

MINUTES OF THE COMMISSION MEETING HELD JANUARY 25, 2011

A special meeting of the Pennsylvania Turnpike Commission convened at 11:33 a.m., January 25, 2011 at the Central Office located in Highspire, Pennsylvania. Present for the meeting were William K. Lieberman, Vice Chairman; J. William Lincoln, Secretary Treasurer; Pasquale T. Deon, Sr., Commissioner and A. Michael Pratt, Commissioner.

Others present for the meeting were Joseph G. Brimmeier, Chief Executive Officer; George M. Hatalowich, 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; Craig Shuey, Director of Government Affairs; Joe Suess, Acting Chief Informational Officer and Ann Louise Edmunds, Assistant Secretary Treasurer.

Also in attendance were Allen W. Baldwin, Director of Operations, Safety & Incident Response; Christine J. Baker, Public Information/Photo Specialist; Michael D. Begler, Director of Operations Review; William J. Capone, Director of Communications/Public Relations; John Christensen, Manager of Facilities & Energy Management Operations; Carl E. 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 Assistant; Anthony L. Maniscola, Special Investigator; April Moore, Executive Office Assistant; Jeffrey A. Naugle, Manager of Treasury Operations; Cathy Sabo, Sr. General Accountant; Patricia Schlegel, Director of Human Resources; Mark Strause, Technician of PC/LAN; Brenda Szeles-Bratina, Director of Toll Revenue Audit; Denny Semsick, GAI Consultants; Ray Schilling, GAI Consultants; Jock Rowe, Teamsters, Mark Rowe, Teamsters and Ken Zawacki, Teamsters.

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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 present.

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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 A PROMOTION, NEW HIRES, TERMINATIONS, VACANCIES AND REQUESTS TO POST AND FILL POSITIONS IN THE INFORMATION TECHNOLOGY, MAINTENANCE

AND FARE COLLECTION DEPARTMENTS, AND TO CREATE AND FILL A POSITION IN THE EXECUTIVE OFFICE.

THE COMMISSIONERS ALSO 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 REQUEST TO ADDRESS THE COMMISSION. AT THIS TIME WE ASK ALL VISITORS TO STAND AND INTRODUCE YOURSELF.

RAY SCHILLING, GAI CONSULTANTS
DENNIS SEMSICK, GAI CONSULTANTS
KEN ZAWACKI, TEAMSTERS
JOCK ROWE, TEAMSTERS
MARK ROWE, TEAMSTERS

MS. EDMUNDS: THIS CONCLUDES THE PUBLIC COMMENT SECTION OF THE MEETING.

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MINUTES OF THE MEETING

Motion-That the Minutes of the meeting held January 11, 2011 be approved and filed-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 memos received from the Chief Counsel and the Manager of Procurement and Materials 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 amended-was made by Commissioner Deon, seconded by Commissioner Pratt; and passed unanimously.

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NEW BUSINESS

Reinvestments, Liquidations and Purchase of Securities

Upon the motion by Commissioner Deon, seconded by Commissioners Lincoln, the following Resolution was presented for adoption:

RESOLUTION

BE IT RESOLVED that The Pennsylvania Turnpike Commission hereby ratifies the action of the Assistant Chief Financial Officer, with the approval of the Chief Executive Officer and the Consulting Engineer, in directing the Trustee to make the foregoing reinvestments, liquidations and purchases; and

BE IT FURTHER RESOLVED that copies of the Resolution certified by the Assistant Secretary Treasurer shall be forwarded to the Trustee as required in Article VI, Section 602 of the 2001 Amended and Restated Trust Indenture.

The following members voted yea: Commissioners Lieberman, Lincoln, Deon and Pratt. The motion passed unanimously.

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AGREEMENTS

Motion-That the Commission approves the negotiation and execution of a Memorandum of Understanding, a Work Order and Agreements for the items listed in memos "a, c and d":

- a. Memorandum of Understanding with the PA Dept. of Environmental Protection (DEP) or issuance of an RFP on behalf of the Commission by the DEP to provide funding and some technical support to the Commission to deploy Electric Vehicle Charging Stations at various service plazas;
- c. Assignment Agreement with Grandview Medical Company, for the emergency medical services, to assign its contract to Grandview Hospital as a result of its recent name change;
- d. Agreement with Upper Moreland Township for the Township to waive the new storm water management ordinance for the replacement of Bridge DB-155 at MP 342.75 for a fee of \$43,000.00.

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

Item F-2b is being removed from the agenda

- b. **REMOVED** Work Order #17 with TransCore to provide all services, labor, material, equipment and system support to design a replacement to the Ticket Handler (ELIT) and migrate our tickets from the magnetic strip ticket stock to a bar-coded ticket; at a not-to-exceed amount of \$6,177,210.00;

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RIGHT-OF-WAY REQUESTS

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

- a. Authorize the acquisition of Right-of-Way #17915, a total take parcel, necessary for construction of the Southern Beltway, by issuing payment in the amount of \$447,592.51 payable to Urban Settlement Company, Escrow Agent; representing fair market value, prorated taxes and recording fees; authorize the appropriate Commission officials to execute the agreement of sale; authorize the payment of additional statutory damages as calculated by the Legal Department and approved by the Chief Executive Officer; and payment of the fair market value to the property owners is contingent upon their delivery of a deed prepared by the Legal Department;
- b. Approve the plans entitled, “Drawings Establishing and Reestablishing Limited Access Highway and Authorizing Acquisition of Right-of-Way for Replacement of Bridge EB-212 at Milepost 244.91 in York County, Contract No. T-242.00T002-3-02, SR 1005 (Marsh Run Road) from Sta 76+50.00 to Sta 88+39.00 length = 1189 Ft/0.225 Mi.”; as prepared by the Engineering Department for the replacement of Bridge EB-212 at MP T244.91;
- c. Authorize settlement of Right-of-Way #6456-A, a partial take parcel, necessary for the total reconstruction project from MP A20.00 to MP A30.00; by issuing settlement payment in the amount of \$10,400.00 payable to Stevens and Lee, Escrow Agent; and authorize the execution of all necessary documents to settle and discontinue.

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

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APPROVE ADVERTISING

Motion-That the Commission approves advertising for the items listed in memos “a” through “c”:

- a. Engineering firm to perform wastewater/environmental engineering-related services systemwide; and approve the preparation and execution of the agreement; at a not-to-exceed amount of \$1,000,000.00 or four (4) years, whichever occurs first;
- b. Vendor to perform mechanical and electrical maintenance services at the Central Administration Building (CAB), CAB annex office, Turnpike Industrial Park (TIP) Building, TIP maintenance building and the Steelton warehouse; and approve the preparation and execution of the agreement;
- c. Vendor to administer the COBRA benefits for three (3) years, with two (2) one-year options to renew.

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

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E-ZPASS INTERAGENCY GROUP PAYMENTS

Motion-That the Commission approves payments to the E-ZPass Interagency Group for the items listed in memos “a” and “b”:

- a. Reimbursement for expenses incurred in supporting the backup Virtual Private Network Connection, for October through December 2010 in the amount of \$2,317.20;
- b. 2011 annual Interagency Group (IAG) 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 Deon; and 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 “f”:

- a. Contract #EN-00097-03-02 for roadway and miscellaneous repairs between MP 75.39 and MP 179.44; to the lowest responsive and responsible bidder, New Enterprise Stone and Lime Co., Inc.; at a not-to-exceed amount of \$3,000,000.00;
- b. Contract #EN-00097-03-03 for roadway and miscellaneous repairs between MP 241.87 and MP 298.33; to the lowest responsive and responsible bidder, Handwerk Site Contractors; at a not-to-exceed amount of \$750,000.00;
- c. Contract #EN-00097-03-04 for roadway and miscellaneous repairs between MP A20.00 and MP A130.30; to the lowest responsive and responsible bidder, Road-Con, Inc.; at a not-to-exceed amount of \$1,000,000.00;
- d. Contract #EN-00097-03-07 for roadway and miscellaneous repairs between MP 298.33 and MP 358.11; to the lowest responsive and responsible bidder, Road-Con, Inc.; at a not-to-exceed amount of \$2,500,000.00;
- e. Contract #EN-00097-03-05 for roadway and miscellaneous repairs between MP 0.00 and MP 75.39, Toll I-376, Turnpike 66 and Turnpike 43; to the lowest responsive and responsible bidder; The Lane Construction Corporation; at not-to-exceed amount of \$750,000.00;
- f. Contract #EN-00097-03-06 for roadway and miscellaneous repairs between MP 179.44 and MP 241.87; to the lowest responsive and responsible bidder, Valley Quarries, Inc.; at a not-to-exceed amount of \$2,000,000.00.

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

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PTRC RECOMMENDATION

Motion-That the Commission approves the vendor selection recommendation for the Procurement Technical Review Committee and authorize the negotiation and execution of a contract

for the installation of Intelligent Transportation Systems Roadway Weather Information Systems (RWIS) to Wellington Power Corporation; at a not-to-exceed amount of \$1,664,524.00 for a period of one year-was made by Commissioner Lincoln, seconded by Commissioner Deon; and passed unanimously.

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LEGAL ITEMS

Motion-That the Commission approves the write off of Property Damage Claims and the legal settlement for the items listed in memos "a" through "c":

- a. Write off of \$55,230.85 for Property Damage Claim #DC-1542;
- b. Settlement of *Rife v. Pennsylvania Turnpike Commission* case; authorize settlement in the amount of \$27,500.00 payable to Weber Gallagher Simpson Stapleton Fires & Newby, Escrow Agent; and the execution of all documents necessary to conclude and settle the matter;
- c. Write off of \$12,840.99 for Property Damage Claim #05-015-355.

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

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ITEMS ADDED TO THE FORMAL AGENDA

CHANGE ORDERS

Motion-That the Commission approves the Change Orders for the items listed in memos "a" through "c":

- a. Change Order #11 for Contract #T-048.00S002-3 with Walsh Construction for the replacement of the Allegheny River Bridge, for a decrease of \$913,087.33; decreasing the not-to-exceed amount to \$192,900,990.07;
- b. Change Order #7 for Contract #T-247.38F003-3-02 with Wohlsen Construction Company for general construction of the TIP building renovations, for an increase of \$78,462.88; increasing the not-to-exceed amount to \$5,337,334.10;
- c. Change Order #8 for Contract #T-247.38F003-3-04 with Lighthouse Electric Company for electrical work for the TIP building renovations, for an increase of \$177,212.20; increasing the not-to-exceed amount to \$7,431,208.31.

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

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CHANGE ORDER AND FINAL PAYMENT

Motion-That the Commission approves Change Order #1 and Final Payment for Contract #T-202.00R001-3-02 with Valley Quarries, Inc. for bituminous overlay between MP 201.70 and MP

206.92; for a decrease of \$268,545.25, making the final contract value \$2,129,552.89 and the final amount due of \$109,903.60-was made by Commissioner Lincoln, seconded by Commissioner Deon; and passed unanimously.

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CONTRACT AWARD

Motion-That the Commission approves the Award of Contract #T-319.30P001-3-02 for construction of SR 29 Interchange, to the lowest responsive and responsible bidder, Allan A. Myers, LP; at a not-to-exceed amount of \$48,031,413.02 and a contingency amount of \$2,500,000.00-was made by Commissioner Lincoln, seconded by Commissioner Deon; Commissioner Pratt abstained.

COMMISSIONER PRATT: I ABSTAIN ON THE BASIS THAT THE COMPANY SET FORTH IN THIS AGENDA ITEM IS A CLIENT OF THE FIRM OF WHICH I AM A PARTNER. I ASK THAT THE SECRETARY PLEASE HAVE THE MINUTES OF THE MEETING REFLECT MY ABSTENTION ON THIS VOTE.

The motion passed.

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POST FORMAL

MS. EDMUNDS: WE DO HAVE A POST FORMAL MEETING TODAY.

GEORGE HATALOWICH: I WOULD LIKE TO THANK JOE FOR HIS MANY YEARS OF SERVICE AND I WOULD LIKE THE COMMISSIONERS TO PRESENT HIM WITH HIS RETIREMENT LETTER AND CERTIFICATE OF APPRECIATION. I'M NOT SURE IF YOU WOULD LIKE TO READ THE LETTER, IT GOES THROUGH MANY ACCOMPLISHMENTS THAT JOE HAD IN HIS EIGHT YEARS HERE.

VICE CHAIRMAN LIEBERMAN: MY PREDECESSOR MAY HAVE READ IT, BUT I'M GOING TO SAVE EVERYONE FROM ME READING THIS LETTER. THIS IS A BITTERSWEET DAY FOR US JOE. THE TURNPIKE IS DIFFERENT THAN WHEN YOU CAME HERE, I KNOW I SPEAK FOR EVERY COMMISSIONER HERE AND I WOULD LIKE EVERYONE TO SAY SOMETHING; IT'S BEEN GREAT TO HAVE YOU HERE. YOU'VE BEEN A GREAT CEO AND YOU ARE TO BE ADMIRER AND THIS COMMONWEALTH OWES YOU GRATITUDE OF DEBT.

COMMISSIONER PRATT: LET ME GIVE THE DEMOCRATIC RESPONSE...I WILL SAY SOME THINGS I'VE ALREADY SAID TO JOE. I'VE BEEN HERE FOR SEVENTEEN MONTHS, AND WE ALL HAVE HEARD SOME OF THE NEGATIVE THINGS SAID ABOUT THE TURNPIKE; BUT I CAN TELL YOU THAT WHEN I ARRIVED, I FOUND THAT IS WAS NOT TRUE. THIS TURNPIKE RUNS EFFICIENTLY, PROFESSIONALLY, AND ABOVE REPROACH AND THAT IS A TESTAMENT TO JOE AND HIS LEADERSHIP. I WOULD LIKE TO SAY PUBLICALLY, THAT JOE BRIMMEIER HAS BEEN AN EXCELLENT CEO FOR THIS TURNPIKE AND HE HAS CARRIED IT TO NEW HEIGHTS AND IT IS SOMETHING WE CAN BUILD ON AND WE SHOULD BE PROUD. JOE, THANK YOU AGAIN.

JOE BRIMMIER: THANK YOU. I SAID THIS WHEN WE FINISHED THE WHOLE I-80 PROCESS, AND I MEAN IT; I'VE BEEN FORTUNATE ENOUGH TO BE ON A LOT OF DIFFERENT TEAMS IN MY LIFE; PROFESSIONAL, ATHLETIC, OFFICIATING, AND NO TEAM PULLED TOGETHER LIKE THIS TEAM PULLED TOGETHER WHEN WE HAD TO GET INTO THE FOX HOLE TOGETHER AND FIGHT. I MEAN THAT SINCERELY. BOTH SIDES OF THE AISLE, THERE WAS NO REPUBLICAN OR DEMOCRAT, THERE WAS A MISSION AND A GOAL AND WE LAID OUT A GAME PLAN AND WE MOVED FORWARD.

I COULD TALK FOR HOURS ABOUT MY EXPERIENCES HERE, BUT WHEN YOU LOOK AT WHAT WAS ACCOMPLISHED HERE BECAUSE OF THIS TEAM EFFORT, BECAUSE OF A FOURTH-TWO AND A HALF PERCENT TOLL INCREASE THAT THIS COMMISSION HAD THE POLITICAL COURAGE TO PASS; WE NOW HAVE BILLIONS OF DOLLARS TO PUT INTO THIS ROAD IN THE LAST SIX YEARS AND IT'S RECOGNIZABLE IN EVERY SECTION OF THIS HIGHWAY.

WE HAD THE FIRST STRIKE AND WE ARE ALL HERE TODAY WORKING TOGETHER AND WE ALL LEARNED A LOT FROM THAT; EVERY SINGLE ONE OF YOU THAT GAVE UP YOUR THANKSGIVING WEEKEND TO WORK THE TOLL BOOTHS, AND I THINK WE ALL LEARNED WHAT IT'S LIKE TO BE A TOLL COLLECTOR, AND IT'S NOT EASY. WE WENT THROUGH THE LEASE, WE WENT THROUGH ACT 44, WE WENT THROUGH THE I-80 PROCESS AND WE ALL DID IT TOGETHER.

I WILL WALK OUT OF HERE WITH MY HEAD HELD HIGH BECAUSE OF EVERYONE IN THIS ROOM AND EVERYONE THAT WORKS OUR "BLOOD-LINE" AND WHAT WE SHOULD ALL STRIVE FOR IS THAT ROAD OUT THERE AND THAT'S THE GUYS/GALS IN THE UNION PLOWING THE SNOW, COLLECTING, ETC. I LOVE THIS PLACE AND I WILL MISS IT. BUT I'M MOVING ON WITH MY LIFE AND I KNOW ALL OF YOU WILL MOVE ON. THIS TRANSITION WILL BE A SMOOTH TRANSITION AND IT'S JUST A FACTOR OF GOVERNMENT, IT'S A FACTOR OF LIFE; AND WHEN I WALKED IN HERE EIGHT YEARS AGO, NO ONE KNEW WHO I WAS AND WE MAKE FRIENDS AND WE MAKE ENEMIES; BUT I STILL THINK WE ARE BETTER OFF TODAY AND I CAN'T TAKE THE CREDIT FOR THAT...IT'S FOR EVERYONE IN THIS ROOM, DOWNSTAIRS, OUT ON THAT ROAD. IT'S BEEN A GREAT GREAT RIDE AND ONE OF THE HIGHLIGHTS OF MY GOVERNMENT CAREER AND I WILL BEGIN TO PESTER YOU AS A PRIVATE CITIZEN.

VICE CHAIRMAN LIEBERMAN: BEFORE WE ADJOURN, LET ME JUST CONGRATULATE CRAIG SHUEY, WHO IS OUR NEW CHIEF OPERATING OFFICER OF THE TURNPIKE. AND CONGRATULATE GEORGE HATALOWICH WHO IS GOING TO BE WITH US AS A SENIOR ADVISOR. CONGRATULATIONS TO BOTH OF YOU.

ADJOURNMENT

VICE CHAIRMAN LIEBERMAN: I WOULD LIKE TO ACCEPT A MOTION TO ADJOURN THIS MEETING IN HONOR OF JOE BRIMMEIER'S SERVICE AS CEO TO THE TURNPIKE.

Motion-That this meeting of The Pennsylvania Turnpike Commission be adjourned at 11:45 a.m.- was made by Commissioner Lincoln, seconded by Commissioner Pratt; and passed unanimously.

PREPARED BY:

Ann Louise Edmunds
Assistant Secretary Treasurer

01-25-11

APPROVED BY:

J. William Lincoln
Secretary Treasurer

ATTACHMENT NUMBER 1

COMMUNICATIONS: MEMO RECEIVED FROM THE CHIEF COUNSEL AND
MANAGER OF PROCUREMENT AND MATERIALS MANAGEMENT