

DELAWARE RIVER AND BAY AUTHORITY
BUDGET & FINANCE COMMITTEE MEETING
Tuesday, January 15, 2019
Delaware Memorial Bridge Complex
New Castle, Delaware

A public meeting of The Delaware River and Bay Authority's Budget & Finance Committee Meeting was held on Tuesday, January 15, 2019 at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioner of New Jersey

Committee Chair Bennett
Commissioner Smith, Committee Member
Commissioner Wilson, Committee Member - absent
Commissioner Ransome
Commissioner McCann

Commissioners of Delaware

Committee Vice-Chair Decker – absent
Commissioner Ratchford, Committee Member
Commissioner Ford, Committee Member
Commissioner Lathem
Commissioner Carey

Chairperson Hogan

Vice-Chairperson Lowe

Phil Norcross – NJ

Mike Houghton – DE

Governors' Representatives

Craig Ambrose – NJ

Staff

Tom Cook
Steve Williams
Victor Ferzetti
Vince Meconi
Charlotte Crowell
Gerry Owens
Jim Salmon
Dave Winch
TJ Murray
Michelle Hammel
Caroline Walker
Tara Donofrio
Michele Pyle
Joe Larotonda
Heath Gehrke
Jennifer Shivers
John Sarro

Guests

Ed Ramsey

1. Committee Chair Bennett opened the Budget & Finance Committee meeting at approximately 9:01 a.m. The Deputy Executive Director (DED) 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.
2. Committee Chair Bennett called for a motion to accept the Budget & Finance Committee Minutes from December 18, 2018. Commissioner Ratchford made a motion, Commissioner Smith seconded, and the Committee Minutes were accepted.
3. Discussion Items:

- Ferry Fare Proposal

The Chief Financial Officer (CFO) introduced Director of Ferry Operations, Heath Gehrke, to present a ferry fare increase proposal for consideration and feedback from the Committee. Mr. Gehrke discussed the last fare changes that occurred in 2016 and the goal to improve fare box recovery and decrease cost for families over time. Mr. Gehrke highlighted several proposals including decreases of child rate (ages 6 – 13) to free during the off-season and creating a discount fare for first responders. Mr. Gehrke also discussed increases to ferry fare such as a \$1 dollar increase in vehicle fares during in-season only, making the month of June part of the Summer Fare Card and instituting a new \$35 dollar fare for 3-wheel motorcycles or motorcycles with trailers. Discussion was raised surrounding the implementation of the first responders' discount rate including police, fire and EMS personnel. The idea of conducting a growth analysis and collecting consumer feedback after a one year trial of implementing the discount rate was discussed and decided on by the Committee.

- Toll Increase

The Executive Director (ED) highlighted recent events regarding the toll increase for the Delaware Memorial Bridge. The ED noted resolution 18-49 to institute a new toll structure for the bridge was voted on and approved during the December 2018 Board of Commissioners' meeting. On January 2, 2019, the Authority received a veto letter from New Jersey Governor Murphy regarding the resolution. The ED advised that Governor Murphy did not veto the Capital Improvement Plan, but indicated a possible need for adjustments to be made. The ED advised of an upcoming meeting including New Jersey Governors' Office, Delaware Governor's Office and the Authority to discuss the matters at hand and to resolve in a timely manner.

4. Committee Chair Bennett requested an Executive Session closed to the public to discuss matters of a confidential nature. A motion was made by Commissioner Smith, seconded by Commissioner Ford, and the Session was closed.

The following matters of a confidential nature were discussed:

- LONG RANGE PLANNING ALTERNATIVES

With no further business to discuss in Executive Session, a motion to open the meeting to the public was made by Commissioner Smith, seconded by Commissioner Ratchford, and the Session was opened to the public.

5. Additional Discussion Item:

- Unaudited 2018 Operating Results

The CFO highlighted and discussed the unaudited operating results from 2018. The CFO advised of an increase of 11 percent in commercial traffic from 2.2 million transactions in 2016 to 2.45 million transactions 2018. The CFO noted this positive trend could be due to improved classification with the new toll system and a good economy. The CFO also noted commercial traffic is currently at its highest since 2006. The CFO advised traffic at the Cape May-Lewes Ferry experienced a decrease as a whole, but noted is higher than 2016 by 10,000 transactions. The CFO advised revenue increased by \$1.4 million at the bridge and \$1.1 million more in other income from E-ZPass fees totaling \$2.1 million increase above total 2017 actual revenues. The CFO discussed division funds in the 2018 budget noting the Authority ended the year \$2.3 million under budget. The CFO also advised regarding characterization codes that exceeded the budget such as benefits relating to additional pension contribution, professional fees and services relating to the bridge load rating study, and credit card fees relating to E-ZPass transaction costs associated with increased revenues.

6. With no further business to discuss, Committee Chair Bennett made a motion to adjourn and the Budget & Finance Committee adjourned at 10:11 a.m.

DELAWARE RIVER AND BAY AUTHORITY

AUDIT & GOVERNANCE COMMITTEE MEETING

Tuesday, January 15, 2019

Delaware Memorial Bridge Complex
New Castle, Delaware

A public meeting of The Delaware River and Bay Authority's Audit & Governance Committee Meeting was held on Tuesday, January 15, 2019 at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioner of New Jersey

Committee Vice-Chair Wilson, Committee Member - absent

Commissioner Smith, Committee Member

Commissioner McCann, Committee Member

Commissioner Bennett

Commissioner Ransome

Commissioners of Delaware

Committee Chair Carey

Commissioner Lathem, Committee Member

Commissioner Decker, Committee Member – absent

Commissioner Ratchford

Commissioner Ford

Chairperson Hogan

Vice-Chairperson Lowe

Phil Norcross – NJ

Mike Houghton – DE

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Michelle Hammel

Caroline Walker

Michele Pyle

Tara Donofrio

John Sarro

Heath Gehrke

Jennifer Shivers

Guests

Ed Ramsey

Randolf Brolo

1. Committee Chair Carey opened the Audit & Governance Committee meeting at approximately 10:11 a.m. The Deputy Executive Director (DED) reported that the public meeting of the Audit & Governance Committee had been duly noticed in accordance with the Authority's Freedom of Information Regulations, read the Statement of Notice, and called the roll.

2. Committee Chair Carey called for a motion to accept the Audit & Governance Committee Minutes from November 20, 2018. Commissioner McCann made a motion, Commissioner Lathem seconded, and the Committee Minutes were accepted.

3. Discussion Items:

- Semi-Annual Report of Status of Resolutions

The Chief Ethics Officer presented a report on the status of all Resolutions adopted by the Board which have not yet been fully implemented:

In 2018, the Board took action on 52 Resolutions, with 11 not yet fully implemented. A brief explanation of implementation status was provided and all Resolutions will continue to be tracked until fully implemented.

There are 2 Resolutions adopted in 2017 which are not yet fully implemented. A brief explanation of implementation status was provided and all Resolutions will continue to be tracked until fully implemented. Of note is Resolution 17-33 authorizing acceptance of funds from the FTA Passenger Ferry Grant Program. Due to the nature of the grant, letters of support from both Governors are necessary to allow the Authority to be a direct recipient of the grant funds. The Chief Operations Officer (COO) noted that due to the veto of Resolution 18-49, this particular project cannot proceed as previously scheduled and the necessary repowering of the ferry engine will be delayed to another year.

There is 1 Resolution adopted in 2015 which is not yet fully implemented. Resolution 15-40 authorized Amending and Restating the Authority's Defined Contribution Plan. Those amendments have been made and submitted to the IRS for review and approval, which is still pending.

- Lighthouse Hotline Implementation Review

The Chief Ethics Officer highlighted and reviewed the first year of utilizing an anonymous hotline (Lighthouse) reporting service. The Chief Ethics Officer noted that there were 28 reports about 21 separate incidents with several incidents having multiple reports filed. 10 allegations were about co-worker behavior concerns that were neither harassment/discrimination nor ethics issues; 8 allegations were made of harassment/discrimination with 1 claim substantiated and 3 allegations of ethics violations were made with one substantiated as to the underlying problem, but unsubstantiated as to unethical behavior being the cause for the inconsistent action. Regardless

of the findings, Human Resources and/or management addressed the problematic behavior raised by the reports. The Chief Ethics Officer noted a spike occurred during the middle of the year when Ethics/EEO training was taking place. Ongoing training will continue at routine intervals.

4. With no further business to discuss, Commissioner Carey made a motion to adjourn and the Audit & Governance Committee adjourned at 10:44 a.m.

DELAWARE RIVER AND BAY AUTHORITY

PERSONNEL COMMITTEE MEETING

Tuesday, January 15, 2019

Delaware Memorial Bridge Complex
New Castle, Delaware

A public meeting of The Delaware River and Bay Authority's Personnel Committee Meeting was held on Tuesday, January 15, 2019 at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioner of New Jersey

Committee Chair Smith

Commissioner Ransome, Committee Member

Commissioner McCann, Committee Member

Commissioner Wilson - absent

Commissioner Bennett

Chairman Hogan

Legal Counsel

Phil Norcross – NJ

Governors' Representatives

Craig Ambrose – NJ

Staff

Tom Cook

Steve Williams

Victor Ferzetti

Vince Meconi

Charlotte Crowell

Gerry Owens

Jim Salmon

TJ Murray

Dave Winch

Michelle Hammel

Caroline Walker

Michele Pyle

Tara Donofrio

Heath Gehrke

Jen Shivers

John Sarro

Kathy Love-Moore

Brian Lutes

Commissioners of Delaware

Committee Vice-Chair Lathem

Commissioner Decker, Committee Member –

absent

Commissioner Carey, Committee Member

Commissioner Ratchford

Commissioner Ford

Vice Chairman Lowe

Mike Houghton – DE

Guests

Ed Ramsey

Randolf Brolo

1. Committee Chair Smith opened the Personnel Committee meeting at approximately 10:45 a.m. The Deputy Executive Director (DED) reported that the public meeting of the Personnel Committee had been duly noticed in accordance with the Authority's Freedom of Information Regulations, read the Statement of Notice, and called the roll.
2. Committee Chair Smith called for a motion to accept the Personnel Committee Minutes from December 18, 2018. Commissioner McCann made a motion, Commissioner Lathem seconded, and the Committee Minutes were accepted.
3. Committee Chair Smith requested an Executive Session closed to the public to discuss matters of a confidential nature. A motion was made by Commissioner Lathem seconded by Commissioner McCann, and the Session was closed.

The following matters of a confidential nature were discussed:

- LITIGATION MATTERS
- PERSONNEL MATTERS

With no further business to discuss in Executive Session, a motion to open the meeting to the public was made by Commissioner Carey, seconded by Commissioner McCann and the Session was opened to the public

4. Action Items: NONE

5. Discussion Items:

- Climate Survey Review

The Executive Director introduced the employee Co-Chairs of the Committee: Kathy Love-Moore and Brian Lutes. They reviewed an overview of the process that began with a climate survey in which 57% of the employees responded. The next step involved various Focus Groups by topic. Final step has led to a current Steering Committee, encompassing a cross section of all departments within the Delaware River and Bay Authority.

The Co-Chairs reviewed the five major categories being addressed: Communication, Security, Customer Focus, Advancement/Satisfaction, Resources and Goals & Values. To date the committee has had 26 tasks, of which 12 have been accomplished.

- Summer Internship Program

The CHRO reported that the program is underway with applications now being accepted.

6. With no further business to discuss, Committee Vice Chair Lathem made a motion to adjourn, Commissioner Carey seconded, and the Personnel Committee adjourned at 11:40 am.

DELAWARE RIVER AND BAY AUTHORITY

ECONOMIC DEVELOPMENT COMMITTEE MEETING

Tuesday, January 15, 2019

Delaware Memorial Bridge Complex
New Castle, Delaware

A public meeting of The Delaware River and Bay Authority's Economic Development Committee Meeting was held on Tuesday, January 15, 2019 at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioner of New Jersey

Committee Vice-Chair Ransome
Commissioner Bennett, Committee Member
Commissioner Wilson, Committee Member
absent
Commissioner McCann
Commissioner Smith

Chairperson Hogan

Commissioners of Delaware

Committee Chair Ford, Chair
Commissioner Ratchford, Committee Member
Commissioner Carey, Committee Member
Commissioner Lathem
Commissioner Decker - absent

Vice-Chairperson Lowe

Legal Counsel

Phil Norcross – NJ

Mike Houghton – DE

Governors' Representatives

Craig Ambrose – NJ

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John Sarro
Heath Gehrke
Jennifer Shivers

1. Committee Chair Ford opened the Economic Development Committee meeting at approximately 11:40 a.m. The Deputy Executive Director (DED) 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.
2. Commissioner Ford called for a motion to accept the Economic Development Committee Minutes from December 15, 2018. Commissioner Bennett made a motion, Commissioner Ratchford seconded, and the Committee Minutes were accepted.
3. Action Items: NONE.
4. Discussion Items: NONE.

With no further business to discuss, Committee Chair Ford adjourned the Economic Development Committee at 11:43 a.m.

DELAWARE RIVER AND BAY AUTHORITY

PROJECTS COMMITTEE MEETING - PUBLIC SESSION

Tuesday, January 15, 2019

Delaware Memorial Bridge Complex
New Castle, Delaware

A public meeting of The Delaware River and Bay Authority's Projects Committee Meeting was held on Tuesday, January 15, 2019 at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioner of New Jersey

Committee Chair Ransome
Commissioner Bennett, Committee Member
Commissioner McCann, Committee Member
Commissioner Smith
Commissioner Wilson-absent

Chairman Hogan

Legal Counsel

Phil Norcross – NJ

Governors' Representatives

Craig Ambrose – NJ

Staff

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Caroline Walker
John Sarro
Heath Gehrke
Jen Shivers

Commissioners of Delaware

Committee Vice-Chair Ratchford
Commissioner Ford, Committee Member
Commissioner Lathem, Committee Member
Commissioner Decker-absent
Commissioner Carey

Vice Chairman Lowe

Mike Houghton – DE

Guests

Ed Ramsey
Randolf Brolo

1. Committee Chair Ransome opened the Projects Committee meeting at 11:43 a.m.
2. Committee Chair Ransome called for a motion to accept the Projects Committee Minutes from December 18, 2018. Commissioner Lathem made a motion, Commissioner McCann seconded, and the Committee Minutes were accepted.
3. Resolutions: NONE
4. Bid Openings: NONE
5. Contract Close-Out Actions:
 - WWD-17-B Runway 10-28 Deer Fence @ Cape May Airport
Contractor was Ninsa LLC of Hammonton, NJ. Final Cost \$717,908, of which an FAA grant paid 90%

Committee Chair Ransome called for a motion, Commissioner Ratchford made a motion, seconded by Commissioner Lathem and the Projects Committee concurred with the recommendation and authorized the close-out actions to be presented to the full board at the January meeting later today.

6. Contractor Payment Review:

The COO reviewed for the Committee the monthly construction contractor payments to be made for the work completed through December, 2018. DRBA had 13 payments totaling approximately \$1.8 million for projects at the bridge, ferry and four airports, including final payment for the Cape May Airport deer fence.

7. Discussion Items: NONE

8. With no further business to discuss, Committee Chair McCann made a motion to adjourn, Commissioner Bennett seconded, and the Projects Committee adjourned at 11:45 am.