

MINUTES OF THE COMMISSION MEETING HELD MAY 20, 2019

A formal telephone meeting of the Pennsylvania Turnpike Commission convened at 10:51 a.m. on Monday, May 20, 2019 at the Central Office located in Highspire, Pennsylvania. Present for the meeting were Leslie S. Richards, Chair; Pasquale T. Deon Sr., Commissioner; and John Wozniak, Commissioner; available via telephone was William K. Lieberman, Vice Chair.

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 International; Robert F. Brady, Director of Operations/Projects-East; Carl E. DeFebo, Jr., Director of Public Relations & Marketing; Rick Dreher, Asst. CFO/Financial Management; Charles L. Duncan III, Esquire, Director of Legislative Affairs; Doreen McCall, Chief Counsel; Ray Morrow, Chief Compliance Officer; Myneca Y. Ojo, Director of Diversity & Inclusion; Mike Shaak, Asst. Chief Engineer/Construction; Stacia A. Ritter, Esquire, Director of Policy and Fare Collection; Robert Taylor, Chief Technology Officer and Ann Louise Edmunds, Assistant Secretary Treasurer.

Others present were Reyot Afework; Engineering Project Manager 3; Cory Campbell, Senior Network Engineer; Susan Carson-Casoni, Cash Manager; Catherine Clements-Jenkins, Equal Opportunity/ADA Officer; Richard S. Dipiero, Senior Fare Collection Operations Manager; Amber Gratkowski, Facilities Manager; Nate Hoffman, Engineering Project Manager 3; Kelly Horvath, Executive Administrative Assistant; Nicole Hoy, Accounting Trainee; Donald S. Klingensmith, P.E., Director of Procurement & Logistics; Pam Ling-Williams, Legal Assistant; Shawn Laudenslager, End User Support Technician; Shanna Letcher, Administrative Officer; Gina M. Murray, Engineering Contracts Supervisor; Wanda Metzger, Contracts Supervisor; Karen Muro, Human Resource Specialist; Gina M. Murray, Engineering Contracts Supervisor; Melissa Orlandini, Engineering Project Manager 1; Randy Oswald, Summer employee; Kristine Shuller, Executive Administration Officer; Lynn Stakem, Senior General Accountant; Matthew Cheng, CEO Intern; Alejandro Davila Ibarra, CEO Intern; Siham Guerich, CEO Intern; Ellerie Krot, CEO Intern; Sara Morris, CEO Intern; Samuel Rivera, Jr., CEO Intern; Curtis Reynolds, CEO Intern; Sina Kim, CEO Intern; Emily Wagner, CEO Intern; Anastasia Wardhana, CEO Intern; Eric Madden, JMT; Paul McNamee, KCI; Doug Badali, Louis Berger; Ann Mark, McMahon, Lou Cortelazzi, McMahon; Ben Snyder, RK&K; Mahmood Shehata, RK&K; and Meredith Biggica, PA House of Representatives.



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, labor, reclassifications, new hires and vacancies.

The Commissioners also discussed Docket No. 17-011870 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 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 7, 2019 be approved and filed as submitted-was made by Commissioner Wozniak, seconded by Commissioner Deon, 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 Wozniak, seconded by Commissioner Deon, and passed unanimously.



PERSONNEL

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



UNFINISHED BUSINESS

No Unfinished Business to consider.



NEW BUSINESS

CHANGE ORDERS

Motion-That the Commission approves the Change Orders for the items listed in memos "a" and "b":

- a. Change Order #1 for Contract #EN-002333-03-04 for roadway and miscellaneous repairs between MP 122.18 and MP 201.58 with New Enterprise Stone & Lime Co., Inc., for an additional \$4,250,000.00 to complete repairs in additional areas as directed by design; for a revised not-to-exceed amount of \$8,250,000.00;
- b. Change Order #14 for Contract #S-006.00X002-3-08 for construction of the Southern Beltway, Section 55B, between MP S11.17 and MP S14.31 with Joseph B. Fay Co., for an additional \$1,478,091.20 to balance items to actual work completed, change for unsuitable material removal, payment for BMP 3G haul material, manhole infiltration and corrosion protection, street sweeper rental, storm cleanup, pipe crossings, end transition, excavation and slide repair; for a revised not-to-exceed amount of \$98,761,958.97.

-was made by Commissioner Wozniak, seconded by Commissioner Deon, and approved unanimously.



AGREEMENTS

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

- a. Supplemental Agreement with G. R. Sponaugle & Sons, Inc. for HVAC repair services for the CAB, TIP and East Park Drive, for an increase of \$200,000.00 for the equipment repair/replacement services during 2019, consisting of updating the CAB UPS, upgrade to the fire alarm panels and a new air handler at the Warehouse; for a revised not-to-exceed amount of \$300,000.00;
- b. Amendment to the VMWare Enterprise Licensing Agreement with the Pennsylvania Office of Administration, to add a contingency of \$150,000.00, to allow the purchase of additional VMware products and services during the 3-year contract term; for a revised not-to-exceed amount of \$519,949.00;
- c. Settlement Agreement in the case, Peak Property Lease v. PTC, and approval of the settlement amount;
- d. Settlement Agreement to settle the property damage claim in the case, William Vance v. PTC, and approval of the settlement amount;
- e. Amendment to our Interagency Agreement with the Pennsylvania Department of Transportation (PennDOT) for PennDOT to provide electronic access on the driver's license status of all Commission employees, exercising the option to renew the agreement for an additional 10-years;

- f. Agreement with Acme Markets to distribute E-ZPass Go Paks at its locations;
- g. Agreement with PennDOT messenger services to distribute E-ZPass Go Paks;
- h. Agreement with Wegmans Food Markets, Inc. to distribute E-ZPass Go Paks at its locations;
- i. Settlement Agreement and Release with Joshua and Brittney Hillegass, and approve the settlement and authorize the appropriate Commission officials to execute the appropriate documents;
- j. Settlement Agreement and Release in the case, PTC v. Great Valley Moving & Storage, Inc., and approve the settlement amount;
- k. Agreement with 309 Auto Tags to distribute E-ZPass Go Paks;
- l. Amendment to our agreement with A & S Katz, LLC to distribute E-ZPass Go Paks at its locations; exercising the option to renew the agreement for an additional year;
- m. Amendment to our agreement with D & B Quick Notary and Messenger Service to distribute E-ZPass Go Paks; exercising the option to renew the agreement for an additional year.

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



RIGHT-OF-WAY REQUEST

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

- a. Acquisition of Right-of-Way #14S291-2 (Robert W. & Christa E. Wilson; Richard T. & Mary Nebinski), a total take parcel necessary for construction of the Mon/Fayette Expressway, Rt. 51 to I-376, by authorizing payment of \$23,352.00 representing down payment supplement to Richard T. & Mary Nebinski; and authorize the payment of additional statutory damages as calculated by the Right-of-Way Administrator and approved by the Chief Counsel;
- b. Acquisition of Right-of-Way #14S671 (Borough of West Mifflin), a total take parcel necessary for construction of the Mon/Fayette Expressway, Rt. 51 to I-376, by authorizing payment of \$5,166.75 representing fair market value and recording fees to Tri-State Paralegal Service, LLC, 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 owner is contingent upon the delivery of a deed as prepared by the Legal Department;

- c. Adopt the proposed property acquisition resolution for Right-of-Way #14S057 (Patricia Ulakovich, f/k/a Patricia Schwamberger), by authorizing payment of \$8,200.00 representing estimated just compensation to counsel named at a later date; and approve payment of additional statutory damages as calculated by the Right-of-Way Administrator and approved by the Chief Counsel;
- d. Acquisition of Right-of-Way #15036-Y (Lenore Rodgers), a total take parcel necessary for the total reconstruction from MP 57.00 to MP 67.00 by authorizing payment of up to \$4,000.00 representing Section 710 statutory damages; and authorize the payment of \$3,198.75 representing reimbursement of attorney and appraisal fees to Lenore Rodgers;
- e. Acquisition of Right-of-Way #14S324 (Robin A. Steiner), a total take parcel necessary for construction of the Mon/Fayette Expressway, Rt. 51 to I-376, by authorizing payment of \$155,672.30 representing fair market value, pro-rated taxes and recording fees to Fee Simple Settlement, escrow agent; authorize the appropriate Commission officials to execute the Agreement of Sale and other documents that may be required for closing; the settlement of this claim is inclusive of all statutory damages, including, but not limited to, relocation damages; 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 #14S331 (Ronald Michael Crevar & June M. Crevar), a total take parcel necessary for construction of the Mon/Fayette Expressway, Rt. 51 to I-376, by authorizing payment of up to \$4,000.00 representing Section 710 statutory damages for reimbursement of attorney fees; and authorize payment of \$2,750.00 representing reimbursement of appraisal fees to Barone Murtha Shonberg & Associates, Inc.;
- g. Acquisition of Right-of-Way #14S375 (S & S Auto Service, Inc.), a total take parcel necessary for construction of the Mon/Fayette Expressway, Rt. 51 to I-376, by authorizing payment of up to \$4,000.00 representing Section 710 damages for reimbursement of attorney fees; and authorize payment of \$600.00 representing reimbursement of appraisal fees to Bodnar Real Estate Services, Inc.;
- h. Acquisition of Right-of-Way #1A164-D (Allen J. & Tawnyia L. Dodd), a total take parcel necessary for the Donegal slide remediation project by authorizing payment of \$258,673.57 representing fair market value, pro-rated taxes, recording fees and mortgage satisfaction to Universal Settlement Services of PA, LLC, 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 their delivery of a deed as prepared by the Legal Department;

- i. Acquisition of Right-of-Way #14S336 (Bernice M. Pepke), a total take parcel necessary for construction of the Mon/Fayette Expressway, Rt. 51 to I-376, by authorizing payment of \$102,706.01 representing fair market value, pro-rated taxes and recording fees to Closure Settlement LLC, escrow agent; also authorize payment of \$24,924.75 representing replacement housing supplement and closing costs to Jarvis Settlement Services, Inc., 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 owner is contingent upon the delivery of a deed as prepared by the Legal Department;
- j. Acquisition of Right-of-Way #7225-A (Joseph Blake Myers & Linda Myers), a total take parcel necessary for the total reconstruction project from MP A38.00 to MP A44.00 by authorizing payment of \$360,916.40 representing fair market value, pro-rated taxes and recording fees to Diversified Settlement Services, Inc., 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 prepared by the Legal Department;
- k. Acquisition of Right-of-Way #8392-C (John E. Gross and Dixie Gross), a total take parcel adjacent to the Lehigh Tunnel by authorizing payment of \$5,082.52 representing fair market value and pro-rated taxes to John E. Gross and Dixie Gross; 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;
- l. Acquisition of Right-of-Way #1A164-F (Joseph M. Turcheck and Amada L. Turcheck f/k/a Amanda L. Hostetler, JTWS), a total take parcel necessary for the Donegal slide remediation project, by authorizing payment of \$126,983.80 representing fair market value, pro-rated taxes, recording fees and mortgage satisfaction to Universal Settlement Services of PA, LLC, 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 their delivery of a deed as prepared by the Legal Department.

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



ADVERTISING

Motion-That the Commission approves advertising for a debt collection vendor for the collection of the Commission's outstanding receivables -was made by Commissioner Wozniak, seconded by Commissioner Deon, and passed unanimously.



PURCHASE ORDERS

Motion-That the Commission approves the Change Order and the Issuance Purchase Orders for the items listed in memos “a” through “c”:

- a. Mechanics hardware supply contract, exercising the option to renew the agreement for an additional two-years (July 1, 2019 – June 30, 2021) with Midwest Motor Supply Co., Inc.; at a cost of \$90,000.00;
- b. Solar salt (evaporated crystal sodium chloride), exercising the option to renew the agreements for an additional year (June 1, 2019 – May 31, 2020):

| | |
|------------------------|--------------------|
| Eastern Salt Co., Inc. | \$29,000.00 |
| The Detroit Salt Co. | <u>\$24,000.00</u> |
| TOTAL RENEWAL | \$53,000.00 |
- c. Change Order to the contract for Kegg Maintenance facility renovations with Leonard S. Fiore, Inc., for an additional \$422,987.23 for additional work items.

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



SUPPLEMENT

Motion-That the Commission approves the negotiation and execution of Supplemental Agreement #2 for open-end design services with Trans Associates Engineering Consultants, Inc., for an additional \$100,000.00 to complete the coordination with regulatory agencies and design modifications to the stormwater management and erosion and sediment control plans for final permit approval; for a revised not-to-exceed amount of \$1,100,000.00-was made by Commissioner Wozniak, seconded by Commissioner Deon, and passed unanimously.



PSPC AWARDS

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” and “b”:

- a. T00111/T00112/T00113, open-end engineering design services:
 - Bergmann Assoc., Architects, Engineers, Landscape Architects & Surveyors, D.P.C.-AWARDED
 - P. Joseph Lehman, Inc., Consulting Engineers-AWARDED
 - Whitney, Bailey, Cox & Magnani, LLC-AWARDED
 - Buchart Horn, Inc.
 - H. W. Lochner, Inc.

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

- b. RFP 8400, statewide automated work zone speed enforcement (AWZSE) program:
- Redflex Traffic Systems, Inc.-AWARDED
- was made by Commissioner Wozniak, seconded by Commissioner Deon, and passed unanimously.



BOND RESOLUTIONS

Motion-That the Commission authorizes the issuance and execution of the bond resolutions for the items listed in memos “a” and “b”:

- a. Authorizing the approval of the issuance of the Pennsylvania Turnpike Commission’s Turnpike Subordinate Revenue Bonds in an aggregate principal amount not to exceed \$800,000,000 (based on par amount) in one or more series or sub-series, taxable or tax-exempt, to: (1) 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 to such bonds, (e) issuance of such bonds; and (2) providing for (a) the appointment of co-bond counsel (Buchanan Ingersoll & Rooney PC and Stradley Ronon Stevens & Young, LLP) and disclosure counsel (McNees Wallace & Nurick) and (b) providing for the appointment of the financial advisor (PFM); authorizing the taking of further action; repealing inconsistent resolutions; and declaring that this resolution shall be liberally construed;
- was made by Commissioner Wozniak, seconded by Commissioner Deon, and passed unanimously.

Commissioner Deon: Rick, do you see any impact on the market based upon what is going on with the lawsuit?

Rick Dreher: Commissioners, right now the municipal bond market is strong, rates are low, and there is a limited supply of PA based papers. If we were going to go to the market, now would be a good time. If there is any price differential based upon litigation, our job would be to get rates as low as possible.

Commissioner Deon: Thank you.

- b. Authorizing the appointment of underwriters: (a) Senior Co-Book Running Managers (Citigroup Global Markets, Inc. and Piper Jaffray & Co.), (b) Co-Senior Managers (RBC Capital Markets LLC, PNC Capital Markets LLC, Siebert Cisneros Shank & Co., LLC, and Goldman, Sachs & Co.), and (c) Co-Managers (Stern Brothers & Co., Samuel A. Ramirez & Co., Inc., Mischler Financial Group, Inc., Raymond James & Associates, Inc., BNY Mellon Capital Markets LLC/Academy Securities, Inc., and FTN Financial Capital Markets) relating to the issuance of the Pennsylvania Turnpike Commission’s Turnpike Subordinate Revenue Bonds approved by a resolution adopted on May 20, 2019.
- was made by Commissioner Wozniak, seconded by Commissioner Deon, and passed unanimously.



NEXT COMMISSION MEETING

The next meeting of the Pennsylvania Turnpike Commission will be a telephone meeting on Tuesday, June 4, 2019 beginning at 10:00 a.m.



POST-FORMAL MEETING

Mark Compton, CEO, recognized the CEO Interns and each introduced themselves to the Commission. Chair Richards recognized the Commission's Women's Network and shared the two awards the Network received; one from the local Central PA Chapter of WTS, and the other the International 2019 Rosa Parks Diversity Leadership award. The Chair congratulated and thanked all members of the Commission who participated/helped with the Women's Network.



ADJOURNMENT

Motion-That this meeting of the Pennsylvania Turnpike Commission be adjourned at 11:10 a.m. -was made by Commissioner Wozniak, seconded by Commissioner Deon, and passed unanimously.



PREPARED BY:

APPROVED BY:

Ann Louise Edmunds
Assistant Secretary Treasurer

Barry Drew
Secretary Treasurer