

MINUTES OF THE COMMISSION MEETING HELD JULY 19, 2016

A formal meeting of the Pennsylvania Turnpike Commission convened at 11:39 a.m. on July 19, 2016 at the Central Office located in Highspire, Pennsylvania. Present for the meeting were Sean Logan, Chairman; William K. Lieberman, Vice Chairman; Pasquale T. Deon, Sr., Secretary Treasurer; Barry Drew, Commissioner; and R. Scott Christie, Deputy 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 Inc.; Robert F. Brady, Director of Operations/Projects-East; Scott D. Fairholm, Chief Information Officer; Nikolaus Grieshaber, Chief Financial Officer; Brad 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; Stacia A. Ritter, Esquire, Director of Policy and External Affairs and Ann Louise Edmunds, Assistant Secretary Treasurer.

Also in attendance were Mark Caruso, Engineering Contract Specialist; Jack Christensen, Director of FEMO; Richard S. DiPiero, Senior Fare Collection Operations Manager; Richard C. Dreher, Assistant CFO/Financial Management; Donald S. Klingensmith, P.E., Director of Procurement & Logistics; Donna Lapano, Executive Office Assistant; Gina A. Murray, Engineering Contracts Supervisor; Jeffrey A. Naugle, Manager of Treasury Operations; Sheri Norris, Director of Human Resources; Mark Strause, Technician of PC/LAN Systems; Paul McNamee, KCI; John Smith, Parsons Brinckerhoff; Gregory Bitsko, Cherry, Weber & Associates; Eric Madden, ACEC/PA; Michael Syklik, Earth, Inc.; Steve Iszauk, Mott MacDonald; Jeff Sestokas, Mott MacDonald; Chris Messner, GPI; Kristi Reichard, Raudenbush; Damon Rhoades, Larson Design; Doug Smith, Larson Design; David Lowdermilk, Parsons Brinckerhoff and Mike Shubert, Consultant.



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 an equity adjustment, promotions, new hires, vacancies, and a request to post and fill a position in the Engineering Department.

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 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 July 5, 2016 be approved and filed as submitted-were made by Commissioner Drew, seconded by Commissioner Lieberman, 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 Drew, seconded by Commissioner Deon, and passed unanimously.



PERSONNEL

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



UNFINISHED BUSINESS

No unfinished business to discuss.



NEW BUSINESS

POLICIES

Motion-That the Commission adopts revisions to Policies, new Policies and rescinds Policies for the items listed in memos “a” and “b”:

- a. Revisions to Policy 6.03, *Issuance of Pennsylvania Turnpike Keys*, to reflect operational changes;

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

Item “b” was removed from the Agenda.

- b. **REMOVED FROM THE AGENDA.** Rescind Policy 2.6, *Policy and Procedure for Filling Entry Level Positions*, Policy 2.7, *Policy and Procedure for Promoting Employees*, and the Salary Administration Policy and Procedures Manual. Adopt Policy 2.20, *Administration of Personnel*, to create Committees on Administration and Personnel to manage the Commission’s compensation and complement structures; adopt Policy 2.21, *Policy for Filling Vacancies*, to establish procedures for filling job vacancies. Approve the standard management merit increase matrix and approve the October 1, 2016 Management and Local 30P salary scale.



AGREEMENTS

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

- a. Amendment to our agreements with the pool of approved vendors for supplemental auditing services, exercising the option to renew the agreements for an additional year; at a total estimated cost of \$1,250,000.00;
- b. Supplemental Agreement with the Municipal Authority of the Borough of Oakmont for the relocation of utility lines necessary for the replacement of Bridge WB-429 at MP 43.13, for an additional \$88,244.97 for modifications during construction, which required boring a second time due to a storm drainage conflict and a need to provide temporary water service not incorporated into the original estimate; for a revised not-to-exceed amount of \$167,473.79;
- c. Five (5) Reimbursement Agreements with Columbia Gas to reimburse Columbia Gas the cost to perform the engineering and utility relocation work necessary for construction of the Southern Beltway, Section 55A2; at a combined not-to-exceed amount of \$16,000,000.00.

-was made by Commissioner Drew, seconded by Commissioner Deon, 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 "k":

- a. Acquisition of Right-of-Way #17980 (Glenn W. & Martha E. Simpson), a partial take parcel necessary for construction of the Southern Beltway, Rt. 22 to I-79, by authorizing payment of \$500.00 representing fair market value to Glenn W. & Martha E. Simpson; authorize the appropriate Commission officials to execute the temporary construction easement 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 an executed temporary construction easement as prepared by the Legal Department;
- b. Acquisition of Right-of-Way #14100-A (Danny M. & Sharon Lauderbaugh), a partial take parcel necessary for construction of the Southern Beltway, Rt. 22 to I-79, by authorizing payment of \$82,191.04 representing fair market value and pro-rated taxes to Coon & Company, escrow agent; authorize the appropriate Commission officials to execute the temporary construction easement 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 an executed temporary construction easement as prepared by the Legal Department;
- c. Acquisition of Right-of-Way #17526 (F. Ronald Griffith), a partial take parcel necessary for construction of the Southern Beltway, Rt. 22 to I-79, by authorizing payment of \$4,610.90 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 fair market value to the property owner is contingent upon the delivery of a deed as prepared by the Legal Department;
- d. Settlement of Right-of-Way #17677 (Estate of Florence S. Carpenter), a partial take parcel necessary for construction of the Southern Beltway, Rt. 22 to I-79, by authorizing payment of \$1,591.00 representing Section 710 fees to Robert N. Clarke & Associates, authorize payment of \$300.00 representing the remaining settlement funds to the Estate of Florence S. Carpenter; authorize the appropriate Commission officials to execute the Agreement of Sale and Release as approved by the Legal Department; and payment of the settlement funds to the claimant is contingent upon the execution of the Settlement Agreement and Release as prepared by the Legal Department;
- e. Adopt the proposed Property Acquisition Resolution for Right-of-Way #17964 (Dennis C. Sluciak), a total take parcel necessary for construction of the Southern Beltway, Rt. 22 to I-79, by authorizing payment of \$1,142,000.00 representing estimated just compensation to counsel named at a later date; 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 #14203-A (Pittsburgh National Bank and Katherine Bancroft, Co.- Trustees under the Will of Barbara Byers Bancroft), a partial take parcel necessary for the total reconstruction from MP 40.00 to MP 48.00 by authorizing payment of \$15,631.00 representing fair market value and pro-rated taxes to PNC Bank, Trustee under the Will of Barbara Byers Bancroft Trust; 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;
- g. Acquisition of Right-of-Way #2063-B (Buck Ridge Hunting Club), a partial take parcel necessary for the total reconstruction project from MP 149.50 to MP 155.50 by authorizing payment of \$10,124.50 representing fair market value and pro-rated taxes to Buck Ridge Hunting Club; 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;
- h. Acquisition of Right-of-Way #2064-B (H. Dale & Linda K. Chamberlain), a partial take parcel necessary for the total reconstruction project from MP 149.50 to MP 155.50 by authorizing payment of \$3,848.75 representing fair market value and pro-rated taxes to H. Dale & Linda K. Chamberlain; 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 #2062-B (Scott W. Kimble), a partial take parcel necessary for the total reconstruction project from MP 149.50 to MP 155.50 by authorizing payment of \$5,569.00 representing fair market value and pro-rated taxes to Scott W. Kimble; 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 #17970 (Alvarez, Inc.), a partial take parcel necessary for construction of the Southern Beltway, Rt. 22 to I-79, by authorizing payment of \$5,278.00 representing fair market value and pro-rated taxes to Alvarez, Inc.; 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. Acquisition of Right-of-Way #17986 (Robert J. & Louise M. Quarture), a partial take parcel necessary for construction of the Southern Beltway, Rt. 22 to I-79, by authorizing payment of \$1,809.00 representing fair market value and pro-rated taxes to Robert J. & Louise M. Quarture; 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.

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



ADVERTISING

Motion-That the Commission approves advertising for the items listed in memos “a” through “c”:

- a. Engineering or construction management firm for open-end construction inspection services from MP 247.00 to MP 359.00 and the Northeast Extension;
- b. Engineering or construction management firm for open-end construction management/construction inspection services from MP 0.00 to MP 247.00, I-376, Turnpike 576, Turnpike 66 and Turnpike 43;
- c. Engineering or construction management firm for open-end construction management/construction inspection services from MP 247.00 to MP 359.00 and the Northeast Extension.

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



PURCHASE ORDERS

Motion-That the Commission approves the Issuance of Purchase Orders for the items listed in memos “a” and “b”:

- a. Herbicides (May 1, 2016 – April 30, 2017), exercising the option to renew the agreements for an additional year:

Arborchem Products	\$120,000.00
Crop Production Services	85,000.00
Helena Chemical Co.	5,000.00
Allegare, LLC	500.00
CWC Chemical Inc.	<u>2,000.00</u>
TOTAL RENEWAL	\$212,500.00
- b. Seven (7) Chevrolet Express cargo vans (trades vans), utilizing the Commonwealth’s contract with Apple Automotive Group; at a total award of \$278,565.00.

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



TOLL INCREASE

Motion-That the Commission adopts the proposed 2017 annual toll increase of 6% for cash and E-ZPass customers effective January 2017, which will apply to all portions of the Turnpike except:

- Southern Beltway-no toll increase
- Delaware River Bridge-no toll increase.

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



CHANGE ORDER/FINAL PAYMENT

Motion-That the Commission approves Change Order #2 and Final Payment for Contract #T-009.47S001-3-02 for painting and fencing replacements at various bridge locations between MP 9.47 and MP 10.13 with Mosites Construction Company, for a decrease of \$53,759.93 to balance items to actual work completed, and the elimination of bridge joint cleaning and sealing and fabricated structural steel repairs from Bridge WB-203 and cleaning and sealing joints for Bridge BV-114 was added to the contract; for a final contract value of \$2,442,559.80 and final amount of \$130,645.76 is due to the contractor-was made by Commissioner Drew, seconded by Commissioner Deon, 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 open-end construction inspection services for the roadway and bridge reconstruction from MP A31.73 to MP A45.50 with Johnson, Mirmiran & Thompson, Inc., to include construction management services for the replacement of Bridge NB-205 at MP A40.88 and Bridge NB-218 at MP A44.40;
- b. Supplemental Agreement #2 for design services of the Southern Beltway, US 22 to I-79, Section 55C1, with Parsons Brinckerhoff, Inc., for an additional \$2,000,000.00 to complete several studies, the addition of a traffic signal and the separation of project into two (2) construction contracts, consultation during construction, and shop drawing review for both construction contracts; for a revised not-to-exceed amount of \$14,500,000.00.

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



PSPC AWARDS

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

- a. T00034/T00035, two (2) open-end construction inspection services for the Southern Beltway, Rt. 22 to I-79:
- Larson Design Group, Inc.-AWARDED
 - Management Engineering Corporation-AWARDED
 - M.A. Beech Corporation

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

- b. Ref #3-275, open-end communication tower engineering services systemwide, the highly recommended firms in alphabetical order:
- Tectonic Engineering & Surveying Consultants, P.C.-AWARDED

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



BOND ISSUE

Motion-That the Commission authorizes the 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 cost 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; authoring the execution, deliver and distribution of the bonds-was made by Commissioner Deon, seconded by Commissioner Lieberman; Commissioner Logan abstained.

CHAIRMAN LOGAN: I abstain on this item because I have a personal business relationship with Cohen & Grigsby, and PNC Bank is a sponsor of the Monroeville chamber of Commerce which I am President.



CO-COUNSEL POOL

Motion-That the Commission approves amending the pool of qualified bond, special, underwriters and disclosure counsel to include Kleinbard LLC to the co-counsel pool-was made by Commissioner Drew, seconded by Commissioner Lieberman, and passed unanimously.



NEXT COMMISSION MEETING

The next meeting of the Pennsylvania Turnpike Commission will be a telephone meeting on Tuesday, August 23, 2016 beginning at 10:00 a.m.



ADJOURNMENT

Motion-That this meeting of the Pennsylvania Turnpike Commission be adjourned at 11:54 a.m. -was made by Commissioner Drew, seconded by Commissioner Deon, and passed unanimously.



PREPARED BY:

APPROVED BY:

Ann Louise Edmunds
Assistant Secretary Treasurer

Pasquale T. Deon, Sr.
Secretary Treasurer