

MINUTES OF THE COMMISSION MEETING HELD MARCH 2, 2021

A formal telephone meeting of the Pennsylvania Turnpike Commission convened at 10:45 a.m. on Tuesday, March 2, 2021 at the Central Office located in Highspire, Pennsylvania. Available via telephone for the meeting were William K. Lieberman, Vice Chair; Pasquale T. Deon, Sr., Commissioner and Wadud Ahmad, Commissioner. Present for the meeting was John Wozniak, Secretary Treasurer.

Available for the meeting were Mark P. Compton, Chief Executive Officer; Craig R. Shuey, Chief Operating Officer; Bradley J. Heigel, P.E., Chief Engineer; Carl DeFebo, Jr., Director of Public Relations & Marketing; Charles Duncan III, Esquire, Chief Compliance, Legis. & Cultural Affairs; Doreen McCall, Chief Counsel; Kelli Roberts, Director of Policy and External Affairs (via telephone); John DelRicci, Director of Maintenance (via telephone); Ray Morrow, Chief Compliance Officer (via telephone); Rick Dreher, Chief Financial Officer (via telephone); Robert Brady, Director of Operations/Projects-East (via telephone); Robert Taylor, Chief Technology Officer (via telephone); and Ann Louise Edwards, Assistant Secretary Treasurer.

Others available via telephone were Don Klingensmith, Asst. Chief Fin. Officer for Financial Administration; Jesse Ream, Communication Systems Program Manager (in person); Kelly Horvath, Executive Administrative Assistant; Shawn Laudenslager, End User Support Supervisor (in person); Dan Laird, Hill International; Dan O'Brien, RBC Capital Markets; David Thomas, Hill International; Derek McNeil, Siebert Williams Shank & Co.; Ed Blazina, Pittsburgh Post-Gazette; Ed Reese, GPD Group; Eric Madden, JMT; George Settelmaier, KSE; Jeff Hans, HDR; Jill Bolt, TY Lin; Joe Platt, TPD; Joe Romano, LDG; Jon Livingston, Jacobs; Joseph DiFiore, Wallace Panther Group; J.T. Lincoln, GAI; Karen Gabel, Erdman Anthony; Mark Karolski, Buchart Horn; Mike House, Modjeski & Masters; Patrick Kane, GPI; Paul McNamee, KCI; Rachel Perrego, Susquehanna Civil; Robert Horr, Atkins; Sarah Snyder, Ramierez & Co.; Vince LoBianco, Harris & Harris; Samantha Osbourne, Virtus, LLP; and Steve Barber, Michael Baker (in person).



Vice Chair Lieberman led the Commissioners, staff and visitors in the Pledge of Allegiance.

The Assistant Secretary Treasurer, Ann Louise Edwards, called the roll and declared a quorum available. Mrs. Edwards welcomed the Commissioners, employees and guests on the WebEx and made the following statement:

Due to COVID-19, the Pennsylvania Turnpike Commission Administration Building remains closed to visitors. Accordingly, the Commission Meetings will be held via telephone (through June 2020 or until further notice). The Commission will continue to post call-in/WebEx information for those who wish to attend the meeting via telephone/WebEx. WebEx information should be posted at least 48 hours in advance of the meeting. The Commission will continue to closely monitor the CDC's and other government websites for up-to-date information regarding COVID-19, risk assessment and guidance to business. This meeting is being recorded and the Commission will post the recording on its website.



SUNSHINE ANNOUNCEMENT

The Commissioners met in Executive Session prior to today's Formal Agenda Session to consider matters of Personnel, which included reclassifications and new hires.

The Commissioners also engaged in non-deliberative, informational discussions regarding various actions and matters, which have been approved at previous public meetings.



PUBLIC COMMENT

Mrs. Edwards: The public is welcome 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 and effective meeting, all persons wishing to address the Commission should have requested time to speak at least 48 hours in advance of this meeting.

We had no requests to address the Commission.



MINUTES OF THE MEETING

Motion-That the Minutes of the meeting held February 16, 2021 be approved and filed as submitted-was made by Commissioner Wozniak, seconded by Commissioner Deon, and passed unanimously.



COMMUNICATIONS

Motion-That the Commission approve the memo received from the Chief Counsel-was made by Commissioner Wozniak, seconded by Commissioner Deon, and passed unanimously.



PERSONNEL

Motion-That the Commission approves personnel as submitted-was made by Commissioner Wozniak, seconded by Commissioner Deon, and passed unanimously.



UNFINISHED BUSINESS

No Unfinished Business to consider.



SUPPLEMENTAL AGREEMENT

Motion– That the Commission approve the negotiation and execution of the Supplemental Agreement #1 with Stahl Shaffer Engineering, LLC for open-end design services, for an increase of \$150,000.00, due to modifications for the shoulder and slope repair project from MP 110.00 to MP 123.00, for a revised not-to-exceed amount of \$1,150,000.00-was made by Commissioner Wozniak, seconded by Commissioner Deon and passed unanimously.



AGREEMENTS

Motion-That the Commission approve the negotiation and execution of the Agreement, a Supplemental Agreement and an Amendment for the items listed in memos “a” through “c”:

- a. Supplemental Reimbursement Agreement with PPL Electric Utilities Corp. to reimburse PPL for the engineering and utility relocation work necessary for the replacement of Bridge EB-704 at MP 302.81, for an increase of \$77,507.87; due to revisions to the project, PPL needs to redesign its proposed utility relocation which requires more than one mobilization and relocation to accommodate construction staging; for a revised not-to-exceed amount of \$159,824.31;
- b. Amendment to our Interagency Agreement with the Pennsylvania Department of Transportation (PennDOT) for Commission certified Third Party Examiners to administer CDL tests; exercising the option to renew the agreement for an additional five-years;
- c. Interagency Agreement and all necessary documents with the Pennsylvania Department of Transportation (PennDOT) to transfer property from PennDOT to the Commission for the total reconstruction and widening project from MP 320.00 to MP 326.00.

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



RIGHT-OF-WAY REQUESTS

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

- a. Acquisition of Right-of-Way #14S005 (Judith A. Smitley; Marcy Parry a/k/a Marcy Rauber; William Teck), a partial take parcel necessary for construction of the Mon/Fayette Expressway, Rt. 51 to I-376, by authorizing payment of \$507.50 representing fair market value and pro-rated taxes to Judith A. Smitley, Marcy Parry and William Teck; 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 owners is contingent upon the delivery of a deed as prepared by the Legal Department;
- b. Acquisition of Right-of-Way #8235-A (Mark A. and Marilyn K. Sinex), a partial take parcel necessary for the total reconstruction project from MP A48.00 to MP A53.00 by authorizing payment of \$2,230.00 representing fair market value and pro-rated taxes to Mark A. and Marilyn K. Sinex; 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 owners is contingent upon the delivery of a deed as prepared by the Legal Department;
- c. Adopt the proposed Property Acquisition Resolution for Right-of-Way #14S620 (IBIS Kennywood, LLC), a partial take parcel necessary for construction of the Mon/Fayette Expressway, Rt. 51 to I-376, by authorizing payment of \$414,800.00 representing estimated just compensation to counsel named at a later date; and authorize payment of additional statutory damages as calculated by the Right-of-Way Administrator and approved by the Chief Counsel;
- d. Acquisition of Right-of-Way #6043-A (William P. and Janna B. Cracas), a partial take parcel necessary for the total reconstruction project from MP 312.00 to MP 316.00 by authorizing payment of \$9,033.50 representing fair market value and pro-rated taxes to William P. and Janna B. Cracas; 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 owners is contingent upon the delivery of a deed as prepared by the Legal Department;
- e. Acquisition of Right-of-Way #6047-E3 (James J. and Margaret A. Gallagher), a partial take parcel necessary for the total reconstruction project from MP 312.00 to MP 316.00 by authorizing payment of \$27,661.00 representing fair market value and pro-rated taxes to James J. and Margaret A. Gallagher; 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 owners is contingent upon the delivery of a deed as prepared by the Legal Department;

- f. Acquisition of Right-of-Way #14S008 (Wesley L. White), a total take parcel necessary for construction of the Mon/Fayette Expressway, Rt. 51 to I-376, by authorizing payment of \$105,585.68 representing fair market value, pro-rated taxes and recording fees to ARROW Land Solutions, LLC, 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.

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



ADVERTISING

Motion – That the Commission approve advertising for the items listed in memos “a” and “b”:

- a. IT network cabling contractor to maintain, repair, upgrade and install cabling infrastructure and install auxiliary communication systems at Commission facilities;
- b. Two (2) open-end sinkhole repair contracts.

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



PURCHASE ORDERS

Motion – That the Commission approve the Award of a Bid, Change Order and Issuance of Purchase Orders for the items listed in memos “a” through “c”:

- a. VBrick video system implementation and subscription/support for three (3) years, utilizing the Commonwealth’s contract with Vistacom, Inc.; at a total award of \$254,717.01;
- b. Calcium Chloride products (through June 30, 2021), for contingency funding of an additional \$60,000.00 for the remainder of the winter season;
- b. Locks, cores, keys and other related materials and services (through March 2022), to the lowest responsive and responsible bidder, Fried Brothers, Inc.; at a total award of \$118,000.00.

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



AWARD OF CONTRACT

Motion – That the Commission approve the Award of Contract #T-312.00R002-3-02 for asphalt resurfacing between MP 312.32 and MP 319.34, to the lowest responsive and responsible bidder, Highway Materials, Inc.; at a not-to-exceed amount of \$8,244,937.25 and a contingency of \$350,000.00.- was made by Commissioner Wozniak, seconded by Commissioner Deon, and passed unanimously.



CHANGE ORDER

Motion- That the Commission approve Change Order #7 for Contract #S-006.00X002-3-10 for construction of the Southern Beltway, Section 55C2-1, MP S17.04 to MP S19.23, with Walsh Construction Company, for an increase of \$289,222.91 due to costs associated with an agreement with Cecil Township to restrict work hours, for a revised not-to-exceed amount of \$181,105,525.23. -was made by Commissioner Wozniak, seconded by Commissioner Deon, and passed unanimously.



AWARD OF SERVICES

REMOVED FROM THE AGENDA. Approve the award of services and authorize the negotiation and execution of an agreement or agreements with the selected firm/firms for RFP #8784, debt collection services.



FINANCIAL RESOLUTIONS

Motion – That the Commission approve the Financial Resolutions for the items listed in memos “a” through “c”:

- a. Authorize (1) the payment or defeasance of certain outstanding Pennsylvania Turnpike Commission senior indenture notes by the: (a) exchange of Pennsylvania Turnpike Commission senior indenture bonds therefor, (b) use of proceeds of Pennsylvania Turnpike Commission senior indenture bonds or notes in payment thereof, (c) use of available moneys in the General Reserve Fund, or (d) proceeds of a line of credit (the “line of credit”), in an aggregate initial principal amount not to exceed \$200,000,000 (based on par amount), to finance the costs of paying or defeasing certain outstanding Pennsylvania Turnpike Commission senior indenture notes (the “bridge financing”); (2) the approval of the issuance of the Pennsylvania Turnpike Commission’s senior indenture bonds or notes each in one or more series or sub-series, fixed rate, multi-modal or variable rate, taxable and/or tax-exempt, in an aggregate initial principal amount not to exceed \$250,000,000 (based on par amount), to finance the costs of (a) paying or defeasing certain outstanding Pennsylvania Turnpike Commission senior indenture notes (b) capital expenditures for the Pennsylvania Turnpike Commission system set forth in the Commission’s current ten year capital plan, including any amendment thereto, or any prior capital plan including, but not limited to, the reconstruction of roadbed and roadway, the widening, replacing and re-decking of certain bridges and/or the rehabilitation of certain interchanges, and (c) any debt service reserve or similar funds or credit facility costs related to such bonds, (d) refinancing the bridge financing, and (e) issuance of such bonds (the “financing”); (3) the execution and delivery of one or more escrow deposit agreements, and

the deposit of such moneys therein or the deposit of defeasance securities therein, and any other necessary or appropriate documents or certificates necessary to accomplish the defeasances; (4) the execution, delivery and distribution of the following, if necessary: (a) one or more supplemental trust indentures, (b) amendments to the line of credit documents, and (c) one or more amendments to the EB-5 agreement, and (d) one or more purchase contracts; (5) the appointment of one or more underwriters or purchasers; (6) the appointment of one or more remarketing agents, if necessary; (7) the execution, delivery and distribution of the following, if necessary: (a) one or more remarketing agreements, (b) one or more continuing disclosure agreements, (c) one or more preliminary official statements or preliminary private placement memoranda, (d) one or more final official statements or final private placement memoranda, (e) one or more credit facilities and any related agreements, (f) one or more reserve fund credit facilities, if applicable, and (g) one or more interest rate swaps; (8) the appointment of one or more financial advisors and one or more swap advisors, if necessary; (9) making a declaration of official intent that the Commission be reimbursed from bond proceeds for certain expenditures paid prior to the issuance of such bonds or notes; (10) the execution, delivery and distribution of any other necessary or appropriate documents or certificates in connection with the bridge financing and/or the financing; (11) amendment of the prior resolution authorizing the line of credit; (12) the taking of further action; (13) repealing inconsistent resolutions; (14) ratifying all prior actions of the Commission in connection with the foregoing, and (15) declaring that this resolution shall be liberally construed;

- b. Providing for the appointment of co-bond counsel (Duane Morris LLP; Saul Ewing Arnstein & Lehr, LLP) and disclosure counsel (Virtus, LLP) relating to the issuance of the Pennsylvania Turnpike Commission's senior indenture bonds or notes, in one or more series or sub-series, fixed rate or variable rate, taxable or tax-exempt, in an aggregate initial principal amount not to exceed \$250,000,000 (based on par amount) approved by Resolution of the Pennsylvania Turnpike Commission dated March 2, 2021;
- c. Providing for the appointment of one or more underwriters (PNC Capital Markets, LLC; Samuel A. Ramirez & Co., Inc.; Cabrera Capital Markets, LLC; Multi-Bank Securities, Inc.; Quoin Capital LLC; American Veterans Group) relating to the issuance of the Pennsylvania Turnpike Commission's Senior Indenture Bonds or Notes, in one or more series or sub-series, fixed rate or variable rate, taxable or tax-exempt, in an aggregate initial principal amount not to exceed \$250,000,000 (based on par amount) approved by resolution of the Pennsylvania Turnpike Commission dated March 2, 2021.

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



NEXT COMMISSION MEETING

The next meeting of the Pennsylvania Turnpike Commission will be a telephone meeting on Tuesday, March 16, 2021 beginning at 10:00 a.m.



Vice Chair Lieberman: “This morning all three Pittsburgh television stations are reporting that the Pennsylvania Turnpike has achieved the dubious honor of being the most expensive toll road in the world. It’s a distinction that none of us are happy about; and we understand that most of that reason is out of our control and not of our doing.”



ADJOURNMENT

Motion-That this meeting of the Pennsylvania Turnpike Commission be adjourned at 10:52 a.m.-was made by Commissioner Wozniak, seconded by Commissioner Deon, and passed unanimously.



PREPARED BY:

APPROVED BY:

Ann Louise Edwards
Assistant Secretary Treasurer

John Wozniak
Secretary Treasurer