

DELAWARE RIVER AND BAY AUTHORITY

BUDGET & FINANCE COMMITTEE MEETING

Wednesday, February 18, 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 Wednesday, February 18, 2015, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from Delaware

PRESENT

Committee Chair Downes
Commissioner Ford, Committee Member
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

Vice-Chairperson Hogan

Legal Counsel

Mike Houghton - DE

Phil Norcross - NJ

Governors' Representatives

Danielle Blount – via phone

Amy Herbold - NJ

Staff

Scott Green
Frank Minor
Victor Ferzetti
Charlotte Crowell
Joe Larotonda
Michelle Hammel
TJ Murray
Edith Brako
Travis Crawford
Jim Salmon
Steve Williams

1. Committee Chair Downes opened the Budget & Finance Committee meeting at approximately 9:30 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.

2. Committee Chair Downes called for a motion to accept the Budget & Finance Committee Minutes from January 21, 2015. Commissioner Van Sant made a motion, Commissioner Ford seconded, and the Committee Minutes were accepted.

3. Resolutions:

a. RESOLUTION 15-02 – AUTHORIZING AUTHORITY EXPENDITURES PURSUANT TO RESOLUTION 01-84 FOR THE PERIOD, JANUARY 1, 2015 THROUGH DECEMBER 31, 2015

The Acting CFO presented and reported the Over \$25,000 List. After discussion, Commissioner Wilson made a motion, Commissioner Smith 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 February meeting later today.

4. Discussion Items:

a. 2014 Investment Performance Review – The Acting CFO introduced representatives from Brown Advisory, the Authority's independent Investment Manager/Financial Advisors, Mr. Jim Dugan, Mr. Jacob Hodes, and Mr. Taylor Graff. The Acting CFO turned the meeting over to Mr. Dugan, who noted that the presentation is similar in format to what was presented and discussed in the past. The following was presented and discussed.

- Executive Summary
 - Investment earnings for 2014 were \$11.2 million – equivalent to \$0.65 for every vehicle that crossed the Delaware Memorial Bridge
 - Overall investment gains in 2014 were driven by returns in the equity market
 - Portfolio returns for the last five years above the 7% actuarial rate
- DRBA Employees' Retirement Plan and OPEB Trust
 - Transition to the new asset allocation policy continues.
 - The Authority's Retirement Plan has grown by \$54.2 million, net of contributions and withdrawals as of December 31, 2014.
 - The Authority's OPEB Trust Plan has grown by \$8.7 million net of contributions and withdrawals as of December 31, 2014.
- Private Equity and Real Estate Commitments
 - Review of the Funds and Commitments since transitioning to the new asset allocation policy.
- Portfolio Actions for 2015
 - Discussed ongoing investment strategies for the Retirement & OPEB Plans, Authority Funds and Construction Funds
 - Emerging Market Small-Cap Opportunities

The Committee asked several questions which Brown Advisory answered to their satisfaction. The Committee thanked Brown Advisory for their presentation.

b. The Acting COO reported that he and the Director-Ferry Operations have reviewed the current fare structure for 2015 and it is the recommendation to maintain the current fare structure with no changes for the upcoming 2015 season in order to collect data on the changes made to fares in 2014 and to continue to aggressively market the ferry.

5. Miscellaneous:

The Acting CFO presented a handout regarding a transfer of Budgeted Positions. The Acting CFO reported that there have been no changes to the number of Authorized Positions or changes to the 2015 Operating Budget. The Acting CFO noted that the Budget & Finance Committee must review and approve a request in order to transfer the funds between divisions. The Committee reviewed and concurred with staff's recommendation to transfer the funds to the proper divisions.

6. With no further business to discuss, Commissioner Van Sant made a motion to adjourn and the Budget & Finance Committee adjourned at 10:37 a.m.

DELAWARE RIVER AND BAY AUTHORITY

PERSONNEL COMMITTEE MEETING

Wednesday, February 18, 2015

Delaware Memorial Bridge Complex
New Castle, Delaware

A public meeting of The Delaware River and Bay Authority's Personnel Committee was held on Wednesday, February 18, 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
Chairperson Lowe

Commissioners from New Jersey

Commissioner Smith, Committee Member
Commissioner Van Sant
Commissioner Wilson

Vice-Chairperson Hogan

Legal Counsel

Mike Houghton - DE

Phil Norcross - NJ

Governors' Representatives

Danielle Blount – DE – via phone

Amy Herbold - NJ

Staff

Scott Green
Frank Minor
Charlotte Crowell
Gerry Owens
Victor Ferzetti
Joe Larotonda
Michelle Hammel

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 requested an Executive Session for members of the Personnel Committee, Authority Chair & Vice-Chair, Legal Counsel, and Governor's Representatives, closed to the public to discuss matters of a confidential nature. A motion was made by Commissioner Murphy, seconded by Commissioner Smith, and the Session was closed.

Authority Senior Leaders left the room. The Delaware Governor's Representative participated via teleconference.

The following matters of a confidential nature were discussed.

- PERSONNEL MATTERS

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

3. Committee Chair Lathem called for a motion to accept the Personnel Committee Minutes from January 21, 2015. Commissioner Murphy made a motion, Commissioner Smith seconded, and the Committee Minutes were accepted.

4. 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 Smith, and the Session was closed.

The following matters of a confidential nature were discussed.

- LITIGATION
- PERSONNEL MATTERS

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

4. Resolution:

a. RESOLUTION 15-05 – AUTHORIZING THE EMPLOYMENT OF THE CHIEF OPERATIONS OFFICER OF THE DELAWARE RIVER AND BAY AUTHORITY

Committee Chair Lathem presented the Resolution. Committee Chair Lathem reported a consensus of the Personnel Committee to proceed and a motion was made by Commissioner Murphy, seconded by Commissioner Smith and the Personnel Committee recommended forwarding the Resolution to the full Board for approval at the February meeting later today.

5. With no further business to discuss, Commissioner Murphy made a motion to adjourn, and the Personnel Committee adjourned at 11:50 a.m.

DELAWARE RIVER AND BAY AUTHORITY

ECONOMIC DEVELOPMENT COMMITTEE MEETING

Wednesday, February 18, 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 Wednesday, February 18, 2015, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from Delaware

PRESENT

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

Commissioners from New Jersey

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

Vice-Chairperson Hogan

Legal Counsel

Mike Houghton - DE

Phil Norcross – NJ

Governors' Representatives

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Staff

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Michelle Hammel
TJ Murray
Edith Brako
Jim Salmon
Steve Williams

1. Committee Vice-Chair Ford welcomed the Economic Development Committee and opened the meeting at approximately 11:52 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 Vice-Chair Ford called for a motion to accept the Economic Development Committee Minutes from January 21, 2015. Commissioner Downes made a motion, Commissioner Smith seconded, and the Committee Minutes were accepted.

3. Action Items:

a. RESOLUTION 15-03 – LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND LOVE THE COOK & COMPANY LLC

The DED presented the Resolution and reviewed the terms of the Agreement. After discussion, Commissioner Smith made a motion, Commissioner Downes seconded, and the Economic Development Committee unanimously recommended forwarding the Resolution to the full Board for consideration at the February meeting later today.

a. RESOLUTION 15-04 – LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND CAPE ISLAND FOODS, LLC

The DED presented the Resolution and reviewed the terms of the Agreement. After discussion, Commissioner Smith made a motion, Commissioner Downes seconded, and the Economic Development Committee unanimously recommended forwarding the Resolution to the full Board for consideration at the February meeting later today.

4. Open Discussion/Other Issues:

a. WWD - Multi-Tenant Building:

The Acting Chief Operations Officer (COO) made a presentation and briefed the Committee on the lack of space available to lease at the Cape May Airport. Cape May County has committed to making \$1 million in capital improvements to upgrade the commercial corridor at the Airport. The Authority has received inquiries from fifteen (15) entities interested in leasing either retail or industrial space. The Authority currently has three (3) potential existing industrial tenants that could relocate to a new industrial complex which could open up available retail space. The Acting COO provided the cost per square foot for buildings ranging in size from 7500-30,000 square feet. The Acting COO also provided information on the timeline assuming a Public Bid vs Request for Quotes. The Acting COO questioned whether the Committee supported the proposed project to design and construct an industrial building at the Cape May Airport. After discussion, the Committee concurred with the recommendation to focus on a building size between 15,000-30,000 square feet and to pursue an expedited bid process to advance the project timeframe. The Acting COO reported that staff would proceed to obtain commitments of interest, refine the site development, and report back to the Committee with recommendations.

5. With no further business to discuss, a motion to adjourn was made by Commissioner Smith, and the Economic Development Committee adjourned at 12:15 p.m.

DELAWARE RIVER AND BAY AUTHORITY

PROJECTS COMMITTEE MEETING

Wednesday, February 18, 2015

Delaware Memorial Bridge Complex
New Castle, Delaware

A public meeting of The Delaware River and Bay Authority's Projects Committee was held on Wednesday, February 18, 2015, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from Delaware

PRESENT

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

Commissioners from New Jersey

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

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Michelle Hammel
Steve Williams
Travis Crawford

4. Committee Chair Murphy opened the Projects Committee meeting at approximately 12:15 p.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.

5. Committee Chair Murphy called for a motion to accept the Projects Committee Minutes from January 21, 2015. Commissioner Lathem made a motion, Commissioner Murphy seconded, and the Committee Minutes were accepted. Those in attendance were provided an informational package consisting of an agenda, one (1) bid opening, one (1) contract close out letter, and one (1) monthly contractor payment charts (through January).

6. Bid Opening:

Contract No. ILG-13-02: Terminal Parking Lot Expansion and Improvements. A public bid opening was held on February 3, 2015, in which six (6) bids were submitted. The Acting COO reported that the contract consists of a base bid, which includes the infrastructure only for a paid parking system for the parking facilities in and around Lot A at the New Castle Airport Terminal Building, and three (3) add alternates. The Acting COO recommended the contract award to the lowest bidder, Greggo & Ferrara, Inc., of New Castle, Delaware, for the Base Bid only in the amount of \$3.7 million. A motion was made by Commissioner Lathem, seconded by Commissioner Ford, and the Projects Committee concurred with the recommendation and authorized the action to be presented to the full Board at the February meeting later today.

7. Contract Close-Out Actions:

DMB-13-03: 2013-14 Deck Repairs. The project generally involved deck repairs to the Delaware Memorial Bridge. The final contract amount is \$504,578.52. The Acting COO recommended close-out of the contract and final payment to Mumford & Miller Concrete, Inc. of Middletown, Delaware. A motion to move the close-out action to the full Board was made by Commissioner Wilson, seconded by Commissioner Smith, and the Projects Committee unanimously approved the close-out action to be presented to the full Board at the February meeting later today.

5. Contractor Payment (through January): The Acting COO reviewed for the Committee the monthly construction contractor payments to be made for the work completed through January.

6. Miscellaneous Items/Updates:

Commissioner Downes questioned the status of additional parking at the Wilmington Airport. The Acting COO reported that there have been ongoing discussions and a proposed plan to reconfigure the site. The Acting COO will report to the Committee as necessary.

7. Open Discussion/Other Issues: None.

8. With no further business to discuss, Commissioner Wilson made a motion to adjourn, and the Projects Committee adjourned at 12:22 p.m.