

MINUTES OF THE COMMISSION MEETING HELD MARCH 6, 2012

A formal meeting of the Pennsylvania Turnpike Commission convened at 11:38 a.m., March 6, 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.

Others 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; William J. Capone, Chief of Communications and Public Relations; Richard DiPiero, Director of Fare Collection; Jeffrey L. Garrett, Chief Engineer, Michael Baker Jr., Inc.; 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 Allen W. Baldwin, Director of Operations, Safety & Incident Response; Christine J. Baker, Public Information/Photo Specialist; Susan Carson-Casoni, Cash Manager; John Christensen, Manager of FEMO; Rene Colborn, Manager of Media and Public Relations; Donald S. Klingensmith, P.E., Manager of Contracts Administration; Donna Lapano, Executive Office Assistant; Jeffrey A. Naugle, Manager of Treasury Operations; Bryan Schmitt, Risk Manager; Lt. Diane Stackhouse, PSP; Lynn Stakem, General Accountant; Brenda Szeles-Bratina, Director of Toll Revenue Audit; Christopher Will, Investment Manager; Dean Kohr, Atkins; Brad Heigel, Michael Baker, Jr., Inc.; John Kurgan, Michael Baker, Jr., Inc.; Dave Williams, Michael Baker, Jr., Inc.; Scott Wivell, Hill; Pat Malone, Buchanan Ingersoll and Tom Vankirk, Buchanan Ingersoll.

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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 A RECLASSIFICATION, EQUITY ADJUSTMENT, TITLE CHANGE,

TERMINATION, PROMOTIONS, NEW HIRES, VACANCIES, AND A REQUEST TO POST AND FILL A POSITION IN THE ENGINEERING DEPARTMENT.

THE COMMISSIONERS MET WITH COUNSEL TO DISCUSS A POTENTIAL LITIGATION MATTER 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.

DEAN KOHR, ATKINS

BRAD HEIGEL, MICHAEL BAKER, JR., INC.

JOHN KURGAN, MICHAEL BAKER, JR., INC.

DAVE WILLIAMS, MICHAEL BAKER, JR., INC.

SCOTT WIVELL, HILL

PAT MALONE, BUCHANAN INGERSOLL

TOM VANKIRK, BUCHANAN INGERSOLL

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MINUTES OF THE MEETING

Motion-That the Minutes of the meeting held February 21, 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-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 Lincoln, seconded by Commissioner Deon; and passed unanimously.

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NEW BUSINESS

BOND RESOLUTION

Motion-That the Commission authorize the issuance of the Pennsylvania Turnpike Commission's Subordinate Revenue Bonds, including bond anticipation notes and special revenue bonds, 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 \$300,000,000, 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, (b) refunding any bond anticipation notes or other short-term indebtedness 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, (d) any Debt Service Reserve or similar funds, credit facility costs or capitalized interest related to such bonds, and (e) 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 remarketing agreements, (6) one or more continuing disclosure agreements, (7) one or more escrow deposit agreements, (8) documents related to the pledge of motor license fund monies for special revenue bonds and (9) any other necessary or appropriate documents or certificates; authorizing the acquisition of one or more credit facilities and the execution and delivery of any related agreements; authorizing the taking of further action; repealing inconsistent resolutions; appointing co-bond counsel and providing for the appointment of one or more underwriters and remarketing agents; declaring the Pennsylvania Turnpike Commission's official intent that it be reimbursed from bond proceeds for certain expenditures paid prior to the issuance of such bonds; and declaring that this resolution shall be liberally construed-was made by Commissioner Lincoln, seconded by Commissioner Deon; Chairman Lieberman abstained.

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

The motion passed.

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AGREEMENTS

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

- a. Amendment to our agreement with Interstate Emergency Services-Bedford for authorized provider services from MP 127.30 to MP 154.10, to exercise our option to extend the agreement on a month-to-month basis until a provider is selected via the RFP process;
- b. Amendment to our agreement with Nickolich Towing for authorized provider services from MP M28.00 to MP 54.00, to exercise our option to extend the agreement on a month-to-month basis until a provider is selected via the RFP process;
- c. Amendment to our agreement with Rapid Response for (HAZMAT) spill response, to exercise our option to renew the agreement for an additional two (2) years;

- d. Amendment #8 to the E-ZPass Interagency Group (IAG) Operating Agreement to modify Section 4A of the agreement to create two new membership classes (National Affiliate Members and National Affiliate Private Members);

-was made by Commissioner Lincoln; and seconded by Commissioner Deon;

Motion-That the Commission approves the Amendment for the item listed in memo "e":

- e. Amendment to our agreements (with the vendors listed below) for medical benefits, to exercise our option to renew the agreements for an additional six (6) months:

Highmark Blue Shield-medical and vision

Aetna-prescription

United Concordia-dental

-was made by Commissioner Lincoln, seconded by Commissioner Deon;

Motion-That the Commission approves the Amendment for the item listed in memo "f":

- f. Amendment to our agreement with The Hartford for short-term disability, to exercise our option to renew the agreement for an additional year.

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

VICE CHAIRMAN PRATT: MR. CHAIRMAN: I ABSTAIN ON THE BASIS THAT THE COMPANY SET FORTH IN THESE AGENDA ITEMS 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 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 "d":

- a. Approve the transfer of property formerly of Milton Aronauer to the Township of Bristol in order to satisfy the requirements of the Commission's environmental permits, necessary for the I-95/I-276 Interchange Project; authorize the appropriate Commission officials to execute the deed as prepared by the Legal Department; and authorize the execution of any other documents, including restrictive covenants, which may be required for the stream mitigation project;
- b. Authorize the acquisition of Right-of-Way #6497-C, a partial take parcel, necessary for the replacement of Bridges NB-150 & NB-152; by issuing payment in the amount of \$2,030.00, payable to AT&T Corp.; 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 owners is contingent upon the delivery of a deed as prepared by the Legal Department;
- c. Authorize the acquisition of Right-of-Way #6494-B, a partial take parcel, necessary for the replacement of Bridges NB-150 & NB-152; by issuing payment in the amount of \$158,922.50, payable to City Line Abstract Company, Escrow Agent; representing fair market value, pro-rated taxes and recording fees; 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 owners is contingent upon the delivery of a deed as prepared by the Legal Department;
  - d. Authorize the settlement of Right-of-Way #14071-RA, a partial take parcel, necessary for the total reconstruction project from MP 40.00 to MP 48.00; by issuing payment in the amount of \$6,700.00, payable to Babst Calland, Escrow Agent; representing additional settlement funds; authorize the appropriate Commission officials to execute the settlement agreement and other documents necessary for closing; and payment of the settlement amount to the property owners is contingent upon the delivery of an executed settlement agreement as prepared by the Legal Department.

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

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#### ADVERTISING

Motion-That the Commission approves advertising for an authorized service provider for service on the Amos K. Hutchinson Bypass from MP G0.00 to MP G13.40-was made by Commissioner Lincoln, seconded by Commissioner Schoch; and passed unanimously.

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#### CHANGE ORDER, CHANGE ORDER/FINAL PAYMENTS

Motion-That the Commission approves the Change Order and Final Payment for the items listed in memo "a":

- a. Change Order #1 and Final Payment for Contract #EN-00097-03-09 with Lindy Paving, Inc. for bituminous resurfacing between MP 9.37 and MP 10.07 and the Beaver Valley Interchange ramp at MP 12.87, for an additional \$33,830.04, necessary for final quantity adjustments to finalize items to the actual work completed, additional changes to items for deck repairs, pavement markers, traffic lines, S.N.A.P. installation, attenuator repairs and payment adjustment for asphalt materials; making the final contract value \$1,257,641.74 and a final amount due to the contractor of \$257,693.40;

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

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

- Motion-That the Commission approves the Change Order for the items listed in memo "b":
- b. Change Order #3 for Contract #M-015.30X001-3-05 with McKamish, Inc. for HVAC work on the Uniontown to Brownsville Maintenance Facility, for an additional \$25,013.39, necessary for revisions and rerouting of the ductwork system and a water treatment system for the Geothermal system.

-was made by Commission Deon, seconded by Commissioner Lincoln.  
The motions passed.

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### AWARD OF CONTRACTS

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

- a. Contract #T-355.00P001-3-04 for I-95 wetland mitigation, to the lowest responsive and responsible bidder, Flyway Excavating, Inc.; at a not-to-exceed amount of \$338,030.00 and a contingency of \$25,000.00;
- b. Contract #EN-00028-03-04 for access ramp construction at MP 250.30, to the lowest responsive and responsible bidder, Hempt Bros., Inc.; at a not-to-exceed amount of \$499,999.99 and a contingency of \$30,000.00;
- c. Contract #A-128.87S001-3-02 for the replacement of Bridge NB-736 at MP A128.87, to the lowest responsive and responsible bidder, G.A. & F.C. Wagman, Inc.; at a not-to-exceed amount of \$2,387,628.65 and a contingency of \$100,000.00;
- d. Contract #T-222.00R001-3-02 for bituminous resurfacing between MP 221.40 and MP 235.52, to the lowest responsive and responsible bidder, Hempt Bros., Inc.; at a not-to-exceed amount of \$11,055,919.39 and a contingency of \$500,000.00.

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

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### SUPPLEMENTAL AGREEMENTS

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

- a. Supplemental Agreement #1 with ACA Engineering, Inc. for open-end material inspection and testing services in the East; for an additional \$250,000.00, increasing the not-to-exceed amount to \$1,100,000.00; necessary for additional inspection costs until the new open-end contract is awarded;
- b. Supplemental Agreement #1 with Greenman-Pederson, Inc. for open-end construction inspection services in the West; for an additional \$850,000.00, increasing the not-to-exceed amount to \$1,800,000.00; necessary for additional inspection costs until the new open-end contract is awarded.

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

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ITEM ADDED TO THE FORMAL AGENDA

PURCHASE ORDER

Motion-That the Commission approves the Award of a Bid and the Issuance of a Purchase Order for Cognos software support services to Waypoint Consulting, LLC; at a total award of \$199,870.52-was made by Commissioner Lincoln, seconded by Commissioner Deon; and passed unanimously.

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POST-FORMAL MEETING

John Kurgan and Jeff Garrett with Michael Baker, Jr., Inc. presented Baker's economic study of the Turnpike.

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ADJOURNMENT

Motion-That this meeting of The Pennsylvania Turnpike Commission be adjourned at 12:09 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

03-06-12

APPROVED BY:

J. William Lincoln  
Secretary Treasurer

ATTACHMENT NUMBER 1

COMMUNICATIONS: MEMO RECEIVED FROM THE CHIEF COUNSEL