

DELAWARE RIVER AND BAY AUTHORITY
BUDGET & FINANCE COMMITTEE MEETING
Tuesday, March 20, 2012
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, March 20, 2012, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from Delaware

PRESENT

Committee Chair Traynor
Commissioner Downes, Committee Member
Commissioner Murphy, Committee Member
Commissioner Green

Chairperson Lowe

Legal Counsel

Mike Houghton - DE

Governors' Representatives

Andy Lippstone - DE

Staff

Jim Johnson
Frank Minor
Victor Ferzetti
Jim Walls
Gerry Owens
Charlotte Crowell
Kelly Phillips Parker
John Sarro
Heath Gehrke
Joel Leidy
Joe Bryant
Rich Frassetto
Bob Young
Steve Williams
Anna Marie Gonnella Rosato

Commissioners from New Jersey

Committee Vice-Chair Favre
Commissioner Van Sant, Committee Member
Commissioner Dorn
Commissioner Smith

Vice-Chairperson Hogan

Phil Norcross - NJ

Regina Egea - NJ
Johanna Jones - NJ

1. Committee Chair Traynor opened the Budget & Finance Committee meeting at approximately 9:10 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 Traynor called for a motion to accept the Budget & Finance Committee Minutes from February 21, 2012. Commissioner Downes made a motion, Commissioner Van Sant seconded, and the Committee Minutes were accepted.

3. Resolutions:

a. RESOLUTION 12-06 – AUTHORIZING AUTHORITY EXPENDITURES PURSUANT TO RESOLUTION 01-84 FOR THE PERIOD JANUARY 1, 2012 THROUGH DECEMBER 31, 2012 -

The Chief Financial Officer (CFO) presented and reviewed the Over \$25,000 Vendor List noting three vendors. The Committee had no questions. Commissioner Favre made a motion, Commissioner Van Sant seconded, and the Budget & Finance 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 March meeting later today.

b. RESOLUTION 12-07 – AUTHORIZES A CONTRACT BETWEEN THE AUTHORITY AND BOOMERSHINE CONSULTING GROUP, LLC TO PROVIDE PROFESSIONAL AUTHORITY-WIDE ACTUARIAL CONSULTING SERVICES -

The CFO reported that the Authority's current Actuary, Mercer, made the decision to depart the pension actuarial services business. As a result the Authority conducted an RFP for Authority-Wide Actuarial Services. The Authority received five (5) proposals; however, three (3) firms would not agree to the DRBA's form of contract. The two (2) remaining firms were interviewed with Boomershine Consulting Group, LLC from Maryland, designated as first on the preference list. All references have been verified with nothing but positive comments concerning Mr. Boomershine and the firm's services. The CFO reported the recommendation of the panel was to select Boomershine Consulting Group, LLC.

Commissioner Green questioned the reasons the three (3) firms would not agree to the Authority's form of contract. It was reported that the issues revolved around indemnification, fiduciary bonding, and the arbitration resolution process. Commissioner Green suggested a review of the issues so as not to lose reasonable respondents due to unreasonable requirements. Commissioner Downes reminded the Committee that Authority protections are needed. Authority Vice-Chair Hogan stated that he has always had a problem with the Executive Director being the final arbiter and suggested that requirement be reviewed as well.

After discussion, Commissioner Downes made a motion, Commissioner Favre seconded, and the Budget & Finance Committee unanimously recommended forwarding the Resolution to the full Board for approval. The Resolution will be presented to the full Board at the March meeting later today.

4. Discussion Items:

a. Supplier Diversity Manager Introduction

The CFO reported that Supplier Diversity Manager resigned from his position, effective March 19, 2012, due to an offer from another organization. The CFO stated that he will be meeting internally to determine the best way to proceed.

b. 2012 Operating Budget

The CFO reported that the 2012 Operating Budget is still on hold.

5. Miscellaneous:

a. Standard & Poor's Credit Call

The CFO reported that the Credit Call with Standard & Poor's (S&P) went well and S&P will be going to their Committee within the next two to three weeks. The focus was on Bridge Traffic and financial performance at the Ferry. The CFO noted the current Food Service RFP and the focus on cost savings and improving the service to customers. The CFO also reported an unusual question about whether the Authority is receiving any pressure from outside entities attempting to divert funds from the Authority. The CFO noted that his expectation would be that the Authority's credit rating would remain A with a stable outlook and does not anticipate a change in the rating. He also reported that he received contact from Moody's the following day, provided requested information, and expects to participate in a Credit Call with Moody's as well. New Jersey Legal Counsel questioned whether S&P asked about the Operating Budget. The CFO reported that S&P did not focus on the Operating Budget or CIP and was aware of the current leadership transition.

With no further business to discuss, a motion to adjourn was made by Commissioner Downes, and the Budget & Finance Committee adjourned at 9:20 a.m.

DELAWARE RIVER AND BAY AUTHORITY

ECONOMIC DEVELOPMENT COMMITTEE MEETING

Tuesday, March 20, 2012

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, March 20, 2012, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from Delaware

PRESENT

Committee Vice-Chair Downes
Commissioner Green, Committee Member
Commissioner Traynor, Committee Member
Commissioner Murphy

Chairperson Lowe

Legal Counsel

Mike Houghton - DE

Governors' Representatives

Andy Lippstone - DE

Staff

Jim Johnson
Frank Minor
Victor Ferzetti
Jim Walls
Gerry Owens
Charlotte Crowell
Anna Marie Gonnella Rosato
Michelle Griscom-Collins
Jim Salmon
John Sarro
Steve Williams
Joe Bryant
Joel Leidy
Heath Gehrke
Rich Frassetto
Bob Young
Kelly Phillips Parker

Commissioners from New Jersey

Committee Chair Smith
Commissioner Dorn, Committee Member
Commissioner Favre
Commissioner Van Sant

Vice-Chairperson Hogan

Phil Norcross - NJ

Regina Egea - NJ
Johanna Jones - NJ

1. Committee Chair Smith welcomed the Economic Development Committee and opened the meeting at approximately 9:21 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 Smith called for a motion to accept the Economic Development Committee Minutes from February 21, 2012. Commissioner Green made a motion, Commissioner Dorn, seconded and the Committee Minutes were accepted.

3. Action Items:

a. RESOLUTION 12-08 – AUTHORIZING A LEASE AGREEMENT WITH HANGARCO, LLC AT THE NEW CASTLE AIRPORT

The Deputy Executive Director (DED) reported that HangarCo, LLC desires to lease approximately 82% or 49,700 square feet of hangar and shop space located at 17 Penns Way at the New Castle Airport for an initial term of five (5) years at an annual rent of \$176,435. HangarCo shall have the option of five (5) one (1) year renewals. Rent shall be adjusted each year by the Consumer Price Index; however, rent at the beginning of the initial option period shall be adjusted to the Fair Market Value. An appraisal had been completed in late 2011. Commissioner Murphy questioned whether there was any other tenants interested in leasing the space and Michelle Griscom Collins reported that there was no other interest and was an opportunity to get the space leased. The DED reported that New Castle Airport is now at 95% capacity. After discussion, Commissioner Dorn made a motion, Commissioner Downes seconded, and the Economic Development 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 March meeting later today.

With no further business to discuss, a motion to adjourn was made by Commissioner Dorn, and the Economic Development Committee adjourned at 9:26 a.m.

DELAWARE RIVER AND BAY AUTHORITY

PERSONNEL COMMITTEE MEETING

Tuesday, March 20, 2012

Delaware Memorial Bridge Complex
New Castle, Delaware

A public meeting of The Delaware River and Bay Authority's Personnel Committee was held on Tuesday, March 20, 2012, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from Delaware
PRESENT

Commissioner Murphy, Committee Member
Commissioner Traynor, Committee Member
Commissioner Downes
Commissioner Green

Chairperson Lowe

Legal Counsel
Mike Houghton - DE

Governors' Representatives
Andy Lippstone - DE

Staff
Jim Johnson, Jr.
Frank Minor
Victor Ferzetti
Jim Walls
Gerry Owens
Charlotte Crowell

Commissioners from New Jersey

Committee Vice-Chair Dorn
Commissioner Favre, Committee Member
Commissioner Smith, Committee Member
Commissioner Van Sant

Vice-Chairperson Hogan

Phil Norcross - NJ

Regina Egea - NJ
Johanna Jones - NJ

1. Committee Vice-Chair Dorn welcomed the Personnel Committee and opened the meeting at 9:26 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, and 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 February 21, 2012. Commissioner Favre 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 Murphy, and the Session was closed.

The following matters of a confidential nature were discussed.

- CONTRACT 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 Traynor, and the session was opened to the public.

5. With no further business to discuss, Commissioner Smith made a motion to adjourn, and the Personnel Committee adjourned at 9:37 a.m.

THE DELAWARE RIVER AND BAY AUTHORITY

PROJECTS COMMITTEE

March 20, 2012

Delaware Memorial Bridge Complex
New Castle, Delaware

A public meeting of The Delaware River and Bay Authority's Projects Committee was held on Tuesday, March 20, 2012, at the Delaware Memorial Bridge Administration Building, New Castle, Delaware.

Commissioners from Delaware

PRESENT

Commissioner Murphy, Committee Chair
Commissioner Green, Committee Member
Commissioner Downes
Commissioner Traynor
Chairperson Lowe

Commissioners from New Jersey

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

Legal Counsel

Michael Houghton – DE

Phil Norcross – NJ

Governors' Representative

Andrew Lippstone – DE

Johanna Jones – NJ

Regina Egea – NJ

Staff

Jim Johnson
Frank Minor
Jim Walls
Victor Ferzetti
Charlotte Crowell
Gerry DiNicola-Owens
Joel Leidy
Steve Williams
Heath Gehrke
Joe Bryant
Anna Marie Gonnella-Rosato
John Sarro
Mike Porch
Kelly Phillips-Parker
Joe Volk
Dave Hoppenjans

1. Committee Chair Murphy welcomed the Projects Committee and opened the meeting at approximately 9:38 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 Chair Murphy called for a motion to accept the Projects Committee Minutes from February 21, 2012. Committee Vice-Chair Van Sant made a motion, Commissioner Dorn seconded, and the Committee Minutes were approved. Those in attendance were provided an informational package consisting of an agenda, two (2) Bid Analyses, and one (1) monthly contractor payment chart (through February).

3. Resolutions: None.

4. Bid Openings:

Contract No. CMLF-11-03 – Passenger Loader Tube Replacement. A public Bid Opening was held on February 2, 2012 in which two (2) bids were submitted. The COO described the scope of work included in this project as the replacement of the passenger loader tubes at the Cape May and Lewes Terminals. The COO recommended award of the Base Bid only to the lowest responsible bidder, JPC Group Inc. of Blackwood, New Jersey, in the amount of \$4,245,080.00. JPC Group, Inc. submitted two passenger loader tube concepts with its bid for the DRBA to select from. One concept was from ThyssenKrupp and one concept was from TEAM. Staff evaluated each of the concepts and recommended the selection of the TEAM concept. The COO anticipates the project to begin in October 2012 and conclude April 2013. Commissioner Favre inquired as to the maintenance of the passenger loader tubes and the Chief Engineer informed him that the TEAM concept has a twenty-five (25) year service life. Commissioner Favre then asked about the transition period. The Chief Engineer replied that there would be a short period of time when the passenger loader tubes will be out of service and the Director of Ferry Operations added that Staff was in the process of investigating alternatives to minimize the customer impacts. The Projects Committee concurred with the recommendation. A motion was made by Commissioner Traynor, seconded by Commissioner Smith, and the Projects Committee unanimously moved the contract award to JPC Group Inc. with the selection of the TEAM concept for a vote at the March Commission meeting.

Contract No. CMLF-12-01 – Drydocking & Repairs, M/V Cape Henlopen. A public Bid Opening was held on February 22, 2012 in which three (3) bids were submitted. The COO reported that this contract is for a contingency dry docking and will only be executed if the M/V Cape Henlopen fails an on-site USCG underwater inspection. The COO recommended the contract award to the lowest bidder, Caddell Dry Dock & Repair Co., Inc., in the amount of \$1,205,217.00. Commissioner Favre inquired when the dry docking would take place if awarded and the COO responded that it would go to the shipyard in May. The Projects Committee concurred with the recommendation. A motion was made by Commissioner Dorn, seconded by Committee Vice-Chair Van Sant, and the Projects Committee unanimously moved the contract award for a vote at the March Commission meeting.

5. Contract Close-Out Actions: None.
6. Contract Payment Review (through February): The COO informed the Committee of the monthly construction contractor payments to be made for the work completed through February.
7. Miscellaneous Items/Updates:

Heritage Byway – CMLF Spur

The COO presented a DRAFT Resolution supporting an amendment to the New Jersey Bayshore Heritage Byway Route to include the Townbank/Ferry Spur between Seashore Road and to Beach Drive near the Cape May Ferry Terminal that will be submitted at the April Committee meeting for action. The COO advised that the Bayshore Heritage Byway Advisory Group has worked in conjunction with New Jersey Department of Transportation to showcase the western shore of Salem, Cumberland and Cape May counties and their natural, historic, cultural, and scenic intrinsic qualities to the general public. The proposed amendment to the Byway Route would add the route between Seashore Road at Sandman Blvd. and Lincoln Blvd. at Beach Drive, to be known as the Cape May-Lewes Ferry Spur. The Executive Director reported that the designation as a Heritage Byway would not affect the Authority's current or future plans with regard to the Cape May-Lewes Ferry approach road. Commissioner Green noted that this is a Resolution of support and not a contract. The COO reported that no action is required today and the final Resolution will be presented to the Projects Committee for consideration at the April meeting.

Food & Retail Privatization Update

The COO provided an update on the Cape May-Lewes Ferry food and retail service solicitation pre-bid meeting that was held on March 6, 2012. In attendance were eighteen (18) representatives from eight (8) organizations. The proposals are due May 31, 2012, and oral interviews are scheduled for the second week of July 2012. Committee Chair Murphy asked if our timeline was still intact and the COO confirmed that it is.

8. Committee Vice-Chair Van Sant requested an Executive Session, closed to the public, to discuss matters of a confidential nature. A motion was made by Commissioner Dorn, seconded by Commissioner Smith, and the Session was closed.

The following matters of a confidential nature were discussed.

- LONG RANGE PLANNING MATTERS

9. With no further business to discuss in Executive Session, a motion to open the meeting to the public was made by Commissioner Dorn, seconded by Commissioner Green, and the Projects Committee was opened to the public.

10. With no further business to discuss, Commissioner Dorn made a motion to adjourn, seconded by Commissioner Van Sant, and the Projects Committee adjourned at 10:20 a.m.

