

MINUTES OF THE COMMISSION MEETING HELD DECEMBER 16, 2013

A formal telephone meeting of the Pennsylvania Turnpike Commission convened at 10:56 a.m. December 16, 2013 at the Central Office located in Highspire, Pennsylvania. Available via telephone for the meeting 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; 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; Stacey Ritter, Director of Government Affairs and Jeffrey A. Naugle, Assistant Secretary Treasurer.

Others in attendance were Susan Carson-Casoni, Cash Manager; John Christensen, Director of FEMO; Richard C. Dreher, Assistant CFO; Kelly Horvath, Executive Assistant; Donald S. Klingensmith, P.E., Director of Contracts Administration; Donna Lapano, Executive Office Assistant; Wanda Metzger, Contracts Supervisor; 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 II; Brenda Szeles-Bratina, Director of Toll Revenue Audit; Kristi Reichard, Raudenbush Engineering; Paul McNamee, KCI Technologies; and Lance Savant, AECOM.

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Mr. Naugle led the Commissioners and staff in the Pledge of Allegiance.

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The Assistant Secretary Treasurer, Jeffrey A. Naugle, called the roll and declared a quorum available.

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SUNSHINE ANNOUNCEMENT

MR. NAUGLE: THE COMMISSIONERS MET IN EXECUTIVE SESSION PRIOR TO TODAY'S FORMAL AGENDA SESSION TO CONSIDER MATTERS OF PERSONNEL, WHICH INCLUDED NEW HIRES, VACANCIES AND REQUESTS TO POST AND FILL POSITIONS IN THE ENGINEERING AND DIVERSITY AND INCLUSION DEPARTMENTS AND WESTERN REGIONAL OFFICE.

THE COMMISSIONERS ALSO DISCUSSED Heider v. PTC, Docket No, 000450116054 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

MR. NAUGLE: 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: KRISTI REICHARD, RAUDENBUSH ENGINEERING; PAUL MCNAMEE, KCI TECHNOLOGIES; AND LANCE SAVANT, AECOM

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#### MINUTES OF THE MEETING

Motion-That the Minutes of the meeting held December 3, 2013 be approved and filed as submitted-was made by Commissioner Pratt, 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 Pratt, 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 Pratt, seconded by Commissioner Deon, and passed unanimously.

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#### NEW BUSINESS

##### PAYMENT OF INVOICE

Motion-That the Commission approves payment of the invoice to Travelers Insurance Company, through the broker Conner Strong & Buckelew, in the amount of \$2,068,322.00 which represents the premium for the second year of the 2-year contract;

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

VICE CHAIRMAN PRATT: MR. CHAIRMAN, I ABSTAIN ON THIS ITEM BECAUSE TRAVELERS INSURANCE COMPANY IS CLIENT OF MY FIRM.

The motion passed.

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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 "f":

- a. Assignment Agreement with Allied Concrete and Supply Corp. to assign its lease agreement of surplus property located at MP 340.80 Eastbound, to Murwin Property Management Partnership LP. (the same owner as Allied);
- b. Amendment to our agreement with Inservco Insurance Services for Third Party Administration (TPA) services for the Commission's self-insured auto and general liability claims, exercising our option to renew the agreement for an additional year; at a cost of \$56,000.00;
- c. Amendment to our agreement with North American Insurance Management Corporation (NAIMC) for insurance consulting services, exercising our option to renew the agreement for an additional year; at a cost of \$18,000.00;
- d. License Agreement with Geokinetics to conduct seismic testing on 1,101.631 acres of right-of-way and surplus property in Washington and Allegheny Counties; Geokinetics will pay the Commission \$5,508.15 for the right to test this acreage;
- e. Amendment to our agreement with Valley Forge Asset Management for investment management services, to extend the term of the contract for an additional six months; at a not-to-exceed cost of \$80,000.00;
- f. Accept the revised staff estimate of \$276,000, contingent upon the number of bonds issued over a three-year period, for arbitrage consultant services awarded to PFM Asset Management LLC via the PSPC process at the Commission Meeting on October 22, 2013.

-were made by Commissioner Pratt, 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" and "b":

- a. Adopt the Proposed Property Acquisition Resolution for Right-of-Way #2110-A (*Brian K. and Lori A. Goldizen*), a total take parcel necessary for the total reconstruction project from MP 149.00 to MP 155.00; authorize payment of Estimated Just Compensation in the sum of \$90,000.00 payable to a law firm to be appointed at a later date; and authorize payment of

statutory damages as calculated by the Right-of-Way Administration and approved by the Chief Counsel;

- b. Adopt the Proposed Property Acquisition Resolution for Right-of-Way #3381 (*Kenneth E. and Elaine W. Beinhower*), a partial take parcel necessary for the total reconstruction project from MP 242.00 to MP 245.00; authorize payment of Estimated Just Compensation in the sum of \$35,300.00 payable to a law firm to be appointed at a later date; and authorize payment of statutory damages as calculated by the Right-of-Way Administration and approved by the Chief Counsel.

-was made by Commissioner Pratt, 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" and "b":

- a. Contract #A-114.45R001-3-02 for bituminous resurfacing of the Wyoming Valley Interchange;
- b. Contract #T-138.00R001-3-02 for bituminous overlay between MP 138.00 and MP 142.00.

-was made by Commissioner Pratt, 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 professional services related to licensing of the VHF system repeater sites and control station locations, utilizing the Commonwealth's contract with ACD Telecom; at a total award of \$130,545.00;

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

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#### AWARD OF A CONTRACT

Motion-That the Commission approves the Award of Contract #S-006.00X002-3-04 for roadway and bridge construction of the Southern Beltway, Section 55A1-1 between MP S5.08 and MP S5.64, to the lowest responsive and responsible bidder, Mosites Construction Company; at a not-to-exceed amount of \$14,359,728.90 and a contingency of \$700,000.00;

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

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

The motion passed.

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#### SUPPLEMENTAL AGREEMENT

Motion-That the Commission approves negotiation and execution of Supplemental Agreement #3 with KCI Technologies, Inc. for design work of the total reconstruction corridor from MP 199.00 to MP 214.00, for an additional \$2,000,000.00 for the many changes in design and regulatory requirements since the design began, including stormwater management, environmental remediation and permitting, changes from bituminous to concrete pavement (MP 206-210) and final design of the last remaining section (MP 202-206); for a revised not-to-exceed amount of \$18,500,000.00;

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

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#### CHANGE ORDERS/FINAL PAYMENTS

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

- a. Change Order #1 and Final Payment for Contract #T-226.00R001-3-02 for inlet repairs between MP 226.85 and MP 235.52 with Hempt Bros., Inc., for an additional \$10,523.43 to balance items to the actual work completed, sinkhole repairs and replacement of an inlet top; for a final contract value of \$319,920.93 and a final amount due to the contractor of \$59,571.53;
- b. Change Order #4 and Final Payment for Contract #T-222.00R001-3-02 for bituminous resurfacing between MP 221.40 and MP 235.52 with Hempt Bros. Inc., for a decrease of \$1,117,578.71 to balance items to the actual work completed and sinkhole repairs; for a final contract value of \$9,975,336.85 and a final amount due to the contractor of \$112,557.86;
- c. Change Order #7 and Final Payment for Contract #T-215.00T001-3-04 for roadway and bridge reconstruction from MP 215.29 to MP 220.30 with Hempt Bros. Inc., for a decrease of \$2,448,527.15 to balance items to the actual work completed; for a final contract value of \$50,450,195.68 and a final amount due to the contractor of \$155,045.25.

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

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OPEB TRANSFER

Motion-That the Commission authorizes the transfer of an additional \$10,000,000.00 from the General Reserve Fund (GRF) account to the Commission's Retiree Medical Trust, to help reduce future operating expense growth.

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

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PSPC AWARDS

Motion-That the Commission approves the award of service and authorizes the negotiation and execution of an agreement with the selected firms for the items listed in memos "a" through "d":

a. Ref #E-054. Construction Management for the Southern Beltway, Section US 22 to I-79;

- CDR, Maguire, Inc. - AWARDED
- ALCM, LLC
- Hill International, Inc.

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

CHAIRMAN LIEBERMAN: I ABSTAIN ON THIS ITEM BECAUSE OF CSERVAK MANAGEMENT SERVICES, LLC VS PTC AND WILLIAM LIEBERMAN IN HIS INDIVIDUAL CAPACITY.

The motion passed.

b. Ref #3-254. Biennial bridge inspection, systemwide; the highly recommended firms, in alphabetical order:

- Pennoni Associates, Inc. - AWARDED
- URS Corporation
- Pickering, Corts & Summerson, Inc.

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

c. RFP #4390. Job Order Contracting program consultant; the highly recommended firm:

- The Gordian Group, Inc. - AWARDED

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

d. RFP #4465. Pre-employment background screening services; the highly recommended firm:

- Castle Branch, Inc. - AWARDED

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

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NEXT COMMISSION MEETING

Mr. Naugle: The next meeting of the Pennsylvania Turnpike Commission will be held on Tuesday, January 7, 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 11:13 a.m. -made by Commissioner Lieberman, seconded by Commissioner Logan, and passed unanimously.

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PREPARED BY:

APPROVED BY:

Ann Louise Edmunds  
Assistant Secretary Treasurer

Pasquale T. Deon, Sr.  
Secretary Treasurer

ATTACHMENT NUMBER 1

COMMUNICATIONS: MEMOS RECEIVED FROM THE CHIEF COUNSEL AND THE MANAGER OF STRATEGIC PLANNING AND ASSET MANAGEMENT