

MINUTES OF MEETING
THE DELAWARE RIVER AND BAY AUTHORITY
Tuesday, April 17, 2012
James Julian Boardroom
Delaware Memorial Bridge Plaza
New Castle, Delaware 19720

The meeting convened at 11:38 a.m. with Chairperson Lowe presiding.

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

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.

* * * * *

Commissioners from Delaware

Commissioners from New Jersey

PRESENT

William E. Lowe, Chairperson
Richard W. Downes
Samuel E. Lathem
Terry C. Murphy
Gary F. Traynor

James N. Hogan, Vice-Chairperson
Edward W. Dorn
Niels S. Favre
Ceil Smith
Douglas Van Sant

* * * * *

Chairperson Lowe noted the presence of representatives of the Delaware Solid Waste Authority who were there to answer any questions regarding Resolution 12-13. He then called for an amendment to the Agenda to bring Resolution 12-13 to the floor for action before all other business. With a unanimous voice vote of 10-0, the Agenda was amended to discuss and take action on Resolution 12-13 before all other Agenda items.

* * * * *

10513. RESOLUTION 12-13 – EASEMENT AGREEMENT AMONG THE DELAWARE RIVER AND BAY AUTHORITY, THE STATE OF DELAWARE AND THE DELAWARE SOLID WASTE AUTHORITY

RESOLUTION 12-13 - EASEMENT AGREEMENT AMONG THE DELAWARE RIVER AND BAY AUTHORITY, THE STATE OF DELAWARE AND THE DELAWARE SOLID WASTE AUTHORITY

WHEREAS, the State of Delaware (the “State”), on behalf of the Delaware River and Bay Authority (“DRBA”), holds title to property located in New Castle County, State of Delaware, located adjacent to and under the approach for I-295 (the “Property”); and

WHEREAS, the DRBA operates and exercises control over such Property; and

WHEREAS, the Delaware Solid Waste Authority (“DSWA”) desires to obtain an approximately twenty (20) foot wide easement across the Property for the purpose of constructing a landfill gas pipeline to enable the transfer of landfill gas and associated condensates along the pipeline for the eventual sale and distribution of such landfill gas to third party users; and

WHEREAS, DSWA desires the right to assign the easement to a party or entity whose business is exclusively for the purpose of transferring landfill gas without approval of the State

or the DRBA, provided, DSWA shall remain liable for all obligations in the easement agreement (the "Landfill Gas Line Easement Agreement") following such assignment; and

WHEREAS, DSWA intends to assign the Landfill Gas Line Easement Agreement to Cherry Island Renewable Energy, LLC ("CIRE"); and

WHEREAS, the approval of this easement by the DRBA is conditioned upon DSWA requiring CIRE to construct a six inch (6") lateral stub to service DRBA facilities at a location to be mutually agreed upon; and

WHEREAS, the State and the DRBA desire to enter into an easement agreement with DSWA to formalize the parties rights and obligations with respect to the easement.

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby to authorized to finalize the terms and conditions of the Landfill Gas Line Easement Agreement with the State and the DSWA, and with the advice and consent of counsel, to have such Landfill Gas Line Easement Agreement executed by the Chairperson, the Vice Chairperson and the Executive Director.

A motion to approve Resolution 12-13 was made by Commissioner Favre, seconded by Commissioner Downes, and approved by a roll call vote of 10-0.

Resolution 12-13 Executive Summary

Resolution: Authorizes a Landfill Gas Line Easement Agreement among the Delaware River and Bay Authority, the State of Delaware and the Delaware Solid Waste Authority

Committee: Projects Committee

Committee Date: April 17, 2012

Board Date: April 17, 2012

Purpose of Resolution: Authorizes the Executive Director, Chairman and Vice Chairman to execute and deliver an easement agreement across a parcel of land adjacent to and under the approach to I-295. The approval of this easement is conditioned upon DSWA including a requirement in the assignment to Cherry Island Renewable Energy, LLC ("CIRE") that CIRE construct a six inch (6") lateral stub to service DRBA facilities located on the property.

* * * * *

Chairperson Lowe called for the return to the Agenda as presented.

* * * * *

10514 APPROVAL OF THE MARCH 20, 2012 MINUTES

Commissioner Smith motioned to approve the March 20, 2012 meeting minutes, seconded by Commissioner Murphy, and unanimously approved by a voice vote of 10-0.

* * * * *

10515. EXECUTIVE DIRECTOR'S REPORT

Scott A. Green, the Authority's newly selected Executive Director, stated that he has been on duty 11 days and has not determined the order in which he will deliver his monthly report. He did note that in his short time here as an employee, he was in one of the tollbooths learning the collection process, met some of the Authority police, visited the paint shop in Cape May, and introduced himself to staff at the Millville Airport. Executive Director Green noted several changes in office locations that he believes will be more productive. He said that he will work to

make staff proud to be a DRBA employee. He then invited everyone to share any great ideas they may have with him.

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

* * * * *

10516. DELAWARE RIVER AND BAY AUTHORITY – TRAFFIC AND REVENUE SUMMARY.

The Chief Financial Officer (CFO) presented a chart showing Actual versus Projected Revenues for the Delaware Memorial Bridge, the Cape May-Lewes Ferry, Airports, Three Forts Ferry Crossing, and Food Services for the month of March.

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

* * * * *

10517. DELAWARE RIVER AND BAY AUTHORITY – STATEMENT OF INCOME AND EXPENSE.

The CFO presented charts showing statements of income and expenses for the month of March with comparisons to the same periods last year.

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

* * * * *

10518. DELAWARE RIVER AND BAY AUTHORITY – OPERATING EXPENSE BY DIVISION.

The CFO presented a chart for March 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.

* * * * *

10519. DELAWARE RIVER AND BAY AUTHORITY – CAPITAL IMPROVEMENT PROGRAM.

The CFO presented a chart for the month of March 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.

* * * * *

10520. DELAWARE RIVER AND BAY AUTHORITY – CASH POSITION (MARKET VALUE) AS OF MARCH, 2012.

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

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

* * * * *

10521. PUBLIC COMMENT ON ACTION ITEMS.

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

Contract #CMLF-12-04 Replacement of Fender Clusters 68,74, & 80, Cape May
 Contract #CMLF-11-05 Ferry Shuttle Bus Service, Cape May
 Resolution 12-12 Authorizes Expenditures Over \$25,000
 Resolution 12-13 Authorizes an Easement Agreement with State of DE and DE Solid Waste Authority
 Resolution 12-14 Supporting an Amendment to the NJ Bayshore Heritage Byway Route to
 Include the Townbank/Ferry Spur Between Seashore Rd and Beach Drive near the Cape May
 Ferry
 Resolution 12-09 Recognizing James T. Johnson, Jr.

There were no comments.

* * * * *

10522. APPROVAL OF REPLACEMENT OF FENDER CLUSTERS
 68, 74, & 80, CAPE MAY, CONTRACT #CMLF-12-04

The COO noted that a public Bid opening was held on April 10, 2012 in which ten (10) bids were received. He noted that Commerce Construction Corporation was the lowest bidder at a base bid of \$787,400; however, Commerce withdrew its bid. The second lowest bid was received from Atlantic Subsea, Inc., of Bridgeport, NJ with a Base Bid of \$797,730. The recommendation by the COO and the Projects Committee is to award the contract to Atlantic Subsea, Inc., for the Base Bid only in the amount of \$797,730 to replace Fender Clusters 68 and 74 only.

A motion was made by Commissioner Murphy to award Contract #CMLF-12-04 to the aforementioned firm contingent upon staff verifying the references of Atlantic Subsea, seconded by Commissioner Downes, and approved by a voice vote of 10-0.

* * * * *

10523. APPROVAL OF THE CAPE MAY FERRY SHUTTLE BUS
 SERVICE AT THE CAPE MAY FERRY TERMINAL, CONTRACT #CMLF-11-05

The COO noted that a public Bid Opening was held on April 13, 2012 in which two (2) bids were received. The shuttle service to be performed is the Regular Route into the City of Cape May and to the Cape May County Zoo. The recommendation of COO and the Projects Committee is to award the contract to the lowest responsive bidder, Great American Trolley of Cape May, NJ for the Base Bid and Add Alternate #2 totaling \$148,852 (Base Bid, \$117,700; Add Alternate #2, \$31,152). He stated that the contract is a one (1) year contract with an option to renew for an additional one (1) year.

A motion to award Contract #CMLF-12-01 to the aforementioned firm was made by Commissioner Downs, seconded by Commissioner Favre, and approved by a voice vote of 10-0.

* * * * *

10524. CHAIRPERSON'S CALL FOR RESOLUTIONS BEFORE
 THE BOARD

**RESOLUTION 12-10 - AUTHORIZING AUTHORITY EXPENDITURES
 PURSUANT TO RESOLUTION 01-84 FOR THE PERIOD, JANUARY 1, 2012
 THROUGH DECEMBER 31, 2012**

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

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

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

VENDOR	SERVICE DESCRIPTION	DETERMINATION	APPROX. ESTIMATED \$
Carboline Company	Marine Vessel Paint	Public Bid	\$60,000
Retail Anywhere	New registers/ implementation and maintenance contracts for the existing CMLF Retail Point of Sale System	Proprietary	\$80,000

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

A motion to approve Resolution 12-10 was made by Commissioner Downes, seconded by Commissioner Smith, and approved by a roll call vote of 10-0.

Resolution 12-10 Executive Summary Sheet

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

Committee: Budget & Finance

Committee and Board Date: April 17, 2012

Purpose of Resolution:

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

Background for Resolution:

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

Background for Determination categories:

Proprietary:

Proprietary items are purchases necessary to support and maintain existing Authority systems and equipment that are only available from one source. Resolution 98-31 (paragraph 2, subsection f) provides that “ [a] contract may be awarded without competition if the General Manager or Director of Operations of an Authority facility, or Police Administrator, prior to procurement, determines in writing that there is only 1 source for the required contract”.

Public Bid:

Public Bid items indicate purchases that will be made after the receipt of public bids in accordance with the requirements of Resolution 98-31.

* * * * *

RESOLUTION 12-11 - ADOPTION OF THE DELAWARE RIVER AND BAY AUTHORITY'S 2012 OPERATING BUDGET

WHEREAS, Section 505 of the Trust Agreement, dated October 1, 1993, requires that The Delaware River and Bay Authority (the "Authority") adopt a budget for fiscal year; and

WHEREAS, the proposed operating expenses for FY2012, excluding the Airports division and Economic Development Facilities are \$73,124,022; and

WHEREAS, the budget includes funds for salaries and wages of Authority personnel, and materials and services for Authority activities; and

WHEREAS, for FY2012, interest on outstanding bonds is currently approximately \$12,439,915, and amortization of principal will be \$9,160,000 for total debt service of approximately \$21,599,915; and

WHEREAS, the amount to be deposited to the credit of the Reserve Maintenance Fund with respect to Crossing Facilities shall be \$175,000 per month or \$ 2,100,000 for FY2012; and

WHEREAS, the projected revenue of the Authority for FY2012, excluding the Airports division and Economic Development facilities, is approximately \$119,990,103 resulting in a debt service coverage of 2.17x; and

WHEREAS, the proposed operating budget for the Airports division is \$6,395,784; and

WHEREAS, the proposed operating budget for the Economic Development facilities are \$1,132,110; and

WHEREAS, the Budget and Finance Committee has conducted publicly advertised hearings and meetings on the proposed 2012 Operating Budget; and

WHEREAS, the Budget and Finance Committee has developed, reviewed, and approved the proposed 2012 Operating Budget and recommends its adoption to the Board of Commissioners.

NOW, THEREFORE, BE IT RESOLVED, that the Commission hereby adopts an operating budget of \$73,124,022 for the Bridge, Ferry, Food Services, Three Forts Crossing, Police, and Administration Divisions, and a budget of \$6,395,784 for the Airports division, a budget of \$1,132,110 for Economic Development facilities for a total of \$80,702,757 for FY2012, and authorizes the Executive Director to exercise the approved management discretion and spend within the approved FY2012 budget.

Commissioner Murphy asked whether there has been further consideration of pay increases for non-unionized employees and whether the budget as proposed includes such increases.

Chairperson Lowe stated that the budget does not include non-unionized raises and that a compensation study is being undertaken to address the issue of which it will inform the DRBA consideration of pay increases going forward.

A motion to approve Resolution 12-11 was made by Commissioner Traynor, seconded by Commissioner Downes. With Commissioner Murphy voting no, the motion was approved by a roll call vote of 9-1.

Resolution 12-11 Executive Summary Sheet

Resolution: Resolution 12-XX – Adoption of the Delaware River and Bay Authority's 2012 Operating Budget

Committee: Budget & Finance

Committee Date: April 17, 2012

Board Date: April 17, 2012

Purpose of Resolution:

Resolution 12-XX formally authorizes funds for the fiscal year’s current operating expenses.

Background for Resolution:

The Authority has issued outstanding debt under a Trust Agreement dated October 1, 1993. Section 505 of the Agreement stipulates that the Authority covenants to adopt a final budget for each ensuing fiscal year. The budget is to address Current Expenses, Amounts Deposited into the Reserve Maintenance Fund, Revenue Projections and Compliance with the Covenant as to tolls, in Section 501 (a)(i).

* * * * *

RESOLUTION 12-12 - ADOPTION OF THE DELAWARE RIVER AND BAY AUTHORITY’S 2012 CAPITAL IMPROVEMENT PROGRAM (CIP)

WHEREAS, The Delaware River and Bay Authority (the “Authority”) has developed a 2012 Capital Improvement Program (CIP) for capital improvement projects Authority wide in the amount of \$38,403,000.00; and

WHEREAS, the Projects Committee has conducted a publicly advertised meeting on the proposed 2012 CIP; and

WHEREAS, the Authority’s Projects Committee has reviewed and approved the proposed 2012 CIP and recommends its adoption by the Board of Commissioners.

NOW, THEREFORE, BE IT RESOLVED, that the Authority hereby adopts a 2012 CIP investment proposal of \$38,403,000.00.

A motion to approve Resolution 12-12 was made by Commissioner Downs, seconded by Commissioner Traynor, and approved by a roll call vote of 10-0.

Resolution 12-12 Executive Summary Sheet

Resolution: Authorizing the adoption of The Delaware River and Bay Authority’s 2012 Capital Improvement Program (CIP) investment proposal

Committee: Projects Committee

Committee Date: April 17, 2012

Board Date: April 17, 2012

Purpose of Resolution:

To authorize adoption of the Delaware River and Bay Authority’s 2012 Capital Improvement Program (CIP) investment proposal in the amount of \$38,403,000.00.

* * * * *

RESOLUTION 12-14 - SUPPORTING AN AMENDMENT TO THE NEW JERSEY BAYSHORE HERITAGE BYWAY ROUTE TO INCLUDE THE TOWNBANK/FERRY SPUR BETWEEN SEASHORE ROAD AND TO BEACH DRIVE NEAR THE CAPE MAY FERRY TERMINAL

WHEREAS, The Delaware River and Bay Authority (“the Authority”), operates the Cape May – Lewes Ferry and is responsible for the Sandman Boulevard approach road to the Cape May ferry terminal; and

WHEREAS, the Cape May – Lewes Ferry, a vital transportation link connecting historic Lewes, Delaware and Victorian Cape May, New Jersey, is also closely tied to the tourism industry in southern New Jersey and Delaware; and

WHEREAS, the Bayshore Heritage Byway Advisory Group has worked closely with New Jersey Department of Transportation to determine ways to showcase the importance of the western shore of Salem, Cumberland and Cape May counties and their natural, historic, cultural, and scenic intrinsic qualities to the general public; and

WHEREAS, through increased general awareness of the area’s unique historic, natural, and cultural assets, the Bayshore Heritage Byway can provide benefits by welcoming visitors to explore and share in the significant natural and historic qualities along this byway; and

WHEREAS, the scenic byway can further benefit the community by fostering economic development consistent with the region’s rural character, providing access to federal resources and improving established roadways that constitute the byway alignment; and

WHEREAS, designation of the byway involves a coordinated effort among the municipalities, counties and agencies through which it passes; and

WHEREAS, the Authority supports the revision to the Bayshore Heritage Byway Route as follows:

The section of the Byway from Bayshore Road (County Road 603) and Route 47 to Seashore Road and Breakwater Road will be deleted, and replaced by the following:

At Route 47 and Bayshore Road, the route will turn west on Bayshore Road, remaining on this road as it turns south and leaves Middle Township and enters Lower Township. The route will continue south and bear to the left and Fishing Creek Road, turning east onto Breakwater Road at Fishing Creek Road. The route will follow Breakwater Road to Seashore Road where it will turn south and resume the original plan.

It is also requested that a spur to the Byway be created between Seashore Road at Sandman Blvd and Lincoln Blvd at Beach Drive to be known as the Cape May – Lewes Ferry Spur.

WHEREAS, Lower Township officials requested the Authority’s support for this change to the route; and

WHEREAS, the Authority understands that its support does not affect the bi state agency’s ability to make structural improvements to the Sandman Blvd. approach road, to erect directional signage related to the Cape May – Lewes Ferry or other matters pertaining to the operation of the Cape May – Lewes Ferry; and

WHEREAS, the Authority is submitting this revision to the route to the South Jersey Bayshore Coalition during the preparation of a Corridor Management Plan; and

WHEREAS, once formally designated, the administration of the Byway requires a continuing commitment on the part of all participants involved; and

WHEREAS, the Authority supports the concept of a Scenic Byway and requests to have representation on the Bayshore Heritage Byway advisory committee, which is responsible for its implementation; and

NOW, THEREFORE, BE IT RESOLVED that it is the Delaware River and Bay Authority intends to actively participate in the Bayshore Heritage Byway management plan and will cooperate with all other municipalities and counties involved in ongoing planning efforts.

BE IT FURTHER RESOLVED that the Delaware River and Bay Authority supports the designation, recognition and retention of the Bayshore Heritage Byway, with the passage of this Resolution, adopted today, April 17, 2012.

A motion to approve Resolution 12-14 was made by Commissioner Favre, seconded by Commissioner Murphy, and approved by a roll call vote of 10-0.

Resolution 12-14 -- Executive Summary

Resolution: Supports an Amendment to the New Jersey Bayshore Heritage Byway Route to include the Townbank/Ferry Spur between Seashore Road and to Beach Drive near the Cape May Ferry Terminal

Committee: Projects Committee

Committee Date: April 17, 2012

Board Date: April 17, 2012

Purpose of Resolution: Authorizes the Executive Director, Chairman and Vice Chairman to actively participate in the Bayshore Heritage Byway management plan, cooperate with all other municipalities and counties involved in ongoing planning efforts and support the designation, recognition and retention of the Bayshore Heritage Byway.

* * * * *

10525. COMMISSIONERS PUBLIC FORUM

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

Vice-Chairperson Hogan noted that Mr. Norcross, Esq. was unable to attend today's meeting due to a personal emergency.

Vice-Chairperson Hogan indicated that compensation is not in the budget but noted that the Executive Director has suggested that the Authority undertake a compensation plan to address the issue. He then noted that he understood Commissioner Murphy's concern regarding the budget but wanted to support the Executive Director in undertaking a compensation study with DRBA and included in the Operating Budget at this time.

Commissioner Lathem welcomed the new Executive Director. He also noted that the Authority has to address the needs of all employees.

Commissioner Van Sant agreed with Commission Hogan's comments.

Commissioner Murphy stated that she wanted to understand the compensation issue raised by the budget.

Commissioner Favre stated that the Authority is blessed with employees who really care. He said that he spoke to the DRBA police chief in Cape May and told him that his officers do a wonderful job and help people with problems when they are on the Terminals.

Commissioner Smith stated that the Executive Director has the Commissioners support.

* * * * *

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

The meeting was adjourned at 12:01 p.m.

Respectfully submitted,

THE DELAWARE RIVER AND BAY AUTHORITY

Frank W. Minor
Assistant Secretary