

MINUTES OF MEETING  
THE DELAWARE RIVER AND BAY AUTHORITY  
Tuesday, November 15, 2005  
DRBA Administration Building  
James Julian Board Room  
New Castle, Delaware

The meeting convened at 11:00 a.m. with Chairperson Wallace presiding.

The opening prayer was given by Reverend Dorn followed by the Pledge of Allegiance led by Colonel McCarnan.

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

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

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Commissioners from New Jersey

Commissioners from Delaware

PRESENT

Warren S. Wallace, Chairperson  
Edward W. Dorn  
Niels S. Favre  
Maureen Koebig  
Gary F. Simmerman

F. Michael Parkowski, Vice Chairperson  
Thomas J. Cooper  
Verna Hensley  
Samuel E. Lathem  
Gary B. Patterson

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9302. APPROVAL OF THE OCTOBER 18, 2005 MINUTES

On motion by Commissioner Favre and seconded by Commissioner Lathem, the minutes of the October 18, 2005 meeting was unanimously approved by a voice vote of 10-0.

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9303. EXECUTIVE DIRECTORS REPORT

The Executive Director presented the following highlights that occurred within the month of October.

EXECUTIVE DIRECTOR:

Employee Events and Meetings;

- Conducted the monthly “Lunch with Jim” series meeting in Cape May. Met with approximately 12 employees from Maintenance South and the Ferry.
- Conducted the inaugural Leadership Forum series. The purpose of this forum is to provide an opportunity (once every two months) for leadership development and teambuilding. Staff participating in the forum include senior leadership (my direct coworkers) and Directors/Superintendents (Jim Walls’ direct coworkers) - approximately twelve individuals. We will meet for about two to five hours and discuss relevant leadership topics. Our first forum highlighted a discussion on positive strategies for work and life. Using the book, “How Full is Your Bucket?” by Tom Rath and Donald Clifton, the group discussed learnings and applications. Our next session is slated for early December.

- Attended the Police Advancement Ceremony for Sergeant Tom Quigg. He was recently promoted to the rank of Sergeant. Also attended Col. McCarnan's staff meeting which followed.
- Administration prepared and served lunch to the Finance Department. The Italian style feast was a hit as Iron Chefs Rainear and DiNicola Owens pulled out all the stops with their flavorful concoctions. The remaining sous chefs (Jim Johnson, Chris Johnson, Jim Walls, Victor Ferzetti, Trudy Spence-Park, Jill Wolfe and Mickie Proud) prepared appetizers, salads and desserts. Remarkably, the Finance staff all reported to work the next day. Administration prepared lunch for Finance because Administration lost and Finance won in the "Penny Jar Contest" held several months ago. This contest helped raise funds for 100 stuffed school book bags.
- Toured the Delaware Memorial Bridge (westbound span) painting efforts with Pete Thomas, Dave DiAngelo, and Joe Volk.
- Attended the monthly Delaware Memorial Bridge Safety Committee meeting and commended the group's efforts that have resulted.
- Conducted monthly Personnel and Economic Development meetings with staff.
- Met with staff to review and discuss 2006 budget issues, in particular, the healthcare package and compensation.
- Met with Don Rainear and John Sarro concerning the status of DelDOT's land acquisition efforts at the Delaware Air Park and the FAA funding.

#### External Affairs:

- We hosted the InterAgency Group (IAG) for E-ZPass on October 11, 2005. I welcomed the group and attended a portion of the meeting. George Iannetta and his staff prepared a wonderful lunch for the attendees. Gerry DiNicola Owens represents the DRBA at the IAG. On October 11<sup>th</sup>, the DRBA hosted the IAG Executive Committee Meeting in New Castle. Major agenda items included approval of the recommendations of the Policy Committee on Reciprocity II for public parking and Reciprocity III for private parking, approval for DelDOT to provide E-ZPass Plus parking at eight facilities in Wilmington and special reports by the Next Generation Task Force and the Non Toll Opportunities Task Force.
- Attended the yearly Sussex County Today and Tomorrow conference. This conference is a forum for state and local elected officials, business leaders and citizen groups to discuss trends for Sussex County. Approximately 250 people attended this half-day symposium.
- Participated in the Delaware State Chamber of Commerce's "Principal for a Day" program. This year I was at Milton Elementary School in Sussex County. This half-day experience provides business leaders an opportunity to exchange information and learn about the challenges faced by educators in the area.
- Attended the dedication of the Bellanca Airfield (New Castle, DE) as a site listed on the National Register of Historic Places.

#### DEPUTY EXECUTIVE DIRECTOR:

##### Economic Development:

- Continued discussions with several entities concerning the Salem Business Park and associated building.
- Met with Dassault Falcon Jet to discuss their interest in expanding at New Castle Airport
- Working with DRBA Engineering and New Castle County to obtain an extension of approvals for Corporate Commons property.

##### Communications:

- Distributed the DRBA external newsletter "Community Connection" and the internal newsletter, "Excellence in Motion".

##### Marketing:

- Updated Airport Marketing material and planning for National Business Aviation Association.
- Distributed 40,000 "**Destination**" brochures, a joint venture between DRBA and regional Chambers of Commerce.

Property Management:

- Steve Williams, Don Rainear, and Jim Walls met with FAA officials in Washington, DC, to coordinate the placement of a mobile communications trailer alongside the roof-damaged FAA Flight Service Station at Millville Airport. This temporary facility entered service to enable FAA employees to provide regional flight service advisories.
- Met with several prospective airport tenants. Some of these meetings have led to leases which are subject to action in November.

CHIEF OPERATIONS OFFICER:

Airports:

- On October 17<sup>th</sup>, Steve Williams, Don Rainear, Jim Walls, and other staff members, met with key New Castle Airport tenants to review drafts of the Minimum Standards and Rules & Regulations documents that will govern aeronautical services and activities at New Castle Airport. There was a good exchange of information between the meeting participants. Written comments and suggestions from the airport tenants were received by the end of the month. Next steps are to present a revised final document at the December Committee meetings for action.
- The Director of Airports held a preliminary planning session with the consultant team of Edwards & Kelcey assigned to review, assess, and augment the DelDOT Cargo Feasibility Study. This effort will seek to more readily address specific NASCAR aircraft operational requirements, as well as land side (rental cars, deliveries, etc.) issues, at the Civil Air Terminal.

Cape May-Lewes Ferry:

- In October, cumulative vehicle traffic decreased 9.4% and passenger traffic decreased 11.6% when compared to the same period last year. Through October, year-to-date vehicle and passenger traffic increased 0.3% and increased 0.3% from the same ten-month period in 2004. Compared to the average of the last three years, year-to-date vehicle and passenger traffic declined 11.5% and 14.6%, respectively.
- Vessel maintenance work continues on the M/V Cape Henlopen. The M/V Delaware is on schedule to proceed to the dry dock at Lyons Shipyard in Norfolk at the end of November. The MV Delaware and MV New Jersey underwent U.S. Coast Guard quarterly inspections in October.

Engineering & Maintenance:

- Deck resurfacing work continues on the DMB and will be completed in November, as scheduled. The nature of this work requires the closing of two of four traffic lanes weekly from Sunday night through Friday morning.
- Construction to accommodate a new tenant (New Jersey DYFS) in the Carney's Point office building commenced on October 17<sup>th</sup> and is scheduled to be completed in December. Additionally, the single unit home resting on this property has been demolished.
- At Millville Airport, the new Operations and Maintenance facility is substantially complete. Final activities include completing punch list items, furniture delivery, and telephone/data hook-up. This facility will enter service in November.
- At New Castle Airport, project preparation activities for Taxiways 'M' and 'K' and the new hold apron and blast wall are underway. A pre-construction conference was held between Engineering, FAA, Airport Operations, and the Contractor on November 2<sup>nd</sup>. Most work will begin in earnest in the Spring.

Food & Retail:

- The Cape May terminal passed its annual Department of Health Inspection.
- The Food & Retail supervisory staff held a planning session and staff meeting in Lewes on October 28<sup>th</sup>. Topics discussed included menu, online retail sales and strategic issues and challenges.

Police:

- The official evaluation report has been received from the Commission on Accreditation for Law Enforcement Agencies, Inc. (CALEA). Once again, our Authority Police Department received a perfect score of 100%. Col. John McCarnan and Joe Bryant will attend the CALEA hearing and presentation of certificate on November 19.
- Plans were completed to conduct a safety awareness program at the DMB Toll Plaza during the month of November. This operation will be a repeat of the successful program conducted during June of this year. The major focus will be on compliance with speed limits in toll lanes, seatbelt and child safety seat enforcement, and EZ-Pass/Tolls compliance. During the month of June, over 1,800 violators were stopped and issued citations or written warnings. The Delaware State Police truck enforcement team will also be joining with a focus on commercial vehicle safety enforcement.
- Police Officers Richard Moudy and Philip Hiller entered a Marine Law training program with the N.J. State Police.
- On October 28<sup>th</sup>, a New Jersey man led Authority police on a 10-mile chase on the NJ Turnpike. When stopped on the DMB for a traffic violation and told to exit his car, the driver fled the scene in his vehicle. The driver was stopped and apprehended on the New Jersey Turnpike. He was charged with resisting arrest, drug possession, and driving while intoxicated, in addition to other charges.

Safety:

- STOP for Supervision Training has begun for employees at the ferry, maintenance south, food & retail and police at Cape May, Lewes, and New Castle. This weekly training program will continue into December. Upon completion, approximately 85% of all supervisors and managers in the Operations Departments will be trained on the nationally recognized and highly successful program of Safety Management.
- The refresher session of STOP for Supervision was conducted with Maintenance North personnel. The group is regularly auditing actions and providing constructive feedback to employees. Because of the recent STOP for Supervision Safety Training, bridge employees have reduced their injuries by eight versus last year through September 30<sup>th</sup>. This represents a significant improvement.
- Engineering & Maintenance is ensuring that all new above-ground storage tanks in Delaware are registered with the state. Safety & Environmental will assist and ensure that updates are made to the Spill Prevention Control & Countermeasures (SPCC) Plans, as mandated by law for each site.

Toll Operations:

- Total traffic during the month of October 2005 decreased by 3.3% vehicles vs. the monthly total in 2004. Non-commercial traffic was down 3.5% and commercial traffic was down 1.9%. As compared with a 3-year average, October traffic decreased 0.8% or 11,955 vehicles. Total traffic for the ten months to-date has increased 1.6% over the 3-year, ten month to-date average.
- E-ZPass traffic for October represented 54.3% of the total vehicle traffic, as compared to 48.6% for the previous year. Total electronic traffic year-to-date is 51.8%, an increase of 3.6 % from the same period in 2004.

CHIEF HUMAN RESOURCES OFFICER:

Staffing (Permanent FT):

- Authorized Positions 481
- Filled Positions 434
- Filled Position (on LTD) 7
- Total Vacancies 40
- Vacant Positions in Process 31

HR Initiatives:

- The CHRO attended the 2005 Advanced Employment Issues Symposium in Washington, D.C. The purpose of this seminar is to update senior HR professionals and labor counsel on important employment topics.
- Several members of the Human Resources staff have attended the SHRM Conference which provides HR professionals an update on regulations and laws pertaining to HR management.

Community Initiatives Committee:

- The Authority-wide fundraiser for Hurricane Katrina relief was a complete success. Employees contributed a total of \$4612.00. This money will be matched by the Authority for a total contribution to the American Red Cross of \$9224.00.
- The Community Initiatives Committee is currently collecting food stuffs and canned goods for the Thanksgiving food basket drive. The Authority expects to provide an abundance of food to 100 families and one orphanage in the New Jersey and Delaware communities we serve.

CHIEF INFORMATION OFFICER:

MUNIS Upgrade

- Over the last two weeks, I met with staff to finalize plans for the upgrade of the MUNIS Financial/Human Resources System. The upgrade, planned for November 17, 2005, will require the retraining of all MUNIS users. Contained within the upgrade material was on-line training material. IT staff will create shares on the three primary application servers to access the on-line training at all locations. This material will be made available to all MUNIS users by early next week.

Police Computer Aided Dispatch System:

- On October 20<sup>th</sup>, DRBA representatives met with New World Systems. The purpose of the meeting was to introduce Jerry Brammer, Project Manager for the DRBA's Police Computer Aided Dispatch System. This two day kick-off meeting was held on November 2 and 3, 2005.

Maryland Transportation Authority (MdTA):

- On October 19, 2005, at the request of Curt Esposito, Director of Operations for MdTA, I took part in a selection panel for MdTA's Deputy Director of E-ZPass Operations. MdTA is in the process of setting up a department exclusively to deal with electronic toll collection. Mr. Esposito wanted to get the perspective of non-agency members on the selection of this pivotal position and, as such, invited myself and Virginia Department of Transportation to be part of the this process.

ACTING CHIEF FINANCIAL OFFICER:

2006 Budget :

- Continue to review and refine FY06 operating budget for presentation to Budget & Finance Committee meeting.
- Meeting with Conectiv Power concerning price increases for FY06. Discussed options on the bidding supply services in New Jersey and Delaware.
- Conference call with Bank of America concerning Fuel Hedging options as a means to budget management.
- Conference call with Mercer concerning FY05 and FY06 pension calculations and related issues.

Local 542 Negotiations:

- Reviewed Local 542 counter proposal on wages and provided a briefing for Commissioners.

UPCOMING EVENTS:

- November 11, 2005: 10:30 a.m. Veterans Day Services, War Memorial

- November 14, 2005: Ethics & Fiscal Controls Training for NJ Commissioners, State Museum Auditorium, 205 West State Street, Trenton
- November 15, 2005: Commission Meeting, James Julian Boardroom
- November 21, 2005: Ethics & Fiscal Controls Training for NJ Commissioners, State Museum Auditorium, 205 West State Street, Trenton
- December 6, 2005: Committee Meetings, James Julian Boardroom
- December 20, 2005: Commissioner Meeting, James Julian Boardroom

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9304. COMMITTEE REPORT – BUDGET & FINANCE

In Commissioner Jackson’s absence, Commissioner Patterson presented the following minutes of the Budget & Finance Committee meeting held November 1, 2005.

**BUDGET & FINANCE COMMITTEE MEETING**  
**Tuesday, November 1, 2005**  
 Delaware Memorial Bridge Complex  
 New Castle, Delaware

A public meeting of The Delaware River and Bay Authority’s Budget & Finance Committee was held on Tuesday, November 1, 2005, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from New Jersey

Commissioners from Delaware

PRESENT

Commissioner Simmerman, Committee Member  
 Commissioner Dorn  
 Commissioner Koebig

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

Governors’ Representatives

Keith Barrack – NJ

Legal Counsel

Mike Houghton - DE

Staff

Authority Secretary

Jim Johnson, Jr.  
 Don Rainear  
 Victor Ferzetti  
 Jim Walls  
 Trudy Spence-Parker  
 Gerry DiNicola Owens  
 Joe Larotonda  
 Anna Marie Gonnella Rosato  
 Ken Hynson  
 John Jones  
 Kelly Phillips Parker

Tom Pankok

- I. Committee Vice Chair Patterson welcomed the Budget & Finance Committee and opened the meeting at approximately 11:15 a.m. The Authority Secretary reported that the public meeting of the Budget & Finance Committee had been duly noticed in accordance with the Authority’s Freedom of Information Regulations, read the Statement of Notice, and called the roll.
- II. The Committee reviewed and recommended the Community Contribution requests for the month of November. A Resolution will be presented to the full Board for consideration at the November meeting.

III. The Acting Chief Financial Officer reviewed the proposed Resolution listing vendors over \$25,000. The Acting CFO noted the addition of Palmer & Dodge to the list and, after review as amended, on motion by Commissioner Dorn, seconded by Commissioner Hensley, the Committee recommended approval of the vendor list. A Resolution will be presented to the full Board for consideration at the November meeting.

IV. The Acting CFO reviewed the Authority Financial Model and provided an update on the proposed FY 2006 Operating Budget. The proposed maximum budget total of \$70,622,999 represents an increase of 5.5% over the 2005 adopted Budget and reflects the maintaining of a 1.40x debt service coverage ratio. The recommended coverage ratio is suggested to maintain the Authority's A1/A+ bond rating and provide a margin of error for unforeseeable changes in the operations. The Acting CFO noted that the projected 1.27x coverage in 2007 would require either additional revenues or a reduction of expenses to avoid negatively impacting the Authority's bond rating. The potential major increases were reviewed and discussed. The Acting CFO discussed the Authority's pension contribution for FY 2006 which is impacted by the assumption changes incorporated in 2005 as follows:

1. Change in the return on assets from 8% to 7%
2. Update of mortality table
3. Change in discount rate associated with the Allmerica assets

The actual FY 2005 Authority contribution amounted to \$4,114,000 or an increase of \$284,006 over the budgeted amount for FY 2005. In addition, the Authority also incorporates a 5-year asset smoothing and one year lag techniques which result in a proposed FY 2006 contribution in the amount of \$4,673,000, an increase of \$843,006 over the FY 2005 budgeted total. The Acting CFO proposed utilizing the remaining \$3.2 million in surplus funds derived from the previous sale of the Allmerica stock. The Committee discussed this possibility and recommended utilizing the surplus pension funds subject to concurrence of the Committee Chair.

Committee Chair Patterson also questioned no growth assumption in the ferry revenues despite the Authority initiatives to increase ridership. The Acting CFO reported that any increase to the revenues would be diminimus and not enough to impact a change in the Financial Model. The Chief Operations Officer reported that various cost cutting measures had been taken to reduce expenses. Commissioner Cooper questioned whether the revenues reflected returning to hot food on the ferries. The Chief Operations Officer reported that staff would be investigating this issue for FY 2006.

Also discussed was the increased expense from E-ZPass transactions. The Acting CFO reported that the proposed budget for E-ZPass transactions allowed for average market penetration of 58% for FY 2006. The CIO noted that there has been no growth in labor costs because the Authority's customer base has not increased. There is a current 1% violation rate; however, the Authority actively pursues violators. The Chief Operations Officer reported that during the month of November, the Authority would be instituting the second phase of the Toll Plaza Safety Awareness Program and prosecuting any chronic toll and E-ZPass violators.

V. The Acting CFO requested the disposition of two Authority assets.

- The M/V American River – utilized previously as a crew boat
- A Detroit diesel generator

After discussion, on motion by Commissioner Lathem, seconded by Commissioner Hensley, the Committee recommended the disposition of the two assets in accordance with the Authority's Policy on Real Property and Tangible Assets Disposition.

There being no further business to discuss, the Budget and Finance Committee adjourned at 12:10 p.m.

Commissioner Patterson noted that on December 19, 2005 the Budget & Finance Committee, along with staff, will be conducting a public hearing on the 2006 budget.

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9305. COMITTEE REPORT – PERSONNEL & INSURANCE

Commissioner Dorn presented the following minutes of the Personnel Committee meetings held November 1 and 15, 2005.

**PERSONNEL & INSURANCE COMMITTEE MEETING**  
**Tuesday, November 1, 2005**  
Delaware Memorial Bridge Complex  
New Castle, Delaware

A public meeting of The Delaware River and Bay Authority's Personnel & Insurance Committee was held on Tuesday, November 1, 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 Simmerman

Committee Vice Chair Lathem  
Commissioner Lowe, Committee Member  
Commissioner Cooper, Committee Member  
Commissioner Hensley  
Commissioner Patterson

Governors' Representatives

Keith Barrack – NJ

Legal Counsel

Mike Houghton - DE

Staff

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

Authority Secretary

Tom Pankok

- I. Committee Chair Dorn welcomed the Personnel & Insurance Committee and opened the meeting at approximately 9:32 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.
- II. The Committee Chair requested an Executive Session, closed to the public to discuss matters of a confidential nature. On motion by Commissioner Lowe, seconded by Commissioner Cooper, the Session was closed.

The following matters of a confidential nature were discussed.



- PERSONNEL MATTERS:
  - Local 542 Update
  - Director of MIS Interviews
  - CFO Search Update
- LONG TERM PLANNING ALTERNATIVES:
  - Health Care Initiatives

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

With no further business to discuss, on motion by Commissioner Lathem, seconded by Commissioner Cooper, the Personnel & Insurance Committee meeting adjourned at 11:05 a.m.

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**PERSONNEL & INSURANCE COMMITTEE MEETING**  
**Tuesday, November 15, 2005**  
 Delaware Memorial Bridge Complex  
 New Castle, Delaware

A public meeting of The Delaware River and Bay Authority's Personnel & Insurance Committee was held on Tuesday, November 15, 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  
 Commissioner Simmerman  
 Chairperson Wallace

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

Governors' Representatives

Keith Barrack – NJ

Bernard Pepukayi - DE

Legal Counsel

Phil Norcross - NJ

Mike Houghton - DE

Staff

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

Authority Secretary

Tom Pankok

III. Committee Chair Dorn welcomed the Personnel & Insurance Committee and opened the meeting at approximately 9:15 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.

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

The following matters of a confidential nature were discussed.

- Personnel Matters
- Long Range Planning Alternatives

There being no further business in the Executive Session, on motion by Commissioner Cooper, seconded by Commissioner Lathem, the Personnel & Insurance Committee the session was opened to the public.

With no further business to discuss, on motion by Commissioner Lathem, the Personnel & Insurance Committee meeting adjourned at 10:12 a.m.

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9306. COMMITTEE REPORT – PROJECTS COMMITTEE

Commissioner Hensley presented the following minutes of the Projects Committee held November 1, 2005.

**PROJECTS COMMITTEE**  
**Tuesday, November 1, 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, November 1, 2005, Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from New Jersey

Commissioners from Delaware

PRESENT

Committee Vice-Chair Dorn  
 Commissioner Koebig, Committee Member  
 Commissioner Simmerman, Committee Member

Committee Chair Hensley  
 Commissioner Lowe, Committee Member  
 Commissioner Patterson  
 Commissioner Cooper  
 Commissioner Lathem

Staff

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

Authority Secretary

Tom Pankok

Attorney

Michael Houghton – DE Counsel

I. The Projects Committee meeting convened at approximately 12:15 p.m. Those in attendance were provided an informational package consisting of an agenda, two bid tabulations, and a 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 roll.

II. Bid Openings/Award Actions/Resolutions:

- CMLF-04-11R-2, Drydocking and Repairs, Three Forts Dock Barges: One bid was submitted on October 28, 2005 and is in line with the engineer’s estimate. DRBA staff recommended award to General

Shiprepair Corporation, Baltimore, MD in the amount of \$330,175.00 which includes Add Alternate #1. The Projects Committee concurred with the recommendation.

- DMB-05-02, Hydraulic Elevating Work Platform: One bid was submitted on October 25<sup>th</sup> which was in line with the engineer’s estimate. DRBA staff recommended award to Utility One Source, Bethlehem, PA in the amount of \$73,194.00. The Projects Committee concurred with the recommendation.

III Miscellaneous Actions: The COO and Director of Engineering and Maintenance provided information regarding two initiatives at the Authority’s office park in Carney’s Point Township, Salem County, New Jersey. It was reported that the 8000 SF tenant fit-out for the Division of Youth and Family Services of New Jersey in the Authority’s office building is underway and will be substantially complete by December 1<sup>st</sup>. The estimated cost was reported to be \$250,000. Also, it was reported that the demolition of the vacant 2-story residential home located on the grounds of the office park was completed last week.

IV. Contractor Payment (through October): Staff informed the Projects Committee on monthly construction contractor payments to be made to contractors in November.

V. There being no further business for the Projects Committee, the public meeting was adjourned at approximately 12:30 p.m.

Commissioner Simmerman stated that he is a Projects Committee member and that the minutes should reflect his membership. The minutes were amended.

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9307. COMMITTEE REPORT – ECONOMIC DEVELOPMENT

Commissioner Koebig presented the following minutes of the Economic Development Committee meeting held November 1, 2005.

**ECONOMIC DEVELOPMENT COMMITTEE**  
**Tuesday, November 1, 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, November 1, 2005, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from New Jersey

PRESENT  
Committee Chair Koebig  
Commissioner Dorn, Committee Member  
Commissioner Simmerman

Governors’ Representatives

Keith Barrack – NJ

Legal Counsel

Mike Houghton-DE

Staff

Jim Johnson, Jr.  
Don Rainear  
Jim Walls  
Victor Ferzetti

Commissioners from Delaware

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

Authority Secretary

Tom Pankok

Trudy Spence-Parker  
Gerry DiNicola Owens  
Anna Marie Gonnella Rosato  
AJ Crescenzi  
John Sarro  
Michelle Griscom-Collins  
Kelly Phillips Parker

- I. Committee Chair Koebig welcomed the meeting of the Economic Development Committee and opened the meeting at approximately 12:13 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.

ECONOMIC DEVELOPMENT

The Deputy Executive Director reviewed the following lease agreements.

New Castle Airport:

The Deputy Executive Director reviewed a Lease Agreement between the Delaware River and Bay Authority and Cephalon, LLC to lease 33% of a corporate hangar located at 6 DRBA Way, at an initial term of an annual fair market value in the amount of \$80,000 the first year, \$90,000 during the second year, and \$100,000 during the third year. Cephalon also has the option of renewing the Agreement for three periods of five years. On motion by Commissioner Lowe, seconded by Commissioner Dorn, the Committee approved the Lease Agreement. A Resolution will be presented to the full Board for consideration at the November meeting.

Also reviewed was A Resolution authorizing a Third Lease Amendment between the Delaware River and Bay Authority and Dassault Falcon Jet Corp. Dassault Falcon Jet desires to repay funds in one lump sum payment in lieu of monthly rental payments for funds disbursed by the Authority for certain improvements at the New Castle Airport. On motion by Commissioner Lowe, seconded by Commissioner Dorn, the Committee approved the Resolution. A Resolution will be presented to the full Board for consideration at the November meeting.

Salem Business Center Update:

The Deputy Executive Director updated the Committee on the continuing negotiations with interested parties regarding purchasing property at the Salem Business Center. The Deputy Executive Director reported that a more detailed presentation will be given at the December Committee meeting.

Verizon Wireless Update:

Commissioner Patterson requested an update regarding the negotiations with Verizon regarding the placement of a communications tower located at the Lewes Terminal. The Chief Operations Officer reported that staff recently attended a meeting with representatives from Verizon and that staff is awaiting more details regarding feasibility issues, construction details, etc.

There being no further business to discuss, on motion by Commissioner Dorn, seconded by Commissioner Lowe, the Economic Development Committee adjourned at 12:24 p.m.

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9308. COMMITTEE REPORT – AUDIT & GOVERNANCE

Commissioner Cooper presented the following minutes of the Audit & Governance

Committee meeting held November 1, 2005.

**AUDIT & GOVERNANCE COMMITTEE MEETING**  
**Tuesday, November 1, 2005**  
Delaware Memorial Bridge Complex  
New Castle, Delaware

A public meeting of The Delaware River and Bay Authority's Audit & Governance Committee was held on Tuesday, November 1, 2005, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from New Jersey

Commissioners from Delaware

PRESENT

Commissioner Dorn, Committee Member  
Commissioner Simmerman, Committee Member  
Commissioner Koebig

Committee Chair Cooper  
Commissioner Hensley, Committee Member  
Commissioner Lowe, Committee Member  
Commissioner Patterson

Governors' Representatives

Keith Barrack – NJ

Legal Counsel

Mike Houghton - DE

Staff

Jim Johnson, Jr.  
Don Rainear  
Victor Ferzetti  
Jim Walls  
Trudy Spence-Parker  
Gerry DiNicola Owens  
Joe Larotonda  
Anna Marie Gonnella Rosato  
John Jones  
Kelly Phillips Parker

Authority Secretary

Tom Pankok

Invited Guests

Bowman & Company, LLP  
Steven Ryan  
Bryan Healey

II. Committee Chair Cooper welcomed the Audit & Governance Committee and opened the meeting at approximately 9:17 a.m. The Authority Secretary reported that the public meeting of the Audit & Governance Committee had been duly advertised in accordance with the Authority's Freedom of Information Regulations, read the Statement of Notice, and called the roll.

III. Committee Chair Cooper introduced Mr. Steve Ryan and Mr. Bryan Healey from Bowman & Company, who had been selected as the Authority's independent auditing firm. The auditors proceeded to report on the proposed scope of work for the annual audit for FY 2005. New reporting requirements concerning cash and investment risk have been enacted since last year's audit. In addition to conducting the audit for FY 2005, auditors will also review how staff responded to FY 2004 findings and recommendations.

The auditors questioned whether the Committee had any specific areas of concern and, although the Committee had no issues at this time, the auditors would be available to the Committee to discuss any issue that may arise in the future.

Committee Chair Cooper reported that the Resolution approved by the Board at the October Authority meeting authorizing the selection of Bowman & Company, LLP to provide Independent Auditing Services had an error concerning the wording of the renewal options and presented a corrected version. On motion by Commissioner Simmerman, seconded by Commissioner Hensley, the Committee recommended approval of the corrected Resolution. The Resolution will be presented to the full Board for consideration at the November meeting.

There being no further business to discuss, on motion by Commissioner Simmerman, seconded by Commissioner Lowe, the Audit Committee meeting adjourned at 9:30 a.m.

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9309. 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 October.

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

\* \* \* \* \*

9310. 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.

\* \* \* \* \*

9311. 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 charts were ordered filed with the permanent records of the Authority.

\* \* \* \* \*

9312. DELAWARE RIVER AND BAY AUTHORITY – CAPITAL IMPROVEMENT PROGRAM.

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

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

\* \* \* \* \*

9313. DELAWARE RIVER AND BAY AUTHORITY – CASH POSITION (MARKET VALUE) AS OF OCTOBER 31, 2005.

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

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

\* \* \* \* \*

9314. PUBLIC COMMENT ON ACTION ITEMS.

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

- Contract #DMB-05-02 Hydraulic Elevating Work Platform
- Contract #CMA-04-11R-2 Drydocking & Repairs Three Forts Dock Barges
- Resolution 05-45 Approval of Community Contribution Requests
- Resolution 05-46 Authorizes Expenditures \$25,000 and Over
- Resolution 05-47 Amends Res. 05-38 Authorizing a Contract with Bowman & Co. For Auditing Services
- Resolution 05-48 Lease Agreement with Cephalon, LLC at New Castle Airport
- Resolution 05-49 Third Lease Amendment with Dassault Falcon Jet Corp at New Castle Airport
- Resolution 05-50 Authorizes an Offer of Employment for Director of MIS

There were no comments.

\* \* \* \* \*

9315. SUMMARY OF AUTHORIZED CONTRACT PAYMENTS.

The Chief Operating Officer (COO) noted the following Summary of Authorized Contract Payments for August, 2005.

| <u>Contractor</u> |                             | <u>Payment</u> |
|-------------------|-----------------------------|----------------|
| DMB-04-02         | Eastern Highway Specialists | \$119,739.29   |
| DMB-01-06         | Cianbro Corporation         | \$517,981.72   |
| DAP-04-02         | EDIS                        | \$ 65,780.80   |
| MVA-04-01         | Delta Line Construction     | \$399,337.92   |
| MVA-04-03         | Stanker & Galetto, Inc.     | \$112,517.13   |
| CMA-04-01         | Delta Line Construction     | \$276,483.42   |
| CMA-04-03         | TNT Construction Co., Inc.  | \$106,466.24   |

\* \* \* \* \*

9316. APPROVAL OF HYDRAULIC ELEVATING WORK PLATFORM-DMB – CONTRACT #DMB-05-02

The COO reported that one (1) bid was submitted on October 25, 2005 for the hydraulic elevating work platform at the Delaware Memorial Bridge which was in line with the engineers estimate. The low bid of \$73,194.00 was submitted by Utility One Source of Bethlehem, PA. The COO and the Projects Committee recommend awarding the bid to the low bidder noted above.

A motion was made by Commissioner Lathem, seconded by Commissioner Hensley and approved by a voice vote of 10-0.

9317. DRYDOCKING & REPAIRS THREE FORTS DOCK BARGES – CONTRACT NO. CMLF-04-11R-2

The COO reported that one (1) proposal was submitted for the drydocking and repairs of the Three Forts Dock Barges on October 28, 2005 and that it is in line with the engineer’s estimate. The low bid of \$330,175.00 which includes Alternate #1 was submitted by General Shiprepair Corporation of Baltimore, MD. The COO, as well as the Projects Committee, recommend awarding the base bid plus Alternate #1 to the low bidder noted above.

A motion was made by Commissioner Favre, seconded by Commissioner Simmerman and approved by a voice vote of 10-0.

\* \* \* \* \*

9318. CHAIRPERSON’S CALL FOR ACTION ON THE RESOLUTIONS BEFORE THE BOARD.

The Executive Director presented the following Resolutions:

**RESOLUTION 05 - 45 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 November, 2005; and

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

Community Contributions

New Jersey

|   |                         |
|---|-------------------------|
| Cape Counseling Services Incorporated                     | \$ 500                  |
| Nanticoke Lenni-Lenape Indians of New Jersey Incorporated | \$ 12,326               |
| National Alliance for Autism Research                     | \$ 3,500                |
| Marine Corps League                                       | \$ 3,000                |
| <b>Total</b>  | <b><u>\$ 19,326</u></b> |

Delaware

|  |          |
|--|----------|
| Faithful Friends Incorporated                        | \$ 1,000 |
| Main Street Dover Incorporated                       | \$ 5,000 |
| March of Dimes Birth Defects Foundation              | \$ 1,000 |
| New Castle County Community Partnership Incorporated | \$ 500   |

**Total** **\$ 7,500**

**Grand Total (New Jersey and Delaware)** **\$ 26,826**

Resolution 05-36 was moved by Commissioner Patterson, seconded by Commissioner Simmerman and approved by a roll call vote of 10-0.

\* \* \* \* \*

**RESOLUTION 05-46 - AUTHORIZING AUTHORITY EXPENDITURES PURSUANT TO RESOLUTION 01-84 FOR THE PERIOD, JANUARY 1 THROUGH DECEMBER 31, 2005.**



WHEREAS, The Delaware River and Bay (the "Authority") adopted Resolution 01-84 requiring Commission 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 1/1/05 THROUGH 12/31/05

| VENDOR                    | SERVICE DESCRIPTION          | DETERMINATION    |
|---------------------------|------------------------------|------------------|
| Allied Beverage           | Alcoholic Beverage Supplier  | Sole Source      |
| Core Engineered Solutions | Hazardous Material Buildings | Federal Contract |
| Service Energy LLC        | Heating Oil Vendor           | State Contract   |

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

On motion by Commissioner Patterson, seconded by Commissioner Favre, Resolution 05-46 was approved by a roll call vote of 10-0.

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**RESOLUTION 05-47 AMENDS RESOLUTION 05-38  
AUTHORIZING A CONTRACT BETWEEN THE AUTHORITY AND BOWMAN  
& COMPANY, LLP TO PROVIDE AUDITING SERVICES**

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

WHEREAS, the Authority's Board of Commissioners adopted Resolution 05-38 at its October 18, 2005 meeting which authorized the engagement of Bowman Company, LLP to provide outside independent certified public accounting and auditing services; and

WHEREAS, the Authority desires to amend the terms of Resolution 05-38 to agree with the Authority's Request for Proposal (RFP) pursuant to which said firm was selected; and

WHEREAS, such terms of the contract for providing the auditing of the Authority's financial statements shall be for the fiscal year ending December 31, 2005 with four (4) one (1) year options.

NOW, THEREFORE, BE IT RESOLVED, that Resolution 05-38 is hereby amended to agree with the RFP and that the Executive Director is hereby authorized to finalize the terms and conditions of an Agreement with Bowman and Company, LLP for an initial term ending fiscal year December 31, 2005 with four (4) one (1) year options and to have such Agreement, upon review and advice of counsel, executed by the Chairperson, Vice-Chairperson and Executive Director.

On motion by Commissioner Simmerman, seconded by Commissioner Cooper, Resolution 05-47 was approved by a roll call vote of 10-0.

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**RESOLUTION 05-48 - LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND CEPHALON, LLC.**

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

WHEREAS, Cephalon desires to lease 33% of a corporate hangar located at 6 DRBA Way at New Castle Airport in order to house a corporate flight department; and

WHEREAS, Cephalon has agreed to pay the Authority annual Fair Market Value (FMV) rent during the first term of the Lease Agreement in the amount of \$80,000 annually; and

WHEREAS, the initial term of the Lease Agreement is for three (3) years; and

WHEREAS, Cephalon shall have the option of renewing this Lease Agreement for three (3) periods of five (5) years each; and

WHEREAS, rent during the second year of the initial term shall be \$90,000 annually and during the third year of the initial term shall be \$100,000 annually; and

WHEREAS, rent during the option periods shall be based upon the Fair Market Value (FMV) and shall be adjusted during each year of the term by the Consumer Price Index 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 Cephalon, LLC and, with the advice and consent of counsel, to have such Agreement executed by the Chairperson, Vice Chairperson, and the Executive Director.

On motion by Commissioner Dorn, seconded by Commissioner Koebig, Resolution 05-48 was approved by a roll call vote of 10-0.

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**RESOLUTION 05-49 – AUTHORIZING THE THIRD LEASE AMENDMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND DASSAULT FALCON JET CORP.**

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

WHEREAS, the Authority and Dassault Falcon Jet-Wilmington Corp. (“Dassault”) desire to amend certain terms and conditions of the existing Lease Agreement; and

WHEREAS, under the existing Lease, the Authority disbursed funds for certain improvements that would be repaid by Dassault through monthly rental adjustments over the term of the Lease; and

WHEREAS, Dassault desires to repay those funds in one lump sum payment in lieu of monthly rental payments; and

NOW THEREFORE, BE IT FURTHER RESOLVED that the Executive Director is authorized to negotiate and finalize the terms and conditions of the Third Amendment to the Lease Agreement and, with advice of counsel, to have such amendment executed by the Chairperson, Vice Chairperson and the Executive Director.

On motion by Commissioner Simmerman, seconded by Commissioner Dorn, Resolution 05-49 was approved by a roll call vote of 10-0.

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**RESOLUTION 05-50 - AUTHORIZING THE EXECUTIVE DIRECTOR TO EXTEND AN OFFER OF EMPLOYMENT**

WHEREAS, The Delaware River and Bay Authority (the "Authority") adopted Resolution 01-85 at its October 16, 2001 public meeting; and

WHEREAS, Resolution 01-85 amended Section I entitled, "Employment Procedure of the Authority's Personnel Manual"; and

WHEREAS, that amendment requires that persons being hired, transferred or promoted into specific positions require written recommendation of the Personnel Committee and the Chair and Vice-Chair; and

WHEREAS, that amendment further requires that persons being hired, transferred or promoted into specific positions shall be expressly approved by a vote of the Commissioners taken at a regular meeting of the Commissioners; and

WHEREAS, the Authority has duly advertised, recruited and interviewed for the position of Director of MIS; and

WHEREAS, the Authority desires to extend an offer of employment to an individual for the position of Director of MIS; and

WHEREAS, the Board of Commissioners hereby authorizes and directs the Executive Director to make this offer of employment; and

WHEREAS, the adoption of this Resolution hereby approves such offer of employment and meets all applicable requirements of Resolution 01-85; and

NOW THEREFORE BE IT RESOLVED, that the Executive Director is hereby authorized and directed to make an offer of employment to the designated candidate for the position of Director of MIS.

On motion by Commissioner Dorn, seconded by Commissioner Lathem, Resolution 05-50 was approved by a roll call vote of 10-0.

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9319. COMMISSIONERS PUBLIC FORUM

Chairperson Wallace asked if any members of the public would like to address the Commission.

Vincent Ascione, Local 542 spoke. He stated that he wanted to clear up any misconceptions that employees did not have issues. He spoke of parity, discrimination and the unions desire to get back to the negotiating table.

Chairperson Wallace thanked Mr. Ascione for coming forward. He said that the Commissioners are a volunteer board and they are genuinely committed to resolving any outstanding issues.

Vice-Chairperson Parkowski stated that the board spend many months negotiating a tentative agreement in good faith. He said that he has been involved in a lot of labor negotiations and that the 3.5% salary adjustment the Authority gave union employees does not occur until after a settlement has been reached and that shows the Authority's concern for the labor force. He also stated that he is very proud of Authority personnel.

Steven Carroll, Senior Shop Steward, spoke next. Mr. Carroll stated that the union members were united and support the efforts of Frank Bankard. He commented that

there is an employee moral problem. He said that many employees, both union and non-union are unhappy with the present management and that some preferred the previous Executive Director.

Chairperson Wallace acknowledged Mr. Carroll for speaking.

Commissioner Lathem, finding Mr. Carroll's words offensive, said that he has been a labor leader since 1964 and that there have been numerous improvements in the Authority over the last three years.

There were no other comments.

\* \* \* \* \*

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

The meeting was adjourned 12:00 p.m.

Respectfully submitted,  
THE DELAWARE RIVER AND BAY AUTHORITY

Thomas A. Pankok  
Secretary