

MINUTES OF MEETING
THE DELAWARE RIVER AND BAY AUTHORITY
Tuesday, September 21, 2010
James Julian Boardroom
Delaware Memorial Bridge Plaza
New Castle, Delaware 19720

The meeting convened at 10:34 a.m. with Chairperson Hogan presiding.

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The opening prayer was given by Reverend Dorn, followed by the Pledge of Allegiance.

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

The Authority 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.

James N. Hogan, Chairperson	William E. Lowe
Susan A. DeLanzo	Richard W. Downes
Edward W. Dorn	Scott A. Green (via telephone)
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Ceil Smith	Terri C. Murphy
Douglas Van Sant	Gary F. Traynor

ABSENT

Niels S. Favre

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Chairperson Hogan stated that Commissioner Green had resigned as Vice-Chairperson of the Board.

Commissioner Green, via telephone, stated that he has resigned as Vice-Chairperson effective yesterday, September 20, 2010. He is unable to meet the increasing obligation of the office. He said he will remain on the Board and thanked all the Commissioners for their willingness to work together, particularly Commissioners Downes, Murphy, and Traynor who all three came on the Board around the time he did. Commissioner Green noted that he is proud to have been Vice-Chair and is proud to be a Commissioner.

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Chairperson Hogan stated that, pursuant to Section 2.3 of the Authority By-Laws, if a vacancy occurs in the office of either Chairperson or Vice-Chairperson during the term for which either was elected, a successor shall be elected from among the Commissioners from the same state as the former office holder. He then called for nominations to fill the current vacancy in the office of Vice-Chairperson.

Commissioner Green nominated Commissioner Lowe, seconded by Commissioner Murphy.

The motion to elect Commissioner Lowe as Vice-Chairperson was approved by a roll call vote of each of the Delaware Commissioners (6-0) pursuant to Section 2.3 of the Authority By-Laws. That vote was ratified by all Commissioners in attendance.

Chairperson Hogan bestowed the Oath of Office to Vice-Chairperson Lowe, while the Executive Director witnessed.

Vice-Chairperson Lowe then moved to the Vice-Chair's seat at the table.

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Chairperson Hogan noted that copies of the revised Committee assignments were being distributed and that he is postponing Board action until all have had an opportunity to review it. He will call for approval later in the agenda.

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Chairperson Hogan called for the acceptance of the Agenda by the Board. The Agenda was accepted by all Commissioners.

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Commissioner Green left the meeting.

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10226. APPROVAL OF THE JULY 20, 2010 REGULAR MEETING MINUTES

A motion was made by Commissioner Lathem to approve the minutes of the July 20, 2010 meeting, seconded by Commissioner Van Sant, and unanimously approved by a voice vote of 10-0.

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10227. EXECUTIVE DIRECTOR'S REPORT

Commissioner Downes noted that, on page two, fifth paragraph under Cape May-Lewes Ferry in the Executive Director's report for July and August, the passenger service started in July 1, 1964 and not in 1961 as reported. It was noted and corrected.

The Executive Director then presented the following highlights that occurred within the Authority during the months of July and August, 2010.

Delaware Memorial Bridge

In July, total traffic increased 0.4%, non-commercial traffic increased 1.0%, and commercial traffic decreased 4.3%, compared to July 2009. When compared to the 3-year average, total July traffic increased 2.3%. Year-to-date total traffic decreased 2.1%, non-commercial traffic decreased 1.8%, and commercial traffic decreased 3.8%, compared to the previous year. When compared to the 3-year average, year-to-date total traffic decreased 2.5%. E-ZPass traffic for July represented 58.5% of the total overall traffic as compared to 57.5% for the previous year. Year-to-date total electronic traffic represented 60.9%, an increase of 1.2% from 2009.

In August, total traffic decreased 0.5%, non-commercial traffic decreased 0.6%, and commercial traffic decreased 0.05%, compared to August 2009. When compared to the 3-year average, total August traffic decreased 0.6%. Year-to-date total traffic decreased 1.8%, non-commercial traffic decreased 1.6%, and commercial traffic decreased 3.3%, compared to the previous year. When compared to the 3-year average, year-to-date total traffic decreased 2.2%. E-ZPass traffic for August represented 60.1% of the total overall traffic as compared to 58.7% for the previous year. Year-to-date total electronic traffic represented 60.8%, an increase of 1.3% from 2009.

"*Drunk Driving, Over the Limit, Under Arrest*", a nationwide initiative was conducted from August 20 through Labor Day by our Police department. DUI Counter-measure/saturation patrols were performed on I-295 North and Southbound from I-95 to Rt. 9. During the Labor Day weekend (Friday through Monday), officers issued 90 warnings, 112 tickets, 3 criminal arrests, and 2 DUIs.

Cape May Lewes Ferry

In July, vehicle traffic increased 2.5%, passenger traffic increased 1.7%, and fare revenues increased 0.9%, compared to July 2009. Year-to-date vehicle traffic decreased 1.4%, passenger traffic decreased 0.6%, and fare revenues decreased 0.9%, compared to the same period last year. Compared to the 3-year average, year-to-date vehicle traffic decreased 13.3%, passenger traffic decreased 12.6%, and fare revenues increased 4.6%.

In August, vehicle traffic decreased 1.4%, passenger traffic decreased 4.1%, and fare revenues decreased 1.6%, compared to August 2009. Year-to-date vehicle traffic decreased 1.3%, passenger traffic decreased 2.5%, and fare revenues increased 0.2%, compared to the same

period last year. Compared to the 3-year average, year-to-date vehicle traffic decreased 13.3%, passenger traffic decreased 13.7%, and fare revenues increased 5.2%.

In July, CMLF food and beverage revenues increased 0.7% and retail revenues increased 2.5%, compared to July 2009. Year-to-date food and beverage revenues increased 2.2% and retail revenues decreased 2.0% compared to the same period in 2009. When compared to the 3-year average, year-to-date food and beverage revenues decreased 9.2% and retail revenues decreased 24.9%.

In August, CMLF food and beverage revenues decreased 0.2% and retail revenues decreased 2.6%, compared to August 2009. Year-to-date food and beverage revenues increased 1.9% and retail revenues decreased 2.1% compared to the same period in 2009. When compared to the 3-year average, year-to-date food and beverage revenues decreased 9.3% and retail revenues decreased 24.0%.

The 40 Millionth CMLF Passenger since service started July 1, 1964, crossed Delaware Bay on Monday, August 30 on the 9:15 a.m. departure from Lewes to Cape May on the MV New Jersey. All of the 199 passengers on board were involved and informed of the historic occasion and the family of three was honored by Director of Ferry Operations as they arrived. Many aboard posed for a group photo in the upper deck behind a giant banner announcing the milestone crossing, and many signed their names and hometowns on a large poster for display on the Internet and future CMLF historic events. I want to thank everyone at the CMLF that helped to make the event successful, enjoyable, and memorable.

Hurricane preparedness were topics of refresher training and contingency planning in late August as severe weather was being forecasted for early September. Marine Operations updated and distributed the CMLF Hurricane Contingency Plan with emergency contact information. This planning was just in time for the recent arrival of Hurricane Earl, although the storm moved far enough offshore so that it was not a major local event.

The CMLF completed the installation of free Wi-Fi, the popular wireless networking technology aboard all vessels and in each terminal. This service is yet another one of the many amenities that were added this summer.

The CMLF navigated new waters with the launch of two social media sites on Facebook and Twitter. We hope these sites will enhance customer awareness and satisfaction. Friends of the CMLF can share stories and experiences, access information on the latest activities and ferry packages and connect with our twin capes tourism partners.

3 Forts Ferry

Working with the 3-Forts Ferry Bi-state Coalition, several unique and exciting tours are planned for release in the fall. On October 8th there will be a ghost tour and on October 16th there will be a fall foliage tour. Towards the end of October, there will be a History event that will include Delaware City.

Airports

Airport Operations and DEMA personnel held a full-scale emergency exercise at New Castle Airport. Operation Bad Flight involved the report of an explosive device onboard an aircraft that lands at the airport. This exercise served as the airport's official emergency drill that must be conducted at a minimum once every three years.

Airfest 2010 event was held at Cape May Airport over Labor Day weekend. Approximately 4,000 patrons attended and the Collings Foundation operated 16 flights for attendees who paid to experience a flight on a vintage military aircraft.

Aero Ways, a tenant and FBO at New Castle Airport, is delinquent in its payment of rent, landing fees and fuel flowage fees and the Authority is currently enforcing its rights under its agreement with Aero Ways. The Executive Director has been working with counsel in the enforcement of the Authority's rights, and it is anticipated that such efforts will, in the near future, result in a resolution by which the Authority collects all outstanding amounts owed by Aero Ways. The Executive Director will report to the Board on the status of this matter as circumstances warrant.

Finance

Over the last two months, the Procurement Department released five (5) construction contracts for bidding and nine (9) professional service qualification solicitations for responses.

Employee Happenings

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

Authorized Positions	434
Positions Filled	389
Positions Filled (on LTD)	2
Total Positions that are Vacant	43

Congratulations to Joseph Bryant, Jr. for his promotion to the Police Administrator. He served as the Department’s Deputy Police Administrator for the past ten years. Colonel Bryant has more than 34 years of progressive law enforcement experience, including more than 25 years of police supervisory and management roles with two major law enforcement agencies.

The authority-wide employee information sessions on EEO and Diversity “Charting a Course for the Future” have been completed. A total of 388 employees (98% participation) have attended these sessions. The purpose of the employee information meetings were as follows: build upon DRBA commitment that demands fairness in the workplace, illustrate that people bring their own past, culture and point of view to the workplace, and discuss fostering a greater understanding of differing perspectives in the workplace. Thank you to Gregory Chambers for developing this program and conducting the many sessions.

The Community Initiatives Committee distributed book bags filled with school supplies to the following randomly picked school districts: Fairfield Township Schools in Cumberland County, Elmer Elementary School in Salem County, Lake Forest South Elementary School in Kent County, and PS DuPont School in New Castle County. Thank you to the Committee and all who participated in this initiative.

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

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10228. COMMITTEE REPORT – BUDGET & FINANCE COMMITTEE

Commissioner Van Sant presented the September 8, 2010 Budget & Finance Committee meeting minutes and deferred the discussion on the investment reviews to the CFO.

BUDGET & FINANCE COMMITTEE MEETING
Wednesday, September 8, 2010
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 Wednesday, September 8, 2010, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from New Jersey

Commissioners from Delaware

PRESENT

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

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

Legal Counsel

Mike Houghton - DE

Governors’ Representatives

Johanna Jones - NJ

Staff

Jim Johnson
Frank Minor

Authority Secretary

Tom Pankok

Victor Ferzetti
Jim Walls
Gerry Owens
Charlotte Crowell
Anna Marie Gonnella Rosato
AJ Crescenzi
Jim Salmon
Heath Gehrke
Joe Volk

Invited Guests
Brown Advisory (formerly Cavanaugh
Capital Management)
Jim Cavanaugh
Jim Dugan

1. Committee Chair Van Sant opened the Budget & Finance Committee meeting at approximately 10:22 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.

2. Investment Policy Review:

The Chief Financial Officer reported that Brown Advisory (formerly Cavanaugh Capital Management) had provided a review of the Authority's current investments at the May Budget & Finance Committee. At that time, a discussion regarding the asset allocation occurred. After meeting with Brown Advisory to prepare recommendations, a presentation was made at the July Budget & Finance Committee recommending the expansion of permitted classes and to begin to use of a Multi-Asset Class (MAC) Strategy and to present recommendations for action at the September Budget & Finance Committee.

The CFO introduced Mr. Jim Cavanaugh and Mr. Jim Dugan from Brown Advisory who presented the following information regarding asset allocation for the DRBA Retirement Plan.

- Comparison of Returns on Current Equity Holdings vs MAC over a 10-year period. It was reported that the MAC strategy would have produced higher returns, but with about the same degree of volatility relative to the current equity strategy and the S&P 500 over the last 10 years.

The Committee discussed using this Strategy and asked several questions regarding the fees associated with the potential for more frequent re-balancing. It was reported that, because of the additional on-going research to manage the funds, the fees would increase from 20 to 30 basis points adding that the small increase in fees warrants greater returns. It was noted that the analysis reflected the increased management fees and returns were shown on a net basis. The CFO added that the State of New Jersey and the State of Delaware use this strategy, which incorporates commodities, real estate and emerging markets, in their trust plans. Commissioner Downes added that he did not have a problem with the use of REITS, in that they pay dividends but was more concerned with the use of Commodities the price of raw materials continually fluctuate. Mr. Dugan noted that 70% of the Commodities index is related to energy and the use of international commodities provides a hedge in the event of calamities in the Middle East and the global use of energy. The CFO stressed that while there are always risks associated, particularly with equities investing, the goal is to increase returns without increasing risk/volatility. The MAC Strategy provides additional investment tools to hopefully assist attaining the Plans' assumed returns. The failure to attain the return assumptions places increased funding pressure on the Authority.

The CFO added that Attachment A of the proposed Resolution being presented today provides the ranges for various classes of investment.

Authority Chair Hogan reported that no action would be taken at this time due to the need for the New Jersey Commissioners to caucus on the matter. New Jersey had not caucused for 4-5 months and would like to fully discuss the matter. Commissioner Murphy recommended that the information that had been previously presented at the July Budget & Finance Committee meeting be provided along with this presentation, as the material may be valuable in their decision making. Commissioner Lowe clarified that New Jersey desired to caucus and the matter would be placed on the Budget & Finance Agenda for October. Committee Vice-Chair Traynor also recommended that if any Commissioners had questions to please direct them to the Chair, Vice-Chair, or CFO so that the Committee can be ready to act in October.

3. Menasha Investment Update:

Mr. Jim Dugan provided an update regarding the status of the negotiations on the default of the Menasha, Wisconsin Bond Notes. It was reported that the city's financial advisor has recently provided some financial information to allow an analysis to be conducted to determine whether the city has additional funds available to be able to close the gap remaining from the proceeds of the sale of the electric company. Currently, the proceeds would result in \$0.70 on the dollar. The city has also agreed to pay an additional \$500,000 on top of the sale proceeds. The Authority's pro-rata share of the legal fees is 6% of the total. In this class action lawsuit, Brown Advisory, has been fronting the Authority's portion of legal fees as was discussed in the October, 2009, Budget & Finance Committee. The Committee discussed and asked several questions regarding the legal fees. The CFO reminded the Committee that the Authority has not provided any cash toward the legal fees; the reimbursement of Brown Advisory would come from the settlement. As was previously discussed, NJ Legal Counsel recommended authorizing the commitment of legal fees in \$25,000 increments. The first increment of \$25,000 authorized by the Committee in October 2009, has been utilized and the CFO requested the Committee to commit an additional \$25,000. Mr. Dugan reported that, with the financial information now being provided, an analysis could be completed to determine whether to settle or pursue the matter. After discussion, the consensus of the Committee was to approve an additional \$25,000 commitment toward the legal fees.

4. Allmerica Discussion:

As previously requested by the Committee, the CFO provided the information regarding the remaining assets with Allmerica once there are no more retirees. The CFO spoke with Mercer, the Authority's Pension Actuary, who reported that, legally, the Authority is entitled to the remaining funds; however, practically, they expect no funds to be remaining. Commissioner Lowe then questioned if the Authority has a legal liability if there were to be insufficient funds. The pension funds are noted in the Authority's Financial Report and are already included in the pension valuation. The Committee discussed concerns for the performance of the Allmerica plan and the CFO reported that it is an all fixed income portfolio, with less volatile earnings. Delaware Legal Counsel questioned whether there should be any planning in the event of a shortfall. The CFO reported that, at the time of the Agreement, Allmerica wanted to raise the reserve requirement; however, the Authority believed that there were sufficient funds to meet the liability and no additional funds were needed. The CFO stated that, at the time of the disagreement with Allmerica, the actuaries believed that there were sufficient assets to meet the liabilities. The CFO also noted that he questioned the actuary if it made sense to re-evaluate the Allmerica component and they did not believe that was beneficial. Commissioner Traynor clarified that the actuaries believe there is not a liability on the Authority's part.

5. 2011 Operating Budget Preview:

The CFO presented the 2011 Budget Schedule. Significant dates for Commissioners are as follows:

- September 8, 2010 Present Preliminary 2011 Policy Issues to the Budget & Finance Committee
- October 5, 2010 Present Draft Budget to the Budget & Finance Committee
- November 2, 2010 Present Reviewed 2011 Operating Budget to the Budget & Finance Committee
- November 15, 2010 Reserved for Additional meetings as Needed
- November 16, 2010 Adopt Formal 2011 Budget

The CFO noted that it is a goal to adopt the Budget in November. The CFO reviewed each of the known increases/decreases. The CFO reported that the increased Wages and OPEB Contributions total approximately \$3.0 million, a 3.8% increase over the 2010 Adopted Budget. Staff will continue to work toward reductions to offset those increases.

- Wages – Negotiated Contracts call for 3% increase. Each 1% increase would equal \$257,000.
- Group Medical – Employees' Contributions increase from 9% to 10% of phantom rate.

- 2010 Pension – 2% of 2010 wage adjustment equals \$6,100,000 or \$122,000 increase over 2009, with other factors to influence final budgeted amount.
- 2010 OPEB Funding – Fourth funding in the 5-Year Phase In equals \$7,128,000 or \$2.23 million increase.
- 2010 Vessel Fuel - \$2,625,995 – Pricing and market conditions remain soft. Staff will investigate and evaluate fixed price contract; however, there would be a 13-15% premium, for price assurance, not price savings. The CFO reminded the Committee that there is still the ability to build in fuel sur-charges to the ferry pricing.
- 2010 Insurance – Reduction in broker fees of approximately \$90,000. Market remains soft for standard policies; bridge property likely to rise on increased valuation.
- E-ZPass Service Contract – Expires at the end of 2010 and likely to result in increased transaction fees.

The CFO requested a discussion in Executive Session. Commissioner Traynor made a motion, Commissioner Favre seconded, and the Session was closed.

The following matters of a confidential nature were discussed.

- LONG RANGE PLANNING

There being no further business to discuss in Executive Session, a motion was made by Commissioner Downes, seconded by Commissioner DeLanzo, and the Session was opened to the public

6. 2010 Revenue and Expense Review:

The CFO reported that this section was included for informational purposes only noting that the current Revenue is 3.9% below projections; however, operational costs are lower as well.

7. Resolutions:

a. RESOLUTION 10-XX - AUTHORIZING AUTHORITY EXPENDITURES PURSUANT TO RESOLUTION 01-84 FOR THE PERIOD, JANUARY 1, 2010 THROUGH DECEMBER 31, 2010 – The CFO reviewed each of the vendors listed. The Committee questioned the cost of Verizon Business in the amount of \$309,164 and why the phones were being replaced. The Chief Information Officer (CIO) reported that the New Castle phone system had been replaced last year and Lewes and Cape May phones were budgeted for replacement this year. The equipment is outdated. The Committee questioned Veriteq Instruments in the amount of \$46,197.75. The CIO reported that the equipment is necessary for FDA compliance to replace manually recording data with electronic equipment, enabling logs to be generated continuously. The Committee also questioned the purchase in light of any Ad Hoc CMLF recommendations. The CIO reported that the equipment would be necessary for FDA compliance regardless of any future plans for the CMLF. The CFO noted that for The Hartford and UNUM Life Insurance Company, the totals reflected 6-months of premiums since the coverage changeover took place mid-year. After discussion, Commissioner Favre made a motion, Commissioner Downes seconded, and the Budget & Finance Committee unanimously recommended approval. The Resolution will be presented to the full Board for consideration at the September meeting.

b. RESOLUTION 10-XX – AUTHORIZES A CONTRACT BETWEEN THE AUTHORITY AND WILLIS OF DELAWARE, INC. TO PROVIDE PROFESSIONAL INSURANCE BROKERAGE AND CONSULTING SERVICES FOR THE DELAWARE RIVER AND BAY AUTHORITY– The CFO reported that an RFP had been conducted and the Authority received and evaluated the proposals of four (4) firms. Oral interviews were conducted for the two (2) shortlisted firms. Willis of Delaware, Inc. was ranked first and the Authority negotiated fees for initial term of three (3) years and one (1) optional one-year renewal. The CFO noted that by negotiating, the Authority would save approximately \$90,000 in 2011 vs 2010 fees. After discussion, Commissioner Favre made a motion, Commissioner Traynor seconded, and the Budget & Finance Committee unanimously recommended approval. The Resolution will be presented to the full Board for consideration at the September meeting.

c. RESOLUTION 10-XX – AUTHORIZES A CONTRACT BETWEEN THE AUTHORITY AND CLIFTON GUNDERSON, LLP TO PROVIDE PROFESSIONAL INDEPENDENT AUDITING SERVICES FOR THE DELAWARE RIVER AND BAY AUTHORITY - The CFO reported that an RFP had been conducted and the Authority received and evaluated the proposals of four (4) firms. Oral interviews were conducted for all four (4) shortlisted firms. Clifton Gunderson, LLP was ranked first and the Authority negotiated fees for an initial term of three (3) years with two (2) optional one-year renewals. The CFO noted that it

is in the best interest of the Authority and the intent to exercise the renewals for a total of five (5) years, as it would be Best Practice to engage independent auditors for at least five (5) years. The Committee questioned the location of Clifton Gunderson and the CFO reported that they are the 13th largest auditing firm in the country and are based in Philadelphia, Pennsylvania. Commissioner Favre questioned how long the previous auditors had been engaged and it was reported that Bowman and Company had conducted seven (7) consecutive audits. After discussion, Commissioner Traynor made a motion, Commissioner Favre seconded, and the Budget & Finance Committee unanimously recommended approval. The Resolution will be presented to the full Board for consideration at the September meeting.

d. RESOLUTION 10-XX – AUTHORIZES A CONTRACT BETWEEN THE AUTHORITY AND THE STAR GROUP TO PROVIDE ADVERTISING AND MARKETING PROFESSIONAL SERVICES FOR THE CAPE MAY-LEWES FERRY– The CFO reported that an RFP had been conducted and the Authority received and evaluated thirteen (13) proposals. Oral interviews were conducted for five (5) shortlisted firms. The Star Group was ranked first and the Authority negotiated fees for an initial term of three (3) years with one (1) optional one-year renewal. Commissioner Favre questioned the location of The Star Group and it was reported that they are located in New Castle, Delaware and Voorhees, New Jersey. After discussion, Commissioner Traynor made a motion, Commissioner Favre seconded, and the Budget & Finance Committee unanimously recommended approval. The Resolution will be presented to the full Board for consideration at the September meeting.

The CFO noted that the Resolution to Establish an Investment Committee, Investment Manager, and Investment Guidelines Related to the Other Post Employment Benefits (“OPEB”) Trust, will be reviewed and discussed along with the Pension Investment Guidelines Resolution, which will be held until October. The CFO noted that someone will be required to make investment decisions by year-end for the OPEB fund.

8. Miscellaneous:

Committee Chair Van Sant questioned whether there were any additional matters to be discussed. Commissioner Downes questioned the status of discussions of the Civil Air Terminal. The Executive Director reported that he had been contacted since the meeting with DelDOT officials and that the Director-Airports was drafting an Operating Agreement to revert control of the facility back to the State of Delaware.

Committee Chair Van Sant questioned the status of the sale of the two vessels. The Chief Operations Officer reported that both parties have been unresponsive and leads have gone cold. Commissioner Van Sant noted his previous recommendation.

With no further business to discuss, a motion to adjourn was made by Commissioner Traynor, and the Budget & Finance Committee adjourned at 12:05 p.m.

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

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10229. COMMITTEE REPORT – PERSONNEL COMMITTEE

Commissioner Dorn presented the following Personnel Committee meeting minutes of July 26, September 8 and 21, 2010.

PERSONNEL COMMITTEE MEETING
Monday July 26, 2010
Delaware Memorial Bridge Complex
New Castle, Delaware

A public meeting of The Delaware River and Bay Authority’s Personnel Committee was held on Monday, July 26, 2010, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from New Jersey
PRESENT

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

Commissioners from Delaware

Committee Vice-Chair Lathem
Commissioner Murphy,
Committee Member
Commissioner Traynor,

Member

Committee Member

Legal Counsel

Mike Houghton - DE

1. Committee Chair Dorn welcomed the Personnel Committee and opened the meeting at approximately 9:02 a.m. Delaware Counsel Houghton reported that the public meeting of the Personnel Committee had been duly noticed in accordance with the Authority’s Freedom of Information Regulations and noted that all members of the Personnel Committee were in attendance.

2. Delaware Counsel Houghton suggested it would be appropriate for the Committee to move in to an Executive Session, closed to the public, to discuss matters of a confidential nature. A motion was made by Commissioner Murphy, seconded by Commissioner Traynor, and the Committee moved in to Executive Session.

The following matters of a confidential nature were discussed.

• PERSONNEL MATTERS

With no further business to discuss in Executive Session, a motion to open the meeting to the public was made by Commissioner Murphy, and the Personnel Committee was opened to the public.

With no further business to discuss, Commissioner Murphy, made a motion to adjourn, Commissioner Smith seconded, and the Personnel Committee adjourned at 10:00 a.m.

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PERSONNEL COMMITTEE MEETING

Wednesday, September 8, 2010

Delaware Memorial Bridge Complex

New Castle, Delaware

A public meeting of The Delaware River and Bay Authority’s Personnel Committee was held on Wednesday, September 8, 2010, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from New Jersey

PRESENT

Committee Chair Dorn
Commissioner Favre, Cmte Mbr
Commissioner DeLanzo
Commissioner Van Sant

Commissioners from Delaware

Commissioner Traynor, Comte Mbr
Commissioner Downes
Commissioner Lowe

Governors’ Representatives

Johanna Jones - NJ

Staff

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

Authority Secretary

Thomas Pankok

1. Committee Chair Dorn welcomed the Personnel Committee and opened the meeting at 12:05 p.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.

2. Authority Chair Hogan requested to address the Committee on a matter. Committee Chair Dorn reported that he would defer other business to allow for Authority Chair Hogan to address the Committee.

Authority Chair Hogan reported that during the recent publicity surrounding free passage on the up-river bridges, the matter of free passage for employees and their immediate families on the Cape May-Lewes Ferry had come to his attention. He reported that a 1994 Resolution permitted this practice, provided it did not displace any paying customers. Although the Executive Director should be able to authorize use of the ferry by employees doing business, this matter should be cleaned up as soon as reasonably possible. Commissioner Downes reported that he recommended a Resolution. The Executive Director reported that he drafted a Resolution, but the practice had been discontinued in August; however, due to the 14-day comment period required in the MEBA Contract, the new Policy did not become effective until September 1, 2010. The Committee questioned the amount of usage and the Chief Operations Officer provided the information, noting that a large portion was use by the Delaware Crew and their families, since being relocated from Lewes to Cape May. Commissioner Lowe questioned whether the Committee should act prior to receiving direction from the Governor's Office. Authority Chair Hogan questioned whether the new Policy would be sufficient, during the interim period, to avoid negative publicity. The consensus of the Committee was that the Policy was sufficient until further direction is received from the New Jersey Governor's Office.

The New Jersey Governor's Representative requested any additional changes to the current Policy be provided to the New Jersey Governor's Office.

Committee Chair Dorn requested a Personnel Committee meeting be scheduled at 9:00 a.m., prior to the September meeting.

With no further business to discuss, Commissioner Traynor made a motion to adjourn, and the Personnel Committee adjourned at 12:20 p.m.

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

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PERSONNEL COMMITTEE MEETING
Tuesday, September 21, 2010
Delaware Memorial Bridge Complex
New Castle, Delaware

A public meeting of The Delaware River and Bay Authority's Personnel Committee was held on Tuesday, September 21, 2010, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from New Jersey
PRESENT

Committee Chair Dorn
Commissioner Smith, Committee Member
Commissioner DeLanzo
Commissioner Van Sant
Chairperson Hogan

Legal Counsel
Phil Norcross - NJ

Governors' Representatives
Johanna Jones - NJ

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

Commissioners from Delaware

Committee Vice-Chair Lathem
Commissioner Murphy, Committee member
Commissioner Traynor, Committee Member
Commissioner Downes
Commissioner Lowe

Mike Houghton - DE

Cleon Cauley - DE

Authority Secretary
Thomas Pankok

1. Committee Chair Dorn welcomed the Personnel Committee and opened the meeting at 9:02 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.

2. Committee Chair Dorn requested an Executive Session, closed to the public to discuss matters of a confidential nature. A motion was made by Commissioner Traynor, seconded by Commissioner Murphy, and the Session was closed.

The following matters of a confidential nature were discussed.

- CONTRACT NEGOTIATIONS
- PERSONNEL MATTERS

With no further business to discuss in Executive Session, a motion to open the meeting to the public was made by Commissioner Lathem, seconded by Commissioner Smith, and the Personnel Committee was opened to the public.

RFP for Authority-Wide Employee Benefits Brokerage and Consulting Services:

The Chief Human Resource Officer (CHRO) reported that an RFP for Authority-Wide Employee Benefits Brokerage and Consulting Services had been conducted. Staff received and evaluated the proposals of seven (7) firms. Oral interviews have been scheduled for September 24, 2010, for the four (4) shortlisted firms. The recommendation will be presented at the October Personnel Committee meeting.

With no further business to discuss, Commissioner Murphy made a motion to adjourn, and the Personnel Committee adjourned at 10:02 a.m.

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10230. COMMITTEE REPORT – PROJECTS

Commissioner Murphy presented the following Projects Committee meeting minutes of September 8, 2010.

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New Jersey Counsel left the room during the reporting of the minutes.

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PROJECTS COMMITTEE
September 8, 2010
Delaware Memorial Bridge Complex
New Castle, Delaware

A public meeting of the Delaware River and Bay Authority’s Projects Committee was held on Wednesday, September 8, 2010, at the Delaware Memorial Bridge Administration Building, New Castle, Delaware.

Commissioners from New Jersey

Commissioners from Delaware

Commissioner Favre, Committee Chair
Commissioner Dorn, Committee Member
Commissioner VanSant, Committee Member
Commissioner Smith
Authority Chair Hogan

Commissioner Lowe, Committee Vice Chair
Commissioner Murphy, Committee Member
Commissioner Downes
Commissioner Traynor

Staff

NJ Liaison

Jim Johnson
Frank Minor
Victor Ferzetti
Gerry DiNicola Owens
Charlotte Crowell
Anna Marie Gonnella-Rosato
A.J. Crescenzi
Steve Williams
John Sarro
Jim Salmon
Ken Hynson

Johanna Jones

Secretary
Tom Pankok

DE Counsel
Michael Houghton

HNTB
Ted Zoli

Joseph Volk
Dave Hoppenjans

S.T. Hudson
Rich Long

The Projects Committee meeting convened at approximately 9:00 a.m. Those in attendance were provided an informational package consisting of bid tab and a monthly contractor payment chart (through August).

1. Resolutions:

RESOLUTION 10-XX – AUTHORIZES A CONTRACT BETWEEN THE AUTHORITY AND RUMMEL, KLEPPER & KAHL, LLP TO PROVIDE I-295 SOUTHBOUND APPROACH ROADS (PHASE IV) PROFESSIONAL ENGINEERING DESIGN AND CONSTRUCTION PHASE SERVICES FOR THE DELAWARE MEMORIAL BRIDGE. The COO and Senior Engineer described the project as the final of four phases for the Delaware Memorial Bridge approach roads' realignment and rehabilitation which will take approximately two years to design and \$35 million to construct. The COO made the recommendation to award the contract to Rummel, Klepper, & Kahl, LLC, to provide professional engineering design and construction phase services for this project. A motion to move the Resolution to the full board was made by Commissioner Lowe, seconded by Commissioner Murphy and unanimously approved. The Projects Committee recommended the Resolution be presented at the September Board meeting.

2. Bid Openings:

a. Contract No. NCA-08-02. A public bid opening was held on July 8, 2010 in which three (3) bids were submitted for Contract No. NCA-08-02, "Rehabilitate and Extend Taxiway H," at New Castle Airport. The scope of work generally consists of the realignment and extension of Taxiway H from its origin at Taxiway F, across Taxiway G, and terminating at the airport property line. The project is 95% FAA funded. The COO described the scope of work and recommended award to the lowest responsive bidder, Greggo & Ferrara, Inc., in the amount of \$2,418,162.25. A motion to move the award of Contract No. NCA-08-02 to the full board was made by Commissioner Van Sant, seconded by Commissioner Lowe, and unanimously approved. The Projects Committee authorized the action to be presented at the September Board meeting.

b. Contract No. MVA-05-01. A public bid opening was held on June 30, 2010 in which five (5) bids were submitted for Contract No. MVA-05-01, "Rehabilitate Taxiways B & G, Construct T-Hangar Taxilanes, and Compass/Run-Up Pad," at Millville Airport. The Base Bid scope of work generally consists of the reconstruction of Taxiways B & G to federal standards and the construction of additional T-Hangar Taxilanes to accommodate up to twenty future nested T-Hangars. The Add Alternate scope of work generally consists of the construction of a new Compass/Run-up Pad to accommodate aircraft maintenance and calibration needs. The base bid is 95% FAA funded and the Add Alternate is 100% funded by the City of Millville and NJDOT. The COO described the scope of work and recommended award of the Base Bid and Add Alternate to the lowest responsive bidder, Giberson Plumbing, & Excavating, Inc., in the amount of \$2,158,103.50. A motion to move the award of Contract No. MVA-05-01 to the full board was made by Commissioner Murphy, seconded by Commissioner Lowe, and unanimously approved. The Projects Committee authorized the action to be presented at the September Board meeting.

c. Contract No. NCA-10-01. A public bid opening was held on September 1, 2010 in which three (3) bids were submitted for Contract No. NCA-10-01, "Building 199, Heating and Controls Upgrades," at New Castle Airport. The Base Bid scope of work generally consists of the replacement of boilers and installation of new infrared heaters at Building 199. The Add Alternate 2 scope of work consists of hangar insulation and siding improvements. Per the lease agreement, project costs will be evenly divided between the tenant and the Authority. The COO described the work included in the project and recommended award of the Base Bid and Add Alternate 2 to the lowest responsive bidder, Ralph G. Degli Obizzi & Sons, Inc., in the amount of \$322,109.00. The COO clarified that award would be contingent upon the tenant's written commitment to extend their cost share to cover the award of Add Alternate 2. A motion to move the award of Contract No. NCA-10-01 to the full board was made by Commissioner Lowe, seconded by Commissioner Dorn, and unanimously approved. The Projects Committee authorized the action to be presented at the September Board meeting.

d. Contract No. CMLF-10-01. A public bid opening was held on August 31, 2010 for Contract No. CMLF-10-01, "Drydocking and Repairs, M/V Delaware" in which three (3) bids were submitted for the Cape May-Lewes Ferry. The COO described the project as a normal, Federally-mandated vessel drydocking that will include vessel inspection, hull painting, steering gear maintenance, and other work. The COO recommended award of the contract to the lowest responsive bidder, Colonna's Shipyard, Inc., in the amount of \$1,289,000.00. A motion to move

the award of Contract No. CMLF-10-01 to the full board was made by Commissioner Van Sant, seconded by Commissioner Lowe, and unanimously approved. The Projects Committee authorized the action to be presented at the September Board meeting.

e. Contract No. DMB-10-03. A public bid opening was held on September 2, 2010 for Contract No. DMB-10-03, "Miscellaneous Steelwork" on the Delaware Memorial Bridge in which four (4) bids were submitted. The COO described the work included in the project and recommended award of the Base Bid for pier fencing to the lowest responsive bidder, Abel Fence, LLC, in the amount of \$520,000.00. A motion to move the award of Contract No. DMB-10-03 to the full board was made by Commissioner Murphy, seconded by Commissioner Lowe, and unanimously approved. The Projects Committee authorized the action to be presented at the September Board meeting

3. Contract Close-Out Actions:

a. Contract No. NCA-04-01. The COO recommended the close-out of Contract No. NCA-04-01, "Runway 1-19 Safety Area Improvements," at the New Castle Airport and that final payment be made to Diamond Materials of Wilmington, Delaware in the amount of \$3,931,985.12. The scope of work generally consisted of re-grading the Runway 19 approach, to conform to federal safety requirements. The project is 95% FAA funded. A motion to close out Contract No. NCA-04-01 was made by Commissioner Murphy, seconded by Commissioner Dorn, and unanimously approved. The Projects Committee directed the action be presented at the September Board meeting.

b. Contract No. MVA-06-01. The COO recommended close-out of Contract No. MVA-06-01, "Obstruction Removal Phase I," at the Millville Airport and that final payment be made to Giberson Plumbing & Excavating of Shamong, New Jersey, in the amount of \$944,418.20. The scope of work generally consisted of the removal of trees around the airport which presented a hazard to aircraft. The project is 95% FAA funded. A motion close out Contract No. MVA-06-01 was made by Commissioner Lowe, seconded by Commissioner Murphy, and unanimously approved. The Projects Committee directed the action be presented at the September Board meeting.

c. Contract No. CMA-05-01. The COO recommended close-out of Contract No. CMA-05-01, "Rehabilitation of Taxiways B and D," at the Cape May Airport and that final payment be made to South State, Inc. of Bridgeton, New Jersey, in the amount of \$2,043,638.42. The scope of work generally consisted of the widening and repaving of Taxiways B and D per aircraft design group standards. The project is 95% FAA funded. A motion to close out Contract No. CMA-05-01 was made by Commissioner Murphy, seconded by Commissioner Lowe, and unanimously approved. The Projects Committee directed the action be presented at the September Board meeting

4. Contract Payment Review (through August): The COO informed the Committee of the monthly construction contractor payments to be made in September.

5. Miscellaneous Items/Updates:

a. Marine Master Plan Update: The COO and Director of Ferry Operations briefed the Committee on the current schedule of new Design, Bid, Build New Ferry Vessels by AMSEC, our contracted naval architect firm at the Cape May-Lewes Ferry. An aggressive schedule for new construction shows completion of the first vessel as early as the end of 2014, but several factors, including the Authority's overall financial plan, will dictate the actual timeline. The next tasks involve studying contracting strategies (design-build vs. design-bid-build), existing vessel useful life and the cost to extend, and ship/port interface issues with catamaran vessels of STS design. The Director of Ferry Operations and Senior Engineer also briefed the Committee on the current design and replacement schedule of new passenger loaders tubes by AMSEC. The existing loader tubes are beyond their useful life and are scheduled for replacement. The new passenger loaders are designed for a single loader with two heads (one for each slip) at each terminal to replace two existing at each terminal to contain costs. Consideration of possible new vessels was taken into consideration for design. Six vendors were identified of which only one is located in the United States. The other vendors are located overseas and a provision to waive the "Buy American" clause will need to be reviewed when the contract is ready for bid.

b. CMLF Monopiles Update: The COO, Senior Engineer, and HNTB (DRBA Consulting Engineers) briefed the Committee with a presentation on Monopiles 68 and 74 damage analysis and replacement recommendations at the Cape May-Lewes Ferry. Larger composite monopiles (8' to 10' diameter tapered) were recommended to bid for replacement at approximate costs of

\$2.1 to \$2.3 million. Separate contracts for furnishing the composite monopiles and installation were recommended. The Projects Committee concurred with the recommendation to go out bid for the new larger composite monopiles.

There being no further business for the Projects Committee, the public meeting was adjourned at approximately 10:17 a.m.

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

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New Jersey Counsel returned to the meeting.

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10231. COMMITTEE REPORT – ECONOMIC DEVELOPMENT

Commissioner Downes presented the following Economic Development Committee meeting minutes of September 8, 2010.

ECONOMIC DEVELOPMENT COMMITTEE MEETING
Wednesday, September 8, 2010
Delaware Memorial Bridge Complex
New Castle, Delaware

A public meeting of The Delaware River and Bay Authority’s Economic Development Committee was held on Wednesday, September 8, 2010, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from New Jersey

PRESENT

Commissioner DeLanzo, Committee Member
Commissioner Dorn, Committee Member
Commissioner Favre
Commissioner Van Sant
Chairperson Hogan

Commissioners from Delaware

Committee Chair Downes
Commissioner Lowe, Committee Member
Commissioner Traynor, Committee Member

Legal Counsel

Mike Houghton - DE

Governors’ Representatives

Johanna Jones – NJ

Staff

Jim Johnson
Frank Minor
Victor Ferzetti
Jim Walls
Gerry Owens
Charlotte Crowell
Anna Marie Gonnella Rosato
Michelle Griscom-Collins
John Sarro
Joe Volk

Authority Secretary

Tom Pankok

Committee Chair Downes welcomed the Economic Development Committee and opened the meeting at approximately 12:21 p.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.

1. Action Items:

a. RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE A POND MAINTENANCE AGREEMENT WITH THE CORPORATE COMMONS MAINTENANCE CORPORATION – The retention pond located on common land within the Corporate Commons at the New Castle Airport, has substantially been maintained by the Authority, on its own, and without contribution from other members of the Corporate Commons Maintenance Corporation. Working in conjunction with Legal Counsel, it was determined that there were conflicting documents with regard to responsibility for maintenance of the retention pond. The Authority desires to concretize the maintenance responsibilities into an Agreement that would specify Authority responsibility, supersede any conflicting documents, and address wildlife issues, as related to safety, at the National Guard facility. After discussion, Commissioner Traynor made a motion, Commissioner Lowe seconded and the Economic Development Committee recommended approval authorizing the Executive Director to execute a Pond Maintenance Agreement with the Corporate Commons Maintenance Corporation.

With no further business to discuss, a motion to adjourn was made by Commissioner Traynor, and the Economic Development Committee adjourned at 12:24 p.m.

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

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10232. DELAWARE RIVER AND BAY AUTHORITY – TRAFFIC AND REVENUE SUMMARY.

The Chief Financial Officer (CFO) presented charts 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 months of June and July, 2010.

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

10233. DELAWARE RIVER AND BAY AUTHORITY – STATEMENT OF INCOME AND EXPENSE.

The CFO presented a chart showing statements of income and expenses for the months of June and July, 2010 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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10234. DELAWARE RIVER AND BAY AUTHORITY – OPERATING EXPENSE BY DIVISION.

The CFO presented charts for July and August 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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10235. DELAWARE RIVER AND BAY AUTHORITY – CAPITAL IMPROVEMENT PROGRAM.

The CFO presented a chart for the months of July and August, 2010 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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10236. DELAWARE RIVER AND BAY AUTHORITY – CASH POSITION (MARKET VALUE) AS OF JULY 31 AND AUGUST 31, 2010.

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

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

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10237. PUBLIC COMMENT ON ACTION ITEMS.

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

- Contract #MVA-05-01 Rehab Taxiways "B" & "G" Construct T-Hanger Taxilanes & Compass/Run-up Pad, Millville Airport
- Contract #NCA-08-02 Rehab and Extend Taxiway "H", New Castle Airport
- Contract #CMLF-10-01 Drydocking & Repairs, M/V Delaware
- Contract #NCA-10-01 Building 199, Heating & Controls Upgrades, New Castle Airport
- Contract #DMB-10-03 Misc. Steel Work, DMB
- Close-out Contract #CMA-05-01 Rehab of Taxiways "B" and "D", Cape May Airport
- Resolution 10-41 Authorizing Authority Expenditures Over \$25,000
- Resolution 10-42 Contract with Willis of DE for Insurance Brokerage & Consulting Services
- Resolution 10-43 Contract with Clifton Gunderson, LLP for Independent Auditing Services
- Resolution 10-44 Contract with The Star Group for Advertising & Marketing Services at CMLF
- Resolution 10-45 Contract with Rummel, Klepper & Kahl, LLP for I-295 Southbound Approach Roads (Phase IV) Prof Engrg Design & Construction Phase Services
- Resolution 10-46 Amends and Authorizes the Executive Director to Execute a Pond Maintenance Agreement with Corporate Commons Maintenance Corp, New Castle

There were no public comments.

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10238. SUMMARY OF AUTHORIZED CONTRACT PAYMENTS.

Contract No.	Contractor	Current Amount
DMB-05-01R	Cornell & Company	204,256.40
DMB-04-01	Mumford and Miller	257,383.75
CMLF-06-03R	PKF-Mark III, Inc.	360,437.42
CMLF-08-02	Mumford and Miller	99,370.00
NCA-09-02	Puente Construction	4,548.45
NCA-04-01	Diamond Materials	1,000.00
NCA-08-01	Diamond Materials, LLC	966,928.00
MVA-06-01	Giberson Plumb & Excavating, Inc.	25,000.00
CMA-07-03	MD Remodeling	42,103.76
CMA-05-01	South State, Inc.	105,994.26

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10239. APPROVAL OF CONTRACT #MVA-05-01 – REHABILITATE TAXIWAY "B" AND "G", CONSTRUCT T-HANGAR TAXILANES 7 COMPASS/RUN-UP PAD- MILLVILLE AIRPORT

Acting COO, Stephen Williams, Director of Airports, stated that a public bid opening was held on June 30, 2010 in which five (5) bids were submitted. The base bid is 95% FAA funded and the Add Alternate is 100% funded by the City of Millville and NJDOT. The COO and the Projects Committee recommend award of the Base Bid (\$1,936,421.50) and Add Alternate (\$221,682.00) to the lowest responsive bidder, Giberson Plumbing & Excavating, Inc. of Shamong, NJ in the amount of \$2,158,103.50.

A motion to award Contract No. MVA-05-01 to the aforementioned bidder was made by Commissioner Dorn, seconded by Commissioner Murphy, and unanimously approved by a voice vote of 10-0.

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10240. APPROVAL OF CONTRACT #NCA-08-02 – REHABILITATE AND EXTEND TAXIWAY “H” -NEW CASTLE AIRPORT

Acting COO Williams stated that a public bid opening was held on July 8, 2010 in which three (3) bids were submitted. The project is 95% FAA funded. The Acting COO described the scope of work and said that the COO and the Projects Committee recommend award to the lowest responsive bidder, Greggo & Ferrara, Inc. of New Castle, DE in the amount of \$2,418,162.25.

A motion to award Contract No. NCA-08-02 to the aforementioned bidder was made by Commissioner Van Sant, seconded by Commissioner Dorn, and unanimously approved by a voice vote of 10-0.

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10241. APPROVAL OF CONTRACT #CMLF-10-01 DRYDOCKING & REPAIRS, M/V DELAWARE

The Acting COO stated that a public bid opening was held on August 31, 2010 in which three (3) bids were submitted. He noted that the COO and the Projects Committee recommend award of the contract to the lowest responsive bidder, Colonna’s Shipyard, Inc. of Norfolk, VA in the amount of \$1,289,000.00.

A motion to award Contract No. CMLF-10-01 to the aforementioned bidder was made by Commissioner Lathem, seconded by Commissioner Van Sant, and unanimously approved by a voice vote of 10-0.

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10242. APPROVAL OF CONTRACT #NCA-10-01 – BUILDING 199, HEATING AND CONTROLS UPGRADES, NEW CASTLE AIRPORT

The Acting COO stated that a public bid opening was held on September 1, 2010 in which three (3) bids were submitted. He noted that the COO and the Projects Committee recommend award of the Base Bid (\$231,109.00) and Add Alternate 2 (\$91,000.00) to the lowest responsive bidder, Ralph G. Degli Obizzi & Sons, Inc. of Wilmington, DE in the amount of \$322,109.00. The award is contingent upon the tenant’s written commitment to extend their cost share to cover the award of Add Alternate 2.

A motion to award Contact No. NCA-10-01 to the aforementioned bidder was made by Commissioner Lathem, seconded by Commissioner Murphy, and unanimously approved by a voice vote of 10-0.

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10243. APPROVAL OF CONTRACT #DMB-10-03- MISCELLANEOUS STEEL WORK AT THE DELAWARE MEMORIAL BRIDGE

The Acting COO stated that a public bid opening was held on September 2, 2010 in which four (4) bids were submitted. He noted that the COO and the Projects Committee recommend award of the Base Bid for pier fencing to the lowest responsive bidder, Abel Fence, LLC. of Wilmington, DE in the amount of \$520,000.00.

A motion to award Contract No. DMB-10-03 to the aforementioned bidder was made by Commissioner Van Sant, seconded by Commissioner Murphy, and unanimously approved by a voice vote of 10-0.

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10244. CHAIRPERSON’S CALL FOR ACTION ON THE RESOLUTIONS BEFORE THE BOARD

RESOLUTION 10-41 - AUTHORIZING AUTHORITY EXPENDITURES PURSUANT TO RESOLUTION 01-84 FOR THE PERIOD, JANUARY 1, 2010 THROUGH DECEMBER 31, 2010

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 1/1/10 THROUGH 12/31/10

VENDOR	SERVICE DESCRIPTION	DETERMINATION	APPROX. ESTIMATED \$
Verizon Business	Replacement of existing Telephone System at for the CMLF Terminals (Cape May and Lewes)	Quote/State Contract	\$309,164.00
Veriteq Instruments, Inc.	Network datalogger system for Food & Retail CMLF Terminals & Vessels	Quotes	\$46,197.75
Graybar	Delaware Memorial Bridge camera replacement on second structure. (phase II of II).	Quotes	\$36,000.00
The Hartford	Long Term Disability (LTD)	Quotes-1 of 3 year contract	\$43,374.00
UNUM Life Insurance Company of America	Life Insurance	Quotes-1 of 3 year contract	\$260,124.00

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 10-41 was made by Commissioner Lathem, seconded by Commissioner Murphy, and approved by a roll call vote of 10-0.

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RESOLUTION 10-42 – AUTHORIZES A CONTRACT BETWEEN THE AUTHORITY AND WILLIS OF DELAWARE, INC. TO PROVIDE PROFESSIONAL INSURANCE BROKERAGE AND CONSULTING SERVICES FOR THE DELAWARE RIVER AND BAY AUTHORITY

WHEREAS, The Delaware River and Bay Authority (the “Authority”) is a bi-state Authority of the State of Delaware and the State of New Jersey created by Compact that owns, operates and controls the Delaware Memorial Bridge, Cape May-Lewes Ferry and five (5) regional airports; and

WHEREAS, Article VIII, Section 8.7, Subsection (e) of the Authority By-Laws adopted 4/13/04, last amended 5/28/08, provides that the Budget & Finance Committee shall work with the Authority staff and its insurance brokers in establishing the specific recommendations for non-personnel insurance coverage of the Authority for the next fiscal year; and

WHEREAS, the Authority desires to procure those professional insurance brokerage and consulting services for its currently existing lines of non-personnel insurance coverage with an initial term of three (3) years with one (1) optional one-year renewal, such renewal to be authorized by the originating committee with the consent of the Chairperson and Vice Chairperson of the Board of Commissioners; and

WHEREAS, the Authority publicly advertised and issued a Request for Proposal (“RFP”) for the required professional non-personnel insurance brokerage and consulting services in compliance with Resolution 98-31, as amended by Resolution 09-52, which governs the procedure for the procurement of professional services; and

WHEREAS, the Authority received and evaluated four (4) proposals pursuant to the aforementioned requirements; and

WHEREAS, the Authority short-listed two (2) firms and conducted oral interviews; and

WHEREAS, Willis of Delaware, Inc. (“Willis”) was designated first on the preference list; and

WHEREAS, the Authority negotiated for services at compensation determined to be fair and reasonable with Willis, and in making such determination, conducted an analysis of the cost of the services in addition to considering the scope and complexity; and

WHEREAS, the Budget & Finance Committee reviewed the recommendation and concurs with the evaluation.

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby authorized to finalize the terms and conditions of a Services Agreement with Willis to provide professional non-personnel insurance brokerage and consulting services for the Authority and to have such agreement executed by the Chairperson, Vice-Chairperson and Executive Director.

A motion to approve Resolution 10-42 was made by Commissioner Murphy, seconded by Commissioner Smith. With Chairperson Hogan voting no, Resolution 10-42 was approved by a roll call vote of 9 yes and 1 no.

The CFO, responding to the Chair’s question of why two vendors were interviewed when four proposals were received, stated that the four proposals were reviewed and that an appropriate breakpoint was reached short listing the vendors to two.

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RESOLUTION 10-43 – AUTHORIZES A CONTRACT BETWEEN THE AUTHORITY AND CLIFTON GUNDERSON, LLP TO PROVIDE PROFESSIONAL INDEPENDENT AUDITING SERVICES FOR THE DELAWARE RIVER AND BAY AUTHORITY

WHEREAS, The Delaware River and Bay Authority (the “Authority”) is a bi-state Authority of the State of Delaware and the State of New Jersey created by Compact that owns, operates and controls the Delaware Memorial Bridge, Cape May-Lewes Ferry and five (5) regional airports; and

WHEREAS, Article XI, Section 11.01 of the Authority By-Laws adopted 4/13/04, last amended 5/28/08, provides that the Commissioners shall submit the books and records of the Authority to an annual audit by an independent certified public accounting firm who shall audit the same pursuant to and in accordance with generally accepted accounting principles or such other standards or principles as may be applicable to the Authority and render a report thereon in writing to the Commissioners; and

WHEREAS, the Authority desires to procure those professional independent auditing services with an initial term of three (3) years with two (2) optional one-year renewals, such renewals to be authorized by the originating committee with the consent of the Chairperson and Vice Chairperson of the Board of Commissioners; and

WHEREAS, the Authority publicly advertised and issued a Request for Proposal (“RFP”) for the required professional independent auditing services in compliance with Resolution 98-31, as amended by Resolution 09-52, which governs the procedure for the procurement of professional services; and

WHEREAS, the Authority received and evaluated four (4) proposals pursuant to the aforementioned requirements; and

WHEREAS, the Authority short-listed all four (4) firms and conducted oral interviews; and

WHEREAS, Clifton Gunderson, LLP (“Clifton Gunderson”) was designated first on the preference list; and

WHEREAS, the Authority negotiated for services at compensation determined to be fair and reasonable with Clifton Gunderson, and in making such determination, conducted an analysis of the cost of the services in addition to considering the scope and complexity; and

WHEREAS, the Budget & Finance Committee reviewed the recommendation and concurs with the evaluation.

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby authorized to finalize the terms and conditions of a Services Agreement with Clifton Gunderson to provide professional independent auditing services for the Authority and to have such agreement executed by the Chairperson, Vice-Chairperson and Executive Director.

A motion to approve Resolution 10-43 was made by Commissioner Lathem, seconded by Commissioner Murphy and approved by a roll call vote of 10-0.

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RESOLUTION 10-44 – AUTHORIZES A CONTRACT BETWEEN THE AUTHORITY AND THE STAR GROUP TO PROVIDE ADVERTISING AND MARKETING PROFESSIONAL SERVICES FOR THE CAPE MAY-LEWES FERRY

WHEREAS, The Delaware River and Bay Authority (the “Authority”) is a bi-state Authority of the State of Delaware and the State of New Jersey created by Compact that owns, operates and controls the Delaware Memorial Bridge, Cape May-Lewes Ferry and five (5) regional airports; and

WHEREAS, the Authority desires to procure those professional advertising and marketing consulting services for the Cape May – Lewes Ferry with an initial term of three (3) years with one (1) optional one-year renewal, such renewal to be authorized by the originating committee with the consent of the Chairperson and Vice Chairperson of the Board of Commissioners; and

WHEREAS, the Authority publicly advertised and issued a Request for Proposal (“RFP”) for the required professional advertising and marketing consulting services in compliance with Resolution 98-31, as amended by Resolution 09-52, which governs the procedure for the procurement of professional services; and

WHEREAS, the Authority received and evaluated thirteen (13) proposals pursuant to the aforementioned requirements; and

WHEREAS, the Authority short-listed five (5) firms and conducted oral interviews; and

WHEREAS, The Star Group was designated first on the preference list; and

WHEREAS, the estimated budget for such services is \$75,000 annually with a not to exceed \$225,000 over three (3) years; and

WHEREAS, the Budget & Finance Committee reviewed the recommendation and concurs with the evaluation.

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby authorized to finalize the terms and conditions of a Services Agreement with The Star Group to provide professional advertising and marketing consulting services for the Cape May-Lewes Ferry and to have such agreement executed by the Chairperson, Vice-Chairperson and Executive Director.

A motion to approve Resolution 10-44 was made by Commissioner Lathem, seconded by Commissioner Smith, and approved by a roll call vote of 10-0.

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RESOLUTION 10-45 – AUTHORIZES A CONTRACT BETWEEN THE AUTHORITY AND RUMMEL, KLEPPER & KAHL, LLP TO PROVIDE I-295 SOUTHBOUND APPROACH ROADS (PHASE IV) PROFESSIONAL ENGINEERING DESIGN AND CONSTRUCTION PHASE SERVICES FOR THE DELAWARE MEMORIAL BRIDGE

WHEREAS, The Delaware River and Bay Authority (the “Authority”) is a bi-state Authority created by Compact that owns, operates and controls the Delaware Memorial Bridge; and

WHEREAS, the Authority desires to procure general engineering consulting and construction phase services for the I-295 southbound approach roads (Phase IV) for the Delaware Memorial Bridge. The term of the contract will expire upon completion of the project. All work is

expected to be completed by 2015. The aggregate not-to-exceed budget amount for the contract is estimated to be \$2.1 million; and

WHEREAS, the Authority publicly advertised and issued a Request for Proposal (“RFP”) for the general engineering consulting and construction phase services for the I-295 southbound approach roads (Phase IV) for the Delaware Memorial Bridge in compliance with Resolution 98-31 which governs the procedure for the procurement of professional services; and

WHEREAS, the Authority received and evaluated four (4) proposals pursuant to the aforementioned requirements; and

WHEREAS, the Authority short-listed all four firms and conducted oral interviews; and

WHEREAS, Rummel, Klepper & Kahl LLP, was designated first on the preference list; and

WHEREAS, the Authority negotiated for services at compensation determined to be fair and reasonable with Rummel, Klepper & Kahl LLP, and in making such determination, conducted an analysis of the cost of the services in addition to considering the scope and complexity; and

WHEREAS, the Projects Committee reviewed the recommendation and concurs with the evaluation.

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby authorized to finalize the terms and conditions of a Services Agreement with Rummel, Klepper & Kahl LLP to provide general engineering consulting and construction phase services for the I-295 southbound approach roads (Phase IV) for the Delaware Memorial Bridge and to have such agreement, upon review and advice of counsel, executed by the Chairperson, Vice-Chairperson and Executive Director.

A motion to approve Resolution 10-45 was made by Commissioner Van Sant, seconded by Commissioner Downes, and approved by a roll call vote of 10-0.

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RESOLUTION 10-46 – AN AMENDMENT THAT AUTHORIZES THE EXECUTIVE DIRECTOR TO EXECUTE A POND MAINTENANCE AGREEMENT WITH THE CORPORATE COMMONS MAINTENANCE CORPORATION.

WHEREAS, The Delaware River and Bay Authority (the “Authority”) owns property situated at the Corporate Commons in New Castle designated as 10 and 14 Penns Way; and

WHEREAS, the Authority holds a long term lease with New Castle County for property at Corporate Commons designated as 12 Penns Way (also known as the DEMA Building); and

WHEREAS, as a result of these property interests the Authority joined the Corporate Commons Maintenance Corporation (the “Corporation) which oversees and maintains the properties located at Corporate Commons; and

WHEREAS, a pond, which also serves as a retention basin, is a part of the common area of the Corporate Commons; and

WHEREAS, the Authority has maintained the pond substantially on its own without contribution from the other Association members; and

WHEREAS, the Authority wants to memorialize its areas of responsibility for the maintenance and associated costs of the pond through a maintenance agreement.

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is authorized, with the advice and consent of Counsel, to negotiate and execute a “Pond Maintenance Agreement” with the Corporate Commons Maintenance Corporation.

A motion to approve Resolution 10-46 was made by Commissioner Murphy, seconded by Commissioner Downes, and approved by a roll call vote of 10-0.

The Acting COO, fielding a question regarding pond responsibility from Commissioner Lathem, stated that there has been conflicting documentation that makes the Authority most likely responsible for maintaining it. The Authority has interest in the maintenance because of the

wildlife issues at the National Guard facility. He said there is a public need to control and prevent wildlife and the pond may need to be fenced to keep the public from fishing there.

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10245. COMMISSIONERS PUBLIC FORUM

Chairperson Hogan noted the distribution of the Committee Assignments and asked for a motion to approve. He stated that the Chair and Vice-Chair do not serve on the committees. They are ex-officio members to all committees.

Commissioner Traynor motioned to approve the revised Committee assignment list, seconded by Commissioner Smith, and unanimously approved by a voice vote of 10-0.

Chairperson Hogan then asked if anyone from the public would like to speak.

There were no public comments.

Commissioner Downes commented on the Monopile update given at the Projects September 8, 2010 meeting. He said that he was dissatisfied with the indifferent attitude regarding the monopiles need to be built a second time. The Authority relied on the engineering company to design them properly and now they have to be replaced with bigger monopiles at an additional cost of two million dollars.

Chairperson Hogan stated that a letter from the New Jersey Governor's Unit was received. He said that, because the letter referred to governance issues, the letter will be forwarded to the Audit and Governance Committee for action to be taken at a Board meeting no later than November.

Chairperson Hogan noted that Cooper Hospital submitted a request to locate a MediVac facility at the Millville Airport. There have been several requests from others; however, there are potential legal issues that the Chairperson requested legal advice from counsel.

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

The meeting was adjourned 11:43 a.m.

Respectfully submitted,

THE DELAWARE RIVER AND BAY AUTHORITY

Thomas A. Pankok
Secretary