

MINUTES OF MEETING
THE DELAWARE RIVER AND BAY AUTHORITY
Tuesday, March 21, 2006
111 Adams at Kings Highway
Lewes, Delaware

The meeting convened at 11:10 a.m. with Chairperson Wallace presiding.

The opening prayer was given by Commissioner Dorn followed by the Pledge of Allegiance led by Commissioner Koebig.

Chairperson Wallace 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 New Jersey

Commissioners from Delaware

PRESENT

Warren S. Wallace, Chairperson
Edward W. Dorn
Niels S. Favre
Maureen T. Koebig
Gary F. Simmerman

F. Michael Parkowski, Vice-Chairperson
Verna Hensley
Samuel E. Lathem
Gary B. Patterson

ABSENT

Thomas J. Cooper
William E. Lowe, III

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9374. APPROVAL OF THE FEBRUARY 21, 2006 MINUTES

On motion by Commissioner Dorn and seconded by Commissioner Favre, the minutes of the February 21, 2006 meeting was unanimously approved by a voice vote of 9-0.

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9375. EXECUTIVE DIRECTORS REPORT

Following are highlights that occurred within the Authority during the month of March, 2006.

Commissioner Recognition

The Salem County Vocation Technical School's Educational Foundation honored Rev. Edward W. Dorn at its 5th Annual Leadership Recognition and Scholarship Dinner, held at the Washington Club in Penns Grove, NJ. More than 260 guests, including local business, community and elected leaders, attended the event.

Commissioner Dorn was presented with the 2006 Leadership Recognition Award at the scholarship fund-raising event. The approximately \$25,000 raised from the dinner Thursday night will go to several scholarship programs established at SCVTS and specifically to a scholarship named in Dorn's honor.

The Rev. Edward W. Dorn Educational Excellence Scholarship will be awarded for educational excellence to a yet to be named African-American student going to a college or university. Over the past five years, the dinner has raised more than \$100,000 total for student scholarships.

Delaware Memorial Bridge

Total traffic during the month of February increased 0.7%, compared to February 2005. Non-commercial traffic increased 0.5% and commercial traffic increased 1.6%. When compared to the three-year average, February traffic increased 4.3%. E-ZPass traffic for February represented 55.9% of the total overall traffic, when compared to 52.8% for the previous year.

The expansion joint and electrical rehabilitation projects will continue through the winter. The expansion joint rehabilitation project is approximately 12% completed. The electrical rehabilitation project is approximately 87% completed and is on track for completion in May, as scheduled.

We continue to monitor and find methods to reduce the speed through the toll plaza. New toll plaza speed control signage was placed on the overhead variable message signs entering the toll plaza into Delaware. Posted speed limits are 20 mph on the approach to the toll lanes and 5 mph through the toll lanes. A new in-lane radar unit was placed in DMB toll plaza lane 9 for evaluation. These radar units will provide vehicle speed information to motorists as they are approaching the toll lanes to alert them to reduce their speed to posted levels. Such radar units are effective in reducing vehicle speeds at other tolling agencies. We expect similar results.

On February 14th, Authority police were notified by the Cherry Hill, NJ Police that they were pursuing a stolen box truck across the DMB. After the box truck cleared the DMB toll plaza, the driver pulled to the right shoulder where DRBA and Cherry Hill, NJ, officers surrounded the truck. After ignoring repeated commands to exit the truck, the driver sped off, striking a DRBA patrol car. DRBA officers followed the stolen vehicle south on I-295 and onto I-95 near Newport where Delaware State Police officers assumed the pursuit. When the suspect reached the Delaware Turnpike Toll, officers from the DRBA and Delaware State Police stopped following the suspect. By that time, the Maryland State Police was notified and began following the suspect from the DE-MD state line. The chase ended when the driver exited I-95, failed to negotiate a turn, and plunged into the Susquehanna River. Attempts to rescue the truck driver failed.

A Maryland man was killed on February 18th after making an unsafe lane change across three lanes of traffic on I-295 northbound in Pennsville Township, NJ. Witnesses reported seeing his car, a 2000 Nissan Xterra, travel across three lanes of traffic where it struck a tractor-trailer traveling in the right lane. The truck driver was uninjured. After striking the tractor-trailer, the vehicle overturned and skidded into a Nissan Altima that was parked in the median. That driver had stopped her vehicle to read a map and was also uninjured. Paramedics from Salem County pronounced the victim dead at the scene.

Cape May Lewes Ferry

In February, vehicle traffic increased 7.6% and passenger traffic increased 6.8% when compared to February 2005. Compared to the average of the last three years, year-to-date vehicle traffic and passenger traffic increased 12.5% and 11.3%, respectively.

In February, CMLF food and retail sales were up 18.5% and 10.0%, respectively, from February 2005. This positive change is attributed to the introduction of improved vessel and terminal menu items and the expanded hours of operation for terminal food courts and retail shops from the same period in the previous year. The Cape May terminal and Sunset Lounge passed the routine Cape May County Board of health inspection.

Staff is wrapping up the details of the 2006 marketing campaign for the upcoming season. The final draft of CMLF schedule/marketing brochure was completed and printing scheduled.

On February 16th, the M/V Delaware arrived safely back in Cape May upon its return from Lyon's shipyard in Norfolk. The M/V Cape May departed Cape May on February 21st and arrived at Collona's Shipyard in Norfolk on February 22nd.

On February 14th, the CMLF received a call from the Wood's Hole Steamship Authority for assistance. Their vessel, the M/V Sankaty, was approaching Cape Henlopen with one engine shut down due to a cracked cooling line on a reduction gear. The vessel was returning to Martha's Vineyard from a shipyard repair period. Under the leadership of Bill Greenling and Joe Carson, CMLF personnel retrieved the damaged part from the anchored M/V Sankaty nearby, repaired the part in our vessel maintenance shop, and returned the repaired part back to the stricken vessel. The efforts of Rich Gregory who ran the *American River*, Isidoro Sorace as crew, Don Miller and John Altieri who made the welding repair, Jerry Podgorski as photographer, and Jim Coover who assisted, are commendable. The M/V Sankaty was able to get underway with both engines in less than two hours.

Asbestos abatement work started at the old Cape May administration building. Upon completion in March, the building will be demolished and the area restored to original condition by May.

Airports

Staff attended the 2006 FAA Hershey Airports Conference where they met with FAA staff from both the New York and Harrisburg ADOs. Issues discussed included: land acquisition at Delaware Airpark; PMOA process as part of the environmental assessment at Millville Airport; runway safety area needs and capital funding at New Castle Airport; and the potential for bundling several pavement projects together at Cape May Airport as part of a potential federal earmark under AIP to achieve a strong response from the construction community.

Airports staff developed an airport training and certification program for New Castle County Airport which is required by new FAA regulations. Airport driver certification will be required for all users authorized to operate a vehicle on the airport flight operations areas.

A meeting was held with Major General Frank Vavala and Brigadier General Hugh T. Broomall concerning the Delaware Air National Guard lease extension, disposition of the Officers Club, and the sale/lease of property to the State of Delaware. A larger working meeting will be held in March that will facilitate completing all transactions.

The Request for Bids for the sale/lease of the Annenberg Hanger at the New Castle County Airport was finalized and scheduled for advertisement in March 2006.

In preparation for the annual Wheels and Wings Air Show at Millville Airport, scheduled for the weekend of June 24-25, staff met with the Millville Army Airfield Museum to review insurance requirements, services, and ticket allocation.

The interior renovation for the Dover AFB Civil Air terminal started in February with work being done primarily with in-house work forces. Scope of work includes new floor plan, new handicapped accessible bathroom facilities, HVAC and electrical upgrades, as well as cosmetic upgrades (i.e. ceiling, flooring, wall painting, etc.). This renovation will be completed prior to the June NASCAR event.

Economic Development

The Authority received and evaluated "best and final" offers for the sale of the Salem Business Center. Negotiations continued with a potential new tenant at the Salem Business Center. The lease terms with the New Jersey Division of Youth and Family Services for space at Salem Business Center was finalized.

Information Technology

The installation of the Police CAD System continues to progress on schedule. The system will offer a completely integrated solution for both police dispatching and mobile reporting. The project is scheduled to be completed by June 2006.

IT staff set up and implemented the rules necessary for shift differential and holiday hours in both MUNIS and Kronos as required by the contract with Local 542. In addition, Shannon Goad, Application Administrator and Programmer, attended Kronos training in Columbia, Maryland during the week of February 27th to learn how to build the interfaces necessary for accrual imports from MUNIS to Kronos.

Work is proceeding on the upgrade of the DRBA's wide area network (WAN). This upgrade is scheduled for completion by April 2006 and will enable the Authority to increase the speed of communication throughout all sites and network remote locations.

Public Relations

The "Community Connection" newsletter was completed, published and distributed.

Staff worked with representatives from the Port of Wilmington for the upcoming dedication ceremony of Warehouse H and with representatives from Rowan for the South Jersey Technology Park ground breaking.

Employee Happenings

Permanent Full-time staffing levels at the end of February:

Authorized Positions	481
Positions Filled	448
Positions Filled (on LTD)	7
Total Positions that are Vacant	26

Staff began preparing for the Authority's 2006 Summer Blood Drive. The Blood Drive will be conducted in Cape May, New Jersey and New Castle, Delaware. Dates will be announced soon and all employees are encouraged to participate.

On March 6th, staff met with MEBA business representatives and employees to initiate the negotiation process for the ten (10) CMLF marine mechanical employees who have chosen to be represented by MEBA.

We continued to hold ongoing meetings with representatives of the International Union of Operating Engineers, Local 542, to identify and resolve Collective Bargaining Agreement (CBA) issues, including those related to the interpretation and implementation of the CBA.

John Jones, Director of Engineering and Maintenance participated in the Dean of Engineering Advisory Council (Rowan University) meeting on February 8th. The Advisory Council participates in the strategic and curriculum planning for the engineering program.

Col. John McCarnan represented the Authority at the Delaware Pandemic Influenza Summit in Dover, DE. The Governor, Cabinet Secretaries, and key State Department heads attended. The Surgeon General of the U.S. was one of the keynote speakers. Planning, awareness, and communication at the local, state, and federal level were stressed as an appropriate course of action at this time for addressing a possible H5N1 Influenza Pandemic. The Authority will coordinate its influenza contingency planning efforts with Delaware, New Jersey, and Federal government agencies.

On February 23rd, the Gerry DiNicola Owens represented the Authority at the IAG Executive Committee Meeting at the offices of the Delaware River Port Authority.

We received a letter from the daughter of a Cape May Lewes Ferry patron that was involved in a single car accident getting on the Ferry in Lewes commending Officer's Torres and Dashiell. They responded in an exemplary manner, which is not only a credit to them as individuals but, their acts reflect positively upon the Authority. The patron's daughter says "You should be proud that you have two of the kindest, highly competent, most dedicated and caring people working for you."

Upcoming Events

April 4: Monthly Committee Meetings - New Castle, Delaware
April 10: South Jersey Technology Park Groundbreaking
April 18: Monthly Commission Meeting - New Castle, Delaware

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9376. COMMITTEE REPORT – BUDGET & FINANCE

Commissioner Simmerman presented the following minutes of the Budget & Finance meeting held March 7, 2006.

BUDGET & FINANCE COMMITTEE MEETING
Tuesday, March 7, 2006
Delaware Memorial Bridge Complex
New Castle, Delaware

A public meeting of The Delaware River and Bay Authority’s Budget & Finance Committee was held on Tuesday, March 7, 2006, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from New Jersey

Commissioners from Delaware

PRESENT

Committee Chair Simmerman
Commissioner Favre, Committee Member
Commissioner Dorn
Commissioner Koebig

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

Governors’ Representatives
Keith Barrack - NJ

Staff

Authority Secretary

Jim Johnson, Jr.
Don Rainear
Victor Ferzetti
Jim Walls
Trudy Spence-Parker
Gerry DiNicola Owens
Ken Hynson
Joe Larotonda
John Jones
AJ Crescenzi

Tom Pankok

Invited Guests
Cavanaugh Capital Management
Jim Cavanaugh
Jim Dugan
Megan Brune

- I. Committee Chair Simmerman welcomed the Budget & Finance Committee and opened the meeting at approximately 9:28 a.m. The Authority Secretary reported that the public meeting of the Budget & Finance Committee had been duly noticed in accordance with the Authority’s Freedom of Information Regulations, read the Statement of Notice, and called the roll.

- II. The Acting Chief Financial Officer introduced the Authority’s Financial Advisor, Jim Cavanaugh, Cavanaugh Capital Management, and Mr. Cavanaugh introduced his team, Jim Dugan, and Megan Brune. CCM provided a review of the Authority’s Financial Investments for FY 2005. The following was reviewed and discussed.
 - Economic & Market Highlights for 2005
 - Overview of the investment objectives associated with various Authority Funds

- Portfolio Characteristics and Performance
 - Construction Fund
 - General Fund
 - 2000A Debt Service Reserve
 - 2003 Debt Service Reserve
- Characteristics and Performance of Authority Employees' Retirement Plan
- Market Outlook

It was noted during the presentation that the DRBA uses "yield" for budget projections and assessment of income generation while "total return" is reflected in the DRBA's financial statements. The Acting CFO reported that staff may use these terms from time to time when reporting on the Authority's financials throughout the year. The Financial Advisor reported that the Authority's funds have been invested in accordance with the Authority's Investment Guidelines and, historically at the direction of the Budget & Finance Committee, have been structured to maximize cash flow while minimizing risk. The funds, since inception, have performed comparable to respective benchmarks without as much volatility. CCM suggested that the Authority maintain its equity position in the Retirement Plan and extend the average duration of much of the fixed income portfolios. The Committee thanked CCM for their presentation.

- III. The Committee Chair requested an Executive Session, closed to the public to discuss matters of a confidential nature. On motion by Commissioner Hensley, seconded by Commissioner Patterson, the Session was closed.

The following matters of a confidential nature were discussed.

- MATTERS RELATING TO PUBLIC SAFETY

There being no further business to discuss in Executive Session, on motion by Commissioner Patterson, seconded by Commissioner Hensley, the Session was opened to the Public.

- III. The Committee reviewed and recommended the Community Contribution requests for the month of March. A Resolution will be presented to the full Board for consideration at the March meeting.
- IV. The Acting Chief Financial Officer reviewed the proposed Resolution listing vendors over \$25,000. On motion by Commissioner Favre, seconded by Commissioner Hensley, the Committee recommended approval of the list. Commissioner Patterson did not recommend support of the Resolution. The Resolution will be presented to the full Board for consideration at the March meeting.

With no further business to discuss, on motion by Commissioner Favre, seconded by Commissioner Hensley, the Budget & Finance Committee adjourned at 10:35 a.m.

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9377. COMITTEE REPORT – PERSONNEL & INSURANCE

Commissioner Dorn presented the following minutes of the Personnel Committee meeting held March 7, 2006.

PERSONNEL & INSURANCE COMMITTEE MEETING
Tuesday, March 7, 2006
 Delaware Memorial Bridge Complex
 New Castle, Delaware

A public meeting of The Delaware River and Bay Authority's Personnel & Insurance Committee was held on Tuesday, March 7, 2006, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from New Jersey

Commissioners from Delaware

PRESENT

Committee Chair Dorn
Commissioner Koebig, Committee Member
Commissioner Simmerman

Committee Vice Chair Lathem
Commissioner Cooper, Committee Member
Commissioner Lowe, Committee Member
Vice-Chairperson Parkowski

Governors' Representative
Keith Barrack - NJ

Staff

Jim Johnson
Don Rainear
Victor Ferzetti
Jim Walls
Trudy Spence-Parker
Gerry DiNicola Owens

Authority Secretary

Tom Pankok

- I. Committee Chair Dorn welcomed the Personnel & Insurance Committee and opened the meeting at approximately 10:41 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.
- II. The Committee Chair requested an Executive Session, closed to the public to discuss matters of a confidential nature. On motion by Commissioner Lathem, seconded by Commissioner Lowe, the Session was closed.

The following matters of a confidential nature were discussed.

- PERSONNEL MATTERS
- CURRENT LITIGATION

With no further business to discuss in Executive Session, on motion by Commissioner Lowe, seconded by Commissioner Lathem, the Session was opened to the public.

With no further business to discuss, on motion by Commissioner Lathem, the Personnel & Insurance Committee meeting adjourned at 11:11 a.m.

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9378. COMMITTEE REPORT – PROJECTS COMMITTEE

Commissioner Hensley presented the following minutes of the Projects Committee meeting held March 7, 2006.

PROJECTS COMMITTEE
Tuesday, March 7, 2006
Delaware Memorial Bridge Complex
New Castle, Delaware

A public meeting of the Delaware River and Bay Authority's Projects Committee was held on Tuesday, March 7, 2006, at the Delaware Memorial Bridge Administration Building, New Castle, Delaware.

Commissioners from Delaware

Commissioners from New Jersey

PRESENT

Commissioner Lowe, Committee Mbr

Commissioner Dorn, Committee Vice Chair

Commissioner Lathem
Commissioner Cooper
Commissioner Patterson, Comm. Mbr.

Commissioner Koebig, Committee Mbr.
Commissioner Simmerman, Committee Mbr

Staff

Jim Johnson
Don Rainear
Jim Walls
Trudy Spence-Parker
Gerry DiNicola-Owens
Victor Ferzetti
John Jones
A. J. Crescenzi
Anne Marie Gonnella-Rosato

Authority Secretary

Tom Pankok

Attorney

Keith Barack – NJ Authority Unit Liaison

- I. The Projects Committee meeting convened at approximately 12:00 PM. Those in attendance were provided an informational package consisting of an agenda, contract close-out letters, and monthly contractor payment chart.
- II. Bid Openings/Award Actions: None
- III. Contract Close-Out Actions:
 - CMA-04-01, Rehabilitation of Lighting and Signage, Cape May Airport:: This contract was awarded to Delta Line Construction Co. of Egg Harbor Township, New Jersey for the bid price \$2,071,213.00. Changes in quantities to reflect actual field conditions subtracted \$179,614.49 from the original price. Staff recommended and the Projects Committee concurred that the contract be closed at a final contract price of \$1,891,598.51.
 - SP-01-02A, B & C, Dassault Falcon Jet Landlord and Tenant Improvements, New Castle Airport: This contract was awarded to Bancroft Construction Company of Wilmington, Delaware, to provide construction management services at the New Castle Airport at an estimated not to exceed construction project cost of \$10,000,000. Staff recommended and the Projects Committee concurred that the contract be closed at a final contract price of \$4,646,004.34.
 - CMLF-04-07, Pier Improvements and Modifications, Cape May Lewes Ferry: This contract was awarded to PKF-Mark III, Inc., Newtown, Pennsylvania for the bid price of \$1,795,160.00. Changes in quantities to reflect actual field conditions added \$173,261.19 to the original price. Staff recommended and the Projects Committee concurred that the contract be closed at a final contract price of \$1,968,421.19.
- IV. Miscellaneous Items/Updates: None.
- V. Contractor Payment (through February): Staff informed the Committee on monthly construction contractor payments to be made to contractors in March.
- VI. There being no further business for the Projects Committee, the public meeting was adjourned at approximately 12:10 PM.

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9379. COMMITTEE REPORT – ECONOMIC DEVELOPMENT

Commissioner Koebig presented the following minutes of the Economic Development Committee meeting held March 7, 2006.

ECONOMIC DEVELOPMENT COMMITTEE

Tuesday, March 7, 2006

Delaware Memorial Bridge Complex

New Castle, Delaware

A public meeting of The Delaware River and Bay Authority's Economic Development Committee was held on Tuesday, March 7, 2006, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from New Jersey

Commissioners from Delaware

PRESENT

Committee Chair Koebig
Commissioner Dorn, Committee Member

Committee Vice-Chair Lowe
Commissioner Cooper, Committee Member
Commissioner Patterson, Committee Member
Commissioner Lathem

Governors' Representatives

Keith Barrack - NJ

Staff

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

Authority Secretary

Tom Pankok

- I. Committee Chair Koebig welcomed the meeting of the Economic Development Committee and opened the meeting at approximately 11:16 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.
- II. The Deputy Executive Director provided updates on the following projects.
 - New Castle Airport: The Deputy Executive Director reported that Request for Bids for the sale of the Annanberg Hangar will be advertised this week with proposals to be accepted within thirty days.
 - Cape May Airport: Michelle Griscom Collins reviewed a Lease Agreement between the Authority and the Commissioners of Fire District No. 3 in Erma, Cape May County, New Jersey. It was reported that when the Authority originally acquired the Cape May Airport through an Acquisition Agreement with Cape May County, a joint firehouse facility was located on the grounds of the Cape May Airport (Erma Firehouse) of which a portion was leased to the Authority to fulfill the FAA's Part 139 Certification requirement to man an Airport Rescue and Fire Fighting facility at the Cape May Airport. Since the Airport has not been a Part 139 Certified Airport for some time, and the requirement no longer necessary, the Authority's has determined that it's prudent to lease it's portion of the Erma Fire House to Tenant to promote fire and emergency protection and response services throughout the surrounding areas for the duration of the Acquisition Agreement and Ground Lease for the sum of one dollar (\$1.00) annually. On motion by Commissioner Lowe, seconded by Commissioner Patterson, the Committee recommended approval of the Lease Agreement. A Resolution will be presented to the full Board for consideration at the March meeting.

III. The Deputy Executive Director requested an Executive Session, closed to the public to discuss matters of a confidential nature. On motion by Commissioner Dorn, seconded by Commissioner Lowe, the Session was closed.

The following matters of a confidential nature were discussed.

- CONTRACT NEGOTIATIONS

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

IV. Sale of the Salem Business Centre

- The Deputy Executive Director presented a DRAFT Resolution authorizing the sale of the Salem Business Centre in Carney’s Point, New Jersey. The Committee discussed the submitted offers and on motion by Commissioner Dorn, seconded by Commissioner Lowe, the Committee recommended accepting the proposal submitted by the highest bidder, and to authorize the Chair, Vice-Chair and Executive Director to execute a negotiated Agreement of Sale. A Resolution will be presented to the full Board for consideration at the March meeting.

There being no further business to discuss, on motion by Commissioner Lowe, the Economic Development Committee adjourned at 12:03 p.m.

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9380. AD HOC COMMITTEE FOR THE CFO SEARCH

Commissioner Lathem presented the following minutes of the Ad Hoc CFO Search Committee held February 21 and March 7, 2006.

AD HOC COMMITTEE MEETING FOR THE CFO SEARCH
Tuesday, February 21, 2006
Delaware Memorial Bridge Complex
New Castle, Delaware

A public meeting of The Delaware River and Bay Authority’s Ad Hoc Committee for the CFO Search was held on Tuesday, February 21, 2006, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from New Jersey

Commissioners from Delaware

PRESENT

Committee Vice Chair Dorn
Commissioner Favre, Committee Member
Commissioner Koebig, Committee Member
Commissioner Simmerman

Committee Chair Lathem
Commissioner Hensley, Committee Member

Staff

Trudy Spence-Parker

III. Committee Chair Lathem welcomed the Ad Hoc Committee for the CFO Search and opened the meeting at approximately 1:00 p.m. The Chief Human Resource Officer reported that the public meeting of the Ad Hoc Committee for the CFO Search had been duly noticed in accordance with the Authority’s Freedom of Information Regulations, read the Statement of Notice, and called the roll.

IV. The Committee Chair requested an Executive Session, closed to the public to discuss matters of a confidential nature. On motion by Commissioner Favre, seconded by Commissioner Koebig, the Session was closed. .

The following matters of a confidential nature were discussed. Committee Vice Chair Dorn was present for the first interview only.

- CONSULTANT INTERVIEWS FOR THE CFO SEARCH PROCESS

With no further business to discuss, the Ad Hoc Committee Meeting for CFO Search adjourned at 2:22 p.m.

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AD HOC COMMITTEE MEETING FOR THE CFO SEARCH

Tuesday, March 7, 2006

Delaware Memorial Bridge Complex
New Castle, Delaware

A public meeting of The Delaware River and Bay Authority’s Ad Hoc Committee for the CFO Search was held on Tuesday, March 7, 2006, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from New Jersey

Commissioners from Delaware

PRESENT

Committee Vice Chair Dorn
Commissioner Favre, Committee Member
Commissioner Koebig, Committee Member
Commissioner Simmerman

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

Staff

Jim Johnson
Trudy Spence-Parker

Authority Secretary

Tom Pankok

V. Committee Chair Lathem welcomed the Ad Hoc Committee for the CFO Search and opened the meeting at approximately 8:25 a.m. The Chief Human Resource Officer reported that the public meeting of the Ad Hoc Committee for the CFO Search had been duly noticed in accordance with the Authority’s Freedom of Information Regulations, read the Statement of Notice, and called the roll. Commissioner Hensley and Commissioner Lowe arrived after the roll call.

VI. The Committee Chair requested an Executive Session, closed to the public to discuss matters of a confidential nature. On motion by Commissioner Favre, seconded by Commissioner Dorn, the Session was closed. .

The following matters of a confidential nature were discussed.

- MATTERS RELATING TO THE CFO SEARCH

With no further business to discuss, the Ad Hoc Committee Meeting for CFO Search adjourned at 9:10 a.m.

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9381. DELAWARE RIVER AND BAY AUTHORITY – TRAFFIC AND REVENUE SUMMARY.

The Acting 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 January.

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

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9382. DELAWARE RIVER AND BAY AUTHORITY – STATEMENT OF INCOME AND EXPENSE.

The Acting CFO presented a chart showing a statement of income and expenses for the month of January 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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9383. DELAWARE RIVER AND BAY AUTHORITY – OPERATING EXPENSE BY DIVISION.

The Acting CFO presented a chart showing expenses by division for the quarter to date (through February 28, 2006) vs. the projected quarter and for year to date vs. total budget.

Without objection, the charts were ordered filed with the permanent records of the Authority.

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9384. DELAWARE RIVER AND BAY AUTHORITY – CAPITAL IMPROVEMENT PROGRAM.

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

Without objection, the charts were ordered filed with the permanent records of the Authority.

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9385. DELAWARE RIVER AND BAY AUTHORITY – CASH POSITION (MARKET VALUE) AS OF FEBRUARY 28, 2006.

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

Without objection, the charts were ordered filed with the permanent records of the Authority.

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9386. PUBLIC COMMENT ON ACTION ITEMS.

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

- Resolution 06-13 Approval of Community Contribution Requests
- Resolution 06-14 Authorizes Expenditures \$25,000 and Over
- Resolution 06-15 Authorizes the Sale of the Salem Business Center, Carney’s Point, NJ
- Resolution 06-16 Lease Agreement with Fire Dist. #3 in Erma, Cape May County, NJ
- Contr. Closeout: CMLF-04-07 – Pier Improvements and Modifications
- Contr. Closeout: CMA-04-0-1 – Rehabilitation of Lighting and Signage

Contr. Closeout: SP-01-02 A,B,C – Dassault Falcon Jet Landlord /Tenant Improvements

There were no comments.

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9387. SUMMARY OF AUTHORIZED CONTRACT PAYMENTS.

The Chief Operating Officer (COO) noted the following Summary of Authorized Contract Payments for February 21, 2006.

<u>Contractor</u>		<u>Payment</u>
DMB-04-04	J.D. Eckman, Inc.	\$148,347.30
DMB-01-06	Cianbro Corporation	\$328,808.61
CMLF-04-07	PKF-Mark III, Inc.	\$ 5,000.00
CMLF-04-11R2	General Ship Repair	\$252,349.20
CMLF-05-03	Lyons Shipyard, Inc.	\$214,588.91
NCA-01-02	Diamond Materials	\$121,465.06
NCA-01-04	EDIS	\$ 22,649.00
MVA-04-01	Delta Line Construction	\$114,484.23
CMA-04-01	Delta Line Construction	\$ 47,289.96

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9388. APPROVAL OF FINAL PAYMENT OF CONTRACT CMLF-04-07 – PIER IMPROVEMENTS AND MODIFICATIONS

On February 7, 2005 Contract No. CMLF-04-07, Pier Improvements and Modifications, was awarded to PKF-Mark III, Inc. of Newtown, Pennsylvania for the bid price of \$1,795,160.00.

During the contract period, Change Order No.'s 1-5 were approved for the project.

- 1. February 28, 2006 Adjustments in quantities to reflect actual field conditions.
Add: \$173,261.19

It is recommended that the Authority accept the project and make final payment to the contractor. The total price for this project is \$1,968,421.19.

On motion by Commissioner Favre, seconded by Commissioner Dorn, the recommendation of the COO and the Projects Committee to closeout Contract CMLF-04-07 was unanimously approved by a voice vote of 9-0.

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9389. APPROVAL OF FINAL PAYMENT OF CONTRACT CMA-04-01 – REHABILITATION OF LIGHTING AND SIGNAGE.

On September 21, 2004 Contract No. CMA-04-02, Inadvertent Entry Fence, was awarded to Delta Line Construction Co. of Egg Harbor Township, New Jersey for the bid price of \$415,700.00.

During the contract period, Change Order No. 1 was approved for the project.

- 1. July 31, 2005 Adjustments in quantities to reflect actual field conditions.
Add: \$1,992.80.

It is recommended that the Authority accept the project and make final payment to the contractor. The total price for this project is \$417,692.80.

On motion by Commissioner Simmerman, seconded by Commissioner Favre, the recommendation of the COO and the Projects Committee to closeout Contract CMA-04-01 was unanimously approved by a voice vote of 9-0.

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9390. APPROVAL OF FINAL PAYMENT OF CONTRACT SP-01-02 A,B &C – DASSAULT FALCON JET LANDLORD AND TENANT IMPROVEMENTS.

Resolution 01-62 authorized a contract between the Authority and Bancroft Construction Company of Wilmington Delaware, to provide construction management services at the New Castle Airport for Contract No.SP-01-02A, B & C, Dassault Falcon Jet Landlord and Tenant Improvements at an estimated not to exceed construction project cost of \$10,000,000.00.

It is recommended that the Authority close-out the project for the total price of \$4,646,004.34.

On motion by Commissioner Koebig, seconded by Commissioner Dorn, the recommendation of the COO and the Projects Committee to closeout Contract SP-01-02 A, B&C was unanimously approved by a voice vote of 9-0.

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9391. CHAIRPERSON’S CALL FOR ACTION ON THE RESOLUTIONS BEFORE THE BOARD.

The Executive Director presented the following Resolutions:

RESOLUTION 06 - 13 APPROVAL OF COMMUNITY CONTRIBUTION REQUESTS.

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

WHEREAS, the Authority has developed a Community Contributions Policy which outlines the purpose of the program and process for consideration of requests; and

WHEREAS, the policy requires full board approval for any Community Contribution; and

WHEREAS; the Budget and Finance Committee met and approved Community Contributions for the month of March, 2006; and

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

Community Contributions

New Jersey

Center for Community Arts	\$ 3,000
Gloucester County Chamber of Commerce	\$ 2,000
Gloucester County NAACP	\$ 15,000
HomeCare and HospiceCare of South Jersey Incorporated	\$ 5,000
March of Dimes Birth Defects Foundation	\$ 500

Mid Atlantic Center for the Arts	\$ 8,000
North Vineland Little League Baseball Incorporated	\$ 2,500
Salem County Historical Society	\$ 3,000
Shadow Equestrian Incorporated	\$ 2,500
Southern New Jersey Council Boy Scouts of America Incorporated	\$ 10,000
Total	<u>\$ 51,500</u>

Delaware

Alzheimer’s Disease and Related Disorders Association	\$ 2,000
Delaware Coalition for Literacy Incorporated	\$ 1,000
Goodwill Industries of Delaware and Delaware County Incorporated	\$ 2,000
Howard J. Weston Community and Senior Center Incorporated	\$ 2,500
Kalmar Nyckel Foundation	\$ 15,000
Kent County Society For The Prevention of Cruelty to Animals	\$ 5,000
National Multiple Sclerosis Society	\$ 2,000
Nature Conservancy Incorporated	\$ 4,000
New Castle County Community Partnership Incorporated	\$ 2,000
Pencader Hundred Community Center Incorporated	\$ 5,000
Ronald McDonald House of Delaware Incorporated	\$ 3,000
Southbridge Medical Advisory Council	\$ 4,000
St. Patrick’s Center Incorporated	\$ 2,500
The Art Committee for the New Castle County Courthouse	\$ 10,000
The Wellness Community Delaware	\$ 3,000
William P. Frank Scholarship Fund Incorporated	\$ 1,500
YMCA of Delaware (YMCA Resource Center)	\$ 5,000
Total	<u>\$ 69,500</u>

Grand Total (New Jersey and Delaware) \$ 121,000

On motion by Commissioner Simmerman, seconded by Commissioner Lathem, Resolution 06-13 was approved by a roll call vote of 9-0.

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RESOLUTION 06-14 - AUTHORIZING AUTHORITY EXPENDITURES PURSUANT TO RESOLUTION 01-84 FOR THE PERIOD, JANUARY 1 THROUGH DECEMBER 31, 2006

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 1/1/06 THROUGH 12/31/06

VENDOR	SERVICE DESCRIPTION	DETERMINATION
Harte-Hanks Print	Purchase of CMLF Brochures	Quotes

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

With Bennett Yarger Associates deleted from the \$25,000 and over Resolution, a motion to approve Resolution 06-14 was made by Commissioner Dorn, seconded by Commissioner Favre and approved by a roll call vote of 9-0.

* * * * *

RESOLUTION 06-15 AUTHORIZING THE SALE OF THE SALEM BUSINESS CENTRE IN CARNEY'S POINT, NEW JERSEY

WHEREAS, The Delaware River and Bay Authority (the "Authority") is the owner of certain real property situate in Carney's Point Township, Salem County, New Jersey, located within the Salem County Business Centre (the "Property"), said Property being comprised of one (1) developed parcel with an 80,000 square foot office building situate thereon (known as Lot 4 in Block 192.01 on the Carney's Point Township Tax Maps) and four (4) additional undeveloped parcels (known as Lots 3 and 3.03 in Block 192; and Lots 1 and 3 in Block 192.01 on the Carney's Point Township Tax Maps); and

WHEREAS, the Authority has determined that it is in the best interest of the Authority to sell the Property; and

WHEREAS, various entities have submitted bids to the Authority for the purchase of the Property; and

WHEREAS, Heritage Building Group, Inc. ("Heritage") has made an offer to purchase the Property from the Authority, which offer has set forth two alternative transaction proposals ("Proposals") as follows:

Alternative A: \$9,100,000 cash at closing for the Property in its "As-Is" condition with the current tenant roster in the existing office building; and

Alternative B: \$11,000,000 cash at closing for the Property in its "As-Is" condition with the current tenant roster in the existing office building plus the addition prior to closing of Clement Pappas Company ("Pappas") as a tenant under a written lease for occupancy by Pappas of 27,500 square feet (+/-) of space in the existing office building, the terms of said lease with Pappas to be in accordance with the terms and conditions of a certain Revised Letter of Intent dated February 15, 2006 from Kirk K. Miller of Cushman & Wakefield to John Berenato of The Prestige Group; and

WHEREAS, the Authority has received an updated appraisal identifying the fair market value of the Property, which confirms the value of the Property as consistent with the Proposals; and

WHEREAS, the Authority's Economic Development Committee has reviewed, approved and recommends the sale of the Property to Heritage under either of the Proposals; and

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby authorized, with the advice and consent of Counsel, to negotiate the terms and conditions of an Agreement of Sale (the "Agreement of Sale") to effect the sale of the Property, within the parameters set forth in either of the Proposals as selected by the Executive Director after consideration of the ability of the Authority to meet the terms and conditions of the Proposals, and to have such Agreement of Sale and associated documents related to and required to consummate the sale, with the advice and consent of Counsel, executed by the Chairperson, Vice Chairperson, and the Executive Director.

On motion by Commissioner Dorn, seconded by Commissioner Simmerman, Resolution 06-15 was approved by a roll call vote of 9-0.

Chairperson Wallace congratulated Messer's Johnson and Rainear and staff on negotiating the sale of the Park.

Deputy Executive Director Rainear recognized A.J. Crescenzi of his staff for his efforts.

* * * * *

RESOLUTION 06-16 - LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND THE COMMISSIONERS OF FIRE DISTRICT NO. 3 IN ERMA, CAPE MAY COUNTY, NEW JERSEY

WHEREAS, the County of Cape May (the “County”) and The Commissioners of Fire District No. 3 (the “Tenant”) executed an Interlocal Agreement on or about March 23, 1993; and

WHEREAS, the Interlocal Agreement set forth certain rights and obligations between the County and the Tenant regarding the construction of a joint firehouse facility on the grounds of the Cape May County Airport (the “Erma Firehouse”); and

WHEREAS, the Interlocal Agreement provided that, once construction of the Erma Firehouse was completed, Tenant as Grantor, was required to create a condominium regime on the subject parcel arranging for the conveyance of fee simple title to two units – one for itself and the other unit to the County; and

WHEREAS, the County entered into an Acquisition Agreement dated December 15, 1998 and a Ground Lease dated June 8, 1999 with the Delaware River and Bay Authority (the “Authority”) pursuant to which it leased the whole of the Cape May County Airport (the “Airport”) including the portion of the property commonly referred to as the Erma Firehouse to the Authority; and

WHEREAS, the circumstances have changed the dynamics at the Airport, namely, the Airport is no longer required to man an Airport Rescue and Fire Fighting facility by the Federal Aviation Administration; and

WHEREAS, it was the opinion of the County and Tenant to amend the terms of the Interlocal Agreement to delete the obligation of the Tenant to create a condominium regime for the Erma Firehouse following the conveyance of the County’s interests in said parcel; and

WHEREAS, the Tenant has utilized, managed, maintained and operated the Erma Firehouse since its construction and desires to utilize, manage, maintain and operate the entire Erma Firehouse, including that portion subject to Authority’s leasehold interest created via the Acquisition Agreement and Ground Lease; and

WHEREAS, Authority has generally only used a portion of the Erma Firehouse for storage and as of September 22, 2005, the Authority has not been using any portion of

the Erma Firehouse for any reason whatsoever and no longer has any need for continued use of any portion of the Erma Firehouse at this time; and

WHEREAS, the Authority has determined that it is prudent to lease its portion of the Erma Firehouse to Tenant to promote fire and emergency protection and response services throughout the surrounding areas for the duration of the Acquisition Agreement and Ground Lease; and

WHEREAS, the initial term of this Lease Agreement shall expire on June 7, 2029; and

WHEREAS, if the Authority’s Ground Lease with the County is extended for one or two of the options, the Tenant’s Lease Agreement shall expire on June 7, 2059 or June 7, 2089, as the case may be; and

WHEREAS, as consideration for the Authority leasing its portion of the Erma Firehouse to Tenant, Tenant agrees to:

1. Pay the Authority an annual rent equal to One Dollar (\$1.00);

2. Provide fire and emergency protection and response services throughout the surrounding areas;
3. Waive any and all claims against the Authority and/or the County for any expense associated with the Erma Firehouse; and
4. Be fully responsible for the use, management, maintenance and/or operation of the Erma Firehouse; and
5. Comply with all the terms of the Lease Agreement.

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby authorized to finalize the terms and conditions of the Lease Agreement with the Commissioners of Fire District No. 3 and, with the advice and consent of counsel, to have such Agreement executed by the Chairperson, Vice Chairperson, and Executive Director.

On motion by Commissioner Favre, seconded by Commissioner Dorn, Resolution 06-16 was approved by a roll call vote of 9-0.

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9392. COMMISSIONERS PUBLIC FORUM

Chairperson Wallace asked if any members of the public would like to address the Commission.

There were none.

Chairperson Wallace then asked if there were any comments from the Commissioners.

Commissioner Lathem thanked Commissioner Hensley and staff for participating in the Easter Seals Volley Ball competition.

Commissioner Hensley stated that she had a great team, lots of fun and encourages others to participate next year.

Commissioner Dorn thanked the DRBA for participating in the Salem County Vocational School's scholarship fundraiser.

Commissioner Patterson praised staff for the renovations at the Civil Air Terminal. He said that it not only saved money but it saved time as well. The new design will make visitors across the country more comfortable.

Vice-Chairperson Parkowsky stated that the ribbon cutting ceremony at the Wilmington Port was well received and the Authority received great recognition. He also stated that the Authority plays an important roll in economic development to promote the regions economy. Its efforts are recognized.

* * * * *

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

The meeting was adjourned 11:45 p.m.

Respectfully submitted,
THE DELAWARE RIVER AND BAY AUTHORITY

Thomas A. Pankok
Secretary