

MINUTES OF THE COMMISSION MEETING HELD SEPTEMBER 21, 2010

A formal meeting of the Pennsylvania Turnpike Commission convened at 11:27 a.m. September 21, 2010 at the Central Office located in Highspire, Pennsylvania. Present for the meeting were Allen Biehler, P.E., Chairman/Secretary of Transportation; William K. Lieberman, Vice Chairman; J. William Lincoln, Secretary Treasurer; Pasquale T. Deon, Sr., Commissioner and A. Michael Pratt, Commissioner.

Others present for the meeting were Joseph G. Brimmeier, Chief Executive Officer; George M. Hatalowich, Chief Operating Officer; Robert F. Brady, Director of Operations/Projects-East; Rich DiPiero, Director of Fare Collection; Jeffrey L. Garrett, Chief Engineer, Michael Baker Jr., Inc.; Nikolaus Grieshaber, Chief Financial Officer; Jeffrey L. Hess, Director of Operations/Projects-West; Frank J. Kempf, Jr.-Chief Engineer; Doreen McCall, Chief Counsel; Craig Shuey, Director of Government Affairs; Joe Suess, Acting Chief Informational Officer and Ann Louise Edmunds, Assistant Secretary Treasurer.

Also in attendance were Allen W. Baldwin, Director of Operations, Safety & Incident Response; Christine J. Baker, Public Information/Photo Specialist; Michael D. Begler, Director of Operations Review; William J. Capone, Director of Communications/Public Relations; John Christensen, Manager of Facilities & Energy Management Operations; Carl E. DeFebo, Jr., Manager of Public Information-East; Derek S. Hansel, Assistant Chief Financial Officer; Donald S. Klingensmith, P.E., Manager of Contracts Administration; Donna Lapano, Executive Assistant; Jeffrey A. Naugle, Manager of Treasury Operations; Mark Strause, Technician of PC/LAN; Brenda Szeles-Bratina, Director of Toll Revenue Audit and Jason Armes, PDDC.

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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 present.

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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 TERMINATIONS, RECLASSIFICATIONS, A TRANSFER, NEW HIRES,

VACANIES AND A REQUEST TO CREATE AND FILL A POSITION IN THE OFFICE OF INSPECTOR GENERAL.

THE COMMISSIONERS ALSO DISCUSSED Heath v. PTC Mediation (Docket No. 1:10-CV-00494); Stephanie Griess (Claim No. 08-166) and Bezick v. PTC (Docket No. 045010161) 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.

AT THIS TIME WE REQUEST ALL VISITORS TO STAND AND INTRODUCE YOURSELF AND YOUR ORGANIZATION.

JASON ARMES, PDDC

THIS CONCLUDES THE PUBLIC COMMENT SECTION OF THE MEETING.

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MINUTES OF THE MEETING

Motion-That the Minutes of the meeting held September 17, 2010 be approved and filed-was made by Commissioner Lincoln, seconded by Commissioner Lieberman; and passed unanimously.

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COMMUNICATIONS

Motion-That the Commission accepts and files the memo received from the Chief Counsel, memos received from the Director of Fare Collection and the Manager of Procurement and Material Management-was made by Commissioner Lincoln, seconded by Commissioner Lieberman; and passed unanimously.

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PERSONNEL

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

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NEW BUSINESS

Reinvestments, Liquidations and Purchase of Securities

Upon the motion by Commissioner Lincoln, seconded by Commissioner Deon, the following Resolution was presented for adoption:

RESOLUTION

BE IT RESOLVED that The Pennsylvania Turnpike Commission hereby ratifies the action of the Assistance Chief Financial Officer, with the approval of the Chief Executive Officer and the Consulting Engineer, in directing the Trustee to make the foregoing reinvestments, liquidations and purchases; and

BE IT FURTHER RESOLVED that copies of the Resolution certified by the Assistant Secretary Treasurer shall be forwarded to the Trustee as required in Article VI, Section 602 of the 2001 Amended and Restated Trust Indenture.

The following members voted yea: Commissioners Biehler, Lieberman, Lincoln, Deon and Pratt. The motion passed unanimously.

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AGREEMENTS

Motion-That the Commission approves the negotiation and execution of the Agreement for the item listed in memo "a":

- a. Reimbursement Agreement with PECO Energy to reimburse PECO for the required engineering and facility relocation work necessary for the replacement of Bridges NB-104, NB-110, NB-114 and NB-124; at a not-to-exceed amount of \$1,000,000.00;

-was made by Commissioner Lincoln, seconded by Commissioner Deon; Commissioner Pratt abstained.

COMMISSIONER PRATT: MR. CHAIRMAN: I ABSTAIN ON THE BASIS THAT THE COMPANY SET FORTH IN THIS AGENDA ITEM IS A CLIENT OF THE FIRM OF WHICH I AM A PARTNER. I ASK THAT THE SECRETARY PLEASE HAVE THE MINUTES OF THE MEETING REFLECT MY ABSTENTION ON THIS VOTE.

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

- b. Settlement Agreement in the case, *Aniceta Donovan, Executrix of the Estate of William M. Donovan v. PTC, et al.*, and authorize the issuance of payment in the settlement amount;

- c. Amendment to our Agreement with Voicenet Communications, Inc. for web site consulting services to accommodate future needs for the public web site and PTC intranet sites, to increase the not-to-exceed amount from \$375,000.00 to \$600,000.00;
- d. Agreement with AAA Southern PA for the purpose of distributing E-ZPass in their branch offices;
- e. Agreement with AAA Reading/Berks for the purpose of distributing E-ZPass in their branch offices;
- f. Settlement Agreement for the Lightman Drum Superfund Site and authorize the issuance of payment in the settlement amount of \$55,804.40.

-was made by Commissioner Lincoln, seconded by Commissioner Deon.
The motions passed.

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AWARD OF A BID AND ISSUANCE OF A PURCHASE ORDER

Motion-That the Commission approves the Award of a bid and the Issuance of a Purchase Order for infrastructure cabling for Uniontown to Brownsville Ramps 15, 22 and 26 to the lowest responsive and responsible bidder, Henkels & McCoy; at a total award of \$154,733.91-was made by Commissioner Lincoln, seconded by Commissioner Pratt; and passed unanimously.

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APPROVAL OF PAYMENTS

Motion-That the Commission approves the payments for the items as listed in memos "a" through "c":

- a. All Risk Property and Builder's Risk invoice from Joyce, Jackman & Bell, LLC for the period October 1, 2008 though October 1, 2011, in the amount of \$1,472,538.00;
- b. 2010 Notice of Assessment for the Supersedeas and Subsequent Injury Funds from the PA Bureau of Workers' Compensation, in the amount of \$13,478.00;
- c. Change Order to reimburse Kinsley Construction, Inc. the cost of roadway repair work to be performed at MP 301.00 that required immediate attention due to roadway conditions; at a not-to-exceed amount of \$400,000.00.

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

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ITEMS ADDED TO THE FORMAL AGENDA

SUPPLEMENTS

Motion-Approve the preparation and execution of the Supplemental Agreement as listed in memo "a"

- a. Supplemental Agreement #1 with ALCM for construction management and inspection for the total reconstruction project from MP 67.00 to MP 75.00, for an increase of \$1,750,000.00; increasing the not-to-exceed amount to \$13,557,965.20;

-was made by Commissioner Lincoln, seconded by Commissioner Deon; Chairman Biehler voted "No".

Motion-Approve the preparation and execution of the Supplemental Agreements as listed in memos "b" through "d":

- b. Supplemental Agreement #1 with McTish, Kunkel & Associates for construction management and inspection services for the Allegheny River Bridge project, for an increase of \$250,000.00; increasing the not-to-exceed amount to \$14,899,367.33;
- c. Supplemental Agreement #3 with KCI for public outreach services for the total reconstruction project from MP 320.00 to MP 326.00, for an increase of \$250,000.00; increasing the not-to-exceed amount to \$1,269,000.00;
- d. Supplemental Agreement #1 with Legion Design/Campbell & Associates for design of the replacement of Bridge NB-655 at MP A114.64, for an increase of \$300,000.00; increasing the not-to-exceed amount to \$1,200,000.00.

-was made by Commissioner Lincoln, seconded by Commissioner Deon.
The motion passed.

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CHANGE ORDERS

Motion-That the Commission approves the Change Order for the item in memo "a"

- a. Change Order #4 for Contract #04-023-RCLY with Hempt Bros., Inc. for the ramp reconstruction project at the Carlisle interchange, for an increase of \$400,000.00 and a 172-day time extension; increasing the not-to-exceed amount to \$12,326,230.40;

-was made by Commissioner Lincoln, seconded by Commissioner Deon.

Motion-That the Commission approves the Change Order from the item in memo "b":

- b. Change Order #3 for Contract #T-319.00T001-3-02 with Allan A. Myers for replacement of Bridge EB-739, for an increase of \$100,076.40; increasing the not-to-exceed amount to \$5,096,870.05.

-was made by Commissioner Deon, seconded by Commissioner Lieberman; Commissioner Pratt abstained.

COMMISSIONER PRATT: MR. CHAIRMAN: I ABSTAIN ON THE BASIS THAT THE COMPANY SET FORTH IN THIS AGENDA ITEM IS A CLIENT OF THE FIRM OF WHICH I AM A PARTNER. I ASK THAT THE SECRETARY PLEASE HAVE THE MINUTES OF THE MEETING REFLECT MY ABSTENTION ON THIS VOTE.

The motions passed.

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CHANGE ORDERS AND FINAL PAYMENTS

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

- a. Change Order #2 and Final Payment for Contract #EN-00084-03-05 with Bi State Construction Co., Inc. for bridge repairs between MP A20.00 and A130.64, for an increase of \$236,697.39; making the final contract value \$931,911.72, and the final amount due of \$271,458.11;
- b. Change Order #3 and Final Payment for Contract #T-031.00R001-3-02 with Lindy Paving, Inc. for the bituminous overlay from MP 39.62 to MP 44.70 and MP 49.33 to MP 56.33, for a decrease of \$121,465.87; making the final contract value \$10,087,883.58, and the final amount due of \$544,919.69.

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

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POLICY LETTERS

Motion-That the Commission approves a revision to an existing policy letter and adopt two new policy letters as listed in memos "a" through "c":

- a. Revise Policy Letter 1.1, *Administration of the PTC Policies*, to reassign the responsibility to the Chief Financial Officer;
- b. Adopt Policy Letter 5.7, *Prohibition Against Use of Electronic Devices to E-mail or text while driving*;
- c. Adopt Policy Letter 5.9, *Energy Conservation and Electrical Devices in Commission Owned Buildings*, to conserve energy and provide improved fire/life safety in Commission owned facilities.

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

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BOND/DISCLOSURE AND UNDERWRITER'S COUNSEL

Motion-That the Commission authorizes the establishment of a pool from which bond/disclosure and underwriter's counsel will be selected to provide services and approval to include the selected qualified firms in the various pools. The firms will be grouped in the following pools:

- Bond/Disclosure Counsel
- Underwriter's counsel
- Co-Counsel

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

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LEASE AND FUNDING AGREEMENT

Motion-That the Commission approves the Chief Executive Officer as the Senior Designed person at the Commission for the purpose of Section 14.2 for the Lease and Funding Agreement with the Pennsylvania Department of Transportation-was made by Commissioner Lincoln, seconded by Commissioner Pratt; and passed unanimously.

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NEXT MEETING

MS. EDMUNDS: THE NEXT COMMISSION MEETING WILL BE A TELEPHONE MEETING HELD ON WEDNESDAY, OCTOBER 6, 2010.

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ADJOURNMENT

MS. EDMUNDS: COMMISSIONERS, I HAVE NO OTHER ITEMS FOR CONSIDERATION. IF YOU HAVE NOTHING FUTHER, I REQUEST A MOTION FOR ADJOURNMENT.

Motion-That this meeting of The Pennsylvania Turnpike Commission be adjourned at 11:33 a.m.-was made by Commissioner Lincoln, seconded by Commissioner Lieberman; and passed unanimously.

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PREPARED BY:

Ann Louise Edmunds
Assistant Secretary Treasurer

09-21-10

APPROVED BY:

J. William Lincoln
Secretary Treasurer

ATTACHMENT NUMBER 1

COMMUNICATIONS: MEMO RECEIVED FROM THE CHIEF COUNSEL,
DIRECTOR OF OPERATIONS REIVEW