

MINUTES OF THE COMMISSION MEETING HELD NOVEMBER 21, 2017

A formal meeting of the Pennsylvania Turnpike Commission convened at 11:35 a.m. on November 21, 2017 at the Central Office located in Highspire, Pennsylvania. Present for the meeting were Leslie Richards, Chair; Barry Drew, Secretary Treasurer and John Wozniak, Commissioner. Available via telephone were William K. Lieberman, Vice Chair and Pasquale T. Deon, Sr., Commissioner.

Also in attendance for the meeting were Mark P. Compton, Chief Executive Officer; Craig R. Shuey, Chief Operating Officer; Larry Bankert, Chief Engineer, Michael Baker, Inc.; 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, Assistant Director of Toll Collection-Fares; Doreen McCall, Chief Counsel; Ray Morrow, Chief Compliance Officer; Myneca Y. Ojo, Director of Diversity and Inclusion; Stacia A. Ritter, Esquire, Director of Policy and External Affairs; Robert Taylor, Chief Technology Officer and Ann Louise Edmunds, Assistant Secretary Treasurer.

Others present were Susan Carson-Casoni, Cash Manger; Jack Christensen, Director of FEMO; Richard C. Dreher, Assistant CFO/Financial Management; Kelly Horvath, Executive Administrative Assistant; Donald S. Klingensmith, P.E., Director of Procurement & Logistics; Sheri Norris, Director of Human Resources; Anthony Q. Maun, Assistant CFO/Accounting & Budgeting; Blair Moore, Payroll Systems Specialist; Wanda Metzger, Contracts Supervisor; Gina M. Murray, Engineering Contracts Supervisor; Jeffrey A. Naugle, Manager of Treasury Operations; Cindy Smith, ETC Customer Service Operations Analyst; Mark Strause, Technician of PC/Lan Systems; Eric Madden, JMT; David Lowdermilk, WSP; Derek Rogers, RIG; Jim Gordon, GAI; Paul McNamee, KCI; Mark Boris, Borton Lawson; George Kevgas, Bergmann, Mike Mogan, Bergmann; Jon Perrego WBCM; Chris Messner, GPI; Mahmood Shehata, RKK; Pat Kane, GPI; David Azzato; TPD; John Wilhelm, Pickering, Cortis, Summerson; Lou Cortalazzi, McCahon; Eileen Collins, Dewberry; Harivadan Parikh, P. Joseph Lehman; Joel Black, P. Joseph Lehman; Marty Malone, P. Joseph Lehman; Richard Horstmann, KSE; Steve Sadorsky, STV; Mike Cuddy, Transystems; Glenn Deppert, Arora; Allison DeFoor, Temple Group; Kim Contino, Transystems; Kristi Reichard, A Morton Thomas & Assoc.; Steve Barber, Michael Baker International; Dan Cessna, Michael Baker International; Dan Giles, HDR; and Ralph Jones, U.S. Bank.



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 a promotion, termination, new hires, vacancies and a unit reorganization. The Commissioners also discussed Docket #2017-WC-2314 and 2017-WC-0883, 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 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 November 7, 2017 be approved and filed as submitted - were made by Commissioner Drew, seconded by Commissioner Deon, and passed unanimously.



COMMUNICATIONS

Motion-That the Commission approves the memos received from the Chief Counsel and the Director of Procurement and Logistics -was made by Commissioner Drew, seconded by Commissioner Deon, and passed unanimously.



PERSONNEL

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



UNFINISHED BUSINESS

No Unfinished Business to consider.



NEW BUSINESS

TOLLS

Motion-That the Commission approves toll rates for all vehicle classes for the Findlay Connector, Clarks Summit and Keyser Avenue, effective April 2018 or at the time of the conversion to Cashless Tolling -was made by Commissioner Drew, seconded by Commissioner Deon, and approved unanimously.



AGREEMENTS

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

- a. Amendment to our agreement with Jack Maggs Agency, Inc. for E-ZPass distribution; exercising the option to renew the agreement for an additional year;
- b. Amendment to our agreement with AAA East Central for E-ZPass distribution; exercising the option to renew the agreement for an additional year;
- c. Amendment to our agreement with Kuhn's Market for E-ZPass distribution; exercising the option to renew the agreement for an additional year;
- d. Amendment to our agreement with Acme Markets, Inc. for E-ZPass distribution; exercising the option to renew the agreement for an additional year;
- e. Amendment to our agreement with Wegmans Food Markets, Inc. for E-ZPass distribution; exercising the option to renew the agreement for an additional year;
- f. Reimbursement Agreement with PECO Energy Company to reimburse PECO the cost for the required engineering and utility relocation work necessary for the total reconstruction project from MP 308.00 to MP 312.00 (Bridge EB-717, MP 309.20); at a not-to-exceed amount of \$100,746.04;
- g. Reimbursement Agreement with Duquesne Light Company to reimburse Duquesne Light the cost for the required engineering and utility relocation work necessary for construction of the Mon/Fayette Expressway; at a not-to-exceed amount of \$937,500.00;

- h. Reimbursement Agreement with U.S. Steel Corporation (USSC) to reimburse USSC the cost for the required engineering and utility relocation work necessary for construction of the Mon/Fayette Expressway; at a not-to-exceed amount of \$50,000.00;
- i. Lease Agreement with Range Resources-Appalachia, LLC to permit it to lease 6.8472 acres of right-of-way and surplus property along the Mon/Fayette Expressway (MP M53.32) for the purpose of exploring, developing and producing oil and gas down to the Utica Shale Formation;
- j. Agreement of Sale and all necessary documents with Tim Clouser of REMAX Realty Select, for the sale of 1.1663 acres of property at 300 East Park Drive, Harrisburg for the purpose of providing additional REMAX parking; at a payment to the Commission of \$150,000.00;
- k. Reimbursement Agreement with Plum Borough Municipal Authority to reimburse the Authority the cost for the required engineering and utility relocation work necessary for the total reconstruction project from MP 53.00 to MP 57.00 (Bridge WB-454, MP 53.66); at a not-to-exceed amount of \$726,835.00;
- l. Agreement with Mitrastech Holdings, Inc. for the license, hosting, support and maintenance of the Law Trac matter management system; for a term of 5 years at a total not-to-exceed amount of \$207,691.75.

-was made by Commissioner Drew, seconded by Commissioner Deon, 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 "d":

- a. Adopt the proposed Property Acquisition Resolution for Right-of-Way #14079-RL (Jon K. & Kara L. Marshalek), a total take parcel necessary for the total reconstruction from MP 49.00 to MP 53.00 (Bridge WB-452 at MP 52.36) by authorizing payment of estimated just compensation of \$78,000.00 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;
- b. Adopt the proposed Property Acquisition Resolution for Right-of-Way #14079-RH (Todd M. & Debra A. McKillop), a total take parcel necessary for the total reconstruction from MP 49.00 to MP 53.00 (Bridge WB-452 at MP 52.36) by authorizing payment of estimated just compensation of \$100,000.00 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;
- c. Acquisition of Right-of-Way #14114 (ER Partners, L.P.), a partial take parcel necessary for the installation of ITS DMS signs from MP 10.00 to MP 201.00 by authorizing payment of \$506.00 representing fair market value and pro-rated taxes to ER Partners, L.P.; 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 owner is contingent upon its delivery of a deed of easement as prepared by the Legal Department;

- d. Acquisition of Right-of-Way #7135-E (The Estate of Joan and Emmett W. Szafranski), a total take parcel necessary for the construction of the I-95/I-276 Interchange by authorizing payment of \$422,816.20 representing fair market value, pro-rated taxes, recording fees and mortgage satisfaction; 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 owners is contingent upon their delivery of a deed prepared by the Legal Department.

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



ADVERTISING

Motion-That the Commission approves advertising an engineering firm to perform engineering automation services-was made by Commissioner Drew, seconded by Commissioner Deon and passed unanimously.



PURCHASE ORDER

Motion-That the Commission approves the Issuance of a Purchase Order for REACT 350 attenuators for Turnpike 66 and the Mon/Fayette Expressway, to MH Corbin; at a total award of \$862,082.00
-was made by Commissioner Drew, seconded by Commissioner Deon, and passed unanimously.



AWARD OF CONTRACTS

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

- a. Contract #T-110.12S001-3-02 for the replacement of Bridge B-502 at MP 110.12, to the lowest responsive and responsible bidder, Beech Construction, Inc.; at a not-to-exceed amount of \$7,431,637.60 and a contingency of \$350,000.00;
- b. Contract #A-031.00T001-3-07 for roadway and bridge reconstruction from MP A31.34 to MP A37.39, to the lowest responsive and responsible bidders, Richard E. Pierson Construction Co., Inc.; at a not-to-exceed amount of \$224,929,880.76 and a contingency of \$10,000,000.00;

- c. Contract #A-076.00R001-3-02 for bituminous resurfacing between MP A76.65 and MP A88.52, to the lowest responsive and responsible bidder, Pikes Creek Site Contractors; at a not-to-exceed amount of \$17,454,000.00 and a contingency of \$850,000.00.

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



CHANGE ORDERS AND FINAL PAYMENT

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

- a. Change Order #3 and Final Payment for Contract #T-340.00R001-3-02 for bituminous overlay between MP 340.10 and MP 345.75 with Highway Materials, Inc. for a decrease of \$20,011.56 to balance items to work completed and changes for guiderail and erosion control; for a final contract value of \$11,165,945.88 and final amount due to the contractor of \$13,628.65;
- b. Change Order #2 for Contract #T-192.00R001-3-02 for bituminous resurfacing between MP 191.50 and MP 197.49 with Pennsy Supply, Inc., for a 5-day time extension due to an accident that shut the project down for accident investigation and grief counselling;
- c. Change Order #2 and Final Payment for Contract #EN-00026-03-03 for slope remediation between MP A88.98 and MP A92.66 with New Enterprise Stone & Lime Co., Inc., for an increase of \$17,863.54 for seeding and soil supplements, bonded fiber mulching, guiderail and modifications to inlet tops; for a final contract value of \$5,964,815.24 and final amount due to the contractor of \$27,863.54.

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



SUPPLEMENT

Motion-That the Commission approve the negotiation and execution of Supplemental Agreement #4 for Contract #4400000953 for construction management for the I-95/I-276 Interchange project with Urban Engineers, Inc., for an additional \$6,947,555.09 to complete work for Stage 1 and Stage 2 construction which includes services related to pre-construction, Section D10, Hulmeville Bridge, Section A1, Route 13 Connector and New Falls Road Bridge; for a revised not-to-exceed amount of \$30,151,343.31-was made by Commissioner Drew, seconded by Commissioner Deon, 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/firms for the items listed in memos "a" through "e":

a. T00075, construction management/inspection services for the roadway and bridge reconstruction from MP 28.00 to MP 31.00:

- ALCM, LLC-AWARDED
- Erdman, Anthony & Associates, Inc.
- Hill International, Inc.

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

VICE CHAIR LIEBERMAN: I abstain on this item because ALCM, LLC is a client of my firm.

The motion passed.

b. T00071, T00072, T00073, T00074, four (4) design service agreements for Cashless Tolling Open Road Toll (ORT) Zones;

- Century Engineering, Inc.-AWARDED
- Jacobs Engineering Group, Inc.-AWARDED
- Stantec Consulting Services, Inc.-AWARDED
- Whitney Baily Cox & Magnani-AWARDED
- Ammann & Whitney PA, Inc.
- Gannett Fleming, Inc.

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

c. T00066, T00067, T00068, three (3) open-end design services systemwide;

- Susquehanna Civil, Inc.-AWARDED
- TransSystems Corp. Consultants-AWARDED
- P. Joseph Lehman, Inc.-AWARDED
- Whitney Baily Cox & Magnani
- Wilson Consulting Group, PC

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

d. RFP #7849, two (2) agreements for trustee and bond services;

- U.S. Bank National Association-AWARDED
- Wells Fargo Bank, N.A.-AWARDED

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

e. RFP #7782, mobile cashless tolling solution;

- PassportParking, Inc.-AWARDED
- Kapsch TrafficCom IVHS, Inc.

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



BOND RESOLUTION

Motion-That the Commission approves the issuance of the Pennsylvania Turnpike Commission's subordinate indenture bonds or notes, including subordinate revenue bonds, bond anticipation notes and special revenue bonds, via a public offering or private placement/direct purchase, in one or more series or sub-series, fixed rate or variable rate, taxable and/or tax-exempt, in an aggregate initial principal amount not to exceed \$500,000,000 (based on par amount), to finance the costs of (a)

refunding all or a portion of any bond anticipation notes, other short-term indebtedness or subordinate indenture bonds, including special revenue bonds, previously issued by the Pennsylvania Turnpike Commission, (b) any debt service reserve or similar funds or credit facility costs related to such bonds, and (c) 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, if required, (4) one or more purchase contracts or private placement agreements including one or more continuing covenant agreements or such similar agreements, (5) one or more remarketing agreements, (6) one or more continuing disclosure agreements, (7) one or more escrow deposit agreements, (8) documents related to the pledge of motor license fund monies for special revenue refunding bonds, (9) one or more interest rate swaps or other derivatives, or amendments to or terminations of existing interest rate swaps, (10) agreements for the provision of one or more credit facilities and/or reserve fund credit facilities and any related agreements, and (11) any other necessary or appropriate documents or certificates; authorizing the taking of further action; repealing inconsistent resolutions; providing for the appointment of one or more co-bond counsels, disclosure counsel and/or other professionals; and providing for the appointment of one or more underwriters and remarketing agents, including any direct purchasers or private placement entities; providing for the appointment of co-financial advisors, verification agent, if necessary, and escrow agents; 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; and declaring that this resolution shall be liberally construed-was made by Commissioner Drew, seconded by Commissioner Deon, and passed unanimously.



NEXT COMMISSION MEETING

The next meeting of the Pennsylvania Turnpike Commission will be a telephone meeting on Tuesday, December 7, 2017 beginning at 10:00 a.m.



ADJOURNMENT

Motion-That this meeting of the Pennsylvania Turnpike Commission be adjourned at 11:57 a.m. -was made by Commissioner Drew, seconded by Commissioner Deon, and passed unanimously.



PREPARED BY:

APPROVED BY:

Ann Louise Edmunds
Assistant Secretary Treasurer

Barry Drew
Secretary Treasurer