

MINUTES OF MEETING

THE DELAWARE RIVER AND BAY AUTHORITY

September 21, 2004

Commissioners from Delaware

Commissioners from New Jersey

PRESENT

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

Warren S. Wallace, Vice Chairperson
Edward W. Dorn
Maureen T. Koebig
Robert Y. McWilliams
Charles E. Pessagno

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The meeting convened at 11:15 a.m. with Chairperson Parkowski presiding.

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

The Chairperson of the Authority called the meeting to order. 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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9092. APPROVAL OF MINUTES:

On motion by Commissioner Lathem and seconded by Commissioner McWilliams, the minutes of the July 20, 2004 meeting were approved by a voice vote of 11-0.

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9093. EXECUTIVE DIRECTOR'S REPORT:

The Executive Director presented the following highlights that occurred within the Authority during the months of July and August.

REORGANIZATION

The DRBA reorganization was substantially completed. The Engineering & Maintenance Department restructuring was implemented on August 8th, consolidating all Authority infrastructure resources into a single department for the first time. On September 5th, all food and retail operations were brought together in the new Food & Retail division.

AIRPORTS

At New Castle Airport, the rehabilitation of Runway 1-19 was substantially completed and re-opened to air operations on September 8th, as planned. Our employees in Airport Operations and Engineering & Maintenance worked hand-in-hand with the FAA and our tenants to complete this major project on-time with minimal disruption to NCA customers.

The Authority secured approximately \$8 million in FAA grants for key infrastructure projects at Cape May and Millville Airports. These projects include infield lighting and signage, new snow removal equipment storage facilities, and airport security fencing and gates. These projects will be completed in 2005.

At Millville Airport, construction of the new perimeter security fence began on July 12th. This project will be completed in January 2005.

The Naval Air Station Wildwood at Cape May Airport hosted its annual Airfest event that showcased the history of Naval Aviation at the airport. Approximately 2,000 guests attended this event.

Authority Engineering & Maintenance employees completed the demolition of Delaware Airpark's terminal building in preparation for the construction of the new DRBA-Delaware State University joint multi-use terminal facility. During construction, temporary arrangements (trailers) have been established to accommodate ongoing DRBA/DSU airport operations. This new facility will be completed in early 2005.

CAPE MAY-LEWES FERRY

In July, vehicle traffic was off 7.6% and passenger traffic down 13.6%, when compared to the 3-year (2001-2003) July averages. August vehicle traffic declined 21.1% and passenger traffic was down 26.5%, compared to the 3-year August averages. Internet ferry reservations in July and August represented 21.7% and 21.9% of the total ferry reservations respectively.

The Cape May Lewes Ferry continues to experience positive trends in employee and patron safety incidents compared to prior years with year-to-date employee incidents down 48.6% and patron incidents down 47.6%.

The MV Cape May and the MV Delaware completed USCG Quarterly inspections successfully.

DELAWARE MEMORIAL BRIDGE

In July, total bridge traffic increased by 4.3% when compared to the 3-year (2001-2003) July average. August total bridge traffic decreased by 0.9% compared to the 3-year August average. Total bridge traffic year-to-date increased 4.5% over the 3-year year-to-date average.

E-ZPass traffic continues to rise on the Delaware Memorial Bridge. E-ZPass traffic for July was 44.6% of the total overall traffic as compared to 39.7% for the previous year. In August, E-ZPass traffic accounted for 46.2% of the total traffic, which represented a 5.9% increase from 2004.

The DRBA Tactical Operations Center (TOC) project is now substantially complete. This new facility in the Julia Building will be a focal point for employee training and video-teleconferencing. Additionally, the TOC will serve as the DRBA's command and control center during operational and weather emergencies. This construction project was performed by DRBA employees, including those from Engineering & Maintenance, MIS, Electronics, and Police. The workmanship displayed by our employees was outstanding and there were significant cost savings by performing this project in-house.

HUMAN RESOURCES

<u>Permanent Full-Time:</u>	Authorized Positions	Filled Positions
	481	441

POLICE

Summary of Police activities:

Enforcement/Activity	July 2003	July 2004	Aug 2003	Aug 2004
Traffic Summons	500	242	592	265
Criminal Arrests	17	94	20	32
Traffic Accidents	34	51	42	38
Traffic Reprimands	575	376	692	279
Aid to Motorists	July 2003	July 2004	Aug 2003	Aug 2004
Disabled Vehicles	204	152	249	168
Public Assists	100	64	91	42
Medical Assists	12	12	11	14
Acrophobiacs	43	29	55	39

Mr. Johnson noted that the DRBA is one of the host agencies for the IBTTA Conference in Philadelphia September 18- 22 and that he wanted to complement staff for their efforts in showcasing the M.V. Twin Capes and the Delaware Memorial Bridge.

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9094. COMMITTEE REPORT – PERSONNEL & INSURANCE

Commissioner Lathem presented the following minutes of the Personnel & Insurance Committee held September 7, 2004.

Commissioners from Delaware

PRESENT

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

Commissioners from New Jersey

Committee Vice-Chair Pessagno
Commissioner Koebig, Committee Member
Commissioner McWilliams
Vice-Chairperson Wallace

Staff

James Johnson, Jr.
Don Rainear
Brad Hopkins
Jim Walls
Trudy Spence-Parker

Authority Secretary

Tom Pankok

Invited Guest

Adria Martinelli, Young, Conaway,
Stargatt & Taylor

I. Committee Chair Lathem welcomed the Personnel & Insurance Committee and opened the meeting at approximately 9:05 a.m. The Authority Secretary reported that the public meeting of the Personnel & Insurance Committee had been duly noticed in accordance with the Authority’s Freedom of Information Regulations, read the Statement of Notice, and called the roll. The meeting may be preceded by an Executive Session, closed to the public to discuss matters of a confidential nature.

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 Koebig, the Session was closed.

The following matters of a confidential nature were discussed.

- Personnel Matters

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

There being no further business, on motion by Commissioner Cooper, seconded by Commissioner Lowe, the Personnel & Insurance Committee Meeting was adjourned at 10:28 a.m.

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9095. COMMITTEE REPORTS – BUDGET & FINANCE

Commissioner Patterson presented the following minutes of the Budget & Finance Committee meeting held September 7, 2004.

Commissioners from Delaware

Commissioners from New Jersey

PRESENT

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

Committee Vice-Chair McWilliams
Commissioner Koebig

Staff

Jim Johnson
Don Rainear
Brad Hopkins
Jim Walls
Joe Larotonda
Victor Ferzetti
Ken Hynson
AJ Crescenzi
Michelle Griscom-Collins
Anna Marie Gonnella Rosato

Authority Secretary
Thomas Pankok

- I. Committee Chair Patterson welcomed the Budget & Finance Committee and opened the meeting at approximately 10:42 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 the Community Contribution requests for August and September. After review of the requested contributions, the Committee approved requests from Delaware totaling \$42,600 and requests from New Jersey totaling \$23,750 for a grand total of \$66,350. A Resolution authorizing a total of \$66,350 will be presented for full Board consideration at the September meeting.
- III. The Chief Financial Officer reviewed the list of vendors over \$25,000. The Committee recommended approval of the list. A Resolution authorizing the list of vendors will be presented for full Board consideration at the September meeting.
- IV. The Chief Financial Officer reviewed the 2004 Debt Refinancing on series 1993 and 1996 Bonds in the amount of \$53,690,000. Staff reported that they would be closing on the Bonds, Wednesday, September 8, 2004. The net present value savings are approximately \$2.8 million or 5%. The annual savings would be between \$130,000 - \$287,000 from years 2006-2017. The Committee questioned staff regarding a press release and staff reported that a press release was in the process of being prepared and would be released pending the completion of the closing.

- V. The Chief Financial Officer reported on a pending litigation settlement proposal. It was reported that the Authority is scheduled for trial in September with Smithson Aviation/Big Sky. The CFO discussed the particulars of the proposed settlement Agreement and the Committee asked various questions regarding the issues. After discussion, the Committee authorized the CFO, in conjunction with New Jersey legal counsel, to negotiate a settlement agreement. If the Agreement is satisfactory to both the Authority and Big Sky, a Resolution will be drafted for Board consideration at the September 21st Commission meeting.
- VI. The Deputy Executive Director reviewed the proposed Resolutions.
- Resolution Authorizing an Agreement with the Erma Fire Company to Provide Fire Fighting Services at the Cape May Airport. This agreement involves the transfer of ownership of an Airport Rescue and Fire Fighting (ARFF) truck from the DRBA to the Erma Fire Company. Since the Cape May Airport is no longer Part 135 certified, the Cape May Airport is no longer required to provide fire-fighting services. At the request of the Chair of the Budget & Finance Committee, staff obtained an appraisal for the ARFF and the valuation was determined to be between \$20,000 and \$60,000; however, the costs to repair and maintain the vehicle could be in excess of that amount. After discussion, the Committee recommended the transfer of ownership of the ARFF to the Erma Fire Company. The Resolution will be presented to the full Board for consideration at the September meeting.
 - Resolution Authorizing a Lease Agreement Between the Delaware River and Bay Authority and Sleep Air, LLC. This agreement is for approximately 12,000 square feet of hangar space at the New Castle Airport. The Committee recommended approving the Lease Agreement. The Resolution will be presented to the full Board for consideration at the September meeting.
 - Resolution Authorizing the Execution of a Concession Agreement for Car Rental Services at the New Castle Airport. This agreement authorizes Avis Car Rental, Vanguard Car Rental, and Enterprise Car Rental to provide rental services to the New Castle Airport. The Committee requested that staff approach the rental agencies regarding the possibility of longer, more convenient hours of operation. After discussion, the Committee recommended approving the Concession Agreement. The Resolution will be presented to the full Board for consideration at the September meeting.
- VII. The Chief Financial Officer reported that staff would be focusing on the 2005 Operating Budget Process. Preliminary review with front line supervisors will be conducted next week. Staff will present a Draft 2005 Operating Budget at the October Budget & Finance Committee for review and recommendation.

There being no further business to discuss, the Budget & Finance Committee meeting was adjourned at 11:26 a.m.

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9096. COMMITTEE REPORT - PROJECTS COMMITTEE

Commissioner Koebig presented the following minutes of the Projects Committee meeting held September 7, 2004.

Commissioners from Delaware

Commissioners from New Jersey

PRESENT

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

Committee Chair Koebig
 Commissioner McWilliams Committee Mbr

Staff

Jim Johnson

Don Raineau
Jim Walls
Trudy Spence-Parker
John Jones
A.J. Crescenzi
Anna Marie Gonella-Rosato
Thomas Pankok

I The Projects Committee meeting convened at approximately 11:35 a.m. Those in attendance were provided an informational package consisting primarily of an agenda, bid tabulations, project related information and the monthly contractor payment chart.

II Bid Openings/Award Actions:

- Lighting and Signage, Millville Airport (MVA-04-01): This project consists primarily of new lighting and signage for Runway 10-28 and 14-32. Two firms submitted bids at the July 29th bid opening. The Federal Aviation Administration (FAA) supports the project with grant money at the 95% level. Staff recommended award of the Base Bid plus Add Alternates No. 2, 3, 4, 5, and 6 to Delta Line Construction Company, the responsive low bidder, in the amount of \$2,297,033.00. The Projects Committee concurred with staff and authorized the action be presented at the September Board meeting for award.
- Snow Removal Equipment/Operations Building, Millville Airport, (MVA-04-03): This project consists of construction of a new 14,000 square foot building consisting primarily of administrative, vehicle storage and maintenance space. Three firms submitted responsive bids at the July 22nd bid opening. The FAA supports the project with grant money at the 95% level for only the snow removal equipment storage component of the building which amounts to \$631,000. Staff recommended award to Stanker & Galetto, Inc, the responsive low bidder, in the amount of \$2,160,000.00. The Projects Committee concurred with staff and authorized the action be presented at the September Board meeting for award.
- Inadvertent Entry Fence, Cape May Airport, (CMA-04-02): This project primarily consists of the installation of 600 linear feet of 6' foot high chain link fence and six mechanical cantilever vehicle gates. One firm submitted a bid at the July 21st bid opening. The FAA supports the project with grant money at the 95% level. Staff recommended award to Delta Line Construction Company, the responsive low bidder, in the amount of \$415,700.00. The Projects Committee concurred with staff and authorized the action be presented at the September Board meeting for award.
- Snow Removal Equipment/Operations Building, Cape May Airport, (CMA-04-03): This project consists of construction of a new 23,450 square foot building consisting primarily of bulk and vehicle storage as well as maintenance space. Five firms submitted bids at the July 22nd bid opening. The FAA supports the project with grant money at the 95% level for only the snow removal equipment storage component of the building which amounts to \$474,000. Staff recommended award to TNT Construction Company, the responsive low bidder, in the amount of \$2,065,500.00. The Projects Committee concurred with staff and authorized the action be presented at the September Board meeting for award.
- Lighting and Signage, Cape May Airport, (CMA-04-01): This project primarily consists of new lighting and signage for Runway 10-28 and 1-19. Three firms submitted bids at the July 28th bid opening. The FAA supports the project with grant money at the 95% level. Staff recommended award of the Base Bid plus Add Alternates No. 1 and 2, to Delta Line Construction Company, the responsive low bidder, in the amount of \$2,071,213.00. The Projects Committee concurred with staff and authorized the action be presented at the September Board meeting for award.
- Drydocking and Repairs, M.V. Henlopen, (CMLF-04-06): The US Coast Guard requires scheduled vessel dry docking on a periodic basis for detailed inspection purposes. Based on the inspection results, work will need to be completed while in

dry dock that will likely consists of, but not limited to, painting, shaft maintenance, steering gear repairs, and minor steel work. Dry docking is scheduled for this December. Staff recommended award to Lyons Shipyard, the only responsive bidder, in the amount of \$820,320.00. The Projects Committee concurred with staff and authorized the action be presented at the September Board meeting for award.

- Terminal Building Renovations, Cape May, (CMLF-01-06): This project primarily involves the renovation of the old Cape May Terminal into office and administrative space. Two firms submitted bids at the August 31st bid opening. Staff recommended award of the Base Bid plus Add Alternates No. 1 and 2, to Stanker and Galetto, the responsive low bidder, in the amount of \$1,988,000.00. The Projects Committee concurred with the staff recommendation and authorized the action be presented at the September Board meeting for award.

II. Contract Close-Out: Staff reported that no contracts require close-out at this time.

III. Miscellaneous Actions:

- Delaware Airpark DSU/DRBA Hangar/Terminal Complex Update: This ongoing collaborative initiative between the Authority and Delaware State University (DSU) will result in a new joint-use terminal/maintenance facility to replace the existing facility. The Authority has the lead on both design and construction for the facility. The design is complete and construction will begin in September. Total project cost is estimated at \$2.5M and will be cost shared on a proportionate basis. The Projects Committee supports the initiative.
- Carney’s Point Business Park Update: The Authority is in discussions with a possible tenant that is interested in leasing approximately 30,000 square feet of the first floor of the new office building. The Authority would serve as the lead for both design and construction of the fit-out. Staff committed to keep the Committee updated on any developments.
- Tactical Operations Center (TOC) Update: The Authority’s new TOC is now substantially complete. The facility will be used for many purposes to include training, meetings, and video tele-conferencing. Most of the work was completed by in-house forces resulting in significant cost savings.

IV. Contractor Payment Review (thru August): Staff provided the Committee with summation of payments that will be paid toward construction contracts in September.

V. There being no further business for the Projects Committee, the public meeting was adjourned at approximately 11:55 a.m.

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9097. COMMITTEE REPORT – ECONOMIC DEVELOPMENT

Commissioner Hensley presented the following minutes of the Economic Development Committee meeting held September 7, 2004.

Commissioners from Delaware

Commissioners from New Jersey

PRESENT

Committee Chair Hensley
Commissioner Cooper, Committee Member
Commissioner Patterson

Committee Vice-Chair Koebig

Staff

Authority Secretary

James Johnson, Jr.
Don Rainear
Brad Hopkins

Tom Pankok

Jim Walls
Trudy Spence-Parker
AJ Crescenzi
Anna Marie Gonnella Rosato
Michelle Griscom-Collins

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

II. Airport Economic Development Projects:

- The Deputy Executive Director reviewed a proposed Off-Airport Operator Agreement between the Authority and Steven Bulboff, trading as Millville Aviation. This Agreement will give the Permittee the right to move aircraft between the taxiway systems of the Airport and the Off-Airport Property. Staff has worked in conjunction with New Jersey legal counsel to develop the Agreement. The Committee recommended approval of the Agreement. A Resolution authorizing the Agreement will be presented to the full Board for consideration at the September meeting.

III. General Economic Development Projects:

- The Deputy Executive Director reported that negotiations are in the final stages with a New Jersey company to lease approximately 30,000 square feet of office space at the Salem Business Centre for a term of 15 years. The Committee recommended approval of the Agreement. A Resolution authorizing the Agreement will be presented to the full Board for consideration at the September meeting.

IV. Miscellaneous Economic Development Project Updates:

- Delaware National Guard – The Deputy Executive Director reported that he and the CFO met with the State of Delaware Real Property Administrator regarding the National Guard’s expansion at the New Castle Airport. Staff will continue to update the Committee as necessary.
- Easter Seals - Representatives have requested that negotiations be deferred while they continue their due diligence with New Castle County. Staff will continue to update the Committee as necessary.
- Multi Tenant Hangar – Staff is aggressively marketing this location. Staff will attend the National Business Aviation Association Annual Conference and will meet with contacts or potential tenants from marketing efforts at the conference.
- Corporate Commons – Staff is finalizing the documents to advertise a Request for Bids to dispose of Authority property consisting of 15 acres, including the DEMA building. Staff will continue to update the Committee as necessary.
- Minimum Standards – The Deputy Executive Director reported that staff will wait to finalize the updated version of Minimum Standards for the New Castle Airports until after the hiring of a new Director of Airports.

There being no further business, the Economic Development Committee was adjourned at 12:35 p.m.

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9098. DELAWARE RIVER AND BAY AUTHORITY – TRAFFIC AND REVENUE SUMMARY:

The 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 August.

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

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9099. DELAWARE RIVER AND BAY AUTHORITY - STATEMENT OF INCOME AND EXPENSE:

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

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

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9100. DELAWARE RIVER AND BAY AUTHORITY - OPERATING EXPENSE BY DIVISION:

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

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

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9101. DELAWARE RIVER AND BAY AUTHORITY - CAPITAL IMPROVEMENT PROGRAM:

The CFO presented a chart 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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9102. DELAWARE RIVER AND BAY AUTHORITY - CASH POSITION (MARKET VALUE) AS OF August 31, 2004:

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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9103. PUBLIC COMMENT ON ACTION ITEMS:

Chairperson Parkowski noted the following action items being considered today and asked for public comment.

- Contract # CMA 04-02 – Inadvertent Entry Fence, Cape May Airport
- Contract # MVA 04-03 – SRE/OPS Building, Millville Airport
- Contract # CMA 04-03 – SRE/OPS Building, Cape May Airport
- Contract # CMA 04-01 – Rehabilitation of Lighting and Signage, Cape May Airport
- Contract # MVA 04-01 - Rehabilitation of Lighting and Signage, Millville Airport
- Contract # CMLF 01-06 – Cape May Terminal Building Renovations, CMLF
- Contract # CMLF 04-06 - Drydocking and Repairs MV Cape Henlopen

Resolution #04-40- Authorizing The Executive Director to Extend an Offer of Employment – Director of Airports

- Resolution #04-41- Authorizing The Executive Director to Extend an Offer of Employment Chief Information Officer
- Resolution #04-42- Community Contribution Requests.
- Resolution #04-43- Authorizing Authority Expenditures Pursuant to Resolution 01-84 for the Period, 1/1 – 12/31, 2004.
- Resolution #04-44 - Lease Agreement Between The DRBA and Sleep Air
- Resolution #04-45 - Authorizing Execution of Concession Agreements for Car Rental Services at New Castle Airport
- Resolution #04-46 - Authorizing and Off-Airport Operator Agreement
- Resolution #04-47 – Authorizing and Agreement with the Erma Fire Co. to Provide Fire Fighting Services at the Cape May Airport
- Resolution #04-48 - Authorizing the Design and Construction of a Tenant Fit-out and a Lease Agreement Between the DRBA and a New Jersey Company
- Resolution #04-49 - Authorizing a Settlement Agreement Between the Authority and Smithson Aviation, t/a Big Sky Aviation

There were no public comments on the action items.

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9104. SUMMARY OF AUTHORIZED CONTRACT PAYMENTS:

The COO noted the following Summary of Authorized Contract Payments.

<u>Contractor</u>	<u>Payment</u>
Allied Painting, Inc.	\$205,965.00
Diamond Materials	\$359,133.63
EDIS	\$ 65,524.33

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9105. APPROVAL OF AWARD OF CONTRACT NO. CMA-04-02, INADVERTENT ENTRY FENCE – CAPE MAY AIRPORT

The COO reported that bids for Contract No. CMA 04-02, Inadvertent Entry Fence were opened on July 21, 2004. Delta Line Construction Co., of Egg Harbor Township, NJ was the only bidder with a bid of \$415,700.00. Since Delta Line Construction Co. is a responsive bidder, the Projects Committee and staff recommend awarding the contract to Delta Line.

On motion by Commissioner Hensley and seconded by Commissioner McWilliams, the recommendation of the Projects Committee and staff was approved by a vote of 11-0.

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9106. APPROVAL OF AWARD OF CONTRACT NO. MVA- 04-03, SRE/OPS BUILDING – MILLVILLE AIRPORT

The COO reported that bids for Contract No. MVA-04-03, SRE/OPS Building were opened on July 22, 2004. Stanker & Galetto, Inc. of Vineland, NJ submitted the low bid of \$2,160,000.00. The Projects Committee and staff recommend awarding the bid to the low bidder noted above.

On motion by Commissioner Koebig and seconded by Cooper, the recommendation of the Projects Committee and staff was approved by a vote of 11-0.

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9107. APPROVAL OF AWARD OF CONTRACT CMA-04-03, SRE/OPS BUILDING – CAPE MAY AIRPORT.

The COO reported that bids for Contract No. CMA-04-03, SRE/OPS Building, were opened on July 22, 2004. TNT Construction of Paulsboro, NJ submitted the low bid of \$2,065,500.00. The Projects Committee and staff recommend awarding the bid to the low bidder noted above.

On motion by Commissioner McWilliams and seconded by Commissioner Dorn, the recommendation of the Projects Committee and staff was approved by a vote of 11-0.

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9108. APPROVAL OF AWARD OF CONTRACT NO. CMA-04-01, REHABILITATION OF LIGHTING AND SIGNAGE – CAPE MAY AIRPORT.

The COO reported that bids for Contract No. CMA-04-01, Rehabilitation of Lighting and Signage, were opened on July 28, 2004. Delta Line Construction Company of Egg Harbor Township, NJ submitted the low bid of \$2,071,213.00. The Projects Committee and staff recommend awarding the base bid plus AA #1 and #2 to the low bidder noted above.

On motion by Commission Lathem and seconded by Commissioner McWilliams, the recommendation of the Projects Committee and staff was approved by a vote of 11-0.

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9109. APPROVAL OF AWARD OF CONTRACT NO. MVA-04-01, REHABILITATION OF LIGHTING AND SIGNAGE – MILLVILLE AIRPORT.

The COO reported that bids for Contract No. MVA-04-01, Rehabilitation of Lighting and Signage, were opened on July 29, 2004. Delta Line Construction Company of Egg Harbor Township, NJ submitted the low bid of \$2,297,033.00. The Projects Committee and staff recommend awarding the base bid plus AA # 2,3,4,5,6 to the low bidder noted above.

On motion by Commissioner Lowe and seconded by Commissioner McWilliams, the recommendation of the Projects Committee and staff were approved by a vote of 11-0.

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9110. APPROVAL OF AWARD OF CONTRACT NO. CMLF-01-06, CAPE MAY TERMINAL BUILDING RENOVATIONS – CAPE MAY FERRY TERMINAL.

The COO reported that bids for Contract No. MCLF-01-06, Cape May Terminal Building Renovations, were opened on August 31, 2004. Stanker & Galetto, Inc., of Vineland, NJ submitted the low bid of \$1,988,000.00. The Projects Committee and staff recommend awarding the base bid plus AA # 1 and #2 to the low bidder noted above.

On motion by Commissioner McWilliams and seconded by Commissioner Cooper, the recommendation of the Projects Committee and staff were approved by a vote of 11-0.

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9111. APPROVAL OF AWARD OF CONTRACT NO. CMLF-04-06, DRYDOCKING AND REPAIRS M.V. CAPE HENLOPEN.

The COO reported that bids for Contract No. CMLF-04-06, Drydocking and Repairs M.V. Cape Henlopen, were opened on September 1, 2004. Lyon Shipyard, Inc. was the only bidder with a bid of \$820,320.00. Since Lyon Shipyard, Inc. is a responsive bidder, the Projects Committee and staff recommend awarding the contract to Lyon Shipyard.

On motion by Commissioner Dorn and seconded by Commissioner McWilliams, the recommendation of the Projects Committee and staff was approved by a vote of 11-0.

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9112. CHAIRPERSON’S CALL FOR ACTION ON THE RESOLUTIONS BEFORE THE BOARD:

The Executive Director presented the following Resolutions.

RESOLUTION 04-40 - 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 of the Authority’s Personnel Manual 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 posted the position internally and externally and interviewed for the position of Director of Airports; and

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

Resolution 04-40 was moved by Commissioner Cooper, seconded by McWilliams and was approved by a roll call vote of 11-0.

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RESOLUTION 04-41 - 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 of the Authority’s Personnel Manual 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 posted the position internally and externally and interviewed for the position of Chief Information Officer; and

WHEREAS, the Authority desires to extend an offer of employment to an individual for the position of Chief Information Officer; 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.

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 Chief Information Officer.

Resolution 04-41 was moved by Commissioner Pessagno and seconded by Commissioner Koebig. With Commissioner Patterson abstaining, the motion was approved by a roll call vote of 10-0.

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RESOLUTION 04 - 42 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 September, 2004; and

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

Community Contributions

New Jersey

Challenged Children's Charities Corporation	\$ 5,000
Chamber of Commerce of Greater Cape May	\$ 1,200
County of Gloucester Department of Human Services	\$ 4,800
Gloucester County Cultural and Heritage Commission	\$ 2,500
Mid Jersey Cape Rotary Club	\$ 1,000
Marine Mammal Stranding Center	\$ 1,500
Salem County Humane Society	\$ 1,750
Salem Oaks Little League Football	\$ 3,000
Twin Community Midget Football League Incorporated	\$ 3,000
Total	<u>\$ 23,750</u>

Delaware

American Cancer Society	\$ 3,700
Delaware Coalition Against Domestic Violence	\$ 1,400
Delaware Futures Incorporated	\$ 5,000
Delaware Police Chief's Foundation Incorporated	\$ 3,000
Delaware State University	\$ 10,000
Delaware Symphony Orchestra	\$ 2,500
Delaware Technical and Community College Education Foundation (Terry Campus)	\$ 5,000
Lewes in Bloom Incorporated	\$ 3,000
National Multiple Sclerosis Society Delaware Chapter	\$ 1,500
Rehoboth Beach Film Society	\$ 2,500
Social Venture Partners Delaware Incorporated	\$ 5,000
Total	<u>\$ 42,600</u>

Grand Total (New Jersey and Delaware) \$ 66,350

Resolution 04-42 was moved by Commissioner Cooper and seconded by Commissioner McWilliams. With Commissioner Wallace abstaining from voting on contributions for County of Gloucester Department of Human Services and Gloucester County Cultural and Heritage Commission and Commissioner Parkowski abstaining on Delaware State University, Resolution 04-42 was approved by a roll call vote of 11-0 with the above noted abstentions where such votes were 10 in favor and 1 abstention.

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RESOLUTION 04-43 AUTHORIZING AUTHORITY EXPENDITURES PURSUANT TO RESOLUTION 01-84 FOR THE PERIOD, JANUARY 1 THROUGH DECEMBER 31, 2004.

WHEREAS, The Delaware River and Bay Authority (the “Authority”) adopted Resolution 01-84 requiring approval by the Commissioners 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 1/1/04 THROUGH 12/31/04

<u>VENDOR</u>	<u>SERVICE DESCRIPTION</u>
AIG Aviation	Aviation Claims
AT Systems Atlantic, Inc.	Armored Car/Courier Services
City of Millville	Fire and Safety Services
Delaware DOT	Grant Reimbursement
Events Unlimited	40 th Events
Gallagher & Gallagher Catering	40 th Events
Thyssen Krupp Elevator	Inspection and Repair Services
United Electric Supply Co.	Electrical Parts
Yank Marine Inc.	American River Dry-dock

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

Resolution 04-43 was moved by Commissioner Cooper , seconded by Commissioner Dorn and approved by a roll call vote of 11-0.

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RESOLUTION 04-44 - LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND SLEEP AIR, LLC

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

WHEREAS, Sleep Air, LLC desires to lease approximately 12,000 square feet of hangar and office space in Hangar 9/10 DRBA Way of the New Castle Airport; and

WHEREAS, Sleep Air, LLC has agreed to pay the Authority annual rent in the amount of \$120,000 during the initial term of the Lease Agreement; and

WHEREAS, the initial term of the Lease Agreement is for one (1) year; and

WHEREAS, Sleep Air, LLC shall have the option of renewing this Lease Agreement for one (1) period of five (5) years; and

WHEREAS, the rental rate shall be adjusted annually by the Consumer Price Index (CPI).

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

Resolution 04-44 was moved by Commissioner Lowe, seconded by Commissioner McWilliams and approved by a roll call vote of 11-0.

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RESOLUTION 04-45 - AUTHORIZING EXECUTION OF CONCESSION AGREEMENTS FOR CAR RENTAL SERVICES AT NEW CASTLE AIRPORT.

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

WHEREAS, the Authority allows private corporations to provide car rental services at the New Castle Airport for their customers; and

WHEREAS, the Authority's Concession Agreements with Avis Car Rental Inc., also known as The Cendant Corporation, and National Car Rental Inc., now known as Vanguard Car Rental Inc., have expired and both have continued to operate on a month to month basis since said expiration; and

WHEREAS, Enterprise Car Rental Inc. has submitted a request to also provide such services to the New Castle Airport; and

WHEREAS, the Authority has received proposals to provide car rental services from Avis Car Rental Inc., Vanguard Car Rental Inc., and Enterprise Car Rental Inc.; and

WHEREAS, the terms for each Concession Agreement will be for three (3) years with an option of renewing for two (2) additional years for a guaranteed minimum monthly payment of \$4,167 (\$50,000 divided by 12 months) or 10% of the monthly gross receipts whichever is higher plus counter area rent of \$150 per month and parking space rent of \$13 per space per month.

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director or his designee is hereby authorized to finalize the terms and conditions of three separate Concession Agreements with Avis Car Rental Inc., Vanguard Car Rental Inc., and Enterprise Car Rental Inc., and with the advice and consent of Counsel, to have such Concession Agreements executed by the Chairperson, Vice Chairperson, and the Executive Director.

Resolution 04-45 was moved by Commissioner Dorn, seconded by Commissioner Lowe and approved by a roll call vote of 11-0.

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RESOLUTION 04-46 RESOLUTION AUTHORIZING AN OFF-AIRPORT OPERATOR AGREEMENT

WHEREAS, The Delaware River and Bay Authority, (the “Authority”), under the terms of an Acquisition/Lease Agreement is the operator of the Millville Airport, (the “Airport”) located in Millville, New Jersey; and

WHEREAS, Steven Buboff, trading as Millville Aviation, (the “Permittee”) wishes to conduct certain commercial business, personal or recreational aviation activities at the Airport on real property owned by Steven Buboff, trading as Millville Aviation, adjacent to the Airport (hereinafter referred to as “Off-Airport Property”); and

WHEREAS, the Permittee’s Off-Airport Property aviation-related development and activities require access to the Airport; and

WHEREAS, the Permittee desires to obtain for itself the right to move aircraft between the taxiway systems of the Airport and the Off-airport Property; and

WHEREAS, the Authority is willing to grant to Permittee such rights to move aircraft between the taxiway systems of the Airport and the Off-Airport Property upon and subject to the terms and conditions of an Off-Airport Operator Agreement (the “Agreement”), said Agreement to contain, but not limited, to the following provisions:

1. Approval by the Federal Aviation Agency, (the “FAA”) of the Agreement.
2. The Permittee must pay a fair market value access fee to the Authority.
3. The Permittee is responsible to provide all required and necessary security to satisfy the Authority and the FAA that the Airport security is not compromised by the permitted access.
4. The Permittee must obey all the Rules and Regulations adopted by the Authority that apply to the Airport.
5. The Permittee will be obligated to comply with any Airport Schedule of Fees.
6. The Permittee will not be permitted to develop or conduct any fueling activities on the Off-Airport Property.
7. The right to access the Airport from the Off-Airport Property will be void and unenforceable if the Permittee fails to comply with any of the terms of the Agreement.

NOW THEREFORE BE IT RESOLVED, that the Executive Director is hereby authorized to finalize the terms and conditions of the Off-Airport Operator Agreement with Steven Bulboff, trading as Millville Aviation, and with the advice and consent of Counsel, to have such Agreement executed by the Chairperson, Vice Chairperson, and the Executive Director.

Resolution 04-46 was moved by Commissioner McWilliams, seconded by Commissioner Dorn and approved by a roll call vote of 11-0.

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RESOLUTION 04-47 - RESOLUTION AUTHORIZING AN AGREEMENT WITH THE ERMA FIRE COMPANY TO PROVIDE FIRE FIGHTING SERVICES AT THE CAPE MAY AIRPORT

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

WHEREAS, the Erma Fire Company operates a fire station at and on the Airport; and

WHEREAS, the Authority obtained a 1991 Titan Series E-One Airport Rescue and Fire Fighting (ARFF) truck at the time the Authority assumed operational control of the Airport from Cape May County; and

WHEREAS, the ARFF was paid for by a 90% grant from the Federal Aviation Agency (FAA); and

WHEREAS, the Authority is no longer required to provide fire fighting services to the Airport due to relinquishment of its Part 135 certification; and

WHEREAS, the Authority and the FAA have approved a land lease at a nominal

rent with Erma Fire Company, pursuant to which Erma Fire Company will agree to be the first responder to any fire at the Airport; and

WHEREAS, the FAA generally considers an airport fire truck to have a ten year operational life before it requires a comprehensive repair and overhaul; and

WHEREAS, the Authority has obtained an appraisal of the ARFF, which indicated a current valuation of between \$20,000 to \$60,000; and

WHEREAS, the costs to repair, maintain and operate the ARFF may be in excess of its current value; and

WHEREAS, the Erma Fire Company has indicated to the Authority its interest in obtaining the ARFF for use at the Airport; and

WHEREAS, the FAA has approved the transfer of the ARFF from the Authority to the Erma Fire Company, and

WHEREAS, it is in the best interests of the Authority to have a professionally trained fire-fighting company to maintain and operate the ARFF.

NOW THEREFORE BE IT RESOLVED, that the Executive Director, with the advice and consent of Counsel is authorized to enter into an agreement with the Erma Fire Company to transfer ownership of a 1991 Titan ARFF to the Erma Fire Company.

Resolution 04-47 was moved by Commissioner Koebig, seconded by Commissioner McWilliams and approved by a roll call vote of 11-0.

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RESOLUTION 04-48 – AUTHORIZES THE DESIGN AND CONSTRUCTION OF A TENANT FIT-OUT AND A LEASE AGREEMENT BETWEEN THE AUTHORITY AND A NEW JERSEY COMPANY

WHEREAS, The Delaware River and Bay Authority (the "Authority"), owns a 2-story 80,000 square foot office building in the Salem Business Centre located in Carney's Point Township, Salem County, New Jersey; and

WHEREAS, the Authority desires to lease office space in this office building to a company (the "Tenant"), headquartered in New Jersey; and

WHEREAS, the Tenant desires to lease approximately 30,000 square feet of space primarily for office and administrative purposes at the Salem Business Centre; and

WHEREAS, the Authority will serve as the lead on design and construction of the tenant "fit-out" for the 30,000 square foot leased premises; and

WHEREAS, the engineer's estimate for design and construction of the tenant "fit-out" is \$1.2 million; and

WHEREAS, pursuant to Resolution 00-40, a contract was executed between the Authority and Tevebaugh Associates to execute design services for this building; and

WHEREAS, pursuant to Resolution 01-08, a contract was executed between the Authority and Insite/Hessert to execute construction management services for this building; and

WHEREAS, the Authority has negotiated for tenant "fit-out" design services at a cost not to exceed \$100,000 and to construct the tenant "fit-out" at a cost not to exceed \$1,100,000; and

WHEREAS, the Authority has initiated negotiations of the terms of a Lease Agreement between the Authority and the company headquartered in New Jersey for the aforesaid space.

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director, or his designee is hereby authorized to negotiate the final terms and conditions of a Lease Agreement between the Authority and the company headquartered in New Jersey for the rental of approximately 30,000 square feet of office space in the Salem Business Centre Office Building and with the advice and consent of Counsel, have such lease executed by the Chairperson, Vice Chairperson, and the Executive Director.

NOW, THEREFORE, BE IT FURTHER RESOLVED, that the Executive Director, or his designee is hereby authorized to contract for the design and construction of a 30,000 square foot tenant “fit-out” in conjunction with the aforementioned Lease Agreement at a not to exceed cost of \$1,200,000.

Resolution 04-48 was moved by Commissioner Dorn, seconded by Commissioner Cooper and approved by a roll call vote of 11-0.

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RESOLUTION 04-49 – AUTHORIZING A SETTLEMENT AGREEMENT BETWEEN THE AUTHORITY AND SMITHSON AVIATION, INC. T/A BIG SKY AVIATION

WHEREAS, The Delaware River and Bay Authority (the “Authority”) is the operator of the Millville Airport under a long term lease with the City of Millville; and

WHEREAS, Big Sky Aviation (“Big Sky”) is a New Jersey Corporation operating an aviation business at the Millville Airport; and

WHEREAS, Big Sky filed an action entitled, Smithson Aviation, Inc. trading as Big Sky Aviation, Inc. vs. Delaware River and Bay Authority, City of Millville and Air Castle trading as Millville Jet Center, in the superior Court of New Jersey, Cumberland County; and

WHEREAS, the parties have agreed to resolve their differences and have drafted a Settlement Agreement (the “Settlement Agreement”) outlining mutual covenants, promises, rights and obligations; and

WHEREAS, the Authority’s Budget and Finance Committee has reviewed the terms and conditions of a proposed Settlement Agreement and recommends approval thereof to the Board of Commissioners; and

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby authorized and directed, with advice and consent of Authority counsel, to execute a Settlement Agreement and related documents with Smithson Aviation, Inc. trading as Big Sky Aviation, and have such Settlement Agreement filed with the Court.

Resolution 04-49 was moved by Commissioner Wallace, seconded by Commissioner Lowe and approved by a roll call vote of 11-0.

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9113. COMMISSIONERS PUBLIC FORUM

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

Donald King, Local 313 Electrical union, wanted to know the status of Electrical Contract DMB-01-06.

Mr. Jones, Director of Engineering and Maintenance, noted that construction should begin in a few weeks on the 18-month contract that was approved at the June, 2004 Commission meeting.

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

The meeting was adjourned at 12:00 p.m.

Respectfully submitted,
THE DELAWARE RIVER AND BAY AUTHORITY

Thomas A. Pankok