

DELAWARE RIVER AND BAY AUTHORITY

PERSONNEL COMMITTEE MEETING

Tuesday, March 21, 2017

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, March 21, 2017, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from New Jersey

PRESENT

Committee Chair Smith

Commissioner Van Sant, Committee Member

Commissioner Bennett, Committee Member

Commissioner Wilson

Commissioners from Delaware

Committee Vice-Chair Lathem

Commissioner Carey, Committee Member

Commissioner Downes

Commissioner Ford

Chairperson Hogan

Vice-Chairperson Lowe

Legal Counsel

Phil Norcross – NJ

Governors' Representatives

Labinot Berljolli – NJ

Staff

Tom Cook

Frank Minor

Victor Ferzetti

Vince Meconi

Charlotte Crowell

Gerry Owens

Michelle Hammel

Rick Arroyo

1. Committee Chair Smith opened the Personnel Committee meeting at approximately 9:20 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. Authority Chair Hogan requested an Executive Session for Commissioners, Delaware Labor Counsel, New Jersey General Legal Counsel, New Jersey Governor's Representative, and

the Authority Staff Attorney. All staff was asked to leave. A motion was made by Commissioner Van Sant, seconded by Commissioner Lathem, and the Session was closed.

The following matters of a confidential nature were discussed:

) LITIGATION MATTER

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

3. Staff returned and the Chief Human Resource Officer (CHRO) requested an additional Executive Session to discuss matters of a confidential nature. Commissioner Lathem made a motion, seconded by Commissioner Van Sant, and the Session was closed.

The following matters of a confidential nature were discussed:

) LITIGATION MATTER

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

4. Committee Chair Smith called for a motion to accept the Personnel Committee Minutes from February 22, 2017. Commissioner Carey made a motion, Commissioner Lathem seconded, and the Committee Minutes were accepted.

5. Miscellaneous:

- 2017 Summer Internship

The CHRO distributed a handout with information regarding the 2017 Summer Internship Program. The number of applicants in the 2017 program is the highest since the implementation in 2012 of this official program. Interviews, selections, and offers are currently being finalized.

- Open Positions

The CHRO also distributed the list of current job openings for full-time and casual positions.

- Summary of Organization & Demographics

The CHRO distributed a handout of the workforce demographics of the organization since 2010, when the CHRO started employment and collection of the data. Committee Chair Smith questioned whether the hiring procedures were moving any faster. The

CHRO reported that with the recent re-organization of the Human Resources Department the goal was to put the right people, with the right skills, in the right positions. There are now three (3) full-time staff members assigned to recruiting in the Talent Acquisition Team and the department has been working since January 2017 to streamline and automate processes and other improvements; however, she needs hiring managers and interview panelists to respond quicker for these process improvements to take place. The Executive Director (ED) reported that he is now meeting with each senior leader, individually, every other week and one of the topics for discussion is their hiring plan. He will continue to follow-up and work with staff for continued recommendations for improvement. Authority Chair Hogan reported that he attended a Homeland Security Briefing with the Chair, Vice-Chair, COO, and Colonel Arroyo. In that briefing it was reported that the biggest concern is security on the ferry and asked that Colonel Arroyo address the Committee. Colonel Arroyo reported that in 2013 when he started employment, there were currently 48 officers and we are now staffed at 55. There were no officers on the ferry or security checks being done. Magnetometers were added and security checks implemented. He would like to get the total to 60 officers, which could staff almost every ferry trip with an officer and would be a deterrent and good customer service. Colonel Arroyo stressed that he has always received support since he has been employed at the Authority. Committee Vice Chair Lathem reported that safety and security has always been a top priority.

3. With no further business to discuss, Commissioner Van Sant made a motion to adjourn and the Personnel Committee adjourned at 10:50 a.m.

DELAWARE RIVER AND BAY AUTHORITY
BUDGET & FINANCE COMMITTEE MEETING
Tuesday, March 21, 2017
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, March 21, 2017, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from New Jersey

PRESENT

Committee Chair Bennett
Commissioner Smith, Committee Member
Commissioner Wilson, Committee Member
Commissioner Van Sant

Commissioners from Delaware

Committee Vice-Chair Downes
Commissioner Ford, Committee Member
Commissioner Carey
Commissioner Lathem

Chairperson Hogan

Vice-Chairperson Lowe

Legal Counsel

Phil Norcross – NJ

Governors' Representatives

Labinot Berlajolli – NJ

Staff

Tom Cook
Frank Minor
Victor Ferzetti
Vince Meconi
Charlotte Crowell
Gerry Owens
Michelle Hammel
TJ Murray
Jim Salmon
Sheriese Coy-Armour

1. Committee Chair Bennett opened the Budget & Finance Committee meeting at approximately 10:50 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 February 22, 2017. Commissioner Downes made a motion, Commissioner Smith seconded, and the Committee Minutes were accepted.

3. Resolutions:

- RESOLUTION 17-14 – AUTHORIZING AUTHORITY EXPENDITURES PURSUANT TO RESOLUTION 01-84 FOR THE PERIOD, JANUARY 1, 2017 THROUGH DECEMBER 31, 2017

The Chief Financial Officer (CFO) presented and reported on the Over \$25,000 List. There were no questions. Commissioner Downes made a motion, Commissioner Wilson seconded, and the Budget & Finance Committee recommended forwarding the Resolution to the full Board for approval. The Resolution will be presented to the full Board for consideration at the March meeting later today.

4. Miscellaneous:

Standard & Poor's

The CFO reported that he had been contacted by Standard & Poor's for their annual review of the Authority finances. The CFO reported that he anticipates there will be future discussions with S&P regarding the current finances of the DRBA along with our long range plan to finance capital projects.

5. With no further business to discuss, Commissioner Wilson made a motion to adjourn and the Budget & Finance Committee adjourned at 10:55 a.m.

DELAWARE RIVER AND BAY AUTHORITY

ECONOMIC DEVELOPMENT COMMITTEE MEETING

Tuesday, March 21, 2017

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, March 21, 2017, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from New Jersey

PRESENT

Committee Vice-Chair Van Sant
Commissioner Bennett, Committee Member
Commissioner Wilson, Committee Member
Commissioner Smith

Commissioners from Delaware

Committee Chair Ford
Commissioner Carey, Committee Member
Commissioner Downes, Committee Member
Commissioner Lathem

Chairperson Hogan

Vice-Chairperson Lowe

Legal Counsel

Phil Norcross – NJ

Governors' Representatives

Labinot Berljolli – NJ

Staff

Tom Cook
Frank Minor
Victor Ferzetti
Vince Meconi
Charlotte Crowell
Gerry Owens
Michelle Hammel
TJ Murray
Jim Salmon
Sheriese Coy-Armour

6. Committee Chair Ford opened the Economic Development Committee meeting at approximately 10:55 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.

7. Committee Chair Ford called for a motion to amend the Economic Development Committee Minutes from February 22, 2017 to reflect that he, Commissioner Ford, conducted the meeting in Committee Chair Bennett's absence and not Commissioner Wilson. Commissioner Carey made a motion, Commissioner Wilson seconded, and the Committee Minutes were accepted as amended.

8. Action items:

The DED presented and reviewed the Resolutions

- RESOLUTION 17-15 – AUTHORIZES A LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND ALLIANT RX AT THE SALEM BUSINESS CENTRE

Having no questions, Commissioner Bennett made a motion, Commissioner Wilson seconded, and the Economic Development Committee recommended forwarding the Resolution to the full Board for approval. The Resolution will be presented to the full Board for consideration at the March meeting later today.

- RESOLUTION 17-16 – AUTHORIZES A LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND CAPE ISLAND FOODS AT THE CAPE MAY AIRPORT

Having no questions, Commissioner Wilson made a motion, Commissioner Downes seconded, and the Economic Development Committee recommended forwarding the Resolution to the full Board for approval. The Resolution will be presented to the full Board for consideration at the March meeting later today.

- RESOLUTION 17-17 – AUTHORIZES A LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND THE MADD POTTER'S STUDIO AT THE CAPE MAY AIRPORT

Having no questions, Commissioner Downes made a motion, Commissioner Van Sant seconded, and the Economic Development Committee recommended forwarding the Resolution to the full Board for approval. The Resolution will be presented to the full Board for consideration at the March meeting later today.

- RESOLUTION 17-18 – AUTHORIZES A LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND D-TECH INTERNATIONAL USA AT THE CAPE MAY AIRPORT

Having no questions, Commissioner Wilson made a motion, Commissioner Van Sant seconded, and the Economic Development Committee recommended forwarding the Resolution to the full Board for approval. The Resolution will be presented to the full Board for consideration at the March meeting later today.

- RESOLUTION 17-19 – AUTHORIZES A LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND STORMY BAY OYSTER COMPANY, LLC AT THE CAPE MAY AIRPORT

Having no questions, Commissioner Wilson made a motion, Commissioner Van Sant seconded, and the Economic Development Committee recommended forwarding the Resolution to the full Board for approval. The Resolution will be presented to the full Board for consideration at the March meeting later today.

- RESOLUTION 17-20 – AUTHORIZES A LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND LASSONDE PAPPAS AND COMPANY, INC. AT THE SALEM BUSINESS CENTRE

Having no questions, Commissioner Downes made a motion, Commissioner Wilson seconded, and the Economic Development Committee recommended forwarding the Resolution to the full Board for approval. The Resolution will be presented to the full Board for consideration at the March meeting later today.

9. Open Discussion/Other Issues:

Cape May Airport

Tenant Visit - Commissioner Wilson reported that she stopped by and spoke with two (2) new tenants at the Cape May Airport and both tenants were pleased with the service and satisfied how the DRBA has dealt with them.

Construction of Second Building – Commissioner Downes questioned whether the Authority was moving forward with the construction of the second building in the industrial section of the Cape May Airport. The CFO reported that he will be meeting with a prospective tenant to discuss the possibility of becoming an anchor tenant for the launch of the new building. If there is enough interest in pre-leasing, the Authority will move forward with the construction of the second building. Fit out of the first building is expected to be completed sometime in July. Committee Chair Ford thanked the DED, CFO and staff for working diligently to completely lease the new building and thanked Commissioner Wilson for her continued support and showing interest in the project. Authority Chair Lowe noted that the change at the Cape May Airport is incredible.

New Castle County Chamber of Commerce

Noting that the County Chamber announced that it would be moving to the Wilmington Riverfront location, Commissioner Lathem thanked the former Executive Director for his decision to not renew the lease with New Castle County Chamber of Commerce in order to market the property for airport related business.

10. With no further business to discuss, Commissioner Downes made a motion to adjourn and the Economic Development Committee adjourned at 11:10 a.m.

DELAWARE RIVER AND BAY AUTHORITY

PROJECTS COMMITTEE MEETING

March 21, 2017

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 21, 2017, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners from New Jersey

Commissioners from Delaware

PRESENT

Committee Chair Van Sant
Commissioner Bennett, Committee Member
Commissioner Smith
Commissioner Wilson

Commissioner Ford, Committee Member
Commissioner Lathem, Committee Member
Commissioner Carey
Commissioner Downes

Chairperson Hogan

Vice-Chairperson Lowe

Legal Counsel

Phil Norcross - NJ

Governors' Representatives

Labinot Berlajolli- NJ

Staff

Tom Cook
Frank Minor
Victor Ferzetti
Charlotte Crowell
Gerry Owens
Vincent Meconi
Jim Salmon
TJ Murray
Steve Williams
Michelle Hammel
Alyona Stakhovskaya

1. Committee Chair Van Sant opened the Projects Committee meeting at approximately 11:10 a.m. and reported that the public meeting of the Projects Committee had been duly noticed in accordance with the Authority's Freedom of Information Regulations and that there was a quorum.
2. Committee Chair Van Sant called for a motion to accept the Projects Committee Minutes from February 22, 2017. Commissioner Lathem made a motion, Commissioner Ford seconded, and the Committee Minutes were accepted.
3. Resolutions:

) RESOLUTION 17-21 – FERRY LANDING AND OPERATING AGREEMENT
WITH THE STATE OF DELAWARE

From April to October, the Authority operates the Forts Ferry Crossing between Fort Matt in New Jersey, Fort Delaware State Park on the Pea Patch Island and Delaware City in Delaware. Visitors are charged a fee that is split between the State of Delaware, the State of New Jersey, and the Authority. This Ferry Landing and Operating Agreement will continue the longstanding agreement between the parties.

After discussion, Commissioner Lathem made a motion, Commissioner Van Sant seconded, and the Committee recommended forwarding the Resolution to the full Board for approval. The Resolution will be presented to the full Board for consideration at the March meeting later today.

4. Bid Openings: None
5. Contract Close-Out Actions:

) DMB-15-03: ANCHOR AND TOWER SECURITY IMPROVEMENTS

The title of the close-out describes what work was performed for the Authority. The final contract amount is \$2,130,136.96

The following is a list of change orders associated with the contract:

- | | | |
|-----|---------------|--|
| CO1 | (\$11,495.87) | Deletion of one proposed tower platform & ladder assembly which was not needed |
| CO2 | \$5,568.30 | Addition of one ladder-only assembly in lieu of the above |
| CO3 | \$6,907.20 | Moderate quantity increases for the Fiber Optic and 12 AWG |

Power line items per actual field conditions

CO4 (\$145,347.67) \$132K for reduction in MPT days along with multiple quantity adjustments per actual field conditions

CO5 (\$14,520.00) Reduction in Truck Mounted Attenuator Days in keeping with the reduced MPT needs

The COO recommended close-out of the contract and final payment to Scalfo Electric, Inc., of Vineland, NJ. A motion was made by Commissioner Ford, seconded by Commissioner Lathem, and the Projects Committee concurred with the recommendation and authorized the close-out action to be presented to the full board at the March meeting later today.

6. Contractor Payment (through February): The COO reviewed for the Committee the monthly construction contractor payments to be made for the work completed through February.
7. Miscellaneous Items/Updates:

) FERRY INSPECTIONS

We currently have one ferry vessel in emergency shipyard repair and we may have another one shortly. In March of 2016, the MV New Jersey failed its inspection and was sent to dry dock. One of the relatively minor issues that received a form 835 exception during that same inspection was the direction that we repaint the void spaces on the vessel. Each of our ferries has 8 void spaces below the water line that, as the name implies, are completely empty. At that time the MV Delaware was still in dry dock for repowering, leaving only the MV Cape Henlopen to carry passengers. For this reason, the Coast Guard granted us a lengthy lead time, until June of this year, to do the void space painting. Allowing for our peak season and for higher priority repair work on the MV Delaware and MV Cape Henlopen, the earliest we could take the MV New Jersey off line for the void space work was December. We had planned to paint the void spaces using in-house staff.

During preparation, however, it was discovered that existing void space paint on the MV New Jersey is lead-based. Lead paint is a hazardous material and its removal requires encapsulation that is beyond our in-house capability. We therefore needed to send the vessel to a shipyard for the void space work. It needed to be sent there quickly in order to have it back in time for our season. We contacted 9 shipyards & received bids from 4 of them. Dorchester Shipyard was the low bidder at about \$533,000. Although Dorchester Shipyard was selected because it was the low bidder, it is notable that for the first time in many years, we are able to use a local (New Jersey or Delaware) shipyard. Dorchester Shipyard is located on the Maurice River in southern New Jersey, only a 3-hour sail from Cape May.

Currently, we are running a 2-boat schedule Friday through Sunday and a 1-boat schedule the rest of the week. We had expected that the MV New Jersey would return in time for the 1st 3-boat weekend in May. However, the MV Cape Henlopen has an inspection scheduled for Wednesday. As a point of reference, the Coast Guard requires each vessel to be drydocked twice every 5 years. However, we are allowed to perform a special inspection in place of one of those dry dockings. This inspection is called a UWILD, or Underwater Survey In Lieu of Dry Docking. The good news is that a UWILD inspection is generally much less expensive than having the inspection done at a drydock.

Unfortunately, what sometimes happens is that the UWILD inspection reveals problems that require a dry docking anyway. In the course of our own “inspection before the inspection,” yesterday we discovered pitting or scarring on the inside of the vessel hull that will require repair. We expect the Coast Guard to fail us, but even if they did not, that kind of hull repair work requires a drydocking. With one vessel at a shipyard already and another vessel needing a drydocking, we are going to have to scramble to keep our current schedule, let alone run a 3-vessel schedule coming up in May. The first thing we are doing is attempting to work with Dorchester Shipyard to finish ahead of schedule. Unfortunately, the way we will likely accomplish that is to curtail some of the void space painting. All of the void spaces could use repainting, so we were having more work done than was required by the Coast Guard. That was going to save us money by having the painting done in volume. However, we now plan to cut back and only do the work required by the Coast Guard. Simultaneously, we are seeking bids from various shipyards to have the hull work done on the MV Cape Henlopen. We already know that it will not be Dorchester Shipyard, since they are not available. We will have to have another emergency declaration of special conditions. Hopefully, we can get the New Jersey back from one shipyard before the MV Cape Henlopen goes to another shipyard, thus preserving our 2-vessel schedule. We hope we would get the MV Cape Henlopen back in time for the 3-vessel schedule in May. That is our plan as of right now, but the situation is fluid and may well change. The good news is that even with 2 dry dockings, we expect to be within our budget.

Going forward, we may need to reevaluate our participation in the UWILD program. UWILDs are not allowed for every ferry vessel. In fact, under the Code of Federal Regulations, only vessels 15 years old or less are allowed. Our vessels are 40 years old. We are currently in the program because the Coast Guard believes we try very hard to be compliant with every one of their regulations, which we do. The UWILD saves us money if we do not have to go to a dry dock, but if we do have to go to a drydock, it may cost us more than if we had just scheduled a drydocking to begin with. There is some careful cost-benefit analysis we have to do and we not ready to make that decision yet.

The commissioners raised concerns about the presence of lead paint on other vessels and immediate remedies available for failed inspections.

8. Move to Executive Session:
9. Open Discussion/Other Issues:

) I-295 UPDATE

One of the last things that we have to do is to pour the deck on the bridge. One bridge that is going to remain after this project is finished is the one over Route 13. Concrete pouring for that bridge is scheduled to begin Thursday and go on over a period of weeks, one day per week. The deck will be poured throughout the day, and overnight, to reduce the vibrations, we will have to have the police do rolling roadblocks. Starting at about 7pm until about 6am, we will restrict the 2 remaining lanes to 1 lane. Once that is done, the left hand side will be shifting to the right hand side. The goal is to get this phase done by the end of April.

10. With no further business to discuss, Committee Chair Van Sant made a motion, seconded by Commissioner Ford to adjourn, and the Projects Committee adjourned at 11:28 a.m.