

**Delaware River Port Authority
Minutes
and
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August Board Meeting
Wednesday, August 18, 2010**

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- DRPA-10-051** **Require all Commissioners to File the Financial Disclosure Forms Required by their Respective State Governments**
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- DRPA-10-055** **Establishing a Policy Prohibiting Undue Influence By Commissioners, Officers and Employees**
- DRPA-10-056** **Elimination of Car Allowances for Authority Officers and Directors**
- DRPA-10-057** **Elimination of All Programs Under Which All Present and Future Commissioners, Officers, Employees and Retirees Of the Authority Receive Free Bridge Passes and PATCO Credits**
- DRPA-10-058** **Elimination of the positions of the Assistant to the Vice-Chairman and Chief Public Safety Officer**
- DRPA-10-059** **Consolidation of Corporate Secretary Function**
- DRPA-10-060** **Placement of Items on Meeting Agenda**
- DRPA-10-061** **Travel Expenditures**
- DRPA-10-062** **Funding for Economic Development Projects**
- DRPA-10-063** **Requiring the Authority to Hold At Least One Public Meeting of the Board Per Year in Philadelphia, PA after 6:30 PM.**
- DRPA-10-064** **Requiring the Authority to Hire Counsel to Conduct a Legal Inquiry Into the “True-Up” Provisions of the Authority’s Insurance Contracts.**

Adjournment

MINUTES of the regular monthly Board meeting of the DELAWARE RIVER PORT AUTHORITY held Wednesday, August 18, 2010 in the Board Room at One Port Center, Camden, NJ.

Present

PENNSYLVANIA

John Estey, Chair
Jack Wagner
Robert W. Bogle
Robert McCord
John Dougherty
Robin Wiessmann
Frank DiCicco
Maria Quinones Sanchez

Officers & Chiefs

J. Matheussen, CEO
R. Box, PATCO, General Manager
R. Brown, General Counsel &
Assistant Corporate Secretary
R. Gross, Deputy CEO
J. Hanson, CFO
T. Brown, CAO
T. Pulte, COO
M. Venuto, Acting Chief Engineer

DRPA Staff

M. D'Alessandro, Asst. to Chairman
F. DiCicco, Administrative Coordinator
A. DuVall, Executive Assistant to CEO
J. Egan, Project Manager, Special Projects
T. Garrison, Administrative Coordinator, Customer
Service/Community Relations
S. Gray-Newman, Administrative Coordinator
L. Hayes, Manager, Capital Grants
D. Hunter, Manager, Corporate Communications
K. Imperatore, Director, Fare Collection
K. Jacobson, Assistant General Counsel
E. Kasuba, Director of Corporate Communications
L. Kmiec, Assistant General Counsel
J. Lotierzo, Sr. Accountant, Finance
C. Maroney, Manager, Special Projects
D. McClintock, Police Chief, Public Safety
S. Milner, Administrative Coordinator
M. Mondile, Manager, Customer & Comm. Relations
F. O'Brien, Manager, Customer & Comm Rel..

NEW JERSEY

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

Counsel

C. Gibson, Archer & Greiner, NJ Counsel
D. Weisman, Archer & Greiner, NJ Counsel
D. Mix, Duane Morris, PA Counsel
S. Kosta, Duane Morris, PA Counsel

Others:

D. Reiner, Gov. Authorities Unit
J. Lisko
R. Teplitz
P. Nissan of Acacia
C. Clupper of PFM
C. Blackshear, webcasting
E. McBride
E. Hanlon
T. Jones, United Steelworkers
A. Levy, Esquire
C. Rhodes
S. Bressler
E. Yaari
J. Lawless

DRPA Staff (Con't.)

R. Only, Director, Homeland Security &
Emergency Mgmt.
O. Parker, Manager, Financial & Budget Analysis
J. Quinn, Director of Revenue
W. Shanahan, Director Gov. Rel. & Grant Admin.
C. Spicer, PATCO Assistant General Manager
M. Weikel, Administrative Coordinator
J. White, Director of Finance
D. Whiton, Administrative Coordinator
M. Williams, Graphic Design
C. Thompson, Graphic Design

The Assistant Corporate Secretary announced that public notice of this meeting was posted in the lobby at One Port Center and provided to representatives of the area news media. Mr. Brown then called the roll and announced that a quorum was present.

Chairman Estey stated that that first order of business would be the swearing in of new Commissioner Sanchez. Chairman Estey welcomed Commissioner Sanchez and administered the oath of office.

Report of the Chief Executive Officer – August 18, 2010

Mr. Matheussen submitted his report as it stands. Several items were highlighted for the Board. On August 10, 2010, DRPA held a very successful vendor expo at our Cruise Terminal. The expo was expanded this year to include procurement professionals in the region. Mr. Matheussen pointed out that in 2009, out of the \$75M spent by the DRPA on contracts and purchases, more than \$15M of it was spent on disadvantaged, minority, and women-owned businesses in the Delaware Valley. We continue to move on that front and we are doing a very good job. DRPA is making plans, and specifications are underway, for EZ Pass Express at the BRB and we will be commencing the same effort at the CBB Bridge in the next few months. We also have public outreach efforts underway for redecking the WWB and we have a very successful website called www.deckthewalt.com explaining that project. We went live July 20th so that you can get information about what may arise when the construction at the WWB gets started in the near future. Mr. Matheussen extended thanks to the DRPA's Annual Audit Team who put the last audit together and who helped put it on our website. Lastly, there has been somewhat of a firestorm of media coverage at the DRPA over the last three weeks or so, and one of the things that have come about is some criticism about the operations of or the procedures that the DPRA has used. Obviously we will discuss some of those things today, but my biggest concern is that there are 900 men and woman who serve the DRPA everyday, whether they are toll collectors, train operators, police officers, mechanics, electricians, and they do an outstanding job. They are on the job 24/7 whether it's a winter storm in the middle of the night and something has gone wrong or in the heat of summer on top of the bridge, our workers are dedicated, our workers are professionals. I can say that in the years I have worked both in the private and public sector, I have never seen a better group of well trained employees and more dedicated employees that I see at DRPA and PATCO. The brush that has been painted on the DRPA and PATCO with regard to our operations and any other criticism that may come our way certainly are not deserved by the employees who work here everyday to make the Authority run so well. Their concern is that the trains run on time and the bridges are safe and the people get to where they need to go or come home from their destination point in our care, and they do a great job at that.

This concludes my CEO Report.

Minutes of June Board Minutes – June 16, 2010 (previously mailed)

The minutes of the June 16, 2010 Board Meeting of the Delaware River Port Authority were mailed to the Governor of New Jersey and the DRPA Commissioners. On motion duly made and seconded, the minutes were approved.

Received and Filed Monthly List of Bills Covering the Month of June 2010. On motion duly made and seconded, the Monthly List of Bills covering the month of June 2010 was received and filed.

Commissioner Wagner asked whether these bills have already been paid. CEO Matheussen explained that all expenditures are guided by the By Laws and that they have been paid, that this has been the DRPA process for many years, including prior to the beginning of his tenure at DRPA. He also explained the process and protections in place including the fact that many of these bills were for work previously approved by the Board. A thorough discussion ensued among the Commissioners. In conclusion the meeting determined that there were a number of ways in which presentation of the bills could be improved including (i) showing which bills related to resolutions which the Board had approved versus those bills which did not arise from Board action, and (ii) division of the bills into categories. The Chairman directed that the CEO and CFO review the existing policies and return to the Board with a new policy on submission and approval of bills. The Monthly List of Bills was then approved to receive and file.

Received and Filed Balance Sheet & Equity Statement Dated June 16, 2010

The Balance Sheet and Equity Statement was mailed in advance. On motion duly made and seconded, the Balance Sheet and Equity Statement dated June 16, 2010 was received and filed.

Report of the Chairman

None.

Unfinished Business

None.

At this time, the Chair then asked the Asst. Corporate Secretary to call the list of members of the public who wished to address the Board. The first speaker was Carol Rhodes. Ms. Rhodes expressed her view that the DRPA Board meetings should be held after working hours. Ms. Rhodes requested information about economic development grants made by DRPA and she also expressed opposition to the South Jersey Transit expansion project. (That information was mailed from DRPA to Ms. Rhodes on August 16, 2010) The second speaker was Evelyn Yaari of the Friends of the Barnes. Ms. Yaari noted that DRPA has already paid its grant funds to the Barnes Foundation and presented a number of reasons why moving the Barnes collection was wrong. The next speaker was Tom Jones of the United Steelworkers who stated that his union was being excluded from working on DRPA projects that involve Project Labor Agreements. He stated that this will increase the DRPA costs for these projects. The final speaker was Andrew Levy, Esq. who represents the Pennsylvania Heavy and Highway Contractors Bargaining Association. Mr. Levy supported the points made by Mr. Jones and provided specific examples of situations where PAHH contractors were qualified to work on DRPA projects but were unable to bid due to the Project Labor Agreement provisions.

New Business

Chairman Estey stated that he intended to commence by permitting Board members to make general statements after which he would proceed to discussion of specific resolutions. Vice Chair Nash began by stating his support for passage of the resolutions on today's agenda. He asked that we suspend elimination of the toll discounts that is scheduled to take effect on September 1st; that we allow Pennsylvania and New Jersey to examine the DRPA books and make recommendations, that we carefully consider any new toll increase and raise money when

it is needed, and that we look at the staff structure. Vice Chair Nash expressed his support for CEO Matheussen. Commissioners DiCicco, Dougherty, Wiessman, McCord and Wagner each presented their views on a variety of topics. Vice Chair Nash explained the three discounts that are to be eliminated in September. A full discussion ensued during which Chief Financial Officer Hanson explained the issues relating to deferral or elimination of the discount expiration and any similar action with respect to the toll increase that is now scheduled for 2011. CFO Hanson reminded the Board that when they elected to defer the scheduled toll increase the Board elected to use economic development monies to make up for the lost revenue; Moody's rating service decided to change the DRPA rating to "negative outlook" anyway. CFO Hanson summarized the cost for deferring each of the discount eliminations and explained that for this matter, the issue for the rating agencies is not financial, it is a board governance issue. Another Board decision to reduce revenues could produce negative results. While CFO Hanson would guess that deferring the discount elimination would not produce a rating downgrade, he emphasized that neither he nor anyone else can predict the actions of the rating agencies with certainty. He added that he was reasonably certain, however, that any change to the re-scheduled toll increase date of July 1, 2011 would provoke some type of unfavorable action by the ratings agencies. CFO Hanson explained in detail the extreme negative effects that would occur were the DRPA Bond rating downgraded; this would put DRPA in default under a number of our debt obligations and this would trigger cross defaults. The result would be devastating were the DRPA rating downgraded. Mr. Hanson advised the Board that he had invited Mr. Peter Nissan of Acacia Financial Management and Ms. Cathy Clupper of Public Financial Management to the meeting and they were present in the boardroom in the event the Board wished to seek their expertise in this regard.

Chairman Estey asked how the Board wished to proceed and it was determined that the Board will table the discount deferral question and will schedule a Special Meeting to be held next week to discuss the three discount topics and we will also consider whether to permit continued use of ticket books by senior citizens as had been proposed by Commissioner Dougherty.

Item 1 – Requiring the Authority To Create an Audit Committee Chaired by the Auditor General of Pennsylvania which Will Oversee an Independent Finance, performance and Forensic Audit Every Two (2) Years - requested the Board to adopt a resolution permitting the Pennsylvania Auditor General's Office and the New Jersey Comptroller's Office to audit the performance of the Authority. The Authority is required by the terms of the Interstate Compact to undergo a management audit by an independent consulting firm every five years and an independent financial audit annually pursuant to the requirements of the covenants made by the Authority to its Bondholders.

DRPA-10-040 Requiring the Authority To Create an Audit Committee Chaired by the Auditor General of Pennsylvania which Will Oversee an Independent Finance, performance and Forensic Audit Every Two (2) Years

Chairman Estey then called for consideration of Resolution 10-040 – dealing with audits of the DRPA by the New Jersey Comptroller General and the Pennsylvania Auditor General. Auditor General Wagner explained that he has written to DRPA stating that, as an ex officio Board member, he is precluded from having his office perform such an audit, though he strongly supports having audits of DRPA. Commissioners McCord, Wiessmann, Wagner, Bogle, and Quinones Sanchez discussed this topic. The conclusion was that we would create an Audit

Committee to oversee the conduct of audits. The members of that Committee to be named at the meeting to be held next week. CFO Hanson stated a competitively bid independent financial audit is performed annually on DRPA and PATCO including a single audit of grant procedures, and the recent performance audit that was done was also competitively bid.

On Motion duly made and seconded, the attached Resolution 10-040 was adopted in its amended form.

Item 2 – Requiring all Meetings of the Authority Board to be Open to the Public and Requiring the Authority to Follow the Requirements of the Pennsylvania Right to Know Law

– requested the Board to adopt a policy and procedure to require all meetings of the Authority Board be open to the public except for certain enumerated circumstances and to declare that the Authority shall function in all matters as if it were subject to the Pennsylvania Right to Know Law.

DRPA-10-041 Requiring all Meetings of the Authority Board to be Open to the Public and Requiring the Authority to Follow the Requirements of the Pennsylvania Right to Know Law

Chairman Estey called for consideration of 10-041 dealing with Open Meetings and Right to Know. Mr. Brown and CEO Matheussen urged that the Board pick the right to know law of one state or the other so that DRPA staff will know how to proceed. Commissioners Wagner and McCord both favored using whichever law is stronger as did Chairman Estey.

Upon Motion Duly made and Seconded, the Board adopted 10-041 as amended to show that DRPA would be subject to the Pennsylvania Right to Know Law and with the provision that counsel examine the Right to Know or Open Records laws of the two founder states and propose a consolidated DRPA version to the Board.

Item 3 – Resolution Implementing Post-Employment Restrictions Policy for Authority Commissioners, Officers and Directors - requested the Board to adopt a resolution authorizing the implementation of a policy restricting the post employment activities of all Commissioners, Officers and Directors to avoid conflict and appearances of conflicts related to vendors of the Authority.

DRPA-10-042 Resolution Implementing Post-Employment Restrictions Policy for Authority Commissioners, Officers and Directors

This resolution was also widely discussed and Chair Estey stated that he had worked on this and supports it. After a discussion among Commissioners Wagner, McCord, Wiessmann, Sanchez, Bogle and Chair Estey, the Chair moved adoption of a modified 10-042 stating “There will be a two year ban on DRPA and PATCO employees working for companies that have relations with DRPA or PATCO in capacities involving DRPA or PATCO work. Further, contractors who bid on DRPA or PATCO projects must certify that no former DRPA or PATCO employee has, within two years of separating from DRPA or PATCO service, participated in preparation of the proposal to DRPA or PATCO in any way. And further, the Board is to be briefed on the transition of senior level DRPA or PATCO employees who leave to work with DRPA or PATCO vendors.”

On motion duly made and seconded, the attached Resolution, as amended, was adopted.

Item 4 – Establishing a Policy Requiring Commissioners, Officers and Employees to Avoid the Appearance of Impropriety - requested the Board to adopt a resolution to update a policy requiring Commissioners, Officers and Employees to avoid the appearance of impropriety. By strengthening the Conflict of Interest provision under the by-laws of the Authority, all decisions made by or on behalf of the Authority will not create an appearance of favoritism or bias.

DRPA-10-043 Establishing a Policy Requiring Commissioners, Officers and Employees to Avoid the Appearance of Impropriety

John Matheussen stated that there are By-Laws that establish conflict of interest, however this takes it beyond to include appearance of impropriety which will be inserted into by-laws and all covered personnel will be required to sign an acknowledgement form.

On motion duly made and seconded, the attached Resolution unanimously was adopted.

Item 5 – Implementation of Procedures for Sealed Bid Contracts and Contracts for Professional and Technical Services - requested the Board to adopt a resolution requiring uniform review processes for the award of both contracts subject to sealed bidding and not subject to sealed bidding, such as contracts for professional services. The purpose of this resolution is to avoid the potential for favoritism and ensure transparency to the actions of the Authority and provide consistent adherence to appropriate review processes and financial controls.

DRPA-10-044 Implementation of Procedures for Sealed Bid Contracts and Contracts for Professional and Technical Services

Commissioners Wagner, DiCicco and Dougherty discussed whether to lower the proposed limit from \$36,000 to \$25,000 and CEO Matheussen explained that the DRPA already uses an even lower limit, \$20,000.

The attached Resolution, as amended to show the current \$20,000 limit, was adopted on Motion duly made and seconded.

Item 6 – Requirement That All Vendors of the Authority Disclose Political Contributions – requested the Board to adopt a resolution that requires all current vendors to provide disclosure of political contributions prior to any contract extension or renewal and providing that prospective vendors provide disclosure of political contributions in conjunction with submitting a bid for services or goods to the Authority.

DRPA-10-045 Requirement That All Vendors of the Authority Disclose Political Contributions

Commissioner Wiessmann proposed that the resolution be enhanced to replicate the investment banking industry prohibition which has been widely tested and is used nationwide. Commissioner DiCicco sought clarification. Commissioners Dougherty, McCord, Nash and Sanchez also spoke on the topic. Chairman Estey commented that the investment banking industry was not similar to the industries we deal with. The Vice Chair suggested that we pass what we now have but suggested that counsel look at the New Jersey rules to see whether we

may wish to adopt something from the New Jersey process. New Jersey Counsel David Weinstein explained that there are two aspects to the New Jersey rules and you could do one now then add the other. On Motion Duly made and Seconded, the attached Resolution 10-045 was Adopted with the provision that counsel will return at the Special Board meeting tentatively scheduled for next week to present information on the New Jersey procedures.

Item 7 – Implementation of a Policy Requiring Contracts be Awarded at a Meeting Open to the Public - requested the Board to adopt a policy which will require contracts of the Authority be awarded by the Board during the public portion of a meeting. The purpose of this policy is to ensure public trust in the fairness and transparency of the Authority’s operations and will avoid the potential for or appearance of favoritism.

DRPA-10-046 Implementation of a Policy Requiring Contracts be Awarded at a Meeting Open to the Public

CEO Matheussen began to explain current procedures and the By Law implications. Vice Chair Nash then suggested that the Resolution should require that all DRPA and PATCO contracts must be approved by the Board.

Upon Motion duly Made and Seconded, the attached Resolution 10-046 was adopted, as amended to reflect Vice Chair Nash’s suggestion. The Assistant Corporate Secretary asked to confirm that this meant all contracts of every kind and with no dollar threshold and that was confirmed. The only exception will remain on emergency procurements

Item 8 – Prohibiting the Pennsylvania and New Jersey Governors, to the extent the Board can Bind Them, Commissioners, Officers and Employees from Soliciting or Accepting any Gifts of Value – requested the Board to adopt a policy prohibiting all Commissioners, Officers and employees from soliciting or accepting any gifts. The purpose of this policy will ensure that contracts are awarded on the basis of merit and cost-effectiveness and the operations are conducted on a fair and impartial basis by removing a source of actual or apparent improper influence.

DRPA-10-047 Prohibiting the Pennsylvania and New Jersey Governors, to the extent the Board can Bind Them, Commissioners, Officers and Employees from Soliciting or Accepting any Gifts of Value

Commissioner Wagner suggested that the Governors of both States and their staffs were as much a part of the DRPA as the Commissioners and employees so he felt that the Governors should also be covered by this Resolution. Chairman Estey questioned the ability of DRPA to impose a rule on the Governors, and the Resolution was amended to include the Governors to the extent that the Board can bind the Governors. Upon Motion Duly Made and Seconded, the attached Resolution 10-047 was adopted as amended.

Item 9 – Revising the Authority’s Policy and Procedure Manual Series No. 163 to Prohibit the Employment of Relatives of Commissioners, Officers and Employees - requested the Board to adopt a resolution amending the existing policy regarding the employment of relatives of employees and to prohibit the employment of relatives of all Commissioners, Officers and employees.

DRPA-10-048 Revising the Authority’s Policy and Procedure Manual Series No. 163 to Prohibit the Employment of Relatives of Commissioners, Officers and Employees

Commissioner Dougherty began by saying that he had asked a lot of questions and had not gotten answers. Commissioner DiCicco asked about the status of summer interns. CEO Matheussen explained this long running program. Commissioners Dougherty and DiCicco discussed the intern program. A Commissioner proposed exempting Summer Interns from the program but in the end the proposal was not adopted.

Upon Motion Duly made and Seconded, the attached Resolution 10-048 was adopted.

Item 10 – Elimination of All Caucus Meetings of the Authority – requested the Board to adopt a resolution ending the holding of Caucus meetings of the Pennsylvania and New Jersey delegations to the Authority Board.

DRPA-10-049 Elimination of All Caucus Meetings of the Authority

Commissioner Fentress asked without caucus, when would the Commissioners be able to critique proposed resolutions. Chairman Estey replied with these actions today it is the intention to do all business before the public. Commissioner DiCicco asked if the Board Committee meetings should also be open to the public and it was agreed that they would be, and in particular, the Pre-Meeting of the O&M Committee which he chairs. Commissioner McCord stated, “ I felt that in the Pennsylvania Caucus that he was not getting a chance to review the important decisions that were being made and I think culturally one of the objections that we have were like all grants for under \$100K were being decided on by three people without discussion of either the public or private board without a master plan, without criteria, without a level of accountability and I feel that we are rolling towards is the necessary but not sufficient condition where we are using real committees”. He wants to draw a red line in the sand requiring that whenever the Board goes into Executive Session they state the legal reason for doing so, and he noted that the Casino Commission does not do this. There was a discussion about other models for Board and Committee action, but Chair Estey suggested that we go ahead with the Resolution as is with the understanding that we consider other options about how to do business and we want to limit Executive sessions. Commissioner Wagner stated that this is important because we issue two contracts for labor negotiations, one in New Jersey and one in Pennsylvania when we only need one. Commissioner Dougherty supported that point.

Upon Motion Duly Made and Seconded, the attached Resolution 10-049 was adopted.

Item 11 – Formation of a Compensation Review Committee of the Authority to Review the Compensation of all Officers and Directors of the Authority – requested the Board to adopt a resolution to form and establish a compensation review committee. This committee will review the compensation of all Officers and Directors of the Authority. The purpose of this resolution will ensure that the compensation of Officers and Directors is in line with similar positions among other entities.

DRPA-10-050 Formation of a Compensation Review Committee of the Authority to Review the Compensation of all Officers and Directors of the Authority

The Vice Chair reported that the Governor of New Jersey has asked that no one on the staff of Authorities should earn more than the Governor and that we need to look at staff compensation. Chair Estey asked to amend the Resolution to permit a committee to be established and to report

within 60 days of adoption. Commissioner Dougherty said that we have paid for professional reports that we do not follow, he wants to know who will be in the process and it should not be people who were in the former process. Chairman Estey suggested that we look at who will be on the Committee during next week's meeting.

Upon Motion Duly Made and Seconded, the attached Resolution 10-050 was adopted as amended to reflect the Chairman's 60 day proposal.

Item 12 – Require all Commissioners to File the Financial Disclosure Forms Required by Their Respective State Governments – requested the Board to adopt a resolution to require all Pennsylvania Commissioners file both a Statement of Financial Interest Form and a Governor's Code of Conduct Statement of Financial Interest Form. New Jersey Commissioners are required to file an annual Financial Disclosure Statement in accordance with Executive Order 24 (Christie).

DRPA-10-051 Require all Commissioners to File the Financial Disclosure Forms Required by Their Respective State Governments

Commissioner Wagner noted that as independent elected officials, the Auditor General and the Treasurer do not file the Governors Code of Conduct Forms. The resolution was amended to reflect this information.

Upon Motion Duly Made and Seconded, the attached Resolution 10-051 was adopted as amended.

Item 13 – Revising the Authority's Policy and Procedure Manual Series No. 151 Regarding Outside Employment - requested the Board to adopt a resolution amending the Authority's existing policy regarding outside employment by Authority employees. The purpose of amending this policy will clarify the policy and require all employees who are Officers or Directors to seek and obtain specific Board approval before obtaining other employment while continuing employment by the Authority.

DRPA-10-052 Revising the Authority's Policy and Procedure Manual Series No. 151 Regarding Outside Employment

There was a detailed discussion of this resolution and Upon Motion Duly Made and Seconded, the attached Resolution 10-052 was adopted as amended.

Item 14 – Establishing Policy and Procedure for Authority Requiring Full Board Approvals Prior to Making Contributions to Charitable and Civic Organizations - requested the Board to adopt a policy and establish the procedure requiring full Board approval at a meeting open to the public prior to making contributions to charitable and civic organizations.

DRPA-10-053 Establishing Policy and Procedure for Authority Requiring Full Board Approvals Prior to Making Contributions to Charitable and Civic Organizations

This proposal engendered a lively discussion among Commissioner Wagner, who favors eliminating charitable contributions entirely, and Commissioners Bogle and Sanchez who favored limitations or tabling the resolution pending further information. The Commissioners asked that staff send them the existing guidelines for charitable and civic contributions. The

Vice Chair noted that we close the Bridge and do other in kind services for charities. After more discussion the Chair asked that the motion be tabled for further consideration at next week's Special Meeting and that staff provide the Board with a list of what organizations have been supported, how much they were given, and what guidelines are in place.

Item 15 – Establishing a Policy Prohibiting Commissioners, Officers and Employees From Performing Political Activities While on Duty for the Authority or Using Their Office for Political Purposes – requested the Board to adopt a resolution to prohibit Commissioners, Officers and employees from pertaining political activities while on duty for the Authority or using their office for political purposes.

DRPA-10-054 Establishing a Policy Prohibiting Commissioners, Officers and Employees From Performing Political Activities while on duty for the Authority or Using their Office for Political Purposes

Commissioner DiCicco pointed out that he is an elected official and he is not sure where this is going. The Chair called on New Jersey Counsel Chris Gibson who had worked on this resolution. Mr. Gibson explained the intent was to preclude the use of the office of Commissioner (or employee) at DRPA for political purposes. Commission McCord suggested that we delete the word 'Commissioner' in this resolution and then use his resolution. Wiessmann wanted to make clear that it is also a violation for Commissioners to use their office for political purposes and Commissioner McCord responded that perhaps we could do a separate resolution. Commissioner DiCicco explained his dealings with a local developer as an example of how his roles as Councilman and as Commissioner interact.

Chair Estey suggested that this could not easily be resolved and asked that the motion be tabled until the Special Board Meeting next week. The motion was tabled.

Item 16 – Establishing a Policy Prohibiting Undue Influence by Commissioners, Officers and Employees – requested the Board to adopt a resolution whereby all decisions made by the Authority are made without any appearance of favoritism or bias. The policy will prohibit all Commissioners, Officers and employees from exerting undue influence over decisions.

DRPA-10-055 Establishing a Policy Prohibiting Undue Influence by Commissioners, Officers and Employees

Chairman Estey asked that this also be tabled to be brought back next week at the Special Board Meeting to be considered along with 10-054. He also mentioned that Commissioner McCord has thoughts about the outside employment resolution. 10-055 was tabled.

Item 17 – Elimination of Car Allowances for Authority Officers and Directors – requested the Board to adopt a resolution by which no Authority Officer, Director, or employee shall receive a car allowance or additional compensation for personal vehicles.

DRPA-10-056 Elimination of Car Allowances for Authority Officers and Directors

CEO Matheussen explained that this was already eliminated effective June 30th. In response to a question, CEO Matheussen confirmed that we now use the reimbursement system following

federal guidelines. He also mentioned that he is working to see whether the DRPA maintains any fleet vehicles that can be eliminated. Upon Motion Duly Made and Seconded, the attached Resolution 10-056 was adopted.

Item 18 – Elimination of All Programs Under Which All Present and Future Commissioners, Officers, Employees and Retirees, of the Authority Receive Free Bridge Passes and PATCO Credits – requested the Board to adopt a resolution to eliminate the current practice of providing E-ZPass account credits for up to 100 complimentary bridge crossing per year and complimentary PATCO train usage for up to 100 riders per year to officers, employees and retirees.

DRPA-10-057 Elimination of All Programs Under Which All Present and Future Commissioners, Officers, Employees and Retirees, of the Authority Receive Free Bridge Passes and PATCO Credits

Commissioner Wagner asked that the resolution provide that the discount also be eliminated for Commissioners. CEO Matheussen responded that we did that a year or so ago. Commissioner McCord stated that he wanted this to appear in the resolution covering both present and former commissioners.

Commissioner Fentress abstained.

Upon Motion Duly Made and Seconded, resolution 10-057 was adopted as amended to include present and former Commissioners.

Item 19 – Elimination of the Positions of the Assistant to the Vice Chairman and Chief Public Safety Officer – requested that the Board to adopt a Resolution to eliminate the positions of Assistant to the Chairman, Assistant to the Vice-Chairman and Chief Public Safety Officer.

DRPA-10-058 Elimination of the Positions of the Assistant to the Vice Chairman and Chief Public Safety Officer

Commissioner DiCicco prepared this resolution. Originally he would have eliminated 4 positions: Assistant to the Chair, Assistant to the Vice Chair, Chief Public Safety Officer, and Corporate Secretary. 058 has been revised to cover only the first three of these, and 059 addressed the Corporate Secretary. The intent is to save money. Vice Chair Nash reiterated Governor Christie's support for this action. CEO Matheussen responded to questions about the structure of the Department of Public Safety. Commissioner McCord asked which position are currently vacant and was told that the Assistant to Vice Chair and Chief Public Safety Officer positions were both held by Mike Joyce who has resigned. Commissioner McCord indicated that this means there is one current employee who would be terminated and emphasized that this is an important vote. After further discussion Chairman Estey suggested that we could eliminate the two vacant positions now and the other one later, and Vice Chair Nash said that given the Governor's position on this he wants it done no later than next week. Commissioner McCord and Chair Estey both thought we might defer action while considering the responsibilities of the position and the entire structure of the organization. Vice Chair Nash explained that he did not need an Assistant and sought to eliminate the two vacant positions. Chair Estey pointed out that we are missing the practical issues raised in the Management Audit. Commissioner Dougherty suggested that we go through the Management Report point by point and noted that he had no

influence on it. Why do we enter into legal contracts to negotiate with the FOP, what about doing away with the power of the Chair and Vice Chair, did the Governor see the Report? Commissioner McCord said we should “call out the pink elephant in the room”; that is, the person who would be fired is an ally of Commissioner Dougherty. Maybe we eliminate the position but realign that person in another job. Commissioner DiCicco pointed out that his original resolution called for elimination of four positions one of which was recommended by Senator Fumo and Commissioner DiCicco is a Fumo person. He also pointed out that the Dougherty ally attempted to obtain his, Kenney’s and Rendell’s E-Z Pass records which he thinks is a violation of privacy and he should have made a point of that at the time. After further conversation, the Motion was amended to eliminate the positions; Assistant to the Vice Chair and Chief Public Safety Officer. Upon Motion Duly Made and Seconded, the attached Resolution 10-058 was adopted as amended. Commissioner DiCicco voted “no”. The Board may consider the position of Assistant to the Chair at the Special Meeting next week.

Item 20 - Consolidation of Corporate Secretary Function

DRPA-10-059 Consolidation of Corporate Secretary Function

Commissioner McCord said that he was aware there are law suits pending and he wants to have full information.

Chair Estey said that this would be done in Executive Session and the matter was deferred.

Item 21 – Placement of Items on Meeting Agenda

DRPA-10-060 Placement of Items on Meeting Agenda

This resolution was tabled.

Item 22 – Travel Expenditures

DRPA-10-061 Travel Expenditures

Upon Motion Duly Made and Seconded, the attached Resolution 10-061 was adopted.

Item 23 – Economic Development Funding.

DRPA-10-062 Funding for Economic Development Projects

Commissioners Wagner and McCord spoke in favor of this resolution. Commissioners DiCicco and Sanchez opposed it.

Upon Motion Duly Made and Seconded, the attached Resolution 10-062 was adopted.

Commissioner DiCicco voted “no”.

Commissioner Bogle voted “no”.

Upon Motion Duly Made and Seconded, the attached Resolution 10-061 was adopted.

Item 24 – Requiring the Authority to Hold at Least One Public Meeting of the Board Per Year in Philadelphia, Pennsylvania After 6:30 PM.

DRPA-10-063 Requiring the Authority to Hold at Least One Public Meeting of the Board Per Year in Philadelphia, Pennsylvania After 6:30 PM.

Commissioner McCord proposed a new resolution calling for the DRPA and PATCO Boards to meet in the City of Philadelphia after 6:30 PM at least one time each year in a location large enough to accommodate the meeting and the public.

Upon Motion Duly Made and Seconded, the Resolution was adopted.

After due consideration, the resolution was tabled to be considered at the Special Board Meeting to be held next week.

Item 25 – Financial Interests of Executive-Level Employees, and Families

This matter was tabled to be considered at a special meeting next week.

Item 26 – Requiring the Authority to Hire Independent counsel to Conduct a Legal Inquiry Into the “True-Up” Provisions of the Authority’s Insurance Contracts.

DRPA-10-064 Requiring the Authority to Hire Independent counsel to Conduct a Legal Inquiry Into the “True-Up” Provisions of the Authority’s Insurance Contracts.

Commissioner McCord discussed an issue referred to as the “True Up” and asked that an internal legal investigation be conducted. He understands that there was a written agreement done with the knowledge of the former Authority Chair and legal counsel but not disclosed to the Board. Commissioner Wiessmann suggested a forensic audit. The Vice Chair agreed and urged that we also look into the amount of commissions being earned by the brokers. Commissioner agreed that this should be added, make it a financial review also. Commissioner Bogle asked who would do it. Commissioner McCord said it should be done by an outside attorney who is totally non-political.

Upon Motion Duly Made and Seconded, the attached Resolution 10-064 was adopted amended to include the evaluation of fees being earned by brokers.

There being no further business, on motion of Chairman Estey the meeting was adjourned.

Respectfully submitted,

Richard L. Brown,
Assistant Corporate Secretary