

MINUTES OF MEETING
THE DELAWARE RIVER AND BAY AUTHORITY
Tuesday, February 20, 2007
James Julian Boardroom
Administration Building
New Castle, Delaware 19720

The meeting convened at 11:05 a.m. with Vice-Chairperson Hogan presiding.

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

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

The Secretary announced that a notice of the meeting had been distributed to the offices of the Governor of New Jersey and the Governor of Delaware, to appropriate staff members and consultants, to the press in both States and to any other individuals who had indicated an interest in receiving a copy of the meeting notice.

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Commissioners from Delaware

Commissioners from New Jersey

PRESENT

Thomas J. Cooper
Verna W. Hensley
William E. Lowe, III
Gary B. Patterson

James N. Hogan, Vice-Chairperson
Susan Atkinson DeLanzo
Edward W. Dorn
Niels S. Favre
Gary F. Simmerman
Ceil Smith

ABSENT

F. Michael Parkowski, Chairperson
Samuel E. Lathem

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9544 APPROVAL OF THE JANUARY 16, 2007 MINUTES

Commissioner Simmerman motioned for approval of the January 16, 2007 minutes, seconded by Commissioner Favre, and approved by a voice vote of 10-0.

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9545. EXECUTIVE DIRECTOR'S REPORT

The Executive Director presented the following highlights that occurred within the Authority during the month of January, 2007.

Delaware Memorial Bridge

Total traffic during the month of January decreased 2.7%, compared to the same period in 2006. Non-commercial traffic decreased 3.6% and commercial traffic increased 2.6%. When compared to the 3-year average, January traffic increased 1.6%.

E-ZPass traffic for January 2007 represented 57.7% of the total traffic as compared to 55.2% for the previous year.

Throughout the month, the Authority began its crackdown on excessive EZ-Pass toll violators. This crackdown has yielded the arrest of two non-commercials and one commercial violator. These three violators represent a total of 593 violations over an 18-month period resulting in \$3,411 in unpaid tolls and \$29,650 in civil penalties for administrative fees. Rich Frassetto – Superintendent of Tolls, Gerry DiNicola Owens – Chief Information Officer, and Colonel John McCarnan – Police Administrator are working cooperatively with the Delaware Department of Transportation (DelDOT) in identifying excessive toll violators that violate on the DMB and DE Turnpike/SR1. In addition, representatives from the DRBA and DelDOT have met to discuss enacting legislation that would flag vehicle registration renewals for Delaware residents that have been identified as excessive toll violators on the DMB and DelDOT toll roads.

Cape May Lewes Ferry

In January, vehicle and passenger traffic decreased 2.1% and 3.1%, respectively, when compared to January, 2006. Compared to the average of the last three years, January vehicle traffic and passenger traffic increased 9.6% and 8.1%, respectively. In January, fare revenues increased 6.7% and fee revenues increased 14.5%, when compared to January, 2006.

In January, CMLF food sales increased 15.2% and retail sales decreased 9.5%, compared to January, 2006.

The M.V. New Jersey and the M.V. Cape May were both in the shipyard. The reduction gears on the M.V. New Jersey was replaced while a bow thruster impellor was replaced on the M.V. Cape May.

Airports

The annual Federal Aviation Administration (FAA) Part 139 inspection of New Castle Airport was conducted in early January. Each year, the FAA conducts a safety inspection of the airport to ensure its ongoing compliance with all applicable federal standards required for certificate holders. No major discrepancies were noted.

Airport operations personnel met with planners from the Delaware Emergency Management Agency (DEMA) for a concept and scope planning session to conduct a triennial airport emergency exercise at New Castle Airport in July. The emergency exercise will be a multi-jurisdictional event that will test the airport's emergency plan and the response from local emergency agencies. DEMA has grant money available from the Department of Homeland Security to fund this exercise. FAA regulations require all holders of a Class I Airport Operating Certificate to conduct a full-scale airport emergency plan exercise at least once every 36 consecutive calendar months.

Air Force One utilized the New Castle Airport on January 24th during President George W. Bush's visit to Delaware. The DRBA Police, in conjunction with the United States Secret Service, state police and local law enforcement, were tasked with providing security for the event.

The FAA conducted its annual FAR Part 139 compliance inspection of the Dover Civil Air Terminal facility. No exceptions were noted. In addition, an Airport Emergency Plan tabletop exercise with emergency response agencies was conducted on January 17th, as required by FAA regulations. Part 139 certificated airports must conduct a tabletop exercise with response agencies listed in the Airport Emergency Plan at least once every 12 calendar months.

Information Technology

Gerry DiNicola Owens represented the Authority at the IAG Policy Committee Meeting on Thursday, January 11, 2007 at the Burlington County Bridge Commission. The focus of the meeting was on the request for proposal for the Next Generation Toll Technology and the agency feedback required on specific sections previously circulated to the Legal and Procurement Committees. Other items of interest included the recommendation to accept the Indiana Toll Roads as a full member contingent upon approval of their policy matrix and a discussion on the major issues facing the IAG in 2007.

As a result of the U.S. Energy Policy Act of 2005, daylight saving time (DLST) will be extended by approximately four weeks beginning on March 11, 2007. Since many computer systems automatically adjust time to reflect the change to DLST, updates need to be applied to compensate for this extension. IT staff tested and patched the Window workstations, the Linux servers, and currently is in the processes of testing updates for the Windows servers, Kronos Time and Attendance System and Java.

Employee Happenings

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

Authorized Positions	481
Positions Filled	437
Positions Filled (on LTD)	8
Total Positions that are Vacant	36

The Authority began offering the Mediguide Program (a second opinion vehicle) to all employees and retirees effective January 1st. A letter was sent to all employees and retirees notifying everyone of the new benefit program. Mediguide has established a custom content page at their website for all employees and retirees.

Several employees spoke at functions during January. I attended the Bridgeton Rotary meeting and spoke about the Authority. Heath Gehrke, Acting Director of Ferry Operations spoke about the Marketing of Ferry Services at the Passenger Vessel Association conference in Charleston, South Carolina.

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

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9546. COMMITTEE REPORT – BUDGET & FINANCE

Commissioner Simmerman noted that he was not present during the Budget & Finance Committee meeting of February 5, 2007 and deferred to Commissioner Favre who then presented the following minutes held on that date.

BUDGET & FINANCE COMMITTEE MEETING
Monday, February 5, 2007
Delaware Memorial Bridge Complex
New Castle, Delaware

A public meeting of The Delaware River and Bay Authority’s Budget & Finance Committee was held on Monday, February 5, 2007, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from Delaware

Commissioners from New Jersey

PRESENT

Committee Vice Chair Patterson, via Phone
Commissioner Hensley, Committee Member
Commissioner Lathem, Committee Member
Commissioner Cooper, via Phone after Roll Call
Commissioner Lowe
Chairperson Parkowski

Commissioner Favre, Committee Member
Commissioner Smith, Committee Member
Commissioner Dorn
Vice-Chairperson Hogan

Legal Counsel

Phil Norcross – NJ

Staff

Jim Johnson, Jr.
Don Rainear
Victor Ferzetti
Jim Walls

Authority Secretary

Tom Pankok

Trudy Spence-Parker
Gerry DiNicola Owens
Joe Larotonda
Anna Marie Gonnella Rosato
AJ Crescenzi
Michelle Griscom-Collins

I. In the absence of Committee Chair Simmerman, Commissioner Favre welcomed the Budget & Finance Committee and opened the meeting at approximately 10:28 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.

II. Proposed Resolutions

- Vessel Fuel Contracts

The Acting Chief Financial Officer (CFO) reported that the Authority conducted an RFP for No. 2 Diesel Fuel for the Cape May-Lewes Operations. Pedroni Fuel Company submitted the lowest bid for the Cape May location and Sunoco, Inc. submitted the lowest bid for the Lewes location. In the past, the Authority based its benchmark pricing on the Journal of Commerce; however, a question arose as to whether the JOC is the proper benchmark. Staff recommended that the Committee accept the lowest bidders, while allowing staff to continue to complete due diligence. If, after completing the due diligence another alternative is found, the Board can opt to table the Resolution. After discussion, on motion by Commissioner Patterson, seconded by Commissioner Smith, the Committee recommended approving the two lowest bidders. A Resolution will be presented to the full Board for consideration at the February meeting.

- Food Supplier Contracts

The Acting CFO reported that the Authority conducted an RFP for the Authority-wide Supply of Food Service Products. The Authority received and evaluated a total of eleven proposals based on best overall price, delivery, reliability, and other specifications outlined in the RFP and the following vendors were recommended.

US Foodservice, Inc.
Jack & Jill Ice Cream Co.
Lehigh Valley Dairy Farms
Pepsi Bottling Group
South Jersey Paper Products, Inc.
Panache Cuisine, LLC

After discussion, on motion by Commissioner Smith, seconded by Commissioner Hensley, the Committee recommended approval of the food suppliers. A Resolution will be presented to the full Board for consideration at the February meeting.

III. FY 2007 Operating Budget

IV. The Acting CFO presented additional budget recommendations for the proposed FY 2007 Operations Budget. As a result of a previous meeting with the Chair, Vice-Chair, and Budget & Finance Committee Chair and Vice-Chair, staff was directed to reduce the proposed FY 2007 Operations Budget which reflected a 4.2% growth to a 1.5% growth. Each of the individual additional adjustments of approximately of \$1.9 million were reviewed and discussed. The newly proposed FY 2007 Operations Budget totaled \$71,518,334. The largest savings were shown to be in the reduction of full time vacant positions, reduced from 34 to 13,

and the cost savings associated by not funding the benefits for those positions. Vice-Chairperson Hogan questioned the specific positions. The Executive Director requested that he be allowed the flexibility, to decide which positions ultimately would not be funded; however, keeping to the total dollar amount. The Vice-Chair also questioned why the Authority had not been passing on the 25% Healthcare Costs to Authority employees, as allowed in MEBA's Collective Bargaining Agreement. The Acting CFO reported that healthcare cost saving measures had been presented to the Board for at least the last three fiscal years.

During the discussion of Vessel Fuel costs, Commissioner Favre reported that an analysis is underway by two senior leaders at the CMLF. He noted that considerable reductions in crossings have resulted in significant savings and hopes that any further recommendations would be thoroughly discussed. Commissioner Hensley noted that discussions of the losses at the CMLF should be a top priority.

After discussion of the individual budget reductions, the Committee discussed what would be the next steps. Chairperson Parkowski suggested the adoption of the Operating Budget at the 1.5% growth with an indication of a toll increase effective January 1, 2008. Staff was also requested to identify and package the needs of the Capital Improvement Program. The Committee discussed some of the needs of the CIP and potential savings by reducing the scope of work in certain projects. Vice Chair Hogan questioned the dollars required for Bridge Painting and the Acting CFO reported that the Authority has actually been behind in the performance of routine annual bridge painting due to past budget constraints and that the actual budget goal was \$1 million. The Committee also discussed the necessity to perform a complete bridge painting project with lead abatement in the future since there is a limit to the amount of over-coating and spot painting that can be performed on the bridges. Chairperson Parkowski requested staff begin presenting the CIP.

Commissioner Dorn questioned the amount of surplus in the General Fund and whether those funds can be used toward the Operations Budget. The Acting CFO explained the requirements of the Authority's Trust Indenture, and suggested a future presentation on the Authority's Flow of Funds and Authority Financials. The Committee agreed and thought it would be beneficial for all Commissioners to participate in the presentation.

Chairperson Parkowski added that staff should provide the necessary information regarding a toll increase affective January 1, 2008, to enable the Authority to function until the general toll increase scheduled for 2010. Vice-Chairperson Hogan stressed the need for extraordinary communication to the Board, the Governors' Offices, the General Public, and Authority employees, if a toll increase were to be implemented.

With no further business to discuss, on motion by Commissioner Hensley, the Budget & Finance Committee adjourned at 11:27 a.m.

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

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9547. COMMITTEE REPORT – PERSONNEL & FINANCE

Commissioner Dorn presented the following minutes of the Personnel & Finance Committee meeting held on February 5, 2007.

PERSONNEL COMMITTEE MEETING
Monday, February 5, 2007
Delaware Memorial Bridge Complex
New Castle, Delaware

A public meeting of The Delaware River and Bay Authority's Personnel Committee was held on Monday, February 5, 2007, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from Delaware

Committee Vice-Chair Lathem
Commissioner Cooper, Committee Member via Phone
Commissioner Lowe, Committee Member
Commissioner Hensley
Commissioner Patterson via Phone
Chairperson Parkowski

Commissioners from New Jersey

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

Legal Counsel

Phil Norcross - NJ

Staff

Jim Johnson
Don Rainear
Victor Ferzetti
Jim Walls
Trudy Spence-Parker
Gerry DiNicola Owens

Authority Secretary

Tom Pankok

Invited Guest

Adria Martinelli, Young Conaway
Stargatt & Taylor

- I. Committee Chair Dorn welcomed the Personnel Committee and opened the meeting at approximately 9:07 a.m. The Authority Secretary reported that the public meeting of the Personnel & Insurance Committee had been duly noticed in accordance with the Authority's Freedom of Information Regulations, read the Statement of Notice, and called the roll.

The Committee Chair requested an Executive Session, closed to the public to discuss matters of a confidential nature. On motion by Commissioner Lowe, seconded by Commissioner Favre, the Session was closed.

The following matters of a confidential nature were discussed.

- PENDING LITIGATION
- PERSONNEL MATTERS

With no further business to discuss in Executive Session, on motion by Commissioner Favre, seconded by Commissioner Lowe, the session was opened to the public.

- II. The Chief Human Resource Officer reviewed the proposed Resolution Authorizing an Amendment to the Authority's Personnel Manual. The Amendment deletes the Authority's Harassment Policy contained in Section III of the Equal Employment Opportunity and Anti-Harassment Policy and incorporates the new Policy in its entirety.

The CHRO reviewed each section of the new policy. The CHRO added that the previous reporting process was cumbersome and lengthy and the new policy would streamline the process. The Committee discussed the revised reporting process at length. The CHRO noted and compared the differences between the old policy and the new policy. The following revisions were highlighted.

- Identifies three investigation points
- Eliminates the Complaint Committee
- Time-line of 25 business days to completion
- Requires CHRO to communicate status to employee who filed complaint

The CHRO stressed that the new Policy makes a strong statement that the Authority is committed to provide an environment free from unlawful discrimination and harassment. During discussions, the Committee asked several questions regarding the old policy vs the new policy and staff was directed to forward copies of both policies to all Commissioners for review and consideration and any concerns should be directed to the CHRO. The Committee questioned how the Authority's Policy compared to like-agencies. The Executive Director requested the CHRO investigate a range of policies to compare language. The CHRO indicated that a range of agencies' policies were evaluated and the best of languages were incorporated.

After discussion, on motion by Commissioner Favre, seconded by Commissioner Lathem, the Committee approved the Equal Employment Opportunity and Anti-Harassment Policy, subject to changes. The Resolution authorizing the Amendment to the Personnel Manual will be presented to the full Board for consideration at the February meeting. Commissioner Favre noted that the Committee further recommended that all Commissioners participate in the training to show support.

There being no further business to discuss, on motion by Commissioner Lowe, seconded by Commissioner Favre, the Personnel Committee adjourned at 10:13 a.m.

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

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9548. COMMITTEE REPORT – ECONOMIC DEVELOPMENT

Commissioner Lowe presented the following minutes of the Economic Development Committee meeting held February 5, 2007.

ECONOMIC DEVELOPMENT COMMITTEE

Monday, February 5, 2007

Delaware Memorial Bridge Complex

New Castle, Delaware

A public meeting of The Delaware River and Bay Authority's Economic Development Committee was held on Monday, February 5, 2007, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from Delaware

Commissioners from New Jersey

PRESENT

Committee Vice-Chair Lowe
Commissioner Cooper, Committee Member
Commissioner Patterson, Committee Member via Phone
Chairperson Parkowski

Commissioner Dorn, Committee Member
Commissioner Smith, Committee Member
Commissioner Favre
Vice-Chairperson Hogan

Legal Counsel

Phil Norcross – NJ

Staff

Jim Johnson
Don Rainear
Victor Ferzetti
Jim Walls
Trudy Spence-Parker
Gerry Owens
Steve Williams
John Sarro

Authority Secretary

Tom Pankok

Michelle Griscom-Collins
Anna Marie Gonnella Rosato
AJ Crescenzi

- I. The Committee Vice-Chair Lowe welcomed the meeting of the Economic Development Committee and opened the meeting at approximately 11:28 a.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.

- II. The Deputy Executive Director provided information regarding the following proposed Lease Agreements for Committee consideration.
 - Jetride Lease of approximately 10,300 square feet of hangar space at 9 DRBA Way at the New Castle Airport for a monthly rental of \$9,962 for the initial term of six months. Jetride will also be given the first opportunity to occupy additional space subject to availability.

 - Federal Aviation Administration Lease of approximately 5,397 square feet of space in the Air Traffic Control Tower and Base Building at the New Castle Airport for an initial term of five years based on a graduated annual schedule.

 - Cephalon, Inc. Lease of approximately 23,000 square feet of hangar space at 6 DRBA Way at the New Castle Airport for an annual rental of \$240,000 for the initial term of ten years with one option period of five years with a 4% fixed escalator during the first term and adjusted annually by the Consumer Price Index during the option period.

After review, on motion by Commissioner Smith, seconded by Commissioner Dorn, the Committee recommended approval of the three Lease Agreements. Resolutions authorizing the Lease Agreements will be presented to the full Board for consideration at the February meeting.

- III. The Deputy Executive Director provided an update regarding Delta Passenger Service at the New Castle Airport. Last summer, Delta Airlines inaugurated passenger service at the New Castle Airport with two flights per day between New Castle and Atlanta. Delta currently has been in bankruptcy protection and hopes to emerge soon. As a consequence, Delta has not had funds to market at the New Castle Airport and has asked the DRBA to assist. In an effort to keep New Castle Airport viable and after discussions with representatives from Delta, Chambers of Commerce, and the Delaware Economic Development Office, staff has proposed a short-term surge of advertising and marketing focusing on exposure to the business community. It is estimated that this endeavor will cost the Authority approximately \$50,000-\$75,000 and it is hoped that improvements will demonstrate to Delta the importance of providing passenger service in New Castle before Delta makes their final decision on schedules, which will occur in April. After discussion, the Committee did not object to staff's recommendation.

There being no further business to discuss, on motion by Commissioner Dorn, the Economic Development Committee adjourned at 11:52 a.m.

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

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9549. DELAWARE RIVER AND BAY AUTHORITY – TRAFFIC AND REVENUE SUMMARY.

The Controller presented a chart 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 month December.

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

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9550. DELAWARE RIVER AND BAY AUTHORITY – STATEMENT OF INCOME AND EXPENSE.

The Controller presented a chart showing statements of income and expenses for the month of December 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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9551. DELAWARE RIVER AND BAY AUTHORITY – OPERATING EXPENSE BY DIVISION.

The Controller presented a chart for January 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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9552. DELAWARE RIVER AND BAY AUTHORITY – CAPITAL IMPROVEMENT PROGRAM.

The Controller presented a chart for the month of January 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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9553. DELAWARE RIVER AND BAY AUTHORITY – CASH POSITION (MARKET VALUE) AS OF JANUARY 31, 2007.

The Controller presented a chart indicating the cash fund balances for the entire Authority.

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

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9554. PUBLIC COMMENT ON ACTION ITEMS.

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

Resolution 07-06 Authorizes an Agreement for Vessel Fuel and the Ferry Terminals

- Resolution 07-07 Authorizes an Agreement for Food Services at the Cape May-Ferry Terminals
- Resolution 07-08 Authorizes a Lease Agreement with Jetride at New Castle Airport
- Resolution 07-09 Authorizes a Lease Agreement with FAA at New Castle Airport
- Resolution 07-10 Authorizes a Lease Agreement with Cephalen at New Castle Airport
- Resolution 07-11 Authorizes Amendments to the Employees Personnel Manual

There were no comments from the public.

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9555. SUMMARY OF AUTHORIZED CONTRACT PAYMENTS.

The Chief Operating Officer (COO) read the following Summary of Authorized Contract Payments for February.

<u>Contractor</u>		<u>Payment</u>
DMB-06-02	Marini's Brothers, Inc.	\$164,997.67
DMB-06-01	Eastern Highway Specialists	\$ 61,059.50
DMB-04-04	J.D. Eckman, Inc.	\$284,270.46
CMLF-06-01	TTI Environmental, Inc.	\$148,230.00
CMLF-06-04	Lyon's Shipyard, Inc.	\$425,277.51
NCA-01-02	Diamond Materials	\$ 65,768.08
MVA-04-03	Stanker and Galetto, Inc.	\$ 2,130.00

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9556. CHAIRPERSON'S CALL FOR ACTION ON THE RESOLUTIONS BEFORE THE BOARD.

The Executive Director presented the following Resolutions.

RESOLUTION 07-06 – AUTHORIZES PURCHASE AGREEMENTS BETWEEN THE AUTHORITY AND PEDRONI FUEL COMPANY AND THE AUTHORITY AND SUNOCO, INC. TO PROVIDE NO. 2 DIESEL FUEL

WHEREAS, The Delaware River and Bay Authority (the "Authority") is a bi-state Authority created by Compact for the purpose of owning, operating and controlling both Crossing and Non-Crossing facilities; and

WHEREAS, the Authority desires to obtain reliable delivery of No. 2 diesel fuel for its Cape May-Lewes Ferry Operations in Cape May, New Jersey and in Lewes, Delaware, while seeking competitive prices; and

WHEREAS, the Authority publicly advertised and issued a Request for Proposal ("RFP") for the required No. 2 diesel fuel in compliance with Resolution 98-31 which governs the procedure for the procurement of such products; and

WHEREAS, the Authority received and evaluated a total of three proposals pursuant to the aforementioned requirements and resolution; and

WHEREAS, Pedroni Fuel Company submitted the lowest bid for the requested No. 2 diesel fuel for the Cape May location and the Authority determined that the proposal is responsible and in the best interest of the Authority; and

WHEREAS, Sunoco, Inc. (R&M) submitted the lowest bid for the requested No. 2 diesel fuel for the Lewes location and the Authority determined that the proposal is responsible and in the best interest of the Authority; and

WHEREAS, the Budget and Finance Committee reviewed the recommendations and concurs with the evaluation; and

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby authorized to finalize the terms and conditions of Purchase Agreements with Pedroni Fuel Company and Sunoco, Inc. (R&M) to provide No. 2 diesel fuel for an initial term of two years with two optional one year renewals, and to have such Purchase Agreements, upon review and advice of counsel, executed by the Chairperson, Vice-Chairperson and Executive Director.

A motion to approve Resolution 07-06 was made by Commissioner Simmerman and seconded by Commissioner Lowe.

Commissioner Patterson asked the Acting CFO to brief the Commissioners on the due diligence behind the RFP for this service.

The Acting CFO stated that there were questions as to whether the Authority was using the correct instrument to bid on fuel. The Authority looked at the Energy Information Administration (EIA) and the Journal of Commerce (JOC) for benchmarks. The Authority was comfortable in using the JOC and also identified that New Jersey and Delaware both utilize the JOC for fuel contracts.

Vice-Chairperson Hogan then called on the Secretary to take a roll call vote on the motion made by Commissioner Simmerman and seconded by Commissioner Lowe. Resolution 07-06 was approved by a roll call vote of 10-0.

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RESOLUTION 07-07 – AUTHORIZES PURCHASE AGREEMENTS FOR THE SUPPLY OF FOOD SERVICE PRODUCTS FOR THE DELAWARE RIVER AND BAY AUTHORITY

WHEREAS, The Delaware River and Bay Authority (the “Authority”) is a bi-state Authority created by Compact for the purpose of owning, operating and controlling both Crossing and Non-Crossing facilities; and

WHEREAS, the Authority desires to obtain reliable delivery of quality food service products while seeking competitive pricing; and

WHEREAS, the Authority publicly advertised and issued a Request for Proposal (“RFP”) for the required food service products in compliance with Resolution 98-31 which governs the procedure for the procurement of such products; and

WHEREAS, the Authority received and evaluated a total of eleven proposals based on best overall price, delivery, reliability and other specifications as outlined in the RFP pursuant to the aforementioned requirements and resolution; and

WHEREAS, the Budget and Finance Committee reviewed the recommendations and concurs with the evaluation; and

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby authorized to finalize the terms and conditions of a Services Agreement with an initial term of three (3) years with two (2) optional one (1) year renewals, with the following vendors to provide such food service products and to have such Service Agreement, upon review and advice of counsel, executed by the Chairperson, Vice-Chairperson and Executive Director.

<u>Vendor</u>	<u>Description</u>
US Foodservice, Inc.	Primary supplier
Jack & Jill Ice Cream Co.	Specialty frozen and single serve products
Lehigh Valley Dairy Farms	Fresh milk products

Pepsi Bottling Group	Beverage and specialty beverage paper products
South Jersey Paper Products, Inc.	Cleaning and paper products
Panache Cuisine, LLC.	Specialty fresh deli sandwich and gourmet salad products

A motion to approve Resolution 07-07 was made by Commissioner Smith, seconded by Commissioner Hensley, and approved by a roll call vote of 10-0.

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RESOLUTION 07-08 - LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND JETRIDE AT NEW CASTLE AIRPORT

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

WHEREAS, Jetride desires to lease 33% of the hangar commonly referred to as 5 DRBA Way and 33% of the hangar commonly referred to as 9 DRBA Way, totaling approximately 10,300 sq.ft.; and

WHEREAS, Jetride has agreed to pay the Authority Nine Thousand Nine Hundred and Sixty-Two Dollars (\$9,962) monthly rent during the initial term of the Lease Agreement; and

WHEREAS, the initial term of the Lease Agreement is for six (6) months; and

WHEREAS, when space becomes available to place both aircraft in the same hangar together rather than in two separate hangars, Jetride will be given the first opportunity to occupy the available hangar space; and

WHEREAS, the Economic Development Committee has reviewed the terms of the proposed Lease Agreement and recommends approval.

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

A motion to approve Resolution 07-08 was made by Commissioner Simmerman, seconded by Commissioner Dorn, and approved by a roll call vote of 10-0.

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RESOLUTION 07-09 - LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND THE FEDERAL AVIATION ADMINISTRATION AT THE NEW CASTLE AIRPORT

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

WHEREAS, the Federal Aviation Administration (“FAA”) desires to lease approximately 5,397 sq.ft of space in the Air Traffic Control Tower and Base Building; and

WHEREAS, the term of this Lease Agreement shall be five (5) years; and

WHEREAS, the FAA has agreed to pay the Authority monthly rent based upon the following schedule

2007 \$6,669.85
2008 \$6,869.94
2009 \$7,076.04
2010 \$7,288.32
2011 \$7,506.97; and

WHEREAS, the Economic Development Committee has reviewed the terms of the proposed Lease Agreement and recommends approval.

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

A motion to approve Resolution 07-09 was made by Commissioner Lowe, seconded by Commissioner Favre, and approved by a roll call vote of 10-0.

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RESOLUTION 07-10 - LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND CEPHALON, INC. AT THE NEW CASTLE AIRPORT

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

WHEREAS, Cephalon, Inc. ("Cephalon") desires to lease 100% of the hangar commonly referred to as 6 DRBA Way totaling approximately 23,000 sq.ft.; and

WHEREAS, Cephalon has agreed to pay the Authority Two Hundred and Forty Thousand Dollars (\$240,000) annual rent during the initial term of the Lease Agreement; and

WHEREAS, the initial term of the Lease Agreement is for ten (10) years; and

WHEREAS, Cephalon shall have the option of renewing the Lease Agreement for one period of five (5) years; and

WHEREAS, rent shall be adjusted annually by a fixed escalator of 4% during the initial term of the Lease Agreement; and

WHEREAS, rent shall be adjusted to the Fair Market Value of the property at the beginning of the renewal term; and

WHEREAS, the rent during the option period shall be adjusted annually by the Consumer Price Index; and

WHEREAS, the Economic Development Committee has reviewed the terms of the proposed Lease Agreement and recommends approval.

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

A motion to approve Resolution 07-10 was made by Commissioner Patterson, seconded by Commissioner Dorn, and approved by a roll call vote of 10-0.

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RESOLUTION 07-11 AUTHORIZING AN AMENDMENT TO THE AUTHORITY'S PERSONNEL MANUAL

WHEREAS, The Delaware River and Bay Authority (the "Authority") is committed to excellence in public employment; and

WHEREAS, the Authority has adopted a Personnel Manual providing general descriptions and guidelines concerning the Authority's personnel policies and practices; and

WHEREAS, the Authority reviews and amends the Personnel Manual from time-to-time; and

WHEREAS, the Authority's Personnel Committee has reviewed the proposed amendment and recommends its consideration to the full Board; and

WHEREAS, the Authority has determined that it is in the Authority's best interest to amend its Personnel Manual by inserting this new section.

NOW THEREFORE, BE IT RESOLVED, that the Authority's Equal Employment Opportunity and Anti-Harassment Policy contained in Section III on page 5 of the Authority's Personnel Manual is hereby amended deleting this section and replacing it in its entirety with text attached hereto.

A motion to approve Resolution 07-11 was made by Commissioner Dorn, seconded by Commissioner Favre, and approved by a roll call vote of 10-0.

[Attachment]

The Delaware River and Bay Authority

III. EQUAL EMPLOYMENT OPPORTUNITY AND ANTI-HARASSMENT POLICY

EQUAL EMPLOYMENT OPPORTUNITY POLICY

The Authority's goal is to recruit, hire, and maintain a diverse workforce. Equal employment opportunity is not only good business—it's the law and applies to all areas of employment, including recruitment, selection, hiring, training, transfer, promotion, termination, compensation, and benefits.

As an equal employment opportunity employer, the Authority does not discriminate in its employment decisions on the basis of race, color, national origin, ancestry, age, disability, gender, pregnancy, childbirth or related medical conditions, or any other status or condition protected by applicable law.

POLICY AGAINST HARASSMENT

Purpose

The purpose of this policy is to create an environment free from unlawful discrimination and harassment, including sexual harassment, based on race, color, national origin, ancestry, age, disability, gender, pregnancy, childbirth or related medical conditions, or any other status or condition protected by applicable law. It is expected that all relationships among the employees of the Delaware River and Bay Authority will be on a professional level and free of bias, prejudice, and harassment.

Scope

The Authority is committed to a workplace in which all employees are treated with respect and dignity. Harassment undermines the integrity of the employment relationship, impacts employee morale and interferes with workplace productivity. Harassment of employees will not be tolerated. Harassment of employees by non-employees in the workplace will also not be tolerated.

Policy

1.0 Definition and Examples of Harassment

1.1 Definition of Harassment

Harassment includes verbal, physical, and visual conduct that creates an intimidating, offensive, or hostile working environment that interferes with an employee's work performance. Such conduct constitutes harassment when:

- a. submission to the conduct is made either an explicit or implicit condition of employment;
- b. submission to or rejection of the conduct is used as the basis for an employment decision; or
- c. the harassment has the purpose or effect of interfering with an employee's work performance or creates an intimidating, hostile, or offensive work environment.

1.2 Examples of Harassment

Harassing conduct can take many forms and includes, but is not limited to the following: slurs, jokes, statements, gestures, assault, impeding or blocking another's movement or otherwise physically interfering with normal work, pictures, drawings, or cartoons based upon an employee's race, color, national origin, ancestry, age, disability, gender, pregnancy, childbirth, or related medical conditions or other categories protected by law.

1.3 Examples of Sexual Harassment

Sexually harassing conduct in particular includes prohibited harassment actions as well as other unwelcome conduct, such as: unwelcome sexual flirtations, advances, or propositions; verbal abuse of a sexual nature; subtle pressure or requests for sexual activities; unwelcome leering, staring, whistling, brushing against the body, sexual gestures, suggestive or insulting comments; graphic comments about an individual's body; a display in the workplace of sexually suggestive objects or pictures; sexually explicit or offensive jokes; or physical assault. Sexually harassing conduct can be by a person of either the same or opposite sex.

2.0 Harassment Complaints

2.1 Reporting Harassing Conduct

The Authority understands that victims of harassment are often embarrassed and reluctant to report acts of harassment for fear of being blamed, concern about being retaliated against, or because it is difficult to discuss such matters openly with others. However, no employee should have to endure harassing conduct, and the Authority strongly urges employees to promptly report any incidents of harassment so that corrective action may be taken.

Any incidents of harassment, including work-related harassment by any Authority employee or any other person, should be reported as soon as possible to the employee's immediate supervisor and/or to the Human Resource (HR) Generalist responsible for the employee's business unit.

An employee is not required to complain to the person who is harassing the employee. The employee's immediate supervisor and/or HR Generalist who received the complaint or who observed harassing conduct shall immediately inform the EEO/Recruitment Manager and the Chief Human Resource Officer (CHRO) so that an investigation may be initiated. The complaint shall be recorded by the EEO/Recruitment Manager and the CHRO on the form attached with this Policy.

2.2 Investigation of Harassment Complaints

Every reported complaint of harassment will be investigated thoroughly and promptly. After the harassment complaint has been reported to the EEO/Recruitment Manager and the CHRO, a designated Authority official qualified to conduct internal investigations (i.e. EEO/Recruitment Manager, Human Resources Manager, or qualified, outside investigator) will:

- (1) interview the employee who lodged the harassment complaint to obtain complete details regarding the alleged harassment;
- (2) interview anyone who is alleged to have committed the acts of harassment to respond to the claims; and
- (3) interview anyone who may have witnessed or who may have knowledge of the alleged harassment.

All investigations of harassment claims shall be conducted in a way that respects, to the fullest extent possible, the privacy of individuals involved. Investigations shall be conducted in a prompt, thorough and impartial manner.

A factual conclusion and recommendation shall be made by the investigator and forwarded to the CHRO within fifteen (15) business days from the report of harassment.

Based on the factual findings and recommendation of the investigator, the CHRO will make a final determination regarding actions to be taken as a result of the investigator's findings. The final determination shall be completed within ten (10) business days after the factual findings and recommendation have been received.

2.3 Status Updates and Follow-Up Meeting

The CHRO shall conduct a follow-up meeting with the employee who filed the harassment claim to provide the final determination, and to ensure there is no reoccurrence or retaliation by anyone against an employee for reporting or alleging harassment. The final determination shall be provided in written form and shall remain confidential.

2.4 Corrective Action

Any employee found to have violated portion(s) of this policy may be subjected to appropriate administrative, disciplinary and/or corrective action which may include, but is not limited to referral for training, referral for counseling, verbal or written reprimand, suspension, reassignment, demotion or termination of employment.

Violations of this Policy by duly-appointed police officers shall be handled in accordance with the Delaware River and Bay Authority Police Department's Rules and Regulations Manual.

2.5 Representation for Union Members

Nothing in this Policy shall prohibit employees governed under the terms of a Collective Bargaining Agreement from having a Union representative present at any step detailed in Section 2 of this Policy.

3.0 Protection from Retaliation

3.1 Retaliation Prohibited

The Authority's mission can only be accomplished in an environment that promotes integrity, honesty, and open communication which is free from any form of harassment or retaliation. Retaliation on the part of managers and /or employees against any employee for reporting a real or perceived incident involving alleged harassment, or for participating in the investigation of any such allegations will not be tolerated.

4.0 Training

4.1 Training for all Employees

The Authority shall provide all new employees with harassment training, (typically conducted during new employee orientation), within a reasonable period of time after the date of hire. The Authority shall provide periodic harassment training to all employees including supervisors and managers to reiterate the importance of maintaining a harassment-free workplace.

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9557. COMMISSIONERS PUBLIC FORUM

Vice-Chairperson Hogan asked if any members of the public would like to address the Commissioners.

Vincent Ascione, Local 542 spoke. He asked if Resolution 07-11 regarding the Personnel Manual amendment on harassment will be distributed to the employees.

The Executive Director noted that the new Anti-Harassment Policy adopted today will be presented to employees through a series of meetings held throughout the Authority after the governors veto period ends. Each employee will then be required to sign a statement stating that they have received a copy.

The Chief Human Resources Officer stated that the Policy will be distributed to Authority employees in groups of 20 or less. The Authority will review the Policy with each group and employees will then be required to acknowledge that they have read the Policy and understand it.

Mr. Ascione then stated that he is representing the newly organized employees in local 542. Mr. Ascione noted the presence of E. Barton, MEBA, who will be assisting him on matters relating to Cape May that may arise.

There were no other public comments.

Vice-Chairperson Hogan presented the new Committee assignments that were submitted by Chairperson Parkowski and discussed with the Commissioners. Motion to approve the Committee assignments was made by Commissioner Dorn, seconded by Commissioner Favre. By a roll call vote of 10-0, the Committee assignments were approved.

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

The meeting was adjourned 11:35a.m.

Respectfully submitted,

THE DELAWARE RIVER AND BAY AUTHORITY

Thomas A. Pankok
Secretary