

DELAWARE RIVER AND BAY AUTHORITY

AUDIT & GOVERNANCE COMMITTEE MEETING

Tuesday, February 11, 2014

Delaware Memorial Bridge Complex
New Castle, Delaware

A public meeting of The Delaware River and Bay Authority's Audit & Governance Committee was held on Tuesday, February 11, 2014, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from New Jersey

PRESENT

Commissioner Van Sant, Committee Member
Commissioner Dorn

Chairperson Hogan

Legal Counsel

Phil Norcross - NJ

Governors' Representatives

Kerstin Sundstrom - NJ

Staff

Scott Green
Frank Minor
Victor Ferzetti
Jim Walls
Gerry Owens
Charlotte Crowell
Anna Marie Gonnella Rosato
Joe Larotonda
Jim Salmon
Steve Williams
Travis Crawford
Michelle Hammel
TJ Murray
Ruth Warner

Commissioners from Delaware

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

Vice-Chairperson Lowe

Mike Houghton – DE

Invited Guests

CliftonLarsonAllen
Nancy Gunza
Andy Lee

1. Committee Chair Downes welcomed the Audit & Governance Committee and opened the meeting at 9:03 a.m. The Deputy Executive Director reported that the public meeting of the

Audit & Governance Committee had been duly noticed in accordance with the Authority's Freedom of Information Regulations, read the Statement of Notice, and called the roll.

2. Committee Chair Downes called for a motion to accept the Audit & Governance Committee Minutes from December 17, 2013. Commissioner Lathem made a motion, Commissioner Van Sant seconded, and the Committee Minutes were accepted.

3. 2013 Audit Scope of Work:

The Chief Financial Officer (CFO) introduced representatives from CliftonLarsonAllen. Nancy Gunza made a presentation on the 2013 Audit Scope of Work. The following was presented and discussed.

- Introductions
- Task Requirements and Deliverables
- Single Audit
- Audit Responsibility Overview
- Engagement Schedule
- Overall Audit Approach
- Areas of Focus
- Information Technology
- GASB Updates

4. Committee Chair Downes requested an Executive Session, closed to the public to discuss matters of a confidential nature. A motion was made by Commissioner Lathem, seconded by Commissioner Van Sant, and the Session was closed. All staff was dismissed; however, the Executive Director (ED) and Michelle Hammel remained.

The following matters of a confidential nature were discussed.

- LONG RANGE PLANNING

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

5. With no further business to discuss, Commissioner Van Sant made a motion to adjourn and the Audit & Governance Committee meeting adjourned at 9:26 a.m.

DELAWARE RIVER AND BAY AUTHORITY

PERSONNEL COMMITTEE MEETING

Tuesday, February 11, 2014

Delaware Memorial Bridge Complex
New Castle, Delaware

A public meeting of The Delaware River and Bay Authority's Personnel Committee was held on Tuesday, February 11, 2014, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from New Jersey

PRESENT

Committee Chair Dorn

Commissioner Van Sant, Committee Member

Commissioner Smith-arrived at 10:30 a.m.

Commissioners from Delaware

Committee Vice-Chair Lathem

Commissioner Traynor, Committee Member

Commissioner Downes

Chairperson Hogan

Vice-Chairperson Lowe

Legal Counsel

Phil Norcross - NJ

Mike Houghton - DE

Governors' Representatives

Kerstin Sundstrom - NJ

Staff

Scott Green

Frank Minor

Victor Ferzetti

Jim Walls

Charlotte Crowell

Ruth Warner

Michelle Hammel

Invited Guests

Bill Tambussi, Brown & Connery

Tim Snyder, Young Conaway Stargatt & Taylor

Dave Boomershine, Boomershine Consulting-via phone

1. Committee Chair Dorn welcomed the Personnel Committee and opened the meeting at 9:27 a.m. The Deputy Executive Director reported that the public meeting of the Personnel Committee had been duly noticed in accordance with the Authority's Freedom of Information Regulations, read the Statement of Notice, and called the roll.

2. Committee Chair Dorn called for a motion to accept the Personnel Committee Minutes from January 14, 2014. Commissioner Traynor made a motion, Commissioner Lathem seconded, and the Committee Minutes were accepted.

3. 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 Van Sant, and the Session was closed. During the Labor Negotiations portion of the Executive Session, on the advice of Legal Counsel, Chairman Hogan turned the meeting over to Vice-Chairman Lowe and left the room. He returned to the meeting after the discussion.

The following matters of a confidential nature were discussed.

- LABOR NEGOTIATIONS
- PERSONNEL MATTERS

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

4. With no further business to discuss, Commissioner Lathem made a motion to adjourn, and the Personnel Committee adjourned at 10:55 a.m.

DELAWARE RIVER AND BAY AUTHORITY

BUDGET & FINANCE COMMITTEE MEETING

Tuesday, February 11, 2014

Delaware Memorial Bridge Complex
New Castle, Delaware

A public meeting of The Delaware River and Bay Authority's Budget & Finance Committee Meeting was held on Tuesday, February 11, 2014, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from New Jersey

PRESENT

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

Chairperson Hogan

Legal Counsel

Phil Norcross - NJ

Governors' Representatives

Kerstin Sundstrom - NJ

Staff

Scott Green
Frank Minor
Victor Ferzetti
Jim Walls
Charlotte Crowell
Anna Marie Gonnella Rosato
Michelle Hammel
Heath Gehrke
TJ Murray
Steve Williams
Jim Salmon

Commissioners from Delaware

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

Vice-Chairperson Lowe

Mike Houghton - DE

1. Committee Vice-Chair Traynor opened the Budget & Finance Committee meeting at approximately 10:55 a.m. The Deputy Executive Director reported that the public meeting of the Budget & Finance Committee had been duly noticed in accordance with the Authority's Freedom of Information Regulations, read the Statement of Notice, and called the roll.

2. Committee Vice-Chair Traynor called for a motion to accept the Budget & Finance Committee Minutes from January 14, 2014. Commissioner Downes made a motion, Commissioner Smith seconded, and the Committee Minutes were accepted.

3. Resolution:

a. RESOLUTION 14-03 – AUTHORIZES AUTHORITY EXPENDITURES PURSUANT TO RESOLUTION 01-84 FOR THE PERIOD, JANUARY 1, 2014 THROUGH DECEMBER 31, 2014

The Chief Financial Officer (CFO) presented and reviewed the Over \$25,000 Vendor List noting Abel Fence, Inc. and Smith-Midland Corp. were quotes received in preparation of possible future expansion by Frontier Airlines. These items are not needed at the moment, but in the event these items are needed quickly, staff can proceed. There were no questions concerning the remaining items. Commissioner Downes made a motion, Commissioner Van Sant seconded, and the Committee recommended forwarding the Resolution to the full Board for approval. The Resolution will be presented to the full Board for consideration at the February meeting later today.

4. Discussion Items:

a. 3rd Party Insurance Recommendations Update:

The CFO provided a handout and status update regarding the recommendations from the 3rd Party Insurance Review. The CFO noted he would report on high priority items #1-3. All remaining items had been reviewed and addressed.

- Bridge Property Damage/Business Interruption at Toll Plaza – the CFO reported that a meeting was conducted with all department heads and it was determined there was a low risk of losing the toll plaza in its entirety and was not recommending the purchase of loss of revenue coverage.
- Environmental/Pollution Coverage – Staff is in the process of completing paperwork and insurance applications for quotes. A determination will be made once finalized.
- Property Appraisals – Set to begin appraisals with completion in the 2nd quarter of 2014.

Commissioner Downes questioned whether staff proceeded with purchasing coverage for items #4-7. The CFO responded yes, the cost of premiums were small or no increase.

5. Miscellaneous: None.

6. With no further business to discuss, Commissioner Van Sant made a motion to adjourn, and the Budget & Finance Committee adjourned at 11:03 a.m.

DELAWARE RIVER AND BAY AUTHORITY

ECONOMIC DEVELOPMENT COMMITTEE MEETING

Tuesday, February 11, 2014

Delaware Memorial Bridge Complex
New Castle, Delaware

A public meeting of The Delaware River and Bay Authority's Economic Development Committee was held on Tuesday, February 11, 2014, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from New Jersey

PRESENT

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

Commissioners from Delaware

Commissioner Downes, Committee Member
Commissioner Traynor, Committee Member
Commissioner Lathem

Chairperson Hogan

Vice-Chairperson Lowe

Legal Counsel

Phil Norcross - NJ

Mike Houghton - DE

Governors' Representatives

Kerstin Sundstrom - NJ

Staff

Scott Green
Frank Minor
Victor Ferzetti
Jim Walls
Charlotte Crowell
Anna Marie Gonnella Rosato

1. Committee Vice-Chair Smith welcomed the Economic Development Committee and opened the meeting at approximately 11:03 a.m. The Deputy Executive Director reported that the public meeting of the Economic Development Committee had been duly noticed in accordance with the Authority's Freedom of Information Regulations, read the Statement of Notice, and called the roll.
2. Committee Vice-Chair Smith called for a motion to accept the Economic Development Committee Minutes from January 14, 2014. Commissioner Dorn made a motion, Commissioner Downes seconded, and the Committee Minutes were accepted.
3. Action Items:

a. RESOLUTION 14-4 – LEASE AMENDMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND DALLAS AIRMOTIVE, INC.

The Deputy Executive Director (DED) presented the Resolution. The current lease is set to expire and the tenant has requested to reduce their existing leasehold to the space their repair shop occupies. Since 2004, the tenant has only operated a mobile repair shop. The Chief Financial Officer (CFO) reported that the tenant has continued to meet their obligations over the last ten (10) years. Approval of the Lease Amendment will enable twelve (12) people to remain employed. The CFO reported that staff is working to negotiate a lease agreement with a sub-tenant of Dallas. After discussion, Commissioner Downes made a motion, Commissioner Dorn seconded, and the Economic Development Committee unanimously recommended forwarding the Resolution to the full Board for consideration at the February meeting later today.

4. The Executive Director requested an Executive Session. Committee Vice-Chair Smith called for a motion to move the meeting to Executive Session, closed to the public to discuss matters of a confidential nature. A motion was made by Commissioner Downes, seconded by Commissioner Traynor, and the Session was closed.

The following matters of a confidential nature were discussed.

- LONG RANGE PLANNING

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

6. With no further business to discuss, a motion to adjourn was made by Commissioner Traynor, and the Economic Development Committee adjourned at 11:18 a.m.

THE DELAWARE RIVER AND BAY AUTHORITY

PROJECTS COMMITTEE

Tuesday, February 11, 2014

Delaware Memorial Bridge Complex
New Castle, Delaware

A public meeting of the Delaware River and Bay Authority's Projects Committee was held on Tuesday, February 11, 2014, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from New Jersey

PRESENT

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

Chairperson Hogan

Legal Counsel

Phil Norcross – NJ

Governors' Representatives

Kerstin Sundstrum – NJ

Staff

Scott Green
Frank Minor
Victor Ferzetti
Jim Walls
Charlotte Crowell
Anna Marie Gonnella Rosato
Jim Salmon
Ruth Warner
Dave Hoppenjans
Steve Williams
Michelle Hammel
TJ Murray
Heath Gehrke
Travis Crawford

Commissioners from Delaware

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

Vice-Chairperson Lowe

Mike Houghton – DE

1. Committee Chair Smith welcomed the Projects Committee and opened the meeting at approximately 11:20 a.m. Committee Chair Smith reported that the public meeting of the Projects Committee had been duly noticed in accordance with the Authority's Freedom of Information Regulations and reported there was a quorum.

2. Committee Chair Smith called for a motion to accept the Projects Committee minutes from January 14, 2013. Commissioner Lathem made a motion to accept the minutes, Commissioner Dorn seconded the motion, and the Committee Minutes were approved. Those in attendance were provided an informational package consisting of an agenda, one (1) close-out letter and one (1) monthly contractor payment chart (through January).

3. Resolutions: None.

4. Bid Openings: None.

5. Contract Close-Out Actions:

Contract No. CMLF-13-01 – Dredge Disposal Cape May Terminal. The scope of work on this contract was to dredge at the Cape May Terminal. The final contract amount is \$557,584.00. The COO recommended close-out of the contract and final payment to Barnegat Bay Dredging Company, Inc., of Harvey Cedars, New Jersey. A motion to move the close-out action to the full Board was made by Commissioner Dorn, seconded by Committee Vice-Chair Murphy, and the Projects Committee unanimously approved the close-out action to be presented at the February meeting later today.

6. Contractor Payment (through January): The COO reviewed for the Committee the monthly construction contractor payments to be made for the work completed through January.

7. Miscellaneous Items/Updates:

ILG Frontier Airlines Update

This update will be given in Executive Session.

CMLF Food & Retail Update

In December, the Highwater Management's contract was extended for one year and will continue through November 30, 2014. The COO reported that the scope of work includes specific tasks and consultant services in support of CMLF Food & Retail operations. The contract is for \$78,000.00, or \$6,500.00 per month.

CMLF Terminal Improvements

The COO reported that a critical needs determination was necessary in order to complete construction in the CMLF Terminals in Lewes and Cape May to improve food service storage, preparation, and customer areas. This determination is necessary to complete work before the peak summer travel season. The total cost for this work is approximately \$650,000. Committee Co-Chair Murphy had some questions regarding the necessity of these improvements but was reassured by staff of the business need for the proposed work.

DMB Café

The COO reported that the Authority discontinued its direct operation of the DMB Café in November 2013 and closed this facility. The COO reported that the Authority is soliciting interest for a 3rd party vendor to operate the DMB Café. An open house of the facility is scheduled for February 19, 2014 for prospective vendors to inspect the facilities. Michelle Griscom, Property Manager, is the contact for prospective DMB Café operators.

Employee Recognition

The COO recognized the Authority's employees for their excellent performance in preparing, planning, and performing winter storm activities through this challenging winter season to ensure the safety of the traveling public.

8. Move to Executive Session:

Staff requested an Executive Session. Committee Chair Smith asked for a motion to move the meeting to Executive Session, closed to the public to discuss matters of a confidential nature. Commissioner Lathem made a motion, seconded by Committee Vice-Chair Murphy, and the Session was closed.

The following matters of a confidential nature were discussed.

- LONG RANGE PLANNING

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

9. With no further business to discuss, Commissioner Lathem made a motion to adjourn, seconded by Commissioner Dorn, and the Projects Committee adjourned at 12:15 a.m.

DELAWARE RIVER AND BAY AUTHORITY

**JOINT BUDGET & FINANCE
AND PROJECTS COMMITTEE MEETING**

Tuesday, February 11, 2014
Delaware Memorial Bridge Complex
New Castle, Delaware

A joint public meeting of The Delaware River and Bay Authority's Budget & Finance and Projects Committee Meeting was held on Tuesday, February 11, 2014, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from New Jersey

PRESENT (Budget & Finance)

Commissioner Smith, Committee Member
Commissioner Van Sant, Committee Member

PRESENT (Projects)

Committee Chair Smith
Commissioner Dorn, Committee Member

Chairperson Hogan

Legal Counsel

Phil Norcross - NJ

Governors' Representatives

Kerstin Sundstrom - NJ

Staff

Scott Green
Frank Minor
Victor Ferzetti
Jim Walls
Charlotte Crowell
Michelle Hammel

Commissioners from Delaware

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

Committee Vice-Chair Murphy
Commissioner Lathem, Committee Member

Vice-Chairperson Lowe

Mike Houghton - DE

3. Committee Chair Vice-Chair Traynor opened the Joint Budget & Finance and Projects Committee meeting at approximately 12:15 p.m. The Deputy Executive Director reported that the public meeting of the Budget & Finance Committee had been duly noticed in accordance with the Authority's Freedom of Information Regulations, read the Statement of Notice, and called the roll.

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

The following matters of a confidential nature were discussed.

- LONG RANGE PLANNING

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

4. With no further business to discuss, Commissioner Downes made a motion to adjourn, and the Joint Budget & Finance and Projects Committee adjourned at 12:21 p.m.