

MINUTES OF THE COMMISSION MEETING HELD MARCH 4, 2014

A formal telephone meeting of the Pennsylvania Turnpike Commission convened at 11:05 a.m. March 4, 2014 at the Central Office located in Highspire, Pennsylvania. Present for the meeting was A. Michael Pratt, Esquire, Vice Chairman. Available via telephone for the meeting were William K. Lieberman, Chairman; Pasquale T. Deon, Sr., Secretary Treasurer and Sean Logan, Commissioner.

Others 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.; William J. Capone, Chief of Communications and Public Relations; Scott D. Fairholm, Chief Information Officer; 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; Stacia A. Ritter, Director of Government Affairs and Ann Louise Edmunds, Assistant Secretary Treasurer.

Others in attendance were Carl E. Defebo, Jr., Director of Public Relations & Marking; Richard C. Dreher, Assistant CFO; Kelly Horvath, Executive Assistant; Donald S. Klingensmith, P.E., Director of Contracts Administration; Anthony Q. Maun, Assistant CFO/Accounting & Budgeting; Gina M. Murray, Engineering Contracts Supervisor; Jeffrey A. Naugle, Manager of Treasury Operations; Robert H. Rosell, Jr., Technician of PC/LAN Systems; Cindy Smith, General Accountant 2; Lynn Stakem, Senior General Accountant; Brenda Szeles-Bratina, Director of Toll Revenue Audit; Peter Kuhne, Atkins; Paul McNamee, KCI; Scott Shimko, Borton-Lawson and Kevin Clark, Cosmos.

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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 TERMINATIONS, NEW HIRES, VACANCIES AND REQUESTS TO FILL; AND TO POST AND FILL POSITIONS IN THE FARE COLLECTION, ENGINEERING AND FACILITIES AND ENERGY MANAGEMENT OPERATIONS 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 VISTORS TO THE MEETING: PETER KUHNE, ATKINS; PAUL MCNAMEE, KCI; SCOTT SHIMKO, BORTON-LAWSON AND KEVIN CLARK, COSMOS.

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MINUTES OF THE MEETING

Motion-That the Minutes of the meeting held February 18, 2014 be approved and filed as submitted-was made by Commissioner Logan, seconded by Commissioner Deon, and passed unanimously.

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COMMUNICATIONS

Motion-That the Commission accepts and files the memo received from the Chief Counsel -was made by Commissioner Logan, seconded by Commissioner Deon, and passed unanimously.

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PERSONNEL

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

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NEW BUSINESS

PAYMENT OF INVOICE

Motion-That the Commission approves payment of the 2013 Notice of Assessment from the Bureau of Workers' Compensation at the Department of Labor and Industry, for the Workers' Compensation Administration Fund, in the amount of \$64,884.00-was made by Commissioner Logan, seconded by Commissioner Deon, and passed unanimously.

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AGREEMENTS

Motion-That the Commission approves Agreements and an Amendment for the items listed in memos "a-d" and "f-j":

- a. License Agreement with Geokinetics to conduct seismic testing on 484.28 acres of right-of-way and surplus property in Fayette County; Geokinetics will pay the Commission \$2,421.40 for the right to test this acreage;
- b. Reimbursement Agreement with Middlesex Township Municipal Authority to reimburse the Authority the cost to perform the required facility relocation work necessary for the total reconstruction project from MP 220.00 to MP 227.00 (MP 225.90); at a not-to-exceed amount of \$37,887.50;
- c. Amendment to our Agreement with Public Financial Management (PFM) for financial advisory services to specifically include financial advice related to possible Forward Delivery Agreements (FDA), such agreements (FDAs) would seek to capture additional financial benefits in our Debt Service Funds; for a not-to-exceed amount of \$99,000.00;
- d. Reimbursement Agreement with Windstream for Windstream to reimburse the Commission the cost to relocate their existing communication line as part of the total reconstruction project from MP 242.00 to MP 245.00 (Bridge EB-207 at MP 242.29); at an approximate reimbursement of \$45,258.00;
- f. Reimbursement Agreement with Frontier for Frontier to reimburse the Commission the cost to relocate their existing communication line as part of the total reconstruction project from MP 242.00 to MP 245.00 (Bridge EB-207 at MP 242.29); at an approximate reimbursement of \$90,516.00;
- g. Reimbursement Agreement with PA American Water (PAWC) for PAWC to reimburse the Commission the cost to relocate their existing water line as part of the total reconstruction project from MP 242.00 to MP 245.00 (Bridge EB-207 at MP 242.29); at an approximate reimbursement of \$33,165.00;
- h. Reimbursement Agreement with PPL Electric Utility Corp. for PPL to reimburse the Commission the cost to relocate their existing electric line as part of the total reconstruction project from MP 242.00 to MP 245.00 (Bridge EB-207 at MP 242.29); at an approximate reimbursement of \$63,135.00;
- i. Reimbursement Agreement with UGI Gas for UGI to reimburse the Commission the cost to relocate their existing gas line as part of the total reconstruction project from MP 242.00 to MP 245.00 (Bridge EB-207 at MP 242.29); at an approximate reimbursement of \$38,805.00;
- j. Reimbursement Agreement with Verizon for Verizon to reimburse the Commission the cost to relocate their existing communication line as part of the total reconstruction project from MP

242.00 to MP 245.00 (Bridge EB-207 at MP 242.29); at an approximate reimbursement of \$67,845.00.

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

Motion-That the Commission approves the Agreement for the item listed in memo "e":

- e. Reimbursement Agreement with Comcast for Comcast to reimburse the Commission the cost to relocate their existing communication line as part of the total reconstruction project from MP 242.00 to MP 245.00 (Bridge EB-207 at MP 242.29); at an approximate reimbursement of \$45,258.00;

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

VICE CHAIRMAN PRATT: MR. CHAIRMAN, I ABSTAIN ON THE BASIS THAT THE COMPANY SET FORTH IN THIS AGENDA ITEM IS A CLIENT OF THE FIRM OF WHICH I AM A PARTNER. I ASK THAT THE SECRETARY PLEASE HAVE THE MINUTES OF THE MEETING REFLECT MY ABSTENTION ON THIS VOTE.

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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 "c":

- a. Acquisition of Right-of-Way #2101-A (Hunter Real Estate, Inc.), a total take parcel necessary for the total reconstruction project from MP 149.00 to MP 155.00, by authorizing payment of fair market value, pro-rated taxes and recording fees of \$28,068.58 to David J. Puzak, Esquire, 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 its delivery of a deed as prepared by the Legal Department;
- b. Acquisition of Right-of-Way #2102-A (Tisa L. Vincent), a total take parcel necessary for the total reconstruction project from MP 149.00 to MP 155.00, by authorizing payment of fair market value, pro-rated taxes and recording fees of \$30,113.32 to David J. Puzak, Esquire, 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 its delivery of a deed as prepared by the Legal Department.;
- c. Adopt the Proposed Property Acquisition Resolution for Right-of-Way #11000-A (Todd W. Booher/First National Bank of Pennsylvania), a total take parcel necessary for construction of the Southern Beltway (US 22 to I-79), to clear the title to the property.

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

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NON-DISCLOSURE AGREEMENTS

Motion-That the Commission authorizes the Chief Financial Officer, with concurrence of the Legal Department, the ability to enter into Non-Disclosure Agreements (NDA's) with banking and financial service providers to remain up-to-date on the latest banking practices, services, products and trends

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

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AWARD OF A BID AND ISSUANCE OF A PURCHASE ORDER

Motion-That the Commission approves the Award of a Bid and the Issuance of a Purchase Order for network equipment (switches & routers) to replace end of life equipment at the maintenance sheds, utilizing the Commonwealth's contract with ePlus; at a total award of \$463,805.05

-was made by Commissioner Logan, seconded by Commissioner Deon, 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-c" and "e":

- a. Contract #T-129.00T001-3-05 for the replacement of Bridge B-500 at MP 129.01, to the lowest responsive and responsible bidder, New Enterprise Stone & Lime Co., Inc.; at a not-to-exceed amount of \$3,744,183.17 and a contingency of \$150,000.00;
- b. Contract #T-099.00T002-3-04 for roadway reconstruction from MP 99.05 to MP 101.79, to the lowest responsive and responsible bidder, New Enterprise Stone & Lime Co., Inc.; at a not-to-exceed amount of \$31,958,272.53 and a contingency of \$1,500,000.00;
- c. Contract #A-069.00R001-3-02 for bituminous resurfacing between MP A69.00 and MP A73.61, to the lowest responsive and responsible bidder, Pikes Creek Site Contractors; at a not-to-exceed amount of \$7,921,038.98 and a contingency of \$350,000.00;
- e. Contracts for open-end drilling, to the lowest responsive and responsible bidders; at a not-to-exceed amount of \$900,000.00 each or three (3) years, whichever occurs first:
 - TRC Engineers, Inc.-MP 0.00 to MP 247.30, Greensburg Bypass, Beaver Valley Expressway, Mon/Fayette Expressway and the Southern Beltway;
 - TRC Engineers, Inc.-MP 247.30 to MP 359.00 and the Northeast Extension.

-was made by Commissioner Logan and seconded by Commissioner Deon.

Motion-That the Commission approves the Award of a Contract for the item listed in memo "d":

- d. Contract #A-020.00T002-3-07 for roadway and bridge reconstruction from MP A25.67 to MP A31.34, to the lowest responsive and responsible bidder, Allan A. Myers, LP; at a not-to-exceed amount of \$197,977,777.00 and a contingency of \$8,000,000.00;

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

VICE CHAIRMAN PRATT: MR. CHAIRMAN, I ABSTAIN ON THE BASIS THAT THE COMPANY SET FORTH IN THIS AGENDA ITEM IS A CLIENT OF THE FIRM OF WHICH I AM A PARTNER. I ASK THAT THE SECRETARY PLEASE HAVE THE MINUTES OF THE MEETING REFLECT MY ABSTENTION ON THIS VOTE. The motion passed.

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BOND RESOLUTION

Motion-That the Commission approves 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 \$550,000,000, to finance (a) the current refunding of its turnpike multi-modal revenue bonds, Series B-1 of 2008 and Series C of 2008, (b) the optional redemption and current refunding of its variable rate Turnpike Revenue bonds, Series C of 2009 and Series D of 2011, which mature on December 1, 2014, (c) the current refunding of its Turnpike Multi-modal Revenue Bonds, Series C-1 of 2011 and Series C-2 of 2011, (d) the funding of necessary reserves or similar funds, (e) capitalized interest related to such bonds, if any, and (f) costs of issuance of such bonds; authorizing the execution, delivery and distribution of the following for the bonds: (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 Commissioners Logan, seconded by Commissioner Deon, and passed unanimously.

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CHANGE ORDERS/FINAL PAYMENT

Motion-That the Commission approves the Change Order and Final Payment for the item listed in memo "a":

- a. Change Order #10 and Final Payment for Contract #M-015.30X001-3-02 with Mosites Construction Company for construction of the Uniontown to Brownsville Maintenance Facility at MP M18.00, for an additional \$144,676.00 for undercuts to the subgrade for stabilization, landscaping changes, a credit for tree replacement, a 158-day time extension for the permitted Fall planting and growing season, changes are based upon a settlement agreement previously approved; for a final contract value of \$10,072,900.11 and a final amount due to the contractor of \$269,676.00;

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

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

Motion-That the Commission approves the Change Order and Final Payment for the item listed in memo "b":

- b. Change Orders with the following vendors currently working on the Somerset Maintenance/PSP total approximate cost of \$806,844.00;

Clark Contractors	General Construction	T-113.82F001-3-04
A.J. Demor & Sons, Inc.	Plumbing work	T-113.82F001-3-05
T.S.B., Inc. d/b/a Schultheis Electric	Electrical work	T-113.82F001-3-06
MARC-Service Inc.	HVAC work	T-113.82F001-3-07

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

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PSPC AWARDS

REMOVED FROM THE AGENDA- Approve the award of service and authorize the negotiation and execution of an agreement with the selected firm for Ref #3-251, traffic and revenue services systemwide; the highly recommended firms in alphabetical order:

- CDM Smith, Inc.
- Jacobs Engineering Group, Inc.

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NEXT COMMISSION MEETING

Ms. Edmunds: The next meeting of the Pennsylvania Turnpike Commission will be held on Tuesday, March 18, 2014 beginning at 9:00 am.

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ADJOURNMENT

Motion-That this meeting of the Pennsylvania Turnpike Commission be adjourned was made at 11:14 a.m. -made by Commissioner Logan, seconded by Commissioner Deon, and passed unanimously.

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