

MINUTES OF THE COMMISSION MEETING HELD MARCH 16, 2010

A formal meeting of The Pennsylvania Turnpike Commission convened at 11:29 a.m., March 16, 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 Joe G. Brimmeier, Chief Executive Officer; George M. Hatalowich, Chief Operating Officer; Robert F. Brady, Director of Operations/Projects-East; Rich 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; Jeffrey J. Mesaric, Chief Information Officer; Valerie J. Payne, Director of Administration 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; Donald S. Klingensmith, P.E., Manager of Contracts Administration; Donna Lapano, Executive Assistant; Jeffrey A. Naugle, Manager of Treasury Operations; Robert H. Rosell, Technician of PC/LAN; Brenda Szeles-Bratina, Director of Toll Revenue Audit; Tony Griffith, Phoenix Capital and Rick Welsh, Wachovia Bank.



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, NEW HIRES AND REQUESTS TO POST AND FILL POSITIONS IN THE FINANCE AND ADMINISTRATION, HUMAN RESOURCES AND MAINTENANCE DEPARTMENTS.

THE COMMISSIONERS ALSO 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 March 3, 2010 be approved and filed – was made by Mr. Lincoln, seconded by Mr. Pratt; and passed unanimously.



COMMUNICATIONS

Motion – That the Commission accepts and files the memos received from the Chief Counsel and the Procurement and Material Management Department– 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. Lincoln, seconded by Mr. Deon; 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. Pratt, seconded by Mr. 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 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 the Agreements as listed in memos “a” and “c”:

- a. Reimbursement Agreement with Aqua PA, for Aqua PA to reimburse the Commission the costs associated with the waste/water line relocation work necessary for the I-95 Interchange project;
- c. Reimbursement Agreement with PECO Energy Co., for PECO to reimburse the Commission the costs associated with the gas line relocation work necessary for the relocation of Bridges DB-234 and DB-247;

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

MR. PRATT: MR. CHAIRMAN: 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.

Motion-That the Commission approves the negotiation and execution of the Agreements, an Amendment and a Lease as listed in memos “b”, “d” and “e”:

- b. Agreement with Kroll Associates, Inc. for document preservation, collection and organization of electronically stored information for use in litigation matters;
- d. Amendment to our agreement with ACME Markets, Inc., for E-ZPass distribution, to extend the term of the agreement for an additional five (5) years, with an option for 2 five year renewal periods;
- e. Lease Agreement with Clear Wireless LLC to permit them to lease space and construct antennas and other related infrastructure on the Commission’s New Valley Forge Communications Tower; Clear Wireless will pay the Commission the initial tower lease rate of \$16,200.00 for the first year, with 3% increases every year after that; the term of the lease will be for a period of five (5) years, plus three (3) 5-year mutual renewal options.

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



RIGHT-OF-WAY REQUESTS

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

- a. Adopt the proposed Property Acquisition Resolution for Right-of-Way #1031-R10, a partial take parcel, necessary for the Somerset Interchange project; authorize

- payment of Estimated Just Compensation in the amount of \$153,200.00 payable to Hollinshead, Mendelson, Bresnahan and Nixon, P.C., Escrow Agent; and authorize payment of statutory damages and costs as calculated by the Legal Department and approved by the Chief Executive Officer;
- b. Adopt the proposed Property Acquisition Resolution for Right-of-Way #3173-D-01, a partial take parcel, necessary for the total reconstruction project from MP 199.00 to MP 227.00; authorize payment of Estimated Just Compensation in the amount of \$9,400.00 payable to Stevens & Lee, Escrow Agent; and authorize payment of statutory damages and costs as calculated by the Legal Department and approved by the Chief Executive Officer;
 - c. Authorize the acquisition of Right-of-Way #3167-A, a partial take parcel, necessary for the total reconstruction project from MP 199.00 to MP 227.00, by issuing payment in the amount of \$32,552.00, payable to Coon & Company, Escrow Agent; representing fair market value and prorated taxes; 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;
 - d. Authorize the acquisition of Right-of-Way #3173-D, a partial take parcel, necessary for the total reconstruction project from MP 199.00 to MP 227.00, by issuing payment in the amount of \$16,177.00, payable to John A. and Melanie M. Dyarman; representing fair market value and prorated taxes; 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;
 - e. Authorize the acquisition of Right-of-Way #3135-A, a partial take parcel, necessary for the total reconstruction project from MP 199.00 to MP 227.00, by issuing payment in the amount of \$9,072.00, payable to Lester E. Funk; representing fair market value and prorated taxes; 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 owner is contingent upon his delivery of a deed prepared by the Legal Department;
 - f. Authorize the acquisition of Right-of-Way #3178-J, a partial take parcel, necessary for the total reconstruction project from MP 199.00 to MP 227.00, by issuing payment in the amount of \$6,070.50, payable to Melvin Z. & Ada H. Leid; representing fair market value and prorated taxes; 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;

- g. Authorize the acquisition of Right-of-Way #17939, a total take parcel, necessary for construction of the Southern Beltway, by issuing payment in the amount of \$628,347.44, payable to Coon & 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 owner is contingent upon the delivery of a deed prepared by the Legal Department;
- h. Authorize the acquisition of Right-of-Way #173296, a total take parcel, necessary for construction of the Southern Beltway, by issuing payment in the amount of \$503,875.31, payable to Urban Settlement Company, Escrow Agent; representing fair market value, prorated taxes, recording fees and housing supplement; 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.



ADVERTISING

Motion-That the Commission approves the advertising, preparation and execution of agreements for the items listed in memos "a" and "b"; and advertising for the items listed in memos "c" and "d":

- a. Two (2) engineering firms to perform open-end traffic engineering services systemwide;
- b. An engineering firm to perform open-end traffic and revenue services systemwide; and authorize the preparation and execution of the agreement;
- c. Installation of infrastructure cabling to provide network connectivity for the new Everett District 2 Warehouse Building;
- d. Contract #T-075.94R001-3-02, bituminous resurfacing between MP 75.94 and MP 85.00.

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



AWARD OF BIDS, CHANGE ORDER AND ISSUANCE OF PURCHASE ORDERS

Motion-That the Commission approves the Award of Bids, a Change Order and the Issuance of Purchase Orders for the items listed in memos "a", "c" and "d":

- a. Toner and ink cartridges (printer supplies); to the lowest responsive and responsible bidder, CNI Office Supplies; at a total award of \$165,000.00;
- b. **DEFERRED** Change Order for contract 44*2102 with TSB Inc. d/b/a Schultheis Electric for Mon/Fayette highway lighting, for an increase of \$60,000.00; increasing the not-to-exceed amount from \$60,000.00 to \$120,000.00;
- c. Traffic line paint, utilizing the Commonwealth's contract with Ennis Paint Inc.; at a total award of \$943,000.00;
- d. Glass beads, utilizing the Commonwealth's contracts with:

District 1	Potters Industries, Inc.	\$ 50,000.00
District 2, 3, 4, 5	Greenstar Allentown LLC	<u>\$177,000.00</u>
TOTAL AWARD:		\$227,000.00

Item F-5b was deferred.

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



AWARD OF CONTRACT

Motion-That the Commission approves the Award of Contract # EN-00088-03-08 for miscellaneous pavement adjustments on Turnpike 376, Turnpike 66 and Turnpike 43, to the lowest responsive and responsible bidder, IA Construction Corporation, at a total award of \$961,640.05; with a contingency amount of \$40,000.00-was made by Mr. Deon, seconded by Mr. Lincoln; and passed unanimously.



PTRC RECOMMENDATION

Motion-That the Commission approves the recommendation from the Procurement Technical Review Committee and authorizes the negotiation and execution of a contract for diversity inclusion assessment to Jackson Lewis LLP-was made by Mr. Lincoln, seconded by Mr. Pratt; and passed unanimously.



Items Added to the Formal Agenda

SUPPLEMENT

Motion-That the Commission approves the preparation and execution of Supplemental Agreement #2 with Legion Design/Campbell & Associates, for the design contract for the replacement of bridge DB-155 at MP 342.75, for an increase of \$200,000.00; increasing the not-to-exceed amount from \$1,500,000.00 to \$1,700,000.00-was made by Mr. Lincoln, seconded by Mr. Pratt; and passed unanimously.



CHANGE ORDERS AND 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 #4 and Final Payment for Contract #EN-00049-03-09 with Donegal Construction Corporation for inlet repairs between MP 76.18 and MP 121.82; for an increase of \$36,115.23, making the final contract value \$1,762,040.23, and the final amount due of \$83,138.53;
- b. Change Order #4 and Final Payment for Contract #T-171.85S001-3 with Hempt Bros., Inc. for roadway and bridge reconstruction between MP 161.43 and 173.95; for a decrease of \$691,459.65, making the final contract value \$17,233,705.64, and the final amount due of \$372,367.16;
- c. Change Order #2 and Final Payment for Contract #T-266.00R001-3-02 with Handwerk Site Contractors for bituminous overlay between MP 268.34 and MP 275.00; for a decrease of \$227,896.06, making the final contract value \$3,653,671.76, and the final amount due of \$13,434.90.

-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 TURNPIKE REVENUE BONDS IN ONE OR MORE SERIES OR

SUBSERIES, TAXABLE OR TAX-EXEMPT, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$100,000,000 (NET OF ORIGINAL ISSUE DISCOUNT), TO REFUND A PORTION OF THE PENNSYLVANIA TURNPIKE COMMISSION'S TURNPIKE MULTI-MODAL REVENUE REFUNDING BONDS, SERIES A-1, A-2 OR A-3 OF 2008, CURRENTLY OUTSTANDING IN THE AGGREGATE PRINCIPAL AMOUNT OF \$208,615,000 AND/OR A PORTION OF THE PENNSYLVANIA TURNPIKE COMMISSION'S TURNPIKE MULTI-MODAL REVENUE BONDS, SERIES B-4, B-5 OR B-6 OF 2008, CURRENTLY OUTSTANDING IN THE AGGREGATE PRINCIPAL AMOUNT OF \$100,200,000 (COLLECTIVELY THE "SERIES 2008 BONDS"); AUTHORIZING THE EXECUTION, DELIVERY AND DISTRIBUTION OF THE FOLLOWING: (1) ONE OR MORE SUPPLEMENTAL TRUST INDENTURES TO THE RESTATED INDENTURE (HEREINAFTER DEFINED); (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 FACILITIES (AND RELATED AGREEMENTS); (6) ONE OR MORE REMARKETING AGREEMENTS; (7) ONE OR MORE INTEREST RATE SWAPS OR OTHER DERIVATIVES, OR AMENDMENTS TO OR TERMINATIONS OF EXISTING INTEREST RATE SWAPS; (8) ONE OR MORE CONTINUING DISCLOSURE AGREEMENTS; AND (9) ANY OTHER NECESSARY OR APPROPRIATE DOCUMENTS OR CERTIFICATES; AUTHORIZING APPOINTMENT OF BOND COUNSEL AND ONE OR MORE UNDERWRITERS, FINANCIAL ADVISORS AND OTHER PROFESSIONALS; AUTHORIZING CERTAIN INTERIM LOANS; AUTHORIZING THE TAKING OF FURTHER ACTION; AUTHORIZING THE REMOVAL OF AND APPOINTMENT OF REMARKETING AGENTS FOR THE SERIES OF 2008 BONDS NOT BEING REFUNDED AND THE EXECUTION OF APPROPRIATE DOCUMENTS IN CONNECTION THEREWITH; AUTHORIZING THE EXECUTION OF NEW, AMENDED OR SUPPLEMENTED STANDBY BOND PURCHASE AGREEMENTS WITH REGARD TO THE SERIES OF 2008 BONDS NOT BEING REFUNDED; RATIFYING PRIOR ACTIONS; REPEALING INCONSISTENT RESOLUTIONS; AND DECLARING THAT THIS RESOLUTION SHALL BE LIBERALLY CONSTRUED.

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



NEXT MEETING

MS. EDMUNDS: The next Commission Meeting will be held Tuesday, April 6, 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 11:35 a.m. - was made by Mr. Lincoln, seconded by Mr. Deon; 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 AND
PROCUREMENT AND MATERIAL MANAGEMENT DEPARTMENT