

MINUTES OF THE COMMISSION MEETING HELD OCTOBER 22, 2013

A formal meeting of the Pennsylvania Turnpike Commission convened at 11:22 a.m., October 22, 2013 at the Central Office located in Highspire, Pennsylvania. Present for the meeting were William K. Lieberman, Chairman; A. Michael Pratt, Esquire, Vice Chairman; Pasquale T. Deon, Sr., Secretary Treasurer and Sean Logan, Commissioner.

Also present for the meeting were Mark P. Compton, Chief Executive Officer; Craig R. Shuey, Chief Operating Officer; Larry Bankert, Chief Engineer Michael Baker Jr., Inc.; Robert F. Brady, Director of Operations/Projects-East; Todd S. Garrison, Director of Maintenance; David Gentile, Chief Compliance Officer; Nikolaus Grieshaber, Chief Financial Officer; Bradley J. Heigel, P.E., Chief Engineer; Jeffrey L. Hess, Director of Fare Collection and Field Operations; Doreen McCall, Chief Counsel; Stacey Ritter, Director of Government Affairs and Ann Louise Edmunds, Assistant Secretary Treasurer.

Others in attendance were Jack Christensen, Director of FEMO; Renee Colborn, Manager of Media and Public Relations; Carl Defebo, Jr., Director of Public Relations & Marketing; Richard C. Dreher, Assistant CFO; Donald S. Klingensmith, P.E., Director of Contracts Administration; Robert Kleimenhagen Jr., Strategic Planning Coordinator; Donna Lapano, Executive Office Assistant; Wanda Metzger, Contracts Supervisor; Gina Murray, Engineering Contracts Supervisor; Jeffrey A. Naugle, Manager of Treasury Operations; Robert H. Rosell, Technician of PC/LAN Systems; Patricia F. Schlegel, Director of Human Resources; Brenda Szeles-Bratina, Director of Toll Revenue Audit; Kim Tosh, Debt and Derivatives Manager; Alan Williamson, Senior Engineer Project Manager; Kristi Reichard, Raudenbush Engineering; Paul McNamee, KCI Technologies; Sandra Basehore, Skelly and Loy; Glenn Deppert, Arora and Associates, P.C.; Steven Levin, Kimley-Horn and Associates, Inc.; Alan Kealey, RCC Consultants, Inc.; Tom McDonald, RCC Consultants, Inc.; Quentin Rissler, Larson Design Group; Nicholas Brien, Dawood; John Newell, NTM Engineering; Richard Stees, Erdman Anthony and Steve Barber, 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 RECLASSIFICATION, EQUITY ADJUSTMENT, TERMINATIONS, NEW HIRES, VACANCIES AND REQUESTS TO ABOLISH; TO RECLASS, POST AND FILL; AND TO POST AND FILL POSITIONS IN THE EASTERN REGIONAL OFFICE, COMPLIANCE, HUMAN RESOURCES AND FINANCE AND ADMINISTRATION 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. THE FOLLOWING WERE VISITORS TO THE MEETING: KRISTI REICHARD, RAUDENBUSH ENGINEERING; PAUL MCNAMEE, KCI TECHNOLOGIES; SANDRA BASEHORE, SKELLY AND LOY; GLENN DEPERT, ARORA AND ASSOCIATES, P.C.; STEVEN LEVIN, KIMLEY-HORN AND ASSOCIATES, INC.; ALAN KEALEY, RCC CONSULTANTS, INC.; TOM MCDONALD, RCC CONSULTANTS, INC.; QUENTIN RISSLER, LARSON DESIGN GROUP; NICHOLAS BRIEN, DAWOOD; JOHN NEWELL, NTM; ENGINEERING; RICHARD STEES, ERDMAN ANTHONY AND STEVE BARBER, MICHAEL BAKER, JR., INC.

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MINUTES OF THE MEETING

Motion-That the Minutes of the meeting held October 1, 2013 be approved and filed as submitted-was made by Commissioner Deon, seconded by Commissioner Logan, 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 and Asset Management -was made by Commissioner Pratt, seconded by Commissioner Deon, and passed unanimously.

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PERSONNEL

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

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NEW BUSINESS

FEMO FUNDING

Motion-That the Commission approves two Facility and Energy Management Operations (FEMO) contracts be included in funding approved as part of the Fiscal Year 2013 Ten Year Capital Plan:

- Design services for the TIP E-ZPass CSC/VPC for \$500,000.00;
- Construction of the Somerset Materials Testing Lab for \$850,000.00.

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

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AGREEMENTS

Motion-That the Commission approve the negotiation and execution of the Agreements, a Lease, Supplements, and a Memorandum of Understanding and an Amendment for the items listed in memos “a, b and d through f”:

- a. Amendment to our agreement with Joby’s Gulf as an authorized service provider for coverage on the Mon/Fayette Expressway from MP M0.00 to MP M7.84 and MP M13.40 to MP M27.90, to exercise our option to renew the agreement for an additional 5-years;
- b. Lease Agreement with Allied Concrete and Supply Corp. to lease a portion of Commission property located at MP 340.80 EB that is adjacent to Allied Concrete and Supply Corp.; to lease the property through April 2017 (with two 5-year renewal options) at a lease rate of \$24,000.00 annually;
- d. Supplemental Agreement with Penn Power for the engineering and relocation of their aerial electrical lines necessary for the replacement of Bridge WB-207 and Bridge WB-208 at MP 12.63 and MP 12.67, respectively, for an additional \$2,788.03 for unforeseen field conditions and an easement that were omitted from the original estimate and additional crew to keep the project on time; increasing the not-to-exceed amount to \$94,567.03;
- e. Memorandum of Understanding with Big Beaver Municipal Authority (BBMA) for reimbursement to the Authority of the costs associated with the utility relocation necessary for the replacement of Bridges WB-207 and WB 208 (MP 12.63 and MP 12.67), at not-to-exceed amount of \$60,000.00; and the Commission will be responsible for the design, materials and construction of the future force main for the utility relocation at a not-to-exceed amount of \$304,048.89;
- f. Stormwater Management Operation and Maintenance Agreement with Stonycreek Township for management of the stormwater for the Western Training Facility renovation project;

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

Motion-That the Commission approves the negotiation and execution of the Agreement and Supplement for the items listed in memos "c" and "g":

- c. Supplemental Agreement with PECO for the engineering and relocation of their aerial electrical lines necessary for the replacement of Bridge NB-155 at MP A31.73, for an additional \$17,546.42 for overhead expenses that were omitted from the original estimate; increasing the not-to-exceed amount to \$42,546.42;
- g. Agreement with Sunoco for Sunoco to distribute E-ZPass Go Paks in their Convenience Stores located on the Turnpike; and an Amendment to our Concession Agreement with Sunoco to exclude the sale of E-ZPass Go Paks from gross sales rental payment to the Commission.

-was made by Commissioner Deon, seconded by Commissioner Logan, Commissioner Pratt abstained.

VICE CHAIRMAN PRATT: MR. CHAIRMAN, I ABSTAIN ON VOTING ON THESE ITEMS BECAUSE PECO AND SUNOCO ARE CLIENTS OF MY FIRM.

The motion passed.

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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 "j":

- a. Acquisition of Right-of-Way #7135-C4 (*RSCM Properties Limited Liability Company*), a partial take parcel necessary for construction of the I-95/I-276 Interchange project, by authorizing payment of fair market value and pro-rated taxes in the amount of \$10,481.00 to RSCM Properties Limited Liability Company; authorize the appropriate Commission officials to execute the agreement of sale; 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 its delivery of a deed prepared by the Legal Department;
- b. Acquisition of Right-of-Way #14217-B1 (*Emily Jean Simoncic*), a partial take parcel necessary for the total reconstruction project from MP 40.00 to MP 48.00, by authorizing payment of fair market value and pro-rated taxes in the amount of \$6,161.50 to Emily Jean Simoncic; authorize the appropriate Commission officials to execute the agreement of sale; 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 her delivery of a deed prepared by the Legal Department;
- c. Acquisition of Right-of-Way #14218-C (*910 Commerce Park Associates*), a partial take parcel necessary for the total reconstruction project from MP 40.00 to MP 48.00, by authorizing payment of fair market value and pro-rated taxes in the amount of \$2,331.50 to 910 Commerce Park Associates; authorize the appropriate Commission officials to execute the agreement of sale; authorize the payment of additional statutory damages as calculated by the Right-of-Way Administrator and approved by the Chief Counsel; payment of damages to the property owner is contingent upon its delivery of a deed prepared by the Legal Department;
- d. Acquisition of Right-of-Way #17655 (*Ransom Family, LLC*), a partial take parcel necessary for construction of the Southern Beltway, US 22 to I-79, by authorizing payment of fair market

- value, pro-rated taxes and recording fees of \$84,963.77 to Fayette Professional Services, Agent for Ransom Family, LLC; authorize the appropriate Commission officials to execute the agreement of sale; authorize the payment of additional statutory damages as calculated by the Right-of-Way Administrator and approved by the Chief Counsel; payment of damages to the property owner is contingent upon its delivery of a deed prepared by the Legal Department;
- e. Acquisition of Right-of-Way #7135-C3 (*J&W Ventures, LLC*), a partial take parcel necessary for construction of the I-95/I-276 Interchange project, by authorizing payment of fair market value and pro-rated taxes in the amount of \$14,495.00 to J&W Ventures, LLC; authorize the appropriate Commission officials to execute the agreement of sale; 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 its delivery of a deed prepared by the Legal Department;
- f. Acquisition of Right-of-Way #3374-A (*Timothy L. & Elizabeth R. Hoffman and Nancy Hoffman*), a partial take parcel necessary for the total reconstruction project from MP 242.00 to MP 245.00, by authorizing payment of fair market value and pro-rated taxes in the amount of \$25,058.66 to PA Real Estate Settlement Services, LLC; 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 owners is contingent upon their delivery of a deed as prepared by the Legal Department;
- g. Acquisition of Right-of-Way #3380-A (*Kenneth N. & Shauna Sober*), a partial take parcel necessary for the total reconstruction project from MP 242.00 to MP 245.00, by authorizing payment of fair market value and pro-rated taxes in the amount of \$2,508.19 payable to Kenneth N. & Shauna Sober; 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 owners is contingent upon their delivery of a deed as prepared by the Legal Department;
- h. Adopt the Proposed Property Acquisition Resolution for Right-of-Way #3190-A (*DABD Limited partnership, a PA Limited Partnership*), a partial take parcel necessary for the total reconstruction project from MP 220.00 to MP 227.00; authorize payment of Estimated Just Compensation in the amount of \$14,000.00 to Hollinshead, Mendelson, Bresnahan & Nixon, P.C., escrow agent ; and authorize payment of additional statutory damages as calculated by the Right-of-Way Administrator and approved by the Chief Counsel;
- i. Acquisition of Right-of-Way #3376-A (*Mario & Monika Vukovic*), a partial take parcel necessary for the total reconstruction project from MP 242.00 to MP 245.00, by authorizing payment of fair market value and pro-rated taxes in the amount of \$7,096.00 payable to Mario & Monika Vukovic; 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 owners is contingent upon their delivery of a deed as prepared by the Legal Department;

- j. Settlement of Right-of-Way #1031-R09 (*McDonald's Corporation d/b/a Delaware McDonald's Corporation*), a partial take parcel necessary for the Somerset 5-Legged Interchange project, by authorizing settlement payment in the amount of \$12,600.00 to Hollinshead, Mendelson, Bresnahan & Nixon, P.C., escrow agent; authorize the appropriate Commission officials to execute the necessary settlement documents; and payment of the settlement funds to the property owner is contingent upon its execution of a settlement agreement and full and final release as approved by the Legal Department;

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

Motion-That the Commission approved the Right-of-Way Request for the item listed in memo "k":

- k. Adopt the Proposed Property Acquisition Resolution for Right-of-Way #14221-C (*W.D. McCrady Land Limited Partnership*), 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 \$200,000.00 to a 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.

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

CHAIRMAN LIEBERMAN: I ABSTAIN ON VOTING ON THIS ITEM BECAUSE I HAVE A BUSINESS RELATIONSHIP WITH MR. MCCRADY.

The motion passed.

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IAG REIMBURSEMENT

Motion-That the Commission Reimbursement payment to the E-ZPass Interagency Group (IAG) for expenses incurred in supporting the backup Virtual Private Network (VPN) and Managed Frame Relay Service connections, from November 2012 through August 2013, in the amount of \$7,536.50-

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

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AWARD OF BIDS AND ISSUANCE OF PURCHASE ORDERS

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

- a. Cisco UCS servers, network equipment, hardware maintenance and installation, utilizing the Commonwealth's contract with ePlus; at a total award of \$341,218.14;
- b. Tree and stump cutting services, to the lowest responsive and responsible bidder, Independence Construction Corp.; at a total award of \$308,556.95;
- c. Change Order to our agreement with WW Engine Supply, Inc. for thirty-seven (37) dump trucks, to change specifications for the dump trucks; at a cost of \$325,715.00; for a total revised award of \$7,537,654.00;

- d. One (1) single axle compressed natural gas (CNG) powered dump truck, utilizing the Commonwealth's contract with Freightliner of Harrisburg (Transteck, Inc.); at a total award of \$196,028.00.

-was made by Commissioner Deon, seconded by Commissioner Logan, and 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-099.00T002-3-06 for the replacement of Bridge B-504 (S-27222) at MP 108.17, to the lowest responsive and responsible bidder, Plum Contracting, Inc.; at a not-to-exceed amount of \$6,647,076.00 and a contingency of \$300,000.00;
- b. Contract #A-129.70S001-3-02 for the redecking of Bridge NB-750 at MP A129.70, to the lowest responsive and responsible bidder, Nyleve Bridge Corp.; at a not-to-exceed amount of \$16,186,726.17 and a contingency of \$750,000.00.

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

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SUPPLEMENT

Motion-That the Commission approves negotiation and execution of Supplemental Agreement #1 with Mackin Engineering Company for design services for the Southern Beltway, US 22 to I-79, Section 55-A1; for an additional \$4,300,000.00 to complete the final design and for consultation during construction services; for a not-to-exceed amount of \$13,300,000.00

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

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CHANGE ORDERS AND FINAL PAYMENTS

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

- a. Change Order #2 for Contract #A-059.00R001-3-02 with New Enterprise Stone and Lime Company, Inc. for bituminous resurfacing and bridge painting between MP A58.11 and MP A68.00, for an additional \$377,752.00 to balance contract items to the actual work completed and for additional concrete deck repairs;
- b. Change Order #2 for Contract #T-149.50T002-3-03 with New Enterprise Stone and Lime Company, Inc. for the replacement of Bridge B-552 at MP 153.06, for a 203-day time extension due to delays incurred in obtaining a joint permit from DEP and HOP from PennDOT;
- c. Change Order #1 and Final Payment for Contract #T-186.20F001-3-02 with I.B. Abel, Inc. for the transformer replacement at the Tuscarora Tunnel (MP 186.20 to MP 187.21), for a decrease

of \$1,557.76 to balance contract items to the actual work completed and additional costs to bring fire dampers in the transformer room up to code and installation of an astragal on door 103; for a final contract value of \$515,693.24 and final payment of \$46,927.79 due to the contractor;

- d. Change Order #2 and Final Payment for Contract #A-128.87S001-3-02 with G.A. & F.C. Wagman, Inc. for the replacement of Bridge NB-736 at MP A128.87, for an additional \$77,190.13 to balance contract items to the actual work completed and additional changes for MPT, concrete barrier, clearing for PP&L lines, crack sealing, class C concrete, excavation, impact attenuators and E & S control; for a final contract value of \$2,464,818.78 and final payment of \$184,104.33 due to the contractor;
- e. Change Order #1 and Final Payment for Contract #EN-00105-03-04 with Road-Con, Inc. for roadway and miscellaneous repairs between MP A20.00 and MP A130.30, for an additional \$130,703.29 to balance contract items to the actual work completed and a 39-day time extension necessary for favorable night time paving temperatures; for a final contract value of \$2,130,703.29 and final payment of \$230,703.29 due to the contractor.

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

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BOND AND UNDERWRITER COUNSEL SERVICES

Motion-That the Commission approves amending the pool of qualified co-bond counsel for bond and underwriter counsel services to include Ahmad, Zaffarese & Smyler, LLC to the qualified pool-was made by Commissioner Pratt, seconded by Commissioner Deon, and passed unanimously.

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POLICY LETTER

REMOVED FROM THE AGENDA- Approve the revisions to Policy Letter 3.10, Code of Conduct, to expand the policy to create a more comprehensive Code of Conduct for Commission employees.

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PSPC ITEMS

Motion-That the Commission approves the award of service and authorize the negotiation and execution of an agreement with the selected firm for the items listed in memos "a" and "c" and the first two firms for the item listed in memo "b":

- a. RFP #4234. Arbitrage consulting services;
 - PFM Asset Management LLC-AWARDED

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

b. Ref #3-240. Two (2) open-end design engineering services, systemwide;

- Arora and Associates, P.C.-AWARDED
- Tri-State Design and Development, Inc.-AWARDED
- Larson Design Group
- P. Joseph Lehman, Inc.

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

c. Ref #3-247. Design of the E-ZPass Customer Service Center and Violations Processing Center at the Turnpike Industrial Park Building (TIP) Building;

- Celli-Flynn Brennan, Inc.-AWARDED
- Astorino
- TranSystems Corporation Consultants

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

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

The motion passed.

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NEXT COMMISSION MEETING

Ms. Edmunds: The next meeting of the Pennsylvania Turnpike Commission will be a telephone meeting on Tuesday, November 6, 2013 beginning at 10:00 am.

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SECA CAMPAIGN

Mark Compton provided an update to the Commissioners on the progress of the SECA campaign.

ADJOURNMENT

Motion-That this meeting of the Pennsylvania Turnpike Commission be adjourned was made at 11:35 a.m. -made by Commissioner Lieberman, seconded by Commissioner Deon, and passed unanimously.

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PREPARED BY:

APPROVED BY:

Ann Louise Edmunds
Assistant Secretary Treasurer

Pasquale T. Deon, Sr.
Secretary Treasurer

ATTACHMENT NUMBER 1

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