

MINUTES OF MEETING
THE DELAWARE RIVER AND BAY AUTHORITY
Wednesday, January 20, 2016
James Julian Boardroom
Delaware Memorial Bridge Plaza
New Castle, Delaware 19720

The meeting convened at 9:15 a.m. with Chairperson Lowe presiding.

Chairperson Lowe 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.

Commissioner James Bennett was given the Oath of Allegiance as a Member of the Board of Commissioners by Senator Jeff Van Drew, while Commissioner Hogan held the Bible. (Commissioner Bennett replaces Mr. Richard Mroz who resigned October, 2014.)

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

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Commissioners from Delaware

Commissioners from New Jersey

PRESENT

William E. Lowe, Chairperson
Crystal L. Carey
Richard W. Downes
James L. Ford, III-via phone

James N. Hogan, Vice-Chairperson
James Bennett
Edward W. Dorn
Ceil Smith
Douglas Van Sant
Shirley R. Wilson

ABSENT

Terry C. Murphy
Samuel E. Lathem

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Motion to approve Committee new assignments by Commissioner Van Sant, seconded by Commissioner Downes, and the motion carried by a voice vote of 10-0.

Motion to recess to conduct the Committee meetings by Commissioner Dorn, seconded by Commissioner Wilson, and the motion carried by a voice vote of 10-0. The meeting recessed at 9:20 a.m.

Motion to reconvene the Board meeting by Commissioner Downes, seconded by Commissioner Smith, and the motion carried by a voice vote of 10-0. The meeting reconvened at 12:03 p.m.

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

Chairperson Lowe called for the acceptance of the Agenda.

Commissioner Van Sant motioned to accept the Agenda, seconded by Commissioner Dorn, and the motion carried by a voice vote of 10-0.

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11049. APPROVAL OF THE DECEMBER 15, 2015 MINUTES

Commissioner Carey motioned to approve the December 15, 2015 meeting minutes, seconded by Commissioner Smith, and unanimously approved by a voice vote of 10-0.

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11050. DELAWARE RIVER AND BAY AUTHORITY – TRAFFIC AND REVENUE SUMMARY.

The Chief Financial Officer (CFO) presented charts 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 December.

Without objection, the charts were ordered filed with the permanent records of the Authority.

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11051. DELAWARE RIVER AND BAY AUTHORITY – STATEMENT OF INCOME AND EXPENSE.

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

Without objection, the charts were ordered filed with the permanent records of the Authority.

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11052. DELAWARE RIVER AND BAY AUTHORITY – OPERATING EXPENSE BY DIVISION.

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

Without objection, the charts were ordered filed with the permanent records of the Authority.

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11053. DELAWARE RIVER AND BAY AUTHORITY – CAPITAL IMPROVEMENT PROGRAM.

The CFO presented a chart for the month of December 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 charts were ordered filed with the permanent records of the Authority.

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11054. DELAWARE RIVER AND BAY AUTHORITY – CASH POSITION (MARKET VALUE) AS OF DECEMBER 31, 2015.

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

Without objection, the charts were ordered filed with the permanent records of the Authority.

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11055. AUTHORITY CUSTOMER TRENDS (ACT) REPORT

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

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11056. PUBLIC COMMENT ON ACTION ITEMS

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

There were no public comments.

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11057. ANNUAL MISCELLANEOUS STEELWORK REPAIRS, FIRST AND SECOND STRUCTURES CONTRACT #DMB-15-04

The COO noted that a public bid opening was held on December 17, 2015 in which four (4) bids were received. The COO and the Projects Committee recommended rejecting all of the bids received.

A motion to reject all bids received for Contract #DMB-15-04 was made by Commissioner Smith, seconded by Commissioner Downes, and approved by a voice vote of 10-0.

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11058. CHAIRPERSON’S CALL FOR RESOLUTIONS BEFORE THE BOARD

RESOLUTION 16-01 - AUTHORIZING AUTHORITY EXPENDITURES PURSUANT TO RESOLUTION 01-84 FOR THE PERIOD, JANUARY 1, 2016 THROUGH DECEMBER 31, 2016

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 1/1/16 THROUGH 12/31/16

VENDOR	PURCHASE DESCRIPTION	CLASSIFICATION	ESTIMATED \$
Advanced Electronic Design d/b/a Patrol PC	In-car Video Camera Systems for DRBA Police	State Contract	\$40,000
Atlantic Tactical, Inc.	New and Replacement Weapons and Associated Leather Gear	State Contract	\$55,000
Delmarva Communications, Inc.	Police Tahoe Emergency Equipment Purchase and Installation	State Contract	\$48,000
Level 3 Communications	Redundant Dedicated Internet Access at DMB	Utility	\$42,000

VENDOR	PURCHASE DESCRIPTION	CLASSIFICATION	ESTIMATED \$
Liberty Airport Systems, Inc.	MIV Airfield Lighting Control and Monitoring System	Quotes	\$37,000
Marling's, Inc.	Annual Floor Maintenance at Delaware Facilities	Quotes	\$39,000
Thomas Barry Marine Construction, Inc.	Floating Dock Construction at Lewes Terminal	Quotes	\$30,000
Windstream Communications	Redundant Dedicated Internet Access and MPLS at DMB, ILG and CMLF	Utility	\$132,000

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

Resolution 16-01 Executive Summary Sheet

Resolution: Authorizing Authority Expenditures Pursuant to Resolution 01-84 for the period January 1, 2016 through December 31, 2016.

Committee: Budget & Finance

Committee and Board Date: January 20, 2016

Purpose of Resolution:

Authorizes the expenditure of \$25,000 or greater with the identified vendors for the 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:

Patrol PC: In-car Video Camera Systems for DRBA Police

The DRBA Police Department requires the purchase of WatchGuard in-car video systems from Patrol PC at prices pursuant to the firm's state contract for Police and Homeland Security Equipment and Supplies. This is the final stage of the effort to equip all Police patrol vehicles with similar technology.

Atlantic Tactical, Inc.: New and Replacement Weapons and Associated Leather Gear

The weapons utilized by the DRBA Police Department are over ten years old and have reached the end of their life expectancy. Authority Police are required to fire a large amount of ammunition annually for qualification, a practice which has been tough on the composite frame of the current model. The old weapons will be traded-in for credit toward new weapons and new leather will be purchased to fit the new weapons. Atlantic Tactical offers the equipment at prices pursuant to the firm's state contract for Police and Homeland Security Equipment and Supplies.

Delmarva Communications, Inc.: Police Tahoe Emergency Equipment and Installation

The DRBA Maintenance and Police Departments require equipment and installation for DRBA Emergency Vehicles (e.g., radios, fixed-mount computer, emergency lighting) to ensure critical mobile wireless connectivity and computing power for mission-critical applications. Delmarva Communications prices are pursuant to the firm's state contract for Vehicle Up-fitting and as the Motorola Solutions Manufacturer's Representative for State agencies.

Level 3 Communications: Redundant Dedicated Internet Access at DMB

The Authority will be using Level 3 Communications to provide dedicated redundant internet access at DMB facilities. Quotes were solicited and received from four (4) providers. Level 3 submitted the lowest monthly cost.

Liberty Airport Systems, Inc.: MIV Airfield Lighting Control and Monitoring System

An airfield lighting control system (ALCMS) is being purchased to support operations and maintenance of the Millville Airport. The ALCMS controls the operation of airfield lighting and enables the Authority to remotely diagnose and resolve lighting issues. Quotes were solicited from all available ALCMS firms, with Liberty Airport Systems submitting the lowest cost of the two responding firms. The quoted price includes design, manufacture, programming, commissioning and training.

Marling's Inc.: Annual Floor Maintenance at Delaware Facilities

The Authority has combined its Delaware floor cleaning services into one annual contract, with the option for the Authority to extend the agreement in 2017 and 2018. Bids were solicited from seven (7) cleaning firms. Marling's submitted the lowest annual price.

Windstream Communications: Redundant Dedicated Internet Access and MPLS at DMB, ILG and CMLF

The Authority will be using Windstream Communications to provide dedicated redundant internet access and Multiprotocol Label Switching (MPLS) at DMB, New Castle Airport and both Ferry terminal facilities. Quotes were solicited and received from five (5) providers. Windstream Communications submitted the lowest combined monthly cost for the services.

Thomas Barry Marine: Floating Dock Construction at Lewes Terminal

The Authority plans to construct a floating dock facility at the Lewes Terminal and will require the services of a marine contractor to provide and install steel support piles. Quotes were solicited from eleven (11) contractors and two (2) quotes were received. Thomas Barry Marine submitted the lowest quote to perform the work. The work permit issued to the Authority by the US Army Corps of Engineers does not allow pile driving to occur between April 15 and August 31.

Classification Definitions:

Quotes. A purchase of equipment, supplies or non-professional services 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...*" (DRBA Resolution 98-31 Part 4).

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

Utility. A purchase of utility services, which are exempted from the competitive bidding requirement of normal circumstances. *"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...Materiel means materials, equipment, tools, supplies, or any other personal property, but does not include real property, or electric, gas, water, telephone, or similar utilities."* (DRBA Resolution 98-31 Part 2.a.)

A motion to approve Resolution 16-01 was made by Commissioner Wilson, seconded by Commissioner Downes, and approved by a roll call vote of 10-0.

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RESOLUTION 16-02 - AUTHORIZES A LEASE AMENDMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND CAPE MAY BREWING LLC AT THE CAPE MAY AIRPORT

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

WHEREAS, Cape May Brewing LLC ("Cape May Brewing") entered into a Lease Agreement dated March 1, 2011 pursuant to which the Authority leased Cape May Brewing 1,500 square feet of space known as Unit#5 located within Building 96 at the Cape May Airport; and

WHEREAS, Cape May Brewing and the Authority entered into an Amended Lease effective March 1, 2013 through February 28, 2016 whereby the Original Lease was amended to add Units # 6 & 7 in Building 96 the Leased Premises; and

WHEREAS, Cape May Brewing has requested additional renewal terms in order to provide for two (2) additional renewal terms of one (1) year each, as applicable to the Original Premises and the Expanded Premises, and one renewal period of one (1) year, as applicable to the Additional Premises; and

WHEREAS, Cape May Brewing has requested an additional modification the Lease Agreement to permit an expansion of their business into adjacent Unit #8 and to provide for additional renewal terms for the lease; and

WHEREAS, Cape May Brewing has agreed to pay the Authority annual rental in the amount of Ten Thousand Five Hundred dollars (\$10,500.00) for the expanded space; and

WHEREAS, Cape May Brewing shall have the option of renewing the Lease Agreement for two (2) additional (1) year periods; and

WHEREAS, rent shall adjusted during the renewal periods as follows:

- Original Premises (unit 5) shall be adjusted during each renewal term by the Consumer Price Index (CPI)

- First Expanded Premises (units 6 & 7) shall adjust to \$1,750 a month at the beginning of the first renewal term on March 1, 2016 and shall adjust by the CPI at the beginning of the second renewal term
- Additional Premises (unit 8) shall adjust by the CPI at the beginning of the renewal term; and

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

Resolution 16-02 - Executive Summary

Resolution: Authorizing the Execution of a Lease Agreement between the Delaware River and Bay Authority and Cape May Brewing LLC, regarding the Cape May Airport

Committee: Economic Development

Committee Date: January 20, 2016

Board Date: January 20, 2016

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

Background for Resolution:

The Delaware River and Bay Authority operates Building 96 located in the Cape May Airport Industrial Park. Cape May Brewing wishes to lease Unit 8 in Building 96 in order to expand their brewery operation and to add additional renewal terms to their lease agreement. Cape May Brewery currently leases units 5, 6, & 7 in building 96 and Building 97 at the Cape May Airport, but requires more space in order to expand and grow their take out and brewery merchandise business. The lease rate is reflective of the FMV for the property.

A motion to approve Resolution 16-02 was made by Commissioner Van Sant, seconded by Commissioner Downes, and approved by a roll call vote of 10-0.

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RESOLUTION 16-03 - AUTHORIZES A LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND VICTORIA CLAYTON, INC. AT THE CAPE MAY AIRPORT

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

WHEREAS, Victoria Clayton, Inc. desires to lease approximately 1,500 square feet of warehouse/store front space located in Unit 3 Building 96 at the Cape May Airport; and

WHEREAS, Victoria Clayton, Inc. has agreed to pay the Authority annual rent in the amount of Ten Thousand Five Hundred dollars (\$10,500.00); and

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

WHEREAS, rent shall increase each year by the Annual Consumer Price Index (CPI); and

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

Resolution 16-03 Executive Summary

Resolution: Authorizing the Execution of a Lease Agreement between the Delaware River and Bay Authority and Victoria Clayton, Inc., regarding the Cape May Airport

Committee: Economic Development

Committee Date: January 20, 2016

Board Date: January 20, 2016

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

Background for Resolution:

The Delaware River and Bay Authority operates Building 96 located in the Cape May Airport Industrial Park. Victoria Clayton, Inc. wishes to lease Unit 3 in Building 96 in order to operate a furniture refinishing and retail shop. Victoria Clayton Inc. currently has a location on the Washington Street Mall in Cape May, operating under the name of The French Painted Lady, but requires more space in order to expand and grow their business. The lease rate is reflective of the FMV for the property.

A motion to approve Resolution 16-03 was made by Commissioner Dorn, seconded by Commissioner Wilson, and approved by a roll call vote of 10-0.

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RESOLUTION 16-04 – LEASE AMENDMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND ENERGI AT THE SALEM BUSINESS CENTRE

WHEREAS, the Delaware River and Bay Authority (the “Authority”), is the owner-operator an 80,000 square foot building in the Salem Business Centre (“SBC”), Carneys Point, New Jersey; and

WHEREAS, Energi currently leases from the Authority 3,916 square feet of space in a building located at 1 Collins Drive, commonly referred to as the Salem Business Centre; and

WHEREAS, Energi desires to lease an additional approximately 3,987 square feet of adjacent space in the building, which is currently in unfinished condition; and

WHEREAS, Energi has agreed to lease the combined space from the Authority at an annual rent of \$18.50 per square foot; and

WHEREAS, Energi shall extend the existing lease to be coterminous with a five (5) year initial lease term for the expansion space; and

WHEREAS, Energi shall receive a Tenant Improvement Allowance (TIA) for suitable refreshing and fit out of its leasehold, calculated at \$51.00 per square foot of the additional rented space, with any TIA overage to be the responsibility of Energi; and

WHEREAS, Energi shall receive a lease inducement in the form of a three (3) month rent abatement during the initial year of the lease; and

WHEREAS, rent shall increase each year during the initial term by \$0.50 per square foot; and

WHEREAS, with the consent of the Authority, Energi shall have the option of renewing this lease agreement for one (1) option period of five (5) years, upon the same terms as the initial term, subject to a rent adjustment at the beginning of the renewal term to reflect a minimum 95% of the leasehold's fair market rental value;

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby authorized to finalize the terms and conditions of the Amendment with Energi and, with the advice and consent of counsel, to have such Agreements executed by the Chairperson, Vice Chairperson, and the Executive Director.

Resolution 16-04 - Executive Summary Sheet

Resolution: Authorizing the Executive Director to execute a Lease Amendment with Energi

Committee: Economic Development

Committee Date: January 20, 2016

Board Date: January 20, 2016

Purpose and Background for Resolution:

Energi would like to lease approximately 3,987 square feet of space at 1 Collins Drive in a building commonly referred to as the Salem Business Centre. This space is adjacent to their existing leasehold in the building and will double the size of their leasehold in the building. This space has never been occupied and is currently one of the last remaining unfinished spaces in the building. The initial rental rate will be of \$18.50 per square foot. Rent will be adjusted each renewal year by \$0.50 per square foot.

A motion to approve Resolution 16-04 was made by Commissioner Smith, seconded by Commissioner Wilson, and approved by a roll call vote of 10-0.

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RESOLUTION 16-05 - LEASE AMENDMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND MAVERICK AIR, LLC.

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

WHEREAS, Maverick Air, LLC. (“Maverick”) leases approximately one third of a hangar located at 137 North Dupont Hwy. at the New Castle Airport; and

WHEREAS, Maverick has reduced operations and wishes to reduce the size of their leasehold to a one quarter share of the hangar; and

WHEREAS, the original lease was for a one year term beginning on November 1, 2013 with three (3) one (1) year renewal options; and

WHEREAS, Maverick would like to reduce their leasehold for the remaining renewal options beginning November 1, 2014; and

WHEREAS, rent for the current lease term shall be Ninety Six Thousand Seven Hundred Forty-One Dollars 45/100 (\$96,741.45); and

WHEREAS, rent during the additional renewal term shall be adjusted each year by the 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 Maverick Air, LLC and, with the advice and consent of counsel, to have such Amendment executed by the Chairperson, Vice Chairperson and the Executive Director.

Resolution 16-05 - Executive Summary

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

Committee: Economic Development

Committee Date: January 20, 2016

Board Date: January 20, 2016

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 approximately 5000 square feet of space to Maverick Air, LLC in a hangar located at 137 North DuPont Hwy. at the New Castle Airport. Their lease expired October 31, 2014 and they wish to extend the lease for 3 additional one year terms at a reduced leasehold. Maverick has continued to pay the rental rate at the current terms and their account is up-to-date. Rent during the current lease term shall be \$96,741.45 per year. Rent will increase during any renewal by the Consumer Price Index.

A motion to approve Resolution 16-05 was made by Commissioner Smith, seconded by Commissioner Downes, and approved by a roll call vote of 10-0.

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11059. EXECUTIVE DIRECTOR'S COMMENTS

Executive Director Green briefed the Board on the activities in and around the Authority including the dignified transfer of six fallen airman of the Delaware Air National Guard on December 23rd; the Cape May-Lewes Ferry Beer Dinner January 8th; the Atlantic Aviation Ribbon Cutting on January 12th, upcoming UAS flights at KWWD and NASCAR's return to Millville in September 2016.

Congratulations to O. Francis Biondi, the 2016 Delaware State Chamber Marvel Cup Winner and former Delaware Legal Counsel for the Authority.

He also reminded the Board that the next meeting will be held on Wednesday, February 17, 2016, due to the holiday weekend.

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11060. COMMISSIONERS PUBLIC FORUM

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

There were no comments from the public.

Commissioner Wilson noted that several of her colleagues have attended the beer dinners and thoroughly enjoy them.

Commissioner Van Sant welcomed Commissioner Bennett to the Board. Chairperson Lowe and the rest of the Board also extended a congratulations and welcome.

There were no comments by commissioners.

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There being no further business, a motion to adjourn was made by Commissioner Downes seconded by Commissioner Van Sant, and unanimously carried by a voice vote of 10-0.

The meeting was adjourned at 12:26 p.m.

Respectfully submitted,

THE DELAWARE RIVER AND BAY AUTHORITY

Frank W. Minor
Assistant Secretary