

MINUTES OF THE COMMISSION MEETING HELD APRIL 6, 2010

A formal meeting of The Pennsylvania Turnpike Commission convened at 11:25 a.m., April 6, 2010 at the Central Office, Pennsylvania Turnpike Commission located in Highspire, Pennsylvania. Present for the meeting were Allen D. Biehler, P.E., Chairman/Secretary of Transportation and A. Michael Pratt, Commissioner. Available via phone were J. William Lincoln, Secretary Treasurer and Pasquale T. Deon, Sr., Commissioner

Others present for the meeting were Joe G. Brimmeier, Chief Executive Officer; George M. Hatalowich, Chief Operating Officer; Robert F. Brady, Director of Operations/Projects-East; Rich DiPiero, Director of Fare Collection; Jeffrey L. Garrett, Chief Engineer, Michael Baker Jr., Inc.; Nikolaus Grieshaber, Chief Financial Officer; Michael P. Haney, Director of Maintenance; Jeffrey L. Hess, Director of Operations/Projects-West; Frank J. Kempf, Jr., Chief Engineer; Doreen McCall, Chief Counsel; Jeffrey J. Mesaric, Chief Information Officer; Valerie J. Payne, Director of Administration; Craig R. Shuey, Director of Government Affairs and Ann Louise Edmunds, Assistant Secretary Treasurer.

Also in attendance were Allen W. Baldwin, Director of Operations, Safety & Incident Response; Michael D. Begler, Director of Operations Review; John Christensen, Manager of Facilities & Energy Management Operations; Fran Furjanic, Contracts Supervisor; Derek S. Hansel, Assistant Chief Financial Officer; Katie Jones, Human Resource Specialist 1; Donald S. Klingensmith, P.E., Manager of Contracts Administration; Donna Lapano, Executive Assistant; Anthony L. Maniscola, Special Investigator; Wanda Metzger, Contracts Administrator; Jeffrey A. Naugle, Manager of Treasury Operations; Gail Rados, Engineering Contracts Specialist; Robert H. Rosell, Technician of PC/LAN; Brenda Szeles-Bratina, Director of Toll Revenue Audit; Kathy Thomas, Administrative Secretary; Kim D. Tosh, Treasury Analyst; James Dougherty, Janeway Towing and Mike Ryan, Michael Baker, Jr., Inc.



Ms. Edmunds led the Commissioners and staff in the Pledge of Allegiance.



The Assistant Secretary Treasurer, Ann Louise Edmunds, called the roll and declared a quorum available.



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 TERMINATION, PROMOTIONS, NEW HIRES, AND VACANIES.

THE COMMISSIONERS ALSO 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 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 AT THIS TIME.

COMMISSIONERS WE HAVE 1 REQUEST TO ADDRESS THE COMMISSION.

THE COMMISSION RECOGNIZES MR. DOUGHERTY.

WE ASK THAT YOU STEP UP TO THE MICROPHONE, STATE YOUR NAME, ADDRESS, ORGANIZATION YOU ARE REPRESENTING, IF APPLICABLE, AND THE SUBJECT MATTER OF YOUR COMMENTS/REMARKS. YOU ARE TO LIMIT YOUR TIME TO THREE (3) MINUTES. YOUR COMMENTS/REMARKS SHALL BE ADDRESSED TO THE COMMISSION AS A WHOLE AND NOT TO ANY INDIVIDUAL MEMBER OF THE COMMISSION.

NO PERSON, OTHER THAN MEMBERS OF THE COMMISSION AND THE PERSON ADDRESSING THE COMMISSION SHALL BE PERMITTED TO ENTER INTO THE DISCUSSION. NO QUESTIONS SHALL BE ASKED OF COMMISSION MEMBERS, EXCEPT THROUGH THE PRESIDING OFFICER, WHO SHALL DETERMINE WHETHER THE QUESTION SHALL BE ADDRESSED. SPEAKERS SHALL AVOID UNDUE REPETITION OF POINTS PREVIOUSLY PRESENTED TO THE COMMISSION."

MR. DOUGHERTY: Good Morning, my name is James Dougherty, I reside at 101 Archbishop Drive in Conshohocken, Pennsylvania. I am the owner of Janeway Truck and Trailer Recovery Inc. I'm here today to speak on behalf of the authorized service provider contract that is being awarded. I am the current provider for the area known as 312-333. I've been the provider for that area for 5 ½ years. I'm asking the Commission to reconsider their decision to award that area to EVB Towing and to reconsider the facts that I'm about to bring to you.

We've serviced that area for 5 ½ years with exemplary service. We've increased our fleet to service that area to include 5 extended cab flat bed tow trucks and 3 extended cab light duty tow trucks. Our heavy duty fleet has dramatically increased for (inaudible) clearance for opening your roadway. We have purchased two specialized pieces of equipment that I know that the recommendation of the procurement technical review committee does not own in their fleet. One of them being a specialized piece a V100 50 ton heavy duty wrecker with an 850 side puller and a 5 wench 75 ton rotator, the largest heavy duty rotator on the Pennsylvania Turnpike, legally. We also employ air cushions, as a matter of fact; I am the only certified instructor for the air cushion manufacturer, systemwide. Our facility also offers many many specialized pieces of equipment to include fuel transfer systems, load transfer systems, converter dollies, pallet jacks and forklifts available 365 days a year. There is no need for us to contract with an outside service provider for these items. I ask you to please reconsider the award of this contract today to go over these facts and postpone it until the next Commissioners Meeting. Thank you for your time and have a good day.

MR. BIEHLER: Thank you very much.

MS. EDMUNDS: THIS CONCLUDES THE PUBLIC COMMENT SECTION OF THE MEETING, WE WILL MOVE ON WITH THE FORMAL MEETING.



MINUTES OF MEETING

Motion - That the Minutes of the meeting held March 16, 2010 be approved and filed – was made by Mr. Pratt, seconded by Mr. Deon; and passed unanimously.



COMMUNICATIONS

Motion – That the Commission accepts and files the memo received from the Chief Counsel– was made by Mr. Pratt, seconded by Mr. Lincoln; and passed unanimously.



PERSONNEL

Motion – That the Commission approves the Personnel as submitted – was made by Mr. Deon, seconded by Mr. Pratt; and passed unanimously.



UNFINISHED BUSINESS

There was no Unfinished Business to discuss.



NEW BUSINESS

Reinvestments, Liquidations and Purchase of Securities

Upon the motion by Mr. Pratt, seconded by Mr. Deon, the following Resolution was presented for adoption:

RESOLUTION

BE IT RESOLVED that the Pennsylvania Turnpike Commission hereby ratifies the action of the Assistant Chief Financial Officer, with the approval of the Chief Executive Officer and the Consulting Engineer, in directing the Trustee to make the foregoing reinvestments, liquidations and purchases; and

BE IT FURTHER RESOLVED that copies of the Resolution certified by the Assistant Secretary and Treasurer shall be forwarded to the Trustee as required in Article VI, Section 602 of the 2001 Amended and Restated Trust Indenture.

The following members voted yea: Commissioners Biehler, Lincoln, Deon and Pratt. The motion passed.



AGREEMENTS

Motion-That the Commission approves the negotiation and execution of the Agreements, Work Orders and an Amendment for the items listed in memos "a" through "d":

- a. Reimbursement Agreement with Norfolk Southern Railroad to reimburse Norfolk Southern the costs associated with the replacement of Bridge NB-327 at MP A51.36; at a not-to-exceed amount of \$250,000.00;
- b. Work Order #19 with TransCore for the equipment and project management for the replacement of all AMM Receipt Printers at all tolling locations on the Mon/Fayette Expressway; at a not-to-exceed amount of \$129,575.00;
- c. Amendment to Work Order #7 with TransCore for labor, equipment and project management to provide MPT, raised pavement markers and line striping for the Express Lanes at M52 on the Mon/Fayette Expressway; for an additional \$69,915.00, increasing the not-to-exceed amount to \$6,482,869.00;
- d. Settlement Agreement with Commonwealth Strategic Solutions, Inc. (CSC) for communications consulting and/or strategic planning services; and the issuance of a check, payable to CSC, in the amount of \$52,500.00.

-was made by Mr. Deon, seconded by Mr. Lincoln; and passed.



RIGHT-OF-WAY REQUESTS

Motion – That the Commission approves the Right-of-Way Requests for the items listed in memos “a” through “d”:

- a. Authorize the acquisition of Right-of-Way #6497-A, a partial take parcel, necessary for the total reconstruction project from MP A30.91 to A31.13, by issuing payment in the amount of \$537,500.00, payable to City Line Abstract Company, Escrow Agent; representing fair market value, prorated taxes, recording fees and Section 710 damages; authorize the appropriate Commission officials to execute the agreement of sale, authorize the payment of additional statutory damages as calculated by the Legal Department and approved by the Chief Executive Officer, and payment of the fair market value to the property owners is contingent upon their delivery of a deed prepared by the Legal Department;
- b. Authorize the acquisition of Right-of-Way #14123, a total take parcel, necessary for construction of the Southern Beltway, by issuing payment in the amount of \$269,250.35, payable to Urban Settlement Company, Escrow Agent; representing fair market value, prorated taxes, recording fees, housing supplement and closing costs; authorize the appropriate Commission officials to execute the agreement of sale, authorize the payment of additional statutory damages as calculated by the Legal Department and approved by the Chief Executive Officer, and payment of the fair market value to the property owners is contingent upon their delivery of a deed prepared by the Legal Department;
- c. Authorize the acquisition of Right-of-Way #17917, a total take parcel, necessary for construction of the Southern Beltway, by issuing payment in the amount of \$261,293.99, payable to Urban Settlement Company, Escrow Agent; representing fair market value, prorated taxes and recording fees; authorize the appropriate Commission officials to execute the agreement of sale, authorize the payment of additional statutory damages as calculated by the Legal Department and approved by the Chief Executive Officer, and payment of the fair market value to the property owners is contingent upon their delivery of a deed prepared by the Legal Department;
- d. Authorize the acquisition of Right-of-Way #17967, a total take parcel, necessary for construction of the Southern Beltway, by issuing payment in the amount of \$261,044.19, payable to Urban Settlement Company, Escrow Agent; representing fair market value, prorated taxes and recording fees; authorize the appropriate Commission officials to execute the agreement of sale, authorize the payment of additional statutory damages as calculated by the Legal Department and approved by the Chief Executive Officer, and payment of the fair market value to the property owners is contingent upon their delivery of a deed prepared by the Legal Department.

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



ADVERTISING

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

- a. Engineering or construction management firm to perform open-end construction inspection services between MP 247.00 and MP 358.00 and the Northeast Extension;
- b. Construction contracts for the Uniontown to Brownsville Maintenance Facility, MP M18.00:

<u>Contract Number</u>	
M-015.30X001-3-02	General Construction
M-015.30X001-3-03	Plumbing work
M-015.30X001-3-04	Electrical work
M-015.30X001-3-05	HVAC work
- c. Engineering firm or corporation to serve as the Commission's consulting engineering firm to perform the services described in the Amended and Restated Trust Indenture and other services as requested by the Chief Engineer.

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



AWARD OF BIDS, CHANGE ORDER AND ISSUANCE OF PURCHASE ORDERS

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

- a. Twenty (20) trailer mounted message boards; utilizing the Commonwealth's contract with Trafcon Industries, Inc.; at a total award of \$294,180.00;
- b. Mobile sweeper rental, to the lowest responsive and responsible bidder, Jack Doheny Rentals, Inc.; at a total award of \$110,000.00;
- c. Change Order for contract 44-2102 with TSB Inc. d/b/a Schultheis Electric for Mon/Fayette highway lighting, for an increase of \$60,000.00, increasing the not-to-exceed amount from \$60,000.00 to \$120,000.00; and exercising the option to renew the agreement for an additional year;
- d. Joint sealant kettles, utilizing the Commonwealth's contract with Crafcro Inc.; at a not-to-exceed amount of \$331,899.60;
- e. E-ZPass equipment (FPT interior and exterior tags), to Mark IV IVHS, Inc., of Ontario, Canada, the vendor selected by the Interagency Group (IAG), for a total award of \$1,650,620.00. This pricing reflects the seven-year pricing structure agreed upon with Mark IV, IVHS, Inc.

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



AWARD OF CONTRACT

Motion-That the Commission approves the Award of Contract #T-273.97S001-3-03 for the rehabilitation for six bridges from MP 279.31 to MP 292.17, to the lowest responsive and responsible bidder, Kinsley Construction, Inc., at a total award of \$764,546.00; with a contingency amount of \$75,000.00-was made by Mr. Deon, seconded by Mr. Pratt; and passed unanimously.



PTRC RECOMMENDATION

Motion-That the Commission approves the recommendation from the Procurement Technical Review Committee and authorizes the negotiation and execution of contracts for the items listed in memos "a" and "b":

- a. Authorized Service Provider to provide service from MP 312.10 to MP 333.20, to EVB Towing;
- b. Insurance consulting services to North American Insurance Management Corporation.

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



PAYMENTS

Motion-That the Commission approves the issuance of payments for the items listed in memos "a" and "b":

- a. Reimbursement to Hempfield Township in the amount of \$1,245.00 for engineering review costs for the New Stanton Service Plaza auxiliary truck parking facility;
- b. IAG Special Assessment fee in the amount of \$55,000.00 to the E-ZPass IAG for Validation Testing of the electronic toll collection system.

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



Items Added to the Formal Agenda

CHANGE ORDER

Motion-That the Commission approves Change Order #2 for Contract #A-075.72S001-3-02 with Road-Con, Inc., for rehabilitation of Bridge NB-528 at MP 75.72, for a decrease of \$82,589.39; decreasing the not-to-exceed amount from \$1,935,216.56 to \$1,852,627.17-was made by Mr. Lincoln, seconded by Mr. Pratt; and passed unanimously.



CHANGE ORDER AND FINAL PAYMENT

Motion-That the Commission approves Change Order #4 and Final Payment for Contract #A-089.00R003-3-02 with Locust Ridge Contractors for bituminous resurfacing from MP A88.66 to MP A95.17, for a decrease of \$13,329.72, making the final contract value \$5,248,365.81, and the final amount due of \$101,704.19-was made by Mr. Lincoln, seconded by Mr. Pratt; and passed unanimously.



POLICY LETTERS

Motion-That the Commission approves the revision to one policy letter and the approval of a new policy letter as noted in memos "a" and "b":

- a. Revise Policy Letter 5.3, Facility Security Policy, to establish controls to limit access at Commission facilities to authorized individuals;
- b. Adopt Policy Letter 8.10, Security Camera Policy, to regulate the use of security cameras in accordance with all applicable federal and state statutes.

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



RESOLUTION

Motion-THAT THE COMMISSION APPROVES AMENDING AND RESTATING THE RESOLUTION OF MARCH 16, 2010, AUTHORIZING THE APPROVAL OF THE ISSUANCE OF THE PENNSYLVANIA TURNPIKE COMMISSION'S FIXED RATE, VARIABLE RATE AND/OR MULTI-MODAL RATE TURNPIKE REVENUE BONDS IN ONE OR MORE SERIES OR SUBSERIES, TAXABLE OR TAX-EXEMPT, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$275,000,000 (NET OF ORIGINAL ISSUE DISCOUNT), TO REFUND ALL OR A PORTION OF THE PENNSYLVANIA TURNPIKE COMMISSION'S TURNPIKE MULTI-MODAL

REVENUE REFUNDING BONDS, SERIES A-1, A-2 OR A-3 OF 2008, CURRENTLY OUTSTANDING IN THE AGGREGATE PRINCIPAL AMOUNT OF \$208,615,000 (COLLECTIVELY THE "SERIES 2008 BONDS"); AUTHORIZING THE EXECUTION, DELIVERY AND DISTRIBUTION OF THE FOLLOWING: (1) ONE OR MORE SUPPLEMENTAL TRUST INDENTURES TO THE RESTATED INDENTURE (HEREINAFTER DEFINED); (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) ONE OR MORE CREDIT FACILITIES (AND RELATED AGREEMENTS); (6) ONE OR MORE REMARKETING AGREEMENTS; (7) ONE OR MORE INTEREST RATE SWAPS OR OTHER DERIVATIVES, OR AMENDMENTS TO OR TERMINATIONS OF EXISTING INTEREST RATE SWAPS; (8) ONE OR MORE CONTINUING DISCLOSURE AGREEMENTS; AND (9) ANY OTHER NECESSARY OR APPROPRIATE DOCUMENTS OR CERTIFICATES; AUTHORIZING APPOINTMENT OF BOND COUNSEL AND ONE OR MORE UNDERWRITERS, FINANCIAL ADVISORS AND OTHER PROFESSIONALS; AUTHORIZING CERTAIN INTERIM LOANS; AUTHORIZING THE TAKING OF FURTHER ACTION; AUTHORIZING THE REMOVAL OF AND APPOINTMENT OF REMARKETING AGENTS FOR THE SERIES OF 2008 BONDS NOT BEING REFUNDED (IF ANY) AND THE EXECUTION OF APPROPRIATE DOCUMENTS IN CONNECTION THEREWITH; AUTHORIZING THE EXECUTION OF NEW STANDBY BOND PURCHASE AGREEMENTS OR AMENDMENTS OR SUPPLEMENTS TO EXISTING STANDBY BOND PURCHASE AGREEMENTS WITH REGARD TO THE SERIES OF 2008 BONDS PRIOR TO THE REFUNDING THEREOF OR WITH REGARD TO ANY SERIES OF 2008 BONDS NOT BEING REFUNDED (IF ANY); RATIFYING PRIOR ACTIONS; REPEALING INCONSISTENT RESOLUTIONS; AND DECLARING THAT THIS RESOLUTION SHALL BE LIBERALLY CONSTRUED-was made by Mr. Lincoln, seconded by Mr. Deon; and passed unanimously.



RESOLUTION

Motion-THAT THE COMMISSION APPROVES THE RESOLUTION AUTHORIZING INTEREST RATE HEDGING TRANSACTIONS OR AMENDMENTS (INCLUDING FULL OR PARTIAL TERMINATIONS) TO ONE OR MORE OF THE EXISTING CONSTANT MATURITY SWAPS AND THE EXECUTION AND DELIVERY AND/OR AMENDMENT OF RELATED DOCUMENTATION-was made by Mr. Lincoln; seconded by Mr. Deon; and passed unanimously.



NEXT MEETING

MS. EDMUNDS: The next Commission Meeting will be held Tuesday, April 20, 2010 beginning at 9:00am.



ADJOURNMENT

MS. EDMUNDS: Commissioners, I have no other items for consideration, if you have nothing further, I request a motion for adjournment.

Motion – That this meeting of The Pennsylvania Turnpike Commission be adjourned at 11:37 a.m. - was made by Mr. Lincoln, seconded by Mr. Pratt; and passed unanimously.



PREPARED BY:

Ann Louise Edmunds
Assistant Secretary Treasurer

04-06-10

APPROVED BY:

J. William Lincoln
Secretary Treasurer

ATTACHMENT NUMBER 1
COMMUNICATIONS: MEMO RECEIVED FROM THE CHIEF COUNSEL