

**DELAWARE RIVER AND BAY AUTHORITY**  
**BUDGET & FINANCE COMMITTEE MEETING**  
**Tuesday, June 15, 2021**  
Delaware Memorial Bridge Complex  
New Castle, Delaware

A public meeting of The Delaware River and Bay Authority’s Budget & Finance Committee Meeting was conducted via Zoom on Tuesday, June 15, 2021 from the Delaware Memorial Bridge Complex, New Castle, Delaware

**Commissioners of New Jersey**

Committee Chair McCann  
Commissioner Smith, Committee Member  
Commissioner Wilson, Committee Member  
Commissioner Ransome  
Vacant

Chairperson Hogan

Phil Norcross - NJ

**Governors’ Representatives**

Rudy Rodas – New Jersey

**Staff**

Tom Cook  
Steve Williams  
Victor Ferzetti  
Vince Meconi  
Charlotte Crowell  
Gerry Owens  
Michelle Warner  
Jim Salmon  
John Sarro  
TJ Murray  
Tara Donofrio  
Michelle Pyle  
Michelle Griscom  
James Danna

**Commissioners of Delaware**

Committee Vice-Chair Decker  
Commissioner Ford, Committee Member  
Commissioner Ratchford, Committee Member  
Commissioner Faust  
Commissioner Carey

Vice-Chairperson Lathem

Michael Houghton - DE

**Governor’s Representatives**

**Guests**

Jim Dugan, Brown Advisory

1. Committee Chair McCann opened the Budget & Finance Committee meeting at approximately 12:02 p.m. The Deputy Executive Director (DED) 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 McCann called for a motion to accept the Budget & Finance Committee Minutes from May 17, 2021. Commissioner Smith made a motion, Commissioner Ratchford, seconded, and the Committee Minutes were accepted.
3. Discussion Items:

) **2020 Comprehensive Annual Financial Report**

The Chief Financial Officer informed the committee that the Authority's 2020 Comprehensive Annual Financial Report has been completed and has been filed to meet continuing disclosure requirements. In the interest of time, he briefly noted that despite the challenges of 2020, the overall assets of the Authority increased during the year. He encouraged board members to review the brief financial summary and contact him with any questions.

) **Forward Debt Refunding**

The CFO introduced Jim, Dugan from Brown Advisory to discuss Forward Debt Refunding. The CFO reminded the Committee that earlier in the year the finance team did not recommend a refunding opportunity utilizing taxable bonds, but pledged to continue to monitor the markets. Taxable bonds are still not the most beneficial option for refunding Series 2012 and 2014 bonds. Mr. Dugan shared that tax-exempt interest rates have remained low even though taxable interest rates have increased. However, another refinancing option has become available for the Series 2012 bonds – tax-exempt forward delivery bonds. A Forward delivery transaction uses tax-exempt bonds that are sold reflecting the current interest rate, but settlement does not happen for 12-13 months. He noted that the Authority utilized forward delivery bonds in the 2014 refunding of Series 2005 Bonds. Investors will demand a higher yield for a forward delivery bond, currently about 5 basis points per month between the sale date and settlement date. At this time, a forward delivery sale is not viable to refund the Series 2014 bonds. The DRBA has two options for consideration. The 1<sup>st</sup> option is to act now and sell forward delivery bonds late this summer or early fall, settling the transaction in October 2022. The refunded Series 2012 bond issue and would garner about \$14 million net present value savings. The 2<sup>nd</sup> option is to wait a year sell and settle tax-exempt debt in 2022, which would currently generate \$19 million present value savings.

The CFO discussed the advantages and disadvantages acting early, with the biggest benefit being able to take advantage of current interest rates. The CFO suggested pursuing a forward-refunding transaction. There is a lot of work that needs to be done in short time to meet a September or October issue target. The longest lead time item will be associated with updating the 2019 Traffic Report. The CFO believes this transaction makes sense given the current circumstances. This transaction would require a Resolution in the near future, but recommends pursuing this transaction at this time.

Mr. Norcross asked how much rates have to increase to diminish the savings. Mr. Dugan confirmed that an increase of 60-65 basis point or more begins to erode the savings. Mr. Norcross confirmed the DRPA adopted the bond Resolution to perform a similar transaction last month. The CFO asked if there was any opposition to initiating work on the Refunding, and the committee expressed no opposition to the action.

4. Action Items:

**RESOLUTION 21-21 – AUTHORIZES EXPENDITURES OVER \$25,000**

The CFO presented and reviewed the Resolution and with no further questions, Commissioner Decker made a motion, Commissioner Ford, and the Budget & Finance Committee recommended forwarding Resolution 21-23 to the full Board. The Resolution will be presented to the full Board for consideration at the June meeting later today.

With no further business to discuss, Committee Chair McCann adjourned the Budget and Finance Committee at 12:16 p.m.

**DELAWARE RIVER AND BAY AUTHORITY**

**PROJECTS COMMITTEE MEETING**

**Tuesday, June 15, 2021**

Delaware Memorial Bridge Complex  
New Castle, Delaware

A public meeting of The Delaware River and Bay Authority’s Projects Committee Meeting was conducted via Zoom on Tuesday, June 15, 2021 from the Delaware Memorial Bridge Complex, New Castle, Delaware.

New Jersey Commissioners

Committee Chair Ransome  
Commissioner McCann, Committee Member  
Commissioner Wilson  
Commissioner Smith  
*Vacant*

Delaware Commissioners

Committee Vice-Chair Ratchford  
Commissioner Ford, Committee Member  
Commissioner Faust, Committee Member  
Commissioner Decker  
Commissioner Carey

Chairman Hogan

Vice Chairman Lathem

Legal Counsel

Phil Norcross– NJ

Mike Houghton – DE

Governors’ Representatives

Rudy Rodas – NJ

Albert Shields – DE absent

Staff

Tom Cook  
Steve Williams  
Victor Ferzetti  
Vince Meconi  
Charlotte Crowell  
Gerry Owens  
Michelle Warner  
Michele Pyle  
Jim Salmon  
TJ Murray  
Tara Donofrio  
John Sarro  
Rick Arroyo  
Jim Danna  
Heath Gehrke  
Andy Houghton

Guests

Jim Dugan, Brown Advisory  
Monica Hausner, Brown Advisory

1. Committee Chair Ransome opened the Projects Committee meeting at 12:16 p.m.
2. Committee Chair Ransome called for a motion to accept the Projects Committee Minutes from May 18, 2021. Committee Vice-Chair Ratchford made a motion, Commissioner Faust seconded, and the Committee Minutes were accepted.
3. Bid Openings:

**) ILG-21-07 Mobile Aircraft Passenger Boarding Ramp**

A public bid opening was held on May 25, 2021, in which (3) bids were submitted.

The COO recommended awarding the contract, base bid plus add the alternate LED Walkway lighting system, in the amount of \$66,800.00 to Keith Consolidated Industries, Inc., White City, Oregon.

Commissioner Faust recused herself from discussion of this matter.

Committee Chair Ransome called for a motion to accept all the award, to which Commissioner Ford made a motion, seconded by Committee Vice Chair Ratchford and the Projects Committee concurred with the recommendation to accept and authorize the actions to be presented to the full Board at the June meeting later today. Commissioner Faust abstained from voting.

4. Contract Closeouts

**) DMB-20-07 Miscellaneous Roadway Repairs**

The COO recommended close-out of the contract and final payment to Mumford & Miller Concrete, Milltown, DE with a final contract amount of \$878,732.12.

**) CMLF-19-08 Dredge Disposal Site Excavation**

The COO recommended close-out of the contract and final payment to JPC Group, Inc., Blackwood, NJ with a final contract amount of \$3,661,306.53.

Committee Chair Ransome called for a motion to approve the two contract closeouts, to which Commissioner McCann made a motion, seconded by Commissioner Faust and the Projects Committee concurred with the recommendation and authorized the close-out action to be presented to the full board at the June meeting later today.

5. Contractor Payment Reviews:

The COO reviewed for the Committee the monthly construction contractor payments to be made for the work completed through May, 2021. The DRBA had (13) payments totaling approximately \$4.9 million for projects at the bridge, ferry, and airports.

6. Discussion Items

) **Construction Projects Progress**

The monthly construction highlights report was previously presented via email to the Commissioners to which no discussion, nor questions, were raised at this time.

7. With no further business to discuss, Committee Chair Ransome called for a motion to adjourn; Commissioner McCann made a motion and Committee Vice-Chair Ratchford seconded, and the Projects Committee adjourned at 12:21 p.m.