

DELAWARE RIVER PORT AUTHORITY

BOARD MEETING

**One Port Center
2 Riverside Drive
Camden, NJ
Wednesday, December 5, 2018**

PRESENT

Pennsylvania Commissioners

Sean Murphy (for Pennsylvania Auditor General Eugene DePasquale)
Robert Borski (for Pennsylvania Treasurer Joseph Torsella)
Joseph Martz (via telephone)
Christopher Lewis, Esq. (via telephone)
Donna Powell
Angelina Perryman (via telephone)

New Jersey Commissioners

Jeffrey Nash, Esq., Vice Chairman of the Board (chairing for Ryan Boyer, Chairman)
Albert Frattali
Aaron Nelson (for Ricardo Taylor)
Frank DiAntonio
Richard Sweeney
Charles Fentress
Daniel Christy
Bruce Garganio

DRPA/PATCO Staff

John T. Hanson, Chief Executive Officer
Maria Wing, Deputy Chief Executive Officer
Raymond J. Santarelli, General Counsel and Corporate Secretary
Stephen Holden, Deputy General Counsel
Narisa Sasitorn, Deputy General Counsel
James White, Chief Financial Officer
John Lotierzo, Director of Finance
Orville Parker, Manager, Budget/Financial Analysis, Finance
William Anderson, Budget Analyst, Finance
Jennifer DePoder, Financial Analyst, Finance
Christina Maroney, Director, Strategic Initiatives
Toni P. Brown, Chief Administrative Officer
Robert P. Hicks, Chief Operating Officer
David Aubrey, Inspector General
John Rink, General Manager, PATCO
Rohan Hepkins, Assistant General Manager, PATCO

DRPA/PATCO Staff (Continued)

Mark Ciechon, Director of Finance, PATCO

Jack Stief, Chief, Public Safety

Richard Mosback, Director, Procurement DRPA/PATCO

Richard Betts, Manager of Procurement and Storage

William Shanahan, Director, Government Relations

Tonyelle Cook-Artis, Manager, Government Relations

Michael Venuto, Chief Engineer

Nicole Ochroch, Associate Engineer, Engineering

Amy Ash, Manager, Contracts Administration

Larry Walton, Bridge Director, Walt Whitman and Commodore Barry Bridges

Steve Reiners, Director, Fleet Management

Sheila Milner, Administrative Coordinator, Corporate Secretary, OGC

Elizabeth Saylor, Administrative Coordinator, Corporate Secretary, OGC

Dawn Whiton, Executive Assistant to the CEO and Deputy CEO

Others Present

Craig Ambrose, Associate Counsel, New Jersey Governor's Authorities Unit

Christopher Gibson, Esq., Archer & Greiner (New Jersey Counsel)

Alan Kessler, Esq., Duane Morris LLP (Pennsylvania Counsel)

Kristen Jones, Esq., Stradley Ronan

Craig Blackman, Esq., Stradley Ronan

Alan Becker, Citizens Advisory Committee Member

OPEN SESSION

Notice

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

Roll Call

Vice Chairman Nash called the meeting to order at 9:05 a.m. and asked that the Corporate Secretary call the roll. The following Commissioners were present, constituting a quorum: Vice Chairman Nash, Borski, Martz, Powell, Frattali, Sweeney, Christy, Murphy, Lewis, Perryman, Garganio, DiAntonio, Nelson and Fentress.

Public Comment

Alan Becker thanked the Authority for the PATCO Speedline Holiday Festivities and Santa's Silver Sleigh. He mentioned that all patrons enjoyed the PATCO ride and Santa.

Report of the Chief Executive Officer

CEO Hanson stated that the CEO report stood as previously submitted. He notified the Board that he authorized two emergency procurements with the approval of Chairman Boyer and Vice Chairman Nash. The first was related to the Print Shop's high-speed "workhorse" black and white copier which failed and needed to be replaced. The cost of the new copier was \$103,167.36. The

second emergency procurement concerned a rail break on the PATCO line and this cost was less than \$200,000.00. Finally, Mr. Hanson mentioned that retiree Ralph Fletcher was invited to attend, but was unable. Mr. Fletcher is retiring as a plaza supervisor after twenty-seven years. Mr. Hanson wished him a good retirement. Commissioner Fentress moved to approve the CEO's Report and Commissioner DiAntonio seconded the motion. All Commissioners in attendance voted to approve the CEO's Report. The motion carried.

Report of the Chief Financial Officer

CFO White stated that his report stood as previously submitted. Mr. White noted the Authority's bond rating increases from S&P and upgrades by Moody's. Mr. White also stated that December 6th will mark the largest bond transaction in Authority history (issuance of \$714M in bonds). Mr. White stated that in roughly two weeks, the Authority should no longer be subject to interest rate swaps and variable rate debt. This follows the earlier defeasement of the Authority's 2010D bonds (approximately \$308M).

Finally, Mr. White reported that there are six (6) Summary Statements & Resolutions relating to the budget and which were circulated to the Commissioners, and that the 2019 budget provides for an estimated \$78.1M contribution to the General Fund, which will be available to be used for the Capital Projects in the future.

Approval of the November 21, 2018 DRPA Board Meeting Minutes

Vice Chairman Nash stated that the Minutes of the November 21, 2018 DRPA Board Meeting had been previously provided to the Governors of New Jersey and Pennsylvania and to the DRPA Commissioners. Commissioner Fentress moved to approve the Minutes and Commissioner DiAntonio seconded the motion. There were no comments or corrections. All Commissioners in attendance voted in the affirmative to approve the Minutes as submitted. The motion carried.

Receipt and Filing of the List of Previously Approved Purchase Orders and Contracts Covering the Month of November 2018

Vice Chairman Nash stated that the Monthly List of Purchase Orders and Contracts covering the month of November 2018 were previously provided to all Commissioners. Commissioner Christy moved to receive and file the lists and Commissioner Garganio seconded the motion. There were no questions or comments. All Commissioners in attendance voted in the affirmative. The motion carried.

Approval of Operations & Maintenance Committee Meeting Minutes of November 27, 2018

Vice Chairman Nash stated that the Minutes of the November 27, 2018 Operations & Maintenance Committee Meeting were previously provided to all Commissioners. Commissioner Fentress moved to approve the Minutes and Commissioner Frattali seconded the motion. There were no comments or corrections. All Commissioners in attendance voted in the affirmative to approve the Minutes as submitted. The motion carried.

Adoption of Resolutions Approved by the Operations & Maintenance Committee on November 27, 2018

Vice Chairman Nash stated that there were three (3) Resolutions from the November 27, 2018 Operations & Maintenance Committee Meeting for consideration and introduced the following:

**DRPA-18-123 Design Oversight and Construction Monitoring
Services for Contract No. GN-0040-18, DRPA
Solar Photovoltaic Systems**

Chief Engineer Venuto presented a Summary Statement and Resolution that the Board authorize staff to negotiate an agreement with Jacobs Engineering to provide Design Oversight and Construction Monitoring Services for Contract No. GN-0040-18, DRPA Solar Photovoltaic Systems in the amount of \$2,570,590.00. The services will include a full-time structural engineer and electrical engineer and full-time Resident Engineer for inspecting all contract field activities and monitoring the Solar Developer's compliance with plans and specifications. Commissioner Frattali moved to approve Resolution DRPA-18-123 and Commissioner Powell seconded the motion. There were no questions or comments. All Commissioners in attendance voted in the affirmative to approve the Resolution. The motion carried.

DRPA-18-124 Capital Contract Project Modification

Chief Engineer Venuto presented a Summary Statement and Resolution that the Board authorize staff to execute a modification in the amount of \$99,934.82 to its contract #12-I with Sowinski Sullivan Architects, P.C. regarding Installing Elevators in Remaining PATCO Stations. Commissioner DiAntonio moved to approve Resolution DRPA-18-124 and Commissioner Powell seconded the motion. There were no questions or comments. All Commissioners in attendance voted in the affirmative to approve the Resolution. The motion carried.

**DRPA-18-125 Toll Technology Assessment for DRPA Bridge
Facilities**

Chief Operating Officer Hicks presented a Summary Statement and Resolution that the Board authorize staff to negotiate a multi-year contract with IBI Group, Inc. in the amount of \$772,208.51 to perform work for the DRPA to improve the existing tolling operations by identifying best practices and business value, researching and implementing innovative technologies, building a strong workforce, and enhancing customer service and delivery. Commissioner Powell moved to approve Resolution DRPA-18-125 and Commissioner Frattali seconded the motion. There were no questions or comments. All Commissioners in attendance voted in the affirmative to approve the Resolutions. The motion carried.

Approval of Labor Committee Meeting Minutes of November 27, 2018

Vice Chairman Nash stated that the Minutes of the November 27, 2018 Labor Committee Meeting were previously provided to all Commissioners. Commissioner Fentress moved to approve the Minutes and Commissioner Borski seconded the motion. There were no comments or corrections. All Commissioners in attendance voted in the affirmative to approve the Minutes as submitted. The motion carried.

Adoption of Resolution Approved by the Labor Committee on November 27, 2018

Vice Chairman Nash stated that there was one (1) Resolution from the November 27, 2018 Labor Committee Meeting for consideration and introduced the following:

DRPA-18-126 Outside Employment

Chief Administrative Officer Brown presented a Summary Statement and Resolution that the Board evaluate and authorize outside employment for certain employees who are director level or above. Ms. Brown listed the two (2) employees who are currently seeking approval for outside employment and the positions they were seeking. Commissioner Fentress moved to approve the Minutes and Commissioner Powell seconded the motion. There were no questions or comments. All Commissioners in attendance voted in the affirmative to approve the Minutes as submitted. The motion carried.

Approval of Finance Committee Meeting Minutes of November 28, 2018

Vice Chairman Nash stated that the Minutes of the November 28, 2018 Finance Committee Meeting were previously provided to all Commissioners. Commissioner Powell moved to approve the Minutes and Commissioner DiAntonio seconded the motion. There were no comments or corrections. All Commissioners in attendance voted in the affirmative to approve the Minutes as submitted. The motion carried.

Adoption of Resolutions Approved by the Finance Committee on November 28, 2018

Vice Chairman Nash stated that there were six (6) Resolutions from the November 28, 2018 Finance Committee Meeting for consideration and introduced the following:

DRPA-18-127 2019 DRPA Operating Budgets

Chief Financial Officer White presented a Summary Statement and Resolution that the Board authorize staff to adopt the DRPA Operating Budget for the year 2019, which had been previously provided to all Committee members. He noted that the proposed Operating Budgets was consistent with anticipated revenues and is required by the 1998 Bond Indenture. Commissioner Fentress moved to approve the Resolution and Commissioner Powell seconded the motion. There were no questions or comments. All Commissioners in attendance voted in the affirmative to approve the Resolution as submitted. The motion carried.

DRPA-18-128 Resolution in Accordance with Section 5.15 and 5.09 of the 1998 Indenture of Trust dated as of July 1, 1998 with TD Bank, N.A., As Trustee, to adopt an Annual Budget of the Delaware River Port Authority for the 2019 Fiscal Year

DRPA-18-129 **Resolution in Accordance with Section 5.07 of the 1999 Port District Project Bonds Indenture dated December 1, 1999 with The Bank of New York Mellon as Trustee, to Adopt an Annual Budget of the Delaware River Port Authority for the 2019 Fiscal Year**

DRPA-18-130 **Resolution in Accordance with Section 5.07 of the 2012 Port District Project Bonds Indenture dated December 1, 2012 with TD Bank, N.A., as Trustee, to Adopt an Annual Budget of the Delaware River Port Authority for the 2019 Fiscal Year**

With the Vice Chairman’s permission, Chief Financial Officer Mr. White presented the Summary Statements and Resolutions as a group. The above three (3) items were voted on together. Commissioner Frattali moved to approve the Resolution and Commissioner DiAntonio seconded the motion. There were no questions or comments. All Commissioners in attendance voted in the affirmative to approve the Resolution as submitted. The motion carried.

DRPA-18-131 **Authorization to Defer Effective Date of Biennial CPI-Based Toll Increase to January 1, 2021**

Chief Financial Officer White presented a Summary Statement and Resolution that the Board authorize and direct that the scheduled effective date for the Consumer Price Index-based biennial toll increase (approved by DRPA Resolution 09-064, as amended by DRPA Resolution 09-096, and DRPA Resolution 14-147) be deferred from January 1, 2019 to January 1, 2021. He explained that the Authority had determined that sufficient revenues and bond project funds and General Fund “pay go” capital funds are available to fund the next four to five years of its Capital Plan, and that it is therefore both proper and prudent to defer the effective date of the scheduled biennial CPI-based toll increase. Commissioner Fentress moved to approve Resolution DRPA-18-131 and Commissioner Nelson seconded the motion. There were no questions or comments. All Commissioners in attendance voted in the affirmative to approve the Resolutions. The motion carried.

DRPA-18-132 **New DRPA/PATCO Network Security and Privacy Liability Policy**

Chief Administrative Officer Brown presented a Summary Statement and Resolution that the Board authorize staff to bind the Authority’s New Network Security and Privacy Liability Policy, commonly referred to as “Cyber Liability”, in amount not to exceed \$160,380.00. Commissioner Powell moved to approve Resolution DRPA-18-132 and Commissioner Nelson seconded the motion. There were no questions or comments. All Commissioners in attendance voted in the affirmative to approve the Resolutions. The motion carried.

Approval of Audit Committee Meeting Minutes of November 28, 2018

Vice Chairman Nash stated that the Minutes of the November 28, 2018 Audit Committee Meeting were previously provided to all Commissioners. Commissioner Nelson moved to approve the

Minutes and Commissioner Powell seconded the motion. There were no comments or corrections. All Commissioners in attendance voted in the affirmative to approve the Minutes as submitted. The motion carried.

Adoption of Resolution Approved by the Audit Committee on November 28, 2018

Vice Chairman Nash stated that there was one (1) Resolution from the November 28, 2018 Audit Committee Meeting for consideration and introduced the following:

**DRPA-18-133 Approval of Citizens Advisory Committee Membership
Nomination – Reggie Haynes**

Chief Administrative Officer Brown presented a Summary Statement and Resolution that the Board approve the nomination made by the Citizens Advisory Committee to fill one (1) New Jersey vacancy on the Committee. The nominee was Reggie Haynes. Commissioner Borski moved to approve to approve Resolution DRPA-18-133 and Commissioner Powell seconded the motion. There were no questions or comments. All Commissioners in attendance voted in the affirmative to approve the Minutes as submitted. The motion carried.

Unfinished Business

There was no DRPA Unfinished Business.

Citizens Advisory Committee Report

There was no report from the Citizens Advisory Committee.

New Business

Vice Chairman Nash reported that there were three (3) items of New Business for consideration, and introduced the following:

**DRPA-18-134 Consideration of Pending DRPA Contracts
(Between \$25,000 and \$100,000)**

Commissioner Fentress moved to adopt Resolution DRPA-18-134 and Commissioner Powell seconded the motion. There were no questions or comments on the Resolution. All Commissioners in attendance voted in the affirmative to adopt the Resolutions. The motion carried.

**DRPA-18-135 Collective Bargaining Agreement between DRPA and
IUOE**

**DRPA-18-136 Collective Bargaining Agreement between DRPA and
FOP**

General Counsel/Corporate Secretary Santarelli presented a Summary Statement and Resolution that the Board authorize the Collective Bargaining Agreement between DRPA and IUOE (DRPA-18-135) and stated that the economic terms are summarized in the Summary Statement and

Resolution, and include salary increases as follows: 4% retroactive to January 1, 2018; 0% effective January 1, 2019; and 2% effective January 1, 2020.

Mr. Santarelli also presented a Summary Statement and Resolution that the Board authorize the Collective Bargaining Agreement between DRPA and FOP (DRPA-18-136) and stated that the economic terms are summarized in the Summary Statement and Resolution, and include salary increases as follows: 6% retroactive to January 1, 2018; 0% effective January 1, 2019; 2% effective January 1, 2020; 0% effective January 1, 2021.

Commissioner Frattali moved to adopt Resolutions DRPA-18-135 and DRPA-18-136 and Commissioner Powell seconded the motion. There were no questions or comments on the Resolution. All Commissioners in attendance voted in the affirmative to adopt the Resolutions. The motion carried.

MEETING HELD IN ABEYANCE

At 9:38 a.m., Vice Chairman Nash stated that the DRPA Board meeting would be held in abeyance and the PATCO Board Meeting would convene.

Adjournment

With no further DRPA business to discuss, Commissioner Fentress moved to adjourn the DRPA Board Meeting and Commissioner DiAntonio seconded the motion. All Commissioners in attendance voted to approve the motion and the DRPA Board Meeting adjourned at 9:51 a.m.

Respectfully Submitted,

Raymond J. Santarelli, Esquire
General Counsel and Corporate Secretary