

**MINUTES OF MEETING
THE DELAWARE RIVER AND BAY AUTHORITY
Tuesday, November 18, 2014
James Julian Boardroom
Delaware Memorial Bridge Plaza
New Castle, Delaware 19720**

The meeting convened at 11.16 a.m. with Chairperson Hogan presiding.

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

Chairperson Hogan called on the Authority Assistant Secretary to read the meeting notice and take roll.

The Assistant 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 New Jersey

Commissioners from Delaware

PRESENT

James N. Hogan, Chairperson
Edward W. Dorn
Ceil Smith
Shirley R. Wilson

William E. Lowe, Vice-Chairperson
Richard Downes
Samuel E. Lathem
Terri C. Murphy
Gary F. Traynor

ABSENT

Douglas Van Sant
(Vacant)

James L. Ford, III

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Chairperson Hogan called for the acceptance of the Agenda.

Commissioner Downes made a motion to accept the Agenda, which was seconded by Commissioner Lowe. The motion carried by a unanimous voice vote of 9-0.

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10879. APPROVAL OF THE OCTOBER 21, 2014 MINUTES

Commissioner Smith made a motion to approve the October 21, 2014 meeting minutes which was seconded by Commissioner Traynor, The motion carried by a unanimous voice vote of 9-0.

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10880. DELAWARE RIVER AND BAY AUTHORITY – TRAFFIC AND REVENUE SUMMARY.

Joseph Larotonda, the Acting Chief Financial Officer (CFO) presented charts showing Actual versus Projected Revenues for the Delaware Memorial Bridge, the Cape May-Lewes Ferry, Airports, Delaware City-Salem Ferry Crossing, and Food Services for the month of October.

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

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10881. DELAWARE RIVER AND BAY AUTHORITY – STATEMENT OF INCOME AND EXPENSE.

The Acting CFO presented charts showing statements of income and expenses for the month of October with comparisons to the same period last year.

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

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10882. DELAWARE RIVER AND BAY AUTHORITY – OPERATING EXPENSE BY DIVISION.

The Acting CFO presented a chart for October showing expenses by division for the quarter to date vs. the projected quarter and for year to date vs. total budget.

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

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10883. DELAWARE RIVER AND BAY AUTHORITY – CAPITAL IMPROVEMENT PROGRAM.

The Acting CFO presented a chart for the month of October showing the capital budget for crossing and economic development projects and dollars committed to date for the projects. The chart also included cash expenditures spent to date for the committed projects.

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

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10884. DELAWARE RIVER AND BAY AUTHORITY – CASH POSITION (MARKET VALUE) AS OF OCTOBER, 2014.

The Acting CFO presented charts indicating the cash fund balances for the entire Authority.

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

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10885. AUTHORITY CUSTOMER TRENDS (ACT) REPORT

The Authority Customer Trends (ACT) Report included in the financials allows management to view on a month-to-date basis trends in areas such as traffic, customer service, aircraft landings, and workplace incidents. Copies are distributed daily to employees via email and posted on bulletin boards for those without computers.

Commissioner Lathem had questions about some of the information contained in this report. The Ag. COO indicated he would get answers and follow up.

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10886. PUBLIC COMMENT ON ACTION ITEMS

Chairperson Hogan noted that there are seven (7) Resolutions and Two (2) contract awards to be considered today. All action items have been reviewed and recommended for consideration during today's Committee meetings. He then called for public comments.

There were no public comments.

10887. AWARD OF CONTRACTS #DMB-13-04 DECK RESURFACING – 2014 DECK REPAIRS

Victor Ferzetti, the Acting COO noted that a public bid opening was held on October 28, 2014, in which two (2) bids were received. The Acting COO and the Projects Committee recommended the contract be awarded to the lowest responsible bidder, Mumford & Miller Concrete, Inc. of Middletown, DE, in the amount of \$363,150.00.

A motion to award Contract #DMB-13-04 was made by Commissioner Wilson, seconded by Commissioner Murphy, and approved by a voice vote of 8-0. Commissioner Traynor abstained.

10888. AWARD OF CONTRACT #DMB-13-05 STEELWORK PAINTING PROGRAM-BLAST CLEAN & PAINT SUSPENDED SPAN TOWERS, FIRST & SECOND STRUCTURES

The Acting COO noted that a public bid opening was held on October 31, 2014, in which ten (10) bids were received. The Acting COO and the Projects Committee recommended the contract be awarded to the lowest responsible bidder, Blastech Enterprises, Inc. of Baltimore, MD, in the amount of \$12,950,000.00.

A motion to award Contract #DMB-13-05 was made by Commissioner Wilson, seconded by Commissioner Lowe, and approved by a voice vote of 9-0.

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10889. CHAIRPERSON'S CALL FOR RESOLUTIONS BEFORE THE BOARD

RESOLUTION 14-40 - LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND DASSAULT FALCON JET – WILMINGTON CORP.

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

WHEREAS, Dassault Falcon Jet – Wilmington Corp. ("Dassault") desires to lease approximately 23,400 square feet of hangar space located at 6 DRBA Way at the New Castle Airport; and

WHEREAS, Dassault has agreed to pay the Authority annual rental in the amount of Three Hundred Thousand Dollars (\$300,000.00); and

WHEREAS, the initial term of the lease ("Lease Agreement") is for two (2) years; and

WHEREAS, Dassault shall have the right to renew the Lease Agreement for five (5) one (1) year renewal options; and

WHEREAS, rent during the initial and renewal terms adjusted each year by the CPI; and

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby authorized to finalize the terms and conditions of the Lease Agreement with Dassault Falcon Jet – Wilmington Corp. and, with the advice and consent of counsel, to have such Agreement executed by the Chairperson, Vice Chairperson and the Executive Director.

A motion to approve Resolution 14-40 was made by Commissioner Smith and seconded by Commissioner Downes. Resolution 14-40 was approved by a roll call vote of 9-0.

Resolution 14-40 Executive Summary

Resolution: Authorizing the Execution of a Lease Agreement between the Delaware River and Bay Authority and Dassault Falcon Jet – Wilmington Corp., regarding New Castle Airport

Committee: Economic Development

Committee Date: November 18, 2014

Board Date: November 18, 2014

Purpose of Resolution:
To permit the Executive Director, Chairman and Vice Chairman to execute and deliver a lease agreement for space at the New Castle Airport.

Background for Resolution:
The Delaware River and Bay Authority owns a hangar located at 6 DRBA Way at the New Castle Airport. Dassault Falcon Jet Wilmington Corp wishes to lease this hangar facility for the storage of aircraft and maintenance operations in support of their MRO facility at the airport. The lease price is based upon an appraisal and market demand.

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RESOLUTION 14-42 – AUTHORIZING AUTHORITY EXPENDITURES PURSUANT TO RESOLUTION 01-84 FOR THE PERIOD, JANUARY 1, 2014 THROUGH DECEMBER 31, 2014

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 1/1/14 THROUGH 12/31/14

VENDOR	SERVICE DESCRIPTION	DETERMINATION	ESTIMATED \$
Atlantic Tractor, LLC	Replacement Tractors for DMB and ILG Maintenance	State Contract	\$131,000
Citrix Systems, Inc.	NetScaler Annual Support	Proprietary	\$33,000
Clark and Sons, Inc.	Overhead Doors for DMB Maintenance Shop	Quotes	\$35,000
Granite Telecommunications	Telephone Service at ILG and WWD Airport	Utility	\$30,000
Hertrich Fleet Services, Inc.	Five (5) Replacement Vehicles at ILG, WWD, CMLF and DMB	State Contract	\$94,000
Winner Ford	Replacement Vehicle at DMB	State Contract	\$35,000

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 14-42 was made by Commissioner Lowe, seconded by Commissioner Wilson, and approved by a roll call vote of 9-0.

Resolution 14-42 Executive Summary Sheet

Resolution: Authorizing Authority Expenditures Pursuant to Resolution 01-84 for the period January 1, 2014 through December 31, 2014.

Committee: Budget & Finance

Committee and Board Date: November 18, 2014

Purpose of Resolution:

Authorizes the expenditure of \$25,000 or greater with the identified vendors for the calendar year.

Background for Resolution:

The proposed Resolution meets the requirements of Resolution 01-84, whereby the Authority shall not enter into any contract committing the Authority to spend or make any other expenditures relating to services, material and supplies in the amount of \$25,000 or more unless it has first been approved by a vote of Commissioners.

Background for the specific purchase:

Replacement Tractors for DMB and ILG Maintenance

The DRBA is replacing two (2) 1999 New Holland Tractors which are beyond their useful life and meet the equipment replacement criteria in place for the Authority. The replacement equipment will be two (2) John Deere 6115M Cab

Tractors. One tractor will be used at the Delaware Memorial Bridge and the other one will be used at ILG Wilmington Airport. Atlantic Tractor offers the Authority the competitive bid state contract (Heavy Equipment) price for both tractors at \$65,500 each. The replaced equipment will be sold at public auction.

NetScaler Annual Support

Citrix NetScaler is a hardware device utilized to provide Level 4 load balancing. NetScaler optimizes application availability through advanced load balancing and traffic management in order to accelerate performance. This proprietary purchase is for the Authority's annual maintenance contract with Citrix

Overhead Doors for DMB Maintenance Shop

This purchase is for replacement overhead doors to be installed at the Maintenance shop at the Delaware Memorial Bridge. The Authority solicited and received quotes from three vendors as follows: Clark and Sons, Inc. (\$12,000), Hickman Door (\$14,000), and Overhead Door Co. (\$24,000). Clark and Sons, Inc. submitted the lowest quote to supply the necessary work and materials. The Authority has previously spent approximately \$23,000 with this vendor during 2014.

Telephone Service at ILG and WWD Airport

Granite telecommunications provides telephone services at ILG and WWD Airport.

Five (5) Replacement Vehicles at ILG, WWD, CMLF and DMB

The DRBA is replacing five (5) vehicles that have exceeded their useful life and meet the vehicle replacement criteria in place for the Authority. The vehicles being replaced are as follows: 2005 Ford Explorer with 80,710 miles (WWD), 2006 Ford Explorer with 113,500 miles (CMLF), 2007 Ford Explorer with 113,500 miles (ILG), 2009 Ford Escape with 148,600 miles (ILG) and a pool vehicle (DMB). All aforementioned vehicles will be replaced with a 2015 Jeep Patriot. Hertrich Fleet Services, Inc. offers the Authority the competitive bid state contract (SUV, Small, 4 Door 4WD) priced at \$94,000 total. The replaced vehicles will be sold at public auction.

Replacement Vehicle at DMB

The DRBA is replacing a 2002 Ford E-350 Van that is beyond its useful life and meets the vehicle replacement criteria in place for the Authority. The vehicle being replaced has 90,000 miles and major rust. The new vehicle will be a 2015 Ford 250 Utility Transit Van. This vehicle will be used by the HVAC crew at the Delaware Memorial Bridge. Winner Ford offers the Authority the competitive bid state contract (Trucks, Vans) price at \$35,000. The replaced vehicle will be sold at public auction.

Background for the Determination category:

Quotes:

Quotes items are purchases with a particular vendor that, in aggregate, are anticipated to cost between \$25,000 and \$49,999 during this calendar year. Resolution 98-31 (paragraph 4) provides that "contracts for materiel, supplies and non-professional services, if more than \$25,000 but less than \$50,000 in the aggregate require the solicitation of three written quotes or all available sources, whichever is less..."

Proprietary:

Proprietary procurement exists when similar products or services are available but the Authority must instead purchase from the original equipment manufacturer or service provider to uphold a contract, warranty, etc. Proprietary purchases are also those purchases necessary to support and maintain existing Authority equipment for which a vendor has the right to prohibit an equivalent product from being supplied.

State Contract:

Resolution 98-31, as amended by Resolution 11-36 (paragraph 2, subsection a) provides that, “[t]his [competitive bidding] provision shall not apply to purchases by the Authority from suppliers in cases where the Authority is purchasing at prices pursuant to contracts awarded by the States of Delaware or New Jersey for state agencies.”

Utilities:

Authority purchases of utilities are exempt from the public advertising thresholds of Resolution 98-31 (paragraph 2, subsection a): *"Materiel" means materials, equipment, tools, supplies, or any other personal property, but does not include real property, or electric, gas, water, telephone, or similar utilities."*

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RESOLUTION 14-43 – ADOPTION OF THE DELAWARE RIVER AND BAY AUTHORITY’S 2015 OPERATING BUDGET

WHEREAS, Section 505 of the Trust Agreement, dated October 1, 1993, requires that The Delaware River and Bay Authority (the “Authority”) adopt a budget for fiscal year; and

WHEREAS, the proposed operating expenses for FY2015, excluding the Airports division and Economic Development Facilities are \$72,963,800 and

WHEREAS, the budget includes funds for salaries and wages of Authority personnel, and materials and services for Authority activities; and

WHEREAS, for FY2015, principal and interest on outstanding bonds are projected at approximately \$25,252,531 in aggregate debt service; and

WHEREAS, the amount to be deposited to the credit of the Reserve Maintenance Fund with respect to Crossing Facilities shall be \$175,000 per month or \$2,100,000 for FY2015; and

WHEREAS, the projected revenue of the Authority for FY2015, excluding the Airports division and Economic Development facilities, is approximately \$120,056,000 resulting in a debt service coverage of 1.86x; and

WHEREAS, the proposed operating budget for the Airports division is \$7,265,646; and

WHEREAS, the proposed operating budget for the Economic Development facilities are \$787,929; and

WHEREAS, the proposed operating budget for FY2015 has incorporated principles of activity-based budgeting, which allocate certain costs to individual divisions rather than a central administrative budget; and

WHEREAS, the Budget and Finance Committee has developed, reviewed, and approved the proposed 2015 Operating Budget and recommends its adoption to the Board of Commissioners.

NOW, THEREFORE, BE IT RESOLVED, that the Commission hereby adopts an operating budget (see Exhibit A attached hereto and incorporated by reference) of \$72,963,800 for the Bridge, Ferry, Food Services, Delaware City-Salem Ferry, Police, and Administration Divisions, and a budget of \$7,265,646 for the Airports division, a budget of \$787,929 for Economic Development facilities for a total of \$81,017,375 for FY2015, and authorizes the Executive Director to exercise the approved management discretion and spend within the approved FY2015 budget. The authority of the Executive Director to transfer funds within budget units set forth in Section 9 of Resolution 98-31 shall continue to apply to costs that have been moved from central to divisional allocations in this budget, such as IT, HR, Finance, Engineering, Education and Communications expenses (see Exhibit B attached hereto and incorporated by reference).

**DELAWARE RIVER & BAY AUTHORITY
EXPENDITURE ANALYSIS
BY DIVISION
FOR THE PERIOD 2011-2015**

EXHIBIT A

	2011	%	2012	%	2013	%	2014	%	2015	%
	Actual	+,-	Actual	+,-	Adopted	+,-	Adopted	+,-	Proposed	+,-
1 Administration	15,928,046	0.00	17,069,264	7.16	12,363,930	(27.57)	12,864,949	4.05	12,973,260	0.84
2 Bridge	19,417,740	0.00	18,904,543	(2.64)	20,863,038	10.36	20,451,898	(1.97)	20,898,358	2.18
3 Ferry	23,994,789	0.00	23,556,498	(1.83)	27,102,516	15.05	26,354,893	(2.76)	25,841,802	(1.95)
4 Authority Police	8,039,020	0.00	8,239,560	2.49	8,420,144	2.19	8,790,718	4.40	8,775,353	(0.17)
5 Sub-Total	67,379,595	0.00	67,769,865	0.58	68,749,628	1.45	68,462,458	(0.42)	68,488,773	0.04
6 Food Services	4,118,747	0.00	4,212,129	2.27	4,729,511	12.28	4,355,966	(7.90)	4,334,665	(0.49)
7 Delaware City - Salem Ferry	89,987	0.00	112,319	24.82	145,509	29.55	135,863	(6.63)	140,362	3.31
8 Sub-Total	71,588,328	0.00	72,094,312	0.71	73,624,648	2.12	72,954,287	(0.91)	72,963,800	0.01
9 Airports Division	5,925,934	0.00	6,244,251	5.37	7,385,288	18.27	7,149,303	(3.20)	7,265,646	1.63
10 Economic Development	1,111,103	0.00	1,060,178	(4.58)	1,131,013	6.68	1,130,942	(0.01)	787,929	(30.33)
11 Total DRBA Budget	<u>78,625,365</u>	0.00	<u>79,398,741</u>	0.98	<u>82,140,949</u>	3.45	<u>81,234,532</u>	(1.10)	<u>81,017,375</u>	(0.27)

**DELAWARE RIVER & BAY AUTHORITY
EXPENDITURE ANALYSIS
BY CATEGORY
FOR THE PERIOD 2011-2015**

EXHIBIT B

	2011	%	2012	%	2013	%	2014	%	2015	%
	Actual	+,-)	Actual	+,-)	Adopted	+,-)	Adopted	+,-)	Proposed	+,-)
1 Salary & Wages	25,754,232	0.00	25,770,541	0.06	28,037,350	8.80	27,893,795	(0.51)	27,782,776	(0.40)
2 Benefits	27,268,755	0.00	27,738,627	1.72	27,206,641	(1.92)	26,158,858	(3.85)	25,299,167	(3.29)
3 Education & Training	126,044	0.00	165,268	31.12	225,500	36.44	285,400	26.56	333,055	16.70
4 Advertising & Market	755,624	0.00	761,636	0.80	867,800	13.94	1,007,500	16.10	1,060,000	5.21
5 Prof Fees & Services	1,051,523	0.00	1,054,953	0.33	775,448	(26.49)	1,049,782	35.38	1,110,842	5.82
6 Legal Fees	707,759	0.00	853,211	20.55	748,000	(12.33)	1,098,000	46.79	907,500	(17.35)
7 Office & Operating Exp.	1,518,694	0.00	1,358,168	(10.57)	1,608,942	18.46	1,760,833	9.44	2,969,830	68.66
8 Bridge Operations	2,239,917	0.00	2,475,797	10.53	2,425,249	(2.04)	2,509,451	3.47	2,636,967	5.08
9 Customer Service Ctr.	2,232,025	0.00	2,151,923	(3.59)	2,024,787	(5.91)	2,195,421	8.43	2,079,826	(5.27)
10 Bridge Painting	1,000,000	0.00	1,000,000	0.00	1,000,000	0.00	1,000,000	0.00	1,000,000	0.00
11 Vessel Operations	3,438,098	0.00	3,516,757	2.29	3,810,370	8.35	3,540,502	(7.08)	3,416,641	(3.50)
12 Vessel Drydocking	543,816	0.00	264,554	(51.35)	150,000	(43.30)	150,000	0.00	150,000	0.00
13 Terminal Operations	2,938,923	0.00	3,343,825	13.78	3,821,404	14.28	3,412,742	(10.69)	3,156,783	(7.50)
14 Insurance	4,361,893	0.00	4,523,128	3.70	4,688,870	3.66	4,914,432	4.81	4,760,037	(3.14)
15 Utilities	3,282,691	0.00	2,978,269	(9.27)	3,325,588	11.66	3,143,316	(5.48)	3,071,951	(2.27)
16 Food Supplies	1,004,000	0.00	1,059,975	5.58	987,500	(6.84)	875,000	(11.39)	1,047,000	19.66
17 Novelty Items	401,372	0.00	382,109	(4.80)	437,500	14.50	239,500	(45.26)	235,000	(1.88)
Total DRBA	78,625,365	0.00	79,398,741	0.98	82,140,949	3.45	81,234,532	(1.10)	81,017,375	(0.27)

A motion to approve Resolution 14-43 was made by Commissioner Lowe and seconded by Commissioner Smith. Resolution 14-43 was approved by a roll call vote of 9-0.

Resolution 14-43 Executive Summary Sheet

Resolution: Resolution 14-43 – Adoption of the Delaware River and Bay Authority’s 2015 Operating Budget

Committee: Budget & Finance

Committee Date: November 18, 2014

Board Date: November 18, 2014

Purpose of Resolution:

Resolution 14-43 formally authorizes funds for the fiscal year’s current operating expenses.

Background for Resolution:

The Authority has issued outstanding debt under a Trust Agreement dated October 1, 1993. Section 505 of the Agreement stipulates that the Authority covenants to adopt a final budget for each ensuing fiscal year. The budget is to address Current Expenses, Amounts Deposited into the Reserve Maintenance Fund, Revenue Projections and Compliance with the Covenant as to tolls, in Section 501 (a)(i).

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RESOLUTION NO. 14-44 – AUTHORIZING REVISIONS AND MODIFICATIONS TO THE DELAWARE RIVER AND BAY AUTHORITY STANDARD SPECIFICATIONS FOR ROAD AND BRIDGE CONSTRUCTION

WHEREAS, The Delaware River & Bay Authority (the “Authority”) was created by a Compact between the States of Delaware and New Jersey in 1962 for the public purpose of operating crossings and conducting transportation activities between the two States; and

WHEREAS, in the operation of crossing and non-crossing facilities, the Authority routinely engages in processes associated with the construction and maintenance of such facilities, and;

WHEREAS, as a public agency, in 1981, the Authority adopted Standard Specifications for Road and Bridge Construction; and

WHEREAS, the Authority has updated these specifications for individual contracts but has not undertaken a comprehensive revision of the Standard Specifications to modernize and incorporate technology advancements; and

WHEREAS, the Authority is responsible for maintaining safe, modern and efficient facilities for the public that utilizes them; and

WHEREAS, the Authority desires to maintain an open, fair and competitive public contracting process; and

WHEREAS, the Authority has concluded that revising the Standard Specifications for Road and Bridge Construction is necessary and proper; and

WHEREAS, the Authority desires to amend the Standard Specifications for Road and Bridge Construction with an effective date of December 15, 2014.

NOW THEREFORE BE IT RESOLVED that the revised Standard Specifications for Road and Bridge Construction, attached hereto, are hereby adopted with an effective date of December 15, 2014.

A motion to approve Resolution 14-44 was made by Commissioner Dorn, and seconded by Commissioner Wilson. Resolution 14-44 was approved by a roll call vote of 9-0.

Resolution 14-44 Executive Summary Sheet

Resolution: Amends and revises the Authority’s Standard Specifications for Road and Bridge Construction

Committee: Projects

Committee/

Commission Date: November 18, 2014

Purpose of Resolution:

The Authority desires to amend and revise its Standard Specifications for Road and Bridge Construction to incorporate advances in engineering and construction technology. In order to more readily adapt to these advances, the Authority intends to generally rely on DeIDOT's Standard Specifications for Road and Bridge Construction in the form published on DeIDOT's website on the date of advertisement for future bids.

The Authority desires to have more commercially reasonable terms, and therefore, has made the Executive Director the initial decision-maker in an alternative dispute resolution process with the final binding resolution being made through an independent arbitration pursuant to the Construction Industry Arbitration Rules of the American Arbitration Association.

In addition, the Authority has recalculated the value of the Cashier's Check placed for a Bid Guaranty to be 1% of the Contract Price with a minimum of \$2,000.00 and a maximum of \$20,000 to be returned to unsuccessful bidders within 14 days of the bid opening. The Authority has also reduced the amount of the Bid Bond to 10% and amended the form of Performance Bond.

Finally, the Authority has removed the confession of judgment provisions to comply with New Jersey law.

Background for Resolution:

The Authority adopted Standard Specifications for Road and Bridge Construction in 1981. No wholesale update has been done since that time. Rather, changes have been made on an individual basis on each contract. The changes are necessary to ensure uniformity and clarity.

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RESOLUTION 14-45 – LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND EAST COAST DISTILLING, LLC.

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

WHEREAS, East Coast Distilling, LLC ("East Coast") wants to lease approximately 2,000 square feet of space in a building commonly referred to as Building 20; and

WHEREAS, East Coast has agreed to pay the Authority annual rent in the amount of Four Thousand 00/100 Dollars (\$4,000.00); and

WHEREAS, the initial term of this agreement shall be for one (1) year; and

WHEREAS, East Coast shall have the initial option of renewing the Lease Agreement for two (2) additional one (1) year periods; and

WHEREAS, rent during the renewal periods shall be adjusted annually by the Consumer Price Index (CPI); and

WHEREAS, East Coast shall be required to obtain all permits and approvals before commencing operations; and

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby authorized to finalize the terms and conditions of the Lease Agreement with East Coast

Distilling, LLC and, with the advice and consent of counsel, to have such Lease Agreement to Lease Agreement executed by the Chairperson, Vice Chairperson and the Executive Director.

A motion to approve Resolution 14-45 was made by Commissioner Wilson and seconded by Commissioner Smith. Resolution 14-45 was approved by a roll call vote of 9-0.

Resolution 14-45 Executive Summary Sheet

Resolution: Authorizing the Execution of a Lease Agreement between the Delaware River and Bay Authority and East Coast Distilling, LLC at the Millville Airport

Committee: Economic Development

Committee Date: November 18, 2014

Board Date: November 18, 2014

Purpose of Resolution:

To permit the Executive Director, Chairman and Vice Chairman to execute and deliver a lease agreement for new lease space at the Millville Airport.

Background for Resolution:

The Delaware River and Bay Authority operates an office/shop facility located at the Millville Airport commonly referred to as Building 20. The building is currently vacant and is being rented “as-is”. East Coast Distilling, LLC will be operating a craft distillery establishment. Before East Coast Distilling, LLC may commence operations they will be required to obtain all licensing and approvals. Any required upgrades to the facility are the responsibility of the tenant and tenant will have a pre-occupancy period to bring the facility up to standards for approval by NJ ABC and the City of Millville.

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RESOLUTION 14-46 – LEASE AMENDMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND MCCONNELL DEVELOPMENT, INC.

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

WHEREAS, McConnell Development, Inc. (“McConnell”) currently leases approximately 10.93 acres of land at the New Castle Airport; and

WHEREAS, McConnell has constructed a warehouse facility and subleases to Federal Express; and

WHEREAS, due to the recent downturn in the economy, McConnell renegotiated their sublease with Federal Express fixing their rental payment for a ten (10) year term commencing on October 1, 2014 in order to keep them at the facility and in New Castle; and

WHEREAS, McConnell requested to renegotiate their ground lease agreement with the Authority; and

WHEREAS, the Authority is interested in promoting job retention within the region has agreed to waive scheduled rent escalations through the end of the existing term as long as Federal Express remains a tenant of McConnell at the renegotiated rental rate; and

WHEREAS, the rental rate at the beginning on the renewal term shall be adjusted to the 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 Amendment with McConnell Development, Inc. and, with the advice and consent of counsel, to have such Agreement executed by the Chairperson, Vice Chairperson and the Executive Director.

A motion to approve Resolution 14-46 was made by Commissioner Lowe and seconded by Commissioner Smith. Resolution 14-46 was approved by a roll call vote of 9-0.

Resolution 14-46 Executive Summary Sheet

Resolution: Authorizing the Execution of a Lease Amendment between the Delaware River and Bay Authority and McConnell Development, Inc. regarding New Castle Airport

Committee: Economic Development

Committee Date: November 18, 2014

Board Date: November 18, 2014

Purpose of Resolution:

To permit the Executive Director, Chairman and Vice Chairman to execute and deliver a lease amendment for land at New Castle Airport.

Background for Resolution:

McConnell Development, Inc. has a ground lease with the Authority at the New Castle Airport. McConnell Development built a facility at the airport and has Fed Ex as a tenant. When that sublease expired recently Fed Ex requested to renegotiate the terms of the agreement. Due to the economy in recent years, the industrial warehouse space market has not performed as well as in the past. As a result of this re-negotiation of the sublease McConnell Development has requested to renegotiate their lease agreement with the Authority. After reviewing and researching this request, it was determined that we would waive their scheduled rent increase through the end of their current term that is set to expire on June 24, 2025.

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RESOLUTION 14-47 – CHANGES THE DATE OF THE JANUARY AND FEBRUARY 2015 BOARD OF COMMISSIONERS MEETINGS

WHEREAS, pursuant to Section 5.1 of the Bylaws adopted by the Delaware River and Bay Authority (the “Authority”), the regular monthly meeting of the Commissioners shall be held on the third Tuesday of each month; and

WHEREAS, the January 2015 Board meeting is currently scheduled for Tuesday, January 20, 2015; and

WHEREAS, due to scheduling conflicts with Martin Luther King Day, the Commissioners desire to reschedule the meeting to the third Wednesday of January, January 21, 2015.

WHEREAS, the February 2015 Board meeting is currently scheduled for Tuesday, February 17, 2015; and

WHEREAS, due to the scheduling conflicts with Presidents' Day, the Commissioners desire to reschedule the meeting to the third Wednesday of February, February 18, 2015.

NOW, THEREFORE, BE IT RESOLVED, that the January monthly meeting of the Board of Commissioners of the DRBA shall be moved from January 20, 2015 to January 21, 2015.

NOW, THEREFORE, BE IT FURTHER RESOLVED, that the February monthly meeting of the Board of Commissioners of the DRBA shall be moved from February 17, 2015 to February 18, 2015.

A motion to approve Resolution 14-47 was made by Commissioner Wilson and seconded by Commissioner Smith. Resolution 14-47 was approved by a roll call vote of 9-0.

Resolution 14-47 Executive Summary Sheet

Resolution: Changes the date of the January 2015 and February 2015 Board of Commissioners' Meetings

Committee: N/A

Committee Date: N/A

Board Date: November 18, 2015

Purpose of Resolution:

To change the date of the January and February regular monthly meetings of the Board of Commissioners from January 20, 2015 to January 21, 2015 and from February 17, 2015 to February 18, 2015.

Background for Resolution:

Due to the Martin Luther King Holiday day, there are scheduling conflicts with the regularly scheduled January meeting.

Due to the Presidents' Day Holiday, there are scheduling conflicts with the regularly scheduled February meeting.

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10890. EXECUTIVE DIRECTOR'S COMMENTS

Executive Director Green briefed the Board on the activities in and around the Authority including the upcoming DE Congressional leaders visit to Lewes; and the Employee Holiday luncheon to be held at the DMB Maintenance building. He noted that the NBAA conference went well with the promotion of the Cape May, Millville and New Castle airports by the team. Gerry & Heath also hosted the Carus User Conference at the CMLF bringing various ferry reps/organizations to the region; Building 12 is finally demolished - soil sample test is being conducted for the removal of the slab; the Bridge is ready for the winter with the delivery of salt; Veteran's Day service at the DRBA War Memorial was held on November 11th with Commissioner Murphy attending; and two electrical vehicle charging stations have started providing services free of charge at the Lewes Terminal.

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10891. COMMISSIONERS PUBLIC FORUM

Chairperson Hogan called for comments from the public and the Commissioners.

There were no comments.

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There being no further business, a motion to adjourn was made by Commissioner Lowe, seconded by Commissioner Downes, and unanimously carried by a voice vote of 9-0.

The meeting was adjourned at 11:43 a.m.

Respectfully submitted,

THE DELAWARE RIVER AND BAY AUTHORITY

Frank W. Minor
Assistant Secretary