

MINUTES OF MEETING
THE DELAWARE RIVER AND BAY AUTHORITY
Wednesday, January 17, 2018
James Julian Boardroom
Delaware Memorial Bridge Plaza
New Castle, Delaware 19720

Prior to the start of the meeting, Assemblyman John Burzichelli administered the Commission Oath of Office to Commissioner M. Earl Ransome, Jr.

Effective immediately in accordance with Section 8.2 of the Bylaws, Commissioner Ransome will fill the three (3) New Jersey Committee Seats: Projects, Personnel, and Economic Development.

Prior to the start of the meeting, in accordance with Section 3.4 of the Bylaws, Executive Director Tom Cook permanently named Stephen Williams as the Assistant Secretary of the Board.

Prior to the start of the meeting, the Commissioners congratulated the DRBA Police Department for earning the Commission on Accreditation of Law Enforcement Agencies, Inc. (CALEA) Gold Standard with Excellence Recognition.

The meeting convened at 12:20 a.m. with Chairperson Hogan presiding.

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

Chairperson Hogan called on the Authority Assistant Secretary to read the meeting notice. 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.

Chairperson Hogan called on the Assistant Secretary to take the roll.

Commissioners from Delaware

Commissioners from New Jersey

PRESENT

William E. Lowe, Vice-Chairperson
Crystal L. Carey
James L. Ford, III
Samuel E. Lathem
Michael Ratchford
Henry J. Decker

James N. Hogan, Chairperson
Sheila McCann
Shirley R. Wilson- **via Phone**
Ceil Smith
James Bennett- **Absent**
M. Earl Ransome, Jr.

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Chairperson Hogan called for the acceptance of the Agenda.

Commissioner Lathem made a motion to accept the Agenda, seconded by Commissioner Ratchford, and the motion carried by a voice vote of 11-0.

Chairperson Hogan called for the acceptance of the Committee Assignments.

Commissioner Lathem made a motion to accept the Committee Assignments, seconded by Commissioner Carey and the motion carried by a voice vote of 11-0.

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11332. APPROVAL OF THE DECEMBER 19, 2017 MINUTES

Chairperson Hogan called for the approval of the December 19, 2017 meeting minutes.

Vice-Chairperson Lathem made a motion to approve the December 19, 2017 meeting minutes, seconded by Commissioner Smith, and unanimously approved by a voice vote of 11-0.

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11333. 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, Delaware City-Salem Ferry Crossing, and Food Services for the month of December 2017.

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

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11334. 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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11335. 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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11336. 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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11337. DELAWARE RIVER AND BAY AUTHORITY – CASH POSITION (MARKET VALUE) AS OF DECEMBER 31, 2017.

The CFO presented charts 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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11338. PUBLIC COMMENT ON ACTION ITEMS

Chairperson Hogan noted that there are Four (4) Contract Close-Outs (Final Payment) and Three (3) Resolutions for consideration.

All action items have been reviewed and recommended for consideration during today's Committee meetings. Chairperson Hogan called for public comment.

There were no public comments.

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11339. CLOSE-OUT CONTRACT- #ILG-09-01, PAVEMENT REHABILITATION: TAXILANE "G" AND ADJACENT T-HANGAR APRONS

On February 16, 2016, Contract No. ILG-09-01, PAVEMENT REHABILITATION: TAXILANE "G" AND ADJACENT T-HANGAR APRONS, was awarded to DIAMOND MATERIALS, INC. of Wilmington, Delaware for the bid price of \$1,398,500.00.

It is recommended that the Authority accept the project and make final payment to the contractor. The final cost of this project was \$1,588,770.70.

A motion to close-out Contract ILG-09-01 was made by Commissioner Ransome, seconded by Commissioner Decker, and approved by a voice vote of 11-0.

11340. CLOSE-OUT CONTRACT- #DMB-17-04, FENCING UNDER DELAWARE MEMORIAL BRIDGE (DELAWARE SIDE)

On June 20, 2017, Contract No. DMB-17-04, FENCING UNDER DELAWARE MEMORIAL BRIDGE (DELAWARE SIDE), was awarded to HASTINGS FENCE, LLC. of Townsend, Delaware for the bid price of \$129,250.50.

It is recommended that the Authority accept the project and make final payment to the contractor. The final cost of this project was \$141,916.00 (+9.8%).

A motion to close-out Contract DMB-17-04 was made by Commissioner Ford, seconded by Commissioner McCann, and approved by a voice vote of 11-0.

11341. CLOSE-OUT CONTRACT- #WWD-16-01, RUNWAY 1-19 & PARALLEL TAXIWAY H

On June 21, 2016, Contract No. WWD-16-01, RUNWAY 1-19 & PARALLEL TAXIWAY H, was awarded to SOUTH STATE, INC. of Bridgeton, New Jersey for the bid price of \$2,899,002.50.

It is recommended that the Authority accept the project and make final payment to the contractor. The final cost of this project was \$2,773,752.45.

A motion to close-out Contract WWD-16-01 was made by Commissioner Decker, seconded by Commissioner Smith, and approved by a voice vote of 11-0.

11342. CLOSE-OUT CONTRACT- #MIV-16-01, REALIGN TAXIWAY “B” AND REHABILITATE TAXIWAY “K”

On July 19, 2016 Contract No. MIV-16-01, REALIGN TAXIWAY “B” AND REHABILITATE TAXIWAY “K”, was awarded to SOUTH STATE, INC. of Bridgeton, New Jersey for the bid price of \$2,324,620.00.

It is recommended that the Authority accept the project and make final payment to the contractor. The final cost of this project was \$2,314,046.80.

A motion to close-out Contract MIV-16-01 was made by Commissioner Ratchford, seconded by Commissioner Ransome, and approved by a voice vote of 11-0.

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11344. CHAIRPERSON’S CALL FOR RESOLUTIONS BEFORE THE BOARD

RESOLUTION 18-01 - AUTHORIZING AUTHORITY EXPENDITURES PURSUANT TO RESOLUTION 01-84 FOR THE PERIOD, JANUARY 1, 2018 THROUGH DECEMBER 31, 2018

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 1/1/18 THROUGH 12/31/18

VENDOR	PURCHASE DESCRIPTION	CLASSIFICATION	ESTIMATED \$
Palfinger Marine USA Inc.	Inspections, Service and Parts for CMLF Rescue Boat Davits	Sole Source	\$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 18-01 was made by Commissioner Decker, seconded by Commissioner McCann, and approved by a roll call vote of 11-0.

Resolution 18-01 Executive Summary Sheet

Resolution: Authorizing Authority Expenditures Pursuant to Resolution 01-84 for the period January 1, 2018 through December 31, 2018.

Committee: Budget & Finance

Committee and Board Date: January 17, 2018

Purpose of Resolution:

Authorizes expenditures of \$25,000 or greater with the identified vendors during the 2018 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:

Palfinger Marine USA Inc.: Inspections, Service and Parts for CMLF Rescue Boat Davits

Palfinger is the sole source provider of five-year inspections, certifications, and service for the rescue boat davits aboard each of the CMLF ferries. In order for each CMLF vessel to remain in conformance with the USCG, the davit wires must be replaced and weight testing must be conducted. The estimate includes the cost of replacing the wire falls, weight test certificates, and the inspection of winch and davit assembly for each CMLF vessel.

Classification Definitions:

Sole Source. A purchase made without a competitive process, based on the justification that only one known source exists or that only one single supplier can fulfill the requirements of the Authority. Sole source procurement is appropriate when the goods or services being acquired: are uniquely qualified to meet the objectives of the Authority; must be compatible with existing equipment; are available within a limited geographic boundary (e.g., distributor with exclusive rights or sales area); are required for use in conjunction with a grant or contract, etc. *“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 one source for the required contract and no other reasonable alternative sources exist that will satisfy the requirements of the Authority”.* (DRBA Resolution 98-31 Part 2.f.)

RESOLUTION 18-02 AUTHORIZES THE EXECUTION OF A CONCESSION AGREEMENT FOR RENTAL CAR SERVICES 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 Authority allows private corporations to provide car rental services at the New Castle Airport for their customers; and

WHEREAS, the Authority’s Concession Agreement with Avis Car Rental Inc., also known as Avis Budget Group, Inc. (Avis) has expired; and

WHEREAS, Avis will be leasing a counter in the terminal and 35 parking spaces in the terminal parking lot; and

WHEREAS, the terms of the Concession Agreement will be for five (5) years with an option of renewing for two (2) additional years for a guaranteed minimum annual payment of \$50,000 or 8% of the monthly gross receipts whichever is higher; and

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby authorized to finalize the terms and conditions of the Lease Agreement with the Avis Budget Group, Inc. 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 18-02 was made by Commissioner Ford, seconded by Commissioner Smith, and approved by a roll call vote of 11-0.

Resolution 18-02 Executive Summary

Resolution: Authorizing the Execution of a Concession Agreement between the Delaware River and Bay Authority and Avis Budget Group, Inc. at the New Castle Airport

Committee: Economic Development

Committee Date: January 17, 2018

Board Date: January 17, 2018

Purpose of Resolution:

To permit the Executive Director, Chairman and Vice Chairman to execute and deliver a Concession Agreement for operations at the New Castle Airport.

Background for Resolution:

The Delaware River and Bay Authority currently leases space to Avis Budget Group, Inc. at the New Castle Airport. Avis has been a tenant at the airport since before the Authority took over operations there. Avis' concession agreement is ending and they would like to continue to provide services from the airport. The terms and conditions of the new agreement are generally same as the existing agreement. The rental rate and gross receipts percentage were reviewed and confirmed as accurate for an airport like New Castle with our airport consultants, McFarland Johnson.

RESOLUTION 18-03 – LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND CAPE AIR FOODS, LLC AT THE CAPE MAY AIRPORT

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

WHEREAS, Cape Air Foods, LLC desires to lease approximately 1,425 square feet of restaurant space in the Cape May Airport Terminal Building; and

WHEREAS, Cape Air Foods, LLC has agreed to pay the Authority annual rent in the amount of Ten Thousand Six Hundred and Eighty-Seven Dollars 50/100 (\$10,687.50); and

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

WHEREAS, Cape Air Foods, LLC. with the consent of the Authority, shall have the option of renewing this lease agreement for four (4) option periods of one (1) year each; and

WHEREAS, rent during the options years shall increase annually by the Consumer Price Index (CPI); and

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

A motion to approve Resolution 18-03 was made by Commissioner Smith, seconded by Commissioner McCann, and approved by a roll call vote of 11-0.

Resolution 18-03 Executive Summary

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

Committee: Economic Development

Committee Date: January 17, 2018

Board Date: January 17, 2018

Purpose of Resolution:

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

Background for Resolution:

The Delaware River and Bay Authority owns a restaurant facility at the Cape May Airport located in the Terminal Building. Cape Air Foods currently operates out of this facility. During a recent review by the FAA, it was determined that the current rental rate Cape Air Foods Lease Agreement were below the FMV and were in violation of the current FAA regulations. This new Lease Agreement will bring the rental rates to FMV and the lease will be in compliance with the FAA.

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11345. EXECUTIVE DIRECTOR'S COMMENTS

The Executive Director Slideshow Presentation:

Executive Director Cook shared a photo of the three, and in some places, six inch sheets of ice that halted the CMLF from making a few of its scheduled departures. January 2018 DRBA made the conversion to Direct Deposit/Pay Cards. 95% of the DRBA's regular, full-time employees and casual employees converted to Direct Deposit, with 139 also opting for paperless pay stubs. DRBA received a Certificate of Achievement for the CAFR (Comprehensive Annual Financial Report), from the Government Finance Officers Association (GFOA). This is the highest form of recognition in the area of governmental accounting and financial reporting. This is the 13th consecutive year the DRBA has earned this distinction.

Upcoming Events within the Authority:

The next Commission Meeting is Wednesday, February 21, 2018 at 9:00 am.

Open House for the New Light Industrial Building at Cape May Airport will be held in the Spring 2018, the date is to be determined.

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11346. COMMISSIONERS PUBLIC FORUM

Chairperson Hogan opened the public forum.

Chairperson Hogan called for any comments from the public.

There were no public comments.

Chairperson Hogan called for any comments from Commissioners:
There were no comments from Commissioners.

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There being no further business, a motion to adjourn was made by Vice-Chairman Lowe, seconded by Commissioner McCann, and unanimously carried by a voice vote of 11-0.

The meeting was adjourned at 12:37 p.m.

Respectfully submitted,

THE DELAWARE RIVER AND BAY AUTHORITY

Stephen D. Williams
Assistant Secretary