

**MINUTES OF MEETING
THE DELAWARE RIVER AND BAY AUTHORITY
Tuesday, March 18, 2014
James Julian Boardroom
Delaware Memorial Bridge Plaza
New Castle, Delaware 19720**

The meeting convened at 12:35 p.m. with Chairperson Hogan presiding.

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

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

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

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Commissioners from New Jersey

Commissioners from Delaware

PRESENT

James N. Hogan, Chairperson
Edward W. Dorn
Richard S. Mroz
Ceil Smith
Douglas Van Sant
Shirley R. Wilson

William E. Lowe, Vice-Chairperson
Richard Downes
Fernando N. Guajardo
Samuel E. Lathem
Terri C. Murphy
Gary F. Traynor

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Chairperson Hogan called for the acceptance of the Agenda.

Commissioner Lathem motioned to accept the Agenda, seconded by Commissioner Murphy, and the motion carried by a voice vote of 12-0.

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10784. APPROVAL OF THE FEBRUARY 11, 2014 MINUTES

Commissioner Lathem motioned to approve the February 11, 2014 meeting minutes, seconded by Commissioner Murphy, and unanimously approved by a voice vote of 12-0.

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10785. 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, Delaware City-Salem Ferry Crossing, and Food Services for the month of February.

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

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10786. DELAWARE RIVER AND BAY AUTHORITY – STATEMENT OF INCOME AND EXPENSE.

The CFO presented a chart showing statements of income and expenses for the month of February 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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10787. DELAWARE RIVER AND BAY AUTHORITY – OPERATING EXPENSE BY DIVISION.

The CFO presented a chart for February 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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10788. DELAWARE RIVER AND BAY AUTHORITY – CAPITAL IMPROVEMENT PROGRAM.

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

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

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10789. DELAWARE RIVER AND BAY AUTHORITY – CASH POSITION (MARKET VALUE) AS OF FEBRUARY 29, 2014.

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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10790. AUTHORITY CUSTOMER TRENDS (ACT) REPORT

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

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10791. PUBLIC COMMENT ON ACTION ITEMS

Chairperson Hogan noted that there are two (2) contract awards and two (2) Resolutions to be considered today. All action items have been reviewed and recommended for consideration during today’s Committee meetings. He then called for public comments.

There were no public comments.

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10792. AWARD OF TERMINAL APRON PAVEMENT REPAIRS, NEW CASTLE AIRPORT: CONTRACT NCA-13-03

The Chief Operating Officer (COO) noted that a public bid opening was held on February 2, 2014, in which two (2) bids were received. The COO and the Projects Committee recommended

awarding the contract to the lowest responsible bidder, Diamond Materials, Wilmington, Delaware, in the amount of \$79,236.00.

A motion to award Contract NCA-13-03 to the aforementioned firm in the amount of \$79,236.00 was made by Commissioner Lowe, seconded by Commissioner Downes, and approved by a voice vote of 12-0.

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10793. NAVAL ARCHITECT CONSULTING SERVICES; CONTRACT CS-12-02R

The COO reported that a request for proposals was issued for ferry vessel design services. The COO recommended the contract not be awarded because of the low number of proposals received and because the DRBA was unsuccessful in establishing a fair and reasonable price with the highest-ranked consultant.

A motion to reject all CS-12-02R proposals was made by Commissioner Lowe, seconded by Commissioner Wilson, and approved by a voice vote of 12-0.

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10794. CHAIRPERSON’S CALL FOR RESOLUTIONS BEFORE THE BOARD

RESOLUTION 14-05 - AUTHORIZING AUTHORITY EXPENDITURES PURSUANT TO RESOLUTION 01-84 FOR THE PERIOD, JANUARY 1, 2014 THROUGH DECEMBER 31, 2014

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

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

VENDOR	SERVICE DESCRIPTION	DETERMINATION	APPROX. ESTIMATED \$
Aloysius, Butler & Clark Associates, Inc. (ab+c)	Strategic Planning and Advertising Consulting Services at NCA	State Contract	\$42,000
Brick Markers	CMLF 50 th Anniversary Paver Initiative	Quotes	\$25,000
Delaware Elevator Service, Inc.	Furnish and Install New Safety Devices on DMB Elevators	State Contract	\$134,000
Parker & Partners Marketing Resources, LLC	CMLF Marketing Consulting Services	Quotes	\$28,000
Star Building Services, Inc.	FAA Tower Cleaning Services at NCA	Quotes	\$30,000
Wayman Fire Protection, Inc.	Authority-wide Fire Monitoring, Suppression Inspection, Replacements and Repairs	State Contract	\$48,000

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

A motion to approve Resolution 14-05 was made by Commissioner Lowe, seconded by Commissioner Murphy, and approved by a roll call vote of 12-0.

Resolution 14-05 Executive Summary Sheet

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

Committee: Budget & Finance

Committee and Board Date: March 18, 2014

Purpose of Resolution:

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

Background for Resolution:

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

Background for the specific purchases:

Strategic Planning and Advertising Consulting Services at NCA

The Authority plans to hire a professional consultant for strategic planning and advertising at the New Castle Airport. The three-phase scope of work involves an internal and external assessment of NCA, assessment of competitor positioning, brand discovery, strategic plan development, and concept development. These professional services are being acquired through pricing as awarded to ab+c by State Contract.

CMLF 50th Anniversary Paver Initiative

The DRBA intends to commemorate the 50th Anniversary of the Cape May-Lewes Ferry by offering the public an opportunity to purchase a personalized engraved brick paver that will be used to construct a CMLF 50th Anniversary-themed design at each ferry terminal location. The Authority solicited quotes from four (4) brick paver manufacturers: Brick Markers, Engraved Brick Pavers, Bricks R Us, and Gift Bricks (did not bid). Brick Markers submitted a material quote and delivery term most advantageous to the Authority. Costs for this initiative are expected to be largely reimbursed via personalized paver sales.

Furnish and Install New Safety Devices on DMB Elevators

The eight (8) elevators atop the Delaware Memorial Bridge require safety device testing and replacement on three-year intervals. If the current safety devices are not replaced, the elevators will be prohibited from being operated. Work includes landing each elevator, removal and replacement of the over speed safety devices, full load testing, and returning each elevator to normal service. This work is being provided by Delaware Elevator through State Contract pricing.

CMLF Marketing Consulting Services

As part of the 2014 Cape May-Lewes Ferry marketing strategy, the Authority will hire marketing consultants to assist in the broad categories of messaging,

production and creative development. The Authority solicited proposals from consultants and received quotes from three (3) providers. Currently work requires marketing, creative, and production/account management services. The proposers and prices for these services include: Parker & Partners Marketing Resources, LLC (\$28,000), AB+C. (\$61,000) and Trellist Marketing and Technology, Inc. (\$96,000). Based on quality of the proposal, presentation and price, Parker & Partners is recommended to provide the aforementioned services.

FAA Tower Cleaning Services at NCA

2014 marks the second year of this three-year Cleaning Services contract. In 2013, the Authority requested and received five (5) bids for Cleaning Services at the FAA Tower at the New Castle Airport. The winning bidder performs cleaning services throughout the building seven days week and all employees retain FAA governmental security clearance. The quotes (per year) from the five contractors were as follows: Star Building Services (\$30,000), First Choice Cleaning Services (\$39,000), Gemini Building Systems (\$39,000), Jani King (\$40,000) and Tornado II Janitorial Service (\$49,000). Star Building Services submitted the lowest quote and was awarded the contract.

Authority-wide Fire Monitoring, Suppression Inspection, Replacements and Repairs

The Authority employs the services of Wayman Fire Protection, Inc. for annual fire detection inspections for DMB, NCA, DAP, MVA and CMA facilities, the Cape May Terminal and the Salem Business Center. Wayman also provides the DMB facilities with fire suppression unit inspections, replacements and repairs. All of the above are acquired through pricing as awarded to Wayman by State Contract. A portion of the estimated annual spend with this vendor has been allocated for fire detection system monitor additions expected to happen later this year.

Background for Determination category:

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 Contract:

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

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RESOLUTION 14-06 – AUTHORIZES A CONTRACT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND XEROX STATE & LOCAL SOLUTIONS, INC. TO PROVIDE, INSTALL AND MAINTAIN A NEW TOLL COLLECTION SYSTEM.

WHEREAS, The Delaware River and Bay Authority (the “Authority”) is a bi-state Authority of the State of Delaware and the State of New Jersey created by Compact that owns, operates and controls the Delaware Memorial Bridge; and

WHEREAS, the Toll Collection System is an integral component of the toll collection revenue operation of the Delaware Memorial Bridge; and

WHEREAS, the current Toll Collection System is in need of immediate replacement due to its age, condition and lack of dependability; and

WHEREAS, the Authority desires to retain a qualified firm to provide, install, and maintain a new Toll Collection System (the “Services and Work”); and

WHEREAS, the Authority publicly advertised a Request for Proposals (“RFP”) for the required Services and Work 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 term is approximately twelve (12) years, including an implementation phase of approximately one (1) year, a maintenance phase (hardware, software and system maintenance) of approximately seven (7) years, and two (2) additional, two-year alternate maintenance phases.

WHEREAS, the Toll Collection System Review Committee received and evaluated three (3) proposal submissions pursuant to the aforementioned requirements; and

WHEREAS, the Toll Collection System Review Committee short-listed two (2) firms and conducted interviews with those firms; and

WHEREAS, Xerox State & Local Solutions, Inc. (“Xerox”) was designated as the highest ranking firm following the final evaluation; and

WHEREAS, the Authority conducted an analysis of the estimated cost of the Services and Work by considering their scope and complexity, among other things; and

WHEREAS, the Authority negotiated with Xerox for the Services and Work to be provided at a compensation determined to be fair and reasonable; 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 finalize the terms and conditions of the Services Agreement, License Agreement and Escrow Agreement with Xerox and have such Agreements, upon the review and advice of counsel, executed by the Chairperson, Vice Chairperson and Executive Director.

A motion to approve Resolution 14-06 was made by Commissioner Mroz, seconded by Commissioner Van Sant, and approved by a roll call vote of 12-0.

Resolution 14-06 Executive Summary Sheet

Resolution: Authorizing the Authority to enter into an agreement with Xerox to provide, install and maintain a new Toll Collection System.

Committee: Joint Budget & Finance and Projects Committee

Committee Date: March 18, 2014

Board Date: March 18, 2014

Purpose of Resolution: To authorize an agreement with Xerox to provide, install and maintain a new Toll Collection System.

Background for Resolution:

The proposed Resolution meets the requirements of Resolution 98-31, as amended by Resolution 09-52, to procure and award professional services.

The Authority received three (3) written proposals from the companies listed below and short-listed* two (2) of those firms.

Xerox State & Local Solutions, Inc.*
TransCore, LP*
Sanef ITS Technologies, Inc.

The Authority conducted oral interviews with all short-listed firms and Xerox State & Local Solutions, Inc. (“Xerox”) was ranked first following the oral interviews. Xerox will be compensated pursuant to the Payment Schedule, which incorporates the quantities and amounts listed in the Price Proposal. For non-equipment costs related to system implementation and transition, Xerox will receive partial payments at each agreed upon milestone. Payments related to hardware, equipment, and off-the-shelf software will be made upon order verification and receipt or installation. Payments made in relation to civil work include scheduled payments for mobilization; roadway pavement replacement, plaza/lane civil work, and lane system installation on a lane-by-lane basis; and final approval of as-built drawings.

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10795. EXECUTIVE DIRECTOR’S COMMENTS

The Executive Director briefed the Board on the activities in and around the Authority including his attendance at the DelawareTech dedication of the Theodore C. Freeman Powerplant Education Building; DRBA employee’s Toastmaster Chartering event; E-ZPass construction and relocation to the Julia building at the DMB; Ft Delaware and the DCSF powerpoint presentation; DRBA Airports and Frontier Airlines co-sponsoring the WNBA Eleana Delle Donne Preseason Games; Commissioner Smith retiring from the SJ Times; Commissioner Traynor was featured in the Journal of the Delaware State Bar Association.

Executive Director Green apologized for an item that should have been brought before today’s Budget & Finance committee meeting today. He presented an invoice from the New Jersey Governor’s Authorities Unit requesting the payment of \$21,779 for oversight responsibilities as liaison between the New Jersey Governor’s office and the Authority. He stated that he wanted to apprise the Board of this action, although he does not need Board approval to pay it.

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10796. COMMISSIONERS PUBLIC FORUM

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

Tom Quigg, retired police officer at the Authority spoke. He said that he was speaking for a large group of retiree’s. They are unhappy with the recent decisions made over retiree’s benefits. He requested that the Board reconsider its position on the matter as it has a great impact on them.

Frank Bankard, Local 542 representative spoke. He was angry over the Governor’s Authorities Unit invoice stating that it was more money than what the raises for employees would have been. He questioned the benefit of having an Authorities Unit present at Commission meetings when the Board is comprised of 12 representatives from the two states appointed by their respective governors.

Christopher Fields, FOP Lodge #14 representative spoke. He held up two signs. The first with the number 441 representing the number of days since the FOP contract expired and that both parties met seven times and agreed to five minor matters. The second sign he held represented 132 days since the New Jersey Governor’s election. The unions were told to wait until after the New Jersey election was over to continue talks. Yet both sides met twice since then and learned later of two factors not on the negotiating table—money and health benefits. He said he is struggling as to why more progress hasn’t been made.

Dennis Flynn, MEBA representative spoke. He said that it has been 22 months without a contract and that the 49 hardworking sailors need answers on fundamental issues. In two separate occasions they thought there had been some resolution but things went awry. The Ferry is coming up to its 50th Anniversary and it would be nice to resolve contract issues.

Mike O'Toole, MEBA Shop Steward spoke. He said that he has been to this Board before asking if there was anything he could bring back to its members and no one replied. He said he didn't know if it was the Authority or the governors holding things up and wanted to know what was going on. He stated some action would be taken by MEBA over this impasse, but did not elaborate.

Steven Carrol, Senior Shop Steward, maintenance spoke. He said that maintenance staff has worked 18-23 hours a day removing snow with approximately 18 crew members less than there used to be. He stated where the States of New Jersey and Delaware roads were not in as good condition during the recent snow storms, DDRBA facilities were fine. Employees were digging, plowing, responding to accidents, and removing waste. They do what they can to make people safe.

Vince Ascione, Local 542 representative spoke. He said he had a discussion with Governor Markell and that the Governor reached out to Governor Christie and is waiting for his call back. Mr. Ascione said that he was frustrated with the situation and if the Governors' can't do anything to move the process along what would be the next step, federal help?

Lee McGaughan, retired DRBA employee spoke. He noted that there are approximately 30 retiree's affected by the new spousal policy and that it would cost around \$600 more a month to insure their spouse. He asked that the Authority grandfather existing employees and implement the policy on new hires.

Phillip Hiller, DRBA policeman and FOP #14 representative. He stated that he attended the coordination of benefits sessions and was told that coordinating benefits would save him money; however, his savings translated into a higher insurance premium to cover his spouse under her employer's plan. He read excerpts from Article VI and VII of the Compact as it related to governor veto power and the power of the Commissioners.

Chairperson Hogan noted that veto actions by the governors could impact bond ratings.

Rocco Costa, retiree of the DRBA maintenance department spoke. He said that he worked for the Authority for 27 years and based his decision to retire on the retirement numbers he was given. Not one time was it mentioned that retirees could lose benefits. The loss of medical coverage to his spouse has a big impact on his family and wished the Board would reconsider their decision.

Dave LaBar, 1978 retiree spoke. He drove in from West Virginia to attend today's meeting. He said he never saw anything like this. He put in many years here only to have things taken away.

There were no additional public comments.

Commissioner Lathem stated that he is advocating not to pay the New Jersey Governor's Authorities Unit assessment invoice.

Commissioner Traynor said that he agrees with Commissioner Lathem and that he would like the Budget & Finance committee to review the invoice to determine what advisory services the Authority was receiving.

Commissioner Guajardo said that he was heart stricken over these employee issues and that he was contemplating resigning as a form of protest believing there wasn't anything he can do.

Commissioner Wilson thanked everyone for attending today's Board meeting to express their thoughts. She said we need to work harder to resolve these issues.

Commissioner Van Sant said that those who spoke have a valid point and that more conversation on these matters needs to take place. He said we will do what we can to bring it to discussion.

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There being no further business, a motion to adjourn was made by Commissioner Lathem, seconded by Commissioner Downes, and unanimously carried with a voice vote of 12-0.

The meeting was adjourned at 1:35p.m.

Respectfully submitted,

THE DELAWARE RIVER AND BAY AUTHORITY

Frank W. Minor
Assistant Secretary