

DELAWARE RIVER AND BAY AUTHORITY

AUDIT & GOVERNANCE COMMITTEE MEETING

Tuesday, May 19, 2015

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, May 19, 2015, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from Delaware

PRESENT

Committee Vice-Chair Carey-arrived after roll call
Commissioner Downes, Committee Member
Commissioner Ford

Commissioners from New Jersey

Committee Chair Wilson-via phone
Commissioner Smith, Committee Member
Commissioner Dorn

Vice-Chairperson Lowe

Chairperson Hogan

Legal Counsel

Mike Houghton - DE

Phil Norcross - NJ

Governors' Representatives

Danielle Blount - DE

Amy Herbold - NJ

Staff

Scott Green
Frank Minor
Victor Ferzetti
Vince Meconi
Gerry Owens
Charlotte Crowell
Joe Larotonda
Joe Nadel
Michelle Hammel
TJ Murray
Jim Salmon

1. Committee Chair Wilson was participating via phone and turned the meeting over to Commissioner Downes who welcomed the Audit & Governance Committee and opened the meeting at 9:08 a.m. The Deputy Executive Director (DED) reported that the public meeting of the Audit & Governance 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. Commissioner Downes called for a motion to accept the Audit & Governance Committee Minutes from March 17, 2015. Commissioner Smith made a motion, Commissioner Downes seconded, and the Committee Minutes were accepted.

3. Review of the 2014 Audit

Commissioner Downes turned the meeting over to the Director of Finance, who introduced the Authority's Independent Auditors, Nancy Gunza and Andy Lee, from CliftonLarsonAllen. Ms. Gunza made a presentation on the results of the FY 2014 Audit. The following was presented and discussed.

- Terms of Engagement
- Responsibility Overview
- Audit Results
 - Financial Statement Opinion
 - Governance Communication – Management has made reasonable judgments and estimates that impact the financial statements; No disagreements or difficulties with management encountered; Misstatements were noted and corrected within 2014 Financial Report
 - Internal Controls – No material weaknesses identified
 - Single Audit Summary – One finding related to Cash Management that was internally identified and corrected in early 2015
- GASB Update

Commissioner Downes questioned Ms. Gunza whether there were any issues or matters needing discussion requiring an Executive Session and she reported there were none. Commissioner Downes asked if the Committee had any questions for the Auditors, there were none, and the Committee thanked the Auditors for their report.

4. Resolution:

RESOLUTION 15-19 – AMENDS THE AUTHORITY'S FREEDOM OF INFORMATION REGULATIONS

The Chief Financial Officer (CFO) reported that revisions to the Authority's Freedom of Information Regulations were presented and discussed during the September, 2014, Planning Session. Committee Vice-Chair Carey questioned the low \$.05/copy fee. The Authority's Staff Attorney reported that the Authority has been able to handle responses to most requests electronically and that governments have been criticized for benefitting financially from their fees. The Authority's low per copy fee should not prevent members of the public from gaining access to public records. Commissioner Ford noted that a revision was needed to the corresponding attached form.

After discussion, Commissioner Smith made a motion, Commissioner Carey seconded, and the Audit & Governance Committee recommended forwarding the Resolution to the full Board for approval. The Resolution will be presented to the full Board for consideration at the May meeting later today.

5. Committee Chair Wilson thanked Commissioner Downes for conducting the meeting. With no further business to discuss, a motion to adjourn was made by Commissioner Smith, and the Audit & Governance Committee adjourned at 9:36 a.m.

DELAWARE RIVER AND BAY AUTHORITY
BUDGET & FINANCE COMMITTEE MEETING
Tuesday, May 19, 2015
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, May 19, 2015, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from Delaware

PRESENT

Committee Chair Downes
Commissioner Ford, Committee Member
Commissioner Carey

Commissioners from New Jersey

Committee Vice-Chair Wilson-via phone
Commissioner Smith, Committee Member
Commissioner Dorn

Chairperson Lowe

Vice-Chairperson Hogan

Legal Counsel

Mike Houghton - DE

Phil Norcross - NJ

Governors' Representatives

Danielle Blount - DE

Amy Herbold - NJ

Staff

Scott Green
Frank Minor
Victor Ferzetti
Charlotte Crowell
Vince Meconi
Gerry Owens
Joe Larotonda
Michelle Hammel
TJ Murray
Edith Brako
Jim Salmon

1. Committee Chair Downes opened the Budget & Finance Committee meeting at approximately 9:37 a.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 Downes called for a motion to accept the Budget & Finance Committee Minutes from April 21, 2015. Commissioner Smith made a motion, Commissioner Ford seconded, and the Committee Minutes were accepted.

3. Resolutions:

a. RESOLUTION 15-20 – AUTHORIZING AUTHORITY EXPENDITURES PURSUANT TO RESOLUTION 01-84 FOR THE PERIOD, JANUARY 1, 2015 THROUGH DECEMBER 31, 2015

The Chief Financial Officer (CFO) presented the Over \$25,000 List and reported one (1) deletion due to a critical need. The CFO noted the vendor, Garaventa USA, Inc., for the purchase of a wheelchair lift for the M/V New Jersey. Although this was not the lowest price, the CMLF staff recommended this vendor due to the quality and being a more solid system. The difference in price was diminimus. New Jersey Legal Counsel recommended that more extensive and detailed backup material be included in the file.

After discussion Commissioner Smith made a motion, Commissioner Ford seconded, and the Committee recommended forwarding the Resolution to the full Board for approval. The Resolution will be presented to the full Board for consideration at the May meeting later today.

4. Discussion Items:

- Upcoming RFP's/Procurement for 2015

The CFO reported there are four (4) upcoming Request for Proposals (RFPs) for professional services in development for 2015. He noted that Delaware and New Jersey General Legal Counsel Services were recently awarded with terms of three (3) years with a one (1) year option to renew. The CFO reported that the upcoming Delaware and New Jersey Labor Counsel Services RFPs will be for the same terms. The CFO noted that the next time RFPs for Legal Services will be conducted, the recommended terms will be three (3) years with two (2) one (1) year options. It was recommended that both RFPs for Investment & Financial Services and Auditing Services as well as future professional services, be advertised as 3-1-1 terms.

5. Miscellaneous:

The CFO informed the Committee of two (2) Critical Needs Determinations, in accordance with the provisions of Resolution 98-31.

a. Critical Needs Determination for Roof Repairs to Building 97 at the Cape May Airport – The CFO reported that, although the Authority has engaged a General Engineering firm to conduct a Authority-wide Roof Assessments, it was critical that the leaks that had been occurring in Building 97, housing the Cape May Brewery, be immediately addressed so as not to damage recent improvements made to the Brewery. The CFO also reported that Building 96 may also need attention prior to the implementation of the assessment. Commissioner Downes suggested the possibility of constructing A-frames over the current flat roofs to eliminate the need

for annual maintenance. The CFO anticipates the Roof Assessment to offer best or alternative solutions.

- b. Critical Needs Determination for Phone System Upgrade – The CFO reported that this item had been removed from the Over \$25 Vendor List in order to address the Upgrade on an expedited basis. The Chief Information Officer (CIO) reported that, the current software for the reservation call system is not Payment Card Industry (PCI) Compliant. The Authority-wide phone upgrade with the added feature for the Reservation Call Center will be PCI compliant and will allow the system to stop recording when customers provide their credit card information. The purchase will be through New Jersey State Contract.

6. With no further business to discuss, Commissioner Smith made a motion to adjourn and the Budget & Finance Committee adjourned at 9:50 a.m.

DELAWARE RIVER AND BAY AUTHORITY

ECONOMIC DEVELOPMENT COMMITTEE MEETING

Tuesday, May 19, 2015

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, May 19, 2015, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from Delaware

PRESENT

Committee Vice-Chair Ford
Commissioner Carey, Committee Member
Commissioner Downes, Committee Member

Chairperson Lowe

Legal Counsel

Mike Houghton - DE

Governors' Representatives

Danielle Blount – DE

Staff

Scott Green
Frank Minor
Victor Ferzetti
Vince Meconi
Charlotte Crowell
Joe Larotonda
Michelle Hammel
TJ Murray
Edith Brako
Jim Salmon

Commissioners from New Jersey

Committee Chair Dorn
Commissioner Smith, Committee Member
Commissioner Wilson-via phone

Vice-Chairperson Hogan

Phil Norcross - NJ

Amy Herbold - NJ

1. Committee Chair Dorn welcomed the Economic Development Committee and opened the meeting at approximately 9:50 a.m. The Deputy Executive Director (DED) 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 Dorn called for a motion to accept the Economic Development Committee Minutes from April 21, 2015. Commissioner Smith made a motion, Commissioner Ford seconded, and the Committee Minutes were accepted.

3. Action Items: None.

4. Open Discussion/Other Issues:

The Chief Financial Officer (CFO) provided a presentation on the following.

- Industrial Development (WWD) Update

The CFO showed the current Development Plan for WWD and the proposed Industrial Development site pending environmental testing. The CFO recommended designing two (2) buildings, but initially constructing one (1), in order to determine the market for such space. Should the first building lease quickly, the Authority could construct the second building at the same time. It was reported that there may be a possibility for three (3) current tenants to relocate to the new building and there are seven (7) additional potential tenants who have expressed interest in the building. The CFO reported that a Quotes Process vs a Public Bid Process would allow value engineering on the design, and would enable the Authority to shorten the procurement process, reduce cost, and complete construction without winter concerns. A completion date is estimated to be fall, 2016. The CFO noted, if the Committee concurred with this concept, he would come back to the Committee to authorize construction costs. The Committee concurred with this approach.

New Jersey Legal Counsel reported that there are tax credits available in New Jersey for hydroponics businesses and the Authority may want to consider a build-to-suit. Commissioner Downes suggested approaching current tenants and asking them to sign leases for the new building. The CFO reported they had been contacted; however, they want more specific costs and timing before signing new leases. The CFO noted he attended a tenant meeting at WWD the previous evening and the tenants expressed enthusiasm for the Authority's plans, in conjunction with Lower Township and Cape May County, and were looking forward to the future. The CFO asked if the Committee concurred with the concept and the Committee did not object to moving forward with the recommendations as presented.

5. With no further business to discuss, a motion to adjourn was made by Commissioner Ford, and the Economic Development Committee adjourned at 10:12 a.m.

DELAWARE RIVER AND BAY AUTHORITY

PERSONNEL COMMITTEE MEETING

Tuesday, May 19, 2015

Delaware Memorial Bridge Complex
New Castle, Delaware

A public meeting of The Delaware River and Bay Authority's Personnel Committee was held on Tuesday, May 19, 2015, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from Delaware

PRESENT

Commissioner Carey, Committee Member
Commissioner Downes
Commissioner Ford

Commissioners from New Jersey

Committee Vice-Chair Dorn
Commissioner Smith, Committee Member
Commissioner Wilson-via phone

Chairperson Lowe

Vice-Chairperson Hogan

Legal Counsel

Mike Houghton - DE

Phil Norcross - NJ

Governors' Representatives

Danielle Blount - DE

Amy Herbold - NJ

Staff

Scott Green
Frank Minor
Victor Ferzetti
Charlotte Crowell
Vince Meconi
Gerry Owens
Michelle Hammel

1. Committee Vice-Chair Dorn welcomed the Personnel Committee and opened the meeting at 10:12 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 Vice-Chair Dorn called for a motion to accept the Personnel Committee Minutes from April 21, 2015. Commissioner Downes made a motion, Commissioner Smith seconded, and the Committee Minutes were accepted.
3. Committee Vice-Chair Dorn requested an Executive Session, closed to the public to discuss matters of a confidential nature. A motion was made by Commissioner Smith, seconded by Commissioner Downes, and the Session was closed.

The following matters of a confidential nature were discussed.

- LABOR 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 Downes, seconded by Commissioner Smith, and the Session was opened to the public.

4. Miscellaneous:

- RFP for Defined Contribution Plan

The Chief Human Resource Officer (CHRO) reported that the current provider, VOYA (formerly ING) has been in place since 1999 and that DRBA has a fiduciary responsibility for the administration of this plan. In order to assist the Authority with the development of the RFP for Defined Contribution Plan, the Authority conducted an RFP for Independent Consultant Services for the Selection of a Defined Contribution Plan Provider. Three (3) firms responded, interviews were conducted, and staff is prepared to make a selection. The CHRO noted that the Consultant will also help with the development of an investment protocol or policy. The Chief Financial Officer (CFO) stressed that these are employees' funds and it is important to find a provider that best meets the needs of the employees. Commissioner Downes suggested the assistance of Brown Advisory and stressed the importance of educating the employees regarding funds available. The CFO agreed that education and the level of services are important but pointed out that this is not within Brown's purview. The CFO explained the recommendation would be to have the independent consultant solicit proposals, evaluate fees, services and fund recommendations and provide the Authority with recommendations. The Executive Director (ED) noted as part of good corporate hygiene, these services are important and it is responsible to have an independent review. New Jersey Legal Counsel questioned whether the Authority pays any of the administrative costs and the CFO reported that the Authority does not pay those costs. The CFO added the process may bring a better solution, more transparency, and competitive fees.

5. Resolution:

- RESOLUTION 15-14 – PERSONNEL SELECTIONS REQUIRING BOARD OF COMMISSIONERS REVIEW AND APPROVAL

The CHRO presented and reviewed the Resolution. Commissioner Smith made a motion, Commissioner Carey seconded, and the Personnel Committee recommended forwarding the Resolution to the full Board for approval. The Resolution will be presented to the full Board for consideration at the May meeting later today.

6. Employment Opportunities:

The CHRO provided a list of the current openings for Fulltime and Casual/Seasonal Employment Opportunities. This list will be provided to the Committee each month.

6. With no further business to discuss, Commissioner Smith made a motion to adjourn, and the Personnel Committee adjourned at 10:50 a.m.

DELAWARE RIVER AND BAY AUTHORITY

PROJECTS COMMITTEE MEETING

Tuesday, May 19, 2015

Delaware Memorial Bridge Complex
New Castle, Delaware

A public meeting of The Delaware River and Bay Authority's Projects Committee was held on Tuesday, May 19, 2015, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from Delaware

PRESENT

Commissioner Ford, Committee Member
Commissioner Carey
Commissioner Downes

Commissioners from New Jersey

Committee Vice-Chair Smith
Commissioner Wilson, Committee Member – via
Phone
Commissioner Dorn

Chairperson Lowe

Vice-Chairperson Hogan

Legal Counsel

Mike Houghton - DE

Phil Norcross - NJ

Governors' Representatives

Danielle Blount - DE

Amy Herbold – NJ

Staff

Scott Green
Frank Minor
Victor Ferzetti
Vince Meconi
Charlotte Crowell
Gerry Owens
Joe Larotonda
Jim Salmon
TJ Murray
Edith Brako
Michelle Hammel
Steve Williams

7. Committee Vice-Chair Smith opened the Projects Committee meeting at approximately 10:50 a.m. The Deputy Executive Director 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.

8. Committee Vice-Chair Smith called for a motion to accept the Projects Committee Minutes from April 21, 2015. Commissioner Ford made a motion, Commissioner Dorn seconded, and the Committee Minutes were accepted. Those in attendance were provided an informational package consisting of an agenda, one (1) Bid Opening, two (2) Contract Close-outs and one (1) monthly contractor payment charts (through April).

9. Resolutions: None

10. Bid Opening:

- DMB-15-01 Pier Repairs, First and Second Structures

The project is to include furnishing all labor, materials and equipment necessary for concrete crack repairs, partial-depth spall repairs and installation of protective coatings on the piers and abutments of the First and Second Structures of the Delaware Memorial Bridge.

A public bid opening was held on April 28, 2015, in which four (4) bids were submitted. The COO recommended awarding the contract to the lowest bid, in the amount of \$770,975.23 to New Age Fastening Systems Inc. from Sewell, NJ. New Age Fastening Systems has never done any work for the Authority, but their references have been checked out on other projects.

A motion was made by Commissioner Smith, seconded by Commissioner Ford and the Projects Committee concurred with the recommendation and authorized the action to be presented to the full Board at the May meeting later today.

11. Contract Close-Out Actions:

The COO presented the two (2) Close-out Actions.

- a. CMLF-11-03 Passenger Loader Tube Replacement

The COO reported that these structures articulate from the docks so the walking passengers can board the vessels. The loader tubes were replaced in both Cape May and Lewes. The tubes at both locations are currently in operation and the project is complete. The total cost of the project was about 4.4 million dollars. It was recommended that the commissioners accept this close-out.

- b. CMLF-14-03 Drydocking and Repairs, M/V Cape Henlopen

The COO stated that the vessels are on a schedule and every year we send one vessel to drydocking for repairs. This year it was the M/V Cape Henlopen's scheduled time to be sent to Connecticut for winter drydocking. All work on the Cape Henlopen has been completed and the ferry is back in operation. It was noted that the repairs came in several hundred thousand dollars under budget, giving a project total of under 1.4 million dollars. It was recommended that this close-out be accepted.

A motion was made by Commissioner Smith, seconded by Commissioner Ford and the Projects Committee concurred with the recommendation of the two (2) Contract Close-Outs and authorized the action to be presented to the full Board at the May meeting later today.

12. Contractor Payment (through April): The Chief Operations Officer (COO) reviewed for the Committee the monthly construction contractor payments to be made for the work completed through April.
13. Miscellaneous Items/Updates: None
14. Open Discussion/Other Issues: None
15. With no further business to discuss, Commissioner Smith made a motion to adjourn, and the Projects Committee adjourned at 10:55 a.m.