

MINUTES OF THE COMMISSION MEETING HELD OCTOBER 16, 2012

A formal meeting of the Pennsylvania Turnpike Commission convened at 11:13 a.m., October 16, 2012 at the Central Office located in Highspire, Pennsylvania. Present for the meeting were William K. Lieberman, Chairman; J. William Lincoln, Secretary Treasurer; Pasquale T. Deon, Sr., Commissioner and Barry J. Schoch, P.E., Secretary of Transportation.

Other present for the meeting were Craig R. Shuey, Chief Operating Officer; William J. Capone, Director of Communications/Public Relations; Scott Fairholm, Chief Information Officer; Todd S. Garrison, Director of Maintenance; Nikolaus Grieshaber, Chief Financial Officer; Doreen McCall, Chief Counsel; Myneca Y. Ojo, Director of Diversity and Inclusion and Ann Louise Edmunds, Assistant Secretary Treasurer.

Also in attendance Susan Carson-Casoni, Cash Manager; Carl E. Defebo, Jr., Director of Public Relations & Marketing; Lynn Feeman, Legal Secretary; Gary Graham, assistant Chief Engineer/Design; Kelly Horvath, Executive Secretary; Donald S. Klingensmith, P.E., Director of Contracts Administration; Donna Lapano, Executive Office Assistant; Anthony Q. Maun, Assistant CFO/Accounting & Budgeting; Wanda Metzger, Contracts Supervisor; Kurt E. Montz, Assistant Chief Compliance Officer; Gina Murray, Engineering Contracts Supervisor; Richard A. Reidy, Engineer, Michael Baker Jr., Inc.; Robert H. Rosell, Technician of PC/LAN Systems; Patricia F. Schlegel, Director of Human Resources; Lynn Stakem, Senior General Accountant; Kim Tosh, Debt and Derivatives Manager; Christopher Will, Investment Manager; Carolann Wicks, RK&K; Eric Madden, ACEC/PA; Donna Walchek, Attorney General's office; Ronald Breisch; Vince Valovage; Erdman Anthony; Blair Stocker, Hatch Mott MacDonald; Thom Dougan, Buchart Horn; Neil Shemo, AECOME; Marty Malone, P. Joseph Lehman; Glenn Deppert, Arora & Associates; Paul McNamee, KCI Technologies; Tom Rowader, Dawood; and Brad Mallory, Michael Baker, Jr., Inc.

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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 A SALARY ADJUSTMENT, PROMOTIONS, NEW HIRES, VACANCIES AND A REQUEST TO POST AND FILL POSITIONS IN THE MAINTENANCE AND HUMAN RESOURCES DEPARTMENTS.

THE COMMISSIONERS ALSO DISCUSSED HARRIS V. PTC, DOCKET NO. 4501100005933; PTC V. KEITH ANDERSON & PROTIVITI, DOCKET NO. 2009-11207; ZAUFLIK V. PENNSBURG SCHOOL DISTRICT, DOCKET NO. 3937; AND DOCKET NO. PTC-88672 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.

COMMISSIONERS, WE HAVE ONE REQUESTS TO ADDRESS THE COMMISSION. MR. BREISCH DISCUSSED THE UPCOMING ANNIVERSARY OF THE TURNPIKE AND HOPES THE COMMISSION WILL HAVE YEAR ROUND CELEBRATIONS FOR THE EVENT.

AT THIS TIME WE ASK ALL VISITORS TO STAND AND INTRODUCE YOURSELF. CAROLANN WICKS, RK&K; ERIC MADDEN, ACEC/PA; DONNA WALCHEK, ATTORNEY GENERAL'S OFFICE; RONALD BREISCH; VINCE VALOVAGE; ERDMAN ANTHONY; BLAIR STOCKER, HATCH MOTT MACDONALD; THOM DOUGAN, BUCHART HORN; NEIL SHEMO, AECOME; MARTY MALONE, P. JOSEPH LEHMAN; GLENN DEPPERT, ARORA & ASSOCIATES; PAUL MCNAMEE, KCI TECHNOLOGIES; TOM ROWADER, DAWOOD; AND BRAD MALLORY, MICHAEL BAKER, JR., INC.

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MINUTES OF THE MEETING

Motion-That the Minutes of the meeting held October 2, 2012 be approved and filed as submitted-was made by Commissioner Lincoln, seconded by Commissioner Deon; and passed unanimously.

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COMMUNICATIONS

Motion-That the Commission accepts and files the memo received from the Chief Counsel and the Manager of Strategic Sourcing and Asset Management -was made by Commissioner Lincoln, seconded by Commissioner Deon; and passed unanimously.

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PERSONNEL

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

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NEW BUSINESS

GRF TRANSFER

Motion-That the Commission authorizes and approves the transfer of an additional \$25 million from the General Reserve Fund (GRF) to the Commission's Retiree Medical Trust -was made by Commissioner Lincoln, seconded by Commissioner Deon; and passed unanimously.

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AGREEMENTS

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

- a. Release, executed by the Chief Financial Officer, in exchange for payment of approximately \$246,219.55 as part of the settlement of the Wachovia Bank, N.A., AG Municipal Bond Derivative litigation;
- b. Reimbursement Agreement with Norfolk Southern Railroad to reimburse the Railroad for the costs associated with the engineering and protective services necessary for the maintenance and painting of Bridge NB-356 at MP A58.11; at a not-to-exceed amount of \$122,033.75;
- c. Interagency Agreement with the PA Department of Environmental Protection (DEP) for a pilot program to allow third party consultant reviews of Commission environmental permit applications which will result in complete permit submissions and faster permit issuance from the DEP; at a not-to-exceed amount of \$1,000,000.00 that will be awarded by the DEP in four (4) contracts each at a not-to-exceed amount of \$250,000.00;
- d. Agreement with TRC Engineers, Inc. for sub-surface drilling from MP 247.30 to MP 259.00 and the Northeast Extension; at a not-to-exceed amount of \$600,000.00 or three (3) years, whichever occurs first;
- e. Interagency Reimbursement Work Order with the PA Department of Transportation to allow the transfer of federal fund to the Commission for a portion of the design and implementation of the Intelligent Transportation System (ITS) on the Turnpike; the maximum federal reimbursable amount for this phase is \$3,284,838.00 with the Commissions share of \$821,209.00;
- f. Interagency Agreement with PA Department of General Services for the Commission to utilize the fleet fuel cards with Wright Express Fleet Card Program and an Addendum to the Fuel Card Services Agreement with Wright Express Financial Services Corporation and the Commonwealth; the program will provide comprehensive electronic reporting, monthly reconciliations and is accepted at a variety of merchants; estimated annual usage is \$300,000.00;
- g. All necessary documents between the Commission, Walsh Construction Company and/or PA Department of Protection (DEP), for the violations imposed by the DEP on the Northeast Extension for erosion and sediment controls; authorize the payment of \$12,250.00 for the fines.

-was made by Commissioner Lincoln, seconded by Commissioner Deon; 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 “f”:

- a. Acquisition of Right-of-Way #17070, a partial take parcel necessary for construction of the Southern Beltway, by issuing payment of fair market value, pro-rated taxes and recording fees of \$8,193.00 to Koon & 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 owners is contingent upon their delivery of a deed as prepared by the Legal Department;
- b. Acquisition of Right-of-Way #17760, a total take parcel necessary for construction of the Southern Beltway, by issuing payment of fair market value and pro-rated taxes of \$25,741.56 to Fayette Professional Services, Escrow Agent and also issuing payment of replacement housing supplement for purchase of replacement lot and eligible closing costs and purchase of a mobile home of \$54,061.95; authorize the appropriate Commission officials to execute the agreement of sale and other documents as may be required for closing, and to 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 his delivery of a deed as prepared by the Legal Department;
- c. Acquisition of Right-of-Way #3111-G, a total take parcel necessary for the total reconstruction project from MP 199.00 to MP 227.00, by issuing payment of fair market value and pro-rated taxes of \$3,039.69 to Dwight D. Carbaugh; authorize the appropriate Commission officials to execute the agreement of sale and other documents as 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 his delivery of a deed as prepared by the Legal Department;
- d. Acquisition of Right-of-Way #6072-74-R1, a partial take parcel necessary for the roadway and bridge reconstruction from MP 320.00 to MP 326.00 by issuing payment of fair market value and pro-rated taxes of \$1,522.50 to Barbara Gross, and issue payment of recording fees of \$65.00 to Chester County Recorder; authorize the appropriate Commission officials to execute the agreement of sale and other documents that may be required for closing; approve 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 is contingent upon the property owner’s delivery of a deed as prepared by the Legal Department;
- e. Acquisition of Right-of-Way #6072-74-E, a partial take parcel necessary for the roadway and bridge reconstruction from MP 320.00 to MP 326.00, by issuing payment of fair market value and pro-rated taxes of \$2,537.50 to Kathleen P. Sullivan, and issue payment of recording fees of \$65.00 to Chester County Recorder of Deeds; authorize the appropriate Commission officials to execute the agreement of sale and other documents that may be required for closing; approve 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 is contingent upon the property owner’s delivery of a deed as prepared by the Legal Department;

- f. Acquisition of Right-of-Way #6458-A, a partial take parcel necessary for the total reconstruction project from MP A26.00 to MP A30.00, by authorize the appropriate Commission officials to execute a Memorandum of Understanding between the Turnpike Commission, John R. Kibblehouse, Sr., Lee Detwiler, Joyce Detwiler and if necessary their developer, as drafted and approved by the Legal Department, which confirms the Commission's future maintenance responsibilities for the two stormwater detention basins to be constructed on the property .

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

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CHANGE ORDERS AND CHANGE ORDERS/FINAL PAYMENTS

Motion-That the Commission approves the Change Orders and Change Order/Final Payment for the items listed in memos "a" through "g":

- a. Change Order #1 and Final Payment for Contract #T-247.38F005-3-04 with Shannon A. Smith, Inc. for electrical work on the operations center at the TIP Building; for an additional \$26,416.01 for additional circuits, relocation of electrical components due to interference, lighting protection, L&I issues and credits for materials; for a final contract value of \$353,416.01 and final amount due to the contractor of \$42,766.01;
- b. Change Order #1 for Contract #EN-00116-03-02 with JPS Construction Co., Inc. for bridge repairs between MP 0.00 and MP 109.91, Toll I-376, Turnpike 576 and Turnpike 66; for an additional \$100,000.00 for bridge repairs issued on PTC Work Authorizations;
- c. Change Order #1 for Contract #A-128.87S001-3-02 with GA & FC Wagman, Inc. for the replacement of Bridge NB-736 at MP A128.87; for an 18-day time extension necessary due to relocation of overhead lines and redesign of the demo plan due to the deterioration of the bridge deck;
- d. Change Order #1 and Final Payment for Contract #EN-00105-03-08 with New Enterprise Stone & Lime, Inc. for bituminous overlay between MP 206.92 and MP 210.51; for a decrease of \$84,366.95 for normal quantity adjustments to balance items to actual work completed; for a final contract value of \$984,695.95 and the final amount due to the contractor of \$36,867.19;
- e. Change Order #3 and Final Payment for Contract #EN-00111-03-04 with JPS Construction Co., Inc. for bridge repairs between MP 236.22 and MP 358.11; for an additional \$108,655.65 for additional bridge deck patching and repairs work that was not anticipated and a 91-day time extension needed to complete this work; for a final contract value of \$2,218,281.65 and the final amount due to the contractor of \$274,590.49;
- f. Change Order #2 and Final Payment for Contract #A-025.67R001-3-02 with Reading Site Contractors for bituminous resurfacing from MP A25.67 to MP A31.13; for a decrease of \$129,444.51 for normal quantity adjustments to balance items to actual work completed; for a final contract value of \$1,981,891.93 and the final amount due to the contractor of \$23,151.75;
- g. Change Order #1 for Contract #A-114.64S001-3-02 with H.R.I., Inc. for the replacement of Bridge NB-655 at MP A114.64; for a 25-day time extension due to additional rock armor, additional conduit, inclement weather and an asphalt plant recertification.

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

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AWARD OF BIDS AND ISSUANCE OF PURCHASE ORDERS

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

- a. Generator replacement at Slatington Maintenance; to the lowest responsive and responsible bidder, Philips Brothers Electrical Contractors, Inc.; at a total award of \$448,861.00;
- b. Tires, exercising our option to renew the agreement for an additional year (November 1, 2012-September 4, 2013):

<u>VENDOR</u>	<u>RENEWAL AMOUNT</u>
Wingfoot Commercial Tire	\$320,000.00
Service Tire Truck Center	<u>\$ 50,000.00</u>
TOTAL RENEWAL:	\$370,000.00

- c. Automotive storage batteries, exercising our option to renew the agreement for an additional year (September 1, 2012-August 31, 2013):

<u>VENDOR</u>	<u>RENEWAL AMOUNT</u>
Sunbury Motors	\$41,000.00
NAPA of White Oak	<u>\$24,000.00</u>
TOTAL RENEWAL:	\$65,000.00

- d. Automotive filters, exercising our option to renew the agreement for an additional year (September 1, 2012-August 31, 2013):

<u>VENDOR</u>	<u>RENEWAL AMOUNT</u>
Fred Beans	\$28,000.00
Sunbury Motors	\$22,000.00
Transedge Truck	\$28,000.00
Cherry Valley Tractor	<u>\$10,000.00</u>
TOTAL RENEWAL	\$88,000.00

- e. Network infrastructure intrusion prevention system, utilizing the Commonwealth’s contract with Eplus; at a total award of \$170,975.37.

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

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LETTER OF INTEREST

Motion-That the Commission authorizes the Commission to submit a Letter of Interest (LOI) to seek credit assistance from the USDOT through the Transportation Infrastructure Finance and Innovation Program (TIFIA) to fund various capital projects; at a not-to-exceed amount of

\$150,000.00 in fees for the USDOT to hire financial and/or legal advisors as part of the LOI review process-was made by Commissioner Lincoln, seconded by Commissioner Deon; and passed unanimously.

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PSPC ITEM

Motion-That the Commission approves the award of services and authorizes the negotiation and execution of an agreement with the selected firm for the items in memos "a" through "c":

- a. Ref #1-162. Total reconstruction project from MP 49.00 to MP 53.00;
 - Mackin Engineering Company-AWARDED
 - AECOM Technical Services, Inc.
 - URS Corporation-was made by Commissioner Schoch, seconded by Commissioner Lincoln; and passed unanimously.

- b. Ref #1-163. Total reconstruction project from MP 53.00 to MP 57.00;
 - Buchart Horn, Inc.-AWARDED
 - AECOM Technical Services, Inc.
 - URS Corporation-was made by Commissioner Schoch, seconded by Commissioner Lincoln; and passed unanimously.

- c. REMOVED FROM AGENDA

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NEXT COMMISSION MEETING

Ms. Edmunds: The next meeting of The Pennsylvania Turnpike Commission will be a formal meeting on Tuesday, November 6, 2012 beginning at 10:00 am.

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ADJOURNMENT

Motion-That this meeting of The Pennsylvania Turnpike Commission be adjourned at 11:28 a.m. -was made by Commissioner Lieberman, seconded by Commissioner Schoch; and passed unanimously.

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PREPARED BY:

Ann Louise Edmunds
Assistant Secretary Treasurer

10-16-12

APPROVED BY:

J. William Lincoln
Secretary Treasurer

ATTACHMENT NUMBER 1
COMMUNICATIONS: MEMOS RECEIVED FROM THE CHIEF COUNSEL AND
THE MANAGER OF STRATEGIC SOURCING AND ASSET MANAGEMENT