

MINUTES OF MEETING

THE DELAWARE RIVER AND BAY AUTHORITY

January 20, 2005

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

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

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

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

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Commissioners from 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, Chairperson Elect
Edward W. Dorn
Niels S. Favre
John M. Jackson
Maureen T. Koebig

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Chairperson Parkowski recognized Verice Mason, the new Director of the Authorities Unit in the State of New Jersey.

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91.60. APPROVAL OF MINUTES:

On motion by Commissioner Dorn and seconded by Commissioner Lathem the minutes of the December 21, 2004 meeting were approved by a voice vote of 11-0.

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9161. EXECUTIVE DIRECTOR'S REPORT:

The Executive Director presented the following highlights that occurred within the Authority during the month of December.

DELAWARE MEMORIAL BRIDGE

Total traffic during December increased by approximately 1.4% when compared to the 3-year (2001-2003) December average. Total bridge traffic in 2004 rose 4.3% over the 3-year average.

E-ZPass traffic for December was 50.4% of the total overall traffic as compared to 46.3% for the previous year. E-ZPass traffic in 2004 was 48.2%, an increase of 4.4% from 2003.

CAPE MAY-LEWES FERRY

In December, vehicle traffic was down 9.1% when compared to the 3-year (2001-2003) December average. Passenger traffic decreased 12.2% in comparison to the 3-year average. Total 2004 vehicle traffic declined 8.9%, and passenger traffic declined 13% compared to the 3-year averages. Internet ferry reservations in December represented 33.2% of total ferry reservations for the month. Internet ferry reservations have accounted for 24.6% of all reservations since introduction of Internet sales capability in June 2004.

The MV Cape May main engine rebuild by Authority employees is 90% completed. The MV Cape Henlopen returned from its scheduled shipyard inspection and service on December 22, 2004. Our Lewes-based marine crews performed topside maintenance work on the MV Delaware at our Lewes terminal.

The Food and Retail Department hosted customer appreciation days at the Lewes and Cape May terminals, giving our customers and employees the opportunity to evaluate potential food and beverage items that may be introduced for our CMLF customers.

HUMAN RESOURCES

<u>Permanent Full-Time:</u>	Authorized Positions	Filled Positions
	481	449

POLICE

Summary of Police activities:

Enforcement/Activity	December 2003	December 2004
Traffic Summons	385	189
Criminal Arrests	26	15
Traffic Accidents	39	28
Traffic Reprimands	394	365
Aid to Motorists	December 2003	December 2004
Disabled Vehicles	151	141
Public Assists	71	52
Medical Assists	4	1
Acrophobiacs	47	40

Executive Director concluded his report by thanking the Chair and Vice Chair for their steady leadership last year as well as all the Commissioners for the many volunteer hours they devoted to the organization. He also thanked the employees for their dedication and professionalism during 2004. Mr. Johnson indicated that he will be furnishing to all employees and Commissioners a list of accomplishments for 2004. The Executive Director concluded by saying that as a team, much more will be accomplished in 2005.

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9162. COMMITTEE REPORTS – BUDGET & FINANCE

Commissioner Patterson presented the following minutes of the Budget & Finance Committee meeting held January 4, 2005.

Commissioners from Delaware

Commissioners from New Jersey

PRESENT

Committee Chair Patterson

Commissioner Dorn, Committee Member

Commissioner Cooper, Committee Member
Commissioner Hensley, Committee Member
Commissioner Lathem
Chairperson Parkowski

Commissioner Koebig, Committee Member
Commissioner Favre
Commissioner Jackson
Vice-Chairperson Wallace

Staff

Authority Secretary

Jim Johnson
Don Rainear
Jim Walls
Trudy Spence-Parker
Gerry DiNicola Owens
Joe Larotonda
Victor Ferzetti
Anna Marie Gonnella Rosato
AJ Crescenzi
Michelle Griscom Collins
Ken Hynson

Tom Pankok

- I. Committee Chair Patterson welcomed the Budget & Finance Committee and opened the meeting at approximately 11:12 a.m. The Chair 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 January. After review of the requested contributions, on motion by Commissioner Lowe, the Committee approved requests from Delaware totaling \$6,000 and requests from New Jersey totaling \$32,500 for a grand total of \$38,500. A Resolution authorizing the approved requests will be presented for full Board consideration during the January meeting.
- III. The Acting Chief Financial Officer reviewed the proposed Resolution for Authority Expenditures in excess of \$25,000 for FY 2005. The Resolution is in accordance with Resolution 01-84, which guides the Authority's procurement process. This list is meant to capture the majority of routine Authority vendors for FY 2005. Any vendor previously approved by contract award or by previous Resolution has not been included. The Acting CFO pointed out the additions to this year's list.

Commissioner Dorn questioned how towing companies are selected. Staff reported that towing companies are contacted on behalf of a stranded motorist; however, staff will discuss with the Police Administrator how to include any suggested local towing companies.

Committee Chair Patterson questioned the inclusion of the New Jersey Governor's Authorities Unit and, after Committee discussion, the Committee requested the removal of the Authority's Unit off of the vendor list pending further direction in February. On motion by Commissioner Dorn, seconded by Commissioner Lowe, the Committee approved the Resolution, with the aforementioned deletion, for full Board consideration at the January meeting. Commissioner Patterson did not vote to recommend due to a conflict.

There being no further business to discuss, the Budget and Finance Committee adjourned at 11:30 a.m.

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9163. COMMITTEE REPORT – PERSONNEL & INSURANCE

Commissioner Lathem presented the following minutes of the Personnel & Insurance meeting held January 4, 2005.

Commissioners from Delaware

Commissioners from New Jersey

PRESENT

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

Committee Vice-Chair Koebig
Commissioner Dorn, Committee Member
Commissioner Favre, Committee Member
Commissioner Jackson

Staff

James Johnson, Jr.
Don Rainear
Jim Walls
Trudy Spence-Parker
Gerry DiNicola Owens
Victor Ferzetti

Authority Secretary

Tom Pankok

I. Committee Chair Lathem welcomed the Personnel & Insurance Committee and opened the meeting at approximately 9:14 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 was 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 Dorn, the Session was closed.

The following matters of a confidential nature were discussed.

- CONTRACT NEGOTIATIONS:
Local 542 Update
- PERSONNEL MATTERS:
Position Vacancy Updates:
 - Port Engineer
 - Disadvantaged Business Enterprise
 - Chief Financial Officer

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

There being no further business, the Personnel & Insurance Committee Meeting adjourned at 10:0

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9164. COMMITTEE REPORT – ECONOMIC DEVELOPMENT COMMITTEE

Commissioner Hensley presented the following minutes of the Economic Development Committee meeting held January 4, 2005.

Commissioners from Delaware

Commissioners from New Jersey

PRESENT

Committee Chair Hensley
Commissioner Cooper, Committee Member
Commissioner Lowe

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

Commissioner Patterson

Staff

James Johnson, Jr.
Don Rainear
Jim Walls
Trudy Spence-Parker
Gerry DiNicola Owens
AJ Crescenzi
Anna Marie Gonnella Rosato
Michelle Griscom-Collins
Victor Ferzetti

Authority Secretary

Tom Pankok

II. Committee Chair Hensley welcomed the Economic Development Committee and opened the meeting at approximately 10:54 a.m. The Authority Secretary reported that the public meeting of the Economic Development Committee had been duly noticed in accordance with the Authority’s Freedom of Information Regulations, read the Statement of Notice, and called the roll.

The Committee reviewed and discussed the following items.

II. Airport Economic Development Projects:

New Castle Airport Action Items:

- The Deputy Executive Director reviewed a Resolution authorizing a Lease Agreement with the Delaware River and Bay Authority and Delta Engineering. This Agreement is for approximately 5,700 square feet of hangar and office space at 13 DRBA Way. On motion by Commissioner Dorn, seconded by Commissioner Cooper, the Committee approved the Resolution for full Board consideration.

Cape May Airport Action Items:

- The Deputy Executive Director reviewed a Resolution authorizing a Lease Agreement with the Delaware River and Bay Authority and Big Sky Aviation. This Agreement is for approximately 19,000 square feet of hangar and office space in Hangar 110 at the Cape May Airport to operate as a Fixed Base Operator. The Deputy Executive Director reported that an RFP for FBO was conducted and identified Big Sky Aviation as submitting the most qualified proposal; however, the negotiations were delayed due to litigation matters between the Authority and Big Sky. Those matters have since been settled. After discussion, on motion by Commissioner Koebig, seconded by Commissioner Dorn, the Committee approved the Resolution for full Board consideration.

There being no further business, on Motion by Commissioner Dorn, the Economic Development Committee was adjourned at 11:08 a.m.

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9165. DELAWARE RIVER AND BAY AUTHORITY – TRAFFIC AND REVENUE SUMMARY:

The Acting 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 November.

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

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9166. DELAWARE RIVER AND BAY AUTHORITY STATEMENT OF INCOME AND EXPENSE:

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

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

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9167. DELAWARE RIVER AND BAY AUTHORITY – OPERATING EXPENSE BY DIVISION:

The Action 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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9168. DELAWARE RIVER AND BAY AUTHORITY – CAPITAL IMPROVEMENT PROGRAM:

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

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

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9169. DELAWARE RIVER AND BAY AUTHORITY – CASH POSITION (MARKET VALUE) AS OF DECEMBER 31, 2004:

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

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

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9170. PUBLIC COMMENT ON ACTION ITEMS:

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

- Resolution 05-01 Community Contributions Request
- Resolution 05-02 Authorizing Authority Expenditures In Excess of \$25,000
- Resolution 05-03 Lease Agreement with Delta Engineering at New Castle Airport
- Resolution 05-04 Lease Agreement with Big Sky Aviation at Cape May Airport

There were no public comments.

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9171. SUMMARY OF AUTHORIZED CONTRACT PAYMENTS:

<u>Contractor</u>	<u>Payment</u>
DMB-04-02 Eastern Highway Specialists	\$ 91,409.65
DMB-01-06 Cianbro Corporation	\$267,114.57
CMLF-01-06 Stanker & Galetto	\$160,785.00
CMLF-04-06 Lyon Shipyard	\$513,320.00
NCA-02-03 Diamond Materials	\$ 37,092.12
DAP-04-02 EDIS	\$483,166.71
MVA-02-02 State Hi-Way Safety	\$275,312.06
MVA-04-03 Stanker & Galetto	\$ 52,335.00
CMA-02-02 Highway Safety Systems, Inc.	\$ 25,895.00
CMA-04-02 Delta Line Construction	\$ 11,899.35
CMA-04-03 TNT Construction Co., Inc.	\$ 60,660.00

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9172. CHAIRPERSON’S CALL FOR ACTION ON THE RESOLUTIONS BEFORE THE BOARD

Chairperson Parkowski presented the following Resolutions.

RESOLUTION 05 – 01 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 Contribution 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 January, 2005; and

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

Community Contributions

New Jersey

Appel Farm Arts and Music Center Incorporated	\$ 7,500
Bay Atlantic Symphony	\$ 10,000
Gloucester County College Foundation	\$ 15,000
Tri-County Community Action Partnership	\$ 15,000
YMCA of Salem County	\$ 10,000

Total **\$ 57,500**

Delaware

American Heart Association	\$ 5,000
Delaware River and Bay Lighthouse Foundation Incorporated	\$ 5,000
Main Street Dover Incorporated	\$ 1,000

Total **\$ 11,000**

Grand Total (New Jersey and Delaware)

\$ 68,500

Resolution 05-01 was moved by Commissioner Patterson, seconded by Commissioner Koebig. With Commissioner Wallace abstaining from voting on the contributions for Gloucester County College Foundation and the Tri-County Community Action Partnership, Resolution 05-01 was approved by a roll call vote of 10-0 with the above noted abstentions where such votes were 9 in favor and 1 abstention.

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RESOLUTION 05-02 - AUTHORIZING AUTHORITY EXPENDITURES PURSUANT TO RESOLUTION 01-84 FOR THE PERIOD, JANUARY 1 THROUGH DECEMBER 31, 2005.

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

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

DELAWARE RIVER & BAY AUTHORITY
PROJECTED VENDORS TO BE PAID OVER \$25,000
OPERATION EXPENDITURES
FOR THE PERIOD 1/1/05 THROUGH 12/31/05

VENDOR	SERVICE DESCRIPTION
ABS Americas	Inspection Services - Vessels
Aetna US Healthcare	Medical & Prescription Coverage
Allied Marine Service	Vessel Vacuum Toilet Parts
America Sales Inc.	Vessel Paint
Anite Systems	Maint. Agreement Ferry Resv. System
Artesian Water Company	Water
Atlantic Cape Community	Education
Bayshore Ford	Dump Trucks
Blue Cross Blue Shield of DE	Medical, Prescription & Dental Coverage
Blue Cross Blue Shield of NJ	Medical, Prescription & Dental Coverage
Board of Public Works	Water/Sewer/Electric - Lewes
Bruce Industrial	Davits and Jibs
Building Systems & Services	HVAC Services
Canon Business Solutions	Copier Leases/Supplies-All Facilities
Carlisle Machine Works	Vessel Chair Fabrication
Carney's Point Tax Office	Taxes - Business Center
Cavanaugh Capital Management	Financial Investment Advisor
Chas Winter Ford	Purchase Ford Vehicles
Chef Solutions	FDA/USDA Certified Supplier of Prepared Food
Cingular Wireless	Cellular Phone Service
City of Millville	Fire and Safety Services
Coltec Industries/Fairbanks-Morse	Vessel Engine Parts
Conectiv Power Delivery	Electric -Bridge, Cape May & Airports
Crest Cash Register	Cash Registers Maint. Contract
CTM Brochure Display, Inc.	CMLF Brochure Distribution
DBC Marine Safety Systems	Servicing/Deployment of Vessel
Delaware Division of Revenue	State Income Tax
Delaware River Port Authority	Credit Card Equity Fees - E-ZPass
Delaware Tech	College Tuition Expenses
Delaware Transportation Authority	Credit Card Equity Fees - EZPass
Div of Child Support Enforce	Employee Withholding

DRBA EFCU	Employee WH Credit Union
DRBA/PNC	Employee/Employer Pension W/H
Duramax Marine LLC	Vessel Keel Cooler Tubes
EFKON	Overhead Vehicle Profiler Purchase
Enterprise Flasher Co.	Lane Closure Equipment
Equip. LTD	Security Equipment
Exxon Company	Vessel M.E., Gear & Steering Oil
G.A. Blanco and Sons, Inc.	Office Furniture
Giles & Ransome, Inc.	Bowthrusters & Generator Parts
Gillig Corporation	Buses
Harrison Beverage Co.	Purchase of Alcohol Beverages
Hartford Life Insurance Co.	LTD & Workers' Comp. Insurance
Hay Group	HR Consulting
Hertrich Fleet	Police/Staff, Pick Ups and Vans
HP/Compaq	PC & Equipment
IBTTA	Conference Contribution
IHI Marine	Vessel Reduction Gear Parts
Info Systems	Professional Services
ING/Aetna	Defined Contribution Plan
Intermedia Communications	Data Networking
Internal Revenue Service	Federal/FICA/Medicare Withholding
International Salt Company	Roadway Salt Purchase
Johnson & Towers	Vessel Generator Parts
Johnson Controls	HVAC Maint./Training
Joseph W. Small Associates	Recruitment Displays
Kramer Beverage Co.	Purchase of Alcohol Beverages
L.S. Riggins Oil Company	Gasoline
Lamorte Burns & Company	P & I Services
Liberty Mutual Insurance	Workers Comp Services
Litton Marine Systems	Vessel Radar Repair
Mansfield	Diesel Fuel
Marine Engineers' Beneficial Assoc	Employee Withholding
MARK IV IVHS	E-ZPass Transponders
Maryland Transportation Authority	E-ZPass Reimbursement-Credit Card
Mercer Human Resources Consult	Pension Actuarial Services
Metlife	Life Insurance/Deferred Comp.
MetLife Financial Services	Deferred Compensation
Microsoft Licensing, GP	Enterprise Licensing Agreement
Morris Nichols Arshnt & Tunnell	Legal Services
Motorola Communications & Electronics	800 MHZ Communications System
MTA Bridge & Tunnel Authority	E-Zpass Reimbursement - Credit Card Fees
MUNIS	Financial/HR Software Yearly Maint.
New Castle County Sewer	Sewer - DMB/Airports
New Jersey Division of Revenue	Employee Withholding
New Jersey Family Support	Employee Withholding
New Jersey Regional Consortium	E-Zpass Reimbursement-Credit Card
New York State Bridge Authority	E-ZPass Reimbursement-Credit Card
NY State Thruway Agency	E-Zpass Reimbursement-Credit Card
Neumann College	College Tuition Expenses
Omnithuster, Inc.	Vessel Bowthruster Parts
Parker McCay & Criscuolo	Legal Services
Pennsylvania Turnpike Authority	E-ZPass Reimbursement-Credit Card
Pelet's Welding, Inc.	Stainless Steel Toll Booth Cabinets
Philadelphia Gear Co.	Cape Henlopen Reduction Gear
PNC Bank	Investment/Banking Services
Port Authority of NY & NJ	E-Zpass Reimbursement - Credit Card
Reitman Div. – R&R Marketing	Purchase of Alcohol Beverages
Rockford Benefits	Section 125 Plan Admin-Employee W

Rolls-Royce/Ulstein	Vessel Steering Parts
Rowland Company	Vessel Clutches
Sales & Use Tax	New Jersey State Sales Tax
Sanitary Supply Specialties	Cleaning Supply Products
Sea Safety Services	Inspection/Safety Supplies - Vessels
Software Specialists, Inc	Software Support/Programming - Toll System
South Jersey Gas Co.	Heat & Cooking Utilities
South Jersey Newspapers	Advertisement/Subscriptions
Sperry Marine	Voyage Management System
SponduLinx LLC	CMLF Security Plan-Camera Layout & Install
Standard Distributing Co., Inc.	Alcohol Beverage Distributor
State of Delaware	Unemployment Ins / Withholding Taxes
State of New Jersey	Governor's Authority Unit, Income Tax
State of New Jersey Div of Parks	Fort Mott Doc Fee
State of New Jersey Unemploy Ins	Unemployment Ins. Taxes
The PMA Group	Insurance - Workers Comp./LTD
Tiger Corporation	Mowing Equipment
Total Asphalt	Pavement Rejuvenator Product
Tower Hunter	Executive Search
Township of Lower MUA	Water & Sewer Utilities
Transdyn Controls	Traffic Mgmt System
Triborough Bridge & Tunnel Auth	E-Z Pass Reimbursement - Credit Card
United States Postal Service	Postage Expenses
University of Delaware	College Tuition Expenses
Verizon – DE	Local Telephone Services
Verizon – NJ	Local Telephone Service
Verizon – PA	Data Networking Expense
VSGI	Video Teleconferencing
Warnock Automotive	Police Vehicles
Widener University	College Tuition Expenses
Wilmington College	College Tuition Expenses
Wilmington Trust	Trustee/Banking Services
Wingfoot/Goodyear	Purchase of Fleet Tires
Worldcom Technologies, Inc.	Data Networking Expense
York Int c/o Building System Serv	HVAC Repairs
Young, Conaway Starget	Legal Fees
Zellar & Bryant	Legal Fees

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

Resolution 05-02 was moved by Commissioner Lowe, seconded by Commissioner Favre. With Commissioner Patterson abstaining from voting noting two conflicts, Resolution 05-02 was approved by a roll call vote of 10-0 with 1 abstention.

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RESOLUTION 05-03- LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND DELTA ENGINEERING

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

WHEREAS, Delta Engineering, desires to lease approximately 5,700 square feet of hangar and office space at 13 DRBA Way; and

WHEREAS, Delta Engineering has agreed to pay the Authority annual rent in the amount of \$60,000 during the initial term of the Lease Agreement; and

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

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

WHEREAS, the rental rate shall be adjusted in the first year of the option period to \$67,500, in the second year of the option period the rent shall be \$75,000 with Consumer Price Index (CPI) increases for the remainder of the term; and

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

Resolution 05-03 was moved by Commissioner Hensley, seconded by Commissioner Dorn and unanimously approved by a roll call vote of 11-0.

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RESOLUTION 05-04 - LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND BIG SKY AVIATION.

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

WHEREAS, there is presently a need for an experienced and qualified Fixed Based Operator (FBO) at the Cape May Airport; and

WHEREAS, the Authority initiated a public Request for Proposal (RFP) process to identify an experienced and qualified FBO; and

WHEREAS, the RFP process determined that Big Sky Aviation was the most qualified proposer among the respondents to the RFP process; and

WHEREAS, Big Sky Aviation desires to lease approximately 19,000 square feet of hangar and office space in Hangar 110 (the “Facility”) at the Cape May Airport to operate as a FBO; and

WHEREAS, Big Sky Aviation has agreed to pay the Authority an annual Facility Rent in the amount of \$1.00 for the rental of the Facility and pay for the use of all utilities during the initial term of the Lease Agreement; and

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

WHEREAS, in addition to the above stated Facility Rent, Big Sky Aviation has agreed to pay fair market value (appraised at \$0.18 per square foot) rent (“Land Rent”) for the lease of the land needed to operate as the FBO at Cape May Airport, and

WHEREAS, in addition to any Rent paid, Big Sky Aviation shall be responsible for paying the Authority a fuel flowage fee of \$.06 per gallon; and

WHEREAS, Big Sky Aviation with the consent of the Authority shall have the option of renewing this Lease Agreement for the following four (4) option periods of: one (1) year, three (3) years, five (5) years and five (5) years; and

WHEREAS, rents and other terms and conditions of the Lease Agreement during the option periods shall be determined as follows: (1) Rent for the land for the initial year of each renewal period shall be based upon fair rental value as determined by Authority appraisal and (2) Rent for the Facility for the initial year of each renewal period shall be based on fair rental value as determined by the Authority after a review of Big Sky's audited financial statements and any other factors that may be deemed relevant at the sole discretion of the Authority; and

WHEREAS, Rental for subsequent years within any renewal period 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 Big Sky Aviation and, with the advice and consent of counsel, to have such Agreement executed by the Chairperson, Vice Chairperson, and the Executive Director.

Resolution 05-04 was moved by Commissioner Koebig, seconded by Commissioner Favre and unanimously approved by a roll call vote of 11-0.

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9173. COMMISSIONERS PUBLIC FORUM

Dave Young, Cape May-Lewes Ferry Employee spoke. He thanked the Commissioners for approving the MEBA Contract. He also thanked COO Walls and Deputy Executive Director Rainear for representing the Authority in negotiating the Contract with union officials.

Chairperson Parkowski thanked union representatives for their efforts in working toward an amicable agreement.

Chairperson Parkowski stated that it was an honor and privilege to serve as Chairperson of the Authority for the last two years. He noted several challenges ahead for the Authority including prudent economic development, evaluating our vessels for the future at the Ferry, maintaining service at the bridges and security issues. He believes that, with Dr. Wallace's leadership, the Authority will be successful in meeting these challenges.

Commissioner Lathem thanked Chairperson Parkowski for his leadership and applauded his capabilities as chairperson.

Commissioner Dorn stated that Chairperson Parkowski brought the Board together and calmed any tension that may have arose.

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9174. NOMINATION AND ELECTION OF CHAIRPERSON

Chairperson Parkowski turned over the meeting for the purposes of conducting elections.

Executive Director Johnson called for nominations for Chairperson. Commissioner Koebig nominated Commissioner Wallen Wallace as Chairperson of the Delaware River and Bay Authority, seconded by Commissioner Parkowski. Dr. Wallace was nominated and elected by a roll call vote of 10-0 with 1 abstention from Dr. Wallace.

Commissioner Wallace stated that Chairperson Parkowski was a great chairperson. He has grown as a result of his relationship with him. Commissioner Wallace is looking forward to working together with all of the Commissioners for the welfare of the Authority. He presented Commissioner Parkowski with a gavel as a token of the Board's appreciation of his leadership.

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9175. NOMINATION AND ELECTION OF VICE-CHAIRPERSON

Executive Director Johnson called for nominations for Vice-Chairperson. Commissioner Patterson nominated Commissioner Parkowski as Vice-Chairperson of the Delaware River and Bay Authority, seconded by Commissioner Lathem. Mr. Parkowski was nominated and elected by a roll call vote of 10-0 with 1 abstention from Mr. Parkowski.

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

The meeting was adjourned at 11:58 a.m.

Respectfully submitted,
THE DELAWARE RIVER AND BAY AUTHORITY

Thomas A. Pankok