

MINUTES OF THE COMMISSION MEETING HELD MAY 18, 2010

A formal meeting of The Pennsylvania Turnpike Commission convened at 11:43 a.m., May 18, 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; Pasquale T. Deon, Sr., Commissioner and A. Michael Pratt, Commissioner. Available via phone was J. William Lincoln, Secretary Treasurer.

Others present for the meeting were Joseph G. Brimmeier, Chief Executive Officer; George M. Hatalowich, Chief Operating Officer; Nikolaus Grieshaber, Chief Financial Officer; Michael P. Haney, Director of Maintenance; Jeffrey L. Hess, Director of Operations/Project-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 Michael D. Begler, Director of Operations Review; William J. Capone, Director of Communications/Public Relations; John Christensen, Manager of Facilities & Energy Management Operations; Kelly Horvath, Executive Secretary; Donald S. Klingensmith, P.E., Manager of Contracts Administration; Donna Lapano, Executive Assistant; Jeffrey A. Naugle, Manager of Treasury Operations; Robert H. Rosell, Technician of PC/LAN; Patricia F. Schlegel, Director of Human Resources; Brenda Szeles-Bratina, Director of Toll Revenue Audit; Kathy Thomas, Administrative Secretary; Lauren LeHew, Summer Intern; Mike Ryan, Michael Baker Jr., Inc. and Raymond Vaughan.



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 TERMINATIONS, A RECLASSIFICATION, PROMOTION, A NEW HIRE AND REQUESTS TO POST AND FILL POSITIONS IN THE MAINTENANCE DEPARTMENT.

THE COMMISSIONERS DISCUSSED Fay/Norwin v. PTC, Docket No. 3949 (Board of Claims), Yvonne Craddock v. PTC, Docket No. 4512 (Workers' Compensation) and Judith Spokas v. PTC, Docket No. 5077 AND 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 one request to address the Commission. The Commission recognizes Raymond Vaughan.

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. VAUGHAN: My name is Raymond Vaughan; I live at 432 Ford Drive in Elizabethtown, PA. I am married, it's my second marriage and I have two boys and a girl, all adults in their 40's or more, one just celebrated his 50th birthday. Now, with that past me, since I've been living in Elizabethtown, I only have 3 minutes, so I need to keep it brief; I've observed in that area the Turnpike crossing over Route 743 leading to Hershey. It is approximately 6 miles to Hershey, 6 miles to Elizabethtown and I look at that and I believe we are missing something here in the state of Pennsylvania.

I took it upon myself to look around here for the last 4 years and finally got enough guts to come in here to talk to you gentleman to see if I could get you to at least look at that intersection and look at that particular spot for an economic development to stimulate the growth in this area. You have Hershey to the north, you have Dove chocolate, which is Mars Company; two very large chocolate companies in central PA. What can we do to help them? I have no interest in them, no stock in them, no employees of them; so I speaking directly from the gut. I ask you to look at that situation very, very seriously. I think it would be an ideal spot for what I would propose you to consider a limited access with only the E-ZPass use for that Interchange; not a regular toll, only the E-ZPass would get on and off that Interchange. So if you would look at that that is my sort of proposal.

If I have a minute left, I would like to ask you to consider, since you talked about new hires; I am former director of apprenticeship and training, you need to look at bringing apprentices onboard in the new hires. I think you will find out that, it's quite lengthy to talk and I know you can't do this at this

time, but consider that issue and I will be glad to come back at a time when you allow me more time to discuss that with you. So you put an apprenticeship on, you would save money, you would have a highly trained individual, you would have a training program in place. There are so many assets to look at that, you need to consider that. You need to change the way we do things in PA. The image the Turnpike has in the public, they would sell it tomorrow if they had the opportunity. So please consider the points, and I hope that you may look favorably on that idea and thank you for this opportunity.

MR. BIEHLER: Thank you very much, we appreciate it. We will consider those thoughts.

MS. EDMUNDS: This concludes the public comment section of the meeting.



MINUTES OF MEETING

Motion - That the Minutes of the meeting held May 4, 2010 be approved and filed – was made by Mr. Lincoln, seconded by Mr. Deon; and passed unanimously.



COMMUNICATIONS

Motion – That the Commission accepts and files the memos received from the Chief Counsel, the Manager of Strategic Sourcing and Asset Management and the Director of Operations Review– was made by Mr. Pratt, seconded by Mr. Deon; 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. Deon, seconded by Mr. Pratt, 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 unanimously.



AGREEMENTS

Motion-That the Commission approves the negotiation and execution of the Amendment, Agreements and Supplemental Agreements for the items listed in memos "a", "b" and "d":

- a. Amendment to our agreement with I.B. Abel, Inc. for infrastructure cabling and communication systems, to include funding for the TIP Building, phone convergence and the increase in requests for services; for an additional \$300,000.00, increasing the not-to-exceed amount to \$600,000.00;
 - b. Supplement to our General Engineering Consulting contract with Michael Baker Jr., Inc., to include construction management services for the truck electrification project at the New Stanton Service Plaza auxiliary truck parking lot; for an additional cost of \$90,000.00;
 - d. Supplement to our agreement with Michael Baker, Jr., Inc. for design/construction management services for the Service Plaza Development project, to extend the contract through May 2011; for an additional cost of \$200,000.00.
- was made by Mr. Deon, seconded by Mr. Pratt; and passed.

Motion-That the Commission approves the negotiation and execution of the Agreement as listed in memo "c":

- c. Ownership Agreement between the Commission, the Pennsylvania Department of Transportation and local townships, to assign ownership and maintenance duties for the Uniontown to Brownsville section of the Mon/Fayette Expressway, Toll 43;
- was made by Mr. Deon, seconded by Mr. Pratt; Mr. Biehler abstained.

MR. BIEHLER: I ABSTAIN ON THE BASIS THAT AS AN EX-OFFICIO MEMBER OF THE COMMISSION AND SECRETARY OF THE DEPARTMENT OF TRANSPORTATION, I WOULD BE VOTING ON AN AGREEMENT BETWEEN TWO PARTIES, BOTH OF WHICH I HAVE A RELATIONSHIP WITH.

The motion passed.



RIGHT-OF-WAY REQUESTS

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

- a. Authorize the acquisition of Right-of-Way #1031-R13, a partial take parcel, necessary for construction of the Somerset Interchange Project, by issuing payment in the amount of \$16,545.00, payable to Indu Motel, LLC, representing fair market value and prorated taxes; 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 owner is contingent upon the delivery of a deed prepared by the Legal Department;
- b. Authorize the settlement of Right-of-Way #3176-G, a partial take parcel, necessary for the total reconstruction project from MP 199.00 to MP 227.00, by authorizing the appropriate Commission officials to execute the settlement documents, authorize the payment of additional statutory damages as calculated by the Legal Department and approved by the Chief Executive Officer, and payment of the settlement amount to the property owner is contingent upon the delivery of a full and final release prepared by the Legal Department;
- c. Authorize the settlement of Right-of-Way #6069-RB and #6069-RB-01, a partial take parcel, necessary for the bridge EB-735 replacement project, by issuing additional payment in the amount of \$39,750.00, payable to Buckley, Brion, McGuire, Morris & Sommer, LLP; representing fair market value, personal property loss, and Section 710 damages; authorize the appropriate Commission officials to execute the settlement documents; and payment of the settlement amount to the claimants is contingent upon their execution of a settlement agreement and full and final release as approved by the Legal Department;
- d. Adopt the proposed Property Acquisition Resolution for Right-of-Way #6402-B, a partial take parcel, necessary for the total reconstruction project from MP A20.00 to MP A30.00; authorize payment of Estimated Just Compensation in the amount of \$50,000.00, payable to Stevens & Lee, P.C., Escrow Agent; and authorize payment of statutory damages and costs as calculated by the Legal Department and approved by the Chief Executive Officer;
- e. Adopt the proposed Property Acquisition Resolution for Right-of-Way #6422-A, a partial take parcel, necessary for the total reconstruction project from MP A20.00 to MP A30.00; authorize payment of Estimated Just Compensation in the amount of \$17,500.00, payable to Stevens & Lee, P.C., Escrow Agent; and authorize payment of statutory damages and costs as calculated by the Legal Department and approved by the Chief Executive Officer;
- f. Adopt the proposed Property Acquisition Resolution for Right-of-Way #6456-A, a partial take parcel, necessary for the total reconstruction project from MP A20.00 to MP A30.00; authorize payment of Estimated Just Compensation in the amount of \$104,100.00, payable to Stevens & Lee, P.C., Escrow Agent; and authorize payment of statutory damages and costs as calculated by the Legal Department and approved by the Chief Executive Officer;
- g. Adopt the proposed Property Acquisition Resolution for Right-of-Way #6446-A, a partial take parcel, necessary for the total reconstruction project from MP A20.00 to MP A30.00; authorize payment of Estimated Just Compensation in the amount of \$45,500.00, payable to

- Stevens & Lee, P.C., Escrow Agent; and authorize payment of statutory damages and costs as calculated by the Legal Department and approved by the Chief Executive Officer;
- h. Adopt the proposed Property Acquisition Resolution for Right-of-Way #6441-B, a partial take parcel, necessary for the total reconstruction project from MP A20.00 to MP A30.00; authorize payment of Estimated Just Compensation in the amount of \$91,100.00, payable to Stevens & Lee, P.C., Escrow Agent; and authorize payment of statutory damages and costs as calculated by the Legal Department and approved by the Chief Executive Officer;
 - i. Adopt the proposed Property Acquisition Resolution for Right-of-Way #6420-E, a partial take parcel, necessary for the total reconstruction project from MP A20.00 to MP A30.00; authorize payment of Estimated Just Compensation in the amount of \$45,600.00, payable to Stevens & Lee, P.C., Escrow Agent; and authorize payment of statutory damages and costs as calculated by the Legal Department and approved by the Chief Executive Officer;
 - j. Adopt the proposed Property Acquisition Resolution for Right-of-Way #6418-A, a partial take parcel, necessary for the total reconstruction project from MP A20.00 to MP A30.00; authorize payment of Estimated Just Compensation in the amount of \$111,500.00, payable to Stevens & Lee, P.C., Escrow Agent; and authorize payment of statutory damages and costs as calculated by the Legal Department and approved by the Chief Executive Officer;
 - k. Adopt the proposed Property Acquisition Resolution for Parcel 205, a partial take parcel, necessary for the total reconstruction project from MP A20.00 to MP A30.00; authorize payment of Estimated Just Compensation in the amount of \$26,100.00, payable to Stevens & Lee, P.C., Escrow Agent; and authorize payment of statutory damages and costs as calculated by the Legal Department and approved by the Chief Executive Officer;
 - l. Adopt the proposed Property Acquisition Resolution for Parcel 125-A, a partial take parcel, necessary for the total reconstruction project from MP A20.000 to MP A30.00; authorize payment of Estimated Just Compensation in the amount of \$7,200.00, payable to Buckley, Brion, Morris & Sommer, LLP, Escrow Agent; and authorize payment of statutory damages and costs as calculated by the Legal Department and approved by the Chief Executive Officer;
 - m. Adopt the proposed Property Acquisition Resolution for Parcel 125, a partial take parcel, necessary for the total reconstruction project from MP A20.00 to MP A30.00; authorize payment of Estimated Just Compensation in the amount of \$21,900.00, payable to Buckley, Brion, Morris & Sommer, LLP, Escrow Agent; and authorize payment of statutory damages and costs as calculated by the Legal Department and approved by the Chief Executive Officer;
 - n. Adopt the proposed Property Acquisition Resolution for Right-of-Way #6441-C, a partial take parcel, necessary for the total reconstruction project from MP A20.00 to MP A30.00; authorize payment of Estimated Just Compensation in the amount of \$9,800.00, payable to Stevens & Lee, P.C., Escrow Agent; and authorize payment of statutory damages and costs as calculated by the Legal Department and approved by the Chief Executive Officer;
 - o. Adopt the proposed Property Acquisition Resolution for Right-of-Way #6416-J, a partial take parcel, necessary for the total reconstruction project from MP A20.00 to MP A30.00; authorize payment of Estimated Just Compensation in the amount of \$5,000.00, payable to Buckley, Brion, Morris & Sommer, LLP, Escrow Agent; and authorize payment of statutory

- damages and costs as calculated by the Legal Department and approved by the Chief Executive Officer;
- p. Adopt the proposed Property Acquisition Resolution for Right-of-Way #6416-G, a partial take parcel, necessary for the total reconstruction project from MP A20.00 to MP A30.00; authorize payment of Estimated Just Compensation in the amount of \$20,000.00, payable to Buckley, Brion, Morris & Sommer, LLP, Escrow Agent; and authorize payment of statutory damages and costs as calculated by the Legal Department and approved by the Chief Executive Officer;
 - q. Adopt the proposed Property Acquisition Resolution for Right-of-Way #6416-F, a partial take parcel, necessary for the total reconstruction project from MP A20.00 to MP A30.00; authorize payment of Estimated Just Compensation in the amount of \$15,000.00, payable to Buckley, Brion, Morris & Sommer, LLP, Escrow Agent; and authorize payment of statutory damages and costs as calculated by the Legal Department and approved by the Chief Executive Officer;
 - r. Adopt the proposed Property Acquisition Resolution for Right-of-Way #6416-E, a partial take parcel, necessary for the total reconstruction project from MP A20.00 to MP A30.00; authorize payment of Estimated Just Compensation in the amount of \$10,000.00, payable to Buckley, Brion, Morris & Sommer, LLP, Escrow Agent; and authorize payment of statutory damages and costs as calculated by the Legal Department and approved by the Chief Executive Officer;
 - s. Adopt the proposed Property Acquisition Resolution for Right-of-Way #6416-D, a partial take parcel, necessary for the total reconstruction project from MP A20.00 to MP A30.00; authorize payment of Estimated Just Compensation in the amount of \$34,400.00, payable to Buckley, Brion, Morris & Sommer, LLP, Escrow Agent; and authorize payment of statutory damages and costs as calculated by the Legal Department and approved by the Chief Executive Officer;
 - t. Adopt the proposed Property Acquisition Resolution for Right-of-Way #6416-C, a partial take parcel, necessary for the total reconstruction project from MP A20.00 to MP A30.00; authorize payment of Estimated Just Compensation in the amount of \$109,600.00, payable to Buckley, Brion, Morris & Sommer, LLP, Escrow Agent; and authorize payment of statutory damages and costs as calculated by the Legal Department and approved by the Chief Executive Officer;
 - u. Adopt the proposed Property Acquisition Resolution for Right-of-Way #6416-B, a partial take parcel, necessary for the total reconstruction project from MP A20.00 to MP A30.00; authorize payment of Estimated Just Compensation in the amount of \$233,500.00, payable to Buckley, Brion, Morris & Sommer, LLP, Escrow Agent; and authorize payment of statutory damages and costs as calculated by the Legal Department and approved by the Chief Executive Officer.

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



ADVERTISING

Motion-That the Commission approves advertising for the installation of infrastructure cable to provide network connectivity for the Uniontown/Brownsville Maintenance facility -was made by Mr. Pratt, seconded by Mr. Deon; and passed unanimously.



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 “d”:

- a. Renewal Agreement for the HP server maintenance with Hewlett-Packard Company, at a total award of \$200,000.00;
- b. Renewal Agreement for preventative maintenance on UPS systems, exercising the option to renew the contracts for one (1) additional year:
Emerson Network Power/Liebert Services Inc. \$ 737,546.00
Eaton Corporation c/o Lynn Associates \$ 273,126.00
TOTAL AWARD: \$1,010,672.00
- c. Microsoft Enterprise Client Access License (eCal)/5 year Software Assurance, utilizing the Commonwealth’s contract with CDW Government, Inc.; at a total award of \$799,937.88;
- d. Five (5) aluminum dump trailers, utilizing the Commonwealth’s contract with ITI Trailers and Truck Bodies, Inc.; at a total award of \$227,450.00.

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



AWARD OF CONTRACT

Motion-That the Commission approves the Award of Contract #S-006.00X002-3-02 for demolition and/or removal of buildings for the Southern Beltway project between US22 and I-79, to the lowest responsive and responsible bidder, Brayman Construction Corporation; at a total award of \$597,500.00; with a contingency amount of \$20,000.00-was made by Mr. Pratt, seconded by Mr. Deon; and passed unanimously.



PTRC

Motion-That the Commission approves the consultant selection recommendations from the Procurement Technical Review Committee and authorizes the negotiation and execution of the agreements for the items listed in memos “a” and “b”:

- a. Intelligent Transportation Systems retrofit to Wellington Power Corporation;
- b. Attestation of retiree prescription drug coverage to Milliman, Inc.

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



OPERATING BUDGET & CAPITAL PLAN

Motion-That the Commission adopts the Commission's Annual Operating Expense Budget for 2010-2011 and approved the proposed FY2011 Ten Year Capital Plan as listed in memos "a" and "b":

- a. Adopt the Resolution approving The Pennsylvania Turnpike Commission's Annual Operating Expense Budget for the 2010-2011 fiscal year in the amount of \$306,293,505.00;
- b. Approve the Proposed FY2011 Ten Year Capital Plan and grant approval for staff to 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.

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



Items Added to the Formal Agenda

SUPPLEMENTS

Motion-That the Commission approves the Supplemental Agreements as listed in memos "a" through "c":

- a. Supplemental Agreement #1 with A.D. Marble & Co. for open-end environmental tasks, for an increase of \$10,000.00; increasing the not-to-exceed amount to \$760,000.00;
- b. Supplemental Agreement #8 with Gannett Fleming for design management services for the Uniontown to Brownsville section of the Mon/Fayette Expressway, for an increase of \$250,000.00; increasing the not-to-exceed amount to \$12,718,909.81;
- c. Supplemental Agreement #9 with McCormick Taylor, Inc. for environmental engineering management services for the Mon/Fayette Expressway and the Southern Beltway projects, for an increase of \$50,000.00; increasing the not-to-exceed amount to \$17,450,000.00.

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



CHANGE ORDER AND FINAL PAYMENT

Motion-That the Commission approves Change Order #1 and Final Payment for Contract #EN-00084-03-02 with Gregori Construction & Engineering, Inc. for bridge repairs between MP 0.00 and MP 109.91, Turnpike 60, 66 and 43, for a decrease of \$44,329.14; making the final contract value \$255,670.86, and the final amount due of \$6,045.59-was made by Mr. Lincoln, seconded by Mr. Deon; and passed unanimously.



NEXT MEETING

MS. EDMUNDS: The next Commission Meeting will be held Tuesday, June 1, 2010 beginning at 10:00 am.



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 11:57 a.m. - was made by Mr. Lincoln, seconded by Mr. Deon; and passed unanimously.



PREPARED BY:

Ann Louise Edmunds
Assistant Secretary Treasurer

05-18-10

APPROVED BY:

J. William Lincoln
Secretary Treasurer

ATTACHMENT NUMBER 1

COMMUNICATIONS: MEMO RECEIVED FROM THE CHIEF COUNSEL,
THE MANAGER OF STRATEGIC SOURCING AND ASSET MANAGEMENT AND
THE DIRECTOR OF OPERATIONS REVIEW