

MINUTES OF THE COMMISSION MEETING HELD OCTOBER 18, 2011

A formal meeting of the Pennsylvania Turnpike Commission convened at 11:23 a.m., October 18, 2011 at the Central Office located in Highspire, Pennsylvania. Present 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.

Others 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; Richard S. DiPiero, Director of Fare Collection; Jeffrey L. Garrett, Chief Engineer, Michael Baker Jr., Inc.; Todd S. Garrison, Director of Maintenance; Nikolaus Grieshaber, Chief Financial Officer; Jeffrey L. Hess, Director of Operations/Projects-West; Frank J. Kempf, Jr., Chief Engineer; Doreen McCall, Chief Counsel; Myneca Ojo, Director of Diversity and Inclusion; Joseph P. Suess, Acting Chief Information Officer; Stacia A. Ritter, Director of Government Affairs and Ann Louise Edmunds, Assistant Secretary Treasurer.

Also in attendance were Allen W. Baldwin, Director of Operations, Safety & Incident Response; Elizabeth Benion, Executive Analyst; Michael D. Begler, Director of Operations Review; Dan Bretzman, Manager of Operations Center Administration; William J. Capone, Director of Communications/Public Relations; Susan Carson-Casoni, Cash Manager; Ronald Duckett, Manager District 4 Fares; Kelly Decker, Attorney 4; Carl E. Defebo, Jr., Manager of Public Information-East; Lorie Gray, Customer Communications Manager; Derek S. Hansel, Assistant CFO; Donald S. Klingensmith, P.E., Manager of Contracts Administration; Donna Lapano, Executive Office Assistant; Anthony Q. Maun, Director of Accounting; Jeffrey A. Naugle, Manager of Treasury Operations; Robert H. Rosell, Technician of PC/LAN Systems; Catherine L. Sabo, Senior General Accountant; Patricia F. Schlegel, Director of Human Resources; Lynn Stakem, General Accountant; Brenda Szeles-Bratina, Director of Toll Revenue Audit; Kathy Thomas, Administrative Secretary; Kim D. Tosh, Manager of Debt and Derivatives; Captain Kathy-Jo Winterbottom, PSP Troop T; Dean Kohr, Atkins; Dan Gardner, Sr., Select-A-Branch; Dan Gardner, Jr., Select-A-Branch; Robert Gugsas, Select-A-Branch; Peter Cunningham, BNY Mellon; Todd Smeltz, Erdman Anthony; Richard Welsh, US Bank; Ken Benton, US Bank; William Wright, FJ Phillips; Ralph Jones, US Bank; David A Russell, IPS and Joe Foor, Parsons Brinkerhoff.

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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 AN EQUITY ADJUSTMENT, A PROMOTION, TERMINATIONS, NEW HIRES, VACANCIES, AND A REQUEST TO POST AND FILL POSITIONS IN THE MAINTENANCE DEPARTMENT.

THE COMMISSIONERS DISCUSSED Cassizzi v. PTC, Claim No. 0005841, Miller v. PTC, Claim No. 0005203, Fringe Benefits and Labor Negotiations. THE COMMISSION 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;

DAN GARDNER, SR., SELECT-A-BRANCH

DAN GARDNER, JR., SELECT-A-BRANCH

ROBERT GUGSA, SELECT-A-BRANCH

PETER CUNNINGHAM, BNY MELLON

TODD SMELTZ, ERDMAN ANTHONY

RICHARD WELSH, US BANK

KEN BENTON, US BANK

WILLIAM WRIGHT, FJ PHILLIPS

RALPH JONES, US BANK

DAVID A RUSSELL, IPS

JOE FOOR, PARSONS BRINKERHOFF

Craig Shuey introduced Stacia A. Ritter, Director of Government Affairs and Myneca Ojo, Director of Diversity and Inclusion, and welcomed them to the Turnpike.

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### MINUTES OF THE MEETING

Motion-That the Minutes of the meeting held October 4, 2011 be approved and filed as amended-was made by Commissioner Deon seconded by Commissioner Schoch; and passed unanimously.

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### COMMUNICATIONS

Motion-That the Commission accepts and files the memos received from the Chief Counsel and the Manager of Strategic Sourcing & 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

#### 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 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 Agreement for the item listed in memos "a":

- a. Assignment Agreement with Wachovia Bank, N.A. to assign all active contracts to Wells Fargo Bank due to merger of the two banks;

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

VICE CHAIRMAN 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 for the items listed in memos "b" through "d":

- b. Agreement with Centerville Borough for the Borough to perform the necessary improvements to Pechin Access Drive and Pump House Road that are necessary due to construction of the Mon/Fayette Expressway; and authorize payment in the amount of \$39,128.77 for these improvements;
- c. License Agreement with Brandywine Operating Partnership to permit Brandywine to install and maintain an 8 foot right-of-way fence gate and landscaping near Ramp D at the Valley Forge Interchange;
- d. Amendment to our agreement with Integrated Transportation Finance Group, LLC (ITF) for electronic toll interoperability, to increase the not-to-exceed amount to \$20,000.00 annually.

-was made by Commissioner Lincoln, seconded by Commissioner Schoch; 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 "g":

- a. Acquisition of Right-of-Way #8995-R04, a partial take parcel, necessary for construction of the Rt. 903 Slip Ramp; by issuing payment in the amount of \$2,030.00 to Ralph Mitrano and Sabatino DiSabatino; representing fair market value and pro-rated taxes; authorize the appropriate Commission officials to execute the agreement of sale and other settlement documents as necessary; authorize the payment of additional statutory damages as calculated by the Legal Department and approved by the Chief Executive Officer and payment of damages to the property owners is contingent upon their delivery of a deed prepared by the Legal Department;
- b. Acquisition of Right-of-Way #8995-R21, a partial take parcel, necessary for construction of the Rt. 903 Slip Ramp; by issuing payment in the amount of \$86,275.00 to Ralph Mitrano

- and Sabatino DiSabatino; representing fair market value and pro-rated taxes; authorize the appropriate Commission officials to execute the agreement of sale and other settlement documents as necessary; authorize the payment of additional statutory damages as calculated by the Legal Department and approved by the Chief Executive Officer and payment of damages to the property owners is contingent upon their delivery of a deed prepared by the Legal Department;
- c. Authorize settlement of Right-of-Way #14214-B, a partial take parcel, necessary for the total reconstruction project from MP 40.00 to MP 48.00, by issuing settlement in the amount of \$4,799.75, payable to Nathan J. Zarichnak & Associates, LLC, Escrow Agent; authorize the appropriate Commission officials to execute the agreement of sale and other settlement documents as necessary; authorize the payment of additional statutory damages as calculated by the Legal Department and approved by the Chief Executive Officer and payment of damages to the property owners is contingent upon their delivery of a deed prepared by the Legal Department;
- d. Authorize settlement of Right-of-Way #1023-J, a partial take parcel, necessary for the total reconstruction project from MP 99.00 to MP 109.00, by issuing settlement in the amount of \$15,000.00, payable to McDonald, Snyder & Lightcap, P.C., Escrow Agent; ; authorize the appropriate Commission officials to execute the agreement of sale and other settlement documents as necessary; and payment of damages to the property owners is contingent upon their execution of a full and final settlement agreement as approved by the Legal Department;
- e. Acquisition of Right-of-Way #14219-B, a partial take parcel, necessary for the total reconstruction project from MP 40.00 to MP 48.00; by issuing payment in the amount of \$126,260.03 to Nathan J. Zarichnak & Associates, LLC, Escrow Agent; representing fair market value, pro-rated taxes, recording fees and mortgage satisfaction fees; authorize the appropriate Commission officials to execute the agreement of sale and other settlement documents as necessary; authorize the payment of additional statutory damages as calculated by the Legal Department and approved by the Chief Executive Officer and payment of damages to the property owners is contingent upon their delivery of a deed prepared by the Legal Department;
- f. Acquisition of Parcel 28, a partial take parcel, necessary for the Marsh Run Road Bridge total reconstruction project; by issuing payment in the amount of \$2,500.00 to F&AO USAED Baltimore; representing administrative processing charges; authorize the appropriate Commission officials to execute all necessary and appropriate documents; authorize payment of additional statutory damages as calculated by the Legal Department and approved by the Chief Executive Officer and payment of damages to the property owner is contingent upon the delivery of an easement as approved by the Legal Department;
- g. Authorize the acquisition of Right-of-Way #6058-RB, a partial take parcel, necessary for the roadway and bridge reconstruction project from MP 320.00 to MP 326.00; by issuing payment in the amount of \$254,001.50 payable to City Line Abstract Company, Escrow Agent; representing fair market value, cost to cure for new septic system, Section 710 fees, pro-rated taxes and recording fees; authorize the appropriate Commission officials to execute the agreement of sale and other necessary documents; 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.

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

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### ADVERTISING

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

- a. Authorized Service Provider to provide coverage from MP 154.20 to MP 188.60;
- b. Engineering or construction management firm to perform open-end construction management and related construction technical services systemwide;
- c. Accredited Actuarial firm to complete an actuarial valuation for postemployment benefits other than pensions (OPEB).

-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 Issuance of Purchase Orders for the items listed in memos "a" and "b":

- a. Traffic Operations center consoles, utilizing the Commonwealth's contract with CR Solutions, Inc.; at a total award of \$518,569.85;
- b. Eighteen (18) trailer mounted message boards, utilizing the Commonwealth's contract with American Signal Company; at a total award of \$258,300.00.

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

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### AWARD OF CONTRACTS

Motion-That the Commission approves the Award of Contracts for the items listed in memos "a" and "b":

- a. Contract #T-342.75S001-3-02 for the replacement of Bridge DB-155 at MP 342.75, to the lowest responsive and responsible bidder, Loftus Construction, Inc.; at a total award of \$11,322,543.40 and a contingency of \$500,000.00;
- b. Contract #A-020.00T002-3-06 for the replacement of Bridge NB-142 at MP A30.06, to the lowest responsive and responsible bidder, Loftus Construction, Inc.; at a total award of \$12,485,000.00 and a contingency of \$600,000.00.

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

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#### CHANGE ORDER AND FINAL PAYMENTS

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

- a. Change Order #1 and Final Payment for Contract #EN-00088-03-07 with Glasgow, Inc. for roadway and miscellaneous repairs between MP 298.33 and MP 358.11; for an increase of \$874,446.89; making the final contract value \$3,374,446.89 and the final amount due of \$924,446.89;
- b. Final Payment for Contract #T-048.00S002-3 with Walsh Construction for the Allegheny River Bridge Replacement project; for a final contract value of \$190,333,999.42 and the final amount due of \$500,000.00.

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

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#### POLICY LETTERS

Motion-That the Commission adopts the following Policy Letter additions and revisions:

- New *Policy Letter 3.11, Fraud and Abuse Tip-Box*, to establish process and define the responsibility of the Inspector General for the review, investigation, analysis and oversight of the Fraud and Abuse Tip-Box, and sets guidelines and the Commission's expectations for employees reporting fraud and abuse of Commission resources.
- Revision *Policy Letter 7.5, Internal Audit Services*, revised to clarify that investigative functions and reporting of matters for investigation are within the Inspector General's responsibility.
- Revisions to the following Policy Letters to reassign the reporting of violations to the Information Security Department or the Inspector General:
  - 2.13 -*Compliance with the PA Whistleblower Law*
  - 5.3 -*Facility Security Policy*
  - 8.1 -*Electronic Communications Acceptable Use*
  - 8.2 -*Wireless Policy*
  - 8.3 -*Firewall Policy*
  - 8.4 -*Information Systems Access Control Policy*
  - 8.5 -*Licensed Software Use*
  - 8.9 -*Transmission Security Policy*
  - 8.10 -*Security Camera Policy*

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

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#### PROFESSIONAL SERVICES PROCUREMENT COMMITTEE (PSPC)

Motion-That the Commission approves the vendor selection recommendation from the Professional Services Procurement Committee (PSPC) and authorize the negotiation and execution of an agreement with the first firm listed in memo "a":

- a. Engineering design services for the full depth roadway reconstruction project from MP 28.00 to MP 31.00; at a not-to-exceed amount of \$8,000,000.00:
  - ms consultants, inc.
  - Mackin Engineering Company
  - Greenhorne & O'Mara, Inc.

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

Motion-That the Commission approves the vendor selection recommendations from the Professional Services Procurement Committee (PSPC) and authorize the negotiation and execution of an agreement with the first firm listed in memo "b" and the three firms listed in memo "c":

- b. ATM services at the Service Plazas and the Central Administration Building:
  - Select-A-Branch ATM Network, LLC
  - PNC Bank
  - ATM Bancorp, Inc.
- c. Trustee and custody services for a term of 3 years each; for a not-to-exceed amount of:

US Bank	\$275,000.00
Wells Fargo Bank	\$125,000.00
BNY Mellon	\$125,000.00

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

VICE CHAIRMAN PRATT: MR. CHAIRMAN, I ABSTAIN ON THE BASIS THAT ONE OF THE COMPANY'S SET FORTH IN EACH 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.

MS. EDMUNDS: I HAVE NO FURTHER ITEMS FOR CONSIDERATION FOR TODAY'S MEETING.

POST-FORMAL MEETING

ROGER NUTT: MR. CHAIRMAN, BEFORE YOU ARE TWO AWARDS THAT I HAD TO GO TO BERLIN TO ACCEPT. I WANT TO TAKE THIS OPPORTUNITY TO SHOW YOU THE AWARDS FROM IBTTA. IBTTA ISSUES 5 AWARDS IN 5 DIFFERENT AREAS. WE RECEIVED THE AWARD FOR CUSTOMER SERVICE AND THE PRESIDENTS AWARD FOR THE BEST OF THE 5. IN ADDITION, WE NOW HAVE TRIP TALK AND I WOULD LIKE TO RECOGNIZE THE PEOPLE INVOLVED, BUT FIRST I WOULD LIKE TO SHOW YOU A CLIP FROM THE SPEECH I GAVE AND THE CLIP WE SHOWED AT THE IBTTA MEETING. I THINK THIS IS AN OPPORTUNITY TO LET PEOPLE KNOW THAT WE ARE PROUD OF OUR EMPLOYEES AND THEY DID A GOOD JOB. I THINK YOU WILL FIND



THIS CLIP INTERESTING, I WAS IMPRESSED BY IT. THIS VIDEO WAS DONE IN-HOUSE AND SHOWS THE QUALITY WE HAVE.

BILL CAPONE WAS THE LEADER HERE AND HE WOULD LIKE TO INTRODUCE A FEW PEOPLE. I THINK IT'S TRUE THAT WE DO HAVE GOOD EMPLOYEES AND IT WAS GREAT TO SEE THIS VIDEO BECAUSE I WAS NOT AWARE WE DID ALL OF THESE THINGS.

BILL CAPONE SPOKE ON THE CUSTOMER SERVICE CENTER AND THE OPERATIONS CENTER AND INTRODUCED LORIE GRAY AND DAN BRETZMAN AND THANKED THEIR STAFF AND VOICENET.

CHAIRMAN LIEBERMAN: BILL THANK YOU AND THANK EVERYONE FOR THE GREAT WORK THAT EVERYBODY AT THE TURNPIKE DOES. WE ARE BLESSED WITH A TERRIFIC GROUP OF EMPLOYEES; THEY ARE DEDICATED AND CARE ABOUT THE TURNPIKE AND IT'S NICE TO SEE. STACI AND MYNECA I THINK YOU WILL FIND THIS A NICE PLACE TO WORK AND I'M SURE WE WILL DO BETTER WORK WITH THE TWO OF YOU HERE. WELCOME.

NEXT MEETING

MS. EDMUNDS: THE NEXT FORMAL COMMISSION MEETING WILL BE A TELEPHONE MEETING HELD TUESDAY, NOVEMBER 1, 2011 BEGINNING AT 10:00 A.M.

ADJOURNMENT

Motion-That this meeting of The Pennsylvania Turnpike Commission be adjourned at 11:46 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

10-18-11

APPROVED BY:

J. William Lincoln  
Secretary Treasurer

**COMMUNICATIONS: MEMO RECEIVED FROM THE CHIEF COUNSEL AND  
THE MANAGER OF STRATEGIC SOURCING & ASSET MANAGEMENT**