

MINUTES OF THE COMMISSION MEETING HELD OCTOBER 18, 2016

A formal meeting of the Pennsylvania Turnpike Commission convened at 11:38 a.m. on October 18, 2016 at the Central Office located in Highspire, Pennsylvania. Present for the meeting were Sean Logan, Chairman; Barry Drew, Commissioner and Leslie Richards, Secretary of Transportation. Available via telephone were William K. Lieberman, Vice Chairman and Pasquale T. Deon, Sr., Secretary Treasurer.

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; Carl E. Defebo, Jr., Director of Public Relations & Marketing; Charles L. Duncan III, Esquire, Director of Legislative Affairs; Nikolaus Grieshaber, Chief Financial Officer; Bradley J. Heigel, P.E., Chief Engineer; Jeffrey L. Hess, Director of Fare Collection & Field Operations; Doreen A. McCall, Chief Counsel; Ray Morrow, Chief Compliance Officer; Myneca Y. Ojo, Director of Diversity and Inclusion; Stacia A. Ritter, Esquire, Director of Policy & External Affairs and Ann Louise Edmunds, Assistant Secretary Treasurer.

Others present were Jack Christensen, Director of FEMO; Richard S. DiPiero, Senior Fare Collection Operations Manager; Richard C. Dreher, Asst. CFO/Financial Management; Kelly Horvath, Executive Administrative Assistant; Donald S. Klingensmith, P.E., Director of Procurement & Logistics; Anthony Q. Maun, Asst. CFO/Accounting & Budgeting; Wanda Metzger, Contracts Supervisor; Jeffrey A. Naugle, Manager of Treasury Operations; Sheri Norris, Director of Human Resources; Albert C. Peters II, General Litigation & Contracts Counsel; Theodore A. Rusenko, Accounting & Financial Reporting Manager; Timothy M. Scanlon, Director of Traffic Engineering & Operations; Mark Strause, Technician of PC/LAN Systems; Christopher Will, Investment Manager; Paul McNamee, KCI; John Smith, Parsons Brinckerhoff; Joseph DiFiore, Parsons; Mark Rowe, Teamsters Local 77; Mark Boris, Borton Lawson; Glenn Deppert, Arora; Scott Shimko, Borton Lawson; John Burkhardt, TPD; Jeff Sestokas, Mott MacDonald; Steven Iszauk, Mott MacDonald; Doug Rickards, LNA; Quentin Rissler, Larson Design; Richard Horstmann, KSE; and Karen Langley, Pittsburgh Post-Gazette.

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 present.



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 and vacancies.

The Commissioners also discussed Docket Number 265 MD 2009 and 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 October 4, 2016 be approved and filed as submitted - were made by Commissioner Drew, seconded by Commissioner Richards, and passed unanimously.



COMMUNICATION

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 Richards, and passed unanimously.



PERSONNEL

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



UNFINISHED BUSINESS

No unfinished business to discuss.



NEW BUSINESS

SUPPLEMENT

Motion-That the Commission approves the negotiation and execution of Supplemental Agreement #2 for Contract #T-186.20S004-2 with Gannett Fleming, Inc. for design services for the rehabilitation of the Tuscarora Tunnel, for an additional \$250,000.00 to complete the final design tasks and perform roadway reconstruction design and operating system design; for a revised not-to-exceed amount of \$4,500,000.00 -was made by Commissioner Drew, seconded by Commissioner Richards, and passed unanimously.



AGREEMENTS

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

- a. Lease Agreement with EQT Production Company to permit EQT to lease 5.3597 acres of Right-of-Way and surplus property along the Mon/Fayette Expressway for the purpose of exploring, developing and producing oil and gas from the Utica Shale Formation; for a total payment to the Commission of \$29,478.35.
- b. Easement Agreements with Sunoco Pipeline, L.P. for the installation of a natural gas pipeline on portions of surplus property in Cumberland County (6 parcels) and Chester County (3 parcels); for a total payment to the Commission of \$199,858.00;
- c. Reimbursement Agreement with West Penn Power (WPP) to reimburse WPP the cost for the engineering and facility relocation work necessary for the replacement of Bridge WB-500 at MP 59.58; at a not-to-exceed amount of \$65,957.33;
- d. Grant of Perpetual Easement and Right-of-Way to PA Dept. of Environmental Protection (PA DEP) for construction, use, operation, inspection, maintenance, repair, rehabilitation, improvement and replacement of improvements and other flood protection activities necessary for the flood protection project the DEP is undertaken in Luzerne County adjacent to MP A117.92 to MP A118.15.

-was made by Commissioner Drew, seconded by Commissioner Richards, 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 "f":

- a. Acquisition of Right-of-Way #12035-K2 (Mervin E. Detweiler), a total take parcel necessary for the Beaver River Bridge replacement project by authorizing payment of \$7,000.00 representing the balance of the fair market value to Fee Simple Settlement LLC, 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 damages to the property owner is contingent upon his delivery of a deed prepared by the Legal Department;
- b. Acquisition of Right-of-Way #14072-B2 (The Township of Hampton), a partial take parcel necessary for the total reconstruction project from MP 40.00 to MP 48.00, by authorizing execution of an agreement and all necessary documents with the Township whereby the Township transfers the property to the Commission and the Commission paves Ben Herr Street (a Township Road impacted by the project);
- c. Adopt the Proposed Property Acquisition Resolution for Right-of-Way #17985 (Shirley Clark), a partial take parcel necessary for construction of the Southern Beltway, Rt. 22 to I-79; authorize payment of estimated just compensation of \$18,000.00 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;
- d. Acquisition of Right-of-Way #17998 (Lakeview Christian Life Church f/k/a Mt. Lebanon Christian Fellowship), a partial take parcel necessary for construction of the Southern Beltway, Rt. 22 to I-79 by authorizing the payment of \$1,600.00 to Lakeview Christian Life Church representing fair market value and moving costs; authorize the appropriate Commission officials to execute the required settlement documents; 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 its delivery of a deed prepared by the Legal Department;
- e. Acquisition of Right-of-Way #15000-RB2 (Edward F. & Elizabeth R. McDonough, Jr.), a partial take parcel necessary for the total reconstruction project from MP 57.00 to MP 67.00 by authorizing payment of \$2,518.00 to Edward F. & Elizabeth R. McDonough, Jr. representing fair market value and pro-rated taxes; 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 deed prepared by the Legal Department;
- f. Acquisition of Right-of-Way #17971 (Fairfield Southpointe, L.P.), a partial take parcel necessary for construction of the Southern Beltway, Rt. 22 to I-79 by authoring payment of \$4,000.00 representing Section 710 statutory damages to Fairfield Southpointe, L.P.;

- g. Acquisition of Right-of-Way #17971-2 (Fairfield Southpointe, L.P. and Fairfield Construction d/b/a Fairfield Landscaping), a partial take parcel necessary for construction of the Southern Beltway, Rt. 22 to I-79 by authorizing payment of \$60,000.00 representing business dislocation damages payable to Fairfield Construction; authorize the appropriate Commission officials to execute the Settlement Agreement and other documents that may be required for closing; and authorize the payment of additional statutory damages as calculated by the Right-of-Way Administer and approved by the Chief Counsel;
- h. Acquisition of Right-of-Way #17971-3 (Fairfield Southpointe, L.P. and Fairfield Snow & Ice Services, Inc.), a partial take parcel necessary for construction of the Southern Beltway, Rt. 22 to I-79 by authorizing payment of \$60,000.00 representing business dislocation damages payable to Fairfield Snow & Ice Services, Inc.; authorize the appropriate Commission officials to execute the Settlement Agreement and other documents that may be required for closing; and authorize the payment of additional statutory damages as calculated by the Right-of-Way Administer and approved by the Chief Counsel;
- i. Settlement of Right-of-Way #17746 (Douglas & Dalene Quinten), a total take parcel necessary for construction of the Southern Beltway, Rt. 22 to I-79 by authorizing payment of \$226,124.69 representing fair market value, pro-rated taxes, recording fess and replacement housing supplement to Clark Hill, PLC, 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 the fair market value to the property owners is contingent upon the delivery of a deed as prepared by the Legal Department;
- j. Acquisition of Right-of-Way #2134-D (Marjorie & Duane Wilt), a partial take parcel necessary for the total reconstruction project from MP 149.50 to MP 155.50 by authorizing payment of \$11,020.38 representing fair market value and pro-rated taxes to Marjorie & Duane Wilt; 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;
- k. Acquisition of Right-of-Way #15036 and #15036-X (Thomas Ray and Mary Beth Markovich, Jr., Trustees of the Markovich Revocable Living Trust), a total take parcel necessary for the total reconstruction project from MP 57.00 to MP 67.00 by authorizing payment of \$263,343.00 to TRG Closing Services, 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 deed prepared by the Legal Department;
- l. Acquisition of Right-of-Way #6501-A (Jeanette Rose Baum, Faye Gina Baum and Miriam Cerline Baum), a partial take parcel necessary for the total reconstruction project from MP A31.00 to MP

A38.00 by authorizing the Commission to relinquish the condemnation and refile the Declaration of Taking at a later date.

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



ADVERTISING

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

- a. Contract #S-006.00X002-3-11 for the Morganza/Morgan Road improvements for construction of the Southern Beltway, SR 0576, Section 55C2-2;
- b. Independent Certified Public Accounting firm to audit the financial statements of the Commission and the Retiree Medical Trust.

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



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. Furnishings for the Customer Service Center/Violations Processing Center (CSC/VPC) located on East Park Drive, utilizing the Commonwealth’s contract with Allsteel, Inc.; at a total award of \$711,539.62;
- b. Pest control services for all facilities throughout the Turnpike system (November 1, 2016 – October 31, 2018), to the lowest responsive and responsible bidder, Ehrlich Pest Control; at a total award of \$200,000.00;
- c. Three (3) compact excavators, utilizing the Commonwealth’s contract with Bobcat Co., Clark Equipment Co.; at a total award of \$224,568.65;

- d. Renovations for the Customer Service Center/Violations Processing Center (CSC/VPC) located on East Park Drive, to the lowest responsive and responsible bidders:

General	eciConstruction, LLC	1,265,000.00
Plumbing	W. G. Tomko, Inc.	240,000.00
Electrical	Lobar, Inc.	954,000.00
HVAC	Blanski Energy	<u>450,000.00</u>
TOTAL AWARDS:		2,909,000.00

- e. Re-award recommendation for evaporated crystal sodium chloride solar salt (August 1, 2016 – May 31, 2017), due to Chemical Equipment Labs of VA inability to comply with the performance bond requirements:

Harvey Salt Company	\$100,000.00	Jefferson Hills, Homewood, Searights, Donegal, Somerset, Everett
Eastern Salt Co.	<u>20,000.00</u>	Newville, New Cumberland, Plymouth Mtg, Trevose, Slatington, Bowmanville, Wyoming Valley
TOTAL AWARD:	\$120,000.00	

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



CHANGE ORDERS/FINAL PAYMENT

Motion-That the Commission approves the Change Orders and Final Payment for the items listed in memos “a” and “b”:

- a. Change Order #3 for Contract #S-006.00X002-3-05 for wetland mitigation for the Southern Beltway, Section 55W with Cast & Baker Corporation, for an increase of \$66,290.86 for class 1 excavation, topsoil, seeding and soil supplements, and tree plantings; for a revised not-to-exceed amount of \$995,758.42;
- b. Change Order #3 and Final Payment for Contract #EN-00125-03-02 for design/build for the installation of Intelligent Transportation Systems (ITS) between MP 282.70 and MP 346.83 with Carr & Duff, Inc., for a decrease of \$45,773.43 to balance items to actual work completed; for a final contract value of \$2,912,046.78 and final amount due to the vendor of \$58,204.94.

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



PSPC AWARDS

Motion-That the Commission approves the award of services and authorizes the negotiation and execution of an agreement with the selected firm(s) for the items listed in memos “a’ through “d”:

- a. RFP #7456, benefit consultant:
- Conrad Siegel Actuaries-AWARDED

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

- b. RFP #7479, ATM services at the service plazas, Central Administration Building and the Turnpike Industrial Park Building:
- Paramount Management Group, LLC-AWARDED
 - FCTI Nationwide ATM Network

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

c. RFP #7495, legal services for broadband network Public-Private Partnership (P3):

- Hunton & Williams LLP and McNeese Wallace & Nurick LLC-AWARDED
- Ashurst LLP
- Fasken Marineau DuMoulin LLP

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

d. RFP #7496, financial advisor for broadband network Public-Private Partnership (P3):

- Ernst & Young Infrastructure Advisors, LLC-AWARDED
- KPMG LLP

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



POST-FORMAL MEETING

Mark Compton recognized Jack Christensen for his contributions to the advancement of the facilities management profession, as he was awarded the George Graves Award for Facility Management Achievement by the International Facility Management Association (IFMA).



NEXT COMMISSION MEETING

The next meeting of the Pennsylvania Turnpike Commission will be a telephone meeting on Tuesday, November 1, 2016 beginning at 10:00 a.m.



ADJOURNMENT

Motion-That this meeting of the Pennsylvania Turnpike Commission be adjourned at 11:50 a.m. -was made by Commissioner Drew, seconded by Commissioner Richards, and passed unanimously.



PREPARED BY:

APPROVED BY:

Ann Louise Edmunds
Assistant Secretary Treasurer

Pasquale T. Deon, Sr.
Secretary Treasurer