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DELAWARE RIVER PORT AUTHORITY

BOARD MEETING

One Port Center
Two Riverside Drive
Camden, New Jersey

Wednesday, July 15, 2015

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PRESENT

Pennsylvania Commissioners

Ryan Boyer, Chairman
Antonio Fiol-Silva
Marian Moskowitz
Whitney R. White
Elinor Haider
Rohan K. Hepkins
Eugene DePasquale, Pennsylvania Auditor General
John Lisko, Esq. (for Pennsylvania Treasurer
Timothy Reese, via telephone)

New Jersey Commissioners

Jeffrey Nash, Vice Chairman
Richard Sweeney (via telephone)
Charles Fentress
E. Frank DiAntonio
Albert Frattali (via telephone at 10:40 a.m.)
Tamarisk Jones (via telephone at 10:40 a.m.)

DRPA/PATCO Staff

John Hanson, Chief Executive Officer
Michael Conallen, Deputy Chief Executive Officer
Kristen Mayock, Acting General Counsel &
Acting Corporate Secretary
Stephen Holden, Deputy General Counsel
Gerald Faber, Assistant General Counsel
Kathleen P. Vandy, Assistant General Counsel
Richard J. Mosback, Jr., Assistant General Counsel
James White, Chief Financial Officer
Dan Auletto, Acting Chief Operating Officer
Toni Brown, Chief Administrative Officer
Michael Venuto, Chief Engineer
William Shanahan, Director, Government Relations
Mark Lopez, Manager, Government Relations
John Rink, General Manager, PATCO
Bennett Cornelius, Assistant General Manager, PATCO

1 **DRPA/PATCO Staff (continued)**

2 Gary Smith, Captain, Public Safety (for Police
Chief Stief)
3 Kevin LaMarca, Director, IS
David Aubrey, Acting Inspector General
4 Susan Squillace, Manager, Procurement & Stores,
DRPA/PATCO
5 Vijay Pandya, Principal Engineer
Howard Korsen, Manager, Contract Administration
6 Christina Maroney, Director, Strategic
Initiatives
7 Mike Williams, Acting Manager, Corporate
Communications & Community Relations
8 Fran O'Brien, Manager, Corporate Communications &
Community Relations
9 Steve Reiners, Fleet Manager, Walt Whitman Bridge
Orville Parker, Manager, Budget/Financial Analysis
10 Jennifer DePoder, Financial Analyst
Sheila Milner, Administrative Coordinator
11 Elizabeth McGee, Administrative Coordinator
Comfort Dixon, Claims Administration
12 Nancy Farthing, Executive Assistant to the CEO
Dawn Whiton, Administrative Coordinator to the CEO &
13 Deputy CEO
Khalil Christian, Safety Specialist
14 Courtney McHugh, Police Dispatcher, Ben Franklin
Bridge
15 Kyle Anderson, Director of Corporate Communications
Raymond Santarelli, Esq., incoming General Counsel &
16 Corporate Secretary
David Gentile, incoming Inspector General

17 **Others Present:**

18 Amy Herbold, Esq., New Jersey Governor's Authorities
19 Unit
David Dix, Assistant to Chairman Boyer
20 Obra Kernodle, Deputy Chief of Staff, Pennsylvania
Governor's Office
21 Chelsea Guzowski, Director of Special Projects,
Pennsylvania Governor's Office of the Budget
22

1 **Others Present (continued):**

2 Victoria Madden, Chief Counsel for Auditor General
Eugene DePasquale
3 Christopher Gibson, Esq., Archer & Greiner,
(New Jersey Counsel)
4 Alan Kessler, Esq., Duane Morris LLP
(Pennsylvania Counsel)
5 Stephanie Kosta, Esq., Duane Morris LLP
(Pennsylvania Counsel)
6 Denise Mason (former DRPA/PATCO Commissioner)
Craig Hrinkevich, Managing Director, Wells Fargo
7 Jon Livingston, Manager of Business Development,
Jacobs Engineering Group, Inc.
8 Olivia C. Glenn, Regional Manager, New Jersey
Conservation Foundation
9 Tara Chupka (Assistant to John Dougherty)
Marcia Perry (Assistant to Kyle Anderson)
10 Joe Quigley
Larry Davis

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Whitman Bridge Toll Plaza,
Substructure, Paving
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DRPA-15-083 Construction Monitoring
Services for Contract No.
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Paving Rehabilitation

DRPA-15-084 Sole Source Contract for
General Construction Services
for Emergency Work During
Papal Visit

DRPA-15-085 Sole Source Contract for Rail
Construction Services for
Emergency Work During Papal
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DRPA-15-086 Electrical Energy Procurement
Consulting Services

DRPA-15-087 Verizon Wireless Temporary
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4142

July 1, 2015

Adopt Resolutions Approved by Finance Committee

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DRPA-15-089 Broker/Consultant for the

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 2 Loss of Toll Revenue Program
 3 and the Claims-Made Excess
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Counsel

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P R O C E E D I N G S

(9:00 a.m.)

CHAIRMAN BOYER: If I could ask everyone to please rise for a moment of silence and then the Pledge of Allegiance to the flag.

(Pause/Pledge of Allegiance)

CHAIRMAN BOYER: I'd like to ask the acting corporate secretary to call roll.

MS. MAYOCK: Chairman Boyer?

CHAIRMAN BOYER: Present.

MS. MAYOCK: Vice Chairman Nash?

VICE CHAIRMAN NASH: Here.

MS. MAYOCK: General DePasquale?

COMMISSIONER DePASQUALE: Here.

MS. MAYOCK: Commissioner Moskowitz?

COMMISSIONER MOSKOWITZ: Here.

MS. MAYOCK: Commissioner Hepkins?

COMMISSIONER HEPKINS: Present.

MS. MAYOCK: Commissioner Haider?

COMMISSIONER HAIDER: Here.

MS. MAYOCK: Commissioner White?

COMMISSIONER WHITE: Here.

1 MS. MAYOCK: Commissioner Fiol-Silva?

2 COMMISSIONER FIOI-SILVA: Present.

3 MS. MAYOCK: Commissioner Lisko?

4 COMMISSIONER LISKO: On the phone.

5 MS. MAYOCK: Thank you. Commissioner

6 DiAntonio?

7 COMMISSIONER DIANTONIO: Here.

8 MS. MAYOCK: Commissioner Fentress?

9 COMMISSIONER FENTRESS: Here.

10 MS. MAYOCK: Commissioner Sweeney?

11 COMMISSIONER SWEENEY: On the phone.

12 MS. MAYOCK: Thank you. That is a quorum,

13 sir.

14 CHAIRMAN BOYER: Thank you, thank you, thank
15 you. I see we have a pretty big crowd today, a little
16 larger than normal. I think they're here for some
17 exciting news that we are scheduled to vote on and
18 take the DRPA into an era of efficiency and
19 transparency. And, I would like to thank Vice Chairman
20 Nash for always keeping us aware that the commuters
21 need the discount back when we're doing well. Thank
22 you for that, Vice Chairman Nash.

1 VICE CHAIRMAN NASH: Thank you, Chair.

2 CHAIRMAN BOYER: I would like to thank all the
3 Commissioners that were here, that were a part of all
4 the reforms to bring a new day to the Delaware River
5 Port Authority. Commissioner Dougherty could not be
6 here. He had a funeral to attend. But I talked to
7 him this morning and he wanted to give his regards.

8 As I see the crowd assembled here, I'm very
9 proud today to be the Chair of this Authority because
10 we have, I mean, just great leadership in John Hanson.
11 The team here is great and that's going to be
12 evidenced later on by what I hope to be the passion of
13 what you don't see very often in public agencies and
14 that's giving something back to the consumers. We're
15 very proud of that.

16 With that being said, we have the report of
17 the Chief Executive Officer, John Hanson.

18 MR. HANSON: Thank you, Chairman Boyer.

19 First, I would like to acknowledge a special
20 person who is here with us today. Former New Jersey
21 Commissioner Denise Mason is here with us, and I'd
22 like to acknowledge her presence, and thank her for

1 her six years of service, great leadership, and
2 insight.

3 Vice Chairman Nash?

4 VICE CHAIRMAN NASH: Thank you, John, and good
5 morning, everyone. It has been my honor and privilege
6 to work with a woman, formerly a resident of Camden
7 City, who has served on this Board for --

8 MR. HANSON: Six years.

9 VICE CHAIRMAN NASH: -- 1,700 years or so it
10 feels. But she has been an outstanding commissioner.
11 She has been a commissioner who has taken the time --
12 although we are not compensated for this position --
13 she has taken an extraordinary amount of time to learn
14 the agenda before the meetings, to participate at the
15 committee meetings -- in particular the Finance
16 Committee and the Audit Committee where some very
17 difficult decisions that were made; and was directly
18 involved in several of the reforms that we initiated
19 at the DRPA in 2010 and 2011.

20 She took a job in Dallas, Texas, to pursue her
21 career, a great opportunity for her, but she has been
22 a great contributor to this Board. And for those

1 reasons, on behalf of Governor Christie, Senate
2 President Steve Sweeney, the New Jersey Commissioners,
3 and I know I can speak for all current and past
4 commissioners, we thank you for your service. I think
5 we have a small token of the Board's appreciation.
6 Denise?

7 (Applause.)

8 VICE CHAIRMAN NASH: One of my favorite
9 photographs from the 1920s -- 1924 -- when the Ben
10 Franklin Bridge was discovered.

11 CHAIRMAN BOYER: You were 12.

12 (Laughter)

13 MS. MASON: I didn't know I was going to have
14 to say anything, but I just want to say that my time
15 spent on the Port Authority Board has been a great
16 experience. I've learned a lot. I came in a very
17 green commissioner in 2010. I think I was the only
18 banker. Everybody else pretty much is attorneys and
19 so I had a big learning curve. But, I learned a lot
20 and I appreciate my time here.

21 The staff has been wonderful; the
22 commissioners have been wonderful; and I really am

1 going to miss being here.

2 I appreciate all the well-wishes. I'm sorry
3 that I'm leaving Camden, especially because I am a
4 resident and especially since I'm seeing all the
5 transformation here. So, I'll be back. Thank you
6 very much.

7 (Applause)

8 VICE CHAIRMAN NASH: And, Denise, just
9 remember . . . the Cowboys suck. (Laughter)

10 MR. HANSON: Commissioner Mason, on behalf of
11 my colleagues, the staff at DRPA and PATCO, I would
12 like to convey our appreciation for your years of
13 leadership. Thank you.

14 MS. MASON: Thank you.

15 MR. HANSON: Next, I would like to welcome
16 aboard a new member of the leadership team; the new
17 Director of Corporate Communications, Kyle Anderson,
18 is here with us. Kyle?

19 I have two examples of exemplary stewardship
20 performed by Authority employees. I'm going to go
21 through them. I would ask both employees to stand and
22 when they're done, come forward to have their picture

1 taken with the chairman and vice chairman.

2 Since May 29th, DRPA police have taken reports
3 of nine incidents involving vehicles parked at Ferry
4 Avenue, in Camden. In these incidents, vehicle
5 windows were smashed, and electronics and other items
6 were stolen.

7 On June 18th, Dispatcher Courtney McHugh, who
8 was monitoring cameras, observed a suspicious
9 individual approach an SUV and appear to break the
10 window. She immediately notified responding officers
11 of the suspect's description and officers made an
12 arrest several blocks away. Investigators conclude
13 that this is the same individual involved in the
14 previous issues. He has a criminal history and was
15 currently wanted on an active warrant. This excellent
16 work of Dispatcher McHugh played a key role in taking
17 a criminal off the street. Thank you, Dispatcher
18 McHugh.

19 I would also like to commend DRPA Safety
20 Specialist Khalil Christian for a significant
21 accomplishment. Khalil's former job position at the
22 naval yard focused on environmental safety. The DRPA

1 safety specialist must have a thorough knowledge of
2 all federal OSHA regulations and training
3 requirements, including the construction industry. In
4 order to fulfill the safety specialist job
5 specification for the development and implementation
6 of safety and health training programs, Khalil needed
7 to broaden his safety skills to include OSHA training,
8 focusing on the construction industry.

9 Khalil recently attended a week-long OSHA 500
10 training course called "OSHA Standards for
11 Construction," conducted by the Chesapeake Bay
12 Regional Safety Council. He scored a perfect 100 on
13 his written exam, as well as a perfect score for his
14 10-minute presentation to the class.

15 Congratulations, Khalil, on this stewardship
16 accomplishment and thank you for your continuing
17 commitment to learning and to helping the employees of
18 the Authority become safer employees.

19 Finally, I'd like to report correspondence
20 that we received from a customer in praise of the
21 actions of the PATCO staff when the entire system lost
22 power in wake of storms on June 23rd.

1 "The PATCO staff was outstanding during the
2 delays, yesterday. I was stuck on a train at 8th and
3 Market, at 6 p.m., and the train operator and station
4 attendants were the best I've encountered in handling
5 delays and customers, and I've been riding PATCO for
6 almost 10 years.

7 "They made regular informative announcements,
8 via the conductor, via the PA system, and via station
9 attendants walking through the cars. The station
10 attendants also continued to ask if we were okay and
11 if we needed anything. Their combined, ongoing
12 efforts kept the atmosphere light and calm.

13 "When it began to look like the delay would be
14 longer than expected, they provided information on how
15 to use New Jersey Transit buses to get to PATCO
16 stations. As I left the station, there were many
17 displaced riders at the train station entrance and
18 everyone was calm as a station attendant worked her
19 way through the crowd to help the stranded passengers.

20 "As a long-term PATCO rider, I know the
21 scenario above shows how far PATCO has come in
22 customer service and crisis management. So a big

1 thank you to PATCO staff and management."

2 I'd like to ask Khalil and Courtney to come
3 forward for a picture with the chairman and vice
4 chairman.

5 (Pause)

6 I would now like to inform the Board, as I am
7 required under the bylaws, of emergency powers actions
8 that have been taken. Since the last meeting, all
9 emergency powers actions are taken with the approval
10 of the Board chairman and vice chairman.

11 CEO emergency powers authorization was given
12 to remediate properties along the Gateway Park section
13 of the Admiral Wilson Boulevard and prepare a response
14 action outcome, RAO, for each property. Brinkerhoff
15 Environmental Services has submitted a cost proposal
16 for \$1.5 million to complete the work. They
17 anticipate completing all work in one year; however,
18 certain sites will be completed sooner. Once RAOs are
19 prepared, the properties will be transferred to the
20 CCMUA.

21 Secondly, an emergency authorization has been
22 given to hire Prime Group Remediation, Inc., in the

1 amount of \$36,000. They are a sole source vendor who
2 can handle the removal of asbestos from an area above
3 the passenger ceiling of PATCO cars. The majority of
4 the ACM was removed and the remaining portion was
5 encapsulated several years ago. However, some
6 encapsulated asbestos has separated from the car skin
7 and is being removed. The remaining ACM remediation
8 is being done expeditiously.

9 Lastly, under "Emergency Powers,"
10 authorization was given to a communications firm in a
11 contractual amount not to exceed \$25,000 for
12 communication services surrounding the Papal visit,
13 the communication of emergent issues, and other
14 communications and messaging services as required.
15 Community Marketing Concepts, Inc. has been
16 recommended for this interim role, and our new
17 Communications Director, Kyle Anderson, will be
18 working with them.

19 That concludes the emergency powers that have
20 been enacted since the last meeting.

21 Under our Vendor Diversity Program, the Office
22 of Business Development and Equal Opportunity, in

1 collaboration with the DRPA Purchasing Department,
2 will host a special vendor diversity program event at
3 One Port Center, on Thursday, August 6th, from 8:30
4 a.m. to noon. It will feature an overview of the
5 Vendor Diversity Program and the Authority's
6 procurement process, plus the announcement of a new
7 pilot program for a competitive process involving
8 annual contracts for four frequently purchased
9 commodity specific areas: gloves, fasteners,
10 miscellaneous safety items, and trash bags.

11 This special event demonstrates our ongoing
12 commitment to diversity and inclusion and to equal
13 contracting opportunities for all vendors interested
14 in doing business with the Authority.

15 The Authority continues its rebranding efforts
16 with new mission and vision statements, and a tag line
17 "Stewardship, Service, and Community." Our rebranding
18 initiative is moving full speed ahead. I would like
19 to ask CAO Toni Brown to give us an update on that.

20 MS. BROWN: Yes. Good morning, Commissioners.
21 I last came before you in April to present information
22 about our rebranding efforts. At that point, we were

1 in the beginning stages. Since then, we have taken
2 quite a few steps.

3 Internally, the tag line has been added to all
4 Authority paychecks and computer station log-ins; each
5 morning when employees log-in, they see the new tag
6 line and the vision statement. Also, there is a
7 biweekly newsletter, *Connections*, that the information
8 is also on. The internal website, our e.net, has the
9 information. You also see our vision and also our tag
10 line on all the plasma screens throughout the
11 Authority and also on banners and boards on various
12 floors.

13 Now, externally, the tag line has also been
14 added to all PATCO FREEDOM Cards, to our press
15 releases, and to our e-newsletters, social media,
16 Twitter, Facebook, and Linked-In. We have 22 banners
17 that have been produced in-house by the Walt Whitman
18 Bridge Sign Shop and those signs are now mounted on
19 stands with the mission and vision statements for
20 display at all public meetings and expos. We have
21 informational brochures that have been distributed to
22 all facilities for rack displays. We also have them

1 at all the PATCO stations.

2 We have now five new black tablecloths - or,
3 we call them throws -- that we take with us to expos
4 and other public meetings. We have displayed for you
5 up-front what it looks like now when we go out to
6 expos. There are the throws and we have our brochures
7 on display, as well as the mission, vision, and
8 projects banners on display. All of those banners
9 were created for us in-house by the Walt Whitman
10 Bridge Sign Shop.

11 The next steps in this rebranding effort will
12 be to have signage displays on our bridges, welcome
13 and thank you signs, vinyl decals to be displayed in
14 toll booths, also some signage on our DRPA and PATCO
15 vehicles; and we're looking into putting the logo, or
16 at least the "Stewardship, Service, and Community" tag
17 line, on our uniforms.

18 That concludes our efforts at this point.
19 We'll keep you posted. And, again, I also want to
20 say, if there are any commissioners that do want the
21 new business cards, to let me know. I do have the
22 forms and we can take that today from you.

1 MR. HANSON: Thank you, Toni. And I'd like to
2 convey my appreciation to you and your rebranding
3 committee, Thaddeus Abbott, Ann DuVall, Maria Mondile,
4 Fritz Sims, and Mike Williams, who have worked
5 collaboratively across DRPA and division lines to move
6 this initiative forward. Very special thanks go to
7 Telete Garrison for taking the lead role in
8 coordinating the many components of this complex and
9 exciting project.

10 Toni, could you now give us a briefing and
11 update on the summer intern project?

12 MS. BROWN: Yes. Good morning, Commissioners.
13 We've also provided you, at your seats, with a
14 directory. This was first provided to the Labor
15 Committee last week and I was asked to provide this to
16 you as a Board.

17 We first want to continue to thank the Board
18 for its support of the 2015 Summer Intern Program.
19 With your support, we've been able to place interns in
20 just about every division, Authority-wide. As a
21 result of your actions on April 1, 2015, -- to clarify
22 very formally, via a resolution, our employment of

1 relatives' policy -- we now were able to help 21 of
2 our employees. So, employee relatives who applied and
3 met all of the screening criteria were placed. We
4 placed 48 interns this year and 21 of the 48 are
5 related to DRPA and PATCO employees.

6 Two things I'd like to reference. We have the
7 directory here that we put together by our Human
8 Resource Services Department. It shows you each and
9 every one of the interns. We have provided this
10 directory to the interns as a networking piece for
11 them. It's been helpful for them and it's helpful for
12 us.

13 Also, the report -- the special, by-the-
14 numbers infographic report -- is an example of some of
15 the work that our summer interns do. This was created
16 by a young man who works in my office with me. And it
17 gives you a glimpse of the program at a glance. It
18 tells you the top six schools that are represented,
19 the number of relatives, where these students have
20 been placed, their majors, and finally, it shows you
21 that this program is run at about \$210,000, which is
22 not even a quarter percent of our operating budget.

1 This \$210,000 includes salary, background checks, drug
2 and alcohol screening, and the uniforms that the young
3 men and women are required to wear as part of their
4 work. And that concludes the report.

5 MR. HANSON: All of the summer interns are in
6 places where they are making significant contributions
7 to the organization.

8 The Papal visit. At this time, I would like
9 to ask Mr. Rink to update us on planned PATCO service
10 and fares during the Papal visit.

11 MR. RINK: Thank you, Mr. Hanson.

12 Commissioners, starting next week, our website
13 will go live for our one-day and two-day passes.
14 Customers interested in buying tickets can do it
15 online or at our FREEDOM Card center at Broadway
16 Station. As the Board approved last month, it's a \$5
17 one-day pass or a \$10 two-day pass. So, those tickets
18 go on sale next week. Our existing FREEDOM Card
19 holders will be able to use their FREEDOM Cards the
20 day of the event.

21 In regards to service, as published, on the
22 day -- the Pope's visit is on Saturday and Sunday.

1 PATCO will be running express service from four of our
2 stations: Lindenwold, Woodcrest to Ferry Avenue and
3 Broadway, directly into 9th and 10th Street Station in
4 Philadelphia. The trains will run every 16 minutes
5 out of these stations -- direct, nonstop -- and we
6 will be having a train arrive at 9th and 10th every
7 four minutes.

8 MR. HANSON: And consistent with what other
9 transit entities are doing, we will not be selling
10 tickets on the day of the event; so, service will only
11 be available to existing FREEDOM Card holders or those
12 who purchase these special FREEDOM Cards online.

13 At this time, I'd like to ask the Director of
14 Information Services, Kevin LaMarca, to provide an
15 update on our Enterprise Resource Planning, or ERP,
16 Project.

17 MR. LaMARCA: Thanks, John. Good morning, Mr.
18 Chairman, Vice Chairman, and Commissioners.

19 The ERP project is moving along well. This
20 month we've had a lot of focus on training. We
21 identified a need for basic computer training early on
22 a few months ago, so over the past month, we've been

1 conducting Computer 101 training. This system will be
2 utilized by every single employee, so it was important
3 that every single employee of the Authority receive
4 some sort of basic computer training.

5 We are also conducting tablet training. Some
6 of the employees will be using tablets when they work
7 out in the field. There is also a significant amount
8 of ERP-related training being scheduled for the months
9 of August, September, and October, including SAP basic
10 navigation training and SAP transactional training.
11 We are identifying DRPA and PATCO staff who will be
12 trainers and train their fellow co-workers in these
13 areas. This "Train the Trainer Program" will enable
14 us to retain SAP knowledge within the Authority,
15 rather than using consultants to train our staff on
16 how to use SAP.

17 Aside from training, we also have two upcoming
18 major milestones for the project kicking off this
19 month or within the next few weeks -- user acceptance
20 testing and also payroll parallel testing. The user
21 acceptance testing: during this phase, DRPA and PATCO
22 employees will test SAP for a third time with the goal

1 of ensuring the current configuration of SAP meets the
2 needs of the Authority. If so, the Authority will
3 sign-off on the system, which is designed for go-live
4 later this year.

5 For payroll parallel, we are also starting
6 that. The purpose of payroll parallel is to run
7 payroll in parallel with SAP in our current systems,
8 and compare the actual pay to that calculated during
9 the same period through our current systems -- Banner
10 and Unisys -- to ensure that SAP meets the needs of
11 the Authority. Thank you.

12 MR. HANSON: Thank you, Kevin.

13 PATCO Car Overhaul Project. I'd like to ask
14 Chief Engineer Mike Venuto and General Manager John
15 Rink to provide an update on the Car Overhaul Project.

16 MR. VENUTO: Good morning, Commissioners. Our
17 first 12 cars have been accepted and have been put
18 into revenue service. We expect two more additional
19 cars to be accepted and put into service this week.
20 We also have Cars 15 and 16, an 8th married pair that
21 have been delivered to Lindenwold and will undergo
22 their initial testing.

1 We encountered very few problems along the
2 line. We had an issue last week with a wiring short
3 that the contractor has since corrected. We have made
4 those corrective actions on all of the 16 cars, and
5 found the root cause of that problem. The car builder
6 is starting to ramp up their production and we expect
7 our next set of married pair to come down in the next
8 three or so weeks. And then from there, we expect
9 four married pair a month.

10 MR. HANSON: John, anything to add?

11 MR. RINK: I'd just add, currently, with our
12 existing fleet, we have 84 of our legacy, or existing
13 cars; and now, with the Alstom cars, we have 16; so
14 currently we have 100 cars on site and Alstom has 20.

15 As Mike had mentioned, in mid-August the next
16 two cars will be down here for conditional testing.
17 As we go through the process, from this point on, two
18 cars will be delivered and we will send two cars to
19 Alstom. So from this point on, we would have 100 cars
20 available for service.

21 MR. HANSON: Thank you. Mike, John, can you
22 continue with the status update on the Ben Franklin

1 Bridge Track Rehab Project?

2 MR. VENUTO: Yes, sir. Track 1 work has been
3 completed; not only the track and the rail, but also
4 the electric power and the signal work.

5 We took Track 2 as a continuous outage;
6 started on July 6th and the summer outage will go
7 through September 6th. So, we're now working on
8 electrical power, signaling and wiring, some
9 miscellaneous painting and structural steel, and then
10 removing the under bridge platform -- the work
11 platform. The project is scheduled to be complete by
12 the end of this year.

13 MR. HANSON: Thank you.

14 John, anything to add?

15 MR. RINK: With the continuous outage that we
16 gave the contractor this summer, the job will finish
17 four to five months earlier than anticipated, which
18 will mean less issues for our customers and we can get
19 back to our normal schedule sooner than later.

20 MR. HANSON: Great, thank you.

21 Franklin Square update. Mike, John, you're up
22 again for Franklin Square.

1 MR. VENUTO: Yes. So, we recently updated the
2 study to reopen Franklin Square. The study that we
3 undertook updated all the capital cost to open the
4 station. Internally, we updated and looked at the
5 operating cost to reopen the station.

6 With the capital cost and the operating cost
7 identified, last month we submitted a grant
8 application for \$26.2 million for the estimated cost
9 and reopening of the station. We expect to hear
10 sometime in the fall.

11 We have prepared a draft schedule. We
12 prepared a draft advertisement for qualifications for
13 professional engineering companies to look at
14 reopening the station. The project will be on the
15 agenda for the O&M meeting in August to look at the
16 direction moving forward with this project.

17 MR. HANSON: John?

18 MR. RINK: Nothing more to add to Mike's
19 report.

20 MR. HANSON: Great. For anyone who hasn't
21 heard, buying a PATCO ticket is now easier than ever.
22 PATCO passengers can now use debit and credit cards,

1 as well as cash, to purchase paper tickets. This
2 option will make travel much easier for casual riders
3 who sometimes arrive at our stations with little or no
4 cash in their pockets, expecting to pay
5 electronically. The majority of our regular customers
6 enjoy the convenience of the prepaid FREEDOM smart
7 card. Implementing this change is consistent with our
8 strategic goal of providing customer-oriented,
9 technologically advanced solutions that meet passenger
10 needs and expectations. And special thanks to PATCO
11 Director of Fare Collections, Kathleen Imperatore, who
12 championed this initiative and who did the analytical
13 cost/benefit analysis that made it happen.

14 Wi-Fi. Comcast has begun its installation of
15 conduit and hardware to offer Wi-Fi at all PATCO
16 stations and in the subway tunnels. We hope to have
17 this service available to our customers by the end of
18 August.

19 Mr. Chairman, that concludes the verbal
20 comments to my CEO Report.

21 CHAIRMAN BOYER: Does anyone have any
22 questions for the CEO Report?

1 No questions. I'll entertain a motion to
2 accept the CEO's Report.

3 COMMISSIONER DiANTONIO: So moved.

4 CHAIRMAN BOYER: Second?

5 COMMISSIONER HAIDER: Second.

6 CHAIRMAN BOYER: All in favor?

7 ALL: Aye.

8 CHAIRMAN BOYER: All opposed?

9 Ayes have it.

10 Now, we'll have the Report of the Chief
11 Financial Officer, Jim White.

12 MR. WHITE: Good morning, Mr. Chair.

13 CHAIRMAN BOYER: Good morning, Mr. White.

14 MR. WHITE: Before I give you some brief
15 remarks on the financials, I wanted to call to your
16 attention the 2014 Annual Report, which each of you
17 hopefully received a copy of this morning. There are
18 a lot of people whose efforts are important in terms
19 of us publishing the Annual Report. I actually got
20 these copies late yesterday, so I want to particularly
21 thank Fritz Sims and his printing group for expediting
22 the printing of this.

1 David Aubrey was important in terms of
2 overseeing the audit; also John Lotierzo, Director of
3 Finance at PATCO, was very important in this regard;
4 also Darcie DeBeaumont, who is Acting Manager. They
5 basically oversaw the audit. In addition, Mike
6 Williams and Jennifer DePoder were responsible for
7 pulling together the final report, the result of some
8 input from Fran O'Brien and others. Jen made a filing
9 to the GFOA hours before the deadline. Thank you,
10 Jen. Jen is in the back of the room. Thank you for
11 your efforts. And we filed for the GFOA award. We've
12 won that award 22 years in a row, so we hope to get
13 good news on that.

14 In addition, there was some mention of the
15 summer interns. If you look at the back of the
16 report, you'll actually see that we gave some
17 acknowledgement to Michael Peiffer, who helped us as a
18 summer intern and compiled some of the data relating
19 to the annual report. We're very thankful for that
20 summer intern.

21 If we can turn quickly to the DRPA dashboard.
22 I'll primarily just look at the summary here -- the

1 year to date summary sheet -- which I think really
2 gives you a pretty good capture of what's going on
3 with the Authority.

4 We look very, very good in terms of bridge
5 traffic and I expect that in May and June we will
6 still be better than 2014. As you can see, year-to-
7 date through April, our numbers are 2.82 percent above
8 budget; so we're doing well in traffic. Again, we had
9 a light snow season, so the new traffic numbers really
10 reflect that.

11 In terms of bridge revenues, we are 4.8
12 percent above budget. What that translates to is,
13 DRPA toll revenues are roughly \$3.5 million greater
14 than last year. Again, the snows did not impact us as
15 much as they did last year. And related to the
16 budget, we are roughly \$4.3 million above what we
17 budgeted for this year. So, both our traffic and our
18 revenues are doing very, very well this year;
19 partially due to some traffic growth, partially due to
20 the fact that the inclement weather did not impact us
21 as much as usual.

22 In terms of the operating budget at DRPA, we

1 are well below budget at this point. We do always
2 tend to see that that number gets closer to the 95
3 percent of budget number toward the end of the year,
4 but we are running very well as a result of
5 maintaining our costs in terms of the DRPA operating
6 budget.

7 On the capital budget, we are starting to see
8 expenditures increase. You'll see that in the current
9 month, we are pretty close to budget. Year-to-date,
10 we're roughly around 51 percent of the budget. I just
11 wanted to note that in the Operations Committee agenda
12 packet there is a report that Engineering Chief Mike
13 Venuto puts out, called the "Program Performance
14 Report," which gives you some key information about
15 the major capital projects and their expenditures
16 year-to-date. So that's something that you may want
17 to refer to.

18 In terms of PATCO ridership and revenues,
19 we're being impacted somewhat from the snow in the
20 beginning of the year and also, the Track Rehab
21 Project has had impact on those numbers. We're around
22 4.4 percent under budget in terms of the ridership and

1 revenues still are trailing by roughly 3.2 percent.

2 In terms of the PATCO operating budget, it's
3 around ten (10) percent, year-to-date under; actual
4 expenditures are ten (10) percent under the budget.
5 Operating ratio is improving. The final thing here is
6 the PATCO on-time performance. Again, it is improving
7 in the current month. In the dashboard, April was 98
8 percent and the year-to-date average was 97.4 percent.

9 John, anything you want to add to that, or
10 John Rink?

11 MR. RINK: Thank you, Jim, the Commissioners.

12 As listed in my General Manager's Report, for
13 the month of June, our on-time performance had dropped
14 to 93.24 percent. That was a result of the loss of
15 power due to the June 23rd storm. If we remove those
16 trains that were affected -- there were 179 trains we
17 could not run -- our on-time performance would have
18 been 96.94 percent. Year-to-date, our on-time
19 performance would be 97.39 percent, close to our 98
20 percent goal.

21 MR. WHITE: Thank you, John.

22 The final thing I would just like to bring to

1 your attention is, I've been talking about a swap
2 novation transaction for a number of months. Our goal
3 is to replace our current swap counterparty with one
4 or two new counterparties. We expect that transaction
5 to happen later today or within the next few days.
6 That concludes my report.

7 CHAIRMAN BOYER: Thank you.

8 Any questions on the CFO report?

9 There being none, I'm going to ask for
10 approval of the June 17, 2015 DRPA Board minutes. Can
11 I get a motion?

12 COMMISSIONER FENTRESS: Move the motion.

13 COMMISSIONER DiANTONIO: Second.

14 CHAIRMAN BOYER: All in favor?

15 ALL: Aye.

16 CHAIRMAN BOYER: All those opposed?

17 Ayes have it.

18 We have a monthly list of previously approved
19 payments and a monthly list of previously approved
20 purchase orders and contracts covering the month of
21 June 2015. I'll accept a motion to receive and file
22 the monthly list of previously approved payments and

1 monthly list of previously approved purchase orders
2 and contracts.

3 COMMISSIONER HAIDER: So moved.

4 CHAIRMAN BOYER: Second?

5 COMMISSIONER HEPKINS: Second.

6 CHAIRMAN BOYER: All in favor?

7 ALL: Aye.

8 CHAIRMAN BOYER: All opposed?

9 Ayes have it.

10 Approval of the Operations & Maintenance
11 Committee meeting minutes of July 1, 2015.

12 COMMISSIONER FENTRESS: Move the motion.

13 COMMISSIONER HEPKINS: Second.

14 CHAIRMAN BOYER: All in favor?

15 ALL: Aye.

16 CHAIRMAN BOYER: All opposed?

17 Ayes have it.

18 Adopt resolutions approved by the Operations &
19 Maintenance Committee of July 1, 2015. There are ten
20 (10) items from the Operations & Maintenance Committee
21 for consideration of approval. They are as follows:

22 DRPA-15-078, fuel contract for DRPA and PATCO;

1 DRPA-15-079, Contract Number 83330,
2 supplemental contract for procurement and delivery of
3 highway rock salt for DRPA and PATCO facilities;

4 DRPA-15-080, Contract Number BF-41-2014, Ben
5 Franklin Bridge Administration and Annex Building
6 Chiller Replacement Project;

7 DRPA-15-081, Contract Number WW-20-2015, Walt
8 Whitman Bridge suspension span and tower painting;

9 DRPA-15-082, Contract Number WW-23-2015, Walt
10 Whitman Bridge toll plaza, substructure, paving
11 rehabilitation;

12 DRPA-15-083, construction monitoring services
13 for Contract Number WW-23-2015, Walt Whitman Bridge
14 toll plaza, substructure, paving rehabilitation;

15 DRPA-15-084, sole source contract for general
16 construction services for emergency work during Papal
17 visit;

18 DRPA-15-085, sole source contract for rail
19 construction services for emergency work during Papal
20 visit;

21 DRPA-15-086, electrical energy procurement
22 consulting services; and

1 DRPA-15-087, Verizon Wireless temporary lease.

2 I'll take a motion for all ten (10).

3 COMMISSIONER FENTRESS: Move the motion.

4 CHAIRMAN BOYER: Any questions?

5 Can I get a second?

6 COMMISSIONER HEPKINS: Second.

7 CHAIRMAN BOYER: All in favor?

8 ALL: Aye.

9 CHAIRMAN BOYER: All opposed?

10 Ayes have it.

11 Approval of the Finance Committee meeting
12 minutes of July 1, 2015.

13 COMMISSIONER HAIDER: So moved.

14 CHAIRMAN BOYER: Second?

15 COMMISSIONER MOSKOWITZ: Second.

16 CHAIRMAN BOYER: All in favor?

17 ALL: Aye.

18 CHAIRMAN BOYER: All opposed?

19 Ayes have it.

20 Adopt resolutions approved by the Finance
21 Committee. There are three items for consideration.
22 They are as follows:

1 DRPA-15-088, wide area network equipment; and
2 DRPA-15-089, Broker/Consultant for Bridge
3 Property Damage and Loss of Toll Revenue Program and
4 the Claims-Made and Excess Policy.

5 I'm going to do those two together; then I'll
6 do the next one, separately. Can I get a motion for
7 those two?

8 COMMISSIONER DePASQUALE: So moved.

9 CHAIRMAN BOYER: Can I get a second?

10 COMMISSIONER FENTRESS: Second.

11 CHAIRMAN BOYER: All in favor?

12 ALL: Aye.

13 CHAIRMAN BOYER: All opposed? Okay.

14 And the last one is an amendment to the
15 current DRPA bridge toll schedule in order to
16 implement a discount tolling program on certain
17 passenger vehicles and related actions. This
18 authorizes -- this amendment authorizes the current
19 DRPA bridge toll schedule to include discount tolling
20 for certain passenger vehicles making minimum numbers
21 of toll crossings over DRPA bridges and related
22 actions.

1 This resolution amends the current DRPA bridge
2 toll schedule and provides a discounted tolling
3 program for a period of three years beginning on or
4 before December 1, 2015, for those passenger vehicles
5 utilizing E-ZPass transponders and making a minimum of
6 eighteen (18) toll crossings over the DRPA bridges per
7 calendar month.

8 Do I have any comments on that?

9 VICE CHAIRMAN NASH: Yes, Chairman. Thank
10 you. It is time to lower the tolls to benefit our
11 frequent bridge commuters. I want to thank the
12 administration, John Hanson, Jim White, and so many
13 others who were part of the management team over the
14 past several years, and especially the men and women
15 who are the employees of this Authority, who have made
16 great sacrifices over the past years.

17 In 2010, this Board enacted several reforms
18 that changed the direction of the Authority and the
19 direction of this Board. As a consequence of those
20 changes, the great leadership of our administration
21 and the hard work of the employees, we were able to
22 set a course that put this Authority in an outstanding

1 financial position. That has been reflected not just
2 by me, but through our audits and also by statements
3 made by the Wall Street rating agencies.

4 We are one of the few authorities that are
5 paying most of our liabilities back and we have begun
6 to repay some of our debt, especially some of the swap
7 transactions of several years ago. And because of
8 that, we are now in a position to benefit our most
9 frequent bridge commuters and that is a tribute to
10 everyone who has worked so hard to make that a
11 reality.

12 Once again, I want to thank John Hanson, his
13 team, and the employees for giving our customers --
14 our bridge customers -- that benefit.

15 CHAIRMAN BOYER: I would like to recognize
16 Auditor General DePasquale, who absolutely has been a
17 yeoman in this. He was voted into office by the
18 voters of the Commonwealth of Pennsylvania to be our
19 Auditor General and I would like to get his comments
20 on this.

21 COMMISSIONER DePASQUALE: Thank you, Chairman.
22 First of all, to John, and your team, and the entire

1 staff of the Authority, it's great work by your team.
2 The Board sets the policy, but your team is
3 implementing it and all of your team should be
4 commended for this.

5 I want to commend, certainly, Chairman Boyer
6 and Vice Chairman Nash for their work here; also your
7 predecessors for their great work. 2010 was a big
8 turning point and I think both Republican and
9 Democratic governors of both New Jersey and
10 Pennsylvania, both current and previous, deserve
11 credit, as does Senate President Sweeney for his
12 leadership in this.

13 I know sometimes these things cannot always
14 get through the message of what happens, but this is
15 really about giving the working men and women of
16 southeast Pennsylvania and southern Jersey a little
17 bit of a break. Some people will say it's not a lot
18 of money; but for the hardworking men and women, it's
19 a little bit of a break. In these tough economic
20 times, where you're seeing so many other prices go up
21 for them, we're one of the few entities anywhere in
22 the country that's actually lowering the cost. It

1 gives people a little bit of a break, a little bit of
2 a breathing room.

3 And for that, again, thanks to the staff and
4 the leadership here for making that happen. It shows
5 that when you're willing to make the tough choices and
6 the sacrifices that this Board has made -- before I
7 got here and continuing when I did get here -- it can
8 pay off in the long run. So, thank you for your
9 leadership.

10 But, again, this is about giving the working
11 men and women of this region just a little bit of a
12 break. It doesn't solve all the problems. It gives
13 them a little bit of a break and that's a good thing.

14 CHAIRMAN BOYER: Any other commissioners have
15 any comments? Does anyone from the public have
16 comments? I'm told that we have a public comment?

17 Yes, you can go up to the mic. Make your way
18 to the mic, sir.

19 MR. DAVIS: Good morning. My name is Larry
20 Davis. I'm just about on the Citizens Advisory
21 Committee for the DRPA. I haven't had my final
22 interview yet. I have questions and concerns about

1 this frequent commuter discount and giving back to the
2 men and women of New Jersey and Pennsylvania, and all
3 that, but not including PATCO.

4 I don't know. There has been talk about the
5 drivers on the bridge being the best customers. I
6 don't know why that doesn't include PATCO as being
7 good customers. There are six PATCO New Jersey
8 stations that commute into Pennsylvania that already
9 pay more per daily commute -- is something funny over
10 there, Mr. Nash? Am I not getting your attention?

11 VICE CHAIRMAN NASH: I was talking to the
12 Chairman about your issue.

13 MR. DAVIS: Okay. Excuse me, okay. There are
14 six stations in New Jersey that commute into
15 Pennsylvania that already pay more per daily commute
16 than people who drive over the bridges. In the month
17 of May, that averaged out to over 14,000 riders a day
18 that pay more than \$5 a day to drive into New Jersey.
19 A frequent commuter discount should include all DRPA
20 customers. Community is part of your new tag line.
21 PATCO, by definition, is part of that community.

22 Having a discount that would incentivize

1 driving would increase traffic, increase congestion,
2 increase parking problems in the city, and probably
3 also lower ridership on PATCO. So any discount for
4 frequent commuters, in my opinion and many others,
5 should also include PATCO.

6 VICE CHAIRMAN NASH: Mr. Davis, I think you
7 and I share a passion for PATCO. Over the past
8 several years, this Authority has invested to
9 rehabilitate and revitalize all the stations. We have
10 completely changed the fare collection system. We
11 have invested millions and millions of dollars on pole
12 and track rehabilitation. We have instituted the
13 Transit Ambassadors Program. We're about to open the
14 Franklin Square Station. And we are paying
15 \$300 million -- or about \$180 million to \$300 million
16 -- for new cars. The PATCO ridership fare, on
17 average, is lower than that of New Jersey Transit and
18 some of the SEPTA lines of equal distance.

19 As a matter of economy, PATCO runs at a fifty
20 (50) percent cost deficit that is supplemented by the
21 bridge commuters. This year in particular, with about
22 a \$50 million capital investment in PATCO, the bridge

1 commuters are supplementing the PATCO cost by
2 \$80 million.

3 While I would certainly support giving some
4 break, a similar break to commuters of PATCO, at some
5 point -- as I have for many, many years -- I think the
6 economies do not justify it at this particular time
7 because of the investment that is being made.

8 MR. DAVIS: Your comments about New Jersey
9 Transit and SEPTA, I'm not aware about New Jersey
10 Transit, but I know SEPTA does offer a frequent
11 discount for people who buy monthly or weekly passes.
12 You travel X amount of times for a certain period, you
13 get a discount.

14 VICE CHAIRMAN NASH: That is true. However,
15 the cost even after the discount, on average, of
16 SEPTA --

17 MR. DAVIS: Cost per rider, I don't think is
18 the issue. As far as the commuter issue, that's your
19 business. That's not our business. Giving a frequent
20 commuter discount should include all members of the
21 DRPA community. It should not be selective. It would
22 be detrimental to the region to put more cars on the

1 road and take more people off trains.

2 CHAIRMAN BOYER: Thank you, sir. Point well
3 taken.

4 MR. DAVIS: Also, if I can make one more
5 comment?

6 Excuse me, sir, I'm sorry.

7 CHAIRMAN BOYER: Brief, yes.

8 MR. DAVIS: This was not -- at last week's
9 Citizens Advisory Committee, there were not enough
10 people to vote on this, so we did not have enough time
11 to discuss review and make recommendations to the
12 Board because this was put up at the last minute.

13 VICE CHAIRMAN NASH: If I could just -- the
14 predecessor Chairman to the Citizens Advisory Board,
15 Jonathan Latko, came to this Board prior to your
16 involvement and explicitly requested that this Board
17 consider a bridge commuter discount.

18 MR. DAVIS: Do you know when that was?

19 VICE CHAIRMAN NASH: I don't recall the
20 specific date.

21 MR. DAVIS: So, it was not the current Board.

22 VICE CHAIRMAN NASH: The current -- it's the

1 same Citizen --

2 MR. DAVIS: The current CAC Board and it was
3 not the current CAC Board Chairman, correct?

4 CHAIRMAN BOYER: All right, point very well
5 taken. We're not going to litigate the past right
6 here.

7 If there's no further comment from the public
8 or commissioners, I'll entertain a motion for the
9 commuter discount.

10 COMMISSIONER FENTRESS: Move the motion.

11 CHAIRMAN BOYER: Can I get a second?

12 COMMISSIONER DiANTONIO: Second.

13 CHAIRMAN BOYER: All those in favor?

14 ALL: Aye.

15 CHAIRMAN BOYER: All those opposed?

16 Ayes have it. We have a new commuter discount
17 on our bridges. Congratulations.

18 Approval of the Audit Committee meeting
19 minutes of July 8, 2015.

20 COMMISSIONER DePASQUALE: So moved.

21 CHAIRMAN BOYER: Second?

22 COMMISSIONER DiANTONIO: Second.

1 CHAIRMAN BOYER: All in favor?

2 ALL: Aye.

3 CHAIRMAN BOYER: All opposed?

4 The ayes have it.

5 Approval of the Labor Committee minutes of

6 July 8, 2015.

7 COMMISSIONER DIANTONIO: So moved.

8 CHAIRMAN BOYER: Second? Can I get a second?

9 COMMISSIONER HEPKINS: Second.

10 CHAIRMAN BOYER: All in favor?

11 ALL: Aye.

12 CHAIRMAN BOYER: All opposed?

13 Ayes have it.

14 Adopt resolutions approved by the Labor

15 Committee of July 8, 2015. There is one item the

16 Labor Committee has for consideration, outside

17 employment.

18 Toni Brown?

19 MS. BROWN: Okay, yes. Good morning.

20 CHAIRMAN BOYER: Good morning.

21 MS. BROWN: The Authority has a policy in

22 place for outside employment. Whenever employees are

1 looking to engage in outside employment, they must
2 seek approval from their supervisor and the CEO. For
3 directors and above, they are required to get Board
4 approval. And so, these individuals have requested
5 approval from the Board; they were approved at the
6 Labor Committee after it was determined by their
7 supervisors that this outside work would not conflict
8 with their duties at the DRPA or PATCO and would not
9 be a conflict of interest in any way.

10 Those individuals are: Kristen Mayock -- it's
11 noted for you in the resolution and summary statement
12 -- Kristen Mayock, Acting General Counsel and
13 Corporate Secretary; Michael Conallen, who is our
14 Deputy Chief Executive Officer; Michael Venuto, who is
15 the Chief Engineer; William Shanahan, our Director of
16 Government Relations; Jack Stief, who serves as our
17 Police Chief; and also, Stephen Holden, who is our
18 Deputy General Counsel. All requests have been deemed
19 appropriate and approved at management level and also
20 at the Labor Committee level.

21 CHAIRMAN BOYER: Can I get a motion?

22 COMMISSIONER DiANTONIO: So moved.

1 CHAIRMAN BOYER: Second?

2 COMMISSIONER HAIDER: Second.

3 CHAIRMAN BOYER: All those in favor?

4 ALL: Aye.

5 CHAIRMAN BOYER: All opposed?

6 Ayes have it.

7 Are there any items for unfinished business
8 for the DRPA Board?

9 New business. There are three items in new
10 business for consideration of approval. They are as
11 follows:

12 DRPA-15-092, consideration of pending DRPA
13 contracts between \$25,000 and \$100,000. Can I get a
14 motion?

15 COMMISSIONER FENTRESS: Move the motion.

16 CHAIRMAN BOYER: And a second?

17 COMMISSIONER HEPKINS: Second.

18 CHAIRMAN BOYER: All those in favor?

19 ALL: Aye.

20 CHAIRMAN BOYER: All opposed?

21 Ayes have it.

22 DRPA-15-093, appointment of General Counsel.

1 Ms. Brown, could you talk about the process of the
2 choosing the General Counsel?

3 MS. BROWN: Yes. The position of General
4 Counsel was posted for the period April 27 to May 8,
5 2015. In addition to advertising this position
6 vacancy on DRPA's website, the posting also appeared
7 on numerous job boards; twenty-four (24) to be exact.
8 We placed print ads in the *Courier-Post* and the
9 *Philadelphia Inquirer*, and we posted the position
10 online in the *Washington Post* and *New York Times*.

11 We received 80 applications. Applicants were
12 screened for the following criteria. We were looking
13 for at least 20 years of legal experience, with a
14 focus on litigation, and including labor and
15 employment law, contracting, real property conveyance,
16 public corporate law, and other corporate procedures.
17 We were looking for someone who was a member of the
18 New Jersey and Pennsylvania Bars, who had demonstrated
19 experience managing a group of attorneys and who had
20 solid investigation and negotiation skills.

21 Based on these criteria, CEO Hanson and I
22 interviewed three individuals. We recommended to the

1 Labor Committee that they consider Raymond Santarelli,
2 of Bluebell, Pennsylvania, for General Counsel and
3 Corporate Secretary. After careful review, the
4 Committee recommended Mr. Santarelli to be the General
5 Counsel and Corporate Secretary.

6 Mr. Santarelli is currently a shareholder in
7 the law firm of Elliott Greenleaf. As a partner in
8 the law firm, he has experience managing lawyers,
9 assigning cases, and ensuring that expectations are
10 met. He possesses solid experience representing
11 numerous governmental entities, where he gained
12 significant experience managing outside counsel.

13 He has experience with matters before the
14 Equal Employment Opportunity Commission, and is well
15 versed in matters pertaining to Title VII, the FMLA,
16 the ADEA, and ADA claims. In fact, during his
17 interview, he told us that he had tried and won an age
18 discrimination claim in federal court. He has handled
19 complex legal issues, which include a health care
20 provider case and a wage and hour case.

21 Mr. Santarelli presently serves as the Hearing
22 Committee member on the Disciplinary Board of the

1 Supreme Court of Pennsylvania. In that capacity, he
2 hears cases and reviews files concerning attorneys
3 accused of misconduct. He serves on this Board on a
4 voluntary, unpaid basis.

5 During his interview, Mr. Santarelli told us
6 that to be effective as a general counsel, one must
7 provide timely advice and counsel to the Board and
8 staff, and actively manage litigation. He told us
9 that the General Counsel must be able to handle
10 himself in all situations and remain poised and
11 focused under pressure. He described his management
12 style as hands-on. He wants his employees to be -- to
13 perform to the best of their abilities and is willing
14 to provide the necessary coaching to help them develop
15 professionally. He works collaboratively and seeks --
16 is very comfortable seeking input from stakeholders.

17 These skills, coupled with his extensive legal
18 acumen and management experience, elevated him to the
19 top candidate for the position of General Counsel and
20 Corporate Secretary. Mr. Santarelli looks forward to
21 the opportunity to serve in both capacities.

22 CHAIRMAN BOYER: With that being said, can I

1 get a motion to approve the General Counsel?

2 COMMISSIONER HEPKINS: Mr. Chairman, I so
3 move.

4 CHAIRMAN BOYER: Can I get a second?

5 VICE CHAIRMAN NASH: Second.

6 CHAIRMAN BOYER: All in favor?

7 ALL: Aye.

8 CHAIRMAN BOYER: All opposed?

9 The ayes have it. Welcome, Raymond. I met
10 Raymond. He is --

11 (Applause)

12 CHAIRMAN BOYER: Raymond is a top-notch
13 professional and, as Toni noted in his bio, has
14 unparalleled legal experience. We look forward to you
15 helping us to move forward with our goals and our
16 vision. Thank you.

17 MR. SANTARELLI: Thank you, Mr. Chairman.

18 CHAIRMAN BOYER: And now we have DRPA-15-094,
19 appointment of Inspector General.

20 Ms. Brown, again.

21 MS. BROWN: Yes. For the Inspector General
22 process, we posted this position vacancy from

1 November 5, to December 5, 2014. Once again, in
2 addition to advertising this position on the DRPA
3 website, the posting appeared on numerous job boards
4 -- online job boards. We placed print ads for this
5 position in the *Courier-Post* and the *Philadelphia*
6 *Inquirer*, and, once again, posted the position online
7 with the *Washington Post* and the *New York Times*.

8 For this position, we received 73
9 applications. Applicants responded to a series of
10 questions designed to get more information about their
11 management-level experience, their ability to work
12 with executive-level stakeholders, and a record
13 demonstrating integrity, objectivity, independence,
14 judgment, and confidentiality in all professional
15 engagements.

16 We were looking for someone with strong
17 expertise in conducting investigations, with an
18 emphasis on conducting and managing complex
19 investigations involving allegations of fraud, theft,
20 deception, waste, abuse, and conspiracy. We were also
21 looking for someone with knowledge about government
22 auditing standards.

1 The process that we followed was as follows.
2 After a thorough review, we developed a short list of
3 our top ten (10) candidates, four (4) of whom either
4 declined to be interviewed because they had already
5 accepted work elsewhere or failed to show up for the
6 interview. This left the staff with six individuals
7 to be interviewed.

8 After interviewing those six candidates, CEO
9 Hanson and I recommended that four candidates be
10 interviewed by the Board's Audit Committee. The Audit
11 Committee narrowed the pool of candidates to three
12 and, after very careful consideration, recommends
13 David Gentile, of Laurel Springs, New Jersey, for this
14 position.

15 Mr. Gentile is a retired FBI special agent.
16 After retiring from the FBI, he directed labor
17 relations for the Pennsylvania Convention Center and
18 was an executive for an Atlantic City casino
19 management company. Mr. Gentile previously served as
20 the chief compliance officer at the Pennsylvania
21 Turnpike Commission. There, he directed audit and
22 advisory service operations and was responsible for

1 numerous investigations. After he left the Turnpike
2 Commission, he continued to serve them as a
3 consultant.

4 Currently, he is president and CEO of Protocol
5 Security Partners, which specializes in criminal
6 investigations, training, and consulting services.
7 Upon appointment and approval to the position of
8 Inspector General, he has advised that he will
9 immediately divest his interest in this company.

10 During the interview process, Mr. Gentile told
11 us that one of his top priorities will be to outline a
12 clear process to be followed when conducting audits
13 and investigations. Although he will be sensitive to
14 issues pertaining to fraud and waste, he feels that
15 the Inspector General's office is here to help
16 departments and provide oversight to help make things
17 better. He looks forward to working with the Audit
18 Committee and with members of the Board.

19 The Audit Committee was duly impressed with
20 Mr. Gentile's background, his accomplishments, and
21 particularly his work at the Pennsylvania Turnpike
22 Commission. They also found him to have strong

1 leadership and communication skills.

2 CHAIRMAN BOYER: With that being said, I'll
3 entertain a motion.

4 COMMISSIONER FENTRESS: Move the motion.

5 CHAIRMAN BOYER: Second?

6 COMMISSIONER HAIDER: Second.

7 CHAIRMAN BOYER: All in favor?

8 ALL: Aye.

9 CHAIRMAN BOYER: All opposed?

10 Ayes have it.

11 And, David Gentile, welcome.

12 (Applause)

13 CHAIRMAN BOYER: I had a very pleasant
14 experience with Dave in an adversarial situation.
15 Dave was the labor broker at the Pennsylvania
16 Convention Center and he came there in some trying
17 times. He always was fair. You didn't always get
18 your way, but a ball was a ball and a strike was a
19 strike; and a ball was a ball and a strike was a
20 strike for everyone, fairly and consistently. He is a
21 man of high integrity and high honor. I thank you
22 Dave and welcome you, today.

1 MR. GENTILE: Thank you, Mr. Chairman, members
2 of the committee, and to all the staff. Thank you all
3 very much.

4 CHAIRMAN BOYER: Thank you. We're going to go
5 a little out of order here and go into Executive
6 Session. I need a motion.

7 COMMISSIONER FENTRESS: Move the motion.

8 CHAIRMAN BOYER: Do I have a second?

9 COMMISSIONER HAIDER: Second.

10 CHAIRMAN BOYER: All in favor?

11 ALL: Aye.

12 CHAIRMAN BOYER: All opposed?

13 We are in Executive Session.

14 (Off the record at 10:18 a.m.)

15 (On the record at 10:40 a.m.)

16 CHAIRMAN BOYER: I would like to ask for the
17 approval of two resolutions, DRPA-15-095, approval of
18 the Authority's participation in the Camden County
19 Improvement Authority's Camden Baseball Stadium
20 Restructuring Plan, and DRPA-15-096, temporary outside
21 employment of Ray Santarelli.

22 COMMISSIONER FENTRESS: Move the motion.

1 COMMISSIONER WHITE: Second.

2 VICE CHAIRMAN NASH: I want to note my
3 abstention on the resolution regarding Camden County.

4 CHAIRMAN BOYER: Okay.

5 MS. MAYOCK: I'd also note for the record that
6 Commissioner Jones and Commissioner Frattali have
7 joined us on the telephone.

8 CHAIRMAN BOYER: All in favor?

9 ALL: Aye.

10 CHAIRMAN BOYER: All opposed?

11 The ayes have it, with the notable abstention
12 of the Vice Chair, Jeff Nash.

13 We have the Citizens Advisory Committee
14 report. Is there a report from the Citizens Advisory
15 Committee?

16 We have public comments. Larry Davis, PATCO
17 Watch?

18 MS. MAYOCK: I think he spoke already.

19 CHAIRMAN BOYER: You spoke already? What
20 about Joe Quigley?

21 MR. QUIGLEY: Yes. Joe Quigley, toll payer.
22 Relative to the resolution you just passed on the

1 Camden Baseball Stadium. I read the documentation and
2 as best I can determine, this is -- it's structured as
3 a \$6.5 million loan. It's actually a gift because
4 you're never going to see that money again. Baseball
5 operations cannot recover. I'm not opposed to that.

6 As a professional baseball umpire, I've
7 actually officiated games at that field. It's a great
8 field and I encourage that program. But my question
9 is -- the owner of that facility, if I'm not mistaken,
10 is Rutgers University. So why are we giving six (6)
11 and a half (1/2) million dollars to Rutgers
12 University? Why is it incumbent upon us to do that?
13 Shouldn't Rutgers University make sure that thing is
14 solid?

15 MR. HANSON: The structure is actually owned
16 by Camden Baseball, LLC, right? And Rutgers has the
17 reversionary. Is that how it works?

18 MR. WHITE: No.

19 MR. HANSON: Rutgers owns it?

20 MR. WHITE: Yes, Rutgers owns it, but our loan
21 is with CFCA.

22 MR. HANSON: So, our loan is with Camden

1 Baseball, not Rutgers, and the situation is that, if
2 we don't accept this, foreclosure proceedings are
3 going to go forward and we'll be out. So, Rutgers
4 does not have an obligation because the loan was made
5 to Cooper's Ferry Baseball.

6 MR. QUIGLEY: I understand that. That was in
7 the documentation. How much has Rutgers put in the
8 pool to try to keep it from going under? I mean,
9 we're putting up \$6.5 mil, which we're never going to
10 see again.

11 MR. HANSON: I don't think Rutgers ever
12 invested anything. It was an investment by the New
13 Jersey EDA, us, and Santander Bank - Sovereign Bank,
14 at the time.

15 MR. QUIGLEY: Okay. Is that our core
16 business? Didn't we restructure a couple of years
17 back and say that that's -- we're going to stick to
18 the core business.

19 MR. HANSON: This is getting us out of a non -
20 - you're right, this gets us out of a non-core
21 operation.

22 CHAIRMAN BOYER: It's not a new loan that

1 we're doing. This is old money that we're trying to
2 recuperate. This isn't anything new. I think you
3 think that this is a new \$6.5 million loan. It is
4 not. We already outlaid it; we outlaid it years ago.
5 Now, we're trying to recoup what we can of the outlay.

6 MR. QUIGLEY: Okay.

7 MR. HANSON: Yes, this one was made in 2001.

8 CHAIRMAN BOYER: Yes, this is a 2001 loan.

9 MR. QUIGLEY: Okay, all right.

10 COMMISSIONER DePASQUALE: It's probably fair
11 to say that we're trying to manage, as best we can, a
12 bad situation.

13 MR. QUIGLEY: I hear you. It's a black hole.
14 Yeah, I understand. Okay.

15 Switching lanes here, earlier there was an
16 approval of a payment of \$52,125 to AECOM Tech
17 Services, which is a regular vendor here, for Victor
18 Lofts. Why are we spending \$52,000 for technical
19 services to Victor Lofts?

20 MR. HANSON: Mike, do you want to talk about
21 that?

22 MR. VENUTO: This is an ongoing obligation for

1 the environmental remediation of Victor Lofts. AECOM
2 is our technical consultant providing LSRP services
3 for overseeing the work of a previously hired
4 consultant, Pennoni, to do the environment work at
5 Victor Lofts.

6 MR. HANSON: In the 2000 timeframe, General
7 Electric, when they vacated the old Victor Building --
8 Building 17, when I worked there on the assembly line,
9 -- when they vacated those buildings, they deed-
10 restricted them against residential use. The only way
11 that they would lift the deed restriction was if DRPA
12 indemnified them and accepted the liability.

13 So, back in 2000 or 2001, DRPA indemnified and
14 accepted the liability for the environmental liability
15 and any remediation responsibilities that went along
16 with that. We have been actively involved in this
17 since that time.

18 MR. QUIGLEY: Okay. Is there an end to this
19 tunnel or does it keep going on?

20 MR. HANSON: Christina?

21 MS. MARONEY: It's a continuous process, due
22 to the need for remediating the property since 1998.

1 But, because of the new LSRD structure under the
2 Department of Environmental Protection, the guidelines
3 have changed. So we're going back, at this point, and
4 making sure that we've delineated these and that we
5 have the foundation on all the requisite tests that we
6 did. AECOM is helping provide management and oversight
7 and Pennoni is going to be LSRP on the project.

8 MR. QUIGLEY: Thank you. I don't know what
9 the secrecy was about the Verizon Wireless temporary
10 lease. Everyone in O&M had to go into Executive
11 Session, then they came out of the Executive Session,
12 and it got approved. I couldn't find any
13 documentation in that meeting as to what it was. There
14 was something attached to this meeting about \$5,000
15 they're going to pay us for a temporary lease to store
16 equipment on our property, as best I can determine. I
17 couldn't find out what the length of the temporary
18 lease was and what's the purpose? Is it for the Papal
19 visit or what?

20 MR. HANSON: Let me just -- there are two
21 separate issues. What was voted on today was us
22 putting -- us putting wireless service into the PATCO

1 tunnels.

2 MR. QUIGLEY: Into where?

3 MR. HANSON: The PATCO tunnels.

4 MR. QUIGLEY: Oh, it's the tunnels, okay.

5 MR. HANSON: The item that we voted on today
6 was to install Internet service into the PATCO
7 tunnels, to the PATCO underground stations.

8 MR. QUIGLEY: Understood.

9 MR. HANSON: Probably won't reach all the way
10 down the tunnels. The matter in O&M was a different
11 matter and it bears on matters of homeland security,
12 which can't be disclosed.

13 MR. QUIGLEY: Okay, that's fine. And in
14 conclusion, I would be remiss if I didn't give kudos
15 to Michael Conallen, having beaten him up two years
16 ago at this very microphone for not getting the
17 contract in place for the consultants. Now, with the
18 energy audits, now we're starting to see measurable
19 seven-digit numbers coming back on the electric-side.
20 I can't wait to see what they get on the telephone-
21 side. I'd be most anxious to see that. Thank you.

22 MS. MAYOCK: Chairman Boyer, I have one more

1 item to note for the record; Commissioner Frattali
2 wanted to express that he was recusing himself from
3 the appointment of the IG. I wanted to have that
4 noted for the record.

5 CHAIRMAN BOYER: Okay. If there is no further
6 business for the DRPA, I'll accept a motion to adjourn
7 the meeting.

8 COMMISSIONER FENTRESS: Move the motion.

9 CHAIRMAN BOYER: May I have a second?

10 COMMISSIONER HAIDER: Second.

11 CHAIRMAN BOYER: All in favor?

12 ALL: Aye.

13 CHAIRMAN BOYER: All opposed?

14 The motion carries. The DRPA meeting is
15 adjourned.

16 (Whereupon, at 10:49 a.m., on Wednesday,
17 July 15, 2015, the meeting adjourned.)

18 There being no further business, on motion duly
19 made and seconded, the meeting was adjourned.

20 Respectfully submitted,

21

22

Kristen K. Mayock
Acting Corporate Secretary

C E R T I F I C A T E

1
2 This is to certify that the attached
3 proceedings before the Delaware River Port Authority
4 on July 15, 2015, were held as herein appears, and
5 that this is the original transcript thereof for the
6 file of the Authority.
7

8 FREE STATE REPORTING, INC.
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10 

11 _____
12 Timothy J. Atkinson, Jr.
13 Official Reporter
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