

**MINUTES OF MEETING
THE DELAWARE RIVER AND BAY AUTHORITY
Tuesday, October 21, 2014
James Julian Boardroom
Delaware Memorial Bridge Plaza
New Castle, Delaware 19720**

The meeting convened at 11:55 a.m. with Chairperson Hogan presiding.

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

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

The Assistant 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.

On October 1, 2014, Commissioner Mroz sent a letter to Governor Christie resigning from the Board due to his appointment as President of the State of New Jersey Board of Public Utilities. Prior to the start of the Budget & Finance Committee meeting, Mr. Mroz called to personally address the Commissioners regarding his resignation. At that time, he bid them farewell and noted he will miss working with the Delaware River and Bay Authority.

The Board then amended the Committee assignments to add Commissioner Wilson to the Budget & Finance Committee.

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Commissioners from New Jersey

Commissioners from Delaware

PRESENT

James N. Hogan, Chairperson
Edward W. Dorn
Ceil Smith
Shirley R. Wilson

William E. Lowe, Vice-Chairperson (phone)
Richard Downes
James L. Ford, III
Samuel E. Lathem
Terri C. Murphy
Gary F. Traynor

ABSENT

Douglas Van Sant

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Chairperson Hogan called for the acceptance of the Agenda.

Commissioner Dorn motioned to accept the Agenda, seconded by Commissioner Lathem, and the motion carried by a voice vote of 10-0.

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10865. APPROVAL OF THE SEPTEMBER 16, 2014 MINUTES

Commissioner Downes motioned to approve the September 16, 2014 meeting minutes, seconded by Commissioner Wilson, and unanimously approved by a voice vote of 10-0.

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Chairperson Hogan requested an Executive Session, closed to the public to discuss matters of a confidential nature. A motion was made by Commissioner Lathem, seconded by Commissioner Traynor and the meeting was moved into Executive Session. The following matters of a confidential nature were discussed.

- LEGAL MATTERS

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

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10866. DELAWARE RIVER AND BAY AUTHORITY – TRAFFIC AND REVENUE SUMMARY

The Chief Financial Officer (CFO) presented charts showing Actual versus Projected Revenues for the Delaware Memorial Bridge, the Cape May-Lewes Ferry, Airports, Delaware City-Salem Ferry Crossing, and Food Services for the month of September.

Without objection, the charts were ordered filed with the permanent records of the Authority.

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10867. DELAWARE RIVER AND BAY AUTHORITY – STATEMENT OF INCOME AND EXPENSE.

The CFO presented charts showing statements of income and expenses for the month of September with comparisons to the same period last year.

Without objection, the charts were ordered filed with the permanent records of the Authority.

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10868. DELAWARE RIVER AND BAY AUTHORITY – OPERATING EXPENSE BY DIVISION.

The CFO presented a chart for September showing expenses by division for the quarter to date vs. the projected quarter and for year to date vs. total budget.

Without objection, the charts were ordered filed with the permanent records of the Authority.

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10869. DELAWARE RIVER AND BAY AUTHORITY – CAPITAL IMPROVEMENT PROGRAM.

The CFO presented a chart for the month of September showing the capital budget for crossing and economic development projects and dollars committed to date for the projects. The chart also included cash expenditures spent to date for the committed projects.

Without objection, the charts were ordered filed with the permanent records of the Authority.

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10870. DELAWARE RIVER AND BAY AUTHORITY – CASH POSITION (MARKET VALUE) AS OF SEPTEMBER, 2014.

The CFO presented charts indicating the cash fund balances for the entire Authority.

Without objection, the charts were ordered filed with the permanent records of the Authority.

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10871. AUTHORITY CUSTOMER TRENDS (ACT) REPORT

The Authority Customer Trends (ACT) Report included in the financials allows management to view on a month-to-date basis trends in areas such as traffic, customer service, aircraft landings, and workplace incidents. Copies are distributed daily to employees via email and posted on bulletin boards for those without computers. Commissioner Lathem inquired about the work related injuries on the report.

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10872. PUBLIC COMMENT ON ACTION ITEMS

Chairperson Hogan noted that there are ten (10) Resolutions, one (1) contract award, and two (2) contract close-outs to be considered today. All action items have been reviewed and recommended for consideration during today's Committee meetings. He then called for public comments.

There were no public comments.

10873. AWARD OF CONTRACT #CMLF-14-03 DRYDOCKING & REPAIRS M/V CAPE HENLOPEN

The COO noted that a public bid opening was held on September 25, 2014, in which six (6) bids were received. The COO and the Projects Committee recommended the contract be awarded to the lowest responsible bidder, Thames Shipyard & Repair Company of New London, CT, in the amount of \$1,630,079.81.

A motion to award Contract #CMLF-14-03 was made by Commissioner Dorn, seconded by Commissioner Smith, and approved by a voice vote of 10-0.

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10874. CLOSE-OUT CONTRACT #NCA-013-03 – TERMINAL APRON PAVEMENT REPAIRS AT NEW CASTLE AIRPORT

On April 14, 2014 Contract No. NCA-13-03, Terminal Apron Pavement, was awarded to Diamond Materials, LLC. of Wilmington, DE for the bid price of \$79,236.00.

During the contract period Change Order No. 1 was approved for the project in the amount of \$376.77.

It is recommended that the Authority accept the project and make final payment to the contractor. The total price for this project is \$79,612.77.

A motion to close-out Contract NCA-13-03 was made by Commissioner Dorn, seconded by Commissioner Smith, and approved by a voice vote of 10-0.

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10875. CLOSE-OUT CONTRACT #MVA-12-01 – TERMINAL
APRON REHABILITATION & EXPANSION PHASE I

On October 11, 2013 Contract No. MVA-12-01, Terminal Apron Rehabilitation and Expansion (Phase I), was awarded to South State, Inc. of Bridgeton, NJ for the bid price of \$844,217.50.

It is recommended that the Authority accept the project and make final payment to the contractor. The total price for this project is \$843,661.

A motion to close-out Contract MVA-12-01 was made by Commissioner Murphy, seconded by Commissioner Smith, and approved by a voice vote of 10-0.

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10876. CHAIRPERSON’S CALL FOR RESOLUTIONS BEFORE THE
BOARD

**RESOLUTION 14-32 - AUTHORIZING AUTHORITY EXPENDITURES
PURSUANT TO RESOLUTION 01-84 FOR THE PERIOD, JANUARY 1, 2014
THROUGH DECEMBER 31, 2014**

WHEREAS, The Delaware River and Bay Authority (the “Authority”) adopted Resolution 01-84 requiring Commissioner review and approval of all Authority expenditures in excess of \$25,000; and

WHEREAS, the Authority anticipates expenditures at or over the \$25,000 amount to the following vendors:

DELAWARE RIVER & BAY AUTHORITY
PROJECTED VENDORS TO BE PAID OVER \$25,000
OPERATION EXPENDITURES
FOR THE PERIOD 1/1/14 THROUGH 12/31/14

VENDOR	SERVICE DESCRIPTION	DETERMINATION	ESTIMATED \$
Alan Tye & Associates, LC	Truck/Bus Lift for Lewes Automotive Shop	State Contract	\$44,000
Art Guild, Inc.	Exhibit Booth and Related Services at NBAA Convention 2014	Proprietary	\$26,000
Atlantic Tractor, LLC	Replacement Equipment for DMB Maintenance	State Contract	\$82,000
Dakota Security Systems, Inc.	Julia Building Security Camera Replacement, DMB	Quotes	\$29,000
Kut Kwick Corporation	Replacement Steep Slope Mower for DMB Complex	Sole Source	\$61,000
Oceanport, LLC	Deicing Rock Salt	State Contract	\$36,000

NOW, THEREFORE, BE IT RESOLVED, that the Authority authorizes expenditures to the above listed vendors for the described purposes and authorizes payment.

A motion to approve Resolution 14-32 was made by Commissioner Murphy, seconded by Commissioner Wilson, and approved by a roll call vote of 10-0.

Resolution 14-32 Executive Summary Sheet

Resolution: Authorizing Authority Expenditures Pursuant to Resolution 01-84 for the period January 1, 2014 through December 31, 2014.

Committee: Budget & Finance

Committee and Board Date: October 21, 2014

Purpose of Resolution:

Authorizes the expenditure of \$25,000 or greater with the identified vendors for the calendar year.

Background for Resolution:

The proposed Resolution meets the requirements of Resolution 01-84, whereby the Authority shall not enter into any contract committing the Authority to spend or make any other expenditures relating to services, material and supplies in the amount of \$25,000 or more unless it has first been approved by a vote of Commissioners.

Background for the specific purchase:

Truck/Bus Lift for Lewes Automotive Shop

This purchase is for a wireless heavy truck/bus lift set to be installed in the automotive maintenance shop in Lewes. Under the current setup, the DRBA mechanic uses a pit to perform all service and maintenance on our buses and trucks. The addition of the lift will serve to increase both safety and efficiency when servicing vehicles. The vendor, Alan Tye & Associates, is a full service provider of heavy duty shop maintenance equipment and is offering the lift to the DRBA at the price awarded by State contract.

Exhibit Booth and Related Services at NBAA Convention 2014

The National Business Aviation Association (NBAA) Convention & Exhibition represents one of the premier annual events for the Authority to promote its aviation facilities to those organizations utilizing general aviation aircraft for business purposes. Our vendor, Art Guild, designed and built a professional exhibit booth for the Authority for this type of event several years ago. Art Guild stores the exhibit in the off-season and ships and assembles it to locations as requested by the Authority. The original proposal for the standard array of exhibit booth services was \$18,000, however, with the addition of new graphic production to include Cape May Airport in the exhibit, the 2014 total cost is expected to rise to approximately \$26,000.

Replacement Equipment for DMB Maintenance

The DRBA is replacing one (1) 1997 Caterpillar 416 backhoe registering over 3,700 engine hours. The backhoe has exceeded its useful life and meets the Authority's vehicle and equipment replacement criteria. The replacement equipment will be a John Deere 60G Compact Excavator, a piece of equipment offering increases versatility to the Maintenance Department. The equipment will be procured at the publicly awarded State Contract price of \$82,267.66. The new piece of equipment will be housed at the DMB Maintenance Facility and the old backhoe will be sold at public auction.

Julia Building Security Camera Replacement, DMB

The Authority is replacing the analog security cameras within the Julia Building with IP (Internet Protocol) cameras. The switch to digital cameras will improve our security surveillance and video streams, add network flexibility, and provide enhanced features such as video and motion detection, anti-tampering, and remote accessibility. The Authority solicited and received quotes from three vendors as follows: Dakota Security Systems, Inc. (\$29,000), Earth Security Electronics, Inc. (\$32,000), and Anixter, Inc. (\$37,000). Dakota Security Systems, Inc. submitted the lowest quote to supply the necessary equipment.

Replacement Steep Slope Mower for DMB Complex

The Authority is replacing a 2005 Kut Kwick mower that has exceeded its useful life, meets the Authority's equipment replacement criteria and will be sold at public auction. The new mower is necessary to mow the steep banks located around the Delaware Memorial Bridge interchanges. This is a sole-source purchase, made factory-direct and valued at approximately \$61,000. The replacement Kut Kwick "SuperSlopeMaster" model is made exclusively for slope mowing up to 40° (84% grade) and is made in the United States of America. Several grounds-keeping equipment vendors claim that their machines can mow steep banks and we invite them to demonstrate their equipment on-site. With the exception of the Kut Kwick model, no vendor has demonstrated a machine that can mow these areas without complications.

Deicing Rock Salt

Oceanport, LLC offers the Authority competitively bid state contract pricing for bulk deicing rock salt. Due to the harsh previous winter, the Authority has already consumed \$21,600 in salt during 2014. The DRBA Maintenance Department will need approximately \$14,000 more for salt this calendar year.

Background for the Determination category:

Quotes:

Quotes items are purchases with a particular vendor that, in aggregate, are anticipated to cost between \$25,000 and \$49,999 during this calendar year. Resolution 98-31 (paragraph 4) provides that "contracts for materiel, supplies and non-professional services, if more than \$25,000 but less than \$50,000 in the aggregate require the solicitation of three written quotes or all available sources, whichever is less..."

Proprietary:

Proprietary procurement exists when similar products or services are available but the Authority must instead purchase from the original equipment manufacturer or service provider to uphold a contract, warranty, etc. Proprietary purchases are also those purchases necessary to support and maintain existing Authority equipment for which a vendor has the right to prohibit an equivalent product from being supplied.

Sole Source:

Sole source means that a single vendor is uniquely qualified to meet the Authority's procurement objective. Some examples include any product or service that is the only one that will meet a need and can only be purchased from one source, products specifically required for use in conjunction with a grant or contract, products or services controlled or mandated by a local utility, government or exclusive distributor. Resolution 98-31 (paragraph 2, subsection f) provides that, "[a] contract may be awarded without competition if the General Manager or Director of Operations of an Authority facility, or Police Administrator, prior to procurement, determines in writing that there is only one source for the required contract".

State Contract:

Resolution 98-31, as amended by Resolution 11-36 (paragraph 2, subsection a) provides that, “[t]his [competitive bidding] provision shall not apply to purchases by the Authority from suppliers in cases where the Authority is purchasing at prices pursuant to contracts awarded by the States of Delaware or New Jersey for state agencies.”

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RESOLUTION 14-33 – AUTHORIZES AN AGREEMENT BETWEEN DELAWARE RIVER AND BAY AUTHORITY AND PARKER MCCAY, P.A. TO SERVE AS OUTSIDE LEGAL COUNSEL REPRESENTING THE AUTHORITY’S INTERESTS IN THE STATE OF NEW JERSEY

WHEREAS, The Delaware River and Bay Authority (the “Authority”) is a bi-state Authority of the State of Delaware and the State of New Jersey, created by Compact, that operates and maintains the Delaware Memorial Bridge, Cape May-Lewes Ferry, Delaware City-Salem Ferry and five (5) regional airports; and

WHEREAS, the Authority desires to engage a qualified professional legal services provider to serve as outside legal counsel representing the Authority’s interests in the State of New Jersey; and

WHEREAS, the Authority wishes to enter into a Services Agreement (“Agreement”) with the selected legal services provider; and

WHEREAS, such Agreement has a base term of three (3) years, with the Authority having the option to extend the Agreement for one (1) year after the expiration of said base term, such extension to be authorized by the originating committee with the consent of the Chairperson and Vice Chairperson of the Board of Commissioners; and

WHEREAS, the Authority publicly advertised and issued a Request for Proposals (“RFP”) for outside legal counsel services in compliance with Resolution 98-31, as amended, which governs the Authority’s procedures for the procurement of professional services; and

WHEREAS, the Authority received and evaluated three (3) proposals pursuant to the aforementioned requirements; and

WHEREAS, the Authority short-listed two (2) firms and conducted oral interviews; and

WHEREAS, Parker McCay, P.A. (“Parker McCay”) was designated as the highest-ranking firm following final evaluation; and

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

WHEREAS, the Authority conducted an analysis of the market to analyze the costs for legal counsel services proposed by Parker McCay and negotiated with said firm to provide the requested legal counsel services at compensation determined to be fair and reasonable; and

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby authorized to finalize the terms and conditions of a Services Agreement with Parker McCay to provide outside legal counsel for the Authority and to have such agreement executed by the Chairperson, Vice-Chairperson and Executive Director.

A motion to approve Resolution 14-33 was made by Commissioner Dorn and seconded by Commissioner Wilson. Resolution 14-33 was approved by a roll call vote of 10-0.

Resolution 14-33 Executive Summary Sheet

Resolution: Authorizes an agreement between the Authority and Parker McCay P.A. (“Parker McCay”) to serve as outside legal counsel representing the Authority’s interests in the State of New Jersey.

Committee: Budget & Finance Committee

Committee Date: September 16, 2014

Board Date: September 16, 2014

Purpose of Resolution:

To authorize an agreement with Parker McCay, P.A. (“Parker McCay”) to serve as outside legal counsel representing the Authority’s interests in the State of New Jersey.

Background for Resolution:

The proposed Resolution meets the requirements of Resolution 98-31, as amended, which governs the Authority’s procedures for the procurement of professional services.

The Authority received and evaluated technical proposals submitted by the following three (3) firms, and short-listed* two (2) of those firms:

- Capehart Scatchard, P.A.*
- Long Marmero & Associates, LLP
- Parker McCay, P.A. *

Capehart Scatchard, P.A., declined the Authority’s invitation to be interviewed. The Authority conducted an interview with the remaining short-listed firm and utilized final evaluation criteria to establish a ranked list of firms, with Parker McCay being identified as the top ranked firm following the interview. The Authority requested and received the cost proposal, conducted an analysis of the market to analyze the costs for the legal counsel services proposed and negotiated with Parker McCay to provide outside counsel services at compensation determined to be fair and reasonable.

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RESOLUTION 14-34 – AUTHORIZES AN AGREEMENT BETWEEN DELAWARE RIVER AND BAY AUTHORITY AND MORRIS, NICHOLS, ARSHT & TUNNELL, LLP TO SERVE AS OUTSIDE LEGAL COUNSEL REPRESENTING THE AUTHORITY’S INTERESTS IN THE STATE OF DELAWARE

WHEREAS, The Delaware River and Bay Authority (the “Authority”) is a bi-state Authority of the State of Delaware and the State of New Jersey, created by Compact, that operates and maintains the Delaware Memorial Bridge, Cape May-Lewes Ferry, Delaware City-Salem Ferry and five (5) regional airports; and

WHEREAS, the Authority desires to engage a qualified professional legal services provider to serve as outside legal counsel representing the Authority’s interests in the State of Delaware; and

WHEREAS, the Authority wishes to enter into a Services Agreement (“Agreement”) with the selected legal services provider; and

WHEREAS, such Agreement has a base term of three (3) years, with the Authority having the option to extend the Agreement for one (1) year after the expiration of said base term, such extension to be authorized by the originating committee with the consent of the Chairperson and Vice Chairperson of the Board of Commissioners; and

WHEREAS, the Authority publicly advertised and issued a Request for Proposals (“RFP”) for outside legal counsel services in compliance with Resolution 98-31, as amended, which governs the Authority’s procedures for the procurement of professional services; and

WHEREAS, the Authority received and evaluated three (3) proposals pursuant to the aforementioned requirements; and

WHEREAS, the Authority short-listed two (2) firms and conducted oral interviews; and

WHEREAS, Morris, Nichols, Arsht & Tunnell, LLP (“Morris Nichols”) was designated as the highest-ranking firm following final evaluation; and

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

WHEREAS, the Authority conducted an analysis of the market to analyze the costs for legal counsel services proposed by Morris Nichols and negotiated with said firm to provide the requested legal counsel services at compensation determined to be fair and reasonable; and

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby authorized to finalize the terms and conditions of a Services Agreement with Morris Nichols to provide outside legal counsel for the Authority and to have such agreement executed by the Chairperson, Vice-Chairperson and Executive Director.

A motion to approve Resolution 14-34 was made by Commissioner Smith and seconded by Commissioner Wilson. Resolution 14-34 was approved by a roll call vote of 10-0.

Resolution 14-34 Executive Summary Sheet

Resolution: Authorizes an agreement between the Morris, Nichols, Arsht & Tunnell, LLP (“Morris Nichols”) to serve as outside legal counsel representing the Authority’s interests in the State of Delaware.

Committee: Budget & Finance Committee

Committee Date: September 16, 2014

Board Date: September 16, 2014

Purpose of Resolution:
To authorize an agreement with Morris, Nichols, Arsht & Tunnell, LLP (“Morris Nichols”) to serve as outside legal counsel representing the Authority’s interests in the State of Delaware.

Background for Resolution:
The proposed Resolution meets the requirements of Resolution 98-31, as amended, which governs the Authority’s procedures for the procurement of professional services.

The Authority received and evaluated technical proposals submitted by the following three (3) firms, and short-listed* two (2) of those firms:

Ballard Spahr, LLP*
Cozen O'Connor
Morris, Nichols, Arsht & Tunnell, LLP*

The Authority conducted interviews with all short-listed firms and utilized final evaluation criteria to establish a ranked list, with Morris Nichols being identified as the top ranked firm following the interview. The Authority requested and received the cost proposal, conducted an analysis of the market to analyze the costs for the legal counsel services proposed and negotiated with Morris Nichols to provide outside counsel services at compensation determined to be fair and reasonable.

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RESOLUTION 14-35 – AUTHORIZATION OF THE PURCHASE AGREEMENT FOR THE SALE OF SURPLUS PROPERTY

WHEREAS, The Delaware River and Bay Authority (the “Authority”) is a bi-state agency created by Compact for the purpose of developing the areas in Delaware and New Jersey bordering the Delaware River and Bay for transportation, port and terminal purposes; and

WHEREAS, the Authority is the operator of the Cape May-Lewes Ferry and owner of the M/V Twin Capes; and

WHEREAS, the Budget and Finance Committee, at a meeting on June 28, 2010, following the recommendation of the CFO, authorized the declaration of the M/V Twin Capes as surplus property in accordance with the Authority’s Real Property and Tangible Assets Disposition Policy (the “Policy”); and

WHEREAS, Resolution 10-36 recognized the unique nature and value of the property involved and the limited number of parties interested in the purchase of the M/V Twin Capes, and waived the requirement to effectuate the sale of the M/V Twin Capes by use of a nationally recognized, professional licensed and operated auction; and

WHEREAS, the Authority has continually sought to market and pursue the sale of the vessel unsuccessfully since such declaration; and

WHEREAS, the Authority continues to incur expenses related to storing the M/V Twin Capes; and

WHEREAS, the Authority has received and discussed credible indications of interest regarding the potential acquisition of the vessel and has discussed a range of value which the Authority deems as appropriate for any such sale, in view of current market conditions; and

WHEREAS, the Budget and Finance Committee in light of the exigent circumstances associated with the historical effort to sell the vessel, the ongoing costs to maintain such, the deteriorating condition and value of the M/V Twin Capes recommends the sale of the vessel; and

NOW, THEREFORE, BE IT RESOLVED, that the Commission hereby authorizes the sale of the M/V Twin Capes and the Chairman, Vice Chairman and Executive Director are hereby authorized, with the advice of counsel, to finalize the terms and conditions of the sale and purchase agreement (“Purchase Agreement”), based on price and such other terms as are deemed to be in the best interest of the Authority, and to execute and deliver such Purchase Agreement and any other letters, bills of sale or other documents which the Chairman, Vice Chairman and Executive Director shall deem necessary and/or appropriate in connection with finalizing the sale of the M/V Twin Capes.

A motion to approve Resolution 14-35 was made by Commissioner Murphy and seconded by Commissioner Dorn. Resolution 14-35 was approved by a roll call vote of 10-0.

Resolution 14-35 Executive Summary Sheet

Resolution: Resolution 14-35 – Authorization Of The Purchase Agreement For The Sale Of Surplus Property

Committee: Budget & Finance

Committee Date: October 21, 2014

Board Date: October 21, 2014

Purpose of Resolution:

Resolution 14-35 formally authorizes sale of the M/V Twin Capes.

Background for Resolution:

The Authority took delivery of the M/V Twin Capes in 1975. Resolution 10-36 recognized the unique nature of the asset and authorized the direct sale of the M/V Twin Capes based upon its then-appraised value. A broker was retained to help effectuate this sale. During 2010 and 2011, there were several interested parties, but no sale materialized. The M/V Twin Capes was taken out of service at the end of the 2013 summer season. Coast Guard Certification was not maintained as the dry dock expenses incurred would have met or exceeded the value of the vessel. The appraised value of the M/V Twin Capes continues to decline. Sale of the M/V Twin Capes as approved by the Budget and Finance Committee is necessary to stop continued losses.

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RESOLUTION 14-36 – RESOLUTION OF THE DELAWARE RIVER AND BAY AUTHORITY DELAYING THE START DATE FOR CERTAIN MODIFICATIONS TO THE BENEFITS PLAN DESIGN

WHEREAS, the Delaware River and Bay Authority (the “Authority”) is committed to providing its employees and retirees a comprehensive core benefit program; and

WHEREAS, Resolution 13-43, adopted on October 15, 2013, made certain modifications to the benefits plan design, including the implementation of spousal coordination of benefits effective January 1, 2015; and

WHEREAS, the employees and retirees of the Authority have expressed concerns to the Commissioners that this change will create a severe economic hardship; and

WHEREAS, the Personnel Committee has reviewed the proposed recommendation for a delay in the implementation date for active employees and retirees until January 1, 2016 and recommends approval of this delay to the Commissioners.

NOW, THEREFORE, BE IT RESOLVED that the Delaware River and Bay Authority hereby delays implementation of spousal coordination of benefits until January 1, 2016 for all active employees and retirees.

A motion to approve Resolution 14-36 was made by Commissioner Smith and seconded by Commissioner Murphy. Resolution 14-36 was approved by a roll call vote of 9-1, with Commissioner Downes voting NO.

Resolution 14-36 Executive Summary Sheet

Resolution: Resolution of the Delaware River and Bay Authority delaying the start date for certain Modifications to the Benefits Plan Design

Committee: Personnel

Committee Date: October 21, 2014

Board Date: October 21, 2014

Purpose of Resolution:

To delay the start date for the implementation of spousal coordination of benefits for all active employees and retirees.

Background for Resolution

The Delaware River and Bay Authority is committed to the health and well-being of our employees and retirees.

In October 2013, the Board of Commissioners adopted Resolution 13-43 which set forth several changes to the Authority’s Benefits Plan Design. Among those changes was the implementation of spousal coordination of benefits where the employed spouse must obtain health care coverage through his or her own employer. This change was set to be effective on January 1, 2015. During the past year, the Commissioners have heard from a number of employees and retirees that this change will create a severe hardship. In order to allow employees and retirees adequate time to prepare for this change, implementation will be delayed until January 1, 2016.

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RESOLUTION 14-37 – RESOLUTION BY THE DELAWARE RIVER AND BAY AUTHORITY AUTHORIZING MODIFICATIONS TO THE BENEFITS PLAN DESIGN

WHEREAS, the Delaware River and Bay Authority (the “Authority”) is committed to providing its employees and retirees a comprehensive core benefit program; and

WHEREAS, the Authority is responsible for prudent financial governance with respect to those core benefit programs; and

WHEREAS, the Authority is responsible for taking appropriate action to control escalating core benefit costs; and

WHEREAS, the Personnel Committee has reviewed the proposed recommendations to the Authority’s changes to its health benefit programs and recommends approval thereof to the Commissioners.

NOW, THEREFORE, BE IT RESOLVED that the Delaware River and Bay Authority hereby approves the following modification to be implemented January 1, 2015 (as described in detail on Exhibit A, which is incorporated herein by reference):

- 1. Increase the number of Physical, Occupational and Speech therapy visits from 60 consecutive days to 60 visits per calendar year per condition.

A motion to approve Resolution 14-37 was made by Commissioner Lathem and seconded by Commissioner Dorn. Resolution 14-37 was approved by a roll call vote of 10-0.

Resolution 14-37 Executive Summary Sheet

Resolution: Authorizing Modifications to the Authority’s Benefits Plan Design

Committee: Personnel Committee

Committee Date: October 21, 2014

Board Date: October 21, 2014

Purpose of Resolution:

To approve proposed recommendations to benefits plan designs for active and pre-65 retirees (as described in detail on Exhibit A, which is incorporated herein by reference) as presented by the Chief Human Resources Officer and the Pension and Benefits Manager.

Background for Resolution:

The Delaware River and Bay Authority is committed to the health and well being of our employees and retirees.

During annual renewals, the Authority reviews administration and costs of benefits for determination of any recommended modifications including but not limited to benefit plan design changes, vendor/carrier changes, in comparison to industry trends and employee/retiree population utilization.

For 2015, a plan design change to the Physical, Occupational and Speech Therapy visits is being made to enhance therapy coverage from current 60 consecutive days to 60 visits per calendar year per condition. This benefit plan design change will better allow participants’ the ability to reach maximum recovery from injury/illness. Comparison to industry trends supports moving towards this type of therapy coverage.

EXHIBIT A

Proposed Benefit Change for 2015

Medical	Savings/(Cost)
Increase: Physical, Occupational and Speech Therapy visits from 60 consecutive days to 60 visits per calendar year per condition.	(\$33,000)
Total	(\$33,000)

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RESOLUTION 14-38 – AUTHORIZES THE AMENDMENTS TO THE RESTATED DELAWARE RIVER AND BAY AUTHORITY EMPLOYEES’ RETIREMENT PLAN, DEFINED CONTRIBUTION PLAN, AND MEDICAL AND LIFE INSURANCE RETIREMENT PLANS FOR PERMANENT FULL-TIME EMPLOYEES HIRED ON OR AFTER JANUARY 1, 2015

WHEREAS, the Delaware River and Bay Authority (the “Authority”) currently maintains the Delaware River and Bay Authority Employees’ Defined Benefit Retirement Plan

(the “Retirement Plan”) and the Delaware River and Bay Authority Defined Contribution Plan (the “Defined Contribution Plan”); and

WHEREAS, pursuant to Section 8.1(a) of the Retirement Plan and Section 7.1(a) of the Defined Contribution Plan, the Authority has the right to amend the Retirement Plan and the Defined Contribution Plan pursuant to a resolution of the Commissioners of the Authority; and

WHEREAS, the Authority also provides certain post-retirement welfare benefits in the form of medical benefits and life insurance (the “Retiree Welfare Benefits”); and

WHEREAS, pursuant to Section X of the Personnel Manual, the Authority reserves the right, in accordance with applicable laws and regulations, to terminate or amend the Retiree Welfare Benefits provided to retired employees at any time and from time to time; and

WHEREAS, the Authority desires to amend the Retirement Plan, the Defined Contribution Plan, and the Retiree Welfare Benefits provided to permanent full-time employees hired on or after January 1, 2015; and

WHEREAS, the proposed amendments have been reviewed by the Personnel Committee and found to be appropriate; and

WHEREAS, the proposed amendments will reduce the Authority’s long term costs for post-employment benefits while still providing for the Authority’s employees in a responsible manner.

NOW, THEREFORE, BE IT RESOLVED, that the Delaware River and Bay Authority hereby approves the following amendments to the above-referenced plans effective January 1, 2015:

1. “Retirement Plan 1” is the Retirement Plan in effect on December 31, 2014 and is only available to permanent full-time employees who are hired on or before December 31, 2014.
2. “Retirement Plan 2” is the Retirement Plan in effect on January 1, 2015.
3. Any permanent full-time employee hired on or after January 1, 2015 will become vested in Retirement Plan 2 after ten (10) years of service. Pension benefits will be calculated based on 1.5% of the average base salary for the three (3) highest consecutive years multiplied by years of service. Employees will be required to contribute 3% of base salary to said Plan.
4. Any permanent full-time employee hired on or after January 1, 2015 will be required to contribute 2% of base salary to the Defined Contribution Plan beginning the first pay period following 30 days of active employment and will receive a 100% employer match on their contributions up to 4% of base salary. A participating employee will become fully vested in the employer match portion of the Defined Contribution Plan after five (5) years of service.
5. Any permanent full-time employee hired on or after January 1, 2015 will be eligible for retirement medical benefits for the retiree only and not the retiree’s spouse and dependents with a cost-share for insurance premiums thereon to be allocated between the employee and the Authority as set forth in the chart below. Only whole years of service will be counted toward the years of service. At no time will the lowest Retiree contribution rate be less than the lowest single-coverage Active employee contribution rate; should the Active Employee contribution rate change, the lowest Retiree contribution will convert to be equal to the lowest single-coverage Active employee contribution rate as of the effective date of the change.

Years of Service	Retiree Contribution	Employer Contribution
10	60%	40%
11	57%	43%
12	54%	46%
13	51%	49%
14	48%	52%
15	45%	55%
16	42%	58%
17	39%	61%
18	36%	64%
19	33%	67%
20	30%	70%
21	27%	73%
22	24%	76%
23	21%	79%
24	18%	82%
25+	15%	85%

6. Any permanent full-time employee hired on or after January 1, 2015 who retires from the Authority with at least ten (10) years of service, will be eligible for a \$10,000 retiree life insurance policy for which premiums shall be paid by the Authority.
7. A “rehire” is an employee who is hired by the Authority in a permanent full-time position on or after January 1, 2015 and who has completed some period of full- or part-time employment with the Authority prior to December 31, 2014.
8. Any permanent full-time employee rehired on or after January 1, 2015 who has previous service time credit but who had not vested in Retirement Plan 1 as of December 31, 2014 shall be eligible to purchase back that pension service credit time under the Retirement Plan 2 at a rate of 5% of their salary at the time they become vested in Retirement Plan 2. Time so purchased will count toward both final pension calculation and retiree medical benefit cost share purposes. Vesting will be determined under Retirement Plan 2.
9. Any permanent full-time employee rehired on or after January 1, 2015 who has previous service time credit but who had vested in the pension plan as of December 31, 2014 will be vested in Retirement Plan 2 upon rehire and will receive a total pension based on adding the amount of pension from Retirement Plan 1 and the amount of pension from Retirement Plan 2 based on years of service under each plan. The total years of service will not be combined for purposes of pension benefits due under each plan. The total years of service will be combined for purposes of determining retirement eligibility and for calculating the employee cost share of retiree medical benefits.

NOW, THEREFORE, BE IT FURTHER RESOLVED, that the proper officers and employees of the Authority are hereby authorized to execute the necessary amendments to the Retirement Plan, the Defined Contribution Plan, the retiree medical benefits plan and the retiree life insurance plan and to take whatever action to execute whatever instruments with the advice and consent of General Counsel that may be necessary or convenient to carry out the foregoing resolution.

A motion to approve Resolution 14-38 was made by Commissioner Wilson and seconded by Commissioner Murphy. Resolution 14-38 was approved by a roll call vote of 10-0.

Resolution 14-38 Executive Summary Sheet

Resolution: Authorizes the Amendments to the Restated Delaware River and Bay Authority Employees' Retirement Plan, Defined Contribution Plan, and Medical and Life Insurance Retirement Plans for Permanent Full-Time Employees hired on or after January 1, 2015

Committee: Personnel Committee

Committee Date: October 21, 2014

Board Date: October 21, 2014

Purpose of Resolution:

To approve proposed amendments to the restated Authority's retirement plans (defined benefit and defined contribution), and Retiree Welfare Benefit plans (medical and life insurance) for all permanent full-time employees hired on or after January 1, 2015 as presented by the Executive Director and the Chief Human Resources Officer.

To approve proposed amendments to the restated Authority's retirement plans and Retiree Welfare Benefit plans for all permanent full-time employees rehired on or after January 1, 2015.

To continue the Authority's practices of fiscal responsibility and providing for the Authority's employees.

Background for Resolution:

The Delaware River and Bay Authority has had the Employees' retirement plans since June 1, 1963.

It is the responsibility of the Authority to frequently review the benefits offered to current and future permanent full-time employees. To be fiscally responsible and to implement practices found in other public sector companies, the Authority has decided to revise the Authority's retirement plans (defined benefit and defined contribution) and Retiree Welfare Benefits (medical and life insurance) for permanent full-time new and rehired employees hired on January 1, 2015 and beyond.

Based on recent research and review of the Authority's retirement plans (defined benefit and defined contribution) and Retiree Welfare Benefits (medical and life insurance) compared with established practices, the Authority recommends amendments as follows:

1. Change vesting in Retirement Plan from 5 year cliff vesting to 10 year cliff vesting.
2. Change current pension formula in Retirement Plan, which utilizes Social Security integration factors, to straight 1.5% formula (average highest 3 consecutive years of earnings times 1.5% times years of service), with no Social Security integration.
3. Change Defined Contribution Plan match to 100% match on first 4% of employees' contributions of which 2% contribution by employees will be mandatory.

4. Change retiree health insurance benefits to have future retirees contribute to health care costs by paying a portion of the premiums for such coverage based on years of service. Only full years of service will be counted toward the years of service. At no time will the lowest Retiree contribution rate be less than the lowest single-coverage Active employee contribution rate; should the Active Employee contribution rate change, the lowest Retiree contribution will convert to be equal to the lowest single-coverage Active employee contribution rate as of the effective date of the change.
5. Change retiree life insurance benefits to move from 1 times (1X) base pay for basic life insurance to a flat \$10,000 benefit.
6. Rehire is defined as an employee who is hired for a permanent full-time position on or after January 1, 2015 who has completed some prior period of employment, either full- or part-time with the Authority.
7. Retirement Plan 1 is the Retirement Plan as in effect on December 31, 2014 and is only available to permanent full-time employees who are hired on or before December 31, 2014.
8. Retirement Plan 2 is the Retirement Plan as in effect on January 1, 2015.
9. If a rehire has not yet vested in a prior plan, s/he will be permitted to purchase past service time under Retirement Plan 2 at a rate of 5% of the rehired employee's salary at the time that such rehired employee becomes vested in Plan 2. Prior service time purchased shall be utilized both for pension calculations under Retirement Plan 2 and for calculation of employee cost share for retiree medical benefits.
10. If a rehire has vested in a prior plan, s/he will be deemed vested in Retirement Plan 2 and will receive a pension benefit calculated by adding the pension benefit due under Retirement Plan 1 and the pension benefit due under Retirement Plan 2 based on service under each of the plans. Total years of service will not be added together for purposes of either plan individually. The total years of service will be counted toward employee cost share of retiree medical benefits, as well as determination of retirement eligibility.

* * * * *

RESOLUTION 14-39 – AUTHORIZING REVISIONS AND MODIFICATIONS TO THE DELAWARE RIVER AND BAY AUTHORITY FREEDOM OF INFORMATION REGULATIONS

WHEREAS, The Delaware River & Bay Authority (the “Authority”) was created by a Compact between the States of Delaware and New Jersey in 1962 for the public purpose of providing regional transportation and conducting certain other authorized activities between the two States; and

WHEREAS, the Authority operates two vital transportation links, the Delaware Memorial Bridge and the Cape May – Lewes Ferry as well as five regional aviation facilities in both Delaware and New Jersey; and

WHEREAS, as a public agency, the Authority adopted Freedom of Information Regulations (“Regulations”) at its April 17, 1990 public meeting; and

WHEREAS, while the Authority has amended the Regulations on two different occasions by the adoption of Resolution 00-03 and Resolution 04-05, the Regulations have not been revised or modernize to incorporate technology advancements and today’s security landscape; and

WHEREAS, the Authority is responsible for the security and safety of the agency’s facilities and the public who utilizes them; and

WHEREAS, the Authority desires to maintain an open, fair and competitive public contracting process; and

WHEREAS, the Authority desires to establish a uniform process for handling and responding to Freedom of Information requests, agency responsibilities and a fee schedule; and

WHEREAS, the proposed changes are consistent with public record definitions and how Freedom of Information Requests re processed in both Delaware and New Jersey; and

WHEREAS, the Authority has concluded that the revised Freedom of Information Regulations are reasonable, necessary, proper and desirable; and

WHEREAS, the Authority desires to amend the Freedom of Information Regulations with an effective date of November 1, 2014.

NOW THEREFORE BE IT RESOLVED that the revised Freedom of Information Regulations for the Delaware River and Bay Authority, attached hereto, are hereby adopted with an effective date of November 1, 2014.

A motion to approve Resolution 14-39 was made by Commissioner Smith and seconded by Commissioner Downes. Resolution 14-39 failed as the roll call vote of 9-1, (Chairman Hogan voted NO) only included three (3) affirmative votes from NJ Commissioners.

Resolution 14-39 Executive Summary Sheet

Resolution: Amends and revises the Authority’s Freedom of Information Regulations

Committee: Audit and Governance Committee

Committee/

Commission Date: October 21, 2014

Purpose of Resolution:

The Authority desires to amend and revise its Freedom of Information Regulations (FOIR) to incorporate technology considerations, classify certain security documents as records of a confidential nature, limit public access to documents during contract bidding, and to establish a uniform process for handling requests for public records including a standardized form and fee schedule. The Resolution also clarifies the process for calling a special, but non-emergency meeting of the Board of Commissioners.

•Definitions for the following commonly used terms were added: “Authority”, “Commissioners”, “FOIR request” “FOIR request form”, “Meeting”, “Non-Custodial Records”, “Public Business” “Public Information Officer”, “Public Record”

•The following categories of confidential records were added:
records relating to pending or anticipated contracts and negotiations, information received in response to public solicitation of bids while the disposition of the matter is still pending; information related to computer systems which could jeopardize security, information related to emergency response plans, information relating to building security and surveillance; and information required to be kept confidential pursuant to a Court Order.

Background for Resolution:

In an effort to ensure that Authority’s public business is performed in an open, public, and transparent manner, the DRBA Commission adopted FIOR on April 17, 1990. While this policy details the Authority’s open meeting process, classifies public records and records of a confidential nature, the policy does not contain a uniform process to handle record requests outlined information of a confidential nature nor does it take into account technological advancements, like email. The Authority’s FOIR is consistent with the intent of Delaware’s Freedom of Information Act (FOIA) and New Jersey’s Open Public Record Act (OPRA).

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RESOLUTION 14-40 – LEASE AGREEMENT BETWEEN DELAWARE RIVER AND BAY AUTHORITY AND DASSAULT FALCON JET – WILMINGTON CORPORATION

This resolution was pulled during the Economic Development Committee meeting to be presented at a later date.

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RESOLUTION 14-41 – LEASE AGREEMENT BETWEEN DELAWARE RIVER AND BAY AUTHORITY AND ESTATES AVIATION SERVICES, LLC.

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

WHEREAS, Estates Aviation Services LLC (“Estates”) desires to lease approximately 23,400 square feet of hangar space located at 9 DRBA Way at the New Castle Airport; and

WHEREAS, Estates has agreed to pay the Authority annual rental in the amount of Three Hundred Thousand Dollars (\$300,000.00); and

WHEREAS, the initial term of the lease (“Lease Agreement”) is for five (5) years; and

WHEREAS, Estates shall have the right to renew this Lease Agreement for two(2) additional five (5) year terms; and

WHEREAS, rent shall be adjusted at the beginning of each option period to the Fair Market Value (FMV);

WHEREAS, rent during the initial term and each renewal term shall be adjusted each year by the CPI; and

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby authorized to finalize the terms and conditions of the Lease Agreement with Estates Aviation

Services, LLC 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 14-41 was made by Commissioner Ford and seconded by Commissioner Dorn. Resolution 14-41 was approved by a roll call vote of 10-0.

Resolution 14-41 Executive Summary Sheet

Resolution: Authorizing the Execution of a Lease Agreement between the Delaware River and Bay Authority and Estates Aviation Services, LLC, regarding New Castle Airport

Committee: Economic Development

Committee Date: October 21, 2014

Board Date: October 21, 2014

Purpose of Resolution: To permit the Executive Director, Chairman and Vice Chairman to execute and deliver a lease agreement for space at the New Castle Airport.

Background for Resolution:

The Delaware River and Bay Authority owns a hangar located at 9 DRBA Way at the New Castle Airport. Estates Aviation Services, LLC wishes to lease 100% of this hangar facility for the storage of personal corporate aircraft and to operate a trust office. The lease price is based upon an appraisal and market demand.

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10877. EXECUTIVE DIRECTOR'S COMMENTS

Executive Director Green shared with the board a resignation letter he had received from Commissioner Mroz and a retirement letter from Jim Walls, COO. He thanked Commissioner Mroz for his service to the DRBA; he however noted that there is no replacement yet for Commissioner Mroz. The Executive Director thanked Mr. Walls for his services and wished him and his wife, Linda success. He also announced to the Board a new hire to assist Col. Arroyo who would begin his service with the DRBA Police on November 3rd.

He briefed the Board on the activities in and around the Authority including the Commissioners' Cup which is on display at the Lewes Terminal because it was won by Cape Henlopen HS and was attended by Commissioner Ford, Mayor Beck and Mayor Becker, who both presented the trophy to the winning team; Senator Carper of DE with the Painters Union visited the DMB; DRBA family fun day was well attended at the Frawley Stadium; Wounded Warrior is an annual event which seeks to honor wounded veterans and we had one such event at the CMLF; New traffic pattern has been introduced at the CMLF to help ease traffic for bikers and pedestrians; Cape May Dragon Boat festival was a success.

He said, last year a car show was organized for the 50th anniversary of the CMLF and that event was repeated this year with a live broadcast from WIBG radio; Employee Recognition and Awards Dinner held at the Atlantic Golden Nugget on October 3rd; He was also excited to share the news of Commissioner Lowe's daughter, Hannah taking the first place in an Essay competition which was also featured in the Cape Gazette; UD is providing grant money to install electric vehicle charging stations at the Lewes terminal.

He also asked the Board for a change in date for the January and February 2015 Board meetings which follows the Martin Luther King and Presidents' Day holidays respectively and proposed the Wednesday following the holiday – a resolution to effect the change will be discussed at the next meeting; and lastly, the demolition of the NASW Wildwood building at the Cape May Airport had begun.

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10878. COMMISSIONERS PUBLIC FORUM

Chairperson Hogan called for comments from the public and the Commissioners. Commissioner Smith thanked Heath Gehrke and his staff for providing excellent services during a recent event on the Salem-Delaware Ferry. Commissioner Lathem also thanked the Executive Director and his staff for the Cape May Commissioners retreat which he thought was well organized.

Commissioners Dorn and Hogan wished Jim Walls well in his future endeavors and all stood to applaud him.

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There being no further business, a motion to adjourn was made by Commissioner Downes, seconded by Commissioner Murphy, and unanimously carried by a voice vote of 10-0.

The meeting was adjourned at 12.50 p.m.

Respectfully submitted,

THE DELAWARE RIVER AND BAY AUTHORITY

Frank W. Minor
Assistant Secretary