

DELAWARE RIVER AND BAY AUTHORITY

PERSONNEL COMMITTEE MEETING

Tuesday, March 19, 2013

Delaware Memorial Bridge Complex
New Castle, Delaware

A public meeting of The Delaware River and Bay Authority's Personnel Committee was held on Tuesday, March 19, 2013, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from New Jersey

PRESENT

Committee Chair Dorn

Commissioner Wilson, Committee Member

Commissioner Mroz

Commissioner Smith

Chairperson Hogan

Legal Counsel

Phil Norcross - NJ

Governors' Representatives

Kerstin Sundstrom - NJ

Staff

Scott Green

Frank Minor

Victor Ferzetti

Jim Walls

Gerry Owens

Charlotte Crowell

Michelle Hammel

Commissioners from Delaware

Commissioner Murphy, Committee Member-arrived after the roll call

Commissioner Traynor, Committee Member-via phone

Commissioner Downes

Vice-Chairperson Lowe

Mike Houghton - DE

Lindsay O'Mara - DE

Invited Guests

Young Conway Stargatt & Taylor

Bill Bowser

1. Committee Chair Dorn welcomed the Personnel Committee and opened the meeting at 9:06 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 Dorn called for a motion to accept the Personnel Committee Minutes from February 12, 2013. Commissioner Wilson made a motion, Commissioner Dorn seconded, and the Committee Minutes were accepted.

3. Committee Chair Dorn 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 Dorn, and the Session was closed.

The following matters of a confidential nature were discussed.

- LABOR NEGOTIATIONS

4. 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. With no further business to discuss, Commissioner Wilson made a motion to adjourn, and the Personnel Committee adjourned at 9:20 a.m.

DELAWARE RIVER AND BAY AUTHORITY

BUDGET & FINANCE COMMITTEE MEETING

Tuesday, March 19, 2013

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, March 19, 2013, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from New Jersey

PRESENT

Committee Chair Mroz
Commissioner Smith, Committee Member
Commissioner Dorn
Commissioner Wilson

Chairperson Hogan

Legal Counsel

Phil Norcross - NJ

Governors' Representatives

Kerstin Sundstrom - NJ

Staff

Scott Green
Frank Minor
Victor Ferzetti
Jim Walls
Gerry Owens
Charlotte Crowell
Joe Larotonda
TJ Murray
Kelly Phillips Parker
Heath Gehrke
Anna Marie Gonnella Rosato
Jeff Cook
Jim Salmon

Commissioners from Delaware

Commissioner Downes, Committee Member
Commissioner Murphy, Committee Member

Vice-Chairperson Lowe

Mike Houghton - DE

Lindsay O'Mara - DE

Invited Guest

Brown Advisory
Jim Cavanaugh
Jim Dugan

1. Committee Chair Mroz opened the Budget & Finance Committee meeting at approximately 9:21 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 Mroz called for a motion to accept the Budget & Finance Committee Minutes from February 12, 2013. Commissioner Smith made a motion, Commissioner Downes seconded, and the Committee Minutes were accepted.

3. 2012 Investment Review:

The Chief Financial Officer (CFO) introduced representatives from Brown Advisory, the Authority's independent Investment Manager/Financial Advisors, Mr. Jim Cavanaugh and Mr. Jim Dugan. The CFO reminded the Committee of the newly adopted Investment Policy and the Committee's request to have an Investment Review at least twice a year, the next, will be scheduled in connection with the Authority's annual planning session in September, 2013. The CFO turned the meeting over to Brown Advisory and the following was presented and discussed with the Committee and those Commissioners in attendance.

- DRBA Authority Funds
 - Fixed Income Portfolios, Yields, Performance
- DRBA Employees' Retirement Plan and OPEB Trust Review
 - Transition to New Asset Allocation Policy, Characteristics
 - Retirement Plan Performance, Historical Market Value, Asset Allocation
 - OPEB Trust Performance, Historical Market Value, Asset Allocation
- Authority Debt
 - Update on DRBA Debt
 - Variable Rate Debt
 - Projected Debt Service
- Market Outlook for Investments
 - Fourth Quarter 2012, Challenges of a Low Interest Rate Environment, Despite Calm Markets-Risk Remains, Emerging Market Opportunities-Real Estate and Venture Capital

It was noted that the DRBA Employees' Retirement Plan returns are at record highs and have rebounded from the 2008 credit crunch. Also, the Authority Debt has been structured to provide capacity to meet the future financing needs of the Authority.

Committee Chair Mroz asked if there were any questions, and there were none. He noted that the periodic updates were helpful and thanked Brown Advisory for their presentation. The CFO reminded the Committee to reach out to him if they had any further questions.

3. Resolution:

a. RESOLUTION 13-10 – AUTHORIZING AUTHORITY EXPENDITURES PURSUANT TO RESOLUTION 01-84 FOR THE PERIOD JANUARY 1, 2013 THROUGH DECEMBER 31, 2013 –

The Chief Financial Officer (CFO) presented the Over \$25,000 Vendor List. After discussion, Committee Chair Mroz noted Albert Risk Management Consultants and turned the discussion over to the CFO. The CFO reminded the Committee of discussions during the

previous Insurance Review and staff's desire to validate the Authority's current Insurance Program. Staff developed a scope of work and solicited quotes for an independent review. Albert Risk Management was selected; however, the CFO reported that the contract for the current Insurance Broker will expire at the end of 2013, and staff would like to exercise the existing option to extend the contract for one (1) year in order to allow for continuity during the review. An RFP for Insurance Brokerage Services would then be conducted in 2014. After discussion, Committee Chair Mroz asked if there was any objection to the Budget & Finance Committee Chairs authorizing an extension to the contract with Willis for one (1) year, there was no objection. Committee Chair Mroz then asked for a motion to recommend Resolution 13-10. Commissioner Murphy made a motion, Commissioner Downes 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 March meeting later today.

4. Committee Chair Mroz requested an Executive Session, closed to the public to discuss matters of a confidential nature. Commissioner Downes made a motion, Commissioner Murphy seconded, 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 Downes, seconded by Commissioner Smith, and the Session was opened to the public.

5. Miscellaneous: None.

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

DELAWARE RIVER AND BAY AUTHORITY

ECONOMIC DEVELOPMENT COMMITTEE MEETING

Tuesday, March 19, 2013

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, March 19, 2013, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from New Jersey

PRESENT

Committee Vice-Chair Smith
Commissioner Dorn, Committee Member
Commissioner Wilson, Committee Member
Commissioner Mroz

Chairperson Hogan

Legal Counsel

Phil Norcross - NJ

Governors' Representatives

Kerstin Sundstrom - NJ

Staff

Scott Green
Frank Minor
Victor Ferzetti
Jim Walls
Gerry Owens
Charlotte Crowell
TJ Murray
Steve Williams
Michelle Griscom
Dave Hoppenjans
Anna Marie Gonnella Rosato
Joe Peltz
Kelly Phillips Parker
Jeff Cook
Michelle Hammel
Jim Salmon

Commissioners from Delaware

Commissioner Downes, Committee Member
Commissioner Murphy

Vice-Chairperson Lowe

Mike Houghton - DE

Lindsay O'Mara - DE

1. Committee Vice-Chair Smith welcomed the Economic Development Committee and opened the meeting at approximately 10:36 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 Smith called for a motion to accept the Economic Development Committee Minutes from February 12 and February 28, 2013. Commissioner Downes made a motion, Commissioner Wilson seconded, and the Committee Minutes were accepted.

3. Action Items:

Commissioner Downes requested the Deputy Executive Director review the three (3) Resolutions and requested a single vote.

a. RESOLUTION 13-11 – LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND SLEEP AIR, LLC AT THE NEW CASTLE AIRPORT-

b. RESOLUTION 13-12 – LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND EXELIS INC. AT THE NEW CASTLE AIRPORT -

c. RESOLUTION 13-13 – AMENDS RESOLUTION 12-40 AUTHORIZING THE LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND ENERGY INSURANCE SERVICES, INC. –

The DED presented the three (3) Resolutions and discussed the terms of the leases. 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 March meeting later today.

The DED reported there was an additional Resolution for consideration, which had been included on the Economic Development Agenda; however, due to last minute negotiations, the Resolution was just finalized.

d. RESOLUTION 13-14 – LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND FLIGHTLEVEL CAPE MAY, LLC AT THE CAPE MAY AIRPORT -

The Director-Airport Operations presented the terms of the lease for Flightlevel Cape May, LLC to provide FBO Services at the Cape May Airport for Committee consideration. The Director reported that the Authority had been operating as the interim FBO since last year and unable to provide the additional services a true FBO can provide and would also benefit the Authority by limiting its liability exposure. Commissioner Downes questioned the firm's experience and it was reported that Flightlevel currently operates as an FBO in Maine, Massachusetts, and Florida. 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 March meeting later today.

4. Open Discussions/Other Issues: None.

5. With no further business to discuss, a motion to adjourn was made by Commissioner Wilson, and the Economic Development Committee adjourned at 10:47 a.m.

THE DELAWARE RIVER AND BAY AUTHORITY

PROJECTS COMMITTEE

Tuesday, March 19, 2013

Delaware Memorial Bridge Complex
New Castle, Delaware

A public meeting of the Delaware River and Bay Authority's Projects Committee was held on Tuesday, March 19, 2013, at the Delaware Memorial Bridge, New Castle, Delaware.

Commissioners from New Jersey

PRESENT

Committee Chair Smith
Commissioner Dorn, Committee Member
Commissioner Wilson, Committee Member
Commissioner Mroz

Chairperson Hogan

Legal Counsel

Phil Norcross – NJ

Governors' Representatives

Kerstin Sundstrom – NJ

Staff

Scott Green
Frank Minor
Jim Walls
Charlotte Crowell
Victor Ferzetti
Gerry DiNicola-Owens
Acting Col. Jeff Cook
Dave Hoppenjans
Steve Williams
Kelly Phillips-Parker
Michelle Hammel
Anna Marie Gonnella-Rosato
Jim Salmon
TJ Murray
Heath Gehrke

Commissioners from Delaware

Committee Vice-Chair Murphy
Commissioner Downes

Vice-Chairperson Lowe

Mike Houghton – DE

Lindsay O'Mara - DE

1. Committee Chair Smith welcomed the Projects Committee and opened the meeting at approximately 10:06 a.m. Committee Chair Smith 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 Smith called for a motion to accept the Projects Committee minutes from February 12, 2013. Commissioner Dorn made a motion to accept the minutes, Committee Vice-Chair Murphy seconded the motion, and the Committee Minutes were approved. Those in attendance were provided an informational package consisting of an agenda, five (5) Bid Openings, one (1) contract closeout, and one (1) monthly contractor payment chart (through February).

3. Resolutions: None

4. Bid Openings:

Contract No. CMLF-12-09 – Ferry Shuttle Bus Service, Cape May County Zoo. A public Bid Opening was held on February 22, 2013, in which one (1) bid was submitted. The COO reported this contract is for shuttle bus service from the Cape May Ferry Terminal to the Cape May Zoo. The COO recommended the contract award to Great American Trolley Co., of Cape May, New Jersey in the amount of \$28,368.00. The Projects Committee concurred with the recommendation. A motion was made by Commissioner Dorn, seconded by Committee Vice-Chair Murphy, and the Projects Committee unanimously moved the contract award for a vote at the March Commission meeting later today.

Contract No. CMLF-12-10 – Ferry Shuttle Bus Service, Cape May Ferry Terminal and the City of Cape May Transportation Depot. A public Bid Opening was held on February 22, 2013 in which one (1) bid was submitted. The COO reported this contract is for shuttle bus service from the Cape May Ferry Terminal to the Cape May Transportation Depot. The COO recommended the contract award to Great American Trolley Co., of Cape May, New Jersey in the amount of \$107,762.00. The Projects Committee concurred with the recommendation. A motion was made by Commissioner Wilson, seconded by Committee Vice-Chair Murphy, and the Projects Committee unanimously moved the contract award for a vote at the March Commission meeting later today.

Contract No. CMLF-12-11 – Ferry Shuttle Bus Service and Equipment Lease – To and From Cape May Ferry Terminal and the City of Cape May Transportation Depot. A public Bid Opening was held on February 22, 2013 in which one (1) bid was submitted. The COO reported this contract is for shuttle bus service and equipment lease to and from Cape May Ferry Terminal and the City of Cape May Transportation Depot. The COO recommended rejecting this bid. The Projects Committee concurred with the recommendation. A motion was made by Committee Vice-Chair Murphy, seconded by Commissioner Dorn, and the Projects Committee unanimously moved the contract rejection for a vote at the March Commission meeting later today.

Contract No. CMLF-12-12 – Ferry Shuttle Bus Service – Lewes, Delaware. The COO advised the Projects Committee that no bids had been received and that no action on this matter was required.

Contract No. CMLF-12-13 – Ferry Shuttle Bus Service and Equipment Lease – Lewes, Delaware. A public bid opening was held on February 22, 2013 and one (1) bid was received.

The COO reported that this contract is to provide bus shuttle service to and from the Lewes Terminal with the use of DRBA-owned buses and equipment. Hart to Heart Transportation from Forest Hill, MD submitted a bid of \$735,840.00. The COO recommended rejection of this bid and providing the direct operation of this service by the Delaware River and Bay Authority. The Projects Committee concurred with the recommendation. The Projects Committee unanimously moved the contract rejection for a vote at the March Commission meeting later today.

5. Contract Close-Out Actions:

Contract No. CMLF-11-01 – 2011 Maintenance Dredging – Cape May Terminal, Cape May-Lewes Ferry. The scope of work on this contract consisted of maintenance dredging at the Cape May Terminal. The final contract amount is \$313,828.00. The COO recommended close-out of the contract and final payment to Cottrell Contracting Corporation of Chesapeake, Virginia. A motion to move the close-out action to the full Board was made by Commissioner Dorn, seconded by Committee Vice-Chair Murphy, and the Projects Committee unanimously approved the close-out action to be presented at the March meeting later today.

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

7. Committee Chair Smith requested an Executive Session, closed to the public, to discuss matters of a confidential nature. A motion was made by Commissioner Dorn, seconded by Committee Vice-Chair Murphy, and the Session was closed at 10:57 a.m.

The following matters of a confidential nature were discussed:

- LONG RANGE PLANNING MATTERS

The Projects Committee reconvened at approximately 11:33 a.m.

8. With no further business to discuss, Commissioner Wilson made a motion to adjourn, seconded by Committee Vice-Chair Murphy, and the Projects Committee adjourned at 11:34 a.m.

DELAWARE RIVER AND BAY AUTHORITY

ECONOMIC DEVELOPMENT COMMITTEE MEETING

Thursday, February 28, 2013

2nd Floor Conference Room, New Castle Airport
New Castle, Delaware

A public meeting of The Delaware River and Bay Authority's Economic Development Committee was held on Tuesday, February 28, 2013, at the New Castle Airport, New Castle, Delaware.

Commissioners from New Jersey

PRESENT

Committee Vice-Chair Smith-arrived after the roll call
Commissioner Wilson, Committee Member-via phone

Commissioners from Delaware

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

Governors' Representatives

Kerstin Sundstrom - NJ

Lindsay O'Mara - DE

Staff

Scott Green
Frank Minor
Victor Ferzetti
Jim Walls
Gerry Owens
Charlotte Crowell
Michelle Griscom
Steve Williams
John Sarro
Todd Miller
Dave Hoppenjans
Michelle Hammel
Anna Marie Gonnella Rosato

Invited Guests

Delaware Air National Guard
Brigadier General Carol Timmons
Colonel Michael Feeley
Colonel Dennis Hunsicker
Lieutenant Colonel Elias Danucalov

1. Committee Chair Guajardo welcomed the Economic Development Committee and opened the meeting at approximately 3:02 p.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. Airports Economic Development

a. Overview of Airports Business – The Director Airport Operations provided a summary of the Authority’s Airports noting they are economic engines for the surrounding communities and the need to identify key opportunities for each airport to realize their full potential. An overview of each airport, including metrics, key customers and stakeholders was provided. The Wilmington/New Castle Airport houses the Delaware Air National Guard (DANG) and is considered a joint-use operation. The Director introduced Brigadier General Timmons and representatives from the DANG. Col. Michael Feeley made a presentation to the Committee identifying three parcels of land contiguous to the operations of the DANG which could be used for force protection and efficiencies of base operations. Col. Feeley noted that the Guard will be seeking funding for the parcels as separate acquisitions and would be approaching the Authority to negotiate for the parcels as each receives funding. Committee Chair Guajardo questioned how these potential land acquisitions would affect current operations and the Director-Airport Operations noted it would be complementary to the Authority operations. The Committee thanked the members of the DANG for their presentation.

The Director continued with the overview of the remaining airports, the Visioning & Strategic Focus, and noted each Airport Business Plan will be aggressively updated over the next eighteen (18) months.

Michelle Griscom provided an overview and current activity of Property and Development at each airport facility, as well as the Salem Business Centre. It was noted that an RFP for Authority-wide Brokerage Services is being conducted. Committee Chair Guajardo questioned the fee structure and it was reported that there would be negotiated rates for sales and fixed fees for services. Committee Chair Guajardo also asked whether the Airports were self-sufficient. The Chief Financial Officer (CFO) responded to his question and explained, as a whole, the Airports division had been self-sufficient until the addition of the OPEB Benefits expenses but noted, the finances of the New Castle Airport make the finances of the remaining airports work. The CFO also explained the flow of the Authority finances and basic FAA funding rules. The Committee also discussed the designated Historic Districts at Millville and Cape May Airports.

b. 2013 Airports Marketing and Communication Plan – John Sarro began a presentation of the 2013 Marketing Plan and a Committee began a discussion of the parking needs at New Castle Airport, the best avenue to attract customers, and how the Committee can support those endeavors. Commissioner Lathem also noted that the Authority should also be working in conjunction with the Delaware Department of Economic Development to include the New Castle Airport as part of its outreach to attract businesses to Delaware. The Committee also discussed the best use of the Authority’s Airports Business Planning Consultant, McFarland Johnson. Committee Chair Guajardo questioned whether there was one specific project on which to focus for approval.

3. Committee Chair Guajardo requested an Executive Session, closed to the public to discuss matters of a confidential nature. Authority Vice-Chair Lowe made a motion, Commissioner Downes seconded, and the Session was closed.

The following matters of a confidential nature were discussed.

- LONG TERM PLANNING

With no further business to discuss in Executive Session, a motion to open the session to the public was made by Authority Vice-Chair Lowe, seconded by Commissioner Smith, and the Session was opened to the public.

4. With no further business to discuss, a motion to adjourn was made by Commissioner Smith, and the Economic Development Committee adjourned at 4:59 p.m.