

MINUTES OF MEETING
THE DELAWARE RIVER AND BAY AUTHORITY
Tuesday, June 19, 2012
James Julian Boardroom
Delaware Memorial Bridge Plaza
New Castle, Delaware 19720

The meeting convened at 11:03 a.m. with Chairperson Lowe presiding.

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

It is noted that Commissioner Fernando N. Guajardo from the State of Delaware was sworn in as the newest Commissioner prior to the full Board meeting. Further, the Chairperson and Vice-Chairperson distributed, and the Commissioners approved, new committee assignments.

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

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

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Commissioners from Delaware

Commissioners from New Jersey

PRESENT

William E. Lowe, Chairperson
Richard W. Downes (via phone)
Fernando N. Guajardo
Samuel E. Lathem

James N. Hogan, Vice-Chairperson
Edward W. Dorn
Niels Favre
Ceil Smith

ABSENT

Terry C. Murphy
Gary F. Traynor

Douglas Van Sant

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Chairperson Lowe noted Commissioner Downes schedule requires him to leave the meeting early and called for an amendment to the Agenda to bring all the action items to the floor before his departure. With a unanimous voice vote of 8-0, the Agenda was amended to discuss and take action on Resolutions 12-19, 12-20, 12-21, 12-22, and Close-out Contract DMB-09-02.

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10536. PUBLIC COMMENT ON ACTION ITEMS

The Executive Director noted the following action items that were being considered and asked for public comment.

Contract Closeout: DMB-09-02 DMB Deck Resurfacing & Overpasses, 2010-2011
Resolution 12-19 – Authorizes Expenditures \$25,000 and Over
Resolution 12-20 –Authorizes Contracts with Citi and JPMorgan for Bond Underwriter Services
Resolution 12-21 – Lease Agreement with Fireside Partners LLC at New Castle Airport
Resolution 12-22 – Lease Agreement with Jumpin’ Joe’s at Cape May Airport

There were no public comments.

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10537. CONTRACT CLOSE-OUT – DMB DECK RESURFACING AND OVERPASSES, 2010-2011

On April 19, 2010 Contract No. DMB-09-02, DMB Deck Resurfacing and Overpasses, 2010-2011, was awarded to Mumford and Miller of Middletown, Delaware for the bid price of \$1,525,800.00.

During the contract period Change Order No’s. 1-17 were approved for the project.

Add: \$95,569.95.

It is recommended that the Authority accept the project and make final payment to the contractor. The total price for this project is \$1,621,369.95.

A motion to close out Contract #DMB-09-02 was made by Commissioner Smith, seconded by Commissioner Dorn, and unanimously approved by a voice vote of 8-0.

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10538. CHAIRPERSON’S CALL FOR RESOLUTIONS BEFORE THE BOARD

RESOLUTION 12-19 - AUTHORIZING AUTHORITY EXPENDITURES PURSUANT TO RESOLUTION 01-84 FOR THE PERIOD, JANUARY 1, 2012 THROUGH DECEMBER 31, 2012

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 1/1/12 THROUGH 12/31/12

VENDOR	SERVICE DESCRIPTION	DETERMINATION	APPROX. ESTIMATED \$
Emory Hill Real Estate Services, Inc.	Property Management Services for the Riverfront Market and the Salem Business Centre	Quotes	\$49,000
Red the Uniform Tailor, Inc.	New and Replacement Police Uniforms	State Contract	\$55,000

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

A motion to approve Resolution 12-19 was made by Commissioner Favre, seconded by Commissioner Smith, and approved by a roll call vote of 8-0.

Resolution 12-19 Executive Summary Sheet

Resolution: Authorizing Authority Expenditures Pursuant to Resolution 01-84 for the period, January 1, 2012 through December 31, 2012.

Committee: Budget & Finance

Committee and Board Date: June 19, 2012

Purpose of Resolution:

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

Background for Resolution:

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

Background for the specific purchases:

Property Management Services:

The DRBA owns two remote sites, the Salem Business Center in Carneys Point, NJ and the Riverfront Market in Wilmington, DE. Each site has a property management company to manage the operation of the facilities. Management of the facilities includes but is not limited to rent collection, the creation of a tenant/facility database, assisting in the preparation of contracts and agreements, property maintenance and creating and updating a property management reporting system. The property manager at the Riverfront Market did not renew their contract in 2012 so Staff solicited quotes.

Police Uniforms:

The DRBA provides police uniforms for all sworn personnel at the Delaware Memorial Bridge, Lewes and Cape May Police Troop locations. The purchases will include replacing and upgrading police uniform materials and supplies that have reached their useful wear expectancy and to uniform newly hired Officers.

Background for Determination categories:

Quotes: Quotes items are purchases that are anticipated to be between \$25,000 and \$49,999 for the year for which the Authority has solicited written quotes. Resolution 98-31 (paragraph 4) provides that purchases “more than \$25,000 but less than \$50,000 in the aggregate require the solicitation of three written quotes or all available sources, whichever is less...”

State Contracts:

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

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RESOLUTION 12-20 – AUTHORIZES A CONTRACT BETWEEN THE AUTHORITY AND CITI AND J.P.MORGAN TO PROVIDE BOND UNDERWRITER SERVICES

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

WHEREAS, the ownership and operation of the Crossing facilities requires prudent levels of debt issuance from time to time to fund capital improvements; and

WHEREAS, the Authority and its Financial Advisor monitor conditions in the debt markets to determine if any savings could be achieved by refinancing any currently outstanding debt; and

WHEREAS, the Authority desires to retain the professional services of an outside, independent Bond Underwriter(s) to provide a review of current market conditions and make recommendations as to any new money and proposed refinancing alternatives and scenarios; and

WHEREAS, the term of such services is for two (2) new money and/or debt refunding issuances, but in no event longer than five (5) years; and

WHEREAS, the Authority publicly advertised and issued a Request for Proposal (RFP) for the required bond underwriter services in compliance with Resolution 98-31, as amended by Resolution 09-52, which governs the procedure for the procurement of professional services; and

WHEREAS, the Authority received a total of ten (10) proposals; and

WHEREAS, the Authority evaluated the proposals pursuant to the aforementioned requirements; and

WHEREAS, the Authority short-listed four (4) firms and conducted oral interviews; and

WHEREAS, CITI and J.P.Morgan were designated first and second respectively on the preference list; and

WHEREAS, it is in the best interest of the Authority to retain and utilize the services of both firms for the issuance of debt; and

WHEREAS, the Authority’s Budget and Finance Committee reviewed the recommendation and concurs with the evaluation.

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby authorized to retain and utilize CITI and J.P.Morgan to provide Bond Underwriter Services and have such Agreement(s), authorized upon the review and authorization to issue debt by the Delaware River and Bay Authority Board of Commissioners.

A motion to approve Resolution 12-20 was made by Commissioner Smith, seconded by Commissioner Dorn, and approved by a roll call vote of 8-0.

Resolution 12-20 Executive Summary Sheet

Resolution:	Authorizing the Authority to enter into an agreement with CITI and J.P.Morgan for Bond Underwriter Services.
Committee:	Budget & Finance Committee
Committee Date:	June 19, 2012
Board Date:	June 19, 2012
Purpose of Resolution:	The Authority utilizes a combination of cash and debt to fund its capital improvement program. In 2012, the Authority intends to

issue new debt in order to continue the funding of the approved CIP. The Authority has selected CITI and J.P.Morgan to provide Bond Underwriter Services relating to proposed new money issuances and/or the refinancing of outstanding Authority debt issuances.

Background for Resolution:

The Authority received ten (10) written proposals; and short-listed and conducted oral interviews with four (4) of the firms as indicated the by the “*” below:

- Bank of America
- CITI*
- Edward Jones
- J.P.Morgan*
- Piper Jaffray
- PNC
- Raymond James
- RBC*
- TD Securities
- Wells Fargo*

CITI and J.P.Morgan were the first and second ranked firms respectfully following the oral interviews. The Authority compared their rates with the rates of the other short-listed proposers, and with the advice of its Financial Advisor negotiated rates were fair and reasonable.

The term of such services is for two (2) new money and/or debt refunding issuances, but in no event longer than five (5) years.

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RESOLUTION 12-21 – LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND FIRESIDE PARTNERS LLC AT THE NEW CASTLE AIRPORT

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

WHEREAS, Fireside Partners LLC.(“Fireside”) desires to lease approximately 5,750 square feet of space in 199 North DuPont Hwy, commonly referred to as the Old Atlantic Office Building at the New Castle Airport; and

WHEREAS, Fireside has agreed to pay the Authority annual rent in the amount of Thirty-Four Thousand Five Hundred Dollars (\$34,500.00); and

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

WHEREAS, Fireside. with the consent of the Authority, shall have the option of renewing this Agreement for three (3) option periods of five (5) years each; and

WHEREAS, rent shall be adjusted annually by the Consumer Price Index (CPI); and

WHEREAS, rent shall be adjusted to the Fair Market Value of the property at the beginning of the renewal term.

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

A motion to approve Resolution 12-21 was made by Commissioner Lathem, seconded by Commissioner Dorn, and approved by a roll call vote of 8-0.

Resolution 12-21 Executive Summary Sheet

Resolution: Authorizing the Executive Director to execute a Lease Agreement with the Fireside Partners, LLC.

Committee: Finance

Committee Date: June 19, 2012

Board Date: June 19, 2012

Purpose and Background for Resolution:

Fireside Partners provides aviation emergency response planning services. Fireside Partners would like to lease approximately 5,750 square feet of space in a building commonly referred to as the Old Atlantic Office Building. The facility was last appraised in 2006. This rental rate reflects an increase of over 33% of the 2006 appraised value. This unit has been vacant since July 1, 2010. This company is currently occupying incubator space with the New Castle County Chamber and is ready to take the next step in their growth allowing them to begin on-site training sessions.

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RESOLUTION 12-22 – LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND JUMPIN’ JOE’S AT THE CAPE MAY AIRPORT

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

WHEREAS, Jumpin’ Joe’s desires to lease approximately 15,000 square feet of space at 460 Saratoga Rd., commonly referred to as the Tomwar Building at the Cape May Airport; and

WHEREAS, Jumpin’ Joe’s has agreed to pay the Authority annual rent in the amount of Fifty Thousand Dollars (\$50,000.00); and

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

WHEREAS, the building requires improvements to the interior to include plumbing, HVAC, electric and cosmetic enhancements that are estimated to cost approximately \$140,000; and

WHEREAS, the Authority will allow a rent abatement during the first year of \$50,000, an abatement of \$15,000 during the second year and an abatement of \$10,000 during the third year; and

WHEREAS, Jumpin’ Joe’s, with the consent of the Authority, shall have the option of renewing this Agreement for two (2) option periods of five (5) years each; and

WHEREAS, rent shall be adjusted annually by the Consumer Price Index (CPI); and

WHEREAS, rent shall be adjusted to the Fair Market Value of the property at the beginning of the renewal term.

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby authorized to finalize the terms and conditions of the Agreement with Jumpin' Joe's 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 12-22 was made by Commissioner Favre, seconded by Commissioner Smith, and approved by a roll call vote of 8-0.

Resolution 12-22 Executive Summary Sheet

Resolution: Authorizing the Executive Director to execute a Lease Agreement with the Jumpin' Joe's.

Committee: Finance

Committee Date: June 19, 2012

Board Date: June 19, 2012

Purpose and Background for Resolution:

Jumpin' Joe's is a start-up business. They will be operating an indoor "family fun center". They are looking to lease a building at the airport that totals approximately 15,000 square feet of warehouse and unfinished space. This facility has been vacant since spring of 2008. The building was previously listed as available with a Request for Proposals which did not result in a viable lease agreement. Jumpin' Joe's plans on hiring 10-14 part time employees that will be local residents. They also plan on partnering with local businesses at the airport for marketing materials and catering.

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10539. APPROVAL OF THE MAY 15, 2012 MINUTES

Commissioner Lathem motioned to approve the May 15, 2012 meeting minutes, seconded by Commissioner Favre, and unanimously approved by a voice vote of 8-0.

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Chairperson Lowe called for the resuming of the natural order of the Agenda as presented.

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Commissioner Downes left the meeting at 11:10 a.m.

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10540. DELAWARE RIVER AND BAY AUTHORITY – TRAFFIC AND REVENUE SUMMARY.

The 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 May.

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

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10541. DELAWARE RIVER AND BAY AUTHORITY – STATEMENT OF INCOME AND EXPENSE.

The CFO presented charts showing statements of income and expenses for the month of May 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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10542. DELAWARE RIVER AND BAY AUTHORITY – OPERATING EXPENSE BY DIVISION.

The CFO presented a chart for May 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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10543. DELAWARE RIVER AND BAY AUTHORITY – CAPITAL IMPROVEMENT PROGRAM.

The CFO presented a chart for the month of May 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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10544. DELAWARE RIVER AND BAY AUTHORITY – CASH POSITION (MARKET VALUE) AS OF MAY 31, 2012.

The 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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The CFO noted a new reporting chart has been created to monitor customer trends at DRBA facilities. The Authority Customer Trends (ACT) allows management to view on a month-to-date basis trends in areas such as traffic, customer service, aircraft landings, and workplace incidents. Copies are distributed daily to employees via email and posted on bulletin boards for those without computers.

Executive Director Green stated that Commissioners wishing to be on the email list for a daily copy of ACT to notify the COO or himself.

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10545. EXECUTIVE DIRECTOR’S COMMENTS

Executive Director Green stated that there were three events within the last couple of months that he felt were worth celebrating and Authority employees played an active role in all three. He proceeded to show photos as he explained all three events. The first was a day-long beautification project for the ferry and the terminal grounds in Cape May during the month of May. He said that over 50 employees at the bridge volunteered to go to Cape May to assist ferry employees in beautifying the grounds and painting one of the ferries. Commissioners Lowe and Downes were present and participated in the deeds. The second event was the naming of the Administration building at the Millville airport after Louis Finch, a life-long resident of Millville and long-time dedicated employee of the airport. Special thanks went to DRBA maintenance,

James Salmon, PIO, and Millville Council for making the event happen. Third, was the rededication of the War Memorial in honor of the men and women from the States of Delaware and New Jersey who lost their lives in war. The Executive Director thanked Pete Thomas, Director of Maintenance and his maintenance crews, and the DRBA police headed by Colonial Bryant.

10546. COMMISSIONERS PUBLIC FORUM

Chairperson Lowe called for comments from the public and the Commissioners.

There were no public comments or comments from the Commissioners.

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

The meeting was adjourned at 11:20 a.m.

Respectfully submitted,

THE DELAWARE RIVER AND BAY AUTHORITY

Frank W. Minor
Assistant Secretary