

MINUTES OF THE 595th MEETING OF THE OHIO TURNPIKE COMMISSION
June 17, 2013

Chairman Hruby: (10:00 a.m.) Pledge of Allegiance is recited by all in attendance. The meeting will come to order. We ask that all guests please sign in on the sign in sheet so we can keep an accurate record of attendance. Will the Executive Director please call the roll?

Director Hodges: Chairman Hruby.

Chairman Hruby: Here.

Director Hodges: Vice Chairman Balog.

Vice Chairman Balog: Here.

Director Hodges: Mr. Dixon has sent his regrets.

Director Hodges: Secretary-Treasurer Barber.

Secretary Barber: Present.

Director Hodges: Commissioner Murphy.

Mr. Murphy: Present.

Director Hodges: Commissioner Kauffman.

Mr. Kauffman: Here.

Director Hodges: Commissioner Smith.

Mr. Smith: Here.

Director Hodges: Senator Manning.

Senator Manning: Here.

Director Hodges: Representative Dovilla.

Representative Dovilla: Present.

Director Hodges: We have a quorum.

Chairman Hruby: This is the 595th Meeting of the Ohio Turnpike Commission, and it is the final meeting under the name of the Ohio Turnpike Commission. Next month, we will have a new name as the law that was enacted by the state legislature will take effect. We are here as required by our Bylaws. Various reports will be received, and there will be several Resolutions that we will take action upon, draft copies have been sent to our Members previous to this meeting. The Resolutions will be explained during the appropriate report. Can I have a motion to adopt the Minutes of the May 20, 2013, Commission Special Meeting?

Vice Chairman Balog: So Moved.

Mr. Murphy: Second.

Chairman Hruby: All those in favor, signify by saying “aye.”

(All Commission Members say “aye”.) Are there any questions, comments or corrections? Hearing none, they are adopted. We will proceed with the report of our Secretary-Treasurer, Mrs. Barber.

Secretary Barber: Yes Mr. Chairman. I would like to begin my report with the following items that have been sent to the Members since the last scheduled Meeting of the Commission on May 20, 2013:

1. Eleven Resolutions;
2. Minutes of the May 20, 2013 Commission Meeting;
3. The Agenda for today’s Meeting.

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

3. Traffic Crash Summary Report, May, 2013;
4. Traffic and Revenue, May, 2013;
5. Investment Report, May, 2013;
6. Total Revenue by Month and Year, May, 2013;
7. Financial Statement, May, 2013;
8. Budget Report, May, 2013; and
9. Various News Articles

That concludes my report, Mr. Chairman.

Chairman Hruby: Thank you. Are there any questions for the Secretary-Treasurer? Hearing none, we will move on then to the report of our Executive Director, Mr. Hodges.

Director Hodges: Good morning Mr. Chairman and Members of the Commission. At the conclusion of my remarks, I will invite our Bond Sale Team to give you a comprehensive presentation of our work to date and a picture of the rest of the road to the sale. Hopefully, this will answer any questions, and give you a chance to contribute your ideas, or make any changes over the next 30 days before the important votes you will cast next month to finalize the proposal. Before addressing the bond sale, however, I would like to address a few other important topics.

First and foremost, as you mentioned Mr. Chairman, this is the last meeting of the Ohio Turnpike Commission. Effective July 1st, we will become the “Ohio Turnpike and Infrastructure Commission.” We are not reincorporating. In one sense, it is just a name change for the body, which will continue on as before. When you convene the next meeting, I imagine you will want to continue counting the meetings as before. In other ways, it is a new era with a new mission. In short, it is a new beginning. One thing we know for sure, Mr. Chairman, is that

I am pleased to notify the Commission that you have been reappointed for a full term beginning June 30th and that is reassuring to us all. Congratulations.

The Commission will be reconfigured as the “Ohio Turnpike and Infrastructure Commission.” We will soon welcome two new Members. Sadly, the Development Services Agency will not be a part of the new Commission, which means we will be saying goodbye to Chad Smith. We have all been grateful for Chad's service. His economic development perspective, thoughtful approach and dedication have served this Commission well. On a personal note, I know we all like Chad, and we will simply miss his monthly presence. Chad, thank you, and we wish you the very best. At the Chairman's request, we have prepared a formal Resolution recognizing your contributions. Mr. Chairman, with your permission, I would like to ask Counsel to read the Resolved.

General Counsel: RESOLVED that the Ohio Turnpike Commission hereby acknowledges its gratitude to Chadwick Smith for his two and one-half years of dedicated service, and the Commission also considers that the people of the State of Ohio have been fortunate in receiving the unselfish services which he rendered; and

FURTHER RESOLVED that the Commission extends to Chadwick Smith and his family its best wishes for their success and well-being in all matters and activities which they shall undertake in the future; and

FURTHER RESOLVED that the Secretary-Treasurer be, and hereby she is, directed to send a certified copy of this Resolution to Mr. Chadwick Smith.

Chairman Hruby: For the Resolution, is there a Motion to adopt?

Vice Chairman Balog: So moved.

Secretary Barber: I'll second.

Chairman Hruby: Moved and seconded. Call the roll, please.

Director Hodges: Vice Chairman Balog.

Vice Chairman Balog: Yes.

Director Hodges: Secretary Barber.

Secretary Barber: Yes.

Director Hodges: Chairman Hruby.

Chairman Hruby: Yes.

Director Hodges: Commissioner Murphy.

Mr. Murphy: Yes.

Director Hodges: Unanimous, as it should be.

OHIO TURNPIKE COMMISSION

Resolution Expressing Appreciation for the Service of Chadwick Smith

WHEREAS, commencing January 10, 2011, Chadwick Smith was appointed as Member Ex-Officio by the Director of Development, to serve as the Director's Proxy at meetings of the Ohio Turnpike Commission; and

WHEREAS, Chadwick Smith served with distinction as a member of the Commission, and contributed to the Commission's purposes and objectives through his thoughtful consideration of the matters coming before the Commission; and

WHEREAS, Chadwick Smith has been and continues to serve the State of Ohio with distinction in his capacity as Deputy Chief of the Office of Energy within the Ohio Development Services Agency; and

WHEREAS, the members and staff of the Commission wish to give formal and public recognition for the honorable, exceptionally dedicated, and effective service of Chadwick Smith as a member of this Commission.

NOW, THEREFORE, BE IT

RESOLVED that the Ohio Turnpike Commission hereby acknowledges its gratitude to Chadwick Smith for his two and one-half years of dedicated service, and the Commission also considers that the people of the State of Ohio have been fortunate in receiving the unselfish services which he rendered; and

FURTHER RESOLVED that the Commission extends to Chadwick Smith and his family its best wishes for their success and well-being in all matters and activities which they shall undertake in the future; and

FURTHER RESOLVED that the Secretary-Treasurer be, and hereby she is, directed to send a certified copy of this Resolution to Mr. Chadwick Smith.

(Resolution No. 32-2013 adopted June 17, 2013)

Mr. Smith: Thank you very much. It has been my honor to serve on the Commission. I have really enjoyed it, and I have learned a lot. Again, thank you very much.

Chairman Hruby: Chad, on behalf of the Commission, we thank you for your service. We have enjoyed having you here.

Director Hodges: On behalf of the Commission, I would like to present you with this formal copy of the Resolution and a commemorative coin for the Ohio Turnpike Commission.

Continuing on, I am pleased to notify the Commission that we were able to celebrate the opening of Service Plazas 8 on the east end of the Turnpike. We had a great event. I appreciate the Vice Chairman for making the trip out to celebrate this special occasion as well as everyone who made it possible.

I am also pleased to report that we continue to distribute over 40 *EZ-Passes* a day through our retail outlets at the Service Plazas. Senator Patton included an amendment in the Transportation Budget that will allow local BMVs to distribute *EZ-Pass*, and we have spoken to them about expanding access off the road.

Adam Greenslade has been spearheading our efforts in the legislature with ODOT to pass a bill that will require motorists to move over a lane when approaching stationary maintenance vehicles. This will provide our maintenance workers with the same protections currently afforded emergency response personnel. In short, it will improve safety for our employees. We thank Senator Manning who has provided the opportunity for quick hearings in the Transportation Committee, which she chairs.

On another note, this afternoon we will be activating our brand new website. You can see a screenshot of the home screen on your monitor. Our new site will be streamlined, interactive and provide better access to the services our customers want. We had been planning to change the website by the end of the year. Our bond underwriters, however, impressed upon us the importance of a good site for communicating with investors during the sale. So our Deputy Executive Director, Robin Carlin; Adam Greenslade; Lauren Hakos, and our Technology Manager, Bill Keaton led a team that designed and created a great and completely new website with our vendor, Devore, in about 60 days. It was truly a great accomplishment.

If you remember, last month I mentioned that we would be providing a review of our strategic planning process this month. Robin Carlin was prepared to report to you today; however, we decided to expand the bond sale briefing, and I asked her to wait until July. I think you will be impressed with the Strategic Plan. I believe our Plan will be the most important topic on our Board's Agenda after the bond sale is completed. In the Bylaws Resolution on the Agenda, you will find a reference to required annual reports on our workflow process and documentation. I believe this change will enable the Commission to exercise its authority to guide and direct the achievement of our long term Strategic Plan.

Finally, our CFO, Marty Seekely, will report to you today on our financial condition so you can feel comfortable approving the required Resolution for our bond holders. I am very proud of our staff. We have accomplished much in the last year after significantly reducing our budget. Marty will tell you that we are operating significantly below even our reduced budget goals. Our tradition of conservative financial management was recognized last week by Fitch's bond rating service. They completed an exhaustive peer review of all 33 toll systems in the United States and concluded the Ohio Turnpike is the safest investment in the country. Their

conclusion was based on our debt structure, low toll rates, asset maintenance and conservative financial management. It is testimony to the leadership of this Commission, our staff and to all of the people who have come before you. Also, Fitch's timing could not have been better as we are about to enter the marketplace to sell bonds. Thank you Fitch!

I would like to move to our presentation on the bond issue. We have been served by a remarkable team of staff and consultants. CITI, PFM, Squires, Jacobs, Barnes Thornburg, Tucker Ellis and URS have all worked tirelessly with Marty Seekely, Kathy Weiss, Doug Hedrick, Lisa Mejac, Greg Murphy, Kurt Kauffman and me. You will hear from some to the team members today. I am very proud of all their work -- and it has been a lot of work. I will let them brief you on the details, but I do want to mention the strategic goals that have guided our efforts.

We are the highest rated toll road in the country, and we intend to keep it that way. To do that, we must continue to protect the asset of the Ohio Turnpike. Our highest priority is to continue to maintain the road with some of the lowest toll rates in the country. We have verified our long term Operating and Capital Plan, and the Governor's Plan will enable us to accelerate base reconstruction.

Second, we are dedicated to maintaining strong and binding commitments to our bond holders. We have a strong Senior Lien Indenture and have extended that level of commitment to our proposed Junior Lien. We are keeping the indenture as simple as possible and familiar to people who have invested in the Turnpike in the past to provide that reassurance.

Third, we have gone to great lengths to demonstrate the broad based bipartisan support for the Governor's innovative, but conservative, Plan. Ohio is different from other states that have tried to leverage the values of their toll roads. The Administration, ODOT and the

Turnpike are working closely together. This was clear by the fact that Mr. Murphy and Mr. Kauffman were integral parts of our team when we made our first visit to the ratings agencies last month. Our agencies have worked together as one since the Commission endorsed the Plan. Additionally, we have a strong, mature history. Most importantly, the proceeds of the sale will support projects that benefit the Turnpike, and this Commission will have ultimate authority over the use of the infrastructure funds.

With that, Mr. Chairman, I would like to ask Marty Seekely to continue the briefing. We will then hear from Greg Stype, Bond Counsel from Squire; Kathy Weiss, our General Counsel, and finally, Dan Cohen from CITI.

CFO/Comptroller: Thank you. Our goal in this process is to construct a conservative, prudent plan of finance that protects the core asset, which is the Turnpike, while moving forward with the Governor's Plan of providing funds for infrastructure. We are doing this by contracting with an extremely qualified team of consultants. We have Jacobs Engineering Group, who is preparing our Traffic and Revenue forecast. They are preparing an investment grade report. It has a 90% confidence level, which means that nine out of ten times, we will either equal or exceed those amounts of revenues in their estimation, which I think is very conservative and reassuring. Jacobs is also projecting our Operation and Maintenance Expenses. We are only factoring in expense reductions that have been identified to date and not any that we hope to achieve in the future, and after that, we are increasing those expenses at the rate of inflation to be very conservative.

We have also contracted with URS, our Consulting Engineer. They are working with the Chief Engineer to create a detailed, long-term Capital Plan that identifies all of the Capital

Projects that we will need over the next 30-40 years of the bonds to make sure that we have adequate funds to fund those Capital Expenditures.

We have also contracted with Squire Sanders who is working to construct a Junior Lien Trust Agreement. They are making sure that the Commission is protected legally and has flexibility under the new Trust Agreement.

We have also contracted with Public Financial Management (PFM), our Financial Advisor. They have been advising us on the transaction. They have provided analysis on covenants, legal requirements and debt structure to make sure that everything is in the Commission's favor.

Also, we have CITI Group, who is a top underwriter for transportation bond issues. They are working to create the best possible financing plan. They will work with the rest of the underwriting team to sell the bonds.

Our Plan of Finance is going to fund \$1.5 billion of Turnpike and Infrastructure bonds over two issuances. This year we will issue \$70 million under our Senior Lien, which will cover Turnpike Projects, and \$930 million for Infrastructure Projects, which will be issued under a Junior Lien. We also anticipate in 2018 that we will issue another \$500 million in bonds for Transportation Projects. We will also maintain a high minimum Debt Service Coverage Ratio for both the 2013 and 2018 issuances with a minimum Senior Lien Coverage Ratio of 2.87 for the Senior Lien Bonds, which is very strong, and a minimum composite coverage of at least 1.7 times debt service on both the Senior and Junior Lien Debt Service, which is also fairly strong. The Debt Service Coverage Ratios will increase over time from when we issue the bonds.

The Plan funds our Capital Expenditures over the next 36 years via a Pay-As-You-Go Capital, which means that the Turnpike will be paying cash for all of our Capital Projects and

not borrowing. The Turnpike will only be borrowing \$70 million at this current time. All of the rest will be paid out of Operating Earnings, with Capital Expenditures averaging \$141 million per year over the life of the Plan. The Plan will fund all of the Turnpike's Capital needs, including the Concrete Base Replacement Program, for the next 30 years. The Plan includes monies to finish the last five-mile segment of the third lane and accommodates pavement resurfacing to maintain the road condition. It even includes updates for replacement of our Toll Collection equipment every ten years as needed. So all of the Turnpike's Capital needs have been taken into consideration and will be paid for on a cash basis, which is very unusual for a toll road. Most toll roads actually borrow for their Capital needs, but this Plan will allow us to pay most of the Capital costs out of our Operating Earnings.

Next, I would like to go over the flow of funds under the new Indenture. Our existing flow of funds under the Senior Lien Master Trust Agreement is on the left-hand side. The Trust Agreement has a number of funds. The first one is a Revenue Fund where all of our revenues go. From those revenues, the Expense Fund is paid, which is all of our Operating Expenses. The monies left after paying our Operating Expenses flow down to the Senior Lien Debt Service Fund, which pays our principle and interest on the Senior Lien Debt Payments. Then, if there is any required amount to be added to the Debt Service Reserve, that would come out next.

The Senior Lien Indenture contemplates the possibility of a Junior Lien, which was not fully defined at the time that the Senior Lien was created. In the chart before you, you see the arrow on the right, which depicts the proposed Flow of Funds incorporating the new Junior Lien Indenture. At this point, the Junior Lien Debt Service will be paid, which is the principle and interest on the Junior Lien Bonds, and any Debt Service Requirements that we need to add to will come out after that. After all of our debt is paid, the funds flow to the Renewal and

Replacement Fund, which is a fund that covers all of our buildings, our equipment replacement and, in general, to keep the Turnpike operating. Then, the money after that would flow down into the Systems Projects Fund, which funds all of our major projects including the Third Lane Project, the Base Replacement Project, the Pavement Replacement Projects, most of the ones that our Chief Engineer brings before you. Any funds that are left over after paying all of those expenses will flow into the General Reserve Fund, which would be available for future years if we need those funds. If there are no questions, I will turn it over to Greg Stype to talk about the Junior Lien Indenture Agreement.

Chairman Hruby: Are there any questions? Thank you, Marty.

Mr. Stype: Mr. Chairman, Members of the Commission and staff, we would like to highlight a couple of the covenants and policies that will be coming before you as part of the proposed financing. I would hasten to add that, because these policies and covenants will be the subject of upcoming conversations with the rating agencies, they may be subject to some minor tweaking, but I think they represent the informed judgment of a very experienced team and that these are targeted where they need to be. One of the keys, as you know from your Senior Lien Bonds outstanding, is the Toll Rate Covenant. The Proposal in the documents, as we have drafted them to this point, are that the Commission will covenant to charge and collect tolls so that the amount remaining after the payment of your Operating Expenses will be equal to, at least, 120% of the amount needed to pay your debt service on both the Junior and Senior Lien Bonds. You will note, for those of you who are familiar with this, it bears a bit of resemblance to the current covenant in the Senior Lien Trust Agreement, which is also a 120% coverage requirement.

A second covenant that is very important to the bondholders, and to you, is the Covenant to Operate the Turnpike as a Toll Road. I think the outcome of this covenant, which exists currently in the Senior Lien Indenture, is reflected in the review that you just received from Fitch. The Commission will continue to covenant to own, operate, and maintain the Turnpike in good repair and sound operating condition, in an efficient and economical matter and in conformity with all legal requirements. Again, that is a continuation of a covenant that has been bedrock for you so long as you have had Senior Lien Bonds outstanding.

Finally, there are a couple of fiscal management policies that would be brought before you at your July Commission Meeting. You will be asked to formalize your current fiscal management practices relative to aspirational debt service coverage, which is coverage that takes into account more than just your tolls but, rather, a larger bundle of the revenue sources that are available to the Commission and, in addition, there will be a policy relative to maintaining liquidity for your cash reserves for all operating expenses. At this point, I will turn it over to your General Counsel.

General Counsel: Thank you Greg. Good morning Mr. Chairman and Commission Members. I am going to speak to you today about what you are going to be asked to do next month at our first meeting of the Ohio Turnpike and Infrastructure Commission. In accordance with the bond sale, we plan to present three categories of Resolutions for your consideration. The first one will be with respect to our toll rates. As the Board knows, we have been through the hearing process, and we need to bring back before the Board the final Resolution to approve the toll rates going into effect on January 1, 2014. The toll rates are a part of this bond sale because we need to show the market where we will be with our tolls. The 2.7% increase on an annual basis for the next ten years is a part of that Resolution.

The second group of Resolutions that will be presented will be the Bond Purchase Agreement. Basically, we are going to be authorizing the Executive Director to move forward with the bond sale. This will entail approval of the new Junior Lien Indenture, which you have just heard about and, also the supplemental agreements that will be necessary to our Senior Lien and Junior Lien Indenture for the issuance of bonds under both of those indentures.

Lastly, we will be adopting the policies to which Mr. Stype just referred. Within the body of one Resolution, there will be a reference to the Debt Service Coverage and also our cash liquidity that we intend to maintain demonstrating our conservative fiscal management as we proceed to the bond market.

Director Hodges: Mr. Chairman, if I may interrupt. The Resolutions that you will be asked to consider will be a continuation of the operating culture of the organization. It has been very important to mimic what we have been doing to reassure our investors and, also to give a path forward.

General Counsel: As we move forward with approving those Resolutions, I would like to also update the Commission with respect to the process for the Infrastructure Project Funding Request. As the Board recalls, we presented a Rule for your consideration that has started the process it has to go through in Columbus. The first thing we did was reviewed it with the Common Sense Initiative. This Initiative is actually a new creature of statute. What they look at is whether Administrative Rules adopted by agencies have any sort of adverse business impact. In reviewing the Rule with C.S.I., it was determined that this is a Rule between two agencies, therefore, it really has no adverse business impact, and when they say “adverse business impact,” they mean any impact on business. They like to look at it and make sure that the Rule is not in any way harming business, but they have determined that the Rule does not

have any such impact as it is between two agencies. So we have received their approval, and we have proceeded on with filing the Rule with the Joint Committee on Agency Rule Review (JCARR), which has a 75 day jurisdiction period over the Rule. JCARR will hear the Rule on July 22nd. We will then bring that Rule back before the Board for final approval at the August meeting.

The second piece of this is that, in cooperation between ODOT and the Ohio Turnpike, our Chief Engineer, Doug Hedrick, has been attending the meetings of the Transportation Review Advisory Council (TRAC), and he has gained tremendous insight into the project review and ranking process that goes on there. Do you have anything to add on that, Doug?

Chief Engineer: General Counsel, I was going to do that during my report, but this is a good time. I would like to thank Director Wray and his staff at TRAC; Greg Murphy and his staff, especially Jennifer Townley; Tim McDonald and Jim Gates who have all been phenomenal in introducing us and welcoming me to that process. We have gained real insight as to the whole process of what is behind all of these projects, as opposed to just the words on paper. It gives you a sense of the people behind those projects and what it means to them as well.

General Counsel: Similarly, Mr. Chairman, Jennifer Townley is also attending our Board Meetings and working with us in gaining an understanding of our processes and procedures. We will be working closely together with ODOT on the Infrastructure Funding applications that will be coming forth from ODOT. We want a workable application so as project funding requests start to come before the Board, we can take them, analyze them and efficiently get those requests before the Commission for their consideration.

The last piece of this is the preparation of a template of an agreement that will be entered into between ODOT and the Turnpike Commission for the funding of the various Infrastructure

Project requests. It is my intent to work with Greg and his staff to create a contract document that we can use and, basically, if you will, fill in some blanks and then adjust it for the case-by-case, project-by-project. So, those are the steps that we are working on at the moment. With that, I am going to pass the baton over to Dan Cohen from CITI Group who is here today.

Mr. Cohen: Good morning Mr. Chairman. Rick and the team asked me to address a kind of roadmap describing where we have been and where we expect to go over the next six weeks. As Rick mentioned, in late May, the whole team met for the initial meeting with the rating agencies. At that meeting, we laid out, in broad terms, what the goals of our financing are and some of the parameters, all with the intent of keeping and maintaining the high respect and credit rating that the Turnpike has right now in the marketplace. Since that time, we have refined our documents, we have worked with the Traffic Engineers and the Consulting Engineers to take the underpinnings of those reports and put them together in what we think is a very conservative finance plan that maintains your fiscal integrity and continues the sound financial practice that the Commission has utilized over the recent past. This week, we will meet for the second time with the rating agencies where we will present finalized documents that are still subject to their review and comment, and a very comprehensive Finance Plan where we have laid out certain parameters, as Marty has mentioned, that will maintain Debt Service Coverage and, also cement these fiscal policies that both Kathy and Greg eluded to, which we think is a very important message to send to the marketplace that you will continue to operate this road in a very sound matter. It will take a few weeks for the rating agencies to come back to us. We will have some back-and-forth with them. We hope to have ratings in early July right before the next Commission Meeting.

At the July 15th Commission Meeting, we hope you will follow through and pass all of the Resolutions that Kathy referred to that will also trigger our ability to post the preliminary Official Statement, which is really the beginning of our marketing process. The marketing process, the bond sale and the closing could take up to four weeks. Right now, we hope to be in the market in mid-Summer. We hope to have a very comprehensive marketing plan where members of your staff and your finance team will be out at the major money center cities making presentations in front of the bond investors across the country.

Finally, we hope to have everything closed sometime in mid to late August, if everything stays on schedule.

Chairman Hruby: Being a former member of TRAC, I know the process and I can appreciate all that they go through as they look at each and every project. If we could have one thing done for us, and I would turn to you for this Mr. Murphy, perhaps we could have a presentation done for this Commission on the policies, procedures and methodology of how TRAC operates so the Commission has a good understanding of what they go through before they present a project to us.

Mr. Murphy: That is a good point Mr. Chairman. I think a presentation on TRAC, the scoring, the policies and process at the next meeting would be good for this body. In September, ODOT will be presenting Fiscal 2014 and Fiscal 2015 Infrastructure Projects, and there are dozens of them, and for this Commission to vote on them in good faith, we have to go through each project and that could take some time. So whether we have an extended meeting or a “special” meeting, I think we need to spend some time with each project so everyone understands what they are.

Secretary Barber: Mr. Chairman, I like that idea. I would appreciate a presentation on TRAC. It certainly would give me a better understanding of how the council works, and it also helps those of us who are back in our communities dealing with some of the county officials who would like to see their project proceed.

Chairman Hruby: At the next meeting, there will be two new members to the Commission. Could you explain those memberships and how they are selected?

Director Hodges: I suspect they will be in the geographical region covered by the legislation, a member from each party and, hopefully, they will be appointed by July, but that is the Governor's prerogative, and they are kind enough to keep me informed. Right now, I do not believe they have announced who the two new members will be.

Chairman Hruby: So, there are no other requirements than that – one from each party?

General Counsel: Mr. Chairman, the term will be for five years, so the term for the Members have changed effective July 1, and the quorum requirement for the Board to conduct business is changing in July. We are hoping for the appointments to occur by July just so the conduct of business is smooth. We can certainly gain a quorum with our current voting structure, but it will be better to have those appointments made.

Director Hodges: It is important to note that the existing Commission Members' terms will not be affected until it is time for reappointment and then, they will all go to five year terms.

Mr. Murphy: Rick, correct me if I am wrong, but I believe that those two members still have to be Senate confirmed, so the likelihood that they are going to be appointed...is that right?

General Counsel: Mr. Chairman and Commissioner Murphy, they can be appointed and serve before they are confirmed. They are subject to Senate confirmation, but they can go ahead and serve until that confirmation is completed.

Director Hodges: As soon as we know who they are, we will brief them so they are prepared for the July meeting as well.

General Counsel: Mr. Chairman, if I might add, obviously since the legislation does not take effect until July 1st, they cannot make those appointments until at least that day.

Chairman Hruby: Alright. Is there anything else Mr. Hodges?

Director Hodges: That concludes my report.

Chairman Hruby: Mr. Balog.

Vice Chairman Balog: I have a question for Marty. We have our Senior Liens in position, so the Junior Liens will be subordinate to that. Is that the process?

CFO/Comptroller: Yes. Those bonds will be subordinate to the Senior ones.

Vice Chairman Balog: We are committing for the \$1 billion initially and, then in 2018, you are talking about another \$500 million. Are they approved now? Will they be part of the Junior Lien, or will there be a third lien?

CFO/Comptroller: They will part of the Junior Lien when they are issued in five years, and they will not be approved now. The Commission will make the determination in five years whether to approve those bonds at that time.

Vice Chairman Balog: Will the Junior Lien that we enter into have a provision allowing us to go forward with the \$500 million at a later date?

CFO/Comptroller: Yes. We can issue additional bonds into the Junior Lien as long as we meet the covenants for additional bonds under the new Junior Lien. We can issue

additional bonds under the Senior Lien currently and under the Junior Lien going forward after we make this \$1 billion issuance this year, as long as we comply with the covenants under each of the documents.

Vice Chairman Balog: Thank you.

Chairman Hruby: Are there any more questions or comments? Hearing none, then we will move on to the report of our Chief Engineer, Mr. Hedrick.

Chief Engineer: Thank you Mr. Chairman. I have seven Resolutions for your consideration this morning.

The first Resolution is to award Contract No. 43-13-03 for the Bridge Deck Repair and Rehabilitation of the Ramp Bridges over the Ohio Turnpike located at Mile Post 161.5 and Mile Post 161.8 located in Cuyahoga County, and the Ramp Bridge over the Ohio Turnpike located at Mile Post 173.2 located in Summit County, Ohio. On May 16, 2013, three bids were received for this project with the apparent low bid submitted by Schirmer Construction, LLC, of North Olmsted, Ohio, (“Schirmer”) in the total amount of \$974,899.00. The bid submitted by Schirmer is approximately 19% below the Engineer’s Estimate. This large variance appears to be due to favorable bidding conditions at this point in time. Schirmer was recently awarded a project for the Commission, which they are in the process of beginning, and during the analysis for that project, they were found to be performing satisfactorily for other public agencies. A review of their current project list indicates that they do have the additional capacity to perform this project with no impact. Therefore, based upon this review, it is recommended that Contract No. 43-13-03 be awarded to Schirmer Construction, LLC, of North Olmsted, Ohio, in the amount of \$974,899.00. This Resolution also contains provisions to assign CDM Smith, Inc., of Cleveland, Ohio, to perform construction administration and inspection services and, to assign Professional

Services Inc., of Cleveland, Ohio, to perform material testing services. If the General Counsel would please read the Resolved.

General Counsel: RESOLVED that the bid of **Schirmer Construction, LLC**, of **North Olmsted, Ohio**, in the total bid amount of **\$974,899.00** for the performance of Contract No. 43-13-03 is, and is by the Commission, determined to be the lowest responsive and responsible bid received for the performance of said Contract, and is accepted, and that the Chairperson and Executive Director, or either of them, hereby is authorized to: 1) execute a Contract with said successful bidder in the form heretofore prescribed by the Commission pursuant to the aforesaid bid, 2) direct the return to the bidders of their bid security, when appropriate, and 3) take any and all action necessary or proper to carry out the terms of said bid and of said Contract; and

FURTHER RESOLVED that the Commission hereby authorizes the Executive Director and the Chief Engineer to assign **CDM Smith, Inc.**, of **Cleveland, Ohio**, to Contract No. 43-13-03 for the purpose of performing construction inspection services, and **Professional Service Industries, Inc.** (“PSI”), of **Cleveland, Ohio**, to Contract No. 43-13-03 for the purpose of performing material testing, with such assignments in accordance with the 2013-2014 Miscellaneous Engineering Services Agreements between the Ohio Turnpike Commission and said engineering firms; and

FURTHER RESOLVED that Contract No. 43-13-03 is designated a System Project under the Commission’s 1994 Master Trust Agreement.

Chairman Hruby: You have heard the Resolution, what is the Commission’s pleasure?

Vice Chairman Balog: Motion to adopt.

Chairman Hruby: Moved by Mr. Balog, second?

Secretary Barber: Second.

Chairman Hruby: Second by Mrs. Barber. Are there any questions or comments? Roll call.

Director Hodges: Vice Chairman Balog.

Vice Chairman Balog: Yes.

Director Hodges: Secretary Barber.

Secretary Barber: Yes.

Director Hodges: Chairman Hruby.

Chairman Hruby: Yes.

Director Hodges: Commissioner Murphy.

Mr. Murphy: Yes.

Director Hodges: Four to zero.

OHIO TURNPIKE COMMISSION

Resolution Awarding Contract No. 43-13-03

WHEREAS, the Commission has duly advertised, in accordance with law, an Invitation for Bids upon a Contract for Bridge Deck Repair and Rehabilitation at the Ramp Over the Turnpike at Milepost 161.5; the Ramp Over the Turnpike at Milepost 161.8; and the Ramp Over the Turnpike at Milepost 173.2, located in Cuyahoga and Summit Counties, herein designated Contract No. 43-13-03; and

WHEREAS, expenditures for the award to be made under Contract No. 43-13-03 will exceed \$150,000.00 and, therefore, in accordance with Article V, Section 1.00 of the Commission's Code of Bylaws, Commission action is necessary for said Contract award; and

WHEREAS, the Commission received four bids for the performance of said Contract, and said bids have been reviewed and analyzed by the Commission's Chief Engineer, whose report concerning such analysis is before the Commission; and

WHEREAS, the Chief Engineer reports that the lowest responsive and responsible bid for the performance of Contract No. 43-13-03 was submitted by Schirmer Construction, LLC, of North Olmsted, Ohio, in the total bid amount of \$974,899.00, which bid he recommends be accepted by the Commission; and

WHEREAS, the Commission has also been advised by the General Counsel that bids for Contract No. 43-13-03 were solicited on the basis of the same terms and conditions and the same specifications, that the bid of Schirmer Construction for said Contract conforms to the requirements of Ohio Revised Code Sections 5537.07, 9.312 and 153.54, and that a performance bond with good and sufficient surety has been submitted by Schirmer Construction; and

WHEREAS, the Executive Director has reviewed the reports of the Chief Engineer and the General Counsel and, predicated upon such analysis, concurs with the recommendation to award Contract No. 43-13-03 to the lowest responsive and responsible bidder, Schirmer Construction, LLC; and

WHEREAS, the Commission has duly considered such recommendations.

NOW, THEREFORE, BE IT

RESOLVED that the bid of Schirmer Construction, LLC, of North Olmsted, Ohio, in the total bid amount of \$974,899.00 for the performance of Contract No. 43-13-03 is, and is by the Commission, determined to be the lowest responsive and responsible bid received for the performance of said Contract, and is accepted, and that the Chairperson and Executive Director, or either of them, hereby is authorized to: 1) execute a Contract with said successful bidder in the form heretofore prescribed by the Commission pursuant to the aforesaid bid, 2) direct the return to the bidders of their bid security, when appropriate, and 3) take any and all action necessary or proper to carry out the terms of said bid and of said Contract; and

FURTHER RESOLVED that the Commission hereby authorizes the Executive Director and the Chief Engineer to assign CDM Smith, Inc., of Cleveland, Ohio, to Contract No. 43-13-03 for the purpose of performing construction inspection services, and Professional Service Industries, Inc. ("PSI"), of Cleveland, Ohio, to Contract No. 43-13-03 for the purpose of performing material testing, with such assignments in accordance with the 2013-2014 Miscellaneous Engineering Services Agreements between the Ohio Turnpike Commission and said engineering firms; and

FURTHER RESOLVED that Contract No. 43-13-03 is designated a System Project under the Commission's 1994 Master Trust Agreement.

(Resolution No. 33-2013 adopted June 17, 2013)

Chief Engineer: Mr. Chairman, my next Resolution is to award Contract No. 59-13-05 for the Pavement and Drainage Improvements for the Swanton Maintenance Building located at Mile Post 48.3 in Fulton County, Ohio. This work is included in the 2013 Capital Improvement Plan. Two bids were received for this work and the apparent low bid was submitted by Crestline Paving and Excavating, of Toledo, Ohio, with a bid of \$330,682.70 for the base bid, and \$47,363.95 for the alternate bid, for work that we have contemplated adding if the bids were favorable, for a total of \$378,046.65. As stated, this alternative bid included work that was included as enhancements for the project and if bidding was favorable, we would recommend award. Based upon the favorable pricing received, it is recommended to proceed with both the base and alternate for this project. The bid submitted by Crestline Paving and

Excavating is approximately 12% below the Engineer's Estimate. These bid items were reviewed and no obvious errors or abnormalities were found.

Crestline Paving and Excavating has not previously performed for the Ohio Turnpike Commission, therefore, Engineering performed checks of the references provided in the Bid Documents. They have performed similar work for the City of Toledo, the City of Bowling Green, the City of Perrysburg, as well as ODOT. Crestline Paving and Excavating has received good remarks from all of these agencies, and they are also pre-qualified for this type of work and in good standing with the BWC. Based on previous years' work volume and work presently under contract, Crestline Paving and Excavating has sufficient capacity to perform this Project, and we are recommending award. This Resolution also contains provisions to assign TTL Associates Inc., of Toledo, Ohio, to perform materials testing. If the General Counsel would please read the Resolved.

General Counsel: RESOLVED that the bid of **Crestline Paving & Excavating Co., Inc.**, of **Toledo, Ohio**, in the total bid amount of **\$378,046.65** for the performance of Contract No. 59-13-05 is, and is by the Commission, determined to be the lowest responsive and responsible bid received for the performance of said Contract, and is accepted, and that the Chairperson and Executive Director, or either of them, hereby is authorized to: 1) execute a Contract with said successful bidder in the form heretofore prescribed by the Commission pursuant to the aforesaid bid, 2) direct the return to the bidders of their bid security when appropriate, and 3) take any and all action necessary or proper to carry out the terms of said bid and of said Contract; and

FURTHER RESOLVED that the Commission hereby authorizes the Executive Director and the Chief Engineer to assign **TTL Associates, Inc.**, of **Toledo, Ohio**, to Contract No. 59-13-05 for the purpose of performing materials testing and inspection, with such assignment in accordance with the 2013-2014 Miscellaneous Engineering Services Agreements between the Ohio Turnpike Commission and said engineering firm; and

FURTHER RESOLVED that Contract No. 59-13-05 is designated a System Project under the Commission's 1994 Master Trust Agreement.

Chairman Hruby: Is there a motion?

Vice Chairman Balog: So moved.

Mr. Murphy: Second.

Chairman Hruby: Moved by Mr. Balog and seconded by Mr. Murphy. Is there any discussion? Hearing none, roll call.

Director Hodges: Vice Chairman Balog.

Vice Chairman Balog: Yes.

Director Hodges: Commissioner Murphy.

Mr. Murphy: Yes.

Director Hodges: Chairman Hruby.

Chairman Hruby: Yes.

Director Hodges: Secretary Barber.

Secretary Barber: Yes.

Director Hodges: Four to zero.

OHIO TURNPIKE COMMISSION

Resolution Awarding Contract No. 59-13-05

WHEREAS, the Commission has duly advertised according to law for bids upon a Contract for Pavement and Drainage Improvements at the Swanton Maintenance Building at Milepost 48.3 located in Fulton County, Ohio, herein designated **Contract No. 59-13-05**; and

WHEREAS, expenditures for the award to be made under Contract No. 59-13-05 will exceed \$150,000.00, and, therefore, in accordance with Article V, Section 1.00 of the Commission's Code of Bylaws, Commission action is necessary for said Contract award; and

WHEREAS, the Commission received two bids for the performance of said Contract, and said bids have been reviewed and analyzed by the Commission's Chief Engineer, whose report concerning such analysis is before the Commission; and

WHEREAS, the Chief Engineer reports that the lowest responsive and responsible bid for the performance of Contract No. 59-13-05 was submitted by **Crestline Paving & Excavating Co., Inc., of Toledo, Ohio, in the total base bid amount of \$330,682.70 and alternate bid amount of \$47,363.95 (total bid amount of \$378,046.65)**, which bid he recommends be accepted by the Commission; and

WHEREAS, the Commission has also been advised by the General Counsel that bids for Contract No. 59-13-05 were solicited on the basis of the same terms and conditions and the same specifications, that the bid of Crestline Paving & Excavating for Contract No. 59-13-05 conforms to the requirements of Ohio Revised Code Sections 5537.07, 9.312 and 153.54, and that a performance bond with good and sufficient surety has been submitted by Crestline Paving & Excavating; and

WHEREAS, the Executive Director has reviewed the reports of the Chief Engineer and the General Counsel and, predicated upon such analysis, concurs with the recommendation to award Contract No. 59-13-05 to the lowest responsive and responsible bidder, Crestline Paving & Excavating; and

WHEREAS, the Commission has duly considered such recommendations.

NOW, THEREFORE, BE IT

RESOLVED that the bid of **Crestline Paving & Excavating Co., Inc.**, of **Toledo, Ohio**, in the total bid amount of **\$378,046.65** for the performance of Contract No. 59-13-05 is, and is by the Commission, determined to be the lowest responsive and responsible bid received for the performance of said Contract, and is accepted, and that the Chairperson and Executive Director, or either of them, hereby is authorized to: 1) execute a Contract with said successful bidder in the form heretofore prescribed by the Commission pursuant to the aforesaid bid, 2) direct the return to the bidders of their bid security when appropriate, and 3) take any and all action necessary or proper to carry out the terms of said bid and of said Contract; and

FURTHER RESOLVED that the Commission hereby authorizes the Executive Director and the Chief Engineer to assign **TTL Associates, Inc.**, of **Toledo, Ohio**, to Contract No. 59-13-05 for the purpose of performing materials testing and inspection, with such assignment in accordance with the 2013-2014 Miscellaneous Engineering Services Agreements between the Ohio Turnpike Commission and said engineering firm; and

FURTHER RESOLVED that Contract No. 59-13-05 is designated a System Project under the Commission's 1994 Master Trust Agreement.

(Resolution No. 34-2013 adopted June 17, 2013)

Chief Engineer: Thank you Mr. Chairman. My next Resolution is to award Contract No. 59-13-07 for the Repairs and Resurfacing of the Eastbound and Westbound Roadway between Mile Post 230.35 and Mile Post 236.0 in Mahoning County, Ohio. On May 30, 2013, two bids were received for the above-mentioned project. These bids were evaluated with the apparent low bid being submitted by Shelly & Sands, Inc., of Akron, Ohio, in the

amount of \$5,080,061.50. The bid submitted by Shelly & Sands, Inc., is approximately 7.6% below the Engineer's Estimate. The review of the bid items found no errors or omissions, and all bid items were found to be reasonable based upon the scope of work.

A review of the Financial Statement and Experience Questionnaire submitted by Shelly & Sands, Inc. shows that they have sufficient capacity to perform this project. Furthermore, it should be noted that Shelly and Sands has successfully performed for the Ohio Turnpike Commission in the past. They have also indicated DBE participation in the amount of approximately 10% for this project.

This Resolution also contains provisions to assign ms consultants, inc., of Youngstown, Ohio, to perform construction administration and inspection services, and ACA Engineering, Inc., of Boardman, Ohio, to perform materials testing. If the General Counsel would please read the Resolved.

General Counsel: RESOLVED that the bid of **Shelly & Sands, Inc., of Akron, Ohio**, in the amount of **\$5,080,061.50** for the performance of Contract No. 59-13-07 is, and is by the Commission, determined to be the lowest responsive and responsible bid received for the performance of said Contract, and is accepted, and that the Chairperson and Executive Director, or either of them, hereby is authorized to: 1) execute a Contract with said successful bidder in the form heretofore prescribed by the Commission pursuant to the aforesaid bid, 2) direct the return to the bidders of their bid security when appropriate, and 3) take any and all action necessary or proper to carry out the terms of said bid and of said Contract; and

FURTHER RESOLVED that the Commission hereby authorizes the Executive Director and the Chief Engineer to assign **ms consultants, inc., of Youngstown, Ohio**, to Contract No. 59-13-07 for the purpose of performing construction administration and inspection services, and **ACA Engineering, Inc., of Boardman, Ohio**, for the purpose of performing materials testing, with such assignments in accordance with the 2013-2014 Miscellaneous Engineering Services Agreements between the Ohio Turnpike Commission and said engineering firms; and

FURTHER RESOLVED that Contract No. 59-13-07 is designated a System Project under the Commission's 1994 Master Trust Agreement.

Chairman Hruby: Is there a motion?

Vice Chairman Balog: So moved.

Mrs. Barber: Second.

Chairman Hruby: Moved by Mr. Balog and seconded by Mrs. Barber. Is there any discussion? Hearing none, roll call.

Director Hodges: Vice Chairman Balog.

Vice Chairman Balog: Yes.

Director Hodges: Secretary Barber.

Secretary Barber: Yes.

Director Hodges: Chairman Hruby.

Chairman Hruby: Yes.

Director Hodges: Commissioner Murphy.

Mr. Murphy: Yes.

Director Hodges: Four to zero.

Chief Engineer: Mr. Chairman, before I move on, I would like to revisit something that I believe Commissioner Balog had asked last month regarding the Shelly & Sands Company for Project No. 59-13-03 and their DBE participation. The MBE will be performing 14.5% of that contract, or approximately \$896,000 work of work.

My next Resolution is for authorization to award Project No. 71-13-02 for Engineering and Architectural Design and Construction Administration and Inspection Services for the Portage and Brady's Leap Service Plazas located at Mile Post 199.6 located in Portage County, and the Great Lakes and Towpath Service Plazas located at Mile Post 170.0 in Cuyahoga County, Ohio. In January 2103, the process began to select a design firm for these renovations. Final Letters of Interest were received on January 29, 2013 and, from these, three firms were invited to submit formal proposals, which were received by Procurement on February 26, 2013.

An Evaluation Team consisting of the Assistant Chief Engineer of Structures and Facilities, the Facilities Engineer, and the Highway Engineer evaluated and scored these proposals. Through this process it was determined that Vocon Partners, LLC, of Cleveland, Ohio, had submitted the most qualified and highest ranking proposal. Based on the scope meeting and site visits, Vocon submitted a Fee Proposal for Professional Services on May 10, 2013. This initial proposal was negotiated from \$115,858.00 down to \$97,057.00 and re-submitted for final review on June 5, 2013. The fees include design services for both Phase I and Phase II and include work for both preliminary investigation and design, as well as final design and preparation of Contract Documents. This fee is relatively comparable in cost for those services provided for Commodore Perry/Erie Islands renovations.

It is anticipated that future phases of this Project, including construction administration and inspection, will likely cause this authorization to exceed \$150,000. Therefore, in accordance with Article V Section 1.00 of the Commission Code of Bylaws, expenditures under the Contract will require Commission approval. We are seeking authorization to award Contract No. 71-13-02 to Vocon Partners, LLC, of Cleveland, Ohio, to provide design services for the Service Plazas 6 and 7 in the amount of \$97,057.00 If the General Counsel would please read the Resolved.

General Counsel: RESOLVED that the Commission concurs that **Vocon Partners, LLC, of Cleveland, Ohio**, is most qualified to perform the Engineering Design and Construction Administration Services required under the above-mentioned RFP, and authorizes the Executive Director and the General Counsel to execute a Contract for Project No. 71-13-02 with Vocon, all in accordance with the terms and conditions of the Commission's Request for Proposals, Vocon's response thereto and its ensuing fee proposals therefor.

I would also like to mention that they are currently applying to become certified as a Commission FBE and, also, that their sub-consultant is a Commission Certified MBE as well.

Chairman Hruby: Is there a motion?

Vice Chairman Balog: So moved.

Secretary Barber: Second.

Chairman Hruby: Moved by Mr. Balog and seconded by Mrs. Barber. Is

there any discussion? Hearing none, roll call.

Director Hodges: Vice Chairman Balog.

Vice Chairman Balog: Yes.

Director Hodges: Secretary Barber.

Secretary Barber: Yes.

Director Hodges: Chairman Hruby.

Chairman Hruby: Yes.

Director Hodges: Commissioner Murphy.

Mr. Murphy: Yes.

Director Hodges: Four to zero.

OHIO TURNPIKE COMMISSION

Resolution Authorizing a Contract for Engineering Design and Construction Administration Services for Renovations at the Great Lakes/Towpath and Portage/Brady's Leap Service Plazas in Cuyahoga and Portage Counties (Project No. 71-13-02)

WHEREAS, on January 15, 2013, the Commission published notice of its Request for Proposals ("RFP") for Project No. 71-13-02 seeking Engineering Design and Construction Administration Services relating to the evaluation, recommendation and design of renovations at the Great Lakes and Towpath Service Plazas located in Cuyahoga County and at the Portage and Brady's Leap Service Plazas located in Portage County; and

WHEREAS, on January 29, 2013, Letters of Interest were received from six firms expressing their interest in serving as the Commission's Engineering Design Consultant for this Project, of which three were deemed most qualified and invited to submit proposals in response to the RFP, with responses due on March 1, 2013; and

WHEREAS, on the basis of the proposals received, the Engineering staff concluded that **Vocon Partners, LLC, of Cleveland, Ohio ("Vocon")**, is most qualified to perform the above-mentioned services, and conducted a Scope of Services meeting with said firm to discuss the parties' mutual understanding of the Phase I Services consisting of Preliminary Design and Phase II Services consisting of Final Design and Plan Preparation; and

WHEREAS, Vocon submitted its fee proposal dated June 5, 2013, for Phase I and Phase II Services in the not-to-exceed amount of **\$97,057.00**, which fee proposal has been deemed appropriate and reasonable by the Chief Engineer who, therefore, recommends that the Commission award the Contract for Project No. 71-13-02 to Vocon; and

WHEREAS, total Contract expenditures will eventually exceed \$150,000.00 when subsequent Phase III Construction Administration and Inspection Services are performed and, therefore, in accordance with Article V, Section 1.00 of the Commission's Code of Bylaws, Commission action is necessary for said Contract award; and

WHEREAS, the Commission has been advised by its General Counsel that said RFP selection process and the selection of Vocon conformed with the requirements of Ohio Revised Code Sections 153.65 to 153.71, and that all legal requirements were performed and proposals were solicited on the basis of the same terms and conditions with respect to all respondents and potential respondents; and

WHEREAS, the Executive Director has also reviewed the recommendation submitted by the Chief Engineer and the General Counsel, and concurs that the proposed Contract with Vocon to perform Phase I and Phase II Services for Project No. 71-13-02 should be approved by the Commission; and

WHEREAS, at the time the construction contracts for the renovations of the Great Lakes and Towpath and the Portage and Brady's Leap Service Plazas are awarded, the Commission will be requested to authorize Vocon to perform Phase III Construction Administration and Inspection Services for said construction projects; and

WHEREAS, the Commission has duly considered such recommendations.

NOW, THEREFORE, BE IT

RESOLVED that the Commission concurs that **Vocon Partners, LLC**, of **Cleveland, Ohio**, is most qualified to perform the Engineering Design and Construction Administration Services required under the above-mentioned RFP, and authorizes the Executive Director and the General Counsel to execute a Contract for Project No. 71-13-02 with Vocon, all in accordance with the terms and conditions of the Commission's Request for Proposals, Vocon's response thereto and its ensuing fee proposals therefor.

(Resolution No. 36-2013 adopted June 17, 2013)

Chief Engineer: My next Resolution seeks approval for Project Nos. 71-13-05 and 71-13-06. In March, 2013, the process began to select design firms for Pavement Replacement Design Services for Mainline Pavement Reconstruction for Project Sections at Various Locations on the Ohio Turnpike. In an effort to promote a more efficient and streamlined process for the

acceleration of this program, it was determined to secure the services of two design firms to perform multiple projects over a five-year time frame. This process should also result in a lower overall design cost as we move forward.

Letters of Interest were received from 23 firms on March 14, 2013 and, from these, six firms were invited to submit formal proposals, which were received on April 18, 2013. An Evaluation Team consisting of the Assistant Chief Engineer of Highways & Maintenance and two of his Highway Maintenance Engineers evaluated and scored these proposals. Through this process, it was determined that Glaus, Pyle, Schomer, Burns and DeHaven (dba The GPD Group), of Akron, Ohio, and CT Consultants of Mentor, Ohio, submitted the most qualified and highest ranking proposals.

Each selected firm was provided a project section and was requested to provide a fee proposal to insure a complete understanding of the scope. Each was provided with a similarly sized project, and a scope meeting was conducted with each consultant. On May 17, 2013, Final Fee Proposals were submitted for review. Final negotiations and scope refinements resulted in final Fee Proposals being submitted on May 31, 2013. Both of these proposals are cost comparative and cost competitive with similar projects from previous pavement rehabilitation projects. These proposals are for the mainline pavement rehabilitation and do not include fees for additional work related to bridge and slope repairs that may be required after the investigation is complete. It should be noted that these construction projects will be bid as two-year construction projects, and that fees for Construction Inspection will be secured at a later date. These services will be coordinated with the Construction Manager that is currently undergoing a similar selection process.

Based upon my review and concurrence with the recommendations of the Evaluation Team, I am requesting that Contracts for Pavement Replacement Design Services for the Mainline Pavement Reconstruction for Project Sections at Various Locations on the Ohio Turnpike be entered into with both the GPD Group and CT Consultants. These Contracts would be established to include the assignment of no more than five projects, with each assignment requiring a set fee for services for design and construction inspection in accordance with the requirements of the RFP. The next two Resolutions will seek authorization to enter into the initial Contract as follows:

1. Contract No. 71-13-05, Task 1 & 2: CT Consultants of Mentor, Ohio in the amount of \$350,740.00 for Pavement Reconstruction and Final Design and Construction Documents for the Right Two Lanes and Shoulder Reconstruction from Mile Post 101.20 to Mile Post 107.20 in Sandusky County, Ohio.
2. Contract No. Contract 71-13-06, Task 1 & 2: The GPD Group of Cleveland, Ohio in the amount of \$403,421.00 for Pavement Reconstruction and Final Design and Construction Documents Right Two Lanes and Shoulder Reconstruction from Mile Post 159.80 to Mile Post 164.82 Cuyahoga County, Ohio.

With your permission, if the General Counsel would please read each Resolved.

General Counsel: Thank you Mr. Chairman. I will present you the Resolved first for the CT Consultants Resolution.

RESOLVED that the Commission concurs that **CT Consultants, Inc., of Mentor, Ohio**, is one of the two most qualified firms to perform the Engineering Design and Construction Services for the Mainline Pavement Reconstruction Program at various locations on the Ohio Turnpike as required under the above-mentioned RFP, and authorizes the Executive Director and the General Counsel to execute a Contract for Project No. 71-13-05 with CT Consultants to perform Task 1 and Task 2 Services, all in accordance with the terms and conditions of the Commission's RFP, CT Consultant's response thereto and its ensuing fee proposals therefor.

Would you like to entertain a motion for this one and then move on to the next one?

Chairman Hruby: Yes.

General Counsel: Mr. Chairman, if I may also indicate that CT Consultants proposes to use a firm called Consulting Engineering, Inc. as a MBE sub-consultant on the project.

Chairman Hruby: We are voting on Resolution "05."

Mr. Murphy: Moved.

Vice Chairman Balog: Second.

Chairman Hruby: Moved by Mr. Murphy and seconded by Mr. Balog. Are there any questions or comments? Hearing none, roll call.

Director Hodges: Commissioner Murphy.

Mr. Murphy: Yes.

Director Hodges: Vice Chairman Balog.

Vice Chairman Balog: Yes.

Director Hodges: Chairman Hruby.

Chairman Hruby: Yes.

Director Hodges: Secretary Barber.

Secretary Barber: Yes.

Director Hodges: Four to nothing.

OHIO TURNPIKE COMMISSION

Resolution Authorizing a Contract for Engineering Design and Construction Services for the Mainline Pavement Reconstruction Program at Various Locations on the Ohio Turnpike Commencing with Milepost 101.2 to Milepost 107.2 in Sandusky County (Project No. 71-13-05)

WHEREAS, on February 28, 2013, the Commission published notice of its Request for Proposals ("RFP") seeking Engineering Design and Construction Services from a minimum of two qualified firms for the Mainline Pavement Reconstruction Program at various locations on the Ohio Turnpike, with each Selected Firm simultaneously designing a five to six mile project

section, and the Commission having the option to increase each Selected Firm's scope of services to include up to four additional project sections; and

WHEREAS, on March 14, 2013, Letters of Interest were received from twenty-three firms expressing their interest in serving as an Engineering Design Consultant for the Commission's Mainline Pavement Reconstruction Program, of which six were deemed most qualified and invited to submit proposals in response to the RFP, with responses due on April 18, 2013; and

WHEREAS, on the basis of the proposals received, the Engineering staff concluded that **CT Consultants, Inc., of Mentor, Ohio ("CT Consultants")**, is one of the two most qualified firms to perform the above-mentioned services, and conducted a Scope of Services meeting with said firm to discuss the parties' mutual understanding of the Task 1 Services consisting Preliminary Engineering and Task 2 Services consisting of Final Design and Construction Documentation (excluding bridges, drainage and slopes) within the limitations of the project section from Milepost 101.2 to Milepost 107.2 (Project No. 71-13-05); and

WHEREAS, CT Consultants submitted its fee proposal dated May 31, 2013, for said Task 1 and Task 2 Services in the not-to-exceed amount of **\$350,740.00**, which fee proposal has been deemed appropriate and reasonable by the Chief Engineer who, therefore, recommends that the Commission award the Contract for Project No. 71-13-05 and up to four additional project sections to CT Consultants; and

WHEREAS, Contract expenditures will exceed \$150,000.00 and, therefore, in accordance with Article V, Section 1.00 of the Commission's Code of Bylaws, Commission action is necessary for said Contract award; and

WHEREAS, the Commission has been advised by its General Counsel that said RFP selection process and the selection of CT Consultants conformed with the requirements of Ohio Revised Code Sections 153.65 to 153.71, and that all legal requirements were performed and proposals were solicited on the basis of the same terms and conditions with respect to all respondents and potential respondents; and

WHEREAS, the Executive Director has reviewed the recommendations submitted by the Chief Engineer and the General Counsel, and concurs that the proposed Contract with CT Consultants to perform said Task 1 and Task 2 Services for Project No. 71-13-05 and up to four additional project sections should be approved by the Commission; and

WHEREAS, at the time the construction contract(s) for the mainline pavement reconstruction project from Milepost 101.2 to Milepost 107.2 is/are awarded, the Commission will be requested to authorize CT Consultants to perform Task 3 Construction Phase Services for said construction project(s); and

WHEREAS, at such the time that CT Consultants is recommended to perform Engineering Design and Construction Services under the Mainline Pavement Reconstruction

Program for additional project sections, the Commission will be requested to authorize such additional expenditures for those design projects;

WHEREAS, the Commission has duly considered such recommendations.

NOW, THEREFORE, BE IT

RESOLVED that the Commission concurs that **CT Consultants, Inc., of Mentor, Ohio**, is one of the two most qualified firms to perform the Engineering Design and Construction Services for the Mainline Pavement Reconstruction Program at various locations on the Ohio Turnpike as required under the above-mentioned RFP, and authorizes the Executive Director and the General Counsel to execute a Contract for Project No. 71-13-05 with CT Consultants to perform Task 1 and Task 2 Services, all in accordance with the terms and conditions of the Commission's RFP, CT Consultant's response thereto and its ensuing fee proposals therefor.

(Resolution No. 37-2013 adopted June 17, 2013)

General Counsel: RESOLVED that the Commission concurs that **GPD Group, Inc., of Cleveland, Ohio**, is one of the two most qualified firms to perform the Engineering Design and Construction Services for the Mainline Pavement Reconstruction Program at various locations on the Ohio Turnpike as required under the above-mentioned RFP, and authorizes the Executive Director and the General Counsel to execute a Contract for Project No. 71-13-06 with GPD Group to perform Task 1 and Task 2 Services, all in accordance with the terms and conditions of the Commission's RFP, GPD Group's response thereto and its ensuing fee proposals therefor.

General Counsel: On this one, there is no MBE participation.

Chairman Hruby: Is there a motion?

Secretary Barber: Moved.

Vice Chairman Balog: Second.

Chairman Hruby: Moved by Mrs. Barber and seconded by Mr. Balog. Are there any questions or comments? Mr. Balog.

Vice Chairman Balog: Doug, the CT contract was for approximately six miles. The GPD contract is for five miles, and this contract is 12.5% greater. Is there a difference in the scope of work? Why is there a higher price for a very similar contract, but this one is less mileage than the other?

Chief Engineer: Vice Chairman Balog, while there are similarities in the Projects, under the GPD Contract, there is mainline work, while not bridge and slope repair work, incorporate different traffic details for ingress and egress out of some of the ramp locations, and this one does involve the 161 interchange, which will also require additional signage, as well as MOT requirements that have to be done. The CT contract is a straighter line in a less urban area. This area that we are getting into here with Cleveland is going to be a little more difficult with Exit 161, therefore, the GPD contract has higher design fees. There are also different rate structures for each of the consultants for the engineers that they are applying to the project.

Vice Chairman Balog: Thank you. When we are looking at it, we see a straight line from point “A” to point “B” for both of them. I understand your comments and with the interchange, that will certainly change the complexity of the job.

Chief Engineer: Also, there are different stabilization requirements that have to be taken into account based on the soil conditions and those other factors do play into that as well.

Mr. Murphy: All that makes sense to me, Doug. The other question I have, and I understand consultants all have different rate structures, do you have a capped overhead rate, or do you just take what they give you?

Chief Engineer: Mr. Chairman and Commission Member Murphy, no. We have a capped rate as well. We have them present an audited overhead rate that is usually approved through the Department of Transportation, but we also do have a cap on that structure. We also have certain rates for each individual category of professional that we try cap, and we base that on the market.

Mr. Murphy: Are you using the current rate that we (ODOT) use?

Chief Engineer: Actually, ours is capped at 160% so it is a little bit lower.

Chairman Hruby: Are there any other questions? Hearing none, roll call.

Director Hodges: Secretary Barber.

Secretary Barber: Yes.

Director Hodges: Vice Chairman Balog.

Vice Chairman Balog: Yes.

Director Hodges: Chairman Hruby.

Chairman Hruby: Yes.

Director Hodges: Commissioner Murphy.

Mr. Murphy: Yes.

Director Hodges: Four to nothing.

OHIO TURNPIKE COMMISSION

Resolution Authorizing a Contract for Engineering Design and Construction Services for the Mainline Pavement Reconstruction Program at Various Locations on the Ohio Turnpike Commencing with Milepost 159.8 to Milepost 164.8 in Cuyahoga County (Project No. 71-13-06)

WHEREAS, on February 28, 2013, the Commission published notice of its Request for Proposals (“RFP”) seeking Engineering Design and Construction Services from a minimum of two qualified firms for the Mainline Pavement Reconstruction Program at various locations on the Ohio Turnpike, with each Selected Firm simultaneously designing a five to six mile project section, and the Commission having the option to increase each Selected Firm’s scope of services to include up to four additional project sections; and

WHEREAS, on March 14, 2013, Letters of Interest were received from twenty-three firms expressing their interest in serving as an Engineering Design Consultant for the Commission’s Mainline Pavement Reconstruction Program, of which six were deemed most qualified and invited to submit proposals in response to the RFP, with responses due on April 18, 2013; and

WHEREAS, on the basis of the proposals received, the Engineering staff concluded that **GPD Group, Inc., of Cleveland, Ohio (“GPD Group”)**, is one of the two most qualified firms to perform the above-mentioned services, and conducted a Scope of Services meeting with said firm to discuss the parties’ mutual understanding of the Task 1 Services consisting Preliminary

Engineering and Task 2 Services consisting of Final Design and Construction Documentation (excluding bridges, drainage and slopes) within the limitations of the project section from Milepost 159.8 to Milepost 164.8 (Project No. 71-13-06); and

WHEREAS, GPD Group submitted its fee proposal dated May 31, 2013, for said Task 1 and Task 2 Services in the not-to-exceed amount of **\$403,421.00**, which fee proposal has been deemed appropriate and reasonable by the Chief Engineer who, therefore, recommends that the Commission award the Contract for Project No. 71-13-06 and up to four additional project sections to GPD Group; and

WHEREAS, Contract expenditures will exceed \$150,000.00 and, therefore, in accordance with Article V, Section 1.00 of the Commission's Code of Bylaws, Commission action is necessary for said Contract award; and

WHEREAS, the Commission has been advised by its General Counsel that said RFP selection process and the selection of GPD Group conformed with the requirements of Ohio Revised Code Sections 153.65 to 153.71, and that all legal requirements were performed proposals were solicited on the basis of the same terms and conditions with respect to all respondents and potential respondents; and

WHEREAS, the Executive Director has reviewed the recommendations submitted by the Chief Engineer and the General Counsel, and concurs that the proposed Contract with GPD Group to perform said Task 1 and Task 2 Services for Project No. 71-13-06 and up to four additional project sections should be approved by the Commission; and

WHEREAS, at the time the construction contract(s) for the mainline pavement reconstruction project from Milepost 159.8 to Milepost 164.8 is/are awarded, the Commission will be requested to authorize GPD Group to perform Task 3 Construction Phase Services for said construction project(s); and

WHEREAS, at such time that GPD Group is recommended to perform Engineering Design and Construction Services under the Mainline Pavement Reconstruction Program for additional project sections, the Commission will be requested to authorize such additional expenditures for those design projects;

WHEREAS, the Commission has duly considered such recommendations.

NOW, THEREFORE, BE IT

RESOLVED that the Commission concurs that **GPD Group, Inc., of Cleveland, Ohio**, is one of the two most qualified firms to perform the Engineering Design and Construction Services for the Mainline Pavement Reconstruction Program at various locations on the Ohio Turnpike as required under the above-mentioned RFP, and authorizes the Executive Director and the General Counsel to execute a Contract for Project No. 71-13-06 with GPD Group to perform

Task 1 and Task 2 Services, all in accordance with the terms and conditions of the Commission's RFP, GPD Group's response thereto and its ensuing fee proposals therefor.

(Resolution No. 38-2013 adopted June 17, 2013)

Chief Engineer: My final Resolution is for the award Contract No. 4201 for Furnishing Guardrail Materials. Bid Invitations were received on May 24, 2013 from four bidders for this work with the apparent low bid for Group I, which is for all of the galvanized components of the guardrail, submitted by Gregory Industries, of Canton, Ohio, in the amount of \$174,170.00. The apparent low bid for Group II, which is for all of the blocking material, was submitted by R.G. Steel Corporation, of Pulaski, Pennsylvania, in the amount of \$4,875.00. However, payment of the contract to R.G. Steel within twenty days will provide for a 1% discount reducing the contract amount to \$4,826.25. Both bidders have performed satisfactorily in the past for the Commission and both of these bids are below the Engineer's Estimate for this work. It is recommended to award Group I to Gregory Industries, of Canton, Ohio, in the amount \$174,170.00, and Group II to R.G. Steel Corporation, of Pulaski, Pennsylvania, in the amount of \$4,875.00. With your permission, if the General Counsel would please read the Resolved.

General Counsel: RESOLVED that the bids of **Gregory Industries, Inc.**, of **Canton, Ohio**, for **Group I** of Invitation No. 4201 in the amount of **\$174,170.00**, and of **R. G. Steel Corp.**, of **Pulaski, Pennsylvania**, for **Group II** of Invitation 4201 in the amount of **\$4,875.00**, for the performance of Contract No. 4201 are, and are by the Commission, determined to be the lowest responsive and responsible bids received for the performance of said Contracts, and are accepted, and that the Executive Director and the General Counsel, or either of them, hereby is authorized to: 1) execute a Contract with said successful bidder in the form heretofore prescribed by the Commission pursuant to the aforesaid bid, 2) direct the return to the bidders of their bid security, when appropriate, and 3) take any and all action necessary or proper to carry out the terms of said bid and of said Contract.

Chairman Hruby: Is there a motion?

Vice Chairman Balog: Move to adopt.

Mr. Murphy: Second.

Chairman Hruby: Moved by Mr. Balog and seconded by Mr. Murphy. Are there any questions or comments? Hearing none, roll call.

Director Hodges: Vice Chairman Balog.

Vice Chairman Balog: Yes.

Director Hodges: Commissioner Murphy.

Mr. Murphy: Yes.

Director Hodges: Chairman Hruby.

Chairman Hruby: Yes.

Director Hodges: Secretary Barber.

Secretary Barber: Yes.

Director Hodges: Four to nothing.

OHIO TURNPIKE COMMISSION

Resolution Awarding Contract No. 4201

WHEREAS, the Commission has duly advertised, in accordance with law, an Invitation for Bids upon a Contract for the furnishing of guardrail materials, herein designated **Contract No. 4201**; and

WHEREAS, expenditures for the award to be made under Contract No. 4201 will exceed \$150,000.00 and, therefore, in accordance with Article V, Section 1.00 of the Commission's Code of Bylaws, Commission action is necessary for said Contract award; and

WHEREAS, the Commission received four bids for the performance of Group I and four bids for the performance of Group II for said Invitation, and said bids have been reviewed and analyzed by the Commission's Chief Engineer, whose report concerning such analysis is before the Commission; and

WHEREAS, the Chief Engineer reports that the lowest responsive and responsible bid for the performance of **Group I** under Contract No. 4201 was submitted by **Gregory Industries, Inc.**, of **Canton, Ohio**, in the amount of **\$174,170.00**; and

WHEREAS, the Chief Engineer reports that the lowest responsive and responsible bid for the performance of **Group II** under Contract No. 4201 was submitted by **R. G. Steel Corp.**, of **Pulaski, Pennsylvania**, in the amount of **\$4,875.00**; and

WHEREAS, the Chief Engineer further reports that both Gregory Industries and R.G. Steel Corp. propose to furnish materials in accordance with the specifications, that the amounts bid are below the estimated expenditures for both Groups, and both bidders have furnished similar materials to the Commission in the past and have performed satisfactorily; and he, therefore, recommends that a Contract be awarded to the lowest responsive and responsible bidder for Group I, **Gregory Industries**, in the amount of **\$174,170.00** and to the lowest responsive and responsible bidder for Group II, **R. G. Steel Corp.**, in the amount of **\$4,875.00**; and

WHEREAS, the General Counsel has advised the Commission that both Gregory Industries and R.G. Steel Corp. qualify for consideration under the Commission's "Domestic and Ohio Preference" Policy; and

WHEREAS, the Commission has also been advised by the General Counsel that bids for Contract No. 4201 were solicited on the basis of the same terms and conditions and the same specifications, that the bids of both Gregory Industries and R. G. Steel Corp. for Contract No. 4201 conform to the requirements of Ohio Revised Code Sections 5537.07 and 9.312 and that a bid security in the form of a cashier's check has been submitted by both Gregory Industries and R. G. Steel Corp.; and

WHEREAS, the Executive Director has reviewed the reports of the Chief Engineer and the General Counsel and, predicated upon such analysis, concurs with the recommendation to award the Contract for Group I of Invitation 4201 to the lowest responsive and responsible bidder, Gregory Industries, Inc. and award the Contract for Group II of Invitation 4201 to the lowest responsive and responsible bidder, R. G. Steel Corp.; and

WHEREAS, the Commission has duly considered such recommendations.

NOW, THEREFORE, BE IT

RESOLVED that the bids of **Gregory Industries, Inc.**, of **Canton, Ohio**, for **Group I** of Invitation No. 4201 in the amount of **\$174,170.00**, and of **R. G. Steel Corp.**, of **Pulaski, Pennsylvania**, for **Group II** of Invitation 4201 in the amount of **\$4,875.00**, for the performance of Contract No. 4201 are, and are by the Commission, determined to be the lowest responsive and responsible bids received for the performance of said Contracts, and are accepted, and that the Executive Director and the General Counsel, or either of them, hereby is authorized to: 1) execute a Contract with said successful bidder in the form heretofore prescribed by the

Commission pursuant to the aforesaid bid, 2) direct the return to the bidders of their bid security, when appropriate, and 3) take any and all action necessary or proper to carry out the terms of said bid and of said Contract.

(Resolution No. 39-2013 adopted June 17, 2013)

Chief Engineer: Mr. Chairman, that completes my report this morning.

Chairman Hruby: Mr. Hedrick, you and your staff are very busy, and we thank you for all of your good work in keeping the maintenance up on the Turnpike.

Director Hodges: Mr. Chairman, if I may add, we have awarded a number of contracts with DBE participation this morning, and I know that has been an important priority for the Commission and, in particular, Mr. Dixon. We take that very seriously. I appreciate staff reaching out to DBE firms to try and figure out any barriers they have to competing. We do not have a quota system, but we do try to remove barriers to fair competition. I hope this is the beginning of that bearing fruit. I know it has been a long standing goal and, hopefully, we are making progress on that.

Chairman Hruby: We appreciate that very much. Next, is our CFO/Comptroller, Marty Seekely.

CFO/Comptroller: Good morning Commission Members. I have an update on our Traffic and Revenue, a review of our financial results through the month of May and one Resolution for your consideration.

This first chart shows the monthly passenger car miles traveled on the Ohio Turnpike over the past two years. Passenger car vehicle miles traveled in May were 4.7% higher than last year. Commercial traffic continues to rebound from the recession and, as a result, commercial vehicle miles traveled in May were 2.8% higher than last year. The increase in passenger car miles traveled combined with an increase in *E-ZPass* use caused passenger car toll

revenue in May to increase 3.5% from May of last year. The increase in commercial vehicle miles traveled resulted in a 2.1% increase in Commercial vehicle toll revenue for the month of May over last year.

This chart shows the year-to-date toll revenues through the month of May during each year over the past decade. Toll revenues for the first five months of this year were \$638,000 or .7% above the amount from last year. If you subtract February 29th from last year's total, total toll revenues are up \$1.3 million, or 1.4% over last year.

This report shows the actual and budgeted revenues, expenditures and transfers for the General Fund for the first nine months of the year. Total revenues for the first five months of the year are \$1.7 million, or 1.7% above budget, and \$600,000, or .6% above last year. Almost all of the revenue increase is due to the increase in toll revenues.

Expenditures for the first five months of the year, including debt service payments, were \$3.8 million, or 5.2% lower than budgeted, and this year's budget is \$2.4 million less than last year's budget at this time, and \$4.0 million, or 5.4% lower than last year.

Most of these savings under the budget are related to lower toll collector and maintenance salary expense, lower utility costs, lower health insurance expense, lower workers' compensation expense and lower compensated absence costs. These lower costs were partially offset by the higher snow and ice removal costs this year.

After paying our Operating Expenses and Debt Service, the balance of the revenue is used to fund our 2013 Capital Expenditures. \$35.2 million was transferred to our Capital Funds in the first five months of the year, which is \$5.3 million higher than budget.

The last three lines show the transfer of \$49.2 million from the General Reserve and Non-Trust Funds to the Debt Service Reserve that we made to cover the downgrade in the Assured Guaranty credit facility earlier this year.

That completes my report on Traffic and Revenue and our Operating results through the month of May. If there are no questions, I have one Resolution for your consideration.

Chairman Hruby: Are there any questions? No? Please proceed.

CFO/Comptroller: Our Master Trust Agreement requires that we perform a mid-year review of our financial condition and certify to our Trustee, The Huntington National Bank, that projected revenues for the year will be sufficient to meet our obligations under the Master Trust Agreement.

Our 2012 pledged revenues are shown at the top of this slide. The data in the first column on the bottom of this slide shows our actual pledged revenues of \$104.3 million for the first five months of this year. Based on the most recent toll revenue projection from Jacobs Engineering, our Traffic Consultant, I have estimated the pledged revenues for the last seven months of 2013 at about \$169 million. This yields estimated gross pledged revenues for calendar year 2013 of \$273 million.

The calculations on the next slide demonstrate that, based on our projected pledged revenues for 2013, we expect to meet all three requirements under Section 4.04 of the Master Trust Agreement.

The first requirement is that our estimated gross pledged revenues exceed the sum of our budgeted operating, maintenance and administrative costs, plus the required deposit to the Expense Reserve Account.

The second requirement is that our estimated net System Pledged Revenues exceed the sum of our annual Debt Service requirement plus the Renewal and Replacement requirement.

The third and final requirement is that our estimated Debt Coverage Ratio equal at least 120%. This ratio is required to be at least 150% in the year before the issuance of additional bonds. In addition, the Commission has, by Resolution, established its intent to always maintain a ratio of at least 150%. A Debt Coverage Ratio of at least 200% is generally recognized as a threshold needed to help maintain our double-A credit rating. The projected debt coverage ratio of 289% satisfies the current requirement under our Master Trust Agreement.

There is a proposed resolution in your materials entitled, "Resolution Concerning the Financial Condition of the Commission" and, with your permission Mr. Chairman, I would like to ask our General Counsel to please read the Resolved.

General Counsel: RESOLVED that the Commission, having reviewed the analysis prepared by the CFO/Comptroller, determines that there will be sufficient Gross Revenues for fiscal year 2013 together with Series Payments, Additional System Payments and Supplemental Payments to meet the requirements of §4.04(a) of the Trust Agreement, and hereby authorizes and directs the CFO/Comptroller to issue a certificate required by §4.04(b) of the Trust Agreement; and

FURTHER RESOLVED that copies of such certification and a certified copy of this resolution shall be transmitted to the trustee and the rating agencies, and shall be available to any interested party.

Chairman Hruby: I move adoption. Is there a second?

Vice Chairman Balog: Second.

Chairman Hruby: Moved and seconded. Are there any questions or comments?

Mr. Kauffman: Mr. Chairman, just to note for the General Counsel and Chief Financial Officer, I believe that after the first "Whereas," the section referenced to as §4.04(a), I believe that should be "b" there, Kathy. I believe the other references are correct.

General Counsel: We will go ahead and make that correction. Thank you.

Chairman Hruby: Marty, any comment? Would you agree with that?

CFO/Comptroller: I would agree with that, yes.

Chairman Hruby: Are there any other questions or comments? Hearing none,
roll call.

Director Hodges: Chairman Hruby.

Chairman Hruby: Yes.

Director Hodges: Vice Chairman Balog.

Vice Chairman Balog: Yes.

Director Hodges: Secretary-Treasurer Barber.

Secretary Barber: Yes.

Director Hodges: Commissioner Murphy.

Mr. Murphy: Yes.

Director Hodges: Four to nothing.

OHIO TURNPIKE COMMISSION

Resolution Concerning the Financial Condition of the Commission

WHEREAS, §4.04(b) of the Master Trust Agreement (“Trust Agreement”) between the Commission and The Huntington National Bank, as trustee, as amended and restated dated April 8, 2013, requires that on or before July 31 of each year, the Commission shall complete a review of its financial condition for the purpose of estimating whether the Gross Revenues for such Fiscal Year will be sufficient to provide, together with Series Payments, Additional System Payments and Supplemental Payments, the amounts specified in §4.04(a) of the Trust Agreement; and

WHEREAS, the Commission’s CFO/Comptroller has analyzed the Commission’s financial condition and has advised the Commission that, on the basis of his analysis, the Commission’s revenues for fiscal year 2013 will be sufficient to meet the requirements of §4.04(a) of the Trust Agreement, and he has set forth a detailed statement of the actual and estimated Gross Revenues, Series Payments, Additional System Payments and Supplemental Payments; and

WHEREAS, a certification of same is before the Commission.

NOW, THEREFORE, BE IT

RESOLVED that the Commission, having reviewed the analysis prepared by the CFO/Comptroller, determines that there will be sufficient Gross Revenues for fiscal year 2013 together with Series Payments, Additional System Payments and Supplemental Payments to meet the requirements of §4.04(a) of the Trust Agreement, and hereby authorizes and directs the CFO/Comptroller to issue a certificate required by §4.04(b) of the Trust Agreement; and

FURTHER RESOLVED that copies of such certification and a certified copy of this resolution shall be transmitted to the trustee and the rating agencies, and shall be available to any interested party.

(Resolution No. 40-2013 adopted June 17, 2013)

Chairman Hruby: Marty, is there anything else?

CFO/Comptroller: That completes my report, Mr. Chairman.

Chairman Hruby: Next, the report of our General Counsel, Kathleen Weiss.

General Counsel: Thank you Mr. Chairman and Commission Members. I have two Resolutions for you to consider this morning. The first one is the Amendment to the Commission's Code of Bylaws. Last month you will recall that I provided Commission Members with a draft of changes to the Bylaws that I had hoped you have had a chance to review. I did have an opportunity to speak with the Chairman and go through all of the Bylaws, and there are just very minor changes to what you saw last month in the draft that is before you today. I would like to take you through those changes, which are attached to the Resolution and are redlined. Of course, the name change to the "Ohio Turnpike and Infrastructure Commission" is incorporated in Article I, Section 1 and any other applicable sections thereafter.

In Section 2, entitled "The Chairperson," there is the clarification that the Chairperson sets the compensation terms and conditions of employment for the Executive Director.

In Article II, Section 1, Quorum for Public Meetings, this section establishes that four voting Members are required for a quorum. This will be effective July 1, 2013, with the new statutory changes to the Ohio Revised Code §5537.02.

Article II, Section 5, Public Notice of Meetings, contains basically a clean-up change that allows delivery of notices by electronic mail or facsimile concerning our Board Meetings.

We added Section 7, “Actions by the Commission.” It was my feeling that the Bylaws should refer back to the statute and that the powers and duties that you act upon are flowing from the statutes, so there is reference there to Chapter 5537 of the Ohio Revised Code.

Concerning Article III, Section 1, the Official Seal, I am going to pass around a depiction of what we are planning to recommend to the Board at next month’s meeting, but the Bylaws do refer to the Official Seal that the Commission must adopt and, in July, once we have been formally renamed as the “Ohio Turnpike and Infrastructure Commission,” our Seal will also have to change. The depiction that is before you basically changes our name to “The Ohio Turnpike and Infrastructure Commission.” We have had to remove the word “Seal” at the bottom next to “1949” because of the length of the name. The other major change that is featured here is that the 19th Century era toll gate, which is evident on our current Seal with the wagon and old toll gate has been updated to a 1950’s era toll gate thus bringing us forward to the Turnpike Commission that was enacted in the 1950’s and, then moving forward to today as the “Ohio Turnpike and Infrastructure Commission.” This is what is going to be recommended to you, and it is described with particularity within the Code of Bylaws. The language that you see there reflects these changes.

Article V is the only other section that had changes. This is the section that deals with the Executive Director’s authority. It clarifies that the Executive Director reports to the

Chairperson on the day-to-day operations of the Commission, and it requires the Executive Director to report annually to the Commission Members concerning the ongoing review and update of the Commission's Standard Operating Procedures. The Director, in his report earlier, referenced our Strategic Planning and one of the critical issues identified by the Executive Staff as needing constant attention is that our Standard Operating Procedures should be reviewed annually, so you will receive a report as a result of this Bylaw on an annual basis.

Article V also clarifies that the Executive Director may participate in shared services and cooperative purchasing contracts of the State of Ohio and other localities. Previously, there have been Resolutions brought before this Board where our ability to participate in the DAS Cooperative Purchasing Program were authorized and the ODOT Cooperative Purchasing Program. This just formalizes the requirement that such purchases over a \$150,000 will still be brought before the Board. Lastly, it clarifies that contracts over \$150,000, regardless of duration, will be brought before the Commission for approval. I think you have started to see our practice here with Mr. Hedrick bringing the consulting contracts before you even before they get to that \$150,000 threshold because we know that ultimately they will exceed \$150,000, so we are bringing them to you at the onset.

Upon your approval of this Resolution, updated Bylaws will be reproduced and circulated to all Commission Members, and I, of course, would be happy to answer any questions you may have today.

Chairman Hruby: Will you read the Resolved first.

General Counsel: RESOLVED that the Commission hereby adopts the draft of the amended Code of Bylaws entitled, "Ohio Turnpike and Infrastructure Commission, Code of Bylaws," which is hereto attached and made a part hereof, the same to be effective July 1, 2013.

Secretary Barber: So moved.

Chairman Hruby: Moved by Mrs. Barber. Is there a second?

Vice Chairman Balog: Seconded by Vice Chairman Balog. Are there any questions or comments? Hearing none, roll call.

Director Hodges: Secretary-Treasurer Barber.

Secretary Barber: Yes.

Director Hodges: Vice Chairman Balog.

Vice Chairman Balog: Yes.

Director Hodges: Chairman Hruby.

Chairman Hruby: Yes.

Director Hodges: Commissioner Murphy.

Mr. Murphy: Yes.

Director Hodges: Four to nothing.

OHIO TURNPIKE COMMISSION

Resolution Amending the Commission's Code of Bylaws

WHEREAS, the Commission has heretofore, by Resolution No. 56-1955, adopted a Code of Bylaws and has on numerous occasions since that time amended and revised said Code of Bylaws; and

WHEREAS, legislation in the form of Am. Sub. H.B. 51 ("H.B. 51") was recently adopted by the 130th General Assembly making comprehensive changes to the Ohio Turnpike Act that will take effect on July 1, 2013; and

WHEREAS, among the notable changes in H.B. 51 are the change of the name of the Ohio Turnpike Commission to the "Ohio Turnpike and Infrastructure Commission," the addition of two appointed voting members to the Board and the requirement that four voting members be present to constitute a quorum for the purpose of conducting Commission business; and

WHEREAS, the General Counsel has advised that the passage of these and other changes to the Ohio Turnpike Act thereby necessitate that provisions in the Code of Bylaws affected by the amendments contained in H.B. 51 shall likewise be amended; and

WHEREAS, the most recent revision of the Bylaws was accomplished on March 17, 2003, pursuant to Resolution No. 11-2003; and

WHEREAS, there is before this body a “draft” of amendments proposed to the Code of Bylaws incorporating the changes necessitated by the passage of H.B. 51, which draft also contains other updates to the Bylaws that this body has had the opportunity to review and comment upon; and

WHEREAS, the Commission desires to adopt the pending draft of the amendments to the Code of Bylaws in lieu of, and in substitution for, the Code of Bylaws most recently adopted on March 17, 2003.

NOW, THEREFORE, BE IT

RESOLVED that the Commission hereby adopts the draft of the amended Code of Bylaws entitled, “**Ohio Turnpike and Infrastructure Commission, Code of Bylaws,**” which is hereto attached and made a part hereof, the same to be effective July 1, 2013.

(Resolution No. 41-2013 adopted June 17, 2013)

General Counsel: Thank you Mr. Chairman and Commission Members. I have one other Resolution for your review this morning. This next Resolution is with respect to the final filing of the Commission’s Administrative Rules. The Commission has previously adopted Administrative Rules for the control and regulation of traffic, operation of vehicles, collection of tolls and for the protection and preservation of property under its jurisdiction in accordance with Administrative Code Sections 5537-1-01 through 5537-9-05 and, in fact, the Commission currently has 42 total Administrative Rules. You will recall that last year I presented Resolution No. 24-2012 indicating that we conducted a review of all of our Rules. We found that, since the implementation of *E-ZPass* in 2009, several of the toll collection rules required updating. Just to give you one example, there is a rule that previously said that each driver must stop at a toll booth and take a ticket. Naturally, since 2009 and the implementation of *E-ZPass*, that is not always the case. So that is an example of a rule that required updating. The Rules needed to be modified to conform to other changes that have also occurred on the toll road. We did, at the

time *E-ZPass* was implemented, adopt specific rules for the collection of electronic tolls, but we did not go back and amend some of those subtle rules that needed to be changed.

We also drafted a new Rule concerning excess time movements on the Turnpike geared towards addressing a ticket kiting scheme that had been uncovered by reports generated by the new electronic toll collection system. The new Rule permits the Commission to determine the maximum amount of time that a vehicle may remain on the toll road during one fared trip.

In addition, every five years, pursuant to Sections 111.15 and 119.032 of the Ohio Revised Code, the Commission is required to conduct a review of all of our Administrative Rules. In conducting that review, we found several additional rules that require technical updates, reclassification for gender, and we have added some new definitions relating to the toll collection system.

All of the Amended Rules and the new Rules are in the packet that is attached to this Resolution, which is partially why your folders are so thick. Also, enclosed with your materials are the “No Change” Rules that we identified that are exclusive of our Confidentiality Rules. The Board Members may recall that we had adopted the Confidentiality Rules in 2010 commonly referred to as the “Joe the Plumber Rules” about accessing confidential and personal information of individuals, but they did not require review since they are not yet five years old.

One of the Rules dealing with toll evasion is not in this package because we intend to present a separate amendment to that Rule as well as a new amendment to account for the recently allowed free passage for clearly marked military vehicles. Also, the new Infrastructure Project Funding Rule will be brought back before the Board at the August meeting.

All of these Rules were filed in accordance with Section 111.15 with the Joint Committee on Agency Rule Review (JCARR,) and they have now been approved for filing in final form and

they have gone through that process with great success. We have had no questions asked of us. We also put them through the Common Sense Initiative Review. We did make one technical change to a Rule at the request of JCARR.

Therefore, before you today are 12 Amended Rules, one new Rule and 23 No Change Rules for approval for filing in final form with JCARR, the Secretary of State and the Legislative Service Commission. With your permission, I will read the Resolved.

Chairman Hruby: Please.

General Counsel: RESOLVED, that the Commission hereby authorizes the Executive Director and General Counsel to submit the following rules in final form to JCARR, the Legislative Service Commission and the Secretary of State: 1) twelve amendments to Sections 5537-1-01, 5537-2-03, 5537-2-11, 5537-2-17, 5537-2-20, 5537-2-21, 5537-3-01, 5537-3-05, 5537-4-01, 5537-4-03, 5537-5-02 and 5537-7-01 of the Ohio Administrative Code, 2) one new rule 5537-4-06, and 3) twenty-three No Change Rules identified hereinabove all in accordance with Sections 111.15 and 119.032 of the Ohio Revised Code.

Chairman Hruby: Is there a motion?

Vice Chairman Balog: Moved.

Secretary Barber: Second.

Chairman Hruby: Moved by Mr. Balog and seconded by Mrs. Barber. Are

there any questions or comments? Hearing none, roll call.

Director Hodges: Vice Chairman Balog.

Vice Chairman Balog: Yes.

Director Hodges: Secretary-Treasurer Barber.

Secretary Barber: Yes.

Director Hodges: Chairman Hruby.

Chairman Hruby: Yes.

Director Hodges: Commissioner Murphy.

Mr. Murphy: Yes.

Director Hodges: Four to nothing.

OHIO TURNPIKE COMMISSION

Resolution Authorizing the Final Filing of Updated Administrative Rules for the Collection of Tolls and other Miscellaneous Rule Changes with the Joint Committee on Agency Rule Review

WHEREAS, the Commission has previously adopted administrative rules for the control and regulation of traffic, operation of vehicles, the collection of tolls and for the protection and preservation of property under its jurisdiction in accordance with the authority granted to it under Section 5537.16 of the Ohio Revised Code, as promulgated in the provisions of Sections 5537-1-01 through 5537-9-05 of the Ohio Administrative Code; and

WHEREAS, in May 2012, the General Counsel advised the Commission that the administrative rules governing the collection of tolls were reviewed and, due to the implementation of the new Toll Collection System with electronic tolling, said rules require updating as well as the promulgation of one new rule; and

WHEREAS, the General Counsel further advised the Commission that, as a result of the periodic administrative rule review required every five years pursuant to the requirements set forth in Sections 111.15 and 119.032 of the Ohio Revised Code, several other rules were identified as requiring minor revisions; and

WHEREAS, the Commission adopted Resolution No. 24-2012 authorizing the Executive Director and General Counsel to initiate the process of: 1) submitting proposed amendments to Sections 5537-1-01, 5537-2-03, 5537-2-11, 5537-2-17, 5537-2-20, 5537-2-21, 5537-3-01, 5537-3-05, 5537-4-01, 5537-4-03, 5537-7-01 of the Ohio Administrative Code, 2) submitting a proposed new rule 5537-4-06, and 3) submitting its remaining “No Change Rules,” in order to comply with the statutory rule-making requirements imposed by the Joint Committee on Agency Rule Review (“JCARR”), all in accordance with Sections 111.15 and 119.032 of the Ohio Revised Code; and

WHEREAS, in submitting the rules to JCARR, it was determined that several of the rules also required the review of the newly enacted Common Sense Initiative (“CSI”) in accordance with Ohio Revised Code Section 107.54, to ensure that there was an opportunity for comment by any stakeholder groups that might experience an “adverse business impact” as a result of the existing or new rule; and

WHEREAS, once the CSI signed off, the proposed amendments to 5537-1-01, 5537-2-03, 5537-2-11, 5537-2-17, 5537-2-20, 5537-2-21, 5537-3-01, 5537-3-05, 5537-4-01, 5537-4-03, 5537-5-02, and 5537-7-01 of the Ohio Administrative Code and new rule 5537-4-06 were filed

in proposed form with JCARR in accordance with Section 111.15 of the Ohio Revised Code, which has now heard the rules and approved the amended administrative rules and one new rule; and

WHEREAS, twenty-three other administrative rules previously adopted by the Commission in accordance with Section 5537.16 of the Ohio Revised Code that have been identified as not requiring revision were also filed with JCARR and approved as “No Change Rules” (5537-2-01, 5537-2-02, 5537-2-04, 5537-2-05, 5537-2-06, 5537-2-07, 5537-2-08, 5537-2-09, 5537-2-10, 5537-2-12, 5537-2-13, 5537-2-14, 5537-2-15, 5537-2-16, 5537-2-18, 5537-2-19, 5537-3-02, 5537-3-03, 5537-3-04, 5537-3-06, 5537-5-01, 5537-6-01, 5537-8-01), and one rule (5537-5-02) was identified by JCARR as requiring a technical amendment; and

WHEREAS, having performed all of the statutory requirements, it is now time for the Commission to file all of the aforementioned rules in final form with JCARR, the Legislative Service Commission and the Secretary of State, and the Commission concurs that these actions should be taken.

NOW, THEREFORE, BE IT

RESOLVED, that the Commission hereby authorizes the Executive Director and General Counsel to submit the following rules in final form to JCARR, the Legislative Service Commission and the Secretary of State: 1) twelve amendments to Sections 5537-1-01, 5537-2-03, 5537-2-11, 5537-2-17, 5537-2-20, 5537-2-21, 5537-3-01, 5537-3-05, 5537-4-01, 5537-4-03, 5537-5-02 and 5537-7-01 of the Ohio Administrative Code, 2) one new rule 5537-4-06, and 3) twenty-three “No Change Rules” identified hereinabove all in accordance with Sections 111.15 and 119.032 of the Ohio Revised Code.

(Resolution No. 42-2013 adopted June 17, 2013)

General Counsel: Thank you Mr. Chairman. That concludes my report.

Chairman Hruby: Thank you very much. We will move on to the report of our Financial Advisor, Scott Trommer.

Mr. Trommer: Nothing to report, Mr. Chairman.

Chairman Hruby: Our General Consultant, Scott Buchanan.

Mr. Buchanan: No report, Mr. Chairman.

Chairman Hruby: Thank you. Next, our Ohio State Highway Patrol, Captain Hannay.

Capt. Hannay: No report, Mr. Chairman.

Chairman Hruby: That is good. If there are no more reports, I think it is time to let you speak one more time.

Director Hodges: I just want to invite everyone in celebrating this new era. We have cake in the Caucus Room saying goodbye to the Ohio Turnpike Commission and hello to the Ohio Turnpike and Infrastructure Commission. We also have these Commemorative medallions for folks.

Chairman Hruby: Is there anything further? The next Commission Meeting under the name of “Ohio Turnpike and Infrastructure Commission” will take place on Monday, July 15, 2013, at 10:00 a.m. If there is no further business, I will move to adjourn.

Vice Chairman Balog: Second.

Chairman Hruby: All in favor signify by saying “aye.” All Commission members say “aye.” The Ohio Turnpike Commission for the last time is adjourned. Thank you very much for your attendance.

Attendees for Record Keeping Purposes:

Ryan Kozak, PFM; Scott Trommer, PFM; Dan Cohan, CITI; Dick Boylan, RLB Group; Toby S. Fritz, Hill Int’l.; Vic Spinabelli, Hill, Int’l.; Scott Buchanan, URS; Chris Neal, HMS; Tom Parevosnik, IUOE Local 18; Hamid Momaee, Transystems; Glen L. Stephens, GStephens; Greg Stype; Tom Breckenridge, *The Plain Dealer*; Rick Gobeille, Jacobs; Russ Cavtelli, Mannik/Smith; Steve Faulkner, ODOT; Jennifer Townley, ODOT; Scott Buchanan, URS; Capt. Roger Hannay, OSHP; Marty Seekely, Ohio Turnpike; Robin Carlin, Ohio Turnpike; Doug Hedrick, Ohio Turnpike; Kathleen Weiss, Ohio Turnpike; Lisa Mejac, Ohio Turnpike; Mark Musson, Ohio Turnpike; Donna Fritz, Ohio Turnpike; Jennifer Diaz, Ohio Turnpike; Lauren Hakos, Ohio Turnpike; Sharon Isaac, Ohio Turnpike; Dave Miller, Ohio Turnpike.

Time of adjournment: 11:22 a.m.

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

Sandra K. Barber, Secretary-Treasurer