

**MINUTES OF THE 603rd MEETING OF THE OHIO TURNPIKE
AND INFRASTRUCTURE COMMISSION
JANUARY 21, 2014**

Chairman Hruby: (10:00 a.m.) Good morning. We will call this meeting to order. Would you please now stand and join me in our Pledge of Allegiance. (Pledge of Allegiance is recited by all in attendance). We ask that all guests, if you have not signed in, please sign the sign-in sheet to maintain an accurate account of those who have been in attendance at our Meeting. Will the Assistant Secretary-Treasurer please call the roll?

Director Hodges: Chairman Hruby.

Chairman Hruby: Here.

Director Hodges: Vice Chairman Balog.

Vice Chairman Balog: Here.

Director Hodges: Commissioner Dixon

Mr. Dixon: Here.

Director Hodges: Secretary-Treasurer Barber.

Secretary Barber: Present.

Director Hodges: Commissioner Paradiso.

Mr. Paradiso: Here.

Director Hodges: Mr. Murphy.

Mr. Murphy: Present.

Director Hodges: Mr. Cole.

Mr. Cole: Present.

Director Hodges: Senator Manning and Representative Dovilla are attending to legislative business.

Director Hodges: We have a quorum.

Chairman Hruby: This is the 603rd Meeting of the Ohio Turnpike and Infrastructure Commission. We are meeting at the Commission Headquarters as provided by our Cody of

Bylaws for this Commission Special Meeting. This is a “Special” Meeting because the Administration Building was closed Monday in observance of Martin Luther King, Jr. Day. Various reports will be received, and we have several Resolutions to act upon, draft copies of which have been provided to our Members previous to this Meeting. The Resolutions will be explained thoroughly during the appropriate report. Can I have a Motion to adopt the Minutes of the December 16, 2013 Commission Meeting?

Mr. Paradiso: So moved.

Vice Chairman Balog: Second.

Chairman Hruby: Moved and seconded. Are there any corrections or discussion regarding the Minutes? Hearing none, please call the roll.

Director Hodges: Commissioner Paradiso.

Mr. Paradiso: Yes.

Director Hodges: Vice Chairman Balog.

Vice Chairman Balog: Yes.

Director Hodges: Chairman Hruby.

Chairman Hruby: Yes.

Director Hodges: Secretary-Treasurer Barber.

Secretary Barber: Yes.

Director Hodges: Commissioner Dixon.

Mr. Dixon: Yes.

Director Hodges: Mr. Murphy.

Mr. Murphy: Yes.

Director Hodges: Unanimous. (Mr. Cole arrived at 1:04 p.m.)

Chairman Hruby: Thank you. If there are no questions, we will move on to on to the report of our Secretary-Treasurer, Mrs. Barber.

Secretary Barber: Thank you Mr. Chairman. The following items have been sent to the Members since the last scheduled Meeting of the Commission on December 16, 2013:

1. Seven Resolutions;
2. Minutes of the December 16, 2013 Commission Meeting; and
3. The Agenda for today's Meeting.

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

4. Traffic Crash Summary Report, December, 2013 and January, 2014;
5. Traffic and Revenue Report, December, 2013;
6. Investment Report, December, 2013;
7. Total Revenue by Month and Year, December, 2013;
8. Financial Statement, November and December, 2013;
9. Financial Statement, Twelve Months, 2013, and
10. Various News Articles.

That concludes my report, Mr. Chairman.

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

Director Hodges: Thank you. Good afternoon Mr. Chairman and Members of the Commission.

This is the first meeting of 2014 so it is only fitting that we talk about new beginnings and endings. I want to start with some sad news. As I recently informed you, this will be the last meeting where Doug Hedrick will be serving as our Chief Engineer. I want to wait until the end of the meeting to celebrate Doug's contributions and accomplishments, so we can give him the recognition he deserves and we all want to show. I also do not want to dwell on his departure now because I need him to focus on work through the end of this meeting. Suffice it to say, we are losing a fine engineer, leader and friend. We thank him for all he has done.

As I said, we will talk more about Doug at the end of the meeting, but I need to mention it now so that I can inform you that we have promoted his successor, Tony Yacobucci, who I am sure will live up to the standards of great Chief Engineers that we have had here at the Ohio Turnpike.

Prior to joining the Commission, Tony worked in the engineering consulting industry where he served in progressive roles, including: Office Leader, Director of Operations and Vice President, with some of the nation's premier consulting engineering firms, most notably, HNTB Corporation and URS Corporation.

During this timeframe, he was responsible for the management, operation and strategic vision of four multi-disciplined offices located in Cleveland, Columbus, Cincinnati and Toledo. He also served as the Commission's Consulting Engineer, in compliance with the Master Trust Agreement, from 2000 through 2008. He also played a significant role in the design and construction of the Ohio Turnpike bridges over the Cuyahoga River Valley.

Tony earned both a Bachelor's and Master's degree in Civil Engineering, and is a registered Professional Engineer with more than twenty-five years of experience. He has worked for the Commission for the last four years, most recently as Assistant Chief Engineer of Structures and Facilities. In this role, he was responsible for the planning, design, construction and maintenance of the Commission's structures and facilities. Some of his recent projects include: the rehabilitation of the Erie Islands and Commodore Perry Service Plazas, the rehabilitation of the approach embankments at eleven Sandusky County bridges, and rehabilitation and painting of numerous bridges throughout the Turnpike.

The progressive roles and extensive experience he has had, in both the private sector and with the Ohio Turnpike, has prepared him well for his new role as Chief Engineer. Tony is with us today and we welcome him to his new role.

2014 is off to a good start. Marty Seekely will tell you about our 2013 financial performance. The highlight is that revenue is up, without the benefit of a toll increase, and expenses are down. In fact, our operating expenses have not been this low since 2006. Controlling expenses has been one of my highest priorities. The last several years have been challenging for every family, business and government agency with the economic recession. The Turnpike's mission has dramatically expanded so that we can help Governor Kasich effectively create 65,000 new jobs and reinvest in our state's transportation infrastructure with his Jobs and Transportation Plan.

We needed to cut costs in recognition of the economic hardship that has confronted our communities and customers. We also needed to assure you, our Commission Members, that we have done all we can to prepare for the uncertainties of the future. I want to thank our entire staff for their efforts in this regard. Our employees absorbed more costs for healthcare and deferred wage increases and our directors looked at every line item several times over. Every department made a contribution. As an example of what all our departments are doing, I want to point out that Sharon Isaac, in our Toll Operations Department, was able to cut expenses by 5.6%. I bring up Sharon because we do not get a chance to talk about Toll Operations very often because she just diligently and methodically oversees her department. I knew what she was doing in her department but I was amazed when I saw how well they did at the end of the year. So, thank you to Sharon.

Our goal for 2014 is to continue analyzing every aspect of our operations. In April, we will be partnering with Lean Ohio, a function of DAS, to go through our first Kaizan process that will scrutinize our procurement process in great detail. We will be asking employees from throughout the organization to offer their talents and expertise during the process.

We will also be working with our consultant, Jacobs Engineering, to create a dashboard of metrics that we can use to benchmark our performance against other toll roads in the northeast and report back to you on our progress.

Our Human Resources Department will be implementing a new employee evaluation tool that will help employees measure their own contributions to the Turnpike and grow into ever more productive and important roles.

As a part of our Strategic Plan, we have a group that is reviewing all of our Standard Operating Procedures to eliminate waste and take advantage of the talents our employees have to offer. Dave Miller and Tony Yacobucci will be reporting to you on that effort during our Deputy Executive Director's report.

At our last meeting, you approved new investments in technology that will enable us to innovate and automate our processes. As I have told our employees many times, each one of them is important to us. Nobody will lose a job and nobody will be left behind. Innovation and automation will enable us to take better advantage of their talents and give them more opportunities to grow.

We will continue to search for new non-toll revenue through the promotion and naming rights initiative you approved last month.

We also look forward to presenting you with a new Minority and Disadvantaged Enterprise Program at the March meeting. This Program will enhance our pool of available bidders, improve quality and reach out to quality contractors who have not been offered opportunities in the past.

You may have noticed the attention the Turnpike received as we lent our enthusiastic support to Governor Kasich's campaign to combat human trafficking. You should have some of the coverage in your packets and we will provide you with a more thorough update at a future meeting.

As I said, 2014 is off to a great start.

In what I hope is a good omen for the year, I am very pleased to report to you that we have reached a tentative agreement with our employee members of Teamsters Local 436 on a new Collective Bargaining Agreement. I want to thank our employees who worked on both the management and labor sides of the table. I also want to extend my respect to the leaders of Teamsters Local 436. They all spent many hours negotiating solutions to very difficult issues that will benefit both management and labor. By design, contract negotiations are an adversarial process but that does not mean we have to be adversaries. Everyone involved demonstrated, first and foremost, their ongoing professionalism and commitment to the Ohio Turnpike and I thank them all.

I, particularly, want to thank our Deputy Executive Director, Robin Carlin. Robin served as our Chief Negotiator and did an excellent job. She was supported by a great management Negotiating Team including: General Counsel, Kathy Weiss; CFO, Marty Seekely; Chief Engineer, Doug Hedrick and Director of Toll Operations, Sharon Isaac. Also, serving on the team, were representatives from Maintenance and Engineering including: Tony Yacobucci, Dennis Albrecht and Chris Matta. From Toll Operations we had: Laurie Davis, Jayne Ferreira and Ron Smith. Staff Attorney, Mark Musson and Human Resources Manager, Matt Cole also worked hard as administrative members of the team. Under Robin's leadership, I think you will agree they did an outstanding job.

That concludes my report Mr. Chairman. With your permission, I will turn the floor over to Robin Carlin to report to you on the Collective Bargaining Agreement and recommend a motion as well as introduce this month's Strategic Plan topic.

Chairman Hruby: Certainly. Robin.

DED Carlin: Thank you. Today I will report on the recently concluded Collective Bargaining process with both the Full-time and Part-time Bargaining Units as well as ask for the Commission's approval for both contracts through a Commission Resolution.

I will also report to the Commission regarding the progress being made with respect to the Commission's Strategic Planning Process and introduce to you our Director of Audit and Internal Controls, David Miller, and the incoming Chief Engineer, Tony Yacobucci, who will present on Critical Issue #2, Workflow Processes.

First, in regards to the negotiation process, as the Executive Director mentioned, the Commission's Negotiation Team consisted of numerous members of the Engineering Department, the Toll Operations Department, the Human Resources Department, the Labor Department and the Finance Department. It was an outstanding effort of teamwork and could not have been done without all of the wonderful people who worked on the team. We met on nine separate occasions, including mediation, where we met with a State of Ohio Employment Relations Board Mediator, Ken Hickey. One of the nice things that came out of this, as the Executive Director mentioned, is that it is normally an adversarial process but we were able to work together jointly to be able to secure a contract that, we believe, is beneficial to both sides. It is also mindful of our Strategic Planning process in making sure that we have cost containment measures put in place and that we also are mindful as they arise.

Before entertaining a Resolution regarding the two separate Collective Bargaining Agreements, I believe, it is first prudent to enter into an Executive Session for the purpose of discussing the terms of both of these Collective Bargaining Agreements between the Commission and the Teamsters Local 436 Union.

General Counsel: Mr. Chairman, with that, I would appreciate it if Commission Member Barber would make a motion to enter into Executive Session.

Chairman Hruby: Mrs. Barber.

Secretary Barber: Mr. Chairman, I move that we hold an Executive Session to discuss Collective Bargaining negotiations with Teamsters Local 436 under the provision of the Ohio Revised Code Section 121.22(G)(4) and, at the end of such Executive Session, the Commission Meeting shall resume its regular meeting.

Chairman Hruby: So moved. Second?

Mr. Murphy: Second.

Chairman Hruby: Is there any discussion? Hearing none, roll call.

Director Hodges: Secretary-Treasurer Barber.

Secretary Barber: Yes.

Director Hodges: Mr. Murphy.

Mr. Murphy: Yes.

Director Hodges: Chairman Hruby.

Chairman Hruby: Yes.

Director Hodges: Vice Chairman Balog.

Vice Chairman Balog: Yes.

Director Hodges: Commissioner Dixon.

Mr. Dixon: Yes.

Director Hodges: Commissioner Paradiso.

Mr. Paradiso: Yes.

Chairman Hruby: We are in Executive Session. About how long do you think we will be?

DED Carlin: It should take approximately 15-20 minutes. (Executive Session begins at 1:17 p.m.)

Chairman Hruby: Can we have a motion to adjourn our Executive Session at 1:40 p.m. All those in favor say "aye." (All members say "aye"). Will the Secretary-Treasurer please call the roll?

Secretary Barber: Chairman Hruby.

Chairman Hruby: Yes.

Secretary Barber: Vice Chairman Balog.

Vice Chairman Balog: Yes.

Secretary Barber: Mr. Dixon.

Mr. Dixon: Yes.

Secretary Barber: Mr. Paradiso.

Mr. Paradiso: Yes.

Secretary Barber: Mr. Murphy.

Mr. Murphy: Yes.

Chairman Hruby: We are back in our regular meeting. (1:40 p.m.) I would like our General Counsel, Kathleen Weiss, to explain the motion to be brought forth.

General Counsel: Thank you Mr. Chairman and Commission Members. On March 28, 2002, Teamsters Local Union No. 436, affiliated with the International Brotherhood of Teamsters (“the Union”) was certified by the State Employee Relations Board as the exclusive bargaining representative of the regular, full-time and part-time, non-supervisory field employees in the Commission’s Toll Operations and Maintenance Departments.

The current Full-time and Part-time Collective Bargaining Agreements between the Commission and the Union expired on December 31, 2013, however, pursuant to Ohio Administrative Code Section 4117-9-02(E), the Agreements have continued in full force and effect after the expiration date until all dispute settlement procedures had been exhausted.

Negotiations between representatives of the Commission and the Union concerning the wages, hours, terms and conditions of employment for the Bargaining Unit Employees have taken place in accordance with the requirements set forth in Chapter 4117 of the Ohio Revised Code.

The Director of Administration has already reported that the Commission’s Negotiating Team and the Union have reached Tentative Agreements on both the Full-time and the Part-time Bargaining Unit Employees whereby the parties have agreed to certain changes to the current wages, hours, terms and conditions of employment under their respective Agreements.

The Director of Administration has reported that a vote on the Tentative Agreements by both Bargaining Units is expected to be concluded by the Union before January 31, 2014, and recommends that the Commission authorize the Executive Director to execute new three-year Collective Bargaining Agreements with both the Full-time and the Part-time Bargaining Units in the event either of those Bargaining Units vote to approve their respective Tentative Agreements by a majority vote of each respective Bargaining Unit.

With your permission Mr. Chairman, I will read the Resolved.

Chairman Hruby: Please.

General Counsel: RESOLVED that the Commission hereby authorizes the Executive Director to execute new Collective Bargaining Agreements with both the Full-time and Part-time Bargaining Units represented by the Teamsters Local Union 436 in the event either or both the Full-time and the Part-time Bargaining Units has voted by a majority to approve their respective Tentative Agreements; and

FURTHER RESOLVED, that the Commission authorizes the Executive Director and the Director of Administration/DED to take any other action necessary to carry out the terms and provisions of the new Collective Bargaining Agreements with the Full-time and Part-time Bargaining Units; and

FURTHER RESOLVED, that in the event that either Bargaining Unit votes by a majority to reject the Tentative Agreement(s), the Commission hereby authorizes the Executive Director to enter into negotiations with firms to provide security and contingent personnel services in anticipation of a possible work stoppage.

Chairman Hruby: For the Resolved.

Vice Chairman Balog: So moved.

Chairman Hruby: Moved by Mr. Balog. Is there a second?

Mr. Murphy: Second.

Chairman Hruby: Second by Mr. Murphy. Is there a discussion or are there any questions? Hearing none, roll call.

Director Hodges: Vice Chairman Balog.

Vice Chairman Balog: Yes.

Director Hodges: Mr. Murphy.

Mr. Murphy: Yes.

Director Hodges: Chairman Hruby.

Chairman Hruby: Yes.

Director Hodges: Secretary-Treasurer Barber.

Secretary Barber: Yes.

Director Hodges: Commissioner Dixon.

Mr. Dixon: Yes.

Director Hodges: Commissioner Paradiso.

Mr. Paradiso: Yes.

Director Hodges: Unanimous.

Chairman Hruby: The Resolution passes unanimously. Is there anything else?

RESOLUTION NO. 1-2014

Resolution Authorizing Execution of the Collective Bargaining Agreements for the Full-time and Part-time Bargaining Units Represented by the Teamsters Local Union 436

WHEREAS, on March 28, 2002, Teamsters Local Union No. 436, affiliated with the International Brotherhood of Teamsters (“the Union”) was certified by the State Employee Relations Board as the exclusive bargaining representative of the regular, full-time and part-time, non-supervisory field employees in the Commission’s Toll Operations and Maintenance Departments, hereinafter collectively referred to as “Bargaining Unit Employees;” and

WHEREAS, the current Full-time and Part-time Collective Bargaining Agreements between the Commission and the Union expired on December 31, 2013, however, pursuant to Ohio Administrative Code Section 4117-9-02(E), the Agreements shall continue in full force and effect after the expiration date until all dispute settlement procedures are exhausted; and

WHEREAS, the Commission’s General Counsel has reported that negotiations between representatives of the Commission and the Union concerning the wages, hours, terms and conditions of employment for the Bargaining Unit Employees have taken place in accordance with the requirements set forth in Chapter 4117 of the Ohio Revised Code; and

WHEREAS, the Director of Administration/Deputy Executive Director (“DED”) served as the Commission’s Chief Negotiator, leading a Negotiating Team that included Commission staff from the Legal, Engineering and Toll Operations Departments; and

WHEREAS, the Director of Administration/DED has reported that Tentative Agreements have been reached with both the Full-time and the Part-time Bargaining Unit Employees whereby the parties have agreed to certain changes to the current wages, hours, terms and conditions of employment under their respective Agreements; and

WHEREAS, the Director of Administration/DED has reported that a vote on the Tentative Agreements by both Bargaining Units is expected to be concluded by the Union before January 31, 2014, and recommends that the Commission authorize the Executive Director to execute new three-year Collective Bargaining Agreements in the event either or both the Full-time and the Part-time Bargaining Units vote to approve their respective Tentative Agreements by a majority vote of each respective Bargaining Unit; and

WHEREAS, the Executive Director concurs with the recommendation of the Director of Administration/DED that the execution of new three-year Collective Bargaining Agreements with both the Full-time and the Part-time Bargaining Units should be authorized by the Commission; and

WHEREAS, the Commission has duly considered such recommendations.

NOW, THEREFORE, BE IT

RESOLVED that the Commission hereby authorizes the Executive Director to execute new Collective Bargaining Agreements with both the Full-time and Part-time Bargaining Units represented by the Teamsters Local Union 436 in the event either or both the Full-time and the Part-time Bargaining Units has voted by a majority to approve their respective Tentative Agreements; and

FURTHER RESOLVED, that the Commission authorizes the Executive Director and the Director of Administration/DED to take any other action necessary to carry out the terms and provisions of the new Collective Bargaining Agreements with the Full-time and Part-time Bargaining Units; and

FURTHER RESOLVED, that in the event that either Bargaining Unit votes by a majority to reject the Tentative Agreement(s), the Commission hereby authorizes the Executive Director to enter into negotiations with firms to provide security and contingent personnel services in anticipation of a possible work stoppage.

(Resolution No. 1-2014 adopted January 21, 2014)

General Counsel: Thank you Mr. Chairman. I believe we were in the middle of Ms. Carlin's report.

Chairman Hruby: Then we will go back to you Robin.

DED Carlin: Next, I would like to update the Commission regarding the progress of the Strategic Planning Process. As you know, we embarked on this process nearly one year ago in late February, 2013. Since that time, we have updated our Mission Statement to reflect the Commission's new and expanded role as the Ohio Turnpike and Infrastructure Commission. We have identified our core commitments to our customers, and we have developed and refined our six Critical Issues including: Finances, Workflow Processes; Technology; Staffing; Marketing and Communications and Partnerships.

The goal of Critical Issue No. 1, Finance, was to explore ways to increase revenue as well as being mindful of ways to keep operating costs under control. During the December Commission Meeting, you approved a Resolution to enter into an agreement with a company to explore possible opportunities to increase Commission revenue. As you will learn from our CFO's report, we have successfully decreased our Operating Expenses for year ending

December 31, 2013. Today, I would like to introduce our Critical Issue No. 2 chairs: the Director of Audit and Internal Controls, David Miller, and Assistant Chief Engineer, Tony Yacobucci, who will update you on the progress being made by their team, as well as the importance of insuring our Workflow Processes and, more specifically, our Standard Operating Procedures are regularly reviewed and updated. I will now turn it over to both Tony and Dave.

Director of Audit/I.C.: Thank you Robin. Good afternoon Mr. Chairman and Commission Members. My name is David Miller and I am the Director of Audit and Internal Control here at the Commission. Co-presenting with me today is Tony Yacobucci who presently serves as the Commission's Assistant Chief Engineer of Structures and Facilities.

During the Commission's Strategic Planning sessions held in February and April of 2013, departmental leaders expressed concern that some of the Commission's workflow procedures were outdated, inefficient and lacking clear documentation. For example, Tony, as a leader of the newly reorganized Engineering Department, identified that several longstanding procedures in the Engineering and Maintenance areas needed to be reviewed and updated in order to effectively benefit the Commission. Similarly, I expressed concern that the organization has historically struggled to maintain written documentation for key Standard Operating Procedures or "SOP's." With recent organizational changes and advancements in key systems, particularly electronic toll collection via *E-ZPass*, it was the consensus of departmental leaders that the Commission's SOP's definitely needed a makeover. Ultimately, the critical issue forged by these discussions was expressed by the statement before you, "Several Operating Procedures and Workflow Processes are outdated and insufficiently documented."

Discussions about Workflow Procedures and documentation at the Strategic Planning Sessions mentioned by Robin, ultimately, led to the identification of a specific critical issue for which the following strategic intent and overall goal was developed: "To improve Workflow Processes and documentation of Standard Operating Procedures and perform regularly scheduled reviews to ensure that they remain current."

In support of the overall goal and strategic intent, the following specific strategic goals were also developed by the departmental leaders at the planning sessions.

1. Create a bylaw requiring a report to the Commission every year that all Workflow Processes and Standard Operating Procedures have been reviewed and updated.

Now, the intent of this goal is to discipline ourselves as an organization to follow through on the objectives of Critical Issue No. 2. Proactive development of this requirement demonstrates our commitment to achieving the objectives.

2. Create a standing work group responsible for identifying the outdated Operating Procedures and Workflow Processes and assigning the task of updating them.

Developing and updating Workflow Processes and Standard Operating Procedures is an enormous task and no single person or department can effectively ensure that the objectives of Critical Issue No. 2 are achieved. Instead, a committee comprised of key departmental representatives was conceived to oversee the task.

3. Develop and update Emergency Response Plans and Disaster Recovery Plans.

These items are considered valuable by-products by the overall initiatives of Critical Issue No. 2. While each of these specific strategic goals plays a significant role in attaining the overall strategic intent of this Critical Issue, we must ensure our focus is concentrated on the benefits of the SOP's and why this Critical Issue was identified during the planning sessions.

Asst. Chief Engineer: Development and routine maintenance of written Standard Operating Procedures is a Best Practice that provides numerous valuable benefits. SOP's enhance departmental and organizational governance by defining how a critical task is to be performed; they serve as a training tool for new or temporary employees; SOP's provide a mechanism for the evaluation of Internal Control and become the cornerstone for Emergency Response business continuity and Disaster Recovery Plans.

A seven-member Workflow Strategic Planning Committee was established in May 2013 to address the Strategic Goals. Probably because of our outspoken at the Strategic Planning Sessions, Dave and I were appointed to co-chair this committee. Initial Committee meetings were held to determine the responsibilities and operational practices of the Committee. It was clear that the Committee must remain a permanent body. Though members will change over time, the overall group must remain in existence to ensure ongoing attainment of the Critical Issue Strategic Goals.

Orderly review and approval of SOP's by the Committee was deemed necessary, thereby providing ongoing assessment of each department's progress. A vision for written SOP's was discussed and identified. The SOP must be of genuine use to each department and not window dressing to simply check the box of compliance. Due to the enormous size and magnitude of this task at hand, techniques to divide and conquer the process of revamping departmental SOP's were developed. Sixteen specific departments were identified. These sixteen departments were divided up among each of the Workflow Committee members. Department heads were requested to appoint a single representative from each department to serve as a responsible point of contact for the SOP initiatives.

The Committee reviewed the SOP format already established by Internal Audit and determined that it was still an effective and appropriate approach. Also, plenty of existing useful material was already developed in this format, which further justified continuing its use.

Existing SOP materials maintained in the Internal Audit Department were distributed to the applicable departments as a starting point for the updates and revisions. The Committee also held a meeting inclusive of the employee representatives from each of the sixteen departments to discuss the approach for updating and developing new SOP's. Existing written SOP documents

were distributed as well as new binders with uniform divider tabs. SOP examples and general guidelines as to form and content were also covered.

This action matrix is a very brief summary of the tasks identified by the Committee to initiate and carry-on the Strategic Intent and Goal of Critical Issue No. 2. Tasks 1 and 2 of creating a by-law and workgroup have been completed. Tasks 3 and 4 of identifying and updating and/or writing SOP's are currently in progress. The thought processes necessary to commit a Workflow Process to writing, forces an assessment of the activity. The initial focus of the Committee has been on the revision of existing SOP's and, where necessary, the development of new ones. Finally, Task 5 which is creating Emergency Response Plans and Disaster Recovery Plans has been considered a Phase II project and will be developed after all SOP's are updated and approved by the Committee.

Director of Audit/I.C.: In many ways, the Strategic Goals associated with Critical Issue No. 2 are among the most difficult to achieve of all the Critical Issues identified by the Commission's recent Strategic Planning initiatives. Assessment of key Commission Workflow Procedures and development of meaningful documentation to support them is an enormous task. Success in this area requires effort on the part of personnel in all departments. The Commission's personnel are already extremely busy with the demanding day-to-day tasks of the organizations and it is very difficult to make the goals of the Workflow Committee a priority.

When faced with any enormous task, the question is sometimes asked, "How do you eat an elephant?" The answer is, of course, one bite at a time. The members of the Workflow Committee hope to keep this in mind as we drive progress in the coming months. Despite the inherent challenges to the Workflow Critical Issue, departmental leaders are in agreement that the benefits are well worth the effort. With the ongoing support from the top by Director Hodges, the Workflow Committee is confident that the goals can be met bite-by-bite, and as a result, the Commission will be made a better organization. That completes our brief presentation. Tony and I would be happy to respond to any questions.

Chairman Hruby: Are there any questions from the Members?

Mr. Cole: When you have Steve Vaughn and the Lean Ohio people coming up, they are, specifically, going to look at those workflows that have been identified within purchasing. Is that what I heard earlier? That is what they are going to focus on out of the sixteen departments?

DED Carlin: It will be through the Kaizan effort. The way that the representatives from the Lean Ohio office have talked to us is to identify one particular area that you really want to focus on, because it does get very intense for a week-long process, so we felt that that was the one area that we could best serve from the process instead of trying to name several at once. We will give that one a go and see how it works out.

Director of Audit/I.C.: If I could just add to Robin's comment. I think it is safe to say that the results of the Kaizan will definitely impact the content of the initiatives for the Workflow Processes and documentation of the Standard Operating Procedures for that area.

Mr. Cole: We did a similar process, although we have done the Kaizan around other agencies purchasing around the state and they do a great job – you are going to get a lot out of the process, but at OBM, one of the things we did was that we not only looked at our workflow, which we started to do, Director Keen had us go all the way back to question why we do any of these things. I just hope that that is part of your process as well. We actually went back to statutes and administrative rules and said that not only should we make this process leaner, but asked, “What is the genesis for doing some of what we do?” Were there things that we could just cut out of our operations because they had become something we continued to do and no one remembered exactly why. That has challenged us consistently over the last three years. I just wanted to know if that was part of your process as well. Sometimes it is easy to down in the weeds and you forget why you are there. So, that is part of your process?

DED Carlin: It is. We have actually had conversations asking ourselves, “Well, why are we doing this in the first place?” “Can we do it better?” And, we have tried to identify exactly why we do it in that particular manner. It is through the help of the Workflow Committee that has been probing us and getting us to answer those types of questions.

Mr. Cole: I look forward to seeing the list of ballast that has been eliminated at some point in the future.

Chairman Hruby: Anyone else? Well thank you very much. We appreciate your report. Do you have anything else?

DED Carlin: Yes. I just have a little bit more to report. During the February Commission Meeting, I will be presenting on Critical Issue #4, Staffing. I will share with you the Commission’s first formal Staffing Analysis. During the March Meeting, the Director of Governmental Affairs, Adam Greenslade, will present Critical Issue #6, Partnerships, and the progress being made there. By early summer, we hope to report to you on our ongoing issue of developing metrics if we can actually measure the progress that is being made to have something tangible and concrete to report back to you. I hope you have enjoyed learning about our Strategic Plans through today’s presentation as well as the four other Critical Issues we have presented to date. It has been a very impressive effort by all of our Directors and Managers. We have enjoyed this process. It truly has allowed us to move forward and rethink the way we are doing things to try and find a way to make the Commission move forward in a strategic manner and continue being the road of choice. That concludes my report.

Chairman Hruby: Thank you very much. We will move on to the report of our Chief Engineer, Mr. Hedrick.

Chief Engineer: Thank you Mr. Chairman. I have four Resolutions for your consideration this afternoon.

The first Resolution seeks authorization to award the Consulting Engineering Contract for the General Engineering Consultant for the Ohio Turnpike and Infrastructure Commission.

It is required that the Commission retains the services of a General Engineering Consultant that maintains “nationwide and favorable” repute to perform such duties as outlined in the Master Trust Agreement. These services include performing annual inspection of condition assessment of all capital assets owned by the Commission, long range capital improvement planning, utility and special permit reviews, as well as other services as requested by the Commission.

On September 5, 2013, Requests for Proposals (“RFP”) were issued for these services with a submission deadline of October 3, 2013. Firms meeting the criteria, as outlined in the Master Trust Agreement, were contacted as well as posting the RFP on the Commission’s website and with the International Bridge Tunnel and Turnpike Association (“IBTTA”). Upon the conclusion of the submission period, only one firm, URS Corporation, had responded. In an effort to solicit additional interest, the time period was extended and firms were again contacted and encouraged to participate. This effort resulted in two additional proposals being submitted by the new deadline of November 5, 2013. These proposals were submitted by CDM Smith, and Michael Baker Jr., Inc., both of Cleveland, Ohio.

An Evaluation Team consisting of the Chief Engineer as well as the Assistant Chief Engineer of Highways and Maintenance and Assistant Chief Engineer of Structures and Facilities separately evaluated and scored these three proposals. The results of these evaluations were then compared and all three team members concluded the proposal submitted by URS as the highest ranking proposal. Based upon this consensus, a scope meeting was held and a complete description of services was discussed. On January 3, 2014, URS submitted an initial proposal, which was reviewed and negotiated based upon comments from the Evaluation Team. On January 10, 2014, a final fee proposal was submitted which incorporated the negotiated revisions. URS has submitted the following annual rates for the “Basic Services”:

<u>Year</u>	<u>Lump Sum Amount</u>	<u>Payment Schedule</u>
2014	\$292,994.00*	\$ 32,554.89 (9 months)
2015	\$268,131.00	\$ 22,344.25
2016	\$309,029.00*	\$ 25,752.42
2017	\$282,806.00	\$ 23,567.17
2018	\$325,942.00*	\$ 27,161.83
Total:		<u>\$1,478,902.00</u>

* Includes overhead truss and cantilever sign structure inspections

In addition, URS submitted fees for the major bridge inspections, Capital Improvement Plans support and review of design standards services as follows:

<u>Year</u>	<u>Major Bridge Inspections</u>	<u>Inspection Equipment</u>	<u>CIP Support</u>	<u>Standards Review</u>	<u>Total</u>
2014	\$ 72,179.00	\$25,920.00	\$ 23,059.00	\$32,480.00	\$153,638.00
2015	\$ 62,161.00	\$29,840.00	\$ 23,681.00		\$115,682.00
2016	\$ 38,200.00	\$29,000.00	\$ 24,321.00		\$ 91,521.00
2017	\$ 25,866.00	\$ 5,250.00	\$ 24,977.00		\$ 56,093.00
2018	\$ 27,079.00	\$ 9,600.00	\$ 25,652.00	\$ _____	\$ 62,331.00

Totals: \$225,485.00 \$99,610.00 \$121,690.00 \$32,480.00 \$479,265.00

The total for all inspection, Capital Improvement Plans support and standards review services totals \$1,958,167.00. It should be noted that this amount was negotiated down from their initial submission of \$2,347,894.00.

Furthermore, the RFP included an allowance for on-call miscellaneous services of approximately \$100,000.00 per year for the full five years of the contract period. These on-call services are to be utilized as authorized by the Commission for miscellaneous and/or emergency services, which include but are not limited to, mainline or overhead bridge repair, super load evaluations for permits and other miscellaneous consulting services.

It is recommended that the Commission enter into an agreement with URS Corporation for performance of the subject work in accordance with the RFP of September 5, 2013, their response of October 3, 2013 and their final fee proposal of January 10, 2014. If the General Counsel would please read the Resolved.

Chairman Hruby: Please.

General Counsel: RESOLVED that the Commission hereby selects **URS Corporation, of Akron, Ohio**, to serve as its Consulting Engineer and authorizes and directs the Executive Director and the General Counsel to enter into a Contract with URS commencing April 1, 2014, and extending through December 31, 2018, to perform the services required of the Consulting Engineer, all in accordance with the Master Trust Agreement, the terms and conditions of the Commission's Request for Proposals, URS' response thereto and its fee proposal dated January 10, 2014; and

FURTHER RESOLVED that a certified copy of this resolution shall be transmitted to the Trustee for the Bondholders in accordance with Article V, Section 5.04 of the Master Trust Agreement.

Chairman Hruby: Is there a motion?

Vice Chairman Balog: Move to adopt.

Chairman Hruby: Moved by Mr. Balog. Is there a second?

Secretary Barber: Second.

Chairman Hruby: Second by Mrs. Barber. Is there a discussion or are there any questions? 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 Dixon.

Mr. Dixon: Yes.

Director Hodges: Commissioner Paradiso.

Mr. Paradiso: Yes.

Director Hodges: Mr. Murphy.

Mr. Murphy: Yes.

Director Hodges: Unanimous.

Chairman Hruby: The Resolution is adopted unanimously.

RESOLUTION NO. 2-2014

Resolution Awarding a Contract for Consulting Engineering Services

WHEREAS, pursuant to Section 5.04 of the Master Trust Agreement dated April 8, 2013, between the Commission and Trustee, Huntington National Bank, the Commission covenants that it will employ an independent engineer for the purpose of performing and carrying out the duties imposed on the “Consulting Engineer” by the Master Trust Agreement, and that such Consulting Engineer shall have a “nationwide and favorable repute” for skill and experience in such work; and

WHEREAS, the Commission posted Notice of its Request for Proposals (“RFP”) for Consulting Engineering Services on the Commission’s website and the website of the International Bridge Tunnel and Turnpike Association (“IBTTA”), and also sent the Notice to qualified engineering firms of nationwide and favorable repute known to have an interest in performing these types of services; and

WHEREAS, on October 3, 2013, one proposal was received from **URS Corporation**, of **Akron, Ohio**, expressing an interest in serving as the Consulting Engineer to the Commission, however, due to the limited response, an effort was made to reach out to the qualified pool of candidates and provide an extended opportunity for proposals to be submitted; and

WHEREAS, after the extension of the response period, two additional responses were received on November 12, 2013, from CDM Smith, of Cleveland, Ohio, and Michael Baker, Jr., Inc., of Cleveland, Ohio; and

WHEREAS, an Evaluation Team comprised of the Commission’s Chief Engineer, Assistant Chief Engineer Structures and Facilities, and Assistant Chief Engineer Highway and Maintenance, independently evaluated the technical proposals received from the three firms; and

WHEREAS, the Commission’s Evaluation Team has concluded, on the basis of the technical proposals, that **URS Corporation**, of **Akron, Ohio (“URS”)**, is the firm most qualified to perform the services required; and

WHEREAS, a fee negotiation was conducted with URS, and said firm has submitted a fee proposal dated January 10, 2014, containing the following fee schedule, exclusive of major bridge inspection services:

<u>Year</u>	<u>Lump Sum Amount</u>	<u>Payment Schedule</u>
2014	\$292,994.00*	9 @ 32,554.89
2015	\$268,131.00	12 @ 22,344.25
2016	\$309,029.00*	12 @ 25,752.42
2017	\$282,806.00	12 @ 23,567.17
2018	<u>\$325,942.00</u>	<u>12 @ 27,161.83</u>
Total	\$1,478,902.00	

* Includes overhead truss and cantilever sign structure inspections

WHEREAS, additional fees for major bridge inspections, Capital Improvement Project support and review of design standard services during the five years in which services will be provided are as follows:

<u>Year</u>	<u>Amount</u>
2014	\$153,638.00
2015	\$115,682.00
2016	\$ 91,521.00
2017	\$ 56,093.00
2018	<u>\$ 62,331.00</u>
Total	\$ 479,265.00

WHEREAS, an allowance for on-call, miscellaneous services of approximately \$100,000.00 per contract year will be established under the Contract to be utilized for miscellaneous and/or emergency services that may include impact or fire damage on the

Turnpike mainline or its overhead bridges, superload vehicle evaluations for permits and other miscellaneous consulting services; and

WHEREAS, the fee proposal submitted by URS has been deemed to be appropriate and reasonable by the Chief Engineer, who has, therefore, recommended that, based on its superior technical rating and its negotiated fee proposal, URS be designated as the Commission's Consulting Engineer commencing April 1, 2014, and extending through December 31, 2018; and

WHEREAS, the Commission has been advised by its General Counsel that said RFP selection process, including the selection of URS, was performed in accordance with procedures outlined in Ohio Revised Code Sections 153.65 to 153.71, and that the 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 new Contract for Consulting Engineering Services should be awarded by the Commission to URS Corporation; and

WHEREAS, the Commission has duly considered such recommendations.

NOW, THEREFORE, BE IT

RESOLVED that the Commission hereby selects **URS Corporation**, of **Akron, Ohio**, to serve as its Consulting Engineer and authorizes and directs the Executive Director and the General Counsel to enter into a Contract with URS commencing April 1, 2014, and extending through December 31, 2018, to perform the services required of the Consulting Engineer, all in accordance with the Master Trust Agreement, the terms and conditions of the Commission's Request for Proposals, URS' response thereto and its fee proposal dated January 10, 2014; and

FURTHER RESOLVED that a certified copy of this resolution shall be transmitted to the Trustee for the Bondholders in accordance with Article V, Section 5.04 of the Master Trust Agreement.

(Resolution No. 2-2014 adopted January 21, 2014)

Chief Engineer: Mr. Chairman, my next Resolution seeks authorization for the purchase of sixteen portable changeable message boards or "PCMB's" under the Ohio Department of Transportation's Cooperative Purchasing Program Number 048-14. The purchase of these boards are included in the 2014 Capital Budget and are required to replace existing 1997 model year PCMB's that have obsolete communications technology. Additional PCMB's are being purchased to increase the number of spare available boards to enhance communication capabilities for our patrons during Traffic Incidents Management events. The Procurement Manager has selected Lightle Enterprises of Ohio, LLC, of Frankfort, Ohio, as the supplier. Their cost of \$15,528.00 per PCMB was determined to be the lowest responsive and responsible price under this ODOT Cooperative Program. The Assistant Chief Engineer of Highways and Maintenance has reviewed the specifications for these PCMB's and has recommended approval.

I have read this recommendation and concur with the findings. Based upon the unit cost indicated, the total purchase price for the sixteen boards will be \$248,448.00. Whereas, under Article V Section 1.00 of the Commission Code of Bylaws, expenditures in excess of \$150,000.00 require Commission approval, I am requesting authorization of such expenditures. In addition, the existing PCMB's shall be disposed of in accordance with the Commission's Property Disposal Policy. With your permission, if the General Counsel would please read the Resolved.

Chairman Hruby: Please.

General Counsel: Thank you Mr. Chairman.

RESOLVED that the Commission's Executive Director and Procurement Manager may proceed with issuing a Purchase Order for sixteen portable changeable message boards ("PCMB's) to Lightle Enterprises of Ohio, LLC, of Frankfort, Ohio, via the Commission's membership in the ODOT Cooperative Purchasing Program, specifically, through ODOT Contract No. 048-14, in the amount of \$248,448.00 (\$15,528.00 each), and shall take any and all action necessary to properly carry out the terms of said purchase; and

FURTHER RESOLVED that the Commission's Executive Director and Procurement Manager are authorized to proceed with the disposal of the existing PCMB equipment that has reached the end of its economical service life in accordance with the Commission's Property Disposal Policy; and

FURTHER RESOLVED that the purchase of the aforementioned PCMB's are designated Renewal and Replacement expenditures under the Commission's Master Trust Agreement.

Chairman Hruby: Can we have a motion please?

Vice Chairman Balog: So moved.

Chairman Hruby: Moved by Vice Chairman Balog. Is there a second?

Mrs. Barber: Second.

Chairman Hruby: Second by Mrs. Barber. Are there any questions or comments?
Yes Mr. Dixon.

Mr. Dixon: Thank you Mr. Chairman. There is no value at all on the old PCMB's?

Chief Engineer: Mr. Chairman and Commission Member Dixon they will dispose of them through the normal process. Whether that it through auction or through disbursement via online sales. We will try to get something out of them. The problem is that they lack the automatic communication, so there only value is going to be as a static location that you have to go and manually change the message.

Mr. Paradiso: Where do we use these?

Chief Engineer: Mr. Chairman and Commission Member Paradiso, we use these predominately on the mainline warning travelers of unsafe conditions for weather, accidents...

Mr. Paradiso: We trailer them out on the...

Chief Engineer: No. They will actually sit on the shoulder behind barrels. Normally, we try to position them in an emergency pull-off area so they are out of the traveling shoulder. They are used in emergencies for accidents predominately. That is the purpose for getting the additional sixteen.

Chairman Hruby: Accidents and construction primarily.

Director Hodges: Mr. Chairman, earlier this summer we completely reviewed our Traffic Incident Management procedures, which Dennis and other made a presentation at an earlier meeting, one of the needs that we identified was to have more communication along the road. Our mission is to move people across the state fast and safe regardless of the weather, construction or traffic. To fulfill that mission, we thought we needed these boards so that we can get people off the road if they are going to be sitting there for a long time.

Chairman Hruby: Are there any other 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 Dixon.

Mr. Dixon: Yes.

Director Hodges: Commissioner Paradiso.

Mr. Paradiso: Yes.

Director Hodges: Mr. Murphy.

Mr. Murphy: Yes.

Director Hodges: Unanimous.

Chairman Hruby: The Resolution passes unanimously. Continue please.

RESOLUTION NO. 3-2014

Resolution Authorizing the Purchase of Sixteen Portable Changeable Message Boards under ODOT Cooperative Purchasing Program and Disposal of Existing Equipment

WHEREAS, pursuant to Ohio Revised Code Section 5513.01(B), the Ohio Turnpike and Infrastructure Commission is authorized to participate in contracts awarded by the Ohio Department of Transportation (“ODOT”) for the purchase of machinery, materials, supplies, or other articles; and

WHEREAS, the Assistant Chief Engineer, Highway and Maintenance, has recommended the purchase of sixteen new portable changeable message boards (“PCMB’s”) with cellular telecommunications and GPS, and he has determined that American Signal Co. manufactures the best PCMB to replace the Commission’s existing equipment that has reached the end of its economical service life; and

WHEREAS, eight of the new PCMB’s will replace eight 1997 Ver-Mac model PCMB’s, which have been failing because they operate on obsolete technology and replacement parts are difficult to obtain in a timely fashion; and

WHEREAS, eight of the new PCMB’s are being added to the Commission’s inventory in order to enhance notification to customers through the Commission’s Traffic Incident Management Plan; and

WHEREAS, the sixteen new PCMB’s are available for acquisition through the ODOT Cooperative Purchasing Program, and the Procurement Manager has determined that the lowest cost of obtaining the aforesaid PCMB’s is under **ODOT Contract No. 048-14** through **Lightle Enterprises of Ohio, LLC**, of **Frankfort, Ohio**, an American Signal distributor, in the amount of **\$248,448.00 (\$15,528.00 each)**; and

WHEREAS, the expenditures by the Commission for the sixteen PCMB’s 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 General Counsel has reviewed the proposed equipment purchase and has advised the Commission that the proposed purchase is in conformance with the Commission’s authority to participate in the ODOT Cooperative Purchasing Program under Ohio Revised Code Section 5513.01(B); and

WHEREAS, the aforementioned Ver-Mac PCMB equipment that is being replaced will be disposed of in accordance with the Commission's Property Disposal Policy; and

WHEREAS, the Executive Director and Chief Engineer have reviewed the reports of both the Assistant Chief Engineer, Highway and Maintenance, and the General Counsel and concur with their recommendation that the Commission approve the purchase of the sixteen new PCMB's from Lightle Enterprises via the ODOT Cooperative Purchasing Program; and

WHEREAS, the Commission has duly considered such recommendations.

NOW, THEREFORE, BE IT

RESOLVED that the Commission's Executive Director and Procurement Manager may proceed with issuing a Purchase Order for sixteen portable changeable message boards ("PCMB's) to **Lightle Enterprises of Ohio, LLC, of Frankfort, Ohio**, via the Commission's membership in the ODOT Cooperative Purchasing Program, specifically, through **ODOT Contract No. 048-14**, in the amount of **\$248,448.00 (\$15,528.00 each)**, and shall take any and all action necessary to properly carry out the terms of said purchase; and

FURTHER RESOLVED that the Commission's Executive Director and Procurement Manager are authorized to proceed with the disposal of the existing PCMB equipment that has reached the end of its economical service life in accordance with the Commission's Property Disposal Policy; and

FURTHER RESOLVED that the purchase of the aforementioned PCMB's are designated Renewal and Replacement expenditures under the Commission's Master Trust Agreement.

(Resolution No. 3-2014 adopted January 21, 2014)

Chief Engineer: My third Resolution this afternoon seeks authorization for the purchase of thirty-four 2014 model year pick-up trucks with a gross vehicle weight rating (GVWR) of less than 12,000 pounds. The purchase, of such vehicles, is governed by the Ohio Department of Administrative Services ("ODAS") under Ohio Revised Code Section 125.832. As a condition of these requirements, the Ohio Turnpike and Infrastructure Commission are required, on an annual basis, to submit to ODAS a Fleet Management Plan for review and acceptance. The 2013 and 2014 Plans, which were submitted and accepted, included the replacement of these thirty-four vehicles. The purchase of these vehicles were also included in the 2013 (16 vehicles) and the 2014 (18 vehicles) Capital Improvement Budgets. The Procurement Manager has secured pricing for the following units:

1. Purchase of 18 – 6,400 GVWR, GMC Sierra pickup trucks from Bob Ross Buick of Centerville, Ohio, under DAS Contract No. RS901514, Index GDC093. These are being purchased under three separate Capital Improvement Plans:
 - a. CIP 32-13-03 at \$23,038.76 each to replace 8 current Foreman trucks
 - i. Current trucks are model year 2008 GMC trucks

- ii. Mileage between 155,000 and 228,000.
 - iii. Requisition R8134
 - b. CIP 32-13-04 at \$20,881.14 each to replace 8 current Building Checkman trucks
 - i. Current trucks are model year 2002 GMC trucks
 - ii. Mileage between 130,000 and 264,000.
 - iii. Requisition R8134
 - c. CIP 32-14-02 a \$22,799.57 each to replace 2 Assistant Trades Supervisor's trucks
 - i. Current trucks are model year 2008 GMC trucks.
 - ii. Mileage between 160,000 and 245,000.
 - iii. Requisition R8142

Total Purchase price for all of the above units ...\$ 396,958.38

- 2. Purchase of 16 – 8,500 GVWR, Ford F250 pickup trucks from Germain Ford of Columbus, Ohio, under DAS Contract No. RS901514, Index GDC093, Item 20AT
 - a. CIP 32-14-05 at \$20,416.50 each to replace 16 of 24 current Assistant Foreman trucks.
 - i. Current trucks are model year 2008 and older trucks.
 - ii. Mileage between 156,000 and 248,000.
 - iii. Requisition R8141

Total purchase price for all of the above units... \$ 326,664.00

A more detailed breakdown, of the vehicles being purchased with serial numbers and the vehicles being disposed of, is included in your folders.

The General Counsel has reviewed the above referenced purchases and confirms that they conform to the requirements under the ORC Section 125.832. The total cost of these purchases will exceed \$150,000.00, and as such, these expenditures will require Commission approval in accordance with the Article V Section 1 of the Code of Bylaws. It should also be noted that Bob Ross Buick is a State of Ohio certified MBE provider. Therefore, I am recommending authorization for the purchase of thirty-four vehicles as previously described for a total purchase price of \$723,622.38. In addition to this purchase, this authorization will include the disposal of the existing thirty-four vehicles in accordance with the Commission's property disposal policy. With your permission Mr. Chairman, if the General Counsel would please read the Resolved.

Chairman Hruby: Please.

General Counsel: Thank you Mr. Chairman.

RESOLVED that the Commission's Executive Director and Procurement Manager are hereby authorized to proceed with the purchase of eighteen, 2014 GMC Sierra (6,400 lb. GVWR) pick-up trucks under ODAS State Term Contract Index No. GDC093, Schedule No. RS901514, Item 14BT from Bob Ross Buick, Inc. of Centerville, Ohio (including delivery to the Commission) in the total amount of \$396,958.38, and the purchase of sixteen, 2014 Ford F250 (8,500 lb. GVWR) pick-up trucks under ODAS State Term Contract Index No. GDC093, Schedule No. RS901514, Item 20AT from Germain Ford of Columbus, LLC, of Columbus, Ohio (including delivery to the Commission) in the total amount of \$326,664.00, and to take any and all action necessary to properly carry out the terms of said purchases; and

FURTHER RESOLVED that the Commission's Executive Director and Procurement Manager are authorized to proceed with the disposal of the thirty-four vehicles identified for replacement by the Commission's Chief Engineer in accordance with the Commission's Property Disposal Policy; and

FURTHER RESOLVED that the purchase of the aforementioned vehicles are designated Renewal and Replacement expenditures under the Commission's Master Trust Agreement.

Chairman Hruby: Is there a motion?

Vice Chairman Balog: So moved.

Chairman Hruby: Moved by Mr. Balog. Is there a second?

Mr. Paradiso: Second.

Chairman Hruby: Seconded by Mr. Paradiso. Is there a discussion or are there any questions? Mr. Murphy.

Mr. Murphy: Doug, are these the trucks that are being retired or auctioned?

Chief Engineer: Mr. Chairman and Commission Member Murphy yes, they are.

Mr. Murphy: This is probably more of a question for Rick. Where are these guys driving - 220,000 miles in five years? The road is only 241 miles long.

Director Hodges: Mr. Chairman and Mr. Murphy, we have been dealing with that question over the course of the last year. I believe that you are going to find that we do not put quite the same mileage on them in the future.

Chief Engineer: Mr. Chairman and Commission Member Murphy, if I may add too, there are numerous work crews that individual supervisors are responsible for. They are not going out to one single location and staying there for the day. They are checking on multiple crews throughout the day.

Mr. Murphy: I appreciate it from my perspective at ODOT how much they are used. It just seems interesting. We (ODOT) have 50,000 miles, and if we get that many miles on a truck in five years, there has been a lot of traveling. But, I understand.

Director Hodges: Mr. Chairman and Mr. Murphy I appreciate the Maintenance and Engineering Departments work on this. We will take care of it.

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

Director Hodges: Vice Chairman Balog.

Vice Chairman Balog: Yes.

Director Hodges: Commissioner Paradiso.

Mr. Paradiso: Yes.

Director Hodges: Chairman Hruby.

Chairman Hruby: Yes.

Director Hodges: Secretary-Treasurer Barber.

Secretary Barber: Yes.

Director Hodges: Commissioner Dixon.

Mr. Dixon: Yes.

Director Hodges: Mr. Murphy.

Mr. Murphy: Yes.

Director Hodges: Unanimous.

Chairman Hruby: The Resolution passes unanimously. Mr. Hedrick.

RESOLUTION NO. 4-2014

Resolution Authorizing the Purchase under the ODAS Cooperative Purchase Program of Thirty-Four 2014 Pick-up Trucks and Disposal of Thirty-Four Existing Pick-up Trucks

WHEREAS, Ohio Revised Code Section 125.832 grants “exclusive authority” to the Ohio Department of Administrative Services (“ODAS”) “over the acquisition and management of all motor vehicles used by state agencies,” that have a gross vehicle weight rating (“GVWR”)

of less than 12,000 lbs., with state agencies defined under this Code Section to include the Ohio Turnpike and Infrastructure Commission; and

WHEREAS, the Commission's Chief Engineer has recommended the purchase of thirty-four pick-up trucks to replace existing pick-up trucks that are utilized by the Commission's Maintenance Foremen, Assistant Foremen, Building Checkmen, and Assistant Trades Supervisors, and which are worn beyond what is economically prudent to expend on their continued maintenance; and

WHEREAS, the Commission's Fleet Plan Status Report has been submitted and accepted by ODAS, therefore, the Commission may proceed with the proposed purchase of thirty-four pick-up trucks under ODAS State Term Contract to replace thirty-four existing pick-up trucks; and

WHEREAS, pursuant to Resolution No. 32-2003 adopted on July 21, 2003, Commission's Executive Director was authorized to participate in state contracts under the 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 the Commission continues to maintain a current membership in said Cooperative Purchasing Program; and

WHEREAS, the expenditures by the Commission for the thirty-four pick-up trucks 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 also necessary for such procurements; and

WHEREAS, the best unit pricing for eighteen, 2014 GMC Sierra's (6,400 lb. GVWR) for the Maintenance Division Foremen, Building Checkmen and Assistant Trades Supervisors is available under ODAS State Term Contract Index No. GDC093, Schedule No. RS901514, Item 14BT from **Bob Ross Buick, Inc.**, of **Centerville, Ohio**, at the unit price of eight each at \$23,038.76, eight each at \$20,881.14, and two each at \$22,799.57 (including delivery to the Commission), for a total of **\$396,958.38**; and

WHEREAS, the best unit pricing for sixteen, 2014 Ford 250's (8,500 lb. GVWR) for the Maintenance Division Assistant Foremen, is available under ODAS State Term Contract Index No. GDC093, Schedule No. RS901514, Item 20AT from **Germain Ford of Columbus, LLC**, of **Columbus, Ohio**, at the unit price of \$20,416.50 each (including delivery to the Commission), for a total of **\$326,664.00**; and

WHEREAS, the thirty-four pick-up trucks identified for replacement shall be disposed of in accordance with the Commission's Property Disposal Policy; and

WHEREAS, the Commission's General Counsel has reviewed the proposed vehicle purchases, and has advised the Commission that the proposed purchases are in conformance with Commission Resolution No. 32-2003 and Ohio Revised Code Section 125.832; and

WHEREAS, the Commission's Executive Director has reviewed the reports of the Chief Engineer and the General Counsel and recommends that the Commission authorize the purchase of the thirty-four pickup trucks under the ODAS Office of State Purchasing Cooperative Purchasing Program, eighteen from Bob Ross Buick, Inc., and sixteen from Germain Ford of Columbus, LLC, as well as the disposal of the thirty-four pick-up trucks identified for replacement in accordance with the Commission's Property Disposal Policy; and

WHEREAS, the Commission has duly considered such recommendations.

NOW, THEREFORE, BE IT

RESOLVED that the Commission's Executive Director and Procurement Manager are hereby authorized to proceed with the purchase of eighteen, 2014 GMC Sierra (6,400 lb. GVWR) pick-up trucks under ODAS State Term Contract Index No. GDC093, Schedule No. RS901514, Item 14BT from **Bob Ross Buick, Inc. of Centerville, Ohio** (including delivery to the Commission) in the total amount of **\$396,958.38**, and the purchase of sixteen, 2014 Ford F250 (8,500 lb. GVWR) pick-up trucks under ODAS State Term Contract Index No. GDC093, Schedule No. RS901514, Item 20AT from **Germain Ford of Columbus, LLC, of Columbus, Ohio** (including delivery to the Commission) in the total amount of **\$326,664.00**, and to take any and all action necessary to properly carry out the terms of said purchases; and

FURTHER RESOLVED that the Commission's Executive Director and Procurement Manager are authorized to proceed with the disposal of the thirty-four vehicles identified for replacement by the Commission's Chief Engineer in accordance with the Commission's Property Disposal Policy; and

FURTHER RESOLVED that the purchases of the aforementioned vehicles are designated Renewal and Replacement expenditures under the Commission's Master Trust Agreement.

(Resolution No. 4-2014 adopted January 21, 2014)

Chief Engineer: For my last Resolution, and it is with true melancholia I am sorry to say, that I do mean my *last* Resolution for your consideration, seeks authorization to award Contract No. 53-13-03 and 53-13-04 for the removal and replacement of underground Fuel Piping and Containment Replacement at the Erie Islands and Commodore Perry Service Plazas. On January 3, 2014, Procurement received four bids for the above reference Contract. The apparent low bid was submitted by Valor Contracting LLC, of Northwood, Ohio, in the amount of \$1,109,000.00. This bid was below the Engineer's Estimate of \$1,400,000.00. This bid was evaluated by both the design consultant, Wellert Corporation, of Medina, Ohio, as well as Commission staff and was found to contain no errors or omissions. This company has not previously performed work for the Commission, therefore, additional due diligence was performed. A review of the company's financial records by the CFO/Comptroller found no irregularities. Several references, both independent and those submitted by the company were contacted and all reported satisfactory performance by Valor. A review of the current work in progress also indicates that Valor has sufficient capacity to complete this contract in accordance with the project schedule.

Based upon the foregoing review, it is my recommendation that Valor Contracting, LLC has submitted the lowest responsive and responsible bid. As this Contract is in excess of \$150,000.00 and, in accordance with Article V Section 1 of the Commission Code of Bylaws, I am requesting Commission authorization to award Contract No. 53-13-03 and 53-13-04 to Valor Contracting, LLC, of Northwood, Ohio, in the amount of \$ 1,109,000.00. It should be noted that Valor has indicated that there will be approximately \$55,000.00 of MBE participation under this Contract. This Resolution also contains provisions to assign the Wellert Corporation, of Medina, Ohio, under their existing Contract No. 71-13-03, Construction Administration and Inspection Services. It is anticipated that the overall inspection, administration and materials testing costs will not exceed 7% of the final project costs. With your permission, if the General Counsel would please read the Resolved.

Chairman Hruby: Please.

General Counsel: Thank you Mr. Chairman.

RESOLVED that the bid of **Valor Contracting, LLC**, of **Northwood, Ohio**, in the amount of **\$1,109,000.00** for the performance of Contract No. 53-13-03 & 53-13-04 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 **Wellert Corporation**, of **Medina, Ohio**, to Contract No. 53-13-03 & 53-13-04 for the purpose of performing construction administration, inspection services and testing services pursuant to the Contract between the Commission and Wellert Corporation specific to this Project; and

FURTHER RESOLVED that Contract No. 53-13-03 & 53-13-04 is designated a Renewal and Replacement Project under the Commission's Master Trust Agreement.

Chairman Hruby: Is there a motion?

Vice Chairman Balog: So moved.

Chairman Hruby: Mr. Balog moves. Is there a second?

Secretary Barber: Second.

Chairman Hruby: Second by Mrs. Barber. Is there a discussion? Mr. Balog.

Vice Chairman Balog: Just a quick question. Why are we undertaking this particular project?

Chief Engineer: Mr. Chairman and Commission Member Balog, when these plazas were installed, the technology at the time included a double-wall piping system made out of plastic piping. That has since been troublesome. The joints tend to leak. We have had issues with leakage throughout the system. It is in our best interest at this point in time to replace those. There is no warranty issue with the piping as it has been beyond the warranty period, but we are experiencing leaks that we need to take care of and this is the best to do it.

Vice Chairman Balog: I saw that there was a little concern, as I read through the information that the company, who we have not done business with previously, is relatively small compared to the second bidder. You are comfortable with their references?

Chief Engineer: Mr. Chairman and Commission Member Balog, yes. That is why we did go out and actually perform independent reviews and contacted other companies that they had not provided as references. We had received those contacts through our consultant that had some experience with this contractor as well. Based upon those conversations, yes, our team feels that they will be able to provide adequate manpower to get this job done on time.

Vice Chairman Balog: Thank you.

Chairman Hruby: Are there any other questions or comments? Mr. Paradiso.

Mr. Paradiso: To pick up on what you are talking about Mr. Balog – the contractors. I think it is great that we are getting new contractors involved – smaller and especially from Ohio. I applaud you for that.

Chief Engineer: Thank you Mr. Paradiso.

Chairman Hruby: I agree with that. Are there any other comments? Hearing none, roll call please.

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 Dixon.

Mr. Dixon: Yes.

Director Hodges: Commissioner Paradiso.

Mr. Paradiso: Yes.

Director Hodges: Mr. Murphy.

Mr. Murphy: Yes.

Director Hodges: Unanimous.

RESOLUTION NO. 5-2014

Resolution Awarding Contract No. 53-13-03 & 53-13-04

WHEREAS, the Commission has duly advertised according to law for bids upon a Contract for a Fuel Piping and Containment Replacement Project at the Erie Islands Service Plaza (53-13-03) and at the Commodore Perry Service Plaza (53-13-04) located in Sandusky County, Ohio, herein designated **Contract No. 53-13-03 & 53-13-04**; and

WHEREAS, expenditures for the award to be made under Contract No. 53-13-03 & 53-13-04 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. 53-13-03 & 53-13-04 was submitted by **Valor Contracting, LLC**, of **Northwood, Ohio**, in the amount of **\$1,109,000.00**, which bid he recommends be accepted by the Commission; and

WHEREAS, the Chief Engineer further states that, although Valor Contracting has not previously performed work for the Commission, this bidder has completed projects of similar nature and scope for other public agencies, and based on previous years' work volume and work presently under contract, the Engineering Department has concluded that Valor Contracting has sufficient capacity to perform this construction project; and

WHEREAS, the Commission has also been advised by the General Counsel that bids for Contract No. 53-13-03 & 53-13-04 were solicited on the basis of the same terms and conditions and the same specifications, that the bid of Valor Contracting for Contract No. 53-13-03 & 53-13-04 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 Valor Contracting; 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. 53-13-03 & 53-13-04 to the lowest responsive and responsible bidder, Valor Contracting, LLC; and

WHEREAS, the Commission has duly considered such recommendations.

NOW, THEREFORE, BE IT

RESOLVED that the bid of **Valor Contracting, LLC**, of **Northwood, Ohio**, in the amount of **\$1,109,000.00** for the performance of Contract No. 53-13-03 & 53-13-04 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 **Wellert Corporation**, of **Medina, Ohio**, to Contract No. 53-13-03 & 53-13-04 for the purpose of performing construction administration, inspection services and testing services pursuant to the Contract between the Commission and Wellert Corporation specific to this Project; and

FURTHER RESOLVED that Contract No. 53-13-03 & 53-13-04 is designated a Renewal and Replacement Project under the Commission's Master Trust Agreement.

(Resolution No. 5-2014 adopted January 21, 2014)

Chairman Hruby: The Resolution passes unanimously. Do you have anything else Mr. Hedrick?

Chief Engineer: Mr. Chairman, if I could very quickly, as is the tradition in January, I usually try to come back and report to you on the summary of contracts completed compared against the dollar amount awarded. I am pleased to present that contracts closed in 2013 had an award amount of \$68,223,992.39 and the final contract cost to the Commission was \$66,338,567.22 for a 97% under the contract bid amount for a total of twelve contracts for calendar year 2013. I think it attests to the diligence of my staff and the Commission as a whole.

Chairman Hruby: Thank you very much. Are there any other comments or questions? Hearing none, we will move on to the report of our CFO Marty Seekely.

CFO/Comptroller: Thank you Mr. Chairman. I have an update on our Traffic and Revenue for the month of December and the preliminary Operating Results for 2013 along with one Resolution for your consideration this afternoon.

This first chart shows the monthly passenger car miles traveled on the Ohio Turnpike over the past two years. Passenger car vehicle miles traveled were 3.4% higher than December of last year. Thanksgiving was six days later this year than last year, and as a result, the Sunday after Thanksgiving, when people return home from the holiday, fell on December 1st. The change in the calendar accounted for approximately 1.9% of the 3.4% increase over last year. Commercial travel increased as well and was 4.1% higher than December of last year. The 3.4% increase in traffic combined with an increase in the average miles per trip caused passenger car toll revenues to increase 4.6% over December of last year. The increase in commercial traffic combined with a decrease in the average miles per trip caused commercial vehicle toll revenues to increase 2.3% from December of last year.

This chart shows the year-to-date toll revenues through the month of December during each year over the past decade. Toll revenues for the year were \$2.1 million, or .8% above the amount from last year. If you subtract February 29th from last year's total, total toll revenues are up \$2.8 million, or 1.1% over last year.

This report shows the preliminary 2013 operating results compared to the amounts budgeted. These are preliminary numbers which we are reviewing as we prepare for our Annual Audit. Total revenues in 2013 were \$6.7 million, or 2.4% higher than budget. Toll revenues were \$4.2 million higher than budgeted and investment revenues were almost \$2 million higher than budget. The reason investment revenue is over budget is that we had a much high than planned investments due to the bond sale in August.

Total expenditures, including Debt Service, were \$7.2 million, or 3.8% lower than budgeted. All of the savings from budget were in operation, maintenance and administration expenses, which were \$7.2 million, or 6.2% lower than budget. Most of these savings from budget were related to the lower toll collector salary expense, lower health insurance costs, lower worker's compensation expense and lower utility expense. These savings are partially offset by a write-off of \$1.6 million for service plaza demolition costs that was recorded in December. This write-off is for demolition of the SP2 Service Plazas, which we do not currently have any plans for reconstruction because of the lower level of traffic in that area. Without the write-off, operation, maintenance and administrative costs would have been \$8.9 million, or 7.7% lower than budget.

As you know, after paying our Operating Expenses and Debt Service, the balance of the revenue is used to fund our Capital Expenditures. The \$6.7 million is higher-than-budgeted revenues along with the \$7.2 million expense saving resulted in an additional \$11.7 million in transfers to the System Project Fund and an additional \$2 million in the Infrastructure Fund.

This report shows the preliminary 2013 Operating results compared to the actual results for 2012. Total revenues in 2013 were \$5.6 million, or 2% higher than last year. Compared to last year, Toll revenues were \$2.2 million higher, concession revenues were \$1.1 million higher and investment revenues were \$1.8 million higher. Concession revenues were higher as a result of the opening of the Mahoning Valley / Glacier Hills Service Plazas this year. Investment

revenues were higher as a result of the interest earned on the bond proceeds in the Infrastructure Fund.

Total Expenditures including Debt Service were \$14.5 million or 8.7% higher than last year. However, operation, maintenance and administrative expenses were \$2.6 million, or 2.3% lower than last year. Most of these savings from last year were related to lower toll collector salary expense, lower health insurance costs, lower worker's compensation expense and lower utility expense. Toll Operations continues to reduce payroll through attrition, and as a result, toll collector wages were over \$1 million, or 4.2%, lower than last year. These savings are partially offset by higher snow and ice removal costs and the write-off of \$1.6 million in service plaza demolition costs. Without the write-off, operation, maintenance and administrative costs would have been \$4.2 million, or 3.8% lower than last year.

Debt Service payments increased \$17.1 million from last year due to the Debt Service of the new bonds that were issued in 2013. The \$5.6 million in higher revenues and the \$2.6 million expense savings were more than offset by the \$17.1 million increase in Debt Service payments. As a result, there was \$8.9 million less transferred into the Capital Funds and Reserve Funds.

That completes my review of our Operating Results, and if there are no questions, I have one Resolution for your consideration this morning.

Chairman Hruby: Please.

CFO/Comptroller: The Commission's contract with its current armory car service firm will be expiring soon. On November 27, 2013, the Commission issued a Request for Proposals ("RFP") for Currency and Coin Pick-up and Delivery Services. The RFP was issued to 23 firms and also posted on the Commission's website. On December 20, 2013, two proposals were received. The RFP requested proposals and pricing for currency and coin pick-up and delivery services for 17 toll plazas 6 days per week and for 14 toll plazas 3 days per week. An evaluation team consisting of the Director of Toll Operations, the Assistant Comptroller and the Senior Internal Auditor reviewed the proposals. The Evaluation Team conducted a technical review of the proposals without being informed of the respective costs. As a result of this review, Brinks, Incorporated, of Coppell, Texas, was judged to have the highest technical score of the Evaluation Team. Separately, the Procurement Manager evaluated the projected cost of each proposal and of the two firms; Brinks had the lowest projected annual fees. As a result of the technical and price evaluations, Brinks received an average combined score of 910 and Dunbar Armored, Inc., of Hunt Valley, Maryland; received an average combined score of 756. Brinks, Inc. has been the Commission's carrier for currency and coin pick-up and delivery service since 1999 and has substantially performed the terms of each successive contract. Based on the foregoing, it is recommended that an Agreement for Currency and Coin Pick-up and Delivery Services be executed with Brinks, Inc., for a term of two years with one, two-year renewal option. With your permission Mr. Chairman, I would like to ask the General Counsel to please read the Resolved.

Chairman Hruby: Kathy please.

General Counsel: Thank you Mr. Chairman.

FURTHER RESOLVED that the Executive Director and General Counsel hereby are authorized to execute a Contract with Brink's, Incorporated for a two-year term commencing April 1, 2014, with an option to extend the Contract for one additional, two-year term predicated upon a favorable performance evaluation from the Director of Toll Operations and the Assistant Comptroller, and further authorizes them to take any and all action necessary or proper to carry out the terms of said Proposal and said Contract; and

FURTHER RESOLVED that the Commission directs the return of the proposal guaranty provided by all RFP respondents with their Proposals as soon as said Contract with Brink's, Incorporated is executed.

Chairman Hruby: For the Resolved, is there a motion?

Vice Chairman Balog: So moved.

Chairman Hruby: Mr. Balog moves. Is there a second?

Mr. Murphy: Second.

Chairman Hruby: Second by Mr. Murphy. Are there any questions or comments?
Hearing none, roll call.

Director Hodges: Vice Chairman Balog.

Vice Chairman Balog: Yes.

Director Hodges: Mr. Murphy.

Mr. Murphy: Yes.

Director Hodges: Chairman Hruby.

Chairman Hruby: Yes.

Director Hodges: Secretary-Treasurer Barber.

Secretary Barber: Yes.

Director Hodges: Commissioner Dixon.

Mr. Dixon: Yes.

Director Hodges: Commissioner Paradiso.

Mr. Paradiso: Yes.

Director Hodges: Unanimous.

RESOLUTION NO. 6-2014

**Resolution Awarding Contract
for Currency and Coin Pickup and Delivery Services**

WHEREAS, on November 27, 2013, the Commission issued its Request for Proposals (“RFP”) for Currency and Coin Pickup and Delivery Services at its thirty-one toll plaza locations (with services to be provided for up to six days per week, fifty-two weeks per year, excluding bank holidays), for a two-year Contract term commencing April 1, 2014, with one possible two-year renewal term; 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’s RFP was advertised in four newspapers of general circulation in major cities along the Ohio Turnpike and *The Daily Reporter*, and copies of the RFP were mailed to twenty-three companies identified as participants in the armored car industry; and

WHEREAS, Proposals were duly opened on December 20, 2013, with two companies timely presenting Proposals to furnish the above-mentioned services for the Commission: **Brink’s, Incorporated, of Coppell, Texas, and Dunbar Armored, Inc., of Hunt Valley, Maryland;** and

WHEREAS, an Evaluation Team consisting of the Commission’s Director of Toll Operations, the Assistant Comptroller and the Senior Internal Auditor reviewed the Proposals submitted and awarded Technical Scores to each, after which Price Proposals submitted by both respondents were unsealed and scored by the Procurement Manager; and

WHEREAS, as a result of this process, the Evaluation Team has recommended that the Contract be awarded to **Brink’s, Incorporated**, which submitted the following Price Proposal:

First Term:	<u>First-year</u> \$365,292.12	<u>Second-year</u> \$365,292.12	<u>Total</u> \$730,584.24
Second Term:	<u>Third-year</u> \$372,579.48	<u>Fourth-year</u> \$378,065.14	<u>Total</u> \$750,644.62

(Based on an estimated 302 pickup and delivery days each year for the seventeen, six-day per week locations, which consists of pickups and deliveries Monday through Saturday, fifty-two weeks per year, excluding ten Bank Holidays recognized by the Federal Reserve, and an

estimated 156 pickup and delivery days each year for the fourteen, three-day per week locations).

WHEREAS, the General Counsel advises that: 1) the Proposals in response to the Commission's RFP were solicited on the basis of the same terms and conditions and the same specifications, 2) due and full consideration has been given to the Proposals received, the respondents' qualifications and their abilities to perform the required services, and 3) Brink's, Incorporated has provided a proposal guaranty and evidence of its ability to provide the required performance bond and insurance as set forth in the RFP; and

WHEREAS, the Executive Director has reviewed the Evaluation Team's and the General Counsel's written recommendations and, predicated on their analysis, concurs that the Contract for Currency and Coin Pickup and Delivery Services be awarded to Brink's, Incorporated; and

WHEREAS, the Commission has duly considered such recommendations.

NOW, THEREFORE, BE IT

RESOLVED that the Proposal submitted by **Brink's, Incorporated, of Coppell, Texas,** in the amounts of:

First Term:	<u>First-year</u> \$365,292.12	<u>Second-year</u> \$365,292.12	<u>Total</u> \$730,584.24
Second Term:	<u>Third-year</u> \$372,579.48	<u>Fourth-year</u> \$378,065.14	<u>Total</u> \$750,644.62

is, and is by the Commission determined to be, the **best** of the Proposals received in response to the Commission's Request for Proposals for Currency and Coin Pickup and Delivery Services, and is accepted; and

FURTHER RESOLVED that the Executive Director and General Counsel hereby are authorized to execute a Contract with Brink's, Incorporated for a two-year term commencing **April 1, 2014**, with an option to extend the Contract for one additional, two-year term predicated upon a favorable performance evaluation from the Director of Toll Operations and the Assistant Comptroller, and further authorizes them to take any and all action necessary or proper to carry out the terms of said Proposal and said Contract; and

FURTHER RESOLVED that the Commission directs the return of the proposal guaranty provided by all RFP respondents with their Proposals as soon as said Contract with Brink's, Incorporated is executed.

(Resolution No. 6-2014 adopted January 21, 2014)

Chairman Hruby: The Resolution passes unanimously. Is there anything else Marty?

CFO/Comptroller: No, Mr. Chairman. That concludes my report.

Chairman Hruby: Thank you for your report. We will move on then to our General Counsel, Kathleen Weiss.

General Counsel: Thank you Mr. Chairman. I have no further report this afternoon.

Chairman Hruby: Thank you. We will move back to our Executive Director, Mr. Hodges.

Director Hodges: Thank you Mr. Chairman. I know we are all filled with melancholy today that we are saying goodbye to Doug Hedrick. Doug has been with us since 1996 and most recently as Chief Engineer. As I said, he is an excellent engineer. He has been a great leader for the organization, and most importantly, he is a good guy. We are going to miss seeing him. I think one of the nice things about being in the Engineering and Maintenance Departments here at the Turnpike is that you can drive up-and-down this road and be able to say, "You know, I had a hand in this. I helped build this." Doug can say that just about every facility along the road from the Third Lane Project, to many of our Toll and Service Plazas and all of the facilities that we are so proud of here. Doug has been an integral part of that since 1996 beginning as a Staff Engineer and being promoted, finally, to Chief Engineer. Over the last two years that I have been here and that he and I have been teamed up, Doug has been one of the architects of all we have accomplished over the last two years. What we have accomplished here with the organization during some tough economic times, but also what we have been able to accomplish in supporting the Ohio Department of Transportation and in Governor Kasich's Job and Transportation Plan. He appeared with us in New York before bond agencies. He certainly was primarily responsible for the Strategic Planning that is going in to accelerating the Base Replacement Program from 40 years to 25 years. He has been a key leader, a critical leader, in all of that. Doug – job well done! We appreciate all of your contributions to the organization. We appreciate your friendship as a co-worker and you can point with pride to what you have done here. You are also welcomed back. You get a gold ticket to all of the potlucks and golf outings because we will be glad to see you. Congratulations and best of luck in your new ventures. We have a Resolution prepared for you, and I would ask the General Counsel to express all of our appreciation and read the Resolved.

General Counsel: It is with great melancholy that I have to read this Resolved Mr. Chairman. May I?

Chairman Hruby: Yes please.

General Counsel: RESOLVED that the Ohio Turnpike and Infrastructure Commission hereby acknowledges and expresses its gratitude to Douglas F. Hedrick for his seventeen 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 that he rendered; and

FURTHER RESOLVED that the Commission extends its best wishes to Douglas F. Hedrick, his wife, Teri, and children Nathan, Tyler and Wesley, and desires that Douglas F.

Hedrick have much success and well-being in all matters and activities that he 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. Douglas F. Hedrick.

Chairman Hruby: For the Resolved, is there a motion?

Vice Chairman Balog: So moved.

Chairman Hruby: Mr. Balog moves. Is there a second?

Secretary Barber: Second.

Chairman Hruby: Second by Mrs. Barber. I just want to say very simply that, during the time of the transition after Chief Engineer Castrigano retired, there was no question that you had risen to the top and that you were the person that would take on that position. Everyone was concerned about losing him, but you came in and it was seamless. You did an outstanding job and you did an outstanding performance in presenting to the Commission. I think your integrity is of the highest degree and you have demonstrated clearly to all of us a level of professionalism that I will not forget and will be appreciated. Your work in New York with the bond sale, your work with TRAC in getting us through the first \$1 billion, and dealing with all of those issues that we have gone through over the past two years, you were the Engineer that handled all of that and did so with distinction. On behalf of the Commission, I just want to express our appreciation. If anyone else wishes to speak, please do.

Secretary Barber: As a new Commission Member and I have asked a number of questions of Doug, he, with patience and a smile, was very understanding and gracious. I personally want to thank you for your services to the Turnpike and the State of Ohio. You have certainly been an exemplary employee who will be missed.

Chief Engineer: Thank you very much.

Mr. Murphy: Doug, I have enjoyed getting to know you and working with you.

Chairman Hruby: I know that Mr. Cole would like to recommend that the pick-up truck with 236,000 miles be awarded to you, we cannot do that. Roll call on the motion.

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 Dixon.
Mr. Dixon: Yes.
Director Hodges: Commissioner Paradiso.
Mr. Paradiso: Yes.
Director Hodges: Mr. Murphy.
Mr. Murphy: Yes.

RESOLUTION NO. 7-2014

**Resolution Honoring the Distinguished Service of
Chief Engineer Douglas F. Hedrick**

WHEREAS, Douglas F. Hedrick, has been employed by the Ohio Turnpike and Infrastructure Commission since 1996, and most recently as its Chief Engineer; and

WHEREAS, during his seventeen-year tenure, Mr. Hedrick has served the Commission in several capacities within the Engineering Department, including: Staff Construction Engineer beginning March 3, 1996, Assistant Chief Engineer beginning December 28, 2008, and Chief Engineer beginning April 3, 2012 to the present; and

WHEREAS, Mr. Hedrick has informed the Commission of his intention to pursue other professional opportunities, and the Commission wishes to formally acknowledge his distinguished service; and

WHEREAS, during Mr. Hedrick's tenure, and in addition to managing the day-to-day operations of the Turnpike as the Chief Engineer, he worked on major projects such as the reconstruction of the Cuyahoga River Bridge, the completion of 150 miles of third lane, the reconstruction of several pairs of Service Plazas and all toll plazas, the construction or reconstruction of numerous interchanges, the construction necessary to implement electronic toll collection, overseeing the base replacement program, and serving on the Transportation Review Advisory Council as a non-voting member in reviewing over \$1 billion in constructions projects that were considered for Ohio Turnpike Infrastructure funding; 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 Douglas F. Hedrick as Chief Engineer for the Commission.

NOW, THEREFORE, BE IT

RESOLVED that the Ohio Turnpike and Infrastructure Commission hereby acknowledges and expresses its gratitude to Douglas F. Hedrick for his seventeen 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 that he rendered; and

FURTHER RESOLVED that the Commission extends its best wishes to Douglas F. Hedrick, his wife, Teri, and children Nathan, Tyler and Wesley, and desires that Douglas F. Hedrick have much success and well-being in all matters and activities that he 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. Douglas F. Hedrick.

(Resolution No. 7-2014 adopted January 21, 2014)

Director Hodges: Unanimous. Mr. Chairman, if I may, as is our tradition, we have this lovely cake that we would like everyone to stay afterwards and wish Doug your best.

Chairman Hruby: The Resolution passes unanimously. Now, we will present the Resolution.

Director Hodges: We have this plaque for you. It is paper in a frame, but with it comes all of our appreciation and good wishes for you for a job well-done.

Chief Engineer: It is with bittersweet feelings that I stand up here. I look around the room and I see friends and acquaintances that I will miss greatly. It has been an honor to serve for the Commission. I consider it a pinnacle in my career to have made it this far. I really do. Some of you may know that I am a sixth generation engineer, and I can see all six generations just beaming with pride and that is just amazing to me. I know some of you know where I am heading and what is going on, but sometimes life just gives you an opportunity that, through most of the course of your life, you do not have the guts or the opportunity to take. Sometimes the stars align and this just happens to be one of them and that is the only reason I am leaving. There is a really fantastic opportunity for me to pursue. It is something my wife and I have wanted to do for a long time. Again, it is with great regret that I do this. I will miss all of you. Thank you.

Chairman Hruby: We will move on with our final reports. Our Financial Advisor, Bethany.

Ms. Pugh: No report Mr. Chairman.

Chairman Hruby: Our General Consultant, Scott Buchanan.

Mr. Buchanan: Mr. Chairman and Commission Members, I just want to thank you for your continued support of URS and we look forward to working with you and your staff in the future.

Chairman Hruby: Our Trustee from Huntington, Mr. Lamb.

Mr. Lamb: No report Mr. Chairman.

Chairman Hruby: Our Ohio State Highway Patrol, Lieutenant Sivak.

Lt. Sivak: Good afternoon Mr. Chairman. I just have a couple things here. I consider myself to be a smart guy. I had a double major in college, a 28-year veteran of the Ohio State Highway Patrol, and I have heard the word “melancholy” before, but never actually used it in a sentence. Before I did that, I Googled it and I too, am melancholy. I also do want to say to Doug, thank you very much not only personally, but on behalf of the Ohio State Highway Patrol for everything that you have done for the time you served here, but also for me personally. When I came to the Turnpike, I knew nothing about the Ohio Turnpike even with 28 years of patrol. All I knew was is that I would get on at one gate as a patron and expect to get off safely. I did not know what happened in between. I knew the Highway Patrol was out here, but I did not know what we did. Doug, for lack of a better term, took me under his wing when I got here. I have called him a few times in the middle of the night and on weekends, and I really appreciate that. It has led to a personal friendship as well that I know will last a lifetime. Thank you again Doug. I appreciate it.

Briefly, from the Highway Patrol, I will give a year in review. Chairman Hruby, we have talked often about the criminal patrol aspect of the Highway Patrol and the things that our Troopers do on a day-to-day basis. I just want to go over a few things from last year. The drug seizures have been phenomenal on the Turnpike. Marijuana seizures are at a 31% increase, heroin is at a 208% increase and cocaine is at a 375% increase to name a few. The total value of just major street drugs that have been removed by our Troopers in 2013 was almost \$10 million. A lot of this is attributed to folks like Doug Hedrick by ensuring that our Troopers have the equipment, training and other things that we need to do in order to do our job and serve the citizens of Ohio. Our contacts with the motoring public, even though we had a reduction in staffing on the Turnpike, remain relatively unchanged. Almost 118,000 motorists were contacted by our Troopers. Those are not tickets – those are a combination of tickets and stops with the public. That led to a 7% reduction in traffic crashes on the Turnpike. Again, this is because of folks like Doug, the Maintenance Department, and others working together as a team. I know from my limited involvement with Mr. Yacobucci when I was here, but from the things that I have heard, we look forward to continuing that relationship with the Engineering Department. Thank you for your time.

Chairman Hruby: Are there any questions for the Lieutenant? Thank you for your report and I appreciate your comments.

The next Commission Meeting will be held on Wednesday, February 19, 2014 at 10:00 a.m. If there is no further business, I will call for a motion to adjourn.

Vice Chairman Balog: Moved

Mr. Dixon: Second.

Chairman Hruby: Moved and seconded. Roll call.

Director Hodges: Vice Chairman Balog.

Vice Chairman Balog: Yes.

Director Hodges: Commissioner Dixon.

Mr. Dixon: Yes.

Director Hodges: Chairman Hruby.

Chairman Hruby: Yes.

Director Hodges: Secretary-Treasurer Barber.

Secretary Barber: Yes.

Director Hodges: Commissioner Paradiso.

Mr. Paradiso: Yes.

Director Hodges: Mr. Murphy.

Mr. Murphy: Yes.

Director Hodges: Unanimous.

Chairman Hruby: We are adjourned.

Attendees for Record Keeping Purposes:

Scott Buchanan, URS; Beth Fulton, URS; David Stahl, URS; Ray Richards, URS; Mike Kline, URS; Bethany Pugh, PFM; Ian Campbell, PFM; Ryan Kozak, PFM; Brian Regneiro, PFM; Tom Parevosnik, IUOE Local 18; Emil Lijzniansky, Hatch, Matt & McDonald; Toby Fritz, Hill Int'l.; Frank Lamb, Huntington Bank; Chris Cummings, Baker; Sarah Brown, HNTB; Marietta Rutherford, OMCA, Inc.; Robert Saffold, OMCA, Inc.; Myron Pakush, ODOT; George Manias, Legends; Jennifer Townley, ODOT; Jim Gates, ODOT; Tim McDonald, ODOT; Alison Grant, *Cleveland Plain Dealer*; Lieutenant Sivak, OSHP; Marty Seekely, Ohio Turnpike; Doug Hedrick, Ohio Turnpike; Kathleen Weiss, Ohio Turnpike; Robin Carlin, Ohio Turnpike; Sharon Isaac, Ohio Turnpike; Lisa Mejac, Ohio Turnpike; Mark Musson, Ohio Turnpike; Donna Fritz,

Ohio Turnpike; Jennifer Diaz, Ohio Turnpike; Dave Miller, Ohio Turnpike; Dennis Albrecht, Ohio Turnpike; Matt Cole, Ohio Turnpike; Lauren Hakos, Ohio Turnpike; Andrew Herberger, Ohio Turnpike; Tony Yacobucci, Ohio Turnpike.

Time of adjournment: 2:47 p.m.

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

Sandra K. Barber, Secretary-Treasurer