

MINUTES OF THE 565th MEETING OF THE OHIO TURNPIKE COMMISSION
October 25, 2010

Chairman: (10:00 a.m.) The meeting will come to order? Will the Assistant Secretary-Treasurer please call the roll?

Assistant Secretary-Treasurer: Chairman Balog

Mr. Balog: Here

Assistant Secretary-Treasurer: Mr. Regula

Mr. Regula: Here

Assistant Secretary-Treasurer: Mr. Dixon

Mr. Dixon: Here

Assistant Secretary-Treasurer: Mr. Kidston

Mr. Kidston: Here

Assistant Secretary-Treasurer: Ms. Teeuwen

Ms. Teeuwen: Here

Assistant Secretary-Treasurer: Mr. DiNapoli

Mr. DiNapoli: Here

Assistant Secretary-Treasurer: Senator Patton

Senator Patton: Here

Chairman: Thank you. Commission Member Ed Jerse and Representative Hagan both called to say they would not be able to attend today's meeting. We have a number of guests here today and in keeping with past practices I'd like everyone to introduce themselves:

Those in attendance: Martin Seekely, CFO/Comptroller, Ohio Turnpike; Eric Erickson, Fifth Third Securities; Debby Sideris, Executive Office, Ohio Turnpike; Jennifer Diaz, Legal Department, Ohio Turnpike; Kyle Cooke, Willis of Ohio; Doug Brown, Willis of Ohio; Kathy Weiss, Director of Contract Administration and Government Affairs, Ohio Turnpike; Dave Miller, Director of Audit, Ohio Turnpike; Neil Gresham, URS; Roger Hannay, Ohio State Highway Patrol; Bruce Gabriel, Squires Sanders; Kathy Petrey, Squires Sanders; Don Glosser, Crawford Murphy & Tilly; Bill Daley, Morgan Stanley; Vic Spinabelli, Hill International; Todd Cooper, Hill International; Matt Cole, Employment Relations Manager,

Ohio Turnpike; Maggie Baldy, Benefits Coordinator, Ohio Turnpike; Don Taggart, IUOE Local 18; Dennis Avery, G. Stephens; Doug Hedrick, Assistant Chief Engineer, Ohio Turnpike; Cathy Dorocak, Delta Dental; Chris Hopkins, KeyBank; Frank Lamb, Huntington Bank; Daniel Van Epps, West Virginia University; Lauren Hakos, Public Affairs & Marketing Manager, Ohio Turnpike; Tom Travis, HMSHost Tollroads, Inc.; Tracy Jaycox, Delta Dental; Stefan Holmes, First Merit Bank; Nelly Oromulu, TranSystems.

Chairman: Thank you. This is the 565th Meeting of the Ohio Turnpike Commission. We are meeting here at the Commission's headquarters as provided for in the Commission's Code of Bylaws for a Special Meeting. It is only a Special Meeting because we changed the date from the 18th to the 25th. Various reports will be received. We will act on several resolutions, draft copies have been previously sent to the Members and updated drafts are in the Members' folders. The resolutions will be explained during the appropriate reports. May I have a motion to adopt the minutes of the September 20, 2010 Commission Meeting?

Ms. Teeuwen: So moved.

Chairman: Is there a second?

Mr. Kidston: Second.

Chairman: Questions? Please call the roll.

Assistant Secretary-Treasurer: Chairman Balog

Mr. Balog: Yes

Assistant Secretary-Treasurer: Mr. Regula

Mr. Regula: Yes

Assistant Secretary-Treasurer: Mr. Dixon

Mr. Dixon: Yes

Assistant Secretary-Treasurer: Mr. Kidston

Mr. Kidston: Yes

Assistant Secretary-Treasurer: Ms. Teeuwen

Ms. Teeuwen: Yes

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

Secretary-Treasurer: Thank you Mr. Chairman. The following items have been sent to the Members since the last schedule meeting of the Commission on September 20, 2010. They are:

1. Minutes of the September 20, 2010 Commission Meeting
2. Traffic and Revenue Report, September, 2010
3. Total Revenue by Month and Year, September, 2010
4. Investment Report, September, 2010
5. Traffic Crash Summary Report, September, 2010
6. Financial Statement, September, 2010
7. Budget Report, Nine Months, 2010
8. Various News Releases

That concludes my report Mr. Chairman. Thank you.

Chairman: Any questions or comments for Mr. Dixon? Thank you, Mr. Dixon.

Mr. Dixon: Thank you Mr. Chairman.

Chairman: Executive Director's report.

Executive Director: Thank you Mr. Chairman, Members of the Commission. As you can see by virtue of today's agenda and the following agendas for the next few months, we've been very busy here at the Turnpike. Much of our agenda today has to do with the construction, reconstruction, closing of our service plazas and as we continue the construction at Service Plaza 1 out in Williams County, again just to remind you the planned reopening is for Memorial Day and we are on schedule. We have now started preparing for the closure, demolition and reconstruction of the Service Plaza, SP8 in Mahoning County. With your approval today we are on schedule to complete a bond refinancing on the 1st and 2nd of November which will result in significant interest savings for the Commission. Our team made up of not only our staff, but our bond underwriters, bond counsel, underwriters counsel have been very busy the last couple of weeks preparing for that sale and we certainly appreciate their hard work. Our CFO/Comptroller, Marty Seekely, today will provide you with the Traffic and Revenue Report from September which shows some decent increases in both traffic and revenue. But, I am also happy to report that we continually monitor traffic and revenue and for the first week ending, October 9th, we saw a 5.7% increase in commercial traffic and better than that the following week we have seen a 8.5% increase in commercial traffic, so we're hopeful that we've turned this economy for the better. Finally regarding the bond transaction we have now received one bond rating from Fitch which reaffirmed our AA rating and expect to have the rest of the ratings from Moody's and S&P later today. Mr. Chairman that concludes my report, I would be happy to answer any questions.

Chairman: Questions or comments for the Executive Director? Thank you; go to the Resolutions, Chief Engineer Dan.

Chief Engineer: Thank you Mr. Chairman, Commission Members. I have four resolutions for your consideration this morning. The first is a resolution authorizing the closure of Mahoning Valley and Glacier Hills Service Plazas at Milepost 237.2 in Mahoning County. As the Director stated in his report, our Indian Meadows/Tiffin River Service Plazas, the far west end of the state, is on schedule and is scheduled to be reopened in Spring of next year. It is now our desire to turn our attention to the other end of the state, the far East service plazas, to begin reconstruction of the Mahoning Valley/Glacier Hills Service Plazas beginning in the Spring of 2011. This project will be on the 2011 Capital Budget that I present to the Commission in December. We have agreements with various vendors in the service plazas, those agreements contain provisions, requiring notification to the affected vendors in the event of a closure of the service plazas, those notification requirements are attached to the resolution in your package. This resolution is authorizing the Executive Director to issue the required notifications to the vendor for closing of the Mahoning Valley/Glacier Hills Service Plazas on or after January 31, 2011. If the General Counsel will please read the Resolved?

General Counsel: RESOLVED that the Executive Director is authorized to close the **Mahoning Valley and Glacier Hills Service Plazas** at Milepost 237.2 in Mahoning County **on or after January 31, 2011**, and he and the Director of Contracts Administration are authorized to give notice of the Commission's intended closure of these facilities to all affected operators, vendors and contractors with whom the Commission has contracted to provide services at the facilities in accordance with terms of those respective agreements.

Chairman: Is there a motion to adopt?

Mr. Regula: So moved.

Chairman: Second?

Mr. Kidston: Second.

Chairman: Questions, discussion on the resolution before the Commission?

Mr. Kidston: Dan how close is the next plaza? I know on the west end, with the closure of the plaza there at the airport is extremely busy with truck parking and so forth.

Chief Engineer: Mr. Chairman and Commission Member Kidston, the next plazas in from Mahoning Valley/Glacier Hills are Portage/Brady's Leap at Milepost 197, so it is about forty-one miles.

Mr. Kidston: Forty-one. Okay, thank you.

Chairman: With the closing of these two does that conclude all of our original 55 year old facilities.

Chief Engineer: No, Mr. Chairman, there still remaining would be Oak Openings/Fallen Timbers in Lucas County at Milepost 46, 47.

Chairman: Thank you. Further questions? Please call the roll.

Assistant Secretary-Treasurer: Chairman Balog

Mr. Balog: Yes

Assistant Secretary-Treasurer: Mr. Regula

Mr. Regula: Yes

Assistant Secretary-Treasurer: Mr. Dixon

Mr. Dixon: Yes

Assistant Secretary-Treasurer: Mr. Kidston

Mr. Kidston: Yes

Assistant Secretary-Treasurer: Ms. Teeuwen

Ms. Teeuwen: Yes

RESOLUTION NO. 40-2010

**Resolution Authorizing the Closure of Mahoning Valley and
Glacier Hills Service Plazas at Milepost 237.2 in Mahoning County**

WHEREAS, Ohio Revised Code Sections 5537.03 and 5537.04 authorize the Commission to maintain, construct and operate the Ohio Turnpike System, including those service facilities it deems necessary to operate the Ohio Turnpike; and

WHEREAS, the Commission constructed the Mahoning Valley and Glacier Hills Service Plazas at Milepost 237.2 in Mahoning County, as part of the original construction of the Ohio Turnpike, which service facilities have not been reconstructed since their opening in 1955; and

WHEREAS, as part of its Capital Improvement Program, the Commission has been engaged in the reconstruction of all of the service plaza facilities; and

WHEREAS, it is the desire of the Commission to begin reconstruction of the Mahoning Valley and Glacier Hills Service Plazas in 2011; and

WHEREAS, the Commission has contracted with various operators, vendors and contractors at the Mahoning Valley and Glacier Hills Service Plazas to provide services and amenities to the travelling public; and

WHEREAS, the subject agreements contain provisions requiring notification to the affected operators, vendors and contractors in the event of termination of the agreements due to closure of the facilities.

NOW, THEREFORE, BE IT

RESOLVED that the Executive Director is authorized to close the **Mahoning Valley and Glacier Hills Service Plazas** at Milepost 237.2 in Mahoning County **on or after January 31, 2011**, and he and the Director of Contracts Administration are authorized to give notice of the Commission's intended closure of these facilities to all affected operators, vendors and contractors with whom the Commission has contracted to provide services at the facilities in accordance with terms of those respective agreements.

Chief Engineer: Thank you. The second resolution also pertains to the Mahoning Valley/Glacier Hills Service Plaza. This resolution authorizes Construction Management Services Agreement, under quote as Project No. 71-10-03. On June 25th of this year, we issued a Notice of Request for Proposals for performing construction management services at the Mahoning Valley/Glacier Hills Service Plazas. On July 28th, we received letters from ten firms expressing their interest to be considered; four of the firms were deemed qualified and were invited to submit Technical Proposals. The engineering staff reviewed the Technical Proposals and concluded that both Hill International of North Canton, Ohio and Gilbane Building Company of Cleveland, Ohio were equally qualified to perform the work. The Commission's procedures in the event of a tie Technical Proposal required that both Technical Proposals be submitted along with Fee Proposals to perform the work. On October 1, 2010, Hill International submitted the most competitive Fee Proposal in the not to exceed amount of \$1,498,649.00. The engineering staff is recommending that an agreement be awarded to Hill International for performance of the subject work. Would the General Counsel please read the Resolved?

General Counsel: RESOLVED that the Commission concurs that **Hill International, Inc., of North Canton, Ohio** is most qualified and has submitted the best Fee Proposal to perform the Construction Management Services contemplated under Project No. 71-10-03, and authorizes the Executive Director and the Director of Contracts Administration to execute an Agreement for Construction Management Services with Hill International in the not-to-exceed amount of **\$1,498,649.00**, all in accordance with the terms and conditions of the Commission's Request for Proposals and Hill International's response thereto.

Chairman: Is there a motion to adopt the resolution before the Commission?

Ms. Teeuwen: So moved.

Chairman: Second?

Mr. Kidston: Second.

Chairman: Discussion, questions? Senator.

Senator Patton: Could you, Dan, please just give us, I know the amount that you said they came in at, what was the other company, Gilbane, what was the amount?

Chief Engineer: Mr. Chairman, Commission Member Patton it's included in the package about halfway through, Gilbane Building was a not to exceed amount of \$1,664, 407.00.

Senator Patton: Thank you.

Chairman: Further questions? Motion to adopt?

Assistant Secretary-Treasurer: We have a first and a second.

Chairman: I'm sorry; please call the roll, my error.

Assistant Secretary-Treasurer: Chairman Balog

Mr. Balog: Yes

Assistant Secretary-Treasurer: Mr. Regula

Mr. Regula: Yes

Assistant Secretary-Treasurer: Mr. Dixon

Mr. Dixon: Yes

Assistant Secretary-Treasurer: Mr. Kidston

Mr. Kidston: Yes

Assistant Secretary-Treasurer: Ms. Teeuwen

Ms. Teeuwen: Yes

RESOLUTION NO. 41-2010

Resolution Authorizing Construction Management Services Agreement with Hill International, Inc. (Project No. 71-10-03)

WHEREAS, on June 25, 2010, in conformance with the requirements set forth in Ohio Revised Code Section 9.331, the Commission published notice of its Request for Proposals ("RFP") for Project No. 71-10-03 to select a pre-qualified firm to provide Construction Management Services during the demolition and reconstruction of the Mahoning Valley and Glacier Hills Service Plazas located at Milepost 237.2 in Mahoning County, Ohio; and

WHEREAS, on July 28, 2010, Letters of Interest were received from ten firms expressing their interest in serving as the Commission's Construction Manager, of which four were deemed qualified and invited to submit Technical Proposals in response to the Construction Management Services RFP by August 25, 2010; and

WHEREAS, the Commission's Engineering staff reviewed the Technical Proposals submitted and concluded that two of the firms had submitted Proposals demonstrating they were equally the most qualified to perform the above described services, namely, **Hill International, Inc. of North Canton, Ohio**, and **Gilbane Building Company of Cleveland, Ohio**; and

WHEREAS, The Commission's procedures contemplate that, in the unlikely event two (2) Technical Proposals receive an equal ranking as most qualified, Fee Proposals will be solicited from both firms to determine which is the best Proposal; and

WHEREAS, on October 1, 2010, Hill International submitted the most competitive Fee Proposal for performance of the Construction Management Services in the not-to-exceed amount of **\$1,498,649.00**, which Fee Proposal has been deemed to be appropriate and reasonable by the Chief Engineer who, therefore, recommends that the Agreement for Project No. 71-10-03 be awarded to Hill International; and

WHEREAS, the total not-to-exceed amount of the Construction Management Services Agreement will be in excess of the \$150,000.00 spending authority granted the Executive Director under the Commission's Bylaws and, therefore, the Agreement requires Commission approval; and

WHEREAS, the Commission has been advised by its Director of Contracts Administration that the RFP selection process and the selection of Hill International conformed with the requirements of Ohio Revised Code Section 9.331, and Sections 153.65 to 153.71, and that 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 recommendation submitted by the Chief Engineer and concurs that the Agreement for Construction Management Services during the demolition and reconstruction of the Mahoning Valley and Glacier Hills Service Plazas should be awarded by the Commission to Hill International; and

WHEREAS, the Commission has duly considered such recommendations.

NOW, THEREFORE, BE IT

RESOLVED that the Commission concurs that **Hill International, Inc. of North Canton, Ohio** is most qualified and has submitted the best Fee Proposal to perform the Construction Management Services contemplated under Project No. 71-10-03, and authorizes the Executive Director and the Director of Contracts Administration to execute an Agreement for Construction Management Services with Hill International in the not-to-exceed amount of

\$1,498,649.00, all in accordance with the terms and conditions of the Commission's Request for Proposals and Hill International's response thereto.

Chief Engineer: Thank you. The third resolution also pertains to our service plazas, this time Indian Meadow/Tiffin River Service Plazas that's currently under construction. This resolution awards a contract for the Operation of Food Concessions and Retail Operations in the subject service plazas. On July 27th of this year, the Commission issued a Request for Proposals for the food and retail concession operations at the service plazas. On August 17th of this year, one proposal was received from HMSHost Tollroads, Inc., of Bethesda, Maryland. HMSHost proposes to furnish Burger King as the 24-hour operation, Sbarro's Pizza and Starbucks. An Evaluation Team consisting of the staff from the Commission's Service Plaza Operations Department has indicated that although one proposal was received from HMSHost, they have significant experience, not only on our road and other toll roads, for performing the subject services. The concessionaire also gave us two options for a rent sharing agreement. The first option was a graduated scale, 6% of gross receipts up to \$6 million dollars; 8.5% over \$6 million up to \$8.25 million dollars, and 12% on sales over \$8.25 million dollars. The alternate was 6.25% of all sales. Based on the projected sales at the service plazas, the Service Plaza Operations Department has recommended that the Commission accept the graduated scale on this project. If the General Counsel would please read the Resolved?

General Counsel: RESOLVED that the Proposal submitted by **HMSHost Tollroads, Inc. of Bethesda, Maryland** for the performance of Food Concession Operations at the Indian Meadow and Tiffin River Service Plazas is hereby accepted, and that the Executive Director and Director of Contracts Administration are directed to: 1) execute Contract No. TR-9F with HMSHost for an initial Contract term of seven years, 2) direct the return to the respondent of its proposal guaranty at such time as HMSHost has entered into a Contract with the Commission, 3) renew said Contract for up to five additional, five-year periods, and 4) take any and all action necessary to properly carry out the terms of said RFP and said Contract.

Chairman: Is there a motion to adopt?

Mr. Kidston: So moved.

Chairman: Second?

Ms. Teeuwen: Second.

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

Mr. Regula: Yeah, I have one. Is there anyway that we as an organization could encourage more participation when it comes to this type of project? What kind of participation in the past have we gotten from other operators at other plazas that we have?

Chief Engineer: Mr. Chairman, Commission Member Regula, typically we receive two to three bids for the operations here, this is a little different with the closing in the near future, within a couple years of SP2. Included in the package is a listing of the potential bidders

on this project, I do know that our Director of Contracts did have conversations with some of the prospective bidders, maybe she can provide more information.

Assistant Secretary-Treasurer: Mr. Chairman, Mr. Regula, I anticipated that question if I could just kind of review with you; Kathy had provided me some documentation that we had developed a list of forty-two restaurant and retail operators. A RFP was advertised in the *Toledo Blade*, the *Bryan Times*, and *The Daily Reporter*. Service Plaza Operators and the office of Contract Administration pre-contacted major operators in Ohio before a month out from when we received the proposals. Upon getting only one proposal, her office did follow-up with other operators, and these are some of the reason we received. Panera was not interested in the geographical demographics, Selective Service Partners is trying to scale back its toll road operations, Hardees, which was the prior operator in Indian Meadow/Tiffin River, indicated that the numbers did not work for them and also it's also worth mentioning that at this time the Service Station Operator RFP is on the street as we meet and that RFP includes a C-store operation at Indian Meadow and Tiffin River. We went out of our way to contact everybody that was interested and we were somewhat flabbergasted that we only got one, they followed-up and those were the reasons we were given.

Mr. Regula: Is part of it because there are only two or three operators that are large enough and/or have the financial ability to do this type of operation? Does that have some bearing upon it?

Chairman: Kathy, do you want to respond?

Director of Contracts Administration: Good morning, Commissioners, Commissioner Regula and Mr. Chairman, I think the answer to that question pertains to what operators are doing on toll roads these days. We have seen three, four, or five participants. HMSHost Tollroads is the biggest toll road operator that we're aware of; some of them are trying actually to move away from the business. We are fortunate to have some smaller operators, like Panera on our roadway, as well as Hardees, but I would say by and large HMSHost Tollroads, which is also a large airport operator, has been the premier operator in this industry, so we haven't seen much more interest than that. As you can see from the list that we have attached to the documents, we did reach out to entities like Denny's, Cracker Barrel, and Bob Evans and there just wasn't any significant interest in it and as the Director eluded with the pending C-Store operation, which is a new thing for us that we're going to be offering to the service station operator to have a 24-hour C-Store. I believe that might have created some in trepidation on part of, in particular, Hardees because they were concerned about the numbers and with not having had any traffic out west for a long time they were concerned it would not be a profitable operation for them and, in fact, Host did not bid a gift shop operation with its' proposal due in a large part to the fact that we are going to have a C-Store there that will be operated by the fueling services vendor, which is presently on the street. So, I think those are the answers to the questions here.

Mr. Regula: Nothing that we proposed to the ones that didn't bid, would we go about changing anything when we do the east plaza next year for possible additional bidders?

Director of Contracts Administration: Commissioner Regula, Mr. Chairman, I believe we are definitely planning on the same type of business model for the east, which is going to have the C-Store. The good news is that we will have Indian Meadow/Tiffin River open by then, we will have some experience with the C-Store operation; we will also have some experience with bringing the traffic back to the road out west, and I believe that when the operators look at that, when Hardees or Panera, in particular Panera, which is headquartered in the Youngstown area, I think there will be more interest in that set of service plazas than we saw in the more rural area out here, out west.

Mr. Regula: Thank you.

Chairman: How many stores, plazas, does Host have of ours now?

Director of Contract Administration: Well Mr. Chairman, presently we have several operators on the road, but HMSHost has a presence in four out of the five new sets of service plazas. Hardee's runs the Blue Heron/Wyandot operation, but all the rest of the inner-ring of new service plazas, Host has a major presence at. They don't operate them in their entirety except at Commodore Perry/Erie Islands and that's at Middle Ridge, and at Great Lakes and Towpath and Portage you have other operators in there as well, like Panera and Select Service Partners.

Ms. Teeuwen: Have we looked at other agencies, like say the airports, other toll agencies across the country and did a comparison on how our contract compares with them?

Director of Contracts Administration: Mr. Chairman and Commissioner Teeuwen, yes, we have talked with other toll roads, and in particular we reached out to some of the operators at other toll roads with respect to this contract, and there was some interest, but I think some of the unknowns involved with this particular contract shied them away. As far as airport operations, that was a conversation actually that Commissioner Regula and I have had in the past about different operators that might be interested, again we've reached out, but have not gotten the same level of interest from airport-type operators, but for HMSHost in our toll roads.

Ms. Teeuwen: Are our contracts that much different than say what they would have at Akron/Canton?

Director of Contracts Administration: Mr. Chairman and Commissioner Teeuwen, I am not really familiar with the terms of the contracts at the airports, as far as the particulars. So I really couldn't say.

Ms. Teeuwen: Would that be something worth looking at?

Director of Contract Administration: Sure. Yeah, we could look into the terms.

Chairman: Further questions or comments? Please call the roll.

Assistant Secretary-Treasurer: Chairman Balog

Mr. Balog: Yes

Assistant Secretary-Treasurer: Mr. Regula

Mr. Regula: Yes

Assistant Secretary-Treasurer: Mr. Dixon

Mr. Dixon: Yes

Assistant Secretary-Treasurer: Mr. Kidston

Mr. Kidston: Yes

Assistant Secretary-Treasurer: Ms. Teeuwen

Ms. Teeuwen: Yes

RESOLUTION NO. 42-2010

**Resolution Awarding a Contract for the Operation of the
Food Concessions at the Commission’s Indian Meadow and
Tiffin River Service Plazas**

WHEREAS, on July 27, 2010, in conformance with the requirements of Ohio Revised Code Section 5537.13, the Commission published notice of its Request for Proposals (“RFP”) for Food and Retail Concession Operations at its newly reconstructed Indian Meadow and Tiffin River Service Plazas located at Milepost 20.8 of the Ohio Turnpike in Williams County, Ohio (Contract No. TR-9F); and

WHEREAS, on August 17, 2010, one Proposal was received from **HMSHost Tollroads, Inc. of Bethesda, Maryland** for the operation of Food Concessions at the Indian Meadow and Tiffin River Service Plazas; and

WHEREAS, an Evaluation Team consisting of the Commission’s Director of Service Plaza Operations and Division Service Plaza Managers (East and West) have reviewed the Proposal submitted, which is summarized as follows:

<u>Concessionaire</u>	<u>Brand Concepts</u>	<u>Percentage Return of Gross Receipts</u>	
HMSHost	▪24-hour quick-serve restaurant	\$0-\$6M	6.0%
	▪Burger King	\$6M-\$8.25M	8.5%
	▪Sbarro’s Pizza	\$8.25M+	12.0%
	▪Starbucks	(or 6.25% of gross sales)	

WHEREAS, the Evaluation Team has indicated that, although one Proposal was received, HMSHost has significant experience and expertise operating food and retail concessions on toll roads and has satisfactorily operated each of the brands proposed for many years at other Ohio Turnpike Service Plaza facilities, and has, therefore, recommended that the HMSHost Proposal be accepted; and

WHEREAS, based on estimated concession receipts, the Evaluation Team has further recommended that the Revenue Sharing Proposal containing the above-described escalators be accepted as opposed to the singular percentage of gross receipts; and

WHEREAS, the Commission has been advised by its Director of Contracts Administration that the HMSHost Proposal conforms to the requirements of Ohio Revised Code Section 5537.13, Proposals were solicited on the basis of the same terms and conditions with respect to all respondents and potential respondents, HMSHost has provided the requisite proposal guaranty required under the RFP, and the Commission may legally accept said Proposal; and

WHEREAS, the Executive Director has reviewed the report of the Evaluation Team and the Director of Contracts Administration, and has made his recommendation to the Commission that Contract No. TR-9F be awarded to HMSHost predicated upon such analysis; and

WHEREAS, the Commission has duly considered such recommendations.

NOW, THEREFORE, BE IT

RESOLVED that the Proposal submitted by **HMSHost Tollroads, Inc.** of **Bethesda, Maryland** for the performance of Food Concession Operations at the Indian Meadow and Tiffin River Service Plazas is hereby accepted, and that the Executive Director and Director of Contracts Administration are directed to: 1) execute Contract No. TR-9F with HMSHost for an initial Contract term of seven years, 2) direct the return to the respondent of its proposal guaranty at such time as HMSHost has entered into a Contract with the Commission, 3) renew said Contract for up to five additional, five-year periods, and 4) take any and all action necessary to properly carry out the terms of said RFP and said Contract.

Chief Engineer: Thank you Mr. Chairman. The final resolution I have today is authorizing the purchase of twelve portable changeable message signs. This purchase was included on our 2010 Capital Budget. This equipment is used for traveler information along the Turnpike Mainline. The Maintenance Department has determined that the new changeable portable message signs that meet OTC's needs are available on the ODOT Cooperative Purchasing Program, specifically ODOT Contract No. 48-11, through Lightle Enterprises of Ohio, LLC, of Frankfort, Ohio, furnishing American Signal equipment, in the total amount of \$188,640.00. This amount is below the amount that was budgeted on the Capital Budget last December. This contract also includes the option to purchase four additional units in 2011. In lieu of auctioning the old equipment, our existing equipment will be used to provide spare parts for our currently viable message boards. If the General Counsel will please read the Resolved?

General Counsel: RESOLVED that the Commission's Executive Director and Purchasing Manager may proceed with issuing a Purchase Order for twelve portable changeable message signs 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. 048-11**, and to 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 Purchasing Manager may issue a supplementary Purchase Order during 2011 for four additional portable changeable message signs via the Commission's membership in the ODOT Cooperative Purchasing Program; and

FURTHER RESOLVED that the Commission's Maintenance Engineer is authorized to proceed with the disposal of existing portable changeable message sign equipment that has reached the end of its economical service life in accordance with the Commission's Property Disposal Policy.

Chairman: Motion to adopt?

Ms. Teeuwen: So moved.

Chairman: Is there a second?

Mr. Dixon: Second.

Chairman: Discussion or questions on the resolution? Bonnie.

Ms. Teeuwen: One question, do we know how much money we saved buying off of the ODOT contract first and then if we would have bid it regularly?

Chief Engineer: Mr. Chairman, Commission Member Teeuwen, I would defer, did Kevin include that information?

Director of Contracts Administration: No I don't believe we have that; it was based on ODOT pricing. Mr. Chairman, Commission Member Teeuwen, I don't have that information with me as far as what the difference in cost would be, but I believe that we went out and looked at all the different changeable message boards and picked the changeable message board that fits our specifications and found that it was available via the ODOT Purchasing Program.

Ms. Teeuwen: I would like to commend George and Joe for making this happen because before previously you weren't allowed to buy off the ODOT contract and I think it was a good move that you guys made.

Executive Director: We also need to thank Senator Patton for approving that legislative change which lets us buy under the ODOT Cooperative Purchasing Program.

Director of Contracts Administration: And if I just might add Commission Member Teeuwen, obviously that was a competitively bid contract by ODOT.

Mr. Regula: What is approximate economic life of these?

Chief Engineer: Mr. Chairman, Commission Member Regula the units that we are replacing were purchased in 1993, as I said we plan on taking all the existing units and seeing what is salvageable, depending on how many of the units we are able to get running it may preclude the need to execute the option in 2011.

Mr. Regula: From a point of interest, how are they actually changed? Do you do them off of a laptop, or do you physically do it on the...

Chief Engineer: Yes, Mr. Chairman, Commission Member Regula, they have cell phone technology and in them a cell phone receiver, they can be changed from our radio room or any laptop that is enabled.

Mr. Regula: Thank you.

Mr. Kidston: And warranty period on these, do you know?

Chief Engineer: I don't know that off hand, Mr. Kidston no.

Chairman: Seventeen years on previous one?

Chief Engineer: Yes.

Chairman: Any further questions? Please call the roll.

Assistant Secretary-Treasurer: Chairman Balog

Mr. Balog: Yes

Assistant Secretary-Treasurer: Mr. Regula

Mr. Regula: Yes

Assistant Secretary-Treasurer: Mr. Dixon

Mr. Dixon: Yes

Assistant Secretary-Treasurer: Mr. Kidston

Mr. Kidston: Yes

Assistant Secretary-Treasurer: Ms. Teeuwen

Ms. Teeuwen: Yes

RESOLUTION NO. 43-2010

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

WHEREAS, pursuant to Ohio Revised Code Section 5513.01(B), the Ohio Turnpike 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 Maintenance Department’s staff has determined that the American Signal Co. portable changeable message sign is the best sign to replace the Commission’s existing equipment that has reached the end of its’ economical service life, and the Maintenance Engineer has, therefore, recommended the purchase of twelve message signs, with the option to purchase four additional signs during 2011; and

WHEREAS, in lieu of auction, the Maintenance Engineer has indicated that the existing equipment will be used to provide spare parts for any currently viable existing message signs, with remaining non-salvageable parts scrapped in accordance with the Commission’s Property Disposal Policy; and

WHEREAS, the new portable changeable message signs are available though the ODOT Cooperative Purchasing Program, and the Purchasing Manager has determined that the lowest cost of obtaining the aforesaid message signs is under **ODOT Contract No. 048-11** through **Lightle Enterprises of Ohio, LLC of Frankfort, Ohio**, an American Signal distributor, in the amount of **\$188,640.00 (\$15,720 each)**; and

WHEREAS, the expenditures by the Commission for the twelve portable changeable message signs will exceed \$150,000.00, and, therefore, in accordance with Article V, Section 1.00 of the Commission’s Code of Bylaws, Commission authorization of this purchase is required; and

WHEREAS, the Commission’s Director of Contracts Administration has reviewed the proposed equipment purchase and has advised the Commission that said purchase is in conformance with the statute permitting such purchases through ODOT; and

WHEREAS, the Executive Director has reviewed the reports of both the Maintenance Engineer and the Director of Contracts Administration and concurs with their recommendation

that the Commission approve the purchase of portable changeable message signs 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 Purchasing Manager may proceed with issuing a Purchase Order for twelve portable changeable message signs 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. 048-11**, and to 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 Purchasing Manager may issue a supplementary Purchase Order during 2011 for four additional portable changeable message signs via the Commission's membership in the ODOT Cooperative Purchasing Program; and

FURTHER RESOLVED that the Commission's Maintenance Engineer is authorized to proceed with the disposal of existing portable changeable message sign equipment that has reached the end of its economical service life in accordance with the Commission's Property Disposal Policy.

Chief Engineer: That completes my report Mr. Chairman.

Chairman: Thank you any comments for the Chief Engineer? Next General Counsel, Noelle.

General Counsel: Good morning Mr. Chairman and Commission Members, I have two proposed resolutions for your consideration this morning. The first proposed resolution would authorize the Executive Director to award a contract for third party claim administration of the Commission's Group Health Care Plan; (2) to authorize the purchase of stop loss insurance coverage through the same provider; and (3) award a separate standalone contract for the Dental Insurance Program. As you may be aware, the Commission provides a Group Health Care Plan for all of its full-time employees including, those, the bargaining unit represented by the Teamsters Local Union 436. The Commission's Group Health Care Plan provides coverage for Medical, Prescription, Dental, Vision and Hearing Benefits. The Plan is self-insured, meaning the Commission pays benefit claims on a dollar-to-dollar basis with the additional protection of stop loss insurance coverage, which helps the Commission manage any unusual healthcare costs that may occur during the course of any benefit plan year. The Dental Benefit provided to full-time employees is provided through traditional insurance program. The current contracts with all of these providers for this program are scheduled to expire at the end of this year. Several staff members served on the Evaluation Committee for this RFP process, including CFO/Comptroller, Marty Seekely; Accounting Manager, Lisa Mejac; Employee Benefit Coordinator, Maggie Baldy; Director of Human Resources, Robin Carlin, whose department

manages the program, and the Director of Contracts Administration, Kathleen Weiss. The Commission's Health Insurance Consultants from Willis of Ohio also assisted the Evaluation Committee by providing physical analysis and underwriting services for the program. At this point, I would like to introduce Doug Brown from Willis of Ohio, who will be making a presentation and an overview of the RFP process, the factors, and criteria used by the Committee to score the proposals, and the basis for the Evaluation Committee's recommendation for awarding these contracts.

Doug Brown: Good morning.

Chairman: Good morning.

Doug Brown: Pleasure to be back, we were here last month talking about life insurance, today we are going to go over the results of the RFPs for the Health Programs provided by the Commission. First slide will give you an idea of the marketing time table. The public notices and RFPs were distributed on July 26th. There was an inquiry date of August 9th where they were asked to come back with questions regarding any of the data or any type of questions they might have. Once those questions came in, we worked with, they came actually through the Purchasing Department of the Commission and they were distributed to us and/or Human Resource's representatives within the Commission and we were able to answer those questions and redistribute them to all the quoting entities. The proposal submission date was August the 16th. We had a proposal analysis meeting here at this facility on August the 26th and finalist interviews were conducted on the final two days of August. This slide indicates who was requested to provide proposals. There were nineteen vendors on the left that were made up of specific services such as medical, dental, prescription drugs, stop loss and third party administration. The middle box will indicate who actually bid on the contracts and each one of these is in a little different vein, so Aetna purposed on the entire package, as did Anthem, Medical Mutual and United Healthcare. MetLife and Delta Dental are specific to dental coverage and Envision Pharmaceutical Services is a standalone pharmacy benefit manager otherwise known as a PBM, prescription drugs only. Out of those proposals we identified six finalists. They are in the right box and they were interviewed again the last two days of August. Each of the finalists were scored by the Evaluation Team and they were given a wading scoring table such as that outlined below, what is outlined below; five hundred points were the total amount of points available; had to do a financial response, network discounts, network administration, customer service, completion of the submission and then two other pass/fail categories, willingness to comply with financial requirements, and also the willingness to comply with the legal requirements, so all told there are 500 points being weighed by each vendor.

Moving on to the Project Team, our Project Team consisted of myself, who is Project Manager, Kyle Cooke, who did a tremendous amount of work as the Account Manager, and also John Kovach, who is not here from our office, who did a lot of the technical analysis of the proposals.

Getting into some of the background, you currently provide your healthcare benefits through primarily two vendors. It has already been disclosed to you the medical, drug, vision and hearing have been provided through Medical Mutual of Ohio, and have been with Medical

Mutual since 1989. These are on a self-funded basis under what is known as a Minimum Premium Contract. There is specific stop loss coverage under that contract at a \$150,000 for an individual catastrophic type claim and there is aggregate or umbrella stop loss, if you will, for the total group that is set at a 110% of expected pay claims. Group Dental Benefits, three years ago as a result of the bid processing, was awarded to a standalone dental vendor of MetLife and it was done so on a fully insured basis and that was put out to bid as well with the rest of the coverages. Before we go any further it's certainly worth mentioning that there are a number of healthcare reform issues that the Commission is facing as are other employers throughout the country. March 23rd is when the Healthcare Reform Bill was signed into law by President Obama. There are a number of provisions that must be implemented this year in 2011 coming up and it's gauged on first plan year beginning after September 23, 2010, which for the Commission will be January 1 of 2011. There is an issue where an employer plan can seek grandfathered status. There are certain conditions that would need to be satisfied in that regard primarily to plan design and employer/employee split of the cost. Labor negotiations with the Commission as you are aware are going to begin in November of 2010. A couple of other things that need to be taken into account; for January 1 of 2011, there is an expanding age for dependents under both the Federal Healthcare Reform Legislation and also the State of Ohio legislation that went in last year as part of Governor Strickland's budget. The fact that the Commission is a non-ERISA self insured plan requires it to comply with the State of Ohio age 28 provision, so you've got the federal side that's going to cover dependents up to age 26 and the State of Ohio will require that to be extended two more years to age 28. Other immediate items that have to be addressed for healthcare reform for 2011 are the removing of pre-existing conditions for children less age 19, that is really not a significant issue because HIPAA legislation a few years ago allowed employees to move from job to job with certificates of creditable coverage, so they can offset pre-existing condition limitations at their new employer with the time spent on a healthcare plan with a prior employer. So I don't know if that's going to be a big impact for you. There will be the removal of annual and lifetime limits on essential health benefits, so in general what that is going to mean to the Commission is a lifetime maximum on the plan of \$1,250,000.00, will now have to be converted to unlimited. Essential health benefits in this regard have to do with institutional claims, such as hospital claims, physician claims, therapy claims, mental health substance abuse claims, generally all the expenses that are covered under your plan are deemed to be essential health services. There is also a need to provide break time and a place for breast feeding mothers, and probably one that is going to affect a lot of employers is the rescission of coverage for fraud, misrepresentation are the only two means by which an employer can retroactively terminate coverage. Not to go down a big detailed rat hole, but this is kind of a situation where if you've got a Cobra event where you've got an employee out there exercising Cobra rights and they have thirty days grace period to pay, you are going to have somebody who may not pay in a given month, you won't be made aware of it until the following month and you are really aren't allowed to retroactively term somebody back to the month in which they didn't pay, so it's going to create a little bit of an administrative burden for employers to have to deal with.

Okay, other trends of healthcare costs that are unrelated to healthcare reform, a lot of what employer plans are going to have to do is continue to struggle with is the rising cost of healthcare and that has not slowed down. Trends in the healthcare marketplace continue to be between 12 and 12.5% for claim costs and the demographics of the Commission's workforce

would suggest an upward trend of projected healthcare expenses as well. So as with every renewal, the Commission has gone to great lengths to insure that the benefit plans are competitively designed and priced. This exercise of going out to bid happens every three years and this is a great opportunity to ensure that that happens.

Okay getting into the contracts themselves. Points awarded, again, we talked about there being 500 total points. We've broken them into various lines of coverage, the lion's share being on the medical and the lesser amount for the drug, dental, vision and so on, so this is how it breaks out, and this is important because if you've got somebody bidding on a single line of coverage, such as dental or drug, they're not bidding on the full 500 points. So in evaluating these coverages for the finalists on the non-dental, if you will, so this would include medical, drug, vision and hearing, 453 points for those particular coverages, 423 were scored for Medical Mutual, which was considerably greater than the next vendor who provided healthcare at 326. So from a scoring standpoint and the criteria we announced a few minutes ago, Medical Mutual outscored the others in the field. Envision Rx was looked at as a possible standalone drug vendor; it scored 37 out of the 90 points. One of the things that we have to look at whenever we are looking at a competitive medical network vendor is how the network would look, so it was very easy to come in and say well let's look at another vendor, but unless we know what kind of disruption that is going to create for the employees and dependents of the Commission, you'd really stop short of the full analysis. So what we have done is we've looked at all dollars, all claims and all records that have been processed by members of this health plan, your employees and their dependents and this gives you an idea of how it flowed through with other networks. Medical Mutual being your incumbent, showed that 99% of the dollars flowed through the existing network, 97% of all the records and 98.8% of all the claims as well, so that's kind of where you are today. Anthem came in, United came in comparable, but not quite as good, but either one of those would be an attractive alternative if they had an attractive financial proposal. If you can get disruption that is at 95%, in other words 95% of known providers used are in the new providers network, that's a pretty good outcome, so you then have to identify where those 5% providers are, how significant they are in terms of dollars, number of claims and number of records; but in this regard Medical Mutual is your incumbent and they scored highest of that as it stands.

Now the other end of this that we want to look at is discounts so we had all of these vendors price claims, so in other words, physician claims, CPT codes, hospital claims, etc., and what we were trying to do is to determine what the discounts were. It is kind of working bottom up, on this slide, your discounts from Medical Mutual for a period through July, 2010, a twelve month period, were 54%, so we wanted to go to the other vendors and say okay what are your discounts and how is your pricing coming through and this is a case of where people can start to say, gee mine are 60%, mine are 59%, but this slide is what we think is important because it really comes back to putting scoring down, pricing claims is one thing, but where are you going to guarantee your discounts. So in this situation with scoring from left to right, Medical Mutual saying okay we were 54, we are going to target our discounts at 53, and we will pay a penalty to the Commission if it falls below 52 and how much are they going to be putting at risk, they would be putting up a formula, a penalty if you will, that will maximize at a \$101,000.00. Anthem, on the other hand, had shown some good pricing, but when it came time to guarantee those discounts, as you can see, they fell far short of what you have right now, and they put very

little at risk. United Healthcare, on the other hand, did provide a quote of about 50% discounts, but they were only willing put 47 as their point of paying a penalty and their penalty was noticeable, but they should easily be able to get 47%, they should actually be up north of 50, like Medical Mutual, so while the pricing said one thing, this is an important category, and it is important because not only does it affect the cost of the plan, but it also affects what employees and their dependents are paying through their deductible and co-insurance obligations, so it is incumbent to try to get the best discount arrangement, which Medical Mutual scored out as having the best.

On the hard dollar side of the program, there are administrative costs, and this is where you pay Medical Mutual to administer your program, create the billings, claim records, pay the claims, etc., stop loss costs, which are again the \$150,000.00 specific stop loss level and the aggregate stop loss level. Subtotal those and then we have rebates that we will talk about in just a minute, but let's just go through where we see the administrative costs. Anthem came through with the most attractive administrative cost, but if you'll notice over in the rebate side they provided no rebates back to the Commission, so essentially they are taking all rebates, which explains a little bit why their number would be much lower. United was significantly higher than Medical Mutual in the administrative cost. Stop loss, Medical Mutual scored the highest of the three, so from a subtotal before the rebates, Anthem looks slightly better, Medical Mutual is probably more solid; but United for a variety of reasons I can't explain was significantly uncompetitive in that area. On the rebate side, this is what you see back from Medical Mutual through its relationship with Medco and is tied to brand name drug utilization, if we just saw the same drug utilization in the 2011 year that we saw in this twelve month period, rebates from Medical Mutual would be \$283,000.00, United would be \$122,000.00; so when you put it all together Medical Mutual is about \$713,000.00 of projected fixed expense while the other two were significantly higher. So, based on those criteria, we are recommending or the Committee is recommending that the Commission renew with Medical Mutual effective January 1, 2011. Medical Mutual has the most financially competitive proposal when compared to the other finalist and this would indicate right here what the overall costs would be for 2011 comparing to 2010. The administrative costs would be up 2.9%, the specific stop loss cost set at a \$150,000.00 level would go up 13%, for overall a fix cost increase of 8.6%. It is worth noting that Medical Mutual has guaranteed its administrative cost for 2011, 2012 and 2013, with an option given to the Commission of increasing them for 2014, 2015, at the lesser of CPI or 3%. Stop loss is a coverage that is only guaranteed for twelve months, given the volatility of it, so there are no multiple rate guarantees on the stop loss. One recommendation, however, that we would like to present for your consideration is increasing that specific stop loss level from \$150,000.00 to \$175,000.00, and this will give you a snapshot of what that savings creates, it is about \$88,000.00 in hard dollar savings. Rule of thumb in our industry for deciding if it's worthwhile to raise the stop loss level is if you can absorb two or three people going from the old level to the new level. So, in essence, that would be another \$25,000.00 exposure, going from \$150 to \$175. At \$88,000.00 in savings you can absorb better than three, so we feel that numerically at least this is a good risk for you to take. However, we want to look at what has the activity been on the plan to make sure that we're not blindly going into this, so below in the second box is a list of how many claimants have exceed \$150,000.00 in the last few plan years and currently for 2010, whereas we showed at June 1 of 2010, we can update that to September 1, 2010, you do not have anyone that's hit this. Yes sir.

Chairman: Taking that argument further, what type of savings would it be if we went to \$200,000.00 or something of that nature?

Doug Brown: It could be, it would certainly be greater, but we did not price that, we just moved one increment over. You have actually been at \$200,000.00, the Commission has, go back in time there was a period there where it was at \$200,000.00 and this goes back to Jim Steiner's era and we elected after working through that to move it back to \$150, so we were showing the next level up.

Chairman: I guess as you look at it, if it was \$150 five years ago just through the inflationary process it would have moved to \$175 to, in effect, put us in the same position, so I was just curious if we went to a higher number how that could potentially affect us in a positive.

Doug Brown: Yeah, you would look at how many people you would absorb to do that, that move as well, we just didn't price it at that level during this exercise, but this is also something that is worth pointing out that can be revisited between now and the end of the year. In other words, if this risk portrayal in that second box suddenly changes, and suddenly you have several claimants emerging that are going to have recurring kind of conditions or if you just know of something that is coming that hasn't really emerged yet on the claim list, you can make a judgment on whether you really want to still do this right up to the end of the year, but at the moment all indicators would be that this would be a reasonably sound bet to go up to the next highest level.

Another area of enhancement that is worth mentioning is that MMO is agreeable to including your prescription drugs under that specific stop loss range. Currently that covers medical expenses only and not the prescription drugs. We believe that given the ability for a claim to escalate and the technology that's out there that drives these claims up to dollar levels, you should protect yourself on both the drug and the medical, combine them together, so these costs assume that we would be putting the drugs into that stop loss. Also there is one other category back to how healthcare reform is adjusting healthcare plans, and that is that you had a \$1,250,000.00 lifetime max that now needs to be unlimited. Your current stop loss arrangement has a maximum reimbursement by Medical Mutual of a million dollars, so all that means is that if you go through a large claim, you pay the first \$150,000.00, Medical Mutual as it stands today would pay the next million. If that claim goes beyond that you would have it fall back on the Commission. With lifetime maxes being unlimited, we need to adjust that so you don't take on an undue amount of risk here, so Medical Mutual has the same option as a lot of other carriers in the marketplace, most carriers are saying, okay we will do unlimited specific stop loss reimbursement, we won't put any limit on it. Medical Mutual has not done it exactly that way, but what they have done is they've said we will take a \$1,000,000.00, which is actually an annual maximum by the way, and take it to \$3,000,000.00 per year, so you would be looking at a scenario that someone would have to have claim payments in excess of \$3,000,000.00 over a twelve month period in order to have any risk here, which is extremely unlikely. At a million it is probably unlikely, but certainly easier to reach than three. So rather than just say we are going to go unlimited, Medical Mutual has done it on a \$3,000,000.00 annual reimbursement cap, which would then start over each year after the current year and we think that that is a sufficient

amount of protection. So if you go to the next slide, this will give you an overall snapshot of what our projected costs, liabilities if you will, for the coming twelve months, assuming a \$175,000.00 stop loss level. We have the administrative increase of 2.9%, a stop loss decrease of 4.1% based on \$175,000.00 level, an increase in prescription rebates to the benefit of the Commission, so overall there is a fix cost savings and projected liability that would be that full 110% umbrella type claim limit we were talking about, and that gives you a total projected liability for 2011 of about \$11.1 million. The box below that takes out that 110% margin, if you will, on the projected claims, so break it down to an expected cost without any other margin in it, so that would be about \$10,191,000.00 of projected cost, and that is still as we continue to evolve through the healthcare reform there are a number of unknowns that could come out, and adjust that so we are providing this on a projected basis at the moment, and things that get clarified in healthcare reform could possibly impact this. Any questions on the medical before we go on to the dental? Yes sir.

Senator Patton: The State of Ohio, I believe last year contracted with some company to, because in one of your earlier slides, several slides ago, you talked about fraud and what the state was doing, as I would led to believe is they were going through to determine if there's people under the healthcare plans that really shouldn't have been, you know mother-in-laws, ex-husbands, ex-wives, children prior to the law that changed to 28, that were giving false birthdates to make them lower. Has the Turnpike ever thought of initiating that same type of audit to determine?

Chairman: Noelle?

General Counsel: Yes, Mr. Chairman, Commission Member Patton, every year employees are required to update that information and on an annual basis, that information is audited. So we confirm every year that the people who are included in the plan are eligible to be and qualify to be in the plan, so we do that, we update the martial status, all of that kind of stuff.

Senator Patton: I am wondering then why the state as a whole, why they would then have chosen to bring in an outside auditing agency, for fear that if someone for example got divorced, but choose not to report, I mean to what extent do you have the ability to, and maybe you have it internally to audit, go down research court records, find out if Joe and Mary Smith are still married or if there had been a divorce filed somewhere prior to that. That is why I think these other agencies, are you familiar with these agencies?

Doug Brown: Absolutely, we actually do them.

Senator Patton: Okay.

General Counsel: Mr. Chairman, Commission Member Patton, I think because of the number of employees we have it's manageable, and the Human Resources Department does do that in-house. To my knowledge not looked at doing it outside because we were able to do it in-house. It could be that the State did it using an outside source because of just the sheer volume. I mean there's just no comparison between the number of the State of Ohio employees, and they are spread all over the state as compared to ours; I think we have a better handle on it.

Senator Patton: Thank you.

Mr. Regula: If I may Mr. Chairman as a follow-up, how often do we find individuals who have misrepresented their status?

General Counsel: Mr. Chairman, Commission Member Regula, I believe there were one or two that popped up last year, I mean we've been doing this on an annual basis for awhile; but there were a couple and we took appropriate action.

Mr. Regula: Is part of that, do we know approximately how many additional dependents we are going to have to cover under this plan because of the age change to 28, I mean, I would assume it is a significant number?

General Counsel: Mr. Chairman, Commission Member Regula, we do have a ballpark figure, but we don't know, we really don't know for sure how healthcare reform, how the change in the law is going to affect us, to the extent that we can we try to manage the risk by changing the stop loss, that's why we are looking to do this; but there are a lot of unknowns on healthcare reform and in the dependents statue change that we just don't know how many people are going to, additional people are going to enroll. We are going to have to wait and see.

Mr. Regula: And maybe this is a question for you. Is there nationwide any type of percentage in terms of, if you have 300 employees, approximately how many additional dependents you are going to be covering under a plan in general, or is it really a case by case issue?

Doug Brown: I wish I could give you the best guess, it is a wide open unknown right now and unfortunately it can differ by industry and employer. This is going to open up a, it is kind of a big what if for the insurer's too, so if you picture a fully insured insurer, such as Aetna or Cigna or someone, they have no idea what they are going to get, they are loading blindly into their premium rate for something and they are kind of looking at the overall healthcare reform of taking off lifetime limits, losing grandfathered status, there's a whole bunch of different variables that go into it, and the dependents are part of it.

Mr. Regula: So there's quite a bit of guess work as to try and figure out how much additional this is going to cost all the employers.

Doug Brown: Absolutely, and that is one of the things that is frustrating employers is that they don't really have a good feel for it, but we factored in, Medical Mutual at least factored in some allowances here, you're self-funded so the impact is going to be more a year from now to look back and see just how many there were because it is a very valid question. How many are you going to get? It could be dozens, it could be a handful.

Chairman: In private industry we're seeing significant increases from insurance companies because they need to protect themselves, because they don't know. In our situation

with most of it being self-funded, we're really the ones that are going to be at risk for that. Senator.

Senator Patton: Prior to the Washington's healthcare reform, we had expanded at the state level the age of dependents that could be under, but the caveat to that would be that they had to have had uninterrupted coverage, they couldn't have gone from age 23 to age 25 without any coverage and then pick them up at age 26. In the current healthcare reform model that you are referring to is there anything that prevents a lapse of coverage, in effect then, so that they'll keep the people off the coverage until such time as they might get dramatically ill and then they want to bring them back on.

Doug Brown: No, there is nothing keeping them out. The only possibility of keeping them out, if you will, that is not a good choice of words, but if you maintain grandfathered status you're able to say no to dependents who have coverage available where they work. If grandfathered status is lost you take all comers and then the additional age 27 and 28 they have some resident issues and full-time student issues in Ohio, it is not exactly the same as Federal.

Mr. Regula: So would then your expectation be that a lot of individuals will have coverage at a much lesser level, they're dependents of our employees will be picking up our plan?

Doug Brown: That comes back to this whole healthcare scenario, and what does that dependent's employer doing? Have they said no to grandfathered status and are they continuing to raise deductibles and out-of-pocket obligations and payroll deduction obligations that may get onerous for that dependent to stay where they work, and then did they decide to come over to mom and dad's plan? That is part of this whole will they, won't they?

Mr. Regula: It's part of the mess, is what you're saying?

Doug Brown: Another part of healthcare reform is the question of pay or play mandate. Employers have a way of getting out of healthcare coverage at some point in time, by paying a certain amount and abandoning healthcare coverage. Now are employers really going to do that? There's a lot of these, gosh I don't know the answer to that, we've got to wait and see if employers will actually do things like that, but to your question Senator, no there is nothing in there prohibiting those folks from coming in.

Chairman: Commission Dixon did you have a comment?

Mr. Dixon: No, thank you.

Chairman: Thank you.

Doug Brown: Okay, moving on to the dental. As I mentioned this was a fully insured contract with MetLife. We had three finalists that we reviewed, including MetLife and the one that scored the best was Delta Dental, and it is probably worth noting that Delta Dental is also the dental insurer of the State of Ohio, so they are accustomed to working with public entities,

but they scored higher than the other two. So the recommendation is to replace MetLife with Delta Dental effective January 1, 2011. It is the most financially competitive proposal for the next two years and also includes a cap in the third year, if you care to exercise it at 12%. It is worth noting that at \$594,000.00 for 2011, that is still a 6% increase over the 2010 premiums with MetLife, but Delta did have a 6.6% cap for the second year of 2012, so over a two-year period and then the option of the third it is a very strong financial multi-year arrangement. In addition, interestingly enough three years later from three years before, when Willis did the projected self-funded dental costs, Delta Dental is slightly under what we would project the self-funded dental cost to be, same was true with MetLife three years ago, so if you can lockup the premium, we think that is a good risk to lockup at this point and not have anything else happen.

Okay the hearing and vision. We did not get any freestanding quoters for either vision or hearing, so in essence those stayed with primarily the medical carriers that quoted, so everyone that we scored under the medical really did include the vision and the hearing and given that Medical Mutual is the most competitive medical carrier, we are suggesting that the vision and hearing stay with them as well for 2011. So in a nutshell, this last slide will indicate to you all current providers and who are being recommended for January 1, 2011, medical, drug, vision and hearing staying with Medical Mutual and dental converting from MetLife to Delta Dental.

General Counsel: In summary Mr. Chairman, Commission Members, the proposed resolution on today's agenda is limited to the award of these contracts. As we move through the next two months, we are scheduled to begin negotiation with Teamster's Local Union 436. Staff members have not made a decision or recommendation regarding whether or not to seek grandfathered status under the new law and some of that may be some of the decision may be dictated by the outcome of negotiation, which we expect to report to you at next month's meeting regarding the upcoming labor negotiations. With your permission Mr. Chairman, I will read the Resolved?

Chairman: Please.

General Counsel: RESOLVED that the Proposal from **Medical Mutual of Ohio** for administration of Group Health Benefit Plans (including Medical, Prescription Drug, Vision and Hearing Benefits as well as stop loss insurance) is deemed by the Commission to be the best among all Proposals received, and that the Executive Director and Director of Contracts Administration are hereby directed to: 1) award and negotiate, as necessary, a Contract for administration of the Commission's Group Health Benefit Plans (exclusive of dental benefits) with Medical Mutual commencing January 1, 2011, for a Contract term of one year, 2) direct the return to the respondents of their proposal guaranty at such time as Medical Mutual has entered into a Contract with the Commission, 3) renew said Contract for up to four, one-year periods, and 4) take any and all action necessary to properly carry out the terms of said Contract; and

FURTHER RESOLVED that the Proposal from **Delta Dental of Ohio** for administration of the Group Dental Benefit Plan is deemed by the Commission to be the best among all Proposals received, and that the Executive Director and the Director of Contracts Administration are hereby directed to: 1) award, and negotiate, as necessary, a Contract for administration of the Commission's Group Dental Benefit Plan with Delta Dental commencing January 1, 2011, for a

Contract term of one year, 2) direct the return to the respondents of their proposal guaranty at such time as Delta Dental has entered into a Contract with the Commission, 3) renew said Contract for up to four, one-year periods, and 4) take any and all action necessary to properly carry out the terms of said Contract.

Chairman: Motion to adopt?

Ms. Teeuwen: So Moved

Chairman: Is there a second?

Mr. Regula: Second.

Chairman: Questions, discussions on the resolution? Mr. Dixon.

Mr. Dixon: Willis of Ohio that's our consultant, we pay them?

General Counsel: Correct.

Mr. Dixon: We pay them, they went through a RFP or we just added them...*inaudible*.

General Counsel: I will defer to the Director of Contracts Administration on that?

Chairman: Explain the relationship to Willis?

Director of Contracts Administration: Mr. Chairman, Commission Member Dixon, our relationship with Willis is that they are our Employee Benefits Consultant. We selected them as our consultant in 2007. I believe that their contract expires at the end of this coming year and we will engage in a new RFP process to select our Employee Benefits Consultant for the future.

Mr. Dixon: And what does Willis do? What is their business basically? Are they an insurance broker? Do they sell insurance? Will they be the persons for this process, if we decide today to go by this recommendation, how does that work? Can you explain that to me?

Director of Contracts Administration: Mr. Chairman, Commission Member Dixon, Willis is not an insurance broker, they have assisted us throughout this process in putting together our RFP and also analyzing the responses, performing the financial marketing analysis of the proposals received. They are in no way able to participate in proposing to the Commission for our insurance. Rather what they do is assist us in determining who is the best provider of that insurance and for that service we pay them a fee.

Mr. Dixon: Okay, so great. So once we decide to go with this proposal what is the next step? Who actually do we or an insurance broker will do that part for us or do we do it directly because we are so large?

Director of Contracts Administration: Mr. Chairman, Commission Member Dixon, what will happen upon adoption of this resolution today is that my office will generate an award letter to both Medical Mutual of Ohio and also Delta Dental. We will ask them to enter into our form agreement for services and then thereafter we will negotiate as necessary the stop loss insurance contract, the administrative service contract, and the contract with Delta Dental, and an open enrollment period will begin with our employees. I don't believe that there is much left to negotiate with either party, there might be a few points that we might need to discuss, but at this point in time I believe we are going to be very close to having final agreements reached with both parties, both Delta and with Medical Mutual.

Mr. Dixon: That is it.

Chairman: Thank you. Any further questions?

Mr. Regula: One if I may. In 2014, different plans are going to be penalized due to how good they are, am I correct in that thinking, that there's going to be?

General Counsel: Mr. Chairman, Commission Member Regula, the IRS actually in the last month has deferred the W-2 reporting requirements, I think, that's what you are referring to. We don't know yet how our benefits are going to be reported on employee W-2 forms and fortunately because of all the confusion, they've deferred those reporting requirements for another year, so if we seek grandfathered status we will be including in employee wage and earning statements, the W-2 forms, what the benefit, the value of the benefit to the full-time employee that will be in there, but fortunately we have another year to do that.

Mr. Regula: Okay. So this plan would run out and we'd have to renew about the time that kicks in?

General Counsel: Yeah, I think we won't be doing that until 2012.

Mr. Regula: Thank you.

Doug Brown: However, there is a Cadillac plan tax, which you may be referring to, which is actually 2018.

Mr. Regula: It does not kick in until 2018.

General Counsel: Right.

Doug Brown: So it's being treated as there are thresholds of value of plans, that if you exceed, there is an excise tax applicable. It is one of those elements of healthcare reform given it's far out timetable that people are kind of stepping back and thinking that might get modified. But it would be 2018.

Chairman: Comments or questions?

Mr. Kidston: I know we want to take action today, but can we authorize as part of this a look at this stop gap moving to \$200,000.00 and if it's in the Commission's benefit based on the formula you just gave us of three claims, if that works?

General Counsel: Mr. Chairman, Commission Member Kidston, as I indicated the action taken is just on the contracts. We have not yet made a decision on whether or not to recommend the Commission seek grandfathered status. Some of the design plan changes that we may want to take will be the subject in negotiations with the Union and we do expect to make further presentations to you, that's one of the things we can look at. We're still kind of doing a cost benefit analysis on whether or not it benefits the Commission to seek grandfathered status. There's a lot at play here, so that is something that staff members can continue to look at.

Director of Contracts Administration: Mr. Chairman, Commission Member Kidston, we can certainly, because the contracts have not been signed, we can certainly go back to Medical Mutual and obtain pricing on the difference in the stop loss premium if we were to change the number and then just make an informed decision at that time. We can do that, it's not a problem.

Mr. Regula: One last question, I might ask, at time once we get this most finalized, could I ask that if we, the Commission Members, all receive a copy of the overall plan and the limitations.

Executive Director: Absolutely.

General Counsel: Before or after negotiations?

Mr. Regula: Whatever you feel is timely.

General Counsel: Okay, we can do that.

Chairman: Please call the roll.

Assistant Secretary-Treasurer: Chairman Balog

Mr. Balog: Yes

Assistant Secretary-Treasurer: Mr. Regula

Mr. Regula: Yes

Assistant Secretary-Treasurer: Mr. Dixon

Mr. Dixon: Yes

Assistant Secretary-Treasurer: Mr. Kidston

Mr. Kidston: Yes

Assistant Secretary-Treasurer: Ms. Teeuwen

Ms. Teeuwen: Yes

RESOLUTION NO. 44-2010

**Resolution Directing the Executive Director to Take Immediate Action
Concerning the Award of Contracts for Administration of Group Health Benefit Plans
Covering Commission Employees**

WHEREAS, on July 26, 2010, the Commission issued its Request for Proposals (“RFP”) to select the outside party or parties that will administer the Commission’s Group Health Benefit Plans for Commission employees including Medical, Prescription Drug, Dental, Vision, and Hearing coverage, commencing on January 1, 2011; and

WHEREAS, the Commission presently has a self-funded arrangement for the provision of Medical, Prescription Drug, Vision and Hearing Benefits to its employees, and a fully-insured arrangement for the provision of Dental Benefits; and

WHEREAS, responses to the RFP were submitted on August 16, 2010, by eight Providers that administer Group Health Benefit Plans, and such responses were reviewed and analyzed by the Commission’s employee benefits consultant, Willis of Ohio, Inc., and the Commission’s internal Evaluation Team consisting of the Director of Human Resources, the CFO/Comptroller, the Accounting Manager, the Employee Benefits Coordinator, and the Director of Contracts Administration (see Executive Summary Report); and

WHEREAS, it was determined that the Proposal of **Medical Mutual of Ohio, Inc.** (“**Medical Mutual**”) located in **Richfield, Ohio** will, under a continuing self-funded arrangement, result in the lowest level of total annual liability to the Commission in providing Group Health Benefit Plans (including Medical, Prescription Drug, Vision and Hearing Benefits, as well as stop loss insurance), and that, exclusive of Dental Benefits, Medical Mutual proposed ancillary administrative services and fees that were deemed the best overall among all Proposals received; and

WHEREAS, it was further determined that the Proposal of **Delta Dental of Ohio** (“**Delta Dental**”) located in **Cleveland, Ohio** will, under a continuing fully-insured arrangement, result in the lowest level of total annual liability to the Commission for providing Group Dental Benefits and that Delta Dental proposed the best Group Dental Benefit Plan for Commission employees; and

WHEREAS, it is the recommendation of the Commission’s consultant, as well as the Commission’s internal Evaluation Team that a one-year Contract for the administration of Group Health Benefit Plans (including Medical, Prescription Drug, Vision and Hearing Benefits as well as stop loss insurance) be awarded to Medical Mutual with four possible one-year renewal terms,

and that a separate one-year Contract for the administration of the Group Dental Benefit Plan be awarded to Delta Dental with four possible one-year renewal terms; and

WHEREAS, expenditures by the Commission for the Employee Group Health Benefit Plans over the length of the Contracts 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 such Contracts; and

WHEREAS, the Commission has been advised by its Director of Contracts Administration that the RFP process was conducted in conformance with the requirements of Section 5537.07 of the Revised Code with respect to the award of contracts for professional services, and in a manner that was fair and equitable to all participating Providers, that both Medical Mutual and Delta Dental have provided the requisite proposal guaranty, and that the Commission may lawfully award new Contracts to both Medical Mutual and Delta Dental; and

WHEREAS, the Executive Director has also reviewed the recommendation submitted by the Evaluation Team and concurs that Contracts with Medical Mutual for administration of Employee Group Health Benefit Plans (including Medical, Prescription Drug, Vision and Hearing Benefits as well as stop loss insurance), and with Delta Dental for the Group Dental Benefit Plan should be approved by the Commission; and

WHEREAS, the Commission has duly considered such recommendations.

NOW, THEREFORE, BE IT

RESOLVED that the Proposal from **Medical Mutual of Ohio** for administration of Group Health Benefit Plans (including Medical, Prescription Drug, Vision and Hearing Benefits as well as stop loss insurance) is deemed by the Commission to be the best among all Proposals received, and that the Executive Director and Director of Contracts Administration are hereby directed to: 1) award and negotiate, as necessary, a Contract for administration of the Commission's Group Health Benefit Plans (exclusive of dental benefits) with Medical Mutual commencing January 1, 2011, for a Contract term of one year, 2) direct the return to the respondents of their proposal guaranty at such time as Medical Mutual has entered into a Contract with the Commission, 3) renew said Contract for up to four, one-year periods, and 4) take any and all action necessary to properly carry out the terms of said Contract; and

FURTHER RESOLVED that the Proposal from **Delta Dental of Ohio** for administration of the Group Dental Benefit Plan is deemed by the Commission to be the best among all Proposals received, and that the Executive Director and the Director of Contracts Administration are hereby directed to: 1) award, and negotiate, as necessary, a Contract for administration of the Commission's Group Dental Benefit Plan with Delta Dental commencing January 1, 2011, for a Contract term of one year, 2) direct the return to the respondents of their proposal guaranty at such time as Delta Dental has entered into a Contract with the Commission, 3) renew said Contract for up to four, one-year periods, and 4) take any and all action necessary to properly carry out the terms of said Contract.

Chairman: Noelle, you have another?

General Counsel: Mr. Chairman, Commission Members, I have a second resolution, a proposed resolution for your consideration that would authorize the issuance of the Refunding Bonds for the 1998, the Outstanding 1998 Series B Bonds, and the 2001 Series A Bonds. As you may recall at last month's meeting the Commission authorized the appointment of an underwriting team, and also bond counsel in connection with this proposed transaction. As the Executive Director indicated, staff members have been working very diligently to move forward with this transaction. Included in your folders, Preliminary Official Statement prepared by staff members and the other various members of the underwriting team. In addition, the staff members, along with the Commission Financial Advisor, and Bill Daley from Morgan Stanley did presentations to the rating agencies from Fitch, Moody's, and S&P during the week of October 11th and we did receive an affirmation of our AA rating from Fitch on Friday. Present at today's meeting are Bill Daley from Morgan Stanley, who will provide an overview of this transaction, and Bond Counsel, Bruce Gabriel from Squires Sanders & Dempsey, who will provide an explanation of the documents attached to the resolution.

****11:10 a.m. - Commission Member Dixon left the meeting.**

Bill Daley: Mr. Chairman, Members of the Commission, thank you for giving me the opportunity to speak with you today about the 2010 A Refunding transaction. I will, on page two where the financing overview, just very briefly give you an update on where this transaction stands today. As was mentioned earlier, our plan is to price next Monday and Tuesday with a retail order period on Monday and an institutional order period on Tuesday. The 2010 Series A transaction consists of approximately \$130.5 million of fix rate refunding bonds. That is comprised of about \$93 million from the Series 1998 B Bonds and approximately \$46.5 million from the 2001 A Bonds. The size of the transaction and the savings associated with this will change depending on the market conditions over the next week and at pricing, but this is a general overview of where the transaction stands and the market just generally has been favorable for tax exempt bonds and the transaction in and of itself has been fairly stable the last few weeks. On slide three an overview of the transaction in a little bit more detail. Again \$130.5 million of bonds as you can see in the green box here the savings today, the NPV savings, overall is approximately \$9.3 million to the Commission and the cash flow savings in both 2011 and 2012 consist of about \$4.2 million in 2011 and \$2.5 million in 2012. So overall, obviously very favorable, very positive transaction. On the left-hand side, we have provided the bonds that we will be refunding and you can see both series and the coupons associated and the par amounts. The final, I should also mention one other thing, the final maturity of this transaction is 2031. On the final slide, we've provided just a basic overview of the debt profile of the Commission, both currently and then post refunding and you can see that the red line depicts after the refunding is completed what the profile of the debt will look like for the Commission; it's largely the same other than significant savings in the first two years as I mentioned before. Following the transaction, there will be about \$600 million of bonds outstanding overall for the Commission and about \$170 million or so are callable. I am happy to answer any questions at this time and appreciate the opportunity.

Chairman: You say that they'll be callable, the \$170 million, can you explain that and when that would occur.

Bill Daley: Those are still existing and able to be called, you know, as you're doing with this transaction, you know, there is a par call for tax exempt transactions after ten years.

Chairman: Yeah that was my question, is when would they be callable?

Doug Brown: You know I can look at the exact dates; I know they range over the next few years on when they're callable and what's callable.

CFO/Comptroller: 2019 for a big chunk of them.

Bill Daley: That's right.

Chairman: So we won't be doing this again for a few years?

Assistant Secretary-Treasurer: Probably not.

Bill Daley: Right

Chairman: Any questions? Thank you. Do we need to introduce the resolution and saying that, I would think we need to make a motion.

Ms. Teeuwen: Mr. Chairman, I'll make a motion to waive the reading of the resolution.

Chairman: Of the Resolved of the Resolution?

Ms. Teeuwen: Yes, we've all had an opportunity to look at the draft, and read it and it will save us some time.

Assistant Secretary-Treasurer: Mr. Chairman we'd of been here another half hour if Noelle had to read that.

General Counsel: An hour.

Chairman: That is fine. There's a motion made to waive the reading of the Resolution, is there a second?

Mr. Kidston: Second.

Chairman: Questions on that?

Assistant Secretary-Treasurer: Sorry I did not hear the motion.

Chairman: Ed made the second. Bonnie made the motion.

Assistant Secretary-Treasurer: Thank you.

Chairman: Any discussion on it?

Mr. DiNapoli: Just one brief comment Mr. Chairman, that of course your staff has been working with the Office of Budget and Management on this throughout the process and I've heard nothing but good words from our debt service staff at OBM on this and we are quite supportive of the opportunity to save some money.

Chairman: Thank you and we appreciate it. This is on the resolution, the motion that has been made to waive the reading of the resolution. Let's call the roll on that.

Assistant Secretary-Treasurer: We just add that Mr. Chairman.

Chairman: Not on the resolution, but on the motion to waive the reading of the resolution.

Assistant Secretary-Treasurer: Chairman Balog

Mr. Balog: Yes

Assistant Secretary-Treasurer: Mr. Regula

Mr. Regula: Yes

Assistant Secretary-Treasurer: Ed Kidston, Mr. Kidston

Mr. Kidston: Yes

Assistant Secretary-Treasurer: Ms. Teeuwen

Ms. Teeuwen: Yes

Chairman: Now we have the resolution formally.

General Counsel: Correct, to authorize the issuance of the refunding bonds.

Chairman: Okay, so we make a motion for the resolution.

Mr. Kidston: So moved.

Chairman: Is there a second?

Mr. Regula: Second.

Chairman: Questions? Were you going to have Mr. Gabriel say anything?

General Counsel: We do have Bruce Gabriel from Squires Sanders & Dempsey to talk about and explain the documents attached to the resolution.

Bruce Gabriel: I am Bruce Gabriel. Mr. Chairman and Commission Members, the documents attached to the resolution they're basically for the Seventeenth Supplemental Trust Agreement, which will provide the terms of the bonds and provide for their security on a parity basis with all the other outstanding bonds of the Commission. The Bond Purchase Agreement attached to the resolution provides for the sale of the bonds to Morgan Stanley as representative of the underwriting team. The Escrow Deposit Agreement provides for the use of proceeds of the bonds. There will be a short period of time before the outstanding prior bonds are called for redemption and the proceeds will be held there during that time under this agreement with the Huntington National Bank, and then the fourth agreement is a Second Amendment to your Continuing Disclosure Commitment that brings your Continuing Disclosure Agreement with the secondary market into conformity with the changes in the SCC Rule 15(c)2-12 that have been adopted over the last year and half, so the Agreements are authorized to be executed in substantially the form on file, the resolution provides some flexibility for changes in the documents if the officer's executing them and the Executive Director find that those are not substantially adverse to the Commission. With that any questions? I would be happy to answer.

Chairman: Any questions for Mr. Gabriel? Thank you.

Bruce Gabriel: Thank you.

Chairman: Any further questions on the resolution that is before the Commission?

Assistant Secretary-Treasurer: Mr. Chairman, if I could make a couple of comments before the vote, I know it is getting late, but there are so many people in the audience that got us to this point I'd like to publicly thank and I am glad to finally put a face behind the emails, I see Kathy's there, several other folks, but really I mean everybody has really rolled up their sleeves and just got us to this point to where we can really realize some substantial savings in interest obviously frontend loaded to take them next year and the year following, but then for a steady interest and repayment schedule for the next years out to 2019, I don't expect I will be here by then, but certainly you can revisit that in 2019. But thank you very much for all your help.

Chairman: Comments? Please call the roll.

Assistant Secretary-Treasurer: Chairman Balog

Mr. Balog: Yes

Assistant Secretary-Treasurer: Mr. Regula

Mr. Regula: Yes

Assistant Secretary-Treasurer: Mr. Kidston

Mr. Kidston: Yes

Assistant Secretary-Treasurer: Ms. Teeuwen

Ms. Teeuwen: Yes

RESOLUTION NO. 45-2010

A Resolution Authorizing the Issuance of an Amount not to Exceed \$143,000,000 Aggregate Principal Amount of State of Ohio Turnpike Revenue Refunding Bonds, 2010 Series A, and Authorizing Other Actions in Connection with the Issuance of Such Bonds

WHEREAS, the Ohio Turnpike Commission (the "Commission") is, by virtue of Chapter 5537 of the Ohio Revised Code (the "Act"), authorized and empowered, among other things, (a) to issue revenue bonds of the State of Ohio (the "State") for the purpose of refunding any bonds then outstanding, including the payment of related financing expenses, and (b) to enact this Resolution and execute and deliver the documents hereinafter identified; and

WHEREAS, the Commission has determined that it is necessary to issue an amount not to exceed \$143,000,000 aggregate principal amount of State of Ohio Turnpike Revenue Refunding Bonds, 2010 Series A (the "2010 Series A Refunding Bonds") in order to refund certain of its Outstanding \$250,000,000 State of Ohio Turnpike Revenue Bonds, 1998 Series B and \$100,000,000 State of Ohio Turnpike Revenue Bonds, 2001 Series A (collectively, the "Prior Bonds"), in order to reduce interest costs to the Commission, and to pay the costs of issuance of the 2010 Series A Refunding Bonds;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE OHIO TURNPIKE COMMISSION:

Section 1. Definitions. In addition to the words and terms defined in the recitals and elsewhere in this Resolution, those words and terms not expressly defined herein and used herein with initial capitalization where rules of grammar do not otherwise require capitalization shall have the meanings assigned to them in the Master Trust Agreement dated as of February 15, 1994 (the "Master Trust Agreement"), as amended and supplemented by the First Supplemental Trust Agreement dated as of February 15, 1994, the Second Supplemental Trust Agreement dated as of September 1, 1995, the Third Supplemental Trust Agreement dated as of May 1, 1996, the Fourth Supplemental Trust Agreement dated as of June 1, 1998, the Fifth Supplemental Trust Agreement dated as of July 1, 1998, the Sixth Supplemental Trust Agreement dated as of September 1, 1998, the Seventh Supplemental Trust Agreement dated as of September 15, 1998, the Eighth Supplemental Trust Agreement dated as of March 1, 1999, the Ninth Supplemental Trust Agreement dated as of December 15, 1999, the Tenth Supplemental Trust Agreement dated as of June 15, 2000, the Eleventh Supplemental Trust Agreement dated as of July 1, 2001, the Twelfth Supplemental Trust Agreement dated as of August 15, 2001, the Thirteenth Supplemental Trust Agreement dated as of July 15, 2004, the Fourteenth Supplemental Trust Agreement dated as of January 1, 2005, the Fifteenth Supplemental Trust Agreement dated as of January 1, 2009, the Sixteenth Supplemental Trust Agreement dated as of

May 1, 2009, and the Seventeenth Supplemental Trust Agreement, as authorized herein (collectively, the “Supplemental Trust Agreements”), each between the Commission and The Huntington National Bank, as Trustee (the “Trustee”). (The Master Trust Agreement and the Supplemental Trust Agreements are collectively referred to herein as the “Trust Agreement.”)

Section 2. Recitals, Titles and Headings. The terms and phrases used in the recitals of this Resolution have been included for convenience of reference only, and the meaning, construction and interpretation of such words and phrases for purposes of this Resolution shall be determined solely by reference to Article I of the Master Trust Agreement, as amended and supplemented by the Supplemental Trust Agreements. The titles and headings of the articles and sections of this Resolution and the Trust Agreement have been inserted for convenience of reference only and are not to be construed as a part hereof or thereof, shall not in any way modify or restrict any of the terms or provisions hereof or thereof, and shall never be considered or given any effect in construing this Resolution or the Trust Agreement or any revisions hereof or in ascertaining intent, if any question of intent should arise.

Section 3. Interpretation. Unless the context requires otherwise, words of the masculine gender shall be construed to include correlative words of the feminine and neuter genders and vice versa, and words of the single number shall be construed to include correlative words of the plural number and vice versa. This Resolution, the Trust Agreement and the terms and provisions hereof and thereof shall be liberally construed to effectuate the purposes set forth herein to sustain the validity of the Trust Agreement.

Section 4. Tax Matters. The Commission hereby covenants that it will not take any action, or fail to take any action, if any such action or failure to take action would adversely affect the exclusion from gross income of the interest on the 2010 Series A Refunding Bonds under Section 103(a) of the Code or cause that interest to be treated as an item of tax preference under Section 57 of the Code. Without limiting the generality of the foregoing, the Commission hereby covenants as follows:

(a) The Commission will not directly or indirectly use or permit the use of any proceeds of the 2010 Series A Refunding Bonds or any other funds of the Commission, or take or omit to take any action that would cause the 2010 Series A Refunding Bonds to be “arbitrage bonds” within the meaning of Sections 103(b)(2) and 148 of the Code. To that end, the Commission will comply with all requirements of Sections 103(b)(2) and 148 of the Code to the extent applicable to the 2010 Series A Refunding Bonds. If it is necessary to restrict or limit the yield on the investment of moneys held by the Trustee under the Trust Agreement in connection with the 2010 Series A Refunding Bonds, the Commission shall so instruct the Trustee in writing, and the Trustee shall take such action as may be necessary in accordance with such instructions. The Executive Director, or any other officer of the Commission having responsibility with respect to the issuance of the 2010 Series A Refunding Bonds, is authorized and directed to give an appropriate certificate on behalf of the Commission, on the date of delivery of the 2010 Series A Refunding Bonds for inclusion in the transcript of proceedings, setting forth the facts, estimates and circumstances and reasonable expectations pertaining to the use of the proceeds thereof and the provisions of such Sections 103(b)(2) and 148, and to execute and deliver on behalf of the Commission an IRS Form 8038G in connection with the issuance of the 2010 Series A Refunding Bonds.

Without limiting the generality of the foregoing, the Commission agrees that there shall be paid from time to time all amounts required to be rebated to the United States pursuant to Section 148(f) of the Code. This covenant shall survive payment in full or defeasance of the 2010 Series A Refunding Bonds. The Commission specifically covenants to pay or cause to be paid to the United States at the times and in the amounts determined under the Trust Agreement the Rebate Amounts, as described in the Memorandum of Instructions.

Notwithstanding any provision of this subsection (a), if the Commission shall provide to the Trustee an opinion of Bond Counsel to the effect that any action required under this Section and the Trust Agreement is no longer required, or to the effect that some further action is required, to maintain the exclusion from gross income of the interest on the 2010 Series A Refunding Bonds pursuant to Section 103(a) of the Code, the Commission and the Trustee may rely conclusively on such opinion in complying with the provisions hereof.

(b) So long as any of the 2010 Series A Refunding Bonds, or any obligations issued to refund the 2010 Series A Refunding Bonds, remain unpaid, the Commission will not operate or use, or permit the operation or use of, the Project refinanced with the proceeds of the 2010 Series A Refunding Bonds or any part thereof in any trade or business carried on by any person within the meaning of the Code which would cause the 2010 Series A Refunding Bonds to be “private activity bonds” within the meaning of Section 141 of the Code.

(c) The Chairman, Vice Chairman, Secretary-Treasurer or Assistant Secretary Treasurer/Executive Director is authorized (i) to make or effect any election, selection, designation, choice, consent, approval or waiver on behalf of the Commission with respect to the 2010 Series A Refunding Bonds as the Commission is permitted or required to make or give under the federal income tax laws, including, without limitation, any of the elections available under Section 148 of the Code, for the purpose of assuring, enhancing or protecting the favorable tax treatment or status of the 2010 Series A Refunding Bonds or interest thereon or assisting compliance with requirements for that purpose, reducing the burden or expense of compliance, reducing the rebate amount or payments or penalties, or making payments of special amounts in lieu of making computations to determine, or paying, excess earnings as rebate, or obviating those amount or payments, as determined by that officer, (ii) to take any and all other actions, make or obtain calculations, make payments, and make or give reports, covenants and certifications of and on behalf of the Commission, as may be appropriate to assure the exclusion of interest from gross income and the intended tax status of the 2010 Series A Refunding Bonds, and (iii) to give one or more appropriate certificates of the Commission, for inclusion in the transcript of proceedings for the 2010 Series A Refunding Bonds, setting forth the reasonable expectations of the Commission regarding the amount and use of all the proceeds of the 2010 Series A Refunding Bonds, the facts, circumstances and estimates on which they are based, and other facts and circumstances relevant to the tax treatment or status of the 2010 Series A Refunding Bonds and interest thereon.

Section 5. Authorization of 2010 Series A Refunding Bonds. It is hereby determined to be necessary to, and the Commission shall, issue, sell and deliver an aggregate principal amount not to exceed \$143,000,000 of State of Ohio Turnpike Revenue Refunding Bonds, 2010 Series A for the purpose of refunding all or a portion of the Outstanding Prior Bonds, including costs of the issuance thereof, all in accordance with the provisions of the Trust Agreement and the Bond Purchase Agreement relating to the 2010 Series A Refunding Bonds (the “Bond Purchase

Agreement”) between the Commission and Morgan Stanley & Co. Incorporated, as representative of the Underwriters named in the Bond Purchase Agreement (collectively, the “Underwriters”).

Section 6. Terms of the 2010 Series A Refunding Bonds.

(a) Authorization and Authorized Amount of 2010 Series A Refunding Bonds. The 2010 Series A Refunding Bonds shall be issued in the aggregate principal amount not to exceed \$143,000,000. No additional Bonds may be issued under the provisions of this Resolution or the Trust Agreement on parity with the Bonds, except in accordance with the Trust Agreement.

(b) Form, Date, Number and Denominations of the 2010 Series A Refunding Bonds. The 2010 Series A Refunding Bonds shall be issued in the form of global book entry bonds, with one 2010 Series A Refunding Bond per maturity and interest rate, and shall be dated the date of their original issuance. The 2010 Series A Refunding Bonds shall be in the denominations of \$5,000 each and integral multiples thereof and shall be initially numbered from R-1 upwards, and shall be in substantially the form set forth in the Seventeenth Supplemental Trust Agreement.

(c) Interest Payment Dates. The 2010 Series A Refunding Bonds shall bear interest from their date, payable semiannually on February 15 and August 15 of each year, commencing on the first Interest Payment Date determined in accordance with paragraph (d) below.

(d) Pricing. The Chairman, Vice Chairman, Secretary-Treasurer and Assistant Secretary-Treasurer/Executive Director are each alone, or in any combination, hereby authorized, empowered and directed to determine and set forth in a certificate at the time of signing and delivery of the Bond Purchase Agreement the following with respect to the 2010 Series A Refunding Bonds, consistent with this Resolution and the Trust Agreement:

(i) the aggregate principal amount of the 2010 Series A Refunding Bonds to be issued;

(ii) the purchase price to be paid to the Commission by the Underwriter, which amount shall be not less than 98% of the amount determined by adding to the aggregate principal amount of the 2010 Series A Refunding Bonds any aggregate original issue premium and subtracting from the amount any aggregate original issue discount;

(iii) whether any 2010 Series A Refunding Bonds are to be subject to optional redemption prior to maturity, and, if so, the earliest optional redemption date for those 2010 Series A Refunding Bonds subject to prior redemption, which shall be not later than ten and one-half years from the first Interest Payment Date of the 2010 Series A Refunding Bonds, and the applicable redemption price, which shall be not greater than 102% of the principal amount redeemed;

(iv) the dates on which and amounts in which principal of the 2010 Series A Refunding Bonds is to be paid, which shall be not later than February 15, 2031, with an identification of whether the payment is due by stated maturity or by mandatory sinking

fund redemption of 2010 Series A Refunding Bonds of a particular maturity and interest rate;

(v) the interest rates to be borne by the 2010 Series A Refunding Bonds, which shall result in a true interest cost to the Commission of not more than 5.00% per annum, and the first Interest Payment Date of the 2010 Series A Refunding Bonds;

(vi) the portions of the Prior Bonds to be refunded (the "Refunded Bonds"), and the date or dates on which they shall be called for redemption, which shall comply with Section 149(d) of the Code and other applicable federal tax laws;

(vii) the amount, if any, and source of any money to be deposited in the Debt Service Reserve Fund in order to cause the balance therein to equal the Debt Service Reserve Requirement, if and to the extent required by the Seventeenth Supplemental Trust Agreement, and any determination as to whether a Reserve Account Credit Facility shall be provided in lieu of cash in the Debt Service Reserve Fund;

(viii) whether the 2010 Series A Refunding Bonds are to be secured by or payable from any Bond Credit Facility; and

(ix) the net present value savings achieved by the refunding of the Refunded Bonds, discounted at the yield on the 2010 Series A Refunding Bonds, which shall not be less than 3%.

(e) Redemption of 2010 Series A Refunding Bonds Prior to Maturity. If any 2010 Series A Refunding Bonds are subject to redemption prior to maturity, the procedures for selection of 2010 Series A Refunding Bonds to be redeemed and giving notice of redemption shall be as set forth in the Seventeenth Supplemental Trust Agreement.

(f) Execution of 2010 Series A Refunding Bonds. The 2010 Series A Refunding Bonds shall be executed by the manual or facsimile signatures of the Chairman or the Vice Chairman of the Commission and shall be attested by the manual or facsimile signature of the Secretary-Treasurer or Assistant Secretary-Treasurer of the Commission, and the seal of the Commission shall be impressed thereon or a facsimile of such seal placed thereon. No 2010 Series A Refunding Bond shall be valid for any purpose unless and until a certificate of authentication thereon shall have been duly executed by the Trustee.

Section 7. Security for the 2010 Series A Refunding Bonds. The 2010 Series A Refunding Bonds shall be payable solely from the System Pledged Revenues and shall be secured by a pledge of and lien on the System Pledged Revenues on a parity with the Bonds heretofore issued and any additional Bonds to be issued in accordance with the Trust Agreement in the future, all as set forth in the Trust Agreement. Anything in this Resolution, the Trust Agreement, the 2010 Series A Refunding Bonds or any other agreement or instrument to the contrary notwithstanding, the 2010 Series A Refunding Bonds shall not constitute a debt or pledge of the faith and credit or the taxing power of the State, or of any political subdivision of the State, and each 2010 Series A Refunding Bond shall contain on the face thereof a statement to that effect.

Section 8. Official Statement and Continuing Disclosure.

(a) Primary Offering Disclosure – Official Statement. An official statement shall be used in connection with the original issuance of the 2010 Series A Refunding Bonds. The preliminary official statement of the Commission, the form of which has been presented at this meeting (the “Preliminary Official Statement”), is hereby approved and the distribution and use of the Preliminary Official Statement is hereby authorized and approved. The Executive Director is authorized and directed, on behalf of the Commission and in that officer’s official capacity, to (i) make or authorize modifications, completions or changes of or supplements to, the Preliminary Official Statement in connection with the original issuance of the 2010 Series A Refunding Bonds, (ii) determine, and to certify or otherwise represent, when the revised official statement (the “Official Statement”) is to be “deemed final” (except for permitted omissions) by the Commission as of its date or is a final official statement for purposes of Rule 15c2-12 prescribed by the SEC pursuant to the Securities Exchange Act of 1934 (the “Rule”), (iii) use and distribute, or authorize the use and distribution of the Official Statement and any supplements thereto in connection with the original issuance of the 2010 Series A Refunding Bonds, (iv) complete and sign the final Official Statement as so approved, together with such certificates, statements or other documents in connection with the finality, accuracy and completeness of the Official Statement as that officer deems necessary or appropriate, and (v) contract for services for the production and distribution of the Preliminary Official Statement and Official Statement, including by printed and electronic means.

(b) Agreement to Provide Continuing Disclosure. In order to comply with the Rule, the Commission hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Commitment dated as of May 1, 1996, as amended by a First Amendment to Continuing Disclosure Commitment dated as of February 23, 2006, and by the Second Amendment to Continuing Disclosure Commitment (the “Second Amendment”) authorized herein (as so amended, the “Continuing Disclosure Commitment”). For purposes of the Continuing Disclosure Commitment, “Annual Information” with respect to the 2010 Series A Refunding Bonds means the Comprehensive Annual Financial Report of the Commission and the operating data contained in the Section of the Official Statement relating to Tolls, including the Schedule of Tolls, Statistical Traffic Information and Summary of Gross Revenues and Cost of Operation, Maintenance and Administration.

Section 9. Seventeenth Supplemental Trust Agreement, Bond Purchase Agreement and Second Amendment. The Chairman, Vice Chairman, Secretary-Treasurer, Assistant Secretary-Treasurer/Executive Director are each alone, or in any combination, hereby authorized, empowered and directed to execute, acknowledge and deliver on behalf of the Commission, the Seventeenth Supplemental Trust Agreement, the Bond Purchase Agreement and the Second Amendment, the forms of which have been presented at this meeting, which forms are hereby approved with such changes or insertions therein not inconsistent with the Act or this Resolution and not substantially adverse to the Commission as may be permitted by the Act and this Resolution and approved, upon advice of counsel to the Commission and Bond Counsel, by the Executive Director and the officers executing the same. The approval of such changes and insertions by such officers, and that such changes are not substantially adverse to the Commission, shall be conclusively evidenced by the execution of the Seventeenth

Supplemental Trust Agreement, the Bond Purchase Agreement and the Second Amendment by such officers.

Section 10. Escrow Deposit Agreement. The Chairman, Vice Chairman, Secretary-Treasurer, Assistant Secretary-Treasurer/Executive Director are each alone, or in any combination, hereby authorized, empowered and directed to execute, acknowledge and deliver on behalf of the Commission, the Escrow Deposit Agreement with The Huntington National Bank, as Escrow Deposit Trustee, the form of which has been presented at this meeting, which form is hereby approved with such changes or insertions therein not inconsistent with the Act and not substantially adverse to the Commission as may be permitted by the Act and approved, upon advice of counsel to the Commission and Bond Counsel, by the Executive Director and the officers executing the same, so that all the Refunded Bonds shall be and hereby are ordered called for optional redemption according to their terms on the optional redemption dates designated pursuant to Section 6(d)(vi), as set forth in the Escrow Deposit Agreement. The approval of such changes and insertions by such officers, and that such changes are not substantially adverse to the Commission, shall be conclusively evidenced by the execution of the Escrow Deposit Agreement by such officers. Such officers and the Trustee are each hereby further separately authorized to subscribe for and purchase such United States Treasury obligations, including such obligations of the State and Local Government Series, as shall be required pursuant to such Escrow Deposit Agreement and to pay for such obligations with the proceeds of the 2010 Series A Refunding Bonds, and any such actions heretofore taken by such officers or the Trustee in connection with such subscription and purchase are hereby approved, ratified and confirmed.

Section 11. Authorization of Other Documents and Actions. The Chairman, Vice Chairman, Secretary-Treasurer, Assistant Secretary-Treasurer/Executive Director are each alone, or in any combination, hereby authorized to take any and all actions and to execute such financing statements, certificates, commitments with bond insurers, if any, agreements with Verification Accountants, and other instruments or documents that may be necessary or appropriate in the opinion of Bond Counsel, or counsel to the Commission, in order to effect the issuance of the 2010 Series A Refunding Bonds, the refunding of the Refunded Bonds and the intent of this Resolution. The Secretary-Treasurer, Assistant Secretary-Treasurer/Executive Director, or other appropriate officer of the Commission, shall certify a true transcript of all proceedings had with respect to the issuance of the 2010 Series A Refunding Bonds, along with such information from the records of the Commission as is necessary to determine the regularity and validity of the issuance of the 2010 Series A Refunding Bonds.

Section 12. Ratings. The Chairman, Vice Chairman, Secretary-Treasurer, Assistant Secretary-Treasurer/Executive Director are each alone, or in any combination, hereby authorized, to apply for a rating from one or more national rating services with respect to the 2010 Series A Refunding Bonds, and any such actions heretofore taken are hereby approved, ratified and confirmed. The payment of the fees and expenses relating to any such rating from the proceeds of the 2010 Series A Refunding Bonds is hereby authorized.

Section 13. Sale of the 2010 Series A Refunding Bonds. The 2010 Series A Refunding Bonds are hereby awarded to the Underwriters, in accordance with the terms of the Bond Purchase Agreement. The Chairman, Vice Chairman, Secretary-Treasurer and Assistant

Secretary-Treasurer/Executive Director are each alone, or in any combination, hereby authorized and directed to make on behalf of the Commission the necessary arrangements with the Underwriters to establish the price, date, location, procedure and conditions for the delivery of the 2010 Series A Refunding Bonds, and to take all steps necessary to effect the due execution and delivery of the 2010 Series A Refunding Bonds to the Underwriters under the terms of this Resolution, the Bond Purchase Agreement and the Trust Agreement.

Section 14. No Personal Liability. No recourse under or upon any obligation, covenant, acceptance or agreement contained in this Resolution, or in the 2010 Series A Refunding Bonds, or in the Trust Agreement or the Bond Purchase Agreement, or under any judgment obtained against the Commission or by the enforcement of any assessment or by any legal or equitable proceeding by virtue of any constitution or statute or otherwise, or under any circumstances, shall be had against any member or officer or attorney, as such, past, present, or future, of the Commission, either directly or through the Commission, or otherwise, for the payment for or to the Commission or any receiver thereof, or for or to any Holder of the 2010 Series A Refunding Bonds secured thereby, or otherwise, of any sum that may be due and unpaid by the Commission upon any of such 2010 Series A Refunding Bonds. Any and all personal liability of every nature, whether at common law or in equity, or by statute or by constitution or otherwise, of any such member or officer or attorney, as such, to respond by reason of any act or omission on that person's part, or otherwise, for, directly or indirectly, the payment for or to the Commission or any receiver thereof, or of any sum that may remain due and unpaid upon the 2010 Series A Refunding Bonds hereby secured or any of them, shall be expressly waived and released as a condition of and consideration for the execution and delivery of the Seventeenth Supplemental Trust Agreement, and acceptance of the Bond Purchase Agreement and the issuance of the 2010 Series A Refunding Bonds.

Section 15. Repeal of Conflicting Resolutions. All resolutions and orders, or parts thereof, in conflict with the provisions of this Resolution are, to the extent of such conflict, hereby repealed.

Section 16. Compliance With Sunshine Law. It is hereby determined that all formal actions of the Commission relating to the adoption of this Resolution were taken in an open meeting, and that all deliberations of the Commission and of its committees, if any, which resulted in formal action were in meetings open to the public, in full compliance with Section 121.22 of the Ohio Revised Code.

Chairman: Thank you, Noelle anything further?

General Counsel: Nothing further Mr. Chairman.

Chairman: Questions for Noelle? Thank you. Next, CFO Marty.

CFO/Comptroller: Good morning, Mr. Chairman and Commission Members, I have an update on our traffic and revenue for the month of September. This first chart shows the monthly passenger car miles traveled on the Ohio Turnpike over the past two years. Passenger car vehicle miles traveled increased slightly in September and were .6% above the total from 2009. Commercial vehicle miles traveled leveled off in September and were virtually unchanged

from last year. This chart shows year-to-date total vehicles traveled through the month of September during each year over the past decade. The total vehicles miles traveled for the first nine months of this year were 1.1% above the total amount from last year. This chart shows total toll revenues over the last two years; total toll revenues in September were 29.1% higher than last years, and this final chart shows the year-to-date toll revenues through the month of September during each year over the past decade; toll revenues for the first nine months of this year were \$43.3 million or 32.8% above the total amount from last year. That completes my report Mr. Chairman.

Chairman: Questions or comments? Thank you. Financial Advisor?

Financial Advisor: No report today, Mr. Chairman.

Chairman: Thank you. General Consultant?

General Consultant: I have a brief report Mr. Chairman. Mr. Chairman, Commission Members, last month I reported that we had completed our annual inspections of all the facilities that comprise the Ohio Turnpike. This month in your package you have a copy of the Executive Summary of those findings. Thank you.

Chairman: Thank you. Any questions? Next Trustee, Mr. Lamb?

Trustee: No report, Mr. Chairman.

Chairman: Thank you. Ohio State Highway Patrol?

Captain Hannay: No report, Mr. Chairman.

Chairman: Thank you. Next meeting is scheduled for November 15th at 10:00 a.m.; everyone mark their calendar accordingly. Does anybody have any further questions or comments? Entertain a motion to adjourn?

Ms. Teeuwen: So moved.

Chairman: Is there a second?

Mr. Kidston: Second.

Chairman: Please call the roll.

Assistant Secretary-Treasurer: Chairman Balog

Mr. Balog: Yes

Assistant Secretary-Treasurer: Mr. Regula

Mr. Regula: Yes

Assistant Secretary-Treasurer: Mr. Kidston

Mr. Kidston: Yes

Assistant Secretary-Treasurer: Ms. Teeuwen

Ms. Teeuwen: Yes

Chairman: Thank you for coming. Meeting is adjourned.

Time of adjournment is 11:20 a.m.

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

L. George Distel
Assistant Secretary-Treasurer