissioner Downes, and approved by a roll call vote of 11-0.

Resolution 13-01 Executive Summary Sheet

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

Committee: Budget & Finance

Committee and Board Date: January 15, 2013

Purpose of Resolution:

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

Background for Resolution:

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

Background for the specific purchases:

Dry-dock Repairs to the M/V Delafort

The Authority solicited quotes to provide the required drydock repairs and maintenance for the vessel. Allen Steel Co. submitted the lowest quote.

Replacement Vessel Toilet Parts

Allied Marine Services is the local proprietary vendor that can provide replacement parts for overhauls, emergency repairs and maintenance of the existing sanitary systems on the Authority's vessels.

Vessel Inspections and Certifications

The American Bureau of Shipping (ABS) is the sole source regulatory body that performs vessel inspections for the US Coast Guard. All of the Authority's vessels are ABS classed and subject to ABS inspections and regulations on a periodic basis.

Joint Sealer for DRBA Roadways

Chesapeake Supply & Equipment Co. is under state contract to provide joint sealer. The Authority is responsible for maintaining all of the blacktop surfaces on Authority maintained roadways and airport runways.

Annual US Coast Guard Evacuation Slide Inspection and Replacement Evacuation System Parts for the M/V Twin Capes and M/V Cape May

DBC is the proprietary inspection provider and supplier of replacement parts for overhauls, emergency repairs and maintenance of the existing evacuation slide systems installed on the M/V Cape May and M/V Twin Capes.

Replacement Parts for Vessel Main Engines

Fairbanks Morse is the proprietary supplier of replacement parts for overhauls, emergency repairs and maintenance of the existing main engines installed on all Authority vessels.

Snow Removal Salt for the Delaware Memorial Bridge and Appurtenances

International Salt Co., LLC. is under state contract to provide rock salt (snow removal salt). The Authority is responsible for the winter maintenance of 124 lane miles of roadway in New Castle County, Delaware to keep the roads clear of ice and snow for the motoring public.

Maintenance and Repair Services for the Delaware Memorial Bridge Complex HVAC System

The Authority solicited quotes for the service and maintenance of the Metasys Building Automation HVAC systems at the Delaware Memorial Bridge Complex. Johnson Controls submitted the lowest quote.

Replacement Parts for Vessel Generators

Johnson & Towers is the proprietary supplier of replacement parts for overhauls, emergency repairs and maintenance of the existing ships service generators installed on the M/V Cape Henlopen, M/V New Jersey, M/V Delaware and M/V Delafort.

Vessel Lube Oil

Kirby Off-Shore Marine Inc. (formerly K-Sea River Associates) is the proprietary Exxon authorized local dealer of Exxon lubricating oil utilized on all Authority vessels in the main engines and generators.

Vessel Life Raft Inspections

Marine Safety is one of two local proprietary inspection providers and suppliers of replacement parts for overhauls, emergency repairs and maintenance of the existing life rafts installed on all Authority vessels.

Maintenance and Repairs of Vessel Navigation Equipment

Northrup Grumman (Sperry Marine) is the proprietary supplier of replacement parts for overhauls, emergency repairs and maintenance of the existing vessel radars and navigational equipment on all Authority vessels.

Diesel Fuel for Delaware Memorial Bridge Vehicles and Equipment

Pedroni Fuel Company is under state contract to provide diesel fuel. The Authority stores and dispenses diesel fuel on-site for Authority-owned vehicles and equipment.

Vessel Inspections and Hull Cleanings

Randive is the proprietary diving company authorized to clean the vessel hulls that have been painted with the Ecospeed System. Hull cleanings must be done on a periodic basis. The vessels do not need to be dry-docked for such cleanings and cleanings are done locally.

Unleaded Gasoline for Delaware Memorial Bridge Vehicles and Equipment

Riggins, Inc. is under state contract to provide unleaded gasoline. The Authority stores and dispenses unleaded gasoline on-site for Authority-owned vehicles and equipment.

Vessel Life Raft Inspections

Sea Safety is one of two local proprietary inspection providers and suppliers of replacement parts for overhauls, emergency repairs and maintenance of the existing life rafts installed on all Authority vessels.

Replacement Parts for the Vessel Electric Bow Thrusters

Ships Machinery International Inc. is the proprietary supplier of parts and services for the electric bowthrusters installed on the M/V Delaware and the M/V New Jersey.

Waste and Recycle Removal for the Delaware Memorial Bridge Facilities

Waste Management is under state contract to provide waste removal and recycling services. The Authority has placed waste and recycle containers at each of the buildings and grounds for operational trash removal, recycling and disposal of roadway debris that is collected on a daily basis.

Background for Determination category:

Proprietary:

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

State Contracts:

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

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Executive Director Green noted that Resolution 13-02 has been amended to include comments resulting from the Budget & Finance Committee meeting.

RESOLUTION 13-02 AUTHORIZING LEASE TERMINATION PAYMENT FOR THE BREAKWATER LIGHTHOUSE

WHEREAS, The Delaware River and Bay Authority (the “Authority”) was authorized by Resolution 01-04 to enter into a lease agreement (“Agreement”) with the State of Delaware for the lease of the Breakwater Lighthouse with an initial period of ten years; and

WHEREAS, during the term of the Agreement, the Authority was obligated to maintain and repair the leased premises and said maintenance and repairs were performed; and

WHEREAS, in 2011 provisions for Breakwater Lighthouse capital improvements were contemplated in Resolution 11-23 (Adoption of the Delaware River and Bay Authority’s Five (5) year (2011-2015) Crossings Capital Improvement Program (CIP)); and

WHEREAS, in 2011 the Authority sought public bids for Breakwater Lighthouse improvements

(contract CMLF 11-04) with the intention of making such improvements prior to the termination of the Agreement, but rejected the bids for exceeding the amount of the engineer's estimate; and

WHEREAS, the Authority terminated said Agreement effective June 30, 2011; and

WHEREAS, it is the Authority's mission to operate the Cape May-Lewes Ferry (CMLF); and

WHEREAS, in recognition of the Breakwater Lighthouse location and proximity to the CMLF crossing and terminal operations and the mutual benefit of drawing visitors to the location(s); and

WHEREAS, it is the desire to continue a cooperative and mutually beneficial relationship between the Authority and the State, the Authority has agreed to make a lease termination payment in an amount up to One Hundred Thousand Dollars (\$100,000) to the State of Delaware, Department of State, Division of Historical and Cultural Affairs (DHCA) for purposes of the continued maintenance and preservation of the Breakwater Lighthouse and obtain an appropriate release of liability from DHCA in exchange for any such payment.

NOW, THEREFORE, BE IT RESOLVED, that the Authority authorizes expenditures to State of Delaware, Department of State, Division of Historical and Cultural Affairs for the described purposes.

A motion to approve amended Resolution 13-02 was made by Commissioner Downes, seconded by Commissioner Murphy, and approved by a roll call vote of 11-0.

Resolution 13-02 Executive Summary

Resolution: Authorizing a Lease Termination Payment for the Breakwater Lighthouse

Committee: Budget and Finance Committee

Committee Date: January 15, 2013

Board Date: January 15, 2013

Purpose of Resolution: To authorize expenditure to the State of Delaware, Division of Historical and Cultural Affairs for a lease termination payment for the Breakwater Lighthouse.

Background for Resolution:

On February 15, 2001 Resolution 01-04 authorized a lease between the Authority and the State of Delaware for the Breakwater Lighthouse. The lease was for an initial term of ten (10) years with an expiration date of June 30, 2011.

The Authority notified the State of Delaware of its' intention not to renew the lease.

The terms of the lease required the Authority to maintain and repair the leased premises during the lease term. The Authority made investments of approximately \$338,000 during the initial lease term.

The Authority contemplated making additional capital improvements of approximately \$100,000 to the leased premises during 2011 and this information was conveyed to the Division of Historical and Cultural Affairs. The engineer's estimate for same was adopted by Resolution 11-23 as included in the Authority's Five (5) year (2011-2015) crossings capital improvement program.

Contract CMLF 11-04 was issued and the bid was opened on September 13, 2011. The bid was in excess of \$880,000. The Authority decided not to proceed with the improvements.

The lease termination payment represents the amount contemplated for capital improvements during the lease term and will help a continued cooperative and mutually beneficial relationship between the Authority and the States.

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RESOLUTION 13-03 - ADOPTION OF THE DELAWARE RIVER AND BAY AUTHORITY'S 2013 CAPITAL IMPROVEMENT PROGRAM (CIP)

WHEREAS, The Delaware River and Bay Authority (the "Authority") has developed a 2013 Capital Improvement Program (CIP) for capital improvement projects Authority wide in the amount of \$45,455,000; and

WHEREAS, the Projects Committee has conducted a publicly advertised meeting on the proposed 2013 CIP; and

WHEREAS, the Authority's Projects Committee has reviewed and approved the proposed 2013 CIP and recommends its adoption by the Board of Commissioners.

NOW, THEREFORE, BE IT RESOLVED, that the Authority hereby adopts a 2013 CIP investment proposal of \$45,455,000.

A motion to approve Resolution 13-03 was made by Commissioner Downes, seconded by Commissioner Murphy, and approved by a roll call vote of 11-0.

Resolution 13-03 Executive Summary Sheet

Resolution: Authorizing the adoption of The Delaware River and Bay Authority's 2013 Capital Improvement Program (CIP) investment proposal

Committee: Projects Committee

Committee Date: January 15, 2013

Board Date: January 15, 2013

Purpose of Resolution: To authorize adoption of the Delaware River and Bay Authority's 2013 Capital Improvement Program (CIP) investment proposal in the amount of \$45,455,000.

Background for Resolution:

The Delaware River and Bay Authority has developed a 2013 Capital Improvement Program (CIP) for capital improvement projects at the Delaware Memorial Bridge, Cape May-Lewes Ferry, the Three Forts Crossing, New Castle Airport, Millville Airport, Cape May Airport, Delaware Airpark, and Civil Air Terminal in the estimated amount of \$45,455,000.

The implementation of this 2013 Capital Improvement Program (CIP) will provide for the proper maintenance of the Authority's facilities and assure that the public continues to enjoy safe and efficient transportation services.

The Projects Committee has conducted a publicly advertised meeting on the proposed 2013 CIP, approved the proposed 2013 CIP, and recommends its adoption to the Board of Commissioners.

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RESOLUTION 13-04 - LEASE AMENDMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND GENERAL POLYGON SYSTEMS, INC.

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

WHEREAS, General Polygon Systems, Inc. ("General Polygon"), currently leases a facility at 203 Peterson Street at the Millville Airport (the "Property"); and

WHEREAS, General Polygon desires to construct additional improvements on the Property and has asked the Authority to amend the existing lease to grant to it five (5) additional options to renew the term of its lease for a period of five (5) years each in order to allow it to gain bank financing for the improvements; and

WHEREAS, General Polygon's lease provides for two (2) options to renew for five (5) years each. Tenant has exercised the first original option to renew for five (5) years which shall expire on May 31, 2017. The second original option to renew, if exercised, will extend the term of the lease until May 31, 2022; and

WHEREAS, if General Polygon should exercise each of the new renewal options, the lease term shall be extended until May, 31 2047; and

WHEREAS, the annual rent payable during the new renewal terms shall be calculated in the same manner as rent during the original renewal terms as calculated per the lease agreement .

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby authorized to finalize the terms and conditions of the First Amendment to the Lease Agreement with General Polygon and, with the advice and consent of counsel, to have such Amendment executed by the Chairperson, Vice Chairperson, and the Executive Director

A motion to approve Resolution 13-04 was made by Commissioner Dorn, seconded by Commissioner Downes, and approved by a roll call vote of 11-0.

Resolution 13-04 Executive Summary Sheet

Resolution: Authorizing the Executive Director to execute a Lease Amendment with General Polygon

Committee: Economic Development

Committee Date: January 15, 2013

Purpose and Background for Resolution:

General Polygon has been a long time tenant at the Millville Airport. They operate machine shop/tooling operation in Building 203 Peterson Street in the industrial park area of the airport. They would like to expand their business by adding additional square footage to the existing building. In order to gain bank financing, they are required to have a long term lease. The expansion will allow them to grow their business and add several new employees.

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RESOLUTION 13-06 – AMEND THE GROUND LEASE BETWEEN THE CITY OF MILLVILLE AND THE DELAWARE RIVER AND BAY AUTHORITY RELATING TO THE MILLVILLE AIRPORT

WHEREAS, The Delaware River and Bay Authority (the "Authority") is the operator of the Millville Airport ("Airport") pursuant to that certain Ground Lease, dated October 20, 1999, between the

City of Millville (the "City") and the Authority, a Memorandum of which was recorded in the Office of the Recorder of Deeds in and for Cumberland County to give notice of the existence of the Lease (the "Ground Lease"); and

WHEREAS, the Authority has determined that in order to encourage growth and economic development at the Airport, it is necessary to promote investment in the Airport by private investors and develop relationships with long term tenants and users of the Airport; and

WHEREAS, the Authority has further determined that to promote investment in the Airport by private entities and ensure the economic viability of the Airport during the term of the Ground Lease and thereafter, it is necessary to enter into long term leasing and other arrangements with such private entities in order to provide them with the ability to recoup their investment and realize a reasonable return on that investment; and

WHEREAS, the initial term of the Ground Lease has approximately seventeen (17) years ("Initial Term") remaining and the Authority has begun to encounter reluctance on the part of the financial and investment communities to invest in the Airport given the limited number of years remaining in the Initial Term; and

WHEREAS, the Authority has determined that it will become increasingly difficult to attract investment in the Airport by private entities as the length of the Initial Term of the Ground Lease continues to decrease; and

WHEREAS, the Authority has further determined that it is necessary to enter into leases and other arrangements with tenants at the Airport that extend beyond the Initial Term of the Ground Lease and into the renewal terms granted to the Authority but not yet exercised by the Authority; and

WHEREAS, the City has agreed to amend the Ground Lease to allow the Authority to enter into leases and other arrangements with tenants of the airport that extend beyond the Initial Term and into the renewal terms granted to the Authority but not yet exercised by the Authority.

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

A motion to approve Resolution 13-06 was made by Commissioner Smith, seconded by Commissioner Dorn, and approved by a roll call vote of 11-0.

Resolution 13-06 Executive Summary Sheet

Resolution: Authorizing the Executive Director to execute a Lease Amendment to the Ground Lease with the City of Millville

Committee: Economic Development

Committee Date: January 15, 2013

Purpose and Background for Resolution:

The DRBA entered into a ground lease agreement with the City of Millville in 1999. The initial lease term is for 30 years. There are currently approximately 17 years remaining on the initial term of the agreement. Our agreement with the City does not allow us to enter into agreements that extend beyond our lease term.

This constraint has become an issue as the term of the lease decreases. Private investors find it difficult to acquire financing to invest in the airport. This amendment will allow the Authority to enter into agreements beyond our remaining lease term and the City will agree to honor any and all such agreements.

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RESOLUTION 13-07 – LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND THE DELAWARE ARMY NATIONAL GUARD 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 Delaware Army National Guard (“DANG”) desires to lease approximately 5,309 square feet of space at 6002A Brett Road, commonly referred to as the cargo building at the New Castle Airport; and

WHEREAS, DANG has agreed to pay the Authority annual rent in the amount of Thirty-Four Thousand Five Hundred Dollars 24/100 (\$34,500.24); and

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

WHEREAS, DANG shall have the option of renewing this Agreement for one (1) option period of one (1) year; and

WHEREAS, rent shall be adjusted annually by the Consumer Price Index (CPI).

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby authorized to finalize the terms and conditions of the Agreement with DANG 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 13-07 was made by Commissioner Guajardo, seconded by Commissioner Smith, and approved by a roll call vote of 11-0.

Resolution 13-07 Executive Summary Sheet

Resolution: Authorizing the Executive Director to execute a Lease Agreement with the Delaware Army National Guard.

Committee: Economic Development

Committee Date: January 15, 2013

Purpose and Background for Resolution:

The Delaware River and Bay Authority owns a warehouse facility at the New Castle Airport commonly referred to as 6002A Brett Road. Due to changes in how the National Guard handles deployments, local office now have a need for warehouse space to outfit personnel preparing for deployments with equipment and clothing. The Delaware Army National Guard believes that the space will be needed for at least a one year time frame.

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10619. EXECUTIVE DIRECTOR’S COMMENTS

The Executive Director noted, that in the absence of time, he will email his report to the Commissioners.

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10620. ELECTION OF 2013 OFFICERS

Chairperson Lowe called on the Executive Director to conduct the elections of Chairperson and Vice-Chairperson for 2013 and 2014.

The Executive Director called for election of the Chairperson and Vice-Chairperson in accordance with Article II, 2.2 of the Authority By-Laws. He stated that the election of officers are to take place in January at a Board of Commissioners meeting held during an odd numbered year with each two (2) year term to commence at the Commissioners February meeting held during the odd numbered year. The offices of Chair and Vice-Chair shall alternate every two years between States.

Executive Director Green called for nominations for Chairperson and Vice-Chairperson.

Commissioner Dorn nominated Commissioner Hogan for Chairperson and Commissioner Lowe for Vice-Chairperson, seconded by Commissioner Smith.

Executive Director Green called for other nominations. There were none.

The nominations were closed and the motion to elect Commissioner Hogan as Chairperson and Commissioner Lowe as Vice-Chairperson for the 2013 and 2014 was approved by a roll call vote of 11-0.

10621. COMMISSIONERS PUBLIC FORUM

Chairperson Lowe called for comments from the public and the Commissioners.

There were no comments.

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

The meeting was adjourned at 11:50 a.m.

Respectfully submitted,

THE DELAWARE RIVER AND BAY AUTHORITY

Frank W. Minor
Assistant Secretary