

MINUTES OF THE COMMISSION MEETING HELD MARCH 3, 2010

A formal meeting of The Pennsylvania Turnpike Commission convened at 12:02 p.m., March 3, 2010 at the Central Office, Pennsylvania Turnpike Commission located in Highspire, Pennsylvania. Present for the meeting were Allen D. Biehler, P.E., Chairman/Secretary of Transportation; J. William Lincoln, Secretary Treasurer; Pasquale T. Deon, Sr., Commissioner and A. Michael Pratt, Commissioner.

Others present for the meeting were George M. Hatalowich, Chief Operating Officer; Rich DiPiero, Director of Fare Collection; Jeffrey L. Garrett, Chief Engineer, Michael Baker Jr., Inc.; Nikolaus Grieshaber, Chief Financial Officer; Michael P. Haney, Director of Maintenance; Jeffrey L. Hess, Director of Operations/Projects-West; Frank J. Kempf, Jr., Chief Engineer; Doreen McCall, Chief Counsel; Jeffrey J. Mesaric, Chief Information Officer; Valerie J. Payne, Director of Administration; Craig Shuey, 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; Derek S. Hansel, Assistant Chief Financial Officer; Donald S. Klingensmith, P.E., Manager of Contracts Administration; Donna Lapano, Executive Assistant; Anthony Q. Maun, Director of Accounting; Jeffrey A. Naugle, Manager of Treasury Operations; Robert H. Rosell, Technician of PC/LAN; Patricia F. Schlegel, Director of Human Resources; Brenda Szeles-Bratina, Director of Toll Revenue Audit; Mike Ryan, Michael Baker, Jr. Inc; Ron Harper, PA Independent; Tom O'Brien, GAI; Ray Hoffman, GAI; Andre Allen, Phoenix Capital; Tony Griffith, Phoenix Capital and Dennis Enright of NW Financial.



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



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



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, TERMINATIONS, NEW HIRES,

VACANCIES, AND A REQUEST TO POST AND FILL A POSITION IN THE FINANCE AND ADMINISTRATION DEPARTMENT.

THE COMMISSIONERS ALSO DISCUSSED PILECKI (Docket No. PTC-5511), KARCZEWSKI (Docket No. PTC-5167) AND BEPLER (Docket No. PTC-5465), AND ENGAGED IN NON-DELIBERATIVE INFORMATIONAL DISCUSSIONS, REGARDING VARIOUS ACTIONS AND MATTERS, WHICH HAVE BEEN APPROVED AT PREVIOUS PUBLIC MEETINGS.



MINUTES OF MEETING

Motion - That the Minutes of the meeting held February 16, 2010 be approved and filed – was made by Mr. Lincoln, seconded by Mr. Deon; and passed unanimously.



COMMUNICATIONS

Motion – That the Commission accepts and files the memo received from the Chief Counsel– was made by Mr. Lincoln, seconded by Mr. Pratt; and passed unanimously.



PERSONNEL

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



UNFINISHED BUSINESS

There was no Unfinished Business to discuss.



NEW BUSINESS

Reinvestments, Liquidations and Purchase of Securities

Upon the motion by Mr. Deon, seconded by Mr. Pratt, the following Resolution was presented for adoption:

RESOLUTION

BE IT RESOLVED that the Pennsylvania Turnpike Commission hereby ratifies the action of the Investment Analyst, 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 and 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 Biehler, Lincoln, Deon and Pratt. The motion passed.



AGREEMENTS

Motion-That the Commission approves the negotiation and execution of a Work Order and Addendums for the items listed in memos "a" through "c":

- a. Work Order #16 with TransCore to provide labor, material, equipment and project management to purchase and install fare collection and E-ZPass equipment at Ramp Plaza M15 (Toll 43) on the Mon/Fayette Expressway; at a not-to-exceed amount of \$1,585,864.00;
- b. Addendum to the interagency license agreement with the Pennsylvania Office of Administration granting them access to various tower sites owned by the Commission; to permit Commission staff to approve minor technology and equipment modifications in an effort to expedite work flow and deployment of equipment to the tower sites;
- c. Addendums to our Services Agreement for SAP Post Implementation Support with CIBER for Business Blueprinting of the e-Recruitment and SRM modules for an estimated cost of \$213,560.00 and \$387,107.00, respectively.

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



RIGHT-OF-WAY REQUESTS

Motion – That the Commission approves the Right-of-Way Requests for the items listed in memos "a" and "b":

- a. Approve settlement of Right-of-Way #7142-A, a total take parcel, necessary for the I-95/I-276 Interchange project, previously approved at the March 20, 2007 Commission Meeting (item G-3i); by approving settlement payment in the additional amount of \$500,000.00, payable to the counsel's trust account; and payment of the settlement amount is contingent upon condemnees execution of a full and final release and settlement agreement as approved by the Legal Department;

- b. Authorize the acquisition of Right-of-Way #17932, a total take parcel, necessary for construction of the Southern Beltway, by issuing payment in the amount of \$280,282.90, payable to Urban Settlement Company, Escrow Agent; representing fair market value, prorated taxes, recording fees, housing supplements and closing costs; 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.

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



PTRC RECOMMENDATION

Motion-That the Commission approves the consultant selection recommendation from the Procurement Technical Review Committee and authorizes the negotiation and execution of a contract for property appraisal services to American Appraisal-was made by Mr. Lincoln, seconded by Mr. Pratt; and passed unanimously.



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 "d":

- a. One (1) Chevrolet Traverse and five (5) Sport Utility Vehicles, utilizing the Commonwealth's contract with Apple Automotive Group; at a total award of \$138,101.00;
- b. Twenty-five (25) Chevy Impalas passenger vehicles, utilizing the Commonwealth's contract with Apple Automotive Group; at a total award of \$427,125.00;
- c. Eight (8) trailer attenuators, utilizing the Commonwealth's contract with TrafFix Devices, Inc.; at a total award of \$127,848.00;
- d. Five (5) bobcat loaders, utilizing the Commonwealth's contract with Bobcat Company; at a total award of \$292,460.15.

-was made by Mr. Deon, seconded by Mr. Pratt; and passed unanimously.



AWARD OF CONTRACTS

Motion-That the Commission approves the Award of Contract # T-048.00R001-3-02 for bituminous resurfacing between MP 44.70 and MP 50.66 and miscellaneous repairs between MP 49.33 and MP 56.68, to the lowest responsive and responsible bidder, Lindy Paving, Inc., at a total award of \$4,875,591.30; with a contingency amount of \$250,000.00 -was made by Mr. Pratt, seconded by Mr. Deon; and passed unanimously.



Items Added to the Formal Agenda

SUPPLEMENTS

Motion-That the Commission approves the preparation and execution of the Supplemental Agreements as listed in memos "a" through "c":

- a. Supplemental Agreement #1 with Vitetta Group, Inc., for Trevoze Maintenance relocation design contract, for an increase of \$150,000.00; increasing the not-to-exceed amount from \$2,000,000.00 to \$2,150,000.00;
- b. Supplemental Agreement #1 with Wilbur Smith Associates, for open-end traffic and revenue services for the I-80 toll conversion project, for an increase of \$750,000.00; increasing the not-to-exceed amount from \$2,000,000.00 to \$2,750,000.00;
- c. Supplemental Agreement #4 with Michael Baker, Jr., Inc., for design management services for the US 22 to I-79 portion of the Southern Beltway, for an increase of \$178,303.00; increasing the not-to-exceed amount from \$3,947,680.00 to \$4,125,983.00.

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



CHANGE ORDER AND FINAL PAYMENT

Motion-That the Commission approves Change Order #2 and Final Payment for Contract #T-010.00R001-3-02 with IA Construction Corp. for bituminous resurfacing between MP 10.08 and MP 19.45; for a decrease of \$922,296.81, making the final contract value \$8,477,968.44, and the final amount due of \$306,749.24-was made by Mr. Lincoln, seconded by Mr. Deon; and passed unanimously.



RESOLUTION

Motion-THAT THE COMMISSION AUTHORIZES THE APPROVAL OF THE ISSUANCE OF THE PENNSYLVANIA TURNPIKE COMMISSION'S FIXED RATE OR VARIABLE RATE PENNSYLVANIA TURNPIKE COMMISSION TURNPIKE SUBORDINATE REVENUE BONDS OR SUBORDINATE GUARANTEED BONDS IN ONE OR MORE SERIES OR SUBSERIES, TAXABLE OR TAX-EXEMPT, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$650,000,000 (BASED ON ORIGINAL ISSUANCE VALUE), TO FINANCE (A) THE COSTS OF MAKING LEASE, GRANT OR OTHER PAYMENTS TO THE PENNSYLVANIA DEPARTMENT OF TRANSPORTATION IN ACCORDANCE WITH ACT 44, (B) THE COSTS OF REFUNDING CERTAIN OF THE COMMISSION'S OUTSTANDING SUBORDINATE BOND ANTICIPATION NOTES, (C) THE COSTS OF CERTAIN PRELIMINARY EXPENDITURES OF THE COMMISSION RELATED TO THE CONVERSION OF INTERSTATE 80 TO A TOLL ROAD, AND (D) ANY DEBT SERVICE RESERVE FUNDS, CAPITALIZED INTEREST AND THE COSTS OF ISSUANCE OF SUCH BONDS, AUTHORIZING THE EXECUTION, DELIVERY AND DISTRIBUTION OF THE FOLLOWING: (1) ONE OR MORE SUPPLEMENTAL TRUST INDENTURES, (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) ONE OR MORE CREDIT SUPPORT AGREEMENTS, (6) ONE OR MORE INTEREST RATE SWAPS OR OTHER DERIVATIVES, (7) ONE OR MORE CONTINUING DISCLOSURE AGREEMENTS, (8) AN ESCROW DEPOSIT AGREEMENT, (9) ONE OR MORE DOCUMENTS RELATED TO IMPLEMENTATION OF THE GUARANTEE OF THE MOTOR LICENSE FUND AND (10) ANY OTHER NECESSARY OR APPROPRIATE DOCUMENTS OR CERTIFICATES; AUTHORIZING THE TAKING OF FURTHER ACTION; REPEALING INCONSISTENT RESOLUTIONS; AUTHORIZING APPOINTMENT OF LEGAL COUNSEL AND ONE OR MORE UNDERWRITERS; AND DECLARING THAT THIS RESOLUTION SHALL BE LIBERALLY CONSTRUED-was made by Mr. Lincoln, seconded by Mr. Deon; and passed unanimously.



RESOLUTION

Motion-THAT THE COMMISSION AUTHORIZES THE APPROVAL OF THE ISSUANCE OF THE PENNSYLVANIA TURNPIKE COMMISSION'S VARIABLE AND/OR FIXED RATE TURNPIKE REVENUE BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$700,000,000 (BASED ON ISSUANCE VALUE) IN ONE OR MORE SERIES OR SUBSERIES, TAXABLE OR TAX-EXEMPT, FOR THE PURPOSE OF FINANCING THE COSTS OF VARIOUS CAPITAL EXPENDITURES FOR THE PENNSYLVANIA TURNPIKE SYSTEM SET FORTH IN THE COMMISSION'S CURRENT TEN YEAR 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 INCLUDING CAPITALIZED INTEREST; AUTHORIZING THE EXECUTION, DELIVERY AND DISTRIBUTION OF

THE FOLLOWING: (1) SUPPLEMENTAL TRUST INDENTURES TO THE RESTATED INDENTURE; (2) ONE OR MORE PRELIMINARY OFFICIAL STATEMENTS OR PRELIMINARY PRIVATE PLACEMENT MEMORANDA, IF REQUIRED; (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 OR RELATED AGREEMENTS; (6) ONE OR MORE REMARKETING AGREEMENTS AND CONTINUING DISCLOSURE AGREEMENTS; AND (7) ANY OTHER NECESSARY OR APPROPRIATE DOCUMENTS OR CERTIFICATES; AUTHORIZING SWAP AGREEMENTS; AUTHORIZING APPOINTMENT OF CO-BOND COUNSEL, AND ONE OR MORE UNDERWRITERS, FINANCIAL ADVISORS 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-was made by Mr. Lincoln, seconded by Mr. Deon; and passed unanimously.



NEXT MEETING

MS. EDMUNDS: The next Commission Meeting will be held Tuesday, March 16, 2010.



ADJOURNMENT

MS. EDMUNDS: Commissioners, I have no other items for consideration, if you have nothing further, I request a motion for adjournment.

Motion – That this meeting of The Pennsylvania Turnpike Commission be adjourned at 12:10 p.m. - was made by Mr. Lincoln, seconded by Mr. Pratt; and passed unanimously.



PREPARED BY:

Ann Louise Edmunds
Assistant Secretary Treasurer

03-03-10

APPROVED BY:

J. William Lincoln
Secretary Treasurer

ATTACHMENT NUMBER 1
COMMUNICATIONS: MEMO RECEIVED FROM THE CHIEF COUNSEL