

**MINUTES OF THE 626<sup>th</sup> MEETING OF THE  
OHIO TURNPIKE AND INFRASTRUCTURE COMMISSION  
FEBRUARY 16, 2016**

**Chairman:** Good morning ladies and gentlemen, it is 10:01 a.m. Would you please rise as we say our Pledge of Allegiance.

The Meeting will come to order. Have all guests signed the sign-in sheet in the Lobby? If not, please do so prior to leaving, so we can maintain an accurate record of attendance.

Both Senator Manning and Mr. Kauffman advised that they are unable to attend today's Commission.

Will the Assistant Secretary-Treasurer please call the roll?

**Assistant Secretary-Treasurer:** Chairman Hruby

**Chairman Hruby:** Here

**Assistant Secretary-Treasurer:** Commissioner Paradiso

**Vice Chairman Paradiso:** Here

**Assistant Secretary-Treasurer:** Commissioner Barber

**Secretary-Treasurer Barber:** Here

**Assistant Secretary-Treasurer:** Commissioner McAuliffe

**Mr. McAuliffe:** Here

**Chairman Hruby:** Thank you, we have a quorum.

**Chairman:** This is the 626<sup>th</sup> Meeting of the Ohio Turnpike and Infrastructure Commission. We are meeting here at the Commission's headquarters, as provided for in the Commission's Code of Bylaws for a Commission Special Meeting.

Various reports will be received, and we will act on several resolutions. Draft copies have previously been sent to the Members and updated drafts are in the Members' folders. The Resolutions will be explained during the appropriate reports.

May I have a motion to adopt the Minutes of the January 19, 2016, Commission Meeting?

**MOTION:** A motion to adopt the Minutes of the January 19, 2016, Commission Meeting was made by Vice Chairman Paradiso and seconded by Mr. McAuliffe. All Commission Members present voted to approve the Minutes.

**Chairman Hruby:** Any corrections, additions, to the minutes? Hearing none, roll call.

**Assistant Secretary-Treasurer:** Vice Chairman Paradiso

**Vice Chairman Paradiso:** Yes

**Assistant Secretary-Treasurer:** Mr. McAuliffe

**Mr. McAuliffe:** Yes

**Assistant Secretary-Treasurer:** Chairman Hruby

**Chairman Hruby:** Yes

**Assistant Secretary-Treasurer:** Mrs. Barber

**Mrs. Barber:** Yes

**Chairman:** I want to commend our crews who did a wonderful job dealing with the snow storm. I take that by the fact that we have so many of you here this morning that they did a good job because without them you wouldn't be here. We appreciate the fine work. Mr. Director, if you would please pass that on I'd greatly appreciate it.

If there are no questions, we will proceed with the report of the Secretary-Treasurer, Mrs. Barber.

**Secretary-Treasurer:** The following items have been sent to the Members since the last scheduled meeting of the Commission on January 19, 2016:

1. Six Resolutions;
2. Draft Minutes of the January 19, 2016, Commission Meeting; and
3. Agenda for today's meeting.

We have included in their folders for today's meeting, the following additional documents:

1. Traffic Crash Summary Report, January 2016;
2. Traffic and Revenue Report, January 2016;
3. Total Revenue by Month and Year, January 2016;

4. Investment Report, January 2016;
5. Budget Report, Twelve Months 2015
6. Financial Statement, December 31, 2015; and
7. Various News Articles.

That concludes my report, Mr. Chairman.

**Chairman:** Thank you. Any questions for Mrs. Barber? We will now move on to the report of the Executive Director, Mr. Cole.

**Executive Director:** Thank you, Mr. Chairman. I'd like to provide an update on some initiatives focused on just one aspect of our operations today, which is communications, both internal and external.

First, we have seen an increase in non-English speaking motorists on the Turnpike, especially commercial vehicle drivers. That causes delays at the Toll Plazas, and difficulty in responding to incidents that occur on the roadway. We met with the Ohio Trucking Association to get a better understanding of what specific languages we might be most likely to encounter and their response was Russian and Arabic. Jayne Ferreira and Laurie Davis in Toll Operations developed a list of most frequent questions and issues that arise with commercial vehicle drivers in entrance and exit lanes. Separately, our Traffic Engineer, Travis Bonnett evaluated a brochure used in New Jersey to help in incident response. Travis and Dennis Albrecht then did a great job of adapting the content for use on the Ohio Turnpike. In addition to Arabic and Russian, they added French. Chad Armstrong in our MarCom Department did some great layout work and then we took both sets of materials to Bowling Green State University where college professors, not interns, professionally translated the English versions. I'd like to note at a total cost of \$400 - #shared services. What you have before you are the final results that will be deployed to the field. We expect both guides will help us provide higher quality, more efficient service and improve safety to employees and customers. ODOT has also inquired about the content with plans of developing an app for statewide roll-out, more shared services. So in each of our Toll Plazas, at each of our lanes, they will have this easy to use handout and all of our incident responders in the Maintenance Department will have the booklet.

Later in the meeting, Bill Keaton will be presenting a resolution for your consideration to enter into an agreement with Cincinnati Bell Telephone Services (CBTS) for Voice Over Internet Protocol (VOIP).

The agreement leverages years of work by the Ohio Department of Administrative Services to roll-out a standardized platform across state agencies and local governments across Ohio. Our current PBX phone system is at the end of life and is not supported by the manufacturer. We could have rebuilt that system for \$1.5 million over the next year. Instead, through this upgrade we will purchase about \$250,000 in hardware and even with the additional

services from CBTS, we will save about \$50,000.00 per year in maintenance costs. Bill will provide additional details when he presents the resolution.

Finally, the MARCS radios are in. Through an interagency agreement with our partners at the OSHP, we will be receiving almost 400 radios and related equipment. The Ohio Multi-Agency Radio Communications (or MARCS) is a state-of-the-art 21<sup>st</sup> century communications system that allows us better coverage and clearer communication in the field and more interoperability with other agencies. Again, we faced a choice between millions of dollars of upgrading the existing system or partnering with the Patrol and DAS. The previous estimate to upgrade to MARCS was about \$3.5 million. Through the approach we took, the upgrade cost is just about 10% of that estimate. As the spring weather begins to break, we will be installing the new radios and training employees. As we roll-out the new radios, we will also transition from using \*990 to #677 for emergency response on the roadway. This will make us consistent with signage on the other interstates in Ohio and allow for use of geographic location technology used by the Highway Patrol. See, the \*990 is just a relay of a phone number to a dispatch center. The #677 will integrate into a system to provide locational services and it will go directly to a 911 call center for the Ohio State Highway Patrol located in Sandusky, Cleveland or Warren, depending on where the motorist is located, but we will have a better understanding of where they are on the roadway if they are not able to provide that assistance, going back to the fact that we have so many foreign language speaking people and others who may now know their whereabouts.

I believe this is how Governor Kasich would like to see the Turnpike work, I guess if former Governor George Voinovich were at today's meeting, he would characterize these efforts as "doing more with less and working harder and smarter." I'd like to think it shows how we continue to take the right steps to remain the highest rated toll road in America and show the kind of value to travelers that makes us a better way to travel.

That concludes my report, Mr. Chairman.

**Mrs. Barber:** I think the language translation informational sheet and booklet is a fantastic idea. It is very well done.

**Director Cole:** Our Engineering Department did a great job on it.

**Chairman:** I would like to again extend our appreciation to you, Mr. Director, for all the initiatives that you embody upon us at each meeting. You continue to work hard and we appreciate that very much. We will move on to our Chief Engineer, Tony Yacobucci.

**Chief Engineer:** Good Morning Mr. Chairman and Commission Members. I have five resolutions for your consideration this morning.

The first resolution for your consideration is to award Contract No. 59-16-01 for the Repairs and Resurfacing of the Eastbound and Westbound Roadway between Mileposts 39.90 and 43.30 in Fulton County, Ohio. This work is included in the 2016 Capital Improvement Budget. Procurement received two bids for this Project, with the apparent low bid being

submitted by Gerken Paving, Inc. of Napoleon, Ohio in the amount of \$5,287,095.75. This bid was about 10.4% below the Engineer's Estimate of \$5,900,000 and is deemed to be a responsive and responsible bid. Based on a review of Gerken's Financial Statement and Experience Questionnaire it appears they have the capacity to perform this work. They have previously performed similar projects for the Commission in the past with favorable results. This resolution also contains provisions to assign Mannik and Smith Group, Inc., of Maumee, Ohio, to perform construction administration and inspection services, and to assign Somat Engineering of Ohio, Inc. of Cleveland, Ohio, a Commission certified DBE, to perform material testing services. With your permission, may the General Counsel please read the Resolved.

**General Counsel:** RESOLVED by the Ohio Turnpike and Infrastructure Commission that the bid of **Gerken Paving, Inc., of Napoleon, Ohio**, in the amount of **\$5,287,095.75** for Contract No. 59-16-01 is approved as the lowest responsive and responsible bid received and that the Executive Director is authorized to execute a Contract on the basis of said bid; and

FURTHER RESOLVED that the Commission approves the assignment of **Mannik & Smith, of Maumee, Ohio**, to perform the necessary construction administration and inspection services and **Somat Engineering**, of Cleveland, Ohio, to perform all necessary material testing services to complete the Project, with both such assignments in accordance with the 2015-2016 Miscellaneous Engineering Services Agreement;

FURTHER RESOLVED that the Executive Director has the authority to approve such extra work or change orders under previously awarded said contracts as a result of an increase in the planned quantities, newly mandated requirements that did not exist at the time of original contract awards, or circumstances that would create a life, safety, or health threatening situation or would unduly delay the completion of the Project and increase its costs.

**Chairman:** Any questions? Hearing none. Please call the roll.

**MOTION:** A motion to adopt the *Resolution Awarding Contract No. 59-16-01 Repairs and Resurfacing in Fulton County, Ohio* was made by Mr. Paradiso, seconded by Mr. McAuliffe, and unanimously approved by all Commission Members present.

**Chairman:** The Resolution passes unanimously. Please continue, Tony.

**Chief Engineer:** The second resolution for your consideration is to award Contract No. 99-15-01 (RE-BID) for the repair of the truck fueling area canopy at the Tiffin River Service Plaza at Milepost 20.8 in Williams County, Ohio. On February 3, 2016, Procurement received two bids for this Project, with the apparent low bid being submitted by Lawrence Building Corporation of Fort Wayne, Indiana in the amount of \$306,433.00. This bid is about 5.7% below the Engineer's Estimate of \$325,000 and is deemed to be a responsive and responsible bid. Based on a review of Lawrence's Financial Statement and Experience Questionnaire, it appears they have the capacity to perform this work. This Resolution also contains provisions to assign AECOM Technical Services, Inc. to perform construction administration and inspection services. With your permission, may the General Counsel please read the Resolved?

**General Counsel:** RESOLVED by the Ohio Turnpike and Infrastructure Commission that the bid of **Lawrence Building Corporation**, of **Fort Wayne, Indiana**, in the amount of **\$306,433.00** for Contract No. 99-15-01 is approved as the lowest responsive and responsible bid received and that the Executive Director is authorized to execute a Contract on the basis of said bid; and

FURTHER RESOLVED that the Commission approves the assignment of **AECOM**, of **Akron, Ohio**, to perform all necessary construction administration and inspection services to complete the Project; and

FURTHER RESOLVED that the Executive Director has the authority to approve such extra work or change orders under previously awarded said contracts as a result of an increase in the planned quantities, newly mandated requirements that did not exist at the time of original contract awards, or circumstances that would create a life, safety, or health threatening situation or would unduly delay the completion of the Project and increase its costs.

Chairman: Are there any questions or comments? Hearing none. Please call the roll.

**MOTION:** A motion to adopt the *Resolution Awarding Contract No. 99-15-01 (REBID), Repairs to Truck Fuel Station Canopy at the Tiffin River Service Plaza in Williams County, Ohio* was made by Chairman Hruby, seconded by Mr. McAuliffe, and unanimously approved by all Commission Members present.

**Chairman:** The Resolution passes unanimously. Please continue, Tony.

**Chief Engineer:** The third resolution for your consideration is for the authorization of additional expenditures for Project No. 71-14-04 for the Engineering Design and Construction Services, relating to the investigation, evaluation and rehabilitation of three overhead bridges between Mileposts 34.9 and 60.8 in Fulton and Lucas Counties. Previously, under Resolution No. 38-2014, the Commission authorized the award of a Contract to Northwest Consultants Inc. for Phase I Design and Plan Preparation Services in the amount not-to-exceed \$152,971.00. In addition, under Resolution No. 18-2015, the Commission authorized Phase II Construction Administration and Inspection Services in the amount not-to-exceed \$216,653.00. Northwest's Phase II Services have required a greater level of effort than anticipated. Their original Phase II proposal, and subsequent authorization, was based on two full time staff dedicated to the project for 20 weeks. The actual schedule has exceeded 30 weeks, and required an additional inspector to cover the third bridge since the contractor worked on all three bridges simultaneously during the course of the construction season. The contractor worked longer hours than originally anticipated, and the project has required more submittal reviews and significant documentation for non-conformance reports and potential claims analysis. Due to these circumstances and project related issues, Northwest submitted two additional fee proposals in the total amount-not-to exceed \$231,172.00 to account for the additional Phase II Construction Administration and Inspection Services. Therefore, we are requesting Commission authorization for the additional Phase II expenditures for Project No. 71-14-04 to Northwest Consultants, Inc., a Commission certified MBE firm, of Toledo, Ohio in the amount of \$231,172.00. With your permission, may the General Counsel please read the Resolved?

**General Counsel:** RESOLVED by the Ohio Turnpike and Infrastructure Commission that an increase to the authorized fees under the contract for Design Project No. 71-14-04 with **Northwest Consultants, Inc.**, of **Toledo, Ohio**, to perform additional Phase II Construction Administration and Inspection Services in the not-to-exceed amount of \$231,172.00 is approved, and the Executive Director is authorized to amend the Contract with Northwest Consultants in accordance with its fee proposals therefor.

**Chairman:** Any questions or comments? Tony, you have reviewed this very close I understand and you believe it is justified?

**Chief Engineer:** Mr. Chairman, absolutely. The project has had some issues as I noted. We had the three full-time inspectors out there which we didn't anticipate. There were a lot of assumptions that were made at the beginning of the project, that didn't come to fruition and therefore, caused the costs to go up, not only from our assumptions, but also from the contractor's performance.

**Chairman:** It's quite understandable. Any other questions or comments? Hearing none. Please call the roll.

**MOTION:** A motion to adopt the *Resolution Authorizing Additional Expenditures for Construction Administration and Inspection Services from Northwest Consultants, Inc. under Project No. 71-14-04 for the Rehabilitation of Three Bridges in Fulton and Lucas Counties* was made by Chairman Hruby, seconded by Mrs. Barber, and unanimously approved by all Commission Members present.

**Chairman:** The Resolution passes unanimously. Please continue, Tony.

**Chief Engineer:** My fourth resolution for your consideration is for the award of Contract No. 4261 for the furnishing of approximately 540,000 pounds of hot-pour, ready mixed joint sealant material. On January 8, 2016 Procurement received four bids for this material under Bid Invitation No. 4261. The apparent low bid was submitted by McAsphalt Industries Limited of Toronto, Ontario at a unit price of \$0.2889 per pound. CrafcO, Inc., of Chandler, Arizona, submitted the second low bid at a unit price of \$0.2987 per pound. The Commission adopted a Buy Ohio Policy through Resolution No. 26-2008 and revised under Resolution 30-2012 to give preference to an Ohio bidder offering a bid price that does not exceed the lowest non-Ohio bidder by more than five (5%) percent. McAsphalt does not produce its joint sealant in Ohio, does not have any Ohio employees or otherwise have a significant economic presence in Ohio, while CrafcO manufactures the joint sealant in Youngstown, Ohio and offers a bid price that is only 3.4% higher than the apparent low bid of McAsphalt. Consequently, CrafcO is eligible to receive the preference under the Commission's Buy Ohio Policy over McAsphalt. CrafcO proposes to furnish the joint sealant material and services in accordance with the Specifications. Additionally, CrafcO has furnished similar material to the Commission in the past and has performed satisfactorily. Therefore, I am recommending that an award be made to CrafcO, Inc. of Chandler, Arizona, in the amount of \$169,362.90, which includes the five percent delivery

variance required by the Bid Invitation. With your permission, may the General Counsel please read the Resolved?

**General Counsel:** RESOLVED by the Ohio Turnpike and Infrastructure Commission that the bid of **Crafco, Inc.**, of **Chandler, Arizona**, on Invitation No. 4261, to deliver an approximate quantity of 540,000 pounds of hot-pour, ready-mixed joint sealant for its bid price of \$0.2987 per pound, which may result in a total contract price of **\$169,362.90** if the maximum delivery variance of five percent from the approximate quantity of 540,000 pounds is reached, is approved as the lowest responsive and responsible bid received, and that the Executive Director is authorized to execute a Contract on the basis of said bid.

**Chairman:** Any questions or comments?

**Mr. Paradiso:** I like that we have the Buy Ohio Policy, it obviously makes a lot of sense, especially for Youngstown. Please explain the rules, what is that policy?

**Chief Engineer:** Mr. Chairman and Commission Member Paradiso, I will have our Director of Contracts Administration, Mark Musson, further explain it as he can probably explain it better than I.

**Mr. Musson:** Mr. Chairman and Mr. Paradiso, the Buy Ohio Policy allows the Commission to pass over the apparent low bidder if the second low bid, or an Ohio bidder offers a price that is not an excessive price. Excessive price is determined by a 5% tolerance. If the Ohio bidder is less than 5% more than the non-Ohio bidder, then we can pass over the lowest bid and award the contract to the lowest Ohio bidder.

**Mr. Paradiso:** Again, I like that policy in this case. So this company is out of Arizona, we've stretched that Ohio bid by saying the employees are here and they manufacture the product here?

**Mr. Musson:** Correct. The product that we are buying is manufactured in Youngstown, Ohio.

**Mr. Paradiso:** Again I like that, I just wanted some clarification. Thank you.

**Director Cole:** Mr. Chairman and Mr. Paradiso, along those lines, just to be clear, there is reciprocity with our neighboring states related to the Buy Ohio Policy. Arizona wouldn't be covered but our neighboring states would. In the past, as Controlling Board President, I dealt with this issue a lot and we did an awful lot of analysis of ODOT, DAS contracts, various agencies around the state and we have to be judicious with this and follow the guidelines under the law, but also understanding the economic impact. We have a number of companies here in Ohio who export. In fact, most of the analysis we did showed that we are a net exporting state and we have to be careful whether it is Canada, or even states further away that we are judicious in this application. The 5% doesn't seem to cause anybody any problems, but if we were to try to be more restrictive in our policies or more favorable it could result in a backlash where other states put a 10% in, or something else to the detriment of our Ohio economy, so I think that both



the Turnpike and the State have evaluated that and are very careful and judicious in the way they approach the Buy Ohio Policy.

**Mr. Paradiso:** So, there is some subjectivity in that we are not obligated to take that Ohio Bidder, we are just allowed to take that second low bidder if it is an Ohio contractor. Is that correct?

**Chief Engineer:** Mr. Chairman and Commission Member Paradiso, again I will have Mark answer that.

**Mr. Paradiso:** Yes. There is some subjectivity in being judicious, I guess is where I was going with that.

**Mr. Musson:** Mr. Paradiso, the Commission is selecting the lowest responsive and responsible bidder. Price, definitely, determines low, but the Commission has adopted a policy where it will consider an Ohio bidder, an Ohio product in the responsibility portion of that analysis.

**Mr. Paradiso:** Do we always do that?

**Mr. Musson:** Correct. Yes, on products and bids that are subject to that policy. Note that construction does not apply. It is goods and materials that are subject to the Buy Ohio Policy.

**Mr. Paradiso:** Okay, that is a good clarification.

**Chairman:** But it is not required. It is just a tool in our box if we need to use it. If we need to use it, we use it.

**Mr. Musson:** Correct. You have the discretion. Generally, there is a 5% tolerance for any kind of evaluation when the Commission is considering it. There is a broad discretion within that 5%, but the Commission set out a policy where it is considering that location, the residence, the domicile of the company when it is evaluated and the responsibility of the bidder.

**Chairman:** Okay. Any further questions or comments? Go ahead, Mr. Dixon.

**Mr. Dixon:** First of all, I am happy about this. As you know at the RTA, we are not allowed to have any preference for Ohio companies because we receive money from the Federal Government, so I am happy about this. The \$156,000.00, so if they would have gotten the bid, we would have added 5% to that? I just want to do my math here. So, we would have given the bid to the Toronto company, we would add 5% there?

**Mr. Paradiso:** I think it was 3%

**Mr. Dixon:** Is it 3% or 5%?

**Chief Engineer:** Crafcó's bid was 3.4% higher than McAsphalt.

**Mr. Dixon:** I understand that, but if we were dealing \$161,000.00 then it became \$169,000.00 is what they are asking us to approve.

**Chief Engineer:** Mr. Chairman and Commission Member Dixon, the way that the joint sealant is manufactured, it is placed in boxes and they are not exactly the same weight, so there is a 5% variance that we allow for under the contract when they deliver it. They can go up to 5% over what the estimated amount of 540,000 pounds.

**Mr. Dixon:** Understood. Okay. So, again I am just trying to get my math straight. If we had approved the other bid we would have added that 5% to their bid also? I am just trying to get the difference in my head.

**Chief Engineer:** Mr. Chairman and Commission Member Dixon, you are correct.

**Mr. Dixon:** Okay. Thank you.

**Chairman:** Anything else? Hearing none. Please call the roll.

**MOTION:** A motion to adopt the *Resolution Awarding a Contract for the Purchase of Hot-Pour, Ready-Mixed Joint Sealant under Invitation No. 4261* was made by Mrs. Barber, seconded by Mr. Paradiso, and unanimously approved by all Commission Members present.

**Chairman:** The Resolution passes unanimously. Please continue, Tony.

**Chief Engineer:** My final resolution for your consideration is for the award of Contracts for our Disabled Vehicle Services. On November 6, 2015, the Commission issued an RFP seeking responses from Disabled Vehicle Services Operators interested in furnishing emergency roadway vehicle services to travelers whose vehicles become disabled or involved in an accident along the Ohio Turnpike. The contract was split into seven geographic zones, each encompassing about 35 miles. The contract has an initial term of three years with an option to renew for one, two-year period. On December 10, 2015, the Procurement Department received twelve (12) proposals in response to the RFP. An evaluation team consisting of five Commission staff members evaluated the proposals, which included an on-site inspection of the operators towing and recovery equipment, as well as their garage and waiting area facilities. The Evaluation Team then awarded technical scores to each DVS operator, which scores reflected each DVS Operator's overall operation and the ability to perform the services required under the RFP on a 24-hour, seven-days per week basis with the necessary and dedicated equipment and personnel. As a result of this process, the Evaluation Team has determined that the following companies best meet the Commission's requirements and recommends that DVS Contracts be awarded to the following companies along with each company's monthly stipend allowance from the Commission:

<u>Zone</u>	<u>Company</u>	<u>Monthly Stipend Allowance</u>
DVS-1	Hutch's Towing and Recovery, Inc. Holiday City, Ohio	\$5,200.00
DVS-2	ABCO Services (certified MBE) Toledo, Ohio	\$4,350.00
DVS-3	Madison Motor Service, Inc. Fremont, Ohio	\$3,000.00
DVS-4	Interstate Towing and Transport Macedonia, Ohio	\$2,000.00
DVS-5	Rich's Towing & Service, Inc. Middleburg Hts., Ohio	\$1,635.00
DVS-6	Interstate Towing and Transport Macedonia, Ohio	\$2,120.00
DVS-7	Jeswald Auto Truck Service Youngstown, Ohio	\$3,300.00

With your permission, may the General Counsel please read the Resolved?

**General Counsel:** RESOLVED by the Ohio Turnpike and Infrastructure Commission that the Proposals submitted by each of the following companies for the following respective DVS Zones are approved and accepted as the best Proposals received in response to the Commission's RFP:

<u>COMPANY</u>	<u>BOUNDARIES</u>	<u>DVS ZONE</u>
Hutch's Towing & Recovery, Inc. Holiday City, OH	From Ohio-Ind. State line to MP 35.0	DVS-1
ABCO Services Toledo, OH	From MP 35.0 to MP 71.0	DVS-2
Madison Motor Service, Inc. Fremont, OH	From MP 71.0 to MP 110.2	DVS-3
Interstate Towing and Transport Specialist, Inc., Macedonia, OH	From MP 110.2 to MP 145.5	DVS-4
Rich's Towing & Service, Inc. Middleburg Hts., OH	From MP 145.5 to MP 180.3	DVS-5
Interstate Towing and Transport Specialist, Inc., Macedonia, OH	From MP 180.3 to MP 209.2	DVS-6

FURTHER RESOLVED that the Executive Director is authorized to: 1) execute Contracts with each of above-mentioned DVS Operators for an initial three-year term commencing March 1, 2016; 2) renew said Contracts for one, two-year period upon receipt of satisfactory performance evaluations for each DVS Operator from the Safety Services Manager; and 3) take any and all action necessary or proper to carry out the terms of the Contracts.

**Chairman:** Any questions or comments?

**Mr. Paradiso:** I note that all of these contracts are being awarded with nice representation for MBE. This one, in particular, gets my attention with over 20% MBE, so I want to congratulate you and your team on that.

**Chairman:** If you will recall, some years ago when I first came on the Commission, this was an issue that was plaguing the Turnpike as to the media and the public thinking that cost was so exorbitant. Now, I think we have done an excellent job and I want to commend the Director and his staff on the good job they have done in negotiating these contracts and really taking a favorable position for the Commission. So, thank you very much.

**Director Cole:** Thank you, Mr. Chairman. Again, Ed Miller, Cory Skoczen, our Maintenance Team, our Contracts Team all did a very good job, both on the RFP and the evaluation of the program and its efficacy. You are right, Mr. Chairman, a few years ago, I remember those discussions where we talked about the high rate of the stipend and we lowered it. I just want to report back there was concern about what that would mean for responsiveness and it has been very good. In fact, we did a few things in evaluating this before we did the bid this year. We looked at response times and ODOT pays a premium. They don't pay a stipend to many people, but they do have a quick clear program for clearance within a certain level of time and we evaluated that. We looked at every incident over the past year and how long it took to clear, like a large commercial wreck or a multiple incident. We found out there was no reason for us to provide additional incentive because with these stipends, with having the right kind of training and equipment, we, in almost every case, were hitting those quick clear numbers, so that was very good. The rates that any of these DVS providers charge, we talked with AAA, and looked at what AAA, across the board, across the state and across our markets, what kind of rate a regular tow truck service was providing and our rates are in line with that and consistent with what AAA will reimburse anywhere else. So, whether we are reimbursing or AAA is reimbursing, we are in line with the market rates, we are not paying any kind of additional premium outside of what you would expect. Even though we have three lanes of traffic moving 70 MPH and the large amount of commercial traffic, almost 1/3 of our vehicles are commercials, including the long combination vehicles. So it does require extra training and extra equipment and these service providers do a great job in concert with Chris Matta and the Maintenance Department along the line, our incident responders. Again, it is all part of a total program.

**Chairman:** Thank you very much. I appreciate that.

**Mr. McAuliffe:** Why the wide variance in monthly allowance? You go from \$1,600 to \$5,200. Is that just based upon availability and traffic?

**Chief Engineer:** Mr. Chairman and Commission Member McAuliffe, a lot of it has to do with the number of calls they have. Obviously, the further out west you get the requirements of the equipment that they are required to have does not get used as much and when you get closer to the inner city, it obviously does.

**Mr. McAuliffe:** So, it tracks traffic? Is what you are saying?

**Chief Engineer:** Correct.

**Mr. McAuliffe:** Thank you.

**Chairman:** Any further questions or comments? Hearing none. Please call the roll.

**MOTION:** A motion to adopt the *Resolution Awarding Contracts for Disabled Vehicle Services* was made by Chairman Hruby, seconded by Mr. McAuliffe, and unanimously approved by all Commission Members present.

**Chairman:** Anything else, Tony?

**Chief Engineer:** That concludes my report, Mr. Chairman.

**Chairman:** Any other questions for Tony? We will move on to the report of our CFO/Comptroller and Deputy Executive Director, Marty Seekely.

**CFO/Comptroller/DED:** Thank you Mr. Chairman.

I have an update on our traffic and revenue for the month of January and an update on our infrastructure project financing calendar.

This first chart shows the monthly passenger car miles traveled on the Ohio Turnpike over the past 2 years.

Passenger car vehicle miles traveled were up 4.1% in January as a result of the mild weather and low gas prices.

The increase in Commercial traffic that we have seen recently slowed somewhat last month as commercial traffic was .1% higher than January of last year.

The increase in traffic combined with the 2.7% toll rate increase on January 1 caused Passenger car toll revenue to increase 7.0% in January.

The slight increase in commercial traffic combined with the toll rate increase caused Commercial vehicle toll revenues to increase 2.1% in January.

**Chairman:** Marty, can we stop you there for a second? We have another Resolution that we should really read before your report because it deals with something you are going to discuss. So, Jennifer if you would, I apologize to the Commission Members that it got by us, but there is Resolution that should be considered in conjunction with his report.

**General Counsel:** This is a Resolution Authorizing the Executive Director to Acquire the Professional Services, Equipment and Support Necessary for its Next Generation Telephone System and Interactive Voice Response System Services. Chairman, may I read the Resolved?

**Chairman:** Yes, please.

**General Counsel:** RESOLVED by the Ohio Turnpike and Infrastructure Commission that the acquisition of the endpoint hardware necessary to implement and utilize the Next Generation Telephone System and the Interactive Voice Response System enhancements from Cincinnati Bell Technology Solutions, Inc., under its Master Service Agreement, Master Equipment Lease Agreement and the State Term Schedule Agreement No. 533110-3, Index No. STS-033 with the Ohio Department of Administrative Services in the total not-to-exceed amount of \$310,000.00, is approved; and

FURTHER RESOLVED that obtaining the subscription services and technical support necessary for the Next Generation Telephone System and Interactive Voice Response System enhancements from Cincinnati Bell Technology Solutions, Inc., for a period of five years, with the options to renew for five additional years under its Master Service Agreement with the Ohio Department of Administrative Services, in the not-to-exceed amount of \$120,000.00 per year, is approved; and

FURTHER RESOLVED that the Executive Director has the authority to approve such extra work or change orders as a result of an increase in the planned quantities, newly established requirements that did not exist at the time of contract execution, or circumstances that would create a life, safety, or health threatening situation or would unduly delay the completion or increase the costs of the project.

**Chairman:** Any questions? Go ahead.

**Chief Technology Officer, William Keaton:** While the Resolution has already read, but I will present my little spiel anyways. For your consideration today, I would like to present a resolution for the purchase of Voice Over Internet Protocol (VOIP) telephone equipment and hosted VOIP telephone services to replace the Commission's current private branch exchange (PBX) telephone system which was procured in 2006, but is no longer supported by the manufacturer.

As part of the State of Ohio's IT Optimization initiative, the Office of Information Technology has contracted with Cincinnati Bell Technology Solutions (CBTS) for the design and implementation of an enterprise VOIP telephone system. CBTS' Next Generation Telephony System (NGTS) VOIP service is offered to all State of Ohio agencies, boards and

commissions through the Ohio DAS Cooperative Purchasing Program. We spoke with representatives from various Ohio agencies including ODOT, EPA, Agriculture and Facilities Construction Commission that have already migrated to the NGTS and each indicated that they are satisfied with the performance of the NGTS VOIP service.

As part of the design process, the Technology team conducted a comprehensive review of the current PBX telephone system and has planned a number of changes in the way phones will be utilized with the new VOIP service. For example, the new design will provide for wireless phones where mobility within a facility is necessary; and the majority of the Commission's 83 fax machines will be replaced by Fax2Mail service which provides for inbound and outbound fax transmission via email without the need for physical fax machines. Under the new design, over 475 telephony devices will be eliminated.

CBTS has submitted a proposal to furnish all required hardware components in the amount of \$288,670.92, which reflects a discount of 61% off list pricing, and an annual fee of \$116,019.84 to host the VOIP and Interactive Voice Response (IVR) services as configured. Implementation services will be provided at no additional cost. Due to the continued operational and staffing changes, it is difficult to identify exact telephone quantities. We are, therefore, requesting the authority to spend up to \$310,000.00 for all required hardware and installation fees, and \$120,000.00 annually for VOIP subscriber fees for the next five years of the Contract.

**Chairman:** Thank you. I was just saying to the Director that fax machines are becoming a thing of the past and the new technology is so much simpler and more efficient. So congratulations and thank you for keeping us up with where we should be with the state-of-the-art equipment that our employees are provided and thank you, Mr. Director. Any questions or comments? Hearing none. Please call the roll.

**MOTION:** A motion to adopt the *Resolution Authorizing the Executive Director to Acquire the Professional Services, Equipment and Support Necessary for its Next Generation Telephone System and Interactive Voice Response System Services* was made by Mrs. Barber, seconded by Mr. McAuliffe, and unanimously approved by all Commission Members present.

**Chairman:** I apologize, please continue.

**CFO/Comptroller/DED:** This chart shows toll revenues for the month of January during each year over the past decade.

Total toll revenues for January were \$743,000 or 3.9% above the amount from last year.

That completes my report on traffic and revenue. I would now like to update the Commission on our future bond financing plans.

In January 2013, the Commission passed a resolution endorsing Governor Kasich's Jobs and Transportation Plan. The Plan calls for the Turnpike to issue revenue bonds in order to raise a total of \$1.5 billion for Infrastructure projects that have a nexus to the Turnpike as well as Turnpike construction projects. The financing plan that was developed in 2013 assumed that the

Turnpike would issue bonds that generated proceeds for infrastructure projects of \$930 million in 2013 and \$450 million in 2018.

Last year, ODOT advised us that they would be ready to begin construction before 2018 on certain of the Infrastructure projects that they are planning to construct using the remaining \$450 million in Turnpike funding. So they requested that we look at whether it would be feasible to move up the date on some or all of the contemplated 2018 bond sales.

So last spring, we updated our revenue, expense and capital expenditure projections and provided these updated projections to PFM, our Financial Advisor, and CitiBank, both of which helped us analyze the effect on our finances of issuing bonds sooner than 2018. The analysis concluded that moving up the sale of \$200 million bonds from 2018 to 2017 would have minimal impact on our finances and would still enable the Commission to meet all of its future operating costs, capital expenditure and debt service requirements.

This slide shows our revised timeline. To fund Infrastructure projects, we now plan to issue \$200 million in junior lien bonds in January of 2017 and another \$250 million in junior lien bonds in January of 2018. We would also issue approximately \$50 million in senior lien bonds in January of 2018 to fund Turnpike projects.

Since ODOT is ready to begin construction on some of the Infrastructure projects this year, we discussed changing the timing of the Commission's approval of Infrastructure projects for funding in relation to the issuance of revenue bonds. We determined that the schedule listed on the screen will enable ODOT to start construction of these projects this year.

ODOT will present the Infrastructure projects to the Commission at this meeting and request that the Commission approve the projects and the funding of those projects over the next two Commission meetings. This approval will be contingent upon the Commission having a successful bond issuance in the future that would provide the proceeds to fund the projects. ODOT will then begin construction of the approved projects this summer.

In January of 2017, we plan to issue junior lien bonds that will generate \$200 million in proceeds to fund the construction of the approved infrastructure projects.

Immediately upon receiving the bond proceeds the Commission will reimburse ODOT for the construction costs of the infrastructure projects that ODOT has paid to date. ODOT will then be reimbursed for future infrastructure construction costs as they are incurred.

This schedule has the advantage allowing ODOT to begin construction on the projects this year and also helps with our spend-down requirements since a portion of the construction costs will have already been incurred before the bonds are issued.

In order to begin the process of conducting the sale of the junior lien bonds in January of next year, we will be issuing a RFP for underwriting services in March of this year and we will be presenting a resolution for your approval of the underwriting team at either the April or May Commission meeting.



That completes my presentation, Mr. Chairman. I would be happy to answer any questions anyone may have.

**Chairman:** Thank you. Any questions for Marty? Any comments, Mr. McAuliffe?

**CFO/Comptroller/DED:** With your permission, Mr. Chairman I would now like to invite Jim Gates and the rest of the ODOT team to present their prospective projects that they are requesting funding for.

**Jim Gates:** Good morning, Mr. Chairman and Members of the Commission, thank you for having us here today. My name is Jim Gates, I am with the Ohio Department of Transportation. I serve in the capacity as the Project Manager for the Major New Program, which is the program that is the recipient of the TRAC (Transportation Review Advisory Council) selection Project Fundings for Commitments and Developments. I work as the liaison with TRAC and, in turn, work with our district partners to help delivers the jobs through construction.

The first thing I would like to say, is we started this initial process in 2013, going through the first round of nexus applications and approval. We worked with an excellent team from the Turnpike at that time and I would like to reiterate, again, this team that we worked through this time, there has been a new Executive Director, new Chief Legal, new Chief Engineer, Marty was with us the first time, this team has been outstanding to work with and I just wanted to bring that to you and acknowledge them. They have been great partners for us to work through this process. With that said, what I would like to do today is just provide a brief overview and introduction of where we are and where we are heading. So, today I will introduce each of the Deputy Directors to you before they get up and individually present. We do have Myron Pakush from our District 12 office, who is going to present projects to you from Cuyahoga County. We also have Allen Biehl from our District 4 office, who is going to present projects from Summit and Mahoning Counties. We have Howard Huebner from our District 3 office, which is going to present a project from Medina County for you.

Just a little bit about the infrastructure projects. It is not showing up too well on the screen, but there are little green dots along the interstate and along the Turnpike that you might see. So on a copy of my slides, they are perfectly green dots, but in front of you they look like little commas. So the first thing I would like to highlight is the first round of the infrastructure projects, you can see there is a lot of them along the 75 corridor in western Ohio and there was a few scattered along the eastern side of Ohio, as well. In all, there was fourteen projects that were recipient of the \$930 million approved by the Turnpike for nexus, as well as approved by TRAC for funding approval. I can say to you that in all fourteen projects we are at 100% award of those projects and actually one of those projects is in the finalization stage of completing that construction contract and we had several projects that are substantially along, looking forward to completion at the end of this year. The good news is that we are 6% ahead of our estimated spend down projection. So, as part of our development process we came up with what we thought the actual spend down would be and what those timelines are and currently we are 6% ahead of our spend downs and we are on target to meet all of the goals set out before us. So, as I

mentioned this slide, as well has the same graphic issue, and I apologize for that, but you can see that there is a lot of marks on the eastside of the state if you will. Most of them are centered around 77, 71, and 271 on the eastern half of the state. So, these are the projects that we are going to bring and present to you today. Each of the Deputy Directors will come up and give you a little flavor for each of the project area. They are going to talk to you a little bit about the traffic in the area and the roadway conditions. They will also talk to you about the tentative timelines and schedules of the projects, some of which are advancing fairly quickly as we discussed. Also, we are going to talk a little about the funding plan and then, ultimately, we will address the nexus-related items that are outlined in the Revised Code for you.

At this time, I will welcome up Myron Pakush from District 12.

**Myron Pakush:** Good morning, Mr. Chairman and Commission Members. Good to see everybody. I have two projects to present to you. The first project is in Cuyahoga County, District 12. The first one is the Cuyahoga 77 project. This is completion of the 77 add lane, widening that we did. We did the first job from 480 down to just south of 82. This will complete that south of 82 to the Turnpike interchange there at 77. It has about 54,000 cars a day through there with 10% truck traffic. Our volume to capacity ratio is .75. Over the last three years, we have had sixty crashes through there and based on our records we are showing about \$570 million worth of investments that have occurred in a mile radius in that vicinity. As I mentioned, there is a direct physical connection to the Ohio Turnpike right there at Milepost 173. This blue dot is where the location of the interchange is with 77 and the Ohio Turnpike. The widening will occur just to the north of that. In terms of development of where we are at on that job, because it is a completion of the previous widening, all of the environmental right-of-way and design plans are completed, we are going to do a design build scope package that is completed and with your approval we can be ready to go as early as May of this year to put this out for award. We can start construction as early as August of this year and it will be completely done and open to traffic no later than October 19, 2016. Dollar-wise we are requesting of Turnpike and Infrastructure Commission funding of \$40.9 million in the construction phase and that will complete all of the construction work. We have invested \$900,000.00 in the preliminary development to be able to develop the procurement package for a total of \$41.8 million as the total project cost.

In regards to project benefits, we have calculated 7.3 million vehicle miles on both systems, so the Turnpike and 77. There is 8 million vehicles traveling on both systems by 2030 is what we would project. There is 146 million total vehicles traveling both systems over the twenty years of design life; 1 million trucks traveling both systems in 2015. 343,000 regional vehicle miles traveled changes by 2030. There is less than 1% effective Turnpike vehicle miles traveled and revenue projections in this area of \$414 million. The improved travel conditions, reduced congestions, and improved safety that is calculated also to be \$111.3 million. Are there any questions concerning this project?

**Chairman:** Are there any questions for Mr. Pakush? Hearing none. Please continue.

**Myron Pakush:** Now, moving on to Interstate 271, that is on the eastside of Cuyahoga if you are familiar with that portion of 271 in Summit County and that widening is

already under construction now. It is an extension from the Cuyahoga County line heading north to the 271 interchange with 480, it would also be a widening job. This location has an average daily traffic of 93,000 vehicles per day with 13% truck traffic. The volume capacity ratio is the big concern here 1.03%, so the volumes out there are above capacity than it can handle. Over the three year period, we have recorded 566 crashes, \$2.36 billion in local investment in that one mile area in the vicinity of this roadway. Indirect connections are two, State Route 8 at Milepost 180, which 6 miles away and Interstate 480 interchange at Milepost 187 is 10 miles away. This is that location of where the project would begin from that blue dot heading north we would widen all of that part of 271. Where we are in the development, again, all of the environmental are done, the right-of-way is cleared. The scope package is completed, we can also have this project ready for award by May of this year and start construction by August of this year and this job is a little bigger and will take, we are estimating, no later than June of 2020 to be open. We are requesting \$120 million of Turnpike funding towards this project. ODOT and TRAC have already invested \$6 million in the other phases for a total project cost of \$126.6 million. Infrastructure project benefits, we are calculating 3.6 million vehicle miles traveling on both systems currently and 3,800,000 vehicles traveling both systems by 2030; 72 million total vehicles traveling both systems over the twenty year design life and 1 million trucks traveling both systems in 2015, 20,000 regional vehicle miles traveled changed by 2030, less than 1% effect on the Turnpike while vehicle miles traveled and the revenue projection of \$4.14 million. The improved travel conditions if this was to be completed, we are calculating to be \$101.3 million in reduced congestion and improve safety costs. Any questions from anyone for the 271 request?

Thank you, Mr. Chairman. That completes my report.

**Chairman:** Thank you very much.

**Mrs. Barber:** That is a lot money.

**Myron Pakush:** We will now turn it over to Allen Biehl, District 4 Deputy Director.

**Allen Biehl:** Good morning, Mr. Chairman and Members of the Commission. I am here to talk about a couple of projects in District 4.

The first one being the Summit 76/77 project. This project is located in the City of Akron. This project is the reconstruction of the Main/Broadway Interchange. That is the simplistic discussion of the project, but what really this project is also doing is improving the safety of a segment of highway in downtown Akron, where we have very close interchange spacing. There is a nearby interchange at Wolf Ledges/Grant Road, that is part of this project. When the improvements are done, we will close that interchange in order to improve the safety of the corridor. As you can see, it is a very heavily traveled corridor. We have 180,000 vehicles a day with 11% truck traffic. Our volume capacity ratio is .74. 401 crashes occurred over a multi-year period. This is five times the statewide average as far as crashes go. This segment of highway is ranked fifth in the entire state as far as crash severity and crash rate. Within one mile of this area, we have had \$590 million of local investment. This project does have two direct

connections, one is with I-76 to the east of Akron, the other is I-77 Turnpike interchange to the north. One thing to note with where this segment of highway, where this project is at is that it is actually an overlap of I-76 and I-77, so technically, we do have direct links to both interchanges with the Turnpike with I-76 and I-77. We also have an indirect connection coming out of Akron on Route 8 and as you can see, each of these are within the nexus criteria of 27 miles, 20 miles, and then 15 miles for the Route 8 connection. This blue dot represents where the projects are located. The green line shows the connection to I-76 to the east. The blue line shows Route 8 coming out of Akron coming from the central interchange and that connects with the Turnpike up on Route 8 in northern Summit County. Then, finally, the last direct connection there is with I-77 in northwest Summit County, right on the Cuyahoga County line that Myron just spoke of with his project. Where are we at with the project development? The environmental is cleared on this project, and the right-of-way is complete. This project had a lot of extensive right-of-way acquisition. The plans are complete, the tracings have been filed with the ODOT Central Office, we are anticipating that upon approval by the Turnpike and Infrastructure Commission that we can award this project as early as May of this year. We are estimating a start date sometime in July with a final completion date of construction in October of 2019. We are asking the Commission for \$110 million for the construction phase of this project. Again, as I mentioned earlier, we did have extensive right-of-way acquisition, you can see there was a heavy investment in the right-of-way phase. We also have some local funding for some improvements that are related to the project with the City of Akron that are deemed ineligible for either ODOT or Turnpike funding. The total cost of the project for all phases is almost \$138 million. The benefits of the project are we are looking at 1.5 million vehicles today traveling both systems in 2015 by 2030 that number will go up to 1.8 million. All told over the twenty-year design life we are looking at 30 million vehicles traveling both systems; 442,000 trucks traveling both systems in 2015, the vehicles miles change in 2030 and will be 1.1 million vehicles. The impact to the Turnpike we expect this to be less than 1% of Turnpike revenues and vehicle miles traveled for this project and with improved travel conditions, reducing congestion, and improving safety we expect a benefit of \$25.1 million.

Are there any questions that relates to that project before I go on to the next project?

**Chairman:** Any questions?

**Mrs. Barber:** That is a lot of money.

**Allen Biehl:** Feel free to ask any questions. I would be happy to answer any questions.

**Mr. Dixon:** You do not want me to feel free on this.

**Allen Biehl:** I brought a staff here with me, so if it is a tough question I will go to one of them

**Director Cole:** Mr. Dixon, please ask any question you have today and you can ask them at the next meeting.

**Mr. Dixon:** No, I am fine, Mr. Chairman.

**Chairman:** Hearing no questions, please continue.

**Allen Biehl:** The final project for District 4 is over in the Youngstown area in Mahoning County. It is I-680 and what we are looking at there is a new interchange with I-680 and S.R. 164 in the southern part of Mahoning County. The project is the construction of interchange ramps at S.R. 164 and I-680 has 9,880 a vehicles a day with 10% trucks; a .29 volume to capacity ratio. There were 32 crashes in this area over a multi-year period and we had \$459 million in local investment within one mile of this project. There is a direct physical connection with the milepost 234 for this project. Literally, where this project is at, you can see the toll plazas going into the Turnpike there where I-680 terminates at the Turnpike. The environmental on this project is complete. We are going to start commencing with right-of-way acquisition in April of this year. We expect to have plans finalized by the end of this year. We have a consultant under contract already to do the detail design of the project. We are looking at awarding the project in March of 2017 upon approval with the Turnpike Commission to fund the project. We are estimating a start date of April 2017 with a completion date November 2017. I should note that the S.R. 164 bridge over I-680 is a separate project that is already under contract, so we are advancing that project, which is why we are able to complete the rest of this interchange at an accelerated pace. We are asking for \$6 million in construction phase. Again, as you can see there is other funding sources that are related to this project, so the \$6 million represents less than 50% of the total cost of the project. The benefits of the project are 1.4 million vehicles are traveling both systems right now and we expect that number to tick up by 2030 to 1.5 million; 28 million total vehicles traveling both systems over the twenty-year design life; 280,000 trucks traveling both systems in 2015. The regional vehicle miles change by 2030 and we expect that to increase to 218,000 vehicles and again, this improvement with affect revenues on the Turnpike at less than 1% and we expect that with these improvements we would see a saving of \$39.7 million as far as improved travel conditions, which is reducing congestion and improve safety. One thing that this doesn't show is with this new interchange we have an interchange at I-680 north of this interchange at Western Reserve Road, that interchange has a high crash rate because it also has a high volume to capacity ratio. We expect with this new interchange, we will actually improve the congestion and safety issues at that interchange, so there will be a benefit to that other interchange as well.

Are there any questions with regard to that project?

**Chairman:** Any questions? Hearing none, please continue.

**Allen Biehl:** The last project we are going to present from ODOT today is going to be presented by my counterpart at District 3, Howard Huebner.

**Chairman:** Good morning, Howard.

**Howard Huebner:** Good morning Mr. Chairman and Members of the Commission. My name is Howard Huebner, I am with the Ohio Department of Transportation, District 3 and our project is Medina U.S. 42. This is in Medina County. It encompasses both the City of Medina and Medina Township. As you can see, 12,080 average daily traffic with 9% trucks, the volume to capacity ratio is .49. Approximately, 220 crashes, \$710 million in local investments

within a one mile radius and the direct physical connection is twelve miles from the Turnpike exit at Route 42 to the north. This is a one and half mile project and it is going to incorporate some access management techniques because what we are going to do is widen it to five lanes, reduce from driveway access and improve ten intersections throughout the corridor. This has been on ODOT's Safety Project list since 1974. As you can see, the project is in Medina and the green line represents the direct connection to the Turnpike to the north at twelve miles. The environmental has been completed, right-of-way is completed, and the plans are complete. We are ready to award the project in August of 2016, and estimated construction start is going to be October 2016 and completion in October 2018. You can see local funding has been about \$1.9 million. ODOT TRAC funding of \$12.4 for project development and right-of-way acquisition. Our request at this time is \$17.9 million to complete the project for a total project cost of \$32.2 million. The infrastructure benefits would be that we have less than 500 vehicles traveling both systems in 2015, less than 500 in 2030. Total vehicles over the twenty-year design life are less than 500. Trucks traveling both systems is less than 500; regional vehicle miles traveled change in 2030 is expected to be 24,000 vehicle miles traveled, less than 1% effect on the Turnpike vehicle miles traveled and revenue projections and an overall improvement of \$29.7 million for improved travel conditions and safety. I would be happy to answer any questions.

**Mrs. Barber:** Is this going right straight through the City of Medina?

**Howard Huebner:** No, it is to the north of Medina and Media Township.

**Mrs. Barber:** What is the process that you have when you work with the local elected officials there?

**Howard Huebner:** They are required to add in local funds for the project. We are working with the city to redesign, we are working with them, they have input completely on how it is being approached. But currently, we are working with them right now on the access management portion of that project.

**Chairman:** Any other questions? Thank you all very much. Is there anyone else from ODOT who is going to address us regarding this?

**Jim Gates:** Mr. Chairman and Commission Members, I would like to say thank you for your time today. If there are any follow-up questions that you may have over the next several weeks, we are available to work with Turnpike staff and get you the information you need. If there are no further questions at this time that is all we have.

**Chairman:** Thank you very much. I have asked Director Cole to give us an update on the process, so we understand the process over the next several weeks.

**Director Cole:** Thank you, Mr. Chairman. Just to clarify a couple of things. I wanted to add a little detail to Mr. Gates' presentation. When ODOT says we are 6% ahead of spend on the \$930 million in real dollars as of the end of January, that is \$518 million of the \$930 million has been spent. So, one clarification, I just want to be very clear as we are pursuing these new projects, we are on our spend down requirements, but there will still be almost \$400

million of additional construction happening from those previous projects, just so that no one in the local communities or Commission Members are confused by that. We still have to finish most of those as Mr. Gates said one project is nearing completion, some of them just started this past year, so they will be going on for a while further, which is all part of the previous plan.

Second, the process here, we have had an initial discussion and presentation from ODOT. We will provide those PowerPoint presentations, as well as Marty's PowerPoint presentation to all of the Commission Members via email after this meeting, so that you all have that so you can review those in more detail. In parallel with that, ODOT is submitting the full application of these projects from the TRAC and their recommendations for a full nexus review by our Engineering staff and our review committee. So, the next step in the process over this month will be questions, if you have individual questions of ODOT or our staff based on the presentations today and the PowerPoint presentations you have, feel free to contact anyone related to those for follow-up as we work through that process. In March, there will be a formal presentation by Tony, Marty and Jen Stueber on the nexus determination and the review of those applications. They will make recommendations based on their review and all of the detail to the Commission. It is at that point, the Commission will independently review each project and make that nexus determination, which again is not an assignment of any money, it is just yes these are eligible or not eligible for award through the program. We anticipate then in April, after the determination of nexus on these projects, ODOT will then submit specific funding requirements. If you added up the money we are up over \$200 million, so they will come back with the firm amounts after the determination to tell us exactly what they expect or would request to have funded from those projects that were deemed eligible for funding and sometime between, on a parallel path will be going out with an RFP selecting an underwriter for the next issuance, working with PFM, and Jacobs making sure all of our numbers are up-to-date. When the market is right, we anticipate by next January, but if something were to happen in the market between now and then, we would be asking for approval from the Board to hire an underwriter, and then issue the debt when the timing is right. ODOT will be awarding those contracts, getting construction started, and again, right now everyone's timing is January of next year. They would front the money on some of these projects, as they get started and our first payment to them would be a reimbursement of project costs up-to-date, and then just like the first projects in the \$930 million, every month thereafter they would submit us a monthly invoice on these and we would pay towards the \$200 million in financing.

**Chairman:** Is our credit good with ODOT.

**Mr. McAuliffe:** Excellent. As good as it gets.

**Director Cole:** Our credit is good, our commitment is strong, but the resolutions will say "in anticipation of" and we are very clear on where the risk resides in the early stages of this process, as I am sure the Chief of Staff knows.

**Mr. McAuliffe:** Yes, I am well aware.

**Director Cole:** So, that is the process. It has been a great partnership and collaboration between the agencies to fund the transportation improvements that are necessary

throughout the transportation network in northern Ohio. We will, however, give these independent and due diligence as it comes before the Board and then it is your vote and your determination independently on the nexus determination and the eligibility of these projects for funding.

**Chairman:** Thank you. Any questions for Director Cole.

**Mr. Dixon:** Are there any projects in the queue that we might anticipate in case we reject one of the projects that were presented to us today?

**Chairman:** Mr. Gates?

**Director Cole:** That is not for me to answer.

**Jim Gates:** Mr. Chairman and Commission Member Dixon, currently there are no projects in the next round or future rounds. We are working to identify and evaluate what those are. Those projects would ultimately have to go through the TRAC process like the first round and these projects that we are presenting to you today.

**Mr. Dixon:** Thank you.

**Chairman:** Any other questions?

**Mr. Paradiso:** Mr. Chairman and Mr. Director, I have a comment or two and then a question driven primarily at the Turnpike team. First of all, it is a proud time to be a part of the Commission when we are able to make these investments along northern Ohio and participate in this economic development and I am assuming, that with Marty and the right minds in the room, especially our bondholders, that the finances will make sense. Although, I have a few questions about that and I am also confident that these projects will be well vetted with our partners at ODOT and having done this already, I am confident we will be able to vet and create the nexus and the required approvals. My question is, we are mortgaging the Turnpike's revenues and I want to make sure that we at the Turnpike Commission have taken care of our own. So, the question is how do we vet our own projects? How do we measure ourselves in terms of a scorecard? Are we delivering a product that we can accept? Are we capable of continuing to deliver that product to the people that travel on the Ohio Turnpike? Are we alongside of this cash flow budget, Marty? Are we anticipating the capital back that is required? I did notice some \$70 million in capital coming back from these bonds directly to the Turnpike, but I want to make sure that as we go forward that we are taking care of our own, that we have operating costs, we have cap backs, we have debt service all taken care of for ourselves as well. So, I would like to have some oversight or comments on that.

**Director Cole:** Mr. Chairman and Commission Member Paradiso, as I did with contracting, I will talk about the policy and process issues and then leave it to Tony and Marty to make the commitments. When ODOT first approached us last year, the first thing we did is Marty and I and the team, we worked with Citigroup, Jacobs and PFM and looked at the broad numbers. In relation to that and parallel again with that, Tony, Dennis and our Engineering team



took what all of the work that was done in 2013 and I would say just broke it down, reassembled it and made new thirty-year projections of our capital needs here with a fine toothed comb. We looked at revising based on current market conditions, what we are getting in the contracts you have been awarding since 2013, looking at our facilities, the infrastructure of the road itself, all of those things, our pavement condition, bridge ratings, and the first thing I would say is we are very happy with where we are Commissioner. As I stated last month, we have no bridges that are structurally deficient or in trouble. Our pavement condition ratings are right there near the top. So as far as where we are, we are in very good shape and if everyone remembers this past year, we approved the largest capital funding campaign in over the last 15 years of the Turnpike. So where we stand today, we are in good shape, both with what we have and what we are doing to maintain it and improve it. With that being said, I will let Tony get into any of the details on the thirty year projection, but we were very confident and we made sure that we looked at the needs of the Turnpike, as well as our operating expenses. The bonding, the issuance of the debt, the funding of these projects is a heavier lift than negotiating salt prices or shared services with other agencies, or new phone systems, or replacing the radio system, but it is one of the reasons that I keep highlighting the efforts we are having here to be efficient and innovative and that is how you stay in those curves to keep the operating costs in line and provide the types of services we need to keep the revenue growing and again, I will let Marty talk to the details of those financial projections. But our curves are in line, the state of our infrastructure and our services is very good and very strong and we have looked at where we need to be over the next thirty years and all of those things align with an issuance of debt in January of 2017 and again in January of 2018 without us degrading what we have or having an impact on our operations. I think we will continue to improve the quality of our infrastructure and the services that we provide consistent with this plan and I have full confidence in that and we have been over it and over it and over it again to make sure I can say that without stuttering. Tony or Marty, what would you like to add to that?

**Chief Engineer:** Mr. Chairman and Commission Member Paradiso, as Randy had said, we did look at our capital projects and our projections over the next thirty years with a fine toothed comb, extremely detailed, worked with the Engineering staff, I mean we looked at every sign structure, we looked at every bridge, all of our pavement, all of our buildings and really got into a lot of the details, and came up with what we thought were reasonable projections moving forward. Our capital program right now is estimated to be almost \$200 million in the next twenty years, so it will continue to increase with the exception of 2018 and 2019, where I think we actually go down maybe \$10 or \$20 million dollars, but then it increases substantially over the next eighteen years after that. I am very comfortable with the work that we did and the projections that we currently have.

**CFO/Comptroller/DED:** Your concern is our concern. We want to make sure that we have enough revenues to fund all of our operating expenses, our capital expenditures, and our debt service requirements for funding these bonds and our own bonds. So, we did undertake this analysis, as Tony said, we did a very detailed analysis of our capital expenditures and we actually increased that projection quite a bit, from what we had projected with the previous bond financing to make sure that we had enough revenues to cover those. So all of our capital needs will be covered with the exception of what we are projecting right now is \$50 million that we are going to borrow in 2018. That \$50 million will go towards our capital needs, but the rest of our

capital needs should be covered by operating revenues. Which is somewhat rare for a toll agency as a lot of toll agencies borrow for a lot of their capital needs, where we will be paying cash more or less out of our operating expenses. So, we analyzed all of those things and right now we feel pretty comfortable that we will have everything we need to cover all of our expenses going forward. Obviously, the market conditions will play a role when we go out to issue the bonds as to what the interest rates are at that time, but we have made assumptions for interest rate increases from today and it still works out, so we are pretty comfortable.

**Chairman:** I just would like to add one quick comment to try and bring this back a little historically. When this idea was decided upon by the Governor and it was the Governor's recommendation that we use the Turnpike, literally use the Turnpike, to provide these funds to create jobs and to help ODOT move along many projects that were just sitting very dormant, it was vetted by the State Legislature, both the House and the Senate, ODOT vetted the whole thing, the whole process, and we were charged as the Commission to oversee any funds that would leave our coffers and go to ODOT. So this is part of the process, it is up to this Board to look at each one of these and not just take it for granted that the money should be spent, but to agree that it should be spent, and that the investment should be made. I think it is a credit to ODOT for their presentations that they have made, our Director for keeping on top of this and being a part of this from the very beginning, both in his previous job and the job that he has now. So we need to be very confident in our decision and consider again that we are buying into a process that the Governor recommended that has turned out to be a wonderful opportunity for the State of Ohio and we need to continue that vetting on our part and that is our responsibility. So I thank ODOT and our Director for overseeing this in the way that he does and Marty for taking care of the books. Any other questions or comments? Hearing none, we will move on to the report of our General Counsel, Jennifer Stueber.

**General Counsel:** No report, Mr. Chairman.

**Chairman:** Our Financial Advisor, Bethany Pugh.

**Financial Advisor:** No report, Mr. Chairman, but I would like to say that we are looking forward to working with the Turnpike, OBM, and ODOT team on the upcoming financing.

**Chairman:** General Consultant, Scott Buchanan?

**General Consultant:** No report, Mr. Chairman.

**Chairman:** Trustee, Huntington, Biagio Impala.

**Financial Consultant:** No report, Mr. Chairman

**Chairman:** Ohio State Highway Patrol, Staff Lieutenant Weirtz.

**S/Lt. Weirtz:** OSHP has designated February as our Human Trafficking awareness month. During the month of February, we have assigned additional troopers trained to identify

signs of human trafficking to work on the on the Ohio Turnpike and in the travel plazas. They will be looking for signs of human trafficking, and they will be educating patrons so they too will be able to recognize the signs of human trafficking and take appropriate action to prevent this horrible crime.

I would like to thank Director Cole and Mr. Yacobucci for their support of our endeavors in this area and also Director Greenslade for his assistance with some of the media coverage that we've gotten already for some of the events that we have held in the travel plazas.

Currently, Ohio ranks 6th nationally in reported human trafficking cases with 303 reported investigations between from 2013 to 2014 and 102 reported investigations in 2015.

Next I would like to highlight some of our criminal patrol seizures over the last month and I won't go into details on each one of these, but I can tell you there has been twelve felony case investigations, which have seized some significant contraband and I will just go through those briefly:

**Criminal Patrol Seizures**

1/20/16	Sgt. Laughlin	\$18,740 in U.S. currency
1/20/16	Sgt. Arnold	620 Oxycodone
1/20/16	Tpr. Beyer	296 Prescription Pills
1/26/16	Lt. Wyckhouse	\$33,530 in U.S. currency
1/26/16	Tpr. Vanderford	230 grams Cocaine
1/27/16	Tpr. Vanderford	158 grams Cocaine
1/27/16	Tpr. Holden	21 pounds marijuana
2/1/16	Tpr. Beyer	\$18,740 in U.S. currency
2/1/16	Tpr. Romero	8 pounds marijuana
2/4/16	Sgt. Laughlin	\$58,940 in U.S. currency
2/8/16	Sgt. Laughlin	4 pounds methamphetamine
2/12/16	Tpr. Rawlings	3 pound marijuana

Mr. Chairman, that completes my report. I would be happy to answer any questions.

**Chairman:** That was a busy and active month. Congratulations and thank you for your good work. Any questions for the Lieutenant?

**S/Lt. Weirtz:** Thank you.

**Chairman:** Thank you. Absent any further business, I would accept a motion to adjourn. Our next meeting will be Monday, March 21, 2016, at 10:00 a.m. If there are no further questions, I will move to adjourn.

**MOTION:** A motion to adjourn is made by Chairman Hruby, seconded by Vice Chairman Paradiso and unanimously approved by all Commission Members present.

Time of adjournment: 11:26 a.m.

**Attendees for Record Keeping Purposes:**

Scott Buchanan, AECOM; Bethany Pugh, PFM; Preston Kuzma, IUOE Local 18; Jacob Siesel, IUOE Local 18; Biagio Impala, Huntington; Jim Gates, ODOT; Jennifer Townley, ODOT; Tim McDonald, ODOT; Allen Biehl, ODOT; Dan Depto, ODOT; Laura Beese, ODOT; Steve Rebillot, ODOT; Bob Shinko, ODOT; John Picuri, ODOT; Mike Herceg, ODOT; Eric Kallio, ODOT; Myron Pakush, ODOT; Lou Huzapis, ODOT; Michael DiDee, Pinnacle; Sarah Brown, HNTB; Gene Baxendale, Hill International; Howard Huebner, ODOT; Leslie Farley, ODOT; Bob Hochevar, ODOT; Dale McLaughlin, Rich's Towing; Ed Adamczyk, Arcadis; Tony Urankar, MSG; Darie Muor, Southeastern; Russ Catelli, CDM Smith; Bill Matlock, Blaylock BPA; Zolten Szabo, HMM; Jim Barna, ODOT; Matt Brunig, ODOT; Jennifer Stueber, Ohio Turnpike; Anthony Yacobucci, Ohio Turnpike; Ohio Turnpike; Martin Seekely, Ohio Turnpike; David Miller, Ohio Turnpike; Sharon Isaac, Ohio Turnpike; Matt Cole, Ohio Turnpike; Jennifer Diaz, Ohio Turnpike; Dennis Albrecht, Ohio Turnpike; Mark Musson, Ohio Turnpike; Chris Matta, Ohio Turnpike; Joe Mannion, Ohio Turnpike; Lisa Mejac, Ohio Turnpike; Helen Guggenbiller, Ohio Turnpike; Adam Greenslade, Ohio Turnpike; William Keaton, Ohio Turnpike; Chriss Pogorelc, Ohio Turnpike; Stuart May, Ohio Turnpike; Cory Skoczen, Ohio Turnpike; Diana Anthony, Ohio Turnpike; Dave Miller, Ohio Turnpike; Sharon Isaac, Ohio Turnpike; and Brian Newbacher, Ohio Turnpike.

Approved as a correct transcript of the proceedings  
of the Ohio Turnpike and Infrastructure Commission

---

Sandra K. Barber, Secretary-Treasurer