

MINUTES OF THE COMMISSION MEETING HELD NOVEMBER 6, 2012

A formal telephone meeting of the Pennsylvania Turnpike Commission convened at 10:47 a.m., November 6, 2012 at the Central Office located in Highspire, Pennsylvania. Available via phone for the meeting were William K. Lieberman, Chairman; A. Michael Pratt, Esquire, 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 Craig R. Shuey, Chief Operating Officer; Larry Bankert, Chief Engineer, Michael Baker, Jr., Inc.; William J. Capone, Director of Communications/Public Relations; Scott Fairholm, Chief Information Officer; 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; Myneca Y. Ojo, Director of Diversity and Inclusion and Ann Louise Edmunds, Assistant Secretary Treasurer.

Also in attendance Susan Carson-Casoni, Cash Manager; John Christensen, Director of Facilities & Energy Management Operations; Donald S. Klingensmith, P.E., Director of Contracts Administration; Donna Lapano, Executive Office Assistant; Robert H. Rosell, Technician of PC/LAN Systems; Jeffrey A. Naugle, Manager of Treasury Operations; Dean Kohr, Atkins and Peter Kuhne, 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 A TITLE CHANGE, PROMOTIONS, TERMINATIONS, EQUITY ADJUSTMENTS, NEW HIRES, VACANCIES AND REQUESTS TO POST AND FILL AND TO CREATE AND FILL POSITIONS IN THE COMPLIANCE, INFORMATION TECHNOLOGY AND OPERATIONS, SAFETY AND INCIDENTS RESPONSE DEPARTMENTS.

THE COMMISSIONERS ALSO DISCUSSED Heider v. PTC, Docket No. 0004501116054, Beech Construction v. PTC, Docket No. 3937 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; DEAN KOHR, ATKINS AND PETER KUHNE, ATKINS.

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MINUTES OF THE MEETING

Motion-That the Minutes of the meeting held October 16, 2012 be approved and filed as submitted-was made by Commissioner Lincoln, 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 Director of Toll Revenue Audit -was made by Commissioner Lincoln, seconded by Commissioner Schoch; 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 Schoch; and passed unanimously.

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NEW BUSINESS

PAYMENT OF RISK MANAGEMENT INVOICES

Motion-That the Commission approves payments for the Risk Management invoices listed in memos "a" and "b":

- a. Invoice from Conner, Strong & Buckelew in the amount of \$1,452,483.00, which represents the second and final installment for property and inland marine policies with Travelers Insurance Company for coverage October 1, 2012 – October 1, 2013;

- b. Invoice from the Department of Labor and Industry for the 2012 Notice of Assessment from the Bureau of Worker's Compensation in the amount of \$18,668.00, for the Supersedeas and Subsequent Injury Fund.

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

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AGREEMENTS

Motion-That the Commission approves the negotiation and execution of the Agreements, Amendments and Supplemental Agreements for the items listed in memos "a" through "j":

- a. Reimbursement Agreement with North Penn Water Authority for the Authority to reimburse the Commission the costs associated with the water line installation work for the replacement of Bridge NB-155 at MP A31.73;
- b. Amendment to our agreements with AAA North Penn, AAA Central Penn, AAA Southern Penn, AAA Reading/Berks, and AAA Schuylkill County to enable these AAA Clubs to participate in the E-ZPass GoPak program;
- c. Supplemental Agreement with TEPPCO for the relocation of two petroleum facilities necessary for the total reconstruction project from MP 67.00 to MP 75.00, for an additional \$17,595.51 due to unforeseen field conditions that required redesign; for a total contract of \$375,062.01;
- d. Memorandum of Understand (MOU) with Delaware Valley Regional Center (DVRC) for the DRVC to provide up to \$250 million in EB-5 financing;
- e. Settlement Agreement and all necessary documents in the case, *Beech Construction v. The Pennsylvania Turnpike Commission*; and payment of \$70,646.64 representing the settlement amount;
- f. Agreement with M.H. Corbin, Inc. to supply a web-based service to access Roadway Weather Information Systems (RWIS) information; at a not-to-exceed amount of \$10,000.00 annually for 3-years;
- g. Agreement with Erdman Anthony for construction inspection and project management for the bridge replacement projects at MP 172.88 and MP 172.89; for a revised not-to-exceed amount of \$1,654,439.32;
- h. Amendment to our agreement with Greenhorne & O'Mara, Inc. for project collaboration system (Buzzsaw and Constructware), to exercise our option to renew the agreement for an additional year; at an additional \$722,367.50;
- i. Supplement Agreement with Buckeye Pipe Line Company, L.P. for the relocation of underground facilities necessary for the total reconstruction project from MP 40.00 to MP 48.00, for an additional \$115,989.39 due to increased labor and material costs;
- j. Amendment to our agreement with Integrated Transportation Finance Group, LLC (ITF) for electronic toll interoperability; to exercise our option to renew the agreement for an additional six months (December 1, 2012-May 31, 2013), at no additional costs.

-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 “t”:

- a. Plans entitled, “Drawings for Condemnation Plan I-276 in Montgomery County from Turnpike Sta 420+57.31 to Sta 427+21.95 Length 664.64 Ft. 0.126 Mi (MP 332.0) from Belvoir Road (S.R. 3017) Sta -0+31.08 to Sta 5+40.70 Length 571.78 Ft. 0.108 Mi”; as prepared by the Engineering Department for the condemnation of a limited access Right-of-Way access ramp connecting S. R. 3017 with the Turnpike at MP 332.03;
- b. Acquisition of Right-of-Way #17406, a partial take parcel necessary for construction of the Southern Beltway, authorize payment of fair market value, pro-rated taxes and recording fees of \$11,175.89 to Karen Coon & Company, Escrow Agent; 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 their delivery of a deed as prepared by the Legal Department;
- c. Acquisition of Right-of-Way #17630, a partial take parcel necessary for construction of the Southern Beltway, authorize payment of fair market value, pro-rated taxes, judgment satisfaction and recording fees of \$18,123.83 to Karen Coon & Company, Escrow Agent; 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 their delivery of a deed as prepared by the Legal Department;
- d. Acquisition of Right-of-Way #17409, a partial take parcel necessary for construction of the Southern Beltway, authorize payment of fair market value, pro-rated taxes, judgment satisfaction and recording fees of \$13,240.27 to Karen Coon & Company, Escrow Agent; 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 their delivery of a deed as prepared by the Legal Department;
- e. Acquisition of Right-of-Way #17411, a total take parcel necessary for construction of the Southern Beltway, authorize payment of fair market value, pro-rated taxes and recording fees of \$20,130.52 to Karen Coon & Company, Escrow Agent; 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 their delivery of a deed as prepared by the Legal Department;

- f. Acquisition of Right-of-Way #17071, a partial take parcel necessary for construction of the Southern Beltway, authorize payment of fair market value, pro-rated taxes and recording fees of \$41,208.50 to Karen Coon & Company, Escrow Agent; 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 their delivery of a deed as prepared by the Legal Department;
- g. Acquisition of Parcel #34, a partial take parcel necessary for the Cornell Road Bridge replacement project, authorize payment of fair market value in the amount of \$500.00 to Ethel M. Ford; 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 her delivery of a deed as prepared by the Legal Department;
- h. Acquisition of Right-of-Way #6498-B, a total take parcel necessary for the replacement of Bridge NB-150 and Bridge NB-152, authorize payment of fair market value, pro-rated taxes, recording fees, replacement housing supplement and closing costs in the amount of \$278,826.18 to City Line Abstract Company, Escrow Agent; authorize the appropriate Commission officials to execute the agreement of sale and other documents as may be necessary 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 prepared by the Legal Department;
- i. Acquisition of Right-of-Way #6519-B, a total take parcel necessary for the total reconstruction project from MP A31.00 to MP A38.00, authorize payment of fair market value, pro-rated taxes and recording fees in the amount of \$348,114.85 to Diversified Settlement Services, Inc., Escrow Agent; 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;
- j. Acquisition of Right-of-Way #6078-E, a partial take parcel necessary for the total reconstruction project from MP 320.00 to MP 326.00, authorize payment of fair market value and pro-rated taxes in the amount of \$16,808.40 to Glenn S. and Ulrika I. Tabata; authorize the appropriate Commission officials to execute the agreement of sale and other documents as 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 to the property owners is contingent upon their delivery of a deed as prepared by the Legal Department;
- k. Acquisition of Right-of-Way #6078-Q, a partial take parcel necessary for the total reconstruction project from MP 320.00 to MP 326.00, authorize payment of fair market value in the amount of \$19,440.00 to William D. and Edith K. Vandell; authorize the appropriate Commission officials to execute the temporary construction easement and other documents as 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 to the

property owners is contingent upon their delivery of a temporary construction easement as prepared by the Legal Department;

- l. Acquisition of Right-of-Way #12067-R2, a total take parcel necessary for the replacement of Bridge WB-228 at MP 22.60, authorize the issuance of payment of fair market value, pro-rated taxes and recording fees in the amount of \$163,189.75 to TRG Closing Services, Escrow Agent; 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;
- m. Settlement of Right-of-Way #7088-B and #7088-RA, partial take parcels necessary for the I-95 Interchange project, authorize the issuance of payment of fair market value and all outstanding claims in the amount of \$458,000.00 to Giles & Ransome, Inc.; payment of the settlement amount to the property owner is contingent upon its execution of all required settlement documents, including the settlement agreement, deed of easement and fee simple deed in lieu of condemnation as prepared by the Legal Department;
- n. Adopt the Proposed Property Acquisition Resolution for Right-of-Way #6072-74-A, a partial take parcel necessary for the total reconstruction project from MP 320.00 to MP 326.00, authorize payment of the Estimated Just Compensation in the amount of \$8,600.00 to Buckley, Brion, McGuire, Morris & Sommer, LLP; and authorize payment of additional statutory damages as calculated by the Right-of-Way Administrator and approved by the Chief Counsel;
- o. Acquisition of Right-of-Way #6078-N, a partial take parcel necessary for the total reconstruction from MP 320.00 to MP 326.00, authorize payment of fair market value in the amount of \$24,240.00 to Nicholas and Rachael A. Deenis; 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 owners delivery of a temporary construction easement as prepared by the Legal Department;
- p. Acquisition of Right-of-Way #12035-B1-01, a total take parcel necessary for the Beaver River Bridge Replacement project, authorize the issuance of payment of rent supplement and residential moving payment in the amount of \$7,180.00 to Robert Hallmark; authorize the appropriate Commission officials to execute documents as may be required for settling the claim; and authorize the payment of additional statutory damages as calculated by the Right-of-Way Acquisition group and approved by the Chief Counsel;
- q. Negotiations for Right-of-Way #14115, a partial take parcel necessary for construction of the Southern Beltway are ongoing; however, the owners requested reimbursement of Section 710 statutory damages for reimbursement of appraisal fees in the amount of \$1,500.00 (\$750.00 payable to Barbara A. Wagner and \$750.00 payable to James L. Wagner);
- r. Adopt the Proposed Property Acquisition Resolution for Right-of-Way #6059-A1, a partial take parcel necessary for the total reconstruction project from MP 320.00 to MP 326.00, authorize payment of the Estimated Just Compensation in the amount of \$30,200.00 to Buckley, Brion,

McGuire, Morris & Sommer, LLP; and authorize payment of additional statutory damages as calculated by the Right-of-Way Administrator and approved by the Chief Counsel;

- s. Acquisition of Right-of-Way #6078-R, a partial take parcel necessary for the total reconstruction project from MP 320.00 to MP 326.00, authorize payment of fair market value in the amount of \$18,909.00 to Kurt and Lynne M. Spangler; authorize the appropriate Commission officials to execute the temporary construction easement and other documents as 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 to the property owners is contingent upon their delivery of a temporary construction easement as prepared by the Legal Department;
- t. Acquisition of Right-of-Way #12035-B1, a total take parcel necessary for the Beaver River Bridge Replacement project, authorize the issuance of payment of fair market value, pro-rated taxes and recording fees of \$131,294.37 to McClain, Young & Patterson, Escrow Agent; 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 Acquisition group 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.

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

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BOND RESOLUTION

Motion-That the Commission authorizes the approval of the issuance of The Pennsylvania Turnpike Commission's variable and/or fixed rate Turnpike Revenue Bonds, in one or more series or sub-series, in an aggregate principal amount not to exceed \$250,000,000, to finance (a) the current refunding of its outstanding Turnpike Variable Rate Revenue Bonds, Series D of 2011, which mature on December 1, 2012, (b) the current refunding of its Turnpike Revenue Refunding Bonds, Series C of 2009, which mature on December 1, 2012, and (c) the costs of various capital expenditures for The Pennsylvania Turnpike system set forth in the Commission's current Ten Year Capital Plan, including, but not limited to, the reconstruction of roadbed and roadway, the widening, replacing and redecking of certain bridges and/or the rehabilitation of certain interchanges and including funding necessary reserves or similar funds, or capitalized interest related to such bonds, and issuance of such bonds; authorizing the execution, delivery and distribution of the following: (1) one or more Supplemental Trust Indentures, (2) one or more Preliminary Official Statements or Preliminary Private Placement Memoranda, (3) one or more Official Statements or Private Placement Memoranda, (4) one or more Purchase Contracts or Private Placement Agreements, (5) agreements for the provision of one or more credit facilities or related agreements, (6) one or more Remarketing Agreements, (7) one or more Continuing Disclosure Agreements, and (8) any other necessary or appropriate documents or certificates; appointing co-bond counsel, financial advisors and other professionals, and providing for the appointment of one or more underwriters; declaring The Pennsylvania Turnpike Commission's official intent that it be reimbursed from bond proceeds for certain expenditures paid prior to the issuance of such bonds; authorizing the taking of further action; repealing inconsistent resolutions; and declaring that this resolution shall be liberally construed.-was made by Commissioner Lincoln, seconded by Commissioner Schoch; 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" and "b":

- a. Live video capability from the Interchanges to the Central Administration Building, utilizing the Commonwealth's contract with Eplus; at a total award of \$122,230.75;
- b. One (1) mechanical roadway sweeper, utilizing the Commonwealth's contract with H A Dehart & Sons; at a total award of \$233,979.00.

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

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AWARD OF CONTRACT

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

- a. Contract #T-040.00T001-3-04 for the replacement of Bridge WB-423 at MP 40.20, to the lowest responsive and responsible bidder, Gulisek Construction, LLC; at a not-to-exceed amount of \$3,483,676.41 and a contingency of \$150,000.00;
- b. Contract #T-316.58S001-3-02 for the replacement of Bridge EB-729 at MP 316.58, to the lowest responsive and responsible bidder, Road-Con, Inc.; at a not-to-exceed amount of \$4,620,542.33 and a contingency of \$200,000.00.

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

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SUPPLEMENT

Motion-That the Commission approves Supplemental Agreement #1 for Contract #4400002662 with Skelly and Loy for storage tank services, for an increase of \$500,000.00 necessary to complete the tasks as required by the PA DEP-was made by Commissioner Lincoln, seconded by Commissioner Schoch; and passed unanimously.

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CHANGE ORDERS AND CHANGE ORDERS/FINAL PAYMENTS

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

- a. Change Order #1 for Contract #T-063.06S001-3-02 with Plum Contracting, Inc. for the replacement of Bridge WB-506 at MP 63.06, for an additional \$37,544.82 for additional excavation, geotextile and backfill to remove and replace unsuitable materials encountered on the project, a 19-day time extension for the removal and replacement of unsuitable material and the installation of temporary traffic signals;

- b. Change Order #2 and Final Payment for Contract #T-094.00R001-3-02 with New Enterprise Stone and Lime Company, Inc. for a decrease of \$284,475.30 for normal quantity adjustments to balance items to the actual work completed; for a final contract value of \$2,641,280.33 and a final payment due to the contractor of \$146,446.95;
- c. Change Order #2 and Final Payment for Contract #EN-00097-03-07 with Road-Con, Inc. for roadway and miscellaneous repairs between MP 298.33 and MP 358.11 for a decrease of \$475,028.91 for normal quantity adjustments to balance items to the actual work completed and a 61-day time extension to complete the contract due to increased quantities and weather limitations; for a final contract value of \$4,450,448.06 and a final payment due to the contractor of \$121,972.13;
- d. Change Order #7 and Final Payment for Contract #M-015.30X001-3-04 with Power Contracting for electrical work for the Uniontown to Brownsville maintenance facility, for an increase of \$115,294.53 for additional wire and conduit, additional relocation of light fixtures and repairs to light brackets, power relocations and upgrades, bracket for video camera, replacement of receptacles and additional outlets, additional conductor to utilize three pole breaker and installation and removal of an MC cable; for a final contract value of \$1,896,703.99 and a final payment due to the contractor of \$204,365.00.

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

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AMEND EFFECTIVE DATE FOR TRANSPONDER SERVICE FEE

Motion-That the Commission amends the 2013 Annual Toll Increase agenda item, that was previously approved at the July 18, 2012 Commission Meeting (item F-11), that approved the reduction of the E-ZPass annual transponder service fee from \$6.00 to \$3.00 effective January 1, 2013; to change the effective date of the reduction to December 1, 2012-was made by Commissioner Lincoln, seconded by Commissioner Schoch; and passed unanimously.

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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 20, 2012 beginning at 10:00 am.

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ADJOURNMENT

Motion-That this meeting of The Pennsylvania Turnpike Commission be adjourned at 10:54 a.m. -was made by Commissioner Lieberman, seconded by Commissioner Deon; and passed unanimously.

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PREPARED BY:

Ann Louise Edmunds
Assistant Secretary Treasurer

11-06-12

APPROVED BY:

J. William Lincoln
Secretary Treasurer

ATTACHMENT NUMBER 1
COMMUNICATIONS: MEMOS RECEIVED FROM THE CHIEF COUNSEL AND
THE DIRECTOR OF TOLL REVENUE AUDIT