

**DELAWARE RIVER PORT AUTHORITY
BOARD MEETING**

**One Port Center/Zoom
Wednesday, September 22, 2021**

Due to the coronavirus pandemic, all participants, except where noted, attended via telephone/web conference.

Pennsylvania Commissioners

Cherelle Parker, Chair of the Board
Hayden Rigo (for Pennsylvania Auditor General Timothy DeFoor)
Joseph Martz
Donna Powell
Angelina Perryman
Ted Christian (for Pennsylvania Treasurer Stacy Garrity; exited the meeting at 9:39 a.m.)
Christopher Craig (entered the meeting at 9:39 a.m. for Pennsylvania Treasurer Stacy Garrity)
Keiwana McKinney
Kathleen McGinty

New Jersey Commissioners

Jeffrey Nash, Esq., Vice Chair of the Board
Albert Frattali (exited the meeting at 10:00 a.m.)
Sara Lipsett
Charles Fentress
Aaron Nelson
Richard Sweeney
Daniel Christy
Bruce Garganio

DRPA/PATCO Staff

John T. Hanson, Chief Executive Officer (in person)
Raymond J. Santarelli, General Counsel and Corporate Secretary (in person)
Stephen Holden, Deputy General Counsel (in person)
Narisa Sasitorn, Deputy General Counsel
James White, Chief Financial Officer (in person)
Toni Brown, Chief Administrative Officer
Robert Hicks, Chief Operations Officer
David Aubrey, Inspector General
John Rink, General Manager, PATCO
Michael Venuto, Chief Engineer
Robert Finnegan, Acting Chief of Police
Mike Reher, Sergeant, Public Safety
John Lotierzo, Director of Finance
Orville Parker, Manager, Budget and Finance Analysis
Richard Mosback, Director, Procurement DRPA/PATCO
Kathleen Vandy, Assistant General Counsel
Joseph McAvoy, Bridge Director, BFB & BRB
Christina Maroney, Director, Strategic Initiatives
Darlene Callands, Manager Community Relations
Michael Williams, Manager, Corporate Communications
Elizabeth Saylor, Administrative Coordinator, Corporate Secretary (in person)

Others Present

Janice Venables, Associate Counsel, New Jersey Governor's Authorities Unit
Alan Kessler, PA Counsel, Duane Morris, LLP
David Rapuano, NJ Counsel, Archer & Greiner, P.C.
Jessica Priselac, PA Counsel, Duane Morris, LLP
Monique Curry-Mims, S&S Consulting, LLC
Ismail Shahid, S&S Consulting, LLC
Alan Becker, Citizens Advisory Committee Member

OPEN SESSION

Notice

The Corporate Secretary announced that pursuant to its by-laws public notice of this meeting of the DRPA Board of Commissioners had been given by posting proper notice in the lobby at One Port Center and by issuing proper notice to the public and news media. The Secretary also noted that, due to the ongoing pandemic, the public was not allowed inside the One Port Center building but had been invited to attend via telecast and to submit any questions or comments electronically prior to the meeting.

Roll Call

Chairwoman Parker called the meeting to order at 9:04 a.m. and asked that the Corporate Secretary call the roll. The following Commissioners were present, constituting a quorum: Chairwoman Parker, Vice Chairman Nash, Powell, Fentress, Frattali, Rigo, Sweeney, Garganio, Christy, Perryman, Lipsett, Nelson, Christian, Martz, McGinty and McKinney.

Public Comment

Corporate Secretary Santarelli reported that staff reviewed the designated Public Comment email and voicemail accounts and there were no items for Public Comment.

Report of the Chief Executive Officer

CEO Hanson stated that the CEO Report stood as previously submitted. Commissioner Garganio moved to approve the CEO's Report and Commissioner Frattali seconded the motion. All Commissioners in attendance voted to approve the CEO's Report. The motion carried.

Report of the Chief Financial Officer

CFO White stated that his Report stood as previously submitted. CFO White mentioned the positive trends in traffic and PATCO ridership. Commissioner Rigo inquired when the Bond Refunding RFI will be presented. CFO White responded that it should be ready by October.

Approval of the August 18, 2021 DRPA Board Meeting Minutes

Chairwoman Parker stated that the Minutes of the August 18, 2021 DRPA Board Meeting were previously provided to the Governors of New Jersey and Pennsylvania and to the DRPA Commissioners. There were no comments or corrections. Commissioner Fentress moved to approve the Minutes and Commissioner Frattali seconded the motion. All Commissioners in attendance voted in the affirmative to approve the Minutes as submitted. The motion carried.

Receipt and Filing of the List of Previously Approved Payments and List of Previously Approved Purchase Orders and Contracts covering the Month of August 2021.

Chairwoman Parker stated that the Lists of Previously Approved Payments and Previously Approved Purchase Orders and Contracts covering the month of August 2021, were previously provided to all Commissioners. Commissioner Garganio moved to receive and file the lists and Commissioner Powell seconded the motion. There were no questions or comments. All Commissioners in attendance voted in the affirmative. The motion carried.

Approval of Operations & Maintenance Committee Meeting Minutes of August 31, 2021

Chairwoman Parker stated that the Minutes of the August 31, 2021 Operations & Maintenance Committee Meetings were previously provided to all Commissioners. There were no comments or corrections. Commissioner Fentress moved to approve the Minutes and Commissioner Martz seconded the motion. All Commissioners in attendance voted in the affirmative to approve the Minutes as submitted. The motion carried.

Adoption of Resolutions Approved by the Operations & Maintenance Committee on August 31, 2021

Chairwoman Parker stated that there was one (1) Resolution from the August 31, 2021 Operations & Maintenance Committee Meetings for consideration:

**DRPA-21-062 Emergency Generator and Automatic Transfer Switch
(ATS) Maintenance – DRPA Bridges.**

Bridge Director Joe McAroy presented the Summary Statement and Resolution seeking Board authorization for staff to negotiate a contract with Premium Power Services LLC to provide Emergency Generator and Automatic Transfer Switch (ATS) maintenance to the DRPA Bridges for a period of two (2) years with a 3rd year option, in an amount not to exceed \$112,233.00. Chairwoman Parker inquired whether Commissioners had any questions for staff concerning the Resolution. There were no questions. Commissioner Frattali moved to adopt Resolution No. DRPA-21-062 and Commissioner Fentress seconded the motion. Commissioner Christian abstained from the vote. All other Commissioners in attendance voted in the affirmative to adopt the Resolution. The motion carried and the Board adopted the Resolution.

Approval of Labor Committee Meeting Minutes of August 31, 2021

Chairwoman Parker stated that the Minutes of the August 31, 2021 Labor Committee Meeting were previously provided to all Commissioners. There were no comments or corrections. Commissioner Christy moved to approve the Minutes and Commissioner Sweeney seconded the motion. All Commissioners in attendance voted in the affirmative to approve the Minutes as submitted. The motion carried and the Board adopted the Resolution.

Chief Executive Officer John Hanson excused himself from that meeting at 9:13 a.m.

Adoption of Resolutions Approved by the Labor Committee on August 31, 2021

Chairwoman Parker stated that there were two (2) Resolutions from the August 31, 2021 Labor Committee Meetings for consideration:

DRPA-21-060 Reappointment of Chief Executive Officer for the Delaware River Port Authority and President of the Port Authority Transit Corporation.

Chief Administrative Officer Brown presented the Resolution seeking Board approval to reappoint John T. Hanson to serve as Chief Executive Officer for the Delaware River Port Authority (DRPA) and President of the Port Authority Transit Corporation (PATCO) for a three (3) year term.

CAO Brown explained that the Labor Committee determined that Mr. Hanson has performed his duties and responsibilities admirably and recommended his reappointment as Chief Executive Officer.

In her presentation, CAO Brown provided the following:

- From 2001 to 2004, Mr. Hanson served as a Commissioner on the DRPA/PATCO Board of Commissioners, and during his tenure served as a member of the Finance Committee and the Committee's Chairman.
- After serving on the Board for almost four years, on November 15, 2004, the Board appointed Mr. Hanson to serve as DRPA's Chief Financial Officer/Treasurer; he served in that capacity for almost 10 years. As CFO, Mr. Hanson had a detailed working knowledge of the Authority's finances, including the operating and capital budgets; he also had oversight responsibility for the Purchasing and Information Services Departments.
- On March 19, 2014, Mr. Hanson was promoted CFO to DRPA Chief Executive Officer/PATCO President. During his tenure as CEO and President, Mr. Hanson has proven to be a strong problem-solver, demonstrating a commitment to collaboration, transparency, and effective communication.
- Throughout the last 18 months, Mr. Hanson has skillfully led the Authority through the various challenges presented by the COVID-19 pandemic.
- Mr. Hanson is a strong supporter of issues related to diversity, equity, inclusion, and fairness' understanding that we serve a diverse population and he is committed to cultivating a work culture and environment that is inclusive and respectful.

Following CAO Brown's presentation, Chairwoman Parker asked if there were any comments from the Commissioners. Several Commissioners spoke on the matter and commended CEO Hanson's performance. Commissioner Martz inquired whether the CEO's annual salary had been reviewed by an outside entity. CAO Brown indicated that CCI, the Authority's independent compensation consultant had completed a comprehensive market compensation review and had determined that the CEO's salary is within the market range, but there is considerable room for the salary to be increased. Commissioner Martz then stated that this information will be important when the day comes that CEO Hanson decides to retire. He noted we may then see a significant gap in the annual salary paid to the CEO and what the market demands to attract a qualified and talented candidate such as Mr. Hanson. Commissioner Nelson agreed with Commissioner Martz and requested that the Board be provided with market salary recommendations prepared by our independent compensation consultant for all Division Chiefs and the Inspector General. Chairwoman Parker asked CAO Brown to gather that information for the Board.

With no further questions or comments, Commissioner Rigo moved to adopt Resolution No. DRPA-21-060 and Commissioner Frattali seconded the motion. All Commissioners in attendance voted in the affirmative to adopt the Resolution. The motion carried and the Board adopted the Resolution.

Chief Executive Officer John Hanson returned to the meeting at 9:26 a.m.

DRPA-21-061 Addition of Juneteenth Holiday for All DRPA/PATCO Employees.

Chief Administrative Officer Brown presented the Summary Statement and Resolution seeking Board approval of the Juneteenth National Independence Day as an additional paid annual holiday for DRPA and PATCO employees. The Juneteenth holiday commemorates the end of chattel slavery in the United States. When President Joseph R. Biden signed the Juneteenth National Independence Day Act into law on June 17, 2021, it became the first new federal holiday recognized by Congress and a President since 1983, the year a holiday was established recognizing the birth date of Rev. Dr. Martin Luther King, Jr. The Juneteenth holiday will be recognized on every third Friday in June. The new holiday will be given to all DRPA and PATCO non-represented employees, as well as all employees represented by the International Union of Operating Engineers (IUOE), Teamsters, Fraternal Order of Police (FOP), and the International Brotherhood of Electrical Workers (IBEW). Chairwoman Parker inquired whether Commissioners had any questions or comments concerning the Resolution. There were no questions or comments. Commissioner Rigo moved to adopt Resolution No. DRPA-21-061 and Commissioner Frattali seconded the motion. All Commissioners in attendance voted in the affirmative to adopt the Resolution. The motion carried and the Board adopted the Resolution.

Approval of Finance Committee Meeting Minutes of September 1, 2021

Chairwoman Parker stated that the Minutes of the September 1, 2021 Finance Committee Meeting were previously provided to all Commissioners. There were no comments or corrections. Commissioner Powell moved to approve the Minutes and Commissioner Fentress seconded the motion. All Commissioners in attendance voted in the affirmative to approve the Minutes as submitted. The motion carried and the Board adopted the Resolution.

Adoption of Resolutions Approved by the Finance Committee on September 1, 2021

Chairwoman Parker stated that there was one (1) Resolution from the September 1, 2021 Finance Committee Meetings for consideration:

DRPA-21-064 HRSoft Employee Performance Management Platform and Engagement Tool, Three-year Sole Source Contract Renewal for Human Resource Services.

Chief Administrative Officer Brown presented the Summary Statement and Resolution seeking Board authorization for staff to renew a contract with HRSoft for the use of proprietary software that is currently used by HRS as part of its performance management program, in an amount not to exceed \$126,225.00. Chairwoman Parker inquired whether Commissioners had any questions for staff concerning the Resolution. There were no questions. Commissioner Nelson moved to adopt Resolution No. DRPA-21-064 and Commissioner Martz seconded the motion. All

Commissioners in attendance voted in the affirmative to adopt the Resolution. The motion carried and the Board adopted the Resolution.

Approval of Audit Committee Meeting Minutes of September 1, 2021

Chairwoman Parker stated that the Minutes of the September 1, 2021 Audit Committee Meeting were previously provided to all Commissioners. There were no comments or corrections. Commissioner Nelson moved to approve the Minutes and Commissioner Fentress seconded the motion. All Commissioners in attendance voted in the affirmative to approve the Minutes as submitted. The motion carried and the Board adopted the Resolution.

Citizens Advisory Committee Report

Alan Becker, member of the Citizens Advisory Committee, began with thanking Senior Staff for their continued support. Mr. Becker gave a report highlighting ridership, Bonds and financials with CFO White and General Manager Rink. PATCO maintenance issues, BFB North Parkway Construction project, exhaust in the City Hall Station, General discussion for October, hurricane Ida follow-up, discussions with CBO Hicks and CFO White about toll technology, and signage for PATCO.

Unfinished Business

There were no Unfinished Business items.

Commissioner Christian exited the meeting at 9:39 a.m. and Commissioner Craig entered the meeting at 9:39 a.m. to serve as designee for Pennsylvania Treasurer Stacy Garrity.

New Business

Chairwoman Parker announced there were two (2) items of New Business for consideration;

DRPA-21-070 Consideration of Pending DRPA Contracts (Between \$25,000 and \$100,000).

Procurement Director Mosback presented the Summary Statement and Resolution seeking Board authorization for staff to negotiate pending DRPA contracts between \$25,000 and \$100,000. Mr. Mosback explained that there were six (6) contracts or change orders/supplements for consideration with the following vendors: Carebridge Corporation, in the amount of \$49,983.00; SilkRoad Technology, Inc., in the amount of \$45,738.00; Mythics, in the amount of \$46,025.25; Red Commerce, Inc., in the amount of \$99,000.00; The Pitney Bowes Bank, Inc., in the amount of \$50,000.00; and Tactical Public Safety, in the amount of \$40,448.05. Chairwoman Parker inquired whether Commissioners had any questions for staff concerning the Resolution. There were no questions. Commissioner Fentress moved to adopt Resolution No. DRPA-21-070 and Commissioner Frattali seconded the motion. All Commissioners in attendance voted to approve the motion. The motion carried and the Board adopted the Resolution.

DRPA-21-071 Position of Deputy Chief Executive Officer.

Chief Executive Officer Hanson presented the Summary Statement and Resolution seeking the Board's appointment of Obra S. Kernodle IV as Deputy Chief Executive Officer for the DRPA effective November 1, 2021. Maria Wing resigned her employment with DRPA as Deputy Chief Executive Officer as of September 22, 2021.

Commissioner Craig, as designee for Pennsylvania Treasurer Stacy Garrity, stated for the record that the Pennsylvania Treasurer is not going to oppose the appointment of Obra S. Kernodle IV to the position of Deputy Chief Executive Officer of the DRPA. However, in his capacity as designee for the Pennsylvania Treasurer, Commissioner Craig made a brief statement for the record: “The Pennsylvania Treasurer recognizes that it has been the custom of the DRPA to permit the Chair to select the Deputy Chief Executive Officer to serve at the pleasure of the Chair. It is appreciated that this has fostered a close relationship between the Authority’s administrative staff and the Board, particularly the Chair. However, it remains the Treasurer’s strongly held opinion that such high-level management decisions should be completed within an open transparent process including greater notification and input of the Board members. Accordingly, the Treasurer is going to abstain from this vote.”

Commissioner Rigo inquired regarding the standard operating procedures for the selection of the Deputy Chief Executive Officer. Chairwoman Parker responded that when there has been the appointment of a new Board Chair, it is at the discretion of the Chair to transition a new Deputy CEO. Additionally, Commissioner Rigo inquired about the other Boards that the potential Deputy Chief Executive Officer currently holds and how it effects his position as Deputy CEO. Board Secretary Santarelli responded that all potential positions will be evaluated in accordance with applicable DRPA policy and Mr. Kernodle will be advised accordingly. Chairwoman Parker continued that with respect to Mr. Kernodle’s current position as member of the Pennsylvania Gaming Control Board, his appointment with DRPA will not take effect until November 1, 2021 and by that time, Mr. Kernodle will no longer be a member of that Gaming Control Board.

Chairwoman Parker stated that since she was elected as the first female Chair of the DRPA and PATCO Boards in February of 2021, she continues to learn new aspects of how things work at the DRPA and PATCO. She stated that she recently learned about the Excepted List Policy, which has been in existence since August 7, 1997; that this Policy identifies certain positions for which Board approval is required to effectuate personnel actions; that all Chief level positions, including that of Deputy CEO, and the Inspector General positions are on the Excepted List; and, that the CEO has, can and does have the ability to recommend personnel actions for positions on the Excepted List, but the CEO cannot effectuate those personnel actions without Board authorization. The Chair continued, explaining that because the Deputy CEO position is a position on the Excepted List, the Resolution appointing a new Deputy CEO is on the agenda for Board action. Chairwoman Parker further stated, for the record, that she was happy to hear the historical reference to standard operating procedures that were followed and adhered to under both Democratic and Republican Governors, and prior Board Chairs, and asked the Board to afford her the same courtesy as her predecessors. She went on to note that when a Board Chair has come to the DRPA, the person serving in the Deputy CEO role transitions. The Chair continued, stating that since February 2021, working together, much has been accomplished but that there is much work to continue. She thanked CFO James White for stating the financial issues for the record and noted the several challenges from the pandemic’s adverse impact on toll and transit revenue and the strain on Project and General Funds. She acknowledged CEO John Hanson’s carefully monitoring the budget to avoid a toll increase, while recognizing that over the next 4 to 5 years DRPA is scheduled to spend significantly on various capital projects and will never defer projects that impact the safety of the travelling public and security of DRPA and PATCO assets. She stated that, considering the impacts to public transportation across our nation and region as we battle the pandemic, DRPA and PATCO will continue developing thoughtful strategies to help restore the confidence in public transit that it deserves. Additionally, she acknowledged that we must continue to address cyber

security concerns that face all public, private and NGO entities, noting that DRPA and PATCO are not immune from those either. Finally, in reference to CEO John Hanson, the Chair acknowledged she and he share the unwavering commitment to principles of diversity, equity, fairness and inclusion, and DRPA and PATCO's continuing efforts to explore ways to be employers of choice to individuals of all walks of life, which includes addressing inequities that exist between DRPA and PATCO employees who commute to work from Pennsylvania and must pay a toll, unlike their coworkers who live in New Jersey. The Chair further stated that the Deputy CEO will be instrumental in helping her and the Board tackle these and other issues, while maintaining focus on DRPA and PATCO strategic goals, and assisting her in her role as Board Chair to lead effectively and successfully with the Executive team. Chairwoman Parker closed her remarks by thanking her fellow Commissioners in advance for their support of her choice of Obra S. Kernodle IV as DRPA's next Deputy Chief Executive Officer.

Commissioner Powell stated that Mr. Kernodle is more than qualified to serve in the capacity of Deputy CEO, and Commissioner Martz expressed his complete agreement with Commissioner Powell's assessment. Commissioner Rigo thanked Chairwoman Parker for all the background and other information she provided in her remarks and stated, "Madam Chair, we look forward to working with you."

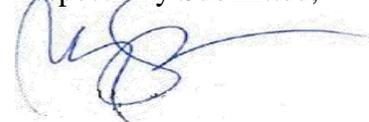
Chairwoman Parker inquired whether Commissioners had further questions or comments concerning the Resolution. There were no further questions or comments. Commissioner Martz moved to adopt Resolution No. DRPA-21-071 and Commissioner McKinney seconded the motion. Commissioner Craig on behalf of Pennsylvania Treasurer Stacy Garrity abstained from the vote. All other Commissioners in attendance voted to approve the motion. The motion carried and the Board adopted the Resolution.

The DRPA Board Meeting was held in abeyance at 9:59 a.m.

Adjournment

With no further business, Chairwoman Parker proposed to adjourn. Commissioner Fentress moved to adjourn. Commissioner Christian seconded the motion. All Commissioners in attendance voted in the affirmative. The Meeting concluded at 10:06 a.m.

Respectfully Submitted,



Raymond J. Santarelli, Esquire
General Counsel and Corporate Secretary