

DELAWARE RIVER AND BAY AUTHORITY

BUDGET & FINANCE COMMITTEE MEETING

Tuesday, December 18, 2012

Delaware Memorial Bridge Complex
New Castle, Delaware

A public meeting of The Delaware River and Bay Authority's Budget & Finance Committee Meeting was held on Tuesday, December 18, 2012, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from Delaware

PRESENT

Committee Chair Traynor
Commissioner Downes, Committee Member
Commissioner Murphy, Committee Member
Commissioner Guajardo
Commissioner Lathem
Chairperson Lowe

Legal Counsel

Mike Houghton - DE

Governors' Representatives

Staff

Scott Green
Frank Minor
Victor Ferzetti
Jim Walls
Gerry Owens
Charlotte Crowell
Joe Larotonda
Kelly Phillips Parker
Anna Marie Gonnella Rosato
Pete Thomas
TJ Murray
Jim Salmon
Joe Bryant
Heath Gehrke
Michelle Hammel
Dave Hoppenjans
Steve Williams

Commissioners from New Jersey

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

Phil Norcross - NJ

Kerstin Sundstrom - NJ

1. Committee Chair Traynor opened the Budget & Finance Committee meeting at approximately 9:00 a.m. The Deputy Executive Director reported that the public meeting of the Budget & Finance Committee had been duly noticed in accordance with the Authority's Freedom of Information Regulations, read the Statement of Notice, and called the roll.

2. Committee Chair Traynor called for a motion to accept the Budget & Finance Committee Minutes from November 13, 2012. Commissioner Downes made a motion, Commissioner Smith seconded, and the Committee Minutes were accepted.

3. Resolutions:

a. RESOLUTION 12-47 – AUTHORIZING AUTHORITY EXPENDITURES PURSUANT TO RESOLUTION 01-84 FOR THE PERIOD JANUARY 1, 2013 THROUGH DECEMBER 31, 2013 –

The Chief Financial Officer (CFO) presented the Over \$25,000 Vendor List and reported it was the first for the year. The list includes Utilities, Benefits, State Contract, Government, Sole Source and Proprietary items. Committee Chair Traynor questioned the items near but under \$50,000. The CFO stated that the Authority does not control the quotes submitted; however, if the quotes came in above \$50,000, the item would have to be bid through an RFP process. Commissioner Mroz noted that due to a conflict, he would be abstaining from voting on two items included in the Over \$25,000 Vendor List: Atlantic City Electric and Delmarva. Committee Chair Traynor added that Commissioner Mroz contacted him as well as the Authority Chair, Vice-Chair to report the potential conflict as soon as he received the Resolution for review.

After discussion, Committee Chair Traynor asked if there were any questions. Commissioner Downes made a motion, Commissioner Smith seconded, and the Budget & Finance Committee, with Commissioner Mroz's noted abstentions, unanimously recommended forwarding the Resolution to the full Board for approval. The Resolution will be presented to the full Board for consideration at the December meeting later today.

4. Miscellaneous:

Proposed Additional Contribution to Pension Fund

The CFO reminded the Committee of the additional contributions made to the Delaware River and Bay Authority Employees' Pension Fund at the end of the 2010 and 2011 from the unspent Operating Budget. The CFO reported an end of year surplus for 2012 of approximately \$4.5-\$5 million and recommended a \$3 million transfer to the Pension Fund. The contribution would reduce the unfunded liability to \$20 million and the plan would be funded to the 80% goal as recommended by Boomershine, the Authority's Actuary. Commissioner Downes questioned whether the goal should be raised to 90% to provide the security of a well-funded pension plan and comparable to the State of Delaware's 92% funding. Commissioner Murphy suggested a more thorough review at a later date. Commissioner Mroz suggested having both OPEB and Pension numbers available when discussing goal setting.

After discussion, the Committee concurred with the recommendation to move funds as needed between divisions to enable the transfer of \$3 million of the FY 2012 Operating Budget to the Employees' Retirement Plan. The CFO reported the transfer would need to be made by the end of the year.

Staff Attorney

The CFO introduced Michelle Hammel, the newly hired staff attorney. Michelle will be working with Leases, Contracts and will be the Chief Ethics Officer.

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

DELAWARE RIVER AND BAY AUTHORITY

ECONOMIC DEVELOPMENT COMMITTEE MEETING

Tuesday, December 18, 2012

Delaware Memorial Bridge Complex
New Castle, Delaware

A public meeting of The Delaware River and Bay Authority's Economic Development Committee was held on Tuesday, December 18, 2012, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from Delaware

PRESENT

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

Commissioners from New Jersey

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

Legal Counsel

Mike Houghton - DE

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
Michelle Griscom
Joe Larotonda
Pete Thomas
TJ Murray
Jim Salmon
Kelly Phillips Parker
Joe Bryant
Heath Gehrke
Michelle Hammel

1. Committee Chair Smith, welcomed the Economic Development Committee and opened the meeting at approximately 9:20 a.m. The Deputy Executive Director reported that the public

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

2. Committee Chair Smith called for a motion to accept the Economic Development Committee Minutes from November 13, 2012. Commissioner Traynor made a motion, Commissioner Downes seconded, and the Committee Minutes were accepted.

3. Action Items:

a. RESOLUTION 12-50 – APPROVING OF A MEMORANDUM OF AGREEMENT BETWEEN THE COUNTY OF CAPE MAY; THE DELAWARE RIVER AND BAY AUTHORITY; THE UNITED STATES DEPARTMENT OF TRANSPORTATION, FEDERAL AVIATION ADMINISTRATION; THE STATE OF NEW JERSEY, DEPARTMENTMENT OF ENVIRONMENTAL PROTECTION, DIVISION OF PARKS AND FORESTRY, HISTORIC PRESERVATION OFFICE; NASW FOUNDATION; JOAN BERKEY; THE TOWNSHIP OF LOWER; AND THE LOWER TOWNSHIP MUNICIPAL UTILITIES AUTHORITY, REGARDING AN HISTORIC DISTRICT WITHIN THE CAPE MAY COUNTY AIRPORT –

The Deputy Executive Director (DED) presented the Resolution and discussed the historic background noting the process began in June, 2010, as a result of a private citizen's nomination of one third of the entire Cape May Airport as a historic place in which there was strenuous objection from the Delaware River and Bay Authority, the County of Cape May, the Township of Lower, and the Lower Township Municipal Utilities Authority. Through many lengthy attempts to resolve the matter, all parties have agreed that a revised request for a district reduced in size will resolve the issue. A reduced footprint will allow the Authority to spur future economic growth and minimizes the Authority's responsibility. The Resolution will authorize a Memorandum of Agreement among all parties to outline the parties' agreement on the issue.

The Authority Chair and Vice-Chair noted this has been a long process and thanked everyone involved. After discussion, Commissioner Dorn made a motion, Commissioner Traynor seconded, and the Economic Development Committee unanimous recommended forwarding the Resolution to the full Board for consideration at the December meeting later today.

4. Open Discussions/Other Issues:

Building Vacancy Update – Commissioner Fernando reminded the Committee of his request for an update regarding building vacancies. The ED stated that staff would meet with him separately regarding the matter.

5. With no further business to discuss, a motion to adjourn was made by Commissioner Downes, and the Economic Development Committee adjourned at 9:27 a.m.

DELAWARE RIVER AND BAY AUTHORITY

PERSONNEL COMMITTEE MEETING

Tuesday, December 18, 2012

Delaware Memorial Bridge Complex
New Castle, Delaware

A public meeting of The Delaware River and Bay Authority's Personnel Committee was held on Tuesday, December 18, 2012, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from Delaware

PRESENT

Committee Chair Lathem
Commissioner Murphy, Committee Member
Commissioner Traynor, Committee Member
Commissioner Downes
Commissioner Guajardo
Chairperson Lowe

Legal Counsel

Mike Houghton - DE

Governors' Representatives

Staff

Scott Green
Frank Minor
Victor Ferzetti
Jim Walls
Gerry Owens
Charlotte Crowell
Pete Thomas

Commissioners from New Jersey

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

Phil Norcross - NJ

Kerstin Sundstrom - NJ

1. Committee Chair Lathem welcomed the Personnel Committee and opened the meeting at 9:28 a.m. The Deputy Executive Director reported that the public meeting of the Personnel Committee had been duly noticed in accordance with the Authority's Freedom of Information Regulations, and read the Statement of Notice, and called the roll.

2. Committee Chair Lathem called for a motion to accept the Personnel Committee Minutes from November 13, 2012. Commissioner Dorn made a motion, Commissioner Murphy seconded, and the Committee Minutes were accepted.

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

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 Dorn, seconded by Commissioner Murphy, and the session was opened to the public.

4. Resolution:

a. RESOLUTION 12-49 – RECOGNIZES THE SERVICE OF JAMES G. WILSON TO THE DELAWARE RIVER AND BAY AUTHORITY AND DESIGNATES THE MAIN DELAWARE MEMORIAL BRIDGE MAINTENANCE BUILDING IN HIS HONOR –

Pete Thomas, Director of Maintenance, presented the Resolution and explained the historic background of the tragic death of Mr. Wilson, a maintenance employee, as a result of being struck by a tractor trailer at the Delaware Memorial Bridge Toll Plaza on April 17, 1985. The Delaware River and Bay Authority wishes to posthumously record the Commissioners' sincere appreciation by Resolution and by naming the main maintenance building at the Delaware Memorial Bridge as the "James G. Wilson Maintenance Building." A ceremony will be held on January 17, 2013. Details will follow.

6. With no further business to discuss, Commissioner Dorn made a motion to adjourn, and the Personnel Committee adjourned at 10:06 a.m.

DELAWARE RIVER AND BAY AUTHORITY

AUDIT & GOVERNANCE COMMITTEE MEETING

Tuesday, December 18, 2012

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, December 18, 2012, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from Delaware

PRESENT

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

Commissioners from New Jersey

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

Legal Counsel

Mike Houghton – DE

Phil Norcross - NJ

Governors' Representatives

Kerstin Sundstrom - NJ

Staff

Scott Green
Frank Minor
Victor Ferzetti
Jim Walls
Gerry Owens
Charlotte Crowell
Joe Larotonda
Anna Marie Gonnella Rosato
Pete Thomas
TJ Murray
Jim Salmon
Joe Bryant
Heath Gehrke
Kelly Phillips Parker
Michelle Hammel

1. Committee Chair Smith welcomed the Audit & Governance Committee and opened the meeting at 10:03 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 Smith turned the meeting over to the Chief Financial Officer (CFO). The CFO reported, in accordance with the Authority By-Laws, the Audit Committee shall hold general meetings on a quarterly basis. The CFO reported that he had conferred with the Authority's Independent Auditors and there were no issues or matters to discuss at this time. With regard to the By-Laws dictating the frequency and agenda of meetings, the Executive Director (ED) noted that staff will be reviewing the By-Laws and may bring a series of recommendations to the Committee for review and consideration in early 2013. Committee Chair Smith asked if there were any questions. There were none.

3. There being no further business to discuss, a motion was made by Commissioner Downes, and the Audit & Governance Committee meeting adjourned at 10:05 a.m.

THE DELAWARE RIVER AND BAY AUTHORITY

PROJECTS COMMITTEE

Tuesday, December 18, 2012

Delaware Memorial Bridge Complex
New Castle, Delaware

A public meeting of the Delaware River and Bay Authority's Projects Committee was held on Tuesday, December 18, 2013, at the Delaware Memorial Bridge, New Castle, Delaware.

Commissioners from Delaware

PRESENT

Committee Chair Murphy
Commissioner Latham, Committee Member
Commissioner Guajardo, Committee Member
Commissioner Traynor
Commissioner Downes

Chairperson Lowe

Legal Counsel

Mike Houghton – DE

Governors' Representatives

Staff

Scott Green
Frank Minor
Jim Walls
Charlotte Crowell
Victor Ferzetti
Gerry DiNicola-Owens
Dave Hoppenjans
Steve Williams
Joe Bryant
Kelly Phillips-Parker
Michelle Hammel
Anna Marie Gonnella-Rosato
Jim Salmon
TJ Murray
Heath Gehrke

Commissioners from New Jersey

Committee Vice Chair Smith
Commissioner Wilson, Committee Member
Commissioner Dorn, Committee Member
Commissioner Van Sant
Commissioner Mroz

Vice-Chairperson Hogan

Phil Norcross - NJ

Kerstin Sundstrom - NJ

1. Committee Chair Murphy welcomed the Projects Committee and opened the meeting at approximately 10:05 a.m. Committee Chair Murphy reported that the public meeting of the

Projects Committee had been duly noticed in accordance with the Authority's Freedom of Information Regulations and reported there was a quorum.

2. Committee Chair Murphy called for a motion to accept the Projects Committee minutes from November 13, 2012. Commissioner Lathem made a motion, Commissioner Dorn seconded, and the Committee Minutes were approved. Those in attendance were provided an informational package consisting of an agenda, one (1) Resolution, one (1) bid opening, one (1) close-out letter and one (1) monthly contractor payment chart (through November).

3. Resolutions:

RESOLUTION 12-48 – AUTHORIZES A CONTRACT BETWEEN THE AUTHORITY AND MCFARLAND JOHNSON TO PROVIDE PROFESSIONAL AIRPORT PLANNING AND BUSINESS SERVICES CONSULTING SERVICES

The COO introduced a Resolution that Authorizes the Authority to enter into an agreement with McFarland Johnson for professional authority-wide airport planning and business services consulting services. The COO recommended approval of the Resolution. The Committee concurred with the recommendation. A motion was made by Commissioner Lathem, seconded by Commissioner Guajardo, and the Projects Committee unanimously recommended forwarding Resolution 12-48 – Authorizing a Contract Between the Authority and McFarland Johnson to Provide Professional Airport Planning and Business Services Consulting Services to be presented to the full Board for approval at the December meeting later today.

4. Bid Openings:

Contract No. CMLF-12-05 – Drydocking & Repairs, M/V New Jersey. A public Bid Opening was held on December 7, 2012 in which three (3) bids were submitted. The COO reported that this contract is for a required dry docking. The COO recommended the contract award to the lowest bidder, Caddell Dry Dock & Repair Co., Inc., in the amount of \$1,831,515.00. The Projects Committee concurred with the recommendation. A motion was made by Commissioner Wilson, seconded by Commissioner Guajardo, and the Projects Committee unanimously moved the contract award for a vote at the December Commission meeting later today.

5. Contract Close-Out Actions:

Contract No. DMB-05-01R – Elevator Replacement/Miscellaneous Steelwork, Delaware Memorial Bridge. The scope of the work on this contract consisted of the replacement of the elevators on the Delaware Memorial Bridge. The final contract amount is \$11,604,172.71. The COO recommended close-out of the contract and final payment to Cornell & Company of Westville, New Jersey. A motion to move the close-out action to the full Board was made by Commissioner Lathem, seconded by Commissioner Guajardo, and the Projects Committee unanimously approved the close-out action to be presented at the December meeting later today.

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

7. Miscellaneous Items/Updates:

Cape May Lewes Ferry Passenger Loader Tubes

The COO reported that the project to replace the Cape May-Lewes Ferry Passenger Loader Tubes in Cape May and Lewes will be delayed from April, 2013 to Fall, 2013, due to a delay in the fabrication and delivery of the new passenger loader tubes. There will be no operational impact or additional cost to the Authority as a result of this delay.

Engineering Consulting Services

The COO reported that the Authority has contracted with AECOM, as reported previously, to provide Professional Engineering Services to assist the Engineering Department until the Chief Engineer vacancy is filled.

Cape May Airport FBO Operator

The COO reported that the Authority is reviewing proposals submitted by four (4) firms to provide FBO Aviation Services at Cape May Airport. The Authority expects to enter into a Lease with the selected FBO Operator to begin providing services in Spring, 2013.

Capital Improvement Program Review

The COO and Acting Chief Engineer reviewed the proposed 2013 Capital Improvement Program and Five-Year (2013-2017) Strategic Plan with the Committee. The COO reported that the proposed final draft of the 2013 Capital Improvement Program will be presented to the Committee for formal action at the Projects Committee meeting in January, 2013.

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

The following matters of a confidential nature were discussed:

- LONG RANGE PLANNING MATTERS

The Projects Committee reconvened at approximately 11:00 a.m.

8. With no further business to discuss, Commissioner Wilson made a motion to adjourn, seconded by Commissioner Lathem, and the Projects Committee adjourned at 11:05 a.m.