

**MINUTES OF THE 613th MEETING OF THE
OHIO TURNPIKE AND INFRASTRUCTURE COMMISSION
DECEMBER 15, 2014**

Chairman: Good morning ladies and gentlemen. Would you please rise as we say our Pledge of Allegiance.

The meeting will come to order. Have all guests signed the sign-in sheet in the Lobby as we like to have a record of who has been in attendance at our meetings?

Will the Assistant Secretary-Treasurer please call the roll?

Assistant Secretary-Treasurer: Chairman Hruby

Chairman Hruby: Here

Assistant Secretary-Treasurer: Mr. Balog

Mr. Balog: Here

Assistant Secretary-Treasurer: Mr. Dixon is absent and sends his regards.
Secretary-Treasurer Barber:

Secretary-Treasurer Barber: Here

Assistant Secretary-Treasurer: Mr. Paradiso

Mr. Paradiso: Here

Assistant Secretary-Treasurer: Mr. Murphy

Mr. Murphy: Here

Assistant Secretary-Treasurer: Mr. Kauffman

Mr. Kauffman: Here

Assistant Secretary-Treasurer: Senator Manning

Senator Manning: Here

Assistant Secretary-Treasurer: Representative Dovilla

Representative Dovilla: Here

Chairman: Thank you. We have a quorum. This is the 613th Meeting of the Ohio Turnpike and Infrastructure Commission. We are meeting here at the Commission's headquarters as provided for in the Commission's Code of 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 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 October 20, 2014, Commission Meeting?

Mrs. Barber: So moved.

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

Mr. Paradiso: Second.

Chairman: Seconded by Mr. Paradiso. Please call the roll.

Interim Director Carlin: Mrs. Barber

Mrs. Barber: Yes

Interim Director Carlin: Mr. Paradiso

Mr. Paradiso: Yes

Interim Director Carlin: Chairman Hruby

Chairman: Yes

Interim Director Carlin: Mr. Balog

Mr. Balog: Abstain

Interim Director Carlin: Mr. Murphy

Mr. Murphy: Yes

Chairman: The Minutes are adopted. This morning we have items on our Agenda relating to our day-to-day business, but we also have a Resolution on t our Agenda appointing a new Executive Director. I just want to begin the discussion regarding that by publicly thanking Robin Carlin, who has been serving as the Interim Executive Director. Rick Hodges recognized the great talents of Robin. Robin has been at the forefront of the leadership of this Commission since she was first hired, but rose to the role of Deputy Executive Director under Rick Hodges during his administration and I remember all of the wonderful things that he told us about Robin and we found those all to be very true during her tenure as the Deputy Executive Director, but

also now as the Interim Executive Director. I just want each and every one of you to know that the Commission expresses deep gratitude and appreciation to Robin for acting as she did and doing such a fine job during the time she was the Interim Executive Director, so thank you so very much.

Interim Director Carlin: Thank you.

Chairman: If there are no questions, we will proceed with the report of our Secretary-Treasurer, Mrs. Barber.

Secretary-Treasurer: The following items have been sent to the Members since the last scheduled meeting of the Commission on October 20, 2014:

1. Four Resolutions;
2. Draft Minutes of the October 20, 2014, Commission Meeting; and
3. Agenda for today's meeting.
- 4.

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

1. Traffic Crash Summary Reports, September, October and November 2014;
2. Traffic and Revenue Report, October and November 2014;
3. Total Revenue by Month and Year, October and November 2014;
4. Investment Report, October and November 2014;
5. Financial Statement, October and November 2014; and
6. Various News Articles.

That concludes my report Mr. Chairman

Chairman: Any questions for Mrs. Barber? Hearing none. We will move on to the report of our Interim Executive Director, Robin Carlin.

Interim Executive Director: Thank you, Chairman Hruby and Members of the Commission. As reported on at the October Meeting, our Management Team has been working on updating our Continuity of Operations Plan to ensure that we could rapidly restore business operations in the event we are faced with a crisis. We believe that we have a solid plan in place to ensure that we will continue to collect tolls, maintain our road, service our customers at service plazas, and fulfill our debt obligations to our bondholders. We have identified our critical department activities. We have identified our critical inputs and suppliers, and we have developed the actions necessary to implement our plan. Later this week, we will be working with a local university to conduct tabletop exercises to better prepare ourselves in the event of a calamity.

Second, we held our first ever Maintenance Building Open Houses on Saturday, November 15, 2014. This was the recommendation of one of our Maintenance Building Employees, Bill Cook, and we are very grateful for this recommendation. It was an opportunity for families to explore around the buildings and for children to see where their parents work. We

also extended the Open House to the general public and we had an excellent turnout. Those attending were able to get in and out of a couple of our different snowplow trucks and blow the air horn, which I must thank Tibi for teaching my daughter to do that. I have never heard a sound so loud. They were able to pretend to operate a backhoe and to explore around the maintenance buildings. Kids received plastic hard hats, very similar to what their parents wear in the industry, as well as cookies and juice boxes. We estimated that we received 30 to 50 visitors at each one of our eight maintenance buildings. This event was so successful that we will make it an annual event for families and the public during our snow and ice inspection week in October of each year. I would like to thank the Maintenance Department, the Marketing and Communications Department, Legal and Human Resources, who all worked together in an effort to make this event successful.

Third, we held our first sponsorship event on Wednesday, November 26, 2014, at the Vermilion Valley Service Plaza. The Verizon Communications Marketing team set-up a display at our plaza. They gave out prizes to the traveling public and engaged them in conversation regarding their products. Our Marketing and Communications Department joined forces with Verizon to engage travelers on social media, encouraging them to stop by our service plaza. This event was also done in coordination with HMS Host (Ohio Heartland Tasting) at the Vermilion Valley Service Plaza, which also featured local Ohio products that are sold at their stores. These events greatly increased the foot traffic for our vendors and also gave a positive outlook for our community as well. Thank you to the Marketing and Communications team for getting up at 3:30 in the morning to join Verizon to set-up and to ensure the event was successful. It demonstrated to Verizon that we are a good sponsorship partner and it put a positive spotlight on our service plazas during one of the busiest travel seasons on the Ohio Turnpike.

Lastly, we continue to meet with the Ohio State Highway Patrol to work on the transition of their dispatch center from our Administration Complex next door to their new Brookpark building. We have an expected cutover date of late February. We are also concluding several ongoing and important technology projects, including extensive updates and improvements to our ERP System, implementing GIS and training key individuals on this technology and concluding updates on the back-end processes on our website, as well as updating and improving our online permitting system for long combination vehicles. We are actively partnering with ODOT this month to engage a firm to conduct a disparity study and this should provide us with key data to improve our MBE and DBE programs and we expect completion by mid-2015. That concludes my report Mr. Chairman. Thank you.

Chairman: Thank you. Any questions for the Interim Executive Director? Hearing none. Let's move on to the report of our CFO/Comptroller, Marty Seekely.

CFO/Comptroller: Thank you Mr. Chairman and Commission Members. I have an update on our traffic and revenue for the months of October and November and one resolution for your consideration this morning.

This first chart shows the monthly passenger car miles traveled on the Ohio Turnpike over the last two years. Passenger car vehicle miles traveled were up 4.9% in October and 4.5% in November. The Sunday after Thanksgiving, when people return home from the holiday, fell

on November 30 this year versus December 1 last year. This calendar shift probably added about 3% to passenger vehicle miles traveled in November this year.

Commercial traffic was up as well and was 4.3% higher in October and 3.1% higher in November from the same months last year.

The increase in traffic combined with the 2.7% toll rate increase on January 1 caused passenger car toll revenue to increase 4% in October and 5.8% in November. The increase in commercial traffic combined with the toll rate increase caused commercial vehicle toll revenues to increase 6.6% in October and 5.2% in November.

This chart shows the year-to-date toll revenues through the month of November during each year over the past decade. Toll revenues for the first eleven months of this year were \$8.9 million or 3.8% above the amount from last year.

That completes my report on traffic and revenue. I would now like to present the proposed 2015 Operating Budget for your consideration.

This pie chart provides an overview of the proposed 2015 Revenue Budget. Tolls are obviously the major source of the Commission's funding, representing 91.3% of projected 2015 revenues. Concessions generated from sales of food, fuel and other retail goods and services at the Commission's service plazas are estimated to be 5.3% of total revenues. The remaining 3.8% consists of investment earnings, fuel taxes and other miscellaneous revenues.

This slide shows a comparison of the proposed 2015 Budget to the 2014 Budget for pledged funds.

The Toll Revenue Budget is \$10.8 million or 4.1% higher than last year's budget. Tolls will be increased 2.7% on January 1 next year. The remaining 1.4% increase in toll revenue is due to projected increases in traffic. The Concession Revenues Budget is \$400,000 or 3.0% more than last year's budget. Investment Revenue is budgeted to decrease by \$500,000 or 9.8% from last year's budget. The decrease is due to an approximately \$230 million reduction in the amount of funds remaining in the Infrastructure Fund. The increase in the other revenues budget relates primarily to higher monthly transponder usage fees due to an increase in the number of transponders issued to customers. The proposed 2015 Pledged Revenues Budget totals \$297.8 million, an increase of \$11.3 million or 4.0% from the 2014 budget.

This slide shows the projected 2015 vehicle miles traveled, the percentage of those miles expected to be paid with *E-ZPass* and the resulting calculation of toll revenue by vehicle class. Total vehicle miles traveled are budgeted to increase 4.8% from the 2014 budget. The budgeted amount of commercial vehicle miles traveled is projected to increase 6.8% while the budgeted amount of passenger car miles traveled is projected to increase 3.9%. The *E-ZPass* rate of usage for Class 1 vehicles (passenger cars) is budgeted to increase to 49.7% from 44.5% in 2014. Similar increases in *E-ZPass* usage are budgeted for the commercial vehicle classes 2 through 7. Consequently, the additional revenue generated by the toll rate increase combined with the

increase in vehicle miles traveled results in total toll revenue of \$274.7 million, which is an increase of \$10.8 million from our 2014 Toll Revenue Budget.

It is expected that only 3.6% of the Commission's 2015 Budget will be spent on administration and insurance. We project that 13.0% of the Budget will be needed for the maintenance of the roadway and structures, 17.7% for the operation of the toll and service plazas, and 4.8% for traffic control, safety, patrol and communications. The Commission currently has about \$1.6 billion in Senior and Junior Lien Bonds outstanding. The debt service on those bonds will require payments of 31.9% of the Commission's 2015 Expenditures Budget, leaving 28.9% available for capital projects.

This slide contains our 2015 Staffing Budget. The increased *E-ZPass* penetration and the use of our automated toll payment machines at low volume toll plazas is allowing staffing levels in our Toll Operations Department to continue to be reduced. As a result, this slide identifies the elimination of three full-time toll collector positions and four part-time toll collector positions from the 2015 Expense Budget. It is anticipated that future reductions in 2015 will be able to be achieved by not filling open positions as they occur through attrition. The total 2015 staffing Budget is 967, which is a reduction of five from last year's budget.

The reduction in budgeted personnel combined with the negotiated 2% increase in full-time bargaining employees' wages and a similar 2% increase in non-bargaining employees' wages results in a \$500,000, or 1.0% increase in total wages. Fringe benefits are budgeted to increase \$800,000 or 3.9% from last year's budget primarily due to an \$800,000 increase in health insurance costs. \$400,000 of the increase in health insurance costs is due to the requirement in the Affordable Care Act that we offer health insurance coverage to approximately 30 part-time employees that work 30 or more hours per week.

Most of the increase in maintenance of Roadway and Structure expense is due to a \$2 million increase in ice melting material costs due to the higher cost of salt this year.

Approximately half of the increase in Service and Toll Operations expenses is due to projected increases in transponder purchases and credit card fees due to projected increases in transponder purchases and credit card fees due to increased *E-ZPass* use.

Considering these changes total 2015 operating, maintenance and administrative expenses are expected to increase by \$4.5 million or 4.0% over the 2014 budget.

Debt service payments on the \$585 million in Senior Lien debt and \$1.0 billion in Junior Lien debt are scheduled to be \$96 million in 2015.

The Commission's Master Trust Agreement requires that we maintain an expense reserve equal to one-twelfth of our annual operating, maintenance and administrative expense budget. With the proposed increase in our expense budget of \$4.5 million, we are required to add one-twelfth of this amount, or \$376,000 to the Expense Reserve Fund.

The remaining transfers from Pledged Funds support the Capital Budget that the Chief Engineer will be presenting in a few minutes. We are proposing a transfer of \$10 million to the Renewal and Replacement Fund and a transfer of \$73.8 million to the System Projects Fund.

The 2015 budgeted debt coverage ratio on our senior debt is 2.95 and the composite debt coverage ratio on all of our debt is 1.92. To be eligible to issue additional senior lien bonds, our Master Trust Agreement requires a minimum coverage ratio of 1.5 on our senior debt during the fiscal year immediately preceding the issuance of the bonds, when calculated using the maximum annual debt service on the bonds then outstanding and the bonds proposed to be issued. The bond rating agencies generally require a debt coverage ratio of at least 2.0 in order to maintain the Commission's "AA" credit rating on our senior debt. To be eligible to issue additional Junior Lien Bonds, our Junior Lien Master Trust Agreement requires a projected minimum composite debt coverage ratio of 1.5. When meeting with the credit rating agencies last year we indicated that we would try to maintain a minimum composite debt coverage ratio of 1.70.

This is the proposed 2015 budget for non-pledged funds. The major source of non-pledged revenue is \$.05 in fuel tax from each gallon of fuel sold at the Commission's service plazas. The other major source of non-pledged revenue is generated by charging the food and retail vendors operating at the service plazas a fee equal to 1% of sales.

As the Chief Engineer will explain in his presentation, these non-pledged funds are also used to support the Commission Capital Budget.

This chart shows the Commission's Operating Budgets for the last seven years. The red line represents budgeted revenues, which have steadily increased from \$212 million in 2009 to \$301 million in 2015.

The green line represents budgeted operating expenditures, which have been held fairly constant over this period and have actually decreased from \$123.3 million in 2009 to \$117.6 million in 2015.

The difference between our revenues, the red line, and our operating expenditures, the green line, represents our income from operations, which has more than doubled over this period from \$89 million in 2009 to \$183 million in 2015. This has enabled the Commission to fund the increase in debt service payments from \$56 million in 2009 to \$96 million in 2015, and an increase in the amount of funds transferred to our Capital Improvement Funds from \$33 million in 2009 to \$87 million in 2015.

The total proposed 2015 Operating Budget is \$301,005,000. Both Ohio law and our Master Trust Agreement require the Commission to adopt an annual Operating Budget on or before the first day of the year. With your permission, Mr. Chairman, I would like to ask the General Counsel to please read the resolved.

Chairman: Please

General Counsel: RESOLVED that, in accordance with Article V, Section 5.01 of the Master Trust Agreement, the Commission hereby adopts the following as its Annual 2015 Operating Budget, and the Interim Executive Director, her successor or the CFO/Comptroller are directed to transmit a copy of the budget to the appropriate state officials as set forth in Ohio Revised Code Section 5537.17(F) and to The Huntington National Bank as Trustee, as required under Section 5.01(a)(iii) of the Master Trust Agreement, and to make those deposits or transfers of funds as are necessary to effectuate said budget attached hereto and incorporated by reference into this resolution.

Chairman: May I have a motion to adopt?

Mrs. Balog: So moved.

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

Chairman Hruby: I'll second it. Moved and seconded. Are there any questions or comments? Hearing none. Please call the roll.

Interim Director Carlin: Mr. Balog

Mr. Balog: Yes

Interim Director Carlin: Chairman Hruby

Chairman Hruby: Yes

Interim Director Carlin: Mrs. Barber

Mrs. Barber: Yes

Interim Director Carlin: Mr. Paradiso

Mr. Paradiso: Yes

Interim Director Carlin: Mr. Murphy

Mr. Murphy: Yes

Chairman: The Resolution is adopted unanimously.

RESOLUTION NO. 67-2014

**Resolution Adopting Proposed Annual 2015 Operating Budget and
Providing for Deposits Required under the Master Trust Agreement during 2015**

WHEREAS, Ohio Revised Code Section 5537.17(F) requires the Commission to submit a copy of its Proposed Annual Operating Budget to the Governor, the Presiding Officers of each House of the General Assembly, the Director of Budget & Management, and the Legislative Service Commission, no later than the first day of the calendar or fiscal year; and

WHEREAS, Article V, Section 5.01 of the Amended and Restated Master Trust Agreement dated April 8, 2013, between the Commission and The Huntington National Bank as Trustee (“Master Trust Agreement”), provides that the Commission shall adopt an annual operating budget on or before the first day of each fiscal year and shall file the same with the Trustee; and

WHEREAS, the CFO/Comptroller and the Interim Executive Director have recommended that the Commission adopt the attached proposed 2015 Annual Operating Budget; and

WHEREAS, the Commission, in order to comply with the provisions of Ohio Revised Code Section 5537.17(F), and the provisions of the Master Trust Agreement, takes the following action.

NOW, THEREFORE, BE IT

RESOLVED that, in accordance with Article V, Section 5.01 of the Master Trust Agreement, the Commission hereby adopts the following as its Annual 2015 Operating Budget, and the Interim Executive Director, her successor or the CFO/Comptroller are directed to transmit a copy of the budget to the appropriate state officials as set forth in Ohio Revised Code Section 5537.17(F) and to The Huntington National Bank as Trustee, as required under Section 5.01(a)(iii) of the Master Trust Agreement, and to make those deposits or transfers of funds as are necessary to effectuate said budget attached hereto and incorporated by reference into this resolution.

**OHIO TURNPIKE AND INFRASTRUCTURE COMMISSION
2015 ANNUAL OPERATING BUDGET**

	<u>PLEGGED</u>	<u>NON-PLEGGED</u>	<u>TOTAL</u>
REVENUES:			
TOLL	\$ 274,710,000	\$ -	\$ 274,710,000
CONCESSION	14,201,200	612,300	14,813,500
INVESTMENT	4,866,900	411,200	5,278,100
FUEL TAX	-	2,150,000	2,150,000
OTHER	4,052,900	-	4,052,900
TOTAL REVENUES	<u>\$ 297,831,000</u>	<u>\$ 3,173,500</u>	<u>\$ 301,004,500</u>
EXPENDITURES:			
OPERATION, MAINTENANCE & ADMINISTRATION:			
ADMINISTRATION & INSURANCE	\$ 10,914,100	\$ -	\$ 10,914,100
MAINTENANCE OF ROADWAY & STRUCTURES	38,946,500	-	38,946,500
SERVICES & TOLL OPERATIONS	53,256,200	-	53,256,200
TRAFFIC CONTROL, SAFETY, PATROL & COMM.	14,487,500	-	14,487,500
TOTAL OPERATION, MAINTENANCE & ADMIN.	<u>117,604,300</u>	<u>-</u>	<u>117,604,300</u>
DEBT SERVICE PAYMENTS	<u>96,031,200</u>	<u>-</u>	<u>96,031,200</u>
TOTAL EXPENDITURES	<u>213,635,500</u>	<u>-</u>	<u>213,635,500</u>
TRANSFERS TO / (FROM):			
EXPENSE RESERVE	376,000	-	376,000
NON-TRUST FUND	-	405,000	405,000
FUEL TAX FUND	-	2,152,500	2,152,500
SERVICE PLAZAS CAPITAL IMPROVEMENT FUND	-	616,000	616,000
RENEWAL & REPLACEMENT FUND	10,000,000	-	10,000,000
SYSTEM PROJECTS FUND	73,819,500	-	73,819,500
CONSTRUCTION FUND	-	-	-
TOTAL TRANSFERS	<u>84,195,500</u>	<u>3,173,500</u>	<u>87,369,000</u>
TOTAL EXPENDITURES & TRANSFERS	<u>\$ 297,831,000</u>	<u>\$ 3,173,500</u>	<u>\$ 301,004,500</u>

(Resolution No. 67-2014 adopted December 15, 2014)

Chairman: Anything further Mr. Seekely?

CFO/Comptroller: That completes by report Mr. Chairman.

Chairman: Thank you very much. Good job Marty. Excellent report on our budget. Next we will move on to the report of our Chief Engineer, Mr. Yacobucci.

Chief Engineer: Good morning Mr. Chairman and Commission Members. I have two resolutions for your consideration this morning. The first Resolution is for the adoption of our 2015 Capital Budget. In your folders you have a detailed Capital Budget listing all of our proposed projects for 2015. I have a brief presentation this morning, which reviews the proposed

2015 Capital Budget. At the conclusion of the presentation, I will be requesting that the Commission adopt the Resolution approving the Capital Budget. This Resolution will refer to a preliminary list of projects, which may be subject to change, and any Capital Projects in excess of \$150,000 will be brought to the Commission for individual resolutions at the time of award. This is an overview of the funds in the Capital Budget. These include the System Project Fund, the Renewal and Replacement Fund, the Fuel Tax Fund and the Service Plaza Capital Improvement Fund. I will discuss each of these in more detail this morning.

The first of the four funds I will review is the System Projects Fund. System Projects are major construction projects that are part of our Capital Improvement Program. We will begin the year with a balance of approximately \$67.6 million and approximately \$73.8 million will be transferred to this fund from the 2015 Operating Budget. We intend to carry \$35.3 million of these funds over to 2016 to cover future projects, which will result in approximately \$106.1 million available for 2015 projects. We have identified \$94.4 million in system projects, of which \$28.8 million will cover the completion of existing projects and \$65.6 million is allocated to new projects.

Continuing expenditures are for existing projects that are currently under construction and have been previously awarded in 2014. The major projects in this category primarily include the second phase of the pavement replacement projects in Cuyahoga and Sandusky Counties which were bid as two-year construction projects.

This slide lists the \$65.6 million of new System Projects to be funded in 2015. \$29.1 million has been allocated to primarily two contracts as we continue the Pavement Replacement Program in Lorain and Trumbull Counties. These are both two-year projects, so the funding for the second year of these projects will be included in 2016's Capital Budget. The budget includes \$14.3 million for a number of bridge deck replacements and rehabilitations. There is \$2.5 million allocated to Variable Speed Limit signs or other ITS projects. Approximately \$16.2 million has been programmed for resurfacing projects in 2015, in Williams, Sandusky, and Portage Counties. \$3.5 million has been allocated to Engineering Design and Consulting Services for Capital Projects. This will leave \$11.7 million available in the System Projects Fund for other unidentified projects that may come up over the next year.

The second component of the Capital Budget is the Renewal and Replacement Fund, which is required to be funded by our Master Trust Agreement in order for the Commission to maintain its buildings, vehicles, equipment and various other minor projects. We will begin the year with a balance of approximately \$4.3 million, and \$10 million will be transferred to this fund from the 2015 Operating Budget. This will result in approximately \$14.3 million available for projects in 2015. About \$1.3 million is committed to ongoing projects. New projects total approximately \$11.9 million and include \$2.9 million for replacement of maintenance equipment, \$1.7 million for vehicle replacements, \$1.5 million for the replacement of underground fuel lines at one of our service plazas, \$1.8 million for various projects at our maintenance buildings and \$2 million for various upgrades to both our communication equipment, as well as computer software and hardware. This will leave approximately \$1.1 million available in the Renewal and Replacement Fund for other unidentified projects that may come up over the next year.

The third component of the Capital Budget is the Fuel Tax Fund. This account is funded from \$.05 of the total \$.28 per gallon of fuel taxes collected for fuel sold at the service plazas being returned to the Commission. We will begin the year with a balance of approximately \$800,000 in this fund. Approximately \$2.2 million will be generated during 2015, resulting in a balance of approximately \$2.9 million available for 2015 projects. \$12,000 is committed to ongoing projects. New projects total about \$2.5 million, and include \$2 million for bridge deck overlays and \$450,000 for various bridge expansion joint replacements. This will leave \$467,000 available in the Fuel Tax Fund for other unidentified projects that may come up over the next year.

The final component of the Capital Budget is the Service Plaza Capital Improvement Fund. This account is funded from a 1% commission of sales from the food and retail vendors operating at the fourteen service plazas. The funds are designated for capital improvements at these facilities. Revenues of approximately \$616,000 are projected for 2015. Adding this to the projected 2015 beginning balance of \$1.4 million results in approximately \$2 million available for projects. \$260,000 will be budgeted for new projects in 2015. Adding this to the \$440,000 for the continued expenditure of the renovation project at our Great Lakes and Towpath Service Plazas, will result in approximately \$700,000 in total expenditures in the Service Plaza Capital Improvement Fund. This will leave approximately \$1.3 million available in the Service Plaza Capital Improvement Fund for other unidentified projects that may come up over the next year or in future years.

In summary, the 2015 Capital Budget includes \$110.8 million in identified projects and \$14.5 million for unidentified projects, for a total of \$125.3 million. That completes my 2015 Capital Budget presentation. With your permission, may the General Counsel please read the Resolved?

Chairman: Please

General Counsel: RESOLVED that, in accordance with the requirements of Article IV of the Master Trust Agreement, the Commission hereby authorizes expenditures from the System Projects Fund, Renewal and Replacement Fund, Fuel Tax Fund and Service Plaza Capital Improvement Fund for 2015 capital projects, which shall constitute System projects, with such expenditures not-to-exceed a combined total of up to \$125,301,638, and which projects shall be awarded in accordance with the requirements of Article V of the Commission's Code of Bylaws dated July 1, 2013.

FURTHER RESOLVED that the Interim Executive Director of the Ohio Turnpike and Infrastructure Commission will provide a certified copy of this resolution to the Huntington National Bank, as Trustee for the Bondholders.

Chairman: Is there a motion to adopt?

Mr. Paradiso: So moved

Chairman: Is there a second?

Mr. Balog: Second

Chairman: Moved by Mr. Paradiso and seconded by Mr. Balog. Any questions or comments? Mr. Yacobucci, I just asked the Interim Director if this was an increase over last year, is it not?

Chief Engineer: That is correct, Mr. Chairman.

Chairman: Any other questions or comments?

Mr. Murphy: I have a question Mr. Chairman.

Chairman: Yes, Mr. Murphy.

Mr. Murphy: The \$35 million for next year, what are those for? Are those just projects you are committing for, that are under design right now? Go back a couple of slides, please. It's almost at the beginning.

Mr. Balog: Funds to be carried over in 2016.

Chief Engineer: Mr. Chairman and Commission Member Murphy, I believe Marty, and correct me if I am wrong, this is the money that was appropriated from the bond sale and what we have done is we have spread that out over the course of several years to account for the spend-down.

Mr. Murphy: That's for the base replacement?

Chief Engineer: Yes, that is correct.

Chairman: Any other questions or comments? Hearing none. Please call the roll.

Interim Director Carlin: Mr. Paradiso

Mr. Paradiso: Yes

Interim Director Carlin: Mr. Balog

Mr. Balog: Yes

Interim Director Carlin: Chairman Hruby

Chairman Hruby: Yes

Interim Director Carlin: Mrs. Barber

Mrs. Barber: Yes

Interim Director Carlin: Mr. Murphy

Mr. Murphy: Yes

Chairman: The Resolution is adopted unanimously.

RESOLUTION NO. 68-2014

Resolution Adopting Proposed 2015 Capital Budget

WHEREAS, under Article V, Section 5.03(B)(i) of the Amended and Restated Master Trust Agreement dated April 8, 2013 (“Master Trust Agreement”), the Commission covenants that “from the revenues of the [Turnpike] System it will at all times maintain the System in good repair and in sound operating condition and will make all necessary repairs, renewals, improvements and replacements;” and

WHEREAS, in accordance with Article IV of the Master Trust Agreement, the 2015 annual Operating Budget includes transfers of revenues to the System Projects Fund, Renewal and Replacement Fund, Fuel Tax Fund and Service Plaza Capital Improvement Fund; and

WHEREAS, the transfers of 2015 revenues to the System Projects Fund, Renewal and Replacement Fund, Fuel Tax Fund and Service Plaza Capital Improvement Fund are intended to be added to any unspent balances in these funds and the total is to be available for capital expenditures; and

WHEREAS, the Commission’s Chief Engineer and CFO/Comptroller have prepared the attached 2015 Capital Budget that includes a recommended preliminary list of 2015 capital projects totaling up to **\$110,836,810**, which list is subject to change, and **\$14,464,828** in uncommitted funds, which may be used for currently unidentified capital projects that may be needed during 2015; and

WHEREAS, the Interim Executive Director has reviewed and concurs with the recommendations of the Chief Engineer and CFO/Comptroller; and

WHEREAS, the Commission has duly considered said recommendations.

NOW, THEREFORE, BE IT

RESOLVED that, in accordance with the requirements of Article IV of the Master Trust Agreement, the Commission hereby authorizes expenditures from the System Projects Fund, Renewal and Replacement Fund, Fuel Tax Fund and Service Plaza Capital Improvement Fund for 2015 capital projects, which shall constitute System projects, with such expenditures not-to-exceed a combined total of up to **\$125,301,638**, and which projects shall be awarded in

accordance with the requirements of Article V of the Commission's Code of Bylaws dated July 1, 2013.

FURTHER RESOLVED that the Interim Executive Director of the Ohio Turnpike and Infrastructure Commission will provide a certified copy of this resolution to the Huntington National Bank, as Trustee for the Bondholders.

	IDENTIFIED PROJECTS	UNCOMMITTED FUNDS	TOTAL BUDGETED EXPENDITURES
SYSTEM PROJECTS FUND	\$ 94,405,810	\$ 11,659,497	\$ 106,065,307
RENEWAL & REPLACEMENT FUND	13,269,000	1,054,197	14,323,197
FUEL TAX FUND	2,462,000	467,243	2,929,243
SERVICE PLAZA CAPITAL IMPROVEMENT FUND	700,000	1,283,891	1,983,891
TOTAL 2015 EXPENDITURES	<u>\$ 110,836,810</u>	<u>\$ 14,464,828</u>	<u>\$ 125,301,638</u>

OHIO TURNPIKE AND INFRASTRUCTURE COMMISSION
2015 SYSTEM PROJECTS BUDGET

Estimated Beginning Balance January 1, 2015	\$ 67,562,830
Transfers from 2015 Operating Funds:	73,819,500
Funds to be carried over to 2016	(35,317,023)
Total 2015 Available Funds	<u>\$ 106,065,307</u>
2015 Expenditures:	
Continuing Expenditures from 2014	\$ 28,805,810
New 2015 Projects:	
39 Pavement Repair & Replacement	29,150,000
43 Bridge Repair and Resurfacing	14,300,000
45 Signs - New and Replacement	2,500,000
59 Resurfacing Pavement	16,150,000
71 Engineering Consulting Services	3,500,000
Total 2015 Expenditures on New Projects	<u>\$ 65,600,000</u>
Total 2015 Expenditures	<u>\$ 94,405,810</u>
Uncommitted Funds	11,659,497
Total 2015 Expenditures and Uncommitted Funds	<u>\$ 106,065,307</u>

OHIO TURNPIKE AND INFRASTRUCTURE COMMISSION
2015 SYSTEM PROJECTS BUDGET

Estimated Beginning Balance January 1, 2015	\$ 67,662,830
Transfers from 2015 Operating Funds	73,819,600
Funds to be carried over to 2016	<u>(35,317,023)</u>
Total 2015 Available Funds	<u>\$ 106,065,307</u>

	Future Year Expenditure	2015 Expenditure	2015 Totals
2015 Expenditures:			
Continuing Expenditures from 2014:			
39 A. MP 101.2 to MP 107.2 EB/W B, Sandusky County	\$ -	\$ 14,200,000	
B. MP 164.8 to MP 159.8 EB/W B, Cuyahoga County	\$ -	\$ 13,500,000	
43 Bridge Deck Replacements MP 0.9 & 22.0, Williams County		\$ 200,000	
77 Third Lane MP 59.52 - 64.13		\$ 500,000	
Other		<u>\$ 405,810</u>	
Total Continuing Expenditures from 2014			\$ 28,805,810
New 2015 Projects:			
39 Pavement Replacement			
A. MP 144.1 to MP 149.24 EB/W B, Lorain County	\$ 16,000,000	\$ 16,000,000	
B. MP 216.1 to MP 221.0 EB/W B, Trumbull County	\$ 13,000,000	\$ 13,000,000	
C. MP 107.3 to MP 112.3 EB/W B, Erie County	\$ 25,000,000	\$ 50,000	
D. MP 186.3 to MP 191.1 EB/W B, Portage County	\$ 25,000,000	\$ 50,000	
E. MP 90.0 to MP 95.9 EB, Sandusky County	\$ 15,700,000	\$ 50,000	
Total			<u>\$ 29,150,000</u>
43 Bridge Repair and Resurfacing			
A. Y. & S. Railroad Bridge MP 233.3 Mahoning County		\$ 3,200,000	
B. Bridge Deck Replacements (MPs 16.1, 17.1, 18.1, & 19.1)		\$ 3,000,000	
C. Bridge Deck Replacements (MPs 34.9, 41.1, & 60.8)		\$ 2,400,000	
D. Misc. Bridge (14) Rehabilitations, Portage & Trumbull Counties		\$ 2,800,000	
E. Bridge Deck Replacement (MP 223.9)		\$ 900,000	
F. Bridge Deck Replacement (MP 150.5 & 156.9)		<u>\$ 2,000,000</u>	
Total			\$ 14,300,000
45 Signs - New and Replacement			
A. Variable Speed Limit Signs /ITS			\$ 2,500,000
59 Resurfacing Pavement			
A. MP 0.0 to MP 5.7		\$ 6,000,000	
B. MP 75.0 to MP 80.45		\$ 6,000,000	
C. TP 91 Ramps		\$ 1,650,000	
D. Access Roads (Humm & Frailey Roads)		\$ 500,000	
E. SP 7 Truck Parking Area (Portage/Brady's)		<u>\$ 2,000,000</u>	
Total			\$ 16,150,000
71 Engineering Consulting Services			
Design & Consulting Services			\$ 3,500,000
Total 2015 Expenditures on New Projects			<u>\$ 65,600,000</u>
Total 2015 Expenditures			<u>\$ 94,405,810</u>
Uncommitted Funds			11,659,497
Total 2015 Expenditures and Uncommitted Funds			<u>\$ 106,065,307</u>

OHIO TURNPIKE AND INFRASTRUCTURE COMMISSION
2015 RENEWAL AND REPLACEMENT BUDGET

Estimated Beginning Balance January 1, 2015	\$ 4,323,197
Transfers from 2015 Operating Funds	10,000,000
Total 2015 Available Funds	<u>\$ 14,323,197</u>
2015 Expenditures:	
Continuing Expenditures from 2014:	\$ 1,345,000
New 2015 Projects:	
24 Guardrail – Additions & Replacement	\$ 125,000
31 Maintenance Equipment	\$ 2,897,000
32 Maintenance Vehicles	\$ 1,650,000
38 Communications Equipment – New or Replacement	\$ 960,000
39 Pavement Repair & Replacement	\$ 400,000
41 Resealing Asphalt Surfaces	\$ 60,000
43 Bridge Repair & Resurfacing	\$ 150,000
46 Safety Devices	\$ 20,000
48 Administration Building	\$ 570,000
53 Service Plazas	\$ 1,525,000
56 Maintenance Buildings	\$ 1,840,000
58 Toll Plazas	\$ 230,000
61 Landscaping	\$ 125,000
66 Concrete Barrier	\$ 150,000
67 Computer Equipment	\$ 997,000
68 Right-of-Way Fence	\$ 50,000
69 Drainage	\$ 100,000
73 Automotive Equipment – Replacement	\$ 75,000
Total 2015 Expenditures on New Projects	<u>\$ 11,924,000</u>
Total 2015 Expenditures	<u>\$ 13,269,000</u>
Uncommitted Funds	1,054,197
Total 2015 Expenditures and Uncommitted Funds	<u>\$ 14,323,197</u>

OHIO TURNPIKE AND INFRASTRUCTURE COMMISSION
2015 RENEWAL AND REPLACEMENT BUDGET

Estimated Beginning Balance January 1, 2015	\$ 4,323,197
Transfers from 2015 Operating Funds	10,000,000
Total 2015 Available Funds	<u>\$ 14,323,197</u>

		2015 Totals
2015 Expenditures:		
Continuing Expenditures from 2014:		
32 5 - Single Axle Dump Trucks w/LH Wing Plows	\$ 950,000	
38 Voicemail, ACD & Call Sys. Rplc	\$ 110,000	
53 Renovation & Painting, SP 7 EB & WB	\$ 136,000	
Other	<u>\$ 149,000</u>	
Total Continuing Expenditures from 2014		\$ 1,345,000
New 2015 Projects:		
24 Guardrail – Additions & Replacement		
A. Replacement of Deteriorated Guardrail		\$ 125,000
31 Maintenance Equipment		
See Attached Exhibit "A"		\$ 2,897,000
32 Maintenance Vehicles		
See Attached Exhibit "A"		\$ 1,650,000
38 Communications Equipment – New or Replacement		
A. Camera & Accessories - MarComm	\$ 1,500	
B. 48 VDC Telecom Battery Replacement	\$ 50,000	
C. Misc. Telecom Hardware	\$ 25,000	
D. PCMB GPS Card Upgrades (24)	\$ 50,000	
E. OSHP Lasers - Model 174 Lidar (20)	\$ 52,000	
F. OSHP Radars - Model BEE111Ka Band Dual Antenna (30)	\$ 57,000	
G. OSHP Portable Radios (89)	\$ 578,000	
H. OSHP Automotive Repeaters (75)	\$ 112,500	
I. OSHP IPGate NED Chassis w/both DC & AC input (1)	\$ 22,000	
J. OSHP IPGate NED 4 Port T1/E1 Module (2)	<u>\$ 12,000</u>	
Total		\$ 960,000
39 Pavement Repair & Replacement		
A. Full Depth Pavement Repair		\$ 400,000
41 Resealing Asphalt Surfaces		
A. Sealing Paved Areas Located at LCV Lots, Access Roads, and Maintenance Buildings		\$ 60,000
43 Bridge Repair & Resurfacing		
A. Miscellaneous Structure Repairs		\$ 150,000
46 Safety Devices		
A. Replacement AED's at 14 SP's		\$ 20,000

OHIO TURNPIKE AND INFRASTRUCTURE COMMISSION
2015 RENEWAL AND REPLACEMENT BUDGET

48 Administration Building			
A. Office Furnishings	\$	10,000	
B. Postage Metering Machine	\$	10,000	
C. Renovation of Exterior & South Wing	\$	400,000	
D. HVAC Upgrade for UPS (Comm Bldg)	\$	25,000	
E. Replace two HVAC Units in TeleComm Room	\$	125,000	
Total			570,000
53 Service Plazas			
A. Replacement of RV Ticket Dispensers	\$	25,000	
B. Replacement of UST Lines SP6	\$	1,500,000	
Total			\$ 1,525,000
56 Maintenance Buildings			
A. Misc. Improvements	\$	75,000	
B. Energy Optimization & Conservation (MB 2,3,7,8)	\$	210,000	
C. Repave Kunkle MB Lot	\$	500,000	
D. Metal Bldg Replacement - Hiram MB	\$	450,000	
E. Man Doors and Frames - Misc Locations	\$	30,000	
F. Upgrade Breakroom (MB 1,3,5,6,7,8)	\$	75,000	
G. Replace Roof Top Units (MB 4 and MB 6)	\$	200,000	
H. Replace Roof Top Units (MB 3 and MB 7)	\$	300,000	
Total			\$ 1,840,000
58 Toll Plazas			
A. Misc. Improvements	\$	75,000	
B. Automatic Lane Gates TP 64 and TP 110	\$	35,000	
C. Replace Building Generator TP 173	\$	120,000	
Total			\$ 230,000
61 Landscaping			
Right-of-Way Landscaping			\$ 125,000
66 Concrete Barriers			
A. Upgrade 3rd Lane Crossovers			\$ 150,000
67 Computer Equipment			
A. Aptean/Ross Data Collection Solution	\$	95,000	
B. NowSolutions/emPath Payroll Self Service Module	\$	16,000	
C. PrimeTech/OnBase WorkflowProcess Solution	\$	180,000	
D. Multi-Function Copiers/Scanners (Admin Complex)	\$	125,000	
E. Ruggedized Laptop's (Mechanics)	\$	56,000	
F. WiFi Access Points - SPs and MBs	\$	70,000	
G. Misc. Technology Hardware	\$	25,000	
H. Misc. Software	\$	55,000	
I. Data Security System Solutions	\$	150,000	
J. Data Backup Solution	\$	25,000	
K. Turnpike App	\$	200,000	
Total			\$ 997,000
68 Right-of-Way Fence			
A. Replacement of Right-of-Way Fence			\$ 50,000

OHIO TURNPIKE AND INFRASTRUCTURE COMMISSION
2015 RENEWAL AND REPLACEMENT BUDGET

69 Drainage	\$ 100,000
73 Automotive Equipment – Replacement	\$ 75,000
Total 2015 Expenditures on New Projects	\$ 11,924,000
Total 2015 Expenditures	<u>\$ 13,269,000</u>
Uncommitted Funds	1,054,197
Total 2015 Expenditures and Uncommitted Funds	<u><u>\$ 14,323,197</u></u>

OHIO TURNPIKE AND INFRASTRUCTURE COMMISSION
2015 CAPITAL BUDGET
EXHIBIT "A"

31	Replacement of Maintenance Equipment			
	<u>Miscellaneous Maintenance Equipment</u>			
		Purchase of Misc New/Replacement Equipment (>\$1k, <=\$10k)	\$	125,000
	<u>Arrow Boards</u>			
	8	Replaces 1995-1998 Model Year Arrow Boards	\$ 4,000	\$ 32,000
	<u>Truck Mounted Message Boards</u>			
	8	Replaces old style TMA Message Boards	\$ 10,000	\$ 80,000
	<u>14', 7000# Utility Trailers</u>			
	16	Replaces 25 1995 Model Year trailers	\$ 7,500	\$ 120,000
	<u>Post Pounders with Kelly Bar</u>			
	2	Replaces 2 - 1993 Model Year Post Pounders	\$ 220,000	\$ 440,000
	<u>Sewer Trucks</u>			
	2	Replaces 2 - 1998 Model Year Sewer Trucks	\$ 370,000	\$ 740,000
	<u>Hydraulic Crawler Excavator</u>			
	2	Replaces 2 - 1996 Model Year Excavators and 2 Gradalls	\$ 185,000	\$ 370,000
	<u>Wheel Loaders</u>			
	6	Replaces 8 - 2003 Model Year Wheel Loaders	\$ 165,000	\$ 990,000
		Total		<u>\$ 2,897,000</u>
32	Replacement of Maintenance Vehicles			
	<u>10 Ton Trailers with Air Brakes</u>			
	8	Replaces 7 - 1994 Model Year trailers	\$ 15,625	\$ 125,000
	<u>Regular Cab P/U Truck Assistant Foreman Trucks w/3/4 Ton Lift Gates</u>			
	8	Replacement of 2008 Model Year	\$ 25,000	\$ 200,000
	<u>50' Aerial Bucket Truck with Auger</u>			
	1	Replaces 1997 Model Year Truck	\$ 200,000	\$ 200,000
	<u>Semi Tractor Trucks</u>			
	2	Replaces 1995 Model Year Truck	\$ 125,000	\$ 250,000
	<u>Trades Vans (9500#)</u>			
	14	Replacement of 2008 Model Year	\$ 25,000	\$ 350,000
	<u>Crew Cab Dump Trucks</u>			
	10	Replacement of 8 Sections w/plows, 2 Div. Landscape	\$ 52,500	\$ 525,000
		Total		<u>\$ 1,650,000</u>
		Grand Total		<u>\$ 4,547,000</u>

OHIO TURNPIKE AND INFRASTRUCTURE COMMISSION
2015 FUEL TAX BUDGET

Estimated Beginning Balance January 1, 2015		\$ 776,743
Transfers from 2015 Operating Funds		2,152,500
Total 2015 Available Funds		<u>\$ 2,929,243</u>
		2015
		Totals
2015 Expenditures:		
Continuing Expenditures From 2014		
40 Bridge Painting MP101.3	\$ 12,000	
Total Continuing Expenditures from 2014		\$ 12,000
New 2015 Projects:		
43 Bridge Repair & Resurfacing		
A. Bridge Deck Overlays	\$ 2,000,000	
B. Bridge Expansion Joint Replacements	\$ 450,000	
Total		\$ 2,450,000
Total 2015 Expenditures on New Projects		<u>\$ 2,450,000</u>
Total 2015 Expenditures		<u>\$ 2,462,000</u>
Uncommitted Funds		467,243
Total 2015 Expenditures and Uncommitted Funds		<u>\$ 2,929,243</u>

OHIO TURNPIKE AND INFRASTRUCTURE COMMISSION
2015 SERVICE PLAZA CAPITAL IMPROVEMENT BUDGET

Estimated Beginning Balance January 1, 2015		\$ 1,367,891
Transfers from 2015 Operating Funds		616,000
Total 2015 Available Funds		<u>\$ 1,983,891</u>
		2015
2015 Expenditures:		Totals
Continuing Expenditures From 2014		
53 Renovation & Painting, SP 6 EB & WB	\$ 440,000	
Total Continuing Expenditures from 2014		\$ 440,000
New 2015 Projects:		
41 Resealing Asphalt Surfaces		
A. Sealing Paved Areas at Service Plazas, SP 6		\$ 100,000
53 Service Plazas		
A. Fire System Notification Upgrade	\$ 60,000	
B. Misc. Interior Refurbishments	\$ 100,000	
Total		\$ 160,000
Total 2015 Expenditures on New Projects		<u>\$ 260,000</u>
Total 2015 Expenditures		<u>\$ 700,000</u>
Uncommitted Funds		1,283,891
Total 2015 Expenditures and Uncommitted Funds		<u>\$ 1,983,891</u>

(Resolution No. 68-2014 adopted December 15, 2014)

Chairman: Mr. Yacobucci, continue on please.

Chief Engineer: Thank you Mr. Chairman. My last resolution is for authorization of additional expenditures for Project No. 71-14-02 for the Engineering Design and Construction Services, relating to the Investigation, Design and Rehabilitation of Fourteen Bridges between Milepost 200.2 and Milepost 236.7 in Portage, Trumbull and Mahoning Counties. Previously, under Resolution No. 22-2014, the Commission authorized the award of a Contract to TranSystems Corporation, of Cleveland, Ohio, for Phase IA Services, consisting of a Site Inspection and an Engineering Report in the amount not-to-exceed \$91,898. On October 7, 2014, a final fee proposal was submitted in the amount of \$254,890 for the completion of Phase IB Design and Plan Preparation Services for the rehabilitation of the fourteen structures. The additional expenditures for Phase IB Services will be in excess of ten percent of the original contract award, and therefore, in accordance with Article V Section 1.00 of the Commission's Code of Bylaws, such expenditures require Commission approval. Therefore, we are requesting Commission authorization for additional expenditures with TranSystems Corporation, of Cleveland, Ohio, for Phase IB Services in the amount of \$254,890. Commission authorization will be requested in the future for Construction Administration and Inspection Services of the Project. With your permission, may the General Counsel please read the Resolved?

General Counsel: RESOLVED that the Commission hereby authorizes the additional expenditures for the completion of the Phase IB Final Design and Plan Preparation Services required under Project No. 71-14-02 in the not-to-exceed amount of **\$254,890** with **TranSystems Corporation, of Cleveland, Ohio**, and further authorizes the Interim Executive Director and the Director of Contracts Administration to amend the Contract with TranSystems to perform said services, all in accordance with the terms and conditions of the Commission's RFP for Project No. 71-14-02, TranSystems's response thereto and its fee proposals therefor.

Chairman: I move to adopt. Is there a second?

Mr. Balog: Second

Chairman: Moved and seconded by Mr. Balog. Any questions or comments?

Mr. Paradiso: I have a question.

Chairman: Mr. Paradiso.

Mr. Paradiso: How do we go from \$91,000 to \$250,000?

Chief Engineer: Mr. Chairman and Commission Member Paradiso, the way this contract is set up is the first phase, which was about the \$90,000, was for TranSystems to perform a site evaluation and inspection to determine what three bridges needed additional work. They provide us with a report and recommendation of what that work is. The second phase of the project is Phase 1B, where they actually prepare the plans and specifications, so we can put that out to bid. In this case, two of these bridges will have to be re-decked, which typically does

not happen on these jobs, but we did ask them to do an analysis because we did feel there were a couple of bridges out there that may need to be re-decked.

Mr. Paradiso: Thank you.

Chairman: Any other questions? Please call the roll.

Interim Director Carlin: Chairman Hruby

Chairman Hruby: Yes

Interim Director Carlin: Mr. Balog

Mr. Balog: Yes

Interim Director Carlin: Mr. Paradiso

Mr. Paradiso: Yes

Interim Director Carlin: Mrs. Barber

Mrs. Barber: Yes

Interim Director Carlin: Mr. Murphy

Mr. Murphy: Yes

Chairman: The Resolution is adopted unanimously.

RESOLUTION NO. 69-2014

Resolution Authorizing Additional Expenditures with TranSystems Corporation under Existing Contract for Engineering Design and Construction Administration Services (Project No. 71-14-02)

WHEREAS, via Resolution No. 22-2014, the Commission awarded a Contract to **TranSystems Corporation, of Cleveland, Ohio (“TranSystems”)** for Project No. 71-14-02 for Engineering Design and Construction Services relating to the Investigation, Design and Rehabilitation of Fourteen Bridges between Milepost 200.2 and Milepost 236.7 in Portage, Trumbull and Mahoning Counties; and

WHEREAS, TranSystems’ fee proposal for Phase IA services consisting of Site Inspections and an Engineering Report in the not-to-exceed amount of **\$91,898** was also accepted by the Commission pursuant to Resolution No. 22-2014; and

WHEREAS, TranSystems has submitted a fee proposal dated October 7, 2014, for the completion of Phase IB Final Design and Plan Preparation Services in the not-to-exceed amount

of **\$254,890**, which amount has been deemed to be reasonable and necessary by the Chief Engineer; and

WHEREAS, the additional Contract expenditures for Phase IB Services under Project No. 71-14-02 will be in excess of ten percent of the original Contract award and, therefore, in accordance with Article V, Section 1.00 of the Commission's Code of Bylaws, the Commission must authorize the amendment to the Contract incorporating such additional expenditures; and

WHEREAS, the Interim Executive Director has reviewed the recommendation submitted by the Chief Engineer, and concurs that the additional expenditures with TranSystems for the completion of the Phase IB Services under Project No. 71-14-02 should be authorized by the Commission; and

WHEREAS, at the time the construction contract(s) for the rehabilitation of the fourteen bridges between Milepost 200.2 and Milepost 236.7 in Portage, Trumbull and Mahoning Counties is/are awarded, the Commission will be requested to authorize TranSystems to perform Phase II Construction Administration and Inspection Services for said construction project(s); and

WHEREAS, the Commission has duly considered such recommendations.

NOW, THEREFORE, BE IT

RESOLVED that the Commission hereby authorizes the additional expenditures for the completion of the Phase IB Final Design and Plan Preparation Services required under Project No. 71-14-02 in the not-to-exceed amount of **\$254,890** with **TranSystems Corporation of Cleveland, Ohio**, and further authorizes the Interim Executive Director and the Director of Contracts Administration to amend the Contract with TranSystems to perform said services, all in accordance with the terms and conditions of the Commission's RFP for Project No. 71-14-02, TranSystems's response thereto and its fee proposals therefor.

(Resolution No. 69-2014 adopted December 15, 2014)

Chairman: Mr. Yacobucci, anything further?

Chief Engineer: That completes my report.

Chairman: Thank you very much. The next order of business will be a Resolution authorizing the appointment of Randy Cole as the Executive Director effective December 22, 2014. As I indicated earlier, back in August of this year when Mr. Hodges left and became the Director of Health, Robin Carlin assumed the duties as Interim Executive Director and, again, I will note, without question, she served with exemplary service, outstanding efficiency, and continued on as she has as the Deputy Executive Director providing an outstanding service to the Commission. We have reviewed candidates for this position and, again, the decision has been made to appoint Randy Cole as our new Executive Director. Randy is not someone new to the Commission, as several months ago he was part of the Commission and left us. We reached out to him and brought him back and asked him if he would be interested in the Executive Director's

position, which he accepted and we are very pleased that he has accepted that. Unfortunately, he cannot be here today as he is at his last meeting announcing his resignation from the Budget Commission of the State. Randy wanted me to pass on to each and every one of you his appreciation for the consideration and also for the support of those of you who have indicated that you are in favor of this appointment. This is an appointment of the Ohio Turnpike and Infrastructure Commission; it is not an appointment of anyone other than that. It is the responsibility of the Commission as recommended by the Chairman of the Commission. So, without further ado, if the General Counsel would read the Resolved.

General Counsel: RESOLVED that Randy Cole is hereby appointed to the position of Executive Director of the Commission effective December 22, 2014, to serve at the pleasure of the Commission; and

FURTHER RESOLVED, that the position of Executive Director shall continue to be exempt from those provisions of the Employee Manual that govern vacation leave, sick leave and personal leave; and

FURTHER RESOLVED, that Randy Cole shall be authorized to perform all of the duties and powers granted to the Executive Director as governed by Article V, Section 1.00 of the Commission's Code of Bylaws dated July 1, 2013; and

FURTHER RESOLVED that the Chairman is authorized to execute all paperwork necessary to employ Randy Cole as the new Executive Director and to establish his terms of employment and compensation; and

FURTHER RESOLVED that Randy Cole is appointed to serve as the Assistant Secretary-Treasurer effective December 22, 2014, and is authorized to perform all duties set forth in Article I, Section 5.10 of the Commission's Code of Bylaws dated July 1, 2013; and

FURTHER RESOLVED that Robin J. Carlin shall continue to serve as Interim Executive Director through December 21, 2014, after which she shall return to the position of Deputy Executive Director/Director of Administration; and

FURTHER RESOLVED that the Commission expresses its gratitude to Ms. Carlin for her exemplary service as Interim Executive Director; and

FURTHER RESOLVED that the above-mentioned action is confirmed as having taken place at this meeting in accordance with law and the Commission's Code of Bylaws, and the Secretary-Treasurer is directed to enter this Resolution in the Journal of the Commission as a record thereof.

Chairman: Is there a Motion to adopt?

Mr. Balog: So moved.

Chairman: Is there a second?

Mr. Murphy: Second

Chairman: Any questions or comments?

Mr. Kauffman: Mr. Chairman, I have had the privilege of working with Randy at OBM for several years now. In addition to the talent, experience, and the qualifications we all know he will bring to the position, we have been able to see just the energy and the enthusiasm, along with the dedication that he will bring. On my behalf and on behalf of the Director of OBM, we just want to lend our wholehearted support to his appointment as the Executive Director.

Chairman: Thank you. We appreciate that. Any other comments?

Mr. Balog: I have had the pleasure of serving with Randy when he was on the Commission and you could tell by the questions he asks that he does his homework, he does a good job. I think it will make a seamless transition between Robin and Randy taking over. I think that is great for the Commission. I think the other part is that he brings is a relationship, a good-working relationship with the Department of Transportation now. I served on the Commission when it was us against them, I think Randy will go ahead and continue to keep that great relationship with the Department of Transportation, but also with the other state agencies, which is very important, so I am glad to see Randy selected and wholeheartedly support his appointment as the Executive Director.

Chairman: Thank you Mr. Balog. Anyone else?

Mr. Murphy: Mr. Chairman, I have something to add on to the heaping appraisal of Randy. I have worked with him over the past four years in the Administration. He has been a tremendous friend of mine, both professionally and personally. He is the President of the Controlling Board and we bring dozens of things forward to the Controlling Board a couple times a month and his instincts and his advice, just being able to think logically and certainly get through the issues has been un-paralleled. I have enjoyed working with him. I was on the phone with him on a Controlling Board item last week where he said you can certainly do this, but I would advise you not to because you are going to look silly and I took his advice. So, his instincts are great and he is going to be great for this Commission. His leadership is tremendous, we are lucky to have him in the Administration and now here at the Commission. I am looking forward to working with him in this role.

Chairman: Anything else? I will reserve my comments until the next meeting when Randy is here, but I will point out one thing. We are going to have an outstanding leadership team now with Robin and Randy working together. Having the two of them, this Commission will do nothing, but get better. So, thank you for your kind words. Please call the roll.

Interim Director Carlin: Mr. Balog

Mr. Balog: Yes

Interim Director Carlin: Mr. Murphy

Mr. Murphy: Yes

Interim Director Carlin: Chairman Hruby

Chairman Hruby: Yes

Interim Director Carlin: Mr. Paradiso

Mr. Paradiso: Yes

Interim Director Carlin: Mrs. Barber

Mrs. Barber: Yes

Chairman: The Resolution is adopted unanimously.

RESOLUTION NO. 70-2014

Resolution Authorizing the Appointment of Randy Cole as Executive Director, Effective December 22, 2014

WHEREAS, Robin J. Carlin has served as the Interim Executive Director since August 11, 2014, and the Commission wishes to commend Ms. Carlin for her exemplary service to the Commission during this period; and

WHEREAS, the Executive Director serves at the pleasure of the Commission and compensation for this position is established by the Chairman in accordance with the authority granted under Article I, Section 2.00 of the Commission's Code of Bylaws dated July 1, 2013; and

WHEREAS, the Chairman has recommended to the Commission that Randy Cole be appointed as the new Executive Director effective December 22, 2014, and the Commission concurs with said recommendation; and

WHEREAS, the Commission's Members previously have determined, under Resolution No. 3-2003, that the position of Executive Director shall be exempt from those sections of the Employee Manual that govern vacation leave, sick leave, and personal leave; and

WHEREAS, the Commission Members agree hereby that the Chairman should be authorized to execute all documents necessary to employ and to establish the terms of employment and compensation for Randy Cole to serve as Executive Director; and

WHEREAS, the Commission has established a practice of appointing the Executive Director to serve as the Assistant Secretary-Treasurer of the Commission, and the Commission

wishes to continue this practice by appointing Randy Cole to the position of Assistant Secretary-Treasurer.

NOW, THEREFORE, BE IT

RESOLVED that Randy Cole is hereby appointed to the position of Executive Director of the Commission effective December 22, 2014, to serve at the pleasure of the Commission; and

FURTHER RESOLVED, that the position of Executive Director shall continue to be exempt from those provisions of the Employee Manual that govern vacation leave, sick leave and personal leave; and

FURTHER RESOLVED, that Randy Cole shall be authorized to perform all of the duties and powers granted to the Executive Director as governed by Article V, Section 1.00 of the Commission's Code of Bylaws dated July 1, 2013; and

FURTHER RESOLVED that the Chairman is authorized to execute all paperwork necessary to employ Randy Cole as the new Executive Director and to establish his terms of employment and compensation; and

FURTHER RESOLVED that Randy Cole is appointed to serve as the Assistant Secretary-Treasurer effective December 22, 2014, and is authorized to perform all duties set forth in Article I, Section 5.10 of the Commission's Code of Bylaws dated July 1, 2013; and

FURTHER RESOLVED that Robin J. Carlin shall continue to serve as Interim Executive Director through December 21, 2014, after which she shall return to the position of Deputy Executive Director/Director of Administration; and

FURTHER RESOLVED that the Commission expresses its gratitude to Ms. Carlin for her exemplary service as Interim Executive Director; and

FURTHER RESOLVED that the above-mentioned action is confirmed as having taken place at this meeting in accordance with law and the Commission's Code of Bylaws, and the Secretary-Treasurer is directed to enter this Resolution in the Journal of the Commission as a record thereof.

(Resolution No. 70-2014 adopted December 15, 2014)

Chairman: Let's move on to the report of our General Counsel, Kathleen Weiss.

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

Chairman: Thank you. Any questions for the General Counsel? Hearing none. We will move on to the report of our Financial Advisor.

Financial Advisor: No report, Mr. Chairman.

Chairman: General Consultant, Mr. Buchanan?

General Consultant: No report, Mr. Chairman.

Chairman: Trustee, Frank Lamb?

Trustee: No report, Mr. Chairman.

Chairman: Of course, our report from the Ohio State Highway Patrol, Lieutenant Weirtz.

Lieutenant Weirtz: Good morning Mr. Chairman and Members of the Commission. Since our Meeting in October, unfortunately, I have to report that we had two fatal crashes. The first one was in November and the second was just this morning. The one in November was on November 5, 2014, at 11:26 a.m. and involved six vehicles in Mahoning County. A female victim, age 34, from the State of Maryland was killed in that crash. This morning at 5:25 a.m., a single commercial vehicle at Exit 25 in Fulton County, rolled over. The male victim was 57-years old, obviously, the crash is still under investigation and that is all of the details I have at this time. That brings our current total of fatal crashes to ten, with ten killed for this year.

On a positive note, on our criminal patrol side, we have been very busy in November and so far in December. I will just go through a few brief highlights. On November 3, Sgt. Lee from our Hiram Post confiscated \$85,000 in U.S. currency. That case was adopted by the DEA. On November 5, Trooper Harkey from the Swanton Post confiscated six bundles of U.S. currency. That case was adopted by the FBI, so we do not have the total amount, but I am assuming it was a large sum of U.S. currency. On November 11, Trooper Wilt from the Milan Post confiscated 191 grams of heroin, 75 grams of crack and a stolen 40-caliber Smith & Wesson handgun. On November 19, Sgt. Laughlin from our Turnpike Criminal Patrol Team and Trooper Kelly from the Hiram Post, stopped a vehicle and confiscated U.S. currency in the amount of \$25,000. On December 10, Trooper Holden from our Columbus Criminal Patrol Team was working on the Ohio Turnpike and confiscated five pounds of marijuana inside large glass jars that were concealed inside Christmas packages so, as you can see, the criminals will go to all different means to try and conceal these drugs. Again, on December 11, Trooper Holden also, while working on the Turnpike, confiscated ten pounds of crystal methamphetamines, which was hidden inside a compartment in the vehicle. That completes my report.

Chairman: Thank you. Are there any questions for the Lieutenant? Congratulations on those arrests. The next meeting of the Turnpike Commission will be on Monday, January 26, 2015 at 10:00 a.m. That will be designated as a Special Meeting. We may change that date, I am not sure depending on the availability of the Commission Members. We are changing the date to the fact that our regular scheduled meeting is on Martin Luther King Day, so we are going to change that. I know we are working with Mr. Balog on that date, so he can be in attendance.

I would just like to make a comment as it is year's end, of course, Merry Christmas and Happy New Year to each and every one of you on behalf of the Commission. Happy Holidays!

This has been a great year, we have had tremendous support from you Senator, we appreciate your leadership in the Senate in matters of transportation as they directly relate to the Turnpike and, of course, Representative Dovilla for your support in the House making sure that our best interests are taken care of on that level. Mr. Murphy, again, you heard Mr. Balog speak about the great relationship that we now enjoy with ODOT and you are directly responsible for that relationship and we appreciate that.

I would also like to thank the administrative staff, again led by Robin, Marty, Tommie Jo, Kathleen, Tony, and all the rest of the staff. They have done an outstanding job. I can reflect back, and I am not a longtime member of this Commission, I am a short-timer, but I remember when I first came here, which is only a couple of years ago, the reputation of the Turnpike was a little different than it is today, it is because of this fine administrative staff that has been led by Robin and, of course, Rick Hodges, and the good public relations and publicity from Adam. Adam, thank you for all that you do. It is a great administrative staff. Then, of course, the Commission and the leadership of each and every one of you. Your attendance records are outstanding, you participate, you pay attention, and we appreciate that so very much. Engineering, it seems seamless. We have had a few Engineers now and they just keep the level of service excellent and Tony you have done a great job since you have assumed those duties, and we appreciate that.

Also, the Ohio State Highway Patrol, I do not want people to think that the Turnpike is laden with crime, it is not. It is just these bozos think they can drive through here and have drugs and other things that they have with them not knowing that the Ohio State Highway Patrol is such an excellent organization and that they are going to get anybody going through here if they do something stupid and most of them do think stupid. The Captain and Lieutenant, and all of those who have represented the OSHP have really done an outstanding job of both traffic safety and stopping vehicles coming through thinking that the Turnpike is their best avenue to move their contraband through the state.

Lastly, without question, our employees. They are the ones that really make everything happen. They maintain the road, they keep it clean from the snow and respond in all kinds of emergencies and without them we would not be what we are. This is a fine road, our plazas are outstanding, they are clean and up-to-date, the food is excellent and the road is in great condition, it is maintained very well and we have much to be proud of. This is an outstanding organization. I just want to say it on behalf of the Commission to all of you, so thank you for your attendance this past year, and thank you all for our participation in making this Turnpike what it is. We look forward to working with Mr. Cole and, of course, Robin to continue our relationship with you. Are there any questions? Hearing none. May I please have a motion to adjourn?

Mr. Balog: So moved.

Chairman: Is there a second?

Mr. Paradiso: Second

Chairman: All those in favor reply by saying “aye.” All those opposed? Hearing none. We are adjourned.

Time of adjournment: 10:46 a.m.

Attendees for Record Keeping Purposes:

Scott Buchanan, URS; Jerrod Williams, Wells Fargo; Joe Casto, IUOE Local 18; Bethany Pugh, PFM; Jennifer Townley, ODOT; Tim McDonald, ODOT; Halle Jones Capers, G. Stephens; Lieutenant Weirtz, OSHP; Sarah Brown, HNTB; Dan Castrigano, GPI; Jillian Hanes, JB Hamlin; Hamid Homae, TranSystems; George Braxendale, Hill International; Kurt Kauffman, OBM; Beth Fulton, URS; Frank Lamb, Huntington; Marty Seekely, Ohio Turnpike; David Miller, Ohio Turnpike; Dennis Albrecht; Ohio Turnpike; Kathleen Weiss, Ohio Turnpike; Robin Carlin, Ohio Turnpike; Sharon Isaac, Ohio Turnpike; Tommie Jo Marsilio, Ohio Turnpike; Lisa Mejac, Ohio Turnpike; Helen Guggenbiller, Ohio Turnpike; Jennifer Diaz, Ohio Turnpike; Chris Matta, Ohio Turnpike; Brian Newbacher, Ohio Turnpike.

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

Sandra K. Barber, Secretary-Treasurer