

DELAWARE RIVER AND BAY AUTHORITY
BUDGET & FINANCE COMMITTEE MEETING
Tuesday, September 17, 2013
Lewes, Delaware

A public meeting of The Delaware River and Bay Authority's Budget & Finance Committee Meeting was held on Tuesday, September 17, 2013, at the Virden Center, Lewes, Delaware.

Commissioners from New Jersey

PRESENT

Committee Chair Mroz-via phone
Commissioner Dorn
Commissioner Wilson

Chairperson Hogan

Commissioners from Delaware

Commissioner Downes, Committee Member
Commissioner Murphy, Committee Member
Commissioner Lathem

Vice-Chairperson Lowe

Legal Counsel

Phil Norcross - NJ

Mike Houghton - DE

Governors' Representatives

Peter Simon – NJ – via phone

Staff

Scott Green
Frank Minor
Victor Ferzetti
Jim Walls
Gerry Owens
Charlotte Crowell
Anna Marie Gonnella Rosato
Jim Salmon
Ruth Warner
Heath Gehrke
Shoukry Elnahal
Greg Pawlowski
Joe Nadal
Joe Larotonda
Dave Hoppenjans
Steve Williams
Michelle Hammel
TJ Murray

1. Committee Chair Mroz opened the Budget & Finance Committee meeting at approximately 9:05 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 turned the meeting over to the Chief Financial Officer who then called for a motion to accept the Budget & Finance Committee Minutes from July 16, 2013. Commissioner Murphy made a motion, Commissioner Mroz seconded, and the Committee Minutes were accepted.

3. Resolutions:

a. RESOLUTION 13-29 – 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, and asked for questions. There were none. Commissioner Mroz made a motion, Commissioner Murphy seconded, and the 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 September meeting later today.

b. RESOLUTION 13-30 – RESCINDS RESOLUTION 13-18 AND AUTHORIZES A CONTRACT BETWEEN THE AUTHORITY AND JACKSON CROSS PARTNERS, LLC TO PROVIDE GENERAL REAL ESTATE BROKERAGE SERVICES –

The CFO presented the Resolution. The CFO reminded the Committee that the Board previously selected and approved Jones Lang Lasalle (JLL) to provide General Real Estate Brokerage Services; however, the Authority and JLL could not come to terms regarding insurance liability matters. Jackson Cross Partners was the second ranked firm and qualified to provide these services.

After discussion, and with no further questions, Commissioner Mroz made a motion, Commissioner Murphy seconded, and the 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 September meeting later today.

4. 2014 Operating Budget and Discussion:

The CFO reported on the 2014 Operating Budget process. Budget Sessions will be held with the operating division managers later in the month. The CFO reported potential increases to Insurances, Healthcare, Vessel Fuel and substantial increases to legal fees. The Committee discussed the increased legal fees and the CFO noted the Authority is currently negotiating with three unions. The Committee also discussed the recent hiring of an in-house lawyer and the potential to alleviate some of the fees. The Executive Director reminded the Committee that part of the duties of the in-house lawyer was to administer the Authority's new Ethics Program;

however, having an in-house lawyer has been beneficial to the Authority by finding issues prior to having to go to outside Legal Counsel.

The CFO added that the pension contribution is expected to reduce for 2014 and the cost savings of that reduction may be greater than the cumulative increases previously noted. The CFO speculated that the 2014 Operating Budget may be in the range of increase anywhere from -1% to +1%. The CFO reported he is in discussions with the Committee Chair regarding a schedule for approval in November. Committee Chair Mroz reported that he will be scheduling additional Budget & Finance Committee meetings to discuss the Budget going forward.

5. Miscellaneous: None.

With no further business to discuss, a motion to adjourn was made by Commissioner Downes, and the Budget & Finance Committee adjourned at 9:26 a.m.

DELAWARE RIVER AND BAY AUTHORITY

PERSONNEL COMMITTEE MEETING

Tuesday, September 17, 2013

Virden Center
Lewes, Delaware

A public meeting of The Delaware River and Bay Authority's Personnel Committee was held on Tuesday, September 17, 2013, at the Virden Center, Lewes, Delaware.

Commissioners from New Jersey

PRESENT

Committee Chair Dorn

Commissioner Wilson, Committee Member

Chairperson Hogan

Legal Counsel

Phil Norcross - NJ

Governors' Representatives

Peter Simon – NJ – via phone

Staff

Scott Green

Frank Minor

Victor Ferzetti

Jim Walls

Gerry Owens

Charlotte Crowell

Michelle Hammel

Commissioners from Delaware

Committee Vice-Chair Lathem

Commissioner Murphy, Committee Member

Commissioner Downes

Commissioner Guajardo-arrived after the roll call

Vice-Chairperson Lowe

Mike Houghton - DE

1. Committee Chair Dorn welcomed the Personnel Committee and opened the meeting 9:27 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 July 16, 2013. Commissioner Lathem made a motion, Commissioner Wilson 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 Lathem, seconded by Commissioner Murphy, and the Session was closed.

The following matters of a confidential nature were discussed.

- LABOR NEGOTIATIONS
- LEGAL MATTERS

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

The Chief Human Resource Officer (CHRO) introduced the newly hired Pension and Benefits Manager, Ruth Warner. Ruth provided her background and experience in pensions and benefits.

5. With no further business to discuss, Commissioner Lathem made a motion to adjourn, and the Personnel Committee adjourned at 9:50 a.m.

DELAWARE RIVER AND BAY AUTHORITY

ECONOMIC DEVELOPMENT COMMITTEE MEETING

Tuesday, September 17, 2013

Virden Center
Lewes, Delaware

A public meeting of The Delaware River and Bay Authority's Economic Development Committee was held on Tuesday, September 17, 2013, at the Virden Center, Lewes, Delaware.

Commissioners from New Jersey

PRESENT

Commissioner Dorn, Committee Member
Commissioner Wilson, Committee Member

Chairperson Hogan

Legal Counsel

Phil Norcross - NJ

Governors' Representatives

Peter Simon – NJ – via phone

Staff

Scott Green
Frank Minor
Victor Ferzetti
Jim Walls
Gerry Owens
Charlotte Crowell
Anna Marie Gonnella Rosato
Jim Salmon
Ruth Warner
Heath Gehrke
Greg Pawlowski
Joe Nadal
Steve Williams
Dave Hoppenjans
Michelle Hammel
TJ Murray
Joe Larotonda
Shoukry Elnahal

Commissioners from Delaware

Committee Chair Guajardo
Commissioner Downes, Committee Member
Commissioner Murphy
Commissioner Lathem

Vice-Chairperson Lowe

Mike Houghton - DE

1. Committee Chair Guajardo welcomed the Economic Development Committee and opened the meeting at approximately 9:50 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 Chair Guajardo called for a motion to accept the Economic Development Committee Minutes from July 16, 2013. Commissioner Downes made a motion, Commissioner Dorn seconded, and the Committee Minutes were accepted.

3. Action Items:

a. RESOLUTION 13-32 – EASEMENT AGREEMENT WITH THE STATE OF DELAWARE DEPARTMENT OF TRANSPORTATION AND THE RIVERFRONT DEVELOPMENT CORPORATION -

The Deputy Executive Director (DED) presented the Resolution. Although the Riverfront Market was conveyed to the Authority in June, 2000, there was no easement agreement for the Riverwalk or Dock recorded against the Market. The Resolution authorizes the Easement Agreements to codify the use of and responsibility for the Riverwalk and boat dock along the bank of the Market property. 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 September meeting later today.

b. RESOLUTION 13-33 – LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND MAVERICK AIR, LLC –

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

c. RESOLUTION 13-34 – LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND GLASSTOWN BREWERY LIMITED LIABILITY COMPANY AT THE MILLVILLE AIRPORT –

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

d. RESOLUTION 13-35 – FIRST AMENDMENT TO LEASE AGREEMENTS BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND CLEAR CHANNEL OUTDOOR –

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

e. RESOLUTION 13-36 – FOURTH AMENDMENT OF THE GROUND LEASE AND THE MEMORANDUM OF GROUND LEASE BETWEEN THE STATE OF DELAWARE AND THE DELAWARE RIVER & BAY AUTHORITY –

The DED presented the Resolution. This Resolution follows the same procedure as prior acquisitions of parcels and modifications to the Ground Lease. These parcels were obtained for development needs and safety zone buffers as required by the FAA. After discussion, Commissioner Wilson made a motion, Commissioner Downes seconded, and the Economic Development Committee unanimously recommended forwarding the Resolution to the full Board for consideration at the September meeting later today.

f. RESOLUTION 13-37 – LEASE AMENDMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND AIRPARK LLC –

The DED presented the Resolution. The tenant requested to lease additional land to aid in some storm water management and improve aircraft handling on their ramp. Although an agreement was prepared, improvements made and tenant has been paying rent, this Resolution formalizes the draft amendment that has been in place since 2004, but never finalized. After discussion, Commissioner Wilson made a motion, Commissioner Downes seconded, and the Economic Development Committee unanimously recommended forwarding the Resolution to the full Board for consideration at the September meeting later today.

g. RESOLUTION 13-38 – APPROVING OF A MEMORANDUM OF AGREEMENT BETWEEN THE COUNTY OF CAPE MAY; THE DELAWARE RIVER AND BAY AUTHORITY AND THE TOWNSHIP OF LOWER REGARDING REAL ESTATE TAXES WITHIN THE CAPE MAY COUNTY AIRPORT –

The DED presented the Resolution. This Resolution resolves the lengthy negotiations including Lower Township, Cape May County, and the Delaware River and Bay Authority regarding unpaid taxes by tenants located at the Cape May Airport and how delinquent tenants will be handled in the future. Michelle Hammel reported that the Agreement is scheduled to be approved by the Cape May County Freeholders on October 24, 2013 and signifies a new working relationship with Lower Township and the County. After discussion, Commissioner Wilson made a motion, Commissioner Dorn seconded, and the Economic Development Committee unanimously recommended forwarding the Resolution to the full Board for consideration at the September meeting later today.

h. RESOLUTION 13-39 – CONSOLIDATING STANDARD RESOLUTIONS RELATING TO THE OPERATION OF AUTHORITY FACILITIES –

The DED presented the Resolution. This purpose of the Resolution is to streamline the Authority's operations and clarifies the limits of the Executive Director's Authority by adopting one Resolution that clearly and concisely authorizes what can be done Authority-wide and eliminates piecemeal Resolutions previously adopted as matters arose. The Committee had a lengthy discussion and regarding revisions. Authority Vice-Chair Lowe requested staff work in conjunction with Legal Counsel to make revisions and present at the October Committee meeting.

After discussion, the recommendation was to Table the Resolution. Commissioner Dorn made a motion, Commissioner Wilson seconded, and the Economic Development Committee Tabled the Resolution.

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 10:40 a.m.

THE DELAWARE RIVER AND BAY AUTHORITY

PROJECTS COMMITTEE
Tuesday, September 17, 2013
Viriden Center
Lewes, Delaware

A public meeting of the Delaware River and Bay Authority's Projects Committee was held on Tuesday, September 17, 2013, at the Viriden Center, Lewes, Delaware.

Commissioners from New Jersey

PRESENT

Commissioner Dorn, Committee Member
Commissioner Wilson, Committee Member

Chairperson Hogan

Commissioners from Delaware

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

Legal Counsel

Phil Norcross - NJ

Mike Houghton - DE

Governors' Representatives

Peter Simon – NJ – via phone

Staff

Scott Green
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Jim Salmon
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Heath Gehrke
Shoukry Elnahal
Greg Pawlowski
Joe Nadal
Joe Larotonda
Dave Hoppenjans
Steve Williams
Michelle Hammel
TJ Murray

1. Committee Vice-Chair Murphy welcomed the Projects Committee and opened the meeting at approximately 10:40 a.m. Committee Chair Murphy reported that the public meeting of the Projects Committee had been duly noticed in accordance with the Authority's Freedom of Information Regulations and reported there was a quorum.

2. Committee Vice-Chair Murphy called for a motion to accept the Projects Committee minutes from July 16, 2013. Commissioner Dorn made a motion to accept the minutes, Commissioner Lathem seconded the motion, and the Committee Minutes were approved. Those in attendance were provided an informational package consisting of an agenda, one (1) Resolution, seven (7) Bid Openings, no Contract Close-outs and one (1) monthly contractor payment chart (through August).

3. Resolutions:

Resolution No. 13-31 – Easement Agreement with Chesapeake Utilities. The COO reported that this Resolution authorizes the Executive Director, Chairman and Vice Chairman to execute the Gas Main Easement Agreement with Chesapeake Utilities. The COO recommended adoption of this Resolution. A motion was made by Commissioner Dorn, seconded by Commissioner Lathem, and the Projects Committee concurred with the recommendation and authorized the action to be presented at the September Commissioner meeting later today.

4. Bid Openings:

Contract No. CMLF-13-01: 2013 Dredging – Dredge Disposal Cape May Terminal. A public Bid Opening was held on August 20, 2013, in which one (1) bid was submitted. The COO reported that this contract consists of furnishing all plant, labor, equipment, services, supervision and materials in connection with the removal of maintenance material from the berths of the Cape May Terminal to provide sufficient clearance for the ferries. The COO recommended the contract award to the lowest bidder, Barnegat Bay Dredging Company, Inc. of Harvey Cedars, New Jersey, in the amount of \$670,000.00. A motion was made by Commissioner Dorn, seconded by Commissioner Lathem, and the Projects Committee concurred with the recommendation and authorized the action to be presented at the September Commission meeting later today.

Contract No. CMLF-12-08R: 2013 Vessel Drydocking and Repairs – M/V Twin Capes. A public Bid Opening was held on August 23, 2013, in which three (3) bids were submitted. The COO reported that this contract consists essentially of routine drydocking activities including blasting, painting and minor steel work. The lowest bidder was Thames Shipyard & Repair Co. of New London, Connecticut, in the amount of \$1,348,470.50. The COO reported that this was a discretionary drydocking and discussed the planned operation of this vessel. The Committee discussed and recommended taking no action this time. A motion to Table this action was made by Commissioner Lathem, seconded by Commissioner Dorn, and the Projects Committee concurred with the recommendation to Table this action to until the October meeting.

Contract No. DAP-06-01R: T-Hangar Taxiways & Access Road – Runway 9-27 – Extension and Associated Improvements – Delaware Airpark. A public Bid Opening was held on July 3,

2013, in which five (5) bids were submitted. The COO reported that the base is 90% FAA funded and consists of construction of new T-Hangar taxilanes, T-Hangar building foundations and a new access road. Add Alternate No. 2 consists of DRBA –funded construction of two T-hangar buildings for a total of twenty (20) T-hangar units fully funded by the DRBA. The COO recommended the contract award of the base bid and Add Alternate No. 2 to the lowest bidder, Diamond Materials of Wilmington, Delaware, in the amount of \$3,020,851.50.

Staff requested an Executive Session. Committee Vice-Chair Murphy asked for a motion to move the meeting to Executive Session, closed to the public to discuss matters of a confidential nature. Commissioner Lathem made a motion, seconded by Commissioner Wilson, 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 Lathem, seconded by Commissioner Wilson, and the Session was opened to the public.

After discussion, a motion was made by Commissioner Lathem, seconded by Commissioner Dorn, and the Projects Committee concurred with the recommendation and authorized the action to be presented at the September Commission meeting later today.

Contract No. MVA-12-01: Terminal Apron Rehabilitation and Expansion – Phase I – Millville Airport. A public Bid Opening was held on July 3, 2013, in which four (4) bids were submitted. The COO reported that this contract generally involves the rehabilitation of the entire terminal apron with a 2014 completion date. The COO recommended the contract award to the lowest bidder, South State, Inc. of Bridgeton, New Jersey, in the amount of \$844,217.50. This project is 90% FAA funded. A motion was made by Commissioner Dorn, seconded by Commissioner Lathem, and the Projects Committee concurred with the recommendation and authorized the action to be presented at the September Commission meeting later today.

Contract No. DMB-10-04: Variable Message Boards Replacement and Traffic Management System. A public Bid Opening was held on August 20, 2013, in which three (3) bids were submitted. The COO reported that this contract consists of removal of eight (8) existing Variable Message Sign structures, fabrication and installation of new structures, installation of six (6) DRBA furnished VMS panels and lane signal indicators and all electrical work associated with construction. The COO recommended the contract award to the lowest bidder, J. Fletcher Creamer & Sons, Inc. of Folsom, New Jersey, in the amount of \$2,374,707.00. The Chief Information Officer added that the current manufacturer is no longer in business. A motion was made by Commissioner Wilson, seconded by Commissioner Lathem, and the Projects Committee concurred with the recommendation and authorized the action to be presented at the September Commission meeting later today.

Contract No. PA-13-01: Snow Removal Equipment with Rotary Snow Blower. A public Bid Opening was held on June 6, 2013, in which six (6) bids were submitted. The COO reported that this contract is for the purchase of one (1) high-speed 4 x 4 all-wheel drive dual engine cab forward chassis with rotary snow blower and is 90% FAA funded. The lowest bidder was non-responsive, the second lowest was non-responsible so the COO recommended the contract award to the responsive lowest bidder, Penn Jersey Machinery of Lionville, Pennsylvania, in the amount of \$551,535.00. A motion was made by Commissioner Wilson, seconded by Commissioner Lathem, and the Projects Committee concurred with the recommendation and authorized the action to be presented at the September Commission meeting later today.

Contract No. PA-13-02: Snow Removal Equipment with Displacement Plow. A public Bid Opening was held on June 6, 2013, in which two (2) bids were submitted. The COO reported that this contract is for the purchase of one (1) large 4 x 4 snow removal chassis and dump body with twenty (20) foot straight plow and is 90% FAA funded. The COO recommended the contract award to the lowest bidder, Penn Jersey Machinery of Lionville, Pennsylvania, in the amount of \$345,845.00. A motion was made by Commissioner Dorn, seconded by Commissioner Wilson, and the Projects Committee concurred with the recommendation and authorized the action to be presented at the September Commission meeting later today.

5. Contract Close-Out Actions: None

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

7. Miscellaneous Items/Updates:

Critical Needs Update – The COO updated the Committee regarding the Reduction Gear Repairs to the M/V Twin Capes. The final cost was \$160,000 and the vessel was returned to service on August 7, 2013.

General Engineering Consultant Contract Strategy – The COO reported that the General Engineering Consulting Contracts (GEC) are expiring at the end of the year. To prepare for developing the Request for Proposals (RFP), the Chief Engineer, Shoukry Elnahal, has proposed changes to the scope of work and contract durations which will help best serve the Authority. The following was presented and discussed.

- Current General Engineering Consultant (GEC) Contracts – Delaware Memorial Bridge and Appurtenances, Marine Facilities and Appurtenances, New Jersey Aviation Facilities Engineering Design, Delaware Aviation Facilities Engineering Design, Authority-Wide Bridge and Highway Inspection, Authority-Wide Airports, Ferry, and Building Inspection, and Authority-Wide Environmental Consulting
- The COO and Chief Engineer reviewed a strategy for issuing contract solicitations for the above scopes of work.

Committee Vice-Chair Murphy asked for a motion to move the meeting to Executive Session, closed to the public to discuss matters of a confidential nature. Commissioner Lathem made a motion, seconded by Commissioner Wilson, 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 Wilson, seconded by Commissioner Dorn, and the Session was opened to the public.

Committee Vice-Chair Murphy reported the Committee did not object to staff's recommendations.

9. With no further business to discuss, Commissioner Wilson made a motion to adjourn, seconded by Commissioner Dorn, and the Projects Committee adjourned at 11:52 a.m.