

MINUTES OF THE 588th MEETING OF THE OHIO TURNPIKE COMMISSION

November 19, 2012

Chairman Hruby: (10:00 a.m.) Pledge of Allegiance is recited by all in attendance. The meeting will come to order. This is the 588th Meeting of the Ohio Turnpike Commission. Would the Asst. Secretary-Treasurer please call the roll?

Director Hodges: Chairman Hruby.

Chairman Hruby: Here.

Director Hodges: Vice Chairman Balog.

Vice Chairman Balog: Here.

Director Hodges: Secretary-Treasurer Barber.

Secretary Barber: Present.

Director Hodges: Mr. Dixon will be here shortly.

Mr. Dixon: Arrived at 10:10 a.m.

Director Hodges: Commissioner Pakush.

Mr. Pakush: Here.

Director Hodges: Mr. Cole.

Mr. Cole: Present.

Director Hodges: Mr. Smith.

Mr. Smith: Here.

Director Hodges: Senator Patton.

Senator Patton: Here.

Director Hodges: Representative Dovilla.

Representative Dovilla: Present.

Director Hodges: We have a quorum.

Chairman Hruby: Thank you. We are meeting here at the Commission's Headquarters as provided for in the Commission's bylaws for a Commission Meeting. Various reports will be received, and we will act on several Resolutions, draft copies have been previously sent to the Commission Members, and updated drafts are in your folders. The Resolutions will be explained during the appropriate times. We have the Minutes of our October 15, 2012 Commission Meeting. Are there any corrections or additions to the Minutes? Hearing none, move for adoption?

Secretary Barber: I move for adoption.

Chairman Hruby: I'll second. All in favor signify by saying "aye."

All members say "aye."

Chairman Hruby: Any opposed? The "ayes" have it and the Minutes are adopted. If there are no questions, we will proceed on with the report of our Secretary-Treasurer, Mrs. Barber.

Secretary Barber: Yes, Mr. Chairman. I would like to start my report with the following items that have been sent to the Members since the last scheduled meeting of the Commission on October 15, 2012:

1. Five Resolutions;
2. Today's Commission Meeting Agenda;
3. Minutes of the September 18, 2012 Commission Meeting;

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

3. One additional Resolution;
4. Traffic and Revenue Report, October, 2012;
5. Investment Report, October, 2012;
6. Total Revenue by Month and Year, October, 2012;
7. Financial Statements, October, 2012;
7. Various News Articles.

That concludes my report, Mr. Chairman.

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

Director Hodges: Thank you. Mr. Chairman and Members of the Commission, my report is very brief. I just wanted to inform you that our CFO/Comptroller, Marty Seekely, met his statutory requirements and sent all of the Commission Members a draft Budget for 2013 which you should receive, and this will be an item on the Agenda for the December Meeting. I will call each Commission Member to discuss it with you. The draft Budget that we have submitted to you does show a 5.3% reduction in Operating Expenses, and I appreciate the staff and the hard work they have done in getting us to that point. Second, one of our priorities as I mentioned last month, is to reach out to all of our partners including ODOT and cities and subdivisions along the Turnpike to come up with ways that we can help and be a resource for them. I am very pleased to thank our Chief Engineer, Doug Hedrick, and his staff for the work that was done in Streetsboro, I'm going to explain this just like an engineer would where we dug this really big ditch and alleviated a lot of flooding problems. The Mayor of Streetsboro is very

pleased. I had a chance to talk to him about it, and Doug we appreciate the hard work of all of your folks in accomplishing that. So, thank you. Finally, I would like to start a new tradition with your permission, Mr. Chairman. We have employees who have been instrumental in the Turnpike over their entire career, and I would like to start, as they retire, bring them to you so you know what they did, and have a chance to honor and recognize them. We have a gentleman who we will honor a little bit later because he is not out of court yet – it's okay, he's a State Highway Trooper. And, finally, I do believe the General Counsel will ask for an Executive Session at the end of this meeting that should be very brief. That concludes my report.

Chairman Hruby: Thank you very much for your report. I think the idea of recognizing employees and people who contribute so much to the Turnpike is a good thing. You can never say “thank you” enough. We'll move on to the report of our Chief Engineer, Doug Hedrick.

Chief Engineer: Thank you Mr. Chairman, I have five resolutions for your consideration this morning.

The first Resolution is to award Contract TR-9C-4 to HMSHost Tollroads, Inc. of Bethesda, MD. This Contract is for the operation of the Food Concessions for Unit 4 at the Portage and Brady's Leap Service Plazas, located in Portage County, Ohio. The Procurement Department solicited for proposals from over 70 firms with interest in this Contract, however, only one response was received in August 2012. The original proposal was reviewed by the Service Plaza Operations Manager and his staff, and they determined that, while the original proposal was adequate, there was an opportunity to provide an increased benefit to both the Commission and Service Plaza operations. They proceeded with negotiations with HMSHost and concluded that an improvement in the overall contract could be gained by exercising the existing

options for Contract TR-8C (Units 1, 2 and 5), which HMSHost currently has, and making them coterminus with the terms of this Contract. This allowed for an increase in the percent of sales for the new Unit 4 while still retaining all other terms and conditions of the Contract in regards to guaranteed minimum rent, cleaning and maintenance charges, property management fees, and the capital improvement fee. The term of the Unit 4 Contract will be for seven years with five additional, five-year extensions. In addition, the combining of these extensions with the Units 1, 2 and 5 Contract will create a convergence with the final termination of the Unit 3 Contract, which is currently held by McDonalds, in the year 2020. This will allow, if the Commission so chooses, for all of the units to be available to bid as one package in the year 2020. It should be noted also that as part of this Contract, HMSHost plans to invest \$1,000,000 in Capital Improvements for both this unit and their existing Travel Mart in both 2013 and 2014, respectively. The restaurant concepts proposed by HMSHost for Unit 4 are for the continuation of the popular Sbarros Pizza as well as the new concept Greens, which will offer fresh sandwiches, salads and other alternative products. Based upon the foregoing, it is the recommendation to award Contract TR-9C-4 to HMSHost Tollroads, Inc. If the General Counsel will please read the Resolved.

General Counsel: NOW, THEREFORE, BE IT

RESOLVED that the Proposal submitted by **HMSHost Tollroads, Inc. of Bethesda, Maryland**, in response to the Commission's RFP for the performance of Food Concession Operations in Unit 4 at the Portage and Brady's Leap Service Plazas is hereby accepted, and that the Executive Director and General Counsel are directed to: 1) execute Contract No. TR-9C-4 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) take any and all action necessary to properly carry out the terms of said RFP and said Contract, 4) pending satisfactory performance reviews, renew Contract TR-9C-4 for up to five additional, five-year periods, and 5) modify Contract TR-8C with HMSHost for Units 1, 2 and 5, as necessary, to make both HMSHost contracts at the Portage and Brady's Leap Service Plazas coterminus.

Chairman Hruby: For the Resolution, is there any action to be taken by the Board?

Vice Chairman Balog: I move to adopt.

Chairman Hruby: Motion to adopt. Is there a second?

Secretary Barber: Second.

Chairman Hruby: Moved and seconded. Any discussion?

Secretary Barber: Mr. Chairman, if I could ask a question. How many additional concessionaires does HMSHost currently have on the Turnpike?

Chief Engineer: Mr. Chairman and Commission Member Barber, Drew Herberger, our Service Plaza Manager, is not in the room. Kathy, do you know exactly how many they actually have?

General Counsel: I don't have the exact number Mr. Chairman and Commissioner Barber, but I can tell you that HMSHost has a presence starting in the west at Indian Meadow/Tiffin River. Then, you skip past the ones that are closed at Blue Heron/Wyandot which is Hardees. They have a presence at Erie Islands/Commodore Perry; Middle Ridge/Vermilion Valley; Great Lakes/Towpath, and Portage/Brady's Leap. They will not have a presence in the Youngstown Plazas that will be open in May.

Secretary Barber: I'm just surprised that we only had one bid. I know that at my very first meeting, I think Chairman Hruby pointed that out that in this day and age where business is important, especially competitive bidding, I'm just surprised that we only received one proposal.

Chief Engineer: Mr. Chairman and Commission Member Barber, what occurred was the Unit 4 contract with the current vendor was scheduled to expire. HMSHost agreed to step in and run those operations for us so we didn't go dark while we were still continuing to complete the Mahoning Valley/Glacier Hills Service Plaza. It was a benefit for the Commission to keep that open. We feel that maybe there was just some disinterest at that point that HMSHost was already in place, and is probably why we did not receive more bids along those lines.

Secretary Barber: Thank you.

Mr. Pakush: Mr. Chairman, is the seven-year contract typical, or is that new for this contract?

Chief Engineer: Mr. Chairman and Commission Member Pakush, that is one that we extended to make those coterminus with the existing five-year agreements.

General Counsel: Mr. Chairman and Commissioner Pakush, the typical first term for a new concession operation is seven years. We actually bid this a little differently with a five-year term but, then, as we negotiated, we went back to the seven-year term. One of the attractive things about this deal is that we are making that Contract coterminus with the other Host Contract for Unites 1, 2 and 5. Commission Members who have been here for some time, perhaps Commission Member Balog, will recall some of the challenges that we've had in the past with multiple operators inside the Plazas that they compete with one another, so one of the moves that we've been trying to make is to get the Plaza contracts coterminus, and to get single operators in there. We will have an opportunity now in 2020 to do exactly that – to bid for a single operator for that set of Plazas, which was not the way it was done when those Plazas were originally opened. That is why we went to the seven-year contract which is typical for first-term time, and followed by five-years renewals.

Chairman Hruby: Thank you. Senator Patton.

Senator Patton: In keeping along with the same line of questioning, and with all due respect to HMSHost who I'm sure is a fine company, it seems like as I look at this not only is there a seven-year commitment, but there are 25 additional years, and as far the extensions – I'm assuming the options are ours – the idea of having a single bidder even though that there is some good will that we might feel towards them because they stepped in, I don't know that there is 32 years' worth of good will that we need to extend. And, I'm thinking as I was looking at the other bidders that were sent the bid, and I don't know if this is the complete list of all the people, but we have a company here in Northeast Ohio called Travel Centers which is a very large, publicly traded company and I don't see them on the list. They manage these types of operations. We recently had someone buy the Cleveland Browns who also operates truck stops, which are very similar to what we have, and, again their company isn't listed. I'm just wondering if we thoroughly exhausted the opportunity to get a fair and complete bid on this because I feel to extend ourselves out 32 years, potentially to a single bidder that did not have any competition on the bid, might be a little inappropriate.

Chairman Hruby: Any other comments? Mr. Hodges.

Director Hodges: Mr. Chairman, if I may address Senator Patton's concerns. This occasionally happens and we are all concerned about that. I think Doug is going to tell you about another bid a little later where we are looking at all of our bid specs to see if there is something we are doing that is limiting our bidders. We are going to continue to look at that on this as well. If there are other bidders out there, we are going to find them and we are going to invite them to become part of the process.

General Counsel: Mr. Chairman, if I may add, with respect to Travel Centers, we have reached out to them in the past with the Indian Meadow/Tiffin River Service Plazas, and they chose, unfortunately, not to bid because they did not like the business model. For this particular set of Plazas. I do believe, as you can see from the rather lengthy list of folks that we did reach out to, there is an economy of scale too, with respect to HMSHost having already had a presence at the Plazas. With their \$1 million commitment, they are going to be making a substantial capital commitment to run these Plazas, but it would probably cost another operator even more to come in, and that might have weighed into the decision making on the part of those who chose not to bid.

Senator Patton: Mr. Chairman, so am I to understand that Travel Centers were mailed out bid specs for this particular bid.

General Counsel: Senator Patton, I don't see them on this list, and I can't really answer the questions as to why they are not on this list.

Senator Patton: I see Jimmy John's, Subway, Papa John's Pizza, Tim Horton's, and lot of other people. I would have felt better about the fact that some other larger companies would have been given the opportunity in the bid specs. That was the point that I was making taking nothing away from the company that was given the final award.

Mr. Pakush: In regards to the Senator's comments of how difficult it would be to re-submit and send this out again which would include Travel Centers to participate in this. Would it cause undue hardships to try this again?

Chief Engineer: Mr. Chairman and Commission Member Pakush, it would involve, I believe, extending HMSHost's current agreement with us to leave them in that current position.

Again, they are in there now, and until we can get SP8 open – Kathy, I can't speak for Drew and his staff, but what would it effect in going out to bid again?

General Counsel: Mr. Chairman and Commission Members, if I may, I would not recommend taking this back out to bid. I believe a very clean and thorough process was conducted by the Commission, and significant outreach was conducted. Mr. Herberger isn't here, but his staff did reach out and speak with numerous potential vendors for this particular unit, and the interest simply wasn't there. On the reverse side, the Commission does need to get Unit 4 dealt with at Portage/Brady's Leap, especially since it has had significant stress on it since the closing of the SP8 Service Plazas, and we've conducted an extensive negotiation in good faith with HMSHost, and I believe you have a very good proposal in front of you.

Chairman Hruby: Mr. Balog.

Vice Chairman Balog: Kathy, I just want to make sure I understand. I heard the Senator's comment about the 32 years, and I understand that is a tremendous amount of time, but anything over 2020, so beyond the first term, is our option exclusively?

General Counsel: Mr. Chairman and Commissioner Balog, that is correct. The typical Service Plaza Contract starts with a seven-year term and, thereafter, there are typically five-year renewal periods. Those options always rest with the Commission. I believe Mr. Cole, in the past, has asked me as well whether the Commission has a voluntary termination clause, which we do, but naturally, since the significant capital outlay is being proposed, pending satisfactory performance evaluation, we will continue through the first term at least.

Vice Chairman Balog: I would be inclined to go ahead since we went through the proper bidding process. I hear the comments that HMSHost stepped in when we had a problem,

and previously they have been a good operator for us, and they are investing over \$1 million dollars, so I would be inclined to go ahead and support the Contract today.

Mr. Pakush: One final comment on my end. I would suggest that maybe we re-explore the bidding list. Maybe these other Ohio companies, including the Pilot Group and Travel Centers, if we can assure that we have a current and updated list, I think that would be helpful for future requests. In regards to where we are at today, I do agree that we have gone through the proper procedure and process. I just think for future reference it would be a good idea to maybe update the list.

Mr. Cole: Along those lines, if the Commission could get a list of all of the contracts at the Service Plazas and what those expirations are so we would know, again, following the Senator's concerns, as we talk about economy of scale, or what was brought up earlier and why that could affect the price, understanding those contracts are coterminus, and when that was all going to happen if there are still significant economic opportunities for Travel Centers, or someone else, in the future as we award these, and understanding what those are as we evaluate these in the future. I think would be an important piece of information knowing how many Plazas are open and when.

General Counsel: Mr. Chairman and Commissioner Cole, I will be happy to provide the Board with that list, and I think that one of the points I feel needs to be made is that, when you are looking at a Travel Centers of America or a Pilot or Sheetz, these are large truck stop operators, and they will be far more interested when we have a whole Plaza to present to them. This is Unit 4 and it's not a large space. It's basically a restaurant operation that was out there to bid and I'm not entirely certain that had we proceeded to go back out to bid, that there would be any interest on the part of a large truck stop operator in a small unit like that. But, I think our

efforts to make the Plazas coterminus and have the whole operation to offer out to bid, is where we are going to really garner the interest, and you are going to see those come up as we have made this effort to make these contracts coterminus. I will make sure I get that information to you.

Director Hodges: Mr. Chairman, I appreciate the Senator's, as well as everyone's comments, and we will go back and review our process for identifying bidders to make sure that we get everybody included on the list.

Chairman Hruby: Okay. Mr. Dixon.

Mr. Dixon: I apologize and I know you have to be very careful when you come in at the end of a discussion. Having an institutional memory longer than a lot of people here, I remember this same conversation with the same contractor, and I remember having the same conclusion that we are going to do better next time. I know there were different players and Kathy wasn't in charge then, but HMSHost is slowly becoming the vendor of choice, I guess, for these stops. I'm just really concerned if we are truly trying to open this up. I know she said some smaller companies, for instance there are some smaller, local companies in Portage that might be interested in trying to break in to do business with the Turnpike. I just want to bring that up because I've heard this conversation maybe four or five years ago about the same vendor, and it is a concern. I had a concern then, and I have the same concern here now five years later.

Vice Chairman Balog: Kathy, just so I understand this. I believe that this is just one Unit at the Service Plaza. So, there is Unit 1, Unit 2, Unit 3, so we are only talking about, in effect, one restaurant.

General Counsel: Mr. Chairman and Commissioner Balog, yes, actually, it is a space that is going to encompass two restaurants. It is basically one of the Units that is available at that

set of Plazas. I would also like to just refresh the Board's memory that the last time that we offered a Service Plaza operator for consideration was last year, and Host did bid and did not get that contract – Panera was awarded the contract. So, we are very mindful of the fact that we don't want to have just one single presence on the road, and yes, it was disappointing to get only one bid, but it wasn't for lack of an effort to reach out to other bidders. I'm sorry that Travel Centers wasn't on the list.

Vice Chairman Balog: Units 1, 2, and 3 will now be coterminous with this Unit so that we can, in effect, bid the entire Plaza out at a later date after the seven years.

General Counsel: Commissioner Balog that is correct.

Chairman Hruby: Any other comments? Hearing none, roll call.

Director Hodges: Vice Chairman Balog.

Vice Chairman Balog: Yes.

Director Hodges: Secretary Barber.

Secretary Barber: Yes.

Director Hodges: Chairman Hruby.

Chairman Hruby: Yes.

Director Hodges: Mr. Dixon.

Mr. Dixon: Yes.

Director Hodges: Commissioner Pakush.

Mr. Pakush: Yes.

Director Hodges: Unanimous.

OHIO TURNPIKE COMMISSION

Resolution Awarding a Contract for the Operation of Food Concessions for Unit 4 at the Commission's Portage and Brady's Leap Service Plazas

WHEREAS, on July 19, 2012, 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 in Unit 4 at the Portage and Brady's Leap Service Plazas located at Milepost 197.0 of the Ohio Turnpike in Portage County, Ohio (Contract No. TR-9C-4); and

WHEREAS, on August 30, 2012, one Proposal was received from **HMSHost Tollroads, Inc. of Bethesda, Maryland ("HMSHost")**, for the operation of Food Concessions in Unit 4 at the Portage and Brady's Leap Service Plazas; and

WHEREAS, an Evaluation Team consisting of the Commission's Service Plaza Operations Manager and Division Service Plaza Managers (East and West) reviewed the Proposal submitted, and subsequent negotiations with HMSHost led to the following agreed upon contract terms:

<u>Concessionaire</u>	<u>Brand Concepts</u>	<u>Percentage Return of Gross Receipts*</u>	<u>Term</u>
HMSHost •Greens	•Sbarro's Pizza 4% property mgt. 1% capital improvement	7.5% of sales	7 years, plus 5, 5-year extensions**

*The Commission is also reimbursed 50% of the costs it incurs for cleaning and maintaining the Service Plaza common areas, otherwise known as the CAM fee.

**The negotiated Proposal also involved making the other HMSHost contract (Contract TR-8C, Units 1, 2 and 5) at the Portage and Brady's Leap Service Plazas for Starbucks and TravelMart coterminus with Contract No. TR-9C-4, and consolidating all rents at the same percentages with one guaranteed minimum revenue sharing payment of \$320,000 per year for the Plaza set. In consideration, HMSHost will invest \$800,000 in capital funds to redevelop Unit 4 in 2013, and another \$200,000 to redevelop Unit 5 (TravelMart) in 2014.

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, the Commission has been advised by its General Counsel 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 General Counsel, and has made his recommendation to the Commission that Contract No. TR-9C-4 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**, in response to the Commission's RFP for the performance of Food Concession Operations in Unit 4 at the Portage and Brady's Leap Service Plazas is hereby accepted, and that the Executive Director and General Counsel are directed to: 1) execute Contract No. TR-9C-4 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) take any and all action necessary to properly carry out the terms of said RFP and said Contract, 4) pending satisfactory performance reviews, renew Contract TR-9C-4 for up to five additional, five-year periods, and 5) modify Contract TR-8C with HMSHost for Units 1, 2 and 5, as necessary, to make both HMSHost contracts at the Portage and Brady's Leap Service Plazas coterminus.

(Resolution No. 47-2012 adopted November 19, 2012)

Chairman Hruby: Thank you. Next Resolution.

Chief Engineer: Thank you Mr. Chairman. The next Resolution is for authorization for the Purchase of Interior and Exterior Furniture for the Mahoning Valley and Glacier Hills Service Plazas located in Mahoning County, Ohio. Procurement issued Bid Invitation No. 4189, and on October 2nd received bids from five different vendors. The bid submitted by Independence Business Supplies was determined to be non-responsive by the General Counsel as it did not contain all of the required information. It is, therefore, required that this bid be rejected. The remaining four bidders all submitted responsive and responsible bids. The invitation was divided into eight groups as follows:

Group I	3 and 4 seat exterior tables
Group II	Interior Tables with X Bases and T bases
Group III	Armless Stacking Chairs.
Group IV	2 and 3 Seat Lounges with or w/o Tables
Group V	Indoor Trash Receptacles
Group VI	Outdoor Trash Receptacles
Group VII	Cigarette Receptacles
Group VIII	Wooden High Chairs and Booster Seats

The bidders were able to bid on one group, all of the groups, or any combination of groups. The bidders have all proposed products that are in accordance with the specifications. It should be noted that in an attempt to generate more interest, the specifications were expanded to allow for approved alternatives to the specifications. It was critical to maintain the quality of this furniture, but we were able to accept alternatives on a few of the items. The following are the results of the apparent low bid in each category:

Group I & VIII	A&M Outdoor Furniture Columbus Ohio	\$ 22,686.28
Group II	Environments 4 Business LLC Cleveland, Ohio	\$ 56,804.36
Group III, IV V& VII	E.M.M./Black's Distributor Dayton, Ohio	\$ 136,408.00
Group VI	Lowe's Home Centers, Inc. Wilkesboro, North Carolina	\$ 26,112.50
	TOTAL EXPENDITURE	<u>\$ 242,011.14</u>

It should be noted that Lowes Home Centers was also the low bidder for Group I, however, the Ohio based bid submitted by A&M Outdoor Furniture was less than 5% higher, and in accordance with the Commission's Domestic and Ohio Preference Policy, Group I, must be awarded to the Ohio firm.

It is of merit to also advise the Commission that E.M.M./Black's, the apparent low bid for Groups III, IV, V and VII, is a certified MBE firm.

These furnishing were contained in the 2012 Service Plaza Capital Improvement Budget. If the General Counsel would please read the Resolved.

General Counsel: RESOLVED, that the apparent low bids of Independence Business Supply of Cleveland, Ohio for Groups II, IV and VIII of Invitation No. 4189 are deemed not responsive and are hereby rejected; and

RESOLVED that the bids of the following companies:

<u>Group(s)</u>	<u>Vendor</u>	<u>Dollar Amount</u>
I & VIII	A & M Outdoor Furniture Columbus, Ohio	\$ 22,686.28
II	Environments 4 Business, LLC Cleveland, Ohio	\$ 56,804.36
III, IV, V & VII	E.M.M. / Black's Distributor Dayton, Ohio	\$136,408.00
VI	Lowe's Home Centers, Inc. Wilkesboro, North Carolina	\$ 26,112.50
TOTAL		\$242,011.14

for Invitation No. 4189 are, and are by the Commission deemed to be the lowest responsive and responsible bids received, and the Executive Director and General Counsel, or either of them, is hereby authorized to: 1) notify Independence Business Supply that its low bids for Groups II, IV and VIII of Invitation No. 4189 have been rejected; 2) execute a Contract with each successful bidder in the form heretofore prescribed by the Commission pursuant to the aforesaid Invitation; 3) direct the return to the bidders of their bid securities at such time as the successful bidders have each entered into a Contract; and 4) take any and all action necessary to properly carry out the terms of said Contracts.

FURTHER RESOLVED that expenditures under Invitation No. 4189 will be made utilizing Service Plaza Capital Improvement Funds.

Chairman Hruby: Is there any action to be taken for the Resolution?

Vice Chairman Balog: Motion to adopt.

Chairman Hruby: Move to adopt. Is there a second?

Mr. Pakush: Second.

Chairman Hruby: Seconded. Any questions or comments? Hearing none,
roll call.

Director Hodges: Vice Chairman Balog.

Vice Chairman Balog: Yes.

Director Hodges: Commissioner Pakush.

Mr. Pakush: Yes.

Director Hodges: Chairman Hruby.

Chairman Hruby: Yes.

Director Hodges: Secretary Barber.

Secretary Barber: Yes.

Director Hodges: Commissioner Dixon.

Mr. Dixon: Yes.

Director Hodges: Unanimous.

OHIO TURNPIKE COMMISSION

Resolution Awarding Contracts for the Purchase of Interior and Exterior Service Plaza Furniture

WHEREAS, the Commission has duly advertised in accordance with law for bids for Invitation No. 4189 for furnishing to the Commission of Interior and Exterior Service Plaza Furniture to be delivered to the newly reconstructed Mahoning Valley and Glacier Hills Service Plazas; and

WHEREAS, expenditures by the Commission for the Contracts to be awarded as a result of Invitation No. 4189 will exceed \$150,000.00 and, in accordance with Article V, Section 1.00 of the Commission's Code of Bylaws, Commission action is necessary for the award of said Contracts; and

WHEREAS, the Invitation was organized into eight Groups or categories of furniture, and bidders could submit bids for one or all eight Groups; and

WHEREAS, on October 2, 2012, the Commission received five bids in response to the Invitation, and said bids were reviewed and analyzed by the Commission's Highway Engineer and Service Plaza Operations Manager; and

WHEREAS, the General Counsel has reported that the apparent low bids for Groups II, IV and VIII were submitted by Independence Business Supply, Inc. of Cleveland, Ohio, however, this Bidder failed to submit the required bid guaranty, and, therefore, its bids are non-responsive and must be rejected; and

WHEREAS, the Service Plaza Operations Manager and the Highway Engineer have reported that the following companies submitted the lowest responsive and responsible bids for Groups I, II, III, IV, V, VI, VII and VIII:

<u>Group(s)</u>	<u>Vendor</u>	<u>Dollar Amount</u>
I & VIII	A & M Outdoor Furniture Columbus, Ohio	\$ 22,686.28*
II	Environments 4 Business, LLC Cleveland, Ohio	\$ 56,804.36
III, IV, V & VII	E.M.M. / Black's Distributor Dayton, Ohio	\$136,408.00
VI	Lowe's Home Centers, Inc. Wilkesboro, North Carolina	\$ 26,112.50
	TOTAL	\$242,011.14

***The low bidder for Group I was actually Lowe's Home Centers, however, the Ohio based bid of A & M Outdoor Furniture was less than five percent higher, and, therefore, in accordance with the Commission's Domestic and Ohio Preference Policy, Group I must be awarded to the Ohio firm.**

WHEREAS, the Service Plaza Operations Manager and the Highway Engineer have further reported that the bidders propose to furnish furniture, materials and services in accordance with the Commission's Specifications, and they, therefore, have recommended that the Commission proceed with awards of the following Contracts in the amounts indicated above: Groups I & VIII to A & M Outdoor Furniture; Group II to Environments 4 Business, LLC; Groups III, IV, V & VII to E.M.M. / Black's Distributor; and Group VI to Lowe's Home Centers, Inc.; and

WHEREAS, the General Counsel has advised the Commission that all bids qualify for consideration under the Commission's "Domestic and Ohio Preference" Policy; and

WHEREAS, the Commission has also been advised by the General Counsel that all bids for Invitation No. 4189 were solicited on the basis of the same terms, conditions, and specifications, and that the bids of A & M Outdoor Furniture, Environments 4 Business, LLC, E.M.M. / Black's Distributor, and Lowe's Home Centers, Inc. for Invitation No. 4189 conform to the requirements of Ohio Revised Code Sections 5537.07 and 9.312, and that a bid guaranty of good and sufficient surety has been submitted by each bidder; and

WHEREAS, the Executive Director has reviewed the reports of the Service Plaza Operations Manager, Highway Engineer and the General Counsel and, predicated upon such analysis, has made his recommendation to the Commission to reject the bids of Independence Business Supply for Groups II, IV and VIII, and that Contracts for Invitation No. 4189 be awarded for Groups I & VIII to A & M Outdoor Furniture; for Group II to Environments 4 Business, LLC; for Groups III, IV, V & VII to E.M.M. / Black's Distributor; and for Group VI to Lowe's Home Centers, Inc.; and

WHEREAS, the Commission has duly considered such recommendations.

NOW, THEREFORE, BE IT

RESOLVED, that the apparent low bids of Independence Business Supply of Cleveland, Ohio for Groups II, IV and VIII of Invitation No. 4189 are deemed not responsive and are hereby rejected; and

RESOLVED that the bids of the following companies:

<u>Group(s)</u>	<u>Vendor</u>	<u>Dollar Amount</u>
I & VIII	A & M Outdoor Furniture Columbus, Ohio	\$ 22,686.28
II	Environments 4 Business, LLC Cleveland, Ohio	\$ 56,804.36
III, IV, V & VII	E.M.M. / Black's Distributor Dayton, Ohio	\$136,408.00
VI	Lowe's Home Centers, Inc. Wilkesboro, North Carolina	\$ 26,112.50
	TOTAL	\$242,011.14

for Invitation No. 4189 are, and are by the Commission deemed to be the lowest responsive and responsible bids received, and the Executive Director and General Counsel, or either of them, is hereby authorized to: 1) notify Independence Business Supply that its low bids for Groups II, IV and VIII of Invitation No. 4189 have been rejected; 2) execute a Contract with each successful bidder in the form heretofore prescribed by the Commission pursuant to the aforesaid Invitation; 3) direct the return to the bidders of their bid securities at such time as the successful bidders have each entered into a Contract; and 4) take any and all action necessary to properly carry out the terms of said Contracts.

FURTHER RESOLVED that expenditures under Invitation No. 4189 will be made utilizing Service Plaza Capital Improvement Funds.

(Resolution No. 48-2012 adopted November 19, 2012)

Chairman Hruby: Thank you. Mr. Hedrick, please continue.

Chief Engineer: The third Resolution is for the award of Contract No. 53-12-02 (Re-bid) for renovations to the Erie Island and Commodore Perry Service Plazas located at Milepost 100 in Sandusky County, Ohio. If you recall, the bids for this Contract were rejected under Resolution 34-2012, and at that time we indicated to the Commission that we would expeditiously rebid this Project. Bids for this work were received by the Procurement Department on November 6, 2012. Two bids were received with the apparent low bid submitted

by RFC Contracting, Inc. of Strongsville, Ohio in the amount of \$929,000. This bid is below the Engineer's Estimate of \$1.1 million. This work is included in the 2012 Capital Budget. The scope of the project entails improvements including painting, relighting, relocation of the Travel Mart, and other modifications. Engineering has reviewed the qualifications for RFC Contracting, and has confirmed they have the capacity to perform this Contract. They have also performed similar work in the past for the Commission. This resolution also includes assignment of construction administration and inspection services to Richard L Bowen and Associates of Cleveland, Ohio. If the General Counsel would please read the Resolved.

General Counsel: RESOLVED that the bid of **RFC Contracting, Inc.** of **Strongsville, Ohio**, in the amount of **\$929,000.00** for the performance of Contract No. 53-12-02 (Re-Bid) is, and is by the Commission, determined to be the lowest responsive and responsible bid received for the performance of said Contract, and is accepted, and that the Chairperson and Executive Director, or either of them, hereby is authorized to: 1) execute a Contract with said successful bidder in the form heretofore prescribed by the Commission pursuant to the aforesaid bid, 2) direct the return to the bidders of their bid security, when appropriate, and 3) take any and all action necessary or proper to carry out the terms of said bid and of said Contract; and

FURTHER RESOLVED that the Commission hereby authorizes the Executive Director and the Chief Engineer to assign **Richard L. Bowen & Associates, Inc.** of **Cleveland, Ohio**, to Contract No. 53-12-02 (Re-Bid) for the purpose of performing construction administration and inspection services, with such assignment in accordance with the 2011-2012 Miscellaneous Engineering Services Agreement between the Ohio Turnpike Commission and said engineering firm; and

FURTHER RESOLVED that Project No. 53-12-02 (Re-Bid) is designated a Service Plaza Capital Improvement Project.

Chairman Hruby: Thank you. Is there a Motion?

Vice Chairman Balog: Motion to adopt.

Chairman Hruby: I'll second that Motion. Any questions or comments?

Hearing none, roll call.

Director Hodges: Vice Chairman Balog.

Vice Chairman Balog: Yes.

Director Hodges: Chairman Hruby.
Chairman Hruby: Yes.
Director Hodges: Secretary Barber.
Secretary Barber: Yes.
Director Hodges: Commissioner Dixon.
Mr. Dixon: Yes.
Director Hodges: Commissioner Pakush.
Mr. Pakush: Yes.
Director Hodges: Unanimous.

OHIO TURNPIKE COMMISSION

Resolution Awarding Contract No. 53-12-02 (RE-BID)

WHEREAS, the Commission has duly advertised, in accordance with law, an Invitation for Bids upon a Contract for Renovations at the Erie Islands and Commodore Perry Service Plazas, located at Milepost 100 in Sandusky County, herein designated as **Contract No. 53-12-02 (Re-Bid)**; and

WHEREAS, expenditures for the award to be made under Contract No. 53-12-02 (Re-Bid) will exceed \$150,000.00 and, therefore, in accordance with Article V, Section 1.00 of the Commission's Code of Bylaws, Commission action is necessary for said Contract award; and

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

WHEREAS, the Chief Engineer reports that the lowest responsive and responsible bid for the performance of Contract No. 53-12-02 (Re-Bid) was submitted by **RFC Contracting, Inc.** of **Strongsville, Ohio**, in the amount of **\$929,000.00**; and

WHEREAS, the Chief Engineer further reports that this bid is below the Engineer's Estimate and that this bidder has demonstrated sufficient capacity to perform this Contract, and he, therefore, recommends that this bid be accepted by the Commission; and

WHEREAS, the Commission has also been advised by the General Counsel that bids for Contract No. 53-12-02 (Re-Bid) were solicited on the basis of the same terms, conditions and specifications, and that the bid of RFC Contracting, Inc. for Contract No. 53-12-02 (Re-Bid) conforms to the requirements of Ohio Revised Code Sections 5537.07, 9.312 and 153.54, and that a Bid Guaranty and Contract Bond of good and sufficient surety has been submitted by RFC Contracting, Inc.; and

WHEREAS, the Executive Director has reviewed the reports of the Chief Engineer and the General Counsel and, predicated upon such analysis, concurs with the recommendation to award Contract No. 53-12-02 (Re-Bid) to the lowest responsive and responsible bidder, RFC Contracting, Inc.; and

WHEREAS, the Commission has duly considered such recommendations.

NOW, THEREFORE, BE IT

RESOLVED that the bid of **RFC Contracting, Inc.** of **Strongsville, Ohio**, in the amount of **\$929,000.00** for the performance of Contract No. 53-12-02 (Re-Bid) is, and is by the Commission, determined to be the lowest responsive and responsible bid received for the performance of said Contract, and is accepted, and that the Chairperson and Executive Director, or either of them, hereby is authorized to: 1) execute a Contract with said successful bidder in the form heretofore prescribed by the Commission pursuant to the aforesaid bid, 2) direct the return to the bidders of their bid security, when appropriate, and 3) take any and all action necessary or proper to carry out the terms of said bid and of said Contract; and

FURTHER RESOLVED that the Commission hereby authorizes the Executive Director and the Chief Engineer to assign **Richard L. Bowen & Associates, Inc.** of **Cleveland, Ohio**, to Contract No. 53-12-02 (Re-Bid) for the purpose of performing construction administration and inspection services, with such assignment in accordance with the 2011-2012 Miscellaneous Engineering Services Agreement between the Ohio Turnpike Commission and said engineering firm; and

FURTHER RESOLVED that Project No. 53-12-02 (Re-Bid) is designated a Service Plaza Capital Improvement Project.

(Resolution No. 49-2012 adopted November 19, 2012)

Chairman Hruby: Mr. Hedrick, just one question before we move on to the next issue. How do we select our architects? How is that done?

Chief Engineer: Mr. Chairman, they are qualification based.

Chairman Hruby: Qualification based? We just make selections based on the kind of job it is.

Chief Engineer: That's correct, sir.

Chairman Hruby: Thank you.

Chief Engineer: Mr. Chairman, the next Resolution is for the authorization of continuing expenditures related to Project No. 71-10-03 to Hill International, Inc. of Broadview Heights, Ohio. Under Resolution 41-2010 the Commission authorized Hill International to perform construction management services for the construction of the Mahoning Valley and Glacier Hills Service Plazas located in Mahoning County, Ohio. The original authorization was not to exceed \$1,498,649.00. Due to the delay associated with the termination of the General Trades Contractor on this project, it has become necessary to extend the services provided by Hill International. The additional services required to carry this Project through to the completion in the 2nd Quarter of 2013 is estimated by Hill International at \$643,318.00. Engineering has reviewed these estimated costs, and concurs that they are reasonable and are sufficient to complete this Project. It is our intent to include these additional costs in our recovery efforts with the surety, Travelers, Inc., of Hartford, CT. Since their expenditure will increase the total cost in excess of ten percent of the original authorization, it is required under Article V, Section 1 of the Commission's Code of Bylaws that the Commission authorize such expenditures. If the General Counsel will please read the Resolved.

General Counsel: RESOLVED that the Commission concurs that **Hill International, Inc. of Broadview Heights, Ohio**, should perform all additional Construction Management Services required through the completion of the Mahoning Valley and Glacier Hills Service Reconstruction Project, and authorizes the Executive Director and the General Counsel to amend the Agreement with Hill International, to perform said services, all in accordance with the terms and conditions of the Commission's RFP for Project No. 71-10-03, Hill International's response thereto and its fee proposals therefor; and

FURTHER RESOLVED, that the General Counsel is directed to take any and all actions necessary to recoup, as appropriate, the extra costs incurred by the Commission under the Construction Management Services Agreement with Hill International as they are related to the breach of contract and subsequent default under Contract No. 53-11-01 and 53-11-02 by the General Trades Contractor, Reginella Construction Company.

Chairman Hruby: For the Resolution, any action to be taken?

Vice Chairman Balog: Motion to adopt.

Chairman Hruby: Mr. Balog moves. I'll second that Motion. Any discussion or questions? Hearing none, roll call.

Director Hodges: Vice Chairman Balog.

Vice Chairman Balog: Yes.

Director Hodges: Chairman Hruby.

Chairman Hruby: Yes.

Director Hodges: Secretary Barber.

Secretary Barber: Yes.

Director Hodges: Commissioner Dixon.

Mr. Dixon: Yes.

Director Hodges: Commissioner Pakush.

Mr. Pakush: Yes.

Director Hodges: Unanimous.

OHIO TURNPIKE COMMISSION

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

WHEREAS, via Resolution No. 41-2010, the Commission awarded the Construction Management Agreement for the Mahoning Valley and Glacier Hills Service Reconstruction Project, Project No. 71-10-03, to **Hill International, Inc. of Broadview Heights, Ohio**; and

WHEREAS, Hill International's Fee Proposal for performance of the aforementioned Construction Management Services was in the not-to-exceed amount of **\$1,498,649.00**; and

WHEREAS, the Mahoning Valley and Glacier Hills Service Reconstruction Project (Contract No. 53-11-01 and 53-11-02) has experienced delays that are not the fault of the Construction Manager, which have caused the Project completion date to be extended into the Spring of 2013; and

WHEREAS, Hill International has submitted a supplemental Fee Proposal in the not-to-exceed amount of **\$643,318.00** to manage the Reconstruction Project through its completion, which Fee Proposal has been reviewed and deemed acceptable by the Commission's Chief Engineer; and

WHEREAS, the Commission's General Counsel has advised that the extra costs associated with the performance by Hill International under the Agreement will be factored into any liquidated damages that the Commission will withhold from the bonding company for the General Trades Contractor for the Reconstruction Project, Reginella Construction Company ("RCC"), as RCC's breach of contract and subsequent default under said General Trades Contract is the primary reason for the Project delay; and

WHEREAS, the continued expenditures by the Commission under the Construction Management Services Agreement will exceed ten percent of the original contract amount, and, therefore, in accordance with Article V, Section 1.00 of the Commission's Code of Bylaws, the Commission must authorize the amendment of the Contract with Hill International; and

WHEREAS, the Executive Director has reviewed the recommendations submitted by the Chief Engineer and the General Counsel, and concurs that the Agreement for Project No. 71-10-03 should be amended to allow for the continued performance by Hill International of the required Construction Management Services through completion of the Mahoning Valley and Glacier Hills Service Reconstruction Project; and

WHEREAS, the Commission has duly considered such recommendations.

NOW, THEREFORE, BE IT

RESOLVED that the Commission concurs that **Hill International, Inc. of Broadview Heights, Ohio**, should perform all additional Construction Management Services required through the completion of the Mahoning Valley and Glacier Hills Service Reconstruction Project, and authorizes the Executive Director and the General Counsel to amend the Agreement with Hill International, to perform said services, all in accordance with the terms and conditions of the Commission's RFP for Project No. 71-10-03, Hill International's response thereto and its fee proposals therefor; and

FURTHER RESOLVED, that the General Counsel is directed to take any and all actions necessary to recoup, as appropriate, the extra costs incurred by the Commission under the Construction Management Services Agreement with Hill International as they are related to the breach of contract and subsequent default under Contract No. 53-11-01 and 53-11-02 by the General Trades Contractor, Reginella Construction Company.

(Resolution No. 50-2012 adopted November 19, 2012)

Chief Engineer: Thank you, Mr. Chairman. My final Resolution is for the award of Contract No. 43-12-03 for the Rehabilitation of 14 bridges over the Ohio Turnpike at various locations throughout Williams County, Ohio. Procurement secured bids for Contract No. 43-12-03 to perform such improvements and received bids from three contractors for this renovation work. The apparent low bid was submitted by Suburban Maintenance Inc., of North Royalton, Ohio in the amount of \$ 1,567,034.50. This amount was below the Engineer's estimate of \$2,100,000. The bid submitted by Suburban Maintenance, however, did not provide all of the required information and, more specifically, was lacking the bid guaranty. Based upon this, this bid was deemed to be incomplete and, as such, non-responsive and is required to be rejected. A review of the remaining bids indicated that the Velotta Company of Sharon Center, Ohio was the apparent second low bid. While this bid exceeded the Engineer's estimate by only less than 2%, it was in excess of 36% greater than the low bid submitted by Suburban Maintenance. Due to this large discrepancy between the first and second bidders, it is recommended to reject all bids, and perform a review of the Contract Documents. At such time as this review has been completed, we will rebid this Project. If the General Counsel would please read the Resolved.

General Counsel: RESOLVED that the above-mentioned bids heretofore received pursuant to the advertisement for bids upon Contract No. 43-12-03, be and the same hereby are rejected, and the General Counsel is authorized to notify the bidders in writing of said action, and to return to the bidders their bid security; and

FURTHER RESOLVED that the Executive Director and the General Counsel hereby are authorized to take any and all action necessary, at the appropriate time, to re-advertise for bids for Contract No. 43-12-03.

Chairman Hruby: For the Resolution? I'll move the Resolution.

Mr. Pakush: I'll second.

Chairman Hruby: It's been seconded. Discussion?

Secretary Barber: I just have a comment. I am surprised that when proposals go out for bids and requests for plans and specifications that we have, to me, a lot of bidders who do not submit a bid bond with their proposal. I have had a little bit of background in the construction business, and that just surprises me that, when you're dealing with the Ohio Turnpike Commission, these contractors submit bids without bid bonds. That's just a comment.

General Counsel: If I may, Mr. Chairman. Commissioner Barber, this month has been unusual because this is a rarity, I think, as far as the Ohio Turnpike Commission goes as well. It has happened only a handful of times since I've been here, so to have two in one month is highly unusual. And, with respect to the low bidder for this particular Contract, they insisted that they had it in there, and they didn't. We went back and retraced every step and had an affidavit made because it was not there and, by law, we simply cannot accept a bid without the bid guaranty.

Secretary Barber: I agree whole-heartedly.

Mr. Pakush: Mr. Chairman, just a little additional commenting on that. Has the Commission looked into electronic bidding and, instead of mailing, creating an electronic system and using electronic submittals so the paper and mailing costs are reduced?

Director Hodges: Commissioner Pakush, that is one of our priorities and I believe that Marty and the rest of our staff have that in place. We will be starting that process in 2013. Marty, are we going to make it by January, 2013?

CFO/Comptroller: Yes, we hope to make it by January and have electronic bidding on some of the larger projects, yes.

Chairman Hruby: Any further comments or questions?

Mr. Cole: Just one question on that, Mr. Chairman. Is that the same system ODOT is using, and the City of Toledo is using? Are you adopting that same process?

CFO/Comptroller: Yes, that would be the same system that ODOT is currently using.

Mr. Cole: Great. Because that consistency Mr. Chairman, does make it much easier for the bid community when they are using the same system. Thank you.

Chairman Hruby: Any further comments? Hearing none, roll call.

Director Hodges: Chairman Hruby.

Chairman Hruby: Yes.

Director Hodges: Commissioner Pakush.

Mr. Pakush: Yes.

Director Hodges: Vice Chairman Balog.

Vice Chairman Balog: Yes.

Director Hodges: Secretary Barber.

Secretary Barber: Yes.

Director Hodges: Commissioner Dixon.

Mr. Dixon: Yes.

Director Hodges: Unanimous.

OHIO TURNPIKE COMMISSION

Resolution Rejecting the Bids Received for Contract No. 43-12-03

WHEREAS, the Commission duly advertised, in accordance with law, an Invitation for Bids upon a Contract for Bridge Rehabilitations over the Ohio Turnpike in Williams County, herein designated as **Contract No. 43-12-03**; and

WHEREAS, the Commission received three bids for the performance of said Contract from **Suburban Maintenance & Construction, Inc.** of North Royalton, Ohio, **The Velotta Company** of Sharon Center, Ohio, and **Vernon Nagel, Inc.** of Napoleon, Ohio; and

WHEREAS, the bids have been reviewed and analyzed by the Commission's Chief Engineer, whose report concerning said analysis is before the Commission; and

WHEREAS, the Commission's Chief Engineer reports that the apparent low bid received from **Suburban Maintenance & Construction, Inc.** was in the amount **\$1,567,034.50**, however, this bidder did not include the required combination Bid Guaranty and Contract Bond with its bid and was, therefore, deemed non-responsive; and

WHEREAS, the Commission's Chief Engineer further reports that the second lowest bid from **The Velotta Company** in the amount of **\$2,143,124.00** exceeded the lowest bid by more than thirty-six percent, and he, therefore, recommends that all bids be rejected and that the staff be directed to review the Invitation for clarity of the work scope, and that the Commission re-advertise for bids for Contract No. 43-12-03 as soon as practicable; and

WHEREAS, the Commission's General Counsel has advised that, in accordance with Ohio Revised Code Section 154.54 and the Commission's Bidding Documents for Contract No. 43-12-03, a bid that is submitted without the requisite Bid Guaranty and Contract Bond shall be rejected; and

WHEREAS, the Commission's General Counsel has further advised the Commission that, pursuant to Ohio Revised Code Section 5537.07(A) and the aforementioned Bidding Documents, the Commission has also expressly reserved the right to reject any and all bids; and

WHEREAS, predicated upon the analysis of the reports submitted by both the Chief Engineer and the General Counsel, the Executive Director concurs with their recommendation to reject all bids and re-advertise for new bids under Contract No. 43-12-03 as soon as possible; and

WHEREAS, the Commission has duly considered said recommendations.

NOW, THEREFORE, BE IT

RESOLVED that the above-mentioned bids heretofore received pursuant to the advertisement for bids upon Contract No. 43-12-03, be and the same hereby are rejected, and the General Counsel is authorized to notify the bidders in writing of said action, and to return to the bidders their bid security; and

FURTHER RESOLVED that the Executive Director and the General Counsel hereby are authorized to take any and all action necessary, at the appropriate time, to re-advertise for bids for Contract No. 43-12-03.

(Resolution No. 51-2012 adopted November 19, 2012)

Chairman Hruby: Mr. Hedrick, anything else?

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

Chairman Hruby: Thank you very much. Mr. Hodges and I were talking just a little bit during the deliberation of the Resolutions. We will meet with Kathleen and other staff to talk about the lists for bidding, and look at those lists based upon your comment, Senator. Also, we will take a look at how we can improve the system to make it a little better and a little more open.

Senator Patton: Since we've had that discussion, my mind was working and, granted that Travel Centers is a local publicly traded company and I'm not trying to promote them, which is why I also mentioned the folks at either Flying J or Pilot, and they are truck stops, per se, but I think when we take a look at our rest areas and the fact that commercial vehicles make up a significant amount of traffic and a significant amount of revenue on that, I don't know that we shouldn't perhaps look at a business model that would maybe more attract those types of people. The fact that you have truckers that have to pull over and go to sleep somewhere on a long cross-country journey, and I don't believe and I might be wrong, that the current Turnpike model and their rest areas provide showers as an example, which I think is the big thing for Flying J.

General Counsel: We have them.

Senator Patton: Then all the more reason why I think these companies would be inclined to take a look at that.

Chairman Hruby: It's interesting though in our municipal government we, at times, when we have a unique type of contract like this is, it's like the small little piece of the pot, very little activity usually and very few people bid things like that. You might experience that Mr. Pakush with the State. When it's a small little slice of it, it's hard to get people to go out and bid for it – you wouldn't think so in this economy, but that's how it is. So, we will work on that and get the list on Mr. Cole's suggestion of putting that list together. I appreciate your comments, Senator Patton. You are always defending the businesses in Northern Ohio, and I appreciate that very much.

We will move on to the report of Marty, our Comptroller.

CFO/Comptroller: I have a brief update on Traffic and Revenue for the Month of October. This first chart shows the monthly passenger car miles traveled on the Ohio Turnpike over the past two years. Passenger car vehicle miles traveled declined for the second straight month and were 3.3% lower than October of last year. Commercial traffic rebounded from last month and was 1.9% higher than October of last year. The increased revenue from the toll rate increase in January was partially offset by the lower level of traffic so Passenger car toll revenue was only 5.5% higher than last year in October. For the year to date, Passenger car toll revenue is 9.0% higher than last year. Commercial vehicle toll revenues benefited from the higher level of traffic and, as a result, were 10.5% higher than last year in October. Year to date Commercial vehicle toll revenue is 10.1% higher than last year.

This chart shows the year-to-date toll revenues through the month of October during each year over the past decade. Toll revenues for the first ten months of this year were \$18.6 million or 9.6% above the amount from last year. This chart shows the percentage of vehicle miles traveled using *E-ZPass*[®] during October for each of the last four years. As you can see our *E-ZPass*[®] usage continues to grow. The green bars represent October 2009, which was the first month that we accepted *E-ZPass*[®]. Passenger cars *E-ZPass*[®] usage has steadily increased from 23.7% of vehicle miles traveled in October of 2009 to 40.8% in October of this year. Commercial vehicles *E-ZPass*[®] usage has increased from 66.7% in October 2009 to 75.6% in October 2012. Total *E-ZPass*[®] vehicle miles traveled have increased from 38.1% in October 2009 to 53% in October 2012. That completes my report, Mr. Chairman.

Chairman Hruby: Thank you. Any questions?

Director Hodges: If I may just add that we've been noticing a gradual softening in passenger traffic on the Turnpike that began earlier this year. Now, we are below for the last couple months from our traffic last year. Commercial traffic is a little bit higher. We are trying to figure out why that is. One theory that has been offered is that our traffic is not only sensitive to tolls in Ohio, but tolls in other states as they continue to go up. So, we are looking at that, but there is something going on with passenger traffic.

Chairman Hruby: Any other comments or questions? Thank you very much for your report. We will move on to the report of our General Counsel, Kathleen Weiss.

General Counsel: Thank you, Mr. Chairman. At this time, I believe we have a Motion.

Mr. Pakush: I would like to move that we hold an Executive Session to discuss litigation matters under the provisions of Ohio Revised Code §121.22(G)(1). At the end of such Executive Session, the Commission shall resume its open meeting.

Chairman Hruby: We have a presentation to make, and I know the Motion is on the floor, but I would like to get that presentation made before that. If we could delay that Motion just a bit.

Mr. Pakush: I would be happy to delay that Motion.

Chairman Hruby: Mr. Hodges.

Director Hodges: We are pleased that Trooper Richard Dietz could be with us. He was delayed on official Turnpike business, and we are glad he could be with us. We are blessed with many employees and, in this case, a Trooper who has served the Turnpike and made a significant impact and has been instrumental in the success of the Turnpike over many years. Many of those people have spent their entire careers here and served with exemplary service. Trooper Dietz is certainly one of those people. And, as he enters into retirement and is preparing to end his role here at the Turnpike, we certainly want to recognize him for all of his outstanding service over 35 years, most of which has been on the Turnpike. Trooper Dietz served with distinction as a member of the Ohio State Highway Patrol on the Ohio Turnpike for 35 years during which time he earned or received the following: forty-two citizen commendation letters, eight ACE Awards for auto larceny/recovering stolen vehicles in 1978, 1980, 1986, 1987, 1988, 1991, 1993 and 1994; three Certificates of Recognition for Performance Above the Call of Duty in 1984, 1992 and 2001; the OSHP Employee Recognition Award for Overall Performance in 1991; the OSHP TDIT (drug interdiction program) Trooper of the Year in 1992; the Milan Post Trooper of the Year in 1993 and 1994; the 30-year Safe Driving Award; and numerous OSHP

Physical Fitness Awards, most recently in 2012, as is obvious. Trooper Dietz is one of the people who have made us so successful over the years, and I want to on behalf of the staff say, thank you, sir, for everything you have done for us. You should be very proud of what you've accomplished here on the Turnpike. I would like to offer a Resolution on behalf of the Commission. If I may, would the General Counsel please read the Resolved.

General Counsel: RESOLVED that the Ohio Turnpike Commission hereby acknowledges and expresses its gratitude to Trooper Richard J. Dietz for his thirty-five years of dedicated service, and the Commission also considers that the people of the State of Ohio have been fortunate in receiving the unselfish services which he rendered; and

FURTHER RESOLVED that the Commission extends its best wishes to Trooper Richard J. Dietz, his wife, Susie and children, Monica, Andrew and Meghan, and much success and well-being to Trooper Dietz in all matters and activities which he shall undertake in the future; and

FURTHER RESOLVED that the Secretary-Treasurer hereby directs the Executive Director to send a certified copy of this Resolution to Trooper Richard J. Dietz.

Mr. Pakush: Move that we adopt.

Secretary Barber: Second.

Chairman Hruby: Moved and seconded. Any comments from anyone? I would like to comment. My background is law enforcement and I served almost twenty years as a police officer. I know what it takes to do what you do, and I will tell you first of all, it's great that you're retiring with all your fingers, toes, mind and total body. That's a good thing. That means that you were successful in maintaining yourself and keeping yourself alive during that time. Most people don't understand how difficult it is to take on the stress of being in law enforcement. You never know what you are going to encounter when you stop a car. The person inside the cars knows what they're going to do, but you don't know what they're going to do, and that stress is there constantly. To do that for the number of years that you have done that is rather remarkable, especially to have received all of the awards that you have, sir. Obviously,

you care about the public, you care about those that you serve and you did so with dignity and honor and we see that from the commendations that you received. So, thank you so very, very much on behalf of the Commission for your service to the Commission and to the State of Ohio and all of our constituents. Thank you so much. If you would like to come and receive your Resolution. Congratulations for a job well, well done and we appreciate it very much.

Director Hodges:	Chairman Hruby.
Chairman Hruby:	Yes.
Director Hodges:	Commissioner Pakush.
Mr. Pakush:	Yes.
Director Hodges:	Vice Chairman Balog.
Vice Chairman Balog:	Yes.
Director Hodges:	Secretary Barber.
Secretary Barber:	Yes.
Director Hodges:	Commissioner Dixon.
Mr. Dixon:	Yes.
Director Hodges:	Unanimous.
Trooper Dietz:	Thank you all very much.

OHIO TURNPIKE COMMISSION

Resolution Expressing Appreciation of Trooper Richard J. Dietz

WHEREAS, Trooper Richard J. Dietz graduated from the Ohio State Highway Patrol (“OSHP”) Academy on February 4, 1977, and was assigned to the Milan Post on the Ohio Turnpike where he remained until July 11, 2004; and

WHEREAS, Trooper Dietz transferred to the Sandusky Post on the Ohio Turnpike where he remained until March 1, 2009, at which time he transferred back to the Milan Post until December 6, 2012; and

WHEREAS, Trooper Richard J. Dietz served with distinction as a member of the OSHP on the Ohio Turnpike for thirty-five years during which time he earned or received the following: forty-two citizen commendation letters, eight ACE Awards for auto larceny/recovering stolen vehicles in 1978, 1980, 1986, 1987, 1988, 1991, 1993 and 1994; three Certificates of Recognition for Performance Above the Call of Duty in 1984, 1992 and 2001; the OSHP Employee Recognition Award for Overall Performance in 1991; the OSHP TDIT (drug interdiction program) Trooper of the Year in 1992; the Milan Post Trooper of the Year in 1993 and 1994; the 30-year Safe Driving Award; and numerous OSHP Physical Fitness Awards, most recently in 2012; and

WHEREAS, the members and staff of the Commission wish to give formal and public recognition for the honorable, exceptionally dedicated, and effective service of Trooper Richard J. Dietz.

NOW, THEREFORE, BE IT

RESOLVED that the Ohio Turnpike Commission hereby acknowledges and expresses its gratitude to Trooper Richard J. Dietz for his thirty-five years of dedicated service, and the Commission also considers that the people of the State of Ohio have been fortunate in receiving the unselfish services which he rendered; and

FURTHER RESOLVED that the Commission extends its best wishes to Trooper Richard J. Dietz, his wife, Susie and children, Monica, Andrew and Meghan, and much success and well-being to Trooper Dietz in all matters and activities which he shall undertake in the future; and

FURTHER RESOLVED that the Secretary-Treasurer hereby directs the Executive Director to send a certified copy of this Resolution to Trooper Richard J. Dietz.

(Resolution No. 46-2012 adopted November 19, 2012)

Chairman Hruby: I'm sorry that I did that to you, Mr. Pakush.

Mr. Pakush: I would be happy to delay that Motion also if there are other items we need to get through.

Chairman Hruby: Lieutenant, would you like to give your report, please.

Lt. Sivak: Yes. Good morning, Mr. Chairman and Members of the Commission. Just a couple of things I would like to address today. There was an incident that occurred less than 24-hours ago on the Turnpike. Tragically, we had an individual who pulled off on the side of the road at Mile Post 121 who wasn't feeling well and, unfortunately, passed away. It was not related to the operation of the motor vehicle, and we are conducting a detailed investigation to see what the circumstances of that were. That is an ongoing investigation and our condolences go out to that gentleman's family.

One of the other things that I wanted to address is that I apologize for our crash statistics not being readily available to the Commission. We are in the process of going to a new and improved system for crashes that we began in September. Like any new and improved system, it has its bugs that need to be worked out, and I thought we had it, but I learned this morning there were still some issues with it and, again, I apologize for that. We should have everything in place by the next meeting.

The main thing I wanted to talk about today was in January of 2011, we got a new Superintendent, Colonel John Born. One of his big programs that he has implemented we call "criminal patrol." We are obviously about highway traffic safety, but also, even though we've done this for years, he has elevated this 'criminal patrol' on the same level with traffic and motor vehicle laws and crash prevention. And, in doing so, this is addressing the criminal element making the road safer for our communities, not only through Ohio, but in neighboring states as

well. The Ohio Turnpike is no exception to this program. In fact, the Ohio Turnpike is one of the leaders in this program. I just want to give you a brief synopsis of a for instance that happened in the past couple of weeks. On November 6th out in the Milan area, we initiated a traffic stop on a vehicle for following too close. We had a canine come to the scene after indicators were present, and they discovered 123 vacuum packed packages of marijuana weighing 186 pounds with a value of \$750,000, and this is an ongoing investigation. On November 8th in Fulton County on the Ohio Turnpike, a traffic stop was initiated and an odor of marijuana was detected. A drug dog came out and was alerted to the vehicle. A subsequent search revealed nearly \$100,000 in cash within that vehicle. We are working with DEA on addressing that. Then, a little bit different from the drugs, but again a criminal element, was on November 14th over in the Trumbull County area. We stopped a vehicle with indicators again present, and this one wasn't drugs, but it was stolen construction equipment and fraudulent checks involved. Individuals from outside the State of Ohio were involved in that. And, the most recent one, I can't give great details on this, but this will probably be one of the bigger things the Ohio State Highway Patrol has been involved with in awhile, occurred last week over in the Milan area. Again, without giving too many details on it, serious, a serious criminal element was involved here, and a fantastic job by the Trooper who encountered this vehicle.

In closing, in this regard, again, the things that we do every day, Trooper Dietz specifically, one of the awards he had was a T.D.I.T., that is what they called it back in the day, and the emphasis has always been there, but the emphasis now and what this means to safety for people on the Ohio Turnpike and across the region, is just something that we are very proud of as an agency. I just wanted to make you aware of some of the accomplishments of the Troopers on the Turnpike. Thank you.

Chairman Hruby: Thank you. Certainly, Lieutenant, the Commission recognizes the excellence of the Ohio State Highway Patrol, and we appreciate your efforts. We read about you often in the media, and you are certainly becoming one of the kingpins in Northeast Ohio in looking for drugs and that's great making all of those drug arrests. We appreciate it very much.

Lt. Sivak: Thank you very much.

Chairman Hruby: Anything else? I did destroy this Agenda and I apologize for that. Mr. Lamb, do you have a report.

Mr. Lamb: No report, Mr. Chairman.

Chairman Hruby: I realize there will be no new business. Is that correct?

Mr. Dixon: To Director Hodges, I don't want to give homework or extra work, but if it's convenient, can I get an up-to-date on how many dollars we spent for out-of-state contracts and Ohio contracts based on dollars and number of occurrences? And, if it's not a problem, can I get that same figure with DBE's?

Director Hodges: Commissioner Dixon, anything you ask for is easy and convenient. We will get that to you.

Mr. Dixon: Your staff works hard, and I understand that, but if it's something that can be done then I would appreciate it.

Director Hodges: Yes. We will get that done.

Mr. Dixon: Thank you. I appreciate it.

Chairman Hruby: Any other business to be brought before the Commission before we adjourn into Executive Session? I'll just say congratulations, and I know you will prevail in your election, Representative Dovilla. Congratulations Senator on your overwhelmingly large margin of victory being re-elected as Senator. See, it pays to do a good job, doesn't it.

Senator Patton: Every day.

Chairman Hruby: Now, Mr. Pakush, if you would. Folks, we are going to adjourn to an Executive Session. There will be no further action taken by the Board. I extend on behalf of the Commission a very happy Thanksgiving to each and every one of you. I hope you get to spend your Thanksgiving with those that you love, your family and have a great holiday.

Mr. Pakush: Mr. Chairman, I move that we hold an Executive Session to discuss litigation matters under the provisions of Ohio Revised Code §121.22(G)(3). At the end of such Executive Session, the Commission shall resume its open meeting.

Chairman Hruby: I'll second that. Roll call.

Director Hodges: Chairman Hruby.

Director Hodges: Commissioner Pakush.

Mr. Pakush: Yes.

Chairman Hruby: Yes.

Director Hodges: Vice Chairman Balog.

Vice Chairman Balog: Yes.

Director Hodges: Secretary Barber.

Secretary Barber: Yes.

Director Hodges: Commissioner Dixon.

Mr. Dixon: Yes.

Director Hodges: Unanimous.

Chairman Hruby: (10:56 a.m.) We are adjourned to Executive Session. Our next Commission Meeting will be Monday, December 17, 2012 at 10:00 a.m.

Mr. Pakush: (11:19 a.m.) Mr. Chairman, I move that we conclude the Executive Session pursuant to the provision of Ohio Revised Code §121.22(G)(1), and resume the open meeting.

Chairman Hruby: Second. All those in favor signify by saying “aye.” All Commission members say “aye.” We are adjourned.

Attendees For Record Keeping Purposes:

John Adams, Fifth Third; Vic Spinabelli, Hill International; Tom Parevosnik, IUOE 18; Joe Casto, IUOE 18; Frank Lamb, Huntington Bank; Dan Humphrey, Cuyahoga County; Frank Bronzo, KCI; Scott Buchanan, URS; Beth Fulton, URS; Julia Miller, RII; Doug Talbott, RLB Group; Lieutenant Jim Sivak, Ohio State Highway Patrol; Trooper Dietz, Ohio State Highway Patrol; Marty Seekely, Ohio Turnpike; Tony Yacobucci, Ohio Turnpike; Dennis Albrecht, Ohio Turnpike; Mark Musson, Ohio Turnpike; Dale Perram, Ohio Turnpike; Ed Miller, Ohio Turnpike; Donna Fritz, Ohio Turnpike; Jennifer Diaz, Ohio Turnpike; Lauren Hakos, Ohio Turnpike; Sharon Isaac, Ohio Turnpike; Robin Carlin, Ohio Turnpike.

Time of adjournment: 11:19 a.m.

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

Sandra K. Barber, Secretary-Treasurer