

MINUTES OF MEETING
THE DELAWARE RIVER AND BAY AUTHORITY
Tuesday, March 15, 2011
James Julian Boardroom
Delaware Memorial Bridge Plaza
New Castle, Delaware 19720

The meeting convened at 10:34 a.m. with Chairperson Lowe presiding.

Chairperson Lowe called for an Executive Session closed to the public to discuss matters of a confidential nature.

Commissioner Favre motioned to move into Executive Session, seconded by Commissioner Downes, and approved by a voice vote of 11-0.

Chairperson Lowe called the meeting out of Executive Session at 11:20 a.m. He then called on Reverend Dorn to give the opening prayer and the Executive Director to lead the Pledge of Allegiance.

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

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

The 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
Scott A. Green
Samuel E. Lathem
Terry C. Murphy
Gary F. Traynor

James N. Hogan, Vice-Chairperson

Edward W. Dorn
Niels S. Favre
Ceil Smith
Douglas Van Sant

ABSENT

Susan A. DeLanzo

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10340. APPROVAL OF THE FEBRUARY 15, MINUTES

Commissioner Lathem motioned for approval of the February 15, 2011 minutes, seconded by Commissioner Favre, and approved by a voice vote of 11-0.

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Chairperson Lowe called for the acceptance of the Agenda and, because of Commissioner Favre's schedule, requested a change in the order of the Agenda to give Commissioner Favre an opportunity to vote before his departure.

Commissioner Dorn motioned to accept the Agenda and to change the order of business, seconded by Commissioner Lathem, and approved by a voice vote of 11-0.

10341. PUBLIC COMMENT ON ACTION ITEMS.

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

- Close-out DMB-07-04 Administration Building Room Renovation - DMB
- Contract CMLF-10-04 Monopile 68 & 74 Replacement – Cape May
- Contract PA-10-01 Furnish and Deliver Monopiles – Cape May
- Contract CMLF-11-01 2011 Maintenance Dredging – Cape May Terminal
- Resolution 11-09 Adoption of the DRBA 2011 Operating Budget
- Resolution 11-10 Lease Amendment with John DeBaun, Cape May Airport
- Resolution 11-11 Lease Agreement with Rich Grant, Cape May Airport
- Resolution 11-12 Lease Agreement with Blue Ridge Air, Inc., New Castle Airport
- Resolution 11-13 Lease Amendment with Boeing Vertol Co., New Castle Airport
- Resolution 11-14 Lease Agreement with Lund Air Services, LLC, New Castle Airport

Mr. Eric Mekanik, Supervisor, Administrative Services, DRBA, addressed the Commissioners with regard to the Authority’s 2011 Operating Budget, Resolution 11-09. He inquired as to whether the Operating Budget included cost of living raises for non-unionized personnel. He understood that unionized personnel have already received raises this year. Mr. Mekanik stated that there was never a time when unionized and non-unionized employees were treated differently.

Chairperson Lowe said that there were no raises in the 2011 Operating Budget for non-unionized employees.

Vice-Chairperson Hogan stated that the decision not to authorize cost of living increases to non-unionized employees came from higher forces.

There were no other comments.

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10342. SUMMARY OF AUTHORIZED CONTRACT PAYMENTS.

Chairperson Lowe called on the Chief Operating Officer (COO) to review the Summary of Authorized Contract Payments. The COO presented the contract payments for the month.

Contract No.	Contractor	Current Amount
DMB-09-04R	Robert Mullin HVAC Contractors	25,300.00
DMB-07-04	Schlosser & Associates, Inc.	100.00
CMLF-10-01	Colonna's Shipyard	591,827.40
NCA-10-01	Ralph G. Degli Obizzi & Sons	140,084.79
NCA-08-01	Diamond Materials, LLC	25,793.88
CMA-07-03	MD Remodeling	30,010.95

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10343. APPROVAL OF MONOPILE 68 & 74 REPLACEMENT AT THE CAPE MAY-LEWES FERRY – CONTRACT #CMLF-10-04

The COO noted that a public bid opening was held on January 13, 2011 in which four (4) bids were received. The COO and the Projects Committee recommended award of the Base Bid (\$1,070,000) and Add Alternate No. 2 (\$225,000) to the lowest responsive bidder, Agate Construction Co. of Clermont, New Jersey, in the amount of \$1,295,000.00. The COO advised the Committee that Add Alternate No. 2 for the midship replacement will be authorized only if it

becomes necessary and will utilize the six foot spare monopile that the Authority already has on hand.

A motion to award Contract #CMLF-10-04 to the aforementioned firm in the amount of \$1,295,000.00 was made by Commissioner Downes, seconded by Commissioner Favre, and unanimously approved by a voice vote of 11-0.

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10344. APPROVAL TO FURNISH AND DELIVER MONOPILES AT THE CAPE MAY-LEWES FERRY – CONTRACT #PA-10-01

The COO stated that a public bid was held on January 13, 2011 in which one (1) bid was received. The contract is to supply and deliver two (2) monopile replacements for monopiles 68 and 74. The COO and the Projects Committee recommended award to the responsive bidder, ZS Technologies of New Castle, Delaware, in the amount of \$974,614.00 for the Base Bid only.

A motion to award Contract #PA-10-01 to the aforementioned firm in the amount of \$974,614.00 was made by Commissioner Favre, seconded by Commissioner Green, and unanimously approved by a voice vote of 11-0.

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10345. APPROVAL OF THE 2011 MAINTENANCE DREDGING AT THE CAPE MAY TERMINAL – CONTRACT #CMLF-11-01

The COO stated that a public bid opening was held on February 25, 2011 in which three (3) bids were received. The scope of the work consists of furnishing all plant, labor, equipment, services, supervision and materials in connection with the removal of approximately 60,000 cubic yards of maintenance material from the berths of the Cape May Ferry Terminal. The COO and the Projects Committee recommended award to the lowest responsive bidder, Cottrell Contracting Corporation, of Chesapeake, Virginia, in the amount of \$380,200.00.

A motion to award Contract #CMLF-11-01 to the aforementioned firm was made by Commissioner Downes, seconded by Commissioner Green, and unanimously approved by a voice vote of 11-0.

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10346. CONTRACT CLOSE-OUT - ADMINISTRATION BUILDING COMPUTER, DMB – CONTRACT #DMB-07-04

On November 16, 2008 Contract No. DMB-07-04, Administration Building Computer Room Renovation was awarded to Schlosser & Associates, Inc. of Newark, Delaware for the bid price of \$455,000.00

During the contract period, Change Order No.'s 1-3 were approved for the project.

1. February 15, 2011 Adjustment in quantities to reflect actual field conditions.
Add: \$19,629.82.

It is recommended that the Authority accept the project and make final payment to the contractor. The total price for this project is \$474,629.82.

A motion to close out Contract #DMB-07-04 was made by Commissioner Downes, seconded by Commissioner Green, and approved by a voice vote of 11-0.

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10347. CHAIRPERSON'S CALL FOR ACTION ON THE RESOLUTIONS BEFORE THE BOARD

RESOLUTION 11-09 - ADOPTION OF THE DELAWARE RIVER AND BAY AUTHORITY'S 2011 OPERATING BUDGET

WHEREAS, Section 505 of the Trust Agreement, dated October 1, 1993, requires that The Delaware River and Bay Authority (the "Authority") adopt a budget for fiscal year; and

WHEREAS, the proposed operating expenses for FY2011, excluding the Airports division and Economic Development Facilities are \$ 71,661,262; and

WHEREAS, the budget includes funds for salaries and wages of Authority personnel, and materials and services for Authority activities; and

WHEREAS, for FY2011, interest on outstanding bonds is currently approximately \$ 12,827,875, and amortization of principal will be \$ 8,760,000 for total debt service of approximately \$ 21,587,875; and

WHEREAS, the amount to be deposited to the credit of the Reserve Maintenance Fund with respect to Crossing Facilities shall be \$ 175,000 per month or \$ 2,100,000 for FY2011; and

WHEREAS, the projected revenue of the Authority for FY2011, excluding the Airports division and Economic Development facilities, is approximately \$ 100,213,421 resulting in a debt service coverage of 1.32x; and

WHEREAS, the proposed operating budget for the Airports division is \$6,155,407; and

WHEREAS, the proposed operating budget for the Economic Development facilities are \$ 1,132,400; and

WHEREAS, the Budget and Finance Committee has conducted publicly advertised hearings and meetings on the proposed 2011 Operating Budget; and

WHEREAS, the Budget and Finance Committee has developed, reviewed, and approved the proposed 2011 Operating Budget and recommends its adoption to the Board of Commissioners.

NOW, THEREFORE, BE IT RESOLVED, that the Commission hereby adopts an operating budget of \$ 71,661,262 for the Bridge, Ferry, Food Services, Three Forts Crossing, Police, and Administration Divisions, and a budget of \$ 6,155,407 for the Airports division, a budget of \$ 1,132,400 for Economic Development facilities for a total of 78,949,069 for FY2011, and authorizes the Executive Director to exercise the approved management discretion and spend within the approved FY2011 budget.

A motion to approve Resolution 11-09 was made by Commissioner Traynor, seconded by Commissioner Favre, and approved by a roll call vote of 11-0.

Resolution 11-09 Executive Summary Sheet

Resolution: Resolution 11-09 – Adoption of the Delaware River and Bay Authority's 2011 Operating Budget

Committee: Budget & Finance

Committee Date: March 1, 2011

Board Date: March 15, 2011

Purpose of Resolution:

Resolution 11-09 formally authorizes funds for the fiscal year's current operating expenses.

Background for Resolution:

The Authority has issued outstanding debt under a Trust Agreement dated October 1, 1993. Section 505 of the Agreement stipulates that the Authority covenants to adopt a final budget for each ensuing fiscal year. The budget is to address Current Expenses, Amounts Deposited into the Reserve Maintenance Fund, Revenue Projections and Compliance with the Covenant as to tolls, in Section 501 (a)(i).

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RESOLUTION 11-10 - LEASE AMENDMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND JOHN DEBAUN AT CAPE MAY AIRPORT

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

WHEREAS, John DeBaun currently leases approximately 1,500 square feet of space in Building 96 at the Cape May Airport; and

WHEREAS, John DeBaun would like to switch units within Building 96; and

WHEREAS, John DeBaun has agreed to pay the Authority annual rent in the amount of \$9,000 during the first renewal term of the Lease Agreement ("Agreement") and \$10,500 for the second renewal term for the new unit; and

WHEREAS, rent during the remaining option periods shall be adjusted each year 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 Lease Amendment with John DeBaun 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 11-10 was made by Commissioner Favre, and seconded by Commissioner Dorn. With Commissioner Green voting no, Resolution 11-10 was approved by a roll call vote of 10-1.

Resolution 11-10 Executive Summary

Resolution: Authorizing the Execution of a Lease Amendment between the Delaware River and Bay Authority and John DeBaun, regarding Cape May Airport

Committee: Economic Development

Committee Date: March 1, 2011

Board Date: March 15, 2011

Purpose of Resolution:
To permit the Executive Director, Chairman and Vice Chairman to execute and deliver a Lease Ammendment for Space at Cape May Airport.

Background for Resolution:

John DeBaun has been a tenant at the Cape May Airport for 6 months. When John DeBaun moved into the facility, the entire building was being renovated and several units were not currently available for rent. Renovations have been completed and John DeBaun would like to relocate to one of the other units in the same building. The unit has been vacant for 2 years. The building was appraised in 2007. The rental rates are negotiated at a reduced initial rate but escalates to the Fair market Value by year 3 of the lease.

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RESOLUTION 11-11 - LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND RICH GRANT AT THE CAPE MAY AIRPORT

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

WHEREAS, Rich Grant desires to lease approximately 1,500 square feet of space in Building 96 at the Airport; and

WHEREAS, Rich Grant has agreed to pay the Authority annual rental in the amount of Seven Thousand Five Hundred Dollars (\$7,500.00); and

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

WHEREAS, Rich Grant shall have the option of renewing the Agreement for two (2) one (1) year periods; and

WHEREAS, rent during the initial term of the Agreement and the option periods shall adjusted each year by the CPI.

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby authorized to finalize the terms and conditions of the Lease Agreement with Rich Grant 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 11-11 was made by Commissioner Traynor, and seconded by Commissioner Lathem. With Commissioner Green voting no, Resolution 11-11 was approved by a roll call vote of 10-1.

Vice-Chairperson Hogan stated that there are serious issues at the Cape May Airport and inquired as to whether the leasee’s (tenants) are aware of them.

Deputy Executive Director noted that there are challenges being addressed at the Airport; however, the leases are short term. In addition, in response to a question by Commissioner Green, New Jersey Counsel suggested that all current and prospective tenants be advised that an application has been filed with the New Jersey State Historic Preservation Office (SHPO) by Dr. Salvatore.

A discussion ensued centering around the legal challenges of Dr. Salvatore’s filing of portions of the Airport under historic preservation through the SHPO.

Resolution 11-11 Executive Summary

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

Committee: Economic Development

Committee Date: March 1, 2011

Board Date: March 15, 2011

Purpose of Resolution:

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

Background for Resolution:

The Delaware River and Bay Authority operates an industrial warehouse/office building in the Cape May Industrial Park. The building totals approximately 20,000 square feet of space divided into individual units. Rich Grant wishes to lease one of these units totaling 1,500 square feet of space from the Authority to operate a custom motorcycle shop. The facility was appraised in 2007 and the lease price of the unit is based upon this appraisal.

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RESOLUTION 11-12 - LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND BLUE RIDGE AIR, INC AT THE NEW CASTLE AIRPORT

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

WHEREAS, Blue Ridge Air, Inc. (“Blue Ridge”) desires to lease approximately 25% of the space in the building located at 139 North DuPont Hwy. commonly referred to as Hangar A at the Airport; and

WHEREAS, Blue Ridge has agreed to pay the Authority annual rental in the amount of Seventy-Five Thousand Dollars (\$75,000.00); and

WHEREAS, the initial term of the Lease Agreement (“ Agreement”) is for five (5) years; and

WHEREAS, Blue Ridge shall have the option of renewing the Agreement for five (5) three (3) year periods; and

WHEREAS, rent at the beginning of the option periods shall be adjusted 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 Lease Agreement with Blue Ridge 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 11-12 was made by Commissioner Favre, seconded by Commissioner Green, and approved by a roll call vote of 11-0.

Resolution 11-12 Executive Summary

Resolution: Authorizing the Execution of a Lease Agreement between the Delaware River and Bay Authority and Blue Ridge Air, Inc., regarding New Castle Airport

Committee: Economic Development

Committee Date: March 1, 2011

Board Date: March 15, 2011

Purpose of Resolution:

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

Background for Resolution:

The Delaware River and Bay Authority owns a hangar facility located at 139 North DuPont Hwy. The hangar totals approximately 23,000 square feet of space. Blue Ridge Air, Inc. wishes to lease 25% of this space from the Authority to house a corporate aircraft.

This aircraft has been at the airport since 1999 and has been a tenant of the Authority. The lease for this tenant is expiring and the tenant wishes to stay at New Castle Airport in the same hangar space. The lease price is based upon the current FMV.

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RESOLUTION 11-13 - LEASE AMENDMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND BOEING VERTOL COMPANY AT THE NEW CASTLE AIRPORT

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

WHEREAS, Boeing Vertol Company (“Boeing”) currently leases two adjacent parcels of land at the New Castle Airport; and

WHEREAS, Parcel A was originally executed May 16, 1985 and the original term of the Lease Agreement (“Agreement”) and all options expired April 30, 2010; and

WHEREAS, Parcel C/D was originally executed October 1, 1986 and the original term of the Agreement and all options are due to expire December 31, 2011; and

WHEREAS, both the Authority and Boeing desire to extend the Agreement for Parcel A so that it is coterminous with the Parcel C/D Agreement; and

WHEREAS, rent during the extension period shall be at the current rent for the period of May 1, 2005 – April 30, 2010 of the original Agreement, Seven Thousand Five Hundred and Forty-Six Dollars 50/100 (\$7,546.50) per month; and

WHEREAS, the Authority and Boeing are currently negotiating a new Agreement to take effect January 1, 2012.

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby authorized to finalize the terms and conditions of the Lease Amendment with Boeing 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 11-13 was made by Commissioner Favre, seconded by Commissioner Green, and approved by a roll call vote of 11-0.

Resolution 11-13 Executive Summary

Resolution: Authorizing the Execution of a Lease Amendment between the Delaware River and Bay Authority and Boeing Vertol Company, regarding New Castle Airport

Committee: Economic Development

Committee Date: March 1, 2011

Board Date: March 15, 2011

Purpose of Resolution:

To permit the Executive Director, Chairman and Vice Chairman to execute and deliver a lease amendment for land at the New Castle Airport.

Background for Resolution:

The Boeing Vertol Company (“Boeing”) has been a longtime tenant at the New Castle Airport. They currently occupy 2 hangar facilities that they originally constructed and own. They lease approximately 17 acres of land which these improvements occupy.

This leasehold is comprised of two independent leases that are not coterminous. In renewing these leaseholds, it was determined that it would be beneficial to have both leaseholds combined into one lease. We are currently negotiating a new lease with Boeing for this combined parcel.

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RESOLUTION 11-14 - LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND LUND AIR SERVICES, LLC

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

WHEREAS, Lund Air Services, LLC (“Lund”) desires to lease approximately 7,500 square feet of hangar space located at 13 Penns Way at the Airport; and

WHEREAS, Lund has agreed to pay the Authority annual rental in the amount of Seventy-Two Thousand Dollars (\$72,000.00); and

WHEREAS, the initial term of the lease (“Agreement”) is for five (5) years; and

WHEREAS, Lund shall have the option of renewing the Agreement for one (1) five (5) year period; and

WHEREAS, rent at the beginning of the option period shall be adjusted to the Fair Market Value (FMV); and

WHEREAS, rent during the initial term of the Agreement and the option period (other than the year rent is adjusted by FMV) shall be adjusted each year by the CPI.

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby authorized to finalize the terms and conditions of the Lease Agreement with Lund 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 11-14 was made by Commissioner Favre, seconded by Commissioner Smith, and approved by a roll call vote of 11-0.

Resolution 11-14 Executive Summary

Resolution: Authorizing the Execution of a Lease Agreement between the Delaware River and Bay Authority and Lund Air Services, LLC, regarding New Castle Airport

Committee: Economic Development

Committee Date: March 1, 2011

Board Date: March 15, 2011

Purpose of Resolution: To permit the Executive Director, Chairman and Vice Chairman to execute and deliver a Lease Agreement for space at the New Castle Airport.

Background for Resolution:

The Delaware River and Bay Authority owns a hangar facility located at 13 Penns Way at the New Castle Airport. The hangar totals approximately 7,500 square feet of space. Lund Aviation Services, LLC wishes to lease this hangar space from the Authority to house a corporate aircraft.

This aircraft is being newly acquired. Dassault recently turned these older hangars back to the Authority. The lease price is \$9.60/sq.ft. This price is equal to the rental rate we charged Grindstone Aviation recently for the adjacent unit that exactly mirrors this hangar.

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10348. EXECUTIVE DIRECTOR'S REPORT

The Executive Director deferred the reading of his February 15, 2011 report and requested it be filed with the permanent records of the Authority. He then acknowledged staff for receiving the Federal Aviation Administration (FAA) Certificate of Appreciation Award at the 34th Annual Penn State/Airports Conference held in Hershey, PA. The FAA awarded the Certificate to the Authority for its efforts at achieving full FAA compliance regulations regarding Runway Safety Areas at the New Castle Airport. The Executive Director recognized staff: David Hoppenjans, P.E., Joel Leidy, P.E., John Sarro, Michael Shaw, Stephen Williams, and Peter Thomas. He also recognized Authority consultants and contractors that assisted.

Executive Director's February 15, 2011 report.

Delaware Memorial Bridge

In February, total traffic increased 16.8%, non-commercial traffic increased 18.1%, and commercial traffic increased 9.3%, compared to February 2010. Record snowfalls in 2010 depressed traffic thereby, causing the large percentage increase. When compared to the 3-year average, total February traffic increased 2.0%. Year-to-date total traffic increased 3.9%, non-commercial traffic increased 3.7%, and commercial traffic increased 5.0%, compared to the previous year. When compared to the 3-year average, year-to-date total traffic decreased 3.0%. E-ZPass traffic for February represented 64.3% of the total overall traffic as compared to 62.6% for the previous year. Year-to-date total electronic traffic represented 64.2%, an increase of 2.2% from 2010.

Authority police stopped a vehicle for a moving violation on I-295 northbound in the area of New Castle Avenue. During the stop, a large amount of alcohol was observed in the vehicle cargo area of the 2003 Chevrolet Suburban. The driver stated that he had purchased the alcohol in Cecil County, MD, and was transporting the load to Queens, NY. Authority police found and seized 2,118 bottles of alcoholic liquor valued at approximately \$15,000. The driver was charged with failure to maintain a lane of travel and illegal transport of alcoholic liquor.

Cape May Lewes Ferry

In February, vehicle traffic increased 40.5%, passenger traffic increased 46.0%, and fare revenues increased 46.9%, compared to February 2010. Year-to-date vehicle traffic increased 14.4%, passenger traffic increased 17.1%, and fare revenues increased 19.8%, compared to the same period in 2010. Record snowfall in February of 2010 closed Ferry Operations for 4 days, and yields much of the favorable traffic comparison for 2011. Compared to the 3-year average, year-to-date vehicle traffic decreased 10.5%, passenger traffic decreased 7.9%, and fare revenues increased 0.9%.

The MV Twin Capes arrived safely at Cadell’s Shipyard in Staten Island, NY for the commencement of her scheduled drydocking.

Airports

The Federal Aviation Administration (FAA) presented the Airport Operations with a Certificate of Appreciation at the 34th Annual Penn State/Airports Conference held in Hershey, PA. The award was given in recognition of DRBA efforts at achieving full compliance with the FAA’s regulations regarding Runway Safety Areas (RSA) at each end of New Castle Airport’s two main runways. The award language specifically mentions appreciation for DRBA’s work on relocation of a road at the entrance to the Delaware Air National Guard, the moving of navigational aids, and the recently completed installation of EMAS, all for runway 1-19’s safety areas. The FAA also describes the long, complicated process associated with earthworks, environmental mitigation, and the eventual “shifting” of runway 9-27 to achieve full safety area compliance. New Castle Airport was one of four airports recognized in the Eastern Region for outstanding work along with JFK International in New York, Philadelphia International, and the Lancaster, Pennsylvania airport. Congratulations to Steve Williams, Dave Hoppenjans and staff for their work on this noteworthy project.

Staff continues to work with Authority Counsel and officials from Cape May County regarding the response to Dr. Salvatore’s application to the New Jersey SHPO for the establishment of an historic district at Cape May Airport – and to the Department of the Interior for placement on the Historic Register. The State of New Jersey postponed its February 24th hearing on the application to June 29th based on issues of proper notification raised by counsel and Cape May County.

Finance

Victor Ferzetti and staff have been working on materials for a response to Standard & Poor’s request for information. S & P is conducting a review of the Authorities debt.

Safety

The annual DRBA Safety and Environment Recognition event was held in the cafeteria. Many employees and departments were recognized for their significant contributions in 2010 that resulted in the Authority experiencing its 2nd lowest number of employee injuries in a calendar year. Congratulations to all those receiving awards and to Bob Young, Jay Jones and Francis Faunt for their leadership.

Employee Happenings

The Negotiation team led by Frank Minor and Charlotte Crowell continued to meet with the FOP, Lodge Number 14 to discuss various positions in our first Collective Bargaining Agreement which is being developed with this group of represented employees.

Permanent Full-time staffing levels at the end of February:

Authorized Positions (2011 Budget Year)	418
Positions Filled	384
Positions Filled (on LTD)	4
Total Positions that are Vacant	30
Vacant Positions in Process to fill	4

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

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Commissioner Traynor presented the following Budget & Finance Committee meeting minutes held on March 1, 2011.

BUDGET & FINANCE COMMITTEE MEETING

Tuesday, March 1, 2011

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 1, 2011, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from Delaware

Commissioners from New Jersey

PRESENT

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

Commissioner Van Sant, Committee Member
Commissioner Dorn
Commissioner Smith
Vice-Chairperson Hogan

Governors' Representatives

Andrew Lippstone - DE

Johanna Jones – NJ
Susan Kase - NJ

Staff

Jim Johnson
Frank Minor
Victor Ferzetti
Jim Walls
Gerry Owens
Charlotte Crowell
Joe Larotonda

Authority Secretary

Tom Pankok

1. Committee Chair Traynor opened the Budget & Finance Committee meeting at approximately 10:05 a.m. The Authority Secretary 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.

Committee Chair Traynor reported that the Budget & Finance Committee would not be considering the proposed Resolution Authorizing the Adoption of a Revised Fare Schedule for the Cape May-Lewes Ferry.

2. Committee Chair Traynor requested an Executive Session, closed to the public to discuss matters of a confidential nature. A motion was made by Commissioner Downes, seconded by Commissioner Van Sant, 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 Van Sant, seconded by Commissioner Murphy and the Budget & Finance Committee was opened to the public.

With no further business to discuss, a motion to adjourn was made by Commissioner Downes, and the Budget & Finance Committee adjourned at 11:00 a.m.

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

10350. COMMITTEE REPORT – PERSONNEL COMMITTEE

Commissioner Lathem presented the following Personnel Committee meeting minutes of March 1, 2011.

PERSONNEL COMMITTEE MEETING
Tuesday, March 1, 2011
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 1, 2011, 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
Chairperson Lowe

Commissioners from New Jersey

Committee Vice-Chair Dorn
Commissioner Smith, Committee Member
Commissioner Van Sant
Vice-Chairperson Hogan

Governors’ Representatives

Andrew Lippstone – DE

Johanna Jones – NJ
Susan Kase - NJ

Staff

Jim Johnson, Jr.
Frank Minor
Victor Ferzetti
Jim Walls
Gerry Owens
Charlotte Crowell

Authority Secretary

Tom Pankok

1. Committee Chair Lathem welcomed the Personnel Committee and opened the meeting at 9:45 a.m. The Authority Secretary 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, closed to the public to discuss matters of a confidential nature. A motion was made by Commissioner Murphy, seconded by Commissioner Dorn, and the meeting was moved into Executive Session.

The following matters of a confidential nature were discussed.

- CONTRACT NEGOTIATIONS
- 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 Traynor, and the Personnel Committee was opened to the public.

With no further business to discuss, Commissioner Traynor made a motion to adjourn, and the Personnel Committee adjourned at 10:05 a.m.

With no further business to discuss, Commissioner Smith made a motion to adjourn, and the Personnel Committee adjourned at 10:58 a.m.

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

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10351. COMMITTEE REPORT – PROJECTS

Commissioner Murphy presented the following Projects Committee meeting minutes of March 1, 2011.

**PROJECTS COMMITTEE
March 1, 2011
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 1, 2011, at the Delaware Memorial Bridge Administration Building, New Castle, Delaware.

Commissioners from Delaware

PRESENT

Committee Chair Murphy
Committee Member Lathem
Commissioner Downes
Commissioner Traynor
Chairman Lowe

Commissioners from New Jersey

PRESENT

Committee Vice-Chair Van Sant
Committee Member Dorn
Committee Member Smith
Vice-Chair Hogan

Staff

Jim Johnson
Frank Minor
Jim Walls
Victor Ferzetti
Gerry DiNicola Owens
Charlotte Crowell
Heath Gehrke
Steve Williams
Joel Leidy
Anna Marie Gonnella-Rosato
John Sarro
Kelly Phillips Parker
Joe Volk

Authority Secretary

Tom Pankok

Representatives from NJ Governor’s Office

Johanna Jones
Susan Kase

Representative from DE Governor’s Office

Andrew Lippstone

Committee Chair Murphy welcomed the Projects Committee and opened the meeting at approximately 11:00 a.m. The Authority Secretary reported that the public meeting of the Projects Committee had been duly noticed in accordance with the Authority’s Freedom of Information Regulations, read the Statement of Notice, and reported that the committee had a quorum. Those in attendance were provided an informational package consisting of an agenda, two (2) draft Resolutions, three (3) Bid Tabs, a close-out letter and a monthly contractor payment chart (through February).

1. Resolutions:

- RESOLUTION 11-XX – Authorizes a Contract Between the Authority and Greenman-Pederson, Inc. to Provide Professional “On-Call” Authority-wide Bridge and Highway Inspection Services for the Delaware River and Bay Authority

- RESOLUTION 11-XX – Authorizes a Contract Between the Authority and KCI Technologies to Provide Professional “On-Call” Authority-wide Airports, Ferry, and Building Inspection Services for the Delaware River and Bay Authority

The COO introduced the aforementioned Resolutions for On-Call Inspection Services and advised the Committee that the cost proposal negotiations had not been finalized. The COO recommended that these Resolutions be tabled until the April Committee meeting and the Committee concurred.

2. Bid Openings:

- Contract No. CMLF-10-04, Cape May-Lewes Ferry Monopile 68 & 74 Replacement – Cape May. A public bid opening was held on January 13, 2011 in which four (4) bids were submitted. The COO described the scope of the work as all labor, material and equipment necessary to replace monopiles 68 and 74 at the Cape May-Lewes Ferry Terminal, Cape May, New Jersey. The COO recommended award of the Base Bid and Add Alternate No. 2 to the lowest responsive bidder, Agate Construction Co., in the amount of \$1,295,000.00. The COO advised the Committee that Add Alternate No. 2 for the midship replacement will be authorized only if it should become necessary and will utilize the six foot spare monopile that the Authority already has on hand. A motion to move the award of Contract No. CMLF-10-04 to the full Board was made by Commissioner Van Sant, seconded by Commissioner Smith, and unanimously approved. The Projects Committee authorized the action to be presented at the March Board meeting.

- Purchase Agreement No. PA-10-01, Furnish and Deliver Monopiles, Cape May-Lewes Ferry. A public bid was held on January 13, 2011 in which one (1) bid was submitted. The COO described this contract as the supply and delivery of the two (2) monopile replacements for monopiles 68 and 74. The COO recommended award to the responsive bidder ZS Technologies in the amount of \$974,614.00. A motion to move the award of PA-10-01 to the full Board was made by Commissioner Lathem, seconded by Commissioner Smith, and unanimously approved. The Projects Committee authorized the action to be presented at the March Board meeting.

- Contract No. CMLF-11-01, 2011 Maintenance Dredging, Cape May Terminal. A public bid opening was held on February 25, 2011 in which three (3) bids were submitted. The COO described the scope of the work as consisting of furnishing all plant, labor, equipment, services, supervision and materials in connection with the removal of approximately 60,000 cubic yards of maintenance material from the berths of the Cape May Terminal in Cape May, New Jersey. The COO recommended award to the lowest responsive bidder, Cottrell Contracting Corporation in the amount of \$380,200.00. A motion to move the award of Contract No. CMLF-11-01 to the full Board was made by Commissioner Van Sant, seconded by Commissioner Smith, and unanimously approved. The Projects Committee authorized the action to be presented at the March Board meeting.

3. Contract Close-Out Actions:

- DMB-07-04, Administration Building Computer Room Renovation – Delaware Memorial Bridge. The COO recommended close-out of the contract and final payment to Schlosser & Associates, Inc. of Newark, Delaware. The final contract amount is \$474,629.82. A motion to close out this contract was made by Commissioner Lathem, seconded by Commissioner Smith, and unanimously approved. The Projects Committee authorized the action be presented at the March Board meeting.

4. Contract Payment Review (through February): The COO informed the Committee of the monthly construction contractor payments to be made in March which will be read at the March Board meeting.

5. Miscellaneous Items/Updates:

- Alternative Energy Initiatives: The Executive Director advised the Committee that an energy audit had been performed for the Delaware Memorial Bridge and asked the Chief Engineer to provide an update on the implementation of the recommendations. The Chief Engineer advised the Committee that Staff was in the process of updating old, existing fixtures to

energy efficient fixtures and that the replacements should be complete by the end of this year. Commissioner Downes asked for a copy of the audit and the schedule of work to be performed and the Chief Engineer agreed to provide it. The Executive Director also advised the Committee that an RFI for Alternative Energy sources has been developed that the Authority will be releasing in the near future.

6. Committee Chair Murphy requested an Executive Session, closed to the public, to discuss matters of a confidential nature. A motion to move to Executive Session was made by Commissioner Smith, seconded by Commissioner Lathem, and the Projects Committee was moved into Executive Session at approximately 11:30 a.m.

The following matters of a confidential nature were discussed.

- LONG-RANGE PLANNING MATTERS

With no further business to discuss in Executive Session, a motion to open the meeting to the public was made by Commissioner Dorn, seconded by Commissioner Van Sant, and the Projects Committee was opened to the public.

With no further business to discuss, a motion to adjourn was made by Lathem, seconded by Commissioner Dorn, and the Projects Committee adjourned at approximately 12:30.

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

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10352. COMMITTEE REPORT – ECONOMIC DEVELOPMENT

Commissioner Smith presented the following Economic Development Committee meeting minutes of March 1, 2011.

ECONOMIC DEVELOPMENT COMMITTEE MEETING
Tuesday, March 1, 2011
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 1, 2011, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from Delaware
PRESENT

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

Commissioners from New Jersey

Committee Chair Smith
Commissioner Dorn, Committee Member
Commissioner Van Sant

Vice-Chairperson Hogan

Governors’ Representatives
Andrew Lippstone - DE

Johanna Jones – NJ
Susan Kase - NJ

Staff

Jim Johnson
Frank Minor
Victor Ferzetti
Jim Walls
Gerry Owens
Charlotte Crowell
Anna Marie Gonnella Rosato

Authority Secretary
Tom Pankok

Invited Guests

The Star Group
Amy Colbourn, Vice President
Maria Antonelli, Managing Partner
Denise Myers, Media Supervisor

Michael Porch
Jim Salmon
Michelle Griscom-Collins

Devon Short, Art Director
Greg Bradley, Dir, Emerging & Social Media

1. Committee Chair Smith welcomed the Economic Development Committee and opened the meeting at approximately 9:05 a.m. The Authority Secretary 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. Action Items

Airports

a. RESOLUTION 11-XX – LEASE AMENDMENT BETWEEN THE DELWARE RIVER AND BAY AUTHORITY AND JOHN DEBAUN, CAPE MAY AIRPORT –

The Deputy Executive Director reported that the Resolution authorizes the current tenant at the Cape May Airport to relocate to one of the other units within the same Building 96, at an annual rent of \$9,000 during the first renewal term and \$10,500 for the second renewal term for the new unit. Rent during the remaining option periods shall be adjusted each year by the Consumer Price Index.

b. RESOLUTION 11-XX – LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND RICH GRANT AT THE CAPE MAY AIRPORT –

The Deputy Executive Director reported that the Resolution authorizes the lease of approximately 1,500 square feet of space in Building 96 at the Cape May Airport for the operation of a custom motorcycle shop. Annual rent for the initial one (1) year term is \$7,500, with the option of renewing the Agreement for two (2) one (1) year periods. Rent during the initial term and option periods shall be adjusted each year by the Consumer Price Index.

c. RESOLUTION 11-XX – LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND BLUE RIDGE AIR, INC. AT THE NEW CASTLE AIRPORT –

The Deputy Executive Director reported that the Resolution authorizes the current tenant in the building commonly referred to as Hangar A, located at 139 North DuPont Highway, at the New Castle Airport, to lease approximately 25% of space at a Fair Market Value annual rent of \$75,000. The initial term of the Agreement is for five (5) years, with five (5) renewal periods of three (3) years each. Rent at the beginning of the option periods shall be adjusted by the Consumer Price Index. This aircraft has been at the airport since 1999. The current lease is expiring and the tenant wishes to stay in the same hangar space.

d. RESOLUTION 11-XX – LEASE AMENDMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND BOEING VERTOL COMPANY AT THE NEW CASTLE AIRPORT –

The Deputy Executive Director reported that Boeing currently leases two adjacent parcels of land at the New Castle Airport with the original terms of the Agreement for Parcel A and all options are due to expire April 30, 2010. The original term of the Agreement and all options for Parcel C/D, adjacent to Parcel A, are due to expire December 31, 2011. Boeing wishes to extend the Agreement for Parcel A at a monthly rent during the extension of \$7,546.50. The Authority and Boeing are currently negotiating a new Agreement combining both leaseholds into one lease.

e. RESOLUTION 11-XX – LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND LUND AIR SERVICES, LLC –

The Deputy Executive Director reported that the Resolution authorizes the lease of approximately 7,500 square feet of hangar space located at 13 Penns Way at the New Castle Airport to house a corporate aircraft. The initial term of the lease is for five (5) years with one

(1) option period of five (5) years, at an annual rent of \$72,000 and shall be adjusted each year during the initial term and option period (other than the year rent is adjusted by Fair Market Value) by the Consumer Price Index. Rent at the beginning of the option period shall be adjusted to the Fair Market Value

After discussion Chair Smith called for a single vote to move all five (5) Resolutions to the full board. Commissioner Traynor made a motion, Commissioner Dorn seconded, and the Economic Development Committee unanimously recommended forwarding the Resolutions to the full Board for approval. The Resolutions will be presented to the full Board for consideration at the March meeting.

3. 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 Commissioner Downes, and the meeting was called into Executive Session.

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, and the Economic Development Committee was opened to the public.

With no further business to discuss, a motion to adjourn was made by Commissioner Dorn, seconded by Commissioner Traynor, and the Economic Development Committee adjourned at 9:45 a.m.

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

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10353. COMMITTEE REPORT – AUDIT & GOVERNANCE

It was noted by Chairperson Lowe that a meeting of the Audit & Governance Committee did not occur on February 1, 2011 as there were no agenda, action, or discussion items.

AUDIT & GOVERNANCE COMMITTEE MEETING

Tuesday, March 1, 2011

Delaware Memorial Bridge Complex
New Castle, Delaware

A public meeting of The Delaware River and Bay Authority's Audit & Governance Committee was held on Tuesday, March 1, 2011, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from Delaware

PRESENT

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

Commissioners from New Jersey

Commissioner Dorn, Committee Member
Commissioner Van Sant, Committee Member

Vice-Chairperson Hogan

Governors' Representatives

Johanna Jones - NJ

Staff

Jim Johnson, Jr.
Frank Minor
Victor Ferzetti
Jim Walls

Authority Secretary

Tom Pankok

Gerry Owens
Charlotte Crowell

1. It was reported that there were no Agenda, Action, or Discussion items; therefore, it was not necessary to conduct an Audit & Governance meeting.

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10329. DELAWARE RIVER AND BAY AUTHORITY – TRAFFIC AND REVENUE SUMMARY.

The Chief Financial Officer (CFO) presented charts 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 January.

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

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10354. DELAWARE RIVER AND BAY AUTHORITY – STATEMENT OF INCOME AND EXPENSE.

The CFO presented charts showing statements of income and expenses for the month of January with comparisons to the same periods last year.

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

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10355. DELAWARE RIVER AND BAY AUTHORITY – OPERATING EXPENSE BY DIVISION.

The CFO presented charts for February 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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10356. DELAWARE RIVER AND BAY AUTHORITY – CAPITAL IMPROVEMENT PROGRAM.

The CFO presented a chart for the month of February showing the capital budget for crossing and economic development projects and dollars committed to date for the projects. The chart also includes 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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10357. DELAWARE RIVER AND BAY AUTHORITY – CASH POSITION (MARKET VALUE) AS OF FEBRUARY 28, 2011.

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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10358. COMMISSIONERS PUBLIC FORUM

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 Smith, and unanimously carried.

The meeting was adjourned 11:51 a.m.

Respectfully submitted,

THE DELAWARE RIVER AND BAY AUTHORITY

Thomas A. Pankok
Secretary