

MINUTES OF THE COMMISSION MEETING HELD APRIL 2, 2013

A formal telephone meeting of the Pennsylvania Turnpike Commission convened at 11:40 a.m., April 2, 2013 at the Central Office located in Highspire, Pennsylvania. Available via phone for the meeting were William K. Lieberman, Chairman; A. Michael Pratt, Esquire, Vice Chairman; J. Pasquale T. Deon, Sr., Secretary Treasurer and Barry J. Schoch, P.E., Secretary of Transportation.

Present for the meeting were Mark P. Compton, Chief Executive Officer; Craig R. Shuey, Chief Operating Officer; Larry Bankert, Chief Engineer, Michael Baker, Jr., Inc.; William J. Capone, Director of Communications/Public Relations; Scott Fairholm, Chief Information Officer; Todd S. Garrison, Director of Maintenance; David Gentile, Chief Compliance Officer; Nikolaus Grieshaber, Chief Financial Officer; Bradley J. Heigel, P.E., Chief Engineer; Jeffrey L. Hess, Director of Fare Collection and Field Operations; Doreen McCall, Chief Counsel; Stacia A. Ritter, Director of Government Affairs and Ann Louise Edmunds, Assistant Secretary Treasurer.

Also in attendance were Susan Carson-Casoni, Cash Manager; Donald S. Klingensmith, P.E., Director of Contracts Administration; Donna Lapano, Executive Office Assistant; Wanda Metzger, Contracts Supervisor; Jeffrey A. Naugle, Manager of Treasury Operations; Robert H. Rosell, Technician of PC/LAN Systems; Paul McNamee, KCI Technologies and David Snivley, GPI.

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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 TERMINATION, PROMOTION, REORGANIZATION, EQUITY ADJUSTMENTS, NEW HIRES, VACANCIES AND A REQUEST TO POST AND FILL A POSITION IN THE ENGINEERING DEPARTMENT.

THE COMMISSIONERS ALSO DISCUSSED Fay v. PTC, Docket No. 3949 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. THE FOLLOWING WERE VISTORS TO THE MEETING: Paul McNamee, KCI Technologies and Dave Snivley, GPI.

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MINUTES OF THE MEETING

Motion-That the Minutes of the meeting held March 27, 2013 be approved and filed as submitted-was made by Commissioner Deon, 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-was made by Commissioner Deon, seconded by Commissioner Pratt; and passed unanimously.

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PERSONNEL

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

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NEW BUSINESS

POLICY LETTER

Motion-That the Commission Adopt *Policy 2.18, Partial and Full-Day Closings*, to establish procedures for closing of Commission facilities due to hazardous road conditions, emergency circumstances or reasons as determined by the Chief Executive Officer or designee-was made by Commissioner Deon, seconded by Commissioner Pratt; and passed unanimously.

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AGREEMENTS

Motion-That the Commission approves the negotiation and execution of the Agreements, Supplements and an Amendment for the items listed in memos "a" through "e":

- a. Supplemental Agreement with Bedford Rural Electric Cooperative, Inc. (BREC) to reimburse BREC the costs associated with the engineering and facility relocation work necessary for the total reconstruction project from MP 149.00 to MP 155.00, for an additional \$3,693.53 to purchase a required Right-of-Way to relocate the utility;

- b. Reimbursement Agreement with PA American Water Co. (PAWC) to reimburse PAWC the costs associated with the engineering and facility relocation work necessary for the total reconstruction project from MP 242.00 to MP 245.00; at a not-to-exceed amount of \$37,910.00;
- c. Reimbursement Agreement with Duquesne Light Company (DLC) to reimburse DLC the costs associated with the engineering and facility relocation work necessary for the total reconstruction project from MP 44.00 to MP 48.00; at a not-to-exceed amount of \$642,066.50;
- d. Supplemental Agreement with PPL to reimburse PPL the costs associated with the engineering and facility relocation work necessary for the bridge work at MP A128.87, for an additional \$4,620.49 for the cost of materials and labor which was not part of the original estimate;
- e. Amendment to our agreement with Milliman, Inc. for OPEB (Other Post-Employment Benefits) actuarial services to have Milliman provide additional support and analysis, and perform interim calculations of the Commission's ARC (annual required contribution) as needed during the contract period; for an additional not-to-exceed amount of \$50,000.00.

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

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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 "e":

- a. Acquisition of Parcel 34, a partial take parcel necessary for the reconstruction of Bridge NB-531 and NB-534 at MP A76.00, by authorizing payment of fair market value in the amount of \$7,000.00 to Jill A. Turko; authorize the appropriate Commission officials to execute the temporary construction easement and other documents as may be required for closing, and to 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 her delivery of a temporary construction easement as prepared by the Legal Department;
- b. Acquisition of Right-of-Way #14219-E, a partial take parcel necessary for the total reconstruction project from MP 40.00 to MP 48.00, by authorizing payment of fair market value in the amount of \$900.00 to Clean Streams Foundation, Inc., Trustee for the Indianola Mine Trust; authorize the appropriate Commission officials to execute the temporary construction easement 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 temporary construction easement as prepared by the Legal Department;
- c. Acquisition of Right-of-Way #14100, a partial take parcel necessary for construction of the Southern Beltway, by authorizing payment of fair market value, pro-rated taxes and recording fees in the amount of \$108,438.84 to Karen Coon & Co., 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 owners is contingent upon their delivery of a deed as prepared by the Legal Department;

- d. Acquisition of Right-of-Way #17778, a partial take parcel necessary for construction of the Southern Beltway, by authorizing payment of fair market value, pro-rated taxes and recording fees in the amount of \$15,122.75 to Fayette Professional Services, Inc., 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 owners is contingent upon their delivery of a deed as prepared by the Legal Department;
- e. Quit Claim Deed to the benefit of Turnpike Distribution, L.P. for a portion of Right-of-Way #12537 acquired for the Beaver Valley Expressway; authorize the appropriate Commission officials to execute the deed.

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

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REAL ESTATE APPRAISAL POOL

Motion-That the Commission approves adding the following firms to the qualified pool for real estate appraisal services:

- H2 Appraisal Services
- QM Consulting

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

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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. Senior SAP Logistics Business Subject Matter Expert (April 1, 2013-June 30, 2013), utilizing the Commonwealth's contract with Computer Aid, Inc.; at a total award of \$195,000.00;
- b. Accuweather license fee, exercising our option to renew the agreement for an additional 17 months (May 1, 2013 – September 30, 2014) with Dell Marketing, at an additional cost of \$86,000.00;
- c. Traffic line paint, exercising our option to renew the agreement through November 30, 2013 with Ennis Paint Inc.; at an additional \$400,000.00;
- d. Service and maintenance agreements for carbon monoxide and gas detection equipment, exercising our option to renew the agreement (April 1, 2013 – March 31, 2014) with SL Technologies; at an additional cost of \$69,000.00.

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

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AWARD OF CONTRACTS

Motion-That the Commissioner approves the Award of Contracts for the items listed in memos "a" and "b":

- a. Contract #T-174.85S001-3-02 for the redecking of Bridge B-546 at MP 174.85 and the painting of Bridge B-412 at MP 175.39, to the lowest responsive and responsible bidder, Clearwater Construction, Inc.; at a not-to-exceed amount of \$1,346,000.00 and a contingency of \$65,000.00;
- b. Contract #T-206.00T001-3-02 for roadway and bridge reconstruction from MP 206.89 to MP 210.92, to the lowest responsive and responsible bidder, Hempt Bros., Inc.; at a not-to-exceed amount of \$48,619,928.51 and a contingency of \$2,000,000.00.

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

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SUPPLEMENTAL AGREEMENT

Motion-That the Commission approves Supplemental Agreement #2 with Arora and Associates, P.C. for open-end design services, for an additional \$50,000.00 to complete their construction consultation and other post design services for the construction of Bridge WB-506 at MP 63.06 -was made by Commissioner Deon, seconded by Commissioner Pratt; and passed unanimously.

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CHANGE ORDERS/FINAL PAYMENTS

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

- a. Change Order #2 for Contract #T-352.00R001-3-02 with Blooming Glen Contractors, Inc. for bituminous overlay between MP 353.40 and MP 358.00 and sign installation between MP 353.40 and MP 359.00, for an additional \$927,520.00 for bridge deck repairs and patching, MPT, painted traffic lines, milling and paving, bituminous and concrete patching, joint repairs, normal quantity adjustments to balance items to actual work completed, a 34-day time extension to complete additional type 1 & 2 deck repairs;
- b. Change Order #1 and Final Payment for Contract #A-113.35S001-3-02 with Road-Con, Inc. for the elimination of Bridge NB-651 at MP A113.35, for a decrease of \$44,897.11 to finalize items to the work completed, additional costs for signs, erosion control, ROW fencing, pavement markings and a 14-day time extension due to Hurricane Sandy, water main delays and unforeseen rock; for a final contract value of \$985,614.39 and final amount due to the contractor of \$29,298.38.

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

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PSPC AWARD

Motion-That the Commission approves the award of service and authorizes the negotiation and execution of an agreement with the selected firm for the items listed in memos “a” and “b”:

a. Ref # 5-087. Construction Management/Inspection for 6 bridge redecking/replacements on the Northeast Extension, for a not-to-exceed amount of \$6,000,000.00 and a term of 4-years:

- TRC Engineers, Inc.-AWARDED
- KCI Technologies, Inc.
- Johnson, Mirmiran & Thompson, Inc.

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

b. RFP #3994. Comprehensive audit of the Worker’s Compensation function, for a term of one-year:

- Marsh, Inc.-AWARDED
- NorthShore Risk Consulting, LLC

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

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OPEB OVERVIEW

Craig Shuey, COO introduced Nick Grieshaber, CFO who provided an overview to the OPEB (Other Post-Employment Benefits) accounting indicating the funded ratio is 60.8% and that the account has a return of 10%-11% since inception.

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NEXT COMMISSION MEETING

Ms. Edmunds: The next meeting of The Pennsylvania Turnpike Commission will be on Tuesday, April 16, 2013 beginning at 10:00 am.

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ADJOURNMENT

Motion-That this meeting of The Pennsylvania Turnpike Commission be adjourned at 11:56 a.m.
-was made by Commissioner Lieberman, seconded by Commissioner Deon; and passed unanimously.

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PREPARED BY:

APPROVED BY:

Ann Louise Edmunds
Assistant Secretary Treasurer

Pasquale T. Deon, Sr.
Secretary Treasurer

ATTACHMENT NUMBER 1

COMMUNICATIONS: MEMOS RECEIVED FROM THE CHIEF COUNSEL