

MINUTES OF MEETING
THE DELAWARE RIVER AND BAY AUTHORITY
Tuesday, October 16, 2007
James Julian Boardroom
Delaware Memorial Bridge Plaza
New Castle, Delaware 19720

The meeting convened at approximately 10:30a.m. with Chairperson Parkowski presiding.

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

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

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

Commissioners from Delaware

Commissioners from New Jersey

PRESENT

F. Michael Parkowski, Chairperson
Thomas J. Cooper

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

William E. Lowe, III
Gary B. Patterson (via phone 10:15-10:30am)

ABSENT

Verna W. Hensley
Samuel E. Lathem

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Chairperson Parkowski noted a change in the Agenda and the Order of Business for today's meeting in order to maintain a quorum.

9663. APPROVAL OF THE SEPTEMBER 18, 2007 MINUTES

Commissioner Simmerman motioned for approval of the September 18, 2007 minutes, seconded by Commissioner Favre, and approved by a voice vote of 10-0.

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9664. PUBLIC COMMENT ON ACTION ITEMS

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

- Contract CMLF-06-07 Dredge Disposal Site Upgrades, Cape May Terminal
- Resolution 07-42 Amend the Lease Agreement with a New Jersey Co. at the Salem Bus Ctr.
- Resolution 07-44 Amend the Lease Agrmt with North American Energy Services, Sales Bus Ctr.
- Resolution 07-45 Lease Agreement with Thomas Duffy, Millville Airport
- Resolution 07-46 Approval of Community Contribution Requests
- Resolution 07-47 Authorizing Authority Expenditures \$25,000 and over
- Resolution 07-48 Tabled

There were no comments from the public.

9665. DREDGE DISPOSAL SITE UPGRADES, CAPE MAY
TERMINAL – CMLF-06-07

The COO stated that a bid opening was held on September 25, 2007 in which six (6) bids were received. The COO recommended awarding the bid to the lowest responsive bidder, Barnegat Bay Dredging Co., Inc. of Harvey Cedars, NJ, in the amount of \$345,290.00. The Projects Committee concurred with the recommendation.

A motion to award Contract #CMLF-06-07 to Barnegat Bay Dredging Co., Inc., in the amount of \$345,290.00 was made by Commissioner Simmerman, seconded by Commissioner Lowe, and approved by a roll call vote of 10-0.

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9666 CHAIRPERSON’S CALL FOR ACTION ON THE
RESOLUTIONS BEFORE THE BOARD.

RESOLUTON 07-42 AUTHORIZING AN AMENDMENT TO A LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND A NEW JERSEY COMPANY FOR PREMISES SITUATE AT THE SALEM BUSINESS CENTRE, SALEM, NEW JERSEY

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

WHEREAS, the Authority desires to lease office space at the Centre; and

WHEREAS, the Clement Pappas Company (the “Company”) desires to amend a lease between the Company and the Authority to lease an additional approximately 11,324 rentable square feet of lab and office space in the Building pursuant to a written lease agreement (the “Lease Agreement”) dated December 19, 2006; and

WHEREAS, the term of the Lease Agreement will be for an initial term coterminous with the current lease between the parties for space on the second floor of the site at an average rental rate of Nineteen dollars and 10 cents (\$19.10) per square foot (i.e., rental rates between \$17.50 per square foot in year 1 and \$20.50 per square foot in year 15) plus Tenant electric and utility charges; and

WHEREAS, the Company will be responsible for its share of all Operating Expenses over the base year of the Lease; and

WHEREAS, the Company will have an Early Termination Option after ten (10) years with an agreed upon early termination fee and reimbursement fee; and

WHEREAS, the Lease Agreement shall provide a certain lease inducement in the form of a mutually agreed rent abatement; and

WHEREAS, the Company. will receive a Tenant Improvement Allowance of Thirty Three dollars and seventy five cents (\$33.75) per square foot; any overage in tenant improvements to be the responsibility of the Company; and

WHEREAS, the Company will have the option to extend the term of the Lease Agreement for three (3) consecutive periods of five (5) years each at the then mutually determined (or appraised) fair market rental; and

WHEREAS, Landlord and Tenant are to agree to a mutually acceptable form of Amendment to the Lease Agreement; and

WHEREAS, the Economic Development Committee has reviewed the terms of the proposed Amendment to the Lease Agreement and recommends approval thereof by the Commissioners.

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director, or his designee, is hereby authorized to negotiate the final terms and conditions of the Amendment to a Lease Agreement between the Authority and the Company for an additional approximately 11,324 square feet of rental space in the Building and, with the advice and consent of Counsel, have such Amendment to a Lease Agreement executed by the Chairperson, Vice Chairperson, and the Executive Director.

A motion to approve Resolution 07-42 was made by Commissioner Smith, seconded by Commissioner Dorn, and approved by a roll call vote of 10-0.

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RESOLUTION 07-44 AUTHORIZES A THIRD AMENDMENT TO A LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND NORTH AMERICAN ENERGY SERVICES FOR PREMISES SITUATE AT THE SALEM BUSINESS CENTRE, SALEM, NEW JERSEY

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

WHEREAS, the Authority desires to lease office space at the Centre; and

WHEREAS, North American Energy Services (NAES) desires to amend its Lease Agreement by adding an additional approximately 4,440 rentable square feet of office space to it’s present rental space at the Building pursuant to a written lease agreement (the “Lease Agreement”); and

WHEREAS, the term of the Third Amendment to the Lease Agreement will be for an initial term of five (5) years at an initial rental rate of \$20.57 per square foot subject to yearly adjustments pursuant to the Consumer Price Index; and

WHEREAS, the Company will be responsible for its share of all Operating Expenses over the base year as established by the Second Amendment to the original lease; and

WHEREAS, the Company. will receive a Tenant Improvement Allowance of Thirty Two dollars and fifty cents (\$32.50) per square foot; any overage in tenant improvements to be the responsibility of the Company and

WHEREAS, the Company will have the option to extend the term of the Third Amendment to the Lease Agreement for two (2) consecutive periods of five (5) years each at the then mutually determined (or appraised) fair market rental; and

WHEREAS, Landlord and Tenant are to agree to a mutually acceptable form of Lease Agreement; and

WHEREAS, the Economic Development Committee has reviewed the terms of the proposed Third Amendment to the Lease Agreement and recommends approval thereof by the Commissioners.

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director, or his designee, is hereby authorized to negotiate the final terms and conditions of an

Amendment to a Lease Agreement between the Authority and NAES for approximately 4522 square feet of rental space in the Building and, with the advice and consent of Counsel, have such Amendment to the Lease Agreement executed by the Authority Chairperson, Authority Vice Chairperson, and the Executed Director.

A motion to approve Resolution 07-44 was made by Commissioner Simmerman, seconded by Commissioner Smith, and approved by a roll call vote of 10-0.

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RESOLUTION 07 -45 LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND THOMAS DUFFY, MILLVILLE AIRPORT, MILLVILLE, NEW JERSEY.

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

WHEREAS, Thomas Duffy desires to lease hangar 112, formerly known as the Aviation Academy hangar space totaling approximately 12,000 sq. ft. at Millville Airport in order to use the facility for the storage and maintenance of aircraft; and

WHEREAS, Thomas Duffy has agreed to pay the Authority \$5.00 per sq. ft. rent during the first year of the initial term of the Lease Agreement, with annual CPI adjustments and subject to the allocation of the cost of replacing the existing hangar door and insulation of the hangar; and

WHEREAS, the first term of the Lease Agreement is for five (5) years with two (2) five (5) year options for renewal, with fair market value adjustments at the beginning of each renewal option term and annual CPI adjustments.

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

A motion to approve Resolution 07-45 was made by Commissioner Simmerman, seconded by Commissioner Dorn and approved by a roll call vote of 10-0.

Commissioner Cooper complimented the Deputy Executive Director for negotiating the Lease.

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Chairperson Parkowski stated that there were two requests to amend Resolution 07-46. Commissioner Patterson requested to defer First Night Dover, Inc., in the amount of \$5,000.00 and Commissioners Favre and DeLanzo requested the addition of Cape May County Association of Police Chiefs in the amount of \$5,000.00.

A motion to amend Resolution 07-46 to include the aforementioned changes was made by Commissioner Simmerman, seconded by Commissioner Dorn, and approved by a voice vote.

RESOLUTION 07 - 46 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 October, 2007; and

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

Community Contributions

<u>New Jersey</u>	
Cape May County Association of Police Chiefs	\$ 5,000
CreditWorthy Incorporated	\$ 5,000
Pennsville Township Historical Society	\$ 1,500
Positive Impact Movement Incorporated	\$ 3,000
Southern New Jersey Council, Boy Scouts of America Incorporated	\$ 7,500
Township of Deerfield Recreation Committee	\$ 5,000
Total	<u>\$ 27,000</u>
<u>Delaware</u>	
Delaware State University	\$ 2,000
International Association of Approved Basketball Officials	\$ 4,000
Northeast Rally Club	\$ 1,000
Total	<u>\$ 7,000</u>
Grand Total (New Jersey and Delaware)	<u>\$ 34,000</u>

A motion to approve Resolution 07-46 as amended was made by Commissioner Simmerman, seconded by Commissioner Dorn, and approved by a roll call vote of 10-0.

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RESOLUTION 07-47 - AUTHORIZING AUTHORITY EXPENDITURES PURSUANT TO RESOLUTION 01-84 FOR THE PERIOD, JANUARY 1 THROUGH DECEMBER 31, 2007.

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 1/1/07 THROUGH 12/31/07

VENDOR	SERVICE DESCRIPTION	DETERMINATION
Advanced Staffing	Administrative Temp Staffing	
Byers Electric	CMLF Ground Mount Traffic Signs	Quotes
Cape Harbor Marine Service LLC	Outboard motors for all vessels	Quotes
The "J" Boys	Landscaping Services	Existing vendor
SAAJOS OY	Doors for M/V Twin Capes	Sole Source
The Tri-M Group LLC	Workstation and Data Center Cabling East Wing Administration Building	State Contract
Waste Management	Trash removal	Quotes

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

Vice-Chairperson Hogan questioned the Acting CFO regarding the Advanced Staffing contract.

The Acting CFO noted that an airport position necessitated the vendor being added to the Resolution.

A motion to approve Resolution 07-47 was made by Commissioner Simmerman, seconded by Commissioner Smith, and approved by a roll call vote of 10-0.

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RESOLUTION 07-48 - AUTHORIZING AMENDMENTS TO THE AUTHORITY'S PERSONNEL MANUAL

Chairperson stated that staff will be conducting meetings around the Authority to give employees an opportunity to comment on Resolution 07-48. He then requested the Commissioners defer action on the Resolution until the meetings have taken place.

A motion to table Resolution 07-48 was made by Commissioner Simmerman, seconded by Commissioner Dorn, and approved by a voice vote.

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Commissioner Patterson left the phone following the vote to table Resolution 07-48.

9667. EXECUTIVE DIRECTOR'S REPORT

The Executive Director presented the following highlights that occurred within the Authority during the months of September.

Delaware Memorial Bridge

Total traffic during the month of September increased 1.7% compared to the same period in 2006. Non-commercial traffic increased 1.9% and commercial traffic increased 0.5%. When compared to the 3-year average, total traffic for September increased 2.8%. Total traffic year-to-date increased 0.4% compared to 2006. When compared to the 3-year average, total traffic year-to-date increased 0.4%.

E-ZPass traffic for September represented 56.6% of the total overall traffic as compared to 55.2% for the previous year. Total electronic traffic for 2007 represented 56.8%, an increase of 2.0% from 2006.

On September 20, our maintenance and police personnel responded superbly to an incident involving a US Postal Service tractor trailer traveling northbound on the bridge in which the trailer fractured and collapsed on the span. Our employees manually unloaded 21 pallets of magazines from the trailer to enable its expedited removal from the bridge. Their efforts helped to reduce delays and inconvenience to the traveling public. The tractor trailer driver was cited for having an overweight load.

On September 23, Officer Field stopped a van on I-295 northbound for speeding. During an interview of the driver, it was learned he was transporting a large amount (75 – 100 cases), of untaxed alcohol from Maryland to New York City. Because of the nature of this violation, the ATF was contacted and responded. The ATF subsequently seized the alcohol under Federal Statues. A further investigation into the case is underway by the ATF. The driver was released after the Federal Authorities obtained necessary information. This was the same person who was stopped in August.

Cape May Lewes Ferry

In September, vehicle and passenger traffic increased 11.0% and 13.0%, respectively, when compared to September 2006. When compared to the average of the last three years, year-to-date vehicle traffic and passenger traffic decreased 4.3% and 4.6%, respectively. In September, fare revenues increased 12.4% and fee revenues increased 48.0%, when compared to September 2006. Year-to-date fare and fee revenues decreased 0.1% and increased 16.4%, respectively when compared to 2006.

In September, CMLF food sales increased 14.9% and retail sales increased 19.2%, compared to September 2006. Year-to-date food and beverage revenues increased 8.0% and retail revenues increased 6.4%, when compared to 2006.

Advertisements for the sale of the M.V. Cape May have been published in four marine trade journals. A pamphlet has also been mailed directly to US ferry operators.

Our in-house marine mechanic staff began the overhaul of the main engines aboard the M.V. Cape Henlopen. This work will be completed in mid-November.

At the end of the month, we took the opportunity to thank our permanent and casual employees for a wonderful summer season with a cookout in Cape May and Lewes. Additionally, we took this opportunity to recognize the following CMLF crew members who saved the lives of two individuals that overturned their catamaran in the Delaware Bay: Peter Dudley, Joseph Napoleon, Gayle Carter, John Hughes, Dot Bender, Anita Oreo, Sharon Urban, Jason Leszczynski, Lucas McCann, Mark DeSorbo, Richard Murphy, Kathy Kingsman, James DeStafano, Mary Jane Hazel, Mark Vogel song, and Dan Estoclet. They received a framed Resolution signed by the Commissioners honoring them for their efforts. In addition to the Resolution, the following crewmembers received a Certificate of Merit and a pin from United States Coast Guard which may be worn on their uniforms: Peter Dudley, Joseph Napoleon, Gayle Carter, and Mark Vogel song. Again, congratulations and thank you.

Airports

The NASCAR race weekend was marked by another successful week of aircraft arrivals and departures at both the Dover airport facilities thanks to the hard work of our airport operations, maintenance, and police employees. The Civil Air Terminal received 116 aircraft arrivals consisting of unscheduled air carrier and privately-owned aircraft. Atlantic Aviation was once again the aircraft ground-handling and fueling agent. They dispensed 20,000 gallons of Jet ‘A’ fuel. Local area rental car agencies rented 560 vehicles. At Delaware Airpark Airport, associated aircraft traffic consisting of NASCAR fans was the highest in recent years. Over 40 aircraft arrived throughout the week, with Sunday arrivals recorded at 24 aircraft.

Safety

The Authority experienced seven work-related injuries during the month of September. This brings injury totals to 57 year-to-date versus 79 for the same period in 2006, a 28% reduction.

Quarterly Safety Talks were conducted by staff throughout the organization. The focus of these sessions was “Will you be here tomorrow?” and was accompanied by videos depicting the outcomes of poor safety attitude and attention. These sessions really got the safety message across. I attended the monthly Safety Committee meeting at the CMLF in Cape May.

Employee Happenings

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

Authorized Positions (2007 funded)	460
Positions Filled	421
Positions Filled (on LTD)	10
Total Positions that are Vacant	29

One hundred twenty-eight employees participated in a “Walk the Talk” Diversity Training session with an emphasis on motivating employees, respect for others, and open, honest communication. This was the last of a series of three programs for employees

consisting of frontline supervisors through to the Executive Director. This session consisted of five three-hour sessions which were led by Mr. Riley Harvell, PhD from Harbeck, Inc. I attended two of the five sessions.

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

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9668. COMMITTEE REPORT – BUDGET & FINANCE AND PERSONNEL COMMITTEE MEETING

Commissioner Simmerman presented the Budget & Finance Committee meeting minutes of October 1, 2007

BUDGET & FINANCE COMMITTEE MEETING
Monday, October 1, 2007
Delaware Memorial Bridge Complex
New Castle, Delaware

A public meeting of The Delaware River and Bay Authority’s Budget & Finance Committee was held on Monday, October 1, 2007, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from Delaware

PRESENT

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

Commissioners from New Jersey

Committee Vice-Chair Simmerman
Commissioner Smith, Committee Member
Commissioner Dorn
Vice-Chairperson Hogan

Governors’ Representatives

Sonia Frontera - NJ

Staff

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

- I. Committee Chair Patterson welcomed the Budget & Finance Committee and opened the meeting at approximately 9:20 a.m. The Deputy Executive Director reported that the public meeting of the Budget & Finance Committee had been duly noticed in accordance with the Authority’s Freedom of Information Regulations, read the Statement of Notice, and called the roll.
- II. The Acting Chief Financial Officer reviewed the proposed Resolutions for consideration.
 - Community Contribution Requests – The Committee reviewed the Community Contribution requests for October. After review, on motion by Commissioner Simmerman, seconded by Commissioner Smith, the Committee recommended approval of the Community Contribution

requests. Committee Chair Patterson abstained. A Resolution will be presented to the full Board for consideration at the October meeting.

- Over \$25,000 Vendor List – The Acting CFO reviewed each one of the Vendors. The Acting CFO noted that the expenditure for Advanced Staffing in the amount of \$60,000 was primarily for temporary administrative support for the Property Manager, which had not been anticipated to be utilized for the full year. This position had been eliminated in the FY 2007 Operations Budget; however, the need was filled by using a temp. The Committee asked several questions regarding the vendors, which staff answered to their satisfaction. On motion by Commissioner Simmerman, seconded by Commissioner Lowe, the Committee recommended approval of the Vendor list. A Resolution will be presented to the full Board for consideration at the October meeting.

III. The Acting CFO reported that the FY 2008 Operations Budget Hearings had been completed with the exception of the Deputy Executive Director’s section. The preliminary Major Areas of Increase, excluding the yet to be received pension costs, of \$3,945,000 were reviewed.

- E-ZPass Transactions
- Bridge Painting
- Healthcare
- Airports Line Maintenance
- Salary Increases
- OPEB Budgeting
- Utilities

The Major Areas of Decrease totaling \$409,010 were reviewed.

- Insurance
- DRBA Café
- 3-Fort Fees
- Education & Training

The preliminary review of Major Increases alone represents a 5% growth on the FY 2007 Budget. Staff will continue review and work to reduce the projected expenditures even further.

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

The following matters of a confidential nature were discussed.

- LONG RANGE PLANNING

With no further business to discuss in Executive Session, on motion by Commissioner Simmerman, the Budget & Finance Committee was opened to the public.

With no further business to discuss, on motion by Commissioner Simmerman, seconded by Commissioner Smith, the Budget & Finance Committee adjourned at 10:30 a.m.

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

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Commissioner Dorn noted that a quorum was not present at the October 1, 2007 Personnel Committee meeting and that an informal discussion took place regarding attendance.

PERSONNEL COMMITTEE MEETING
Monday, October 1, 2007
Delaware Memorial Bridge Complex
New Castle, Delaware

A public meeting of The Delaware River and Bay Authority's Personnel Committee was held on Monday, October 1, 2007, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from Delaware

Commissioners from New Jersey

PRESENT

Committee Chair Lathem
Commissioner Lowe, Committee Member
Commissioner Hensley

Committee Vice-Chair Dorn
Commissioner Simmerman
Commissioner Smith
Vice-Chairperson Hogan

Governors' Representatives

Sonia Frontera

Staff

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

- I. Committee Chair Lathem welcomed the Personnel Committee and opened the meeting at 11:30 a.m. Deputy Executive Director 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.

It was determined that a quorum of the Committee was not present. Committee Chair Lathem reported that this was the third consecutive month the Personnel Committee lacked a quorum and voiced his displeasure to Authority Vice-Chairperson Hogan. The Executive Director added that, in an effort to meet the requirement of a quorum, the Authority By-Laws were amended in 2005 to increase the total number of members of certain Committees. The Vice-Chair responded that he would discuss the matter with Chairperson Parkowski and respective Governors' Representatives.

Although a quorum was not present, Committee Chair Lathem requested a confidential discussion with Commissioners and Executive Staff only. The discussion ended at 11:45 a.m.

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

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9670. COMMITTEE REPORT – PROJECTS

Commissioner Lowe presented the following Projects meeting minutes of October 1, 2007.

PROJECTS COMMITTEE

Monday, October 1, 2007
Delaware Memorial Bridge Complex
New Castle, Delaware

A public meeting of the Delaware River and Bay Authority's Projects Committee was held on Monday, October 1, 2007, at the Delaware Memorial Bridge Administration Building, New Castle, Delaware.

Commissioners from Delaware

PRESENT

Commissioner Lowe, Committee Chair
Commissioner Hensley, Committee Mbr
Commissioner Patterson, Committee Mbr
Commissioner Lathem

Commissioners from New Jersey

Commissioner Dorn, Committee Mbr
Commissioner Simmerman, Committee Mbr
Commissioner Smith
Vice-Chairperson Hogan

Governors' Representative

Sonia Frontera – NJ

Staff

Jim Johnson
Don Rainear
Jim Walls
Trudy Spence-Parker
Gerry DiNicola-Owens
Victor Ferzetti
John Jones
Kelly Phillips Parker
Anna Marie Gonnella-Rosato
A. J. Crescenzi
T. J. Murray
Andrew Ritchie

- I. The Projects Committee meeting convened at approximately 10:30 AM. Those in attendance were provided an informational package consisting of an Agenda, one Bid Tabulation, the Monthly Contractor Payment Chart, a Capital Improvement Program (CIP) Process Documentation memorandum, and a contract review of two active construction contracts.
- II. Resolutions: None
- III. Bid Openings/Award Actions:
 - CMLF-06-07, Dredge Disposal Site Upgrades, Cape May Terminal: A public bid opening was held on September 25, 2007, in which six bids were received. The COO recommended award to the responsive low bidder, Barnegat Bay Dredging Co., Inc. in the amount of 345,290.00. The Projects Committee concurred with the recommendation and authorized the action be presented at the October board meeting.
- IV. Contract Close-Out Action: None
- V. Miscellaneous Items/Updates:
 - Capital Projects Review and Approval Process: Staff provided a draft document describing the Capital Improvement Program (CIP) Approval and Review Process at the request of the Projects Committee. The COO and Director of Engineering & Maintenance briefed the Committee on the current process and discussed the different types of budgeted projects including annual projects (i.e. deck resurfacing and bridge painting), DRBA-infrastructure projects, FAA-funded projects, revenue producing projects, and

economic development projects. Discussion was held regarding what levels of authority should be granted to staff once the CIP was approved by the Board via resolution, as well as what language would be appropriate regarding these authorities. Staff was asked to continue to assess the current CIP process and explore opportunities for continued process enhancement.

- Staff presented information, at the request of Vice Chair Hogan, on two active construction contracts which included original contract award price, current contract award amount, cost growth, and a detailed list of all contract modifications. Based on this information being well-received by the Committee, it was determined that this type of information would be made available for all active construction contracts at the monthly Projects Committee meetings.
- DMB Toll Increase Planning Update. The CIO presented an overview of the Implementation Schedule and Work Assignments for the 2008 Toll Increase to take effect in the Delaware Memorial Bridge Toll Plaza and the E-ZPass Customer Service Center in January 2008.

VI. Contractor Payment (through September): Staff informed the Committee of the monthly construction contractor payments to be made in October.

VII. There being no further business for the Projects Committee, the public meeting was adjourned at approximately 11:19 AM.

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

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9671. COMMITTEE REPORT – ECONOMIC DEVELOPMENT

Commissioner Smith noted that the October 1, 2007 Economic Development meeting lacked a quorum; however, another meeting was advertised and conducted this morning in which she reported the following minutes.

ECONOMIC DEVELOPMENT COMMITTEE
Monday, October 1, 2007
Delaware Memorial Bridge Complex
New Castle, Delaware

A public meeting of The Delaware River and Bay Authority's Economic Development Committee was held on Monday, October 1, 2007, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from Delaware

PRESENT

Committee Vice-Chair Hensley
Commissioner Lathem
Commissioner Lowe

Governors Representatives

Sonia Frontera - NJ

Staff

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

Commissioners from New Jersey

Committee Chair Smith
Commissioner Dorn, Committee Member
Commissioner Simmerman
Vice-Chairperson Hogan

The Committee Chair Smith welcomed the meeting of the Economic Development Committee and opened the meeting at approximately 11:46 a.m. The Deputy Executive Director reported that the public meeting of the Economic Development Committee had been duly noticed in accordance with the Authority's Freedom of Information Regulations, read the Statement of Notice, and called the roll.

It was determined that a quorum of the Committee was not present. No action was taken; however, the Deputy Executive Director reported the recent Millville Motor Sports groundbreaking was held and moving forward.

An Economic Development Committee meeting will be scheduled prior to the October Commission meeting.

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ECONOMIC DEVELOPMENT COMMITTEE
Monday, October 16, 2007
Delaware Memorial Bridge Complex
New Castle, Delaware

A public meeting of the Delaware River and Bay Authority's Economic Development Committee was held on Tuesday, October 16, 2007, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from Delaware

PRESENT

Commissioner Cooper, Committee Member
Commissioner Lowe
Chairperson Parkowski

Commissioners from New Jersey

Committee Chair Smith
Commissioner Dorn, Committee Member
Commissioner DeLanzo, Committee Member, arrived after the roll call
Commissioner Favre
Commissioner Simmerman
Vice-Chairperson Hogan

Legal Counsel

Mike Houghton – DE

Phil Norcross - NJ

Governors Representatives

Sonia Frontera - NJ

Staff

Jim Johnson
Don Rainear
Victor Ferzetti
Jim Walls
Trudy Spence-Parker
Gerry Owens
Anna Marie Gonnella Rosato
AJ Crescenzi
John Jones
TJ Murray

Authority Secretary

Tom Pankok

Invited Guest

Kirk Miller, Cushman & Wakefield

- I. Committee Chair Smith welcomed the meeting of the Economic Development Committee and opened the meeting at approximately 9:26 a.m. The Authority Secretary reported that the public meeting of the Economic Development Committee had been duly noticed in accordance with the Authority's Freedom of Information Regulations, read the Statement of Notice, and called the roll.

Due to the lack of a quorum at the October 1, 2007 Economic Development Committee meeting, no action could be taken. It was noted that Authority Vice-Chairperson Hogan, as an Ex-Officio member of the Committee, served to

complete the quorum for today's meeting until the arrival of Commissioner DeLanzo.

II. The Deputy Executive Director provided information regarding the following proposed Lease Agreements for Committee Consideration.

As a follow-up to the presentation given last month, which provided an update and review of the proposed Lease Amendments for two current tenants looking to expand at the Salem Business Centre, the Board requested an independent assessment of the marketability of the Salem Business Centre with regard to the long term leases. The Deputy Executive Director introduced Mr. Kirk Miller from Cushman & Wakefield. Mr. Miller reported Cushman & Wakefield is an internationally known real estate company and is the largest privately held commercial real estate company in the world and that he has been with Cushman & Wakefield over ten years and he specializes, primarily, in the area of South Jersey. Mr. Miller continued to describe the market for South Jersey commercial office space and the difficulties of marketing the Salem Business Centre. Cushman & Wakefield aggressively marketed the Salem Business Centre, listing on two internet based systems, engaged a public relations firm to develop a high end brochure, monthly emails to brokers, as well as monthly and quarterly mailings to brokers in the New Jersey, Delaware, and Philadelphia areas. A Brokers' Open House was also held with approximately 20 brokers in attendance. The general opinion of the brokers was that the location of the Business Centre was a detriment in view of its rural location. The Committee asked

several questions regarding the terms and conditions of the Clement Pappas Lease Amendment which Mr. Miller answered to their satisfaction. Chairperson Parkowski questioned whether the long term leases would be a benefit or a detriment should the Authority desire to sell the property. Mr. Miller responded that the long term leases would be a benefit, adding that the value before a Lease with Clement Pappas was approximately \$5.1 million and \$7.2 million if the Authority was able to complete a Lease Agreement with Clement Pappas. Mr. Miller also added that Cushman & Wakefield recently received two unsolicited offers in the \$8.5 million range from individuals with knowledge of the long term leases. Commissioner Cooper requested certified financial statements from Clement Pappas for review. Commissioner Simmerman added that Clement Pappas has been in business a long time and is very reputable.

After review, Committee Chair Smith asked for motions on the following Leases.

- Salem Business Centre Lease Amendment between the Delaware River and Bay Authority and the Clement Pappas Company for an additional 11,324 square feet of lab and office space for the initial term coterminous with the current lease of fifteen (15) years at an average rate of \$19.10 per square foot with three (3) consecutive periods of five (5) year options at the then fair market rental. After review, on motion by Commissioner Dorn, seconded by Commissioner DeLanzo, the Committee recommended approval of the Lease Amendment. A Resolution will be presented during the Public Session, immediately following the Economic Development Committee meeting.
- Salem Business Centre Lease Amendment between the Delaware River and Bay Authority and North American Energy Services for an additional 4,440 square feet of office space at an initial five (5) year term of \$20.57 per square foot subject to yearly Consumer Price Index (CPI) adjustments, with two (2) consecutive periods of five (5) year options at the then fair market rental. After review, on motion by Commissioner DeLanzo, seconded by Commissioner Dorn, the Committee recommended approval of the Lease Amendment. A Resolution will be presented during the Public Session, immediately following the Economic Development Committee meeting.
- Millville Airport Lease Agreement between the Delaware River and Bay Authority and Thomas Duffy to lease Hangar 112 consisting of 12,000

square feet of hangar space to be used for the storage and maintenance of aircraft at an initial five (5) year of \$5.00 per square foot with annual CPI adjustments (subject to the cost of replacing the existing hangar door and insulation of the hangar) with two (2) additional five (5) year options at the then fair market value and annual CPI adjustments. After review, on motion by Commissioner Dorn, seconded by Commissioner DeLanzo, the Committee recommended approval of the Lease Agreement. A Resolution will be presented during the Public Session, immediately following the Economic Development Committee meeting.

There being no further business to discuss, on motion by Commissioner Dorn, the Economic Development Committee meeting adjourned at 10:16 p.m.

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

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9672. 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 August

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

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9673. DELAWARE RIVER AND BAY AUTHORITY – STATEMENT OF INCOME AND EXPENSE.

The Acting CFO presented a chart showing statements of income and expenses for the month of August with comparisons to the same periods last year.

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

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9674. DELAWARE RIVER AND BAY AUTHORITY – OPERATING EXPENSE BY DIVISION.

The Acting 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 chart was ordered filed with the permanent records of the Authority.

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9675. DELAWARE RIVER AND BAY AUTHORITY – CAPITAL IMPROVEMENT PROGRAM.

The Acting 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 includes cash expenditures spent to date for the committed projects.

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

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9676. DELAWARE RIVER AND BAY AUTHORITY – CASH POSITION (MARKET VALUE) AS OF SEPTEMBER 30, 2007

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

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

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9677. SUMMARY OF AUTHORIZED CONTRACT PAYMENTS.

The COO noted the following contract payments.

<u>Contractor</u>		<u>Payment</u>
DMB-07-01	Eastern Highway Specialists, Inc.	\$335,127.05
DMB-06-02	Marinis Brothers, Inc.	\$553,429.45
DMB-04-04	J.D. Eckman, Inc.	\$395,287.55
NCA-04-01	Diamond Materials	\$550,981.66
MVA-04-02	Glasgow, Inc.	\$ 40,722.23

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9678. COMMISSIONERS PUBLIC FORUM

Chairperson Parkowski asked if any members of the public would like to address the Commissioners.

There were no public comments.

Chairperson Parkowski, noting the absence of a quorum, asked the Commissioners to stay after the conclusion of the meeting.

Vice-Chairperson Hogan, referring to an earlier discussion with the Acting CFO, said that because New Jersey has many agencies with different pension plans, any questions regarding New Jersey pensions or health care should be addressed through the New Jersey Authorities Unit.

Chairperson Parkowski stated that the Authorities Unit will be used for comparisons regarding pension and health care issues.

Commissioner Simmerman attended the Employees Awards dinner held October 6, 2007. He said that the event was well attended and commended the Awards committee on a fine affair.

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

The meeting was adjourned at approximately 10:45 a.m.

Respectfully submitted,

THE DELAWARE RIVER AND BAY AUTHORITY

Thomas A. Pankok
Board Secretary