

**DELAWARE RIVER AND BAY AUTHORITY**

**BUDGET & FINANCE COMMITTEE MEETING**

**Wednesday, February 19, 2020**

**Delaware Memorial Bridge Complex**

A public meeting of The Delaware River and Bay Authority's Budget & Finance Committee Meeting was held on Wednesday, February 19, 2020 at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners of Delaware

Committee Chair Decker  
Commissioner Ratchford, Committee Member  
Commissioner Ford, Committee Member  
Commissioner Faust  
Commissioner Carey

Commissioners of New Jersey

Committee Vice-Chair Bennett (Via Telephone)  
Commissioner Smith, Committee Member (Absent)  
Commissioner Wilson, Committee Member  
Commissioner Ransome  
Commissioner McCann

Chairperson Lathem

Vice-Chairperson Hogan (Absent)

Mike Houghton – DE

Phil Norcross – NJ

Governors' Representatives

Stephanie Rau – NJ

Staff

Tom Cook  
Steve Williams  
Victor Ferzetti  
Vince Meconi  
Charlotte Crowell  
Gerry Owens  
Jim Salmon  
TJ Murray  
Michelle Hammel  
Tara Donofrio  
Michele Pyle  
Lindsay Premo  
Joe Larotonda  
Rhona Bronson  
Jim Danna

Guests

Ed Ramsey  
Jim Dugan  
Keith Stone  
Jacob Hodes

1. Committee Chair Decker opened the Budget & Finance Committee meeting at approximately 9:08 a.m. The Deputy Executive Director (DED) reported that the public meeting of the Budget & Finance Committee had been duly noticed in accordance with the Authority's Freedom of Information Regulations, read the Statement of Notice, and called the roll.
2. Committee Chair Decker called for a motion to accept the Budget & Finance Committee Minutes from January 22, 2019. Commissioner Ratchford made a motion, Commissioner Ford seconded, and the Committee Minutes were accepted.
3. Discussion Items:

) 2019 Investment Review

The Chief Financial Officer (CFO) Victor Ferzetti introduced Jim Dugan, Keith Stone and Jacob Hodes from Brown Advisory to discuss the 2019 Investment Review. Mr. Dugan explained that they would be going over an executive summary of the year, and major market events. Mr. Dugan announced that the Authority's Portfolios were "firing on all cylinders" and that it was a good year in both stocks and bonds, noting the S&P 500 Stock Index and the Bloomberg Barclays Aggregate Bond Index both being up.

Mr. Dugan reminded the Board that in the beginning of 2019, returns were suffering after a 20% market decline in the 4th quarter of 2018, but pointed out that within the first four months, the investments recovered. Mr. Dugan reminded the Board that the economy is still growing slowly, and that this would need to be taken into account as the Authority moves forward.

Mr. Dugan discussed the main components of the review, which included Fiduciary Funds, comprised of fixed, equities and alternative investments and Authority Funds which are fixed income. He told the Board that overall, the Authority had a very good year making money from these investments – approximately \$43.7 million in 2019 earnings. He shared that interest income increased primarily because the Authority had larger fund balances invested. He noted that global issues, such as the ongoing conflict in Iran and the spread of the Novel Coronavirus, loom as potential impacts the stock market in 2020.

Mr. Dugan explained that seven years ago, the Authority began investing in Private Equity for both Capital Appreciation and Real Estate, with the hope that such investments offer increased returns with less volatility than public equities. He turned the discussion over to Mr. Hodes, who explained that the Authority began the Private Equity Investment program in 2012, with a ten-year fund structure in mind. He explained that within fifth to tenth year of investment, the Authority should begin to see returns. He reminded the Board that the benefits of this type of investment were a more consistent growth, as these would not be affected by the stock market, but that there is no way to sell shares or get out of these investments. Mr. Hodes informed the Board that while the Authority's portfolio in this area is young, it is trending as hoped and that the early results are promising.

Mr. Stone explained that Brown Advisory tries to stay concentrated with the types of investments, but also diversify – he gave examples of some of the Authority's investments that are more diverse, such as Space X, and explained why such investments might be beneficial, as they are less sensitive to quarterly results. The CFO noted the potential investment challenges associated with current equity valuations and low interest rates on future returns, informing the Committee that staff and

the consultant will be reviewing the current investment policy and come back with recommended policies for consideration.

4. Action Items:

) RESOLUTION 20-03 – Authorizing Authority Expenditures Pursuant to Resolution 01-84 for the period January 1, 2020 through December 31, 2020

The CFO discussed the new items and vendors on the list and explained the various needs for each. After a brief discussion, Commissioner Ford made a motion, Commissioner Ratchford seconded, and the Budget & Finance Committee recommended forwarding the Resolution to the full Board for approval. The Resolution will be presented to the full Board for consideration at the meeting later today.

5. With no further business to discuss, Committee Chair Decker made a motion to adjourn and the Budget & Finance Committee adjourned at 10:25 a.m.

**DELAWARE RIVER AND BAY AUTHORITY**

**PERSONNEL COMMITTEE MEETING**

**Wednesday, February 19, 2020**

Delaware Memorial Bridge Complex

New Castle, Delaware

A public meeting of The Delaware River and Bay Authority's Personnel Committee Meeting was held on Wednesday, February 19, 2020 at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Delaware Commissioners

Committee Chair Carey  
Commissioner Decker Committee Member  
Commissioner Faust, Committee Member  
Commissioner Ratchford  
Commissioner Ford

Chairman Lathem

Legal Counsel

Mike Houghton – DE

Governors' Representatives

Stephanie Brown NJ – via teleconference

Staff

Tom Cook  
Steve Williams  
Victor Ferzetti  
Vince Meconi  
Charlotte Crowell  
Gerry Owens  
Michelle Hammel  
Jim Salmon  
TJ Murray  
Michele Pyle  
Tara Donofrio  
Lindsay Premo  
Rick Arroyo

New Jersey Commissioners

Committee Vice-Chair Smith - absent  
Commissioner Ransome, Committee Member  
Commissioner McCann, Committee Member  
Commissioner Wilson  
Commissioner Bennett - via teleconference

Vice Chairman Hogan - absent

Phil Norcross– NJ

Guests

Ed Ramsey

1. Committee Chair Carey opened the Personnel Committee meeting at approximately 10:25 a.m. The Deputy Executive Director (DED) reported that the public meeting of the Personnel Committee had been duly noticed in accordance with the Authority's Freedom of Information Regulations, read the Statement of Notice, and called the roll.
2. Committee Chair Carey called for a motion to accept the Personnel Committee Minutes from January 22, 2019. Commissioner Faust made a motion, Commissioner Ransome seconded, and the Committee Minutes were accepted.
3. Committee Chair Carey requested an Executive Session, closed to the public, to discuss matters of a confidential nature. A motion was made by Commissioner Faust, seconded by Commissioner Ransome, and the Session was closed.

The following matters of a confidential nature were discussed:

- LITIGATION UPDATE
- PERSONNEL UPDATE

With no further business to discuss in Executive Session, a motion to open the meeting to the public was made by Commissioner Ransome, seconded by Commissioner McCann and the Session was opened to the public

4. Discussion
  - Summary of the Organization  
The CHRO noted as always the HR Demographics are available for the Board's individual review.
5. With no further business to discuss, Committee Chair Carey called for a motion to adjourn; Commissioner Ransome made a motion, Commissioner McCann seconded and the Personnel Committee adjourned at 11:15 a.m.

**DELAWARE RIVER AND BAY AUTHORITY**

**ECONOMIC DEVELOPMENT COMMITTEE MEETING**

**Wednesday, February 19, 2020**

Delaware Memorial Bridge Complex  
New Castle, Delaware

A public meeting of The Delaware River and Bay Authority's Economic Development Committee Meeting was held on Wednesday, February 19, 2020 at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners of New Jersey

Committee Chair Ransome  
Commissioner Bennett, Comm. Member – via: telephone  
Commissioner Wilson, Comm. Member  
Commissioner McCann  
Commissioner Smith - absent

Commissioners of Delaware

Committee Vice-Chair Ford  
Commissioner Ratchford, Comm. Member  
Commissioner Carey, Comm. Member  
Commissioner Decker  
Commissioner Faust

Vice-Chairperson Hogan - absent

Chairperson Lathem

Legal Counsel

Phillip Norcross

Michael Houghton

Governors' Representatives

Stephanie Brown - NJ Representative – via: telephone

Staff

Tom Cook  
Steve Williams  
Victor Ferzetti  
Vince Meconi  
Gerry Owens  
Michelle Hammel  
Jim Salmon  
Rhona Bronson  
TJ Murray  
Tara Donofrio  
Lindsay Premo  
Michele Pyle

Guests

Ed Ramsey

1. Chair Ransome opened the Economic Development Committee meeting at approximately 11:15 a.m. The Deputy Executive Director (DED) reported that the public meeting of the Economic Development Committee had been duly noticed in accordance with the Authority's Freedom of Information Regulations, read the Statement of Notice, and called the roll.

2. Chair Ransome called for a motion to accept the Economic Development Committee Minutes from January 22, 2020. Commissioner Ford made a motion, Commissioner Decker seconded, and the Committee Minutes were accepted.

3. Committee Chair Ransome requested an Executive Session closed to the public to discuss matters of a confidential nature. A motion was made by Commissioner Ford, seconded by Commissioner Wilson and the session was closed.

The Following matters of a confidential nature were discussed:

- **LONG RANGE PLANNING**

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

4. Resolutions:

**RESOLUTION 20-04 - RELEASE OF LAND FROM LEASEHOLD INTEREST AT NEW CASTLE AIRPORT AND GRANT OF CERTAIN RELATED EASEMENTS FOR A DEPARTMENT OF TRANSPORTATION OF THE STATE OF DELAWARE ROAD IMPROVEMENT PROJECT FOR ROUTE 141**

After discussion, Commissioner Ransome made a motion, Commissioner Decker, seconded, and the Economic Development Committee recommended forwarding Resolution 20-04 to the full Board for approval. The Resolution will be presented to the full Board for consideration at the February meeting later today.

**RESOLUTION 20-05 - AUTHORIZES A LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND CAPE BEVERAGE LLC AT THE CAPE MAY AIRPORT**

After discussion, Commissioner Ransome made a motion, Commissioner Decker, seconded, and the Economic Development Committee recommended forwarding Resolution 20-05 to the full Board for approval. The Resolution will be presented to the full Board for consideration at the February meeting later today.

**RESOLUTION 20-06 - AUTHORIZES A LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND CAPE BEVERAGE LLC AT THE CAPE MAY AIRPORT**

After discussion, Commissioner Ransome made a motion, Commissioner Decker, seconded, and the Economic Development Committee recommended forwarding Resolution 20-06 to the full Board for approval. The Resolution will be presented to the full Board for consideration at the February meeting later today.

With no further business to discuss, Committee Chair Ransome adjourned the Economic Development Committee at 11:18 a.m.

**DELAWARE RIVER AND BAY AUTHORITY**

**PROJECTS COMMITTEE MEETING**

**Wednesday, February 19, 2020**

Delaware Memorial Bridge Complex  
New Castle, Delaware

A public meeting of The Delaware River and Bay Authority's Projects Committee Meeting was held on Wednesday, February 19, 2020 at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners of Delaware

Committee Chair Ratchford  
Commissioner Ford, Committee Member

Commissioner Faust, Committee Member  
Commissioner Decker  
Commissioner Carey

Chairman Lathem

Legal Counsel

Mike Houghton – DE

Governors' Representatives

Stephanie Brown NJ – via teleconference

Staff

Tom Cook  
Steve Williams  
Victor Ferzetti  
Vince Meconi  
Gerry Owens  
Charlotte Crowell  
Jim Salmon  
TJ Murray  
Michelle Hammel  
Michele Pyle  
Tara Donofrio  
Lindsey Premo  
Rick Arroyo

Commissioners of New Jersey

Committee Vice-Chair Ransome  
Commissioner Bennett, Committee Member – via  
teleconference

Commissioner McCann, Committee Member  
Commissioner Wilson  
Commissioner Smith - absent

Vice Chairman Hogan - absent

Phil Norcross – NJ

Guests

Ed Ramsey



1. Committee Chair Ratchford opened the Projects Committee meeting at 11:27 a.m.
2. Committee Chair Ratchford called for a motion to accept the Projects Committee Minutes from January 22, 2019. Commissioner McCann made a motion, Commissioner Faust seconded, and the Committee Minutes were accepted.
3. Bid Openings:

) **ILG-19-04 Terminal Building 151 Exterior Improvements**

A public bid opening was held on January 09, 2020, in which (3) bids were submitted.

The COO recommended awarding the contract, in the amount of \$187,000 to Jones Masonry Restoration Corp of Harrisburg, PA. This project is for exterior brickwork improvements to the ILG terminal.

Committee Chair Ratchford called for a motion to accept, to which Committee Commissioner McCann made a motion, seconded by Commissioner Ford and the Projects Committee concurred with the recommendation to accept and authorized the action to be presented to the full Board at the February meeting later today.

4. Contract Closeouts

) **ILG-18-B – Obstruction Removal Phase III**

The COO recommended close-out of the contract and final payment to Diamond Materials of Newport, DE with a final contract amount of \$548,327.90 of which 90% came from a FAA grant.

Committee Chair Ratchford called for a motion to approve the contract closeout, to which Commissioner McCann made a motion, seconded by Commissioner Ford and the Projects Committee concurred with the recommendation and authorized the close-out action to be presented to the full board at the February meeting later today.

5. Contractor Payment Review:

The COO reviewed for the Committee the monthly construction contractor payments to be made for the work completed through January 2020. The DRBA had (11) payments totaling approximately \$4 million for projects at the bridge, ferry, and airports.

6. Discussion Items:

) **Contract Executed – ILG-19-E1A Terminal Apron Lighting and Paid Parking**

One quote was received for Contract ILG 19-E1A with Bancroft Construction Co of Wilmington, DE of \$688,553.80 for improving lighting of the terminal apron plus install the infrastructure for the forthcoming paid parking system.

7. With no further business to discuss, Committee Chair Ratchford called for a motion to adjourn; Commissioner Ford made a motion and Commissioner McCann seconded, and the Projects Committee adjourned at 11:29 a.m.

**DELAWARE RIVER AND BAY AUTHORITY**

**AUDIT AND GOVERNANCE COMMITTEE MEETING**

**Wednesday, February 19, 2020**

Delaware Memorial Bridge Complex  
New Castle, Delaware

A public meeting of The Delaware River and Bay Authority's Audit & Governance Committee Meeting was held on Wednesday, February 19, 2020 at the Delaware Memorial Bridge Complex, New Castle, Delaware.

Commissioners of Delaware

Committee-Vice Chair Carey  
Commissioner Faust, Committee Member  
Commissioner Decker, Committee Member

Commissioners of New Jersey

Committee Chair McCann  
Commissioner Smith, Committee Member (Absent)  
Commissioner Wilson, Committee Member

Chairperson Lathem

Vice-Chairperson Hogan (Absent)

Mike Houghton – DE

Phil Norcross – NJ

Governors' Representatives

Craig Ambrose – NJ (via phone)

Staff

Tom Cook  
Michelle Hammel  
Lindsay Premo

Guests

John Devlin

1. Committee Chair McCann opened the Audit & Governance Committee meeting at approximately 12:05 p.m.
2. Committee Chair McCann called for a motion to accept the Audit & Governance Committee Minutes from January 22, 2020. Commissioner Smith made a motion, Commissioner Carey seconded, and the Committee Minutes were accepted.
3. Committee Chair McCann requested an Executive Session closed to the public to discuss matters of a confidential nature. A motion was made by Commissioner Decker, seconded by Commissioner Carey, and the Session was closed. The Committee discussed confidential matters of the following nature:

) Long Range Planning  
) Attorney/Client Privileged Matters

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

4. With no further business to discuss, Committee Chair McCann made a motion to adjourn and the Audit & Governance Committee adjourned at 1:10 p.m.