

## MINUTES OF THE COMMISSION MEETING HELD FEBRUARY 7, 2017

A formal meeting of the Pennsylvania Turnpike Commission convened at 12:02 p.m. on February 7, 2017 at the Central Office located in Highspire, Pennsylvania. Present for the meeting were Sean Logan, Chairman; William K. Lieberman, Vice Chairman; Pasquale T. Deon, Sr., Secretary Treasurer; Barry Drew, Commissioner and George McAuley, Deputy Secretary of Transportation.

Others present for the meeting were Mark P. Compton, Chief Executive Officer; Larry Bankert, Chief Engineer, Michael Baker, Inc.; Robert F. Brady, Director of Operations/Projects-East; 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; Jeffrey L. Hess, Assistant Director of Toll Collection-Fares; Doreen A. McCall, Chief Counsel; Ray Morrow, Chief Compliance Officer; Myneca Y. Ojo, Director of Diversity and Inclusion; Stacia A. Ritter, Esquire, Director of Policy and External Affairs; and Ann Louise Edmunds, Assistant Secretary Treasurer.

Also in attendance were Kathy Brilla, Human Resources Analyst; Jack Christensen, Director of FEMO; John DelRicci, Manager of Maintenance and Field Operations; Richard S. DiPiero, Senior Fare Collection Operations Manager; Richard C. Dreher, Assistant CFO/Financial Management; Dale L Hall, Director of Maintenance; Kelly Horvath, Executive Administrative Assistant; Donald S. Klingensmith, P.E., Director of Procurement & Logistics; Anthony Q. Maun, Assistant CFO/Accounting & Budgeting; Gina M. Murray, Engineering Contracts Supervisor; Jeffrey A. Naugle, Manager of Treasury Operations; Sheri Norris, Director of Human Resources; Roseanne Placey, Manager of Media and Public Relations; Timothy M. Scanlon, Director of Traffic Engineering and Operations; Lynn Stakem, Senior General Accountant; Mark A. Strause, Technician of PC/LAN Systems; Mike Schubert, Consultant; John Smith, Parsons Brinckerhoff; Mike Gross, Wallace Montgomery; Paul McNamee, KCI; Mark Rowe, Teamsters Local 77; Jock P. Rowe, Teamsters Local 77; Paul Morrison, Teamsters Local 77; Steve Barber, Michael Baker International; Jon Livingston, Jacobs; Glenn Deppart, Arora & Associates; Scott Schaeffer, JBC; Chris Messner, GPI; Robert Peda, Navarro & Wright; Scott Shimko, Borton Lawson; Blair Stocker, Remington Vernick; Dave Snively, AMT; Max Inkrote, LDG; Tom Cushman, AECOM; and Kristi Reichard, Raudenbush.



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 present.



#### SUNSHINE ANNOUNCEMENT

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 and vacancies.

The Commissioners also discussed Docket #2012 CV 7716 and 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 17, 2017 be approved and filed as submitted - were made by Commissioner Deon, seconded by Commissioner Drew, and passed unanimously.



#### COMMUNICATIONS

Motion-That the Commission approves the memo received from the Chief Counsel—was made by Commissioner Deon, seconded by Commissioner Drew, and passed unanimously.



PERSONNEL

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



UNFINISHED BUSINESS

No unfinished business to discuss.



NEW BUSINESS

BOND RESOLUTIONS

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

- a. **REMOVED FROM THE AGENDA.** Authorize the approval of the issuance of the Pennsylvania Turnpike Commission’s variable and/or fixed rate Turnpike Revenue Bonds (Series A of 2017) in an aggregate principal amount not to exceed \$500,000,000 (based on par amount) in one or more series or subseries, taxable or tax-exempt, for the purpose of financing (1) the costs of various capital expenditures for the Pennsylvania Turnpike System set forth in the Commission’s current Ten Year Capital Plan or any prior capital plan including, but not limited to, the reconstruction of roadbed and roadway, the widening, replacing and redecking of certain bridges and/or the rehabilitation of certain interchanges and (2) the refunding of all or portion of certain outstanding Turnpike Revenue Bonds, in each case including funding necessary reserves, the cost of credit facilities and/or reserve fund credit facilities and capitalized interest; authorizing the execution, delivery and distribution of the following: (1) one or more Supplemental Trust Indentures for the bonds; (2) one or more preliminary Official Statements or preliminary private placement memoranda; (3) one or more Official Statements or private placement memoranda; (4) one or more purchase contracts or private placement agreements; (5) agreements for the provision of one or more credit facilities and/or reserve fund credit facilities and any related agreements; (6) one or more remarketing agreements; (7) one or more continuing disclosure agreements; (8) one or more interest rate swaps or other derivatives, or amendments to or terminations of existing interest rate swaps; (9) one or more escrow deposit agreements; and (10) any other necessary or appropriate documents or certificates; providing for the appointment of bond counsel, co-bond counsel and disclosure counsels; appointing the co-financial advisors and providing for the appointment of one or more underwriters and/or other professionals; and making a declaration of official intent that the Commission be reimbursed from bond proceeds for certain expenditures paid prior to the issuance of such bonds; authorizing the taking of further action; repealing inconsistent resolutions; and declaring that this resolution shall be liberally construed;
- b. **REMOVED FROM THE AGENDA.** Authorize the approval of the issuance of the Pennsylvania Turnpike Commission’s subordinate revenue bonds or notes, including bond anticipation notes, in one or more series or sub-series, fixed rate or variable rate, taxable or tax-exempt, in an aggregate initial principal amount not to exceed \$500,000,000, to finance or refinance the costs

of (a) making lease, grant or other payments to the Pennsylvania Department of Transportation in accordance with act 44 and act 89, (b) refunding all or a portion of any bond anticipation notes, other short-term indebtedness or subordinate indenture bonds previously issued by the Pennsylvania Turnpike Commission for the foregoing purposes, (c) reimbursing the Pennsylvania Turnpike Commission for payments previously made to the Pennsylvania Department of Transportation in accordance with act 44 and act 89, (d) any debt service reserve or similar funds, credit facility costs or capitalized interest related to such bonds, and (e) issuance of such bonds;

- c. **REMOVED FROM THE AGENDA.** Authorize the approval of the issuance of the Pennsylvania Turnpike Commission's variable and/or fixed rate Turnpike Revenue Bonds (Series B of 2017) in an aggregate principal amount not to exceed \$500,000,000 (based on par amount) in one or more series or subseries, taxable or tax-exempt, for the purpose of financing (1) the costs of various capital expenditures for the Pennsylvania Turnpike System set forth in the Commission's current Ten Year Capital Plan or any prior capital plan including, but not limited to, the reconstruction of roadbed and roadway, the widening, replacing and redecking of certain bridges and/or the rehabilitation of certain interchanges and (2) the refunding of all or portion of certain outstanding Turnpike Revenue Bonds, in each case including funding necessary reserves, the cost of credit facilities and/or reserve fund credit facilities and capitalized interest; authorizing the execution, delivery and distribution of the following: (1) one or more Supplemental Trust Indentures for the bonds; (2) one or more preliminary Official Statements or preliminary private placement memoranda; (3) one or more Official Statements or private placement memoranda; (4) one or more purchase contracts or private placement agreements; (5) agreements for the provision of one or more credit facilities and/or reserve fund credit facilities and any related agreements; (6) one or more remarketing agreements; (7) one or more continuing disclosure agreements; (8) one or more interest rate swaps or other derivatives, or amendments to or terminations of existing interest rate swaps; (9) one or more escrow deposit agreements; and (10) any other necessary or appropriate documents or certificates; providing for the appointment of bond counsel, co-bond counsel and disclosure counsels; appointing the co-financial advisors and providing for the appointment of one or more underwriters and/or other professionals; and making a declaration of official intent that the Commission be reimbursed from bond proceeds for certain expenditures paid prior to the issuance of such bonds; authorizing the taking of further action; repealing inconsistent resolutions; and declaring that this resolution shall be liberally construed.



## AGREEMENTS

Motion-That the Commission approves the negotiation and execution of the Agreements, Amendments and a Supplement for the items listed in memos "a" through "h":

- a. Easement Agreement with EQM Gathering Opco, LLC to provide EQM a 25 ft. temporary construction easement and a 75 ft. permanent easement for a pipeline right of way on Commission property in Jefferson Hills Borough, Allegheny County; at a net revenue to the Commission of \$123,895.00;

- b. Amendment to the previously approved (January 3, 2017, item F-2b) agenda item with Price Chopper for the distribution of E-ZPass in its PA stores, to correct the legal name of the company to The Golub Corporation;
- c. Amendment to our agreement with AAA Mid-Atlantic to distribute E-ZPass in its branch offices; exercising the option to renew the agreement for an additional 5-years;
- d. Amendment to our agreement with Kuhn's Market to distribute E-ZPass in its western PA stores; exercising the option to renew the agreement for an additional year;
- e. Agreement with Bracey's Supermarkets to distribute E-ZPass in its PA stores;
- f. Agreement with the University of Maryland to secure real-time traffic flow data, as procured on behalf of the I-95 Corridor Coalition; at an approximate cost of \$1,300,000.00 over five-years;
- g. Agreement with Modjeski & Masters for (emergency) design services for the Delaware River Bridge;
- h. Supplemental Agreement #1 for property appraisal services with American Appraisal Associates, Inc., for an additional \$26,400.00 for appraisals of new and renovated facilities through June 30, 2020; and approve an Assignment Agreement with American Appraisal Associates, Inc. to assign the active contract to Duff & Phelps Corporation due to its acquisition of American Appraisal Assoc.; the revised not-to-exceed amount of the contract is \$164,100.00.

-was made by Commissioner Deon, seconded by Commissioners Drew, 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 "j":

- a. Acquisition of Right-of-Way #1096-A1 (Bernadette M. Wolfe, Edward J. Fochtman, Frank E. Fochtman and Lester J. Fochtman), a partial take parcel necessary for the total reconstruction from MP 128.00 to MP 134.00 by authorizing the following payments:
  - \$3,026.89, payable to Bernadette W. Wolfe, representing fair market value & pro-rated taxes
  - \$3,026.89, payable to Edward J. Fochtman, representing fair market value & pro-rated taxes
  - \$3,026.89, payable to Frank E. Fochtman, representing fair market value & pro-rated taxes
  - \$3,026.88, payable to Lester J. Fochtman, representing fair market value & pro-rated taxes
  - \$1,500.00, payable to Ginger Jakubowski Appraisals, representing payment of Section 710 damages for reimbursement of appraisal fees;

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;

- b. Settlement of Right-of-Way #14216-A1 (Miller Family Holdings, L.P.), a partial take parcel necessary for the total reconstruction project from MP 40.00 to MP 48.00; and authorize the appropriate Commission officials to execute the Settlement Agreement and Release as approved by the Legal Department;
- c. Settlement of Right-of-Way #17394 (William R. & Cindy L. Moore), a partial take parcel necessary for construction of the Southern Beltway, Rt. 22 to I-79, Section 55B by authorizing payment of \$10,400.00 representing settlement funds to William R. & Cindy L. Moore; authorize the appropriate Commission officials to execute the full and final Release and Settlement Agreement as approved by the Legal Department; and payment of the settlement funds is contingent upon the delivery of a fully executed Release and Settlement Agreement as reviewed and approved by the Legal Department;
- d. Acquisition of Right-of-Way #17735-A (William Vegeler, Joanne Benson Zagorski, Richard K. Dukehart, Karin Dukehart, Kathleen Berry, Michael Meehan, a/k/a George Michael Meehan, Mary White, a/k/a Mary Ann Meehan White, Susan E. Alrutz and Roberta V. Clark, f/n/a Roberta Bailey), a partial take parcel necessary for construction of the Southern Beltway, Rt. 22 to I-79, Section 55-A2 by authoring payment of \$3,030.00 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. Adopt the proposed Property Acquisition Resolution for Right-of-Way #17746-1 (Douglas & Dalene Quinten and Lamar Advertising, Inc.), a total take parcel necessary for construction of the Southern Beltway, Rt. 22 to I-79, Section 55-A2; authorize payment of Estimate Just Compensation of \$9,519.00 to counsel named at a later date; and authorize payment of additional statutory damages as calculated by the Right-of-Way Administrator and approved by the Chief Counsel;
- f. Acquisition of Right-of-Way #1092-B (Jay E. Fisher), a partial take parcel necessary for the total reconstruction from MP 128.00 to MP 134.00 by authorizing payment of \$18,159.38 representing fair market value and pro-rated taxes to Jay E. Fisher; authorize payment of \$1,293.50 representing Section 710 damages to Fike, Cascio & Boose; 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 his delivery of a deed prepared by the Legal Department;

- g. Acquisition of Right-of-Way #6451-D1 (Worcester Township), a partial take parcel necessary for the ITS message boards between MP A42.00 and MP A129.00 by authorizing payment of \$500.00 representing fair market value to Worcester Township; 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 fair market value to the property owner is contingent upon the delivery of a deed as prepared by the Legal Department;
- h. Adopt the proposed Property Acquisition Resolutions for Right-of-Way #17723 (Daniel A. Machek, Lucas Miller, and Range Resources – Appalachia, LLC), a partial take parcel necessary for construction of the Southern Beltway, Rt. 22 to I-79, Section 55-A2; authorize payment of \$154,000.00 representing Estimate Just Compensation to counsel named at a later date; and authorize payment of additional statutory damages as calculated by the Right-of-Way Administrator and approved by Chief Counsel;
- i. Adopt the proposed Property Acquisition Resolutions for Right-of-Way #17728 (Estate of Isabel Joan Machek, a/k/a Joan Machek and Range Resources – Appalachia, LLC), a partial take parcel necessary for construction of the Southern Beltway, Rt. 22 to I-79, Section 55-A2; authorize payment of \$22,400.00 representing Estimate Just Compensation to counsel named at a later date; and authorize payment of additional statutory damages as calculated by the Right-of-Way Administrator and approved by Chief Counsel;
- j. Acquisition of Right-of-Way #1092-D (Roger L. & Bonnie L. Nunamaker), a partial take parcel necessary for the total reconstruction from MP 128.00 to MP 134.00 by authorizing payment of \$4,029.10 representing fair market value, pro-rated taxes and personal property loss to Roger L. & Bonnie L. Nunamaker; 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.

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



#### ADVERTISING

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

- a. Consulting firms experienced in performing audits, forensic audits, best practice and compliance assessments, specialized security and investigation services; to create a pool of qualified consulting firms;
- b. Authorized service provider coverage from MP 127.30 to MP 154.10;
- c. Authorized service provider coverage from MP 154.20 to MP 188.60;

- d. Authorized service provider coverage from MP 188.70 to MP 226.30;
- e. Authorized service provider coverage on I-376 (Beaver Valley Expressway) from MP B27.50 to MP B44.80;
- f. Pre-employment screening services;
- g. Administration and support services of the Construction Documentation System (CDS).

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



### PURCHASE ORDERS

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

- a. Apptio annual subscription for IT financial management cloud services, utilizing the Commonwealth’s contract with ePlus Technology, Inc.; at a cost of \$199,000.00;
- b. LogRhythm SIEM software license, utilizing the Commonwealth’s contract with ePlus Technology, Inc.; at a cost of \$168,368.89;
- c. Water quality inspection, cleaning and maintenances services at Commission facilities (February 1, 2017 – January 31, 2018); to the lowest responsive and responsible bidder, Your Quality Solutions, Inc.; at a total award of \$200,000.01;
- d. HVAC controls for Districts 3, 4 & 5, exercising the option to renew the agreement for an additional 6 months (March 1, 2017 – August 21, 2017) with Automated Logic Contracting Services, Inc.; at a total cost of \$126,985.00;
- e. Systemwide roadway lighting replacement, utilizing the Commonwealth’s contract with Schaedler Yesco Distribution Inc.; at a total award of \$343,229.22;
- f. Dilution control systems and supplies, exercising the option to renew the agreement for an additional year (April 1, 2017 – March 31, 2018) with State Industrial Products Corp., at a cost of \$65,000.00;
- g. Change Order to the agreement for underground storage tank compliance and inventory management services with Synergy Environmental, Inc., to add fifty-two (52) facilities to Fuel-View software systems to monitor for leaks, at a cost of \$60,320.00;



- h. Catch basin cleaners and sweepers rental (April 1, 2017 – July 1, 2017), to the lowest responsive and responsible bidders:

	Award	Contingency	
PA Public Works Equipment Company	\$ 63,800.00	\$11,600.00	District 1
PA Public Works Equipment Company	\$ 75,150.00	\$29,100.00	District 2
PA Public Works Equipment Company	\$ 91,200.00	\$29,100.00	District 3
Vacuum Sales, Inc.	\$ 50,000.00	\$10,000.00	District 4
PA Public Works Equipment Company	<u>\$ 25,200.00</u>	<u>\$12,600.00</u>	District 5
TOTAL AWARD + CONTINGENCY:	\$305,350.00	+ \$92,400.00.	

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



AWARD OF CONTRACTS

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

- a. Contract #EN-00198-03-03 for roadway and miscellaneous repairs from MP 0.00 to MP 122.18, to the lowest responsive and responsible bidder, The Lane Construction Corporation; at a not-to-exceed amount of \$2,500,000.00;
- b. Contract #EN-00198-03-05 for roadway and miscellaneous repairs from MP 201.58 to MP 299.98, to the lowest responsive and responsible bidder, New Enterprise Stone & Lime Co., Inc.; at a not-to-exceed amount of \$3,000,000.00;
- c. Contract #EN-00198-03-07 for roadway and miscellaneous repairs from MP A57.22 to MP A130.64, to the lowest responsive and responsible bidder, Road-Con, Inc.; at a not-to-exceed amount of \$2,000,000.00.

- was made by Commissioner Deon, seconded by Commissioner Drew, 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 “c”:

- a. Change Order #3 and Final Payment for Contract #EN-00126-03-02 for the installation of Intelligent Transportation Systems (ITS) between MP 6.80 and MP 175.90 with Wellington Power Corporation, for an additional \$7,126.15 to balance items to actual work completed and changes to replace two

(2) deteriorated transformers; for a final contract value of \$2,593,316.81 and final amount due to the contractor of \$183,199.19;

- b. Change Order #7 and Final Payment for Contract #T-099.00T002-3-06 for the replacement of Bridge B-504 at MP 108.17 with Plum Contracting, Inc., for a decrease of \$10,045.12 to balance items to actual work completed and changes for Road User costs; for a final contract value of \$6,374,920.59 and final amount due to the contractor of \$172,716.73;
- c. Final Payment for Contract #T-338.58R001-3-02 for bituminous resurfacing of the Fort Washington Interchange with Allan A. Myers, L.P.; for a final contract value of \$3,133,402.76 and final amount due to the contractor of \$10,000.00.

- was made by Commissioner Deon, seconded by Commissioner Drew, 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 #1 for signing design services of the Southern Beltway, Rt. 22 to I-79 with The Markosky Engineering Group, for an additional \$950,000.00 to complete additional ITS design, commissioning plan, separate bid package including plans and specs for items location outside of the Section 55C2 I-79 corridor, several new overhead sign replacements, consultation during construction and shop drawing review; for a revised not-to-exceed amount of \$1,950,000.00;
- b. Supplemental Agreement #3 for construction management of the I-95/I-276 Interchange project with Urban Engineers, Inc., to include construction management/inspection services for the Delaware River Bridge emergency repairs.

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



### PSPC ITEM

Motion-That the Commission approves the award of service and authorize the negotiation and execution of an agreement with the selected firm for T00045, open-end construction management and inspection from MP 247.00 to MP 359.00 and from MP A20.00 to MP A131.00:

- PRIME AE Group, Inc.-AWARDED
- CMC Engineering
- Erdman Anthony Associates, Inc.

-was made by Commissioner Deon, seconded by Commissioner Drew; Commissioner Lieberman and Deputy Secretary McAuley abstained.

VICE CHAIRMAN LIEBERMAN: I abstain on this item because a sub-consultant (Monaloh Basin) is a client of my firm.

DEPUTY SECRETARY MCAULEY: I abstain on this item because my brother is employed by Erdman Anthony Associates, Inc.



Chairman Logan and the Commissioners thanked Brad Heigel, Chief Engineer and his team for a great job on the Delaware River Bridge. Chairman Logan stated that safety is our first concern and noted the hopes to have the bridge repaired as soon as possible, although safety is the primary concern.



NEXT COMMISSION MEETING

The next meeting of the Pennsylvania Turnpike Commission will be a telephone meeting on Tuesday, February 21, 2017 beginning at 10:00 a.m.



ADJOURNMENT

Motion-That this meeting of the Pennsylvania Turnpike Commission be adjourned at 12:11 p.m. -was made by Commissioner Deon, seconded by Commissioner Lieberman, and passed unanimously.



PREPARED BY:

APPROVED BY:

Ann Louise Edmunds  
Assistant Secretary Treasurer

Pasquale T. Deon, Sr.  
Secretary Treasurer