

MINUTES OF THE COMMISSION MEETING HELD OCTOBER 4, 2011

A formal telephone meeting of the Pennsylvania Turnpike Commission convened at 10:32 a.m., October 4, 2011 at the Central Office located in Highspire, Pennsylvania. Available via phone for the meeting were William K. Lieberman, Chairman; A. Michael Pratt, Esq., Vice Chairman; J. William Lincoln, Secretary Treasurer; Pasquale T. Deon, Sr., Commissioner and Barry J. Schoch, P.E., Secretary of Transportation.

Present for the meeting were Roger E. Nutt, Chief Executive Officer; Craig R. Shuey, Chief Operating Officer; Robert F. Brady, Director of Operations/Projects-East; Nikolaus Grieshaber, Chief Financial Officer; Frank J. Kempf, Jr., Chief Engineer; Doreen McCall, Chief Counsel and Ann Louise Edmunds, Assistant Secretary Treasurer.

Also in attendance were William J. Capone, Director of Communications/Public Relations; Donald S. Klingensmith, P.E., Manager of Contracts Administration; Donna Lapano, Executive Office Assistant; Jeffrey A. Naugle, Manager of Treasury Operations; Richard A. Reidy, Michael Baker Jr., Inc.; Kathy Thomas, Administrative Secretary and Dean Kohr, Atkins.

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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 available.

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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 AN EQUITY ADJUSTMENT, TITLE CHANGE, RECLASSIFICATIONS, NEW HIRES, VACANCIES, AND REQUESTS TO ABOLISH; TO POST AND FILL; AND TO CREATE, POST AND FILL POSITIONS IN THE TOLL REVENUE AUDIT, FACILITIES AND ENERGY MANAGEMENT OPERATIONS, INFORMATION TECHNOLOGY AND HUMAN RESOURCES DEPARTMENTS.

THE COMMISSIONERS ALSO 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.

COMMISSIONERS, WE HAVE NO REQUESTS TO ADDRESS THE COMMISSION. AT THIS TIME WE ASK ALL VISITORS TO STAND AND INTRODUCE YOURSELF.

DEAN KOHR, ATKINS

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MINUTES OF THE MEETING

Motion-That the Minutes of the meeting held September 20, 2011 be approved and filed as amended-was made by Commissioner Deon seconded by Commissioner Lincoln; and passed unanimously.

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COMMUNICATIONS

Motion-That the Commission accepts and files the memos received from the Chief Counsel and the Director of Operations Review-was made by Commissioner Deon, seconded by Commissioner Lincoln; 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 Deon, seconded by Commissioner Lincoln, the following Resolution was presented for adoption:

RESOLUTION

BE IT RESOLVED that The Pennsylvania Turnpike Commission hereby ratifies the action of the Assistant Chief Financial Officer, with approval of 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 Lieberman, Pratt, Lincoln, Deon and Schoch; the motion passed unanimously.

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AGREEMENTS

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

- a. Settlement Agreement in the case, *Deibert v. PTC et al.*;
- b. Agreement with General Dynamics Information Technologies (GDIT) for professional services to upgrade, host, maintain and provide help desk support for the Commission's Electronic Bidding System (EBS) for construction projects; at a not-to-exceed amount of \$2,900,000.00.

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

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RIGHT-OF-WAY REQUEST

Motion-That the Commission approves the Right-of-Way Requests for the items listed in memos "a" through "d":

- a. Adopt the Proposed Property Acquisition Resolution of Right-of-Way #17911, a total take parcel, necessary for construction of the Southern Beltway; authorize payment of the balance of the Estimated Just Compensation in the amount of \$120,000.00, payable to Cohen & Grigsby, P.C., Escrow Agent; and authorize payment of statutory damages and costs as calculated by the Legal Department and approved by the Chief Executive Officer;
- b. Authorize the acquisition of Right-of-Way #12035-RC1, a total take parcel, necessary for the Beaver River Bridge Replacement Project; by issuing payment in the amount of \$50,395.00 payable to McClain, Young & Patterson, Escrow Agent; representing fair market value, pro-rated taxes and recording fees; authorize the appropriate Commission officials to execute the agreement of sale; authorize the payment of additional statutory damages as calculated by the Legal Department and approved by the Chief Executive Officer; and payment of the fair market value to the property owner is contingent upon the delivery of a deed prepared by the Legal Department;
- c. Adopt the Proposed Property Acquisition Resolution of Right-of-Way #14071-RA, a partial take parcel, necessary for the total reconstruction project from MP 40.00 to MP 48.00; authorize payment of Estimated Just Compensation in the amount of \$2,700.00, payable to counsel to be named at a later time; and authorize payment of statutory damages and costs as calculated by the Legal Department and approved by the Chief Executive Officer;
- d. Adopt the Proposed Property Acquisition Resolution of Right-of-Way #14216-B, a partial take parcel, necessary for the total reconstruction project from MP 40.00 to MP 48.00; authorize payment of Estimated Just Compensation in the amount of \$2,900.00, payable to counsel to be named at a later time; and authorize payment of statutory damages and costs as calculated by the Legal Department and approved by the Chief Executive Officer.

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

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PSPC RECOMMENDATION

Motion-That the Commission approves the consultant selection recommendation from the Professional Services Procurement Committee (PSPC) for project collaboration and documentation system, and authorizes the negotiation and execution of an agreement with the first firm listed below for a not-to-exceed amount of 1,038,258.80:

Kahua
Gig Werks, LLC
Skire, Inc.

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

CHAIRMAN LIEBERMAN: I ABSTAIN ON THIS ITEM BECAUSE AN INVESTOR OF KAHUA IS A CLIENT OF MY FIRM.

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AWARD OF BIDS AND ISSUANCE OF PURCHASE ORDERS

Motion-That the Commission approves the Award of Bids and Issuance of Purchase Orders for the items listed in memos "a" through "d":

- a. Plow blades and hardware (October 1, 2011-September 30, 2012), to the lowest responsive and responsible bidders:
- | | |
|-----------------------|---------------------|
| Chemung Supply | \$ 90,000.00 |
| Kennametal Inc. | \$ 90,000.00 |
| Valk Manufacturing | \$ 15,000.00 |
| Equipment Express LLC | <u>\$325,000.00</u> |
| Total Award | \$520,000.00 |
| Plus 25% contingency | <u>\$130,000.00</u> |
| TOTAL APPROVAL: | \$650,000.00 |
- b. Twenty-five (25) 2012 Ford Fusions, utilizing the Commonwealth's contract with Apple Automotive Group; at a total award of \$386,825.00;
- c. Fourteen (14) 2012 crew cab one ton stake body trucks, utilizing the Commonwealth's contract with Apple Automotive Group; at a total award of \$549,192.00;
- d. Six (6) 2012 Chevrolet Equinox SUV's, utilizing the Commonwealth's contract with Apple Automotive Group; at a total award of \$127,248.00.

-was made by Commission Deon, seconded by Commissioner Lincoln; the passed unanimously.

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SUPPLEMENTAL TRUST INDENTURE

Motion-THAT THE COMMISSION AUTHORIZE THE EXECUTION AND DELIVERY OF A SUPPLEMENTAL TRUST INDENTURE TO THE RESTATED INDENTURE CONTAINING AN AMENDMENT TO PERMIT RETAINAGE REQUIREMENTS FOR CONTRACTS FOR LABOR AND/OR MATERIALS TO BE WAIVED WHEN NECESSARY IN THE OPINION OF THE CHIEF ENGINEER, BASED ON THE ADVICE OF THE CHIEF COUNSEL, TO ALLOW THE COMMISSION TO COMPLY WITH OR FACILITATE COMPLIANCE WITH STATE OR FEDERAL LAW IN ORDER TO RECEIVE FEDERAL FUNDS-was made by Commissioner Deon, seconded by Commissioner Lincoln; and passed unanimously.

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SUPPLEMENTAL AGREEMENT

Motion-That the Commission approves Supplemental Agreement #1 with Carroll Engineering Corporation for construction inspection services-East, for an additional \$43,232.85, for additional overhead costs due to the new FAR rate adjustments-was made by Commissioner Deon, seconded by Commissioner Lincoln; and passed unanimously.

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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-00097-03-05 with Lane Construction Corporation for roadway and miscellaneous repairs between MP 0.00 and MP 75.39, Turnpike 376, Turnpike 66 and Turnpike 43; for an increase of \$750,000.00;
- b. Change Order #3 for Contract #T-199.00T005-3-01 with The Beaver Excavating Co. for grading and drainage for curve alignment improvement from MP 199.47 to MP 200.38; for an increase of \$260,000.00.

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

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LEGAL REQUESTS AND PAYMENTS

Motion-That the Commission approves the Legal Request and Payments for the items listed in memos "a" and "b":

- a. Settlement in the case, *Donald Houseknecht and Mary Jean Houseknecht v. Pennsylvania Turnpike Commission (Claim #07-142)*, and authorize payment in the settlement amount;

- b. All Risk Property and Builder's Risk invoice from Joyce, Jackman & Bell, LLC for the roadway and bridge replacement project from MP A20.00 to A26.00 for the period October 1, 2011 through October 1, 2012, in the amount of \$34,451.00.

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

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NEXT MEETING

MS. EDMUNDS: WE HAVE NO POST-FORMAL MEETING TODAY. THE NEXT FORMAL COMMISSION MEETING WILL BE HELD TUESDAY, OCTOBER 18, 2011 BEGINNING AT 10:00 A.M. COMMISSIONERS, I HAVE NO ADDITIONAL ITEMS FOR CONSIDERATION. I REQUEST A MOTION FOR ADJOURNMENT.

ADJOURNMENT

Motion-That this meeting of The Pennsylvania Turnpike Commission be adjourned at 10:38 a.m.-was made by Commissioner Deon, seconded by Commissioner Lincoln; and passed unanimously.

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PREPARED BY:

Ann Louise Edmunds
Assistant Secretary Treasurer

10-04-11

APPROVED BY:

J. William Lincoln
Secretary Treasurer

ATTACHMENT NUMBER 1

COMMUNICATIONS: MEMO RECEIVED FROM THE CHIEF COUNSEL AND
THE DIRECTOR OF OPERATIONS REVIEW