

MINUTES OF THE COMMISSION MEETING HELD DECEMBER 20, 2011

A formal meeting of the Pennsylvania Turnpike Commission convened at 11:50 a.m., December 20, 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 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 Y. Ojo, Director, 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; Christine J. Baker, Public Information/Photo Specialist; Michael D. Begler, Director of Operations Review; William J. Capone, Director of Communications/Public Relations; Susan Caron-Casoni, Cash Manager; John Christensen, Manager of Facilities & Energy Management Operations; Carl E. DeFebo, Jr., Manager of Public Information – East; Jason Falchek, Technician of PC/LAN Systems; Derek S. Hansel, Assistant Chief Financial Officer; 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; Lynn Stakem, General Accountant; Brenda Szeles-Bratina, Director of Toll Revenue Audit; Kathy Thomas, Administrative Secretary, Christopher Will, Investment Manager; Ron Denadai, KS Engineers and Brad Heigel, 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 WHICH INCLUDED A PROMOTION, EQUITY ADJUSTMENT,

REORGANIZATION, VACANCIES, NEW HIRES AND REQUESTS TO POST AND FILL; TO ABOLISH; AND TO CREATE POSITIONS IN THE MAINTENANCE, ENGINEERING, OPERATIONS AND INCIDENT RESPONSE AND FACILITIES AND ENERGY MANAGEMENT DEPARTMENTS.

THE COMMISSIONERS DISCUSSED SEVERAL LITIGATION MATTERS, including Docket Nos. 04501105871 and 2:07-cv-00370-NBF AND LABOR NEGOTIATIONS. 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.

BRAD HEIGEL, MICHAEL BAKER, JR., INC.

RICH STEES, ERDMAN ANTHONY

RON DENADAI, KS ENGINEERS

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MINUTES OF THE MEETING

Motion-That the Minutes of the meeting held December 6, 2011 be approved and filed as amended-was made by Commissioner Lincoln seconded by Commissioner Deon; 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 Lincoln, seconded by Commissioner Pratt; and passed unanimously.

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PERSONNEL

Motion-That the Commission approves the Personnel as amended-was made by Commissioner Deon, seconded by Commissioner Lincoln; and passed unanimously.

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NEW BUSINESS

POLICY LETTER

Motion-That the Commission adopts the revised Policy Letter 8.2, *Wireless Policy*, to reflect the revised language regarding wireless device security -was made by Commissioner Lincoln, seconded by Commissioner Deon; and passed unanimously.

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AGREEMENTS

Motion-That the Commission approves the negotiation and execution of the Amendments, Agreements and a Release for the items listed in memos “a” through “h”:

- a. Amendment to our SAP Software License Agreement to terminate our SAP software licenses associated with SAP’s Duet software product that is not being utilized, effective December 31, 2011;
- b. Amendment to our agreement with the PA Fish and Boat Commission for the total reconstruction project from MP 67.00 to MP 75.00 stream mitigation; to extend the agreement to December 31, 2012 to permit time for any minor corrective measures if required by DEP or US Army Corps of Engineers;
- c. Agreement with Ahold USA, LLC (owns and operates the GIANT supermarket chain) to distribute E-ZPass in their PA store locations;
- d. Agreement with Kapsch TrafficCom IVHS, Inc. for the procurement of electronic toll collection technology and associated subsystem components and services. Kapsch TrafficCom is the vendor selected by the E-ZPass Group (IAG);
- e. Exercise our option to renew the agreement with John’s Mobile Repair Service as an authorized service provider for coverage from MP 188.70 to MP 226.30, on a month-to-month basis until a provider is selected via the RFP process;
- f. Exercise our option to renew the agreement with Abel Brother’s Towing as an authorized service provider for coverage from MP 292.60 to MP 312.00, on a month-to-month basis until a provider is selected via the RFP process;
- g. Approve the execution of Releases with Bank of America in exchange for the Commission’s share of a settlement between B of A and numerous State Attorneys General, in connection with municipal bond derivative transactions between 1998 and 2003, and further authorize the CFO to execute the Releases on behalf of the Commission;
- h. Addendum to our OCIP wrap-up insurance coverage for Phase II on the Mon/Fayette Expressway; to extend the coverage until August 31, 2012; at an approximate additional cost of \$100,000.00.

-was made by Commissioner Lincoln, seconded by Commissioner Deon; 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 “f”:

- a. Adopt the Proposed Property Acquisition Resolution for Right-of-Way #8995-R07, a partial take parcel, necessary for construction of the Rt. 903 Slip Ramp; authorize payment of the estimated Just Compensation in the amount of \$20,400.00, payable to Buckley, Brion, McGuire, Morris & Sommer, LLP, Escrow Agent; and authorize payment of additional statutory damages as calculated by the Legal Department and approved by the Chief Executive Officer;
- b. Authorize the acquisition of Right-of-Way #14071-A, 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 \$116,934.50, payable to Nathan J. Zarichnak & Assoc., LLC; representing fair market value, pro-rated taxes and recording costs; authorize the appropriate Commission officials to execute the agreement of sale; authorize payment of additional statutory damages as calculated by the Legal Department and approved by the Chief Executive Officer; and payment of fair market value to the property owner is contingent upon the delivery of a deed as prepared by the Legal Department;
- c. Convey 0.11 acres of property on the Findlay Connector project to the adjoiner, Wendell Foust; authorize the transfer of the property for \$400.00; and authorize the execution of a deed as prepared by the Legal Department;
- d. Authorize the acquisition of Right-of-Way #7087-A, partial take parcel, necessary for construction of the I-95/I-276 Interchange Project; by issuing payment in the amount of \$242,700.00, payable to City Line Abstract Company, Escrow Agent; representing fair market value and recording costs; authorize the appropriate Commission officials to execute the agreement of sale and other necessary documents; authorize payment of additional statutory damages as calculated by the Legal Department and approved by the Chief Executive Officer; and payment of fair market value to the property owner is contingent upon the delivery of a deed as prepared by the Legal Department;
- e. Authorize the acquisition of Right-of-Way #6499-A, partial take parcel, necessary for the replacement of Bridge NB-150 and NB-152; by issuing payment in the amount of \$2,537.50, payable to Thomas & Rose Marie Sebra; representing fair market value and pro-rated taxes; authorize the appropriate Commission officials to execute the agreement of sale and other necessary documents; authorize payment of additional statutory damages as calculated by the Legal Department and approved by the Chief Executive Officer; and payment of fair market value to the property owners is contingent upon the delivery of a deed as prepared by the Legal Department;
- f. Authorize the acquisition of Right-of-Way #6498-D, partial take parcel, necessary for the replacement of Bridge NB-150 and NB-152; by issuing payment in the amount of \$9,744.00, payable to Matthew J. Weiss; representing fair market value and pro-rated taxes; authorize the appropriate Commission officials to execute the agreement of sale and other necessary

documents; authorize payment of additional statutory damages as calculated by the Legal Department and approved by the Chief Executive Officer; and payment of fair market value to the property owner is contingent upon the delivery of a deed as 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 “e”:

- a. Two (2) engineering firms to perform open-end design engineering services, systemwide;
- b. Authorized Service Provider to provide coverage from MP M28.00 to MP M54.00;
- c. Investment Performance Reporting System to ensure the Commission’s assets are obtaining satisfactory returns and not exposing the Commission to unnecessary risks;
- d. Authorized Service Provider to provide coverage from MP 127.30 to MP 154.10;
- e. Authorized Service Provider to provide coverage from MP A56.80 to MP A75.80.

-was made by Commissioner Deon, seconded by Commissioner Lincoln; 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” through “g”:

- a. Sweepers and catch basin cleaner rentals for 3 months, to the lowest responsive and responsible bidder, Jack Doheny Rentals, Inc.; at a total award of \$393,000.00;
- b. Panaya SaaS Support software pack for 3-years, to Panaya, LTD; at a total award of \$138,000.00;
- c. Job-Order contracts for 2 years (with the option to renew for two additional years) to the lowest responsive and responsible bidders, at a total award of \$25,000.000.00:

GENERAL

District 1	Sunrise Commercial Contracting, Inc.	\$ 3,500,000.00
District 2	Lobar Associates, Inc.	\$ 3,500,000.00
District 3	Lobar Associates, Inc.	\$ 3,500,000.00
District 4	Lobar Associates, Inc.	\$ 3,500,000.00
District 5	Lobar Associates, Inc.	<u>\$ 3,500,000.00</u>
Total for General		\$17,500,000.00

ELECTRICAL

District 1	Schultheis Electric	\$500,000.00
District 2	Sunrise Electrical Services, Inc.	\$500,000.00
District 3	IB Abel, Inc.	\$500,000.00
District 4	Clark Contractors	\$500,000.00
District 5	Clark Contractors	<u>\$500,000.00</u>
Total for Electrical		\$2,500,000.00

HVAC

District 1	MARC-Service, Inc.	\$500,000.00
District 2	MARC-Service, Inc.	\$500,000.00
District 3	G R Sponaugle & Sons	\$500,000.00
District 4	Blanski, Inc.	\$500,000.00
District 5	Blanski, Inc.	<u>\$500,000.00</u>
Total for HVAC		\$2,500,000.00

PLUMBING

District 1	Clark Contractors, Inc.	\$500,000.00
District 2	Clark Contractors, Inc.	\$500,000.00
District 3	Clark Contractors, Inc.	\$500,000.00
District 4	Clark Contractors, Inc.	\$500,000.00
District 5	Clark Contractors, Inc.	<u>\$500,000.00</u>
Total for Plumbing		\$2,500,000.00

TOTAL JOC AWARDS: \$25,000,000.00

d. Eight (8) 2012 Chevrolet Colorado 4WD extended cab pickup trucks; utilizing the Commonwealth's contract with Apple Automotive Group; at a total award of \$174,624.00;

e. Exercise the option to renew the agreements for diesel motor fuel and heating/emergency generator fuel for an additional year (January 1, 2012-December 31, 2012):

	<u>Additional Cost</u>
Mansfield Oil Company	\$2,080,000.00
Petroleum Traders Corp.	\$ 525,000.00
Glassmere Fuel Service	\$ 45,000.00
Export Fuel Co.	\$ 15,000.00
Talley Petroleum	\$ 65,000.00
Naughton Energy Corp.	\$ 55,000.00
Leffler Energy	<u>\$ 30,000.00</u>
TOTAL RENEWAL:	\$2,815,000.00

f. Twelve (12) trailer mounted message boards, utilizing the Commonwealth's contract with American Signal Company; at a total award of \$172,200.00;

g. Janitorial Supplies for 2 years (with the option to renew for two additional years) to the lowest responsive and responsible bidders, at a total award of \$404,000.00:

XPEDX	\$242,000.00
Grainger	\$ 88,000.00
PIBH	\$ 4,000.00

All American Poly
TOTAL

\$ 70,000.00
\$404,000.00

-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" through "d":

- a. Contract #T-187.00R001-3-02 for bituminous overlay between MP 187.80 and MP 191.52 and shoulder and median sealing between MP 187.30 and MP 196.80, to the lowest responsive and responsible bidder, Highway Materials, Inc.; at a not-to-exceed amount of \$3,086,684.56 and a contingency of \$100,000.00;
- b. Contract #EN-0090-03-02 for concrete pavement rehabilitation and joint repairs between MP G0.02 and MP G13.08, to the lowest responsive and responsible bidder, Swank Construction Company, LLC; at a not-to-exceed amount of \$2,730,189.39 and a contingency of \$150,000.00;
- c. Contract #T-345.75R001-3-02 for bituminous overlay between MP 345.75 and MP 351.79, to the lowest responsive and responsible bidder, Glasgow, Inc.; at a not-to-exceed amount of \$12,069,390.03 and a contingency of \$350,000.00;
- d. Contract #T-220.00T001-3-03 for the replacement of Bridge B-532 at MP 222.23, to the lowest responsive and responsible bidder, Susquehanna Valley Construction Corp.; at a not-to-exceed amount of \$2,978,369.00 and a contingency of \$150,000.00.

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

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PAYMENT

Motion-That the Commission authorizes the issuance of payment for the 2011 Notice of Assessment from the Bureau of Workers' Compensation, Department of Labor and Industry, for the Workers' Compensation Administration Fund, in the amount of \$46,800.00-was made by Commissioner Lincoln, seconded by Commissioner Deon and passed unanimously.

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SUPPLEMENT

Motion-That the Commission approves Supplement #3 with Harris Miller Miller & Hanson for the noise analysis and mitigation design services for the total reconstruction project from MP 320.00 to MP 326.00, for an increase of \$25,321.00; necessary to refine and optimize the barrier

designs for preparation for the final roadway plans-was made by Commissioner Lincoln, seconded by Commissioner Deon; and passed unanimously.

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VARIOUS POOLS

Motion-That the Commission authorizes the establishment of various pools and the approval to include the selected qualified firms in the various pools for the items listed in memos "a" and "b":

- a. Pools from which underwriting services will be selected to provide professional and other specialized services; and approval to include the selected qualified firms in the various pools. The firms will be grouped in the following pools:
 - Senior book-running Manager
 - Small Issue Book-running Manager
 - Co-manager

- b. Pools from which appraisal, title and closing services will be selected to provide professional and other specialized services; and approval to include the selected qualified firms in the various pools. The firms will be grouped in the following pools:
 - Title & Closing Service Professionals
 - Real Estate Appraisal Professionals
 - Machinery & Equipment Appraisal Professionals

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

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NEXT MEETING

MS. EDMUNDS: I HAVE NO FURTHER ITEMS FOR CONSIDERATION FOR TODAY'S MEETING. THE NEXT FORMAL COMMISSION MEETING WILL BE A TELEPHONE MEETING HELD ON TUESDAY, JANUARY 3, 2012 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 Lincoln, seconded by Commissioner Deon; and passed unanimously.

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PREPARED BY:

Ann Louise Edmunds
Assistant Secretary Treasurer

12-20-11

APPROVED BY:

J. William Lincoln
Secretary Treasurer

ATTACHMENT NUMBER 1
COMMUNICATIONS: MEMO RECEIVED FROM THE CHIEF COUNSEL