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DELAWARE RIVER PORT AUTHORITY

BOARD MEETING

Collingswood Senior
Community Center
30 W. Collings Avenue
Collingswood, New Jersey

Wednesday, July 16, 2014

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PRESENT

PENNSYLVANIA

Jim Cawley, Esquire, Chairman
William Sasso, Esquire
Andrew Reilly, Esquire
Michelle Kichline, Esquire (arrived at 6:30 p.m.)
Walter D'Alessio (via telephone)
Joann Bell
John Lisko, Esquire (for Robert McCord) (via
telephone)
John J. Dougherty (for Auditor General DePasquale)

NEW JERSEY

Jeffrey L. Nash, Esquire, Vice Chairman
Albert Frattali
Charles Fentress
Denise Mason
Rick Taylor
E. Frank DiAntonio (via telephone)

Officers and Chiefs

John Hanson, CEO
Michael Conallen, Deputy CEO
Danielle McNichol, General Counsel and Corporate
Secretary
Kristen Mayock, Deputy General Counsel
James White, Acting CFO
Tim Pulte, COO (via telephone)
Toni Brown, CAO
Mike Venuto, Chief Engineer
John Rink, PATCO General Manager
Bennett Cornelius, Assistant General Manager, PATCO
Thomas Raftery, Inspector General (via telephone)
Gary Smith, Public Safety (for Chief Stief)

1 DRPA Staff

2 Valerie Bradford, Bridge Director, BFB/BRB
3 Nancy Farthing, Exec. Assistant to CEO
4 Howard Korsen, Contract Administration
5 Christina Maroney, Manager, Special Projects
6 Elizabeth McGee, Administrative Coordinator
7 Sheila Milner, Administrative Coordinator
8 Fran O'Brien, Manager, Customer & Com. Relations
9 William Shanahan, Director, Gov. Relations
10 Susan Squillace, Manager, Purchasing
11 Dawn Whiton, Administrative Coordinator

12 Counsel

13 David Rapuano, Esquire, Archer & Greiner, NJ Counsel
14 Thomas Ellis, Esquire, Duane Morris, PA Counsel

15 Others

16 Kathy Bruder, Esquire, Deputy Chief of Staff, Office
17 of Governor Corbett
18 Joshua Wilson, Chief of Staff, Office of Lt. Gov.
19 Peter Simon, Esquire, NJ Gov. Authorities Unit
20 Collin Dinsmore
21 Anthony DeSantis (CAC)
22 Judy Boldurian (CAC)
23 Craig Hrinkevich
24 Arnold Alston
25 Carol Rhoades
26 Mark McMichael
27 Joe Quigley
28 Tara Chupka
29 Dave Conroy
30 Michael Neill
31 Rick Smith
32 Michael Mascarelli
33 Robert Page
34 Niko Rodriguez
35 Thomas Rodriguez
36 Brian Jivica

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P R O C E E D I N G S

(6:05 p.m.)

CHAIRMAN CAWLEY: I'll hereby call to order this meeting of the Delaware River Port Authority for Wednesday, July 16, 2014.

We'll begin as we always do with a moment of silence, followed by the pledge of allegiance.

If you would all please rise?

(Pause/Pledge of Allegiance)

CHAIRMAN CAWLEY: We'll begin by taking a roll call.

Madam Secretary, can you please call the roll?

MS. McNICHOL: Chairman Cawley?

CHAIRMAN CAWLEY: Present.

MS. McNICHOL: Vice Chairman Nash?

CHAIRMAN NASH: Here.

MS. McNICHOL: Commissioner Frattali?

COMMISSIONER FRATTALI: Here.

MS. McNICHOL: Commissioner Sasso?

COMMISSIONER SASSO: Here.

MS. McNICHOL: Commissioner Bell?

COMMISSIONER BELL: Here.

MS. McNICHOL: Commissioner Fentress?

COMMISSIONER FENTRESS: Here.

MS. McNICHOL: Commissioner Dougherty?

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COMMISSIONER DOUGHERTY: Present.

MS. McNICHOL: Commissioner Reilly?

COMMISSIONER REILLY: Here.

MS. McNICHOL: Commissioner Taylor?

COMMISSIONER TAYLOR: Here.

MS. McNICHOL: Commissioner Mason?

COMMISSIONER MASON: Here.

MS. McNICHOL: Commissioner D'Alessio?

COMMISSIONER D'ALESSIO: Here.

MS. McNICHOL: Commissioner DiAntonio?

COMMISSIONER DiANTONIO: Here.

MS. McNICHOL: Commissioner Lisko?

COMMISSIONER LISKO: On the phone.

MS. McNICHOL: You have a quorum, sir.

CHAIRMAN CAWLEY: Thank you.

We'll now move to the report of the Chief
Executive Officer.

John, the floor is yours.

MR. HANSON: Thank you, Chairman.

There are no changes to my report as
submitted. However, I'd like to highlight a few
items.

Under CEO emergency powers, the purchase order
was approved for the JPC Group for procurement of
water main repairs and replacement at the Walt Whitman

1 Bridge facility. This repair is an 8-inch water main
2 located behind the vehicle storage building. And it's
3 the water supply and it's necessary to supply heat to
4 both buildings. So that work is underway under
5 emergency powers. I am reporting to the Board, as
6 required.

7 Last month, I made the Board aware that as a
8 result of our biennial inspection of the Walt Whitman
9 Bridge, some deterioration was discovered on the
10 gusset plates and, as a result, we had to undertake
11 immediate temporary repairs to shear them up. We are
12 continuing with the priority repairs of the gusset
13 plates. The design of the temporary brace is
14 complete. Work platforms are being installed and
15 material is being fabricated. The installation of the
16 temporary bracing will begin next week, followed by
17 installation of permanent gusset plate replacement.

18 The biennial inspection team is currently
19 evaluating conditions at three additional panel point
20 locations that may also require rehabilitation. The
21 majority of the priority repair work is being
22 performed under the Walt Whitman Bridge deck
rehabilitation contract on a time and material basis.

PATCO track rehabilitation project update,
we're in the 44th day of the first 60-day outage.

1 Outreach to our customers has continued since the last
2 Board meeting. And we have handed out a number of
3 materials, informational brochures that were mailed,
4 frequently asked questions that were posted to the
5 PATCO website, and Fran O'Brien has distributed those
6 materials to the Commissioners tonight.

7 PATCO car rehabilitation project update, Mike
8 Venuto, would you like to provide that update?

9 MR. VENUTO: Yes, sir. Thank you.

10 Good evening, Commissioners. We are
11 continuing with the testing at night and the
12 troubleshooting of any car problems during the day.
13 We are experiencing some issues with the
14 communications system on the cars and the HVAC that
15 we're still working through. We are not satisfied
16 with the delays that we've had to date, but we do --
17 we are insisting that the cars are running properly
18 when they are put in service and also there are
19 subcontractors onsite working the problems.

20 Over the past few weeks, we have met with the
21 executives from both LTK and Alsom to express our
22 concern for the project. And we are working through
23 those issues with both of those teams.

24 We do regret the delays in the project.
25 However, we do not want to be in a position to put the

1 cars in service and experiencing a breakdown, so we're
2 staying on top of the project each and every day.

3 I'll continue to report back to the Board.

4 MR. HANSON: Thanks, Mike.

5 Any questions? Okay.

6 Elevator and escalator update, I'd like to ask
7 General Manager John Rink to provide an update on the
8 PATCO elevators and escalators.

9 MR. RINK: Thank you, John.

10 Good evening, Commissioners. Our operational
11 percentages for the month of June, we're at 99.1
12 percent for elevators exceeding the target and 97
13 percent for our 12 escalators in service. The
14 operational percentage was 97.9 percent, exceeding our
15 target 90 percent for the month.

16 Late last month, we received notice from the
17 FTA since we had met our target operational percentage
18 for three consecutive months for escalators; we no
19 longer have to report the operational percentage to
20 the FTA. So with that, we have exceeded our actual
21 operational targets for the last six months on the
22 elevators and the last three for the escalators.

On July 7th, the 12th and 13th escalators went
back into service for our customers. And that day the
15th and 16th escalator was removed from service for

1 capital replacement.

2 That is all, John.

3 MR. HANSON: Thank you, John.

4 Are there any questions for General Manager
5 John Rink?

6 (No response.)

7 MR. HANSON: Also, recently, we received a
8 letter from Auditor General DePasquale requesting
9 information regarding the status of the remaining
10 economic development funds. And in his letter, the
11 Auditor General asked for an update at this meeting.
12 That effort is being led by Deputy CEO Mike Conallen.

13 Mike, do you want to provide the update as
14 requested by the auditor general?

15 MR. CONALLEN: Sure, thank you, John. Good
16 evening Commissioners.

17 In response to the Auditor General, we are
18 going to develop a report that will provide the
19 information requested with respect to the number of
20 ongoing or closeout economic development projects, the
21 amount of funds still outstanding, the dates of those
22 contracts, the expiration dates of those grants, as
well as the balances remaining. We'll continue to
monitor and update the projects that have been
underwritten by the Authority funds, including monies

1 identified as economic development.

2 I am in regular contact with the finance and
3 legal departments, and the Inspector General
4 concerning the outstanding funding requests. And we
5 monitor the funds as -- and I monitor the funds as the
6 party responsible for the economic development
7 program. And in our report, in an ongoing basis,
8 we'll report to the Board as these projects either
9 expire or are closed out.

9 MR. HANSON: Thank you, Mike.

10 Are there questions for Mr. Conallen?

11 COMMISSIONER DOUGHERTY: Yeah, I've got a
12 question. When did the General send the letter?

13 MR. CONALLEN: July 9th.

14 COMMISSIONER DOUGHERTY: July 9th. And he was
15 expecting some sort of report tonight other than we're
16 working on it? That's basically what that was, right?
17 Is that what he said?

18 MR. CONALLEN: No. What I read in his letter
19 was that he would like an update on the status at
20 today's meeting.

21 COMMISSIONER DOUGHERTY: Is there any copy of
22 contracts or any paperwork associated with any of that
that we can take a look at today?

MR. HANSON: No. That was not what the

1 Auditor General was requesting. He requested specific
2 information and he requested an update of the status
3 of the progress at this meeting.

4 COMMISSIONER DOUGHERTY: The General sent you
5 a letter, followed up by a very good follow-up email
6 from Mr. Nash, and basically he gave us a highlight of
7 some of his interests. I apologize for my back. I
8 just thought that even if we had his email and we put
9 some highlights, some notations or something, could
have been better prepared here for that.

10 You know we get a Board member asking for some
11 information and he asks about some contracts, we could
12 have had the contacts in front of us so we could talk
13 about them or something, you know what I mean? Just
14 rather than they were working on it. That's what I
got out of that.

15 MR. HANSON: And Commissioner, we do have
16 information, but the way that I interpreted Auditor
17 General DePasquale's letter was that he asked for a
18 specific product and an update on it. He did not ask
19 for --

20 COMMISSIONER DOUGHERTY: Do we have his
21 letter?

22 MR. HANSON: -- a partially completed report.

COMMISSIONER DOUGHERTY: Do we have his letter

1 with us?

2 MR. HANSON: Yes.

3 COMMISSIONER DOUGHERTY: Can we take a look at
4 his letter?

5 CHAIRMAN CAWLEY: Mike, I have a question.
6 How long will it take you to compile the information
7 that you had indicated you were working on?

8 MR. CONALLEN: It shouldn't take long, sir.
9 What we have is probably 99 percent of all the
10 information. Before we put together a full report, we
11 wanted to make sure that we had 100 percent of the
12 information for the Auditor General.

13 CHAIRMAN CAWLEY: Well, not long is what? A
14 day, a week?

15 MR. CONALLEN: I don't -- you know, the close
16 of business Friday.

17 CHAIRMAN NASH: Mike, we used to have at the
18 Finance Committee meetings up until a couple of months
19 ago, we had a running report of the economic
20 development funds and how much had been expended. Why
21 don't we update that report?

22 MR. CONALLEN: That report, sir, was simply on
the outstanding loans and loan guarantees, as opposed
to all the ongoing grants projects.

CHAIRMAN NASH: Maybe you can compile the two

1 reports and this way everyone can see how much money
2 has been allocated from the grant; when the grant was
3 issued; what contracts are pursuant to those grants;
4 and this way everybody will have that information very
5 quickly.

6 COMMISSIONER DOUGHERTY: I think that's a
7 great idea. Thank you, Jeff.

8 I just think that if you had 99 percent of it,
9 how long would it have taken to get the other 1
0 percent done so we had a report here, tonight?

11 MR. HANSON: Commissioner --

12 COMMISSIONER DOUGHERTY: If we can get it
13 Friday, we could have had it for tonight.

14 MR. HANSON: Commissioner, at the end of
15 Auditor General DePasquale's letter, he says "I would
16 appreciate an update on the timeline for providing
17 this information to the Board at the next Board
18 meeting on July 16th." And he did not ask for the
19 report tonight. Had he asked for the report tonight,
20 we would have delivered a report tonight.

21 I apologize to you for --

22 COMMISSIONER DOUGHERTY: I had a conversation
with the General earlier today, okay, and I believe he
is expecting a little bit more than we're working on
it. I thought that he would have appreciated seeing

1 the 99 percent of the report that was done.

2 Maybe, look, I don't have a problem. I'm glad
3 we're playing by the rules and we're limited to the
4 letter of the law. That will help me as we move into
5 the meeting, the fact that, you know, I hope you read
6 the letter I sent you, yesterday, as well as re-read
7 that letter.

8 MR. HANSON: I did. I was copied on that
9 letter. I did read the letter and, again, I apologize
10 to you for not meeting your expectations, but my
11 interpretation of this was the timeline. We wanted to
12 be thorough with respect to the points of Commissioner
13 DePasquale.

14 COMMISSIONER DOUGHERTY: I'm not disagreeing
15 with your effort. I'm a little frustrated that we
16 could have 99 percent of a report completed, okay, and
17 I appreciate Mr. Nash jumping in and saying, hey,
18 we'll follow-up to the Finance Committee report and
19 add to that. I believe that the General expected me
20 to bring home a little bit more than we're working on
21 it. But I'm glad we're going to have it by Friday.

22 MR. HANSON: I'm sorry we didn't meet your
23 expectation.

24 MR. HANSON: That concludes my report.

25 CHAIRMAN CAWLEY: Thank you.

1 Any questions of John?

2 Seeing none, I'll entertain a motion to accept
3 the CEO's report.

4 COMMISSIONER FENTRESS: Move the motion.

5 COMMISSIONER FRATTALI: Second.

6 CHAIRMAN CAWLEY: It's been moved and
7 seconded.

8 Discussion on the motion?

9 (No response.)

10 CHAIRMAN CAWLEY: Seeing none, all those in
11 favor will signify by saying, aye.

12 ALL: Aye.

13 CHAIRMAN CAWLEY: Votes nay?

14 Opinion of the Chair, the ayes have it and the
15 report is accepted.

16 We'll now move to the report of the acting
17 Chief Financial Officer.

18 James, you're up.

19 MR. WHITE: Thank you. Good evening,
20 everyone, Mr. Chair, Mr. Vice Chair, and
21 Commissioners.

22 Many of the comments that I have tonight are
in the minutes for the Finance Committee, but I'd like
to take a broad brush just for a few moments to just
update you on some information.

1 There should be in your packet, again, DRPA's
2 PATCO unaudited financial summary for July 2014, which
3 we presented to the Finance Committee. As a broad
4 brush, DRPA traffic is still around 540,000 vehicles
5 below 2013. Again, you'll remember we had poor
6 weather in the early part of the year.

7 Our preliminary June 2014 numbers show that
8 there should be an improvement of maybe around 150,000
9 vehicles or approximately 3.6 percent increase over
10 2013. Again, that's unaudited, so there are some
11 adjustments that would have to be made to those
12 numbers.

13 From a DRPA revenue perspective, we are
14 roughly \$2.5 million below 2013, down 2.1 percent, but
15 that has improved at least in the recent months by
16 100,000 and that should improve even more as the June
17 preliminary traffic numbers are reflecting a positive.
18 So, therefore, revenues versus budget will hopefully
19 reflect an improvement.

20 DRPA year-to-date traffic through May against
21 budget are around 232,000 vehicles or 1.23 percent
22 down; roughly, a flat experience in May. DRPA
revenues, a slight improvement in May. And in the
operating budget, we're \$2.6 million below budget, or
7.26 percent. That number has come down a little bit

1 through April -- or from April. Again, unfilled
2 positions and other under spending have put us in a
3 good position below budget.

4 As it relates to PATCO, PATCO ridership is
5 around 272,000. Passengers through May were down 6.1
6 percent ridership, worsened a little bit in May by
7 roughly 50,000 riders. PATCO revenues are down \$322k
8 versus 2013, but there was some improvement or
9 actually up -- down \$322k, but there was some
10 improvement during the month because of insurance
recovery related to some prior periods.

11 Operating budget for PATCO is around 1.82
12 percent above, and worsened slightly by around
13 \$57,000; but, percentagewise, it was down. So we are
seeing some improvement on the operating side.

14 PATCO Budget. PATCO ridership is down around
15 153,000 versus budget or 3.54 percent. Revenues are
16 up \$117,000 or 1.6 percent, even though the ridership
17 worsened. And PATCO operating is around \$358k over
18 budget. That is improving, again, year-to-date. We
19 have had issues related to purchase power, overtime
20 related to the weather, workers' comp reserve, and
some litigation reserves.

21 If you'll turn to the dashboard, I will just
22 briefly highlight a few things. As I mentioned,

1 traffic and revenue versus budget has been improving.
2 The last three months we got hit, were slammed pretty
3 badly in January and February, but we are recovering
4 related to those figures.

5 As it relates to the DRPA operating budget and
6 the capital budgets, both operating and capital budget
7 expenditures are under budget. I'll say again that as
8 it relates to the operating budget, a lot of that
9 relates to unfilled positions and some other
expenditures.

10 PATCO ridership, you'll see, again, with the
11 dashboard, this gives you a 12-month trend. I just
12 want to focus your attention on March, April, and May,
13 where you are seeing an improvement in ridership
14 relative to January and February. PATCO revenues are
15 generally under budget, again with the exception of
16 the insurance settlement, and you'll see that big
number there for May 2014.

17 As it relates to the PATCO operating budget,
18 you're seeing still in the operating budget that
19 expenditures are greater than budgeted, but I've
20 identified those items for you, litigation reserves,
higher purchase power, and overtime.

21 As it relates to PATCO on-time performance,
22 on-time performance is at its highest level in 12

1 months relative to the chart.

2 And John Rink, would you like to say anything
3 on that?

4 MR. RINK: Thank you, Jim.

5 Commissioners, in my GM report for the month
6 of June, our on-time performance is 96.66 percent, an
7 increase over May's.

8 MR. WHITE: And the other two items, lost time
9 claims, there has been an increase from April to May.
10 And as it relates to DRPA open positions and PATCO
11 open positions, there has been an increase in the
12 number of open positions in both organizations.

13 And that concludes my report.

14 CHAIRMAN CAWLEY: Thank you.

15 Questions for Jim?

16 Seeing none, we'll move to our next action
17 item, which is approval of the minutes of the meeting
18 of June 18, 2014.

19 Now would be appropriate to entertain any
20 additions, deletions, corrections, observations
21 regarding those minutes.

22 (No response.)

CHAIRMAN CAWLEY: Seeing none, I'll entertain
a motion to approve the minutes.

COMMISSIONER FENTRESS: Move the motion.

1 CHAIRMAN CAWLEY: Is there a second?

2 COMMISSIONER BELL: Yes.

3 CHAIRMAN CAWLEY: Discussion on the motion?

4 Seeing none, all those in favor will signify
5 by saying aye. Those opposed, nay.

6 Opinion of the Chair, the ayes have it and the
7 minutes are approved.

8 COMMISSIONER FRATTALI: Chairman, I abstain.

9 CHAIRMAN CAWLEY: Noting Commissioner
10 Frattali's abstention.

11 We'll now move to the monthly list of
12 payments, the monthly list of purchase orders and
13 contracts covering the month of June 2014.

14 I will accept a motion to receive and file the
15 monthly listed payments and monthly list of purchase
16 orders and contracts covering June of 2014.

17 Is there such a motion?

18 COMMISSIONER FENTRESS: So moved.

19 CHAIRMAN CAWLEY: Is there a second?

20 VICE CHAIRMAN NASH: Second.

21 CHAIRMAN CAWLEY: It's been moved and
22 seconded.

Discussion?

COMMISSIONER DOUGHERTY: I'll wait till we
finish up, but I have some questions about the billing

1 in reference to some of my previous inquiries.

2 CHAIRMAN CAWLEY: You want to bring that up
3 under old business or new business?

4 COMMISSIONER DOUGHERTY: I'll bring it up
5 under old, but it's about the approval of bills and a
6 few other things.

7 CHAIRMAN CAWLEY: Okay, very well.

8 COMMISSIONER DOUGHERTY: Which I documented in
9 a letter I sent yesterday.

10 CHAIRMAN CAWLEY: Okay, very well. It has
11 been moved and seconded.

12 Any further discussion on the motion?

13 Seeing none, all those in favor will signify
14 by saying aye; those opposed, nay.

15 Opinion of the Chair, the ayes have it. The
16 motion carried.

17 We now move to the approval of the Operations
18 and Maintenance Committee meeting minutes on July 9,
19 2014.

20 I'll entertain a motion to approve those
21 minutes.

22 COMMISSIONER FENTRESS: Move the motion.

COMMISSIONER FRATTALI: Second.

CHAIRMAN CAWLEY: It has been moved and
seconded.

1 Discussion on the motion?

2 Seeing none, all those in favor will signify
3 by saying aye.

4 ALL: Aye.

5 CHAIRMAN CAWLEY: Those opposed, nay.

6 Opinion of the Chair, the ayes have it and
7 those minutes have been adopted.

8 We now move to the adoption of resolutions
9 approved by the Operations and Maintenance Committee
10 on July 9, 2014. There are two such resolutions.
11 I'll entertain a motion to adopt those resolutions.

12 Is there such a motion?

13 COMMISSIONER FENTRESS: Move the motion.

14 COMMISSIONER FRATTALI: Second.

15 CHAIRMAN CAWLEY: It has been moved and
16 seconded.

17 Discussion on the motion?

18 Seeing none, all those in favor will signify
19 by saying aye; those opposed, nay.

20 Opinion of the Chair, the ayes have it and
21 those resolutions are adopted.

22 We now move to the approval of the Finance
Committee meeting minutes for July 9, 2014. I'll
entertain a motion to approve those minutes.

VICE CHAIRMAN NASH: So moved.

1 CHAIRMAN CAWLEY: Is there a second?

2 COMMISSIONER FRATTALI: Second.

3 CHAIRMAN CAWLEY: It has been moved and
4 seconded.

5 Discussion on the motion? Seeing none, all
6 those in favor will signify by saying aye; those
7 opposed, nay.

8 Opinion of the Chair, the ayes have it and the
9 motion is carried.

10 We now move to the adoption of resolutions
11 approved by the Finance Committee on July 9, 2014.
12 There are two such resolutions. I'll entertain a
13 motion to accept -- or adopt, I should say, those
14 resolutions.

15 Is there such a motion?

16 COMMISSIONER SASSO: So moved.

17 CHAIRMAN CAWLEY: It has been moved. Is there
18 a second?

19 COMMISSIONER REILLY: Second.

20 CHAIRMAN CAWLEY: Moved and seconded.

21 Discussion on the motion?

22 Seeing none, all those in favor will signify
by saying aye; those opposed, nay.

Opinion of the Chair, the ayes have it. Those
resolutions are adopted.

1 We will now move to unfinished business.

2 Commissioner Dougherty, you have the floor.

3 COMMISSIONER DOUGHERTY: At the last meeting,
4 we went into Executive Session. And as you very well
5 know, I have concerns with Executive Sessions because
6 there is no consistency in who attends. Sometimes,
7 it's upper management. Sometimes, it's lower
8 management. Sometimes, it's people I don't -- last
9 meeting, I turned around to ask somebody specifically
10 what their role was because I had no idea.

11 And the reason is because -- and I want to
12 revisit history. Three months, four months ago, my
13 very first meeting. I ended the meeting with three
14 lines of questions. One, I asked about PATCO; two, I
15 asked about the equal distribution of opportunities
16 for people from the Commonwealth; and, three, I asked
17 about some legal bills. And said that if we don't
18 have some understanding and even if it's something for
19 a new member or some form of updates because by
20 reading through the paper there was an acceleration of
21 the inquiry into the DRPA.

22 So, at that meeting, the very first meeting,
less than a week knowing that I was going to sit at
the pleasure of General DePasquale, I show up and ask
the questions. The next meeting after that, we have

1 some thorough conversation about job opportunities and
2 a few others, and I turn around and say, hey, just
3 somewhere along the line here we need to have some
4 understanding of what's going on legally around here
5 because the bills are kind of watched. And I'm voting
6 on behalf of DePasquale, who was elected by the people
7 of the Commonwealth.

8 So we go to the last meeting and we go into
9 Executive Session and we get presented a document.
10 And we're going through two pieces of conversation.
11 One of the documents was presented to us. I start to
12 read. And as I said, tongue in cheek. I might be the
13 most vetted guy in the region. So I understand what
14 it's like to occasionally get a subpoena and I
15 understand what it's like to see a document that is in
16 front of us, so I'm not a novice here.

17 And back at the very first meeting, I didn't
18 want to interrupt any privilege, didn't want to get in
19 the middle of any attorney/client conversation. So
20 what I did at the last Executive Session was I started
21 off by saying there's something in this document I'm
22 very uncomfortable with. It basically alleged some
sort of obstruction of justice, from the way I read
it. And I asked was this new information.

MS. McNICHOL: If we could, on specific issues

1 of what's contained in the documents, if we could not
2 discuss those in public sessions, because I know we
3 will violate privilege.

4 COMMISSIONER DOUGHERTY: Okay. Well, that's
5 part of the reason why I'm here asking, because what
6 happens is when we leave these meetings, it's always
7 someone violated privilege; it's always someone
"leaks" something.

8 In Executive Session, I asked did this piece
9 of information, who had it. And we were told no one
10 had it. And I asked did the government have it and I
11 was told the government didn't have it. We just had
12 found it out. And I had asked who else had it. So I
13 had asked can we -- on one hand, I asked can we have
14 some update on this since we're "in Executive
Session."

15 And I said that my quick read and based on a
16 little bit of history I have, I think that somebody
17 would have not only get it for the government, but
18 explore protecting the DRPA as we know it, today,
19 because this is the type of nonsense that goes on and,
20 in my view, we might not have a DRPA as we know it,
21 today. But that's something -- the way I read it.
Okay, but that's my view.

22 Looking at the document, I asked one question

1 about that. I asked a series of questions about what
2 I believed we should do from forensic audits on down.
3 I had a conversation with John and, well, it was
4 hidden. But it's a fine line. When you're asking for
5 approval of a quarter of a million dollars to a law
6 firm without knowing what it's about, this is what
7 happens. When you ask for private sessions to get
8 updates, this is what happens. When you sit here
9 looking like, oh, my God, I can't believe you're
10 talking about it, this is what happens.

11 So let's fast forward, jump out of Executive
12 Session. I sent a letter saying, hey, I don't like
13 the little innuendos. Again, I have history with the
14 DRPA. I've been a chairman over an organization. I
15 understand the responsibilities. I've run a billion
16 dollar industry. I get it.

17 So I sent a responsible letter to say, hey,
18 let's bring in counsel; let's discuss what is
19 protected; let's find out who is dealing with counsel,
20 because one of my questions I'd like to know who
21 talked to Mustokoff.

22 John, have you ever talked to Mustokoff?

MR. HANSON: There is a committee that was
appointed by the Board --

COMMISSIONER DOUGHERTY: Did you ever talk --

1 you talked to Mustokoff?

2 MR. HANSON: Yes.

3 COMMISSIONER DOUGHERTY: Okay. He talks to
4 Mustokoff. He works for the Board. We're not allowed
5 to talk to Mustokoff. John works for the Board.
6 Mustokoff works for the Board. I don't know what John
7 is telling Mustokoff. Mustokoff is the counsel from
8 Duane Morris in charge of this. No problem.

9 I asked for a question. I asked for a series
10 of a meeting or two. I get we'll wait on it.

11 Mr. Chairman, I understand your role in a very
12 critical budget. I understand that you weren't here
13 as the Chairman prior to most of the activity that's
14 alleged. I get that. I appreciate your response that
15 you'll handle it. But I have no other forum.

16 So then, today, yesterday, we get our minutes
17 a day or two earlier, you download them or you look at
18 the online. So why do you get a list of bills and if
19 you go down the list there's a lot of different names
20 there, and then you get to -- and as you work through
21 Archer & Greiner, and Lamb & McElaine, and Stevens and
22 Lee, okay, then you get to Duane Morris and you see
\$228,000 for this month.

So let's just hypothetically say that if it
was \$250, like most people would believe the

1 resolutions are, that would be -- at \$250, that would
2 be 912 hours. Based on a 60-hour workweek, that means
3 we had 15 people working on it. Based on a 50-hour
4 workweek, that means we had 18 people working on it.
5 Based on a 40-hour workweek, we had 22.8 people
6 working on it. And all I asked for was an
7 explanation.

8 And now I hear, hey, as approved 6, 8,
9 9 months ago, as approved 18 months ago, as approved 2
10 years ago; we just put everything in it and we just
11 bill it through Duane Morris. So I'd like to know
12 what everything is. And I'd like to know when it was
13 done. And I'd like to know why it was done. And I'd
14 like to know now that we have an accelerated
15 investigation with new additional information --

16 I am allowed to say that, right, counsel?

17 MS. McNICHOL: Yes, sir.

18 COMMISSIONER DOUGHERTY: Okay. I think we
19 need another meeting so that everybody understands
20 what the people of Pennsylvania are paying a quarter
21 of a million dollars for. I think we should know who
22 has counsel. And I think we should know it is
consistent.

If somebody gets paid \$500 an hour and
somebody gets \$250, and who gets to pick their counsel

1 and who doesn't.

2 I think we should worry about the allegations
3 that were raised and not the person who sits at the
4 pleasure of the General, commenting to a paper, based
5 on a letter that he has no problem being made public,
6 including my letter I sent yesterday. Because what I
7 do is I send my letter to you. I've been doing this a
8 long time. I'm a big boy.

9 When someone questions my integrity, we get a
10 series of questions here. And then we'll find out why
11 people are worried about something that we shouldn't
12 be worried about and not paying enough attention to
13 the allegations that could cost the DRPA as we know it
14 today. So I would think that my request is very
15 simple and I ask it in a very humble-like manner.

16 Mr. Chairman, we need to understand why we're
17 paying a quarter of a million dollars to Duane Morris
18 this month. And I've got a series of other questions,
19 but that's just based on the dollars and cents.

20 CHAIRMAN CAWLEY: Go ahead, Danielle.

21 MS. McNICHOL: Commissioner Dougherty, to
22 answer your question, under the summary here,
23 reviewing for the month, I would tell you that Duane
24 Morris is involved in 10 to 15 different matters where
25 they are counsel, from Board matters to the

1 investigation that you were referring to, to other
2 litigation that has been ongoing for years. So I just
3 wanted to make you aware.

4 I'd be more than happy to provide you with
5 copies of all of the billing and all the information
6 that was provided to make up that number for this
7 month.

8 It just so happened, though, that Duane Morris
9 typically provides us with bills on a quarterly basis.
10 So by the time they get processed, there is typically
11 a stack of multiple months and multiple cases that are
12 involved in the matter listed on the bills. So I
13 wanted to make you aware that this bill is not limited
14 specifically to that issue, to my knowledge. But I
15 will provide you with all of the billing or any
16 billing that any Board member would like to have on
17 the legal billing concerning any board matters.

18 COMMISSIONER DOUGHERTY: Counsel, I appreciate
19 that.

20 And, Commissioner -- let me just finish, Mr.
21 Sasso. I have no problem with that. I asked three
22 months ago about the bills. I asked last month about
the bills, because I once sat here and I don't
remember any bills coming through the circuit like
that. And yesterday, I asked for a copy of all the

1 bills. And I apologize for the lateness, but it was
2 based on me reading the minutes and giving them a day
3 or two to go and get to them yesterday.

4 So I immediately sent off a letter asking for
5 all bills, not bills paid, bills pending, bills
6 laying. I asked for everything. I know how to read
7 an expense sheet. I'm not here saying anything is
8 wrong. What I'm saying is I want to know. And I've
9 been asking. I've been asking in writing. And I
10 believe that, again, the cloak and dagger manner in
11 which we're handling this -- when you ask a question
12 in Executive Session and then you ask for a follow-up,
13 and then you send a letter, and then you send another
14 letter, and you're the only person who has -- well, I
15 had a quick conversation with counsel. And I just
16 want a full vetting on this, that's all.

17 COMMISSIONER SASSO: Commissioner, actually
18 your concerns mirror mine, we have been talking about
19 the fact that we should have a legal committee of the
20 Board. And pretty much have agreement on that to get
21 a lot of the -- and help the legal staff, which quite
22 frankly right now it's quite a bit overworked, but to
provide assistance and also to provide a vehicle for
informing the Board in a way that protects the
attorney/client privilege.

1 I'm sure that will be implemented shortly.
2 And, quite frankly, I think if you want to be on that
3 committee, you would be a valued member of it. It
4 would be a conduit to the Board from the legal staff.

5 COMMISSIONER DOUGHERTY: I have to check with
6 the General on that. I want to make sure that any
7 reports as we go through that Duane Morris is making
8 relevant to comments either made in a paper or
9 anything, we have access to. It was my understanding
10 basically saying that information was given to the
11 Board and it was almost irresponsibly leaked verbatim.

12 I want them to explain to me what they're
13 talking about and who they're talking about. I was
14 going to do it in writing, but I want to see the
15 official copy. So any correspondences between Duane
16 Morris and yourself that's not attorney/client
17 privilege that makes reference to anything I said, I
18 want a copy of. And I'd like a copy of that when it's
19 8 percent done, 99 percent done, or 1 percent done.
20 I'd like that soon.

21 CHAIRMAN CAWLEY: Okay.

22 Let's see, where to begin. Mr. Dougherty, I
think you and I have known one another for 20 years
now.

COMMISSIONER DOUGHERTY: Maybe longer.

1 CHAIRMAN CAWLEY: And I know I have your cell
2 phone number and I think you have mine. So I don't
3 know where there would be a barrier to our getting in
4 contact with one another. If there was a delay
5 because of my other duties, I want to apologize for
6 that.

7 Let me also say to you in the issues that you
8 raised just now, one in particular actually has stuck
9 with me, and strange and mysterious, at least for me,
10 are the ways of DRPA on a couple of different matters,
11 trying to route through them myself, including the
12 fact that I've been a member of the Board, as you
13 have, and have never had to vote to go into Executive
14 Session ever or to vote to come out. I've never
15 experienced that, but that evidently is the custom
16 here.

17 And it was of note to me, as well, who was and
18 who was not in the room in the last Executive Session.
19 And one of the things that I was going to bring up for
20 the Board's consideration, perhaps not an action, but
21 a notification by me, as Chairman, of what I intend to
22 do is from here out, if we do see fit to declare an
Executive Session, that it would be solely the
Commissioners, the Executive Director, and legal
counsel who would remain in the room.

1 If there is specific information that is
2 needed from someone else on staff or someone else,
3 period, they would be invited into the room to answer
4 those questions, gather that information, and then
5 asked to step out of the room. I think that at least
6 that's always been my experience of the way Executive
7 Session runs when it is necessary to do so. And that
8 was my intent to notify everyone this evening that
9 that is the way in which I plan on conducting our
business going forward.

10 I think that that is somewhat responsive to at
11 least that first segment of your statement.

12 COMMISSIONER DOUGHERTY: If you don't mind?

13 CHAIRMAN CAWLEY: Please.

14 COMMISSIONER DOUGHERTY: I wasn't making any
15 reference to you. I do have your cell phone number.
16 You are responsive. And I do appreciate the fact that
17 I commented you weren't here when a lot of this was
going on.

18 CHAIRMAN CAWLEY: Yes, you did.

19 COMMISSIONER DOUGHERTY: And the fact that you
20 were in the middle of a major budget issue and I
21 respect that. And that's one of the reasons why I
22 wouldn't call your cell phone. I was making specific
reference to that I left the meeting where there was,

1 in my eyes, some serious allegations made that was put
2 in front of me. So I made a comment or two at that
3 meeting. I asked for a follow-up to anything that was
4 happening. And until I bumped into DRPA staff and
5 some of the governor's representatives in Harrisburg
6 over a transportation issue, that was the first
7 response inquiry -- I mean conversation I had since my
8 inquiry.

8 CHAIRMAN CAWLEY: Right.

9 COMMISSIONER DOUGHERTY: So if I was not in
10 Harrisburg that day and didn't bump into somebody from
11 the governor's office, I would have had no idea.
12 There was no response. So I sent the letter --

13 CHAIRMAN CAWLEY: Got you.

14 COMMISSIONER DOUGHERTY: And I get no response
15 again.

16 CHAIRMAN CAWLEY: Got you.

17 COMMISSIONER DOUGHERTY: Now, the point that I
18 believe, I don't know if I need to do it in the form
19 of a motion, I think that because of a lot of activity
20 has changed over the initial interest in some of the
21 economic development and some of the resolutions that
22 were presented, to just have two or three people do
all the conversing. No disrespect, I don't know if
two or three of the people that are in the mix are

1 people that are being questioned. I have no idea.

2 CHAIRMAN CAWLEY: Right.

3 COMMISSIONER DOUGHERTY: So I think that we
4 need to revisit all the resolutions, all the
5 expenditures, everything relevant to that, and just
6 come back with a new set of standards on which you're
7 going to move forward so that people like myself, who
8 have an interest in protecting the integrity and
9 creating opportunities for people of the Commonwealth,
10 and keeping the bridges safe and intact, and the fares
11 low, which has consistently been my points, have an
12 opportunity to do that.

13 So I believe that we need to revisit the
14 committee. If we have to add a legal review
15 committee, I believe we have to revisit what we pay
16 people. We have to notify the Board what the
17 resolution was 18 months ago.

18 MR. HANSON: I just want to point out,
19 Commissioner, that the update conversations that I've
20 been involved in with Mr. Mustokoff have included the
21 full committee selected by the Board, of which Auditor
22 General DePasquale is a member. And so he has been
involved in all the update conversations that I've
been involved in with Mr. Mustokoff. So I don't want
you to think that I have been having conversations,

1 being updated on substantive matters about the case.
2 It has only been in the context of that select
3 committee, which includes Auditor General DePasquale.

4 COMMISSIONER DOUGHERTY: I have no doubt that
5 you're not playing -- I'm going to say I know you're
6 not playing semantics with General DePasquale and the
7 meetings; I get that. But I want you to understand
8 he's not here to ask that question and I'm not
9 questioning if you had conversations with him. I
don't know who has conversations with him.

10 I know that in an earlier part, we had some
11 questions about some purchases and somebody made a
12 comment, oh, a lower level staffer made that
13 statement. So I don't know if that's present day
14 practice, mixing apples and oranges. And I asked at
15 that time who empowers a, quote/unquote, and whatever
16 a lower level staffer is. I have no idea what that
17 means. But who empowers that? Who makes those
18 decisions? I don't know who is talking to Mustokoff.

18 And that conversation was based prior to us
19 having the conversation that we're talking about,
20 today. It was within 10 minutes. So I don't know who
21 talks to whom. And when nobody talks to me, this is
22 where I get an opportunity to ask these questions. So
I just then asked you -- I singled you out because

1 we're looking at each other, who else talks to
2 Mustokoff outside the system?

3 MS. McNICHOL: I do.

4 COMMISSIONER DOUGHERTY: Okay. Anybody else
5 inside talk to -- I don't know, who else talks to his
6 partner?

7 MR. HANSON: Primarily, just that select
8 committee, which is the Chair and Vice Chair of the
9 Board, the Chair and Vice Chair of the Audit
10 Committee, counsel, and Deputy CEO Conallen is
11 involved typical in those calls. Those are the
12 substantive updates.

13 Other than that, there are only -- the only
14 conversations that I've had have been of a ministerial
15 nature, providing information or just minor things.
16 So that's the context for substantive conversations.

17 Danielle, are you aware of anybody else that
18 is conversing with --

19 MS. McNICHOL: No, I am not. It is counsel,
20 myself, and Kristen Mayock, so that's -- I mean,
21 that's the sum total of everyone that I'm aware of.

22 CHAIRMAN CAWLEY: Get his bills, Commissioner,
as you have asked for and you'll know exactly who he's
talking to.

COMMISSIONER DOUGHERTY: Are there minutes or

1 anything kept on these meetings?

2 MS. McNICHOL: The Special Committee meeting,
3 there is a summary memo, if there are any
4 determinations that are made or votes made by the
5 Special Committee that I make to file, yes, sir, there
6 are.

7 COMMISSIONER DOUGHERTY: Okay. So there is
8 some sort of documentation.

9 MS. McNICHOL: There would be whenever
10 decisions are made.

11 COMMISSIONER DOUGHERTY: And if I needed
12 something, okay.

13 MS. McNICHOL: Yes, sir, you may.

14 CHAIRMAN CAWLEY: And in matters of full
15 disclosure, there hasn't been a meeting of that
16 Special Committee in a year.

17 MS. McNICHOL: About four months, sir.

18 CHAIRMAN CAWLEY: Four months?

19 MS. McNICHOL: But we've had phone
20 conversations of the Special Committee as recently as
21 last Friday.

22 COMMISSIONER DOUGHERTY: And, again, I'll end
on this note. I'm not here questioning when we have
meetings and when we don't have meetings. I'm not
questioning what conversation General DePasquale was

1 in or he wasn't in. So I don't want to leave here,
2 again, throwing a cloud over what I'm asking for.

3 I'm stating that this is the first public
4 meeting that we had since we had our discussion, since
5 there has been some conversation about -- and I
6 believe that we need to revisit our position on how we
7 pay for; who we pay for; how we document; who is in
8 the conversation because to me this seems to have
9 taken a different direction.

10 Now, I wasn't here prior to that, but looking
11 on the faces of the people that were in the room when
12 we read some of the information, that was the feeling
13 I had.

14 CHAIRMAN CAWLEY: Fair enough.

15 Anything additional, Commissioner?

16 COMMISSIONER DOUGHERTY: No, thank you. I
17 appreciate your time to do this.

18 CHAIRMAN CAWLEY: Thank you.

19 Any additional unfinished business?

20 We'll now move to new business. There is a
21 two-phase. We'll take the first of the, I guess,
22 resolutions separately that being DRPA-14-094, the
first step in that resolution is to adopt the
resolution to name James White as our Chief Financial
Officer.

1 Is there such a motion?

2 COMMISSIONER SASSO: Move the motion.

3 COMMISSIONER FRATTALI: Second.

4 CHAIRMAN CAWLEY: Discussion on the motion?

5 Seeing none, all those in favor will signify
6 by saying aye.

7 ALL: Aye.

8 CHAIRMAN CAWLEY: Those opposed, nay?

9 Opinion of the Chair, the ayes have it.

10 And as the second part of DRPA-14-094, as a
11 result of the action just taken by the Board, I will
12 need a motion to elect James White to the Office of
13 Treasurer of the DRPA.

14 CHAIRMAN SASSO: Move the motion.

15 CHAIRMAN CAWLEY: It's been moved.

16 COMMISSIONER FRATTALI: Second.

17 CHAIRMAN CAWLEY: It's been moved and
18 seconded.

19 Discussion on the motion?

20 Seeing none, all those in favor will signify
21 by saying, aye.

22 ALL: Aye.

CHAIRMAN CAWLEY: Those opposed, nay?

Opinion of the Chair, the ayes have it.

James, congratulations.

1 MR. WHITE: Thank you very much.

2 CHAIRMAN CAWLEY: You're more than welcome.

3 Unless there is objection, we can take the
4 next two resolutions, that being DRPA-14-095 and 096
5 as a package.

6 Do I hear a motion to approve those
7 resolutions?

8 CHAIRMAN FENTRESS: So moved.

9 CHAIRMAN CAWLEY: It's been moved.

10 Is there a second?

11 CHAIRMAN NASH: Seconded.

12 CHAIRMAN CAWLEY: It's been moved and
13 seconded.

14 All those in favor will signify by saying,
15 aye.

16 ALL: Aye.

17 CHAIRMAN CAWLEY: Those opposed, nay?

18 Opinion of the Chair, the ayes have it and
19 those resolutions are adopted.

20 We will now move to the Citizens Advisory
21 Committee report. Yes?

22 MR. DeSANTIS: Good evening. I'm Tony
DeSantis. I'm a representative of the Citizens
Advisory Committee.

MR. DeSANTIS: Okay. I'm Tony DeSantis and I

1 am a member of the Citizens Advisory Committee. I
2 also live in Collingswood. I have three items that I
3 want to report.

4 We have a new potential member. His name is
5 Martin Otremsky. He lives in Barrington. He is an
6 engineer by trade. And we'd like to recommend that
7 you add him to the Board.

8 We have a request from the CAC members that
9 while we have our meeting, our CAC meeting, we were
10 wondering is it possible that we could either have a
11 hard copy of the subcommittee minutes or perhaps have
12 it on an iPad, just something we could have at the CAC
13 meeting so that we can look up. Because what we'd
14 like to do ideally is we have various committees and
15 what we'd like to do is, you know, with different
16 topics, and we'd like to get together maybe an hour
17 early, review the minutes, and then we would have
18 something to discuss during our meetings.

19 The other thing we wish to discuss and this is
20 just an initial inquiry, just put a bug in your ear
21 just to start thinking about it, the reconstruction on
22 the bridge has asked -- has made me think about ways
of making things more efficient. And I discussed an
idea with the CAC and they said that they need
permission to present this. I've been thinking given

1 the fact that the way the switches are currently
2 configured, you can only run, in case there is an
3 emergency on the south track, you know, intervals of
4 about 30 minutes, because you have the -- you can only
5 run trains on the north side from the 11th Street
6 switch.

7 We were wondering if it would be possible to
8 install a new switch west of Franklin Square, at least
9 one track between the eastbound track, west of
10 Franklin Square, at the base of the north trackway.
11 And the reason I suggest that is because if you're
12 running trains on the north track under current
13 conditions, you have a gap of about 30 minutes. From
14 8th and Market, it's about 20. And I would think that
15 if you were running trains, you could do it from west
16 of Franklin Square, you might have a gap of only 15
17 minutes.

18 And I do apologize. I didn't think about this
19 last year because I could see it could have been quite
20 useful this year. But I do think that sooner or
21 later, there is going to be an emergency on the south
22 trackway and I think it would be easier to work around
it if we did have a switch at west of Franklin Square.

And a second reason why we would do that is
because the space that you need to build it is already

1 constructed. This is the old trolley depot that was
2 built and the space has been empty. And I was just
3 thinking that if we could use that, it would make it
4 easier to deal with emergencies.

5 So as I said, it's just a bug in your ear.
6 It's just something to start thinking about. And that
7 concludes my report.

8 CHAIRMAN CAWLEY: Thank you.

9 Any questions of the Citizens Advisory
10 Committee?

11 Seeing none, thank you for that report.

12 We'll now move to public comment. There are
13 two members of the public that have notified us before
14 the meeting began that they would like to speak.

15 We'll begin with Mr. Mark McMichael. Please,
16 step forward, identify yourself for the record, and
17 let us know what it is you would like to share with
18 us.

19 MR. McMICHAEL: Good evening, ladies and
20 gentleman, and distinguished Board members of DRPA.

21 To begin with, I would like to extend my
22 humble thanks and appreciation to Mike Venuto, Chief
23 Engineer, for his remarkable oversight of a billion
24 dollars of projects within DRPA.

25 I would also like to extend my humble thanks

1 and appreciation to CEO John Hanson and Co-Chairman
2 Jeff Nash for their amazing leadership this past year
3 at the DRPA.

4 At this time, I would like to throw my hat in
5 the ring to become part of the Citizens Advisory
6 Committee for DRPA. I feel that I am well qualified
7 because I think I understand many of DRPA's issues.
8 The DRPA has to operate as a well-oiled machine, like
9 a team ready to play on game day.

10 Many of you may or may not know, I was a
11 member of the Eagles, yes, the Eagles football team
12 from 1997 to 1998. I played under Coach Ray Rhodes.
13 I think Carol Tugman, me, and Gary Cobb have retired
14 due to concussions. I understand Gary played left
15 field, like Greg Luzinski, without a glove. Carol
16 Tugman is a team player, a well-oiled machine. Our
17 business, in this case, DRPA, we don't need legal
18 bills, well over \$1 million. I know I can be helpful
19 here.

20 You know it is important to remember unions
21 built this great country of ours. "Oh, I wish I was
22 in the land of cotton, old times are not forgotten,
look away, look away, look away, Dixieland. I wish I
was in Dixie, away, away. In Dixieland, I'll make my
stand, living and die in Dixie."

1 Thank you very much.

2 CHAIRMAN CAWLEY: Thank you, sir.

3 We'll now move to the second member of the
4 public that notified us before the meeting began, that
5 being Carol Rhodes.

6 Would you please step forward, identify
7 yourself for the record, and let us know what it is
8 that you would like us to know.

9 MS. RHODES: My name is Carol Rhodes.
10 Recently, Mr. Hanson testified at a Pennsylvania
11 senate hearing that the DRPA was obligated to fund the
12 remaining economic development projects because the
13 projects were under contract before the self-imposed
14 ban on economic development spending.

15 In the June 28th *Philadelphia Inquirer*
16 article, Vice Chairman Jeffrey Nash was quoted as
17 saying most of the projects, most of the remaining
18 projects are ongoing and under contract. Most is not
19 a synonym for all. So from my perspective, Mr. Hanson
20 lied.

21 Commuters deserve to know how many economic
22 development projects will continue to be funded with
our toll dollars where there is no contractual
obligation to do so. I'm anxious to see Mr.
Conallen's report, and I hope you'll make that

1 available to the public on your website.

2 Keep in mind a 2012 newspaper article on the
3 DRPA's funding practices. The DRPA was unable to
4 produce an application for a \$3-1/2 million grant for
5 the president's house site in Philadelphia, as well as
6 the \$3 million grant in October of 2009 for the
7 Repaupo Creek project in Logan Township. If the DRPA
8 Board cannot produce applications and contracts for
9 all the remaining economic development projects,
10 Governor Corbett and Governor Christie have a
11 responsibility to Pennsylvania and New Jersey
12 commuters to veto this Board's attempt to give away
13 the remaining \$23 million.

14 The ongoing federal investigation should
15 provide commuters with an explanation as to how the
16 DRPA commissioners voted to approve these projects
17 without any substantiating paperwork. Of course, the
18 applications and contracts could turn up in the same
19 place as the potentially incriminating missing emails.
20 How is that going? Did you find any?

21 The DRPA's 2014 budget is 8 percent higher
22 than the 2013 budget and includes \$17 million for new
debt service, at a time when both commuter traffic and
DRPA revenue are on the decline. How did DRPA provide
frequent commuters with a discount when a higher

1 percentage of a smaller revenue base would be needed
2 to service the growing debt. Are you going to float
3 some more bonds and try to get good PR?

4 Mr. Hanson, I am still waiting for an answer
5 concerning the \$1.9 million loan that the Board
6 approved at the GCL EIS study. John Matheussen, your
7 predecessor, said that repayment of the loan was
8 requested in August of 2013. When will commuters see
9 the \$1.9 million returned or is this just another
10 giveaway? I want to see the EIS contract that states
11 the repayment terms. I have asked multiple times does
12 it exist? I filled out most of DRPA requests. I want
13 an answer. I want to see that contract. Will you get
14 it for me?

15 MR. HANSON: I'm not aware of a \$1.9 million
16 loan --

17 MS. RHODES: Can I give you the papers that
18 John Matheussen emailed to me?

19 MR. HANSON: Sure. I've asked CFO Jim White
20 to gather the information for me.

21 MS. RHODES: Because I don't think it was a
22 loan. And I want to thank you for scheduling a
meeting outside of Camden. I really appreciate that.

And that's it. Thank you.

CHAIRMAN CAWLEY: Thank you.

1 Is there any additional public comment? Any
2 additional public comments? Third and final call?

3 Seeing none, there is no other business to be
4 conducted by the DRPA Board, I'll entertain a motion
5 to adjourn.

6 CHAIRMAN NASH: So moved.

7 CHAIRMAN CAWLEY: Is there a second?

8 COMMISSIONER SASSO: I second.

9 CHAIRMAN CAWLEY: It's been moved and
10 seconded.

11 All those in favor will signify by saying aye;
12 those opposed, nay.

13 Opinion of the Chair, the ayes have it.

14 And we are adjourned.

15 (Whereupon, the meeting ended on July 16,
16 2014, at 7:06 p.m.)

17 There being no further business, on motion duly

18 Made and seconded, the meeting was adjourned.

19

20 Respectfully submitted,

21

22 Danielle L. McNichol
 Corporate Secretary

23

C E R T I F I C A T E

1
2 This is to certify that the attached
3 proceedings before the Port Authority Transit
4 Corporation Board Meeting on July 16, 2014, were held
5 as herein appears, and that this is the original
6 transcript thereof for the file of the Agency.

7 FREE STATE REPORTING, INC.

8 

9
10 Mike McCann
(Official Reporter)

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