

MINUTES OF THE COMMISSION MEETING HELD MAY 20, 2014

A formal telephone meeting of the Pennsylvania Turnpike Commission convened at 11:50 a.m. May 20, 2014 at the Central Office located in Highspire, Pennsylvania. Available via the telephone were William K. Lieberman, Chairman; A. Michael Pratt, Esquire, Vice Chairman; Pasquale T. Deon, Sr., Secretary Treasurer; Sean Logan, Commissioner and Barry J. Schoch, P.E., Secretary of Transportation.

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; 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; Ray Morrow, Acting Chief Compliance Officer; 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 Susan Carson-Casoni, Cash Manager; Richard C. Dreher, Assistant CFO; Jason Falchek, Technician of PC/LAN Systems; Kelly Horvath, Executive Assistant; Robert Kleimenhagen, Jr., Strategic Planning Coordinator; Donald S. Klingensmith, P.E., Director of Contracts Administration; Gina M. Murray, Engineering Contracts Supervisor; Jeffrey A. Naugle, Manager of Treasury Operations; Amber Reimnitz, Engineer Project Manager 2; Joseph Rispoli, Manager of Customer & Employee Safety; Cindy Smith, General Accountant II; Lynn Stakem, Senior General Accountant; Alan Williamson, Senior Engineer Project Manager; Ashley Butz, Summer Intern; Troy Holloway, Century Engineering; Kristi Reichard, Raudenbush Engineering, Inc.; Paul McNamee, KCI Technologies; Vijay Varadarajan, AECOM; Peter Kuhne, Atkins; Corey Greene, Michael Baker, Jr., Inc. 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 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 PROMOTION, TERMINATIONS, NEW HIRES, VACANIES AND REQUESTS TO ABOLISH; AND TO POST AND FILL POSITIONS IN THE FARE COLLECTION AND COMMUNICATIONS AND PUBLIC RELATIONS DEPARTMENTS.

THE COMMISSIONERS ALSO DISCUSSED DOCKET NOS. 450-111-0006027 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 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: TROY HOLLOWAY, CENTURY ENGINEERING; KRISTI REICHARD, RAUDENBUSH ENGINEERING, INC.; PAUL MCNAMEE, KCI TECHNOLOGIES; VIJAY VARADARAJAN, AECOM; PETER KUHNE, ATKINS; COREY GREENE, MICHAEL BAKER, JR., INC. AND STEVE BARBER, MICHAEL BAKER, JR., INC.

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MINUTES OF THE MEETING

Motion-That the Minutes of the meeting held May 6, 2014 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 Acting 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 Pratt, seconded by Commissioner Logan, and passed unanimously.

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NEW BUSINESS

FY 205 TEN YEAR CAPITAL PLAN AND FY 2014-2015 OPERATING BUDGET

Motion-That the Commission approves approve the proposed FY 2015 Ten Year Capital Plan and the Commission's Annual Operating Expense Budget for FY 2014-2015 as listed in memos "a" and "b":

- a. Approve the proposed FY2015 Ten Year Capital Plan and grant approval for staff to procure long lead equipment items and advertise for the use of consultants, contractors and other necessary professional services for all phases of projects within the first two years of the adopted plan;
- b. Adopt the proposed resolution and approve the Annual Operating Expense Budget for 2014-2015 fiscal year in the amount of \$349,500,000.00.

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

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AGREEMENTS

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

- a. Reimbursement Agreement with North Penn Water Authority for the Authority to reimburse the Commission the costs for the installation of a pipe under the approach slabs and pipe sleeves through the bridge backwalls as part of the replacement of overhead Bridge NB-170 at MP A35.24; estimate cost of reimbursement \$36,354.00;
- b. Amendment to our agreement with ComPsych for the Employee Assistance Program, to exercise our option to renew the agreement for an additional year (January 1, 2015 – December 31, 2015); at an estimate cost of \$35,000.00;
- c. Reimbursement Agreement with PPL Electric Utilities Corporation to reimburse PPL the cost to perform the required facility relocation work necessary for the replacement of overhead Bridge EB-306 at MP 248.19; at a not-to-exceed cost of \$62,533.55;
- d. Agreement with The Garden Club Federation of Pennsylvania to rededicate the Pennsylvania Turnpike as a Blue Star Memorial Highway;
- e. Amendment to our agreement with Intergraph for Computer Aided Dispatch (CAD) Systems software, for system upgrade and maintenance at a cost of \$123,314.00.

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

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RIGHT-OF-WAY REQUESTS

Motion-That the Commission approves the Right-of-Way Requests for the items listed in memos "a" through "g":

- a. Adopt the proposed Property Acquisition Resolution and necessary documents for Right-of-Way #7135-Q (ITS & J Enterprises, L.P.), a partial take parcel necessary for construction of the I-95/I-276 Interchange; authorize payment of Estimated Just Compensation of \$99,200.00 to Buckley, Brion, McGuire & Morris, LLP, escrow agent; and authorize payment of additional statutory damages as calculated by the Right-of-Way Administrator and approved by the Chief Counsel;
- b. Settlement of Right-of-Way #14217-P (Timothy J. and Mary Jo Schmitt and Jennifer Classen), a partial take parcel necessary for the total reconstruction project from MP 40.00 to MP 48.00; authorize payment of the settlement amount of \$30,600.00 to Timothy J. Schmitt and Jennifer Classen; 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 the previously approved estimated just compensation has been made to the property owners in consideration of their execution of the agreement of sale. The remaining settlement funds will be paid upon their execution and delivery of the required conservation easement as prepared by the Legal Department;
- c. Temporary Construction Easement of Right-of-Way #4103-B (Lower Swatara Township), a partial take parcel necessary for construction of the Nissley Drive Bridge at MP 248.00; authorize the appropriate Commission officials to execute the Temporary Construction Easement Agreement as prepared by the Legal Department; and authorize the payment of additional statutory damages, if any, as calculated by the Right-of-Way Administrator and approved by the Chief Counsel;
- d. Acquisition of Right-of-Way #15035-A and Right-of-Way #15035-B (Linda A. Wampler), a total take parcel necessary for the total reconstruction from MP 57.00 to MP 67.00 by authorizing payment of fair market value, pro-rated taxes and recording fees of \$203,900.76 to David J. Puzak, Esquire, escrow agent; 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 the delivery of a deed as prepared by the Legal Department;
- e. Settlement of Right-of-Way #7137-A (Princeton Holdings, LLC and Interstate Outdoor Advertising), a total take parcel necessary for construction of the I-95/I-276 Interchange; authorize payment of the remaining balance due of \$244,307.18 to Stevens & Lee, escrow agent;
- f. Acquisition of Right-of-Way #12035-RC-1B (Frank J. and Hilda K. Blaskowitz), a total take parcel necessary for the Beaver River Bridge project by authorizing payment of fair market value, pro-rated taxes and recording fess of \$108,526.56 to McClain, Young & Patterson, escrow agent;

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 owners is contingent upon their delivery of a deed prepared by the Legal Department;

- g. Acquisition of Right-of-Way #15034-A (William E. & Deborah A. Monroe), a total take parcel necessary for the total reconstruction project from MP 57.00 to MP 67.00 by authorizing payment of fair market value, pro-rated taxes and recording fees of \$90,402.02 to David J. Puzak, Esquire, escrow agent; authorize the appropriate Commission officials to execute the agreement of sale and to authorize 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 as prepared by the Legal Department.

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

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#### ADVERTISING

Motion-That the Commission approves advertising for an architectural firm to perform design and construction phase services for a new maintenance facility to be construction in District 1- was made by Commissioner Pratt, seconded by Commissioner Logan, and passed unanimously.

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#### AWARD OF BIDS AND ISSUANCE OF PURCHASE ORDERS

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

- a. Change Orders for IT staff augmentation with Computer Aid, to extend the contract through June 30, 2015 pending extension of the Commonwealth's contract:

SAP HCM Functional Business Analyst Resource	\$188,000.00
SAP HCM Business Subject Matter Expert	\$188,000.00
Technical Specialist 4/Emerging Resource	<u>\$224,000.00</u>
TOTAL CHANGE ORDERS	\$600,000.00
- b. Thirteen (13) Freightliner sign trucks, utilizing the Commonwealth's contract with Freightliner of Harrisburg; at a total award of \$1,874,704.00;
- c. Microsoft Enterprise Client Access Licenses for 2014, utilizing the Commonwealth's contract with CDW Government, Inc.; at a total award of \$177,854.80;

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

Motion-That the Commission approve the Award of Bids and the Issuance of Purchase Orders for the item listed in memo "d":

d. Bituminous material, to the lowest responsive and responsible bidder (June 1, 2014 – May 31, 2015):

Lindy Paving	\$ 7,000.00	District 1
Lane Construction	20,000.00	District 1
Russell Standard	13,000.00	District 1 & 2
New Enterprise Stone & Lime	65,000.00	District 1 & 2
Eastern Industries, Inc.	8,000.00	District 5
Valley Quarries	20,000.00	District 2 & 3
H&K Materials	10,000.00	District 4 & 5
Silver Hill Quarry	8,000.00	District 3
Dunmore Materials	5,000.00	District 5
Locust Ridge Quarry	5,000.00	District 5
Coopersburg Asphalt	5,000.00	District 5
Reading Materials (Birdsboro)	5,000.00	District 5
Reading Materials (Pottstown)	10,000.00	District 4 & 5
Reading Materials (Weatherly)	5,000.00	District 5
Richard E. Pierson	4,000.00	District 4 & 5
Pennsy Supply - Pittston	5,000.00	District 5
Hempt Bros. Inc.	12,000.00	District 3
Glasgow	<u>15,000.00</u>	District 4
TOTAL AWARD:	\$222,000.00	

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

CHAIRMAN LIEBERMAN: I ABSTAIN ON THE BASIS THAT LINDY PAVING IS A CLIENT OF MY FIRM. 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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#### TRANSFER TO RETIREE MEDICAL TRUST

Motion-That the Commission approves the transfer of up to \$4,000,000.00 per month to the Pennsylvania Turnpike Commission Retiree Medical Trust for Fiscal Year 2015-was made by Commissioner Pratt, seconded by Commissioner Logan, and passed unanimously.

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SUPPLEMENTAL AGREEMENT

**REMOVED FROM THE AGENDA.** Approve the negotiation and execution of Supplemental Agreement #2 with Michael Baker, Jr., Inc. for General Consultant Engineering Services, to exercise the option to extend the agreement through May 31, 2020; for an additional \$2.7 million annually.

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POLICY LETTER 7.12

Motion-That the Commission adopts Policy Letter 7.12, Job Order Contracting, and authorizes the delegation of Job Order Contracting for the items listed in memos "a" and "b":

- a. Adopt Policy Letter 7.12, Job Order Contracting, to govern the procurement of construction related services (including renovations, repairs, upgrades, additions, and new construction) via the Job Order Contracting Program in accordance with recommendations from KPMG.
- b. Authorize the delegation of authority to the CEO and COO to approve the Job Orders per the limits set forth in Policy Letter 7.12, Job Order Contracting, and execution of the necessary documentation.

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

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SWAP AGREEMENTS

Motion- That the Commission authorizes certain amendments to and terminations of the Commission's Interest Rate Swaps and authorize certain Offsetting Swap Agreements; authorize the taking of further action; repealing inconsistent resolutions; and declaring that this resolution shall be liberally construed-was made by Commissioners Pratt, seconded by Commissioner Deon, and passed unanimously.

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PSPC ITEMS

Motion-That the Commission approves the award of services and authorizes the negotiation and execution of an agreement with the selected firm for the items listed in memos "a" and "b":

- a. Ref. #3-258. Open-end Intelligent Transportation Systems design services and technical construction consultation services systemwide;
  - Drive Engineers Corp.-AWARDED
  - Jacobs Engineering Group, Inc.

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

- b. Ref. #3-255. Two (2) open-end engineering design services for the All-Electronic Toll Conversion (AET) project;
1. Rummel, Klepper & Kahl, LLP-AWARDED
  - Stantec Consulting Services, Inc.-AWARDED
  3. Atkins North America, Inc.
  4. Gannett Fleming, Inc.

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

- c. **REMOVED FROM THE AGENDA.** RFP #4530. Authorized Service Provider coverage from MP G0.00 to MP G13.40 and from MP 75.50 to MP 90.90.

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NEXT COMMISSION MEETING

Ms. Edmunds: The next meeting of the Pennsylvania Turnpike Commission will be a telephone meeting on Tuesday, June 3, 2014 beginning at 10:00 am.

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ADJOURNMENT

Motion-That this meeting of the Pennsylvania Turnpike Commission be adjourned was made at 12:05 p.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

05-20-14