

MINUTES OF MEETING
THE DELAWARE RIVER AND BAY AUTHORITY
Tuesday, October 17, 2017
James Julian Boardroom
Delaware Memorial Bridge Plaza
New Castle, Delaware 19720

The meeting convened at 11:50 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
James L. Ford, III - **Absent**
Samuel E. Lathem
Michael Ratchford
Henry J. Decker

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

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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 made a motion to accept the Agenda, seconded by Commissioner Ratchford, and the motion carried by a voice vote of 9-0.

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11309. APPROVAL OF THE SEPTEMBER 19, 2017 MINUTES

Chairperson Hogan called for the approval of the September 19, 2017 meeting minutes.

Commissioner Lowe made a motion to approve the September 19, 2017 meeting minutes, seconded by Commissioner Carey, and unanimously approved by a voice vote of 9-0.

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11310. 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 September 2017.

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

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11311. 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 September 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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11312. DELAWARE RIVER AND BAY AUTHORITY – OPERATING EXPENSE BY DIVISION.

The CFO presented a chart for September 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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11313. DELAWARE RIVER AND BAY AUTHORITY – CAPITAL IMPROVEMENT PROGRAM.

The CFO presented a chart for the month of September 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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11314. DELAWARE RIVER AND BAY AUTHORITY – CASH POSITION (MARKET VALUE) AS OF SEPTEMBER 30, 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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11315. PUBLIC COMMENT ON ACTION ITEMS

Chairperson Hogan noted that there is one (1) Contract Close-Out and nine (9) Resolutions for consideration.

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

There were no public comments.

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11316. CLOSE-OUT CONTRACT #WWD-15-01 – REHABILITATE RUNWAY 1-19 AND RSA PHASE 1

On July 15, 2015 Contract No. WWD-15-01, REHABILITATE RUNWAY 1-19 AND RSA PHASE 1, was awarded to South State, Inc. of Bridgeton, New Jersey for the bid price of \$5,331,003.00.

It is recommended that the Authority accept the project and make final payment to the contractor. The final cost of this project was \$4,752,367.79.

A motion to close-out Contract WWS-15-01 was made by Commissioner Lathem, seconded by Commissioner Ratchford, and approved by a voice vote of 8-0. One abstention, Commissioner Doug Van Sant (NJ).

While there were 8 votes in the affirmative, since there were not 4 affirmative votes from New Jersey, the motion failed.

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11317. CHAIRPERSON'S CALL FOR RESOLUTIONS BEFORE THE BOARD

RESOLUTION 17-46 - 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 \$
The Glosten Associates, Inc.	Peer Review of Propulsion Design Study for M/V Cape Henlopen and M/V New Jersey Repower	Professional Services	\$30,000
Kratos Public Safety & Security Solutions, Inc.	Security Enhancements for ILG Hangars	Proprietary	\$127,000
Laury Heating Company	Heater Install at MIV Hanger	Quotes	\$27,000

NOW, THEREFORE, BE IT RESOLVED, that the Authority authorizes expenditures to the above-listed vendors for the described purposes and authorizes payment.

A motion to approve Resolution 17-46 was made by Commissioner Bennett, seconded by Commissioner Wilson and approved by a roll call vote of 9-0.

Resolution 17-46 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: October 17, 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:

The Glosten Associates, Inc.: Peer Review of Propulsion Design Study for M/V Cape Henlopen and M/V New Jersey Repower

Before proceeding with the final propulsion design and engineering for either repower project, the Authority has contracted Glosten to conduct a peer review of the Propulsion Design Review Study provided by the Authority's marine architects/engineers. This will serve to verify the new propulsion parameters of each vessel. Should the peer review yield satisfactory results, the Authority will allow its marine architect/engineer to proceed with design. If adjustments to the design parameters are needed, those adjustments will be made before moving forward to the next phase of design.

Kratos Public Safety & Security Solutions, Inc.: Security Enhancements for ILG Hangars

The Authority's Electronic Division plans to begin a multi-year project to provide and install Lenel security systems at ten (10) New Castle Airport hangars. The Authority uses Lenel-branded equipment for all integrated security and access control systems. Kratos is the Lenel distributor for our region, hence the proprietary designation. Internal employees plan to perform some of the installation work in-house, dependent on availability. The estimated expenditure amount is the sum of expenditures already made with the vendor (2017 Lenel Security service agreement), plus the estimated cost to complete security enhancements at two hangars in 2017. An additional resolution to approve the purchases necessary to complete the remaining hangars will be presented in 2018.

Laury Heating Company: Heater Install at MIV Hanger

The Authority will be hiring a contractor to furnish and install two new Reznor heating units at the 1601 Malone Street Hanger at Millville Airport. The work includes the provision and installation of all natural gas piping, vent and drain piping, electrical power wiring, thermostats and testing, with a full warranty on all parts and labor. Quotes were received from three contractors. Laury Heating Co. submitted the lowest bid and will be hired to perform the work.

Classification Definitions: Professional Services. A purchase of services valued less than \$50,000 that are provided by a professional acting in a capacity that requires specialized education, knowledge, judgment, and skill, and is predominantly mental or intellectual (as opposed to physical or manual) in nature, also including any clerical or administrative support that is required for the proper delivery of the professional service. Professional services may also be classified as those types of services that are original and creative in character and in a recognized field of artistic endeavor.

Proprietary. A purchase necessary to support or maintain existing Authority equipment for which a vendor has the right to prohibit an equivalent product from being supplied. Similar products or services may be available, however the Authority must purchase from the original equipment manufacturer or service provider to uphold a contract, warranty, etc. A proprietary specification typically restricts the acceptable product or service to one manufacturer or vendor; although the product or service may be available from more than one distributor.

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).

RESOLUTION 17-47 – AUTHORIZES AN AGREEMENT BETWEEN DELAWARE RIVER AND BAY AUTHORITY AND PARKER MCCAY, P.A. TO SERVE AS GENERAL LEGAL COUNSEL REPRESENTING THE AUTHORITY’S INTERESTS IN THE STATE OF NEW JERSEY

WHEREAS, The Delaware River and Bay Authority (the “Authority”) is a bi-state Authority of the State of Delaware and the State of New Jersey, created by Compact, that operates and maintains the Delaware Memorial Bridge, Cape May-Lewes Ferry, Forts Ferry Crossing and five (5) regional airports; and

WHEREAS, the Authority desires to engage a qualified professional legal services provider to serve as outside general legal counsel representing the Authority’s interests in the State of New Jersey (hereinafter, the “Services”); and

WHEREAS, the Authority wishes to enter into a Services Agreement (“Agreement”) with the selected legal services provider; and

WHEREAS, such Agreement has a base term of three (3) years, with the Authority having the option to extend the Agreement for up to two (2) additional consecutive terms of one (1) year each following the expiration of said base term, either such additional year to be authorized by the originating committee, with the consent of the Chairperson and Vice Chairperson of the Board of Commissioners; and

WHEREAS, the Authority publicly advertised and issued a Request for Proposals (“RFP”) for New Jersey general legal counsel services in compliance with Resolution 98-31, as amended, which governs the Authority’s procedures for the procurement of professional services; and

WHEREAS, the Authority received and evaluated two (2) proposals submitted pursuant to the aforementioned requirements; and

WHEREAS, Parker McCay, P.A. (“Parker McCay”) was designated as the highest-ranking firm following evaluation; and

WHEREAS, the Budget & Finance Committee reviewed the recommendation and concurs with the evaluation; and

WHEREAS, the Authority conducted an analysis of the market to analyze the costs of the Services proposed by Parker McCay and negotiated with said firm to provide the Services at compensation determined to be fair and reasonable; and

THEREFORE BE IT RESOLVED, that the Executive Director is hereby authorized to finalize the terms and conditions of a Services Agreement with Parker McCay to provide the Services to the Authority and to have such Services Agreement executed by the Chairperson, Vice-Chairperson and Executive Director.

A motion to approve Resolution 17-47 was made by Commissioner Decker, seconded by Commissioner Van Sant, and approved by a roll call vote of 9-0.

Resolution 17-47 Executive Summary Sheet

Resolution:	Authorizes an agreement between the Authority and Parker McCay P.A. to serve as general legal counsel representing the Authority’s interests in the State of New Jersey.
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Committee: Budget & Finance Committee

Committee/
Board Date: October 17, 2017

Purpose of Resolution:

To authorize an agreement with Parker McCay, P.A. (“Parker McCay”) to provide outside legal counsel to support the Authority’s objectives related to its interests in the state of New Jersey.

Background for Resolution:

The proposed Resolution meets the requirements of Resolution 98-31, as amended, which governs the Authority’s procedures for the procurement of professional services.

The Authority received and evaluated proposals submitted by the following two (2) firms:

Parker McCay, P.A.
Weir & Partners, LLP

The Authority carefully reviewed the proposal submissions of each firm and utilized evaluation criteria to establish a ranked list, with Parker McCay being ranked highest. The Authority conducted an analysis of the market to analyze the costs for the Services and negotiated with Parker McCay to provide the Services at compensation determined to be fair and reasonable.

RESOLUTION 17-48 – AUTHORIZES A CONTRACT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND KAPLAN KIRSCH & ROCKWELL LLP TO PROVIDE PROFESSIONAL “ON CALL” AIRPORT LEGAL COUNSEL TO THE AUTHORITY

WHEREAS, The Delaware River and Bay Authority (the “Authority”) is a bi-state Authority of the State of Delaware and the State of New Jersey, created by Compact, that operates and maintains the following airports: New Castle Airport, Delaware Air Park, Civil Air Terminal, Millville Airport and Cape May Airport; and

WHEREAS, the Authority desires to engage a qualified professional legal services provider to serve as “on call” airport legal counsel; and

WHEREAS, the Authority wishes to enter into a Services Agreement (“Agreement”) with the selected legal services provider; and

WHEREAS, such Agreement shall have a base term of three (3) years, with the Authority having the option to extend the Agreement for up to two (2) additional consecutive terms of one (1) year each following the expiration of said base term, either such additional year to be authorized by the originating committee, with the consent of the Chairperson and Vice Chairperson of the Board of Commissioners; and

WHEREAS, the Authority publicly advertised and issued a Request for Proposals (“RFP”) for “on-call” airport legal counsel in compliance with Resolution 98-31, as amended, which governs the Authority’s procedures for the procurement of professional services; and

WHEREAS, the Authority received and evaluated three (3) proposals pursuant to the aforementioned requirements; and

WHEREAS, as a result of the initial proposal evaluations, the Authority conducted an oral interviews with each proposing firm; and

WHEREAS, Kaplan Kirsch & Rockwell (“KKR”) was designated as the highest-ranking firm following final evaluation; and

WHEREAS, the Budget & Finance Committee reviewed the recommendation and concurs with the evaluation; and

WHEREAS, the Authority conducted an analysis of the market to analyze the costs of the Services proposed by KKR and negotiated with said firm to provide the Services at compensation determined to be fair and reasonable; and

THEREFORE BE IT RESOLVED, that the Executive Director is hereby authorized to finalize terms and conditions of a Service Agreement with KKR to provide the Services to the Authority and to have such agreement executed by the Chairperson, Vice-Chairperson and Executive Director.

A motion to approve Resolution 17-48 was made by Commissioner Bennett, seconded by Commissioner Wilson, and approved by a roll call vote of 9-0.

Resolution 17-48 Executive Summary Sheet

Resolution: Authorizes an agreement between the Authority and Kaplan Kirsch & Rockwell to provide professional “on call” airport legal counsel representing the interests of the Authority.

Committee: Budget & Finance Committee

Committee/
Board Date: October 17, 2017

Purpose of Resolution:

To authorize an agreement with KKR to provide professional “on-call” airport legal counsel services representing the interests of the Authority.

Background for Resolution:

The proposed Resolution meets the requirements of Resolution 98-31, as amended, which governs the Authority’s procedures for the procurement of professional services.

The Authority received and evaluated proposals submitted by the following three (3) firms:

Foley & Lardner LLP
Kaplan Kirsch & Rockwell LLP
Weir & Partners LLP

The Authority conducted interviews with each of the three firms that submitted technical proposals and utilized final evaluation criteria to establish a ranked list, with KKR being identified as the top-ranked firm following the interviews. The Authority opened cost proposals and conducted an analysis of the market to analyze the costs of the Services and negotiated with KKR to provide the Services at compensation determined to be fair and reasonable.

**RESOLUTION 17-49 – DELCLARING THE OFFICIAL INTENT OF THE
DELAWARE RIVER AND BAY AUTHORITY TO REIMBURSE ITSELF FROM THE
PROCEEDS OF DEBT FOR CAPITAL EXPENDITURES, CERTAIN PRELIMINARY
EXPENDITURES AND COSTS OF ISSUANCE TEMPORARILY FUNDED FROM
REVENUES OR OTHER SOURCES**

WHEREAS, The Delaware River and Bay Authority (the “Authority”) was created as a body politic and an agency of government of the State of Delaware and the State of New Jersey, by virtue of Chapters 145 and 146, Volume 53, Laws of Delaware, approved by the Governor of the State of Delaware July 21, 1961, and Chapter 66 of the Pamphlet Laws of 1961 of the State of New Jersey, approved by the Governor of the State of New Jersey June 3, 1961 (said Chapters 145 and 146 and said Chapter 66 being hereinafter sometimes collectively called the “Original Enabling Legislation”), pursuant to which the State of Delaware and the State of New Jersey entered, subject to the consent of the Congress of the United States of America, into a compact (hereinafter sometimes called the “Original Compact”) creating the Authority; and

WHEREAS, the consent of the Congress of the United States of America was given to the States of Delaware and New Jersey to enter into the Original Compact by a Joint Resolution of the Congress, approved September 20, 1962 (Public Law 87-678, 87th Congress); and

WHEREAS, by virtue of Chapter 252, Volume 67, Laws of Delaware, approved by the Governor of the State of Delaware June 28, 1990, and Chapter 192 of the Pamphlet Laws of 1989 of the State of New Jersey, approved by the Governor of the State of New Jersey October 18, 1989 (said Chapter 252 and said Chapter 192, together with the Original Enabling Legislation being hereinafter sometimes collectively called the “Enabling Legislation”), the State of Delaware and the State of New Jersey entered, subject to the consent of the Congress of the United States of America, into certain amendments to the Original Compact (as so amended and as may be further amended from time to time hereinafter sometimes called the “Compact”); and

WHEREAS, the consent of the Congress of the United States of America was given to the State of Delaware and New Jersey to enter into the Compact by a Joint Resolution of the Congress, approved November 15, 1990 (Public Law 101-565, 101st Congress); and

WHEREAS, by virtue of the Compact and the Enabling Legislation, the Authority’s powers include authorization to plan, finance, develop, construct, purchase, lease, maintain, improve and operate crossings, including bridges, tunnels and ferries and all approaches thereto and connecting and service routes, between the State of Delaware and the State of New Jersey across the Delaware River or Bay at any location south of the boundary line between the State of Delaware and the Commonwealth of Pennsylvania as extended across the Delaware River to the New Jersey shore of said River; and

WHEREAS, the Authority owns, operates and maintains twin bridges spanning the Delaware River from a point between Pigeon Point near the City of Wilmington in the State of Delaware and New Castle in said State to a point near the Salem Canal in the State of New Jersey, together with their approaches, appurtenances and property; and

WHEREAS, the Authority also owns, operates and maintains a public ferry system across Delaware Bay between Cape May in the State of New Jersey and the Town of Lewes in the State of Delaware, including vessels, marine facilities, approaches and connecting and service routes and appurtenances and equipment incidental thereto; and

WHEREAS, the Authority also owns, operates and maintains the New Castle County Airport, the Millville Airport, the Cape May Airport, the Delaware Air Park and the Civil Air Terminal; and

WHEREAS, the Authority desires to finance with the proceeds of debt the acquisition, construction, improvement, renovation, equipping and design of a portion of the projects (collectively, the “Project”) planned to be carried out as part of the Authority-Wide Five

Year (2017-2021) Strategic CIP Summary, prepared and reviewed in conjunction with the Authority's capital improvement plan approved by the Board of Commissioners of the Authority ("Board") on December 20, 2016, a copy of which is attached hereto as Exhibit "A" and made a part hereof; and

WHEREAS, the Authority has paid, beginning no earlier than August 19, 2017 and will pay, on and after the date hereof, certain expenditures (the "Expenditures") in connection with the Project; and

WHEREAS, the Authority has determined that those moneys previously advanced no earlier than August 19, 2017 and to be advanced on and after the date of the adoption of this Resolution to pay the Expenditures are available only for a temporary period, and it is necessary to reimburse the Authority for the Expenditures from the proceeds of one or more issues of tax-exempt bonds (the "Bonds"); and

WHEREAS, the Authority intends that this Resolution be determined to be a declaration of official intent under Treasury Regulations §1.150-2 promulgated under the Internal Revenue Code of 1986, as amended ("Code") to reimburse itself with a portion of the proceeds of such Bonds for certain Expenditures in accordance with the Code; and

WHEREAS, the Authority will reimburse itself only for capital expenditures, certain preliminary expenditures and certain cost of issuance incurred in connections with the issuance of the Bonds, in each case determined in accordance with the Code and Treasury Regulations § 1.150-2; and

WHEREAS, the Authority is not making this declaration of intent to reimburse as a matter of course or in amounts substantially in excess of the amounts expected to be necessary for the Project, and does not have a pattern of failure to reimburse actual original expenditures covered by prior declarations of intent to reimburse, if any;

NOW, THEREFORE, THE BOARD OF COMMISSIONERS OF THE DELAWARE RIVER AND BAY AUTHORITY HEREBY RESOLVE, AS FOLLOWS:

Section 1. Declaration of Official Intent. The Authority hereby declares its intent:

- (a) that the issuance of the Bonds for the Project by the Authority be in an aggregate principal amount reasonably expected not to exceed \$100,000,000;
- (b) that the Authority be reimbursed from the proceeds of the Bonds for the Expenditures with respect to the Project paid on and after August 19, 2017 (or for certain limited expenditures paid before that date as permitted under Treasury Regulations § 1.150-2) and the Authority reasonably expects on the date of the adoption of this Resolution that it will reimburse the Expenditures with the proceeds of the Bonds;
- (c) that this Resolution be determined to be a declaration of official intent under Treasury Regulations §1.150-2 promulgated under the Code; and
- (d) that the Authority will make a written allocation that evidences the Authority's use of proceeds of the Bonds to reimburse an Expenditure no later than 18 months after the later of the date on which the Expenditure is paid or the Project is placed in service or abandoned, but in no event more than three years after the date on which the Expenditure is paid.

Section 2. Effective Date. This Resolution shall take effect immediately upon its passage, subject to cancellation by the Governor of the State of Delaware or the Governor of the State of New Jersey within ten (10) business days of the receipt by the respective offices of the

Governors of the minutes of the meeting at which this Resolution was adopted.

EXHIBIT A

Authority-Wide Five Year (2017-2021) Strategic CIP Summary

Capital Asset	2017	2018-2021	5 Year Totals
<u>CONTINUING PROJECTS</u>			
Delaware Memorial Bridge	\$ 42,100,000	\$ 61,855,000	\$ 103,955,000
Cape May-Lewes Ferry	\$ 7,411,000	\$ 9,809,000	\$ 17,220,000
Forts Ferry	\$ -	\$ -	\$ -
New Castle Airport	\$ 7,480,000	\$ 8,657,000	\$ 16,137,000
Millville Airport	\$ 1,531,000	\$ 1,054,000	\$ 2,585,000
Cape May Airport	\$ 2,530,000	\$ 432,000	\$ 2,962,000
Delaware Air Park	\$ 845,000	\$ 1,420,000	\$ 2,265,000
Civil Air Terminal	\$ -	\$ -	\$ -
Subtotal	\$ 61,897,000	\$ 83,227,000	\$ 145,124,000
<u>ANNUAL PROJECTS</u>			
Delaware Memorial Bridge	\$ 14,313,000	\$ 54,496,000	\$ 68,809,000
Cape May-Lewes Ferry	\$ 9,105,000	\$ 24,126,000	\$ 33,231,000
Forts Ferry	\$ 60,000	\$ 40,000	\$ 100,000
New Castle Airport	\$ 2,205,000	\$ 3,036,000	\$ 5,241,000
Millville Airport	\$ 656,000	\$ 1,060,000	\$ 1,716,000
Cape May Airport	\$ 1,920,000	\$ 1,500,000	\$ 3,420,000
Delaware Air Park	\$ 271,000	\$ 219,000	\$ 490,000
Civil Air Terminal	\$ 79,000	\$ 116,000	\$ 195,000
Subtotal	\$ 28,609,000	\$ 84,593,000	\$ 113,202,000
<u>NEW PROJECTS</u>			
Delaware Memorial Bridge	\$ 5,750,000	\$ 8,000,000	\$ 13,750,000
Cape May-Lewes Ferry	\$ 675,000	\$ 3,500,000	\$ 4,175,000
Forts Ferry	\$ -	\$ -	\$ -
New Castle Airport	\$ 1,640,000	\$ 2,610,000	\$ 4,250,000
Millville Airport	\$ 100,000	\$ 550,000	\$ 650,000
Cape May Airport	\$ 300,000	\$ 600,000	\$ 900,000
Delaware Air Park	\$ 15,000	\$ 25,000	\$ 40,000
Civil Air Terminal	\$ -	\$ -	\$ -
Subtotal	\$ 8,480,000	\$ 15,285,000	\$ 23,765,000
<u>OUT-YEAR PROJECTS</u>			
Delaware Memorial Bridge	\$ -	\$ 17,650,000	\$ 17,650,000
Cape May-Lewes Ferry	\$ -	\$ 83,395,000	\$ 83,395,000
Forts Ferry	\$ -	\$ -	\$ -
New Castle Airport	\$ -	\$ 843,000	\$ 843,000
Millville Airport	\$ -	\$ 470,000	\$ 470,000
Cape May Airport	\$ -	\$ 1,230,000	\$ 1,230,000
Delaware Air Park	\$ -	\$ -	\$ -
Civil Air Terminal	\$ -	\$ -	\$ -
Subtotal	\$ -	\$ 103,588,000	\$ 103,588,000
Grand Total All Projects	\$ 98,986,000	\$ 286,693,000	\$ 385,679,000

A motion to approve Resolution 17-49 was made by Commissioner Van Sant, seconded by Commissioner Decker, and approved by a roll call vote of 9-0.

Resolution 17-49
Executive Summary Sheet

Resolution:	17-49
Committee:	Budget & Finance
Committee Date:	October 17, 2017
Board Date:	October 17, 2017
Purpose of Resolution:	Adoption of Resolution 17-49 provides the Authority the ability to reimburse itself from tax-exempt bond proceeds for expenditures

made during the period beginning on August 19, 2017 and ending on a date occurring not later than 18 months after the date of the original expenditure, subject to specific exceptions.

Background for Resolution: Pursuant to Treasury Regulation Section 1.150-2(d) of the Internal Revenue Code of 1986, issuers must timely adopt an official intent that an original expenditure will be reimbursed with the proceeds of a subsequent reimbursement bond resolution. Adoption of the reimbursement resolution allows the Authority to evaluate its financial and capital needs with future market conditions to best optimize a future bond issuance.

RESOLUTION 17-37 LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND DELTA ENGINEERING CORPORATION.

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

WHEREAS, Delta Engineering Corporation (“Delta”) currently leases one-third of the hangar located at 13 DRBA Way on a long term agreement and the additional two-thirds of the same hangar on a short term agreement; and

WHEREAS, Delta desires to lease the additional two-thirds of the hangar, approximately 10,400 square feet of hangar space and 5,200 square feet of office and shop space in this facility on a long term basis; and

WHEREAS, the term of the Agreement shall be for three (3) years; and

WHEREAS, Delta currently pays an annual rent of Two Hundred and Twenty Nine Thousand and Fifteen Dollars 56/100 (\$229,015.56); and

WHEREAS, rent shall adjust annually during the term of the agreement 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 Amendment with Delta Engineering Corporation 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 17-37 was made by Commissioner Wilson, seconded by Commissioner Decker, and approved by a roll call vote of 9-0.

Resolution 17-37 Executive Summary

Resolution:	Authorizing the Execution of a Lease Amendment between the Delaware River and Bay Authority and Delta Engineering Corporation regarding the New Castle Airport
Committee:	Economic Development
Committee Date:	October 17, 2017
Board Date:	October 17, 2017
Purpose of Resolution:	To permit the Executive Director, Chairman and Vice Chairman to execute and deliver a Lease Amendment for space at the New Castle Airport.

Background for Resolution: The Delaware River and Bay Authority operates a building located at 13 DRBA Way at the New Castle Airport. Delta Engineering Corporation has been a long term tenant in a hangar located at 13 DRBA Way. Last year they entered into a short term agreement to lease the remaining 2/3rd of the space in the hangar to allow them to grow their business. They would like to continue to lease the remaining 2/3rds of the hangar on a long term basis in order to continue to support their business growth.

RESOLUTION 17-50 LEASE AMENDMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND EYLULBAHAR, LLC.

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

WHEREAS, R. K. Morgan, LLC currently leases approximately 1.275 acres of land at the New Castle Airport commonly referred to as Arners Restaurant; and

WHEREAS, R. K. Morgan, LLC has requested to assign its Lease Agreement to Eylulbahar, LLC; and

WHEREAS, once the Lease Agreement is assigned to Eylulbahar, LLC, the lease shall be amended to add three (3) additional renewal periods of five (5) year each, which would commence if exercised on June 26, 2025; and

WHEREAS, commencing at the beginning of the first additional renewal period Eylulbahar, LLC has agreed to pay the Authority annual rent in the amount of Forty-Eight Thousand Three Hundred and Fifteen Dollars 30/100 (\$48,315.30) and; and

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

WHEREAS, rent may be adjusted at the beginning of each additional renewal period to the Fair Market Value (FMV); and

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby authorized to finalize the terms and conditions of the Lease Amendment with Eylulbahar, LLC 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 17-50 was made by Commissioner Ratchford, seconded by Commissioner Van Sant, and approved by a roll call vote of 9-0.

Resolution 17-50 Executive Summary

Resolution: Authorizing the Execution of a Lease Amendment between the Delaware River and Bay Authority and Eylulbahar, LLC regarding the New Castle Airport

Committee: Economic Development

Committee Date: October 17, 2017

Board Date: October 17, 2017

Purpose of Resolution:

To permit the Executive Director, Chairman and Vice Chairman to execute and deliver a Lease Amendment for space at the New Castle Airport.

Background for Resolution:

The Delaware River and Bay Authority leases land to R. K. Morgan, LLC, commonly known as Arner's Restaurant at the New Castle Airport. R. K. Morgan LLC desires to sell the business to Eylulbahar, LLC. Eylulbahar, LLC will assume the current rent, settle all amounts owed and will be investing a significant amount of capital into the facility to install a new kitchen, new dining room fixtures and finishes, repair three walk-ins and update the basement, paint the exterior, seal and re-stripe the parking lot, etc. The existing lease has approximately 8 years remaining on the term. Eylulbahar, LLC has requested three additional five year renewal terms in order to amortize the expense of the planned upgrades. The Lease Agreement will be assigned to Eylulbahar, LLC before any additional renewal terms shall be granted.

RESOLUTION 17-51 AUTHORIZES A LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND PAINTED PEOPLE LLC d/b/a PAINTED PEOPLE MEAD 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, Painted People, LLC ("Painted People") desires to lease approximately 2,000 square feet of space located in Building # at the Millville Airport; and

WHEREAS, Painted People has agreed to pay the Authority annual rent in the amount of Eleven Thousand dollars 00/100(\$11,000.00); and

WHEREAS, the initial term of the Lease ("Lease Agreement") shall be for Three (3) years; and

WHEREAS, rent shall be adjusted annually by the Consumer Price Index(CPI); and

WHEREAS, Painted People shall have the right to renew the lease for One (1) additional Three (3) year period; and

WHEREAS, rent shall be adjusted at the beginning of the renewal term to the current Fair Market Value (FMV); and

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby authorized to finalize the terms and conditions of the Lease Agreement with Painted People, LLC 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 17-51 was made by Commissioner Wilson, seconded by Commissioner Decker, and approved by a roll call vote of 9-0.

Resolution 17-51 Executive Summary

Resolution: Authorizing the Execution of a Lease Agreement between the Delaware River and Bay Authority and Painted People, LLC d/b/a Painted People Mead, regarding the Millville Airport

Committee: Economic Development

Committee Date: October 17, 2017

Board Date: October 17, 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 facility located at 313 Beacon Street on the Millville Airport. The space was previously leased to Dallas Airmotive and used as a training room. The building has been vacant since Dallas left the airport. Tenant will be opening an operating a Cider and Mead distillery. The lease rate is based upon Fair Market Value for the space.

RESOLUTION 17-52 – RESOLUTION BY THE DELAWARE RIVER AND BAY AUTHORITY AUTHORIZING MODIFICATIONS TO THE BENEFITS PLAN DESIGN

WHEREAS, the Delaware River and Bay Authority (the “Authority”) is committed to providing its employees and retirees a comprehensive core benefits program; and

WHEREAS, the Authority is responsible for prudent financial governance with respect to those core benefits; and

WHEREAS, vision benefits are included in the Authority’s comprehensive core benefits program; and

WHEREAS, the Personnel Committee has reviewed the proposed recommendation to replace the current self-administered vision reimbursement plan with a fully-insured vision benefit plan that is more aligned with industry standards and recommends approval thereof to the Commissioners.

NOW, THEREFORE, BE IT RESOLVED that the Delaware River and Bay Authority hereby approves the following modifications to be implemented January 1, 2018 (as described in detail on Exhibit A, which is incorporated herein by reference):

1. Replace the self-administered vision reimbursement plan with a fully-insured vision benefit plan.
2. Identify and implement a vision vendor that will process all vision claims for actives and retirees utilizing a more industry standard vision benefits model.
3. The fully-insured vision benefit plan will include the following:
 - a. Base Plan paid 100% by the Authority for actives and retirees, and
 - b. Voluntary Buy-Up Option for actives only (employee pays difference between buy-up plan and base plan).

NOW, THEREFORE, BE IT FURTHER RESOLVED, that Section X entitled Employee Benefits, Permanent Full Time Employees, Paragraph D “Vision Care Plan” on Page 17 of the

Authority’s Personnel Manual is hereby amended by adding the following sentence at the end of Paragraph D.

“Permanent full-time employees shall also have the option to purchase an enhanced Vision Care Plan.”

EXHIBIT A
Cost Analysis

Proposed Plans		Employer Paid Base (Actives & Retirees)	Voluntary Buy-Up (Actives Only)
Rates & Total Cost		Monthly Rates (Cost to Employer)	Monthly Rates (Additional Cost to Employees)
Employee	455	\$3.34	\$9.34
Employee + Spouse	126	\$6.34	\$17.75
Employee + Child(ren)	60	\$6.67	\$18.68
Family	176	\$9.80	\$27.47
Total Employees	817		
Annual Employer Total		\$53,322	
Notes			
The above enrollment count includes active, pre 65 retirees and post 65 retirees			
Current Plan		\$33,503	
Delta		\$19,819	

A motion to approve Resolution 17-52 was made by Commissioner Van Sant, seconded by Commissioner Ratchord, and approved by a roll call vote of 9-0.

Resolution 17-52 Executive Summary

Resolution:	Authorizing Modifications to the Benefits Plan Design.
Committee:	Personnel Committee
Committee/Board Date:	October 17, 2017
Purpose of Resolution:	To approve the proposed recommendations to the vision benefit plan design for actives and retirees as described in Exhibit A (which is incorporated herein by reference) as presented by the Chief Human Resources Officer and the Pension and Benefits Manager.
Background for Resolution:	The Delaware River and Bay Authority (Authority) is committed to the health and well-being of our employees and retirees. During annual renewals, the Authority reviews administration and costs of benefits for determination of any recommended modifications including but not limited to benefit plan design changes, vendor/carrier changes, in comparison to industry trends and employee/retiree population utilization. The Authority currently provides a self-administered vision claim reimbursement plan that is not aligned with industry standards for a competitively attractive plan design for a vision benefit program. It provides minimal financial reimbursement to employees and retirees to offset exams, frames, and/or lenses once every 12 months. In addition, the current plan is administratively burdensome. The Authority received and evaluated insurance plan proposals submitted by three (3) companies – EyeMed, Vision Service Plan (VSP), and Highmark Delaware (Davis Vision), and with assistance from the Authority’s independent employee benefits consultant, identified a top-ranked insurer with the most cost effective rates as compared to the current self-administered plan. The fully-insured vision benefit plan will include the following: - Base Plan paid 100% by the Authority for actives and retirees, and - Voluntary Buy-Up Option for actives only (employee pays difference between buy-up plan and base plan). This recommendation aligns with the Authority’s benefits philosophy and benefits strategic plan.

Illustrative Vision Benefit Plan Design

Plan	Employer Paid Base	Voluntary Buy-Up
Exam	\$20 Copay	\$0 Copay
Standard Plastic Lenses		
Single Vision	\$25 Copay	\$0 Copay
Bifocal	\$25 Copay	\$0 Copay
Trifocal	\$25 Copay	\$0 Copay
Lenticular	\$25 Copay	\$0 Copay
Progressive Lenses		
Standard Progressive	\$90 Copay	\$0 Copay
Lenses Enhancements		
Blended Segment/Photochromic (Plastic)	\$75 Copay	\$75 Copay
UV Treatment	\$15 Copay	\$15 Copay
Standard Plastic Scratch Coating	\$15 Copay	\$15 Copay
Standard Polycarbonate	\$40 Copay	\$0 Copay
Standard Anti-Reflective Coating (ARC)	\$45 Copay	\$0 Copay
Anti-Reflective Coating		
Standard	\$45 Copay	\$0 Copay
Frames	\$0 Copay; \$100 Allowance, 20% off balance over \$100	\$0 Copay; \$200 Allowance, 20% off balance over \$200
Contacts (in lieu of Frames & Lenses)		
Conventional	\$0 Copay; \$100 Allowance, 15% off balance over \$100	\$0 Copay; \$200 Allowance, 15% off balance over \$200
Disposable	\$0 Copay; \$100 Allowance, plus balance over \$100	\$0 Copay; \$200 Allowance, plus balance over \$200
Medically Necessary	\$0 Copay, Paid-In-Full	\$0 Copay, Paid-In-Full
Standard Contacts Exam/Fitting	\$40 Copay	\$40 Copay
Benefit Frequencies (E/L/F/C)	12 / 12 / 12 / 12	12 / 12 / 12 / 12
Participation Requirement	N/A	N/A
Non-network Benefits	Schedule	Schedule

RESOLUTION 17-53 – RESOLUTION BY THE DELAWARE RIVER AND BAY AUTHORITY AUTHORIZING IMPLEMENTATION OF MANDATORY PAYROLL DIRECT DEPOSIT FOR ALL EMPLOYEES

WHEREAS, the Delaware River and Bay Authority (the “Authority”) is committed to providing its employees with a system of human resources administration that is based on principals and methods of employment practices; and

WHEREAS, the Authority is responsible for prudent financial governance with respect to those principals and frequently reviews its employment practices; and

WHEREAS, the Authority is committed to providing employee benefits designed to provide safety and reliability; and

WHEREAS, the Authority has reviewed its payroll processing methods to better align and streamline functionality with business operations; and

WHEREAS, payroll direct deposit provides timeliness, safety, and reliability of employees' pay; and

WHEREAS, the Personnel Committee has reviewed the proposed recommendation to institute a policy requiring mandatory payroll direct deposit for all current and prospective full-time and part-time (seasonal and casual) employees and those returning to employment after a separation.

NOW, THEREFORE, BE IT RESOLVED that effective January 1, 2018, the Delaware River and Bay Authority hereby approves that all current, new, and returning full-time and part-time (seasonal and casual) Authority employees will be required to participate in mandatory payroll direct deposit as a term and condition of employment; and

NOW, THEREFORE, BE IT FURTHER RESOLVED that effective January 1, 2018, the Authority will no longer issue hard copy "live" paychecks to current and prospective full-time and part-time (seasonal and casual) Authority employees.; and

NOW, THEREFORE, BE IT FURTHER RESOLVED, that Section V entitled Employment Requirements on page 10 of the Authority's Personnel Manual, is hereby amended by adding a new Paragraph B as follows:

"As of January 1, 2018, all current and prospective full-time and part-time (seasonal and casual) employees are required to utilize direct deposit of paychecks. Payments by direct deposit will be made by Electronic Fund Transfer to a bank account, credit union account, payroll card or any other Authority issued medium. Paper checks will not be issued. Electronic detailed pay advises will be made available by the Authority at each payday."

A motion to approve Resolution 17-53 was made by Commissioner Bennett, seconded by Commissioner Decker, and approved by a roll call vote of 9-0.

Resolution 17-53 Executive Summary

Resolution: Authorizing Implementation of Mandatory Payroll Direct Deposit for All Employees

Committee: Personnel Committee

Committee/Board Date: October 17, 2017

Purpose of Resolution: To approve the proposed recommendation to require mandatory payroll direct deposit for all current, new and returning full-time and part-time (seasonal and casual) employees as presented by the Executive Director and Chief Human Resources Officer.

Background for Resolution: The Human Resources and Finance Departments have been in partnership to take steps to streamline the payroll process. With input from the Executive Director, other functionalities of payroll have been streamlined to allow for fewer errors and more accuracy in payroll processing.

An additional recommendation for streamlining payroll functions include eliminating the processing of "live" hard copy paper paychecks for all current, new, and returning full-time and part-time (seasonal and casual) employees and implement mandatory payroll direct deposit as a term and condition of employment.

Payroll direct deposit is the safest way to deposit money without having to worry about lost, stolen or damaged checks. This offers employees an added layer of safety, confidentiality and convenience.

Future plans are to have paperless (electronic) payroll advices accessible by all full-time and part-time (seasonal and casual) employees through the Authority’s employee self service portal.

* * * * *

11318. EXECUTIVE DIRECTOR’S COMMENTS

The Executive Director reported on activities in and around the Authority as follows:

Upcoming events:

-) October 26, 2017 at 5:00pm – 7:00pm, Wilmington Airport Master Plan – Public Information Meeting at the Wilmington Airport Terminal Bldg.
-) October/November 2017 – TBD
 Open House for New Light Industrial Building at Cape May Airport
-) November 20, 2017 at 10:15am- Delaware Airpark Press Conference for new Taxiway/Runway System with Delaware Congressional Delegation
-) November 21, 2017 at 9:00am- Commissioners Meeting

Executive Director Tom Cook shared the following photos:

Jim Johnson and his wife from Bridgeville, DE celebrating their 125th trip on the Cape May Lewes Fair (the couple was also engaged on the ferry). The retirees of the DRBA attended the annual Employee Appreciation Dinner on Friday, October 6, 2017 at Dover Downs Casino & Hotel. DRBA oldest retiree attended the appreciation dinner, Mrs. Wilson is 101 years young! DMB hosted its 1st Annual Bridge Run for the Delaware Special Olympics on Sunday, October 1, 2017.

The Executive Director thanked Colonel Arroyo, COO Meconi and all of the police and maintenance staff who helped make the run both safe and successful.

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11319. COMMISSIONERS PUBLIC FORUM

Chairperson Hogan opened the public forum.

Chairperson Hogan called for any comments from the public.

There were no public comments.

Chairperson Hogan called for any comments from Commissioners.

Commissioner Lathem thanked Colonel Arroyo for his hard work and the police department’s efforts in the 1st Special Olympics Bridge Run event.

Ann Grunert, Executive Director of the Delaware Special Olympics, presented the DRBA with an appreciation plaque for sponsoring the 1st Annual Bridge Run. Phil Saxon, a Special Olympics athlete, also spoke to the Board of Commissioners and gave his personal history with the Special Olympics program and thanked the Authority for their support.

* * * * *

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

The meeting was adjourned at 12:19p.m.

Respectfully submitted,

THE DELAWARE RIVER AND BAY AUTHORITY
Frank W. Minor

Assistant Secretary