

MINUTES OF MEETING

THE DELAWARE RIVER AND BAY AUTHORITY

July 16, 2003

Commissioners from Delaware

Commissioners from New Jersey

PRESENT

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

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

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The meeting convened at 11:10 a.m. with Chairman Parkowski presiding.

Col. McCarnan opened the meeting with the Pledge of Allegiance, and a prayer by Father Stanley Drupieski.

The Chairman of the Authority called the meeting to order and 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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8900. APPROVAL OF MINUTES: On motion by Commissioner Lathem, seconded by Commissioner Dorn, the minutes of the June 17, 2003, meeting were approved by a voice vote of 11-0.

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8901. EXECUTIVE DIRECTOR'S REPORT: The Executive Director presented the following highlights which occurred within the Authority during the month of June:

AIRPORTS

Airport and Police staff successfully coordinated and executed a simulated aircraft accident exercise at the New Castle Airport on Saturday, June 14. Police, fire companies, paramedics, county emergency communications, Christiana Hospital, Medivac helicopters, DNRWX, FAA, and police personnel from throughout the region participated in this drill, a tri-annual FAA requirement.

The Dover AFB Civil Air Terminal handled ninety-six aircraft arrivals for the June NASCAR race, including five Boeing 727 and one 737 aircraft.

At Delaware Airpark, Delaware State University (DSU) conducted its 2003 Summer R.O.T.C. training program. Twenty-two cadets from around the nation participated in the program. Pentagon officials assured DSU that more than thirty cadets can be expected in the 2004 Program.

CAPE MAY-LEWES FERRY

Vehicle traffic, at the close of June 2003, was off 10.1% (4,382) from June 2002 and 12.4% (18,377) less than year-to-date last year. CMLF carried 114,203 total passengers in June, which was 14.7% less than last year. Year-to-date, 329,673 passengers have traveled on the Cape May-Lewes Ferry,

which is 16.1% less than the same period in 2002.

In May, the MV Delaware touched bottom in the Cape May Canal damaging both propellers. On May 27, the MV Delaware was sent to Norfolk, VA, to have both propellers replaced. On June 03, it returned to Cape May and resumed normal operations. Dredging operations have since corrected the Cape May Canal clearance problem.

The planned replacement of radar sets began in June on the MV Delaware. The four remaining vessels' radar sets will be replaced over the winter maintenance period.

The "Big Fat Free Wedding" special event was a huge success at the Cape May Terminal. Radio station MIX 97.3 arranged for the marriage of 27 couples on 'live' radio. The CMLF hosted a brief 'reception' and round-trip on the MV Cape May for cake and champagne immediately following the wedding ceremony.

### DELAWARE MEMORIAL BRIDGE

Total bridge traffic in June 2003 increased by 0.1% versus 2002, establishing a new record-high June. Although total traffic year-to-date continues to trail (-1.6%) the first six months of 2002, traffic during the last three months has increased by 1.74% and each monthly total has established a new high for the respective month. The continuing shortfall of approximately 133,000 vehicles year-to-date primarily stems from the severe weather in January and February, particularly from the snowstorm over the Presidents' Day Weekend (-122,563).

E-ZPass vehicles have accounted for 44.2% of the total traffic during 2003, which represents an increase of more than 216,000 electronic toll users despite the decline in total traffic during the first six months of 2003 versus 2002.

Joe DeSantis, E-ZPass Customer Service Center Manager, delivered a short presentation on the changing nature of toll operations at the Delaware Memorial Bridge during the recent IBTTA Technology Workshop in Washington, DC.

The DRBA Cafeteria staff catered a dinner for the Delaware Pilots Association on Wednesday, June 11<sup>th</sup>.

The Military Order of the Purple Heart monument was placed in Veterans Memorial Park in June. This handsome addition to the Veterans Memorial Park will be dedicated by the Delaware Chapter of the Military Order of the Purple Heart (MOPH) at a small commemorative ceremony in early August.

### HUMAN RESOURCES

ERO - Retirement Incentive Window: The Human Resources Department continued the process of implementing the Retirement Incentive Window. The following activities occurred during the month, as scheduled:

- June 11 - Personalized Statements were mailed to all eligible participants. Packets included retirement statements, Decision Guide, Agreement and Release document, Election Form document and a schedule of meetings for eligible participants.
- June 13 - Retirement Incentive Window Program commenced.
- June 16-20 - Small group meetings were held with approximately 75% of eligible participants in attendance.
- June 23 to Present - Individual meetings with eligible participants were held and continue to be scheduled with Human Resources representatives. To date, approximately forty (40) individuals have participated in "one-on-one" meetings. In addition, independent financial consultation has been made available to eligible employees through Brandywine Benefits Corporation in conjunction with the

Authority's Defined Contribution Plan provider, ING Financial Services.

Open Enrollment Period: The Annual Benefits Open Enrollment Period was held June 1-15, providing employees the opportunity to evaluate their benefit programs and make desired changes.

Personnel Status

	<u>Authorized Positions</u>	<u>Filled Positions</u>
Permanent Full-Time:	522	496
Permanent Part-Time:	32	25
Total Permanent:	554	521

POLICE:

Summary of Police activities:

<u>Enforcement Activity</u>	<u>June 2002</u>	<u>June 2003</u>
Traffic Summonses	425	404
Criminal Arrests/Charges	17	22
Traffic Accidents	34	26
Traffic Reprimands	662	540
<u>Aid To Motorists</u>	<u>June 2002</u>	<u>June 2003</u>
Disabled Vehicles	210	118
Public Assists	86	74
Medical Assists	16	9
Acrophobiacs	30	46

Executive Director Johnson called on Deputy Director Rainear to give a presentation on the Cape May-Lewes Ferry marketing efforts. Mr. Rainear presented radio and T.V. ads that will appear shortly featuring a jingle to familiarize people with the Ferry. The ads also promote attractions in both New Jersey and Delaware.

Without objection, the Executive Director's Report was ordered filed with the permanent records of the Authority.

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8902. COMMITTEE REPORT - BUDGET & FINANCE: Commissioner Patterson presented the following minutes of the Budget & Finance Committee Meeting held on July 1, 2003.

I Committee Chair Patterson welcomed the Budget & Finance Committee and opened the meeting at approximately 9:15 a.m.

The Chief Financial Officer reported that the meeting of the Budget & Finance Committee had been duly advertised in accordance with the Authority's Freedom of Information Regulations, read the statement of notice, and called the roll.

II Committee Chair Patterson reviewed the Community Contributions requested for the month of July. After review of the requested contributions, the Committee approved requests from Delaware totaling \$15,275 and requests from New Jersey totaling \$48,600, for a grand total of \$63,875. Commissioner McWilliams moved that the approved Community Contributions be forwarded for full Board consideration.

III The CFO reviewed the proposed 2004 Schedule for the development of the 2004 Operating Budget. Important Committee dates are as follows.

- August 29, 2003 2004 Budget Proposals Due for Administration, Bridge, Police, Airport, Three Forts
- September 5, 2003 2004 Budget Proposals Due for Ferry and Food Service
- Weeks of September 8 & 15 Preliminary Review of 2004 Budget at Department Level, with Front Line Supervisors and Budget Panel. Any Committee member is welcome to attend as well.
- October 7, 2003 (Lewes) Present Projected 2003 Operating Budget and Year 2004 Policy Issues to the Budget & Finance Committee
- November 5, 2003 Present Formal 2004 Operating and Capital Budgets to the Budget & Finance Committee
- November 18, 2003 Adopt Formal 2004 Budget
- Month of December, 2003 Presentation of 2004 Operating Budgets to Department Managers and Front Line Supervisors

It was further noted that the October 7<sup>th</sup> Budget & Finance Committee Meeting would be held in Lewes, Delaware at 9:30 a.m. Staff then discussed the possibility of video conferencing for Commissioners unable to attend the Lewes meeting. It was reported that the State of Delaware has several locations throughout the State with video conferencing capability for use by outside groups at a minimal cost. Officials from the State of Delaware have approached the Authority about becoming one of those sites. If the Authority accepted the proposal from the State of Delaware, the site would need to be available for use by the State as well as other outside groups. Staff will investigate the State's proposal to outfit Authority sites with video conferencing capability and report back to the Committee.

IV The CFO discussed a Centralized Purchasing, Disadvantaged Business Enterprise, and Document Storage initiative with the following objectives.

- Ensure purchasing integrity, fix accountability and provide for the efficient transition of goods and services between suppliers and the Authority.
- Ensure professionalism, consistency, and accountability in the conduct of the Authority's public business.
- Provide for maximum procurement planning.
- Standardize the purchase of commonly used goods and services and link diverse agency needs to take advantage of economies of sale.
- Manage compliance with all applicable procurement policies, procedures, and Resolutions.
- Manage compliance with Disadvantaged Business Enterprise goals and objectives.
- Centralized and professionalize all Authority document storage in one location.

The Committee asked several questions and discussed the pros and cons of each initiative. A DRAFT Job Description for the position of a Centralized Purchasing and DBE Administrator had been prepared and is currently being evaluated by the Hay Group. After discussion, staff was authorized to move forward with the due diligence to investigate and formulate DRAFT Centralized Purchasing and Disadvantaged Business Enterprise Policies; however, to also consider maintaining the flexibility to be responsive to the needs of the Authority. Staff will report back to the Committee as necessary.

The CFO also discussed a DRAFT Request for Proposals to conduct a Coordinated Purchasing Analysis. It was reported that the State of Delaware had undergone a similar process and staff met with state officials to discuss their findings. After discussion, the Committee requested that the CFO complete a preliminary Purchasing Analysis in-house and provide a DRAFT for the September Budget & Finance Committee meeting for review.

- V The CFO discussed a Proposal from an investment banking group structuring the Refunding of Series 1993 and Series 1996 Bonds. The CFO reported that this analysis prompted staff to propose a different structure with little risk to the Authority involving only the Series 1993 Bonds. Since this issue is time-sensitive, Commissioner McWilliams moved to authorized the CFO, in accordance with the Authority's Procurement Procedures, to work with the Authority's Financial Adviser to identify and contact five or six investment banking firms to submit Request for Proposals for the Refunding of Series 1993 Bonds. Staff will inform the Board as necessary.
- VI Staff presented Resolution 03-32, Authorizing Purchases in Excess of \$25,000 for the Committee's review. It was noted that two additional vendors needed to be added and, with the two additions, Commissioner McWilliams moved that the Resolution be approved for full Board consideration at the Authority meeting.

There being no further business, the Budget and Finance Committee was adjourned at 10:20 a.m.

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8903. COMMITTEE REPORT - PROJECTS: Commissioner Koebig presented the following minutes of the Projects Committee Meeting held on July 1, 2003.

- I The Projects Committee public meeting convened at 10:30 a.m.. The Director of Engineering provided those in attendance with an information package consisting primarily of an agenda, project-related information, two bid tabulations, two contract close-out recommendation letters and the monthly contractor payment chart.
- II Award Actions:
  - 2003-2005 DMB Annual Deck Resurfacing Contract: John Jones reported that the solicitation process for Contract No. DMB-02-02 is now complete. Both bids were within the engineer's estimate, however, bid amounts were slightly higher than the budget. John Jones reported that unusual Winter/Spring weather generated more work than was anticipated. Furthermore, it was reported that the apparent low bidder is a new firm with little work experience. John Jones will explore with Authority Counsel the possibility of awarding base bid only with the option to award 2004/2005 work once performance is measured. Another option is to award base bid (2003) and re-bid 2004/2005 work again next Summer. The Projects Committee supports the project and directed John Jones to coordinate with Counsel and to make a contract award recommendation at the July Board meeting.
  - Toll Booth Fire Suppression Contract (DMB): John Jones reported that the solicitation process for Contract DMB-01-05 is now complete. Four firms submitted bids. Bids were in line with the engineer's estimate and below budget. The Project Committee supports the project and directed John Jones to make a contract award recommendation at the July Board meeting.
- III Contract Close-Out Actions:
  - Air Traffic Control Tower Relocation (New Castle Airport): This project (Contract No. NCA-99-01) included the construction of the Federal Aviation Administration

(FAA) Air Traffic Control Tower and administration building as well as an access road, taxiway and electrical improvements. The final contract price is \$20,538,130.33. The FAA provided \$4,114,261.99 of this final contract amount. The Project Committee directed that the close-out recommendation be made at the July Board meeting.

- Paint Hangar Infrastructure (New Castle Airport): This project (Contract No. NCA-01-03A) is now complete. The final contract close-out price for this project totaled \$432,008. The Project Committee directed that the close-out recommendation be made at the July Board meeting.

#### IV Miscellaneous On-going Actions:

- Freeman Highway (Lewes) Access Request: The Director of Engineering briefed the Projects Committee regarding a request made to the Authority by a private entity to dedicate Authority land to the City of Lewes for the purpose of creating a public road that would have access to Monroe Avenue Extended/Freeman Highway. If granted, this public road would service a planned residential development as well as possible future businesses. Jim Johnson and John Jones met with the requestor on June 6<sup>th</sup> to discuss options. The Authority's primary concerns center on safety and level of service to customers. The Authority made a proposal that the new intersection (new Public Road and Monroe Avenue Extended) would have to be set back 150 feet from Freeman Highway which is in accordance with State Highway Transportation guidelines. John Jones reported that the interested parties were assessing the proposal and would get back to the Authority.
- Carmey's Point Office Building "Fit-Out": Design activities have finished to provide approximately 5300 square feet of office/administrative space for the building's first tenant--North American Energy Services (NAES). Construction is scheduled to begin mid-July. NAES desires to begin moving into their new space by September 1st.
- Hangar Development (Millville Airport) Update: Work on Hangar #2 is now 80% complete. Interior "fit-out" is proceeding on schedule. All work is scheduled to be complete by December 2003. It was also reported that last week picketing by the Painter's union stopped. All picketing was peaceful. The picket signs that were used basically said "Wolfe Painting-Unfair Labor Practices". There was no mention of DRBA. Wolfe Painting is a non-union sub-contractor.
- Roof Repair Update: John Jones provided an update regarding on-going repair activities of facilities damaged during heavy snows in February 2003. It was reported that the Delaware Airpark terminal building likely sustained damage and will be assessed by a structural engineer over the next few weeks. Also, the Delaware Airpark T Hangar complex sustained structural damage that will need to be repaired. Bids were received for this work and costs are in the \$32,000 range. The current plan is to implement the repair to serve as an interim solution. Also, a 2-story facility located in the Lewes maintenance yard also sustained some damage and will require repair. Additionally, damage to the New Castle Airport maintenance hangar occurred. This repair is currently underway utilizing an existing Airport contractor (EDiS). Lastly, John Jones indicated that two roof leak repair projects involving the DuPont Hangar at New Castle Airport and Building #33 at Millville Airport will soon begin. John Jones reported that the Millville Building #33 has historic significance and the repair had to be approved by the State Historic Preservation Office. The plan is to have all work completed before Winter. The Projects Committee concurred with the presented courses of action.
- Cape May Terminal Projects Update: John Jones reported on two projects currently underway at Cape May. The first project involves the design of an approximately 10,000 square foot storage facility. The intent is to re-position supplies currently stored at the Cape May Airport Everlon Building (which has environmental issues) as well as from an existing on-site vehicle garage. Once complete, this will free up space in the on-site vehicle garage to accommodate Authority vehicles. The design

is underway by the GEC consultant and once complete, the project will be competitively bid for construction. The second project involves the conversion of the old Cape May Public Terminal into an administration office building for Authority employees. An electrical/HVAC assessment was recently performed and upgrades are required. Upgrades include Police area HVAC upgrades, the installation of an uninterrupted power supply system, 277 volt lighting upgrades, a new chiller, and better climate controls. In addition, extra work includes the construction of a back-up server area for the Authority. The existing professional services contract will be modified to include this extra work. The CIP budget did provide for this work once need was validated. The Projects Committee supports both initiatives.

- Annual DMB Painting Contract (DMB-03-01): This is an annual maintenance project that will address certain areas of the DMB that require painting maintenance. The bid opening is set for July 30<sup>th</sup>. The plan is to start work in the Fall and finish in Spring 2004.
- Runway 1-19 Rehabilitation (New Castle Airport) (NCA-02-03): This project involves the rehabilitation of Runway 1-19 as well as runway edge lighting and drainage improvements. The bid opening is set for July 29<sup>th</sup> and work is eligible for FAA funding up to 90% of project costs. The plan is to start work in the Fall and finish in Spring 2004.
- Prevailing Wage Policy: John Jones provided an update regarding on-going research and analysis pertaining to the implementation of a prevailing wage policy for Authority Capital projects. John Jones reported that the current policy is to use prevailing wage rates when the Authority is in receipt of Federal or State funds for certain projects. The Director of Engineering stated he will review the approved 5-year Capital Improvement Program (CIP) budget, evaluate projects in excess of \$1 million, and assess impacts. John Jones also will review staffing, enforcement, and workforce impacts. The Projects Committee concurred with the approach and the areas to be reviewed. A report will be made at the next Projects Committee meeting.

The Committee went into closed session to discuss one on-going contract negotiation issue.

- V Contractor Payment Review (thru June): The Director of Engineering provided the Committee with a June summation of payments that will be paid towards active construction contracts in July. John Jones reported that eight (8) payments will be made towards active construction contracts in July.

There being no further business for the Projects Committee, the meeting was adjourned at approximately 12:00 p.m.. The next Projects Committee meeting is set for August 5<sup>th</sup>.

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8904. COMMITTEE REPORT - ECONOMIC DEVELOPMENT:  
Commissioner Hensley presented the following minutes of the Economic Development Committee Meeting held on July 1, 2003.

- I Committee Chair Hensley welcomed the Economic Development Committee and opened the meeting at approximately 1:05 p.m.
- II The Deputy Director reported that the meeting of the Economic Development Committee had been duly advertised in accordance with the Authority's Freedom of Information Regulations, read the statement of notice, and called the roll.

III The Deputy Director updated the Committee on the following items.

North American Energy Center Lease Agreement at the Salem Business Center:

It was reported that negotiations on the terms and conditions of the Lease Agreement of approximately 6000 square feet in the Salem Business Center are still continuing. Two minor issues are still open. The design for the fit-out has been completed and staff will be soliciting bids soon for the fit-out. A lease update will be given sometime in September.

Hercules Hanger:

The Deputy Director reported that an Invitation to Bid went out last week for the sale of the Hercules Hangar at the New Castle Airport. The Invitation to Bid was generated by a current tenant's interest in purchasing the hangar. The Invitation was advertised as well as mailed or delivered to major tenants at the New Castle Airport. A mandatory pre-bid meeting is scheduled for July 10<sup>th</sup> with responses due July 17<sup>th</sup>. Staff will update the Committee as necessary.

Rowan University Technology Center:

Officials from Rowan University have been discussing the possibility of Authority involvement in their Technology Center to be located in Gloucester County, New Jersey. Discussions have included the possibility of the Authority constructing a building and leasing back to Rowan, at a cost to the Authority of approximately \$5M. An application requesting the Authority's Economic Development assistance has been sent to Rowan. It was noted that Legislative approval, as well as other criteria must be met before the Authority can proceed with this project.

Ethanol Plant Project:

The Deputy Director reported that there has been no recent contact made to or from officials from Garden State Ethanol. Staff will update the Committee as necessary.

Project Olympus:

The Deputy Director reported that Boeing had advertised nationally for a Request for the Development of their new airplane. This monumental project would create approximately 1200 jobs at a cost of \$500-\$700M. The State of New Jersey, in conjunction with other agencies, completed the application and selected the Millville Airport as the site. The State of New Jersey also included an incentive package; however, New Jersey is competing with many other locations. Staff will update the Committee as necessary.

IV Action Item:

The Deputy Director reviewed the process for the selection of Cushman & Wakefield as the firm to provide Real Estate Marketing/Brokerage Services and The Commonwealth Group was selected to provide Property Management Services. After the selection of the firms, staff delayed negotiations for a contract for property management with The Commonwealth Group. It has become necessary to formalize the agreement between the Authority and the Riverfront Development Corporation for the Authority to take over the property management of the Riverfront Market. The Committee requested to be fully informed of all costs associated with the taking over the property management. The CFO reported that these costs will be included as a line item in the development of the FY 2004 Operating Budget. The Committee recommended that the Executive Director negotiate with The Commonwealth Group for property management services at the Salem Business Center and the Riverfront Market. A Resolution authorizing the negotiations will be presented for full Board consideration at the July meeting.

V Miscellaneous Items:



The Deputy Director reported that a letter had been received from Lower Township, New Jersey in reference to the Cape May Airport Master Plan. Lower Township requested that the Authority hire Triad Associates to produce an updated Economic Development Plan for the Airport. The Deputy Director will update the Committee as necessary.

- VI The Deputy Director requested an Executive Session of the Economic Development Committee and on motion by Committee Vice Chair Koebig, seconded by Commissioner Lathem, the Session was closed.

The following items of a confidential nature were discussed.

Contract/Lease Negotiations

There being no further business before the Committee, the meeting was adjourned at approximately 2:25 p.m.

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8905. COMMITTEE REPORT - PERSONNEL & INSURANCE:

Commissioner Lathem presented the following minutes of the Personnel & Insurance Committee Meeting held on July 1, 2003.

- I Committee Chair Lathem welcomed the Personnel and Insurance Committee and opened the meeting at approximately 2:35 p.m.

II Organizational Re-Structure:

The Chief Human Resources Officer reported that the purpose of the Authority's organizational restructure is to advance the Authority's current business needs by allocating organizational resources and will accomplish the following.

- Maintain the Authority's core assets
- Support the 5% growth goals of the Five Year Plan of Finance

The Tier One establishment of the Senior Leadership Team was completed in March, 2003. Tier Two will identify an appropriate restructure plan, while implementing and Early Retirement Offering to employees. Significant dates to the restructure plan are as follows.

- Start date of the ERO is June 13, 2003
- Completion date of the ERO is September 14, 2003
- Estimated completion of the Restructure is November 2003

III Miscellaneous Matters Relating to Personnel

ERO:

The CHRO reviewed and updated the Committee on the ERO and gave an historical background. The purposes of the ERO is to reduce budgetary costs for the Authority, ensuring the fiscal soundness, as well as to enhance the Authority's reorganization efforts, allowing for qualified, trained individuals to be placed within the organization, improving operations. The ERO is in process. The following is a list of activities.

- Board approval, February 2003
- Implementation, June 13, 2003
- Distribution of Election Packages and Personal Statements to all eligible employees, June 13, 2003

- Group Meetings and One-On-One meetings for all eligible employees, June 16 - July 24, 2003
- Window for election closes, July 28, 2003
- Retirement Deadline, September 14, 2003
- ERO to be completed, September 14, 2003

The CHRO reported that the following issues have been addressed and are listed as follows.

- Severance Agreement
- Annual Leave and Sick Leave Calculations
- Uneasiness about the Process

June Hires for Full Time and Part Time Employment:

The CHRO reported no full time hires and no part time hires for the month of June.

IV The CHRO requested an Executive Session of the Personnel and Insurance Committee and on motion by Vice Commissioner Koebig, seconded by Chairperson Parkowski, the Session was closed.

The following items of a confidential nature were discussed.

Long Range Planning Alternatives

Personnel Matters

There being no further business, the Personnel Committee was adjourned at 4:25 p.m.

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8906. 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.

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

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8907. 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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8908. DELAWARE RIVER AND BAY AUTHORITY - OPERATING EXPENSE BY DIVISION: The CFO presented a chart 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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8909. 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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8910. DELAWARE RIVER AND BAY AUTHORITY - CASH POSITION (MARKET VALUE) AS OF JANUARY 31, 2003: 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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8911. APPROVAL OF FINAL PAYMENT OF CONTRACT NO. NCA-99-1, AIR TRAFFIC CONTROL TOWER RELOCATION: The Director of Engineering presented the following contract closeout and recommended approval of Final Payment.

On June 15, 1999 Contract No. NCA-99-01, "Air Traffic Control Tower Relocation" was awarded to Bancroft Construction of Wilmington, Delaware for a not-to-exceed project total of \$12,495,000.

During the contract period the following Resolutions and Change Order No. 1 amended the Contract.

Resolution 00-21- DEMA Building Rehabilitation	Add \$2,420,000.00
Resolution 01-58- Airport Terminal Renovation	Add \$1,000,000.00
Resolution 01-74- Amends Resolution 01-58	Add \$ 143,709.00
Change Order No. 1 CM Services DEMA Building	Add \$ 507,528.00
Total Amendments	\$4,071,237.00

The authorized project total is \$16,566,237.00.

Authority expenditures for the project are \$16,423,868.34 or \$142, 368.66 under budget. FAA funding for the project is \$4,114,261.99.

It is recommended that the Authority accept the project for the total price of \$20,538,130.33.

On motion by Commissioner Cooper and seconded by Commissioner Koebig, the recommendation of the Director of Engineering was unanimously approved by a voice vote of 11-0.

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8912. APPROVAL OF FINAL PAYMENT OF CONTRACT NO. NCA-01-03A, PAINT HANGER INFRASTRUCTURE. The Director of Engineering presented the following contract closeout and recommended approval of Final Payment.

On February 19, 2002, Contract No. NCA-01-03A, Paint Hanger Infrastructure, was awarded to Diamond Materials, LLC of Wilmington, Delaware for the bid price of \$432,008.00.

During the contract period, the following change orders were approved for the project.

Change Order No.'s 1-6	Adjustments in quantities to reflect actual field Conditions. Add \$22,893.89.
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It is recommended that the Authority accept the project and make final payment to the contractor. The total price for this project is \$454,901.89.

On motion by Commissioner Cooper and seconded by Commissioner Koebig, the recommendation of the Director of Engineering was unanimously approved by a voice vote of 11-0.

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8913. APPROVAL OF AWARD OF CONTRACT NO. DMB-02-02, 2003-2005 DECK RESURFACING: The Director of Engineering reported that bids for Contract No. DMB-02-02, Deck Resurfacing at the Delaware Memorial Bridge and Overpasses were opened on June 25, 2003. The low bid of \$696,755.00 was submitted by Eastern Highway Specialists, Inc. of Wilmington, Delaware. The Director of Engineering and the Projects Committee recommend awarding the base bid to the low bidder noted above.

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

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8914. APPROVAL OF AWARD OF CONTRACT NO. DMB-01-05, TOLL BOOTH CANOPY FIRE SUPPRESSION SYSTEM: The Director of Engineering reported that bids for Contract No. DMB-01-05, Toll Booth Canopy Fire Suppression System, Delaware Memorial Bridge were opened on June 24, 2003. The low bid of \$235,335.00 was submitted by Fire Protection Industries, Inc., of Newark, Delaware. The Director of Engineering and the Projects Committee recommend awarding the base bid to the low bidder noted above.

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

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8915. THE EXECUTIVE DIRECTOR PRESENTED THE FOLLOWING RESOLUTIONS:

**RESOLUTION 03-31 APPROVAL OF COMMUNITY CONTRIBUTION REQUESTS.**  
The Executive Director presented the following Resolution:

WHEREAS, The Delaware River and Bay Authority (“Authority”) is a bi-state agency with public crossing facilities and assets in the State 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 request; and

WHEREAS; the Budget and Finance Committee met and approved Community Contribution requests for the months of July 2003; and

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

**Community Contributions**

**New Jersey**

Affordable Homes of Millville Ecumenical Incorporated	\$ 7,500
Calvary Community Development Corporation	\$ 5,000
Cape Counseling Services Incorporated	\$ 600
Cape May County Council on Alcoholism and Drug Abuse	\$ 2,000
Cape May County Junior Golf Foundation Incorporated	\$ 2,500
Girls Scouts of the South Jersey Pines	\$ 5,000
Gloucester County Division of Senior Services	\$ 1,000
Historic Cold Spring Village	\$ 1,000
Marine Mammal Stranding Center	\$ 5,000
Paulsboro Community Development Center	\$ 3,000
Salem County Alternative Youth Shelter	\$ 1,500
Young Men’s Christian Association of Gloucester County	\$ 1,000
YMCA of Salem County	\$ 5,000

**Total** **\$ 40,100**

**Delaware**

Lewes Fire Department Incorporated	\$ 1,500
National Conference of State Legislatures	\$ 1,000
Rehoboth Beach Little League	\$ 275
Tri-State Bird Rescue and Research Incorporated	\$ 5,000
Cape May County Junior Golf Foundation Incorporated	\$ 2,500
Boys and Girls Club of Delaware	\$ 5,000
Diamond State Port Corporation	\$ 800

**Total** **\$ 16,275**

**Grand Total (New Jersey and Delaware)** **\$ 56,175**

With Commissioner Dorn abstaining from voting on contributions for Calvary Community Development Corporation, Commissioner Pessagno abstaining on voting on contributions for Historic Cold Spring Village and Cape May County Council on Alcoholism and Drug Abuse, and Commissioner Wallace abstaining on voting on Gloucester County Division of Senior Services, Resolution 03-31 was moved by Commissioner Pessagno, seconded by Commissioner Patterson, and 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.

\* \* \* \* \*

**RESOLUTION 03-32 - AUTHORIZING THE PREPARATION AND EXECUTION OF A FORWARD INTEREST RATE SWAP AGREEMENT.**

WHEREAS, The Delaware River and Bay Authority (the “Authority”) was created as a body politic and an agency of government of the State of Delaware and the State of New Jersey, by virtue of Chapters 145 and 146, Volume 53, Laws of Delaware, approved by the Governor of the State of Delaware on July 21, 1961, and Chapter 66 of the Pamphlet Laws of 1961 of the State of New Jersey, approved by the Governor of the State of New Jersey on June 3, 1961 (said Chapters 145 and 146 and said Chapter 66 being hereinafter sometimes collectively called the “Original Enabling Legislation”), pursuant to which the State of Delaware and the State of New Jersey entered, subject to the consent of the Congress of the United States of America, into a compact (hereinafter sometimes called the “Original Compact”) creating the Authority; and

WHEREAS, the consent of the Congress of the United States of America was given to the States of Delaware and New Jersey to enter into the Original Compact by a Joint Resolution of the Congress, approved September 20, 1962 (Public Law 87-678, 87th Congress); and

WHEREAS, by virtue of Chapter 252, Volume 67, Laws of Delaware, approved by the Governor of the State of Delaware on June 28, 1990, and Chapter 192 of the Pamphlet Laws of 1989 of the State of New Jersey, approved by the Governor of the State of New Jersey on October 18, 1989 (said Chapter 252 and said Chapter 192, together with the Original Enabling Legislation being hereinafter sometimes collectively called the “Enabling Legislation”), the State of Delaware and the State of New Jersey entered, subject to the consent of the Congress of the United States of America, into certain amendments to the Original Compact (as so amended and as may be further amended from time to time hereinafter sometimes called the “Compact”); and

WHEREAS, the consent of the Congress of the United States of America was given to the State of Delaware and New Jersey to enter into the Compact by a Joint Resolution of the Congress, approved November 15, 1990 (Public Law 101-565, 101st Congress); and

WHEREAS, by virtue of the Compact and the Enabling Legislation, the Authority’s powers include authorization to plan, finance, develop, construct, purchase, lease, maintain, improve and operate crossings, including bridges, tunnels and ferries and all approaches thereto and connecting and service routes, between the State of Delaware and the State of New Jersey across the Delaware River or Bay at any location south of the boundary line between the State of Delaware and the Commonwealth of Pennsylvania as extended across the Delaware River to the New Jersey shore of said River; and

WHEREAS, the Authority owns, operates and maintains twin bridges spanning the Delaware River from a point between Pigeon Point near the City of Wilmington in the State of Delaware and New Castle in said State to a point near the Salem Canal in the State of New Jersey, together with their approaches, appurtenances and property (said twin spans being known as The Delaware Memorial Bridge and, together with such approaches, appurtenances and property, being hereinafter sometimes called the “Bridge”); and

WHEREAS, the Authority also owns, operates and maintains a public ferry system across Delaware Bay between Cape May in the State of New Jersey and the Town of Lewes in the State of Delaware, including vessels, marine facilities, approaches and connecting and service routes and appurtenances and equipment incidental thereto (said public ferry system, including approaches and connecting and service routes and appurtenances and equipment incidental thereto, being herein sometimes called the “Ferry”); and

WHEREAS, for the purpose of paying: (1) certain outstanding indebtedness; (2) the balance of the cost of certain improvements and modifications to the original span of the Bridge constructed in 1946; (3) costs associated with the construction of the second span of the Bridge; and (4) certain costs in connection with the construction and acquisition of the Ferry, the Authority issued its revenue bonds in the original aggregate principal amount of One Hundred Three Million Dollars (\$103,000,000), (the “Prior Bonds”) pursuant to a Trust Agreement, dated as of the 1st day of January, 1964, by and between the Authority and Delaware Trust Company, as trustee (the “Prior Trust Agreement”); and

WHEREAS, for the purpose of: (i) refunding all of the \$43,355,000 outstanding Prior Bonds and thereby defeasing the lien of the Prior Trust Agreement on the revenues of the Authority; and (ii) funding the cost of various Additional Facilities (as defined in the Agreement mentioned below) undertaken by the Authority, the Authority issued its \$123,755,000 aggregate principal amount of its Revenue Bonds, Series 1993 (the “1993 Bonds”) pursuant to a Trust Agreement, dated as of October 1, 1993, between the Authority and Wilmington Trust Company, as Trustee (the Trust Agreement as supplemented in connection

with the 1993 Bonds and as further supplemented and amended in accordance with the terms thereof, the “Agreement”); and

WHEREAS, for the purpose of funding the costs of various Additional Facilities undertaken by the Authority, the Authority issued its \$67,065,000 aggregate principal amount of its Revenue Bonds, Series 1996 (the “1996 Bonds”), pursuant to the Agreement; and

WHEREAS, for the purpose of funding the costs of various Additional Facilities undertaken by the Authority, the Authority issued its \$98,755,000 aggregate principal amount of its Revenue Bonds, Series 2000A and its \$30,000,000 aggregate principal amount of its Revenue Bonds, Series 2000B (the “2000A and 2000B Bonds”), pursuant to the Agreement; and

WHEREAS, for the purpose of funding the costs of various additional facilities undertaken by the Authority, the Authority issued its \$76,300,000 aggregate principal amount of its Revenue Bonds, Series 2003 (the “2003 Bonds”) pursuant to the Agreement; and

WHEREAS, under the Agreement, the Authority may provide for the issuance from time to time of: (i) revenue bonds or Parity Indebtedness of the Authority, on a parity basis with respect to the 1993 Bonds, the 1996 Bonds, the 2000A Bonds, the 2000B Bonds and the 2003 Bonds, which remain outstanding, under the provisions of the Agreement, for the purpose of paying all or any part of the cost of constructing and acquiring any Additional Facilities; or (ii) Subordinate Obligations, on a subordinated basis with respect to the 1993 Bonds, the 1996 Bonds, the 2000A Bonds, the 2000B Bonds and the 2003 Bonds, which remain outstanding, for the purpose of paying all or any part of the cost of the constructing and acquiring Additional Facilities or for any other lawful purpose of the Authority; and

WHEREAS, the Authority continually tracks the bond market to determine if market rates offer any potential savings; and

WHEREAS, the Authority has identified potential savings related to a refunding of its outstanding 1993 Bonds; and

WHEREAS, the minimum net present value savings of the refunding of the Series 1993 bonds will be 3%; and

WHEREAS, the Authority may desire to enter into a Forward Interest Rate Swap Agreement or other similar instrument (such Agreement or instrument shall be referred to as the “Swap Agreement”) and/or issue refunding bonds in early 2004 to capture the benefits of low interest rates, but desire to minimize negative arbitrage associated with the proposed refunding; and

WHEREAS, the Authority’s Budget and Finance Committee has reviewed and discussed the concept of a Rate Swap Agreement and recommends it to the Board of Commissioners; and

WHEREAS, the Swap Agreement will be competitively bid to qualified providers to ensure the greatest benefit to the Authority; and

WHEREAS, due to the fact that the savings are primarily derived by market conditions beyond the Authority’s control, the Authority desires to authorize the Delegates (hereinafter defined) acting in unison, to engage certain professionals and execute a Rate Swap Agreement with a third party provider; and

NOW THEREFORE BE IT RESOLVED THAT the Chairperson, Vice Chairperson, Chair of the Budget and Finance Committee and Executive Director

are each hereby appointed delegates (the “Delegates”) with full power to carry out the duties set forth; and

BE IT FURTHER RESOLVED that the Delegates shall execute a Certificate evidencing the determinations made or other actions carried out by their unanimous agreement pursuant to the Authority and granted in this Resolution, and any such certificate shall be conclusive evidence of the actions or determinations as stated therein; and

BE IT FURTHER RESOLVED that the Delegates are each authorized and directed (without limitation except as may be expressly set forth herein) to take such action and to execute and deliver any such documents, certificates, undertakings, agreements, including the engagement of certain other professionals, or other instruments as they, with the advice of counsel, may deem necessary or appropriate to effectuate the transaction(s) contemplated by this Resolution.

Resolution 03-32 was moved by Commissioner Cooper, seconded by Commissioner McWilliams and was approved by a roll call vote of 11-0.

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**RESOLUTION 03-33- AUTHORIZES A CONTRACT BETWEEN THE AUTHORITY AND THE COMMONWEALTH GROUP, LTD.**

WHEREAS, the Delaware and River Bay Authority desires to procure property management services for the land and buildings at the Salem Business Center located in Carney’s Point, New Jersey; and

WHEREAS, the Authority publicly advertised and issued a Request for Proposals (RFP) for said services and received a total of seven (7) proposals; and

WHEREAS, these proposals were evaluated pursuant to Authority regulations, policy and procedure and a short list of three firms was developed and all three firms were interviewed and based on the criteria established by Resolution 98-31 as amended, The Commonwealth Group was selected to provide the services; and

WHEREAS, the Executive Director’s designee has begun to negotiate for the proposed services at compensation determined to be fair and reasonable, and in making such determination, considered the scope and complexity of the services; and

WHEREAS, the base term of the contract will be for two years with the option of either party to the contract to terminate the same after and upon a 60-day notice in writing to terminate said agreement.

NOW THEREFORE BE IT RESOLVED, that the Executive Director is hereby authorized to negotiate the terms and conditions of a contract to provide property management services for the Salem Business Center for a period up to two years and with the advice and consent of counsel have such contract executed by the Chairman, Vice Chairman and the Executive Director.

Resolution 03-33 was moved by Commissioner Patterson, seconded by Commissioner Cooper and was approved by a roll call vote of 11-0.

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**RESOLUTION 03-34- AUTHORIZES A CONTRACT BETWEEN THE AUTHORITY AND THE COMMONWEALTH GROUP, LTD.**

WHEREAS, the Delaware and River Bay Authority desires to procure property management services for the land and buildings at the Riverfront Market and Restaurant located in Wilmington, Delaware; and



WHEREAS, the Authority publicly advertised and issued a Request for Proposals (RFP) for said services and received a total of six (6) proposals; and

WHEREAS, these proposals were evaluated pursuant to Authority regulations, policy and procedure and a short list of three firms was developed and all three firms were interviewed and based on the criteria established by Resolution 98-31 as amended, The Commonwealth Group was selected to provide the services; and

WHEREAS, the Executive Director’s designee has begun to negotiate for the proposed services at compensation determined to be fair and reasonable, and in making such determination, considered the scope and complexity of the services; and

WHEREAS, the base term of the contract will be for two years with the option of either party to the contract to terminate the same after and upon a 60-day notice in writing to terminate said agreement.

NOW THEREFORE BE IT RESOLVED, that the Executive Director is hereby authorized to negotiate the terms and conditions of a contract to provide property management services for the Riverfront Market and Restaurant in downtown Wilmington, Delaware for a period up to two years and with the advice and consent of counsel have such contract executed by the Chairman, Vice Chairman and the Executive Director.

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

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**RESOLUTION 03-35 - AUTHORIZING AUTHORITY EXPENDITURES PURSUANT TO RESOLUTION 01-84 FOR THE PERIOD JANUARY 1 THROUGH DECEMBER 31, 2003.**

WHEREAS, The Delaware River and Bay Authority (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 1/1/03 THOUGH 12/31/03**

<u>VENDOR</u>	<u>SERVICE DESCRIPTION</u>
ICI Dulux Paint Centers	Line Painting
United Electric Supply Co.	Misc. Electrical Supplies
Service Energy LLC	Fuel Oil – Lewes
Graves Uniforms	Police Uniform & Gear
AT Systems Atlantic Services	Armored Car & Courier
Rowland Company	Vessel Clutch Services
H A DeHart & Sons	Snow Equipment Parts
Conventional Builders, Inc.	DAP – T-Hangar Repairs

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

Resolution 03-35 was moved by Commissioner Lathem, seconded by Commissioner McWilliams.

Commissioner Patterson expressed his concerns regarding the Delaware Airpark in terms of the need to make capital investments in Delaware. A roll call vote was taken and Resolution 03-35 was approved by a vote of 10-1.

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**RESOLUTION 03 - 36 - RECOGNIZES AND SALUTES ALBERT A. FRALINGER, JR. FOR HIS DEDICATED SERVICE TO THE DELAWARE RIVER AND BAY AUTHORITY.**

WHEREAS, Albert A. Fralinger, Jr. was appointed by Governor James J. Florio to serve as a Commissioner for the Delaware River and Bay Authority, participating in his first Commission Meeting on June 15, 1993; and

WHEREAS, Mr. Fralinger served with distinction, enthusiasm and dedication as a Delaware River and Bay Authority Commissioner for ten years, including eight of those years as either Chairman or Vice-Chairman of the twelve member Board of Commissioners; and

WHEREAS, Mr. Fralinger was instrumental in developing the Commission's committee system to effectively and efficiently manage projects and policy, campaigning for agency By-laws to improve governance and oversight, and advocating for highway beautification measures at all Authority facilities in New Jersey and Delaware; and

WHEREAS, under the leadership of Mr. Fralinger, the Commission engaged in a number of economic development projects which created jobs for the region's citizens, invested substantial financial resources to improve and enhance the Authority's major transportation links, the Cape May - Lewes Ferry and Delaware Memorial Bridge facilities, and launched the Three Forts Ferry operation in April 1997, the first new crossing for the bi-state agency since 1968; and

WHEREAS, as a successful engineer and businessman, Mr. Fralinger willingly supplied his time, talents, and energy to the successful operation of the Delaware Memorial Bridge, Cape May - Lewes Ferry, the Salem County Business Center, New Castle Airport, Millville Airport, Cape May Airport, Delaware Airpark, Civil Air Terminal at Dover, and the Three Forts Ferry Crossing, all of which are managed by the Delaware River and Bay Authority; and

NOW THEREFORE, BE IT RESOLVED that the Delaware River and Bay Authority does hereby praise and congratulate Albert A. Fralinger, Jr. for the invaluable services rendered by him to the States of New Jersey and Delaware through his outstanding contributions as a Delaware River and Bay Authority Commissioner and does hereby record the Commissioners sincere appreciation by the presentation of this Resolution, adopted today, July 15, 2003.

Resolution 03-36 was moved by Commissioner Koebig, seconded by Commissioner Pessagno and Commissioner Lathem and was approved by a roll call vote of 11-0.

\* \* \* \* \*

8916. COMMISSIONERS PUBLIC FORUM: Chairman Parkowski questioned whether any member of the public requested to address the Commission.

Local 542 Union Representative, Frank Bankard, returned to the Board waiting for a response to Local 542's request to the Authority to be recognized as the bargaining unit for some of the Authority's employees.

Ward Brainard, DRBA Marine employee briefed the Board on his concerns about the ERO process and policy and any effect it may have on retiree's part-time employment with the Authority. Chairman Parkowski stated that there is no intent to effect the rights of employees if they are being rehired for part-time or summer help.

Chairman Parkowski received a letter from Mr. Daren Singling expressing suggestions to the ferry schedule and that he would forward it to the Director of Ferry Operations.

Commissioner Patterson noted that there will be a public meeting of the Ad Hoc Bylaws Committee on Tuesday, July 29, 2003 at 9:00 a.m. in the Caucus Room of the Dover City Hall, 15 Loockerman Street, Dover, Delaware.

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There being no further business before the Commission, the meeting was adjourned at 12:10 p.m.

Respectfully submitted,  
THE DELAWARE RIVER AND BAY AUTHORITY

Thomas A. Pankok  
Secretary