

DELAWARE RIVER AND BAY AUTHORITY

BUDGET & FINANCE COMMITTEE MEETING

Tuesday, September 18, 2012

Gallery of the Cape May Terminal

North Cape May, New Jersey

A public meeting of The Delaware River and Bay Authority's Budget & Finance Committee Meeting was held on Tuesday, September 18, 2012, in the Gallery of the Cape May Terminal, North Cape May, New Jersey.

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

Andrew Lippstone - DE

Staff

Scott Green
Frank Minor
Victor Ferzetti
Jim Walls
Gerry Owens
Charlotte Crowell
Joe Larotonda
Anna Marie Gonnella Rosato
Joel Leidy
Kelly Phillips Parker
Joe Bryant
Jim Salmon
Heath Gehrke
Steve Williams
Tom Berry
TJ Murray

Commissioners from New Jersey

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 11:03 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 July 17 and August 30, 2012. Commissioner Van Sant made a motion, Commissioner Murphy seconded, and the Committee Minutes were accepted.

3. Resolutions:

a. RESOLUTION 12-28 – AUTHORIZING AUTHORITY EXPENDITURES PURSUANT TO RESOLUTION 01-84 FOR THE PERIOD JANUARY 1, 2012 THROUGH DECEMBER 31, 2012 -

The Chief Financial Officer (CFO) presented the Over \$25,000 Vendor List. After discussion, Committee Chair Traynor asked if there were any questions and there were none. Commissioner Murphy made a motion, Commissioner Van Sant seconded, and the Budget & Finance Committee unanimously recommended forwarding the Resolution to the full Board for approval. The Resolution will be presented to the full Board for consideration at the September meeting later today.

b. RESOLUTION 12-29 – RELATING TO THE ISSUANCE AND AWARD OF THE DRBA REVENUE BONDS, SERIES 2012 A AND REVENUE BONDS REFUNDING, SERIES 2012 B

The CFO presented the Resolution. The CFO discussed the two (2) components of the 2012 Revenue Bonds Issuance: New Money in the amount of \$64 million to fund the next two years of Capital Improvement Projects; and the Refunding of \$41 million of callable bonds for a present value savings of approximately \$6.5 million (16% savings). The CFO reviewed the Resolution and the related documents were presented to the Committee and Board members in attendance. The CFO discussed the timing of the transaction and expects the Bond Closing to occur the end of October. Committee Chair Traynor questioned if this was the recommendation of Senior Management and the CFO stated Yes. The Committee also discussed and recommended the removal of the words "unanimous agreement" under Section 2 and Section 16 for clarity. After discussion, Committee Chair Traynor requested a motion to recommend approval of the Resolution, as amended. Commissioner Van Sant made a motion, Commissioner Murphy seconded, and the Budget & Finance Committee unanimously recommended forwarding the Resolution, as amended, to the full Board for approval. The Resolution will be presented to the full board for consideration at the September meeting later today.

4. Operating Budget

a. Budget Schedule –the CFO presented the Budget Schedule, noting important dates for Committee and Board approval. The 2013 Operating Budget will be presented in October for adoption at the November Board meeting. The ED reported there will be a date change for the November meeting to November 13, 2012. The 2013 Capital Budget will be presented in November for adoption at the December Board meeting.

b. 2013 Transition To Activity Based Budget – The CFO reported that the 2013 Operating Budget will transition to an activity based budgeting methodology and presented a sample Comparison of the 2012 Adopted Operating Budget vs Reallocated using this approach. The Executive Director reported that this is designed to enhance the managing and accountability of business managers. This is an accounting change only.

c. Preliminary Budget Issues – The CFO reported that he will be conducting Budget Sessions with all departments and will be presenting the Major Increases/Decreases to Preliminary 2013 Operating Budget at the October meeting.

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

The following matters of a confidential nature were discussed.

- LONG RANGE PLANNING ALTERNATIVES

6. With no further business to discuss in Executive Session, a motion to open the meeting to the public was made by Downes, and the session was opened to the public.

7. Miscellaneous:

There were no items to be discussed.

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

DELAWARE RIVER AND BAY AUTHORITY

ECONOMIC DEVELOPMENT COMMITTEE MEETING

Tuesday, September 18, 2012

Gallery of the Cape May Terminal

North Cape May, New Jersey

A public meeting of The Delaware River and Bay Authority's Economic Development Committee was held on Tuesday, September 18, 2012, in the Gallery of the Cape May Terminal, North Cape May, New Jersey

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 Van Sant

Vice-Chairperson Hogan

Legal Counsel

Mike Houghton- DE

Phil Norcross - NJ

Governors' Representatives

Andrew Lippstone

Kerstin Sundstrom - NJ

Staff

Scott Green
Frank Minor
Victor Ferzetti
Jim Walls
Gerry Owens
Charlotte Crowell
Anna Marie Gonnella Rosato
Kelly Phillips Parker
Joel Leidy
Joe Bryant
Jim Salmon
Heath Gehrke
TJ Murray
Steve Williams
Tom Barry

1. Committee Chair Smith welcomed the Economic Development Committee and opened the meeting at approximately 12:05 p.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 July 17, 2012. Commissioner Dorn made a motion, Commissioner Murphy seconded, and the Committee Minutes were accepted.

3. Action Items:

a. RESOLUTION 12-32 – FIRST AMENDMENT AND ASSIGNMENT AND ASSUMPTION OF LEASE AGREEMENTS WITH CLEAR CHANNEL -

The Deputy Executive Director (DED) reported that details had not been finalized and the Resolution would not be presented today.

b. Resolution 12-33 – LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND THE BOEING COMPANY AT THE NEW CASTLE AIRPORT –

The DED presented the Resolution and discussed the terms of the lease. 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 September meeting later today.

4. Open Discussions/Other Issues:

Salem Business Center Update

The DED reported a potential lease of approximately 3,500 square feet of space in the Salem Business Center. If a lease becomes finalized, the building will be 80% occupancy.

Wellness Day

The DED reported that the Authority held its first Wellness day on Thursday, September 13, 2012 and thanked the Community Initiatives Committee, staff, and all who participated.

5. With no further business to discuss, a motion to adjourn was made by Commissioner Downes, and the Economic Development Committee adjourned at 12:08 p.m.

DELAWARE RIVER AND BAY AUTHORITY

PERSONNEL COMMITTEE MEETING

Tuesday, September 18, 2012

Gallery of the Cape May Terminal

North Cape May, New Jersey

A public meeting of The Delaware River and Bay Authority's Personnel Committee was held on Tuesday, September 18, 2012, in the Gallery of the Cape May Terminal, North Cape May, New Jersey.

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

Andrew Lippstone - DE

Staff

Scott Green
Frank Minor
Victor Ferzetti
Jim Walls
Gerry Owens
Charlotte Crowell
Anna Marie Gonnella Rosato
Kelly Phillips Parker
Joel Leidy
Joe Bryant
Jim Salmon
Heath Gehrke
TJ Murray
Steve Williams
Tom Berry

Commissioners from New Jersey

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

Vice-Chairperson Hogan

Phil Norcross - NJ

Kerstin Sundstrom - NJ

1. Committee Chair Lathem welcomed the Personnel Committee and opened the meeting at 12:09 p.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 July 17, 2012. Commissioner Dorn made a motion, Commissioner Murphy seconded, and the Committee Minutes were accepted.

3. Resolutions:

a. RESOLUTION 12-30 - RECOGNIZES AND SALUTES NIELS S. FAVRE FOR HIS DEDICATED SERVICE TO THE DELAWARE RIVER AND BAY AUTHORITY –

Authority Vice-Chair Hogan presented and read aloud the Resolution. This Resolution recognizes and salutes Niels S. Favre for his dedicated service as a Commissioner of the Delaware River and Bay Authority for nearly eight years.

b. RESOLUTION 12-31 - RECOGNIZES THE SERVICE OF PTL. HARRY P. CLOUD TO THE DELAWARE MEMORIAL BRIDGE AND DESIGNATES THE POLICE DEPARTMENT'S FIRING RANGE IN HIS HONOR –

This Resolution honors Patrolman Cloud by designating the Delaware River and Bay Authority Police Department Firing Range as the "Ptl. Harry P. Cloud Memorial Police Range." Vice-Chair Hogan questioned whether the Firing Range would be made available to outside agencies for a fee. Staff will investigate and update the Committee as necessary.

After discussion, Committee Chair Lathem asked for a motion to recommend approval of both Resolutions. Commissioner Dorn made a motion, Commissioner Van Sant seconded, and the Personnel Committee unanimously recommended forwarding the Resolutions to the full Board for approval. The Resolutions will be presented to the full Board for consideration at the September meeting later today.

4. 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 Smith, and the Session was closed.

The following matters of a confidential nature were discussed.

- LABOR NEGOTIATIONS
- PERSONNEL MATTERS

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

With no further business to discuss, Commissioner Dorn made a motion to adjourn, and the Personnel Committee adjourned at 12:30 p.m.

THE DELAWARE RIVER AND BAY AUTHORITY

PROJECTS COMMITTEE

Tuesday, September 18, 2012

Gallery of the Cape May Terminal

Cape May, New Jersey

A public meeting of the Delaware River and Bay Authority's Projects Committee was held on Tuesday, September 18, 2012, in the Gallery of the Cape May Terminal, North Cape May, New Jersey.

Commissioners from Delaware

PRESENT

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

Commissioners from New Jersey

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

Vice-Chairperson Hogan

Legal Counsel

Mike Houghton – DE

Phil Norcross - NJ

Governors' Representatives

Andrew Lippstone - DE

Kerstin Sundstrom - NJ

Staff

Scott Green
Frank Minor
Jim Walls
Charlotte Crowell
Victor Ferzetti
Gerry DiNicola-Owens
Kelly Phillips Parker
Joel Leidy
Joe Bryant
Jim Salmon
Heath Gehrke
TJ Murray
Anna Marie Gonnella Rosato
Steve Williams
Tom Barry

1. Committee Chair Murphy welcomed the Projects Committee and opened the meeting at approximately 12:32 p.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 July 17, 2012. Commissioner Lathem made a motion, Commissioner Guajardo seconded, and the Committee Minutes were approved. Those in attendance were provided an informational package consisting of an agenda, one (1) Bid Analysis, and one (1) monthly contractor payment chart (through August).

3. Resolutions: None

4. Bid Openings:

Contract No. CMLF-12-03 -- 2012 Maintenance Dredging – Cape May Terminal. A public Bid Opening was held on September 5, 2012, in which two (2) bids were submitted. The COO described the scope of work included in this project as the complete dredging of the berth areas at the Cape May Terminal. The COO recommended the contract award to the lowest responsible bidder, Barnegat Bay Dredging Company, Inc., of Harvey Cedars, New Jersey, in the amount of \$512,000.00. The Projects Committee concurred with the recommendation. A motion was made by Commissioner Lathem, seconded by Commissioner Dorn, and the Projects Committee unanimously moved the contract award for a vote at the September Commission meeting.

5. Contract Close-Out Actions: None

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

7. Miscellaneous Items/Updates:

Cape May Airport FBO Services Update

The Director-Airport Operations provided an update on the efforts being made to continue limited FBO Services at the Cape May Airport in the absence of a permanent operator. Some of the efforts included hiring and training new customer service staff, creating a new internet splash page, and implementing direct aircraft fueling by DRBA staff. The Director-Airport Operations noted that these retail fuel sales and airport fees are generating significant revenues for the Authority. Tom Berry, Cape May Airport Manager, addressed the Committee and reported that the business is promising, encouraging, and generating positive comments from the aviation community. Mr. Berry was recognized by the Commission for outstanding service. The Committee asked several questions regarding the continuation of providing those services by the DRBA. The Director reported that the DRBA can only provide limited FBO services and a solicitation is being prepared for the placement of an operator who can provide the full range of FBO services in advance of next year's season.

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 Dorn, seconded by Commissioner Smith, and the Session was closed.

The following matters of a confidential nature were discussed:

- LONG RANGE PLANNING MATTERS

During the Executive Session, the Committee took a short break for lunch and returned at 2:25 p.m.

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

10. Open Discussion/Other Issues

Cape May Food & Retail Privatization

The COO presented the recommendation to reject the Aramark Proposal to provide Food & Retail Services at the Cape May – Lewes Ferry. Commissioner Lathem made a motion to reject the proposal, Commissioner Smith seconded, and the Projects Committee recommended rejecting the proposal. Committee Chair Murphy did not support rejecting the proposal.

Renewable Energy RFP

The COO presented the recommendation to reject all submissions for the Renewable Energy RFP. Committee Chair Murphy requested a motion to reject all submissions. Commissioner Dorn made a motion, Commissioner Lathem seconded, and the Projects Committee recommended rejecting all submissions.

11. With no further business to discuss, Commissioner Lathem made a motion to adjourn, and the Projects Committee adjourned at 2:33 p.m.