

MINUTES OF THE COMMISSION MEETING HELD MAY 2, 2017

A formal telephone meeting of the Pennsylvania Turnpike Commission convened at 11:11 a.m. on May 2, 2017 at the Central Office located in Highspire, Pennsylvania. Present for the meeting was Barry Drew, Commissioner. Available via telephone 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 (via telephone); 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; Myneca Y. Ojo, Director of Diversity & Inclusion; Stacia A. Ritter, Esquire, Director of Policy and External Affairs and Ann Louise Edmunds, Assistant Secretary Treasurer.

Others present were Adam Cunningham, ETC Customer Service Specialist; Richard S. DiPiero, Senior Fare Collection Operations Manager; Richard C. Dreher, Assistant CFO/Financial Management; Kathryn Hartzell, IT Project/Portfolio Manager; Ryan Hoff, Engineering Project Manager 3; Kelly Horvath, Executive Administrative Assistant; Donald S. Klingensmith, P.E., Director of Procurement & Logistics; Jonathan Lessard; Engineering Project Manager 2; Anthony Q. Maun, Asst. CFO/Accounting & Budgeting; Anna Marcella, Legal Secretary; Tammy Miller, Executive Administrative Assistant; Gina M. Murray, Engineering Contracts Supervisor; Jeffrey A. Naugle, Manager of Treasury Operations; Sheri Norris, Director of Human Resources; Cindy Smith, ETC Customer Service Operations Analyst; Lynn Stakem, Senior General Accountant; Mark A. Strause, Technician of PC/LAN Systems; Eric Madden, ACEC/PA; Paul McNamee, KCI; John Smith; WSP Parsons Brinckerhoff; Jim Hickey, Cherry Weber; Mahmood Shehata, RK&K; Marcia Kodlick; Lotus; Scott Sternberger; HDR and Mike Gross, Wallace Montgomery.



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 available.



SUNSHINE ANNOUNCEMENT

The Commissioners met in Executive Session prior to today's Formal Agenda Session to consider matters of Personnel, which included a reorganization, terminations, performance incentives, new hires and vacancies.

The Commissioners also 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 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 April 18, 2017 be approved and filed as submitted -were made by Commissioner Deon, seconded by Commissioner Drew, and passed unanimously.



COMMUNICATIONS

Motion-That the Commission approves the memo received from the Chief Counsel—was made by Commissioner Deon, seconded by Commissioner Drew, and passed unanimously.



PERSONNEL

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



UNFINISHED BUSINESS

No unfinished business to discuss.



NEW BUSINESS

BOND RESOLUTION

Motion-That the Commission approves the issuance of the Pennsylvania Turnpike Commission's variable and/or fixed rate Turnpike Revenue Bonds 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, including any amendment thereto, 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 one or more co-bond counsel and disclosure counsel; appointing the co-financial advisors; 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-was made by Commissioner Deon, seconded by Commissioner Drew; Commissioner Lieberman abstained.

VICE CHAIRMAN LIEBERMAN: I abstain on this item because there is a potential bond counsel that is a client of my firm.



AGREEMENTS

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

- a. Settlement Agreement and Release in the case, Gibson v. PTC, and authorize payment of the settlement amount;

- b. Amendment to our agreement with Alliant for COBRA administration and insurance brokerage services, exercising the option to renew the agreement for an additional year (September 24, 2017 – September 23, 2018); at an approximate cost of \$10,000.00;
- c. Amendment to our Interagency Contribution Agreement with the Pennsylvania Department of Transportation (PennDOT) to execute an aerial easement (for the bridge structure) to enable PennDOT to receive federal reimbursement for its work (carrying SR 3020 over the Turnpike) necessary for the reconstruction of Bridge WB-308 at MP 28.01;
- d. Easement Agreement and a Temporary Construction Easement with the Towamencin Municipal Authority for the Authority to install a sewer line through Commission owned surplus property in Montgomery County; at a payment by the Authority of \$1,894.74.

-was made by Commissioner Deon, seconded by Commissioners Drew, 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 “c”:

- a. Settlement of Right-of-Way #14135 (Wayne E. Bisbey), a total take parcel necessary for construction of the Southern Beltway, US 22 to I-79, by authorizing payment of \$231,500.00 to David K. Derner, CPA, Executor of the Estate of Wayne E. Bisbey; authorize the appropriate Commission officials to execute the necessary settlement documents; and payment of the settlement funds to the property owner is contingent upon its execution of a Settlement Agreement and Full and Final Release as approved by the Legal Department;
- b. Acquisition of Right-of-Way #7224-A (Larry G. & Mary L. Lederer), a total take parcel necessary for the total reconstruction project from MP A38.00 to MP A44.00 by authorizing payment of \$420,783.08 representing fair market value, pro-rated taxes, recording fees, housing supplement and closing costs to Fuller Brown Land Service, 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 owners is contingent upon their delivery of a deed prepared by the Legal Department;
- c. Acquisition of Right-of-Way #17745 (Paul Joseph & Kathleen Lynn Demnyan, II), a partial take parcel necessary for construction of the Southern Beltway, US 22 to I-79, by authorizing payment of \$2,503.38 representing fair market value and pro-rated taxes to Paul Joseph & Kathleen Lynn Demnyan; 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 the delivery of a deed as prepared by the Legal Department.

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



SUPPLEMENTS

Motion-That the Commission approves the negotiation and execution of the Supplemental Agreements for the items listed in memos “a-c & e”:

- a. Supplemental Agreement #1 for open-end geotechnical engineering services with Earth, Inc., for an additional \$200,000.00 to respond to geohazards like slope failures and sinkhole occurrences; for a revised not-to-exceed amount of \$1,100,000.00;
- b. Supplemental Agreement #1 for open-end geotechnical engineering services with Gannett Fleming, Inc., for an additional \$200,000.00 to respond to geohazards like slope failures and sinkhole occurrences; for a revised not-to-exceed amount of \$1,100,000.00;
- c. Supplemental Agreement #1 for open-end design services with Tri-State Design and Development, Inc., for an additional \$100,000.00 to complete the design and protection of traffic for pavement repairs between MP M29.33 and MP M36.05; for a revised not-to-exceed amount of \$1,000,000.00;
- e. Supplemental Agreement #1 for transportation improvement study from MP 333.00 to MP 351.00 with Rummel, Klepper & Kahl, LLP, for an additional \$1,000,000.00 to complete the preparation of final study reports that will identify options to improve traffic flow and safety through the corridor and provide assistance with the development and implementation of the recommended improvements; for a revised not-to-exceed amount of \$3,000,000.00.

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

Motion-That the Commission approves the negotiation and execution of the Supplemental Agreement for the item listed in memo “d”:

- d. Supplemental Agreement #1 for final design of the Southern Beltway, US 22 to I-79 with ms consultants, inc., for an increase of \$4,200,000.00 to continue with final design, studies for widening, coordination with local municipalities, additional utility relocations and right-of-way acquisitions, specifications and plans, consultation during construction, and shop drawing review; for a revised not-to-exceed amount of \$15,700,000.00;

-was made by Commissioner Deon, seconded by Commissioner Drew, Commissioner Lieberman abstain.

VICE CHAIRMAN LIEBERMAN: I abstain on this item because a sub-consultant is a client of my firm (Monaloh Basin).



PURCHASE ORDER

Motion-That the Commission approves the Change Order to the agreements for plow blades, hardware and accessories (November 2015 – June 30, 2017), to purchase additional equipment at a lower cost through Ironhawk:

Winter Equipment Co., Inc.	(\$310,000.00)	
Ironhawk Industrial	<u>310,000.00</u>	
TOTAL ADDITIONAL AWARD:	\$	0.00 Transferring funds between contracts

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



CONTRACT AWARD

Motion-That the Commission approves the Award of Contract #EN-00189-03-02 for sinkhole repairs between MP 199.26 and MP 312.03, to the lowest responsive and responsible bidder, Bi State Construction Co., Inc.; at a not-to-exceed amount of \$2,000,000.00-was made by Commissioner Deon, seconded by Commissioner Drew, and passed unanimously.



CHANGE ORDER

Motion-That the Commission approves Change Order #4 for Contract #A-049.00R001-3-02 for bituminous overlay between MP A48.90 and MP A59.34 with New Enterprise Stone & Lime Co., Inc., for a 199-day time extension to complete additional bituminous patches required on the project-was made by Commissioner Deon, seconded by Commissioner Drew, and passed unanimously.



PSPC AWARD

Motion-That the Commission approves the award of services and authorize the negotiation and execution of an agreement with the selected firm for T00048, open-end environmental services systemwide;

- A.D. Marble & Company-AWARDED
- Lotus Environmental Consulting, LLC
- HDR Engineering, Inc.

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



ITEMS ADDED TO THE FORMAL AGENDA

SUPPLEMENTAL AGREEMENT

Motion-That the Commission approves the negotiation and execution of Supplemental Agreement #1 for quality assurance inspection and laboratory testing and quality assurance audits for the I-95/I-276 Interchange project with Navarro & Wright Consulting Engineers, Inc., to also include quality assurance and laboratory testing for the entire Turnpike system-was made by Commissioner Deon, seconded by Commissioner Drew, and passed unanimously.



ADVERTISING

Motion-That the Commission approves advertising for quality assurance laboratory testing services-- was made by Commissioner Deon, seconded by Commissioner Drew, and passed unanimously.



NEXT COMMISSION MEETING

The next meeting of the Pennsylvania Turnpike Commission will be held on Tuesday, May 16, 2017 beginning at 10:00 a.m.



ADJOURNMENT

Motion-That this meeting of the Pennsylvania Turnpike Commission be adjourned at 11:22 a.m. in honor of Commissioner Barry Drew's birthday -was made by Commissioner Deon, seconded by Commissioner Drew, and passed unanimously.



PREPARED BY:

APPROVED BY:

Ann Louise Edmunds
Assistant Secretary Treasurer

Pasquale T. Deon, Sr.
Secretary Treasurer