

DELAWARE RIVER AND BAY AUTHORITY
GOVERNANCE/AUDIT COMMITTEE MEETING
Tuesday July 18, 2023
Delaware Memorial Bridge Complex
New Castle, Delaware

A public meeting of The Delaware River and Bay Authority's Governance/Audit Committee Meeting was conducted on Tuesday, July 18, 2023, from the Delaware Memorial Bridge Complex, New Castle, Delaware and via Zoom.

Commissioners of New Jersey

Committee Chair Smith

Commissioner Wilson, Committee Member-
via Zoom

Commissioner McCann, Committee Member
Via Zoom

Commissioner Ransome

Commissioner Baldini - via Zoom

Commissioners of Delaware

Committee Vice-Chair Faust

Commissioner Carey, Committee Member

Commissioner Decker, Committee Member

Commissioner Becker

Commissioner Ratchford

Chairperson Hogan –

Vice-Chairperson Lathem

Legal Counsel

Kate Betterly – DE

Phil Norcross – NJ

Governors' Representatives

Mike Houghton – DE

Robert Davidow - NJ

Aaron Creuz - NJ

Staff

Tom Cook

Steve Williams

Victor Ferzetti

Vince Meconi

Charlotte Crowell

Gerry Owens

Michelle Warner

Michele Pyle

Jim Salmon

TJ Murray

Tara Donofrio

Andy Houghton

Kyle Bickhart

Jessica Chambers

Jackson Phillips

Guests

Jessica Donnelly

Public Resource Advisory Group (PRAG)

1. Committee Chair Smith opened the Governance/Audit Committee meeting at 11:11 a.m.
2. Committee Chair Smith called for a motion to accept the Governance/Audit Committee Minutes from May 16, 2023. Vice-Chair Faust made a motion, Commissioner Carey seconded, and the Committee Minutes were accepted.
3. Discussion Item

- **Resolution Implementation Review**

Michelle Warner reviewed the status of the current and prior year resolutions, noting that those not fully implemented were in process.

- **2023 Resolution Summary**
 - 39 Resolutions Presented to Board
 - 19 Dealing with leases, lease terminations, lease amendments or easements.
 - 13 Routine Matters (CIP, Deferred Compensation Committee)
 - 4 Professional Service Contracts
 - 2 Property Sale Agreements
 - 1 Collective Bargaining Agreement
 - 16 Not Fully Implemented - 11 of those are from June 2023
- **2022 Resolution Status Update**
 - 55 Resolutions Presented to Board
 - 4 Not Fully Implemented: 2 sale agreements, utility easement & lease agreement.

4. With no further business to discuss, Committee Chair Smith called for a motion to adjourn; Vice-Chair Faust made a motion, Commissioner Carey seconded, and the Governance/Audit Committee adjourned at 11:14 a.m.

**DELAWARE RIVER AND BAY AUTHORITY
BUDGET & FINANCE COMMITTEE MEETING**

Tuesday, July 18, 2023
Delaware Memorial Bridge Complex
New Castle, Delaware

A public meeting of The Delaware River and Bay Authority's Budget & Finance Committee Meeting was conducted on Tuesday, July 18, 2023, from the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners of Delaware

Committee Chair Decker
Commissioner Becker, Comm. Member
Commissioner Ratchford, Comm. Member
Commissioner Carey
Commissioner Faust

Chairperson Lathem

Legal Counsel

Phillip Norcross - NJ

Governors' Representatives

Robert Davidow – NJ
Aaron Creuz – NJ

Staff

Tom Cook
Steve Williams
Victor Ferzetti
Charlotte Crowell
Gerry Owens
Michelle Warner
TJ Murray
James Salmon
Tara Donofrio
Michelle Pyle
Jackson Phillips

Commissioners of New Jersey

Committee Vice-Chair Baldini – Zoom
Commissioner Smith, Comm. Member
Commissioner Wilson Comm. Member - Zoom
Commissioner McCann – Zoom
Commissioner Ransome

Vice-Chairperson Hogan

Legal Counsel

Kate Betterly – DE

Governor's Representatives

Michael Houghton - DE

Guests

Jessica Donnelly - PRAG

1. Committee Chair Decker opened the Budget & Finance Committee meeting at approximately 11:14 a.m. The Deputy Executive Director (DED) reported that the public meeting of the Budget & Finance Committee had been duly notified in accordance with the Authority's Freedom Information Regulations, read the Statement of Notice, and called the roll.
2. Committee Chair Decker called for a voice vote to accept the Budget & Finance Committee Minutes from June 21, 2023. Commissioner Ratchford made a motion, Commissioner Becker seconded, and the Committee Minutes were accepted.

3. Discussion Items:
2023 Bond Refunding/New Money Transaction

The CFO introduced Jessica Donnelly, Senior Managing Director with PRAG. Ms. Donnelly reviewed Macroeconomic Trends and the Municipal Market noting treasury rates have been volatile in 2023 with the 2- and 10-year spot rates continuing to be inverted. Good news last week indicated inflation is slowing. Municipal markets following 2-years of all time high issuance, 2022 saw less primary issuance as tax-exempt refunding have become less economic. This trend has continued in 2023, with low supply helping stabilize MMD rates. The MMD and DRBA's market timing are currently below the 2014 Bond Issuance rates. The 2-year is extremely high above the 10-year rate on the municipal side. The Authority's outstanding debt 2014C bond and 2014A bond were focused in on refunding. The tax rules allow us to refund the bonds as early as October 2023. Once the bonds are refunded and replaced with new refunding bonds, the Authority realizes debt service savings primarily because of the bonds "stepping down the yield curve." The plan is to issue a series of new money \$73,435,000 and refunding \$118,705,000 totaling \$192,140,000 but this transaction is still under review. The CFO confirmed this is the high end for new money. There is currently about \$50 million dollars remaining in the construction fund to complete the deck over lay project and partially fund the bridge protection program. The CFO noted the transaction timeline approval at the 9/19/23 board meeting, with bond pricing by 10/11/23, and closing around 10/25/23. Ms. Donnelly noted the gross savings of over \$10.2 million with net a NPV savings of approximately \$7 million or 5.5%. The CFO noted this generates savings around \$630,000 in annual debt savings. The CFO noted the syndicate members and proposed participation. Commissioner Ratchford asked if the participation was like the last transaction? The CFO answered it was like the 2021 transaction, noting the switch between the Senior and Co-Senior Managers.

FY23-Q2 Traffic Revenue & Expense Review

The CFO discussed 2nd Quarter Traffic, Revenue and Expenses. The CFO noted commercial traffic at the DMB was down by 36,000 commercial transactions or -2.5% from last year. The non-commercial traffic is up 4.3% for passengers & discount transactions. Overall, bridge traffic is up 3% year-to-date. The CMLF commercial traffic is up 1% with non-commercial and Revenue Passengers up 9.5% and 8.6% respectively. Total revenues are up \$4 million dollars year-over-year. Increases in Airport revenues and Investment Income account for \$3MM of the increase in revenue for the year. Expenses this time last year were \$38.5 million v. today \$38.7 million YTD, with the total budget spend of 41.6%. The CFO noted that the insurance budget is running very hot and will be slightly over the budget. Wilmington Airport parking revenue of just under \$400,000 is very positive considering parking didn't get started until March 2023. Lastly, Millville Airport was cash positive for the 1st half of the month.

With no further business to discuss, Committee Chair Decker adjourned the Budget and Finance Committee 11:40 a.m.

**DELAWARE RIVER AND BAY AUTHORITY
ECONOMIC DEVELOPMENT COMMITTEE MEETING**

Tuesday, July 18, 2023

Delaware Memorial Bridge Complex
New Castle, Delaware

A public meeting of The Delaware River and Bay Authority's Economic Development Committee Meeting was conducted on Tuesday, July 18, 2023, at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners of New Jersey

Committee Chair Baldini – via Zoom
Commissioner Wilson, Comm. Member -via Zoom
Commissioner Ransome, Comm. Member
Commissioner McCann – via Zoom
Commissioner Smith

Vice-Chairperson Hogan

Phillip Norcross – Counsel NJ

Commissioners of Delaware

Committee Vice-Chair Becker
Commissioner Carey, Comm. Member
Commissioner Ratchford, Comm..Member
Commissioner Decker
Commissioner Faust

Chairperson Lathem

Kate Betterly - Counsel DE

Governors' Representatives

Robert Davidow, New Jersey
Aaron Cruz, New Jersey

Governors' Representatives

Michael Houghton, Delaware

Staff

Tom Cook
Steve Williams
Victor Ferzetti
Vince Meconi
Charlotte Crowell
Gerry Owens
Michelle Warner
Jim Salmon
TJ Murray
Tara Donofrio
Michele Pyle
Jackson Phillips

Guests

1. Committee Chair Baldini 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. Committee Chair Baldini called for a motion to accept the Economic Development Committee Minutes from the June 21, 2023, meeting. Commissioner Ratchford made a motion, Commissioner Becker seconded, and the Committee Minutes were accepted.

3. Resolutions:

RESOLUTION 23-41 – LEASE AMENDMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND DASSAULT FALCON JET – WILMINGTON CORP. AT THE WILMINGTON AIRPORT – ILG

The Deputy Executive Director presented and discussed the Resolution. With no questions, Commissioner Ratchford made a motion, Commissioner Becker seconded, and the Economic Development Committee recommended forwarding Resolution 23-41 to the full Board. The Resolution will be presented to the full Board for consideration at the July meeting later today.

RESOLUTION 23-42 – LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND SATYS AEROSPACE, INC. AT THE WILMINGTON AIRPORT – ILG

The Deputy Executive Director presented and reviewed the Resolution. With no questions, Commissioner Becker made a motion, Commissioner Ransome seconded, and the Economic Development Committee recommended forwarding Resolution 23-42 to the full Board. The Resolution will be presented to the full Board for consideration at the July meeting later today.

RESOLUTION 23-43 – LEASE AMENDMENT BETWEEN THE DELAWARE RIVER & BAY AUTHORITY AND SKYWAYS MOTOR LODGE CORP. AT THE WILMINGTON AIRPORT - ILG

The Deputy Executive Director presented and reviewed the Resolution. With no questions, Commissioner Ratchford made a motion, Commissioner Becker seconded, and the Economic Development Committee recommended forwarding Resolution 23-43 to the full Board. The Resolution will be presented to the full Board for consideration at the July meeting later today.

Committee Chair Baldini adjourned Economic Development Committee at 11:52 a.m.

DELAWARE RIVER AND BAY AUTHORITY

PROJECTS COMMITTEE MEETING

Tuesday, July 18, 2023

Delaware Memorial Bridge Complex
New Castle, Delaware

A public meeting of The Delaware River and Bay Authority's Projects Committee Meeting was conducted in person and via Zoom on Tuesday, July 18, 2023, from the Delaware Memorial Bridge Complex, New Castle, Delaware.

Delaware Commissioners

Committee Chair Ratchford

Commissioner Faust, Committee Member

Commissioner Becker, Committee Member

Commissioner Decker

Commissioner Carey

Chairman Lathem

Legal Counsel

Kate Betterly- DE

Governors' Representatives

Mike Houghton- DE

Staff

Tom Cook

Steve Williams

Victor Ferzetti

Vince Meconi

Charlotte Crowell

Gerry Owens

Michelle Warner

Michele Pyle

Jim Salmon

TJ Murray

Tara Donofrio

Andy Houghton

Kyle Bickhart

Jessica Chambers

Jackson Phillips

New Jersey Commissioners

Committee Vice-Chair Ransome

Commissioner McCann, Committee Member
via Zoom

Commissioner Baldini, Committee Member-
via Zoom

Commissioner Smith

Commissioner Wilson- via Zoom

Vice Chairman Hogan - absent

Phil Norcross- NJ

Robert Davidow - NJ

Aaron Creuz – NJ

Guests

1. Committee Chair Ratchford opened the Projects Committee meeting at 11:52 a.m.
2. Committee Chair Ratchford called for a motion to accept the Projects Committee Minutes from June 21, 2023. Commissioner Becker made a motion, Commissioner Faust seconded, and the Committee Minutes were accepted.
3. Discussion Items

- **Construction Highlights Report**

COO noted the report can be found in the Board materials. There were no questions or comments about this report.

4. Bid Openings

- **DMB-22-10BR Julia Building Fitness Center Equipment**

A public bid opening was held on July 07, 2023, in which (2) bids were submitted.

The lowest bid was removed due to bid irregularities. The COO recommended awarding the contract, in the amount of \$120,268.00, to Johnson Fitness and Wellness of Newark, DE, second lowest bid.

Committee Chair Ratchford called for a motion to accept the award, to which Committee Vice-Chair Ransome made a motion, seconded by Commissioner Becker and Projects Committee concurred with the recommendation to accept and authorize the action to be presented to the full Board of Commissioners later today.

- **MIV-22-10 Rehabilitate SRE/Operations Building Parking Lot**

A public bid opening was held on June 27, 2023, in which (2) bids were submitted.

The COO recommended awarding the contract, in the amount of \$798,871.60 to South State, Inc, Bridgeton, NJ.

Committee Chair Ratchford called for a motion to accept the award, to which Commissioner Faust made a motion, seconded by Commissioner Becker and Projects Committee concurred with the recommendation to accept and authorize the action to be presented to the full Board of Commissioners later today.

- **WWD-22-02 Construction of Multi-Tenant Building #3 and Additional Sitework**

A public bid opening was held on June 27, 2023, in which (4) bids were submitted. The COO recommended rejecting all bids and rebidding the project.

Committee Chair Ratchford called for a motion to reject the bid, to which Commissioner Faust made a motion, seconded by Commissioner Baldini and Projects Committee concurred with the recommendation to reject and authorize the action to be presented to the full Board of Commissioners later today.

- **WWD-22-04 Building W-109 Roof Improvements**

A public bid opening was held on June 22, 2023, in which (4) bids were submitted.

The COO recommended awarding the contract, in the amount of \$232,592.00 to Firstline Contracting, Inc. of New Hyde Park, NY.

Committee Chair Ratchford called for a motion to accept the award, to which Commissioner Becker made a motion, seconded by Committee Vice-Chair Ransome and Projects Committee concurred with the recommendation to accept and authorize the action to be presented to the full Board of Commissioners later today.

5. Project Contract Closeouts

- **WWD-20-A Rehabilitate Runway 10-28 - Phase I**

The COO recommended close-out of the contract and final payment to South State Inc of Bridgeton, NJ with a final contract amount of \$2,693,700.17.

Committee Chair Ratchford called for a motion to approve the contract closeout, to which Commissioner Becker made a motion, seconded by Committee Vice-Chair Ransome and the Projects Committee concurred with the recommendation and authorized the close-out action to be presented to the full Board for consideration at the July meeting later today.

6. Contractor Payment Review:

The COO reviewed for the Committee the monthly construction contractor payment summary to be made for the work completed through June 2023 for (20) payments totaling approximately \$9.5 million for projects at the bridge, ferry, and airports.

7. With no further business to discuss, Committee Chair Ratchford called for a motion to adjourn; Commissioner Becker made a motion and Committee Vice-Chair Ransome seconded, and the Projects Committee adjourned at 11:56 a.m.