

MINUTES OF THE COMMISSION MEETING HELD JANUARY 17, 2017

A formal telephone meeting of the Pennsylvania Turnpike Commission convened at 10:16 a.m. on January 17, 2017 at the Central Office located in Highspire, Pennsylvania. Available via telephone were Sean Logan, Chairman; William K. Lieberman, Vice Chairman; Pasquale T. Deon, Sr., Secretary Treasurer and Leslie Richards, Secretary of Transportation.

Present for the meeting were Mark P. Compton, Chief Executive Officer; Craig R. Shuey, Chief Operating Officer; Larry Bankert, Chief Engineer, Michael Baker, Inc.; Carl E. DeFebo, Jr., Director of Public Relations & Marketing; Charles L. Duncan III, Esquire, Director of Legislative Affairs; Scott D. Fairholm, Chief Information Officer; Nikolaus Grieshaber, Chief Financial Officer; Bradley J. Heigel, P.E., Chief Engineer; Doreen A. McCall, Chief Counsel; Ray Morrow, Chief Compliance Officer; and Ann Louise Edmunds, Assistant Secretary Treasurer.

Others present were Jack Christensen, Director of FEMO; Richard C. Dreher, Assistant CFO/Financial Management; Jason Falchek, Technician of PC/LAN Systems; Donald S. Klingensmith, P.E., Director of Procurement & Logistics; Anthony Q. Maun, Assistant CFO/Accounting & Budgeting; Jeffrey A. Naugle, Manager of Treasury Operations; Mark Raup, Senior Engineer Project Manager; Lisa Smith, Annuitant; John Smith, Parsons Brinckerhoff; Mike Gross, Wallace Montgomery; Tom Bice, Lochner; Linda Vanderperre, Ramirez Asset Management, James Haddon, Ramirez Asset Management and Paul McNamee, KCI.



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



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



SUNSHINE ANNOUNCEMENT

The Commissioners met in Executive Session prior to today's Formal Agenda Session to consider matters of Personnel, which included a performance incentive, new hires, vacancies and a request to fill a position in the Office of Policy and External Affairs.

The Commissioners also engaged in non-deliberative informational discussions regarding various actions and matters, which have been approved at previous public meetings.



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 and effective meeting, all persons wishing to address the Commission should have signed in a requested time to speak. If you have not done so, you are invited to do so at this time.

There were no requests to address the Commission.



MINUTES OF THE MEETING

Motion-That the Minutes of the meeting held January 3, 2017 be approved and filed as submitted - were made by Commissioner Lieberman, seconded by Commissioner Richards, and passed unanimously.



COMMUNICATIONS

Motion-That the Commission approves the memos received from the Chief Counsel and the Director of Procurement & Logistics—was made by Commissioner Lieberman, seconded by Commissioner Richards, and passed unanimously.



PERSONNEL

Motion-That the Commission approves the Personnel as submitted-was made by Commissioner Lieberman, seconded by Commissioner Richards, and passed unanimously.



UNFINISHED BUSINESS

No unfinished business to discuss.



NEW BUSINESS

OCIP Payment

Motion-That the Commission approves payment for the insurance premiums associated with the Owner Controlled Insurance Program (OCIP) for the Southern Beltway, Rt. 22 to I-79, for the period December 15, 2016 – May 15, 2021:

General Liability and Worker’s Comp	Liberty Mutual	\$3,805,708.00
Excess Umbrella	XL, Ironshore, Chubb, Allied	\$1,270,743.00
Pollution Liability	Great American	\$ 139,519.00
Builders Risk (Section 55A1 only)	TBD	<u>\$ 75,000.00</u>
TOTAL PREMIUMS:		\$5,290,970.00

–was made by Commissioner Lieberman, seconded by Commissioner Richards, and passed unanimously.



AGREEMENTS

Motion-That the Commission approves the negotiation and execution of the Amendment for the item listed in memo “a”:

- a. Amendment to our agreement with UPMC Benefit Management Services d/b/a UPMC WorkPartners for claims management services for the Self-Insured Workers’ Compensation program, exercising the option to renew the agreement for an additional year; at a cost of \$149,086.00;

-was made by Commissioner Lieberman, seconded by Commissioner Richards; Commissioner Logan abstained.

CHAIRMAN LOGAN: I ABSTAIN BECAUSE I AM CHAIRMAN OF THE BOARD AT UPMC EAST AND A CONSULTANT FOR UPMC.

Motion-That the Commission approves the negotiation and execution of the Agreements and Amendments for the item listed in memos “b” through “f”:

- b. Four (4) Reimbursement Agreements with West Penn Power Company (WPPC) to reimburse WPPC the cost for the engineering and utility relocation work necessary for construction of the Southern Beltway, Section 55-C2-2; at a combined not-to-exceed amount of \$1,000,000.00;
- c. Reimbursement Agreement with Verizon to reimburse Verizon the cost for the engineering and utility relocation work necessary for construction of the Southern Beltway, Section 55-C2-2; at a not-to-exceed amount of \$300,000.00;
- d. Amendment to the Master Site Agreement with Sunoco, Exxon and Cumberland Farms, Inc. for the remediation and monitoring of sites at the service plazas along the Turnpike system, to continue to work toward site closures for the remaining sites;

- e. Reimbursement Agreement with Pennsylvania American Water Company (PAWC) for PAWC to reimburse the Commission for the design and construction costs for the relocation of its utility necessary for construction of the Southern Beltway, Section 55-C2-2; reimbursement to the Commission estimated to be \$642,700.00;
- f. Agreement with Sunoco, Inc. to distribute E-ZPass in their convenience stores located on the Turnpike.
-was made by Commissioner Lieberman, seconded by Commissioners Richards, and passed unanimously.



RIGHT-OF-WAY REQUESTS

Motion-That the Commission approves the Right-of-Way Request for the items listed in memos “a” through “h”:

- a. Acquisition of Right-of-Way #140002 (Custom Homes Development, Inc.), a total take parcel necessary for construction of the Mon/Fayette Expressway, Rt. 51 to I-376 by authorizing payment of \$1,152.00 representing Section 710 statutory damages to David C. Allison, Esquire;
- b. Acquisition of Right-of-Way #1091-B (New Baltimore Sportsmen’s Club), a partial take parcel necessary for the total reconstruction project from MP 128.00 to MP 134.00 by authorizing payment of \$1,257.50 representing fair market value and pro-rated taxes to New Baltimore Sportsmen’s Club; authorize the appropriate Commission officials to execute the Agreement of Sale and other documents that may be required for closing; authorize the payment of additional statutory damages as calculated by the Right-of-Way Administrator and approved by the Chief Counsel; and payment of damages to the property owner is contingent upon its delivery of a deed prepared by the Legal Department;
- c. Acquisition of Right-of-Way #2134-C (Kenneth L. & Paula A. Clingerman), a partial take parcel necessary for the total reconstruction project from MP 149.50 to MP 155.50 by authorizing payment of \$22,045.49 representing fair market value and pro-rated taxes to Kenneth L. & Paula A. Clingerman; authorize the appropriate Commission officials to execute the Agreement of Sale and other documents that may be required for closing; authorize the payment of additional statutory damages as calculated by the Right-of-Way Administrator and approved by the Chief Counsel; and payment of damages to the property owners is contingent upon their delivery of a deed prepared by the Legal Department;
- d. Acquisition of Right-of-Way #17952 (Frank & Denise M. Zovack), a partial take parcel necessary for construction of the Southern Beltway, Rt. 22 to I-79, Section 55-C2-2 by authorizing payment of \$196,109.14 representing fair market value and pro-rated taxes to Coon & Company, escrow agent; authorize the appropriate Commission officials to execute the Agreement of Sale and other documents that may be required for closing; authorize the payment of additional statutory damages as calculated by the Right-of-Way Administrator and approved by the Chief Counsel; and

payment of damages to the property owners is contingent upon their delivery of a deed prepared by the Legal Department;

- e. Acquisition of Right-of-Way #17755 (County of Washington), a total take parcel necessary for construction of the Southern Beltway, Rt. 22 to I-79, Section 55-C2-2 by authorizing payment of \$14,675.50 representing fair market value and pro-rated taxes to Coon & Company, escrow agent; authorize the appropriate Commission officials to execute the Agreement of Sale and other documents that may be required for closing; authorize the payment of additional statutory damages as calculated by the Right-of-Way Administrator and approved by the Chief Counsel; and payment of damages to the property owner is contingent upon their delivery of a deed prepared by the Legal Department;
- f. Acquisition of Right-of-Way #17961 (Nancy V. Endy and Virginia Hickman), a partial take parcel necessary for construction of the Southern Beltway, Rt. 22 to I-79, Section 55-C2 by authorizing payment of \$6,125.75 to Nancy V. Endy and authorizing payment of \$6,125.75 to Virginia Hickman representing fair market value and pro-rated taxes; authorize the appropriate Commission officials to execute the Agreement of Sale and other documents that may be required for closing; authorize the payment of additional statutory damages as calculated by the Right-of-Way Administrator and approved by the Chief Counsel; and payment of the fair market value to the property owners is contingent upon the delivery of a deed as prepared by the Legal Department;
- g. Settlement of Right-of-Way #14104 (Michael J. Francis Sullivan, Urban Assault Paintball, LLC and Great Lakes Energy Partners, LLC), a partial take parcel necessary for construction of the Southern Beltway, Rt. 22 to I-79 by authorizing payment of \$835,049.49 representing fair market value and pro-rated taxes to Coon and Company, escrow agent; authorize the appropriate Commission officials to execute the Agreement of Sale and other documents that may be required for closing; authorize the payment of additional statutory damages, for the property owner and tenants, as calculated by the Right-of-Way Administrator and approved by the Chief Counsel; and payment of fair market value to the property owner is contingent upon the delivery of a deed as prepared by the Legal Department;
- h. Acquisition of Right-of-Way #1020-A (Paul J. & Stacy Wheller), a partial take parcel necessary for the total reconstruction project from MP 99.00 to MP 109.00 by authorizing payment of \$9,031.26 representing fair market value and pro-rated taxes; authorize the appropriate Commission officials to execute the Agreement of Sale and other documents that may be required for closing.

-was made by Commissioner Lieberman, seconded by Commissioner Richards, and passed unanimously.



ADVERTISING

Motion-That the Commission approves advertising for the items listed in memos "a" and "b":

- a. Insurance broker to assist in the marketing, placement and administration of the Commission's insurance program;
- b. Broadband P3 to identify qualified private entities to install and operate a fiber optic and wireless broadband network within the Turnpike right-of-way.

-was made by Commissioner Lieberman, seconded by Commissioner Richards and passed unanimously.



PURCHASE ORDERS

Motion-That the Commission approves the Issuance of Purchase Orders for the items listed in memos "a" and "b":

- a. Ninety-seven (97) trailer-mounted message boards, utilizing the Commonwealth's contract with Trafcon Industries, Inc.; at a total award of \$1,327,930.00;
- b. Twelve (12) 2017 Chevrolet Silverado 2500HD 4WD crew cab (service body responders), utilizing the Commonwealth's contract with Apple Automotive Group; at a total award of \$561,840.00.

-was made by Commissioner Lieberman, seconded by Commissioner Richards, and passed unanimously.



AWARD OF CONTRACTS

Motion-That the Commission approves the Award of Contracts for the items listed in memos "a" through "f":

- a. Contract #S-006.00X002-3-08 for construction of the Southern Beltway, Section 55B, MP S11.17 to MP S14.31 to the lowest responsive and responsible, Joseph B. Fay Co.; at a not-to-exceed amount of \$90,621,870.00 and a contingency of \$4,500,000.00;
- b. Contract #A-020.00R001-3-02 for pavement repairs for Mid-County Interchange at MP A20.00 to the lowest responsive and responsible bidder, Eastern Highway Specialists, Inc.; at a not-to-exceed amount of \$6,537,101.35 and a contingency of \$300,000.00;
- c. Contract #EN-00198-03-02 for roadway and miscellaneous repairs on Toll I-376, Turnpike 576, Turnpike 43 and Turnpike 66 to the lowest responsive and responsible bidder, The Lane Construction Corporation; at a not-to-exceed amount of \$3,500,000.00;

- d. Contract #EN-00198-03-04 for roadway and miscellaneous repairs from MP 122.18 to MP 201.58 to the lowest responsive and responsible bidder, New Enterprise Stone & Lime Co., Inc.; at a not-to-exceed amount of \$3,500,000.00;
- e. Contract #EN-00198-03-06 for roadway and miscellaneous repairs from MP 299.98 to MP 358.11 and MP A20.00 to MP A57.22 to the lowest responsive and responsible bidder, Road-Con, Inc.; at a not-to-exceed amount of \$3,000,000.00;
- f. Contract #T-109.00R002-3-02 for bituminous resurfacing between MP 108.95 and MP 121.82 to the lowest responsive and responsible bidder, New Enterprise Stone & Lime Co., Inc.; at a not-to-exceed amount of \$13,088,152.66 and a contingency of \$650,000.00.

- was made by Commissioner Lieberman, seconded by Commissioner Richards, and passed unanimously.



CHANGE ORDERS/FINAL PAYMENTS

Motion-That the Commission approves the Change Orders and Final Payments for the items listed in memos "a" through "f":

- a. Change Order #3 and Final Payment for Contract #EN-00167-03-06 for the installation of mile marker signs between MP A31.34 and MP A130.64 with Protection Services, Inc., for a decrease of \$6,329.20 to balance items to actual work completed; for a final contract value of \$611,044.18 and a final amount due to the contractor of \$35,048.19;
- b. Change Order #1 and Final Payment for Contract #T-176.35S001-3-02 for the elimination of Bridge B-554 at MP 176.35 with Susquehanna Valley Construction Corporation, for a decrease of \$20,595.88 to balance items to actual work completed, changes for superpave wearing course, subsurface drain outlets, Type 2S post anchorage in lieu of concrete anchorage at back slope, topsoil, seeding, soil supplements and erosion control; for a final contract value of \$763,884.12 and final amount due to the contractor of \$169,261.51;
- c. Change Order #1 and Final Payment for Contract #EN-00149-03-04 for roadway and miscellaneous repairs between MP A20.00 and MP A130.30 with New Enterprise Stone and Lime Co., Inc., for a decrease of \$982,228.46 to reflect cost of the completed work authorizations; for a final contract value of \$2,017,771.54 and final amount due to the contractor of \$100,888.58;
- d. Change Order #7 for Contract #T-099.00T002-3-04 for roadway reconstruction from MP 99.05 to MP 101.79 with New Enterprise Stone & Lime Co., Inc.; for an additional \$12,766.10 to balance items to actual work completed and changes for removing an existing underdrain, regrading and seeding shoulder area, and drainage modifications; for a revised not-to-exceed amount of \$33,002,361.54;

- e. Change Order #1 for Contract #A-088.00R002-3-02 for bituminous resurfacing and median replacement from MP A88.86 to MP A95.17 with New Enterprise Stone & Lime Co., Inc., for an additional \$107,739.09 for shoulder repairs, concrete bridge deck repairs, seeding, soil supplements, slope remediation, mulching, pot hole patching, median barrier cutting to accommodate New Barrier, inlet repair, guiderail and median barrier transitions; for a revised not-to-exceed amount of \$19,233,453.44;
- f. Change Order #3 and Final Payment for Contract #EN-00167-03-03 for installation of mile marker signs between MP 101.79 and MP 201.29 with Protection Services, Inc., for a decrease of \$16,732.33 to balance items to actual work completed; for a final contract value of \$888,418.09 and final amount due to the contractor of \$53,215.50.

- was made by Commissioner Lieberman, seconded by Commissioner Richards, and passed unanimously.



SUPPLEMENTS

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

- a. Supplemental Agreement #2 for design services for the Southern Beltway, Section 55B with Stantec Consulting Services, Inc., for an additional \$500,000.00 for construction consultation services; for a revised not-to-exceed amount of \$7,000,000.00;
- b. Supplemental Agreement #1 for design services for the Southern Beltway, Rt. 22 to I-79, Section 55A-2 with AECOM Technical Services, Inc., for an additional \$3,200,000.00 for additional work including drainage design, hydraulic analysis, geotechnical investigation, utility relocations design for sanitary sewer, right-of-way acquisitions, revisions to Fort Cherry connector, consultation during construction and shop drawing review; for a revised not-to-exceed amount of \$10,700,000.00;

-was made by Commissioner Lieberman, seconded by Commissioner Logan; Commissioner Richard abstained.

SECRETARY RICHARDS: I abstain on this item because AECOM (both a primary and sub) was a former political donor.

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

- c. Supplemental Agreement #1 for open-end design services with Dawood Engineering, Inc., for an additional \$200,000.00 to complete the design of the Toll 66 Superload Modifications and the data collection for the Pavement Management System; for a revised not-to-exceed amount of \$1,150,000.00.

-was made by Commissioners Lieberman, seconded by Commissioner Richards, and passed unanimously.



NEXT COMMISSION MEETING

The next meeting of the Pennsylvania Turnpike Commission will be held in person on Tuesday, February 7, 2017 beginning at 10:00 a.m.



ADJOURNMENT

Motion-That this meeting of the Pennsylvania Turnpike Commission be adjourned at 10:21 a.m. -was made by Commissioner Logan, seconded by Commissioner Lieberman, and passed unanimously.



PREPARED BY:

APPROVED BY:

Ann Louise Edmunds
Assistant Secretary Treasurer

Pasquale T. Deon, Sr.
Secretary Treasurer