

MINUTES OF THE COMMISSION MEETING HELD MARCH 21, 2017

A formal meeting of the Pennsylvania Turnpike Commission convened at 11:35 a.m. on March 21, 2017 at the Central Office located in Highspire, Pennsylvania. Present for the meeting were William K. Lieberman, Vice Chairman; Pasquale T. Deon, Sr., Secretary Treasurer and Leslie Richards, Secretary of Transportation.

Also in attendance for the meeting were Mark P. Compton, Chief Executive Officer; Craig R. Shuey, Chief Operating Officer; Larry Bankert, Chief Engineer, Michael Baker, Inc.; Carl E. DeFebo, Jr., Director of Public Relations & Marketing; Charles L. Duncan III, Esquire, Director of Legislative Affairs; 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 & Inclusion and Ann Louise Edmunds, Assistant Secretary Treasurer.

Others present were Christine J. Baker, Public Information/Photo Specialist; Richard S. DiPiero, Senior Fare Collection Operations Manager; Richard C. Dreher, Assistant CFO/Financial Management; Katherine Hartzell, IT Project/Portfolio Manager; Kelly Horvath, Executive Administrative Assistant; Donald S. Klingensmith, P.E., Director of Procurement & Logistics; Donna Lapano, Executive Office Assistant; Anthony Q. Maun, Asst. CFO/Accounting & Budgeting; Wanda Metzger, Contracts Supervisor; Gina M. Murray, Engineering Contracts Supervisor; Sheri Norris, Director of Human Resources; Alicia Pennick; Human Resources Analyst; Roseann Placey, Manager of Media & Public Relations; Timothy M. Scanlon, Director of Traffic Engineering & Operations; Lynn Stakem, Senior General Accountant; Mark A. Strause, Technician of PC/LAN Systems; Christopher Will, Investment Manager; Mike Shubert, Consultant; John Smith, WSP/Parsons Brinckerhoff; Paul McNamee, KCI; Chris Messner, GPI; Mike Gross, Wallace Montgomery; Mark Boris, Borton Lawson; Scott Shimko, Borton Lawson; Tom Rowader, Dawood; Glenn Deppert, Arora & Assoc.; Michael Leinheiser, Urban; Mahmood Shehata, RK&K; Barbara Hoehne, STV; David Lowdermilk, WSP/PB; Rich Hilboky, Gibson Thomas; Scott Sternberger, HDR; Mike Conallen, Pennoni; Robert Scancelle, KSE; and Tom Cushman, AECOM.



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 and vacancies.

The Commissioners also discussed Docket No. 2013-70130, 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 March 7, 2017 be approved and filed as submitted -were made by Commissioner Deon, seconded by Commissioner Richards, and passed unanimously.



COMMUNICATIONS

Motion-That the Commission approves the memos received from the Chief Counsel and the Director of Procurement & Logistics—was made by Commissioner Deon, seconded by Commissioner Richards, and passed unanimously.



PERSONNEL

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



UNFINISHED BUSINESS

No unfinished business to discuss.



NEW BUSINESS

POLICY

Motion-That the Commission repeals Policy 2.15, Approval Authorization, as the contents of this policy are governed by other specific Commission policies and agenda approvals-was made by Commissioner Deon, seconded by Commissioner Richards, and passed unanimously.



AGREEMENTS

Motion-That the Commission approves the negotiation and execution of the Agreement and Amendments for the items listed in memos “a” through “c”:

- a. Amendments to our agreements for IT advisory, strategy and independent verification and validation work order services, to increase the total not-to-exceed amount to \$5,500,000.00 over the 3-year term;
- b. Amendments to our agreements for Application Development Work Order Services; exercising the option to renew the agreements for an additional 3 years (through December 20, 2020); at a not-to-exceed amount of \$9,000,000.00;
- c. Agreement with Pocono Mountain Visitors Bureau, to permit PennDOT (or its contractor) to install two (2) tourist oriented Pocono Mountains gateway signs on the Northeast Extension.

-was made by Commissioner Deon, seconded by Commissioners Richards, 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 #7169-F (Ellwood Adams Associates), a partial take parcel necessary for construction of the I-95 Interchange project by authorizing payment of \$15,936.87 representing fair market value and pro-rated taxes to Sun Life Assurance Company of Canada (as directed by the property owners), also authorizing payment of \$2,325.00 representing Section 710 fees to Cohen, Willwerth & Marraccini, LLC; 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;
- b. Acquisition of Right-of-Way #14129A-5 (Jerry Mazza, owner; Lee Hlavay, Inc.-tenant), a partial take parcel necessary for construction of the Southern Beltway, US 22 to I-79, by authorizing payment of \$11,703.50 representing business dislocation damages to Lee Hlavay, Inc.; authorize the appropriate Commission officials to execute the Settlement Agreement and other documents that may be required for closing; and authorize the payment of additional statutory damages as calculated by the Right-of-Way Administrator and approved by the Chief Counsel;
- c. Settlement of Right-of-Way #11000-A (Todd W. Booher, First National Bank of Pennsylvania), a total take parcel necessary for construction of the Southern Beltway, US 22 to I-79, by accepting payment from Todd Booher, conveying approximately 127.70 acres of the property to the PA Game Commission, conveying approximately 32.17 acres to Todd Booher along with rights, title and interest in the oil and gas underling the portion of the property conveyed to the PA Game Commission; and authorize the appropriate Commission officials to execute the necessary settlement documents and prepare and execute the required deeds;
- d. Acquisition of Right-of-Way #17727-A (The Aloe Family 1994 Limited Partnership), a partial take parcel necessary for construction of the Southern Beltway, US 22 to I-79, by authorizing payment of \$594,273.99 representing fair market value, pro-rated taxes and recording fees to Coon & Company, escrow agent; authorize the appropriate Commission officials to execute the Agreement of Sale and other documents as 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 its delivery of a deed as prepared by the Legal Department;
- e. Acquisition of Right-of-Way #17684-B (Imperial Land Corporation), a partial take parcel necessary for construction of the Southern Beltway, US 22 to I-79, by authorizing payment of \$127,264.51 representing fair market value, pro-rated taxes and recording fees to Coon & Company, escrow agent; authorize the appropriate Commission officials to execute the Agreement of Sale and other documents as 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;
- f. Acquisition of Right-of-Way #15000-A1 (Jacob M. & Nicole L. Kovac), a partial take parcel necessary for the total reconstruction project from MP 57.00 to MP 67.00 by authorizing payment of \$7,688.65 representing reimbursement of Section 710 fees and relocation damages to Jacob M. &

Nicole L. Kovac, authorize payment of \$2,775.00 representing payment of relocation damages to RSW Development Co., Inc., and authorize payment of \$3,347.50 representing Section 710 damages to Creenan & Baczkowski, P.C.;

- g. Acquisition of Right-of-Way #14104-A (Michael J. Francis Sullivan-owner, Urban Assault Paintball, LLC-tenant), a partial take parcel necessary for construction of the Southern Beltway, US 22 to I-79, by authorizing payment of \$300,000.00 representing payment for business move costs and personal property loss to Urban Assault Paintball, LLC; authorize the appropriate Commission officials to execute the Settlement Agreement and other documents that may be required for closing; and authorize the payment of additional statutory damages as calculated by the Right-of-Way Administrator and approved by the Chief Counsel;
- h. Acquisition of Right-of-Way #1031-R24 (AmeriGas Propane, L.P.), a total take parcel necessary for the reconstruction of Bridge B-502 at MP 110.12 by authorizing payment of \$485,196.20 representing fair market value, pro-rated taxes and personal property loss for outdoor advertising device; 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 its delivery of a deed prepared by the Legal Department;
- i. Acquisition of Right-of-Way #17731 (MarkWest Liberty Midstream & Resources, LLC), a partial take parcel necessary for construction of the Southern Beltway, US 22 to I-79 by authorizing payment of \$2,105.50 representing fair market value, pro-rated taxes and recording fees 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 owner is contingent upon its delivery of a deed prepared by the Legal Department;
- j. Acquisition of Right-of-Way #15001-B-1 (Richard L. & Gloria J. Kline), a partial take parcel necessary for the total reconstruction project from MP 57.00 to MP 67.00 by authorizing payment of \$21,255.00 representing fair market value and pro-rated taxes to Richard L. & Gloria J. Kline; 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 owners is contingent upon their delivery of a deed prepared by the Legal Department.

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



ADVERTISING

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

- a. Contract #S-006.00X002-3-22 for construction of cashless tolling on SR 0576, Section 54ABC, between MP S0.99 and MP S5.70;
- b. Mechanical and electrical maintenance services at the Central Administration Building (CAB), the Annex Office at the CAB, Turnpike Industrial Park Building, Steelton Warehouse and East Park Drive building;
- c. Mobile cashless tolling application services;
- d. IT Technical infrastructure and security support, maintenance, configuration and architecture services, open-end.

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



PURCHASE ORDERS

Motion-That the Commission approves the Change Order, a request to assign a contract and the Issuance of Purchase Orders for the items listed in memos "a" through "g":

- a. Wireless controller equipment, licensing and services, utilizing the Commonwealth's contract with ePlus Technology, Inc.; at a total award of \$266,459.90;
- b. Storage Area Network (SAN) system for the WRO, utilizing the Commonwealth's contract with World Wide Technology, Inc.; at a total award of \$168,395.67;
- c. Nutanix Server systems, utilizing the Commonwealth's contract with CDW Government, Inc.; at a total award of \$240,455.00;
- d. Assign the agreement with Critical Power USA, for systemwide maintenance for Uninterruptible Power Sources and batteries for systems manufactured by EATON/POWERWARE (approved June 7, 2016, item F-5g), to Unified Power Acquisition Corp. due to Unified Power acquiring Critical Power USA;
- e. Change order to the agreement with Unitec Distribution Systems, Inc., for toll collector uniform management services, to upgrade the Commissions' rainwear for fare collection and maintenance, at a cost of \$80,000.00;
- f. Master Civil 3D and GIS right of way development services, utilizing the Commonwealth's contract with Carahsoft Technology Corp.; at a total award of \$190,401.44;

- g. Exagrid backup storage (SAN), utilizing the Commonwealth's contract with ePlus Technology, Inc.; at a total award of \$158,654.14.

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



IAG PAYMENT

Motion-That the Commission approves reimbursement payment to the E-ZPass Interagency Group (IAG) for expenses incurred in supporting the backup Virtual Private Network (VPN), from October 2016 – January 2017, in the amount of \$3,085.76-was made by Commissioner Deon, seconded by Commissioner Richards, and passed unanimously.



CHANGE ORDER/FINAL PAYMENT

Motion-That the Commission approves Change Order #1 and Final Payment for Contract #A-070.26F001-3-04 for heat detector installation in the southbound Lehigh Tunnel with Carr & Duff, Inc., for an increase of \$200.00 for portable message boards for safety concerns and a credit for the field office and inspection facilities; for a final contract value of \$1,547,600.00 and final amount due to the contractor of \$117,470.00- was made by Commissioner Deon, seconded by Commissioner Richards, and passed unanimously.



SUPPLEMENT

Motion-That the Commission approves the negotiation and execution of Supplemental Agreement #1 for stream mitigation on the Southern Beltway, US 22 to I-79 with First Pennsylvania Resource, LLC, for an increase of \$12,640,000.00 for additional stream mitigation to meet federal and state regulatory requirements; for a revised not-to-exceed amount of \$26,140,000.00-was made by Commissioner Deon, seconded by Commissioner Richards, and passed unanimously.



BOND RESOLUTIONS

Motion-That the Commission approves the Bond Resolutions for the items listed in memos "a" through "d":

- a. 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. 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 AGENDA.
- d. 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 floating 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 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.

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



PSPC ITEMS

Motion-That the Commission approves the award of services and authorizes the negotiation and execution of an agreement with the selected firm for the items listed in memos "a" through "c":

a. RFP #7611, annual independent audit services:

- Mitchell & Titus, LLP-AWARDED
- Zelenkofske Axelrod LLC

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

b. RFP #7569, two (2) open-end contracts for public involvement and outreach services:

- AECOM Technical Services, Inc.-AWARDED
- Bravo Group, Inc.-AWARDED
- McCormick Taylor, Inc.

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

c. RFP #7545, authorized service provider coverage from MP A67.60 to MP A94.40:

- All Points Towing, Recovery and Service Center-AWARDED

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

d. REMOVED FROM THE AGENDA.



NEXT COMMISSION MEETING

The next meeting of the Pennsylvania Turnpike Commission will be a telephone meeting on Monday, April 3, 2017 beginning at 10:00 a.m.



POST-FORMAL

Paul McNamee, on behalf of ASHE, presented Brad Heigel with the plaque for Central PA Engineering of the Year. Brad thanked Paul and gave credit to the Commission and all members of the Engineering staff. Vice Chairman Lieberman also accepted a plaque from ASHE on behalf of the Commission.



ADJOURNMENT

Motion-That this meeting of the Pennsylvania Turnpike Commission be adjourned at 11:49 a.m. -was made by Commissioner Deon, seconded by Commissioner Richards, and passed unanimously.

