

MINUTES OF THE COMMISSION MEETING HELD JANUARY 17, 2012

NOTE: The Chairman would like to make note that Vice-Chairman Pratt has no abstentions for this meeting.

A formal meeting of the Pennsylvania Turnpike Commission convened at 12:21 p.m., January 17, 2012 at the Central Office located in Highspire, Pennsylvania. Present for the meeting were William K. Lieberman, Chairman; A. Michael Pratt, Esq., Vice Chairman; J. William Lincoln, Secretary Treasurer; Pasquale T. Deon, Sr., Commissioner and Barry J. Schoch, P.E., Secretary of Transportation.

Also present for the meeting were Roger E. Nutt, Chief Executive Officer; Craig R. Shuey, Chief Operating Officer; Robert F. Brady, Director of Operations/Projects-East; Richard S. DiPiero, Director of Fare Collection; Jeffrey L. Garrett, Chief Engineer, Michael Baker Jr., Inc.; Todd S. Garrison, Director of Maintenance; Nikolaus Grieshaber, Chief Financial Officer; Jeffrey L. Hess, Director of Operations/Projects-West; Frank J. Kempf, Jr., Chief Engineer; Doreen McCall, Chief Counsel; Myneca Y. Ojo, Director of Diversity & Inclusion; Joseph P. Suess, Acting Chief Information Officer; Stacia A. Ritter, Director of Government Affairs and Ann Louise Edmunds, Assistant Secretary Treasurer.

Also in attendance were Michael D. Begler, Director of Operations Review; William J. Capone, Director of Communications/Public Relations; Susan Carson-Casoni, Cash Manager; John Christensen, Manager of Facilities & Energy Management Operations; Carl Defebo, Jr., Manager of Public Information-East; Derek S. Hansel, Assistant Chief Financial Officer; Donald S. Klingensmith, P.E., Manager of Contracts Administration; Donna Lapano, Executive Office Assistant; Anthony Q. Maun, Director of Accounting; Jeffrey A. Naugle, Manager of Treasury Operations; Patricia F. Schlegel, Director of Human Relations; Lynn Stakem, General Accountant; Brenda Szeles-Bratina, Director of Toll Revenue Audit; Kathy Thomas, Administrative Secretary; Christopher Will, Investment Manager; Rich Stees, Erdman Anthony; Robert Bistline- HNTB and David Russell, IPS.

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Ms. Edmunds led the Commissioners and staff in the Pledge of Allegiance.

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The Assistant Secretary Treasurer, Ann Louise Edmunds, called the roll and declared a quorum available.

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SUNSHINE ANNOUNCEMENT

MS. EDMUNDS: THE COMMISSIONERS MET IN EXECUTIVE SESSION PRIOR TO TODAY'S FORMAL AGENDA SESSION TO CONSIDER MATTERS OF PERSONNEL, WHICH INCLUDED PROMOTIONS, NEW HIRES, VACANCIES, AND REQUESTS TO POST AND FILL POSITIONS IN THE MAINTENANCE, INFORMATION TECHNOLOGY AND ENGINEERING DEPARTMENTS.

THE COMMISSIONERS ALSO DISCUSSED LABOR NEGOTIATIONS AND ENGAGED IN NON-DELIBERATIVE INFORMATIONAL DISCUSSIONS REGARDING VARIOUS ACTIONS AND MATTERS, WHICH HAVE BEEN APPROVED AT PREVIOUS PUBLIC MEETINGS.

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PUBLIC COMMENT

MS. EDMUNDS: THE PUBLIC IS WELCOME AT THIS TIME TO ADDRESS THE COMMISSION REGARDING ITEMS LISTED ON THE AGENDA OR OTHER ITEMS NOT LISTED ON THE AGENDA THAT ARE WITHIN THE COMMISSION'S AUTHORITY OR CONTROL.

IN ORDER TO CONDUCT AN ORDERLY, EFFICIENT, EFFECTIVE AND DIGNIFIED MEETING, ALL PERSONS WISHING TO ADDRESS THE COMMISSION SHOULD HAVE SIGNED IN AND REQUESTED TIME TO SPEAK. IF YOU HAVE NOT DONE SO, YOU ARE INVITED TO DO SO.

COMMISSIONERS, WE HAVE NO REQUESTS TO ADDRESS THE COMMISSION. AT THIS TIME WE ASK ALL VISITORS TO STAND AND INTRODUCE YOURSELF.

RICH STEES, ERDMAN ANTHONY

ROBERT BISTLINE- HNTB

DAVID RUSSELL, IPS.

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MINUTES OF THE MEETING

Motion-That the Minutes of the meeting held January 3, 2012 be approved and filed as amended-was made by Commissioner Lincoln seconded by Commissioner Pratt; and passed unanimously.

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COMMUNICATIONS

Motion-That the Commission accepts and files the memo received from the Chief Counsel and the Manager of Strategic Sourcing and Asset Management-was made by Commissioner Lincoln, seconded by Commissioner Deon; and passed unanimously.

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PERSONNEL

Motion-That the Commission approves the Personnel as submitted-was made by Commissioner Lincoln, seconded by Commissioner Deon; and passed unanimously.

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NEW BUSINESS

Motion-That the Commission approves the payment of the 2012 E-ZPass Group's annual assessment in the amount of \$70,000.00 for our participation in the E-ZPass Interagency Group-was made by Commissioner Lincoln, seconded by Commissioner Pratt; and passed unanimously.

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AGREEMENTS

Motion-That the Commission approves the negotiation and execution of the Agreements and an Amendment for the items listed in memos "a, b and "d":

- a. Reimbursement Agreement with AT&T for the Commission to reimburse AT&T the cost to perform the required engineering and facility relocation work necessary for the total reconstruction project from MP 319.00 to MP 326.00; at a not-to-exceed amount of \$447,742.50;
- b. Reimbursement Agreement with the New Jersey Turnpike Authority (NJTA) for the Commission to reimburse NJTA half of the cost associated with an in-depth inspection of the Delaware River Bridge; at a not-to-exceed amount of \$121,500.00;
- d. Amendment to our agreement with AAA Mid-Atlantic for the distribution of E-ZPass in their branch offices; to extend the agreement for an additional five (5) years with an option for two (2) additional five-year renewals.

-was made by Commissioner Lincoln, and seconded by Commissioner Pratt.

Motion-That the Commission approves the negotiation and execution of the Agreement listed in memo "c":

- c. Reimbursement Agreement with the PA Dept. of Transportation (PennDOT) for the Commission to reimburse PennDOT a portion of the cost associated with the intersection improvements along S.R. 29 corridor in the vicinity of the Turnpike; at a not-to-exceed amount of \$2,000,000.00;

-was made by Commissioner Lincoln, seconded by Commissioner Deon; Commissioner Schoch abstained.

COMMISSIONER SCHOCH: I ABSTAIN ON THE BASIS THAT AS AN EX-OFFICIO MEMBER OF THE COMMISSION AND SECRETARY OF THE DEPARTMENT OF TRANSPORTATION, I WOULD BE VOTING ON AN AGREEMENT BETWEEN TWO PARTIES, BOTH OF WHICH I HAVE A RELATIONSHIP WITH.

The motions passed.

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RIGHT-OF-WAY REQUEST

Motion-That the Commission approves the Right-of-Way Requests for the items listed in memos "a" through "h":

- a. Authorize the acquisition of Parcel 119, a partial take parcel, necessary for the I-95/I-276 Interchange Project; by issuing payment in the amount of \$36,946.00, payable to CRM Associates; representing fair market value and pro-rated taxes; authorize the appropriate Commission officials to execute the agreement of sale and other documents necessary for closing; authorize payment of additional statutory damages as calculated by the Legal Department and approved by the Chief Executive Officer; and payment of fair market value to the property owner is contingent upon the delivery of a deed as prepared by the Legal Department;
- b. Authorize the acquisition of Right-of-Way #12035-T-1, a total take parcel, necessary for the Beaver River Bridge Replacement Project; by issuing payment in the amount of \$68,925.00, payable to McClain, Young & Patterson, Escrow Agent; representing fair market value, pro-rated taxes, recording fees and rent supplement; authorize the appropriate Commission officials to execute the agreement of sale and other documents necessary for closing; authorize payment of additional statutory damages as calculated by the Legal Department and approved by the Chief Executive Officer; and payment of fair market value to the property owner is contingent upon the delivery of a deed as prepared by the Legal Department;
- c. Authorize the settlement of Right-of-Way #1007-G, a partial take parcel, necessary for total reconstruction project from MP 99.00 to MP 109.00; by issuing payment in the amount of \$1,577.70, payable to Lamar Advertising Company; representing settlement and pro-rated taxes; authorize the appropriate Commission officials to execute the settlement agreement and other documents necessary for closing; authorize payment of additional statutory damages as calculated by the Legal Department and approved by the Chief Executive Officer; and payment of settlement amount to the property owner is contingent upon the delivery of a deed as prepared by the Legal Department;
- d. Adopt the Proposed Property Acquisition Resolution for Right-of-Way #8995-R27, a partial take parcel, necessary for the Rt. 903 Slip Ramp; authorize payment of the Estimated Just Compensation in the amount of \$500.00, payable to Stevens & Lee, P.C., Escrow Agent; and authorize payment of additional statutory damages as calculated by the Legal Department and approved by the Chief Executive Officer;
- e. Adopt the Proposed Property Acquisition Resolution for Right-of-Way #8995-R32, a partial take parcel, necessary for the Rt. 903 Slip Ramp; authorize payment of the Estimated Just Compensation in the amount of \$500.00, payable to Buckley, Brion, McGuire, Morris & Sommer, LLP, Escrow Agent; and authorize payment of additional statutory damages as calculated by the Legal Department and approved by the Chief Executive Officer;
- f. Adopt the Proposed Property Acquisition Resolution for Right-of-Way #8995-R31, a partial take parcel, necessary for the Rt. 903 Slip Ramp; authorize payment of the Estimated Just Compensation in the amount of \$500.00, payable to Buckley, Brion, McGuire, Morris & Sommer, LLP, Escrow Agent; and authorize payment of additional statutory damages as calculated by the Legal Department and approved by the Chief Executive Officer;

- g. Adopt the Proposed Property Acquisition Resolution for Right-of-Way #8995-R33, a partial take parcel, necessary for the Rt. 903 Slip Ramp; authorize payment of the Estimated Just Compensation in the amount of \$500.00, payable to Buckley, Brion, McGuire, Morris & Sommer, LLP, Escrow Agent; and authorize payment of additional statutory damages as calculated by the Legal Department and approved by the Chief Executive Officer;
- h. Adopt the Proposed Property Acquisition Resolution for Right-of-Way #8995-R16, a partial take parcel, necessary for the Rt. 903 Slip Ramp; authorize payment of the Estimated Just Compensation in the amount of \$500.00, payable to Stevens & Lee, P.C., Escrow Agent; and authorize payment of additional statutory damages as calculated by the Legal Department and approved by the Chief Executive Officer.

-was made by Commissioner Lincoln, seconded by Commissioner Deon; and passed unanimously.

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PSPC RECOMMENDATIONS

Motion-That the Commission approves the vendor selection recommendations from the Professional Services Procurement Committee (PSPC) and authorizes the negotiation and execution with the first firm listed for the items in memo "a":

- a. Engineering Services for the rehabilitation of the Clarks Summit Bridge; for a not-to-exceed amount of \$2,500,000.00:
 - Alfred Benesch & Company
 - Borton-Lawson Engineering, Inc.
 - Ammann & Whitney Pennsylvania, Inc.

-was made by Commissioner Lincoln, seconded by Commissioner Deon; Commissioner Lieberman abstained.

CHAIRMAN LIEBERMAN: I ABSTAIN ON THIS ITEM BECAUSE I AM NON SUPPORTIVE OF THE RECOMMENDATION.

Motion-That the Commission approves the vendor selection recommendations from the Professional Services Procurement Committee (PSPC) and authorizes the negotiation and execution with the first two firms listed for the items in memo "b":

- b. Two (2) Architectural services systemwide; for a not-to-exceed amount of \$750,000.00 each:
 - Crabtree, Rohrbaugh & Associates
 - L.D. Astorino & Associates, Ltd.
 - Schradergroup Architecture, LLC
 - Gannett Fleming-H2L2 Architects/Planner, LLC

-was made by Commissioner Lincoln, seconded by Commissioner Pratt; Commissioner Lieberman abstained.

CHAIRMAN LIEBERMAN: I ABSTAIN ON THIS ITEM BECAUSE A VENDOR LISTED IS A CLIENT OF MY FIRM.

The motions passed.

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AWARD OF BIDS AND ISSUANCE OF PURCHASE ORDERS

Motion-That the Commission approves the Award of Bids and the Issuance of Purchase Orders for the items listed in memos “a” through “g”:

- a. Diesel motor fuel and heating/emergency generator fuel (January 1, 2012 – December 31, 2012), to the lowest responsive and responsible bidders:

Mansfield Oil Co.	\$350,000.00
Petroleum Traders Corp.	\$160,000.00
Glassmere Fuel Service	\$ 10,000.00
Export Fuel Co.	<u>\$140,000.00</u>
TOTAL AWARD:	\$660,000.00
PLUS 25% contingency	<u>\$165,000.00</u>
TOTAL APPROVED:	\$825,000.00

- b. Thirteen (13) 2012 Chevrolet 2500 HD crew cab pickup trucks, utilizing the Commonwealth’s contract with Apple Automotive Group; at a total award of \$396,058.00;

- c. Radio Weather Information System (RWIS), utilizing the Commonwealth’s contract with Harris Corporation; at a total award of \$112,840.00;

- d. Double-sided thermal toll ticket paper rolls, to the lowest responsive and responsible bidder, MAX International; at a total award of \$540,000.00;

- e. Forty (40) trailer-mounted arrowboards and nineteen (19) message boards, utilizing the Commonwealth’s contract with Trafcon Industries, Inc.; at a total award of \$501,471.00;

- f. Thirty-two (32) snow plows (reversible and one-way), utilizing the Commonwealth’s contract with Valk Manufacturing Co.; at a total award of \$182,362.00;

- g. One (1) loader-mounted snow blower, utilizing the Commonwealth’s contract with Industrial Motor Supply; at a total award of \$129,532.00.

-was made by Commission Lincoln, seconded by Commissioner Pratt; the passed unanimously.

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AWARD OF CONTRACTS

Motion-That the Commission approves the Award of Contracts for the items listed in memos “a” through “e”:

- a. Contract #T-063.06S001-3-02 for the replacement of Bridge WB-506 at MP 63.06, to the lowest responsive and responsible bidder, Plum Contracting, Inc.; at a total award of \$6,440,199.00 and a contingency of \$350,000.00;

- b. Contract #T-266.67S001-3-02 for the rehabilitation of Bridge EB-503A at MP 266.67, to the lowest responsive and responsible bidder, Kinsley Construction, Inc.; at a total award of \$1,473,076.00 and a contingency of \$75,000.00;
- c. Contract #EN-00105-03-02 for roadway and miscellaneous repairs between MP 75.39 and MP 179.44, to lowest responsive and responsible bidder, New Enterprise Stone & Lime Co., Inc.; at a total award of \$2,000,000.00;
- d. Contract #EN-00105-03-03 for roadway and miscellaneous repairs between MP 241.87 and MP 298.33, to lowest responsive and responsible bidder, Hempt Bros., Inc.; at a total award of \$2,000,000.00;
- e. Contract #EN-00105-03-04 for roadway and miscellaneous repairs between MP A20.00 and MP A130.30, to lowest responsive and responsible bidder, Road-Con, Inc.; at a total award of \$2,000,000.00.

-was made by Commissioner Lincoln, seconded by Commissioner Deon; and passed unanimously.

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CHANGE ORDER

Motion-That the Commission approves Change Order #1 for Contract #EN-00111-03-04 with J.P.S. Construction Co., Inc. for bridge repairs between MP 236.22 and MP 358.11, for an increase of \$516,626.00, necessary for additional deck patching and emergency repairs-was made by Commissioner Lincoln, seconded by Commissioner Deon; and passed unanimously.

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BOND AND UNDERWRITER COUNSEL POOLS

Motion-That the Commission authorizes the establishment of pools from which bond and underwriter counsel will be selected to provide services and approval to include the selected qualified firms in the various pools. The firms will be grouped in the following pools:

- Bond/Disclosure Counsel
- Underwriter's Counsel
- Co-Counsel

-was made by Commissioner Lincoln, seconded by Commissioner Pratt; and passed unanimously.

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INVESTMENT MANAGEMENT STRATEGY

Motion-That the Commission adopts the Investment Management Strategy, proposed by the Finance Department, to reflect current market and economic conditions and the liquidity and capital requirements associated with the various funds under management by the Commission-was made by Commissioner Lincoln, seconded by Commissioner Deon; and passed unanimously.

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ITEM ADDED TO THE FORMAL AGENDA

PSPC RECOMMENDATION

Motion-That the Commission approves the vendor selection recommendation from the Professional Services Procurement Committee (PSPC) and authorize the negotiation and execution with the first firm listed to evaluate, analyze and provide advice regarding benefit proposals and lead individual negotiations with medical, prescription, dental and vision providers; at a not-to-exceed amount of \$90,000.00:

Lockton Companies, LLC
AON Risk Services Central, Inc.
Banyan Consulting, LLC

-was made by Commissioner Lincoln, seconded by Commission Pratt; Commissioner Lieberman abstained.

CHAIRMAN LIEBERMAN: I ABSTAIN ON THIS ITEM BECAUSE I HAVE A NON-BUSINESS RELATIONSHIP WITH ONE OF THE VENDORS.

The motions passed.

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NEXT MEETING

MS. EDMUNDS: I HAVE NO FURTHER ITEMS FOR CONSIDERATION FOR TODAY'S MEETING. THE NEXT FORMAL COMMISSION MEETING WILL BE A TELEPHONE MEETING HELD ON TUESDAY, FEBRUARY 7, 2012 BEGINNING AT 10:00 A.M.

ADJOURNMENT

Motion-That this meeting of The Pennsylvania Turnpike Commission be adjourned at 12:28 P.m.-was made by Commissioner Lincoln, seconded by Commissioner Deon; and passed unanimously.

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PREPARED BY:

Ann Louise Edmunds
Assistant Secretary Treasurer

01-17-12

APPROVED BY:

J. William Lincoln
Secretary Treasurer

ATTACHMENT NUMBER 1
COMMUNICATIONS: MEMO RECEIVED FROM THE CHIEF COUNSEL