

MINUTES OF THE 561st MEETING OF THE OHIO TURNPIKE COMMISSION
June 21, 2010

Chairman: (10:10 a.m.) The meeting will come to order. Will the Assistant Secretary-Treasurer please call the roll?

Assistant Secretary-Treasurer: Chairman Balog

Mr. Balog: Here

Assistant Secretary-Treasurer: Mr. Regula

Mr. Regula: Here

Assistant Secretary –Treasurer: Mr. Dixon

Mr. Dixon: Here

Assistant Secretary-Treasurer: Mr. Kidston

Mr. Kidston: Here

Assistant Secretary-Treasurer: Ms. Teeuwen

Ms. Teeuwen: Here

Assistant Secretary-Treasurer: Nikos Kaplanov

Nikos Kaplanov: Here

Assistant Secretary-Treasurer: Ed Jerse

Ed Jerse: Here

Assistant Secretary-Treasurer: Senator Patton

Senator Patton: Here

Assistant Secretary-Treasurer: Representative Hagan is not here.

Chairman: Thank you. Representative Hagan's office called and said he would not be here today. We presently have in the audience Paul DiNapoli, who will be the new Representative from the Ohio Budget and Management Office and he's in the audience today. We have a number of guests here today and in keeping with past practices I'd like everyone to introduce themselves:

Those in attendance: Martin Seekely, CFO/Comptroller, Ohio Turnpike; David Miller, Director of Internal Audit, Ohio Turnpike; Eric Erickson, Fifth Third Securities; Heidi Jedel, Executive Office, Ohio Turnpike; Debby Sideris, Ohio Turnpike; Kathy Weiss, Director of Contracts Administration, Ohio Turnpike; Bobby Everhart, URS; Tom Stora, URS; Neal Gresham, URS; Paul DiNapoli, Ohio Office of Budget and Management; Roger Hannay, Ohio State Highway Patrol; Joseph Disantis, Right of Way Coordinator/Risk Management Coordinator, Ohio Turnpike; Doug Hedrick, Assistant Chief Engineer, Ohio Turnpike; Tim Ujvari, Maintenance Engineer, Ohio Turnpike; Dan Blank, RBC Capital Mortgage; John Lee, RBC Capital Mortgage; John Rettig, Sandusky County Commissioner; Mark Schwartz, Sandusky County Engineer; Kim Foreman, Sandusky County Engineer; Jim Moyer, Sandusky County Engineer; Andrea Plassard, Walthall, Drake & Wallace; Carol Zanin, CFO/Comptroller's Office, Ohio Turnpike; Todd Cooper, dck north america; Dennis Avery, G. Stephens; Chris Hopkins, Key Bank; Mike Guerino, Valley Freightliner; Sam Khorshidi, Resource International; Tom James, IUOE #18; Ken McGlashan, IUOE Local 18; Frank Lamb, Huntington Bank; Daniel Van Epps, West Virginia University; Bill Daly, Morgan Stanley; Chuck Peck, Morgan Stanley; John Frola, ct consultants; Lauren Hakos, Public Affairs & Marketing Manager, Ohio Turnpike; Jennifer Diaz, Legal Department, Ohio Turnpike.

Chairman: Thank you. This is the 561st meeting of the Ohio Turnpike Commission. We are meeting here at the Commission's headquarters as provided for in the Commission's Code of Bylaws for a Regular Meeting. Various reports will be received and we will act on several resolutions, draft copies have previously been provided to the Members and updated drafts are in the Members' folders. The resolutions will be explained during the appropriate reports. May I have a motion to adopt the minutes of the May 3, 2010 Commission Meeting?

Mr. Dixon: So moved.

Chairman: Is there a second?

Mr. Regula: Second.

Chairman: Questions or corrections to the minutes? Please call the roll.

Assistant Secretary-Treasurer: Chairman Balog

Mr. Balog: Yes

Assistant Secretary-Treasurer: Mr. Regula

Mr. Regula: Yes

Assistant Secretary-Treasurer: Mr. Dixon

Mr. Dixon: Yes

Assistant Secretary-Treasurer: Mr. Kidston

Mr. Kidston: Yes

Assistant Secretary-Treasurer: Ms. Teeuwen

Ms. Teeuwen: Yes

Chairman: If there are no questions, we will proceed with the report of the Secretary-Treasurer, Mr. Dixon.

Secretary-Treasurer: Thank you, good morning Mr. Chairman. The following items have been sent to the Members since the last scheduled meeting of the Commission on May 3, 2010 as listed:

1. Minutes of the May 3, 2010 Commission Meeting
2. Traffic and Revenue Report, April, May, 2010
3. Total Revenue by Month and Year, April, May, 2010
4. Investment Report, April, May, 2010
5. Traffic Crash Summary Report, April, May 2010
6. Financial Statement, April, May, 2010

That completes my report Mr. Chairman. If there are any questions I'd be glad to try and answer them.

Chairman: Any questions or comments for the Secretary-Treasurer? Thank you Mr. Dixon. Report of the Executive Director.

Executive Director: Thank you Mr. Chairman, Commission Members. I'm happy to introduce you today to our new CFO/Comptroller Mr. Martin Seekely. After an extensive advertisement twice in the Plain Dealer, in the Columbus Dispatch, through the Government Finance Officers Association and The Municipal League, we're happy to introduce Mr. Seekely as our new Comptroller. We conducted over eighteen interviews. We offered the job and Mr. Seekely accepted the position and has now been with us for four weeks. Marty brings with him nearly thirty years of experience in finance, working last as a CFO/Comptroller for Pharmor. He is a member of the American Institute of CPA's, the Ohio Society of CPA's, as I said he's been on board for four weeks. He will provide today's Traffic and Revenue Report and I'd like you to welcome Marty to our Turnpike team.

Mr. Chairman, Members of the Commission, last week we did a mid-year bond rating with Standard and Poor, we don't have the results of that just yet, we're anxiously waiting. We made our presentation I believe last week, Wednesday or Thursday. We were informed on Friday that Moody's would like to do the same and we're expecting to have that conference call

with Moody's today and once we do we reaffirm or upgrade our bond rating I will certainly let you know. Also, I want to make note that in your folders today you have our 2009 Comprehensive Annual Financial Report. Our financial audit team of Ciuni and Panichi completed their audit of 2009 and sent that audit to the state auditor. We received a letter on the 2nd of June from the State Auditor indicating that they have completed and accepted our report and that it requires no modification. The CAFR has now been distributed to all those statutory members per statute and they will have it before the first of the year. I couldn't have done this obviously, everybody knows we've had some trying times here with Jim Steiner's passing, we could never been at this point had it not been for the services of our financial consultant and I'm so glad that she's joined us here, Miss Andrea Plassard. Mr. Chairman at this point I'd like to turn the meeting over to you for a moment.

Chairman: We'd like Andrea to come up for a moment. I think everyone knows we had a very difficult time with the passing of Jim Steiner and we were certainly in need of some expertise and we asked for Andrea's assistance. She provided it greatly. We've got a little plaque as a token of our appreciation, this plaque is presented to Andrea Plassard in recognition of the support provided to the Ohio Turnpike Commission by assisting with preparation of the financials and more importantly overseeing the completion of the 2009 Comprehensive Annual Financial Report, dated June 21, 2010. Thank you very much.

Executive Director: She didn't know that this was going to happen. Mr. Chairman it's going to be a day of introductions. I'd also like you to note that next to Heidi today is Debbie Sideris, Debbie is also joining the Turnpike team. She will be my Administrative Assistant starting on July 12th. She is doing a dry run of the Commission Meeting today with Heidi and we'd also like to welcome her to the Turnpike team.

Back to business. We have now issued 73,443 transponders and we are currently working with TransCore to enter into our project warranty period and hope to have that wrapped up actually by the end of the week. There are seven resolutions for your consideration today, sorry to keep you so busy, but as we passed our budget I guess you would have suspected we would have been busy this summer. So with that Mr. Chairman, that concludes my report and I'd be happy to answer any questions.

Chairman: Questions or comments for the Executive Director? We'll now go to the Chief Engineer, Dan.

Chief Engineer: Thank you Mr. Chairman, Commission Members. I have five resolutions on the agenda for your consideration this morning. The first resolution is awarding Contract 43-10-02 for bridge parapet rehabilitation and expansion joint replacement on four structures over the Ohio Turnpike in Portage County. This project was on the 2010 Systems Project Budget that was approved by the Commission in December. We received four bids in response to the contract bid. The apparent low bid was submitted by the Velotta Company, of Sharon Center, Ohio in the amount of \$340,516. The total amount bid was within 5% of the Engineer's estimate on this project. This bidder has performed satisfactorily on projects similar in the past for the Commission. The resolution also includes provisions to assign Solar Testing Laboratories, Inc. of Brooklyn Heights, Ohio to the contract for the purposes of performing

materials testing and inspection. Contract inspection of the contractor's progress will be performed by our Engineering staff in house. If General Counsel would please read the Resolved?

General Counsel: RESOLVED that the bid of **The Velotta Company of Sharon Center, Ohio**, in the amount of **\$340,516.00** for the performance of Contract No. 43-10-02 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 **Solar Testing Laboratories, Inc. of Brooklyn Heights, Ohio** to Contract No. 43-10-02 for the purpose of performing material testing and inspection, with such assignment in accordance with the 2009-2010 General Engineering Services Agreement between the Ohio Turnpike Commission and Solar Testing Laboratories, Inc.; and

FURTHER RESOLVED that Project No. 43-10-02 is designated a System Project under the Commission's 1994 Master Trust Agreement.

Chairman: Is there a motion to adopt?

Mr. Regula: So moved.

Chairman: Is there a second?

Ms. Teeuwen: Second.

Chairman: Questions or discussion on the resolution before the Commission? Dan I just had one real quick. I happened to see as you look through the numbers, how does, or I don't know if you ever speak with the bidders, how does mobilization for four bidders be \$10 to \$15,000 and the one bidder has a \$65,000 mobilization charge in there? They would have been considerably lower than, they would have been the lowest bid but for that particular, if you ever talk with them that would be an interesting comment.

Chief Engineer: Mr. Chairman, typically we don't talk to the bidders on their individual bids prior to the award unless we see a problem. Mobilization typically varies, it's the greatest variance bid item we have on all these contracts. That's where they put their unknown items.

Chairman: Got ya. That's contingency/mobilization?

Chief Engineer: Yes.

Chairman: Thank you. Questions? Please call the roll.

Assistant Secretary-Treasurer: Chairman Balog

Mr. Balog: Yes

Assistant Secretary-Treasurer: Mr. Regula

Mr. Regula: Yes

Assistant Secretary-Treasurer: Mr. Dixon

Mr. Dixon: Yes

Assistant Secretary-Treasurer: Mr. Kidston

Mr. Kidston: Yes

Assistant Secretary-Treasurer: Ms. Teeuwen

Ms. Teeuwen: Yes

RESOLUTION NO. 18-2010

Resolution Awarding Contract No. 43-10-02

WHEREAS, the Commission has duly advertised according to law for bids upon a Contract for Bridge Parapet Rehabilitation of Expansion Joint Replacement at Diagonal Road (CR 155) at Milepost 191.2, Coit Road (Twp Rd. 210) Milepost 192.4, Limeridge Road (CR 222) Milepost 196.70, and Nichols Road (CR 225) Milepost 199.20, located over the Ohio Turnpike in Portage County, Ohio, herein designated **Contract No. 43-10-02**; and

WHEREAS, expenditures for the Contract to be awarded 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 the award of said Contract; and

WHEREAS, the Commission received four bids for the performance of said Contract; and

WHEREAS, said bids have been reviewed and analyzed by the Commission's Acting Chief Engineer, and he has submitted a report concerning such analysis, which report is before the Commission; and

WHEREAS, the Acting Chief Engineer reports that the lowest responsive and responsible bid for the performance of Contract No. 43-10-02 was received from **The Velotta Company** of

Sharon Center, Ohio, in the amount of **\$340,516.00**, which bid he recommends be accepted by the Commission; and

WHEREAS, the Commission has been advised by the Director of Contracts Administration that all bids for Contract No. 43-10-02 were solicited on the basis of the same terms and conditions and the same specifications, that the bid of The Velotta Company for Contract No. 43-10-02 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 The Velotta Company; and

WHEREAS, the Commission's Executive Director has reviewed the reports of the Acting Chief Engineer and the Director of Contracts Administration and, predicated upon such analysis, has made his recommendation to the Commission to award Contract No. 43-10-02 to the lowest responsive and responsible bidder, The Velotta Company; and

WHEREAS, the Commission has duly considered such recommendations.

NOW, THEREFORE, BE IT

RESOLVED that the bid of **The Velotta Company** of **Sharon Center, Ohio**, in the amount of **\$340,516.00** for the performance of Contract No. 43-10-02 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 **Solar Testing Laboratories, Inc.** of **Brooklyn Heights, Ohio** to Contract No. 43-10-02 for the purpose of performing material testing and inspection, with such assignment in accordance with the 2009-2010 General Engineering Services Agreement between the Ohio Turnpike Commission and Solar Testing Laboratories, Inc.; and

FURTHER RESOLVED that Project No. 43-10-02 is designated a System Project under the Commission's 1994 Master Trust Agreement.

Chief Engineer: Thank you. The second resolution is awarding Invitation 4139 for purchase of ten truck cab and chassis under Group I and dump bodies, wing plows, central hydraulic systems and control systems and front plows under Group II. The Commission may recall Invitation No. 4135 on May 3rd the Commission awarded Group III of that contract for purchasing eight tow plows. Groups I and II were rejected by the Commission pending some revisions to the specifications. This project is part of our National Clean Diesel Funding Assistance Grant where the Commission is eligible for up to \$600,000 reimbursement for the cost of the expenditures not only under this Invitation, but also Invitation No. 4135 that was previously awarded. We received eight bids in response to the two groups under this contract. The apparent low bid for Group I, the truck cabs and chassis was submitted by Cleveland

Freightliner, Inc., does business as Valley Freightliner, Sterling and Western Star of Brookpark, Ohio, in the total bid amount of \$1,153,620. The apparent low bid in response to Group II, the dump bodies, wing plows, central hydraulics and controls systems, lighting systems and front reversible plows was submitted by Henderson Products, Inc., Henderson Truck Equipment Ohio of Bucyrus, Ohio in the total amount of \$922,578. This Group II also includes provisions for purchase of up to eight additional front reversible plows. There's only two plows in the base bid. If the General Counsel would please read the Resolved?

General Counsel: RESOLVED that the bid of **Cleveland Freightliner, Inc.** of **Brookpark, Ohio** in the total amount of **\$1,153,620.00** for **Group I** under Invitation 4139 (for furnishing ten truck cab and chassis) and the bid of **Henderson Products, Inc.** of **Bucyrus, Ohio** in the total amount of **\$922,578.00** for **Group II** under Invitation 4139 (for furnishing ten dump bodies, wing plows, central hydraulic systems and lighting systems, and two front reversible plows) are, and are by the Commission, determined to be the lowest responsive and responsible bids received, and are accepted, and the Executive Director and the Director of Contracts Administration, or either of them, hereby is authorized to: 1) execute a Contract with both successful bidders in the form heretofore prescribed by the Commission pursuant to the aforesaid bids, 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 Contracts.

Chairman: Is there a motion to adopt?

Mr. Regula: So moved.

Chairman: Is there a second?

Ms. Teeuwen: Second.

Chairman: Questions or discussions on the bids before the Commission, the resolution?

Mr. Kaplanov: Thank you Mr. Chairman. Dan I have a quick question on this, do you know since we're getting the clean diesel money, we're going to have to, I assume, decommission the old vehicles is that correct?

Chief Engineer: That's correct Mr. Chairman, Commission Member Kaplanov. The eight existing trucks must be destroyed under this...

Mr. Kaplanov: Both the engine drilling and the frame cut as well.

Chief Engineer: Yes.

Mr. Kaplanov: I just learned about that the other day.

Executive Director: So did we.

Mr. Kaplanov: Thank you, that's all.

Chairman: Questions, comments? Please call the roll.

Assistant Secretary-Treasurer: Chairman Balog

Mr. Balog: Yes

Assistant Secretary-Treasurer: Mr. Regula

Mr. Regula: Yes

Assistant Secretary-Treasurer: Mr. Dixon

Mr. Dixon: Yes

Assistant Secretary-Treasurer: Mr. Kidston

Mr. Kidston: Yes

Assistant Secretary-Treasurer: Ms. Teeuwen

Ms. Teeuwen: Yes

RESOLUTION NO. 19-2010

Resolution Awarding a Contract for the Purchase of Ten Each Truck Cabs and Chassis (Group I); and Awarding a Contract for the Purchase of Ten Each Dump Bodies, Wing Plows, Central Hydraulic and Control Systems and Lighting Systems and Two Each Front Reversible Plows (Group II), under Invitation No. 4139

WHEREAS, via Resolution 30-2009, the Commission accepted a National Clean Diesel Funding Assistance Grant in conjunction with the American Recovery and Reinvestment Act of 2009, which funds are to be used for the purpose of reducing fuel consumption, operating vehicles on biodiesel fuel, and reducing fuel emissions; and

WHEREAS, under the final grant agreement executed by and between the Ohio Turnpike Commission and the Ohio Department of Development, up to \$600,000 of the Grant is to be utilized for offsetting the cost for new tandem-axle dump trucks having an improved snow plow design that meet 2010 emission standards; and

WHEREAS, in accordance with the final grant agreement, the Commission re-advertised for bids under Invitation No. 4139 for the furnishing to the Commission of ten truck cabs and chassis (**Group I**) and furnishing and installing ten dump bodies, front and wing plows, central hydraulic and control systems, and lighting systems and two front reversible plows (**Group II**).

WHEREAS, the Commission received eight bids in response to the two Groups within Invitation No. 4139; and

WHEREAS, expenditures for the Contracts to be awarded under Invitation No. 4139 will exceed \$150,000, and, therefore, in accordance with Article V, Section 1.00 of the Commission's Code of Bylaws, Commission action is necessary for the award of said Contracts; and

WHEREAS, said bids were reviewed and analyzed by the Commission's Maintenance Engineer who has reported that the apparent low bid for the **Group I** truck cabs and chassis was submitted by **Cleveland Freightliner, Inc., dba Valley Freightliner, Sterling & Western Star ("Cleveland Freightliner, Inc.")** of **Brookpark, Ohio**, and that this bidder proposes to furnish a 2011 Western Star model 4964 FA cab and chassis in accordance with the Commission's Specifications; and

WHEREAS, the Maintenance Engineer has recommended award of the Contract for **Group I** to the lowest responsive and responsible bidder, Cleveland Freightliner, Inc., in the amount of **\$1,153,620.00 (ten at \$115,362.00 each)**; and

WHEREAS, the Commission's Maintenance Engineer has reported that the apparent low bid for the **Group II** dump bodies, wing plows, central hydraulic and control systems and lighting systems, and front reversible plows was submitted by **Henderson Products, Inc. - Henderson Truck Equipment Ohio ("Henderson Products, Inc.")** of **Bucyrus, Ohio** and that this bidder proposes to furnish equipment and services in accordance with the Commission's Specifications; and

WHEREAS, the Maintenance Engineer has recommended award of the Contract for **Group II** to the lowest responsive and responsible bidder, Henderson Products, Inc., in the amount of **\$922,578.00 (ten dump bodies, wing plows, central hydraulic and control systems and lighting systems at \$90,636 each, and two front reversible plows at \$8,109.00 each)**; and

WHEREAS, the Contract for Group II also allows for purchases of up to eight additional front reversible plows at \$8,109.00 each, which option the Maintenance Engineer has not recommended at this time, but may wish to pursue in the future; and

WHEREAS, the Commission has been advised by the Director of Contracts Administration that bids for Invitation No. 4139 were solicited on the basis of the same terms and conditions and the same specifications, that the bid of Cleveland Freightliner, Inc. for Group I and the bid of Henderson Products, Inc. for Group II both qualify for consideration under the Commission's "Domestic and Ohio Preference" Policy and conform to the requirements of Ohio Revised Code Section 5537.07 and Section 9.312, and that a bid guaranty with good and sufficient surety has been submitted by the aforementioned bidders; and

WHEREAS, the Executive Director has reviewed the reports of the Maintenance Engineer and the Director of Contracts Administration and, predicated upon such analysis, has made his recommendation to the Commission to award Contracts under Invitation No. 4139 for Group I to Cleveland Freightliner, Inc., and for Group II to Henderson Products, Inc.; and

WHEREAS, the Commission has duly considered such recommendations.

NOW, THEREFORE, BE IT

RESOLVED that the bid of **Cleveland Freightliner, Inc. of Brookpark, Ohio** in the total amount of **\$1,153,620.00** for **Group I** under Invitation 4139 (for furnishing ten truck cab and chassis) and the bid of **Henderson Products, Inc. of Bucyrus, Ohio** in the total amount of **\$922,578.00** for **Group II** under Invitation 4139 (for furnishing ten dump bodies, wing plows, central hydraulic systems and lighting systems, and two front reversible plows) are, and are by the Commission, determined to be the lowest responsive and responsible bids received, and are accepted, and the Executive Director and the Director of Contracts Administration, or either of them, hereby is authorized to: 1) execute a Contract with both successful bidders in the form heretofore prescribed by the Commission pursuant to the aforesaid bids, 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 Contracts.

Chief Engineer: Thank you. The third resolution is for the purchase of four 2010 front-end loaders under the ODAS Cooperative Purchasing Program. This project was also on our 2010 Systems Project Budget. In 2003, the Commission adopted a resolution authorizing us to participate in the state contracts under the Ohio Department of Administrative Services Cooperative Purchasing Program. This project we took advantage of the ODAS program, the maintenance staff has determined that 2010 John Deere front-end loaders is the best equipment to replace the Commission's existing equipment. The equipment was available on the ODAS purchasing program. The Purchasing Manager has determined that the lowest cost of obtaining the equipment is from Nortrax-Great Lakes, Inc., of Brunswick, Ohio in the total amount of \$343,352. We are purchasing four new loaders, disposing of five. The five existing loaders will be disposed of in accordance with the Commission's Property Disposal Policy. If the General Counsel would please read the Resolved?

General Counsel: RESOLVED that the Commission's Executive Director and Purchasing Manager may proceed with issuing a Purchase Order for four 2010 John Deere front-end loaders to **Nortrax-Great Lakes, Inc., of Brunswick, Ohio**, via the Commission's membership in the ODAS Cooperative Purchasing Program, specifically, through **State Term Contract Index No. STS515, Schedule No. 800069**, and to take any and all action necessary to properly carry out the terms of said purchase.

FURTHER RESOLVED that the Commission's Executive Director and Purchasing Manager are authorized to proceed with the disposal of the front-end loader equipment identified for replacement by the Commission's Maintenance Engineer in accordance with the Commission's Property Disposal Policy.

Chairman: Motion to adopt the resolution?

Mr. Regula: So moved.

Chairman: Is there a second?

Ms. Teeuwen: Second.

Chairman: Comments, discussion on the resolution? Please call the roll.

Assistant Secretary-Treasurer: Chairman Balog

Mr. Balog: Yes

Assistant Secretary-Treasurer: Mr. Regula

Mr. Regula: Yes

Assistant Secretary-Treasurer: Mr. Dixon

Mr. Dixon: Yes

Assistant Secretary-Treasurer: Mr. Kidston

Mr. Kidston: Yes

Assistant Secretary-Treasurer: Ms. Teeuwen

Ms. Teeuwen: Yes

RESOLUTION NO. 20-2010

**Resolution Authorizing the Purchase of Four 2010 John Deere
Front-End Loaders under ODAS Cooperative Purchasing Program and
Disposal of Existing Obsolete Equipment**

WHEREAS, pursuant to Resolution No. 32-2003 adopted on July 21, 2003, the Ohio Turnpike Commission's Executive Director was authorized to participate in state contracts under the Ohio Department of Administrative Services ("ODAS") Office of State Purchasing Cooperative Purchasing Program, through which members may purchase supplies, services, equipment and other materials pursuant to Ohio Revised Code Section 125.04; and

WHEREAS, a fee has been paid by the Ohio Turnpike Commission to ODAS, and, as such, the Commission is a current member of the ODAS Cooperative Purchasing Program; and

WHEREAS, the Maintenance Department's staff has determined that the 2010 John Deere 344J front-end loader is the best equipment to replace the Commission's twelve-year-old equipment, which existing equipment the Maintenance Engineer recommends disposal of primarily through auction after the new equipment is placed into service, in accordance with the Commission's Property Disposal Policy; and

WHEREAS, the 2010 John Deere front-end loaders are available through the ODAS Cooperative Purchasing Program, and the Purchasing Manager has determined that the lowest cost of obtaining the aforesaid front-end loaders is under **State Term Contract Index No.**

STS515, Schedule No. 800069 through **Nortrax-Great Lakes, Inc. of Brunswick, Ohio**, a John Deere distributor, in the amount of **\$343,352.00 (\$85,838.00 each)**; and

WHEREAS, the expenditures by the Commission for the four front-end loaders will exceed \$150,000.00, and, therefore, in accordance with Article V, Section 1.00 of the Commission's Code of Bylaws, Commission authorization of this purchase is required; and

WHEREAS, the Commission's Director of Contracts Administration has reviewed the proposed equipment purchase and has advised the Commission that said purchase is in conformance with Commission Resolution No. 32-2003; and

WHEREAS, the Executive Director has reviewed the reports of both the Maintenance Engineer and the Director of Contracts Administration and concurs with their recommendation that the Commission approve the purchase of four front-end loaders via the ODAS Cooperative Purchasing Program; and

WHEREAS, the Commission has duly considered such recommendations.

NOW, THEREFORE, BE IT

RESOLVED that the Commission's Executive Director and Purchasing Manager may proceed with issuing a Purchase Order for four 2010 John Deere front-end loaders to **Nortrax-Great Lakes, Inc. of Brunswick, Ohio**, via the Commission's membership in the ODAS Cooperative Purchasing Program, specifically, through **State Term Contract Index No. STS515, Schedule No. 800069**, and to take any and all action necessary to properly carry out the terms of said purchase.

FURTHER RESOLVED that the Commission's Executive Director and Purchasing Manager are authorized to proceed with the disposal of the front-end loader equipment identified for replacement by the Commission's Maintenance Engineer in accordance with the Commission's Property Disposal Policy.

Chief Engineer: Next is a resolution authorizing the Executive Director to enter into an agreement with the Ohio Gas Company to provide gas services to our currently under construction Tiffin River and Indian Meadow Service Plazas. The Commission awarded via Resolution 10-2010 contracts for the construction of the Indian Meadow/Tiffin River Service Plazas. Construction is currently in full swing and although we're early in the project we are on schedule with this project. The old plazas that were demolished were heated by underground heating oil tanks, obviously it's desirable to utilize natural gas in lieu of heating oil to heat the facilities. We are currently in the process of negotiating an agreement with the Ohio Gas Company to construct the necessary improvements in order to extend natural gas services to the service plazas. It's expected to be in the neighborhood of \$600,000 to \$650,000 initial cost for the 4.5 mile extension. This agreement, however, does include the provisions for a partial reimbursement of OTC capital costs. If projected consumptions are met for the first three years of the project we're expected to receive approximately \$50,000 back. We are also eligible for refunds approximately \$1,200 each for additional customers tapping into the 4.5 mile extension for a period of ten years. If General Counsel would please read the Resolved?

General Counsel: RESOLVED that the Executive Director and the General Counsel are hereby authorized to negotiate and execute an agreement with The Ohio Gas Company for the purpose of obtaining gas service to the Tiffin River and Indian Meadow Service Plazas, which agreement may include the Commission reimbursing the Ohio Gas Company for those infrastructure improvements necessary to extend such service to service plazas; and

FURTHER RESOLVED, the Executive Director and Chief Engineer are authorized to take any and all actions necessary to carry out the terms of said agreement.

Chairman: Motion to adopt?

Mr. Regula: So moved.

Chairman: Is there a second?

Mr. Kidston: Second.

Chairman: Questions or comments?

Mr. Kidston: How large a gas line?

Chief Engineer: Mr. Chairman, Commission Member Kidston, Doug is it four inch?

Mr. Hedrick: Yes, four inch.

Chief Engineer: Four inch.

Mr. Kidston: Thank you.

Chairman: Please call the roll.

Assistant Secretary-Treasurer: Chairman Balog

Mr. Balog: Yes

Assistant Secretary-Treasurer: Mr. Regula

Mr. Regula: Yes

Assistant Secretary-Treasurer: Mr. Dixon

Mr. Dixon: Yes

Assistant Secretary-Treasurer: Mr. Kidston

Mr. Kidston: Yes

Assistant Secretary-Treasurer: Ms. Teeuwen

Ms. Teeuwen: Yes

RESOLUTION NO. 21-2010

Resolution Authorizing the Executive Director to Enter into an Agreement with Ohio Gas Company for Gas Service to The Tiffin River and Indian Meadow Service Plazas

WHEREAS, Section 5537.04(10) of the Ohio Revised Code provides that the Commission may make or enter into all contracts and agreements necessary to the performance of its duties and the execution of its powers; and

WHEREAS, Section 5537.28 of the Revised Code authorizes the Commission to use toll revenues for the purpose of making infrastructure improvements to existing service plaza facilities in order to carry out its duties, powers and functions; and

WHEREAS, the Commission adopted Resolution No. 9-2007 on April 9, 2007 in which it declared its intention to replace and rebuild the Tiffin River and Indian Meadow Service Plazas located in Williams County, and contracts were awarded for the construction of said service plazas pursuant to Resolution No. 10-2010 adopted on March 21, 2010; and

WHEREAS, the expenditures by the Commission to provide for the construction of necessary infrastructure improvements to extend natural gas utility service to the Tiffin River and Indian Meadow Service Plazas 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 to enter into such agreement; and

WHEREAS, the Ohio Gas Company has offered to construct the necessary infrastructure improvements in order to extend natural gas service to the Tiffin River and Indian Meadow Service Plazas in an amount being negotiated by the parties, but likely to exceed the amount of \$150,000.00 under terms and conditions that are mutually acceptable to both the Utility and the Commission; and

WHEREAS, the Chief Engineer has recommended that the Commission continue to negotiate an agreement with Ohio Gas Company in lieu of continuing to maintain underground heating fuel oil tanks at the newly constructed service plazas; and

NOW, THEREFORE, BE IT

RESOLVED that the Executive Director and the General Counsel are hereby authorized to negotiate and execute an agreement with The Ohio Gas Company for the purpose of obtaining gas service to the Tiffin River and Indian Meadow Service Plazas, which agreement may include

the Commission reimbursing the Ohio Gas Company for those infrastructure improvements necessary to extend such service to service plazas; and

FURTHER RESOLVED, the Executive Director and Chief Engineer are authorized to take any and all actions necessary to carry out the terms of said agreement.

Chief Engineer: Thank you. The final resolution I have this morning is a resolution ratifying additional expenditures under previously awarded Contract No. 59-10-02. Via Resolution 2-2010, the Commission awarded the aforementioned contract to Erie Blacktop, Inc., of Sandusky, Ohio in the total amount of \$3,106,715. This contract was for repairs and resurfacing of the eastbound and westbound roadways from Milepost 91.2 to Milepost 101.5 in Sandusky County. The contract documents for the project required removal by milling of approximately two inches of existing asphalt surface. However, after milling a substantial portion of the roadway it was discovered that the underlying asphalt surface material did not present a suitable base upon which to bond the new asphalt pavement materials. What happened was the milled surface was delaminating from the underlying asphalt course, or layer. There's some photos in your folders I believe attached to the resolution showing you what we encountered out there. The Commission's Engineering staff in consultation with our independent inspection firm determined that the only course of action was to remove an additional one to one and a half inches of asphalt material to get below the failure plane of the existing surface. Without immediate commencement of the work a severe impact to the traveling public would be created that could result in the unsafe conditions due to traffic backups as we approach the heavy summer travel season and cause an undue delay in the completion of the project. It is expected that the actual work required for this pavement failure will approach approximately \$1 million dollars. Pursuant to his authority under Section 1 of the Commission's Code of Bylaws, the Executive Director approved the change orders to avoid conditions that would create a life, safety, or health threatening situation or would unduly delay completion of the project. This resolution is to ratify the Executive Director's actions. If the General Counsel would please read the Resolved?

General Counsel: RESOLVED that the Commission hereby ratifies the additional expenditures previously approved by the Executive Director pursuant to Contract No. 59-10-02 with Erie Blacktop, Inc. in the estimated amount of \$1,054,541.06 in order to effectuate the required change orders to the Project.

Chairman: Motion to adopt?

Ms. Teeuwen: So moved.

Chairman: Second?

Mr. Kidston: Second.

Chairman: We always keep track of Change Orders and you give us that continuing update and you've always done a very, very good job in keeping our Change Orders down to a minimum or quite often projects come in at the bid number or even less. This is a big change in

that process and it's really important that we go ahead and make sure that this is done right and also that it was done properly and we continued working, so that we didn't have problems during the summer travel season so that's why we're spending such a large amount of money. We have to do what we have to do to keep the road open in conditions like this.

Ms. Teeuwen: Mr. Chairman, ODOT has run into the same situation and I hate to say that you can't predict these things, but you can't really predict these things as many courses as you take we've run into the same situations where we've had to do change orders so it happens.

Chairman: And you look at the delamination that if you just add that asphalt on top of that asphalt that's moving underneath it we're just going to have a problem sooner rather than later. Senator?

Senator Patton: Chairman, I'm just curious is this work that's being done is that part of the newer third lane?

Chief Engineer: Mr. Chairman, Commission Member Patton, yes this is on the third lane and on the inside shoulder that was constructed in the, I believe 1996, 1997, in that area.

Senator Patton: I have mentioned this once before because I was concerned that the original base for the original four lanes was a concrete base and I questioned logic in going to asphalt. This would then be we're repairing an asphalt base or piece of road?

Chief Engineer: If I could correct that Mr. Chairman, Commission Member Patton. This section of third lane section is actually the, I believe, out of the ten miles that we're working on, nine miles of this pavement is actually concrete based third lane section. This failure that we experienced out there was not due to the base condition it was due to a material adhesion between the two layers of asphalt.

Senator Patton: Thank you.

Chairman: Most of the third lane in fact is pure asphalt.

Chief Engineer: That's correct.

Chairman: This is because of the soil issues in Sandusky County, we went to concrete for a portion of it?

Chief Engineer: That's correct.

Chairman: Any further questions? Please call the roll. I'm sorry, go ahead.

Mr. Jerse: How frequent, I know it's hard to predict, how frequently do you experience those kinds of failures in the past?

Chief Engineer: Mr. Chairman, Commission Member Jerse, we have experienced I would call a minimal as compared to the past, nothing to this extent. This is the first time in my experience out here in twenty-eight years that we have had this major failure to this extent.

Mr. Jerse: And is this something that a particular company put in and can be predicted that other lengths that they put in would have the same problem?

Chief Engineer: Mr. Chairman, Commission Member Jerse, we took a look at the entire contract that was originally constructed in this area, we are working in that entire contract area, so if it was a construction problem we have at least gotten that area out now.

Mr. Jerse: Okay.

Chairman: Who did the third party inspection work for us now?

Chief Engineer: That's Mannik and Smith out of Toledo, Ohio.

Chairman: We've worked with them before, they do a good job...

Chief Engineer: They have quite a bit of experience inspecting our projects and they concurred with the recommendation. We have correspondence on file of their recommendation to mill the additional depth.

Chairman: Thank you. Any additional questions? Please call the roll.

Assistant Secretary-Treasurer: Chairman Balog

Chairman Balog: Yes.

Assistant Secretary-Treasurer: Mr. Regula

Mr. Regula: Yes

Assistant Secretary-Treasurer: Mr. Dixon

Mr. Dixon: Yes

Assistant Secretary-Treasurer: Mr. Kidston

Mr. Kidston: Yes

Assistant Secretary-Treasurer: Ms. Teeuwen

Ms. Teeuwen: Yes

RESOLUTION NO. 22-2010

Resolution Ratifying Additional Expenditures under Contract No. 59-10-02

WHEREAS, via Resolution 2-2010, the Commission awarded Contract 59-10-02 to **Erie Blacktop, Inc.** of **Sandusky, Ohio** in the amount of \$3,106,715.00 to perform repairs and resurfacing of the eastbound and westbound roadways, from Milepost 91.2 to Milepost 101.5 in Sandusky County, Ohio; and

WHEREAS, the Contract Documents for the Project required removal of two inches of existing asphalt, however, following commencement of the work it was discovered that the underlying asphalt surface material did not present a suitable base upon which to bind the new pavement materials, and that an increase of the removal depth was required in order to expose a suitable base pavement on which to resurface; and

WHEREAS, at the time the unsuitable base was discovered, a large portion of mainline pavement was already closed and could not safely be re-opened to traffic, and, without immediate commencement of the work, the traffic zone would be in place beyond the July 4th holiday, thereby creating a severe impact on the travelling public that could result in unsafe conditions due to traffic backups and an undo delay in completion of the Project; and

WHEREAS, a thorough review by the Commission's Engineering staff of the revised costs submitted by the Contractor verified that the unit costs for the revised quantities compared favorably with previously bid unit prices; and

WHEREAS, for these reasons, pursuant to his authority under Sec. 1.00 of the Commission's Bylaws, the Executive Director approved change orders to avoid "circumstances that would create a life, safety, or health threatening situation or would unduly delay the completion of the Project;" and

WHEREAS, the Executive Director hereby recommends to the Commission that, with the adoption of this Resolution, the additional expenditures with Erie Blacktop, Inc. in the estimated net increase of \$1,054,541.06 for the required change orders under Contract No. 59-10-02 be ratified by the Commission; and

WHEREAS, the Commission has duly considered such recommendations.

NOW, THEREFORE, BE IT

RESOLVED that the Commission hereby ratifies the additional expenditures previously approved by the Executive Director pursuant to Contract No. 59-10-02 with Erie Blacktop, Inc. in the estimated amount of \$1,054,541.06 in order to effectuate the required change orders to the Project.

Chief Engineer: That completes my report this morning Mr. Chairman.

Chairman: Thank you. Any questions for the General Counsel? Chief Engineer, I'm sorry. Report of the General Counsel?

General Counsel: Good morning Mr. Chairman, Commission Members. I have two resolutions for your consideration. The first resolution would authorize the Executive Director and General Counsel to renew the Commission's insurance policies. As you know the Commission maintains a Comprehensive General Liability and Property Insurance Program and we maintain generally five lines of insurance and some of those insurance policies are required by the Commission's 1994 Master Trust Agreement with Huntington Bank and its bondholders. Generally, the Legal Department chose not to do a RFP or a competitive market selection process this year. This is the third year that we have renewed since the 2008 request for RFP for insurance policies. We have experienced very favorable renewal rates. This year is no exception with the exception of the Bridge Insurance Policy, which is maintained by Travelers. They did quote us or propose an insurance rate increase of approximately 21% and their reasoning was that this is a Bridge Replacement Policy for some of the Commission's major bridges and the cost for replacement has gone up apparently. Although this is a 21% increase in the premium paid it is a 13% increase in the premium for the insurance policy, which represents approximately 21% or \$19,000. Overall the Commission's insurance program will experience a 3% premium rate increase or a total increase of \$19,438. The Commission maintains the General Liability as you can see from the chart with all the lines of General Liability Insurance coverage through Travelers and Arthur Gallagher, which include its General Liability and Employment Practices, Errors and Omissions and Automobile Liability and Public Errors and Omissions Policies. The insurance program of the Property Insurance is maintained through Affiliated F.M. and the broker is Hylant Group that is a Multi-Peril/Property Insurance and that experienced a flat renewal rate or slight increase. The Broad Form Insurance Monies, Securities Crime Policies issued through the Gardiner Allen DeRoberts Insurance Agency on behalf of Chubb Insurance for an annual premium of \$40,900. The Bridge Policy is through Travelers Insurance through the Hoffman Group for an annual premium of \$76,170 and then the Commission also maintains Excess Liability Insurance that has three different layers through three different carriers. The initial layer is through Travelers Insurance, the second layer is through North River Insurance Company, and the third layer of Excess Liability is through Great American Insurance Company for an annual premium of \$100,928. The program policies run through one year beginning on July 1st and attached to the resolution is a complete schedule of the insurance program and all of the different policies and coverage level. With your permission Mr. Chairman I'll read the Resolved.

RESOLVED that the Commission has duly considered such recommendations of its General Counsel and Risk Management Coordinator, and hereby selects and authorizes the Executive Director and General Counsel to purchase the above-specified insurance policies through Arthur J. Gallagher Risk Management Services, Inc. for commercial general liability, automobile liability, public officials errors and omissions and excess liability insurance, The Hylant Group for multi-peril/property insurance, The Gardiner Allen DeRoberts Insurance Agency for broad form money and securities/crime insurance, Hoffman Group for bridge use and occupancy insurance, and Wells Fargo Insurance Services USA, Inc. for umbrella/excess liability insurance in accordance with the terms and conditions set forth in the proposals and at the premiums quoted by the respective agent brokerage firms.

Chairman: Motion to adopt?

Mr. Regula: So moved.

Chairman: Is there a second?

Mr. Kidston: Second.

Chairman: You know when you talk about a 21% increase for the Bridge and Occupancy Use it says that the terrorism coverage is not excluded on this policy, so does that mean it's included.

General Counsel: Correct. We have maintained terrorism coverage, I think we have to.

Chairman: And the assets that we're insuring are \$182 million, so when you look at a \$14,000 increase then, I thought the most telling factor was when we bid it out in 2008, 2009, and they bid \$60,000 some and our next low bidder was \$160,000, so by the 21% which sounds large \$14,000 increase we're still some \$90,000 plus or minus below the second bidder from the last time.

General Counsel: Correct Mr. Chairman. I'm happy to report that the Commission will be getting a check through the Attorney General's Class Action settlement. I believe this settlement was for \$146,000, that's our share, so our risk management budget will be in good shape.

Chairman: Questions or comments? Excuse me, Nick?

Mr. Kaplanov: I have one question. Thank you Mr. Chairman. Is it my understanding that the Commission does not have the same sovereign immunity that the other state agencies, like for instance what ODOT might have? Is that correct?

General Counsel: Correct. The Commission has been structured legally as a public corporation, a political corporation and because of the bond debt the Commission when it was created by statute, there was kind of a firewall or Chinese wall created between the State of Ohio's liability and debt and the Commission's bond debt and that's why we do not enjoy sovereign immunity. We're treated as a corporation for purposes of liability and that is why we maintain a Comprehensive Insurance Program to protect the interest of the bond holders.

Mr. Kaplanov: Thank you very much.

Chairman: Any further questions? Please call the roll.

Assistant Secretary-Treasurer: Chairman Balog

Mr. Balog: Yes

Assistant Secretary-Treasurer: Mr. Regula

Mr. Regula: Yes

Assistant Secretary-Treasurer: Mr. Dixon

Mr. Dixon: Yes

Assistant Secretary-Treasurer: Mr. Kidston

Mr. Kidston: Yes

Assistant Secretary-Treasurer: Ms. Teeuwen

Ms. Teeuwen: Yes

RESOLUTION NO. 23-2010

**Resolution Authorizing the Renewal of Insurance Policies
for the Commission's Comprehensive Casualty and
Property Insurance Program**

WHEREAS, the Commission is required to maintain comprehensive casualty and property insurance coverage in accordance with Article 5, Section 5.05 of the 1994 Master Trust Agreement;

WHEREAS, the Commission has received proposals for the renewal of those insurance policies identified in the attached schedule of insurance coverage whereby the Commission will incur an increase in the cost of its General Liability, Automobile Liability, Public Officials Errors & Omissions, Bridge and Use & Occupancy, Multi-Peril Property, Data Processing, Maintenance/Contractor's Equipment, Boiler & Machinery insurance coverage, and a flat renewal rate for its insurance coverage for Excess Liability, Money and Securities compared to the cost paid for the same insurance coverage during the last one year term;

WHEREAS, the General Counsel and the Risk Management Coordinator have recommended that the Commission accept the proposals received for the renewal of said insurance policies by the following agent/brokerage firms on behalf of insurance carriers at the corresponding premium quotes;

1. Comprehensive General Liability including terrorism coverage, Automobile Liability, Public Officials Errors and Omissions, and Excess Liability insurance coverage, proposed by Arthur J. Gallagher Risk Management Services, Inc. on behalf of Travelers Insurance Company for an annual premium of \$298,887 beginning on July 1, 2010;

2. Multi-Peril/Property Insurance, including terrorism coverage, proposed by The Hylant Group on behalf of Affiliated F.M. Insurance Company for an annual premium of \$241,038 beginning on July 1, 2010;
3. Broad Form Money and Securities/Crime Insurance proposed by The Gardiner Allen DeRoberts Insurance Agency on behalf of Chubb Insurance Company for an annual premium of \$40,900 beginning on July 1, 2010;
4. Bridge and Use and Occupancy Insurance, including terrorism coverage, proposed by The Hoffman Group on behalf of Travelers Insurance Company for an annual premium of \$76,170 beginning on July 1, 2010; and
5. Umbrella/Excess Liability Insurance Coverage, including terrorism coverage, proposed by Wells Fargo Insurance Services USA, Inc., on behalf of North River Insurance Company and Great American Insurance Company for an annual premium of \$100,928 beginning on July 1, 2010.

NOW, THEREFORE, BE IT

RESOLVED that the Commission has duly considered such recommendations of its General Counsel and Risk Management Coordinator, and hereby selects and authorizes the Executive Director and General Counsel to purchase the above-specified insurance policies through Arthur J. Gallagher Risk Management Services, Inc. for commercial general liability, automobile liability, public officials errors and omissions and excess liability insurance, The Hylant Group for multi-peril/property insurance, The Gardiner Allen DeRoberts Insurance Agency for broad form money and securities/crime insurance, Hoffman Group for bridge use and occupancy insurance, and Wells Fargo Insurance Services USA, Inc. for umbrella/excess liability insurance in accordance with the terms and conditions set forth in the proposals and at the premiums quoted by the respective agent brokerage firms.

General Counsel: Mr. Chairman, Commission Members, the second resolution I have for your proposed consideration would authorize the Executive Director and the General Counsel to file a new Administrative Rule 5537-9-01. This is a completely new rule the Commission is required to adopt pursuant to legislation adopted by the 127th General Assembly, which amended provisions of Ohio Revised Code Chapter 1347. That Chapter of the Revised Code deals with data security of confidential, personal, information. The particular amendments that prompted us to file this rule and all state agencies, boards and commissions are filing similar rules was prompted by the "Joe the Plumber" incident, you may recall a few years ago where employees of a state agency went into a secure and confidential database. This rule is required to be adopted in order to set forth specific criteria and procedures and policies under which our personnel are authorized to access and obtain confidential and personal information. Because the toll audit collection system is a new system that was installed by the Commission since the passage of the statute, the legislation, we were required and our system integrator installed into the system certain data security requirements and logging mechanisms to monitor employee access in the Customer Service Center to confidential bank card information maintained to administer and

process E-ZPass accounts. We have drafted this rule based upon a universal template developed by the State of Ohio working group. We did deviate where necessary in formulating the rule, which basically just authorizes employees and administrators in the Customer Service Center to access this type of confidential personal information only when appropriate to administer and manage the accounts. With your permission I will read the Resolved.

RESOLVED, that the Commission hereby authorizes the Executive Director and General Counsel to finalize the attached Rule 5537-9-01 for filing either in its current form or as may be modified in order to comply with the requirements imposed by the Joint Committee on Agency Rule Review; and

FURTHER RESOLVED that the Commission hereby authorizes the General Counsel to initiate the process necessary to adopt the attached rule in accordance with Sections 111.15 and 119.032 of the Ohio Revised Code.

Chairman: Motion to adopt?

Mr. Kidston: So moved.

Chairman: Second?

Ms. Teeuwen: Questions, comments? Please call the roll.

Assistant Secretary-Treasurer: Chairman Balog

Mr. Balog: Yes

Assistant Secretary-Treasurer: Mr. Regula

Mr. Regula: Yes

Assistant Secretary-Treasurer: Mr. Dixon

Mr. Dixon: Yes

Assistant Secretary-Treasurer: Mr. Kidston

Mr. Kidston: Yes

Assistant Secretary-Treasurer: Ms. Teeuwen

Ms. Teeuwen: Yes

RESOLUTION NO. 24-2010

Resolution Authorizing the Filing of Rule 5537-9-01 Procedures and Criteria for Accessing E-ZPass® Customer Account Information with the Joint Committee on Agency Rule Review

WHEREAS, the Ohio General Assembly passed Substitute House Bill 648 (127th General Assembly) which amended Ohio Revised Section 1347.15.15, 1347.99 and 5703.211, which required all state agencies to develop administrative rules and related policies, procedures and criteria for accessing confidential personal information (“CPI”); and

WHEREAS, the General Counsel has determined that the statutory requirements for the securing of CPI imposed by the amended statute apply to the information maintained by the *E-ZPass* Customer Service Center in order to manage and administrate the customer accounts; and

WHEREAS, the Commission required its Engineering Consultant/System Integrator for the new toll collection system and *E-ZPass* Customer Service Center to design, install and implement the required data security requirements and protocols necessary to comply with the statutory requirements imposed by the amended statute, which policies and procedures are still being reviewed and tested for compliance by the Information Systems Department; and

WHEREAS, the General Counsel in conjunction with the Executive Director, Director of Information Systems, and CFO/Comptroller has developed a drafted administrative rule applicable to the operations of the *E-ZPass* Customer Service Center as it relates to the collection of and access to *E-ZPass* customer account information as required by the provisions of O.R.C. Section 1347.15; and

WHEREAS, the Executive Director and General Counsel have recommended that the Commission begin the process for adopting the attached Administrative Rule 5537-9-01, which rule is attached in preliminary draft form to this Resolution; and

WHEREAS, the General Counsel has advised the Commission that it is required to submit the drafted rule to the Joint Committee on Agency Rule Review in accordance with the requirements of O.R.C. Section 111.15 and 119.032 prior to implementation by the Commission, and has recommended that the Commission begin the process for promulgating and finalizing the drafted rules prior to the implementation of electronic tolling; and

WHEREAS, in accordance with applicable statutory provisions, including Sections 111.15 and 119.032 of the Ohio Revised Code, the Commission must file with the Joint Committee on Agency Rule Review, the Legislative Service Commission and the Secretary of State any new rule or amended rule in accordance with the procedures set forth in the statutes and the Commission wishes to comply with the procedural requirements necessary to implement the rule.

NOW, THEREFORE, BE IT

RESOLVED, that the Commission hereby authorizes the Executive Director and General Counsel to finalize the attached Rule 5537-9-01 for filing either in its current form or as may be modified in order to comply with the requirements imposed by the Joint Committee on Agency Rule Review; and

FURTHER RESOLVED that the Commission hereby authorizes the General Counsel to initiate the process necessary to adopt the attached rule in accordance with Sections 111.15 and 119.032 of the Ohio Revised Code.

Chairman: Anything further Noelle?

General Counsel: That concludes my report Mr. Chairman.

Chairman: Questions or comments for the General Counsel? Thank you. Next report from the CFO/Comptroller.

CFO/Comptroller: Good morning Mr. Chairman and Commission Members. I have a brief update on our traffic and revenue as of May 31st. 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 .1% above the total from 2009.

Commercial traffic after being down all of last year appears to be improving and in May was 2.3% above the total from 2009.

This chart shows the year-to-date vehicle miles traveled through May for each year this decade. Passenger car miles traveled in the first five months of this year were .5% below the total from 2009 while commercial vehicle miles traveled increased 1% during this period.

This chart shows total toll revenues over the last two years. Total toll revenues in May were 34.1% higher than last year. This chart shows the year-to-date toll revenues through the month of May during each year this decade. Toll revenues for the first five months of this year were \$20.8 million or 31.7% above the amount from last year.

This chart shows the vehicle miles traveled using E-ZPass as a method to pay tolls. 28.9% of passenger car miles and 68.4% of the commercial vehicle miles used E-ZPass during the month of May.

This chart shows a comparison of the toll revenues by payment method. 21.8% of passenger car revenue and 66% of commercial vehicle revenue was from the E-ZPass program in May.

That completes my report Mr. Chairman.

Chairman: Thank you. Any questions or comments?

Senator Patton: Very simply, how are we doing with the E-ZPass versus the

projections of where we thought we would be at this point and follow-up just out of curiosity is there any other way an individual could obtain an E-ZPass besides at one of the locations here? Have we entered into an agreement with, I know there was some discussion about AAA or Bureau of Motor Vehicles being some other areas that can do that. I was just wondering where we're at.

Executive Director: Mr. Chairman, Senator Patton, we are actually tracking a little bit below in the use of E-ZPass in what we had projected. I think that was your first question. And the way that people can obtain an E-ZPass transponder is as you said you can come in here we have a tag teller in our lobby. They can swipe their credit card and use it there. Before we got the tag teller we would process them as they waited to make sure they walked out the door with their transponder. You can also access our website and do it right on the web or you can call our Customer Service Center. Again, once we get an order, we process that order probably within forty-eight hours and have it out the door in two days back in their hands in about three. We are exploring a retail program to couple either with as you had mentioned the AAA or the BMV, perhaps even some other private commercial establishments. We hope to roll that out and have something for the Commission's consideration here in the next couple of months.

Senator Patton: Thank you.

Chairman: Thank you. Any further questions or comments? Anything further for the CFO? Next the financial advisor?

Financial Advisor: No report today.

Chairman: General Consultant?

General Consultant: Mr. Chairman, no report today.

Chairman: Thank you. Trustee?

Trustee: No report Mr. Chairman.

Chairman: Thank you. Ohio State Highway Patrol?

Captain Hannay: Good morning Mr. Chairman. Just a brief report. We experienced a tragedy yesterday afternoon in the noon hour. We had a westbound vehicle lose a tire and wheel that separated from what we believe was a trailer, it crossed the center wall and struck an eastbound vehicle that was in one of the middle lanes in the area of 124 milepost, out in the Norwalk/Sandusky area killing the driver of that vehicle. A passenger in that vehicle, his daughter, sustained some head injuries, she was conscious at the scene, we do not believe those are life threatening. We are right now trying to identify the type of vehicle that lost the tire and wheel, it did not stop. We will go back and I'll work with the IT section maybe we'll look at some of the E-ZPASS video to see if we can't find at least maybe the exit where a vehicle left the Turnpike missing a tire and wheel.

Chairman: Do we believe it was a tire that was on the ground or a spare on a trailer?

Captain Hannay: We believe it was rolling sir because of the way it traveled. We don't have a lot of evidence in the westbound lane to indicate a tire falling from a vehicle and then tumbling. This one was traveling westbound when it crossed the wall, his, unfortunately, his second daughter was in a vehicle in the front of the deceased and witnessed the tire bounce one time past their car and strike her father as they were traveling eastbound behind them.

Chairman: Was the tire the cause of death or was it the result of an accident?

Captain Hannay: The tire struck the windshield area of the driver's side and made contact with the driver and then also made contact with the passenger.

Chairman: That's terrible

Captain Hannay: Yes sir. This is our third fatality for the year, we are right in line with what we did last year through June of last year, three fatalities.

Chairman: Questions for the Highway Patrol? Thank you. I'm going to turn it back over to the Executive Director.

Executive Director: Yes, Mr. Chairman I know this is kind of getting away from our general meeting, but as you heard me introduce earlier Debby Sideris, who is joining our staff, well she is joining our staff because the lady next to her, who's been here for twenty-five years, is retiring. Although she doesn't hardly look like it and I don't want her to get teared up, I know that Heidi has served this Commission well for twenty-five years as Administrative Assistant to myself and I certainly appreciate it and before that to Gary Suhadolnik, the prior Executive Director, and really is the frontline contact of you Members of the Commission and make sure you have your folders, and packets and data that you need in order to make decisions here at this meeting. So Heidi if you could come up here for just one second. I know she's going to tear up and I promised not to do this, I lied a little bit, so Heidi, with your years of service we deeply appreciate it and we hope you have a blast down in South Carolina during your retirement.

Heidi Jedel: Thank you. Thank you very much.

Executive Director: Mr. Chairman I have nothing further.

Chairman: Thank you and certainly the Commission wishes you the best of luck and best of health to you and your family. Any further business? The next meeting would be set for Monday, July 19th, at 10:00 a.m. If we have nothing further, I'll accept a motion to adjourn. I need a motion?

Mr. Kidston: So moved.

Chairman: Second? Somebody second?

Mr. Regula: Second.

Chairman: Please call the roll.

Assistant Secretary-Treasurer: Chairman Balog

Mr. Balog: Yes

Assistant Secretary-Treasurer: Mr. Regula

Mr. Regula: Yes

Assistant Secretary-Treasurer: Mr. Dixon

Mr. Dixon: Yes

Assistant Secretary-Treasurer: Mr. Kidston

Mr. Kidston: Yes

Assistant Secretary-Treasurer: Ms. Teeuwen

Chairman: Ms. Teeuwen, do you want to adjourn?

Ms. Teeuwen: Yes, sorry.

Chairman: Motion is approved, meeting is adjourned. Thank you.

Time of adjournment is 10:55 a.m.

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

George F. Dixon, Secretary-Treasurer