

MINUTES OF MEETING
THE DELAWARE RIVER AND BAY AUTHORITY
Wednesday, February 22, 2017
James Julian Boardroom
Delaware Memorial Bridge Plaza
New Castle, Delaware 19720

The meeting convened at 9:02 a.m. with Chairperson Hogan presiding.

Chairperson Hogan called on the Authority Assistant Secretary to read the meeting notice. The Assistant Secretary announced that a notice of the meeting had been distributed to the offices of the Governor of New Jersey and the Governor of Delaware, to appropriate staff members and consultants, to the press in both States and to any other individuals who had indicated an interest in receiving a copy of the meeting notice.

Chairperson Hogan called on the Assistant Secretary to take the roll.

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Commissioners from Delaware

Commissioners from New Jersey

PRESENT

William E. Lowe, Vice-Chairperson
Crystal L. Carey
Richard W. Downes
James L. Ford III
Samuel E. Lathem
Terry C. Murphy- **absent**

James N. Hogan, Chairperson
James Bennett- **absent**
Douglas Van Sant
Shirley R. Wilson
Ceil Smith
VACANT

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Commissioner Hogan was given the Oath of Allegiance as the Chairperson of the Board of Commissioners by Executive Director Thomas Cook, while Mrs. Hogan held the Bible.

Commissioner William Lowe was given the Oath of Allegiance as the Vice-Chairperson of the Board of Commissioners by Executive Director Thomas Cook.

Authority Chair called for a motion to move the meeting to an Executive Session to discuss matters of a confidential nature. Commissioner Lathem made a motion, Commissioner Lowe seconded, and the Session was closed. The following matters of a confidential nature were discussed: Ongoing Police Investigation.

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

Chairperson Hogan called for a motion to approve the 2017 Committee Assignments, which will begin in March. Commissioner Van Sant motioned to accept the new Committee Assignments, seconded by Commissioner Wilson, and the motion carried by a voice vote of 9-0.

Chairperson Hogan called for a motion to adjourn the Board Meeting in order to conduct the Committee meetings. Commissioner Lowe motioned to adjourn, Commissioner Smith seconded and the meeting was adjourned at 9:15 a.m.

Authority Chairperson Hogan called for a motion to reconvene the Board of Commissioners meeting. Commissioner Wilson motioned, Commissioner Lowe seconded, and the motion carried with a voice vote of 9-0. Board of Commissioners meeting reconvened at 11:30 a.m.

Chairperson Hogan called upon Commissioner Lathem to give the opening prayer.

The opening prayer was given by Commissioner Lathem, followed by the Pledge of Allegiance led by the Executive Director.

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Chairperson Hogan called for the acceptance of the Agenda.

Commissioner Lowe motioned to accept the Agenda, seconded by Commissioner Smith, and the motion carried by a voice vote of 9-0.

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11216. APPROVAL OF THE JANUARY 18, 2017 MINUTES

Chairperson Hogan called for a motion to amend the minutes of January 18, 2017, to include the corrected Consent forms for Exhibit C & E of Resolutions 17-07. Vice Chairperson Lowe made a motion to amend and accept the minutes of January 18, 2017 as amended, seconded by Commissioner Smith, and unanimously approved by a voice vote of 9-0.

Commissioner Lowe motioned to approve the January 18, 2017 meeting minutes, seconded by Commissioner Smith, and unanimously approved by a voice vote of 9-0.

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11217. DELAWARE RIVER AND BAY AUTHORITY – TRAFFIC AND REVENUE SUMMARY.

The Chief Financial Officer (CFO) presented a chart showing Actual versus Projected Revenues for the Delaware Memorial Bridge, the Cape May-Lewes Ferry, Airports, Delaware City-Salem Ferry Crossing, and Food Services for the month of January 2017.

Without objection, the chart was ordered filed with the permanent records of the Authority.

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11218. DELAWARE RIVER AND BAY AUTHORITY – STATEMENT OF INCOME AND EXPENSE.

The CFO presented a chart showing statements of income and expenses for the month of January with comparisons to the same period last year.

Without objection, the chart was ordered filed with the permanent records of the Authority.

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11219. DELAWARE RIVER AND BAY AUTHORITY – OPERATING EXPENSE BY DIVISION.

The CFO presented a chart for December showing expenses by division for the quarter to date vs. the projected quarter and for year to date vs. total budget.

Without objection, the chart was ordered filed with the permanent records of the Authority.

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11220. DELAWARE RIVER AND BAY AUTHORITY – CAPITAL IMPROVEMENT PROGRAM.

The CFO presented a chart for the month of January showing the capital budget for crossing and economic development projects and dollars committed to date for the projects. The chart also included cash expenditures spent to date for the committed projects.

Without objection, the chart was ordered filed with the permanent records of the Authority.

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11221. DELAWARE RIVER AND BAY AUTHORITY – CASH POSITION (MARKET VALUE) AS OF JANUARY 31, 2017.

The CFO presented charts indicating the cash fund balances for the entire Authority.

Without objection, the chart was ordered filed with the permanent records of the Authority.

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11222. AUTHORITY CUSTOMER TRENDS (ACT) REPORT

The Authority Customer Trends (ACT) Report included in the financials allows management to view on a month-to-date basis trends in areas such as traffic, customer service, aircraft landings, and workplace incidents. Copies are distributed daily to employees via email and posted on bulletin boards for those without computers.

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11223. PUBLIC COMMENT ON ACTION ITEMS

Chairperson Lowe noted that there is one (1) Contract Award, and five (5) Resolutions.

All action items have been reviewed and recommended for consideration during today's Committee meetings. He then called for public comment.

There were no public comments.

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11224. AWARD OF CONTRACT #CMLF-12-15 COATING AND REPAIRS OF STEEL SHEET PILING CAPE MAY AND LEWES TERMINALS

The Chief Operations Officer (COO) noted that a public bid opening was held on January 31, 2017 and four (4) bids were received. The COO and the Projects committee recommended awarding the contract to the lowest responsible bidder, Agate Construction Company, Inc, 1030 Route 83, Clermont, NJ 08210, in the amount of \$1,659,401.00.

A motion to award CONTRACT #CMLF-12-15 to the aforementioned firm was made by Commissioner Van Sant, seconded by Commissioner Smith, and unanimously approved by a voice vote of 9-0.

11225. CHAIRPERSON’S CALL FOR RESOLUTIONS BEFORE THE BOARD

RESOLUTION 17-09 - AUTHORIZING AUTHORITY EXPENDITURES PURSUANT TO RESOLUTION 01-84 FOR THE PERIOD, JANUARY 1, 2017 THROUGH DECEMBER 31, 2017

WHEREAS, The Delaware River and Bay Authority (the “Authority”) adopted Resolution 01-84 requiring Commissioner review and approval of all Authority expenditures in excess of \$25,000; and

WHEREAS, the Authority anticipates expenditures at or over the \$25,000 amount to the following vendors:

DELAWARE RIVER & BAY AUTHORITY
PROJECTED VENDORS TO BE PAID OVER \$25,000
OPERATION EXPENDITURES
FOR THE PERIOD 1/1/17 THROUGH 12/31/17

VENDOR	PURCHASE DESCRIPTION	CLASSIFICATION	ESTIMATED \$
Baylor Inc., d/b/a International of Delmarva	Replacement Dump Truck	State Contract	\$190,000
Chesapeake Pump & Electric	Oil/Water Separator for DMB Maintenance Wash Bay	Quotes	\$33,000
Collinson, Inc.	Replacement Sign Panels at Cape May Ferry Terminal	Quotes	\$26,000
DMC Supplies	Cold Weather Gear for CMLF Marine and Deck Crews	Quotes	\$35,000
EBC Carpet Services Corporation	Annual Floor Maintenance at Delaware Facilities	Quotes	\$40,000
John Deere, Inc. c/o Atlantic Tractor	Replacement Equipment for Grounds Crews	State Contract	\$70,000
Laurel Lawnmower, Inc.	Replacement Mowers and Aerator	Quotes	\$32,000

A motion to approve Resolution 17-09 was made by Commissioner Smith, seconded by Commissioner Latham, and approved by a roll call vote of 9-0.

Resolution 17-09 Executive Summary Sheet

Resolution: Authorizing Authority Expenditures Pursuant to Resolution 01-84 for the period January 1, 2017 through December 31, 2017.

Committee: Budget & Finance

Committee and Board Date: February 22, 2017

Purpose of Resolution:

Authorizes expenditures of \$25,000 or greater with the identified vendors during the 2017 calendar year.

Background for Resolution:

The proposed Resolution meets the requirements of Resolution 01-84, whereby the Authority shall not enter into any contract committing the Authority to spend or make any other expenditures relating to services, material and supplies in the amount of \$25,000 or more unless it has first been approved by a vote of Commissioners.

Background for the specific purchases:Baylor Inc., d/b/a International of Delmarva: Replacement Dump Truck

The Authority (ILG-Grounds) is replacing a 2002 Sterling LT-9500 dump truck with 55,000 miles. This vehicle has seen an increase in mechanical issues and parts are more difficult to find due to its manufacturer closing business operations in 2009. The vehicle has exceed its useful life and meets the equipment replacement criteria in place for the Authority. The replacement equipment will include one (1) new dump truck purchased from International of Delmarva at their state contract rate for "Heavy Duty Trucks". The retired equipment will be sold at public auction.

Chesapeake Pump & Electric: Oil/Water Separator for DMB Maintenance Wash Bay

The Authority will be hiring a contractor to install owner-furnished equipment intended to separate free oils from groundwater runoff and washdown applications. This project is an effort to control oil from being washed into our water supplies. Quotes for the work were solicited from three contractors, with one contractor responding. Chesapeake Pump & Electric quoted a fair and reasonable price to install the tank, alarm panel and diamond plate cover.

Collinson Inc.: Replacement Sign Panels at Cape May Ferry Terminal

The Authority will be hiring a contractor to furnish and install three new overhead sign panels at the Cape May ferry terminal. Quotes for the work were solicited and received from three contractors, with Collinson quoting the lowest price to perform the work as specified by DRBA staff.

DMC Supplies: Cold Weather Gear for CMLF Marine and Deck Crews

The Authority solicited and received quotes from six (6) apparel vendors for a variety of clothing items that will be provided to personnel throughout the year. DMC Supplies quoted the lowest cost to supply Carhartt-branded jackets, bib overalls and coats

EBC Carpet Services Corporation: Annual Floor Maintenance at Delaware Facilities

In January 2016, the Authority combined its Delaware floor cleaning services into one annual contract having a one-year base term and the option to extend the agreement for two additional years. Bids were solicited from seven (7) cleaning firms and the contract was awarded to the lowest bidder. The Authority has elected not to extend the base term of the 2016 contract and has awarded a new floor maintenance contract to EBC Carpet Services, the next lowest bidder.

John Deere, Inc. c/o Atlantic Tractor: Replacement Grounds Crew Equipment

The Authority is replacing a 1995 Ford 1920SS tractor/backhoe with 1,300 hours, a 2001 John Deere 455 tractor/mower with 2,000 hours, and a 2005 John Deere Gator that have exceeded their useful life and meets the equipment replacement criteria for age and/or condition. The purchase will be made via an authorized equipment dealer (Atlantic Tractor) at the National Joint Powers Alliance (NJPA) competitively-bid contract price for “Ag Tractors and/or Implements”. The replaced equipment will be sold at public auction.

Laurel Lawnmower, Inc.: Replacement Mowers and Aerator

The Authority will be acquiring two (2) replacement 36” walk-behind lawn mowers, one (1) 72” diesel mower, one (1) stand on mower and one (1) 30” stand on aerator for use on the grounds. Each piece of equipment being replaced has exceeded its useful life and meets the equipment replacement standard. Quotes for the equipment were solicited and received from three lawn equipment suppliers, with Laurel Lawnmower, Inc. quoting the lowest price to meet Authority specifications.

Classification Definitions:

Quotes. A purchase of equipment, supplies or non-professional services or a contract for construction or construction management that is anticipated to cost between \$25,000 and \$49,999 during a calendar year and for which the Authority has solicited written quotes. *“Contracts for materiel and supplies and non-professional services, awarded to any [vendor for an amount of] more than \$25,000 but less than \$50,000 in the aggregate require the solicitation of three written quotes or all available sources, whichever is less...Construction management contracts or construction contracts...which are less than \$50,000 do not require formal solicitation of competitive prices and, if more than \$25,000 but less than \$50,000 require the solicitation of three written quotes or all available sources, whichever is less...”* (DRBA Resolution 98-31 Part 4).

State Contract. A purchase of equipment, supplies or non-professional services which, under normal circumstances, would require competitive bidding, however the vendor has agreed to provide the goods or services to the Authority at fees less than or equal to that vendor’s respective contract as awarded by the State of Delaware or New Jersey. *“Any contract for the purchase of materiel and supplies and non-professional services....which contract individually exceeds \$50,000, or in the combination with other contracts, exceeds \$50,000 in any one calendar year shall be pursuant to a contract entered into by the Authority after competitive bidding. This provision shall not apply to purchases by the Authority from suppliers in cases where the Authority is purchasing at prices pursuant to contracts awarded by the States of Delaware or New Jersey for state agencies.”* (DRBA Resolution 11-36 Part 2.a.)

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RESOLUTION 17-10 AUTHORIZES A LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND CAPE MAY COUNTY AT THE CAPE MAY AIRPORT

WHEREAS, the Delaware River and Bay Authority (the “Authority”), is the operator of the Cape May Airport (the “Airport”), Cape May, New Jersey; and

WHEREAS, Cape May County (the “County”) desires to lease approximately 1,500 square feet of space in the new building located at 251 Ranger Rd. in order to operate a UAV incubator at the Cape May Airport; and

WHEREAS, the County has agreed to pay the Authority annual rent in the amount of Nine Thousand dollars (\$9,000.00); and

WHEREAS, the initial term of the Lease (“Lease Agreement”) shall be for one (1) year; and

WHEREAS, the County shall have the option of renewing this Lease Agreement for two (2) additional one (1) year terms; and

WHEREAS, rent shall adjust in the second renewal period to Nine Thousand Seven Hundred and Fifty Dollars (\$9,750.00) annually and in the third renewal period to Ten Thousand Five Hundred Dollars (\$10,500.00) annually; and

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby authorized to finalize the terms and conditions of the Lease Agreement with the County of Cape May and, with the advice and consent of counsel, to have such agreement executed by the Chairperson, Vice Chairperson and the Executive Director.

A motion to approve Resolution 17-10 was made by Commissioner Wilson, seconded by Commissioner Smith, and approved by a roll call vote of 9-0.

Resolution 17-10 Executive Summary

Resolution: Authorizing the Execution of a Lease Agreement between the Delaware River and Bay Authority and the County of Cape May regarding the Cape May Airport
Committee: Economic Development
Committee Date: February 21, 2017
Board Date: February 21, 2017
Purpose of Resolution: To permit the Executive Director, Chairman and Vice Chairman to execute and deliver a lease agreement for space at the Cape May Airport.

Background for Resolution:

The Delaware River and Bay Authority recently constructed a new light industrial building located at 251 Ranger Rd. in the Cape May Airport Industrial Park. The County of Cape May will be leasing 1,500 sq.ft. space to operate a UAV incubator space. the space will be used for the development of small businesses and new technologies. The lease rate is reflective of the FMV for similar units in Building 96

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RESOLUTION 17-11 AUTHORIZES A LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND BILL STERRITT NJ LLC d/b/a AERODROME AT THE CAPE MAY AIRPORT

WHEREAS, the Delaware River and Bay Authority (the “Authority”), is the operator of the Cape May Airport (the “Airport”), Cape May, New Jersey; and

WHEREAS, Bill Sterritt NJ, LLC d/b/a Aerodrome (the “Aerodrome”) desires to lease approximately 1,500 square feet of space in the new building located at 251 Ranger Rd. in order to operate a studio and performance venue at the Cape May Airport; and

WHEREAS, the Aerodrome has agreed to pay the Authority annual rent in the amount of Seventeen Thousand Four Hundred dollars (\$17,400.00); and

WHEREAS, the initial term of the Lease (“Lease Agreement”) shall be for two (2) years; and

WHEREAS, the Aerodrome shall have the option of renewing this Lease Agreement for two (2) additional one (1) year terms; and

WHEREAS, rent shall adjust annually in each renewal by the Consumer Price Index (CPI); and

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby authorized to finalize the terms and conditions of the Lease Agreement with Bill Sterritt NJ, LLC d/b/a Aerodrome and, with the advice and consent of counsel, to have such agreement executed by the Chairperson, Vice Chairperson and the Executive Director.

A motion to approve Resolution 17-11 was made by Commissioner Downes seconded by Commissioner Ford, and approved by a roll call vote of 9-0.

Resolution 17-11 Executive Summary

Resolution: Authorizing the Execution of a Lease Agreement between the Delaware River and Bay Authority and Bill Sterritt NJ, LLC d/b/a Aerodrome regarding the Cape May Airport

Committee: Economic Development

Committee Date: February 22, 2017

Board Date: February 22, 2017

Purpose of Resolution: To permit the Executive Director, Chairman and Vice Chairman to execute and deliver a lease agreement for space at the Cape May Airport.

Background for Resolution:

The Delaware River and Bay Authority recently constructed a new light industrial building located at 251 Ranger Rd. in the Cape May Airport Industrial Park. Aerodrome will use the space as a studio for filming things like commercials and videos and a performance space for small film festivals etc. This is a new business to the area. Tenant is relocating from Los Angeles, CA. The lease rate is reflective of the FMV for similar units in Building 96.

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RESOLUTION 17-12 AUTHORIZES A LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND TK AUTOSPORTS AT THE MILLVILLE AIRPORT

WHEREAS, the Delaware River and Bay Authority (the “Authority”), is the operator of the Millville Airport (the “Airport”), Millville, New Jersey; and

WHEREAS, TK Autosports (“TK”) desires to lease approximately 8,000 square feet of hangar and office space located at 1601 Malone Street at the Millville Airport; and

WHEREAS, TK has agreed to pay the Authority annual rent in the amount of Twenty-Four Thousand dollars (\$24,000.00); and

WHEREAS, the initial term of the Lease (“Lease Agreement”) shall be for two (2) years; and

WHEREAS, TK, with the consent of the Authority, shall have the option of renewing this Lease Agreement for three (3) additional one (1) year terms; and

WHEREAS, rent shall be adjusted annually during the renewal terms by \$0.50/sq.ft.; and

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby authorized to finalize the terms and conditions of the Lease Agreement with TK Autosports and, with the advice and consent of counsel, to have such agreement executed by the Chairperson, Vice Chairperson and the Executive Director.

A motion to approve Resolution 17-12 was made by Commissioner Wilson, seconded by Commissioner Smith, and approved by a roll call vote of 9-0.

Resolution 17-12 Executive Summary

Resolution: Authorizing the Execution of a Lease Agreement between the Delaware River and Bay Authority and TK Autosports, regarding the Millville Airport

Committee: Economic Development

Committee Date: February 21, 2017

Board Date: February 21, 2017

Purpose of Resolution: To permit the Executive Director, Chairman and Vice Chairman to execute and deliver a lease agreement for space at the Millville Airport.

Background for Resolution: The Delaware River and Bay Authority owns a hangar facility located at 1601 Malone Street on the Millville Airport. TK Autosports wishes to lease this facility in order grow their existing business and expand upon the relationship that they have with the Motorsports Park adjacent to the airport. This facility is the recently acquired Nuquest property.

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RESOLUTION 17-13 AUTHORIZES A LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND PENTAGON PERFORMANCE, INC AT THE MILLVILLE AIRPORT

WHEREAS, the Delaware River and Bay Authority (the “Authority”), is the operator of the Millville Airport (the “Airport”), Millville, New Jersey; and

WHEREAS, Pentagon Performance, Inc. (“Pentagon”) desires to lease approximately 378 square feet of office space located in Hangar 112 at the Millville Airport; and

WHEREAS, Pentagon has agreed to pay the Authority annual rent in the amount of One Thousand Five Hundred and Twelve dollars 00/100(\$1,512.00); and

WHEREAS, the initial term of the Lease (“Lease Agreement”) shall be for one (1) year; and

WHEREAS, Pentagon, with the consent of the Authority, shall have the option of renewing this Lease Agreement for four (4) additional one (1) year terms; and

WHEREAS, rent shall be adjusted annually after the first renewal term by \$0.25/sq.ft.; and

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby authorized to finalize the terms and conditions of the Lease Agreement with Pentagon Performance, Inc. and, with the advice and consent of counsel, to have such agreement executed by the Chairperson, Vice Chairperson and the Executive Director.

A motion to approve Resolution 17-13 was made by Commissioner Ford, seconded by Commissioner Smith, and approved by a roll call vote of 9-0.

Resolution 17-13 Executive Summary

Resolution: Authorizing the Execution of a Lease Agreement between the Delaware River and Bay Authority and Pentagon Performance, Inc., regarding the Millville Airport

Committee: Economic Development
Committee Date: February 22, 2017
Board Date: February 22, 2017
Purpose of Resolution: To permit the Executive Director, Chairman and Vice Chairman to execute and deliver a lease agreement for space at the Millville Airport.

Background for Resolution:

The Delaware River and Bay Authority owns a hangar facility commonly referred to as Hangar 112 at the Millville Airport. Pentagon wishes to lease this facility in order to operate a drone training program. The adjacent hangar will be used for any required flight training and leased separately through a license agreement when utilized.

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11226. EXECUTIVE DIRECTOR’S COMMENTS

Executive Director Tom Cook reflected on the first few weeks at the DRBA. He expressed that there have been high points as well as emotional moments, and he commends the DRBA for being an incredible organization. Mr. Cook is proud to be a part of the DRBA organization serving as the Executive Director.

The Executive Director reported on events in and around the Authority since the last meeting and the following photos were shared with the Commission:

Police Graduation * American Cancer Society Recognizes Smoke-Free DRBA Cape May Terminal * STEM Students from McCullough Middle School ILG Tour * LaCosta Lounge Owner Commissioner Jimmy Bennett helps to Reshape Sea Isle City * Hannah Lowe – 1st Place, DE State Division National Shakespeare Competition (Commissioner William Lowe’s daughter) * Sunday Sunset

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11227. COMMISSIONERS PUBLIC FORUM

Chairperson Hogan opened the public forum.

Chairperson Hogan called for any comments from the public. There were no public comments.

Commissioner Downes has tendered his resignation to the Governor of Delaware, stating that he is now a resident of Sussex County. Commissioner Downes will remain in his position until his successor is named.

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There being no further business, a motion to adjourn was made by Commissioner Lowe, seconded by Commissioner Wilson, and unanimously carried by a voice vote of 9-0.

The meeting was adjourned at 11:53 a.m.

Respectfully submitted,

THE DELAWARE RIVER AND BAY AUTHORITY

Frank W. Minor
Assistant Secretary