

MINUTES OF THE COMMISSION MEETING HELD OCTOBER 19, 2010

A formal meeting of the Pennsylvania Turnpike Commission convened at 11:57 a.m. October 19, 2010 at the Central Office located in Highspire, Pennsylvania. Present for the meeting were William K. Lieberman, Vice Chairman; J. William Lincoln, Secretary Treasurer; A. Michael Pratt, Commissioner and R. Scott Christie, P.E., Deputy Secretary for Highway Administration.

Others present for the meeting were Joseph G. Brimmeier, Chief Executive Officer; George M. Hatalowich, Chief Operating Officer; Robert F. Brady, Director of Operations/Projects-East; Richard S. DiPiero-Director of Fare Collection; Jeffrey L. Garrett, Chief Engineer, Michael Baker Jr., Inc.; Todd S. Garrison, Director of Maintenance; Nikolaus Grieshaber, Chief Financial Officer; Jeffrey L. Hess, Director of Operations/Projects-West; Frank J. Kempf, Jr.-Chief Engineer; Doreen McCall, Chief Counsel; Craig Shuey, Director of Government Affairs; Joe Suess, Acting Chief Informational Officer 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; Carl E. DeFebo, Jr., Manager of Public Information-East; Jason Falchek, Technician of PC/LAN; Derek S. Hansel, Assistant Chief Financial Officer; Donald S. Klingensmith, P.E., Manager of Contracts Administration; Donna Lapano, Executive Assistant; Anthony L. Maniscola, Special Investigator; Jeffrey A. Naugle, Manager of Treasury Operations; Patricia Schlegel, Director of Human Resources Brenda Szeles-Bratina, Director of Toll Revenue Audit; Kathy Thomas, Administrative Secretary; Matt Haverstick; Jim Osman, CBS3TV and Jim Spering, CBS3TV.

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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 RECLASSIFICATION, TRANSFER, PROMOTIONS, NEW HIRES, VACANIES AND REQUESTS TO ABOLISH, AND TO POST AND FILL POSITIONS IN THE FINANCE AND ADMINISTRATION, FACILITIES AND ENERGY MANAGEMENT, AND MAINTENANCE DEPARTMENTS.

THE COMMISSIONERS DISCUSSED Docket No. 00494 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.

AT THIS TIME WE REQUEST ALL VISITORS TO STAND AND INTRODUCE YOURSELF AND YOUR ORGANIZATION.

JIM OSMAN CBS3TV

JIM SPEARING CBS3TV

THIS CONCLUDES THE PUBLIC COMMENT SECTION OF THE MEETING.

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MINUTES OF THE MEETING

Motion-That the Minutes of the meeting held October 6, 2010 be approved and filed-was made by Commissioner Lincoln, seconded by Commissioner Pratt; 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 Procurement and Material Management-was made by Commissioner Lincoln, seconded by Commissioner Pratt; 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 Lincoln; and passed unanimously.

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NEW BUSINESS

Reinvestments, Liquidations and Purchase of Securities

Upon the motion by Commissioner Lincoln, seconded by Deputy Secretary Christie, the following Resolution was presented for adoption:

RESOLUTION

BE IT RESOLVED that The Pennsylvania Turnpike Commission hereby ratifies the action of the Assistance 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 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 Lieberman, Lincoln, Pratt and Deputy Secretary Christie. The motion passed unanimously.

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AGREEMENTS

Motion-That the Commission approves the negotiation and execution of a Work Order, a Lease, a Supplement and the Agreements for the items listed in memos “a” through “g” and “i” and “j”:

- a. Work Order #23 with TransCore for services, labor, materials, equipment, tools, support and other items and incidental work required to design, construct and install the ITMS upgrade for the Fare Collection System; for a not-to-exceed amount of \$489,893.00;
- b. Lease Agreement with FiberTower to permit them to lease space and construct antennas and other related infrastructure on the Commission’s monopole at the Irwin Interchange ; FiberTower will pay the Commission a lease rate of \$8,100.00 for the first year, with 3% increases every year after that; the term of the lease will be for a period of five (5) years, plus three (3) 5-year mutual renewal options;
- c. Reimbursement Agreement with Pennsylvania Electric Company (Penelec) to reimburse Penelec the cost to perform the required engineering and facility relocation work necessary for the replacement of Bridge B-504 at MP 108.33 and mainline construction; at a not-to-exceed amount of \$79,423.38;
- d. Assignment Agreements with Life Star Ambulance Company to assign the agreement to St. Luke’s Emergency Transport and with Elverson Ambulance Association to assign the agreement to Elverson EMS; for the emergency care and emergency medical transportation for motorist and employees using the Pennsylvania Turnpike system;
- e. Supplemental Agreement with Atlas Energy Resources, LLC to reimburse Atlas for various natural gas facility relocations necessary for the construction of the Mon/Fayette Expressway, for an increase of \$6,931.38; increasing the not-to-exceed amount to \$104,931.38;
- f. Settlement Agreement with the Pennsylvania Fish and Boat Commission for the Lehigh Tunnel stormwater management basin; and the issuance of payment in the amount of \$1,000.00;
- g. License Agreement with the Pennsylvania Department of Transportation to permit the Department to place, energize and operate a dynamic message sign at the Fort Washington Toll Plaza;

- i. Two (2) Agreements for open-end drilling to the lowest responsive and responsible bidders listed below, at a not-to-exceed amount of \$600,000.00 each or three (3) years, whichever occurs first:

Buffalo Drilling Company, Inc. Mainline MP 0.00 to MP 247.30
Greensburg Bypass
Beaver Valley Expressway
Mon/Fayette Expressway
Southern Beltway

TRC Engineers, Inc. Mainline MP 247.30 to MP 359.00
Northeast Extension

- j. Permission to negotiate with The Lane Construction Corporation to perform additional work necessary at the Harrison City maintenance facility; at an additional cost of \$80,000.00.

-was made by Commissioner Lincoln and seconded by Commissioner Pratt.

Motion-That the Commission approves the negotiation and execution of Agreement for the item listed in memo "h":

- h. Agreement with Phoenix Capital Partners for Swap Advisory services;

-was made by Commissioner Lincoln, seconded by Commissioner Pratt; Deputy Secretary Christie abstained.

DEPUTY SECRETARY CHRISTIE: I abstain on this vote.

The motion passed.

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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" and "b":

- a. Authorize settlement of Right-of-Way #6416-J, a partial take parcel, necessary for the total reconstruction project from MP A20.00 to MP A30.00, by issuing settlement payment in the amount of \$2,500.00, payable to Buckley, Brion, McGuire, Morris & Sommer, LLP, Escrow Agent; representing settlement; authorize the appropriate Commission officials to execute the agreement of sale, authorize the payment of additional statutory damages and Section 710 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 the delivery of an executed full and final release and settlement agreement as approved by the Legal Department;
- b. Authorize settlement of Right-of-Way #7144-A, a total take parcel, necessary for the I-95/I-276 Interchange project, by issuing settlement payment in the amount of \$771,000.00, plus additional statutory damages, including relocation damages and statutory interest, as calculated by the Legal Department and approved by the Chief Executive Officer.

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

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ADVERTISING

Motion-That the Commission approves advertising for an Infrastructure Cabling and Communication Systems Installation contractor-was made by Commissioner Lincoln, seconded by Commissioner Pratt; and passed unanimously.

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AWARD OF BIDS AND THE 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” and “b”:

- a. Propane-supply, service and repair from October 1, 2010 through September 30, 2015, to the lowest responsive and responsible bidder, Ferrellgas; at a total award for five years of \$350,000.00;
- b. Plow blades and hardware (October 2010 through September 2011), to the lowest responsive and responsible bidders:

Chemung Supply Corporation	\$410,000.00
Valk Manufacturing Co.	<u>31,000.00</u>
TOTAL AWARD	\$441,000.00

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

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ITEMS ADDED TO THE FORMAL AGENDA

FINAL SELECTIONS

Motion-That the Commission approves the consultant selection recommendations from the Technical Review Committee and authorizes the negotiation and execution of a contract with the first firm listed for the items in memos “a” through “c”:

- a. Firm to provide environmental services on an open-end basis system wide; at a not-to-exceed amount of \$750,000.00 or three (3) years, whichever occurs first:
 - Reference #3-213
 - Rettew Associates, Inc.
 - BL Companies PA, Inc.
 - A.D. Marble & Company, Inc.
- b. Engineering or Construction Management firm to provide open-end construction inspection services between MP 0.00 to MP 247.00 and the Western Expansion projects; at a not-to-exceed amount of \$850,000.00 or two (2) years whichever occurs first:

Reference #1-151

Navarro & Wright Consulting Engineers, Inc.

T.W. Consultants, Inc.

CMC Engineering

- c. Engineering or a materials testing firm to provide open-end construction materials inspection and testing services between MP 0.00 and MP 200.00 and the Western Expansion projects; at a not-to-exceed amount of \$850,000.00 or two (2) years whichever occurs first:

Reference #1-152

Jeff Zell Consultants, Inc.

Professional Service Industries, Inc.

Solar Testing of PA, LLC

-was made by Commissioner Lincoln, seconded by Deputy Secretary Christie; and passed unanimously.

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POLICY LETTERS

Motion-That the Commission adopts the revision to an existing Policy Letter and a new Policy Letter as listed in memos "a" and "b":

- a. Revision to Policy Letter 8.6, Records Management Policy, to approve the revised retention schedule;
- b. New Policy Letter 10.3, Purchasing Card Program, to establish policies, procedures and responsibilities for the Commission's purchasing card program.

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

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NEXT MEETING

MS. EDMUNDS: THE NEXT COMMISSION MEETING WILL BE HELD TUESDAY, NOVEMBER 16, 2010.

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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 12:03 p.m.-was made by Commissioner Lincoln, seconded by Deputy Secretary Christie; and passed unanimously.

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PREPARED BY:

Ann Louise Edmunds
Assistant Secretary Treasurer

10-19-10

APPROVED BY:

J. William Lincoln
Secretary Treasurer

ATTACHMENT NUMBER 1

COMMUNICATIONS: MEMO RECEIVED FROM THE CHIEF COUNSEL AND
MANAGER OF PROCUREMENT AND MATERIAL MANAGEMENT