

MINUTES OF MEETING
THE DELAWARE RIVER AND BAY AUTHORITY
Wednesday, May 28, 2008
James Julian Boardroom
Delaware Memorial Bridge Plaza
New Castle, Delaware 19720

The meeting convened at 10:00 a.m. with Chairperson Parkowski presiding.

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

Chairperson Parkowski called on the Deputy Executive Director 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

F. Michael Parkowski, Chairperson
Thomas J. Cooper
Verna W. Hensley
Samuel E. Lathem
William Lowe
Gary B. Patterson

James N. Hogan, Vice-Chairperson

Rev. Edward W. Dorn
Niels S. Favre (via telephone)
Gary F. Simmerman
Ceil Smith

ABSENT

Susan A. DeLanzo

9776. APPROVAL OF THE APRIL 15, 2008 MINUTES

Commissioner Lathem motioned for approval of the March 18, 2008 minutes, seconded by Commissioner Lowe, and approved by a voice vote of 11-0.

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9777. EXECUTIVE DIRECTOR'S REPORT

The Executive Director filed the following report for the month of April, 2008.

Delaware Memorial Bridge

Total traffic during the month of April decreased 5.5% compared to April 2007. Non-commercial traffic decreased 6.3% and commercial traffic decreased 0.5%. Year-to-date total traffic decreased 1.5% compared to the same period in 2007. When compared to the 3-year average, 2008 total traffic decreased 1.9%.

E-ZPass traffic for April represented 60.7% of the total overall traffic as compared to 57.0% for the previous year. Year-to-date electronic traffic represented 60.1%, an increase of 2.6% from 2007.

Our capital construction program continues in full swing at the bridge. Work on the \$7 million Norfolk Southern Railroad Bridge carrying I-295 mainline traffic is proceeding as

planned. This project is scheduled for completion by the end of this year. We also have several other annual projects that are ongoing on the bridge – deck resurfacing and repainting, valued at \$3.7 million.

After Memorial Day, we will kick off the start of the \$26 million, Phase III, I-295 project. During the past month, we met with local and state elected officials along with adjacent community groups to discuss the project phasing and timeline. All of the construction information is highlighted on our website and we have mailed out two brochures to our E-Zpass customer account holders and the media. Additionally, we are meeting with the local newspapers to provide an information briefing.

Earlier in the month, an individual from Pennsville, NJ, was detained for violating the Delaware Memorial Bridge E-ZPass tolls 320 times, dating back to March 2007. The individual admitted that all of the violations were committed by him and he is being charged with misdemeanor theft of services.

Cape May Lewes Ferry

In April, vehicle and passenger traffic decreased 12.3% and 16.7%, respectively, when compared to April 2007. A contributing factor for this decrease was the fact that the Easter holiday vacation period occurred in March this year instead of April of last year. Year-to-date vehicle traffic decreased 1.3% and passenger traffic decreased 0.7%, when compared to the same period in 2007. When compared to the average of the last three years, year-to-date vehicle traffic and passenger traffic decreased 5.1% and 4.1%, respectively.

In April, fare revenues decreased 3.9% compared to April 2007. Due to the new CMLF Fare structure that went into effect April 01, reservation fees were not collected. Year-to-date fare revenues increased 2.4% compared to the same period last year.

In April, CMLF food sales decreased 17.0% and retail sales decreased 11.9%, compared to April 2007. Year-to-date 2008 food and beverage revenues decreased 7.1% and retail revenues decreased 1.3%, compared to the same period in 2007.

The M/V Cape Henlopen and the M/V Delaware returned from the shipyard after having various repairs made. On the M/V Cape Henlopen we replaced her propellers and on the M/V Delaware we repaired an inoperative bow thruster valve and had several areas of wasted steel replaced.

The dredge disposal site improvement project in Cape May was substantially completed and we have begun the spring maintenance dredging of the Cape May turning basin.

Airports

The \$3.9 million New Castle Airport Runway 1-19 Safety area improvement contract is progressing as scheduled. During the month, the Instrument Landing System (ILS) was approved by the FAA to return into full operational service after being inoperative for six weeks while being relocated as part of this safety area project. This enables the airport to return back to near all weather aircraft landing capability.

The obstruction removal contract at Delaware Airpark is completed. Notifications have been made to the FAA to publish the revised usable length for runway 9. Airport maintenance personnel completed the scope of the project by remarking/painting new runway threshold and centerline markings, and reconfiguring the airfield lighting system.

NASCAR teams have begun to request landing permits at the Dover Civil Air Terminal (CAT) for the upcoming NASCAR races in Dover, May 30 - June 01. More than 100 aircraft arrivals are expected for this race event. Work has commenced for the new 12,000 gallon Jet-A fuel tank at the CAT. The Fire Marshall's office has issued a permit for the installation. We anticipate that the tank will be in service for the September NASCAR race.

Employee Happenings

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

Authorized Positions	456
Positions Filled	416
Positions Filled (on LTD)	9
Total Positions that are Vacant	31

Human Resources conducted new employee orientations for new full-time and casual/seasonal hires.

Our Human Resources staff participated in the Salem Community College and the Lower Cape May Regional College job fairs.

Thank you to John Jones and Joe Volk for hosting two learning tours for 40 civil engineering students from the University of Delaware and Rowan University. John and Joe not only spoke about the Delaware Memorial Bridge but, the students got to see the bridge firsthand.

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

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9778. COMMITTEE REPORT – BUDGET & FINANCE COMMITTEE

Commissioner Patterson presented the Budget & Finance meeting minutes of May 5, 2008.

BUDGET & FINANCE COMMITTEE MEETING
Monday, May 5, 2008
Delaware Memorial Bridge Complex
New Castle, Delaware

A public meeting of The Delaware River and Bay Authority’s Budget & Finance Committee was held on Monday, May 5, 2008, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from Delaware

Commissioners from New Jersey

PRESENT

- Committee Chair Patterson
- Commissioner Hensley, Committee Member
- Commissioner Lathem
- Commissioner Lowe
- Chairperson Parkowski

- Committee Vice-Chair Simmerman
- Commissioner Favre, Committee Member
- Commissioner Smith, Committee Member
- Commissioner Dorn
- Vice-Chairperson Hogan

Governors Representatives

Sonia Frontera – NJ

Staff

- Jim Johnson
- Don Rainear
- Victor Ferzetti
- Jim Walls
- Gerry Owens
- Joe Larotonda
- Anna Marie Gonnella Rosato
- Michael Schirmer
- Kelly Phillips Parker
- Jim Salmon
- Larry Sharp

Authority Secretary

Tom Pankok

Invited Guests

- Cavanaugh Capital Management
- Jim Cavanaugh
- Jim Dugan
- Megan Brune

Committee Chair Patterson welcomed the Budget & Finance Committee and opened the meeting at approximately 9:04 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.

II. The Acting Chief Financial Officer introduced representatives from Cavanaugh Capital Management. Jim Cavanaugh, Jim Dugan, and Megan Brune, provided a review of the Authority's investments. The following information was reviewed.

- Overview of DRBA Investments
- DRBA Fixed Income Portfolios – Yield and Performance
 - Construction Fund
 - General Fund
 - Debt Service Reserve Funds
- DRBA Balanced Portfolio – Performance & Characteristics
 - Employees' Retirement Plan Trust
- Market Outlook
- Update on 2000B Bonds
- Fixed Income Portfolio Characteristics
- Market & Economic Review

CCM reported that this past year had been one of the most horrendous in the financial markets with regard to the sub-prime crisis, Bear Stearns near bankruptcy and the market volatility; however, it was reported that all Authority funds have performed at or above their respective benchmarks. CCM reported that the Employees' Pension Funds are allocated 60% Equities and 40% Fixed Income in accordance to the Authority's Investment Guidelines adopted in 1997, which were established maximize the risk to return relationship. CCM reported that the Market Outlook, although showing signs of improvement, the economy remains weak.

CCM provided an update on the Authority's variable rate Series 2000B Bonds. It was reported that over the last seven years the variable rate bonds have saved the Authority approximately \$6 million in interest; however, the last three months have been volatile. Since the time of the previous update, the rate has gone from 2.90% to 6.25% and the Authority is working with the underwriter to determine the most cost-effective way to get into a stable short-term mode. The Acting CFO reported that insurer agreed to provide the details of a transaction in Florida which included a Letter of Credit, which potentially may help the Authority's bonds to become more marketable. The Authority has been pro-active in trying to determine the path forward and is in a much better position than some other agencies which may not have been as prudent as the Authority and may be seeing double and triple the rates. A more definitive direction should be known within the next few weeks and staff will continue to provide updates as necessary.

Committee Chair Patterson thanked CCM for their presentation.

The Acting Chief Financial Officer reviewed the vendors and items included in the proposed Resolution authorizing the Over \$25,000 Vendor list. The Acting CFO noted that the KRATOS Defense & Security Systems expenditure of approximately \$140,000 was for the Lenel Security Equipment for the badging system at the Cape May-Lewes Ferry. The estimate was the lowest provided by the four authorized dealers. After review, on motion by Commissioner Simmerman, seconded by Commissioner Smith, the Committee recommended approval of the proposed Resolution. The Resolution will be presented to the full Board for consideration at the May meeting.

The Committee Chair Patterson requested a five minute recess to review the Community Contribution requests for May. After the recess, the Committee reconvened and reviewed each of the requests and provided the appropriate information to the Deputy Executive Director. A Resolution authorizing the requests will be presented to the full Board for consideration at the May meeting.

IV. The Acting CFO reported that the Authority will host a Minority Business Enterprise Business Networking Breakfast on May 21, 2008 in the DRBA Café. The African American & Latino Chamber of Commerce of Delaware is presenting. Michael Schirmer, the Authority's DBE Program Manager, has been working with a representative from the Chamber, Mr. Clay Hammond, regarding the details. The Public Information Officer is also working in conjunction with Mr. Hammond on a Press Release. Commissioner Dorn questioned whether this event included New Jersey firms or were there plans for the Authority to conduct a separate event for New Jersey. Staff reported that the Authority would be willing to host a New Jersey event; however, this event was being held by the African American & Latino Chamber of Commerce of Delaware and is their event.

The Acting CFO also reported that, since the DBE update provided at the April meeting, the Authority had been awarded the Federal Aviation Administration's Office of Civil Rights 2008 DBE Advocate and Partner Award. The award recognizes airport sponsors, such as the DRBA, for outstanding achievements in furthering the objectives of the U.S. Department of Transportation's Disadvantaged Business Enterprise Program under 49 CFR Parts 26 and 23. For us, this meant demonstrating and documenting the DRBA's DBE Program achievements during Federal Fiscal Year 2007. This award is one of national recognition and it will be granted at the Airport Business Diversity Conference at Indianapolis, Indiana on June 3, 2008. The conference is sponsored by the FAA and the Airport Minority Advisory Council. The Acting CFO commended Michael Schirmer for all of his "behind-the-scenes" efforts.

With no further business to discuss, on motion by Commissioner Simmerman, the Budget & Finance Committee adjourned at 10:20 a.m.

Without objection, the reports were ordered filed with the permanent records of the Authority.

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9779. COMMITTEE REPORT – PERSONNEL COMMITTEE

Commissioner Lathem presented the minutes of the Personnel Committee of May 5, 2008.

PERSONNEL COMMITTEE MEETING
Monday, May 5, 2008
Delaware Memorial Bridge Complex
New Castle, Delaware

A public meeting of The Delaware River and Bay Authority's Personnel Committee was held on Monday, May 5, 2008, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from Delaware

Commissioners from New Jersey

PRESENT

Committee Chair Lathem
Commissioner Lowe, Committee Member
Commissioner Hensley
Commissioner Patterson
Chairperson Parkowski

Committee Vice-Chair Dorn
Commissioner Favre, Committee Member
Commissioner Smith
Commissioner Simmerman
Vice-Chairperson Hogan

Governors' Representatives

Sonia Frontera-NJ

Staff

Jim Johnson, Jr.
Don Rainear
Victor Ferzetti
Jim Walls
Gerry DiNicola Owens

Authority Secretary

Tom Pankok

- I. Committee Chair Lathem welcomed the Personnel Committee and opened the meeting at 11:56 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.
- II. Committee Chair Lathem requested an Executive Session, closed to the public to discuss matters of a confidential nature. On motion by Commissioner Favre, seconded by Commissioner Lowe, the Session was closed.

The following matters of a confidential nature were discussed.

• PERSONNEL MATTERS

With no further business to discuss in Executive Session, on motion by Commissioner Favre, seconded by Commissioner Lowe, the Personnel Committee was opened to the public.

With no further business to discuss, on motion by Commissioner Favre, the Personnel Committee adjourned at 12:35 p.m.

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

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9780. COMMITTEE REPORT – PROJECTS

Commissioner Lowe presented the Projects Committee meeting minutes of May 5, 2008.

PROJECTS COMMITTEE

Monday, May 5, 2008

Delaware Memorial Bridge Complex
New Castle, Delaware

A public meeting of the Delaware River and Bay Authority's Projects Committee was held on Monday, May 5, 2008, at the Delaware Memorial Bridge Administration Building, New Castle, Delaware.

Commissioners from Delaware

Commissioners from New Jersey

PRESENT

Commissioner Lowe, Committee Chair
Commissioner Hensley, Committee Mbr
Commissioner Patterson, Committee Mbr
Commissioner Lathem
Chairperson Parkowski

Commissioner Favre, Committee Vice-Chair
Commissioner Dorn, Committee Mbr
Commissioner Simmerman, Committee Mbr
Commissioner Smith
Vice-Chairperson Hogan

Governors' Representative

Sonia Frontera – NJ

Staff

Authority Secretary

Jim Johnson
Don Rainear
Jim Walls
Gerry DiNicola-Owens
Victor Ferzetti
John Jones
Kelly Phillips-Parker
Anna Marie Gonnella Rosato

Tom Pankok

- I. The Projects Committee meeting convened at approximately 12:30 p.m. Those in attendance were provided an informational package consisting of an Agenda, one Bid Tabulation, one Contract Close-Out Action, and the Monthly Contractor Payment Chart.
- II. Resolutions: None
- III. Bid Openings/Award Actions:
 - CMLF-07-03, Security Upgrades, Lewes Terminal: The COO reported that a public bid opening was held on April 25, 2008 in which one bid was received. The one bidder, Court One Corporation, did not include the required cashier’s check, DRBA consent of surety, and DRBA proposal bond with their bid submittal. Based on these material omissions, the bid was considered non-responsive. The Projects Committee concurred with the bid being non-responsive and authorized the bid rejection recommendation be presented at the May board meeting.
- IV. Contract Close-Out Action:
 - Contract No. DMB-02-01, West Approach Repaving and Modification, Delaware Memorial Bridge: The COO made the recommendation to close this contract out and that final payment be made to the contractor, Daisy Construction, of New Castle, Delaware. The final price for this project is \$12,279,409.61. The Projects Committee concurred with the recommendation.
- V. Contractor Payment (through April): The COO informed the Committee of the monthly construction contractor payments to be made in May.
- VI. There being no further business for the Projects Committee, the public meeting was adjourned at approximately 12:51 p.m.

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

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9781. COMMITTEE REPORT – ECONOMIC DEVELOPMENT

Commissioner Smith presented the minutes of the Economic Development Committee meeting of May 5, 2008.

ECONOMIC DEVELOPMENT COMMITTEE
Monday, May 5, 2008
Delaware Memorial Bridge Complex
New Castle, Delaware

A public meeting of The Delaware River and Bay Authority's Economic Development Committee was held on Monday, May 5, 2008, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from Delaware

PRESENT

Committee Vice-Chair Hensley
Commissioner Patterson, Committee Member
Commissioner Lathem
Commissioner Lowe
Chairperson Parkowski

Commissioners from New Jersey

Committee Chair Smith
Commissioner Dorn, Committee Member
Commissioner Favre
Commissioner Simmerman
Vice-Chairperson Hogan

Governors Representatives

Sonia Frontera - NJ

Staff

Jim Johnson
Don Rainear
Victor Ferzetti
Jim Walls
Gerry Owens
Anna Marie Gonnella Rosato
Jim Salmon
Larry Sharp
John Sarro
Kelly Phillips Parker
Michelle Griscom-Collins
John Jones

Authority Secretary

Tom Pankok

- I. Committee Chair Smith welcomed the Economic Development Committee and opened the meeting at approximately 10:23 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.
- II. The Deputy Executive Director provided information regarding the following proposed Agreements for Committee consideration.
 - Lease Agreement between the Delaware River and Bay Authority and Brian Marker D/B/A Cape Air Foods, LLC for approximately 1,425 square feet of restaurant space in the Cape May Airport Terminal Building for an annual facility rental of \$1.00 during the initial term and a fair market value land lease. There shall be two one-year option periods with rents and other terms determined. After review, on motion by Commissioner Dorn, seconded by Commissioner Hensley, the Committee recommended approval of the Agreement. A Resolution will be presented to the full Board for consideration at the May meeting.
 - Concession Agreement between the Delaware River and Bay Authority and Rental Car Providers at the Civil Air Terminal to provide rental car services for NASCAR events for a term of three years. After review, on motion by Commissioner Patterson, seconded by Commissioner Hensley, the Committee recommended approval of the Agreement. A Resolution will be presented to the full Board for consideration at the May meeting.
 - Lease Agreement between the Delaware River and Bay Authority and David Rain D/B/A P.H.R. Inc. at the Millville Airport for approximately 7,200 square feet of land in order to construct a hangar. The annual land rental shall be \$2,520, with Consumer Price Index adjustments during the Lease Term. The three five-year renewal options shall be adjusted to the Fair Market Value at the beginning of the renewal periods. After review, on motion by Commissioner Dorn, seconded by Commissioner Hensley,

the Committee recommended approval of the Agreement. A Resolution will be presented to the full Board for consideration at the May meeting.

- Lease Agreement between the Delaware River and Bay Authority and SK Travel, LLC for 33% of hangar space for an annual rate of \$121,494.48 during the initial term, and includes five one-year options. The proposed Resolution also authorizes an Amendment to the 25% Lease Agreement, increasing the current annual rent to a CPI adjusted rate of \$92,054.16, and includes five one-year options. The Amendment also includes the option to terminate the 25% Agreement upon sixty days prior written notice. After review, on motion by Commissioner Patterson, seconded by Commissioner Smith, the Committee recommended approval of the proposed Resolution. The Resolution will be presented to the full Board for consideration at the May meeting.
- Lease Amendment to correctly list the executors of the Lease Agreement between the Delaware River and Bay Authority and the Clement Pappas Company for Premises Situate at the Salem Business Centre, Carney's Point, New Jersey. This is a housekeeping item; correcting Resolution 08-19, to correctly list the Chairman, Vice-Chairman, and Executive Director as executors. After review, on motion by Commissioner Hensley, seconded by Commissioner Smith, the Committee recommended approval of the proposed Resolution. The Resolution will be presented to the full Board for consideration at the May meeting.

III. The Deputy Executive Director provided updates on the following projects.

- Easter Seals Update – The Deputy Executive Director reported that the Easter Seals building went to settlement. Commissioner Hensley reported that it was one day prior to the groundbreaking. The groundbreaking was attended by Governor Minner and other political officials.
- Isogen Update – Due to a conflict, Vice-Chairperson Hogan left the room during the discussion. The Deputy Executive Director reported that the new appraisal had been received and negotiations will begin with Isogen after staff has had time to review the appraisal. Isogen has completed the county checklist and waiting for the final review by the New Castle County Engineer. Commissioner Patterson questioned whether the FAA had released the land and the Deputy Executive Director reported that the transaction will be a Lease Purchase. The Committee questioned Isogen's financing and the Deputy Executive Director answered to their satisfaction. Updates will be provided as necessary.

IV. Cape May-Lewes Ferry Marketing Presentation

The Deputy Executive Director, Public Information Officer, and Marketing Manager provided a CMLF Marketing Presentation. The following was reviewed.

- I. Perspective
- II. Strategy
- III. Message
- IV. Marketing Tactics/Initiatives
- V. Media Campaign
- VI. Budget Overview
- VII. New Initiatives
- VIII. Discussion Issues

The New Initiatives included the following.

- New CMLF Website
- On-Board Customer Surveys
- Development of a Marketing Consultant RFP
- Terminal Events and Vessel Charters

- 2008 Fare Changes – Target Market – Motorcoach Business and Commercial Accounts
- Drive customers to CMLF Website

The Committee questioned the internet security for customers paying on-line. The Chief Information Officer reported that the Authority is using the industry-standard and is confident of the security of customer’s information. The Committee also questioned the potential to purchase email databases. Staff reported that their preference would be to utilize the database of current customers and build from there.

Items for further Committee discussion included the following.

- Coupon Program – the Authority’s Bond Covenant prevents discounts except for frequency of use.
- Partner with AAA (“Show Your Card”)
- Comprehensive Vehicle Campaign

Commissioner Favre voiced Commissioner DeLanzo’s recommendation of reaching out to customers in Canada by working with local Chambers and other groups in the Eastern Canadian provinces. The Deputy Executive Director reported that he and staff are currently working with the Cape May County Director of Tourism.

Commissioner Favre also added that he is very much pro-revenue and the Authority should focus on Airport Marketing to increase landing fees. Commissioner Favre also commented on the need for staff to disseminate information with regard to information he received while attending a local table-top emergency management meeting.

The Committee thanked and commended staff for the presentation.

With no further business to discuss, on motion by Commissioner Dorn, Economic Development Committee adjourned at 11:55 a.m.

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

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9782. DELAWARE RIVER AND BAY AUTHORITY – TRAFFIC AND REVENUE SUMMARY.

The Acting 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 March.

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

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9783. DELAWARE RIVER AND BAY AUTHORITY – STATEMENT OF INCOME AND EXPENSE.

The Acting CFO presented a chart showing statements of income and expenses for the month of March 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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9784. DELAWARE RIVER AND BAY AUTHORITY – OPERATING EXPENSE BY DIVISION.

The Acting CFO presented a chart for April 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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9785. DELAWARE RIVER AND BAY AUTHORITY – CAPITAL IMPROVEMENT PROGRAM.

The Acting CFO presented a chart for the month of April 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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9786. DELAWARE RIVER AND BAY AUTHORITY – CASH POSITION (MARKET VALUE) AS OF APRIL 30, 2008.

The Acting 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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9787. PUBLIC COMMENT ON ACTION ITEMS.

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

- Contract #CMLF-07-03 Security Upgrades – Lewes Terminal
- Close-out Contract #DMB-02-01 West Approach Repaving & Modification – DMB
- Resolution 08-24 Approval of the Community Contribution Requests
- Resolution 08-25 Authorizing Authority Expenditures \$25,000 and over
- Resolution 08-26 Lease Agreement with Brian Marker d/b/a Cape Air Foods, Cape May Airport
- Resolution 08-27 Concession Agreement with Various Rental Car Providers - Civil Air Terminal
- Resolution 08-28 Lease Agreement with David Rain d/b/a PHR, Inc., Millville Airport
- Resolution 08-29 Amending Res. 06-73 Lease Agreement with SK Travel, New Castle Airport
- Resolution 08-30 Amends the Signatory Page of the Lease Agreement with Clement Pappas Co. at the Salem Business Centre.
- Resolution 08-31 Adoption of Amendments to the DRBA By-Laws

There were no public comments.

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9788. SUMMARY OF AUTHORIZED CONTRACT PAYMENTS.

<u>Contractor</u>		<u>Payment</u>
DMB-07-02	Marinis Brothers	\$155,114.13
DMB-07-01	Eastern Highway Specialists, Inc.	\$172,517.98
DMB-06-03	J.D. Eckman, Inc.	\$796,759.05

DMB-04-04	J.D. Eckman, Inc.	\$ 26,650.00
DMB-02-01	Daisy Construction	\$452,906.77
NCA-04-01	Diamond Materials	\$204,962.99
NCA-01-04	EDIS	\$ 21,549.00
DAP-07-03	Eastern States Construction	\$189,000.00
MVA-06-02	South State, Inc.	\$ 41,756.00

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9789. SECURITY UPGRADES – LEWES TERMINAL;
CONTRACT #CMLF-07-03

A public bid opening was held on April 25, 2008 in which one (1) bid from Court One Corporation of Norfolk, VA was received. Court One Corporation did not include the required cashier’s check, DRBA consent of surety, and DRBA proposal bond with its bid submittal. Based on these omissions, the bid was considered non-responsive. The Projects Committee concurred with the COO and concluded the bid was non-responsive and recommended the bid be rejected.

Commissioner Lathem motioned to reject the Court One Corporation bid due to its non-responsiveness to the aforementioned, seconded by Commissioner Lowe, and approved by a roll call vote of 11-0.

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9790. CONTRACT CLOSE-OUT: WEST APPROACH
REPAVING AND MODIFICATION – DMB, CONTRACT #DMB-02-01

On May 20, 2002 Contract No. DMB-02-01, West Approach Repaving and Modifications, was awarded to Daisy Construction of New Castle, Delaware for the bid price of \$11,805,215.00.

During the contract period Change Order No.’s 1-28 were approved for the project.

1. April 28, 2008 Adjustment in quantities to reflect actual field conditions.
Add: \$474,194.61.

It is recommended that the Authority accept the project and make final payment to the contractor. The total price for this project is \$12,279,409.61

A motion was made by Commissioner Lathem to close-out Contract #DMB-02-01, seconded by Commissioner Hensley, and approved by a roll call vote of 11-0.

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9791. CHAIRPERSON’S CALL FOR ACTION ON THE
RESOLUTIONS BEFORE THE BOAD

RESOLUTION 08 - 24 APPROVAL OF COMMUNITY CONTRIBUTION REQUESTS.

WHEREAS, The Delaware River and Bay Authority (the “Authority”) is a bi-state agency with public crossing facilities and assets in the States of New Jersey and Delaware; and

WHEREAS, the Authority has developed a Community Contributions Policy which outlines the purpose of the program and process for consideration of requests; and

WHEREAS, the policy requires full board approval for any Community Contribution; and

WHEREAS; the Budget and Finance Committee met and approved Community Contributions for the month of April 08; and

NOW, THEREFORE, BE IT RESOLVED that the Authority hereby approves the following Community Contributions.

Community Contributions

New Jersey

Atlantic Cape Community College Foundation	\$5,000
Cape May New Jersey State Film Festival	\$3,000
Cumberland Development Corporation	\$4,000
Meals on Wheels of Salem County, Inc.	\$5,000
MidAtlantic Center for the Arts	<u>\$6,000</u>
Total	<u>\$23,000</u>

Delaware

Delaware District 3 Little League, Inc.	\$4,000
Delaware Historical Society	\$4,000
Delaware Tourism Alliance	\$5,000
First Night Dover	\$5,000
Make-A-Wish Foundation of the Mid-Atlantic	\$2,500
Most Worshipful Prince Hall Grand Lodge Free & Accepted Masons of DE	\$7,500
Nemours Foundation	\$2,000
New Castle Public Library Company	\$2,000
DFRC, Inc.	\$2,500
Delaware Guidance Services for Children & Youth, Inc.	\$1,500
Pencader	\$5,000
Total	<u>\$41,000</u>
Grand Total (New Jersey and Delaware)	<u>\$64,000</u>

A motion to approve Resolution 08-24 was made by Commissioner Simmerman, seconded by Commissioner Patterson. With Commissioner Patterson abstaining on First Night Dover, Commissioner Smith abstaining on Meals on Wheels and Commissioner Parkowski abstaining on Delaware Tourism Alliance, Resolution 08-24 was approved by a roll call vote of 11-0 except with the above noted abstention where such vote was 10 in favor and 1 abstention.

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RESOLUTION 08-25 - AUTHORIZING AUTHORITY EXPENDITURES PURSUANT TO RESOLUTION 01-84 FOR THE PERIOD, JANUARY 1 THROUGH DECEMBER 31, 2008.

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 1/1/08 THROUGH 12/31/08

VENDOR	SERVICE DESCRIPTION	DETERMINATION
Aeris Atlantic	HVAC Coil Restoration & Duct Cleaning for vessels	Sole Source (patented)
Avalon Carpet Tile and Flooring Design Centers	Carpet for Cape May terminal (2008 approved CIP purchase)	Quotes
Barco Products	CMLF replacement of patio	Quotes

	furniture	
Barnegat Bay Dredging	Maintenance Dredging in Cape May turning basin	Federal Contract (Army Corps.)
Betson Baltimore Capitol Finishes	Video games for CMLF Repair/Replace M/V Delaware flooring in the Snack Bar Lounge	Quotes Proprietary
KRATOS Defense & Security Systems	Lenel Security Equipment and Installation for the CMLF	Quotes (from the only Authorized Vendors)
Marine Safety Services, Inc.	Authorized service provider for Viking life rafts	Proprietary
Sperry Marine	Purchase and installation of two touch screen radar monitors for existing Sperry radar system	Proprietary

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 08-25 was made by Commissioner Simmerman, seconded by Commissioner Lowe and approved by a roll call vote of 11-0.

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RESOLUTION 08-26 - LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND BRIAN MARKER D/B/A AS CAPE AIR FOODS, LLC 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, Cape Air Foods, LLC desires to lease approximately 1.425 square feet of restaurant space in the Airport Terminal Building (“Facility Space”); and

WHEREAS, Cape Air Foods, LLC has agreed to pay the Authority an annual Facility Rent in the amount of \$1.00 for the rental of the Facility Space and pay for the proportional use of all utilities during the initial term of the Lease Agreement; and

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

WHEREAS, in addition to the above stated Facility Space rent, Cape Air Foods, LLC has agreed to pay fair market value rent (“Land Rent”) for the lease of the land needed to operate the Restaurant; and

WHEREAS, Cape Air Foods, LLC, with the prior consent of the Authority, shall have the option of renewing this Lease Agreement for two (2) option periods of one (1) year each; and

WHEREAS, rent and other terms and conditions of the Lease Agreement during the option periods shall be determined as follows: (1) Land Rent for the initial year of each option period shall be based upon fair rental value determined by Authority appraisal and (2) Facility Space rent for the initial year of each renewal period shall be based on fair rental value as determined by the Authority after a review of Cape Air Foods, LLC’s audited financial statements and any other factors that may be deemed relevant at the sole discretion of the Authority.

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby authorized to finalize the terms and conditions of the Lease Agreement with Cape Air Foods, LLC and, with the advice and consent of counsel, to have such Lease Agreement executed by the Chairperson, Vice Chairperson, and the Executive Director.

A motion to approve Resolution 08-26 was made by Commissioner Smith, seconded by Commissioner Lathem and approved by a roll call vote of 11-0.

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RESOLUTION 08-27 CONCESSION AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND VARIOUS RENTAL CAR PROVIDERS AT THE CIVIL AIR TERMINAL

WHEREAS, The Delaware River and Bay Authority (the “Authority”), is the operator of the Civil Air Terminal (the “CAT”) at the Dover Air Force Base; and

WHEREAS, the CAT is highly utilized during two peak periods during the year for NASCAR events (“Race Week”) in the area; and

WHEREAS, during Race Week a high volume of rental cars are utilized; and

WHEREAS, the Authority wishes to enter into a Concession Agreement with various Rental Car Providers for the use of parking spaces for vehicles and counter space at the CAT; and

WHEREAS, the term of each Concession Agreement shall be three (3) years; and

WHEREAS, the rate charged for the use of the CAT facilities during Race Week shall be 10% of the Gross Receipts realized by the applicable Rental Car provider of the event; and

WHEREAS, the following is a list of entities that are eligible to enter into the above mentioned Concession Agreement.

1. Spallco Car Rental
2. Enterprise Rent a Car
3. Hertz Local Edition
4. Avis Rent a Car System, LLC
5. Budget Rent a Car System, Inc.

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby authorized to finalize the terms and conditions of such Concession Agreements with the entities listed above and, with the advice and consent of counsel, to have such agreements executed by the Chairperson, Vice Chairperson, and the Executive Director.

A motion to approve Resolution 08-27 was made by Commissioner Patterson, seconded by Commissioner Hogan, and approved by a roll call vote of 11-0.

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RESOLUTION 08-28 - LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND DAVID RAIN D/B/A P.H.R. INC., AT THE MILLVILLE AIRPORT

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

WHEREAS, David Rain, P.H.R. Inc. (PHR) desires to lease approximately 7,200 square feet of land (“Land”) in order to construct a hangar (“Hangar”) at the Airport; and

WHEREAS, PHR will obtain all permits and approvals for the construction of the Hangar; and

WHEREAS, PHR has agreed to pay the Authority annual rent for the Land in the amount of \$2,520 during the initial term of the Lease Agreement; and

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

WHEREAS, PHR shall have the option of renewing this Lease Agreement for three (3) periods of five (5) years each; and

WHEREAS, the amount of annual rent shall be adjusted annually by the Consumer Price Index (CPI) during each Lease Term; and

WHEREAS, the annual rent at the beginning of each renewal period shall be adjusted to the then current Fair Market Value (FMV); and

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby authorized to finalize the terms and conditions of the Lease Agreement with David Rain, PHR Inc. and, with the advice and consent of counsel, to have such Lease Agreement executed by the Chairperson, Vice Chairperson, and the Executive Director.

A motion to approve Resolution 08-28 was made by Commissioner Simmerman, seconded by Commissioner Parkowski, and approved by a roll call vote of 11-0.

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RESOLUTION 08-29 - AMENDING RESOLUTION 06-73 - LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND SK TRAVEL, L.L.C.

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

WHEREAS, the Authority Commissioners approved Resolution 06-73 authorizing the Executive Director to finalize a Lease Agreement for 25% of 9 DRBA Way (the "25% Lease Agreement") with SK Travel, LLC ("SK Travel") at the Airport; and

WHEREAS, Resolution 06-73 stated that SK Travel has agreed to pay the Authority \$90,634.81 annual rent during the first term of the 25% Lease Agreement; and

WHEREAS, the CPI adjusted current annual rent under the 25% Lease Agreement will be \$92,054.16; and

WHEREAS, the 25% Lease Agreement will be dated on or about November 1, 2006 and the initial term of the 25% Lease Agreement will be for one (1) year from such date; and

WHEREAS, SK Travel shall have the option of renewing the 25% Lease Agreement for five (5) periods of one (1) year each; and

WHEREAS, rent during the option periods shall be adjusted each year by the Consumer Price Index (CPI); and

WHEREAS, SK Travel shall have the option to terminate the 25% Lease Agreement upon sixty (60) days prior written notice; and

WHEREAS, SK Travel has acquired an additional aircraft requiring SK Travel to lease an additional 33% of Hangar 9 DRBA Way (the "33% Lease Agreement"); and

WHEREAS, SK Travel has agreed to pay the Authority an additional \$121,494.48 in annual rent during the initial term of the 33% Lease Agreement; and

WHEREAS, the 33% Lease Agreement will be dated on or about November 1, 2007 and the initial term of the 33% Lease Agreement will be for one (1) year from such date; and

WHEREAS, SK Travel shall have the option of renewing the 33% Lease Agreement for five (5) periods of one (1) year each; and

WHEREAS, rent during the option periods shall 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 25% Lease Agreement with SK Travel and, with the advice and consent of counsel, to have such Lease Agreement executed by the Chairperson, Vice Chairperson, and the Executive Director.

BE IT FURTHER RESOLVED, that the Executive Director is hereby authorized to finalize the terms and conditions of the 33% Lease Agreement with SK Travel and, with the advice and consent of counsel, to have such Lease Agreement executed by the Chairperson, Vice Chairperson, and the Executive Director.

BE IT FURTHER RESOLVED, that all actions heretofore taken by the Executive Director, any agent or any officers on behalf of the Authority with respect to any matters referenced in the foregoing resolutions are hereby ratified and confirmed in all respects.

A motion to approve Resolution 08-29 was made by Commissioner Lowe, seconded by Commissioner Smith, and approved by a roll call vote of 11-0.

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RESOLUTION 08-30 – AN AMENDMENT THAT AUTHORIZES THE CHAIRPERSON, VICE-CHAIRPERSON, AND EXECUTIVE DIRECTOR TO EXECUTE LEASE AMENDMENTS BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND THE CLEMENT PAPPAS COMPANY FOR PREMISES SITUATE AT THE SALEM BUSINESS CENTRE, CARNEY’S POINT, NEW JERSEY.

WHEREAS, The Delaware River and Bay Authority (the “Authority”) owns a two story 80,000 square foot office building in the Salem Business Centre (the “Building”), located in Carney’s Point, Salem County, New Jersey, and

WHEREAS, the Clement Pappas Company has leased 28,469 square feet of office space on the second floor of the Building pursuant to a written Lease Agreement (the “Agreement”) dated December 19, 2006; and

WHEREAS, Clement Pappas and the Authority are seeking to amend the Agreement to add an additional 1,939 square feet of space on the second floor increasing the total space on the second floor to 30,408; and

WHEREAS, Clement Pappas and the Authority are also seeking to amend the Agreement to add an additional 10,766 square feet of laboratory space on the first floor of the Building; and

WHEREAS, the Authority previously passed Resolution 08-19 authorizing these Lease Amendments (the “Amendments”) to expand the Clement Pappas space on both the first and second floor; and

WHEREAS, Resolution 08-19 incorrectly authorized the Commissioner who sits as the Chairperson of the Economic Development Committee to execute the Amendments.

NOW, THEREFORE, BE IT RESOLVED, that Resolution 08-19 is hereby amended to authorize the Authority Chairperson, Vice-Chairperson, and Executive Director to execute the Lease Amendments pursuant to completed negotiations and after the advise and consent of counsel.

A motion to approve Resolution 08-30 was made by Commissioner Lowe, seconded by Commissioner Hensley, and approved by a roll call vote of 11-0.

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Chairperson Parkowski noted that Resolution 08-31 addresses quorum changes at the committee level only. He then presented the Resolution for a second and final reading.

Second Reading

RESOLUTION 08-31 - ADOPTION OF AMENDMENTS TO BY-LAWS FOR THE DELAWARE RIVER AND BAY AUTHORITY

WHEREAS, The Delaware River and Bay Authority (the “Authority”) is a body politic and an agency of government of the State of Delaware and the State of New Jersey; and

WHEREAS, the Authority was created in 1962 by a Compact between the States of Delaware and New Jersey with the consent of the Congress of the United States of America and approval of the President; and

WHEREAS, the Authority was established for the purpose of providing crossings of the Delaware River and the Delaware Bay between the two States, to undertake transportation and terminal facilities, and performance of such other functions as may be approved by the two states and consented to by Congress; and

WHEREAS, the original Compact was amended in 1990 for the purpose of authorizing the Authority to undertake certain Commerce facilities and developments within the State of Delaware or in the New Jersey counties of Cape May, Cumberland, Gloucester and Salem; and

WHEREAS, the terms of the Compact authorize the Authority to adopt By-Laws to govern the conduct of its affairs by a Board of Commissioners; the Authority having most recently exercised said authority through the adoption of its current By-Laws by Authority Resolution 04-16 (adopted April 13, 2004) and amended by Resolution 05-21 (adopted May 17, 2005); and

WHEREAS, the Authority periodically reviews its corporate governance to ensure it is accountable, meets the objectives for which the Authority was created, and is in the best interest of the public; and

WHEREAS, the Authority has determined that these aforementioned objectives will be best met by the adoption of a certain amendment to Section 8.12 of its By-Laws (“Amendment”) in the form attached hereto; and

WHEREAS, the Amendment shall take effect immediately upon the expiration of the respective Governors’ veto period; and

NOW THEREFORE BE IT RESOLVED, that the Authority hereby adopts the attached Amendment to its By-Laws.

-----Attachment to Resolution 08-31-----

**PROPOSED AMENDMENT TO BY-LAWS OF
THE DELAWARE RIVER AND BAY AUTHORITY**

SECTION 8.12 Quorum shall be deleted in its entirety and replaced with the following:

“8.12 **Quorum.** A quorum of any committee shall consist of a number equal to one-third (1/3) of the regular members of the committee, provided that at least one (1) Commissioner from each State shall be present. A committee shall not take action on Authority business in the absence of a quorum.”

A motion to approve Resolution 08-31 was made by Commissioner Simmerman, seconded by Commissioner Lowe, and approved by a roll call vote of 11-0.

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9792. COMMISSIONERS PUBLIC FORUM

Chairperson Parkowski asked if any members of the public would like to address the Commissioners.

Elder Tyrone Johnson, Sr, Interdenominational Ministers Action Council (IMAC), Mr. Herman Holloway, Jr., MLK Center, and Mr. Spruce, NAACP, attended and discussed diversity, pay parity and developing an open dialogue with the Commissioners and staff.

Janeka Peace-Wickham, an employee of the DRBA Café, noted that she came before the Board in 2005 with issues regarding minority treatment. She believes the problems are still occurring and that a committee should be created to address these issues.

Charity Irving, former DRBA employee, also spoke. She stated that she was hired through a private temporary employment service to work in the Finance department at the Authority. Ms. Irving stated that since she was adequately qualified to be hired part time in the Finance Department, she should have been found to be qualified to be hired for the full time position in the Finance Department.

Eugene Marsh, President and CEO of Construction Project Management Services, Inc., spoke. He stated that he has a successful construction and project management firm and would like to work with the Commissioners and staff in affording his and other businesses, which qualify for disadvantaged business enterprise consideration, more opportunities to do business with the Authority.

Chairperson Parkowski thanked everyone for their comments.

Commissioner Lathem said that he and Commissioner Dorn as Chair and Vice-Chair of the Personnel Committee respectively, have been involved in assessing and addressing many of the issues regarding diversity discussed during the meeting. He noted that he, Commissioner Dorn and the other Commissioners would continue to work on issues regarding the diversity of the Authority’s workforce.

Commissioner Dorn thanked those who came before the Board and assured them that he and Commissioner Lathem will continue to address the important issues of diversity with the staff and the Board of the Authority.

Commissioner Patterson noted that he received a letter of appreciation from Biggs Museum of American Art for the Authority’s sponsorship of its Gala: An Affair with the Arts. He then wished Commissioner a speedy recovery from his surgery.

Commissioner Simmerman also wished Commissioner Favre well.

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There being no further business, a motion to adjourn was made by Commissioner Dorn, seconded by Commissioner Smith, and unanimously carried.

The meeting was adjourned 11:55 a.m.

Respectfully submitted,

THE DELAWARE RIVER AND BAY AUTHORITY

Thomas A. Pankok
Secretary