

**MINUTES OF MEETING
THE DELAWARE RIVER AND BAY AUTHORITY
Tuesday, February 12, 2013
James Julian Boardroom
Delaware Memorial Bridge Plaza
New Castle, Delaware 19720**

The meeting convened at 11:18 a.m. with Chairperson Lowe presiding.

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

Commissioner Hogan was given the Oath of Allegiance as the Chairperson of the Board of Commissioners by New Jersey Assemblyman John J. Burzichelli, District 3, while Reverend Dorn held the Bible.

Commissioner Lowe was given the Oath of Allegiance as the Vice-Chairperson of the Board of Commissioners by New Jersey Assemblyman John J. Burzichelli, District 3, while Reverend Dorn held the Bible.

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

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.

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Commissioners from New Jersey

Commissioners from Delaware

PRESENT

James N. Hogan, Chairperson
Edward W. Dorn
Richard S. Mroz
Ceil Smith
Douglas Van Sant

William E. Lowe, Vice-Chairperson

Samuel E. Lathem
Terri C. Murphy
Gary F. Traynor

ABSENT

Shirley R. Wilson

Fernando N. Guajardo
Richard W. Downes

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Chairperson Hogan called for the acceptance of the new Committee Assignments.

Commissioner Traynor motioned to accept the new Committee Assignments, seconded by Commissioner Van Sant, and the motion carried by a voice vote of 9-0.

Chairperson Hogan called for the acceptance of the Agenda.

Commissioner Lathem motioned to accept the Agenda, seconded by Commissioner Dorn, and the motion carried by a voice vote of 9-0.

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10622. APPROVAL OF THE JANUARY 15, 2013 MINUTES

Commissioner Dorn motioned to approve the January 15, 2013 meeting minutes, seconded by Commissioner Van Sant, and unanimously approved by a voice vote of 9-0.

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10623. 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, 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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10624. 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 January 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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10625. DELAWARE RIVER AND BAY AUTHORITY – OPERATING EXPENSE BY DIVISION.

The CFO presented a chart for January 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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10626. DELAWARE RIVER AND BAY AUTHORITY – CAPITAL IMPROVEMENT PROGRAM.

The CFO presented a chart for the month of January 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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10627. DELAWARE RIVER AND BAY AUTHORITY – CASH POSITION (MARKET VALUE) AS OF January 30, 2013.

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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10628. AUTHORITY CUSTOMER TRENDS (ACT) REPORT

The CFO stated that the Authority Customer Trends (ACT) Report included in the financials allows management to view on a month-to-date basis trends in areas such as traffic, customer

service, aircraft landings, and workplace incidents. Copies are distributed daily to employees via email and posted on bulletin boards for those without computers.

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10629. PUBLIC COMMENT ON ACTION ITEMS

Chairperson Hogan noted the following action items that were being considered and asked for public comment.

Contract CMLF-12-07 – 2013 Vessel Drydocking & Repairs M/V Delaware

Contract DMB-12-01 – Spot Repair, East Girder Spans with 100% Overcoat of North Fascia and Sidewalks

Contract DMB-12-03 – Spot Preparation & 100% Overcoat Center and Side Suspended Spans, Second Structure

Resolution 13-08 - Authorizes Authority Expenditures Pursuant to Resolution 01-84 For The Period, January 1, 2013 Through December 31, 2013

Resolution 13-09 – Adoption of a Revised Fare Schedule for the Cape May-Lewes Ferry

Resolution 13-10 – TABLED

There were no public comments.

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10630. 2013 VESSEL DRYDOCKING AND REPAIRS – MV DELAWARE – CONTRACT #CMLF-12-07

The Chief Operating Officer (COO) noted that a public bid opening was held on February 5, 2013, in which four (4) bids were received. The project is a mandatory vessel drydocking and repairs of the MV Delaware. The COO and the Projects Committee recommend awarding the contract to the lowest responsible bidder, Thames Shipyard & Repair Co, New London, CT, in the amount of \$631,880.14.

A motion to award Contract #CMLF-12-07 to the aforementioned firm in the amount of \$631,880.14 was made by Commissioner Dorn, seconded by Commissioner Smith, and unanimously approved by a voice vote of 9-0.

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10631. SPOT REPAIR, EAST GIRDER SPANS WITH 100% OVERCOAT OF NORTH FASCIA AND SIDEWALKS – CONTRACT #DMB-12-01

The COO noted that a public bid opening was held on February 7, 2013, in which five (5) bids were received. The COO and the Projects Committee recommended awarding the contract to the lowest responsible bidder, Allied Paining, Inc. of Cherry Hill, NJ, in the amount of \$900,100.00.

A motion to award Contract #DMB-12-01 to the aforementioned firm in the amount of \$900,100.00 was made by Commissioner Dorn, seconded by Commissioner Murphy, and unanimously approved by a voice vote of 9-0.

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10632. SPOT PREPARATION & 100% OVERCOAT CENTER AND SIDE SUSPENDED SPANS, SECOND STRUCTURE – CONTRACT #DMB-12-03

The COO noted that a public bid opening was held on February 7, 2013, in which three (3) bids were received. The COO and the Projects Committee recommend awarding the contract to the lowest responsible bidder, Allied Painting, Inc. of Cherry Hill, NJ, in the amount of \$6,900,200.00.

A motion to award Contract #DMB-12-03 to the aforementioned firm in the amount of \$6,900,200.00 was made by Commissioner Murphy, seconded by Commissioner Smith, and unanimously approved by a roll call vote of 9-0.

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10633. CHAIRPERSON’S CALL FOR RESOLUTIONS BEFORE THE BOARD

RESOLUTION 13-08 - AUTHORIZING AUTHORITY EXPENDITURES PURSUANT TO RESOLUTION 01-84 FOR THE PERIOD, JANUARY 1, 2013 THROUGH DECEMBER 31, 2013

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 1/1/13 THROUGH 12/31/13

VENDOR	SERVICE DESCRIPTION	DETERMINATION	APPROX. ESTIMATED \$
Brennan’s Office Interiors, Inc.	New Furniture for the IT Department – New Castle, DE	State Contract	\$42,000
Eastern Aviation Fuels, Inc.	AV Gas for Delaware Airpark	Sole Source	\$ 50,000
Kent Oil, Co.	AV Gas for Delaware Airpark	Sole Source	\$ 50,000

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 13-08 was made by Commissioner Traynor, seconded by Commissioner Murphy, and approved by a roll call vote of 9-0.

Resolution 13-08 - Executive Summary Sheet

Resolution: Authorizing Authority Expenditures Pursuant to Resolution 01-84 for the period, January 1, 2013 through December 31, 2013.

Committee: Budget & Finance

Committee and Board Date: February 12, 2013

Purpose of Resolution:

Authorizes the expenditure of \$25,000 or greater with the identified vendors for the 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:

New Furniture for the IT Department – New Castle, DE

The existing cubicle furniture in the IT Department in New Castle, DE is over twenty (20) years old, badly damaged from the years of use, and no longer functionally meets the needs of the Department. The new furniture will consist of nine (9) modular workstations and staff meeting room furniture.

AV Gas for Delaware Airpark

The fuel tanks at Delaware Airpark have the capacity to hold 5,000 gallons of AV gas. Most fuel companies deliver AV gas in 10,000 gallon containers. The price of AV gas is a rack price per gallon plus a delivery fee for the container. The delivery fee is proportionate to the size of the container, not the size of the load. The DRBA unsuccessfully solicited quotes for the delivery of AV gas in the past. Kent Oil, Co. and Eastern Aviation Fuels, Inc. are the only companies that the DRBA was able to identify that routinely deliver AV gas in small container loads. Using smaller containers allows the Avgas providers to charge a delivery fee that is proportionate to the size of the container making AV gas purchases more economical than purchases from the other companies who charge a larger delivery fee based on the size of the container. The DRBA will solicit quotes from both companies for every purchase in order to ensure that it pays the lowest available price for each delivery.

Background for Determination category:

State Contract:

Resolution 98-31, as amended by Resolution 11-36 (paragraph 2, subsection a) provides that “[t]his [competitive bidding] provision shall not apply to purchases by the Authority from suppliers in cases where the Authority is purchasing at prices pursuant to contracts awarded by the States of Delaware or New Jersey for state agencies.

Sole Source:

Sole source items are goods and services that the Authority requires that cannot be provided by another source. Resolution 98-31 (paragraph 2, subsection f) provides that “[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 1 source for the required contract”.

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Executive Director Green noted that Resolution 13-09 has been amended to include comments resulting from the Budget & Finance Committee meeting.

RESOLUTION 13-09 - ADOPTION OF A REVISED FARE SCHEDULE FOR THE CAPE MAY-LEWES FERRY

WHEREAS, The Delaware River and Bay Authority (the “Authority”), is a bi-state agency created by Compact for the purpose of operating crossing facilities between the States of Delaware and New Jersey; and

WHEREAS, the Authority owns and operates the Cape May-Lewes Ferry, which connects Cape May, New Jersey, and Lewes, Delaware; and

WHEREAS, the Authority has made significant capital investments in safety, landside improvements, vessels, and infrastructure; and

WHEREAS, the operating deficit for FY 2012 was approximately \$9.0 million;
and

WHEREAS, the revisions to the fare schedule are limited to the discontinuance of Vehicle & Driver Return-Trip Value Fares on Fridays, Saturdays, Sundays, and Holidays between Memorial Day and Labor Day, and the discontinuance of \$2.00 Internet Reservation discounts; and

WHEREAS, the revised fare schedule does not include any general increases to the current Vehicle & Driver, Passenger, and Shuttle fares; and

WHEREAS, the projected gross income from the revised fare schedule will tend to offset an increase in the operating deficit in FY 2013; and

WHEREAS, the Authority has concluded that the revised fare schedule is responsive to the public's concerns, and yet acts to meet the financial requirements of the Authority; and

WHEREAS, based on the foregoing, the Authority has concluded that the revised fare schedule is just and reasonable, necessary, proper and desirable; and

WHEREAS, the Authority desires to amend the fare schedule with an effective date of April 1, 2013.

NOW, THEREFORE, BE IT RESOLVED, that the revised fare schedule for the Cape May-Lewes Ferry, attached hereto, is hereby adopted with an effective date of April 1, 2013.

Cape May-Lewes Ferry Fares			
(All Fares are One-Way Unless Noted)	Effective April 1, 2013		
	NOV-MAR	APR-OCT	PEAK*
<u>VEHICLE & DRIVER</u>			
Car, SUV, Van, Pick-up Truck (vehicles less than 20' length)	\$30.00	\$36.00	\$44.00
Return-Trip Value Fare	\$26.00	\$32.00	
Motorcycle or Motorbike	\$25.00	\$31.00	\$36.00
Return-trip Value Fare	\$22.00	\$27.00	
Discount Book of Six (6) Tickets (all vehicles less than 20' length)	\$153	\$153	\$153
Discount Book of Six (6) Tickets (Commercial vehicles)	15% off scheduled fare		
Discount Book of Twelve (12) Tickets (all vehicles less than 20' length)	\$288	\$288	\$288
(Memorial Day to Labor Day: not valid Sat, Sun, or Holidays between 9 a.m. and 5 p.m.)			
<u>VEHICLE & FOOT PASSENGERS</u>			
Under 6 years of age	FREE	FREE	FREE
Children, age 6-13	\$4.00	\$5.00	\$5.00
Return-Trip Value Fare	\$3.00	\$4.00	\$4.00
14 Years of age and older	\$8.00	\$10.00	\$10.00
Return-Trip Value Fare	\$6.00	\$8.00	\$8.00
Discount Book of Six (6) Adult Tickets	\$45.00	\$45.00	\$45.00
*NOTE: Return-Trip Value Fares must be purchased with initial Sailing			

<u>BUS PASSENGERS</u>			
Under 6 years of age	FREE	FREE	FREE
Children, age 6-13	\$2.00	\$3.00	\$3.00
14 Years of age and older	\$3.00	\$5.00	\$5.00
<u>FERRY TERMINAL SHUTTLE FARES</u>			
Under 6 years of age	FREE	FREE	FREE
6 Years of age and older	\$4.00	\$4.00	\$4.00
<u>OTHER DISCOUNTS & FEES</u>			
Non-Refundable Reservation Cancellation Fee	\$5.00	\$5.00	\$5.00
<u>OTHER VEHICLES & DRIVER</u>			
20' to under 25'	\$34.00	\$42.00	\$50.00
25' to under 35'	\$43.00	\$50.00	\$61.00
35' to under 45'	\$50.00	\$57.00	\$69.00
45' to under 60'	\$62.00	\$70.00	\$85.00
More than 60'	\$85.00	\$93.00	\$113.00

***PEAK FARES:** Memorial Day to Labor Day – Fri, Sat, Sun, & Holidays

TICKET EXPIRATION: Tickets expire two years after purchase date.

Fielding a question from Commissioner Traynor, Executive Director Green stated that the amended Resolution 13-09 that is before the Board incorporates comments expressed by the Budget & Finance Committee clarifying the revisions to the fare schedule as it pertains to Vehicle & Driver Return-Trip Value Fares.

A motion to approve amended Resolution 13-09 was made by Commissioner Lathem, seconded by Commissioner Dorn, and approved by a roll call vote of 9-0.

Resolution 13-XX Executive Summary Sheet

Resolution: Adoption of a Revised Fare Schedule for the Cape May-Lewes Ferry

Committee: Budget & Finance Committee

Committee Date: February 12, 2013

Board Date: February 12, 2013

Purpose of Resolution:

To authorize a Revised Fare Schedule for the Cape May-Lewes Ferry effective April 1, 2013

Background for Resolution:

The current Cape May-Lewes Ferry Fare Schedule has been in effect since April 1, 2010. In FY 2012, the CMLF operating deficit was approximately \$9 million. A revised Fare Schedule is proposed to generate greater revenues to help offset increases in the operating deficit for FY 2013.

The proposed Fare Schedule includes:

- No general increases will be applied to the current Vehicle & Driver, Passenger, and Shuttle fares.
- Return-Trip Value Fares will be discontinued on Fridays, Saturdays, Sundays, Mondays, and Holidays between Memorial Day and Labor Day, but they will continue to be offered on all other days.
- \$2.00 Internet reservation discount will be discontinued.
- Above changes will be effective on April 1, 2013.

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RESOLUTION 13-10 – A RESOLUTION BY THE DELAWARE RIVER AND BAY AUTHORITY TO AUTHORIZE AN AMENDMENT TO THE AUTHORITY’S PERSONNEL MANUAL, SECTION XX, HEARINGS, AS REVISED MARCH 2000

Resolution 13-10 was tabled in the Personnel committee.

A motion to table Resolution 13-10 was made by Commissioner Van Sant, seconded by Commissioner Smith, and approved by a voice vote of 9-0.

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10634. EXECUTIVE DIRECTOR’S COMMENTS

The Executive Director briefed the Board on the activities in and around the Authority including the James G. Wilson Maintenance Building dedication ceremony held on January 18, 2013, in which the Board Chair and Vice-Chair attended, a visit to the Cape May-Lewes Ferry from the Head Start Program of the Carl T. Mitnick School, and the collaboration between Southern Delaware Tourism and Cape May Tourism organizations. Southern Delaware recently toured Cape May in an effort to share opportunities. Next month Cape May Tourism will tour Delaware.

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10635. COMMISSIONERS PUBLIC FORUM

Chairperson Hogan called for comments from the public and the Commissioners.

Vice-Chairperson Lowe noted that Commissioner Lathem was present at the dedication of the maintenance building to James G. Wilson.

Executive Director Green introduced Delaware’s new Deputy Legal Counsel, Lindsay Crawford O’Mara. She is replacing Andrew Lippstone.

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There being no further business, a motion to adjourn was made by all Commissioners, and unanimously carried.

The meeting was adjourned at 11:30 a.m.

Respectfully submitted,

THE DELAWARE RIVER AND BAY AUTHORITY

Frank W. Minor
Assistant Secretary