

MINUTES OF THE COMMISSION MEETING HELD MARCH 15, 2011

A formal meeting of the Pennsylvania Turnpike Commission convened at 11:56 a.m., March 15, 2011 at the Central Office located in Highspire, Pennsylvania. Present for the meeting were William K. Lieberman, Chairman; A. Michael Pratt, Vice-Chairman; J. William Lincoln, Secretary Treasurer; Pasquale T. Deon, Sr., Commissioner and Barry J. Schoch, P.E., Acting Secretary of Transportation.

Others present for the meeting were Craig R. Shuey, 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; 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; Susan Carson-Casoni, Cash Manager; Carl E. DeFebo, Jr., Manager of Public Information-East; Derek S. Hansel, Assistant Chief Financial Officer; Kelly Horvath, Executive Secretary; Paige Kerstetter, Manager of Workers' Compensation and Property Claims; Donald S. Klingensmith, P.E., Manager of Contracts Administration; Donna Lapano, Executive Assistant; Anthony L. Maniscola, Special Investigator; Anthony Q. Maun, Director of Accounting; Jeffrey A. Naugle, Manager of Treasury Operations; Cathy Sabo, Sr. General Accountant; Patricia F. Schlegel, Director of Human Resources; Lynn Stakem, General Accountant; Mark Strause, Technician of PC/LAN; Brenda Szeles-Bratina, Director of Toll Revenue Audit; Kathy Thomas, Administrative Secretary; Kim D. Tosh, Treasury Analyst; Marsha Wagner, Executive Secretary; Kathy Bruder, Governor's Office; Ken Zawacki, Teamsters 77; Mark Rowe, Teamsters 77; Denny Semsick, GAI Consultants; Ray Schilling, P.E., GAI Consultants; Joe DiFiore, PB America; Jan Murphy, Patriot News and Roger E. Nutt.

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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 RECLASSIFICATION, TERMINATIONS, NEW HIRES, SUMMER PROGRAM, RELEASE AND REQUESTS TO POST AND FILL; TO ABOLISH; AND TO CREATE AND FILL POSITIONS IN THE EXECUTIVE OFFICE AND INFORMATION TECHNOLOGY, FINANCE & ADMINISTRATION, FARE COLLECTION AND OPERATIONS & INCIDENT RESPONSE DEPARTMENTS.

THE COMMISSIONERS ALSO DISCUSSED Ritchey v. PTC, Docket No. 3676134 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.

KEN ZAWACKI, TEAMSTERS  
KATHY BRUDER, GOVERNOR'S OFFICE  
ROGER NUTT  
RAY SCHILLING, GAI CONSULTANTS  
DENNY SEMSICK, GAI CONSULTANTS  
JOE DIFIORE, PB AMERICA  
JAN MURPHY-PATRIOT NEWS

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 March 1, 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 Strategic Sourcing & Asset 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 Lincoln, seconded by Commissioner Deon; and passed unanimously.

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NEW BUSINESS

Reinvestments, Liquidations and Purchase of Securities

Upon the motion by Commissioner Lincoln, seconded by Commissioners Deon, 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, Pratt, Lincoln, Deon and Schoch; the motion passed unanimously.

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AGREEMENTS

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

- a. Supplemental letter agreement with Allegheny Power for the relocation of its facilities necessary for the reconstruction project at MP 73.14 and the replacement of Bridge B-470, for an additional \$13,950.07; increasing the not-to-exceed amount to \$36,835.26;
- b. Amendment to our agreement with G.R. Sponaugle Services for mechanical and electrical maintenance services for the Central Office Building; to extend the terms of the agreement until December 31, 2011;

- c. Amendment to Work Order #20 with TransCore to standardize digital video recorders and add additional booth security cameras on Toll 43 Plazas, Toll 60 North and South Barriers and Toll 66 Plazas, for an additional \$201,099.00; increasing the not-to-exceed amount to \$1,360,973.00;
- d. Agreement with Elizabethtown Fire Department to provide fire/rescue service between MP 252.00 and MP 259.00.

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

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#### RIGHT-OF-WAY REQUEST

Motion-That the Commission authorizes the acquisition of a total take parcel (Parcel 42) necessary for the total reconstruction project from MP 40.00 to MP 48.00, by issuing payment in the amount of \$370,000.00 payable to Nathan Zarichnak, Escrow Agent; representing fair market value; 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 Operating 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 Commissioner Lincoln, seconded by Commissioner Pratt; and passed unanimously.

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#### APPROVE ADVERTISING

Motion-That the Commission approves advertising for a Project Management Information System to replace Buzzsaw and Constructware-was made by Commissioner Lincoln, seconded by Commissioner Pratt; and passed unanimously.

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#### ISSUANCE OF A PURCHASE ORDER

Motion-That the Commission approves the Award of Contract #T-149.50T002-3-02 for the replacement of Bridge B-553 at MP 155.14; to the lowest responsive and responsible bidder, New Enterprise Stone & Lime Co., Inc.; at a total award of \$1,710,705.25 and a contingency of \$75,000.00-was made by Commissioner Lincoln, seconded by Commissioner Deon; and passed unanimously.

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#### STREET ROAD TOLLING & AET TOLLING

Motion-That the Commission authorizes the implementation of the new tolling structure for Street Road effective April 3, 2011; and approves the tolling structure for existing and proposed

AET Interchanges (All Electronic Tolling) as proposed by WSA-was made by Commissioner Lincoln, seconded by Commissioner Deon; and passed unanimously.

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#### PTRC RECOMMENDATIONS

Motion-That the Commission approves the vendor selection recommendation from the Procurement Technical Review Committee and authorizes the negotiation and execution of the agreements for the items listed in memos “a” and “b”:

- a. Construction insurance consulting services to review the feasibility of Owner Controlled Insurance Program (OCIP) vs. Traditional insurance policies to ECBM Insurance Brokers & Consultants;
- b. Third party administrator services for the Commission’s self-insured auto and general liability claims to Inservco Insurance Services, Inc.

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

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#### FINAL PAYMENT

Motion-That the Commission approves Final Payment in the amount of \$266,866.71 for Contract #T-247.38F003-3-02 with Wohlsen Construction Company for general construction of the TIP building renovations, for a final contract value of \$5,337,334.10-was made by Commissioner Lincoln, seconded by Commissioner Pratt; and passed unanimously.

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#### ITEMS ADDED TO THE FORMAL AGENDA

#### SUPPLEMENTAL AGREEMENTS

Motion-That the Commission approves the Supplemental Agreements as listed in memos “a” through “f”:

- a. Supplemental Agreement #3 with Jacobs Engineering Group for design management services through the completion of the final design phase for Stage 1 Construction of the I-95/I-276 Interchange project, for an additional \$3,500,000.00; increasing the not-to-exceed amount to \$13,700,000.00;
- b. Supplemental Agreement #2 with McTish, Kunkel & Associates for CI/CM for the Allegheny River Bridge Construction project, for an additional \$250,000.00; increasing the not-to-exceed amount to \$15,149,367.33;
- c. Supplemental Agreement #6 with CDI-Infrastructure d/b/a L. R. Kimball for preliminary engineering/environmental services for the Allegheny Tunnel Transportation improvement project, for an additional \$1,800,000.00; increasing the not-to-exceed amount to \$5,887,016.13;

- d. Supplemental Agreement #2 with Harris Miller Miller & Hanson for noise analysis and mitigation design services form the MP 320.00 to MP 326.00 total reconstruction project, for an increase of \$50,000.00; increasing the not-to-exceed amount to \$550,000.00;
- e. Supplemental Agreement #6 with STV Incorporated for final design of the MP 320.00 to MP 326.00 total reconstruction project, for an increase of \$10,000,000.00; increasing the not-to-exceed amount to \$34,600,000.00;
- f. Supplemental Agreement #1 with JBC Associates, Inc. for CI/CM on the Route 29 Interchange construction project, for an increase of \$905,700.99; increasing the not-to-exceed amount to \$4,496,080.42.

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

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#### CHANGE ORDER

Motion-That the Commission approves the Change Order #7 for Contract #01-002-FCXM with Walsh Construction for construction of Section 51H of the Mon/Fayette Expressway, to eliminate a contract interim milestone date for the completion of specific work in the pier 2 & 3 area for Bridge MF-202A that is no longer necessary-was made by Commissioner Lincoln, seconded by Commissioner Pratt; and passed unanimously.

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#### APPROVAL AUTHORIZATION

Motion-That the Commission amends the policy authorizing the responsibility of approving Legal settlements/taxable court costs, recording fees, real estate taxes, municipal and municipal authority assessments, professional services including attorney, expert witness and appraisal fees ranging in the amounts from \$50,001 to \$100,000, to the Chief Operating Officer whenever there is a vacancy in the CEO position-was made by Commissioner Lincoln, seconded by Commissioner Deon; and passed unanimously.

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#### ADJOURNMENT

CHAIRMAN LIEBERMAN: ONE OF THE ITEMS WE APPROVED TODAY IS OUR NEW CEO, SO LET ME INTRODUCE HIM TO EVERYONE, THIS IS ROGER NUTT. HE COMES TO US WITH 30 YEARS OF TRANSPORTATION EXPERIENCE FROM ANOTHER STATE. ROGER WELCOME TO THE TURNPIKE, WE LOOK FORWARD TO TAKING ADVANTAGE OF ALL YOUR EXPERIENCE AND YOUR BREADTH OF KNOWLEDGE AND WE ARE VERY EXCITED TO HAVE YOU ONBOARD. WELCOME.

ROGER NUTT: THANK YOU FOR THIS OPPORTUNITY AND I JOIN THE COMMISSION AT AN INTERESTING TIME IN ITS 70-YEAR HISTORY, WHEN PEOPLE RIGHTFULLY HAVE HIGHER EXPECTATIONS OF GOVERNMENT TO PERFORM BETTER WHILE SPENDING LESS. THE COMMISSION MUST INTENSITY EFFORTS TO CUT COSTS AND

LEVERAGE TECHNOLOGY IF IT'S TO SUCCEED IN ITS MISSION OF ENHANCING MOBILITY AND SAFETY ACROSS PENNSYLVANIA. THANK YOU.

VICE CHAIRMAN PRATT: MR. CHAIRMAN, IF I COULD ALSO SAY THAT I'VE HAD AN OPPORTUNITY TO MEET MR. NUTT, AS WE ALL HAVE, AND I WILL SAY WE ARE ALL VERY EXCITED ABOUT HIS EXPERIENCE AND NOT ONLY THAT, BUT HE IS A NICE GUY. WE LOOK FORWARD TO YOU WORKING WITH US TO CONTINUE TO MOVE THE TURNPIKE FORWARD.

Motion-That this meeting of The Pennsylvania Turnpike Commission be adjourned at 12:05 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

03-15-11

APPROVED BY:

J. William Lincoln  
Secretary Treasurer

ATTACHMENT NUMBER 1

COMMUNICATIONS: MEMO RECEIVED FROM THE CHIEF COUNSEL AND  
MANAGER OF STRATEGIC SOURCING & ASSET MANAGEMENT