

DELAWARE RIVER AND BAY AUTHORITY

BUDGET & FINANCE COMMITTEE MEETING

Tuesday, November 13, 2012

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, November 13, 2012, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from Delaware

PRESENT

Committee Chair Traynor
Commissioner Downes, Committee Member
Commissioner Murphy, Committee Member
Commissioner Guajardo
Commissioner Lathem
Chairperson Lowe

Legal Counsel

Mike Houghton - DE

Governors' Representatives

Staff

Scott Green
Frank Minor
Victor Ferzetti
Jim Walls
Gerry Owens
Charlotte Crowell
Joe Larotonda
Kelly Phillips Parker
Joe Bryant
TJ Murray
Steve Williams
Jim Salmon

Commissioners from New Jersey

Committee Vice-Chair Mroz
Commissioner Dorn
Commissioner Wilson

Vice-Chairperson Hogan

Phil Norcross - NJ

Kerstin Sundstrom - NJ

1. Committee Chair Traynor opened the Budget & Finance Committee meeting at approximately 9:06 a.m. The Deputy Executive Director 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 Traynor called for a motion to accept the Budget & Finance Committee Minutes from October 16, 2012. Commissioner Downes made a motion, Commissioner Mroz seconded, and the Committee Minutes were accepted.

3. Resolutions:

a. RESOLUTION 12-37 – AUTHORIZING AUTHORITY EXPENDITURES PURSUANT TO RESOLUTION 01-84 FOR THE PERIOD JANUARY 1, 2012 THROUGH DECEMBER 31, 2012 –

The Chief Financial Officer (CFO) presented the Over \$25,000 Vendor List. After discussion, Committee Chair Traynor asked if there were any questions. After discussion, Commissioner Downes made a motion, Commissioner Murphy seconded, and the Budget & Finance Committee unanimously recommended forwarding the Resolution to the full Board for approval. The Resolution will be presented to the full Board for consideration at the November meeting later today.

b. RESOLUTION 12-38 – ADOPTION OF THE DELAWARE RIVER AND BAY AUTHORITY'S FY 2013 OPERATING BUDGET -

Prior to the review of the Resolution, Committee Chair Traynor, at the request of Authority Chair Lowe, requested an Executive Session for Commissioners, Executive and Deputy Directors, and the Chief Financial Officer (CFO) to discuss matters of a confidential nature. Commissioner Dorn made a motion, seconded by Commissioner Murphy, and the Session was closed.

The following matters of a 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 Mroz, seconded by Commissioner Murphy, and the Session was opened to the public.

The CFO presented Resolution 12-38, referencing the incorporated Attachments A & B. The CFO reviewed the following associated material.

- FY 2013 Preliminary Financial Model
- Revenue Analysis For The Period 2012-2013
- Expenditure Analysis By Division 2009-2013
- Expenditure Analysis By Category 2009-2013
- FY 2013 Major Increases/Decreases
- Funded Positions 2013 Budget
- Cape May-Lewes Ferry Vessel Fuel Budget
- Aviation Fuel Operational Analysis
- 1/1/2012-1/1/2013 Insurance Coverage Summary

- Statements of Income and Expense
- Other Operating Facilities Net Income (Loss) FY 2013

The 2013 Operating Budget, as presented, in the amount of \$82,140,949, reflects an increase of 1.85%, or \$1,489,033 over the Adopted FY 2012 Operating Budget. Committee Chair Traynor noted that, without the increases for OPEB and Medical, the Budget is essentially a 0% increase.

Committee Chair Traynor noted the proposed FY 2013 Operating Budget presented at the October Committee meeting included a 2% wage increase for non-union employees and asked for an explanation as to why the FY 2013 Operating Budget being presented today excluded the increase. The CFO reported that there had been communication from the New Jersey Governors Authorities Unit (NJ GAU) indicating that inclusion of wage increases would not move the Budget forward. Committee Chair Traynor clarified, if the Budget moved forward with a 2% wage increase, it would be vetoed. The Executive Director (ED) reported that was the understanding. Commissioner Mroz added that many public agencies in New Jersey are operating without increases and managing their budgets with the same constraints.

The Committee asked several questions. Commissioner Downes questioned the Airport deficits on the FY2013 Preliminary Financial Model. Commissioner Guajardo voiced concern regarding the amount of Authority debt associated with the new Bond issue and what is being done from an Economic Development standpoint to add new revenue without relying on tolls. The CFO reminded the Committee that the borrowings are used for Crossings and the Airport CIP is paid with cash. He also reported that the rating agencies do not consider the Authority to be a huge debt issuer. With the new borrowing, the Authority carries the same debt load as it did ten (10) years ago. Committee Chair Traynor added that his impression regarding Economic Development is that it is within the Authority's overall Mission, and not a revenue generator. The way the Authority generates revenue is through the Toll Revenues. The ED added that the Financial Model is a snapshot at this particular time and shows only what will happen if we do nothing new for revenue in the future.

After the discussion and with no further questions or comments, Commissioner Downes made a motion, Commissioner Mroz seconded, and the Budget & Finance Committee unanimously recommended forwarding the Resolutions to the full Board for consideration at the November meeting later today.

c. RESOLUTION 12-45 – RESOLUTION BY THE DELAWARE RIVER AND BAY AUTHORITY AUTHORIZING AMENDMENTS TO THE BENEFIT PLAN DESIGN –

The CFO noted the Resolution authorizes the outsourcing of benefits administration for retirees age 65 and over and does not impact retiree benefits. Commissioner Murphy made a motion, Commissioner Mroz seconded, and the Budget & Finance Committee unanimously recommended forwarding the Resolution to the full Board for consideration at the November meeting later today.

4. Miscellaneous:

2012 Bond Issue Update

The CFO presented the Citi Financing Summary for the \$96,655,000 Delaware River and Bay Authority Revenue Bonds, Series 2012 and highlighted some of the material. Committee Chair Traynor congratulated the CFO and Senior Management for a job well done.

With no further business to discuss, a motion to adjourn was made by Commissioner Downes, and the Budget & Finance Committee adjourned at 10:45 a.m.

DELAWARE RIVER AND BAY AUTHORITY

ECONOMIC DEVELOPMENT COMMITTEE MEETING

Tuesday, November 13, 2012

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, November 13, 2012, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from Delaware

PRESENT

Committee Vice-Chair Guajardo
Commissioner Downes, Committee Member
Commissioner Traynor, Committee Member
Commissioner Lathem
Commissioner Murphy
Chairperson Lowe

Commissioners from New Jersey

Commissioner Dorn, Committee Member
Commissioner Wilson, Committee Member
Commissioner Mroz

Vice-Chairperson Hogan

Legal Counsel

Mike Houghton - DE

Phil Norcross - NJ

Governors' Representatives

Andrew Lippstone

Kerstin Sundstrom - NJ

Staff

Scott Green
Frank Minor
Victor Ferzetti
Jim Walls
Gerry Owens
Charlotte Crowell
Anna Marie Gonnella Rosato
Michelle Griscom
Dave Hoppenjans
Joe Bryant
Jim Salmon
Steve Williams
Kelly Phillips Parker

1. In the absence of Committee Chair Smith, Committee Vice-Chair Guajardo welcomed the Economic Development Committee and opened the meeting at approximately 10:46 a.m. The Deputy Executive Director 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 Guajardo called for a motion to accept the Economic Development Committee Minutes from October 16, 2012. Commissioner Traynor made a motion, Commissioner Downes seconded, and the Committee Minutes were accepted.

3. Action Items:

a. RESOLUTION 12-40 – LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND ENERGI INSURANCE SERVICES, INC., AT THE SALEM BUSINESS CENTRE –

The Deputy Executive Director (DED) presented the Resolution and discussed the terms of the lease. After discussion, Commissioner Dorn made a motion, Commissioner Downes seconded, and the Economic Development Committee unanimously recommended forwarding the Resolution to the full Board for consideration at the November meeting later today.

b. RESOLUTION 12-41 – LEASE AMENDMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND CAPE MAY BREWING AT THE CAPE MAY AIRPORT –

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

c. RESOLUTION 12-42 – LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND WEBER’S AUTO ELECTRIC AT MILLVILLE AIRPORT -

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

d. RESOLUTION 12-43 – AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND ATENCO, LLC -

DED presented the Resolution and discussed the terms of the lease. After discussion, Commissioner Downes made a motion, Commissioner Wilson seconded, and the Economic Development Committee unanimously recommended forwarding the Resolution to the full Board for consideration at the November meeting later today.

e. RESOLUTION 12-44 – AMENDS RESOLUTION 12-08 AUTHORIZING THE LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND HANGARCO, LLC –

DED presented the Resolution, which is a housekeeping matter. After discussion, Commissioner Traynor made a motion, Commissioner Downes seconded, and the Economic Development Committee unanimously recommended forwarding the Resolution to the full Board for consideration at the November meeting later today.

4. Open Discussions/Other Issues:

Property Vacancies

Committee Vice-Chair Guajardo questioned the current number of vacant units and the amount of loss to the Authority. Michelle Griscom reported there were approximately eight vacant units and did not have the financial information at this time and would provide to Commissioner Guajardo at a later date.

Critical Need at Millville Airport Update

Authority Chair Lowe requested an update on the critical need determination made last month regarding the structural repair to Hangar 8 at the Millville Airport. Dave Hoppenjans reported that the Hangar was prepared for protection during the hurricane and work is underway. The Hangar should be completed in January, 2013.

5. With no further business to discuss, a motion to adjourn was made by Commissioner Traynor, and the Economic Development Committee adjourned at 10:55 a.m.

DELAWARE RIVER AND BAY AUTHORITY

PERSONNEL COMMITTEE MEETING

Tuesday, November 13, 2012

Delaware Memorial Bridge Complex
New Castle, Delaware

A public meeting of The Delaware River and Bay Authority's Personnel Committee was held on Tuesday, November 13, 2012, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from Delaware

PRESENT

Committee Chair Lathem
Commissioner Murphy, Committee Member
Commissioner Traynor, Committee Member
Commissioner Downes
Commissioner Guajardo
Chairperson Lowe

Legal Counsel

Mike Houghton - DE

Governors' Representatives

Andrew Lippstone

Staff

Scott Green
Frank Minor
Victor Ferzetti
Jim Walls
Gerry Owens
Charlotte Crowell

Commissioners from New Jersey

Committee Vice-Chair Dorn
Commissioner Mroz
Commissioner Wilson

Vice-Chairperson Hogan

Phil Norcross - NJ

Kerstin Sundstrom - NJ

1. Committee Chair Lathem welcomed the Personnel Committee and opened the meeting at 11:05 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, and read the Statement of Notice, and called the roll.

2. Committee Chair Lathem called for a motion to accept the Personnel Committee Minutes from October 16, 2012. Commissioner Dorn made a motion, Commissioner Murphy 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

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

5. Resolution:

a. RESOLUTION 12-39 – RECOGNIZING AND APPLAUDING
OUTSTANDING EMPLOYEE PERFORMANCE –

Committee Chair Lathem noted this Resolution recognizes and applauds outstanding employees who participated in a successful rescue at sea on September 30, 2012. The employees involved in the rescue will be in attendance at the Board meeting later today

After discussion, Commissioner Traynor made a motion, Commissioner Dorn seconded and the Personnel Committee unanimously recommended forwarding the Resolution to the full Board for consideration at the November meeting later today.

6. With no further business to discuss, Commissioner Traynor made a motion to adjourn, and the Personnel Committee adjourned at 11:14 a.m.

THE DELAWARE RIVER AND BAY AUTHORITY

PROJECTS COMMITTEE

Tuesday, November 13, 2012

Delaware Memorial Bridge Complex
New Castle, Delaware

A public meeting of the Delaware River and Bay Authority's Projects Committee was held on Tuesday, November 13, 2012, at the Delaware Memorial Bridge, New Castle, Delaware.

Commissioners from Delaware

PRESENT

Committee Chair Murphy
Commissioner Latham, Committee Member
Commissioner Traynor
Commissioner Downes
Commissioner Guajardo, Committee Member

Chairperson Lowe

Legal Counsel

Mike Houghton – DE

Governors' Representatives

Andrew Lippstone - DE

Staff

Scott Green
Frank Minor
Jim Walls
Charlotte Crowell
Victor Ferzetti
Gerry DiNicola-Owens
Dave Hoppenjans
Steve Williams
Joe Bryant
Anna Marie Gonnella-Rosato
Jim Salmon
TJ Murray
Heath Gehrke

Commissioners from New Jersey

Commissioner Dorn, Committee Member
Commissioner Wilson, Committee Member
Commissioner Mroz

Vice-Chairperson Hogan

Phil Norcross - NJ

Kerstin Sundstrom - NJ

1. Committee Chair Murphy welcomed the Projects Committee and opened the meeting at approximately 11:15 a.m. Committee Chair Murphy 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 October 16, 2012. Commissioner Lathem made a motion, Commissioner Dorn seconded, and the Committee Minutes were approved. Those in attendance were provided an informational package consisting of an agenda and one (1) monthly contractor payment chart (through October).

3. Resolutions: None

4. Bid Openings: None

5. Contract Close-Out Actions: None

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

7. Miscellaneous Items/Updates:

Capital Improvement Program Review

The COO reported work on the Capital Improvement Program is actively underway and staff will present a draft for review at the December Projects Committee meeting.

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

The following matters of a confidential nature were discussed:

- LONG RANGE PLANNING MATTERS

The Projects Committee reconvened at approximately 11:25 a.m.

8. With no further business to discuss, Commissioner Wilson made a motion to adjourn, seconded by Commissioner Lathem, and the Projects Committee adjourned at 11:25 a.m.