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DELAWARE RIVER PORT AUTHORITY

BOARD MEETING

Pennsylvania Convention Center
12th and Arch Streets
Philadelphia, Pennsylvania 19107

Wednesday, December 10, 2014

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PRESENT

Pennsylvania

Commissioner James Cawley, Esquire Chairman
Commissioner John Lisko, Esquire(via phone)
Commissioner William Sasso, Esquire
Commissioner Michelle Kichline, Esquire
Commissioner John Dougherty
Commissioner Joann Bell
Commissioner Walter D'Alessio (via phone)

New Jersey

Commissioner Jeffry Nash, Esquire, Vice Chairman
Commissioner Charles Fentress
Commissioner Denise Mason
Commissioner Albert Frattali
Commissioner Richard Sweeney
Commissioner Frank DiAntonio
Commissioner Tamarisk Jones (via phone)

DRPA Staff

John Hanson, Chief Executive Officer
Michael Conallen, Deputy Chief Executive Officer
Kristen Mayock, Acting General Counsel & Corporate
Secretary
John Rink, General Manager
Toni Brown, Chief Administrative Officer
James White, Chief Financial Officer
Timothy Pulte, Chief Operations Officer
Michael Venuto, Chief Engineer
Ben Cornelli, Assistant General Manager
David Aubrey, Acting Inspector General
Val Bradford, Bridge Director
Thomas Ellis, Pennsylvania Counsel
Chris Gibson, New Jersey Counsel
Susan Squillace, Manager, Procurement and Stores
Kevin LaMarca, Director, Information Services
Amy Ash, Contract Administrator
Bill Shanahan, Director, Grants Management

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DRPA Staff (continued)

Orville Parker, Manager, Budget and Finance
John Lotierzo, Director of Finance
Katherine Vandy, Assistant General Counsel
Sgt. Michael Reher, TITLE
Vijay Pandya, Principal Engineer
Christina Maroney, Manager Special Projects
Brenda Greene, Claims Administrator
Elizabeth McGee, Corporate Secretary
Nancy Farthing, Executive Assistant to the CEO
Dawn Whiton, Executive Assistant to the CEO

Other

Tyler Yingling, Esquire, Assistant Counsel, Authorities
Unit
Victoria Madden, Esquire, Chief Counsel, Pennsylvania
Auditor General (for Commissioner DePasquale) (via
phone)
Michael Mustokoff, Esquire - Duane Morris
Chris Rupe
Jeff Kessler
Jim Sakso
Arnold Alstom, Wells Fargo
Craig Hrinkevich, Wells Fargo
Joe Quigley
Carol Comesro
Josh Wilson
Brian Stevenson

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P R O C E E D I N G S

(9:10 a.m.)

CHAIRMAN CAWLEY: We will call to order this meeting of the Delaware River Port Authority.

We will begin as we always do with a moment of silence, followed by the pledge of allegiance.

If you would all please rise?

(Pause.)

CHAIRMAN CAWLEY: We will now proceed to call of the roll.

Madam Secretary, you may call the roll.

MS. MAYOCK: You have to first move to appoint me as the Corporate Secretary.

CHAIRMAN CAWLEY: I don't have that as part of the agenda, forgive me.

Very well, is there a motion to appoint Kristen Mayock as the Acting Corporate Secretary of the Board?

COMMISSIONER FENTRESS: Move the motion.

CHAIRMAN CAWLEY: Is there a second?

COMMISSIONER DiANTONIO: Second.

CHAIRMAN CAWLEY: It has been moved and seconded.

1 Discussion on the motion?

2 Seeing none, all those in favor will signify by
3 saying, aye.

4 ALL: Aye.

5 CHAIRMAN CAWLEY: Those opposed, nay.

6 The ayes have it.

7 Madam Secretary, you now may call the Board.

8 MS. MAYOCK: Chairman Cawley?

9 CHAIRMAN CAWLEY: Present.

10 MS. MAYOCK: Vice Chairman Nash?

11 VICE CHAIRMAN NASH: Here.

12 MS. MAYOCK: Commissioner Bell?

13 COMMISSIONER BELL: Here.

14 MS. MAYOCK: Commissioner D'Alessio?

15 COMMISSIONER D'ALESSIO: Here.

16 MS. MAYOCK: Commissioner Kichline?

17 COMMISSIONER KICHLINE: Here.

18 MS. MAYOCK: Commissioner Lisko?

19 COMMISSIONER LISKO: On the phone.

20 MS. MAYOCK: Commissioner Sasso?

21 COMMISSIONER SASSO: Here.

22 MS. MAYOCK: Commissioner DePasquale?

1 (No response.)

2 MS. MAYOCK: Commissioner Dougherty?

3 COMMISSIONER DOUGHERTY: Present.

4 MS. MAYOCK: Commissioner DiAntonio?

5 COMMISSIONER DiANTONIO: Present.

6 MS. MAYOCK: Commissioner Fentress?

7 COMMISSIONER FENTRESS: Here.

8 MS. MAYOCK: Commissioner Frattali?

9 COMMISSIONER FRATTALI: Here.

10 MS. MAYOCK: Commissioner Jones?

11 COMMISSIONER JONES: Here.

12 MS. MAYOCK: Commissioner Mason?

13 COMMISSIONER MASON: Here.

14 MS. MAYOCK: Commissioner Sweeney?

15 COMMISSIONER SWEENEY: Here.

16 MS. MAYOCK: You have a quorum.

17 CHAIRMAN CAWLEY: Thank you.

18 We will now move to our next agenda item, which
19 is the report of our Chief Executive Officer.

20 John, the floor is yours.

21 MR. HANSON: Thank you, Governor.

22 I want to start off by remembering one of our

1 colleagues at DRPA who passed in November. And I want
2 to read something that was written by one of his co-
3 workers. Tim Salvatore, who was a member of our
4 engineering department, died in November after battling
5 an illness for some time.

6 His co-worker wrote, "Tim was a very good man,
7 a fine engineer, a great team player, and very detail
8 oriented. He took great pride in his work and in doing
9 things right. His commitment to his work was such that
10 while he battled his disease, Tim continued to work
11 half-days, even when his illness had worsened. He was
12 always very productive, coordinating the requirements
13 from engineering for Board presentations and for
14 contract preparation, and helping anyone on the said
15 floor who needed help. He always had a smile and never
16 complained about his circumstances.

17 "When he wasn't able to walk long distances any
18 longer, he continued to work from home and detail
19 documentation to engineering files. He continued to do
20 this until four days prior to his passing." His
21 co-worker writes, "You just don't see that kind of
22 determination often." And I thought it was worth

1 mentioning. That's Tim Salvadore.

2 As is my practice during my CEO portion, I
3 would like to just highlight some exemplary examples of
4 stewardship from the Authority. First, I would like to
5 recognize Brenda Greene, Claims Administrator, and
6 Brenda is here with us, today. Brenda would you stand
7 up? Thanks.

8 Brenda had been aware for some time of an
9 ongoing dispute with one of our vendors relating to
10 workers' comp and medical billings. Proactively and
11 independently, Brenda contacted the vendor to identify
12 the discrepancy and worked for over a year with the
13 vendor on recalculating billings and demanding
14 correction for medical rates provided to the Authority.

15 Brenda's tenacity and steadfast resolve saved
16 the Authority approximately \$72,000. Brenda's
17 determination to represent the interest of our toll
18 payers exemplifies the outstanding work she does daily
19 with the Authority and our commitment to stewardship.
20 Thank you, Brenda.

21 We recently received positive comments about
22 one of our train operators, Robert Blackwell, PATCO

1 train operator. He was complimented by a veteran PATCO
2 customer for his exceptional behavior. The following
3 email was received from Josephine, who was very
4 impressed with his exceptional customer service. She
5 reports that, "He is always informative, congenial, and
6 goes out of his way to say good morning and make sure
7 you have all your belongings before departing the train.
8 Mr. Blackwell's performance of his duties makes a
9 difference in my daily commute."

10 Also, when DRPA's coordinator for the LARC
11 School Bridge Run was sidelined due to illness in late
12 October, Telete Garrison of customer service stepped
13 into help. She worked tirelessly, exhibiting
14 outstanding stewardship by working across departmental
15 lines and coordinating the employee volunteer effort,
16 and putting a leadership team together to manage this
17 special event on Sunday, November 2nd. Many DRPA and
18 PATCO employees appeared to assist and help make this
19 annual 10K event go smoothly.

20 Not only did employees come out, but they
21 enlisted their families and friends. They included Amy
22 Ash and family, Daniel Cosgrove and family, Annette

1 Freeman and friends, Olivia Wu and family, Dawn Whiton
2 and family, Sean Powell and his family, Mike Williams,
3 Howard Korsen, Cam Dougherty, Ann Duvall, Pat McBride,
4 Nydia Rosario, Barbara Meyers Peterson, and Laura Sadler
5 Hunter and her family.

6 In October, approximately 278 DRPA and PATCO
7 employees came to the annual health fairs at One Port
8 Center, in PATCO's Lindenwold maintenance facilities.
9 Employees received health screenings and had a chance to
10 speak to a nutrition counselor. Representatives from
11 AFLAC, AmeriHealth, Cooper Health EHV, Delta Down
12 Benefit Services were on hand. Standard Life Insurance
13 and Voya Financial were also there to speak one-on-one
14 to employees and emphasize our commitment in the
15 Authority to our employees' wellness.

16 Kudos to Chief Administrative Officer, Toni
17 Brown, and her Benefits Administration team, Karen
18 Fanning, Selina Thompkins Ann DuVall, Carmella
19 Monteleone from PATCO, and Laura Hunter, as well as
20 Thaddeus Abbott.

21 The capital and operating budgets will be
22 presented later. The DRPA continues to work on its

1 Authority-wide ERP system. The monthly newsletter to
2 all employees has been released, and a program and a
3 site on our Internet has been built to answer questions
4 and keep this important program going.

5 PATCO, Ben Franklin Bridge Track Rehabilitation
6 Project update. Since the successful completion of the
7 two continuous track outages, the track rehabilitation
8 project has begun its next phase of work. For the next
9 12 months, the old PATCO signal, power, and
10 communications systems across the bridge will be
11 replaced with new systems and the PATCO Camden Yards
12 site will be rehabilitation. Workers are busy removing
13 the old utility systems along the south track across the
14 bridge and within the New Jersey Tunnel, installing
15 replacement electrical systems.

16 I want to emphasize that while track outages
17 are confined to extended weekends now, 10 a.m., Thursday
18 to Sunday night, the rehabilitation work is being
19 performed seven days a week, with weekday bridge
20 closures only during non-rush hour times. I would like
21 to ask PATCO GM John Rink to add to that report.

22 MR. RINK: Thank you, John.

1 As John had mentioned, Commissioners, we
2 successfully came out of our last outage on time, on
3 schedule, on October 22nd. Recently, on December 4th,
4 we started our next phase, which John mentioned is 10
5 a.m. on Thursdays until Monday mornings. We had put out
6 a new schedule for that outage.

7 The contractor is currently working in the
8 Camden subway installing the electrical communication
9 signal cables, as John mentioned. Right now, he is
10 scheduled to continue working that past February, with
11 the current outage. Successfully completing that, we
12 will be soon moving to the next phase as they replace
13 all the cables across the bridge.

14 Our new schedule they are currently running now
15 is even better than the last one that we ran during the
16 second bridge outage with fewer gaps and more trains.

17 MR. HANSON: Thanks, John.

18 At this time, I'd like to ask Chief Engineer
19 Mike Venuto to provide a status update on the PATCO car
20 rehabilitation program.

21 MR. VENUTO: Thank you, John.

22 Good morning, Commissioners. Mr. Rink and I

1 visited the Alstom shop in Hornell, New York,
2 approximately two weeks ago along with our consultants.
3 We had a very productive meeting to clarify all the
4 issues. That is set to go forth with the 500-mile
5 testing and then, following that, conditional
6 acceptance.

7 The testing of the prototype cars is
8 progressing. And the 500-mile test is nearing
9 completion. We continue to investigate and resolve
10 fault conditions, making hardware and software updates
11 as necessary.

12 The team talks daily to review the previous
13 night's progress, the test results, and reviews products
14 upcoming. We are continuing to work on a daily basis to
15 work getting the cars in revenue service.

16 MR. HANSON: Thanks, Mike.

17 Finally, I'd like to ask PATCO General Manager
18 John Rink to provide an update on the PATCO elevators
19 and escalators.

20 MR. RINK: Thank you, John.

21 Commissioners, since the last meeting in
22 October, the contractor successfully completed the

1 replacing of two of our escalators. The Woodcrest down
2 escalator and the 15th and 16th escalators were put back
3 into service.

4 One of the things that we had done at Woodcrest
5 is even though it is the down escalator, we have
6 reversed the flow and put it into the up direction where
7 most of our customers need the escalator to go up. And
8 we started running our trains through the center track
9 in order to provide that service for our customers. The
10 last remaining escalator, the Woodcrest up escalator, is
11 due to be completed in mid-February.

12 Our percentage completions for the month of
13 October, our elevators were available 99.4 percent of
14 the time. There are escalators at 96.2 percent. I'm
15 happy to announce in November, our elevators were
16 available 100 percent for the month and our escalators
17 were at 95.8 percent.

18 Thank you, John.

19 MR. HANSON: Chairman Cawley, that concludes my
20 report.

21 CHAIRMAN CAWLEY: Thank you, John.

22 Are there any questions for either John, John,

1 or Mike? Any questions?

2 Seeing none, I will entertain a motion to
3 approve the CEO's report.

4 Is there such a motion?

5 COMMISSIONER FRATTALI: Move the motion.

6 CHAIRMAN CAWLEY: It has been moved.

7 Is there a second?

8 COMMISSIONER DIANTONIO: Second.

9 CHAIRMAN CAWLEY: Moved and seconded.

10 Discussion on the motion?

11 Seeing none, all those in favor will signify by
12 saying, aye.

13 ALL: Aye.

14 CHAIRMAN CAWLEY: Those opposed, nay.

15 The ayes have it. The report is adopted.

16 We will now move to the report of the Chief
17 Financial Officer.

18 James, the floor is yours, sir.

19 MR. WHITE: My friends call me, Jim. Good
20 morning, Mr. Chair, Mr. Vice Chair. Commissioners, good
21 morning.

22 If you will turn in your packets, I'm going to

1 be very brief given the large number of items that we
2 have to address today on the Board meeting.

3 You will find in your packet a Dashboard and
4 you'll also find DRPA/PATCO unaudited financial
5 summaries both for the months of November and December.
6 I'm going to use that December summary essentially just
7 to make some brief remarks.

8 The Dashboard for October 2013 through
9 September 2014 was essentially going to be for the
10 November meeting. We do not yet have all the
11 information we need to update that, so we will send that
12 out to the Commissioners once we have the information to
13 update the Dashboard.

14 Essentially, again looking at the December
15 report that we provided to the Finance Committee, we are
16 still awaiting information on the October numbers for
17 revenue and traffic; but, as far as the DRPA is
18 concerned, year-to-date we're ahead in terms of toll
19 revenues and that's an extraordinary thing given the
20 impact of the snows earlier this year. We are still
21 behind on the traffic. But, again, we factored that in
22 from a budgetary perspective.

1 Through the month of October, PATCO's ridership
2 is down again slightly and the revenues as well, again
3 impact of the BFB PATCO Track Rehabilitation Program
4 project. As it relates to budget versus actual, we're
5 well ahead on toll revenues, slightly ahead in traffic,
6 so that's a good sign. Again, these results are only
7 through September 30th. For PATCO, we're around 235,000
8 riders less than budget and around \$146,000 less than
9 revenues year-to-date for October.

10 From a budgetary perspective, budget versus
11 actuals, DRPA is well under budget. PATCO is around
12 \$700,000 under budget. And the main drivers there are
13 we have a large number of unfilled positions both at
14 PATCO and DRPA, and that is the primary driver of
15 reduced results there.

16 One thing I did want to call attention to the
17 Board, you may recall we did pass a Board resolution a
18 few months ago where \$4.1 million of economic
19 development funds were reallocated to pay against the
20 Ben Franklin Bridge PATCO Track Rehab project. We
21 actually had a small invoice this month, so we were not
22 able to pull all the money in. But we have made a

1 payment of \$1.2 million, paying the invoice to the
2 contractor, using those funds that were reallocated by
3 the Board. So the \$4.2 million that were reallocated,
4 we have disbursed \$1.2 million against the Ben Franklin
5 PATCO Track Rehab project. We have \$500,000 in a legal
6 reserve. So we have \$2.5 million remaining. We hope to
7 do that by the end of the year depending upon how big
8 the invoices for that particular project.

9 So that's a quick summary of that reallocation.
10 That concludes my comments.

11 CHAIRMAN CAWLEY: We thank you for the short
12 version and hesitate to think what the long version
13 would have been.

14 MR. WHITE: Okay.

15 CHAIRMAN CAWLEY: With that, are there any
16 questions for Jim? Any questions?

17 Seeing none, we'll move to the approval of the
18 minutes of the October 16, 2014 meeting. Those minutes
19 have been provided to you before this gathering today.

20 Are there any questions on the minutes? Any
21 additions, deletions, corrections, observations?

22 Commissioner Dougherty?

1 COMMISSIONER DOUGHERTY: Just a couple of
2 comments. Again, as you notice in the minutes, I talk
3 about a business game plan and we had talked about
4 forwarding into some of the committees. If you read the
5 minutes, it looks like it's happening. I was just
6 wondering if that's the case.

7 MR. HANSON: We are working on the plan going
8 forward. I don't think we have a final version of it,
9 but we will forward some information today.

10 CHAIRMAN CAWLEY: So the answer to the
11 question, John, it sounds like is, yes, it is moving
12 forward.

13 COMMISSIONER DOUGHERTY: Can I just get a
14 little bit more specific on we talk about forwarding it
15 to a few committees. Have there been any meetings? Has
16 anybody put anything in writing in reference to the
17 number of employees that have been working for the
18 number of years without raises? It has been moved
19 forward, and some of the budget, I've got some other
20 questions, but I just want to make sure. I don't want
21 it to be tucked away in the minutes someplace and we
22 have transition coming, which we can also talk about a

1 little bit later. So I want to make sure it stays high
2 priority and on the front.

3 MR. HANSON: We haven't forwarded anything to
4 any of the committees on this, specifically, no.

5 COMMISSIONER DOUGHERTY: Well, let's make it an
6 emphasis to just have a simple, strategic plan on how to
7 do business.

8 CHAIRMAN CAWLEY: I think that's appropriate.

9 Any additional observations or corrections,
10 deletions regarding the minutes?

11 Seeing none, I'll entertain a motion to approve
12 the minutes.

13 COMMISSIONER FENTRESS: Move the motion.

14 CHAIRMAN CAWLEY: It has been moved.

15 Is there a second?

16 COMMISSIONER DiANTONIO: Second.

17 CHAIRMAN CAWLEY: It has been moved and
18 seconded.

19 All those in favor will signify by saying, aye.

20 ALL: Aye.

21 CHAIRMAN CAWLEY: Those opposed, nay?

22 The ayes have it.

1 And the December 1, 2014, Board minutes have
2 been approved.

3 We'll now move to the monthly list of payments
4 and monthly list of purchase orders and contracts
5 covering the months of October and November of 2014.

6 Are there any questions on this item?

7 VICE CHAIRMAN NASH: I'm going to abstain on
8 this vote.

9 CHAIRMAN CAWLEY: Very well.

10 Are there any additional questions, thoughts,
11 observations?

12 Seeing none.

13 COMMISSIONER DOUGHERTY: Excuse me?

14 CHAIRMAN CAWLEY: Yes, I'm sorry. Commissioner
15 Dougherty?

16 COMMISSIONER DOUGHERTY: The normal order for
17 myself here is that we get some breakdown, either in
18 Executive Session or however you want to go over some of
19 the legal bills as an update?

20 CHAIRMAN CAWLEY: I'm sorry, John?

21 COMMISSIONER DOUGHERTY: I said, however, I
22 don't know if we're going to go into Executive Session,

1 as we have been in the past and so just some update on
2 legal activities and legal billings.

3 CHAIRMAN CAWLEY: We do have an Executive
4 Session scheduled toward the end of the meeting. Is
5 that sufficient?

6 COMMISSIONER DOUGHERTY: That's fine.

7 CHAIRMAN CAWLEY: Okay, very good.

8 COMMISSIONER SASSO: I have to abstain from
9 that vote as well.

10 CHAIRMAN CAWLEY: Very well.

11 If there are no other questions, I will
12 entertain a motion to approve the monthly list of
13 payments and monthly list of purchase orders and
14 contracts for the months covering October and November
15 of 2014.

16 Is there such a motion?

17 COMMISSIONER FRATTALI: So moved.

18 CHAIRMAN CAWLEY: Is there a second?

19 COMMISSIONER MASON: Second.

20 CHAIRMAN CAWLEY: It has been moved and
21 seconded.

22 Discussion on the motion?

1 Seeing none, all those in favor will signify by
2 saying, aye.

3 ALL: Aye.

4 CHAIRMAN CAWLEY: Those opposed, nay.

5 Noting the abstention of Commissioners Nash
6 and Sasso, the monthly list of payments, and purchase
7 orders, and contracts has been approved.

8 We will now move to the DRPA combined unaudited
9 financial statement for the period ending March 31, 2014
10 and June 30, 2014.

11 Is there any question on this item?

12 Seeing none, I'll entertain a motion to approve
13 the financial statements for March 31st of 2014 and
14 June 30th of 2014.

15 Is there such a motion?

16 COMMISSIONER DiANTONIO: Move the motion.

17 COMMISSIONER KICHLINE: Second.

18 CHAIRMAN CAWLEY: It has been moved and
19 seconded.

20 All those in favor will signify by saying, aye.

21 ALL: Aye.

22 CHAIRMAN CAWLEY: Those opposed, nay.

1 The ayes have it. And those reports stand
2 approved.

3 We'll now move to the approval of the
4 Operations & Maintenance Committee meeting minutes for
5 October 13, 2014 and December 3, 2014.

6 Is there any questions on this item?

7 Seeing none, I'll entertain a motion to
8 approve.

9 COMMISSIONER FENTRESS: Move the motion.

10 COMMISSIONER SASSO: Second

11 CHAIRMAN CAWLEY: It has been moved and
12 seconded.

13 Discussion on the motion?

14 Seeing none, all those in favor will signify by
15 saying, aye.

16 ALL: Aye.

17 CHAIRMAN CAWLEY: Those opposed, nay.

18 The ayes have it, and those minutes stand
19 approved.

20 We will now move to the adoption of resolutions
21 approved by the Operations & Maintenance Committee of
22 November 13, 2014 and December 3, 2014. There are six

1 such items.

2 Is there discussion on any of those
3 resolutions? Any questions?

4 Seeing none, I will entertain a motion to
5 approve the resolutions.

6 COMMISSIONER DIANTONIO: Move the motion.

7 COMMISSIONER SWEENEY: Second.

8 CHAIRMAN CAWLEY: It has been moved and
9 seconded.

10 Discussion on the motion?

11 Seeing none, all those in favor will signify by
12 saying, aye.

13 ALL: Aye.

14 CHAIRMAN CAWLEY: Those opposed, nay.

15 The ayes have it, and those resolutions have
16 been approved.

17 We will now move to the approval of the Finance
18 Committee meeting minutes for November 13, 2014 and
19 December 1 of 2014.

20 Is there discussion on those minutes?

21 Seeing none, I'll entertain a motion to approve
22 those minutes.

1 COMMISSIONER DiANTONIO: Move the motion.

2 COMMISSIONER MASON: Second.

3 CHAIRMAN CAWLEY: It has been moved and
4 seconded.

5 Discussion on the motion?

6 Seeing none, all those in favor will signify by
7 saying, aye.

8 ALL: Aye.

9 CHAIRMAN CAWLEY: Those opposed, nay?

10 The ayes have it, and those minutes stand
11 approved.

12 We will now move to the adoption of resolutions
13 approved by the Finance Committee on December 13, 2014,
14 forgive me, on November 13, 2014 and December 1, 2014.

15 There are two such resolutions. Is there a
16 discussion on those resolutions?

17 Seeing none, I'll entertain a motion to approve
18 those resolutions.

19 COMMISSIONER DiANTONIO: So moved.

20 CHAIRMAN CAWLEY: It has been moved.

21 Is there a second?

22 COMMISSIONER FRATTALI: Second.

1 CHAIRMAN CAWLEY: It has been moved and
2 seconded.

3 Discussion on the motion?

4 Seeing none, all those in favor will signify by
5 saying, aye.

6 ALL: Aye.

7 CHAIRMAN CAWLEY: Those opposed, nay?

8 The ayes have it, and those resolutions are
9 approved.

10 Item Number 12, the approval of the Audit
11 Committee minutes cannot be considered today as the
12 minutes are not yet completed for this meeting.

13 Madam Secretary, question, can we move to Item
14 Number 13?

15 MS. MAYOCK: I would suspect so.

16 CHAIRMAN CAWLEY: Okay. Let's try that again.

17 MS. MAYOCK: Yes.

18 CHAIRMAN CAWLEY: Thank you. We'll now move to
19 Item Number 13, which is the adoption of resolutions
20 approved by the Audit Committee on December 3, 2014.
21 There are two such resolutions.

22 COMMISSIONER MASON: Can you take those

1 separate, because I need to abstain from one.

2 CHAIRMAN CAWLEY: Most certainly, we can do
3 that.

4 COMMISSIONER MASON: Thank you.

5 CHAIRMAN CAWLEY: That's more than appropriate.

6 We'll consider first DRPA-14-153. Is there
7 discussion on that resolution?

8 Seeing none, I'll entertain a motion to approve
9 the resolution.

10 COMMISSIONER DiANTONIO: So moved.

11 CHAIRMAN CAWLEY: Is there a second?

12 COMMISSIONER FRATTALI: Second.

13 CHAIRMAN CAWLEY: Discussion on that motion?

14 Seeing none, all those in favor will signify by
15 saying, aye.

16 ALL: Aye.

17 CHAIRMAN CAWLEY: Those opposed, nay?

18 The ayes have it, and the resolution is
19 adopted.

20 We will now move to consideration of
21 DRPA-14-158.

22 Is there discussion on that resolution?

1 Seeing none, I'll entertain a motion to
2 approve.

3 COMMISSIONER KICHLINE: So moved.

4 CHAIRMAN CAWLEY: Is there a second?

5 COMMISSIONER FENTRESS: Second.

6 CHAIRMAN CAWLEY: It has been moved and
7 seconded.

8 COMMISSIONER MASON: Abstain.

9 CHAIRMAN CAWLEY: Moved and seconded.

10 Is there discussion on the motion?

11 Seeing none, all those in favor will signify by
12 saying, aye.

13 ALL: Aye.

14 CHAIRMAN CAWLEY: Those opposed, nay.

15 And we will note the abstention of Commissioner
16 Mason.

17 We will now move to Item Number 14, which is
18 unfinished business.

19 Commissioner Dougherty?

20 COMMISSIONER DOUGHERTY: In reference to
21 Franklin Square Station, I know that we had a task order
22 sent out. I was just wondering if there were any

1 updates?

2 CHAIRMAN CAWLEY: I'll turn the floor over to
3 Mike Venuto.

4 MR. VENUTO: Yes, sir. The update for the
5 Franklin Square forecasting, we have completed the
6 update to the 2003 site condition assessment that we
7 previously completed. And we are also this week
8 finalizing the update to the 2009 capital cost estimate.

9 The preliminary draft report will be received
10 before the end of the December. The ridership model
11 that we are working with DVRPC on is continuing. They
12 are evaluating the base regional model and developing
13 the current and future forecast scenarios, and we expect
14 that final report in January.

15 The Franklin Square project is also going to be
16 represented in the 2015 capital plan that we'll talk
17 about a little bit later on.

18 CHAIRMAN CAWLEY: Anything additional,
19 Commissioner?

20 COMMISSIONER DOUGHERTY: If you get a chance,
21 stop over and see the light show; see the hundreds of
22 thousands of people who participate in that region right

1 now. It is part of the economic development of Center
2 City, which is booming.

3 CHAIRMAN CAWLEY: Exactly right.

4 COMMISSIONER DOUGHERTY: You can use that
5 depot.

6 CHAIRMAN CAWLEY: Good news story. And you're
7 right, we need to participate in it.

8 Anything additional under unfinished business?

9 Seeing none, we'll move to new business.

10 There are nine resolutions for our
11 consideration today. Is there any discussion on any one
12 of those or all of those resolutions?

13 VICE CHAIRMAN NASH: Governor, I'm going to
14 abstain from DRPA-14-145 because I am going to be a
15 sponsor to it.

16 CHAIRMAN CAWLEY: So noted. Thank you,
17 Commissioner.

18 Any additional observations, comments?

19 COMMISSIONER DOUGHERTY: Excuse me,
20 Mr. Governor?

21 CHAIRMAN CAWLEY: Yes, of course, Commissioner
22 Dougherty.

1 COMMISSIONER DOUGHERTY: When it comes to
2 capital budget, we're going to have a little discussion
3 on it.

4 MR. HANSON: We'll be brief.

5 CHAIRMAN CAWLEY: Very good.

6 Again, anything additionally?

7 MR. WHITE: We actually have two presentations.
8 Mike Venuto is going to take us through.

9 MR. HANSON: We should do that before the
10 project is voted on.

11 MR. WHITE: Yes, before we talk about the
12 resolutions.

13 MR. HANSON: And that's where we're up to now,
14 right?

15 MR. WHITE: Right.

16 CHAIRMAN CAWLEY: All right.

17 VICE CHAIRMAN NASH: Do we have to have a vote
18 on this, the resolutions first? Do we vote on the
19 resolutions?

20 MR. HANSON: I wouldn't vote on it till we
21 review this.

22 VICE CHAIRMAN NASH: Under new business? Oh, I

1 see, okay.

2 CHAIRMAN CAWLEY: Yes, the capital budget is an
3 item for new business.

4 VICE CHAIRMAN NASH: Got you.

5 CHAIRMAN CAWLEY: And we have a presentation,
6 so now would be the appropriate time for us to offer
7 that presentation and for the ensuing conversation,
8 Commissioner Dougherty.

9 Michael, the floor is yours to discuss item
10 DRPA-14-146, the capital budget.

11 MR. VENUTO: Good morning, Commissioners. The
12 capital budget for 2015 and then the 5-year plan to 2019
13 and beyond has been developed over the last few months.

14 The capital budget has been presented both to
15 the Operations & Maintenance Committee and the Finance
16 Committee over the last two months.

17 The 2015 proposed capital program is
18 \$146.4 million. This is net of federal share, so the
19 federal funding portion on top of this DRPA funded
20 portion would be approximately \$43 million. Our budget
21 shows just the DRPA portion of the capital program.

22 The 2015 capital budget, cost to complete,

1 these are projects that are ongoing and that will be in
2 the 2015 budget; the cost to complete all those projects
3 once we pull the 2015 budget will be \$549 million.

4 The projected capital program requirements,
5 again, net of federal and state funding for the years
6 2015 and 2019, and beyond, is approximately
7 \$726.8 million. As we know, this has come down. A
8 couple of years ago, we were at approximately
9 \$1.1 billion in a five to seven year program. And
10 completing some of the major capital projects over the
11 years, and looking at the priority of our projects,
12 we've been able to reduce this down to the \$726 million
13 that you see.

14 How we do the budget? The budget is mostly
15 based off of the biennial inspections that we complete
16 every two years where we do a thorough inspection of all
17 four of our bridges and the PATCO system. The bridge
18 inspections follow the National Bridge Inspection
19 Standards and they are really the basis for planning for
20 the capital program for continual maintaining and
21 repairing of all of the DRPA and PATCO facilities.

22 We are prioritizing the needs and we are also

1 looking at capacity planning. This process, this
2 capital program development process where we look at all
3 these things is a process that we really start at the
4 end of July and it is an iterative process where we go
5 through month after month meeting with all of our
6 internal organizations, with bridge operations, with
7 PATCO, internal engineering. We are looking at the
8 capacity across all the departments including legal,
9 engineering, bridge ops, purchasing, and coming down to
10 a manageable budget.

11 So the proposed capital plan that you see here,
12 this goes into, again, 2015, over to the first column
13 there which goes to the \$146 million and includes all
14 the facilities, and then the five-year, we call it the
15 five to seven year program, because as we get into 2019,
16 some of those projects that were already started during
17 the five year program will show the completion in that
18 2019 later portion.

19 So a couple of major projects, we're going to
20 highlight some of the big projects over \$10 million that
21 you see in the 5 year plan. We're going to be deleading
22 and repainting the Walt Whitman Bridge, as well as the

1 Commodore Barry Bridge, which was one of the projects we
2 passed today. We are apparently under contract to
3 resurface the Betsy Ross Bridge.

4 We have a number of PATCO projects, including
5 the two big ones we're working on now, the track rehab
6 across the Ben Franklin, and the rehabilitation of the
7 fleet. And we also have some large projects in the
8 works with repairs to the track structure at Westmont
9 viaduct, Lindenwold yard and Lindenwold viaduct,
10 remaining stations and the elevators, and as I mentioned
11 the Franklin Square.

12 We are also, as an Authority, undergoing a
13 major project with our enterprise resource planning
14 system in this five-year plan.

15 Some of the major projects that aren't starting
16 in 2015, but that are on the five-year plan, a big
17 project for us is going to be looking at the
18 dehumidification of the Ben Franklin Bridge cable,
19 re-decking the Ben Franklin Bridge, some additional
20 facility security hardening on the Walt Whitman Bridge,
21 and the PATCO interlocking and track rehabilitation
22 Phase 2.

1 Any questions on the capital program?

2 (No response.)

3 CHAIRMAN CAWLEY: We're so enamored by your
4 report, we're hoping it was going to go on longer.

5 Very well, we'll now move to discussion and
6 since we are currently on DRPA-14-146, the capital
7 budget, let's reserve discussion initially to that
8 resolution. And then if there is discussion about the
9 others, we can certainly take that as well.

10 But, Commissioner Dougherty, questions on the
11 capital budget?

12 COMMISSIONER DOUGHERTY: I'm fine.

13 CHAIRMAN CAWLEY: Okay. Anybody else,
14 additionally, questions on the capital budget item?

15 Any questions on any of the nine resolutions
16 that are before us, today?

17 MR. HANSON: Is the operating budget being
18 voted on, too?

19 MR. WHITE: Right. I'd like to talk a little
20 bit about the deferral.

21 MR. HANSON: The operating budget?

22 CHAIRMAN CAWLEY: Yes. It's DRPA-14-154.

1 Jim, you want to talk about the operating
2 budget?

3 MR. WHITE: Yes. One thing I do want to
4 mention related to the capital budget, we're very
5 confident given with our project funds and the general
6 fund, capital funds that we set aside this year that we
7 can clearly fund the capital program for a number of
8 years, at least three-plus years without any borrowing,
9 etc. As a result of that, that is one of the reasons why
10 one of the resolutions you'll see is a deferred
11 effective date of the biannual CPI toll increase.

12 There is no need at this point for us to
13 implement what would be a .25-cent toll increase because
14 we have sufficient funds to fund the capital program.
15 And so I just wanted to make very clear that the capital
16 program that Mike, and Kevin LaMarca, and also Tim Pulte
17 and his group, and all of the Directors at PATCO, John
18 Rink, and my finance team, we can fund that very, very
19 clearly for the near future without any problem.

20 CHAIRMAN CAWLEY: Thank you.

21 MR. WHITE: What I'd like to do is make it
22 easier on folks, is maybe circulate copies of the

1 operating budget briefing. And to give you a point of
2 context, there are actually five resolutions that are
3 connected to the operating budgets that we talked about
4 today.

5 There is a resolution for the adoption of the
6 DRPA operating budget. There is a resolution for the
7 adoption of the PATCO operating budget. And from those
8 numbers, we had pulled together various annual budgets
9 that are required by our bond indentures, and so you'll
10 see some resolutions, a resolution related to what we
11 call the Section 515 of the bond indenture.

12 You will find two other resolutions related to
13 our PDP bonds called the 507s. But all of those are
14 linked fundamentally to the operating budgets of the
15 DRPA and PATCO.

16 So I'd like to take you through a quick
17 overview of the operating budgets. Essentially, the
18 last couple of years, we have been challenged
19 significantly by healthcare costs, pension costs. This
20 year is no exception and there are a number of factors
21 that are contributing to some of the numbers that we'll
22 talk about.

1 The good thing is that the overall DRPA budget,
2 we're looking the proposed budget is only an increase of
3 2.01 percent, and we'll go through those numbers in a
4 second.

5 MR. HANSON: 2.008, you're rounding to 2.01.

6 MR. WHITE: Yes, sir. Thank you.

7 Former CFO, thank you. Still good with the
8 numbers. Okay.

9 So page 2, overview of the presentation, I just
10 want to give a couple of highlights. The key financial
11 accomplishments that this Board and staff have done over
12 the last couple of years talk about major financial
13 goals and strategies for 2015 and going forward.

14 Then taking to an overview of the 2015 proposed
15 operating budgets, going through very briefly major
16 revenue assumptions, major expense assumptions, and
17 you'll see a slide in here called major drivers. I'm
18 going to be clear as to what's driving the operating
19 budgets. And then we'll talk about the
20 indenture/compact budget assumptions as well, and give
21 you a real quick update on the general fund.

22 So over the last couple of years, the DRPA has

1 successfully been able to significantly reduce its debt
2 service, and also has had significant LOC facility fee
3 savings. We'll talk a little bit about that in a
4 second.

5 In December 2013, S&P upgraded the Authority's
6 outstanding revenue bonds to an A, from an A- with a
7 stable outlook. That's something that we have been
8 trying to position the Authority for the last four or
9 five years. We're very, very proud that that upgrade
10 did happen. And it's one of our goals, obviously, to
11 maintain or where we can look to perhaps upgrade
12 particularly our new fees rating.

13 The DRPA this year, the Board passed a
14 resolution and we made our initial \$10.8 million
15 contribution to our OPEB 115 irrevocable trust, reducing
16 our outstanding accrued liability, which was around
17 \$40 million, by 25 percent. So that number is around
18 \$30 million. And, again, we'll talk a little bit about
19 that in a second.

20 I mentioned in mid-2014, the DRPA created a
21 pay-go capital account within its general fund, which
22 funds are set aside to fund a portion of the existing

1 2014 capital program. Obviously, assuming approving of
2 the 2015 plan, it will be funding a large portion of the
3 2015 capital plan once the project funds are exhausted.
4 And, presently, we have around \$240 million still
5 remaining in our bond project funds.

6 In addition, the Board passed an authorization
7 for us to proceed with a possible swap novation of our
8 existing UBS swaps, placing the DRPA in a more strategic
9 position relative to its existing swaps. Something
10 we're working on, we have received responses to that RFQ
11 and we'll be looking through that and, hopefully, do a
12 transaction early next year to replace UBS.

13 The 2015 major, page number 4, *Major Financial*
14 *Goals Strategies*. Obviously, continue investment in the
15 maintenance and repair of the Authority's facilities,
16 funding the 2015 capital plan that Mike Venuto just took
17 us through of \$727 million. Again, we are positioned
18 with the project fund and also with the General Fund to
19 fund that Capital Plan for many years hence.

20 Cost containment of personnel/non-personnel
21 expenditures, maintain and manage the Authority's
22 operations capital program, to maintain investment

1 ratings. And the \$727 million capital plan is important
2 because, as Mike mentioned, at one point we were at
3 \$1.1 billion and the rating agencies had some concerns
4 on our ability to afford the capital program. Mike and
5 his staff, and the Authority directors, etc., have done
6 a great job pulling that number down so that we are
7 positioned and have gotten some kudos from the rating
8 agencies related to that. And, finally, manage our four
9 swap exposures, which at this point were we to terminate
10 them would be \$162 million.

11 Page Number 5. When we talk about the
12 operating budgets, we actually have a number of budgets,
13 the DRPA budgets, the PATCO budget, what we call the
14 indenture/compact budget. We are required by our
15 indenture to provide to the bond trustees by
16 December 31, annual budgets both related to our revenue
17 bonds and also related to our Port District project
18 funds or our subordinated debt. So when we talk about
19 the budgets, there are actually three major factors to
20 those budgets, to what we call the overall total budget.

21 Page Number 6. So now we're going to walk
22 through some of the assumptions. You can see a slide

1 here that gives you a snapshot of our projected 2015
2 budgetary revenues. You'll see basically a very small
3 increase there. Part of that is our estimates, again,
4 based on a traffic study done in 2013 by our traffic
5 engineer.

6 The growth in traffic and revenues was going to
7 be roughly less than 1/2 percent for the foreseeable
8 future. But, in addition, we have put in three days of
9 reserve related to inclement weather. We went through
10 that reserve earlier this year, so we continue to do
11 that.

12 Page Number 7. If you look at the major
13 revenue assumptions, DRPA toll revenues is up slightly.
14 The factors are slow traffic growth per the 2013 traffic
15 study, gross toll revenues produced by three snow days
16 or inclement weather days. On the E-ZPass slide, there
17 is a slight increase on membership fees; PATCO, a slight
18 decrease from their revenues. Ridership is slightly
19 below expected to be slightly below the 2014 budget. And
20 continued track outages on extended weekends related to
21 the track rehab project will continue to impact the
22 ridership there.

1 Interest income we're looking for increases
2 related primarily to the increase in the general fund.
3 If this budget is approved, we will be contributing
4 another \$40 million into the general fund. In addition
5 to our expectations, interest rates will at some point
6 in time go up.

7 And as I have noted and as I spoke earlier, the
8 toll revenue assumptions assume that the Board will
9 approve the resolution to delay the scheduled January 1,
10 2015 CPI toll increase until January 2017.

11 Okay. So we talked very briefly about the
12 revenues. Let's go to page number 8, an overview of the
13 2015 proposed operating budgets. The headline I want to
14 call your attention to is that the total average
15 Authority budgets. And, again, we talked about the
16 three major components, DRPA, PATCO, and also the
17 indenture/compact budget, is up 2.0, to quote my friend,
18 .08 percent or 2.01 percent as rounded.

19 Total DRPA operating budget, 3.3 percent
20 increase. The PATCO operating budget, 9.7 percent. The
21 total DRPA/PATCO combined operating budgets is around a
22 5.6 percent increase. When you factor in the

1 indenture/compact related expenses of a decrease of 1.4
2 percent, that's how you get to the total operating
3 overall Authority budgets, which are up 2.01 percent as
4 rounded.

5 Page Number 9. So here is a snapshot of,
6 again, the operating expenses and the indenture budgets.
7 You can see the various factors going up. And we'll
8 talk a little bit about the major drivers relating to
9 those expenses in a second.

10 Total operating expense is at a \$141.3 million
11 for the proposed budget, versus \$133.8 million, or as I
12 mentioned earlier, 5.6 percent combined increase for
13 DRPA and PATCO. The indenture budgets, you'll see a
14 number of items here. You'll see that fortunately the
15 biennial inspection cost drop off. You still have our
16 operating leases, specifically, the Locust Street subway
17 lease that essentially increases the CPI.

18 And then you will look at the debt service for
19 our revenue bonds, our Port District project bonds, our
20 revenue bond letter of credit fees or our remarketing
21 fees, and you'll see another addition here, management
22 studies and legal costs of \$2 million, so that the total

1 indenture budgets actually decrease by \$1.9 million.
2 The proposed 2015 budget is \$141.4 million versus
3 \$143.4 million in 2014.

4 Page Number 10. Major expense assumptions,
5 2015 major budget drivers. One of the things I tried to
6 get across related to the operating budget is the number
7 of items particularly that we would consider
8 non-controllable related to either our operations, etc.

9 As you see from this particular slide, the key
10 major drivers impacting the budget increase include and
11 I mentioned earlier about pension and healthcare, those
12 are still factors impacting our budget, workers'
13 compensation costs, along with reduced capital costs.

14 So if you look through the list and this is not
15 a total list here. Pension; healthcare; workers' comp;
16 other ESE costs; reduced capital labor; the new SAP/ERP
17 implantation, which is adding around \$300,000 to our
18 budget; customer service increases of \$200,000; and we
19 have really no control over that. It's based on a
20 formula with our sister agencies in the consortium that
21 we are involved in. Repairs and maintenance up around
22 \$100,000. So if you look at all the major drivers, they

1 account for roughly 83.3 percent of the total increase
2 in the 2015 budget relating to the DRPA.

3 Page Number 11. The major expense assumptions
4 for the PATCO operating budget in 2015, major budget
5 drivers. Again, the key major drivers include payroll;
6 pension; healthcare, workers' comp; purchase power,
7 which is a significant item for the PATCO budget;
8 general liability cost.

9 And then you'll see a list of how pension is up
10 roughly a half million dollars; healthcare costs around
11 \$600,000; general liability claims have increased
12 significantly, 122.2 percent increase. Purchase power
13 is up \$800,000. And then there are other things like new
14 insurance policies that the Board has approved in 2014
15 take the increase up \$300,000. Escalator maintenance,
16 which has been an issue for us this year, obviously, is
17 projected to be \$160,000 higher in the 2015 year.

18 So if you were to look at all the major drivers
19 relating to the PATCO budget, almost 96 percent of the
20 increase in the 2015 budget are related to those major
21 budget drivers, many of which we consider
22 uncontrollable.

1 Turning to page 12, the indenture/compact
2 budget assumptions, the PDP debt service is
3 \$18.9 million. Two or three years ago, that figure was
4 around \$30 million. We, successfully, in the 2012/2013
5 timeframe pulled out around \$11 million due to the early
6 redemption of our PDP bonds, coupled with savings from
7 the completed 2012 PDP refunding.

8 With the revenue bond debt, it is \$121 million.
9 That small reduction is due to annual principal
10 repayment on the bonds. If you look at our numbers in
11 2013 versus 2014, you'll see that because of the issue
12 of approximately a half million dollars at the end of
13 2013, that's the reason that revenue bond debt service
14 has increased in 2014 and 2015.

15 Our letter of credit costs and our remarketing
16 costs are expected to be \$4.2 million, a decrease of
17 roughly a half million dollars. Now, that's down from a
18 high of \$11 million in 2011. So we have been successful
19 in renegotiating the LOC fees of various banks, and we
20 pulled out roughly six to seven million dollars related
21 to that. One note, the DRPA has to renew or replace one
22 existing LOC by the end of March 2015.

1 There are a number of management studies that
2 have been Board approved. There is a PATCO management
3 study. There is also a DRPA, I think a bridge ops
4 management study, and a number of other studies that are
5 included in the indenture/compact budget. There are
6 non-reoccurring expenses, one-time expenses that are
7 hitting the overall DRPA budget.

8 And, finally, page 13, General Fund update.
9 The General Fund, as many of you know, offsets risk
10 associated with various contingencies. Approximately,
11 \$160 million were we ever to have to collateralize or
12 terminate our swaps; the General Fund gives us
13 protection there. We have an OPEB liability of
14 \$31 million. And in the SS&R related to the DRPA
15 operating budget, we are recommending that DRPA make an
16 additional contribution of \$5 million from our existing
17 General Fund to help to reduce that liability in our
18 OPEB liability.

19 We also have various loan guarantees of around
20 \$11.4 million; and were we to have a severe event, we
21 have some significant deductibles related to bridge
22 property for loss of toll revenue. So should the Board

1 pass this budget, we expect the annual contribution to
2 the General Fund to be around \$46.1 million. Those
3 funds will help fund the capital program particularly in
4 the years 2017 and 2018.

5 MR. HANSON: If I can just make a couple of
6 quick comments, Jim?

7 CHAIRMAN CAWLEY: Please, John.

8 MR. HANSON: I want to highlight a couple of
9 things that Jim said.

10 With the just over two percent total budgetary
11 increase and the \$46.1 million deposit to the general
12 fund, here is sort of how I do the math. I'm a little
13 more aggressive than Jim in my thinking, so we don't
14 come up exactly the same way.

15 But the total increases are driven by our
16 capital needs. We've got \$455 million probably at the
17 end of this year that are going to be in the General
18 Fund, almost \$250 million in the project fund. By my
19 count, that leaves \$500 million roughly available for
20 capital funding, which is what would drive a toll
21 increase, and another \$46 million next year, probably
22 \$40 million the following year.

1 So in my estimation, it is well over five years
2 before you would need to consider doing something to
3 enhance revenues. And that's the state that we're
4 leaving the Authority in, when we found it less than
5 \$100 million in the general fund. So, by my count, it's
6 over five years without having to go back for additional
7 funding, if that's the way we choose to go. And I think
8 that's significant. And that is why this Board is going
9 to vote, today, to forego a toll increase that was
10 scheduled under the CPI. Thank you.

11 CHAIRMAN CAWLEY: I think that's very
12 significant to point out. Thank you, John.

13 Any questions regarding the operating budget
14 for you, Commissioner Dougherty?

15 COMMISSIONER DOUGHERTY: Yeah, Jim, just a
16 couple.

17 I appreciate where you're coming from. I've
18 sat here a couple of different times and we've had a lot
19 of discussion about the finances and the toll increases,
20 when needed, when not needed. Just a couple.

21 Looking at the audit, and we didn't have the
22 audit minutes complete for the meeting, but looking at

1 some of the audit information and trying to get my hands
2 around all these documents over the last couple of days,
3 I just jotted a few notes down.

4 The total outstanding debt, if these are
5 approved next year, will be?

6 MR. WHITE: The total outstanding debt is
7 around \$1.6 million.

8 COMMISSIONER DOUGHERTY: What does that
9 actually cost us? What does it cost us just to service
10 that or pay for that?

11 MR. WHITE: If you go back into the slide,
12 you'll see that Slide Number 9, we break that out two
13 sections. The debt service for the revenue bonds is
14 around \$112 million. The debt service on our Port
15 District project bonds, these are bonds issued a long
16 time ago and were re-funded in 2012, is around \$18.9
17 million. So the total is roughly \$130 million. And
18 then you have to add to that the letter of credit
19 remarketing fees of roughly 4.2 that essentially are
20 affiliated or associated with our variable rate debt.

21 COMMISSIONER DOUGHERTY: So you stayed at
22 basically about five percent under what the expectations

1 in the operating budget was?

2 MR. WHITE: Yes.

3 COMMISSIONER DOUGHERTY: From here on out we're
4 talking about capital programs. And I've been one for
5 focusing on that. But, also, as we get into the
6 strategic plan, somewhere along the line, we just can't
7 put down benefit increases; we have to throw a wage
8 increase in; and fair labor can't be here, especially
9 when they're part of the reason why we're making a
10 little bit of money. A lot of people have been asked to
11 give back; a lot of people asked to sharpen our pencils
12 and become more effective.

13 For example, just a couple of minor things. In
14 the process of going over the notes, I noticed one of
15 our staff picked up the fact that there was \$72,000
16 worth of discrepancies. Okay. And we give an award for
17 finding that and the whole nine yards, you know. We
18 have a vendor that's paid a lot of money to handle that
19 type of benefit structure and we should be taking a
20 look. I think we still have them. We should be
21 wondering if there is more of that, why do we use that
22 vendor, things like that, because it's our people who

1 are finding out some of these discrepancies.

2 Some of the other little things I looked at
3 and, again, just for when we're giving good numbers out,
4 I think if you take a look at the swaps, it's something
5 that nobody in the room, you know, I don't care if you
6 swap this or this or not, I totally understand. But if
7 you take a look at the net negative value of it we're
8 down \$3 million from the last month in value.

9 MR. WHITE: Yes, in what would be the
10 termination value, but that doesn't give you the total
11 picture of what the notional value of the swaps is,
12 which is around \$635 million. So that calculation is
13 done by analysts. But, essentially, were we to
14 terminate the swaps, that would be the termination value
15 of the swaps.

16 COMMISSIONER DOUGHERTY: The only reason I
17 brought it up is because, as you mentioned, the analysis
18 of it on paper doesn't mean a big deal. But, in real
19 life, you're losing \$3 million worth of value just in a
20 paper transaction a month. That's why you have to back
21 it up and why you have to have some sort of strategic
22 financial plan.

1 MR. WHITE: Right. One thing I will say is
2 that the swap valuation, maybe a year and a half ago or
3 so was more like \$240 million. So that has come down
4 significantly from the \$240, \$230, down to \$160 million.
5 But it still is a significant number.

6 MR. HANSON: Commissioner, you made a great
7 point about the debt. And I'd like to just expand on
8 that a little bit.

9 The debt, most of it is related to our capital
10 plan now, about eleven percent of it still exists in PDP
11 bonds that were done to fund economic development. That
12 goes away each year as it amortizes off. In 2000, they
13 made a decision to fund the capital plan by initiating a
14 toll increase and then monetizing that increase through
15 debt to pay for the capital plan. And that's how the
16 debt got to where it is.

17 So we raise the tolls. But rather than wait
18 for the money to come in, we bond against that revenue
19 stream. That's what we have done in the past. Jim has
20 talked a little bit today about this Pay-Go Fund that we
21 have created that now has almost \$250 million in it.
22 Next year, it will go to \$300 million. That's why we're

1 doing that, so that we can actually do it because of the
2 work that you noted.

3 And I appreciate you noting the hard work of
4 the employees here who fought to keep expenses down.
5 Because of that hard work, we've been able to keep
6 expenses down, create a surplus that will be used to pay
7 as we go to fund the capital program, and allow the debt
8 to be paid down. So it relates to the monetizing of
9 toll increases to fund the capital program and we are
10 working to change that. I appreciate your comments and
11 I appreciate the fact that you noticed that.

12 MR. WHITE: And to add to something John said,
13 of the \$1.6 billion of debt, \$1.4 billion is related to
14 our revenue bonds, which essentially has funded capital
15 projects over the years. Our PDP bond debt is now under
16 \$200 million, actually, \$175 million, so we've made
17 great progress on that. But, obviously, it's a legacy
18 debt that we have to work off over time.

19 COMMISSIONER DOUGHERTY: What about the
20 difference in PATCO numbers? Is the subsidy going to
21 increase next year?

22 MR. WHITE: I believe, yes, around \$273,000

1 increase. And as we mentioned, the revenue growth on
2 the PATCO side is basically flat or is expected to be
3 relatively flat.

4 MR. HANSON: Is the total subsidy, is the
5 increase?

6 COMMISSIONER DOUGHERTY: The total subsidy
7 increase compared to 2014.

8 COMMISSIONER MASON: Which was \$20-some
9 million?

10 COMMISSIONER DOUGHERTY: Which was in 2014, it
11 was \$21.3 million; and in 2015, it is \$26.2.

12 CHAIRMAN CAWLEY: What's that a percent?

13 COMMISSIONER MASON: Percent increase is
14 22 percent.

15 COMMISSIONER DOUGHERTY: 22 percent increase.
16 So that's a \$26 million subsidy for PATCO. So I don't
17 think I should really have any questions about opening
18 up the Franklin Square/PATCO depot anymore; do you?

19 CHAIRMAN CAWLEY: Commissioner, the project is
20 moving forward. Be joyous.

21 COMMISSIONER DOUGHERTY: I'm joyous. It's the
22 holiday season.

1 CHAIRMAN CAWLEY: It's a joyous time of year.

2 COMMISSIONER DOUGHERTY: Listen, if normal
3 procedure occurs, for example, when you have a changing
4 of administration,

5 CHAIRMAN CAWLEY: I heard something about that.

6 COMMISSIONER DOUGHERTY: When Rendell heard
7 something about it, I submitted my resignation
8 immediately so that the new incoming governor would have
9 an opportunity to appoint who he wanted and do his
10 business. But there are some consistencies at stake
11 here, and we've had some good dialogue. And I respect
12 all the people that work in this budget. I respect
13 everything about this organization or I wouldn't sit
14 here. But there is a \$26 million subsidy at PATCO. I
15 just always want to make sure. I sit here representing
16 the people of Pennsylvania, but I love the region. I
17 just want to protect the people in Pennsylvania when it
18 comes to equal distribution of funds.

19 CHAIRMAN CAWLEY: Agreed.

20 COMMISSIONER DOUGHERTY: We don't get jobs, so
21 try to get funds.

22 MR. HANSON: We are excited about the prospect

1 of Franklin Square.

2 COMMISSIONER DOUGHERTY: Okay. And by the way,
3 happy holidays.

4 CHAIRMAN CAWLEY: All right, anything
5 additionally on the operating budget, Commissioner?

6 COMMISSIONER DOUGHERTY: No. By the way, let
7 me take a second to thank you for the great job that
8 you've done in a short period of time here in very
9 awkward situations. You're a gentleman and pro.

10 CHAIRMAN CAWLEY: Thank you. Thank you.

11 Further on discussion of the operating budget,
12 Commissioner Nash?

13 VICE CHAIRMAN NASH: Thank you, Governor.

14 First, Jim, I want to thank you and your staff
15 for doing an outstanding job. This is a very difficult
16 budget. You made a presentation and I see a lot of
17 numbers. But if you carve down into the numbers, you
18 recognize that you start the day with a significant
19 increase in our insurance and pension costs, so you're
20 under the gun, so to speak, because it is very important
21 that you keep this budget at about two percent and not
22 go beyond that. So you have done an outstanding job. I

1 want to thank you and your staff, and, John, you and
2 your administration for presenting a budget that I think
3 is extremely prudent and reflects doing more with less.

4 I also wanted to take note of the capital
5 budget and the work that was done by the O&M Committee,
6 and Bill Sasso, Al Frattali, and that committee, along
7 with Mike Venuto and his engineering staff, because as
8 John mentioned, the toll structure is based upon the
9 capital plan. The capital plan started today at about
10 \$1 billion, and you were able, as a committee, to carve
11 that down to a number that was manageable and will
12 reflect no toll increase, as John said, for many years.
13 And that is a tribute to you and to your staff.

14 Not only do we have a capital budget that is
15 within budget, but we also have great projects like the
16 Franklin Square project, which we are excited about as
17 well. It is desperately needed for the entire region
18 and we're hoping that comes to fruition, but, also, the
19 Ben Franklin Bridge walkway, which is going to benefit
20 everyone and, of course, eventually the new PATCO cars
21 that are going to eventually roll down from upstate New
22 York.

1 This budget also reflects a repayment of the
2 \$1.6 billion debt and unwinding some of the swaps. It
3 takes care of liabilities that many agencies in the
4 United States are not owning up to, like pension
5 payments and OPEB payments, and they're doing that, and
6 that is really important.

7 The bottom line is this Authority, today, is in
8 a very strong financial position. Our general fund is
9 strong. Our project fund is strong. Even Wall Street
10 recognized our management style and financial position
11 by giving us an uptick in our bond rating. But there
12 are two issues that we will work on immediately,
13 simultaneously. One is dealing with the salary
14 structures for non-represented and not only as a matter
15 of fairness, but also because of compression issues and
16 administration, and that has to be resolved.

17 But, also, in conjunction with that to find a
18 way to enact a commuter discount for Pennsylvania and
19 New Jersey residents, because they deserve a break.
20 They should be able to take advantage of our strong
21 financial position. And I hope we can bring that, as a
22 Board, to our best customers.

1 MR. WHITE: I thank you for those comments.
2 And I thank you for the Board's input and support of our
3 plan.

4 John and I have worked significantly over the
5 last three or four years with the financial plan to put
6 the Authority in a stable position and to fund the
7 capital program. The guys who crunch the numbers, some
8 of my guys are here, Orville Parker, John Lotierzo;
9 there is staff, Bill Anderson. Amy Ash helps out on the
10 capital budget. We couldn't do it without the staff.
11 I'm just the face of the department. These are the guys
12 who do the crunching, so I appreciate that; and Mike is
13 doing a great job on the capital program.

14 CHAIRMAN CAWLEY: Very well.

15 Any further discussion from any Board member
16 regarding the operating budget for 2015?

17 Seeing none, we'll return to new business and
18 the consideration of the nine resolutions that we have
19 before us this morning.

20 Is there any additional discussion on any of
21 those resolutions?

22 (No response.)

1 CHAIRMAN CAWLEY: Seeing none, I'll entertain a
2 motion to approve those resolutions.

3 COMMISSIONER DiANTONIO: Move the motion.

4 COMMISSIONER FRATTALI: Second.

5 CHAIRMAN CAWLEY: It has been moved and
6 seconded.

7 Discussion on the motion?

8 Seeing none, all those in favor will signify by
9 saying, aye.

10 ALL: Aye.

11 CHAIRMAN CAWLEY: Those opposed, nay.

12 The ayes have it.

13 VICE CHAIRMAN NASH: Just note my abstention
14 on DRPA-14-145.

15 CHAIRMAN CAWLEY: Thank you.

16 Noting Commissioner Nash's abstention on DRPA-
17 14-145. The motion carries and the resolutions are
18 approved.

19 We'll now move to the Citizens Advisory
20 Committee report.

21 Do we have a representative of the Citizens
22 Advisory Committee with us today?

1 (No response.)

2 CHAIRMAN CAWLEY: It appears as if we are going
3 to have a very brief report from the Citizens Advisory
4 Committee today.

5 We'll now move to public comment. It is the
6 Chair's understanding that Mr. Joe Quigley would like to
7 address the committee, forgive me, the Commission.

8 MR. QUIGLEY: Am I supposed to be up here?

9 CHAIRMAN CAWLEY: Yes, sir.

10 MR. QUIGLEY: Before I start my comments,
11 Mr. Dougherty, I'm aware of at least two people in this
12 room that fully understand swaps, John and Jim. They
13 gave me a presentation three years ago and they fully
14 understand what they are doing.

15 COMMISSIONER DOUGHERTY: Thank you.

16 MR. QUIGLEY: In reference to the \$2.9 million
17 contract we have for temporary toll collectors, the
18 question is, is it correct to, I don't want to use the
19 word "assume," that it is less expensive to use
20 temporary toll collectors than FTEs?

21 MR. HANSON: Yes.

22 MR. QUIGLEY: Has someone done that feasibility

1 study? Okay. Because it is noticeable when you go
2 through those toll booths which ones are temporary and
3 which ones are FTEs. It's really noticeable. I don't
4 know if it's a training issue or what, but they're not
5 as professional as they should be.

6 Who are we sending to Cornell University? We
7 just approved a \$1,500 expenditure to Cornell
8 University. I suspect it's for CPE or something like
9 that, some weekend?

10 MR. HANSON: It's a certificate program.

11 MR. WHITE: It's an HR certificate program.

12 Ms. Brown: It's for an administrator in the HR
13 department.

14 MR. QUIGLEY: Okay, thank you.

15 There was an expenditure of \$55,000 to the
16 Cooper Ferry Partnership for Haddon Avenue Transit.
17 What's that?

18 MR. RINK: That's part of an existing, ongoing
19 economic development project that still exists and is an
20 active project that we're trying to close out.

21 MR. QUIGLEY: Okay, thank you. I'll return to
22 economic development in a minute.

1 We just approved three line items to the Old
2 Dominion Brush Company and the total amount of those
3 three line items was \$6.7 thousand. My question is, are
4 those the types of brushes we use to do the floor or the
5 brushes that go into electric motors?

6 MR. HANSON: They're in electric motors.
7 They're the PATCO traction motors.

8 MR. QUIGLEY: Okay, thank you.

9 In the cash flow statement that was up on the
10 website, page 3, there is a negative entry of \$209,595
11 and it just says economic development activities. Now
12 I'm going to draw the conclusion that there is no
13 correlation between that number and the \$900,000 set
14 aside for legal assistance in reference to the federal
15 probe on the economic development.

16 There is no correlation there; is that a
17 correct conclusion?

18 MR. WHITE: I'm not sure what number you're
19 referring to.

20 MR. QUIGLEY: Page 3 of the cash flow
21 statement. It's a negative entry.

22 So if I read it right, this says that this

1 \$209,000,

2 MR. HANSON: In the financial statements, Jim.

3 MR. QUIGLEY: was originally set aside for
4 economic development; did not get spent there; and is
5 now returning to the general fund, if I read it right.

6 MR. HANSON: Yeah, that's some of the money.

7 MR. QUIGLEY: Okay. What is it? Who didn't
8 get it, not that who didn't get it, but what was it
9 earmarked for, now we're getting it?

10 Does anybody remember?

11 MR. WHITE: You're talking about the \$209,000?

12 MR. QUIGLEY: Right. It appears again on
13 page 4.

14 MR. WHITE: Those are ongoing payments for
15 existing projects. I don't know right off-hand who the
16 payments are. That's how we reflect them in our
17 financial statements.

18 So we can certainly get you that information,
19 Mr. Quigley.

20 MR. QUIGLEY: Well, I looked for it in the
21 financial statements. I couldn't find it. But I'll
22 move onto the next item.

1 I did find the \$2.9 million we're still paying
2 Victor Lofts. We paid him in 2013 and again in 2014.
3 Now, if I'm not mistaken, isn't Victor Lofts the
4 organization we had litigation with three or four years
5 ago because they hadn't paid back any of the previous
6 loans for over ten years and he was playing the poor man
7 card, and he had an 86 percent occupancy rate, and he
8 wasn't paying us back? Why are we still giving this
9 Victor Lofts, \$2.9 million a year?

10 MR. HANSON: We are not making payments to
11 Victor Lofts. Where is it? Where do you see that entry?

12 MR. QUIGLEY: It's in the financial statement,
13 page 58, Schedule 5.

14 MR. WHITE: Page 58 would be speaking to the
15 outstanding obligation.

16 MR. QUIGLEY: So if we had litigation with this
17 person and if I'm incorrect on that, somebody correct
18 me, if we're in litigation with him, why are we still
19 giving him \$3 million a year?

20 MR. WHITE: No, we're not.

21 MR. QUIGLEY: Oh, we're not, okay.

22 MR. WHITE: We're not giving up \$3 million.

1 MR. HANSON: I think that's what he owes us.

2 MR. WHITE: Right.

3 MR. QUIGLEY: I understand, but that's not the
4 way it's reflected.

5 COMMISSIONER SASSO: It's not reflected that
6 way, then I think it's a mistake on the statement,
7 because I think that's the obligation.

8 MR. WHITE: Yes, exactly. It's the obligation.

9 COMMISSIONER MASON: So is it on here because
10 there might be a chance that it has to be paid and is
11 that why it's reflected that way?

12 MR. WHITE: No, we're just reflecting that
13 that's what due back to the DRPA.

14 MR. QUIGLEY: So it's on the other side of the
15 balance sheet.

16 COMMISSIONER MASON: Just acknowledge that's on
17 here.

18 Mr. Hanson: Outstanding, right.

19 MR. WHITE: So if you look at page 1 of the
20 balance sheet, you will see that schedule, Schedule 5,
21 foots to your economic development loans on that page.
22 So if you look at the June 30th financial statements,

1 and \$16.3 million as of June 30th, that foots to the
2 \$16.3 million you see in Schedule 5.

3 MR. QUIGLEY: Yeah, but what does it show on
4 the March 31st statement? The same numbers.

5 MR. HANSON: Page 58 is Schedule 5 and it's
6 showing a list of the total value of the loans. And the
7 \$2.9 million is the value of the loan. And what you can
8 see on there is that the value doesn't change. It lists
9 \$2.9, it's really \$3 million, \$2.976 million, at June
10 30, 2014; it was the same amount on December 31, 2013,
11 which reflects that there were no payments made on the
12 loan.

13 So this is a schedule of the loans and then a
14 provision for loan losses at the bottom. So it's not
15 anything we've paid him. It is the total loan amount
16 outstanding.

17 MR. QUIGLEY: That he owes us.

18 MR. WHITE: Exactly, yeah.

19 MR. QUIGLEY: Okay, thank you. Thank you very
20 much.

21 That segues into my closing comment, which is
22 an appreciation and a compliment for the good fiscal

1 management, with no toll increases, through what's
2 stated on paper going into today was through 2017. And
3 I was going to request to make sure we get a feasibility
4 study at that point. But with the verbal comments made
5 by Mr. Hanson this morning, I'm very encouraged that
6 we're looking at 2019, which is I think your anniversary
7 of the bridge.

8 MR. HANSON: And, again, that's looking forward
9 with our best projections of what's going to happen.
10 There are things you can never foresee, like the failure
11 of the model line bond insurers that we dealt with, the
12 collapse of the auction rate securities market, all
13 these negative things that over time, as we built this
14 general fund up, with the help of the Board, and
15 management, and all of the staff who every day the
16 bridges and in PATCO and in administration who work to
17 keep expenses down; we encountered a lot of very
18 difficult situations; like I said, the collapse of the
19 auction rate security market, the model line bond
20 insurers. So there are things that we may not foresee
21 that could put us off pace. But the goal is definitely
22 the goal and that's what we're moving toward.

1 MR. QUIGLEY: And, Paul, from *The Inquirer*,
2 you're going to include all that in the article that
3 headlines no toll increases to the year 2019, right?
4 Merry Christmas.

5 CHAIRMAN CAWLEY: Thank you.

6 Is there any additional public comment?

7 COMMISSIONER SASSO: Mr. Chairman?

8 CHAIRMAN CAWLEY: Yes, Commissioner Sasso?

9 COMMISSIONER SASSO: I'd like to make a brief
10 public comment, since we're advising Paul on what to
11 write up in his article.

12 But Paul wrote up an article which appeared in
13 this morning's paper, and I thought it was materially
14 deficient in a number of ways. And I just wanted to
15 correct the record for the public by reminding everyone
16 that the activities I was involved in relating to
17 economic development involved programs that existed
18 before I was a Commissioner.

19 And my complaints as the Chairman of the O&M
20 Committee about those programs is what I was asked
21 about, so I didn't think it was a conflict to get my law
22 firm involved. I asked the Board about it. They

1 approved it beforehand. And, quite frankly, I think
2 because I gave such a complete report to the U.S.
3 Attorney, it saved this Authority quite a bit of money,
4 well in excess of any fees my firm would have charged.

5 So, maybe, Paul, you can elaborate on the issue
6 when you're reporting, tomorrow.

7 Thank you, Mr. Chairman.

8 CHAIRMAN CAWLEY: Thank you, Commissioner.

9 Is there any additional public comment?

10 Vice Chairman Nash: I liked my picture.

11 CHAIRMAN CAWLEY: We'll let that comment speak
12 for itself.

13 Is there any additional public comment? Any
14 additional?

15 Very well, at this time, I'm going to call for
16 a motion to go into Executive Session. Is there such a
17 motion?

18 COMMISSIONER SWEENEY: Move the motion.

19 COMMISSIONER DOUGHERTY: Second.

20 CHAIRMAN CAWLEY: What we'll do at this point,
21 without objection, we are going to recess the Delaware
22 River Port Authority meeting for the purpose of

1 convening the PATCO Board meeting to transact this as
2 for PATCO. We will then resume the DRPA meeting, after
3 we conclude the business of the Port Authority Transit
4 Corporation.

5 Is there any objection to recess of the DRPA
6 meeting?

7 Seeing none, we are now in recess for PATCO.
8 (Off the record.)

9 CHAIRMAN CAWLEY: We will now reconvene the
10 Delaware River Port Authority Board meeting.

11 And I will entertain a motion to go out of
12 Executive Session.

13 Is there such a motion?

14 COMMISSIONER KICHLINE: Move the motion.

15 CHAIRMAN CAWLEY: Is there a second?

16 COMMISSIONER SASSO: Second.

17 CHAIRMAN CAWLEY: It has been moved and
18 seconded.

19 All those in favor will signify by saying, aye.

20 ALL: Aye.

21 CHAIRMAN CAWLEY: Those opposed, nay?

22 The ayes have it and the motion carries.

1 I would ask that only remaining would be
2 Commissioners, designees of Commissioners, the legal
3 team, and the Chief Operating Officer and his Deputy.

4 All else, if you would please step out and the
5 Governor's Office, of course.

6 (Executive Session)

7 CHAIRMAN CAWLEY: We are going to return to new
8 business. And it is the Chair's understanding that
9 there is a matter to be considered. The Chair
10 recognizes Commissioner Nash.

11 VICE CHAIRMAN NASH: Thank you. I have a point
12 because we are adding this, do we need to vote to add it
13 because it has not been posted? I'm going to present a
14 motion to accept a motion to approve Conrad O'Brien to
15 the approved list of attorneys at a very specified,

16 CHAIRMAN CAWLEY: At specified rates.

17 VICE CHAIRMAN NASH: That's the word, rate,
18 okay. Rate, yes. So we have to have a super majority
19 in order to add a resolution to the agenda. So my
20 motion was for the super majority.

21 COMMISSIONER SASSO: Second.

22 CHAIRMAN CAWLEY: It has been moved and

1 seconded.

2 Discussion on the motion? Everyone understand
3 it?

4 In order to move to the matter, we've got to
5 first put it on the agenda through super majority.
6 Everyone clear on the motion?

7 VICE CHAIRMAN NASH: Yes.

8 CHAIRMAN CAWLEY: Very well. All those in
9 favor of the motion, please signify by saying, aye.

10 ALL: Aye.

11 CHAIRMAN CAWLEY: Those opposed, nay.

12 The ayes have it.

13 We will now move to consideration of the
14 motion, which is, Commissioner Nash?

15 VICE CHAIRMAN NASH: The motion is to approve
16 Conrad O'Brien to the approved list of counsel at the
17 DRPA, at the specified rate.

18 CHAIRMAN CAWLEY: Does everyone understand the
19 motion? Discussion on it?

20 Seeing none, all those in favor?

21 May I have a second to the motion?

22 COMMISSIONER SASSO: Second.

1 CHAIRMAN CAWLEY: It has been moved and
2 seconded.

3 Discussion on the motion?

4 Seeing none, all those in favor please signify
5 by saying, aye.

6 ALL: Aye.

7 CHAIRMAN CAWLEY: Those opposed, nay?

8 The ayes have it and that motion carries.

9 I just have one, I guess, privilege of the
10 Chair and that is to congratulate Commissioner Kichline,
11 who was recently appointed as a Chester County
12 Commissioner.

13 Congratulations to you.

14 And, of course, I wish you all a very happy and
15 health holiday season. Some of you at least we'll be
16 seeing in New York for the marathon of eating and
17 drinking.

18 If there is nothing further from anyone, I'll
19 entertain a motion to adjourn.

20 COMMISSIONER FENTRESS: Move the motion.

21 CHAIRMAN CAWLEY: Is there a second?

22 COMMISSIONER DiANTONIO: Second.

1 CHAIRMAN CAWLEY: It has been moved and
2 seconded.

3 Discussion on the motion?

4 Seeing none, all those in favor will signify by
5 saying, aye.

6 ALL: Aye.

7 CHAIRMAN CAWLEY: Those opposed, nay?

8 The ayes have it. We are done.

9 (Whereupon, the meeting ended on December 10,
10 2014, at 12:14 p.m.)

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C E R T I F I C A T E

This is to certify that the attached proceedings before the Delaware River Port Authority Board Meeting on December 10, 2014, were held as herein appears, and that this is the original transcript thereof for the file of the Agency.

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