

## **Transportation Infrastructure Investment Fund Council**

### **Meeting Minutes**

December 15, 2021

10:00 a.m.

Virtual and In-Person

### **Members Present:**

Mr. Joe Westcott (CHAIR)

Senator Nicole Poore

Representative Bill Bush

Dr. Mona Parikh

Dr. Martin Nunlee

Mr. John Riley

Delaware Senate District 12

Delaware House of Representatives District 29

### **Members Absent:**

Mr. Bill Strickland

Mr. Rob Book

Dr. Cornelia Johnson

### **Guests:**

Shanté Hastings

Pamela Steinebach

Susanne Laws

Todd Reavis

Meghan Niddrie

George Lees

Brad Eaby

Regina Mitchell

Jordan Schulties

Amy Reville

Mike Hoffman

Hayley Schnetzer

Mike Riemann

Christopher Duke

Julie Fedele

Jacob Owens

Mark Glagola

Tom Hilley

Bruce Jones

Tim Shaw

Marc Côté

Delaware Department of Transportation

Delaware Department of Transportation

Delaware Department of Transportation

Delaware Department of Transportation

Delaware Department of Transportation

Department of Justice/Delaware Department of Transportation

Department of Justice/Delaware Department of Transportation

Delaware Division of Small Business

Delaware Division of Small Business

Delaware Division of Small Business

Tarabicos, Grosso, & Hoffman, LLP

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Becker Morgan Group, Inc

Becker Morgan Group, Inc

Legislative Hall

Delaware Business Times

Logistics Property Company LLC

Logistics Property Company LLC

City of Wilmington

## **Agenda Item # 1: Welcome and Introductions**

**Discussion:** Ms. Steinebach acknowledged that 100% of attendees were present via Zoom and then provided instructions for communicating through the virtual platform. She also advised that the public would have an opportunity to speak during the Public Comment segment toward the end of the meeting.

Roll call was taken, quorum was not confirmed. Mr. Eaby advised that the Council cannot vote on any items without quorum. Mr. Westcott requested to proceed with the informational part of the meeting (Agenda Item # 3) until another Council member or members joined the meeting.

## **Agenda Item # 2: Approval of the July 20, 2021 Meeting Minutes**

**Discussion:** Following the presentation of Agenda Item # 3, quorum was confirmed. A motion was made by Rep. Bush to approve the minutes of the July 20, 2021 meeting. The motion was seconded by Sen. Poore. **Approved by the Council.**

## **Agenda Item # 3: Summary of TIIF Program Improvements**

**Discussion:** Ms. Steinebach presented a brief summary of TIIF program improvements.

## **Agenda Item # 4: Status of Previous Approvals and Requests for Reassignment and Progress Payments**

**Discussion:** Ms. Steinebach reviewed the status of current Grantee projects. One Grantee from Round One has requested and received reimbursement (CHRF), one Grantee from Round Two has requested reimbursement (Claymont Properties).

Mr. Westcott introduced a received request from Round Two Grantee D2 Pencader to reassign the Award to LPC First State Holding Company LP (LPC). Mr. Westcott explained the Council's role in reviewing and approving the reassignment because of a provision in the TIIF Agreement. He further explained that there is no change in the amount of the previous award, and no change in the development project or Grant scope of work. Mr. Hoffman was invited to speak on behalf of his client to explain the transfer of the development project from D2 Pencader LLC to LPC.

Mr. Hoffman acknowledged Mr. Glagola's attendance on behalf of LPC, and thanked Ms. Steinebach and Ms. Laws for their work in preparing for this request. Mr. Hoffman summarized the corporate structure and qualifications of LPC. Mr. Hoffman explained that LPC is currently coordinating with the Division of Small Business (DSB) to ensure all the necessary financial documents are submitted to and reviewed by DSB.

Mr. Westcott asked Ms. Mitchell for confirmation that this approval of Grant reassignment would be contingent on DSB vetting the financial documents. Ms. Mitchell confirmed and acknowledged she will advise the Council as to DSB's recommendations.

Dr. Nunlee asked why this application is before the Council at this juncture. Mr. Hoffman replied that the approval of reassignment is necessary to obtain progress payments, which is the

second part of the request by LPC. Mr. Hoffman proceeded to explain that progress payments need to be approved by the Council.

Mr. Westcott recommended that the Council vote on each of the two requests separately. Mr. Hoffman clarified by point of order that the motion to reassign the award to LPC should be conditioned on LPC submitting required financial documents and DSB's subsequent recommendation based on review of those documents.

A motion to approve the reassignment to LPC of the Grant previously awarded to D2 Pencader, contingent on DSB's review and approval of the LPC financial documents, was made by Dr. Nunlee. The motion was seconded by Mr. Riley. **Approved by the Council.**

Mr. Westcott explained that the second component of this request is the request for progress payments which is split into four segments of the project and each segment would be completed prior to the request for a progress payment.

Mr. Hoffman added there would be reimbursement for design and then each segment afterwards. The intent of the program is to complete improvements and then get reimbursed. The Progress Payments are being broken up into four segments because the required off site improvements lend themselves to four separate segments.

Dr. Nunlee asked for clarification on the four segments. Mr. Hoffman explained that there are two intersections and two separate roads.

Dr. Nunlee asked if the application includes the pre-engineering costs. Mr. Hoffman explained that the award includes design costs and construction costs to only be reimbursed after completion of each segment.

Ms. Laws asked if the request needs to be contingent upon the reassignment. Mr. Hoffman explained that there shouldn't be any legal need to which Ms. Steinebach and Mr. Eaby agreed.

A motion to approve interim progress payments for LPC was made by Mr. Riley. The motion was seconded by Dr. Nunlee. **Approved by the Council.**

## **Agenda Item # 5: Review and Approval of Received Transportation Infrastructure Investment Fund Grant Applications**

### **Discussion: *Bayhealth US 9***

Ms. Steinebach introduced the one received application for the Council's consideration, Bayhealth US 9. She summarized the location of the project, scope of the development project and proposed transportation improvements, the employment standard and the public endorser. Ms. Steinebach also described the performance measures that were analyzed for this applicant.

Mr. Westcott expressed the Council's appreciation of the depth of analysis performed for the application.

Ms. Mitchell described DSB's review of the financial stability of the applicant, stating that financial documents from 2019, 2020 and 2021 were reviewed and no areas of concern were noted. Ms. Mitchell summarized that the company is validly organized and is in good standing. Because several compliance confirmations are pending, Ms. Mitchell will confirm compliance standards have been met prior to entering into agreement with the applicant.

Ms. Steinebach explained that the differential in the requested amount and the recommended award amount is because legal fees and permit costs were subtracted from the requested amount to align with the allowable expenditures under DSB's Strategic Fund grant.

Dr. Nunlee asked about the \$87.5 million investment by the Applicant on page five of the Application. Ms. Steinebach pointed out that his reference was to the LPC Application.

Dr. Nunlee asked where/why a six foot shoulder is being proposed on Hudson Road. Ms. Laws explained that the six foot shoulder is on the side of Bayhealth and pointed out that it is shown on the site plan on the west side of Hudson Road. Ms. Steinebach added that the five foot shoulder (on the opposite side) has some Right of Way constraints.

Dr. Nunlee asked about the stormwater improvements included in the Grant scope of work and if it was part of the road or the site stormwater. Ms. Steinebach explained that the TIIF Grant is only covering a portion of the pond for drainage.

A motion to approve the application of Bayhealth US 9 for the recommended amount contingent upon resolution of compliance reporting was made by Rep. Bush. The motion was seconded by Mr. Riley. **Approved by the Council.**

#### **Agenda Item # 6: Future Meetings**

**Discussion:** Mr. Westcott announced the next round of submission is due January 10, 2022, and the next scheduled TIIF Council Meeting is on March 23, 2022, and all 2022 meetings are posted on the TIIF website.

#### **Agenda Item # 7: Public Comment**

**Discussion:** No public comment was offered.

#### **Adjournment**

A motion to adjourn the meeting was made by Mr. Riley. The motion was seconded by Dr. Nunlee. The meeting was adjourned at 10:56 a.m.

*Minutes Prepared by: Meghan Niddrie, DelDOT Planning*

*Minutes Reviewed by: Susanne Laws, P.E., DelDOT Planning*