

MINUTES OF THE COMMISSION MEETING HELD MAY 17, 2016

A formal telephone meeting of the Pennsylvania Turnpike Commission convened at 2:34 p.m. on May 17, 2016 at the Central Office located in Highspire, Pennsylvania. Present for the meeting was Barry Drew, Commissioner. Available via telephone were Sean Logan, Chairman; William K. Lieberman, Vice Chairman; Pasquale T. Deon, Sr., Secretary Treasurer and Leslie S. Richards, Secretary of Transportation.

Also available via telephone were Mark P. Compton, Chief Executive Officer and Craig R. Shuey, Chief Operating Officer. Others present for the meeting were Larry Bankert, Michael Baker, Inc.; Carl E. DeFebo, Jr., Director of Public Relations & Marketing; Scott D. Fairholm, Chief Information Officer; Nikolaus Grieshaber, Chief Financial Officer; Bradley J. Heigel, P.E., Chief Engineer; Doreen A. McCall, Chief Counsel; Myneca Y. Ojo, Director of Diversity and Inclusion; Stacia A. Ritter, Esquire, Director of Policy & External Affairs and Ann Louise Edmunds, Assistant Secretary Treasurer.

Also in attendance were Richard S. DiPiero, Senior Fare Collection Operations Manager; Richard C. Dreher, Assist CFO/Financial Management; Jason Falchek, Technician of PC/LAN Systems; Donald S. Klingensmith, Director of Procurement and Logistics; Donna Lapano, Executive Office Assistant; Wanda Metzger, Contracts Supervisor; Gina M. Murray, Engineering Contracts Supervisor; Jeffrey A. Naugle, Manager of Treasury Operations; Sheri Norris, Director of Human Resources; Joseph Sutor, Planning Manager; Emily Grassetti, Summer Intern, Desiree Sourbeer, Summer Intern, Paul McNamee, KCI; John Smith, Parsons Brinkerhoff; Kristi Reichard, Raudenbush Engineering; Eric Madden, ACEC/PA; Tom Cushman, AECOM; Jock Rowe, Teamsters Local 77 and Mark Rowe, Teamsters Local 77.



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 terminations, promotions, new hires, vacancies, and a request to reclass; and to post and fill positions in the Fare Collection department.

The Commissioners also discussed Docket No. PTC-WC-6864, 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 May 3, 2016 be approved and filed as submitted-were made by Commissioner Lieberman, seconded by Commissioner Drew, 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 Lieberman, seconded by Commissioner Drew, and passed unanimously.



PERSONNEL

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



UNFINISHED BUSINESS

No unfinished business to discuss.



NEW BUSINESS

POLICY LETTER

Motion-That the Commission adopts the revisions to Policy 2.03, Family Medical Leave, to clarify leave usage and update the policy to include federal regulatory changes-was made by Commissioner Lieberman, seconded by Commissioner Drew, and passed unanimously.



AGREEMENTS

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

- a. Reimbursement Agreement with Norfolk Southern Railroad to reimburse the Railroad the cost to perform the engineering and protective services work necessary for the replacement of Bridge EB-117 at MP 238.09; at a not-to-exceed amount of \$51,838.00;
- b. Amendment to our agreement with Rapid Response, Inc. for spill team responses from MP A57.40 to MP A130.60, exercising the option to renew the agreement for an additional 2- years;
- c. Settlement and Release Agreement with Leslie Donohoe, and authorize issuance of the workers' compensation settlement payment;
- d. Reimbursement Agreements with Allegheny Township, New Baltimore Borough and Juniata Township to reimburse each municipality the cost for administrative fees associated with reclassifying Will Road from a private access road to a township road; for a combined not-to-exceed amount of \$40,000.00;
- e. Agreement with Trion Group (as advertised through our broker, Sagewell Partners) for COBRA Administration for 3-years, with 2 one-year renewable extensions;
- f. Amendment to our agreement with AAA Central Penn Inc. to distribute E-ZPass in their locations; exercising the option to renew the agreement for an additional five (5) year period.

-was made by Commissioner Lieberman, seconded by Commissioner 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 "f":

- a. Adopt the proposed Property Acquisition Resolution for Right-of-Way #14067-A (James R. & Virginia A. Gleason), a partial take parcel necessary for the total reconstruction project from MP 40.00 to MP 48.00 by authorizing payment of \$500.00 representing Estimated Just Compensation to the Law Offices of Robert J. Wratcher, LLC, escrow agent; and authorize payment of additional statutory damages as calculated by the Right-of-Way Administrator and approved by the Chief Counsel;
- b. Adopt the proposed Property Acquisition Resolution for Right-of-Way #14201-A (Thomas W. & John H. Armstrong), a partial take parcel necessary for the total reconstruction project from MP 40.00 to MP 48.00 by authorizing payment of \$15,500.00 representing Estimated Just Compensation to the Law Office of Robert J. Wratcher, LLC, escrow agent; and authorize payment of additional statutory damages as calculated by the Right-of-Way Administrator and approved by the Chief Counsel;
- c. Adopt the proposed Property Acquisition Resolution for Right-of-Way #17969 (Tseng Ta & Shu H. Peng), a total take parcel necessary for construction of the Southern Beltway, US 22 to I-79, by authorizing payment of \$322,000.00 representing Estimated Just Compensation to the Law Office of Robert J. Wratcher LLC, escrow agent; and authorize payment of additional statutory damages as calculated by the Right-of-Way Administrator and approved by the Chief Counsel;
- d. Adopt the proposed Property Acquisition Resolution for Right-of-Way #14119 (Louis D. & Melissa A. Quattro, Jr., Dale Property Services Penn, L.P. and Statoil USA Onshore Properties, Inc.), a partial take parcel necessary for construction of the Southern Beltway, US 22 to I-79, by authorizing payment of \$198,600.00 representing Estimated Just Compensation; and authorize payment of additional statutory damages as calculated by the Right-of-Way Administrator and approved by the Chief Counsel;
- e. Adopt the proposed Property Acquisition Resolution for Right-of-Way #17965 (George A. & Miriam M. Siders d/b/a M&G Construction), a total take parcel necessary for construction of the Southern Beltway, US 22 to I-79, by authorizing payment of \$254,100.00 representing Estimated Just Compensation to the Law Office of Robert J. Wratcher, LLC, escrow agent; and authorize payment of additional statutory damages as calculated by the Right-of-Way Administrator and approved by the Chief Counsel;
- f. Acquisition of Right-of-Way #6519-E (Branch Creek Holdings, LLC), a partial take parcel necessary for the total reconstruction from MP A31.00 to MP A38.00 by authorizing payment of \$13,195.00 representing fair market value and pro-rated taxes to Branch Creek Holdings, 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;

- g. Acquisition of Right-of-Way #6517-A (James S. & Eden E. Clemens III), a partial take parcel necessary for the total reconstruction from MP A31.00 to MP A38.00 by authorizing payment of \$5,000.00 representing fair market value to James S. & Eden E. Clemens III; 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 the delivery of a deed as prepared by the Legal Department;
- h. Acquisition of Right-of-Way #6514-D (Ronald C. & Carla S. Clemmer), a partial take parcel necessary for the total reconstruction from MP A31.00 to MP A38.00 by authorizing payment of \$28,920.97 representing fair market value and pro-rated taxes to Ronald C. & Carla S. Clemmer, 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 owners is contingent upon the delivery of a deed as prepared by the Legal Department;
- i. Acquisition of Right-of-Way #6504-B (Paul R. & Sharon Nice), a partial take parcel necessary for the total reconstruction from MP A31.00 to MP A38.00 by authorizing payment of \$112,317.74 representing fair market value and pro-rated taxes to Paul R. & Sharon Nice, 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 owners is contingent upon the delivery of a deed as prepared by the Legal Department;
- j. Acquisition of Right-of-Way #6508-B (PECO Energy Company), a partial take parcel necessary for the total reconstruction from MP A31.00 to MP A38.00 by authorizing payment of \$7,409.50 representing fair market value and pro-rated taxes to PECO Energy Company; 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;
- k. Adopt the proposed Property Acquisition Resolution for Right-of-Way #17635 (Daniel George Armstrong), a partial take parcel necessary for construction of the Southern Beltway, US 22 to I-79, by authorizing payment of \$8,300.00 representing Estimated Just Compensation; and authorize payment of additional statutory damages as calculated by the Right-of-Way Administrator and approved by the Chief Counsel;

- I. Acquisition of Right-of-Way #1100-F (Edward U. & Melissa S. Hankinson), a total take parcel necessary for the total reconstruction from MP 129.00 to MP 133.00 by authorizing payment of \$389,426.29 representing fair market value, pro-rated taxes, recording fees, Section 710 damages and replacement housing supplement to Fike, Cascio & Boose, 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 fair market value to the property owners is contingent upon the delivery of a deed as drafted by the Legal Department.

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



#### ADVERTISING

Motion-That the Commission approves advertising for an architectural firm to perform design and construction phase services for new Devault Maintenance facility in District 4 -was made by Commissioner Lieberman, seconded by Commissioner Drew, and passed unanimously.



#### PURCHASE ORDERS

Motion-That the Commission rescinds an award and approves the Award of a Bid and the Issuance of Purchase Orders for the items listed in memos "a" through "c":

- a. LED roadway lighting, utilizing the Commonwealth's contract with Schaedler Yesco Distribution, Inc.; at a total award of \$242,875.00;
- b. Rescind the award for toll tickets and APM receipt paper rolls to Sandt Products (approved April 19, 2016) as they withdrew their bid due to a pricing error, and award the bid to the lowest responsive and responsible bidder, NCR Corp.; at a total award of \$277,000.00;
- c. Smartnet maintenance and technical support for Cisco equipment (2016-2017), utilizing the Commonwealth's contract with ePlus Technology, Inc.; at a total award of \$488,305.85.

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



#### AWARD OF CONTRACTS

Motion-That the Commission approves the Award of Contract #T-176.35S001-3-02 for the elimination of Bridge B-554 at MP 176.35, to the lowest responsive and responsible bidder, Susquehanna Valley Construction Corporation; at a not-to-exceed amount of \$784,480.00 and a contingency of \$35,000.00- was made by Commissioner Lieberman, seconded by Commissioner Drew, and passed unanimously.



CHANGE ORDERS/FINAL PAYMENTS

Motion-That the Commission approves the Change Orders and Final Payments for the items listed in memos "a" through "h":

- a. Change Order #5 for Contract #A-068.53S002-3-02 for design/build for the replacement of Bridge NB-391 at MP A68.53 with Trumbull Corporation, for an additional \$254,187.90 for culvert repairs, to excavate and grade access road for BMP raingardens requirements, additional paving and grading to the hinge point and Micropile Value Engineering; for a revised not-to-exceed amount of \$34,885,085.11;
- b. Change Order #1 for Contract #T-333.59F001-3-03 for plumbing work at the Plymouth Meeting maintenance facility with Guy M. Cooper, Inc., for a 94-day time extension for waste removal, design revisions and asbestos abatement;
- c. Change Order #6 for Contract #T-333.59F001-3-02 for general construction work at the Plymouth Meeting maintenance facility with High Construction Company, for a 94-day time extension for waste removal, design revisions and asbestos abatement;
- d. Change Order #4 for Contract #T-333.59F001-3-05 for HVAC work at the Plymouth Meeting maintenance facility with Boro Developers, Inc., for a 94-day time extension for waste removal, design revisions and asbestos abatement;
- e. Change Order #4 for Contract #T-333.59F001-3-04 for electrical work at the Plymouth Meeting maintenance facility with Boro Developers, Inc., for a 94-day time extension for waste removal, design revisions and asbestos abatement;
- f. Change Order #10 for Contract #T-355.00P001-3-07 for construction of the I-95/I-276 Interchange project, Section B with Road-Con, Inc., for a non-compensatory 44-day time extension due to the displacement of staged activities imposed by the January 3, 2016 toll conversion milestone;
- g. Change Order #10 for Contract #T-319.30P001-3-02 for construction of the SR 29 Interchange at MP 320.00 with Allan A. Myers, LP, for a decrease of \$808,156.81 to balance items to actual work completed and construction of infiltration basins to meet the permit requirements; for a final contract value of \$50,246,310.40 and final amount due to the contractor of \$86,562.34;
- h. Change Order #1 for Contract #T-338.58R001-3-02 for bituminous resurfacing of the Fort Washington Interchange with Allan A. Myers, LP, for an additional \$225,993.26 to balance items to actual work completed, changes for erosion control, drainage, concrete bridge repairs, pavement markings, scour repair and upgrading existing guide rail end treatments, and a 14-day time extension for additional concrete bridge repairs; for a revised not-to-exceed amount of \$3,098,493.26.

-was made by Commissioner Lieberman, 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” and “b”:

- a. Supplemental Agreement #1 for construction management services for the Southern Beltway, Rt. 22 to I-79 with CDR Maguire, Inc., to include construction management services for the Findlay Connector cashless tolling conversion;
- b. Supplemental Agreement #1 for Systemwide Transportation Planning with McCormick Taylor, Inc., for an increase of \$500,000.00 necessary for evaluation of Act 44/89 funding scenarios, continued assistance with Systemwide Transportation Planning, long range planning, business plans and leadership efforts, and increasing the time of completion to April 19, 2019; for a revised not-to-exceed amount of \$3,500,000.00.

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



### BONDS

Motion-That the Commission approves authorizing the issuance of the Bond for the item listed in memo “a”:

- a. Issuance of the Pennsylvania Turnpike Commission’s Subordinate Indenture Bonds in one or more series or sub-series, fixed rate, taxable or tax-exempt, in an aggregate principal amount not to exceed \$650,000,000 (based on par amount), to finance the costs of (a) refunding all or a portion of the subordinate Indenture Bonds previously issued by the Pennsylvania Turnpike Commission, (b) funding necessary reserves or similar funds, (c) obtaining credit facilities related to such bonds, and (d) issuance of such bonds; authorizing the execution, delivery and distribution of the following: (1) one or more supplemental trust indentures, (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 continuing disclosure agreements, (6) one or more Escrow Deposit Agreements, (7) documents related to the pledge of motor license fund moneys for special Revenue Bonds, and (8) any other necessary or appropriate documents or certificates; authorizing the acquisition of one or more credit facilities and the execution and delivery of any related agreements; providing for the appointment of one or more co-bond counsel, disclosure counsel and/or other professionals; appointing the co-financial advisors; providing for the appointment of one or more underwriters; authorizing the taking of further action; repealing inconsistent resolutions; and declaring that this resolution shall be liberally construed;

-was made by Commissioner Lieberman, seconded by Commissioner Drew; Commissioner Logan abstained.

CHAIRMAN LOGAN: I abstain on this item because PNC Bank (which is involved in this bond issue) is a member of the Monroeville Area Chamber of Commerce, which I serve as President.



Motion-That the Commission approves authorizing the issuance of the Bond for the item listed in memo "b":

- b. Issuance of one or more taxable or tax-exempt promissory notes of the Pennsylvania Turnpike Commission, in an aggregate principal amount not to exceed \$800,000,000, to finance the costs of the projects identified in the Pennsylvania Turnpike Commission's current Ten Year Capital program; authorizing the execution, delivery and distribution of the following: (1) a loan agreement, (2) one or more promissory notes, and (3) any other necessary or appropriate documents or certificates; declaring the Pennsylvania Turnpike Commission's official intent that it be reimbursed from note proceeds for certain expenditures paid prior to the issuance of such notes; authorizing the taking of further action; repealing inconsistent resolutions; authorizing appointment of legal counsel; and declaring that this resolution shall be liberally construed.

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



CAPITAL PLAN, OPERATING BUDGET AND OPEB TRANSFER

Motion-That the Commission approves the Fiscal Year 2017 contributions to the Retiree Medical Trust for the item listed in memo "a":

- a. Transfer of up to \$2,500,000.00 per month to the Commission's Retiree Medical Trust for Fiscal Year 2017;

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

Motion-That the Commission approves proposed FY 2016-2017 Annual Operating Expense Budget for the item listed in memo "b":

- b. Adopt the proposed Resolution and approve the Annual Operating Expense Budget for the 2016 – 2017 Fiscal Year in the amount of \$377,887,990.00;

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

Motion-That the Commission approves the Fiscal Year 2017 Ten Year Capital Plan for the item listed in memo "c":

- c. Approve the proposed FY 2017 Ten Year Capital Plan and grant approval for staff to procure long lead equipment items and advertise for the use of consultants, contractors and other necessary professional services to advance all phases of projects within the first two years of the adopted plan.

-was made by Commissioner Drew, seconded by Commissioner Richards; Commissioner Logan and Commissioner Lieberman voted "No". The motion passed.



PSPC ITEMS

Motion-That the Commission approves the award of services and authorize the negotiation and execution of an agreement with the selected firm(s) for the items listed in memos "a" through "e":

a. T00029/T00030, two (2) open end construction inspection services from MP 0.00 to MP 247.00, I-376, Turnpike 576, Turnpike 66 and Turnpike 43:

- Quality Engineering Solutions, Inc.-AWARDED
- RIG Consulting, Inc.-AWARDED
- The EADS Group, Inc.
- TRC Engineers, Inc.

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

b. Ref #1-170, design of a new maintenance facility on the Southern Beltway;

- AE Works-AWARDED
- ms consultants
- Murray Associates

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

c. RFP #7254, three (3) firms for advisory, strategy and independent verification and validation work order services;

- Cognizant Technology Solutions-AWARDED
- Deloitte Consulting, LLP-AWARDED
- KPMG LLP-AWARDED
- Gartner, Inc.

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

d. RFP #7233, authorized service provider from MP A37.90 to MP A67.50:

- Ross Body & Frame Works, Inc. d/b/a A-1 Towing Service-AWARDED

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

e. RFP #7234, authorized service provider from MP M28.00 to MP M54.00 on the Mon/Fayette Expressway.

- Lenzi Service Station, Inc.-AWARDED

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



PROPERTY DAMAGE CLAIM

Motion-That the Commission authorizes the Engineering Department to issue a Damage Claim to reimburse a contractor for the costs to replace an existing damaged closed pipe system at MP 208.20 EB, the work will be solicited to two contractors with current construction contracts in the area; estimated cost of the work is \$1,500,000.00-was made by Commissioner Lieberman, seconded by Commissioner Drew, and passed unanimously.



NEXT COMMISSION MEETING

The next meeting of the Pennsylvania Turnpike Commission will be a telephone meeting on Tuesday, June 7, 2016 beginning at 10:00 a.m.



ADJOURNMENT

Motion-That this meeting of the Pennsylvania Turnpike Commission be adjourned at 2:47 p.m. -was made by Commissioner Logan, seconded by Commissioner Lieberman, and passed unanimously.



PREPARED BY:

APPROVED BY:

Ann Louise Edmunds  
Assistant Secretary Treasurer

Pasquale T. Deon, Sr.  
Secretary Treasurer