

DELAWARE RIVER PORT AUTHORITY
Minutes of the June 8, 2011 Board Meeting
One Port Center, Camden, New Jersey
Wednesday, June 8, 2011, 9 a.m.

Present

PENNSYLVANIA

Governor Tom Corbett, Chair
Robert Teplitz, Esquire (Wagner)
John Lisko (McCord)
William Sasso, Esquire (absent)
Walter D'Alessio
David Simon, Esquire (absent)
Joanna Cruz, Esquire
Joann Bell

Officers and Chiefs

John Matheussen, CEO
Robert Gross, Deputy CEO
Richard Brown, General Counsel and Corporate Secretary
John Hanson, CFO
Toni Brown, CAO
Mike Venuto, Chief Engineer
Timothy Pulte, COO

DRPA Staff

Jennifer DePoder, Financial Analyst
Fran DiCicco, Administrative Coordinator
Mike DiGiamberardino, Reproduction Tech.
Sylvia Gray-Newman, Administrative Coord.
Ann DuVall, Executive Assistant to CEO
Joe Egan, Manager, Special Projects
Nancy Farthing, Executive Secretary, CFO
Telete Garrison, Administrative Coordinator
Ronnie Gilbert, Manager, Accounting
Karen Jacobson, Assistant General Counsel
Edward Kasuba, Director of Corp. Comm.
Lisa Kmiec, Assistant General Counsel
Howard Korsen, Manager, Contracts Admin
Mark Lopez, Manager, Gov. Relations
John Lotierzo, Senior Accountant
Joel Maldonado, Reproduction Tech.
Christina Maroney, Manager, Special Proj.
Dave McClintock, Chief, DRPA Police
Fran O'Brien, Mgr., Cust/Comm. Rel.
Robert Only, Director, Homeland Security
Orville Parker, Manager, Budget

NEW JERSEY

Jeffrey L. Nash, Esquire, Vice Chair
E. Frank DiAntonio
Richard Sweeney
Albert F. Frattali
Charles Fentress
Rick Taylor
Tamarisk Jones
Denise Y. Mason (absent)

Counsel

Christopher Gibson, Archer & Greiner, NJ Counsel
Alan Kessler, Duane Morris, PA Counsel

Others

David Reiner, NJ Gov. Authorities Unit
Jared Curcio, NJ Gov. Authorities Unit
Kathleen Duffy Bruder, PA Governor's Office (via telephone)
Kevin Harley, PA Governor's Office
Tyler Laughlin, PA Governor's Office
Adam Gattuso, PA Governor's Office
Tom Ellis
Julie Still, CAC
Joanne Bernier, CAC
Richard Skiera
Otto Gollon
Frank Williamson
Haneef Nelson
Ed Nesmith
Jon Stephenson

DRPA Staff (cont'd)

Mark Saquella, Bldg. Services Clerk
Fritz Sims, Supervisor, Print Shop
Cheryl Spicer, Asst. Gen. Manager, PATCO
John Stephenson, Reproduction Tech.
Steve Suder, Manager, Purchasing
Charles Thompson, Graphic Desgn. Spec.
James White, Director, Finance
Dawn Whiton, Administrative Coordinator
Mike Williams, Graphic Design Administrator

The Corporate Secretary announced that pursuant to the Bylaws of this Authority, public notice of this meeting of the DRPA Board of Commissioners has been given by posting proper notice in the lobby at One Port Center, and issuing proper notice to the public and news media.

Chairman Corbett then called the meeting to order. He asked the Corporate Secretary to call the roll. The Corporate Secretary called the roll and announced that there was a quorum. Chairman Corbett presided.

Chairman Corbett thanked everyone for their well wishes and cards following his back surgery and stated that he was happy to be back.

Report of the Chief Executive Officer

CEO Matheussen stated that the re-decking project on the Walt Whitman Bridge is proceeding well. He informed the Board that the work is on schedule. He further informed the Board that there is significant work being done at the Ben Franklin Bridge (rivet replacement, gusset plates and other items) and at the Betsy Ross Bridge. In addition, there are 23 PATCO cars in upstate New York for refurbishment and that work is going extremely well.

CEO Matheussen introduced and thanked PATCO retiree Frank Williamson for his efforts and accomplishments. He acknowledged Mr. Williamson's 41 years of exemplary service.

He then introduced and thanked DRPA retiree Otto Gollon. He acknowledged Mr. Gollon's 19 years of exemplary service and his efforts on behalf of veterans through the years.

Mr. Matheussen congratulated John Hanson for his nomination as a CFO of the year finalist in the Philadelphia Business Journal and Drexel University's LaBow College of Business CFO of the Year competition. The top winners will be revealed at an awards ceremony on July 7. In making their finalist selections, the panel of judges looked for "qualitative examples of how the CFO's actions contributed to the organization's growth, stability and reputation." He also congratulated Mr. Hanson for an article he wrote entitled, "Public Servant Leadership: A New Paradigm for Public Service" that will be published in Government Finance Review later this month. Mr. Matheussen thanked Mr. Hanson for his leadership and accomplishments at the DRPA and in the industry.

CEO Matheussen also informed the Board that for the 18th consecutive year the Government Finance Officers Association (GFOA) has awarded the DRPA the Certificate of Achievement for Excellence in Financial Reporting for its Comprehensive Annual Financial Report (CFAR). He asked that the following staff members who were involved in the preparation of the award winning report stand and be recognized: John Hanson, Jim White, Ronnie Gilbert, Jennifer DePoder, Nancy Farthing, Fritz Sims, Mike DiGiamberardino, Joel Maldonado, John Stephenson, Mark Saquella, Otto Gollon, Mike Williams, Telete Garrison and Ed Kasuba. Mr. Matheussen thanked them all for their hard work.

Finally, Mr. Matheussen informed the Board that, as of the end of May, PATCO's ridership is up 250,000 from the same time last year. In addition, the bridges have seen 100,000 more cars than they did by this time last year. He hopes that is a good sign for the economy in the region.

This concluded the Report of the CEO.

On motion duly made and seconded, the Report of the CEO was approved.

Report of the Audit Committee

Commissioner Teplitz stated that the Audit Committee's next meeting will be held Friday, June 17 at 10 am at One Port Center. He invited all Commissioners to attend and participate and welcomed all members of the public to attend. He explained that the Committee is making progress on its various projects. He then asked CFO Hanson to comment on those issues.

CFO Hanson stated that the Committee recently sent the Inspector General job description to Toni Brown for submission to the Hay Group for salary analysis. He also stated that the RFP for the forensic audit will be published June 17.

This concluded the Report of the Audit Committee.

On motion duly made and seconded, the Report of the Audit Committee was approved.

Report of the Compensation Committee

Commissioner Lisko stated that the Compensation Committee had nothing to report today. He further asked that DRPA-11-045 be tabled.

This concluded the Report of the Compensation Committee.

On motion duly made and seconded, the Report of the Compensation Committee was approved.

Adopt Resolutions Approved by Compensation Committee of April 6, 2011

DRPA-11-045 Compensation & Benefits Consultant

This item was tabled.

Approval of May 18, 2011 Board Meeting Minutes

The Minutes of the May 18, 2011 Board Meeting of the Delaware River Port Authority were previously mailed to the Governor of New Jersey and the DRPA Commissioners and there were no comments.

On motion duly made and seconded, the Minutes of the May 18, 2011 Board Meeting were approved.

Approval of Operations & Maintenance Committee Report of May 18, 2011

The Report of the Operations & Maintenance Committee Meeting of May 18, 2011 was previously mailed to all Commissioners and there were no comments.

On motion duly made and seconded, the Report of the Operations & Maintenance Committee was approved.

Adopt Resolutions Approved by Operations & Maintenance Committee of May 18, 2011

On motion duly made and seconded, the following Resolutions were unanimously adopted and made the action of the Authority:

DRPA-11-046 Contract No. CB-20-2010, Commodore Barry Bridge Substation Replacement

DRPA-11-047 Fuel Contract for DRPA and PATCO

Approval of Executive Committee Report of May 18, 2011

The Report of the Executive Committee Meeting of May 18, 2011 was previously mailed to all Commissioners and there were no comments.

On motion duly made and seconded, the Report of the Executive Committee was approved.

Adopt Resolutions Approved by Executive Committee of May 18, 2011

Toni Brown offered two updates on DRPA-11-048. She first informed the Board that, as explained at the last meeting, Ace American Insurance offered to reduce the commission on this policy upon receipt of a letter from the DRPA. That letter was sent and Ace has confirmed that the commission will be reduced from 12% to 10%. She also reminded the Board that many of the carriers solicited declined to quote in time for the Committee meeting because it was more than 90 days before renewal. She stated that we did not receive any lower quotes once renewal was within 90 days.

Vice Chair Nash congratulated Ms. Brown on negotiating a lower commission and thanked Commissioner Simon for his involvement on this issue.

On motion duly made and seconded, the following Resolutions were unanimously adopted and made the action of the Authority:

DRPA-11-048 Renewal of DRPA Bridge Property Damage and Loss of Revenue Insurance; Excess Bridge Property Damage and Loss of Toll Revenue Insurance; Additional Excess Bridge Property Damage and Loss of Toll Revenue Insurance Policies

On motion duly made and seconded, the following Resolution was unanimously adopted and made the action of the Authority:

DRPA-11-049 Renewal of DRPA Claims Made Excess Liability Insurance

Report of the Chairman

Unfinished Business

CEO Matheussen informed the Board that the Operations & Maintenance Committee met last week and, at that meeting, reviewed the reporting process that Commissioner Sasso would like to institute going forward; wherein staff will present quarterly reports to the Board, media and public regarding the status of large and ongoing projects. Mr. Matheussen asked Mr. Venuto or Mr. Gross to give the Board a preview and stated that a more in depth presentation will be offered at the July Board Meeting.

Mr. Venuto directed the Commissioners to the handout in the front of their Board binders. He explained that with the new reporting process, the Operations & Maintenance Committee will do presentations on the projects that are ongoing at the Authority. The presentations will include information on timing, cost, upcoming milestones, budget and other items. In addition, the Committee will share photos of the progress. Mr. Venuto stated that these presentations will begin in July and occur on a quarterly basis.

Mr. Gross added that the presentations are meant to assist the Board and the public in keeping abreast of the projects at the DRPA.

New Business

Item 1 – Consideration of Pending DRPA Contracts (between \$25,000 and \$100,000)

Steve Suder, Manager, Purchasing, informed the Board that there are four contracts valued between \$25,000 and \$100,000.

On motion duly made and seconded, the following Resolution was unanimously adopted and made the action of the Authority:

DRPA-11-050 Consideration of Pending DRPA Contracts (between \$25,000 and \$100,000)

CEO Matheussen informed the Board that there has been an addition to the PATCO list of contracts valued between \$25,000 and \$100,000. He explained that the addition was for the purchase of an air conditioning unit at PATCO. Mr. Matheussen advised that the compressor failed late last week and it would cost \$7,000 for a new compressor plus additional costs for extensive repair to the damaged unit. Due to the flat roof at the facility and the fact that some workspaces there do not have windows, and, even as staff has installed window air conditioners where possible, the working conditions are a safety issue, especially for those with underlying health conditions. In this record heat, air conditioning is essential. Mr. Matheussen stated that the air conditioning unit was anticipated in the 2011 Capital Budget and the contract has been competitively bid. He explained that the unit failed this week and needs to be replaced quickly. As a result, the contract needed to be added to the Agenda at the last minute. Mr. Matheussen explained that in order to add an item at this late date, the Board would need to vote to consider the item and that a supermajority is required.

Corporate Secretary Brown explained that DRPA-10-097 prohibits the Chair, Vice Chair or CEO from adding anything to the Agenda with less than 48 hours notice to the Board and the public, unless there is a supermajority vote in favor of adding the item. In order to do so, at least 6 members from each state's delegation, including at least one ex officio member from Pennsylvania must approve the addition.

The Chairman called for a vote on adding the item to the Agenda. The Board voted unanimously to place the contract on the Agenda.

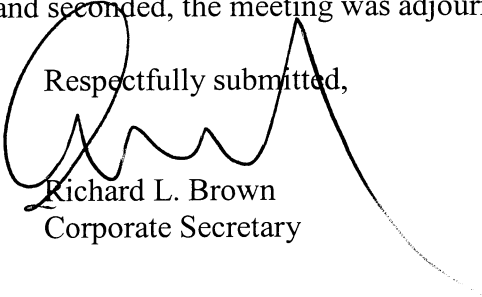
Mr. Matheussen added that he will speak to the NJ Authorities Unit about expediting this item.

On motion duly made and seconded, the contract was unanimously adopted and made the action of the Authority. (See PATCO Board Meeting Minutes of June 8, 2011 for contract listing.)

The meeting was held open to allow the Board to hold an Executive Session at the conclusion of the Committee Meetings.

Following the Executive Session, on motion duly made and seconded, the meeting was adjourned.

Respectfully submitted,



Richard L. Brown
Corporate Secretary

REPORT OF THE CHIEF EXECUTIVE OFFICER

June 8, 2011

Delaware River Port Authority
of Pennsylvania and New Jersey
One Port Center
Camden, NJ

June 8, 2011

To the Commissioners:

The following is a summary of recent DRPA activities. I have attached the appropriate reports.

Bridge and Finance

The Walt Whitman Bridge suspension span deck replacement project is moving forward with the actual deck replacement expected to begin in about two months. As part of our public outreach program we will be reactivating 530 AM, the Walt Whitman Radio Advisory Station. The station will provide our customers with updated information on the redecking project as well as other news involving our bridges, PATCO, and the RiverLink Ferry.

For the 18th consecutive year, thanks to the hard work of the individuals listed hereafter, the Government Finance Officers Association (GFOA) has awarded the Delaware River Port Authority the Certificate of Achievement for Excellence in Financial Reporting for its comprehensive annual financial report (CAFR). The GFOA indicates “this Certificate of Achievement is the highest form of recognition in the area of government accounting and financial reporting and its attainment represents a significant accomplishment.” Staff responsible for preparing the award winning CAFR include: John Hanson, Jim White, Ronnie Gilbert Jennifer DePoder, Nancy Farthing, Fritz Sims, Mike DiGiamberardino, Joel Maldonado, John Stephenson, Mark Saquella, Otto Gollon, Mike Williams, Telete Garrison and Ed Kasuba. Our congratulations and thanks are extended to these staff members.

Our Public Safety Department joined other law enforcement agencies in the region stepping up enforcement and education of New Jersey’s Primary Seat Belt Law. The campaign, *Click It or Ticket*, is sponsored and funded by the National Highway Traffic Safety Administration and is part of New Jersey’s annual effort to increase seat belt use through a combination of heavy enforcement, advertising and public awareness campaigns. *Click It or Ticket* affected the high traffic volume Memorial Day Weekend beginning on May 23 ending on June 5.

The contractor has continued rivet replacement and member replacement within the deck truss spans in the Ben Franklin Bridge Deck Truss Rehabilitation Project. Also underway is the removal of the existing bearings and steel pins at the locations where jacking has been completed.

The project to rehabilitate the superstructure and substructure of the Betsy Ross Bridge is moving forward. Repairs include bearing replacement, miscellaneous steel repairs, safety improvements and concrete pier repairs.

Report of the Chief Executive Officer, June 2011

The Ben Franklin Bridge in June had blue lighting to support the annual Badges of Honor 5K Run and Walk, the colors of the rainbow for the Philadelphia Pride Weekend, the traditional red, white and blue lighting for Flag Day and Wawa Welcome American events and blue lighting for Father's Day.

FOR BRIDGE AND TRAFFIC HIGHLIGHTS, SEE ATTACHMENT 1

PATCO

23 PATCO cars have been delivered to the Alstom, New York, plant for the transit car overhaul project. The cars are being processed for baseline testing.

The design consultant has submitted plans and specifications for the four escalator replacements at Woodcrest, 12/13th and Locust and 15/16th and Locust. Technical proposals for construction monitoring services are being reviewed.

The power cable and pole line replacement project is continuing. The purpose of this project is to replace the poles and cables which carry power, signal and communication lines that service PATCO.

The parking lot repaving work at the Ashland and Haddonfield stations is continuing. The project is on schedule and should be completed by the middle of this month.

On May 24th the PATCO Cares program welcomed the Animal Welfare Association to the Haddonfield station. The group passed out literature and spoke with customers about the services it provides.

**FOR PATCO RIDERSHIP AND FINANCIAL INFORMATION
SEE GENERAL MANAGER'S REPORT IN THE PATCO SECTION**

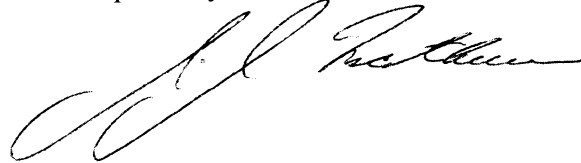
RiverLink Ferry System

The RiverLink Ferry began daily service Memorial Day Weekend. The unofficial start to the summer season means lots of activity on the waterfront and the beginning of the summer concert season. The ferry runs express service for Susquehanna Bank Center events, with ferry service available 30 minutes after events end. Daily service will continue through the Labor Day Weekend.

Report of the Chief Executive Officer, June 2011

FOR A LIST OF BRIDGE AND FINANCE ACTIONS, SEE ATTACHMENT 1
FOR A LIST OF PERSONNEL ACTIONS, SEE ATTACHMENT 2
FOR A LIST OF CONTRACTS AND PURCHASES, SEE ATTACHMENT 3

Respectfully Submitted,
Respectfully Submitted,

A handwritten signature in black ink, appearing to read "J. J. Matheussen". The signature is fluid and cursive, with a large initial "J" and "M".

John J. Matheussen
Chief Executive Officer, DRPA
President, PATCO

REPORT OF THE CHIEF EXECUTIVE OFFICER

JUNE 8, 2011

ATTACHMENT 1

BRIDGE AND FINANCE

**DELAWARE RIVER PORT AUTHORITY
MONTHLY REPORT
APRIL 2011
ATTACHMENT 1**

POLICE ACTIVITIES	CBB	BFB	PAT	BRB	WWB	Apr-11 TOTALS	2011 YTD	Apr-10 TOTALS	2010 YTD
ARRESTS-DWI	0	15	1	2	18	36	120	20	60
ARRESTS-CRIMINAL	0	8	8	0	0	16	82	43	82
ARRESTS-WARRANT/OTHER	5	37	54	2	28	126	453	121	451
ARRESTS-TOLL EVASION	0	1	1	0	1	3	13	1	7
FIRES EXTINGUISHED	0	0	1	0	0	1	3	0	3
DISABLED VEH. REMOVED	1	21	1	2	19	44	267	93	254
TOTAL SUMM-01/2011	111	400	112	203	256	1082	4118		
TOTAL SUMM-04/2010	174	223	275	134	201			1007	3845
SPEEDING SUMM-04/2011	72	332	104	139	166	813	1246		
SPEEDING SUMM-04/2010	58	19	7	25	17			126	445
WARNINGS-04/2011	136	278	217	123	305	1059			
ACCIDENT STATISTICS NON-REPORTABLE									
ACCIDENTS - 04/2011	1	22	5	0	15	43			
ACCIDENTS - 04/2010	1	23	1	0	17			42	
ACCIDENTS-YTD - 2011	3	60	13	4	57		137		
ACCIDENTS-YTD - 2010	5	51	11	1	58				126
ACCIDENT STATISTICS REPORTABLE									
ACCIDENTS - 04/2011	1	7	1	1	10	20			
ACCIDENTS - 04/2010	1	4	1	1	8			15	
ACCIDENTS -YTD - 2011	3	33	8	14	46		104		
ACCIDENTS -YTD - 2010	9	18	8	8	41				84
ACCIDENT INJURIES									
INJURIES -04/2011	0	6	0	0	2	8			
INJURIES - 04/2010	0	5	0	0	5			10	
INJURIES -YTD - 2011	0	12	1	2	15		30		
INJURIES -YTD - 2010	1	15	1	2	12				31
DEATH STATISTICS									
DEATHS - OTHER - 04/2011	0	0	0	0	0	0			
DEATHS - MVA - 04/2011	0	0	0	0	0	0			
DEATHS - YTD - 2011	0	0	0	0	0		0		
DEATHS - YTD - 2010	1	1	0	0	1				3

REPORT OF THE CHIEF EXECUTIVE OFFICER

JUNE 8, 2011

ATTACHMENT 2

PERSONNEL ACTIONS

DELAWARE RIVER PORT AUTHORITY
ACTIONS OF THE CHIEF EXECUTIVE OFFICER
COMMISSION MEETING JUNE 8, 2011

ARTICLE XII-A
ATTACHMENT 2

PERSONNEL

TEMPORARY APPOINTMENTS

Kourtney L. Kalbach Temporary No Benefits Eff: 04/02/11 to 05/13/11
Public Safety Division
Public Safety Administration (BFB)

APPOINTMENTS

Tyshia L. Ramos Administrative Secretary Eff: 04/25/11
Public Safety Division
Public Safety Administration (BFB)

TEMPORARY ASSIGNMENT TO HIGHER CLASSIFICATION

Chong H. Young From: Auditor To: Acting Information
Executive Division Technology Auditor
Internal Audit (OPC) Executive Division
Internal Audit (OPC)
Eff: 02/26/11 to 07/01/11 [retro]

Stephanie C. Byrd From: Police Officer To: Acting Corporal of Police
Public Safety Division Public Safety Division
Public Safety (BFB) Public Safety (BFB)
Eff: 04/09/11 to 06/10/11

Denise S. Kelley From: Construction & Maintenance To: Acting Maintenance
Mechanic Foreman
Operations Division Operations Division
Construction & Maintenance (BFB) Construction & Maintenance
(BFB)
Eff: 04/09/11 to 04/22/11

Mark S. Lopez From: Manager, Government To: Acting Director,
Relations Government Relations
Executive Division Executive Division
Government Relations (OPC) Government Relations (OPC)
Eff: 04/16/11 to 10/14/11

TEMPORARY ASSIGNMENT TO HIGHER CLASSIFICATION (continued)

Franklin G. Mann, Jr.	From: Central Stores Clerk Finance Division Purchasing (OPC)	To: Acting Supervisor, Stores Finance Division Purchasing (Patco) Eff: 04/23/11 to 10/21/11
John Woosley	From: Toll Collector Operations Division Bridge/Toll (WWB)	To: Acting Plaza Supervisor Operations Division Bridge/Toll (WWB) Eff: 04/23/11 to 06/17/11
John F. Lotierzo	From: Sr. Accountant Finance Division Accounting (OPC)	To: Acting Manager, Accounting Finance Division Accounting (Patco) Eff: 04/30/11 to 09/30/11
Melanie McKennie	From: Toll Collector Operations Division Bridge/Toll (WWB)	To: Acting Plaza Supervisor Operations Division Bridge/Toll (WWB) Eff: 05/07/11 to 07/01/11
Daniel J. Ragone	From: Police Officer Public Safety Division Public Safety (BRB)	To: Acting Corporal of Police Public Safety Division Public Safety (Transit Unit) Eff: 05/07/11 to 08/05/11
Thomas B. McNelia	From: Network Technician Finance Division IS – Production Systems (OPC)	To: Acting Systems Administrator Finance Division IS – Production Systems (OPC) Eff: 05/12/11 to 11/11/11
Kenneth M. Kramer	From: Electrical Technician Operations Division Construction & Maintenance (BRB)	To: Acting Electrical Foreman Operations Division Construction & Maintenance (BRB) Eff: 05/21/11 to 07/15/11
Anthony M. Fergione	From: Maintenance Foreman Operations Division Construction & Maintenance (BFB)	To: Acting Construction & Maintenance Manager Operations Division Bridge Director's Office (BFB) Eff: 05/28/11 to 07/01/11

TEMPORARY ASSIGNMENT TO HIGHER CLASSIFICATION (continued)

Joseph R. Fries	From: Construction & Maintenance Mechanic Operations Division Construction & Maintenance (BRB)	To: Acting Maintenance Foreman Operations Division Construction & Maintenance (BRB) Eff: 05/28/11 to 07/22/11
Brian J. Heebner	From: Maintenance Technician Operations Division Construction & Maintenance (BFB)	To: Acting Maintenance Foreman Operations Division Construction & Maintenance (BRB) Eff: 05/28/11 to 07/22/11

PROMOTIONS

John J. Santry, Jr.	From: Corporal of Police Public Safety Division Public Safety (BFB)	To: Sergeant of Police Public Safety Division Public Safety (BFB) Eff: 04/02/11
Richard J. Denning	From: Construction & Maintenance Mechanic Operations Division Construction & Maintenance (BFB)	To: Maintenance Technician Operations Division Construction & Maintenance (BFB) Eff: 04/09/11
Louis Pavlik, III	From: User Support Administrator Finance Division Information Services – Production Systems (OPC)	To: Programmer/Analyst Finance Division Information Services - Systems Development (OPC) Eff: 04/23/11
John M. Costello	From: Purchasing Clerk Finance Division Purchasing (OPC)	To: Purchasing Specialist Finance Division Purchasing (OPC) Eff: 05/14/11

INTERAGENCY TRANSFERS to DRPA - from PATCO

Toni Cox	From: User Support Administrator Information Services PATCO	To: User Support Administrator Finance Division Information Services - Production Systems (OPC) Eff: 04/29/11
----------	---	---

INTERAGENCY TRANSFERS to DRPA - from PATCO (continued)

Steven L. Pantisano	From: Systems Administrator Information Services PATCO	To: Systems Administrator Finance Division Information Services - Production Systems (OPC) Eff: 04/29/11
---------------------	--	--

TRANSFERS - DEPARTMENTAL

Christopher F. Borgesi	From: Plaza Supervisor Operations Division Bridge/Toll (BFB)	To: Revenue Auditor (Temporary Lateral) Finance Division Revenue Audit (OPC) Eff: 04/02/11 to 09/30/11
------------------------	--	---

RETIREMENTS

Michael J. Crowther	Sergeant of Police Public Safety Division Public Safety - Transit Unit	Eff: 04/01/11
---------------------	--	---------------

Jerome F. Jones	Corporal of Police Public Safety Division Public Safety – WWB	Eff: 04/12/11
-----------------	---	---------------

Charlene E. McPhelin	Legal Assistant – Claims General Counsel Division Office of the General Counsel (OPC)	Eff: 04/29/11
----------------------	---	---------------

Nicholas J. Stavoli, Jr.	Construction & Maintenance Mechanic Operations Division Construction & Maintenance (CBB)	Eff: 05/06/11
--------------------------	---	---------------

Otto A. Gollon, Jr.	Reproduction Technician Administration Division Printing Services (BFB)	Eff: 05/13/11
---------------------	---	---------------

Robert C. Williams, Jr.	Bridge Director Operations Division Director's Office (BRB)	Eff: 05/13/11
-------------------------	---	---------------

Debra A. Carroll	Maintenance Foreman Operations Division Construction & Maintenance (BRB)	Eff: 05/27/11
------------------	--	---------------

RETIREMENTS (continued)

Michael Nelson	Maintenance Foreman Operations Division Construction & Maintenance (CBB)	Eff: 05/27/11
----------------	--	---------------

RESIGNATIONS – None

DECEASED – None



DELAWARE RIVER PORT AUTHORITY
PORT AUTHORITY TRANSIT CORPORATION



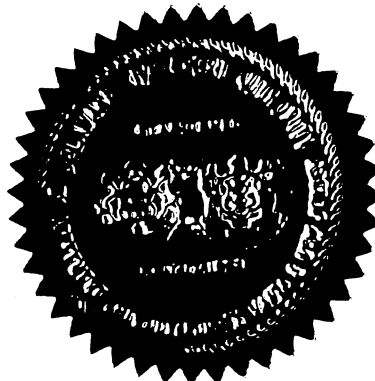
RESOLUTION

WHEREAS, *MICHAEL J. CROWTHER has faithfully served the Delaware River Port Authority for THIRTY-FOUR years in a conscientious and reliable manner, and*

WHEREAS, *MICHAEL J. CROWTHER wishes to accept retirement effective April 1, 2011 under the provisions of his employment benefits; now therefore,*

BE IT RESOLVED: *That, the Commissioners of the Delaware River Port Authority accept your retirement request from your position, Sergeant of Police, and concurrently extend sincere best wishes for a long, healthy and happy future, and*

BE IT FURTHER RESOLVED: *That a copy of the foregoing resolution be suitably prepared and forwarded to MICHAEL J. CROWTHER.*





DELAWARE RIVER PORT AUTHORITY
PORT AUTHORITY TRANSIT CORPORATION



RESOLUTION

WHEREAS,

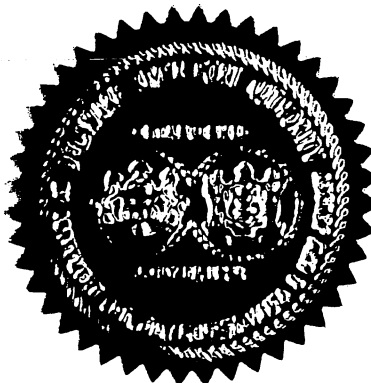
JEROME F. JONES has faithfully served the Delaware River Port Authority for TWENTY-THREE years in a conscientious and reliable manner, and

WHEREAS,

JEROME F. JONES wishes to accept retirement effective April 12, 2011 under the provisions of his employment benefits; now therefore,

BE IT RESOLVED: *That, the Commissioners of the Delaware River Port Authority accept your retirement request from your position, Corporal of Police, and concurrently extend sincere best wishes for a long, healthy and happy future, and*

BE IT FURTHER RESOLVED: *That a copy of the foregoing resolution be suitably prepared and forwarded to JEROME F. JONES.*





DELAWARE RIVER PORT AUTHORITY
PORT AUTHORITY TRANSIT CORPORATION



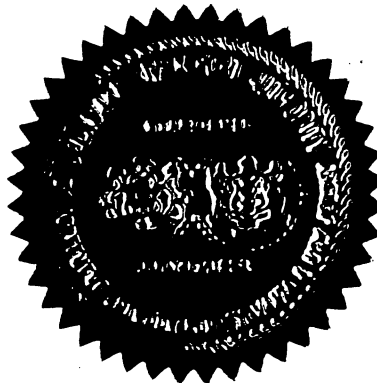
RESOLUTION

WHEREAS, *CHARLENE E. MCPHELIN has faithfully served the Delaware River Port Authority for EIGHTEEN years in a conscientious and reliable manner, and*

WHEREAS, *CHARLENE E. MCPHELIN wishes to accept retirement effective April 29, 2011 under the provisions of her employment benefits; now therefore,*

BE IT RESOLVED: *That, the Commissioners of the Delaware River Port Authority accept your retirement request from your position, Legal Assistant - Claims, and concurrently extend sincere best wishes for a long, healthy and happy future, and*

BE IT FURTHER RESOLVED: *That a copy of the foregoing resolution be suitably prepared and forwarded to CHARLENE E. MCPHELIN.*





DELAWARE RIVER PORT AUTHORITY
PORT AUTHORITY TRANSIT CORPORATION



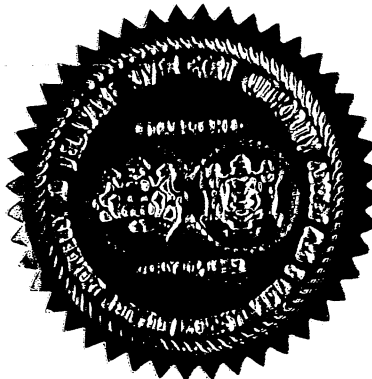
RESOLUTION

WHEREAS, *NICHOLAS J. STAVOLI, JR. has faithfully served the Delaware River Port Authority for THIRTY-FIVE years in a conscientious and reliable manner, and*

WHEREAS, *NICHOLAS J. STAVOLI, JR. wishes to accept retirement effective May 6, 2011 under the provisions of his employment benefits; now therefore,*

BE IT RESOLVED: *That, the Commissioners of the Delaware River Port Authority accept your retirement request from your position, Construction & Maintenance Mechanic, and concurrently extend sincere best wishes for a long, healthy and happy future, and*

BE IT FURTHER RESOLVED: *That a copy of the foregoing resolution be suitably prepared and forwarded to NICHOLAS J. STAVOLI, JR.*





DELAWARE RIVER PORT AUTHORITY
PORT AUTHORITY TRANSIT CORPORATION



RESOLUTION

WHEREAS,

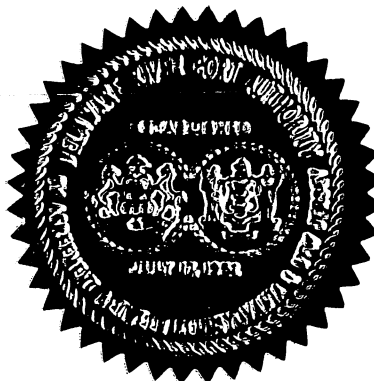
OTTO A. GOLLON, JR. has faithfully served the Delaware River Port Authority for NINETEEN years in a conscientious and reliable manner, and

WHEREAS,

OTTO A. GOLLON, JR. wishes to accept retirement effective May 13, 2011 under the provisions of his employment benefits; now therefore,

BE IT RESOLVED: *That, the Commissioners of the Delaware River Port Authority accept your retirement request from your position, Reproduction Technician, and concurrently extend sincere best wishes for a long, healthy and happy future, and*

BE IT FURTHER RESOLVED: *That a copy of the foregoing resolution be suitably prepared and forwarded to*
OTTO A. GOLLON, JR.





DELAWARE RIVER PORT AUTHORITY
PORT AUTHORITY TRANSIT CORPORATION



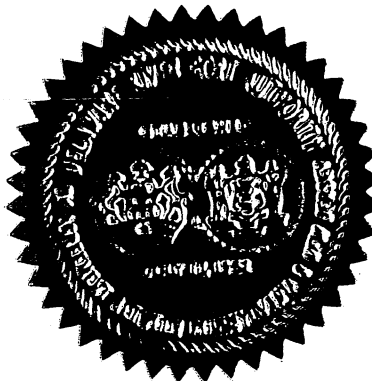
RESOLUTION

WHEREAS, *ROBERT C. WILLIAMS, JR. has faithfully served the Delaware River Port Authority for THIRTY years in a conscientious and reliable manner, and*

WHEREAS, *ROBERT C. WILLIAMS, JR. wishes to accept retirement effective May 13, 2011 under the provisions of his employment benefits; now therefore,*

BE IT RESOLVED: *That, the Commissioners of the Delaware River Port Authority accept your retirement request from your position, Bridge Director, and concurrently extend sincere best wishes for a long, healthy and happy future, and*

BE IT FURTHER RESOLVED: *That a copy of the foregoing resolution be suitably prepared and forwarded to*
ROBERT C. WILLIAMS, JR.





DELAWARE RIVER PORT AUTHORITY
PORT AUTHORITY TRANSIT CORPORATION



RESOLUTION

WHEREAS, *DEBRA A. CARROLL has faithfully served the Delaware River Port Authority for SEVENTEEN years in a conscientious and reliable manner, and*

WHEREAS, *DEBRA A. CARROLL wishes to accept retirement effective May 27, 2011 under the provisions of her employment benefits; now therefore,*

BE IT RESOLVED: *That, the Commissioners of the Delaware River Port Authority accept your retirement request from your position, Maintenance Foreman, and concurrently extend sincere best wishes for a long, healthy and happy future, and*

BE IT FURTHER RESOLVED: *That a copy of the foregoing resolution be suitably prepared and forwarded to DEBRA A. CARROLL.*





DELAWARE RIVER PORT AUTHORITY
PORT AUTHORITY TRANSIT CORPORATION



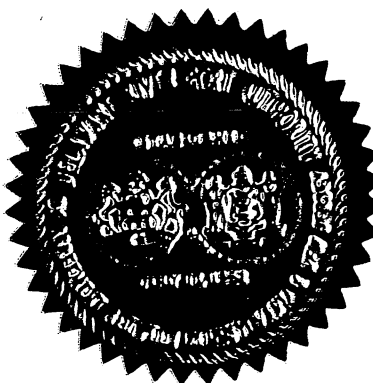
RESOLUTION

WHEREAS, *MICHAEL NELSON has faithfully served the Delaware River Port Authority for THIRTY-ONE years in a conscientious and reliable manner, and*

WHEREAS, *MICHAEL NELSON wishes to accept retirement effective May 27, 2011 under the provisions of his employment benefits; now therefore,*

BE IT RESOLVED: *That, the Commissioners of the Delaware River Port Authority accept your retirement request from your position, Maintenance Foreman, and concurrently extend sincere best wishes for a long, healthy and happy future, and*

BE IT FURTHER RESOLVED: *That a copy of the foregoing resolution be suitably prepared and forwarded to MICHAEL NELSON.*



REPORT OF THE CHIEF EXECUTIVE OFFICER

JUNE 8, 2011

ATTACHMENT 4

RISK MANAGEMENT AND SAFETY REPORT

DELAWARE RIVER PORT AUTHORITY INTEROFFICE COMMUNICATION

To: Toni P. Brown, Chief Administrative Officer

From: Marianne Staszewski, Director, Risk Management & Safety

Subject: Risk Management & Safety May Activity Report.

The DRPA Risk Management & Safety Staff were in attendance for the following meetings for the month of May.

Contractor Meetings Attended By Risk Management & Safety			
DATE	CONTRACTOR	DRPA CONTRACT NO.	PROJECT/WORK AREA
5/3	Aurora	G 21 2010 BFB/WWB	Progress Meetings Standpipe Testing
5/4-5/18	Cornell & Company	BRB-11-2010	Bimonthly Safety Meetings BRB Misc Structural Repair
5/4-5/18	Cornell & Company	BFB-26-2010	Bimonthly Safety Meetings BFB Deck Truss Rehabilitation
5/11-5/25	JPC	WWB-15-2009	Bimonthly Safety Meetings Permit Load Vehicle Staging Area
5/11-5/25	American Bridge	WWB-12-2009	Bimonthly Safety Meetings WWB Deck Rehabilitation
5/12-5/26	Carr & Duff	CBB-19-2010	Bimonthly Safety Meetings CBB Security & Lighting Improvements
5/12-5/26	Iron Bridge	CBB-18-2010	CBB Misc Structural Repairs Progress meetings
Safety Meetings Attended By Safety Specialists * attended by Risk Management also			
DATE		NAME OF MEETING	
5/6		Rules & Procedures Safety Subcommittee Meeting	
5/10		Incident Accident Investigation Committee Meeting	
5/10-11		Workplace Safety – CBB, BRB, BFB, WWB	
5/17		Program & Activities Committee	
5/23	*	Monthly Departmental Meeting Risk Management & Safety Specialists	
5/25		Office Safety Training preparation	
5/25	*	Central Safety & Health Meeting	
5/26	*	Environmental Coordination Meeting	

Risk Management Meetings Attended By Risk Management		
DATE		
5/2		Meeting with CAO and Willis of NJ for the 8/1/2011 to 2012 Renewal Proposal
5/3-5/23-5/31		Weekly Staff Meetings with CAO
5/10-5/11-5/19		Summary Statement & Resolution Meeting with CAO
5/12		Meeting with Steve Gioia property adjuster from FM Global regarding the PATCO Fire of April 16, 2011
5/24		Meeting with Manager of Contract Administration regarding RFP drafts for various property appraisals for DRPA & PATCO

The DRPA Risk Management & Safety Staff were involved in the following training activities for the month of May.

Safety Training Conducted or Attended By Risk Management & Safety		
DATE		TYPE OF TRAINING
5/1		Contractor safety kickoff Design Consultant, PS&S for the BFB Vehicle Maintenance Building
5/2 to 5/6		Safety Management Training
5/4		CPR Training
5/8 -5/20		Respiratory safety training CBB,BFB,BRB,WWB
5/13		Traffic Coordinator Refresher Training
5/18		Drug & Alcohol policy refresher training

The DRPA Risk Management & Safety Staff were involved in the following activities for the month of May.

- The Safety staff conducted day time and night time random drug & alcohol testing on both Public Safety personnel (under policy 147A) and Construction & Maintenance personnel (under policy 147B).
- Safety Specialists reviewed various Health and Safety plans from contractors who were awarded construction and/or design projects during the month of May.
- Safety Specialists reviewed and commented on various engineering Technical and Special Provisions documents for future DRPA projects.
- Risk Management reviewed and recommended the inclusion of proper insurance requirements on various Requests for Bids from the Purchasing Department, Request for Proposals from the Engineering Department, Finance Department and third party contracts for the Legal Department.
- Risk Management and Safety met with the CAO to review the draft of the DPRA Safety Administrative Manual (SAM) for final editing prior to presentation to the Central Safety & Health Committee in June.
- Risk Management and Safety at the request of Director Only from Homeland Security/Emergency Management, met with representatives from the Pilot's Association for the Bay & River along with other DRPA departments to discuss the DRIPP project.

Compensation & Benefits Consultant

Presented to Compensation Committee

by:

Toni P. Brown

Chief Administrative Officer

May 13, 2011

Background

- On December 16, 2010, at the direction of the Board of Commissioners, staff issued an RFP for Professional Compensation & Benefits Consultants.
- The RFP was posted on DRPA's website.
- Responses were due by January 14, 2011, at 2 pm.
- We received three responses:
 - Brooks Personnel, Inc. (Voorhees, NJ);
 - The Hay Group (Philadelphia, PA);
 - Partnership of Vantagen, LLC & Wells Fargo Insurance Services (Clark Summit, PA)

RFP Expectations & Core Deliverables

- Consultant will conduct a study of direct compensation, benefits, and perquisites for all represented and non-represented positions within the Authority;
- Provide a comprehensive report that benchmarks the Authority's direct compensation, benefits, and perquisites to those offered by private sector employers and those offered at peer transit entities for similar positions;
- Conduct a thorough analysis of the Authority's pay range structure and job evaluation and classification method, and job descriptions, and make recommendations for improvement;
- Review salary compression issues that are impacting represented and non-represented employees, and recommend specific strategies for addressing these significant issues;

RFP Expectations & Core Deliverables

- Review existing recruitment and retention policies, and recommend improvements in keeping with industry “best practices”;
- Key positions at DRPA and PATCO remain vacant as a result of salary compression issues, retirements and other separations, leaving significant operational voids. The consultant will be expected to assist staff in the development of a comprehensive strategy to address important career succession issues.
- The Authority’s Merit Increase/Performance Review process is predicated on the principle of pay-for-performance. The consultant will be expected to recommend improvements to the evaluation process that will reinforce this principle.

Expected Outcome

A Compensation & Benefits Study that is comprehensive and based on sound principles of compensation management, and which is in full compliance with the Fair Labor Standards Act, Equal Pay Act, and all other relevant federal laws and regulations.

Staff Review Team

Chief Administrative Officer

Chief Financial Officer

Chief Operating Officer

General Counsel

Then- PATCO General Manager

Assistant General Manager

Director, Human Resource Services

Director, Engineering/Chief Engineer

Insurance Administrator

The Contract Administration Unit had oversight responsibility for the posting and assessment process.

Evaluation Criteria

➤ Technical Ability

- Clear demonstration that the proposer understood the full scope of project;
- Firm's experience with similar governmental entities, and, in particular other transit agencies;
- Technical approach and/or innovative ideas;

➤ Management

- Experience of project manager and support staff;
- Prior success in delivering similar projects; and
- Ability to complete project on time

Brooks Personnel, Inc.

Proposal was submitted by Wendy Brooks, President of Brooks Personnel, Inc. (Voorhees, NJ)

- Licensed employment agency providing temporary staffing and executive search services to businesses in the region.
- Currently provides staffing services to DRPA.

In her proposal she stated, *“Brooks Personnel will be responsible for coordinating and managing the workflow for this project.”*

Brooks Personnel, Inc.

To accomplish the requirements of the RFP, Ms. Brooks proposes to engage the services of four (4) independent professional consultants not affiliated with her company.

- Christine Massa Schaefer, Founder of CEM HR Strategies, Inc., would work on “Job Descriptions, Evaluations & Compensation”;
- Richard Bauer, President of R.G. Bauer & Associates, would have primary responsibility for the “Job Descriptions, Evaluations, market Pricing, Salary Administration, Training and Union” issues;
- Clark M. Sprague, The Sprague Group, LLC, would have primary responsibility for the “Benefit & Perquisite Review and would also work on union issues”;
- Jerry Dropcho, Principal of Dropcho HR Management, LLC, would work on “Pay-for-Performance and union issues.”

Brooks Personnel, Inc.

Proposal lacked sufficient detail, and, in many areas, tended merely to restate the requirements that were outlined in the RFP.

The proposal did not indicate that the Project Manager had any experience conducting similar comprehensive Compensation & Benefits Reviews.

Brooks Personnel projected the assignment would take 10-15 months to complete, with professional fees ranging from \$800,000 - \$1.2 million, plus project-related direct expenses.

The Hay Group

Proposal was very thorough and completely responsive to every aspect of the RFP.

Hay Group demonstrated a clear understanding of the RFP and the Authority's expectations.

Hay Group committed that the study would be guided by the Authority's objective to ensure a pay system and benefits program that is fair and equitable, and recognized the importance of reinforcing a performance-based culture.

The Hay Group

Hay Group committed to assign five (5) professionals to work on the project.

- Three professionals would serve as the Core Project Team: Meredith Boehringer, Theresa Cooney, and Sinead Bortner

- Hay Group committed to assign a "Subject Matter Expert" on "senior reward, job evaluation and performance management" issues to the project: Matt Gurin;

- Another person would be assigned to the project to oversee all work related to reviewing and benchmarking benefits and perquisites: Adam Meyers.

The Hay Group

Hay Group committed to:

- Provide written recommendations to current job descriptions when required by changes in duties, responsibilities, etc.;
- Audit the FLSA status of all Authority positions;
- Recommend adjustments to salaries in job classifications Authority-wide, where appropriate;
- Provide a written report outlining all direct compensation, benefits, and perquisites for all Authority employees, and benchmark them against similar positions in the private sector and at peer agencies;
- Recommend strategies to improve existing recruitment, retention, and career succession policies;

The Hay Group

Hay Group committed to:

- Present results of study, findings, and contingent recommendations to Authority officials for review and consideration (Compensation Committee, Executive Staff and full Board briefings);
- Provide a timeline for implementation;
- “Milestone” approach to completing the project;
- Assist staff in the development of employee communications;
- Train key Authority personnel in the ongoing administration of the proposed compensation plan;

The Hay Group Value

Offers a widely-accepted and used method for evaluating the relative complexity of a position (known as “Hay Points”). This proprietary method is used by governments, Fortune 500 companies, schools, etc.

Hay Group has worked on projects of similar scope and complexity for many governmental and transit agencies, including but not limited to, Commonwealth of PA, Delaware River & Bay Authority, DRPA, Pennsylvania Turnpike Authority, Port Authority of NY & NJ and SEPTA.

The Hay Group “Milestone Approach”

After each phase of the study is complete, the Hay Team would “check in” with staff and provide a “Milestone Report” outlining their findings and “next steps”

- Job description Review Phase – We will receive a full set of job descriptions and recommendations on any job title changes that Hay Group believes will aid in streamlining the job documentation associated with the position.
- Audit of Compensation & Performance Policy Phase - We will receive information on potential gaps in the policies, along with specific recommendations.
- Competitiveness, Assessment & Pay Structure Design Phase – We will receive a report on areas on which we need to focus to remediate market shortfalls and/or pay compression issues. We will also receive a recommended pay structure.

The Hay Group Proposed Timeline & Fees

Hay Group expects to complete the project in six (6) months.

The Hay Group proposal included a specific timeline for each phase, along with fees to be charged for the phase.

Hay Group estimates professional fees to be between \$200,000 - 225,000.

For an additional fee, Hay Group will partner with Authority staff to develop a comprehensive plan for communication, roll-out, and implementation of the approved changes. Fees for ongoing support would be contingent upon the amount of time and level of consultant required beyond decided-upon project timeframe.

**Partnership of Vantagen, LLC &
Wells Fargo Insurance Services**

The proposal was submitted by Ed Krow, Senior Human Resources Consultant for Vantagen.

- Vantagen provides human resources consulting services and outsourced administrative solutions.
- Vantagen is a subsidiary of ParenteBeard, LLC, which provides accounting, audit, tax, corporate finance and general business consulting services.

Vantagen proposes to perform the services in cooperation with Wells Fargo Insurance Services (WFIS).

- WFIS provides advice and transaction services and professional advisory services in the areas of health and welfare employee benefits, and risk management consulting.

Partnership of Vantagen, LLC & Wells Fargo Insurance Services

The proposal submitted by the Vantagen/WFIS Team was vague and not entirely responsive to the RFP.

- Proposal characterized the services of the RFP as a "Human Resource consulting proposal."
- Proposal failed to address any of the tasks outlined in the RFP with any specificity. It restated the requirements of the RFP.
- The proposal failed to outline the technical approach that the Vantagen/WFIS team would use to accomplish goals of the RFP.
- Beyond a study performed for the Regional Transportation Authority of N.E. Illinois, Vantagen/WFIS did not identify any specific prior experience performing comprehensive compensation and benefits studies for similar transportation agencies.

**Partnership of Vantagen, LLC &
Wells Fargo Insurance Services**

The lead consultants for this engagement will be M. Edward Krow, Senior Human Resources Consultant (Vantagen, LLC) and Steve Wevodau, Sales Executive & Benefits Manager, WFIS.

- They said they would “draw on consultants with extensive experience within all arenas of human resources.”
- “Our teams will provide you with the close attention that you deserve.”

**Partnership of Vantagen, LLC &
Wells Fargo Insurance Services
Proposed Timeline & Projected Cost**

The Vantagen/WFIS Team provided no strategy or innovative ideas for completing the work.

The Vantagen/WFIS Team provided no estimated timeline for completing the work.

- Both Vantagen and WFIS are prepared to begin work immediately and understand that the Authority requires project completion in a timely manner. To that end, many of the tasks outlined above can and will run concurrently."

They estimated the professional fees to be approximately \$92,250, plus project-related expenses.

Review Team Recommendations

In assessing the proposals, the Review Team carefully considered the following:

- Demonstration of a clear understanding of the full project scope;
- Ability to perform the services required by the RFP;
- Past experience and prior success conducting and delivering a top-to-bottom review for similar governmental entities;
- Technical approach to conducting the study;
- Innovative ideas to accomplishing the goals of the study;
- Relevant experience of Project Manager and Support Team;
- Proposed timeline

SUMMARY STATEMENT

ITEM NO. DRPA-11-045

**SUBJECT: Compensation & Benefits
Consultant**

COMMITTEE:

Compensation

COMMITTEE MEETING DATE:

May 13, 2011

BOARD ACTION DATE:

June 8, 2011

PROPOSAL: That the Board authorizes staff to hire a professional consulting firm to conduct a comprehensive study of direct compensation, benefits, and perquisites for represented and non-represented positions within the Authority.

PURPOSE: At the direction of the Board, the Authority issued a Request for Proposal from professional compensation and benefits consultant firms.

The compensation and benefits consultants were asked to prepare and outline proposals to conduct a comprehensive study of direct compensation, benefits, and perquisites for all represented and non-represented positions within the Authority.

The study is required to include a thorough analysis of the Authority's pay range structure, job evaluation and classification method, and collective bargaining agreements. The successful consultant will be expected to recommend a competitive compensation plan that will make improvements, if needed, to recruitment and retention, internal and external pay equity, career succession, cost control, and administrative efficiency.

The study will also include a thorough analysis of the benefits and perquisites that make up part of the total compensation package for all represented and non-represented employees. The successful respondent will be expected to compare the benefits and perquisites for Authority employees to those offered by the private sector and at peer transportation entities for like positions.

The expected outcome of the direct job analysis, compensation, and benefit study conducted by the successful respondent is a comprehensive plan that is based on sound principles of compensation management and in accordance with the Fair Labor Standards Act, Equal Pay Act, and all other relevant and applicable government laws

and regulations.

As a result of the study, the consultant will provide the following:

Core Phase Deliverables:

- **Written recommendation for amendments to the Authority's current job descriptions when required by changes in the duties, responsibilities, qualifications or working conditions of the job.**
- **Recommendation of adjustments to individual salaries, job classifications, and an ongoing job evaluation method system based on the relative worth of each salaried job, internal equity, and the results of labor market surveys including the private and public sectors and comparable transit agencies. Consultant will provide training to key Authority personnel in the recommended job evaluation method. The Authority expects that the system for evaluating jobs will be owned by the Authority to maintain the process established.**
- **Written evaluation of the Authority's current pay range structure and recommendation, if necessary for a system of pay ranges for each job class.**
- **Written recommendation of a design to efficiently administer the proposed compensation plan. Provide procedures and training to key Authority personnel in the ongoing administration of the compensation program including planning, budgeting, communications and evaluation.**
- **Comprehensive written report outlining the methods and procedures used in the study, results of the study and the rationale of recommendations in relation to the Authority's goals of recruitment, retention, career succession, pay equity, legal compliance, administrative efficiency and cost control.**

Presentation of findings and contingent recommendations to Authority officials for review and consideration prior to making formal recommendations. Presentation may include oral and/or written reports to the executive staff, Compensation Committee, and the full DRPA Board regarding the results of the study and formal recommendations;

- Proposed implementation of recommendations, timelines, and employee communications; and
- Upon completion of the project, all working papers and computer files will be delivered to the Authority.

BACKGROUND: At the direction of the Board, the Authority issued a Request for Proposal (RFP) on December 16, 2010, for qualified compensation and benefit consultant firms. Responses were due on January 12, 2011, by 2:00 pm. The RFP was publicly advertised on DRPA's website.

We received proposals from the following three (3) firms: (1) Brooks Personnel, Inc. – Voorhees, NJ; (2) The Hay Group – Philadelphia, PA; and (3) Partnership of Vantagen, LLC & Wells Fargo Insurance Services – Clarks Summit, PA.

A staff committee "Review Team" was convened for the purposes of reviewing and analyzing the proposals. The Contract Administration Department had oversight responsibility for the RFP posting and assessment process.

In evaluating the strength of the proposals, the Review Team considered the technical ability and project management experience put forth by each proposer. A summary of the Review Team's assessment and recommendations follows:

1. **Brooks Personnel** – The proposal was submitted by Wendy Brooks, President of Brooks Personnel. Brooks Personnel is a licensed employment agency providing temporary staffing and executive services to businesses in the region. Brooks Personnel currently provides staffing services to DRPA and PATCO. The proposal lacked sufficient detail, and in many areas tended to restate the requirements that were outlined in the RFP. The proposal provided no strategic or innovative ideas for accomplishing the work of the RFP.

The proposal did not demonstrate any prior experience conducting similar Compensation & Benefits Comprehensive Studies.

The proposal also did not indicate that the Project Manager had any experience conducting similar comprehensive Compensation & Benefits Studies. To accomplish the requirements outlined in the RFP, Wendy Brooks, President of Brooks Personnel, proposed to serve as Project Lead, and proposed engaging the assistance of four independent consultants not affiliated with Brooks Personnel to supplement her team. Brooks Personnel projected the assignment would take 10-15 months to complete, with professional fees ranging from \$800,000 - \$1.2 million. Brooks Personnel requires a retainer of \$350,000 to begin the project. Beyond the total professional fees, all out-of-pocket and/or project-related direct expenses (travel, lodging, data, printing, etc.) would be additional and charged back to the DRPA at cost.

- The Hay Group** – The proposal was very thorough and completely responsive to the entire RFP. The Hay Group demonstrated a clear understanding of the RFP and the Authority’s expectations. The Hay Group is a world leader when it comes to the development and management of human resources, compensation, and benefits. In the mid-1990s, The Hay Group assisted the Authority with the design and implementation of a comprehensive pay system. On occasion, we have called upon The Hay Group to perform a variety of services to evaluate job groups, job specifications, and review overtime issues. In its response, The Hay Group committed to assigning five professionals, who work in its Philadelphia office, to work on the project. Three of the five individuals would serve as the “Core Project Team.” Another individual would serve as a “Subject Matter Expert” on senior reward, job evaluation and performance management issues. Another individual would be assigned to the project to oversee all work related to reviewing and benchmarking benefits and perquisites. The Hay Group presented a comprehensive strategy for each required task and also provided a timeline for implementation. After each phase of the review, The Hay Group proposes “checking in” with staff and providing a “Milestone Report,” outlining the findings relevant to that phase along with recommended next steps. The Hay Group would assist staff in the development of employee communications, and train key Authority personnel in the ongoing administration of the proposed compensation plan. The Hay Group also proposes to audit the FLSA status of all Authority positions. The Hay Group has worked on projects of similar scope and complexity with other transportation authorities, including but not limited to, Commonwealth of Pennsylvania, Delaware River & Bay Authority, Delaware River Port Authority, PA Turnpike Authority, Port Authority of NY & NJ, and SEPTA.

The Hay Group expects to be able to complete the project in approximately six months. The Hay Group estimates the professional fees for this project to be between \$200,000 - \$225,000. Beyond the total professional fees, all out-of-pocket and/or project-related direct expenses (travel, lodging, data, printing, etc.) would be additional and charged back at cost. For an additional fee, The Hay Group will provide assistance with implementation and roll-out.

3. Partnership of Vantagen, LLC & Wells Fargo Insurance Services – The proposal was submitted by M. Edward Krow, Senior Human Resources Consultant for Vantagen. Vantagen provides human resources consulting services and outsourced administrative solutions. Vantagen is a subsidiary of ParenteBeard, LLC, which provides accounting, audit, tax, corporate finance and general business consulting services. Vantagen proposes to partner with Wells Fargo Insurance Services (WFIS). WFIS provides advice and transaction services and professional advisory services in the areas of health and welfare employee benefits and risk management consulting. The lead consultants for this project would be a Senior Human Resources Consultant from Vantagen and a Sales Executive & Benefits Manager from WFIS. They said they would “draw on consultants with extensive experience within all arenas of human resources,” but did not identify the consultants or their credentials. The proposal characterized the services of the RFP as a “Human Resource consulting proposal.” The proposal submitted by the Vantagen/WFIS Team was vague, not entirely responsive to the RFP, did not outline the technical approach that the Vantagen/WFIS team would use to accomplish the goals of the RFP and provided no strategy or innovative ideas for accomplishing the work. Beyond a study performed for the Regional Transportation Authority of N.E. Illinois, Vantagen did not identify any specific prior experience performing comprehensive Compensation & Benefits Studies for similar transit agencies. The proposal failed to state how long the study would take to complete. The Vantagen/WFIS Team estimated the professional fees to be approximately \$92,250, plus all out-of-pocket and /or project-related direct expenses.

In assessing the proposals, the Review Team carefully considered the following:

- **Demonstration of a clear understanding of the full project scope;**
- **Ability to perform the services required by the RFP;**
- **Past experience and prior success conducting and delivering a comprehensive review for similar governmental entities;**
- **Technical approach to conducting the study;**
- **Innovative ideas to accomplishing the goals of the study;**
- **Relevant experience of Project Manager and Support Team; and**
- **Proposed timeline.**

Based on the above analysis, it is the recommendation of staff that The Hay Group be appointed the Compensation & Benefits Consultant.

SUMMARY: Amount:	n-t-e \$225,000 without Board approval, plus all out-of-pocket and/or project related direct expenses
Source of Funds:	Revenue and General Funds
Capital Project #:	N/A
Operating Budget:	N/A
Master Plan Status:	N/A
Other Fund Sources:	N/A
Duration of Contract:	Approximately six (6) months
Other Parties Involved:	The Hay Group

RESOLUTION

RESOLVED: That the Board of Commissioners authorizes staff to contract with The Hay Group to conduct a comprehensive study of direct compensation, benefits, and perquisites for all represented and non-represented positions within the Authority; and be it further

RESOLVED: That the Board of Commissioners authorizes staff to enter into a contract with The Hay Group for an amount not to exceed \$225,000, in professional fees without first obtaining Board approval, plus all out-of-pocket and/or project related direct expenses; and be it further

RESOLVED: That the Chairman, Vice Chairman and the Chief Executive Officer must approve and are hereby authorized to approve and execute all necessary agreements, contracts, or other documents on behalf of the DRPA. If such agreements, contracts, or other documents have been approved by the Chairman, Vice Chairman and Chief Executive Officer and if thereafter either the Chairman, Vice Chairman is absent or unavailable, the remaining Officer may execute the said document(s) on behalf of DRPA along with the Chief Executive Officer. If both the Chairman and Vice Chairman are absent or unavailable, and if it is necessary to execute the said document(s) while they are absent or unavailable, then the Chief Executive Officer shall execute such documents on behalf of DRPA.

SUMMARY:

Amount:	n-t-e \$225,000 without Board approval, plus all out-of-pocket and/or project related direct expenses
Source of Funds:	Revenue and General Funds
Capital Project #:	N/A
Operating Budget:	N/A
Master Plan Status:	N/A
Other Fund Sources:	N/A
Duration of Contract:	Approximately six (6) months
Other Parties Involved:	The Hay Group

**Report of May 18, 2011 Committee Meeting
Operations and Maintenance Committee
DELAWARE RIVER PORT AUTHORITY
Arch Street Meeting House, Philadelphia, PA
Wednesday, May 18, 2011, 5:30 p.m.**

Committee Members

William Sasso, Committee Chair
Governor Tom Corbett, Chair (absent)
Joanna Cruz, Esquire
Joann Bell
Richard Sweeney (via telephone)
Charles Fentress
Albert F. Frattali
E. Frank DiAntonio (via telephone)

Officers & Chiefs

John Matheussen, CEO
Robert Gross, Deputy CEO
Richard Brown, General Counsel &
Corporate Secretary
John Hanson, CFO
Toni Brown, CAO
Michael Venuto, Chief Engineer
Timothy Pulte, COO

DRPA Staff

Fran DiCicco, Administrative Coordinator
Ann DuVall, Executive Assistant to CEO
Joe Egan, Project Manager
Kathy Imperatore, Director, Fare Collection
Karen Jacobson, Assistant General Counsel
Edward Kasuba, Director of Corporate
Communications
Mark Lopez, Manager, Gov. Relations
John Lotierzo, Senior Accountant
Christina Maroney, Manager, Special Projects
Dave McClintock, Chief, DRPA Police
Fran O'Brien, Manager, Cust./Community
Relations
Tom Omiatek, Director, Finance (PATCO)
Robert Only, Director, Homeland Security
Cheryl Spicer, PATCO Assistant General
Manager
Steve Suder, Manager, Purchasing
Jim White, Director, Finance
Dawn Whiton, Administrative Coordinator

Commissioners

Jeffrey L. Nash, Vice Chair
Rick Taylor (via telephone)
Tamarisk Jones (via telephone)
Denise Y. Mason
Walter D'Alessio (via telephone)
David Simon, Esquire
Robert Teplitz, Esquire (Wagner)
John Lisko (McCord)

Counsel

David Weinstein, Archer & Greiner, NJ
Counsel
Alan Kessler, Duane Morris, PA Counsel

Others:

Susan Kase, NJ Gov. Authorities Unit
Kathleen Duffy Bruder, PA Governor's Office
Eileen Stillwell
Troy Oglesby, Value Diversity
Sean Garry, CAC
Marcella Ridenour, CAC
John Barna
Jon Stephenson
C. Gregg
R. Skiera
Chris Meehan

The Corporate Secretary announced that pursuant to the Bylaws of this Authority, public notice of this meeting of the DRPA Operations and Maintenance Committee has been given by posting proper notice in the lobby at One Port Center, and issuing proper notice to the public and news media.

Commissioner Sasso called the meeting of the Operations and Maintenance Committee to order and asked that the Corporate Secretary call the roll. The Corporate Secretary then called the roll for the Committee and announced that there was a quorum. Commissioner Sasso presided.

Item 1 – Contract No. CB-20-2010, Commodore Barry Bridge Substation Replacement

Mike Venuto, Chief Engineer, requested that the Board authorize staff to negotiate a construction contract with Scolfo Electric to replace the substation at the Commodore Barry Bridge in an amount of \$1,065,000.00. Mr. Venuto explained that, as identified by in-house staff and an Engineering evaluation, the existing substation contains original equipment, which is nearing the end of its useful life. Mr. Venuto further explained that the substation equipment distributes power to bridge systems and will be replaced and relocated. The new equipment will be located in a pre-fabricated structure at ground level to improve accessibility and safety for maintenance personnel. Mr. Venuto stated that the project was publicly advertised and 16 sets of bid documents were sold. Five (5) bids were received. Mr. Venuto informed the Board that staff has evaluated the bids and recommends award of a construction contract to Scolfo Electric, Inc. as the lowest responsible bidder in an amount of \$1,065,000.

On motion duly made and seconded, the following Resolution was approved and is recommended to the Board for adoption:

**DRPA -11-xxx Contract No. CB-20-2010, Commodore Barry Bridge
Substation Replacement**

Item 2 – Fuel Contract for DRPA and PATCO

Steve Suder, Manager, Purchasing, requested that the Board authorize staff to negotiate an agreement with Isobunkers, LLC from Aston, Pennsylvania for the purchase of unleaded gasoline, low-sulfur automotive diesel fuel and #2 heating fuel oil in the amount of \$1,132,230.13 (the amount is based on market prices as of April 2011). Mr. Suder informed the Board that the contract was publicly advertised and seven (7) bids were received. Mr. Suder explained that staff has reviewed the New Jersey State Fuel Contracts and found that the bid submitted by Isobunkers LLC to be in the best interest of the DRPA and PATCO. The contract will be for one (1) year with a one year renewal option. Mr. Suder explained that should staff decide to exercise the renewal option, it will be brought to the Board for approval.

On motion duly made and seconded, the following Resolution was approved and is recommended to the Board for adoption:

DRPA -11-xxx Fuel Contract for DRPA and PATCO

There being no further business, on motion made and duly seconded, the meeting was adjourned.

Respectfully submitted,

Commissioner William Sasso
Chairman

SUMMARY STATEMENT

ITEM NO. DRPA-11-046

**SUBJECT: Contract No. CB-20-2010,
Commodore Barry Bridge Substation
Replacement**

COMMITTEE:

Operations & Maintenance

COMMITTEE MEETING DATE:

May 18, 2011

BOARD ACTION DATE:

June 8, 2011

PROPOSAL:

That the Board authorizes staff to negotiate a construction contract with the firm of Scalfo Electric, Inc. to perform the installation of a new electrical substation at the Commodore Barry Bridge to replace the existing substation.

Amount: \$1,065,000.00

**Contractor: Scalfo Electric, Inc.
3539 N. Mill Rd.
Vineland, NJ 08360**

Other Bidders:	Vanalt Electrical Construction, Inc.	\$1,118,300.00
	The Farfield Company	\$1,241,000.00
	ESCO Electric	\$1,737,590.00
	Carr & Duff, Inc.	\$1,753,000.00

Engineers Estimate: \$950,000.00

PURPOSE:

To replace aging electrical equipment located within a bridge pier and install a new substation at ground level to improve accessibility and safety.

BACKGROUND:

The existing substation contains original equipment nearing the end of its useful life. The equipment distributes power to various bridge systems and is accessible only by descending a number of ladders or by using a high-reach lift. Based on recommendations from the maintenance staff at the Commodore Barry Bridge and an Engineering evaluation, the aging electrical equipment located within pier E-8 is to be replaced with new equipment located within a new, pre-fabricated substation at ground level at pier E-10. This project will improve accessibility and safety for maintenance personnel.

**SUMMARY STATEMENT
O&M 6/8/2011**

**Contract No. CB-20-2010,
Commodore Barry Bridge Substation Replacement**

The project was publicly advertised and bid documents were offered to the public beginning on March 25, 2011 with a bid opening date of April 21, 2011. Sixteen (16) sets of documents were sold. A total of five (5) bids were received. The low responsive and responsible bid was submitted by Scalfo Electric, Inc. in the amount of \$1,065,000.00.

Staff has completed the evaluation of bids and recommends that the contract be awarded to Scalfo Electric, Inc. in the amount of \$1,065,000.00 as the low responsive and responsible bidder.

SUMMARY:	Amount:	\$1,065,000.00
	Source of Funds:	2010 Revenue Bonds (Series D)
	Capital Project #:	CB0905
	Operating Budget:	N/A
	Master Plan Status:	N/A
	Other Fund Sources:	N/A
	Duration of Contract:	9 Months
	Other Parties Involved:	N/A
	Estimated Number of Jobs Supported:	32

DRPA-11-046
Operations & Maintenance Committee: May 18, 2011
Board Date: June 8, 2011
Contract No. CB-2010, Commodore Barry Bridge
Substation Replacement

RESOLUTION

RESOLVED: That the Board of Commissioners of the Delaware River Port Authority accepts the bid of \$1,065,000.00 to replace and relocate an aging electrical substation, and that the proper officers of the Authority be and hereby are authorized to negotiate a contract with Scallo Electric, Inc. for the required work in an amount not to exceed \$1,065,000.00, as per the attached Summary Statement; and be it further

RESOLVED: The Chairman, Vice Chairman and the Chief Executive Officer must approve and are hereby authorized to approve and execute all necessary agreements, contracts, or other documents on behalf of the DRPA. If such agreements, contracts, or other documents have been approved by the Chairman, Vice Chairman and Chief Executive Officer and if thereafter either the Chairman or Vice Chairman is absent or unavailable, the remaining Officer may execute the said document(s) on behalf of DRPA along with the Chief Executive Officer. If both the Chairman and Vice Chairman are absent or unavailable, and if it is necessary to execute the said document(s) while they are absent or unavailable, then the Chief Executive Officer shall execute such documents on behalf of DRPA.

SUMMARY:	Amount:	\$1,065,000.00
	Source of Funds:	2010 Revenue Bonds (Series D)
	Capital Project #:	CB0905
	Operating Budget:	N/A
	Master Plan Status:	N/A
	Other Fund Sources:	N/A
	Duration of Contract:	9 Months
	Other Parties Involved:	N/A
	Estimated Number of	
	Jobs Supported:	32

SUMMARY STATEMENT

ITEM NO. DRPA-11-047

SUBJECT: Fuel Contract for DRPA and PATCO

COMMITTEE:

Operations & Maintenance

COMMITTEE MEETING DATE:

May 18, 2011

BOARD ACTION DATE:

June 8, 2011

PROPOSAL:

That the Board authorizes staff to negotiate a contract with Isobunkers LLC, Aston, PA for the purchase of unleaded gasoline, low-sulfur automotive diesel fuel and #2 heating fuel oil.

PURPOSE:

To purchase fuel for all Delaware River Port Authority and PATCO vehicles including maintenance, snow removal, public safety and staff operations vehicles and #2 heating fuel oil for PATCO Administration buildings for the period July 1, 2011 through June 30, 2012 with option to renew for one (1) additional year.

BACKGROUND:

Bids for supplying the following fuel for all DRPA and PATCO fleet activities were based on the following requirements:

- a. Approximately 185,000 gallons of unleaded gasoline for DRPA.
- b. Approximately 60,000 gallons of unleaded gasoline for PATCO.
- c. Approximately 25,556 gallons of low-sulfur automotive diesel fuel for DRPA in New Jersey.
- d. Approximately 16,444 gallons of Diesel 2% Bio Fuel for the Walt Whitman Bridge in Pennsylvania.
- e. Approximately 15,000 gallons of low-sulfur automotive diesel fuel for PATCO.
- e. Approximately 48,000 gallons of #2 heating fuel oil for PATCO.

The award was based on the lowest bid differential cost to the "Reseller Tank Car Price" for each commodity, calculated by the gallon, as posted in the Journal of Commerce on April 12, 2011. On that date, regular unleaded gasoline was reported as \$3.1425 per gallon, low-sulfur diesel was \$3.454 per gallon, Diesel 2% Bio Fuel was \$3.4045 per gallon and #2 heating oil was \$3.31 per gallon.

SUMMARY STATEMENT
Operations & Maintenance 6/8/2011

The reported price will fluctuate during the contract period depending on market conditions. However, the differential cost will remain firm for the length of the contract. The differential amount paid to Isobunkers LLC is approx. \$7,374/year. The fuel bid was publicly advertised and bid documents were available beginning April 15, 2011. Bids were opened on April 29, 2011. Twenty nine (29) vendors were solicited and seven (7) responsive bids were received as follows:

Isobunkers LLC, Aston, PA	\$1,132,230.13
Riggins, Vineland, NJ	\$1,137,782.92
Petroleum Traders, Ft. Wayne, IN	\$1,142,708.82
Naughton Energy, Pocono Pines, PA	\$1,165,661.32
Pedroni Fuel, Vineland, NJ	\$1,171,087.64
Taylor Oil, Somerville, NJ	\$1,183,092.64
Pixel Systems, Princeton, NJ	\$1,245,693.82
Superior Plus Energy, Exton, PA	No Bid
Phoenix petroleum, Wayne, PA	No Bid

Isobunkers LLC low bid was a fixed differential which varies by fuel type and location as referenced below:

	BFB	WWB	CBB	BRB	PATCO
Unleaded gasoline	-\$0.0016	-\$0.0114	+\$0.0025	+\$0.0056	+\$0.0016
Low-Sulfur diesel	+\$0.0634	N/A	+\$0.0675	+\$0.0706	+\$0.0634
Diesel 2% Bio Fuel	N/A	+.0536	N/A	N/A	N/A
#2 Heating Oil N/A	N/A	N/A	N/A	N/A	+\$0.0683

DRPA Purchasing Staff has reviewed the New Jersey State Fuel Contracts and found the bid submitted by Isobunkers LLC to be in the best interest of the DRPA and PATCO. The differentials under the New Jersey State Contracts are on average 265% higher than the differentials submitted by Isobunkers LLC, which applied to the cost of the fuel would cost an additional \$21,500 throughout the year.

The Pennsylvania State Contract does not have any New Jersey delivery locations for comparison purposes.

SUMMARY:	Amount:	\$1,132,230.13*
	Source of Funds:	Revenue and General Fund
	Capital Project #:	N/A
	Operating Budget:	2011
	Master Plan Status:	N/A
	Other Fund Sources:	N/A
	Duration of Contract:	July 1, 2011 to June 30, 2012 with option to renew for one (1) additional year

*Annual amount based on market conditions as of April, 2011. Fuel prices subject to market fluctuations.

DRPA-11-047
Operations & Maintenance: May 18, 2011
Board Date: June 8, 2011
Fuel Contract for DRPA and PATCO

RESOLUTION

RESOLVED: That the Board authorizes staff to negotiate a contract with Isobunkers LLC for the purchase of unleaded gasoline, low-sulfur diesel fuel and #2 heating oil for the period of July 1, 2011 through June 30, 2012; during which period Isobunkers LLC will provide gasoline or the Benjamin Franklin, Commodore Barry, Betsy Ross, Walt Whitman Bridges and PATCO at an average price differential of $-\$.0007$ and will provide low-sulfur diesel fuel as required to the Benjamin Franklin, Commodore Barry, Betsy Ross, Walt Whitman Bridges and PATCO at an average price differential of $+\$.0662$, and will provide Diesel 2% Bio Fuel for the Walt Whitman Bridge at a differential of $+\$.0536$. Heating fuel oil for PATCO has a fixed differential of $+\$.0683$.

RESOLVED: The Chair, Vice Chair and the Chief Executive Officer must approve and are hereby authorized to approve and execute all necessary agreements, contracts, or other documents on behalf of DRPA and PATCO. If such agreements, contracts, or other documents have been approved by the Chair, Vice Chair and Chief Executive Officer, and if thereafter, either the Chair or Vice Chair is absent or unavailable, the remaining Officer may execute the said document(s) on behalf of DRPA and PATCO, along with the Chief Executive Officer. If both the Chair and Vice Chair are absent or unavailable, and if it is necessary to execute the said document(s) while they are absent or unavailable, then the Chief Executive Officer shall execute such documents on behalf of DRPA and PATCO.

SUMMARY:

Amount:	\$1,132,230.13*
Source of Funds:	Revenue and General Fund
Capital Project #:	N/A
Operating Budget:	2011
Master Plan Status:	N/A
Other Fund Sources:	N/A
Duration of Contract:	July 1, 2011 to June 30, 2012 with option to renew for one (1) additional year
Other Parties Involved:	N/A

Annual amount based on market conditions as of April, 2011. Fuel prices subject to market fluctuations.

Report of May 18, 2011 Executive Committee Meeting
DELAWARE RIVER PORT AUTHORITY
Arch Street Meeting House, Philadelphia, PA
Wednesday, May 18, 2011, 5:30 p.m.

Committee Members

Hon. Tom Corbett (Committee Chair) (absent)
Jeffrey L. Nash, Vice Chair
Rick Taylor (via telephone)
E. Frank DiAntonio (via telephone)
Tamarisk Jones (via telephone)
Robert Teplitz, Esquire (Wagner)
Walter D'Alessio (via telephone)
William Sasso, Esquire

Officers & Chiefs

John Matheussen, CEO
Robert Gross, Deputy CEO
Richard Brown, General Counsel &
Corporate Secretary
John Hanson, CFO
Toni Brown, CAO
Michael Venuto, Chief Engineer
Timothy Pulte, COO

DRPA Staff

Fran DiCicco, Administrative Coordinator
Ann DuVall, Executive Assistant to CEO
Joe Egan, Project Manager
Kathy Imperatore, Director, Fare Collection
Karen Jacobson, Assistant General Counsel
Edward Kasuba, Director of Corporate
Communications
Mark Lopez, Manager, Gov. Relations
John Lotierzo, Senior Accountant
Christina Maroney, Manager, Special Projects
Dave McClintock, Chief, DRPA Police
Fran O'Brien, Manager, Cust./Community
Relations
Tom Omiatek, Director, Finance (PATCO)
Robert Only, Director, Homeland Security
Cheryl Spicer, PATCO Assistant General
Manager
Steve Suder, Manager, Purchasing
Jim White, Director, Finance
Dawn Whiton, Administrative Coordinator

Commissioners

Charles Fentress
Albert Frattali
Richard Sweeney (via telephone)
Denise Mason
John Lisko (McCord)
Joanna Cruz, Esquire
Joann Bell
David Simon, Esquire

Counsel

David Weinstein, Archer & Greiner, NJ
Counsel
Alan Kessler, Duane Morris, PA Counsel

Others:

Susan Kase, NJ Gov. Authorities Unit
Kathleen Duffy Bruder, PA Governor's Office
Eileen Stillwell
Troy Oglesby, Value Diversity
Sean Garry, CAC
Marcella Ridenour, CAC
John Barna
Jon Stephenson
C. Gregg
R. Skiera
Chris Meehan

The Corporate Secretary announced that pursuant to the Bylaws of this Authority, public notice of this meeting of the DRPA Executive Committee has been given by posting proper notice in the lobby at One Port Center, and issuing proper notice to the public and news media.

Vice Chair Nash called the meeting of the Executive Committee to order and asked that the Corporate Secretary call the roll. The Corporate Secretary then called the roll for the Committee and announced that there was a quorum. Vice Chair Nash presided.

Item 1 – Renewal of DRPA Bridge Property Damage and Loss of Toll Revenue Insurance; Excess Bridge Property Damage and Loss of Toll Revenue Insurance; Additional Excess Bridge and Property Damage and Loss of Toll Revenue Insurance Policies

Toni Brown, Chief Administrative Officer, requested the Board to authorize staff to negotiate the renewal of the primary layer of Bridge Property Damage and Loss of Toll Revenue insurance and the two excess layers of Bridge Property Damage & Loss of Toll Revenue insurance. Ms. Brown distributed to the Commissioners a three-page handout, which illustrated the program coverages and the corresponding premiums and commissions. The handout is attached hereto. Ms. Brown explained that the Bridge Property Damage component of the coverage covers direct physical loss of, or damage to, the property insured, including loss caused by the perils of floods, earthquakes and acts of terrorism (domestic and foreign). The policy also provides sublimit coverage for debris removal and demolition or increased costs of construction. Ms. Brown explained that the expiring policy has a \$25 million per occurrence deductible. Last year, a \$75 million aggregate cap was negotiated, and that aggregate cap will remain in effect for policy term 2011-2012. Ms. Brown stated that the Loss of Toll Revenue portion of the coverage insures against loss of toll revenue on the four bridges, but not from lost PATCO fares. The Loss of Toll Revenue coverage will have a 14-day waiting period.

Ms. Brown explained that the program is a tiered program in which six (6) different companies are involved because no company had the capacity to write the entire program. The first layer of coverage is for \$300 million with two excess layers at \$100 million each, for a total of \$500 million in coverage.

Ms. Brown informed the Board that the Authority's insurance broker marketed the policy to several insurance carriers. Ms. Brown explained that several of those carriers declined to quote because they felt they could not compete with the incumbent carrier because their treaties are not broad enough to write catastrophic bridge or passenger rail exposure coverage, they have limited capacity to provide the loss limits the DRPA requires, and the carriers are unable to assume the potential terrorism risk exposure associated with bridge and railroad operations. Ms. Brown stated that she reviewed the commission sheets with Commissioner Simon and he suggested that she contact Ace Insurance to seek a reduction on one of the commissions, which was significantly higher than the others. Ms. Brown reported that she was able to secure a reduction in the commission from 12.5% to 10%, which brings it in line with the other commissions. Provided Ace American Insurance Company receives a request from the DRPA, in writing, formally requesting a reduction in the commission, the premium will be reduced by approximately \$3,800. Ms. Brown informed the Board that commissions are paid only on the premium for the underlying coverage and the elective terrorism coverage. Commissions are not paid on surcharges or taxes.

Ms. Brown informed the Board that the annual estimated premium for the program will be \$1,817,709 (an estimated increase of \$37,537 over the in force premium).

On motion duly made and seconded, the following Resolution was approved and is recommended to the Board for adoption:

DRPA -11-xxx Renewal of DRPA Bridge Property Damage and Loss of Toll Revenue Insurance; Excess Bridge Property Damage and Loss of Toll Revenue Insurance; Additional Excess Bridge and Property Damage and Loss of Toll Revenue Insurance Policies

Item 2 – Renewal of DRPA Claims Made Excess Liability Insurance

Toni Brown, Chief Administrative Officer, requested the Board to authorize staff to negotiate the renewal of the DRPA's Claims Made Excess Liability policy. Ms. Brown explained that the Claims Made Excess Liability policy provides coverage for claims involving bodily injury, personal injury, property damage or advertising injury, which are asserted against the DRPA. Ms. Brown informed the Board that the policy is currently with Lexington Insurance Company. The policy limit for the expiring policy is \$25 million for each accident/aggregate, subject to a \$5 million self-insured retention. Ms. Brown stated that the premium for the renewal of the expiring policy is \$843,291.

Ms. Brown informed the Board that Lexington originally wanted to raise the premium by approximately 10%. The company reconsidered the 10% increase and was willing to offer a flat renewal. However, as a result of a significant PATCO automobile claim, Lexington sought to increase the premium amount by 5-10% (between \$42,164.50 and \$84,329) if they were required to pay more than \$5 million on the auto claim. Ms. Brown reported that Lexington has agreed to remove the condition, and has released a flat premium of \$843,291 for policy term June 30, 2011 – June 30, 2012. Ms. Brown explained that this policy has 9.5% commission, which is only paid on the premium and optional terrorism coverage, but not on surcharges or taxes.

Commissioner Sasso asked if he was correct in his understanding that there has been a claim on which the insurance company believes it may have to pay more than \$5 million. Ms. Brown responded affirmatively. She further explained that the DRPA's Commercial Automobile Liability carrier has already tendered the policy limits and, it is expected that the DRPA's Umbrella Liability carrier will tender its policy limits. As a result, Lexington, the Claims Made Excess Liability insurance company is concerned that it will have to tender some of its limits.

In response to a question from Commissioner Sasso, Vice Chair Nash explained that the DRPA has coverage for this amount.

Ms. Brown explained to the Board that she would be bringing ten additional policies to the Committee at the June 8, 2011 meeting. All of the policies will expire on August 1, 2011. In order to ensure that all policies are renewed in a timely manner, Ms. Brown explained that she would need to seek Board approval at the telephonic meeting on July 6, 2011. She assured that Board that they would receive a complete, in person presentation of the issues on June 8.

CEO Matheussen informed the Board that all insurance information would be sent out prior to the June 8 Board Meeting and then again before the July 6 telephonic meeting so that the Board would have all the information in front of them for the meetings.

Commissioner Sasso asked if the Board could get a copy of the executive summary of the insurance policies provided by the insurance broker. Ms. Brown responded affirmatively. Commissioner Nash added that the Board would like to see the executive summaries for all DRPA insurance, including health insurance. Ms. Brown responded that she would provide that information to the Board.

On motion duly made and seconded, the following Resolution was approved and is recommended to the Board for adoption:

DRPA -11-xxx Renewal of DRPA Claims Made Excess Liability Insurance

There being no further business, on motion made and duly seconded, the meeting was adjourned.

Respectfully submitted,

Jeffrey L. Nash, Vice Chair

SUMMARY STATEMENT

ITEM NO. DRPA-11-048

SUBJECT: Renewal of DRPA Bridge Property Damage and Loss of Toll Revenue Insurance; Excess Bridge Property Damage and Loss of Toll Revenue Insurance; Additional Excess Bridge Property Damage and Loss of Toll Revenue Insurance Policies

COMMITTEE:

Executive

COMMITTEE MEETING DATE:

May 18, 2011

BOARD ACTION DATE:

June 8, 2011

PROPOSAL:

That the Board authorizes staff to bind the renewal of the primary layer of Bridge Property Damage & Loss of Toll Revenue insurance and the two excess layers of Property Damage & Loss of Toll Revenue insurance. The policies that make up both layers are placed by our Broker/Consultant, The Graham Company.

The Graham Company marketed the DRPA's Bridge Property Damage & Loss of Toll Revenue Program to several domestic and international insurance companies to secure the most competitive pricing. The Graham Company provided its Marketing Summary to staff to review, and a copy of same is included herewith for the Board's review.

PURPOSE:

To renew required Bridge Property Damage & Loss of Toll Revenue insurances necessary to reduce the DRPA's exposure to risk, physical damage, and economic loss.

BACKGROUND:

The Bridge Property Damage & Loss of Toll Revenue Program consists of two distinct components.

The Bridge Property Damage portion of the program consists of a primary layer of bridge property damage insurance with a Loss Limit of \$300 million, and two excess layers of bridge property damage insurance providing a \$100 million Loss Limit each, for a total of a \$200 million excess of the primary layer of \$300 million. Together, the primary and excess property layers total \$500 million in Bridge Property Damage coverage.

The Bridge Property Damage & Loss of Toll Revenue limits apply on a *per occurrence* basis. For each occurrence, the limits for the primary and two excess layers are reinstated.

Component 1: Bridge Property Damage Program

Under the Bridge Property Damage Program the covered properties and locations include:

- jurisdictional boundaries associated with the Ben Franklin, Betsy Ross, Commodore Barry and Walt Whitman Bridges (as noted in the survey maps on file);
- bridge decks, piers, anchorages, abutments supports, hangers, and approaches, including all related structures, substructures, lighting, equipment, foundations, roadways, pavement or barriers and any other property necessary or incidental to the bridges or bridge operations;
- surveillance equipment;
- underground wells, piping, mains, sewers and drains, including business property therein that is a part of the bridge.

The perils insured under the Bridge Property Damage Program include direct physical loss of, or damage to property insured. The policy provides coverage for damage caused by flood, earthquake, and both certified and non-certified acts of terrorism, and any resulting loss of toll revenue to the bridges.

Component 2: Loss of Toll Revenue Program

The Loss of Toll Revenue Program insures against loss of toll revenue on our four bridges. Loss of toll revenue coverage does not include any revenues derived from PATCO operations or the Ferry.

The policy will respond after a 14-day waiting period, when a covered loss results in an interruption of toll revenue. The loss of toll revenue limit is on a *per occurrence* basis during the policy period. The policy provides for a loss of toll revenue up to \$269,564,045, per occurrence.

In the event of a claim from loss of toll revenue, the insurance companies will deduct 14 days worth of toll revenue (14-day waiting period).

Program Structure of the Bridge Property Damage & Loss of Toll Revenue Policies

The Loss Limit of the expiring primary layer of Bridge Property Damage & Loss of Toll Revenue insurance is \$300 million; subject to

a \$25 million deductible per occurrence (a \$75 million Aggregate Deductible “Cap” has been established).

The primary layer of Bridge Property Damage & Loss of Toll Revenue insurance is written on a quota share basis. Three carriers participate in the Quota Share Program. They are:

- Arch Insurance Company – 21.6%;
- Travelers Property Casualty Company of America – 33.3%;
and
- Zurich American Insurance Company – 45%

~~In the event of a Bridge Property Damage or Loss of Toll Revenue claim, the three primary layer insurance carriers will share, on a *pro rata basis*, in the payment of any covered loss, up to the \$300 million loss limit, subject to the \$25 million property damage deductible, and also subject to the 14-day loss of toll revenue waiting period, *per occurrence*.~~

After the \$300 million primary layer of Bridge Property Damage & Loss of Toll Revenue insurance is exhausted, the first excess layer of Bridge Property Damage insurance would respond up to \$100 million, at 100% by Ace American Insurance Company.

The second excess layer of Bridge Property Damage & Loss of Toll Revenue insurance is provided under a quota sharing arrangement between Landmark American Insurance Company (at 50% - \$50 million, excess of \$400 million) and Axis Surplus Insurance (at 50% - \$50 million, excess of \$400 million). In the event of a covered loss, after the \$400 million primary and excess layers of coverage are exhausted, then Landmark and Axis would share equally in the payment of the claim up to a total of \$100 million.

Terrorism Coverage

The expiring Bridge Property & Loss of Toll Revenue Program includes terrorism coverage as provided through the Terrorism Risk Insurance Program Reauthorization Act of 2007 (TRIA 2007). Under TRIA 2007, an “act of terrorism” is covered if certified as an “act of terrorism” by the Secretary of the Treasury of the United States. The definition of an “act of terrorism” has been expanded in the 2007 TRIA extension to include not only acts committed by individuals

Renewal of DRPA Bridge
Property Damage and Loss of Toll
Revenue Insurance; Excess Bridge
Property Damage and Loss of Toll
Revenue Insurance; Additional
Excess Bridge Property Damage
and Loss of Toll Revenue
Insurance Policies

acting on behalf of “foreign” persons or interests, but also “domestic” terrorism. Payment for insured losses covered by TRIA 2007 will be paid by insurance carriers with partial reimbursement by the US Government. However, insured losses covered by TRIA are not unlimited. Once “insured losses” reach an industry aggregate of \$100 billion, losses exceeding this cap are not required to be paid by the insurance companies nor the US Government. TRIA 2007 requires insurance companies to offer terrorism coverage for Bridge Property Damage insurance. In the past, the Board has elected this terrorism coverage option. The expiring premium for TRIA 2007 coverage is \$179,643. The premium for the same coverage for the policy term June 30, 2011 – June 30, 2012 will be \$184,073 (an increase of \$4,430).

Renewal Summary

The overall rate for the underlying primary and excess policies will remain flat. However, as a result of a projected increase in toll revenues, the renewal property values increased which resulted in a premium increase for the 2011-2012 policy term. The estimated premium for the Bridge Property Damage & Loss of Toll Revenue Program will be an estimated \$1,821,509, which is an increase of \$41,337.

Since the quotes for the Bridge Property Damage & Loss of Toll Revenue Program were released more than 90-days prior to policy inception, all premium quotes are contingent upon the insurance companies obtaining facultative reinsurance within 30 days prior to binding coverage effective June 30, 2011. Pricing or coverage terms may be subject to change during this 90 day period.

Staff Recommendations

1. Staff recommends that we bind the primary layer of Bridge Property Damage & Loss of Toll Revenue coverage with a loss limit of \$300 million, subject to a \$25 million deductible per occurrence (with a \$75 million Aggregate Deductible cap and/or 14-day loss of toll revenue waiting period per occurrence) with the same primary carriers (Arch, Travelers, and Zurich), at an estimated premium of \$1,554,999 (an increase of \$35,379).

**SUMMARY STATEMENT
Executive Committee 6/8/11**

**Renewal of DRPA Bridge
Property Damage and Loss of Toll
Revenue Insurance; Excess Bridge
Property Damage and Loss of Toll
Revenue Insurance; Additional
Excess Bridge Property Damage
and Loss of Toll Revenue
Insurance Policies**

2. **Staff recommends that we bind the first layer of excess layer of Bridge Property Damage & Loss of Toll Revenue coverage with a loss limit of \$100 million excess of \$300 million at 100% with Ace American Insurance Company, at an estimated premium of \$153,960 (an increase of \$3,458).**
3. **Staff recommends that we bind the second layer of excess Bridge Property Damage & Loss of Toll Revenue coverage with a loss limit of \$100 million excess of \$400 million under a quota sharing arrangement between Landmark American Insurance Company and Axis Surplus Insurance, on an equal basis for a total of \$100 million, excess of \$400 million. The estimated premium is \$112,550 (an increase of \$ 2,500).**

SUMMARY:

Amount:	Total: Estimated \$1,821,509
	Primary Layer: estimated \$1,554,999
	1st Excess Layer: estimated \$153,960
	2nd Excess Layer: estimated \$112,550
Source of Funds:	Revenue Fund and General Fund
Capital Project #:	N/A
Operating Budget:	DRPA Risk Mgt. C/E #8
	PATCO Admin. C/E Insurance & Claims
Master Plan Status:	N/A
Other Fund Sources:	N/A
Duration of Contract:	June 30, 2011 to June 30, 2012
Other Parties Involved:	Arch Insurance Company; Travelers Property Casualty Company of America; Zurich American Insurance Company; ACE American Insurance Company, AXIS Surplus Insurance Company; Landmark American Insurance Company

RESOLUTION

RESOLVED: That the Board of Commissioners approves and authorizes staff to bind the existing primary layer of Bridge Property Damage & Loss of Toll Revenue coverage with a loss limit of \$300 million, subject to a \$25 million deductible per occurrence (with a \$75 million Aggregate Deductible cap and/or 14-day loss of toll revenue waiting period per occurrence) with the existing carriers (Arch, Travelers, and Zurich), at an estimated premium of \$1,554,999 (an increase of \$35,379); and be it further

RESOLVED: That the Board of Commissioners approves and authorizes staff to bind the existing first layer of excess Bridge Property Damage & Loss of Toll Revenue coverage with a loss limit of \$100 million, excess of \$300 million at 100% with Ace American Insurance Company, at an estimated premium of \$153,960 (an increase of \$3,448); and be it further

RESOLVED That the Board of Commissioners approves and authorizes staff to bind the existing second layer of excess Bridge Property Damage & Loss of Toll Revenue coverage with a loss limit of \$100 million, excess of \$400 million under a quota sharing arrangement between Landmark American Insurance Company and Axis Surplus Insurance, on an equal basis for a total of \$100 million, excess of \$400 million. The estimated premium is \$112,550 (an increase of \$2,500) and be it further.

RESOLVED: That the Board of Commissioners recognizes that all premiums are estimated and contingent upon the insurance companies obtaining facultative reinsurance within 30 days prior to binding coverage effective June 30, 2011. Pricing or coverage terms may be subject to change during this 90 day period; and be it further

RESOLVED: The Chair, Vice Chair and the Chief Executive Officer must approve and are hereby authorized to approve and execute all necessary agreements, contracts, or other documents on behalf of the DRPA. If such agreements, contracts, or other documents have been approved by the Chair, Vice Chair and Chief Executive Officer and if thereafter either the Chair or Vice Chair is absent or unavailable, the remaining Officer may execute the said document(s) on behalf of DRPA along

with the Chief Executive Officer. If both the Chair and Vice Chair are absent or unavailable, and if it is necessary to execute the said document(s) while they are absent or unavailable, then the Chief Executive Officer shall execute such documents on behalf of DRPA.

SUMMARY:

Amount: Total: Estimated \$1,821,509
Primary Layer: estimated \$1,554,999
1st Excess Layer: estimated \$153,960
2nd Excess Layer: estimated \$112,550

Source of Funds: Revenue Fund and General Fund

Capital Project #: N/A

Operating Budget: DRPA Risk Mgt. C/E #8
PATCO Admin. C/E Insurance & Claims

Master Plan Status: N/A

Other Fund Sources: N/A

Duration of Contract: June 30, 2011 to June 30, 2012

Other Parties Involved: Arch Insurance Company; Travelers
Property Casualty Company of America;
Zurich American Insurance Company; ACE
American Insurance Company, AXIS
Surplus Insurance Company; Landmark
American Insurance Company

SUMMARY STATEMENT

ITEM NO. DRPA-11-049

**SUBJECT: Renewal of DRPA
Claims Made Excess Liability
Insurance**

COMMITTEE:

Executive

COMMITTEE MEETING DATE:

May 18, 2011

BOARD ACTION DATE:

June 8, 2011

PROPOSAL: That the Board authorizes staff to bind the renewal of the DRPA's Claims Made Excess Liability policy.

The policy is placed by our Broker/Consultant, The Graham Company. The Graham Company marketed the DRPA's Claims Made Excess Liability policy to several domestic and international insurance companies to secure the most competitive pricing. The Graham Company provided its Marketing Summary to staff to review, and a copy of same is included herewith for the Board's review.

PURPOSE: To renew the Claims Made Excess Liability Insurance necessary to reduce the DRPA's exposure to risk and liability.

BACKGROUND: The DRPA's Claims Made Excess Liability policy provides coverage for claims involving Bodily Injury, Personal Injury, Property Damage or Advertising Injury, which are first made in writing against the DRPA during the policy term.

The coverage only applies to claims that first commenced at a specific time after the June 1, 1986 retroactive date, and prior to the expiration date of the policy (and reported up to 120 days thereafter).

The current carrier is the Lexington Insurance Company. The policy limit for the expiring policy is \$25 million each accident/aggregate, subject to a \$5 million self-insured retention. The policy includes an annual aggregate reinstatement (excess of \$5 million each accident self-insured retention) for 125% of the annual premium provided written notice is made within 125 days of the expiring policy.

Terrorism Coverage

Terrorism Liability Coverage is provided for the policy limit of liability (\$25 million, excess of the \$5 million self-insured retention). "Terrorism" means the use or threatened use of force or violence against person or property, or commission of an act dangerous to human life or property, or commission of an act that interferes with or disrupts an electronic or communication system, undertaken by any person or group,

whether or not acting on behalf of or in any connection with any organization, government, power, authority or military force, when the effect is to intimidate, coerce, or harm:

- a. a government;
- b. the civilian population of a country, state, or community; or
- c. to disrupt the economy of a country, state, or community.

“Terrorism” also includes an act of terrorism as defined by the TRIA 2007 Act, and any revisions or amendments thereto.

Renewal Summary

In 2010, the premium for the coverage with Lexington was \$843,291. Lexington’s initial position was that the June 30, 2011 renewal quotation for the same coverage would include a 10% increase in premium (an \$84,329 increase). Lexington has since reconsidered this 10% premium increase, and has offered to keep the premium quote flat for the June 30, 2011-June 30, 2012 policy term. However, as a result of recent development on a significant PATCO automobile claim, Lexington is faced with the potential of paying a \$1.5 - \$2 million settlement on behalf of the DRPA. In the event Lexington has to pay more than \$5 million as the settlement on behalf of the DRPA prior to the renewal date of June 30, 2011, Lexington will seek to increase the premium anywhere from 5-10% (increase would range between \$42,164.50 - \$84,329).

Since the quote for the Claims Made Excess Liability policy was released more than 90 days prior to policy inception, the premium quote is contingent upon Lexington obtaining facultative reinsurance within 30 days prior to binding coverage effective June 30, 2011. Pricing or coverage terms may be subject to change during this 90 day period.

Staff Recommendation

Staff recommends that we bind the existing Claims Made Excess Liability policy with the incumbent carrier (Lexington). The estimated premium for the 2011-2012 policy term will be \$843,291. However, the estimated premium is subject to a 5-10% increase (the increase could range between \$42,164.50 - \$84,329), if Lexington pays more than \$5 million on a PATCO automobile claim prior to June 30, 2011.

SUMMARY STATEMENT
Executive Committee 6/8/11

Renewal of DRPA Claims Made
Excess Liability Insurance

SUMMARY:

Amount:

Total: estimated \$843,291*

Claims Made Excess Liability: \$843,291*

***Premium is subject to the outcome of a potential settlement, which could result in a 5-10% premium increase, (ranging between \$42,164.50 - \$84,329), and the ability to obtain the necessary facultative reinsurance.**

Source of Funds:

Revenue Fund and General Fund

Capital Project #:

N/A

Operating Budget:

DRPA Risk Mgt. C/E #8

PATCO Admin. C/E Insurance & Claims

Master Plan Status:

N/A

Other Fund Sources:

N/A

Duration of Contract:

June 30, 2011 to June 30, 2012

Other Parties Involved:

Lexington Insurance Company

RESOLUTION

RESOLVED: That the Board of Commissioners approves and authorizes staff to bind the Claims Made Excess Liability policy with Lexington Insurance Company for a one-year term beginning June 30, 2011 to June 30, 2012. The policy limit is \$25 million each accident/aggregate, subject to a \$5 million self-insured retention. The total estimated premium for this policy is \$843,291; and be it further

RESOLVED: That the Board of Commissioners recognizes that as a result of a recent development on a significant PATCO automobile claim, Lexington Insurance Company is faced with the potential of paying a \$1.5-2 million settlement on behalf of the DRPA. In the event that Lexington has to pay more than \$5 million as the settlement on behalf of the DRPA prior to the renewal date of June 30, 2011, Lexington will seek to increase the premium anywhere from 5-10% (premium increase would range between \$42,164.50 - \$84,329, plus applicable taxes); and be it further

RESOLVED: That the Board of Commissioners recognizes that the estimated premium quote is contingent upon the Lexington obtaining the necessary facultative reinsurance within 30 days prior to binding coverage effective June 30, 2011. Pricing or coverage terms may be subject to change during this 90-day period; and be it further

RESOLVED: The Chair, Vice Chair and the Chief Executive Officer must approve and are hereby authorized to approve and execute all necessary agreements, contracts, or other documents on behalf of the DRPA. If such agreements, contracts, or other documents have been approved by the Chair, Vice Chair and Chief Executive Officer and if thereafter either the Chair or Vice Chair is absent or unavailable, the remaining Officer may execute the said document(s) on behalf of DRPA along with the Chief Executive Officer. If both the Chair and Vice Chair are absent or unavailable, and if it is necessary to execute the said document(s) while they are absent or unavailable, then the Chief Executive Officer shall execute such documents on behalf of DRPA.

SUMMARY:

Amount:	Total: estimated \$843,291*
	Claims Made Excess Liability: \$843,291*
	*Premium is subject to the outcome of a potential settlement, which could result in a 5-10% premium increase (ranging between \$42,164.50 - \$84,329), and the ability to obtain

Source of Funds:	the necessary facultative reinsurance.
Capital Project #:	Revenue Fund and General Fund
Operating Budget:	N/A
	DRPA Risk Mgt. C/E #8
	PATCO Admin. C/E Insurance & Claims
Master Plan Status:	N/A
Other Fund Sources:	N/A
Duration of Contract:	June 30, 2011 to June 30, 2012
Other Parties Involved:	Lexington Insurance Company

SUMMARY STATEMENT

ITEM NO. DRPA-11-050

**SUBJECT: Consideration of Pending DRPA
Contracts (Between \$25,000 and \$100,000)**

COMMITTEE:

New Business

COMMITTEE MEETING DATE:

N/A

BOARD ACTION DATE:

June 8, 2011

PROPOSAL: That the Board consider authorizing staff to enter into contracts as shown on the Attachment to this Resolution.

PURPOSE: To permit staff to continue and maintain DRPA operations in a safe and orderly manner.

BACKGROUND: At the Meeting held August 18, 2010 the DRPA Commission adopted Resolution 10-046 providing that all DRPA contracts must be adopted at an open meeting of the DRPA Board. The Board proposed modifications to that Resolution at its meeting of September 15, 2010; specifically that all contracts between \$25,000 and \$100,000 be brought to the Board for approval. The contracts are listed on the Attachment hereto with the understanding that the Board may be willing to consider all of these contracts at one time, but if any member of the Board wishes to remove any one or more items from the list for separate consideration, each member will have that privilege.

SUMMARY:

Amount:	N/A
Source of Funds:	Revenue and General Funds
Capital Project #:	N/A
Operating Budget:	N/A
Master Plan Status:	N/A
Other Fund Sources:	N/A
Duration of Contract:	N/A
Other Parties Involved:	N/A

DRPA-11-050
New Business: June 8, 2011
Board Date: June 8, 2011
Consideration of Pending DRPA Contracts
(Between \$25,000 and \$100,000)

RESOLUTION

RESOLVED: That the Board authorizes and directs that subject to approval by counsel and the Chief Executive Officer, staff proceed to negotiate and enter into the contracts listed on the Attachment hereto.

SUMMARY:

Amount:	N/A
Source of Funds:	Revenue and General Funds
Capital Project #:	N/A
Operating Budget:	N/A
Master Plan Status:	N/A
Other Fund Sources:	N/A
Duration of Contract:	N/A
Other Parties Involved:	N/A

OGC

5811876

Item #	Vendor/Contractor	Description	Amount	Procurement Method	Bids Received	Bid Amounts	Notes
1	Clean Venture Clayton, NJ	Two (2) year contract for Hazardous and Bio-Hazardous Waste Removal, Disposal and Emergency Response Services for DRPA's Bridge facilities. Contract has an option to renew for one (1) additional year.	\$80,000.00	Competitive Bid - Request for Bid B0005876 was publicly advertised and issued to seventeen (17) vendors on April 13, 2011. Bids were publicly opened on April 28, 2011 with three (3) bid responses.	1. Clean Venture Clayton, NJ 2. All State Power Vac, Inc. Rahway, NJ 3. SLM Waste and Recycling Services, Green Lane, PA	\$80,000.00 \$91,931.70 No Bid	Competitive Bid
2	ePlus Technology Mt. Laurel, NJ	One (1) year maintenance agreement for Cisco SmartNet. This agreement covers maintenance and support services for the network devices throughout the Authority.	\$68,681.89	NJ State Contract # A73979	1. ePlus Technology Mt. Laurel, NJ	\$68,681.89	State Contract
3	Info Tech Gainesville, FL	Procurement and implementation of an Electronic Bidding Software System. The software will manage electronic bid documents, facilitate advertisements, accept and secure bids, generate bid tabulation and identify the apparent lowest, responsive, responsible bidder. This is a Process Improvement Initiative that will streamline the bid process and reduce operating and administrative costs.	\$34,950.00	Competitive Request for Proposal (RFP). A RFP was publicly advertised and issued on March 18, 2011. Four proposals were received on April 15, 2011. Proposals were evaluated using a two step process: 1) Technical evaluation and 2) Opening of cost proposals. Info Tech was the highest rated firm technically and submitted the lowest cost.	1. Info Tech Gainesville, FL 2. Infinite Source Vancouver, BC 3. eBid Systems Bainbridge Island, WA 4. Last Exit, LLC Verona, NJ	\$34,950.00 \$49,000.00 \$72,200.00 \$120,500.00	Competitive RFP

4	Dell Marketing LP Buffalo Grove, IL	One (1) year subscription services renewal for Websense and Surf Control website email filtering and security.	\$35,760.00	NJ State Contract # A77003	1. Dell Marketing LP Buffalo Grove, IL	\$35,760.00	State Contract
---	--	--	-------------	----------------------------	---	-------------	----------------