

MINUTES OF MEETING

THE DELAWARE RIVER AND BAY AUTHORITY

Tuesday, April 19, 2005
Room C108, Davidow Hall
Salem Community College
460 Hollywood Avenue
Carneys Point, New Jersey 08069

The meeting convened at 11:10 a.m. with Chairperson Wallace presiding. Chairman Wallace introduced Dr. Peter B. Contini, President, Salem County Community College, and thanked him for hosting the April Board meeting.

Dr. Contini welcomed the Commissioners and staff and extended a sincere appreciation to the Authority for sponsor-supported events and scholarship participation. He gave an overview of the success of the College and said that he was pleased to host the Board meeting.

The opening prayer was given by Reverend Dorn followed by the Pledge of Allegiance led by Dr. Contini.

Chairperson Wallace called on the 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 New Jersey

Commissioners from Delaware

PRESENT

Warren S. Wallace, Chairperson
Edward W. Dorn
Niels S. Favre
John M. Jackson
Maureen T. Koebig

F. Michael Parkowski, Vice Chairperson
Thomas J. Cooper
Verna W. Hensley
William E. Lowe, III
Gary B. Patterson

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9211. APPROVAL OF THE MARCH 15, 2005 MINUTES

On motion by Commissioner Cooper and seconded by Commissioner Jackson, the minutes of the March 19, 2005 meeting was approved by a roll call vote of 10-0.

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9212. EXECUTIVE DIRECTORS'S REPORT

The Executive Director presented the following highlights that occurred within the Authority during the month of March, 2005.

AIRPORTS

Airport Operations and Engineering & Maintenance staff attended the 2005 Airport Conference in Hershey, PA, March 14th through March 16th. This annual conference is principally led by the Airports Eastern Region of the FAA. Conference topics include issues related to airport planning, management, and design.

Staff briefed the Cheswold town council and area residents on plans for future development of Delaware Airpark. The Authority received favorable comments regarding airport improvement initiatives.

Planning and coordination meetings were held for the upcoming Millville Airshow. This airshow is scheduled for May 20th through May 22nd and will feature the Canadian Showbirds flight demonstration team and the World War II era flight demonstration by Tora, Tora, Tora.

Construction at Delaware Airpark for the new joint Delaware State University-Delaware River and Bay Authority hangar/terminal facility is 80% complete. This facility will be substantially completed in mid-May.

CAPE MAY-LEWES FERRY

In March, vehicle traffic decreased 6.8% when compared to the 3-year (2002-2004) March average. Passenger traffic decreased 6.4% in comparison to the 3-year average. Compared to the average of the last three years, year-to-date vehicle traffic and passenger traffic have declined 5.3% and 4.5%, respectively.

Internet ferry reservations in March represented 34.4% of total ferry reservations. In March, customer usage of six-trip ferry discount tickets (NT6) increased 21.6% when compared to the 3-year March average.

The MV Cape May successfully completed its U.S. Coast Guard COI inspection on March 31st. Authority employees completed the main engine overhauls on the MV New Jersey in March.

New Douwe Egbert coffee systems were installed in the Cape May and Lewes ferry terminals in March. Installations of this new coffee system are underway for all ferry vessels. New vessel menu items were introduced, including: deli sandwiches, five varieties of pizza, expanded fresh fruit selection, and multi-grain cereals. Our customers will appreciate these improved food and beverage items.

James W. Gillespie, a 34-year veteran of the marine industry, joined the Cape May – Lewes Ferry staff on March 21, 2005, as the new Port Engineer.

DELAWARE MEMORIAL BRIDGE

Total traffic during March 2005 increased by 3.2%, when compared to the 3-year March average. Year-to-date traffic has increased by 2.5% over the 3-year average.

E-ZPass traffic continues to increase on the Delaware Memorial Bridge. E-ZPass traffic for March 2005 represented 52.4% of the total overall traffic as compared to 49.2% for the previous year. Year-to-date electronic traffic represented 52.3%, an increase of 3.7% for the same period in 2004.

SAFETY

As of March, five (5) Authority safety committees have been established: Delaware Memorial Bridge complex, Cape May, Lewes, DE Airports, and NJ Airports. These committees are comprised of employees from all areas and levels of the organization. Their mission is to prevent unsafe acts and conditions at the Authority that could result in injury to employees and our customers or property damage. These committees meet monthly to identify problems, to find solutions, and to take action.

ECONOMIC DEVELOPMENT

The Cornerstone Grill and Caterers a/k/a Antini's signed a lease to operate the restaurant at Cape May Airport. Operations are expected to begin in mid-May.

COMMUNICATIONS

Staff prepared a response letter to the News Journal Editorial Board regarding the March 2nd story, "Ferry Service Losing Millions." The letter provided additional insights into the Cape May –

Lewes Ferry operation and highlighted the service’s economic benefits to the region. In addition, management stressed that the Commission had retained the Elliott Bay Design Group to determine the underlying causes for the traffic decline and to suggest remedies to address the issues.

Staff initiated the re-design of the internet websites for our airports to bring them into alignment with the other Authority websites: the Delaware River and Bay Authority and the Cape May – Lewes Ferry. The new sites will contain more information on each of our airport facilities and will be easier to navigate. The revamped site is expected to enter service in June.

HUMAN RESOURCES

| | | |
|-----------------------------|----------------------|------------------|
| <u>Permanent Full-Time:</u> | Authorized Positions | Filled Positions |
| | 481 | 440 |

Staff participated in ten (10) regional job fairs in New Jersey, Delaware, and Pennsylvania, eight (8) of which were diversity job fairs, in an effort to reach out for qualified applicants for current position openings.

Human Resources presented a “Lunch and Learn Series” for retirement planning for Authority employees to assist and educate employees on retirement saving and planning.

Staff is facilitating a Community Initiatives Committee with plans for three (3) community giving events, including: Back-to-School Book Bag event; Thanksgiving food drive event, and Christmas food and gift event. Executive Director Johnson also noted a blood drive is being planned at three locations within the Authority.

INFORMATION TECHNOLOGY

The IT Department neared completion of the desktop migration from Windows NT to XP during the month of March. To date, one hundred and forty (140) personal computers have either been replaced or upgraded. In addition, the Microsoft Office software has been upgraded from 97 to 2003. The Authority’s Exchange server was replaced and the operating system was upgraded to Microsoft Exchange 2003.

Other current projects of interest include: implementation of a network enterprise backup solution which provides centralization of backups to a single high-end server and a first step to business continuity planning; working with the DRBA Police Department and the Delaware State Police on the feasibility of implementing a statewide computer-aided dispatch system at the Authority; and working with Human Resources and software vendor (MUNIS) to improve the technology in support of employee payroll and other personnel actions.

POLICE

The DRBA Police and Delaware State Police conducted one joint truck enforcement operation northbound on I-295 at the Delaware Memorial Bridge. Twenty-five trucks were inspected. Fifteen Level II inspections were conducted resulting in ten (10) traffic citations. Similar joint enforcement operations will be conducted on a regular basis.

The DRBA Police Department joined the Delaware State-Wide Traffic Management Team. This team consists of representatives from a wide array of emergency services. The goal of this team is to study issues, such as, interfacing resources, traffic management, and development of emergency management plans.

Summary of Police activities:

| | March 2004 | March 2005 |
|--------------------|---------------|---------------|
| Traffic Summons | 484 | 314 |
| Criminal Arrests | 24 | 12 |
| Traffic Accidents | 28 | 36 |
| Traffic Reprimands | 512 | 400 |

| Aid to Motorists | March 2004 | March 2005 |
|-------------------|---------------|---------------|
| Disabled Vehicles | 123 | 140 |
| Public Assists | 43 | 30 |
| Medical Assists | 0 | 5 |
| Acrophobiacs | 23 | 21 |

Executive Director Johnson noted that the next meeting of the Board will be in Rehoboth. The location will be posted on the website and mailed to those on the regular Public Notice mailing list and to all Commissioners.

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9213. COMMITTEE REPORT – BUDGET & FINANCE

Commissioner Jackson deferred the April 5, 2005 Committee meeting report to Vice Chair Patterson. Commissioner Patterson presented the following minutes of the Budget & Finance meeting held April 5, 2005.

A public meeting of The Delaware River and Bay Authority’s Budget & Finance Committee was held on Tuesday, April 5, 2005, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from New Jersey

Commissioners from Delaware

PRESENT

Commissioner Koebig, Committee Member
Commissioner Favre, Committee Member

Committee Vice-Chair Patterson
Commissioner Hensley, Committee Member
Commissioner Lathem, Committee Member
Vice-Chairperson Parkowski

Staff

Authority Secretary

Don Raineart
Jim Walls
Trudy Spence-Parker
Gerry DiNicola Owens
Victor Ferzetti
Joe Larotonda
Anna Marie Gonnella Rosato
AJ Crescenzi
Ken Hynson
John Sarro
Howard Moon
Heath Gehrke

Tom Pankok

Invited Guests
Cavanaugh Capital Management
Jim Cavanaugh
Megan Brune
Tom Graff

- I. Committee Vice-Chair Patterson welcomed the Budget & Finance Committee and opened the meeting at approximately 10:47 a.m. The Chair 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. Committee Vice-Chair Patterson welcomed and introduced the Authority’s Investment Manager, Mr. Jim Cavanaugh from Cavanaugh Capital Management (CCM), and Mr. Cavanaugh introduced his team. The financial team provided a review of the Authority’s Financial Portfolio which included the following:
 - Market and Economic Review
 - Portfolio Characteristics
 - Portfolio Performance
 - Market Outlook

During the presentation, the team discussed the Bond Portfolio inclusive of the Construction, General, and Debt Service Reserve Funds; and the Employees' Retirement Plan Trust. The Acting Chief Financial Officer noted that the funds are invested according to the Authority's Investment Guidelines and that historically the philosophy has been to maximize yield while minimizing risks. CCM reported that by investing in lower maturity and higher credit quality bonds the portfolio has performed comparable to the respective benchmarks despite having a lower risk profile.

Mr. Cavanaugh also reviewed the success of the Authority's recent bond sale. It was reported that the Authority realized a savings of approximately \$7.8 million during a very volatile market and thanked the Committee for their willingness to work with them during that time. Mr. Cavanaugh also noted that the Financial Advisory Services provided during bond issues are a value-added service component of its asset management duties. These services are provided to the Authority at no additional cost. Such services include:

- Review and evaluate the DRBA's financial condition, debt capacity, and policies and plans
- Assist in the development of finance plans for new money and refunding issues
- Provide comprehensive support in preparing for each financing including: structuring and writing of the official statement; securing ratings from the major bond rating agencies or obtaining credit enhancement; selecting underwriters; executing competitive and negotiated sales of bonds
- Keeping staff apprised of conditions in the capital markets and new developments and innovations in the market on a timely basis
- Providing all follow-up activity necessary to effect orderly and timely settlements
- Evaluate competitive bids for delivery of escrow securities and bid proposals from underwriting firms including use of derivative strategies

III. The Committee reviewed the Community Contribution requests from Delaware for April. Due to New Jersey Committee members not being present, the decision to recommend both New Jersey and Delaware requests was put on hold pending further discussion at the April meeting. (Note: Commissioner Favre departed the meeting during the investment review.) A Resolution authorizing the approved requests will be presented for full Board consideration at the April meeting.

IV. The Chief Operations Officer (COO) provided information to create a new fare class for passengers six through thirteen years of age on a trial basis for the Cape May – Lewes Ferry. The COO reported there had been a steady decline in ridership at the Cape May – Lewes Ferry and that one of the recommendations included in the preliminary report of the Elliott Bay marketing study was the adoption of a three-part rate structure as a best practice.

| | | |
|----------------|---|-------------------|
| Adults | - | 100% fare |
| Older Children | - | 50% of adult fare |
| Young children | - | FREE |

The proposed change would be implemented during the 2004 Memorial Day weekend for a trial period of one year and during that time a more in-depth and comprehensive analysis would occur. The COO also reported that this recommendation had been reviewed by both the Authority's New Jersey and Delaware Legal Counsels and this change would not violate the Authority's Trust Agreement.

During the discussion, Committee Vice-Chair Patterson questioned the loss of revenue by implementing this change. It was reported that the estimated financial risk would be approximately \$150,000 to \$300,000 on an annualized basis if overall 2004 traffic composition was unchanged and between 5-10% of passengers fell into the new fare class. However, a customer traffic increase of 1.2% to 2.4% would offset the at risk revenue. Committee Vice-Chair Patterson stressed that the Board had not received a final report from the Elliott Bay market study for review and also requested that staff also consider investigating a reduction in ferry expenses to compensate for the loss of revenues. The Committee took no action at this time and requested additional information be provided to the full Board for further review and consideration.

IV. Miscellaneous Finance Matters:

Committee Vice-Chair Patterson requested that the Acting Chief Financial Officer prepare a Budget Amendment increasing the limit of Authority Police Officers and to provide the appropriate budget funding for those additional Officers.

There being no further business to discuss, the Budget and Finance Committee adjourned at 12:05 p.m.

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9214. COMITTEE REPORT – PERSONNEL & INSURANCE

Commissioner Dorn noted a quorum was not present for the Personnel & Insurance Committee meeting held April 5, 2005. However, a discussion took place and no action was taken on the discussion. He asked Chief Human Resources Officer Spence-Parker to recap the discussion.

A public meeting of The Delaware River and Bay Authority’s Personnel & Insurance Committee was held on Tuesday, April 5, 2005, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from New Jersey

Commissioners from Delaware

PRESENT

Committee Chair Dorn
Commissioner Koebig, Committee Member
Commissioner Favre

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

Staff

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

Authority Secretary

Tom Pankok

Delaware Labor Counsel

Bill Bowser, Young, Conaway, Stargatt& Taylor

I. Committee Chair Dorn welcomed the Personnel & Insurance Committee and opened the meeting at approximately 9:16 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 meeting was followed by an Executive Session, closed to the public to discuss matters of a confidential nature.

Committee Chair Dorn reported that a quorum was not present and no action could be taken at this time; however, the following topics were reviewed and discussed.

- Job Posting and Hiring Update

The Chief Human Resource Officer (CHRO) reported that 10 vacant positions had been posted on April 1 with a closing date of April 29th. To date, the Authority has received 237 applicants for these postings. Since January, the Authority has participated in 7 Diversity Job Fairs in order to obtain a diverse job pool of qualified individuals. The CHRO also reviewed the positions recently hired or in process, including the 6 out of 10 police officer positions in the process of being filled. The Committee questioned police officer retention and staff reported on recent changes in the hiring requirements. The Committee discussed several possible solutions and requested this item be included for discussion at the May Planning Session.

- Resolution to Acknowledge Employee Performance

On February 22, 2005, Mr. Hugh Sweeney, a toll collector at the Delaware Memorial Bridge, immediately took action to close his toll lane to assist the drivers and passenger, after an accident involving a tractor trailer and passenger vehicle occurred in his toll lane. The Committee concurred with the recommendation to recognize this outstanding performance of duty. A Resolution will be presented at the April meeting acknowledging Mr. Sweeney for his outstanding performance.

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

The following matters of a confidential nature were discussed.

- CONTRACT NEGOTIATIONS:

- Local 542 Update

The Acting Chief Financial Officer, the Chief Human Resource Officer, and the Authority's Delaware Labor Counsel updated the Committee regarding the negotiations with Local 542.

There being no further business in the Executive Session, on motion by Commissioner Koebig, seconded by Commissioner Lathem, the session was opened to the public.

- PUBLIC COMMENT:

Mr. Vincent Ascione, a representative of Local 542, addressed the Committee regarding the ongoing union negotiations. Mr. Ascione made a request to lengthen the negotiating meetings to a full day. Committee Chair Dorn commented that he was guardedly optimistic that the negotiations would continue to progress and thanked Mr. Ascione for his comments.

There being no further business, on motion by Commissioner Dorn, seconded by Commissioner Lathem, the Personnel & Insurance Committee Meeting adjourned at 10:42 a.m.

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9215. COMMITTEE REPORT – PROJECTS COMMITTEE

Commissioner Hensley noted that the Projects Committee did not have a quorum for the April 5, 2005 meeting. However, an advertised Projects Committee meeting was held here at the Salem Community College following the 9:00 a.m. Economic Development Committee meeting. Commissioner Hensley presented the following minutes of the Projects Committee for April 5th and 19th, 2005.

PROJECTS COMMITTEE
Tuesday, April 5, 2005
Delaware Memorial Bridge Complex
New Castle, Delaware

A public meeting of The Delaware River and Bay Authority's Projects Committee was held on Tuesday, April 5, 2005, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from New Jersey

Commissioners from Delaware

PRESENT

Commissioner Koebig

Committee Chair Hensley

Commissioner Lathem

Commissioner Patterson

Staff

Don Rainear
Jim Walls
Trudy Spence-Parker
Gerry DiNicola Owens
AJ Crescenzi
John Jones
Anna Marie Gonnella Rosato
Victor Ferzetti
John Sarro
Kenneth Hynson

Authority Secretary

Tom Pankok

Committee Chair Hensley welcomed the Projects Committee and opened the meeting at approximately 12:30 p.m. The Authority Secretary reported that the public meeting of the Projects Committee had been duly noticed in accordance with the Authority’s Freedom of Information Regulations, read the Statement of Notice, and called the roll.

Committee Chair Hensley reported that the Projects Committee did not have a quorum, therefore, no projects were discussed nor actions taken. A public meeting of the Projects Committee will be rescheduled for Tuesday, April 19, 2005 at 9:00 a.m., at the Salem Community College, Carney’s Point, New Jersey. The Projects Committee then adjourned at 12:40 p.m.

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PROJECTS COMMITTEE
Tuesday, April 19, 2005
Salem County Community College
Salem, New Jersey

A public meeting of the Delaware River and Bay Authority’s Projects Committee was held on Tuesday, April 19, 2005, at the Salem County Community College, Salem, New Jersey

Commissioners from New Jersey

Commissioners from Delaware

PRESENT

Committee Vice-Chair Dorn
Commissioner Koebig, Committee Member
Commissioner Favre, Committee Member
Commissioner Jackson
Chairperson Wallace

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

Staff

Jim Johnson
Don Rainear
Jim Walls
Trudy Spence-Parker
Gerry DiNicola Owens
Victor Ferzetti
John Jones
Anna Marie Gonnella Rosato

Authority Secretary

Tom Pankok

I. The Projects Committee meeting convened at approximately 9:15 a.m. Those in attendance were provided an informational package consisting of an agenda, bid tab, and monthly contractor payment chart. The Authority Secretary reported that the public meeting of the Projects 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. Bid Openings/Award Actions: Staff briefed the committee that the bid opening for DMB-04-04, DMB Expansion Joint Rehabilitation, 1st and 2nd structures, a multi-year Delaware Memorial Bridge construction project, was held and that two (2) firms submitted bids. Staff reported that this project is a prevailing wage project. The lowest bidder was J.D. Eckman, Inc. of Atglen, PA with a base bid of \$10,633,550.00 and add alternate #1 for the Repainting of Tower Exteriors, Below Roadway, 1st and 2nd structures of \$795,000.00 bringing the total contract award to \$11,428,550.00. Staff reported that J.D. Eckman has done good work for the Authority on two previous large contracts. The Projects Committee unanimously concurred with the staff recommendation and directed that the award recommendation be made at the April board meeting.

III. Contract Close-Out Actions: None

IV. Resolutions: None

VI. Contractor Payment (through March): Staff informed the Committee on monthly construction contractor payments to be made to contractors in April.

VII. There being no further business for the Projects Committee, the public meeting was adjourned at approximately 9:25 a.m.

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9216. COMMITTEE REPORT – ECONOMIC DEVELOPMENT

Commissioner Koebig noted that the Economic Development Committee did not have a quorum for the April 5, 2005 meeting. However, an advertised Economic Development Committee meeting was held 9:00 a.m. here at the Salem Community College. Commissioner Koebig presented the following minutes of the Economic Development Committee for April 5th and 19th, 2005.

ECONOMIC DEVELOPMENT COMMITTEE
Tuesday, April 5, 2005
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, April 5, 2005, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from New Jersey

Commissioners from Delaware

PRESENT

Committee Chair Koebig

Commissioner Hensley
Commissioner Lathem
Commissioner Patterson

Staff

Don Rainear
Jim Walls
Trudy Spence-Parker
Gerry DiNicola Owens
AJ Crescenzi
Anna Marie Gonnella Rosato
Victor Ferzetti
John Sarro
Heath Gehrke
Howard Moon

Authority Secretary

Tom Pankok

- II. Committee Chair Koebig welcomed the Economic Development Committee and opened the meeting at approximately 12:15 p.m. The Authority Secretary reported that the public meeting of the Economic Development Committee had been duly noticed in accordance with the Authority's Freedom of Information Regulations, read the Statement of Notice, and called the roll.

Committee Chair Koebig reported that Economic Development Committee did not have a quorum, no projects were discussed, and no action was taken. A public meeting of the Economic Development Committee will be rescheduled for Tuesday, April 19, 2005 at 9:00 a.m., at the Salem Community College, Carney's Point, New Jersey. The Economic Development Committee then adjourned at 12:17 p.m.

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ECONOMIC DEVELOPMENT COMMITTEE
Tuesday, April 19, 2005
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, April 19, 2005, at the Salem Community College, 460 Hollywood Avenue, Carney's Point, New Jersey.

Commissioners from New Jersey

PRESENT

Committee Chair Koebig
Commissioner Jackson, Committee Member
Commissioner Dorn
Chairperson Wallace

Commissioners from Delaware

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

Governor's Representative

Keith Barrack - NJ

Staff

James Johnson, Jr.
Don Rainear
Jim Walls
Trudy Spence-Parker
Gerry DiNicola Owens
AJ Crescenzi
Anna Marie Gonnella Rosato
Victor Ferzetti
John Sarro
John Jones
Kelly Phillips Parker
Consuella Petty-Judkins

Authority Secretary

Tom Pankok

- III. Committee Chair Koebig welcomed the Economic Development Committee and opened the meeting at approximately 9:03 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.

Committee Chair Koebig reported that the Economic Development Committee meeting scheduled for April 5, 2005, did not have a quorum, no projects were discussed, and no action was taken. As a result, a public meeting of the Economic Development Committee was rescheduled for today. The Deputy Executive Director reviewed the following projects.

- Salem Business Park Lease Amendment:

The Deputy Executive Director reported that the proposed Resolution would authorize the Executive Director to negotiate and finalize the terms and conditions of a Lease Amendment with North American Energy Services for the rental of an additional 1500 square feet of office space in the Salem Business Centre Office Building. After discussion, on motion by Commissioner Lowe, seconded by Commissioner Jackson, the Committee recommended approval for full Board consideration.

- Delaware Bay Oyster Revitalization Project::

The Deputy Executive Director introduced representatives from the Oyster Industry Revitalization Task Force and the Army Corps of Engineers. It was reported that approximately one year ago, the Authority entered into an agreement for the Authority to act as a cooperating agency for a three year study of oyster production. Representatives further reported that the Army Corps of Engineers had concluded their preliminary Ecosystem Restoration Report and requested that the Authority enter into a Project Cooperation Agreement, as the Study’s Cooperating Agency. The proposed plan would be to distribute clean shell into the Delaware Bay at in early July to allow oyster larvae to settle and attach to the clean shell. The Agreement obligates the Authority for up to \$50,000 a year for up to three years (80% of the funding may be in-kind services). After discussion, on motion by Commissioner Cooper, seconded by Commissioner Jackson, the Committee recommended approval for full Board consideration.

IV. Miscellaneous:

Committee Chair Koebig made an official request to increase the number of Economic Development Committee members from 4 to 6. The number of Committee members is governed by the Authority’s adopted By-Laws and would require amending the By-Laws. Delaware and New Jersey Legal Counsel reviewed the required procedures to amend the By-Laws with the Committee. After review, the Committee received the necessary direction to proceed.

There being no further business, the Committee adjourned at 9:15 a.m.

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9217. DELAWARE RIVER AND BAY AUTHORITY – TRAFFIC AND REVENUE SUMMARY.

The Acting Chief Financial Officer (CFO) 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 of February.

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

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9218. DELAWARE RIVER AND BAY AUTHORITY – STATEMENT OF INCOME AND EXPENSE.

The Acting CFO presented a chart showing a statement of income and expenses with comparisons to the same period last year.

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

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9219. DELAWARE RIVER AND BAY AUTHORITY – OPERATING EXPENSE BY DIVISION.

The Acting CFO presented a chart 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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9220. DELAWARE RIVER AND BAY AUTHORITY – CAPITAL IMPROVEMENT PROGRAM.

The Acting CFO presented a chart showing the capital budget for crossing and economic development projects and dollars committee 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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9221. DELAWARE RIVER AND BAY AUTHORITY – CASH POSITION (MARKET VALUE) AS OF

The Acting CFO 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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9222. PUBLIC COMMENT ON ACTION ITEMS.

Chairperson Wallace noted the following action items that were being considered today and asked for public comment.

- Rehabilitation of Expansion Joints 1st & 2nd Structures – Contr #DMB-04-04 Bid Opening Award
- Resolution 05-16 Approval of Community Contribution Requests
- Resolution 05-17 Creates a fare class for passengers 6– 13 on a trial basis at the CMLF
- Resolution 05-18 Authorizes an amendment to the Lease Agreement with North American Energy Services (formerly known as Centric Operating Services Co.)
- Resolution 05-19 Authorizes the execution of a Project Cooperation Agreement with the US Army Corps of Engineers to revitalize the Oyster Industry
- Resolution 05-20 Recognizes and applauds Hugh Sweeney for outstanding employee performance.

There were no public comments.

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9223. SUMMARY OF AUTHORIZED CONTRACT PAYMENTS.

The Chief Operating Officer (COO) noted the following Summary of Authorized Contract Payments.

| <u>Contractor</u> | | <u>Payment</u> |
|-------------------|---------------------|----------------|
| DMB-02-01 | Daisy Construction | \$118,354.31 |
| DMB-01-06 | Cianbro Corporation | \$405,711.07 |
| CMLF-01-06 | Stanker & Galetto | \$231,841.39 |
| CMLF-04-07 | PKF-Mark III, Inc. | \$624,131.48 |
| DAP-04-02 | EDIS | \$129,875.25 |

| | | |
|-----------|------------------------------|--------------|
| MVA-04-01 | Delta Line Construction | \$ 64,421.14 |
| MVA-04-03 | Stanker & Galetto, Inc. | \$299,835.00 |
| CMA-02-02 | Highway Safety Systems, Inc. | \$ 22,950.00 |
| CMA-04-01 | Delta Line Construction | \$ 63,264.69 |
| CMA-04-02 | Delta Line Construction | \$ 68,728.16 |
| CMA-04-03 | TNT Construction Co., Inc. | \$205,594.20 |

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9224. APPROVAL OF AWARD OF REHABILITATION OF EXPANSION JOINTS -1ST AND 2ND STRUCTURES, DMB – CONTRACT NO. DMB-04-04

The COO reported that two (2) proposals were submitted for the rehabilitation of expansion joints for the Delaware Memorial Bridge on February 24, 2005. The low bid of \$11,428,550.00 was submitted by J.D. Eckman, Inc., of Atglen, PA. The COO and the Projects Committee recommend awarding the base bid plus AA #1 to the low bidder noted above.

On motion by Commissioner Hensley and seconded by Commissioner Lowe, the recommendation of the COO and the Projects Committee were approved by a voice vote of 10-0.

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9225. CHAIRPERSON’S CALL FOR ACTION ON THE RESOLUTIONS BEFORE THE BOARD

The Executive Director presented the following Resolutions.

RESOLUTION 05 - 16 APPROVAL OF COMMUNITY CONTRIBUTION REQUESTS

WHEREAS, The Delaware River and Bay Authority (the “Authority”) is a bi-state agency with public crossing facilities and assets in the States of New Jersey and Delaware; and

WHEREAS, the Authority has developed a Community Contributions Policy which outlines the purpose of the program and process for consideration of requests; and

WHEREAS, the policy requires full board approval for any Community Contribution; and

WHEREAS; the Budget and Finance Committee met and approved Community Contributions for the month of April, 2005; and

NOW, THEREFORE, BE IT RESOLVED that the Authority hereby approves the following Community Contributions.

Community Contributions

New Jersey

| | |
|---|-----------|
| Atlantic Cape Community College Foundation | \$ 5,000 |
| Burdette Tomlin Memorial Foundation | \$ 10,000 |
| Friends of Cape May Jazz Incorporated | \$ 5,000 |
| Love of Linda Cancer Fund Incorporated | \$ 1,000 |
| March of Dimes South Jersey Cape May County | \$ 500 |
| Naval Air Station Wildwood (NASW) | \$ 2,500 |
| Newfield Recreation Commission | \$ 2,000 |
| The John R. Elliott Foundation | \$ 1,500 |
| Women’s Community Club of Cape May Incorporated | \$ 100 |

Total \$ 27,600

Delaware

| | |
|--|----------|
| American Red Cross of the Delmarva Peninsula | \$ 1,500 |
| Children’s Beach House Incorporated | \$ 5,000 |

| | |
|---|-------------------------|
| Connection Community Support Program Incorporated | \$ 2,000 |
| Delaware Futures Incorporated | \$ 5,000 |
| Junior achievement of Delaware | \$ 6,500 |
| Kent-Sussex Industries Incorporated | \$ 2,500 |
| Mom's House of Dover Delaware | \$ 2,500 |
| Most Worshipful Prince Hall Grand Lodge Free and Accepted Mason of Delaware | \$ 7,500 |
| New Castle Senior Center | \$ 2,000 |
| Northeast Rally Club | \$ 1,000 |
| Peter Spencer Family Life Foundation (August Quarterly) | \$ 2,500 |
| Seamen's Center of Wilmington Incorporated | \$ 3,000 |
| Special Olympics Delaware (Sussex County) | \$ 3,000 |
| The Overfalls Maritime Museum Foundation | \$ 2,500 |
| The Partnership Incorporated | \$ 2,500 |
| The Wellness Community Delaware | \$ 1,200 |
| William P. Frank Scholarship Fund Incorporated | \$ 1,500 |
| Total | <u>\$ 51,700</u> |

Grand Total (New Jersey and Delaware) \$ 79,300

Commissioner Patterson requested Northeast Rally Club in the amount of \$1,000.00 be added to the final Resolution.

With the addition of Northeast Rally Club, Resolution 05-16 was moved by Commissioner Patterson, seconded by Commissioner Dorn and approved by a roll call vote of 10-0.

* * * * *

RESOLUTION 05-17 CREATES A NEW FARE CLASS FOR PASSENGERS SIX (6) TO THIRTEEN (13) YEARS OF AGE ON A TRIAL-BASIS FOR THE CAPE MAY - LEWES FERRY

WHEREAS, The Delaware River and Bay Authority, (the "Authority") is a bi-state agency created by Compact for the purpose of the operating crossing facilities between the States of Delaware and New Jersey; and

WHEREAS, the Authority owns and operates the Cape May - Lewes Ferry service ("CMLF"), which connects Cape May, New Jersey, and Lewes, Delaware; and

WHEREAS, the CMLF has experienced a decline in passenger traffic in recent years; and

WHEREAS, the Authority hired a consultant to analyze the market, to review the CMLF operations and compare them to industry best practices, and to develop strategies that will promote passenger growth; and

WHEREAS, one of the consultant's preliminary recommendations is to create a new fare class for older children that is 50% of the current adult fare; and

WHEREAS, the Authority desires to make the ferry service more affordable for families to encourage more people to use the service and to generate higher revenues; and

WHEREAS, the new fare class for passengers ages 6-13 will be:

| | <u>April – October</u> | <u>November – March</u> |
|---------------------------|------------------------|-------------------------|
| Passenger One-Way | \$ 4.00 | \$ 3.00 |
| Foot Passenger Round-Trip | \$ 7.50 | \$ 5.00 |

WHEREAS, the Authority's management will evaluate the impact of the new fare class on passenger traffic and make recommendations to the Commissioners at the close of a one-year trial period as to the continuance of the program.

NOW, THEREFORE, BE IT RESOLVED that the Commissioners does hereby adopt a new fare class for passengers ages 6-13 at the Cape May – Lewes Ferry at 50% of the current adult passenger fares. This new fare class shall become effective on May 27, 2005, Memorial Day Weekend, for a trial-period of one (1) year.

Commissioner Patterson had reservations on the passage of the Resolution stating that the Board made a good decision last summer to commission a Marketing Study and that a brief presentation of the Study was not enough to piecemeal some of the recommendations proposed. He motioned to amend Resolution 05-17 from a one year trial period to six (6) months. The motion failed for lack of a second.

A motion was made by Commissioner Koebig to approve Resolution 05-17 as presented, seconded by Commissioner Favre. Resolution 05-17 was approved by a roll call vote of 9-1 with Commissioner Patterson casting the no vote.

* * * * *

RESOLUTION 05 -18 AUTHORIZING AN AMENDMENT TO THE LEASE AGREEMENT BETWEEN THE AUTHORITY AND NORTH AMERICAN ENERGY SERVICES, FORMERLY KNOWN AS CENTRIC OPERATING SERVICES COMPANY

WHEREAS, The Delaware River and Bay Authority (the " Authority"), owns a two story 80,000 square foot office building in the Salem Business Centre, located in Carneys Point Township, Salem County, New Jersey; and

WHEREAS, North American Energy Services (NAES) (formerly Centric Operating Services Company) wishes to amend its Lease Agreement, executed between the Authority and Centric Operating Services Company on September 15, 2003, to expand it's present rental space by 1500 square feet, from 6005 square feet to approximately 7500 square feet; and

WHEREAS, the Authority has initiated the drafting of an amendment to the Lease Agreement with NAES for the costs and increased rent associated with the expansion (“Lease Amendment”).

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director, or his designee, is hereby authorized to negotiate the final terms and conditions of the Lease Amendment for the rental of an additional 1500 square feet of office space in the Salem Business Centre Office Building and, with the advice and consent of Counsel, have such Lease Amendment executed by the Chairperson, Vice Chairperson, and Executive Director.

On motion by Commissioner Favre and seconded by Commissioner Lowe, Resolution 05-18 was approved by a roll call vote of 10-0.

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RESOLUTION 05-19 – AUTHORIZES THE EXECUTION OF A PROJECT COOPERATION AGREEMENT BETWEEN THE AUTHORITY AND U.S. ARMY CORPS OF ENGINEERS TO REVITALIZE THE OYSTER INDUSTRY IN THE DELAWARE BAY

WHEREAS, the Oyster Industry Revitalization Task Force (“OIRTF”) has submitted to The Delaware River and Bay Authority (the “Authority”) a request to act as a Cooperating Agency for a three (3) year study (“Study”) of oyster production along the Delaware Bay in the States of Delaware and New Jersey; and

WHEREAS, the Study is a joint initiative involving the U.S. Army Corps of Engineers (USACE), the New Jersey Oyster Industry, the Delaware Department of Natural Resources and Environmental Control (DNREC), the Division of Fish and Wildlife in Delaware and New Jersey and the Authority; and

WHEREAS, the Authority has also received support for the Study from the Delaware Shellfish Advisory Council, the New Jersey Shell Fisheries Council and various legislators in Delaware and New Jersey; and

WHEREAS, the Authority passed Resolution 04-10 at its March 16, 2004 Commissioners meeting authorizing a Letter of Request to the USACE to begin conducting an oyster revitalization investigation in the Delaware Bay; and

WHEREAS, the USACE has completed a preliminary Ecosystem Restoration Report and has requested the Authority, as the Study's Cooperating Agency, to enter into a Project Cooperation Agreement (PCA) to revitalize the Oyster Industry in the Delaware Bay; and

WHEREAS, the PCA will obligate the Authority for up to \$50,000.00 a year for three (3) years (80% of the funding may be in-kind services); and

WHEREAS, the OIRTF estimates that the revitalization of the oyster industry in the Delaware Bay will result in a \$45 million dollar economic impact to the Regional Economy.

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director, is hereby authorized to negotiate the terms and conditions of a Project Cooperation Agreement with the U.S. Army Corps Of Engineers to revitalize the oyster industry in the Delaware Bay and, with the advice and consent of counsel, to have such an Agreement executed by the Chairperson, Vice Chairperson, and Executive Director.

On motion by Commissioner Dorn and seconded by Commissioner Cooper, Resolution 05-19 was approved by a roll call vote of 10-0.

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RESOLUTION 05-20 RECOGNIZES AND APPLAUDS HUGH SWEENEY FOR OUTSTANDING EMPLOYEE PERFORMANCE

WHEREAS, the Delaware River and Bay Authority ("the Authority") is the owner and operator of the Delaware Memorial Bridge Twin Span, and;

WHEREAS, the Delaware Memorial Bridge annually handles more than 17.6 million vehicles, including more than 2.3 million commercial vehicles, between New Castle, Delaware, and Deepwater, New Jersey, and;

WHEREAS, the Authority employs caring, dedicated and highly trained individuals to respond to all types of emergency situations, and;

WHEREAS, Hugh J. Sweeney of Woodbury, New Jersey was hired on June 19, 1995 to collect tolls at the Delaware Memorial Bridge; and

WHEREAS, on Tuesday, February 22, 2005, at approximately 2:00 p.m., a tractor-trailer approached the toll plaza at an unsafe speed and was unable to stop due to faulty brakes; and

WHEREAS, the tractor-trailer struck a concrete abutment, careened into the toll booth in lane 8 and subsequently rear-ended a car with two occupants that had stopped to pay the toll; and

WHEREAS, Mr. Sweeney, who miraculously escaped injury while collecting tolls in lane 8 at the time of the crash, immediately closed his lane, began to direct traffic around the accident scene, and offered assistance to those involved in the incident; and

WHEREAS, due to the quick actions of team members from various departments, including tolls, police, and maintenance, who worked together to remove the damaged vehicles, investigate the accident and clean-up debris, the four toll lanes affected by the accident were opened to the traveling public in less than two hours; and

WHEREAS, the Commissioners of the Authority desire to formally recognize Mr. Sweeney for his individual sacrifice, professionalism, and dedication in the successful resolution of this incident,

NOW THEREFORE BE IT RESOLVED that the Delaware River and Bay Authority does hereby recognize and applaud Hugh J. Sweeney for his quick, focused, professional response under difficult circumstances and his dedication to outstanding public service, which reflects favorably on the Authority, and does hereby record the Commissioners sincere appreciation by the presentation of this Resolution, adopted today, April 19, 2005.

On motion by Commissioner Dorn and seconded by Commissioner Jackson, Resolution 05-20 was approved by a roll call vote of 10-0.

Executive Director Johnson read excerpts from a letter written by one of the occupants of the vehicle involved in the collision thanking Mr. Sweeney for his quick response to the situation.

Mr. Sweeney stated that he was flattered and honored to receive the Resolution and attributed his quick response to the whole department for their team efforts and his proper training.

* * * * *

New Jersey Attorney, Phil Norcross, was called upon to explain the proposed amendment to the By-Laws that would increase the size of those committee's having four voting members to six in order to maintain a quorum. The Committee's to be increased are the Economic Development, Audit and the Ad Hoc committee's. A first reading of Resolution 05-21 was considered.

RESOLUTION 05-21 - ADOPTION OF AMENDMENTS TO BY-LAWS FOR THE DELAWARE RIVER & BAY AUTHORITY

WHEREAS, The Delaware River and Bay Authority (the "Authority") is a body politic and an agency of government of the State of Delaware and the State of New Jersey; and

WHEREAS, the Authority was created in 1962 by a Compact between the States of Delaware and New Jersey with the consent of the Congress of the United States of American and approval of the President; and

WHEREAS, the Authority was established for the purpose of providing crossings of the Delaware River and the Delaware Bay between the two States, and to undertake transportation and terminal facilities, and performance of such other functions as may be approved by the two states and consented to by Congress; and

WHEREAS, the original Compact was amended in 1990 for the purpose of authorizing the Authority to undertake certain Commerce facilities and developments within the State of Delaware or in the New Jersey counties of Cape May, Cumberland, Gloucester and Salem; and

WHEREAS, the terms of the Compact authorize the Authority to adopt By-Laws to govern the conduct of its affairs by a Board of Commissioners; the Authority having most recently exercised said authority through the adoption of its current By-Laws by Authority Resolution 04-16 (adopted April 13, 2004); and

WHEREAS, the Authority periodically reviews its corporate governance to ensure it is accountable, meets the objectives for which the Authority was created, and in the best interest of the public; and

WHEREAS, the Authority has determined that these aforementioned objectives will be best met by the adoption of certain amendments to Sections 8.9, 8.11 and 12.01 of its By-Laws ("Amendments") in the form attached hereto; and

WHEREAS, these Amendments shall take effect immediately upon the expiration of the respective Governors' veto period; and

NOW THEREFORE BE IT RESOLVED, that the Authority hereby adopts the attached Amendments to its By-Laws.

**PROPOSED AMENDMENTS TO BY-LAWS OF
THE DELAWARE RIVER & BAY AUTHORITY**

1. The first sentence of Section 8.9 (“Economic Development Committee”) shall be amended to read as follows:

“The Economic Development Committee shall consist of six (6) members, three (3) from each State.”

Purpose of Amendment. The purpose of the proposed Amendment is to increase the membership of the Economic Development Committee from its current four (4) members (2 from each State) to six (6) members (3 from each State).

2. The first sentence of Section 8.11 (“Governance/Audit Committee”) shall be amended to read as follows:

“The Governance/Audit Committee shall consist of six (6) members, three (3) from each State.”

Purpose of Amendment. The purpose of the proposed Amendment is to increase the membership of the Governance Audit Committee from its current four (4) members (2 from each State) to six (6) members (3 from each State).

3. Subsection (c) of Section 12.01 shall be amended and supplemented to read as follows:

“No new By-Law, amendment or alteration or repeal of or to these By-Laws shall be effective until said proposal in identical form shall have been approved by the Commissioners at two (2) regular or special meetings of the Authority, *which, for the purposes hereof, shall include the regular meeting at which said proposal was initially introduced and approved.*” **Note: Proposed additional language delineated by italics.**

Purpose of Amendment. The purpose of this Amendment is to resolve a potential misinterpretation of the original intent of in Section 12.01 of the current By-Laws. The current By-Laws provide that a proposal to alter, amend or repeal the By-laws or to adopt new By-Laws may be introduced at any regular meeting. If favorable action is taken at such meeting, the proposal is recorded in the minutes and notice thereof given to the Commissioners. Subsection (c) of the By-Laws provides that no By-Law amendment shall be effective until a proposal, in identical form, shall have been approved by the Commissioners at two (2) regular or special meetings of the Authority. The original intent of subsection (c) is to require consideration of the proposal at two (2) meetings, inclusive of the regular meeting at which the proposal was originally introduced. The purpose of the proposed Amendment, although consistent with the original intent of the By-Laws, is to restate Section 3 to avoid any potential ambiguity or alternate interpretation.

Please Note: This document presents only the language from the current By-Laws as is necessary to understand the proposed revisions.

With Resolution 05-21 receiving its first reading, Commissioner Favre motioned to approve, seconded by Commissioner Jackson and approved by a roll call vote of 10-0. A second and final reading of Resolution 05-21 will take place at the May 17, 2005 Commissioners meeting prior to its adoption. Chairperson Wallace directed that, pursuant to Section 12.1(b) of the By-Laws, a copy of the attached proposed amendment be mailed to all Commissioners at least 10 days prior to the next regular Board meeting.

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9225. COMMISSIONERS PUBLIC FORUM

Chairperson Wallace asked if any member of the public requested to address the Commission.

There were none.

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There being no further business before the Commission, a motion to adjourn was made by Commissioner Cooper seconded by Jackson and unanimously carried.

The meeting was adjourned 11:55 a.m.

Respectfully submitted,
THE DELAWARE RIVER AND BAY AUTHORITY

Thomas A. Pankok
Secretary