

**MINUTES OF MEETING
THE DELAWARE RIVER AND BAY AUTHORITY
James Julian Board Room
New Castle, Delaware
Tuesday, July 16, 2019**

Prior to the start of the meeting Chairperson Lathem and Executive Director gave the Oath of Office to Veronica O. Faust as Commissioner of The Delaware River Bay Authority.

The meeting convened at 12:20 p.m. with Chairperson Lathem presiding.

The opening prayer was given by Chairperson Lathem, followed by the Pledge of Allegiance.

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

Commissioners from Delaware

Samuel Lathem, Chairperson
Crystal L. Carey
Henry J. Decker
Veronica O. Faust
James L. Ford III
Michael Ratchford

Commissioners from New Jersey

James N. Hogan, Vice-Chairperson
James Bennett - telephone
Sheila McCann - absent
M. Earl Ransome, Jr.
Ceil Smith
Shirley R. Wilson - absent

Chairperson Lathem called for an approval of the new Committee Assignments.

Commissioner Smith made a motion to approve the Committee Assignments, seconded by Commissioner Carey and the motion carried by a voice vote of 10-0.

Chairperson Lathem called for the acceptance of the Agenda

Commissioner Ransome made a motion to accept the Agenda, seconded by Commissioner Decker and the motion carried by a voice vote of 10-0.

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11526. APPROVAL OF THE JUNE 18, 2019 MINUTES

Commissioner Ratchford made a motion to approve the June 18, 2019 meeting minutes, seconded by Commissioner Smith and approved by a voice vote of 10-0.

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11527. 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 June 2019.

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

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11528. DELAWARE RIVER AND BAY AUTHORITY – STATEMENT OF INCOME AND EXPENSES.

The CFO presented a chart showing statements of income and expenses for the month of June 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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11529. DELAWARE RIVER AND BAY AUTHORITY – OPERATING EXPENSE BY DIVISION.

The CFO presented a chart for June 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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11530. DELAWARE RIVER AND BAY AUTHORITY – CAPITAL IMPROVEMENT PROGRAM.

The CFO presented a chart for the month of June 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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11531. DELAWARE RIVER AND BAY AUTHORITY – CASH POSITION (MARKET VALUE) AS OF JUNE 30, 2019.

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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11532. PUBLIC COMMENT ON ACTION ITEMS

Chairperson Lathem noted (6) Contract Awards, (1) Contract Close-Out, and (3) Resolutions to be considered today. All action items have been reviewed and recommended for consideration during today’s Committee meetings. He then called for public comment.

There were no public comments.

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11533. AWARD OF CONTRACT #MIV-18-B - MILLVILLE NORTH APRON REHABILITATION, MILLVILLE AIRPORT

The Chief Operations Officer (COO) noted that a public opening bid was held on June 11, 2019. The COO and Projects Committee recommended awarding the contract to the lowest responsible bidder, South State, Inc. of Bridgeton, New Jersey in the amount of \$549,760.00.

A motion to award CONTRACT #MIV-18-B to the aforementioned firm was made by Commissioner Ransome, seconded by Commissioner Ratchford, approved by a voice vote of 10-0.

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11534. AWARD OF CONTRACT #WWD-18-A - REHABILITATE APRON B, CAPE MAY AIRPORT

The Chief Operations Officer (COO) noted that a public opening bid was held on June 13, 2019. The COO and Project Committee recommended awarding the contract to the lowest responsible bidder, L. Feriozzi Concrete Company of Atlantic City, New Jersey in the amount of \$2,646,080.00.

A motion to award CONTRACT #WWD-18-A to the aforementioned firm was made by Commissioner Ransome, seconded by Commissioner Carey approved by a voice vote of 10-0.

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11535. AWARD OF CONTRACT #CMLF-19-07 - REPLACE TRANSFER BRDIGES, CAPE MAY AND LEWES TERMINALS

The Chief Operations Officer (COO) noted that a public opening bid was held on July 2, 2019. The COO and Projects Committee recommended awarding the contract to the lowest responsible bidder, Corman Construction, Inc. of Annapolis Junction, Maryland in the amount of \$7,796,100.00.

A motion to award CONTRACT #CMLF-19-07 to the aforementioned firm was made by Commissioner Ransome, seconded by Commissioner Carey, approved by a voice vote of 10-0.

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11536. AWARD OF CONTRACT #ILG-19-C - SNOW REMOVAL EQUIPMENT – CARRIER VEHICLE WITH FRONT-MOUNTED BROOM AND AIRBLAST SYSTEM

The Chief Operations Officer (COO) noted that a public opening bid was held on July 9, 2019. The COO and Projects Committee recommended awarding the contract to the lowest responsible bidder, Kodiak America LLC of Burley, Idaho in the amount of \$558,597.90.

A motion to award CONTRACT #ILG-19-C to the aforementioned firm was made by Commissioner Ratchford, seconded by Commissioner Smith, approved by a voice vote of 10-0.

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11537. AWARD OF CONTRACT #DMB-16-03 - EIGHT BAY MAINTENANCE GARAGE

The Chief Operations Officer (COO) noted that a public opening bid was held on July 10, 2019. The COO and Projects Committee recommended awarding the contract to the lowest responsible bidder, Wickersham Construction and Engineering, Inc. of Lancaster, PA in the amount of \$1,504,017.50.

Upon the Motion of Vice Chairperson Hogan, which was approved by a voice vote of 10-0, award is subject to confirmation by staff that location of new garage is not located in a flood plain.

A motion to award CONTRACT #DMB-16-03 to the aforementioned firm was made by Commissioner Ratchford, seconded by Commissioner Faust, approved by a voice vote of 10-0.

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11538. AWARD OF CONTRACT #CMLF-16-04 - FREEMAN HIGHWAY STORAGE BUILDING, FREEMAN HIGHWAY MAINTENANCE GARAGE

The Chief Operations Officer (COO) noted that a public opening bid was held on July 10, 2019. The COO and Projects Committee recommended rejecting the sole bid received for the project.

A motion to reject CONTRACT #CMLF-16-04 was made by Commissioner Ratchford, seconded by Commissioner Faust, approved by a voice vote of 10-0.

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11539. CLOSE-OUT CONTRACT #MIV-18-C - MILLVILLE AIRPORT BEACON RELOCATION

On July 17, 2018, Contract #MIV-18-C, MILLVILLE AIRPORT BEACON RELOCATION, was awarded to Scalfo Electric, Inc. of Vineland, New Jersey for the bid price of \$142,500.00.

It is recommended that the Authority accept the project and make the final payment to the contractor. The final cost of this project is \$142,500.00.

A motion to Close-Out Contract #MIV-18-C was made by Commissioner Ratchford, seconded by Commissioner Decker and approved by a voice vote of 10-0.

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11540. CHAIRPERSON’S CALL FOR RESOLUTIONS BEFORE THE
BOARD

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**RESOLUTION 19-28 - AUTHORIZING AUTHORITY EXPENDITURES PURSUANT TO
RESOLUTION 01-84 FOR THE PERIOD, JANUARY 1, 2019 THROUGH DECEMBER 31, 2019**

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 1/1/19 THROUGH 12/31/19

VENDOR	PURCHASE DESCRIPTION	CLASSIFICATION	ESTIMATED \$
Bearing Distributors Inc. (BDI)	Capstan Replacement at Lewes Terminal	Sole Source	\$125,000
Council Fire, LLC	CMLF Economic Impact Study	Professional Services	\$48,000
Johnson Controls, Inc.	Replacement Chillers and Cooling Tower at DMB Admin	Sole Source	\$578,000
National Capital Industries, Inc.	Replacement Truck-Mounted Attenuator	Sole Source	\$27,000
Norfolk Bearings & Supply Co.	Replacement Bearing for CMLF	Quotes	\$40,000
Rommel Harley-Davidson	Two (2) Police Motorcycles	State Contract	\$54,000
SeaGear Marine Supply	New and Replacement Uniforms, Vessel Parts and Ropes	Quotes	\$30,000
Yardi Systems, Inc.	Property Management Software	Quotes	\$49,000

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 19-28 was made by Commissioner Ratchford, seconded by Commissioner Ransome, and approved by a roll call vote of 10-0.

Resolution 19-28 Executive Summary Sheet

Resolution: Authorizing Authority Expenditures Pursuant to Resolution 01-84 for the period January 1, 2019 through December 31, 2019.

Committee: Budget & Finance

Committee and Board Date: July 16, 2019

Purpose of Resolution:

Authorizes expenditures of \$25,000 or greater with the identified vendors during the 2019 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:

Bearing Distributors Inc. (BDI): Capstan Replacement at Lewes Terminal

A capstan is a critical piece of equipment used to secure the bow of the vessel during docking. In 2018, the Authority solicited quotes from three contractors to remanufacture an existing capstan/motor assembly and create a new motor assembly for a second capstan. As part of the 2018 work, the low bidder, BDI, was also tasked with recording the dimensions of the dismantled equipment to enable the Authority to order spare capstans custom-manufactured by BDI in the future. BDI is the sole company with the information necessary to remanufacture the capstan to its original specifications, thus this purchase request is classified as a sole source. This is the first of two planned capstan replacements to occur over the next two years.

Council Fire, LLC: CMLF Economic Impact Study

The Authority plans to engage a management consultant to provide an Economic Impact Study of the Cape May-Lewes Ferry. A request for proposals was sent by the Authority to four potential candidates, all of which submitted proposals and were interviewed by a panel consisting of Authority personnel. Council Fire, LLC was selected to provide the proposed services.

Johnson Controls, Inc.: Replacement Chillers and Cooling Tower at DMB Admin

The Authority has planned a project to replace the cooling tower and three chillers that service the Administration Building, all of which have exceeded their service life (22 years) and operate on R-22 refrigerant, which is being phased out of use by the EPA. York, a subsidiary of Johnson Controls is the sole brand of HVAC equipment that is compatible with the Authority's building automation system and is installed at all Authority facilities. The Authority also has a preventative maintenance contract with York/Johnson Controls, stocks York replacement parts Authority-wide, and our technicians are trained to service York equipment.

National Capital Industries, Inc.: Replacement Truck-Mounted Attenuator

The Authority is replacing one Truck-Mounted Attenuator (TMA) that has exceeded its useful life and meets the replacement criteria in place. This TMA unit is designed to help

absorb rear impacts at speeds of up to 62 mph and is identical to the other TMA's on the Authority's traffic control vehicles. Our prior vendor (Enterprise Flasher) is no longer a distributor of the TMA manufacturer (Trinity) within the state of Delaware. National Capital Industries is the DRBA's sole source for the particular make of attenuator needed. After the new TMA is put into service, the retired equipment will be sold at public auction.

Norfolk Bearings & Supply Co.: Replacement Bearing for CMLF

The Authority's CMLF operations requires the purchase of a specialty split bearing and cartridge housing. The DRBA requested quotes from the two distributors permitted to stock and sell the required products within the CMLF sales area. Norfolk Bearings & Supply submitted the lowest-cost quote. The estimated purchase price reflects an aggregate estimate of expenditures for routine purchases made from the vendor throughout the year.

Rommel Harley-Davidson: Two (2) Police Motorcycles

The Authority is replacing two 2006 model year motorcycles used by DMB Police that have exceeded their useful life and meet the vehicle replacement criteria in place. Each will be replaced with 2019 Harley-Davidson FLHTP Electra Glide Police models. The base pricing (non-equipped) at which the Authority will acquire the vehicles is pursuant to the vendor's state contract to supply motorcycles (GSS16702). The retired motorcycles will be either traded-in for vendor credit or sold at public auction.

SeaGear Marine Supply: New and Replacement Uniforms, Vessel Parts and Ropes

The Authority purchases and provides quality embroidered and logo-imprinted work uniforms for Cape May – Lewes Ferry personnel. The Authority solicited quotes from three (3) uniform vendors. SeaGear Marine Supply submitted the lowest quote for the variety of clothing items that the Authority will purchase throughout the year. Of note, the Authority spends approximately \$10,000 per year on various marine-related parts and ropes from the above vendor, which has been factored into the estimated purchase amount.

Yardi Systems, Inc.: Property Management Software

The Authority is recommending Yardi Systems, Inc. to replace Colonial Systems as its Property Management solution. Quotes were solicited from four software providers, and a selection committee comprised of representatives from DRBA Property Management, Airport Operations, Finance, Maintenance, and IT reviewed vendor demonstrations and proposals. Yardi provided the lowest quote and was able to meet the collective needs of the panel providing online tenant management, payment processing, and capability to integrate with the Authority's financial system, MUNIS.

Purchase 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.

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).

Sole Source. A purchase made without a competitive process, based on the justification that only one known source exists or that only one single supplier can fulfill the requirements of the Authority. Sole source procurement is appropriate when the goods or services being acquired: are uniquely qualified to meet the objectives of the Authority; must be compatible with existing equipment; are available within a limited geographic boundary (e.g., distributor with exclusive rights or sales area); are required for use in conjunction with a grant or contract, etc. *“A contract may be awarded without competition if the General Manager or Director of Operations of an Authority facility, or Police Administrator, prior to procurement, determines in writing that there is only one source for the required contract and no other reasonable alternative sources exist that will satisfy the requirements of the Authority”.* (DRBA Resolution 98-31 Part 2.f.)

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

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RESOLUTION 19-29 - LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND ACE TRANSPORT SERVICES, INC. AT THE NEW CASTLE AIRPORT

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

WHEREAS, Ace Transport Services, Inc. (“Ace”) desires to lease approximately a half acre of land at the New Castle Airport in order to construct an aircraft hangar; and

WHEREAS, Ace has agreed to pay the Authority annual rent in the amount of \$0.85/square foot, approximately Eighteen Thousand Five Hundred and Thirteen Dollars 00/100 (\$18,513) for the parcel; and

WHEREAS, the term of the Lease Agreement (“Agreement”) is for Twenty-Five (25) years; and

WHEREAS, Ace shall have the right to renew this agreement for one (1) period of ten (10) years; and

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

WHEREAS, rent shall adjust at the beginning of year ten (10), year twenty (20) and at the beginning of any renewal to the then 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 Ace Transport Services, Inc. and, with the consent of counsel, to have such Agreement executed by the Chairperson, Vice Chairperson and the Executive Director.

A motion to approve Resolution 19-29 was made by Commissioner Ford, seconded by Commissioner Ransome, and approved by a roll call vote of 9-0. Commissioner Faust abstained from voting.

Resolution 19-29 Executive Summary

Resolution: Authorizing the Execution of the Lease Agreement between the Delaware River and Bay Authority and Ace Transport Services, Inc. at the New Castle Airport.

Committee: Economic Development

Committee Date: July 16, 2019

Board Date: July 16, 2019

Purpose of Resolution:

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

Background for Resolution:

The Delaware River and Bay Authority operates the New Castle Airport. Ace Transport Services, Inc. has been a longtime aircraft operator and tenant at the New Castle Airport. They would like to construct and own his own facility at the airport. They are planning on constructing approximately a 10,000 sq. ft. hangar. The annual rent is based upon the current land rental rate at the airport. Final square footage leased will be based upon a survey.

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RESOLUTION 19-30 - RECOGNIZING AND SALUTING WILLIAM E. LOWE, III FOR HIS DEDICATED SERVICE TO THE DELAWARE RIVER AND BAY AUTHORITY

WHEREAS, William E. Lowe, III was appointed by Governor Ruth Ann Minner to serve as a Commissioner on the Delaware River and Bay Authority, participating in his first Commission Meeting on May 20, 2003; and

WHEREAS, Mr. Lowe served with distinction, enthusiasm and dedication as a Delaware River and Bay Authority Commissioner for more than sixteen years – many of those as either Chairman or Vice Chairman of the twelve person governing board; and

WHEREAS, Mr. Lowe also served as a chairperson of the Economic Development and Projects Committees during his time as a Commissioner, advocating for the creation and adoption of a new Marine Master Plan for the Cape May- Lewes Ferry and shepherding projects at the agency’s regional airports; and

WHEREAS, throughout his tenure and during all deliberations, Mr. Lowe helped to shape and effectuate policy by constantly focusing on ways to reach a consensus for the good of the Authority, its customers and stakeholders; and

WHEREAS, Mr. Lowe, as a veteran Delaware River Pilot, was a passionate supporter of the Cape May – Lewes Ferry and provided much needed insight, expertise, and perspective on this important bi-state crossing operation; and

WHEREAS, Mr. Lowe recognized the importance of the Authority’s transportation network and endorsed the investment of financial resources to improve and enhance all of the Authority’s facilities, including its major transportation links, the Cape May - Lewes Ferry and Delaware Memorial Bridge facilities, and

WHEREAS, Mr. Lowe willingly supplied his time, talents, and energy to the successful operation of the Delaware Memorial Bridge, Cape May - Lewes Ferry, the Salem County Business Center, Wilmington-New Castle Airport, Millville Airport, Cape May Airport, Delaware Airpark, Civil Air

Terminal at Dover, and the Forts Ferry Crossing, all of which are managed by the Delaware River and Bay Authority; and

NOW THEREFORE, BE IT RESOLVED that the Delaware River and Bay Authority does hereby praise and congratulate William E. Lowe, III for the invaluable services rendered by him to the States of Delaware and New Jersey through his outstanding contributions as a Delaware River and Bay Authority Commissioner and does hereby record the Commissioners sincere appreciation by the presentation of this Resolution, adopted today, July 16, 2019.

A motion to approve Resolution 19-30 was made by Commissioner Decker, seconded by Commissioner Ford, and approved by a roll call vote of 9-0 with Commissioner Faust abstaining from the vote.

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11541. EXECUTIVE DIRECTOR'S COMMENTS

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

DMB Tidbits – June Traffic Count – All-Time Best June in Authority History
For the Quarter – Best ever April, 2nd best ever May and best ever June.
2019 vs. 2018 – Up approximately 134,000 vehicles.

Ferry Facts – June 2019 – Year over year (2019 v. 2018)
Vehicles up 1%, Passengers up 3%, Fare Revenue up 5% and Food/Retail up 10%.

In honor of the 50th Anniversary of Apollo XI, the Executive Director recognized the contributions of Commissioner Carey's father in the development of the mission space suits.

The Authority is once again participating with the Sussex Consortium in providing work opportunities for its students and helping to prepare them to be productive members of social in our local and global communities. This year we have two young men working at the Cape May Lewes Ferry.

Deputy Executive Stephen Williams was recognized for his participation in a program by the Delaware Aerospace Education Foundation held at Clayton Hall, University of Delaware. Approximately 200 cadets were exposed to various careers in aviation.

Police Athletic League planning a trip to the Forts Ferry on August 7, 2019. Our intern Kellen Sweeney has been coordinating the trip.

The Executive Director showed an aerial photograph of Veterans' Memorial Park and took the opportunity to thank our grounds crew for their excellent job in maintaining the area.

Upcoming Events:
Week of August 12th – Special Meeting for Bond Issuance

Commission Meeting and Planning Retreat– Tuesday, September 17 & 18, 2019, Commission Meeting, 9:00 a.m., Virden Center, Lewes, Delaware

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11542. COMMISSIONERS PUBLIC FORUM

Chairperson Lathem called for comments from the public and the Commissioners.

Chairperson Lathem, on behalf of all the Commissioners, once again welcomed Commissioner Faust to the Board and looks forward to working with her.

There being no further business, Chairperson Lathem adjourned the meeting at 12:35 p.m.

Respectfully submitted,

THE DELAWARE RIVER AND BAY AUTHORITY

Stephen D. Williams
Assistant Secretary