

**MINUTES OF THE 635th MEETING OF THE
OHIO TURNPIKE AND INFRASTRUCTURE COMMISSION
DECEMBER 19, 2016**

Chairman: Good morning. Will you please stand and join me in reciting the Pledge of Allegiance.

The meeting will come to order. Have all guests signed the sign-in sheet in the Lobby? If not, please do so prior to leaving, so we can maintain an accurate account of attendance.

Commission Member Dixon and Mr. Kauffman of OBM are unable to attend today's meeting. Mr. McAuliffe of ODOT is unable to attend today's meeting, so Jennifer Townley is here to represent ODOT today.

Unfortunately, we had to accept the resignation of Mr. Gasior. He resigned from the Commission for personal reasons, which we totally understand. We miss him, he was a very good member in the short time that he served here. He was very open for discussion. He made a lot of contribution on his part, so we thank him for his limited service.

Will the Assistant Secretary-Treasurer please call the roll?

Assistant Secretary-Treasurer: Chairman Hruby

Chairman Hruby: Here

Assistant Secretary-Treasurer: Vice Chairman Paradiso

Vice Chairman Paradiso: Here

Assistant Secretary-Treasurer: Commissioner Barber

Secretary-Treasurer Barber: Here

Assistant Secretary-Treasurer: Ms. Townley

Ms. Townley: Here

Assistant Secretary-Treasurer: Representative Dovilla

Representative Dovilla: Here

Assistant Secretary-Treasurer: Senator LaRose (10:07 a.m.)

Senator LaRose: Here

Assistant Secretary-Treasurer: Commissioner Peterson (10:14 a.m.)

Mr. Peterson: Here

Chairman: This is the 635th 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 previously been sent our Members and updated drafts are in the Members' folders. Resolutions will be explained during the appropriate reports.

Chairman: May I have a motion to adopt the Minutes of the November 21, 2016, Commission Meeting? Any questions or comments? Hearing none, please call the roll.

MOTION: A motion to adopt the Minutes of the November 21, 2016, Commission Meeting was made by Mr. Paradiso and seconded by Chairman Hruby. All Commission Members present voted to approve the Minutes.

Chairman: Every once in a while, we have to do this and, unfortunately, this morning we have to do it again. We are losing another fine Ohio State Highway Patrol leader, our representative, the man who takes care of making sure that all of the 90 vehicles assigned to the Turnpike and all of the men and women assigned to the Turnpike do their very best and they certainly have under the direction of Staff Lieutenant Weirtz. The Staff Lieutenant has decided to retire, not totally, but I will leave that up to him to explain what that means, but he is retiring from the Ohio State Highway Patrol. We do have a resolution and if the General Counsel would please read the resolution. We will take action.

General Counsel: Resolution Expressing Appreciation of Staff Lieutenant William Weirtz.

Chairman: I'll move for the adoption of the resolution. Is there a second?

Mrs. Barber: Second.

Chairman: Any questions or comments? Randy, please.

Director Cole: If we could please have Staff Lieutenant Weirtz come to the podium. Briefly, I just want to say Staff Lieutenant Weirtz has been here for 2½ years, he has been here the entire time I have been Director and he offered some fantastic service to our customers, our partners, our employees, the safety on the Turnpike, enforcement, a number of issues we have dealt with. Few people that I have worked with have the same kind of professionalism, candor, and openness to the changes we are making here at the Turnpike and he has been a great partner in that. We have become personal friends, in fact, my wife has tried to block his retirement, I have assured her that we will get the same type of quality person in Bill's replacement, but he is a great family man, he has become a good friend. We have a special bond, as parents and fathers of special needs daughters and we have shared both personal and professional developments through the last two years. We also are bearing the burden of children in college, so we have shared a lot of personal stories that I think have strengthened that bond, but Bill you have done just a fantastic

job for the Turnpike. We have been in good hands whether it was 2:00 in the morning on a Saturday night, or after a Signal 30 or whatever else we have dealt with, I knew a phone call or text message to you meant that we were going to help solve the problem we had here on the Turnpike, so thank you very for everything. Would you like to offer your last report to this Commission?

S/Lt. Weirtz: Yes, Mr. Director I would. Thank you for your comments. It has been a pleasure and a honor to not only serve with the Highway Patrol for 26½ years, but in addition to my 2½ years as liaison officer here, I was also Post Commander at the Hiram Post, which was an opportunity to work with some fine folks here on the Turnpike and then the last 2½ years was really a breath of fresh air coming from a very rigid structured organization like the Highway Patrol into the Turnpike, which does things a little differently and it is kind of bitter sweet that I leave at a time when both organizations are going through a lot of change for the good and I know it is as exciting time here and also with the Highway Patrol. It has been an honor to work with all of you, the Commission, the Directors, Turnpike staff, maintenance folks out there doing it day in and day out and especially our folks in the grey shirts that up here keeping this road safe. With that, Mr. Chairman, with your approval, I will give my last official liaison report.

Chairman: Please do.

S/Lt Weirtz: Since our last Commission Meeting, the Patrol has investigated two fatal crashes. One, we hope, that we will have removed as considered a fatal crash, and that will be documented as a medical crash instead of a fatal crash. The first one occurred on November 28, 2016, at 2:04 p.m. at milepost 217, Eastbound in Mahoning County. A 69-year old male from Holland, Ohio, was driving a 2014 Chevy Suburban. He drove off the right side of the roadway, not evasive action, unknown why he drove off the roadway, and that is the one that we are waiting to see if it will be considered a medical, instead of a traffic fatality. He did strike and embankment and several trees and was pronounced deceased at the scene.

The second one occurred on December 9, 2016, at 8:05 a.m., at milepost 119 Westbound in Erie County. An 18-year old male from Toledo, Ohio, was driving at a high rate of speed in his 2004 Dodge Stratus. He sideswiped a 2017 Ford Explorer, then drove off the right side of the roadway, striking a ditch and overturning, which then ejected three of his passengers. A 19-year old male passenger also from Toledo was life-flighted to Cleveland Metro Hospital where he died from his injuries later that day. So, currently that leaves us at ten crashes and eleven killed, which is the same as year-to-date for 2015.

On our criminal patrol, our Troopers, have been very busy. We had two significant cases recently. The first one was on December 2, 2016. Trooper Rick Anderson from the Milan Post, stopped a 2016 Dodge Charger with an Ohio registration for a marked lanes violation at milepost 104 Eastbound in Sandusky County. Criminal indicators were present and a U.S. Border Patrol K-9 conducted a sniff of the vehicle. The K-9 sniff resulted in a positive indication and a probable cause search revealed a duffle bag found in the trunk that contained nine pounds of marijuana.

The second case was also on December 2, 2016. Trooper John Lamb, who is from our Warren Criminal Patrol team, was up here working on the Turnpike, stopped a rented 2016 Jeep

Cherokee Latitude bearing a Pennsylvania registration for a marked lanes violation at milepost 209 Eastbound in Trumbull County. Criminal indicators were present and a free air sniff was conducted. A probable cause search revealed twenty-one credit/debit cards, a credit card scanner, two cell phones and two laptops. The suspect had a criminal history for access device fraud, identity theft, theft by deception, and receiving stolen property. That case is still under investigation for prosecution against the suspect.

I would like to report an unusual incident that involved two toll collectors that was very significant in helping to solve a murder case in the City of Warren. On December 5, 2016, at 2:48 p.m., Toll Collectors Linda Haar and Eva Linver, at the Stony Ridge Toll Plaza, observed a pistol outside the toll office that was discarded by a salt bin. They recovered the Smith and Wesson 45 pistol that had been discarded there. Ohio State Highway Patrol Troopers and Investigators from the Swanton Post and the Findlay District Headquarters took possession of the gun and interviewed both Haar and Linver. It was later discovered that the weapon had been used in a homicide that occurred in the City of Warren. A female witness to the homicide and also a victim of a kidnapping escaped from the suspect in Detroit and returned to Warren where she reported the incident to Warren Police. She then accompanied Warren detectives to Stony Ridge to show them where the gun had been discarded only to find that the gun had been recovered by the Toll Collectors and the Ohio State Highway Patrol. Due to the alert actions of our Toll Collectors, the weapon used in this crime has been recovered, which further strengthened the case against the suspect.

Lastly, I will conclude by saying yes, I am retiring from 26½ years of service to the Ohio State Highway Patrol and the Ohio Turnpike, but I am going to continue my service to the citizens in Stark County and like LeBron James did, I am taking my talents south, just not quite to South Beach, just to Stark County with the Stark County Sheriff's Department, where I will be serving under Sheriff George Maier.

That concludes my report, Mr. Chairman. Thank you for everything that you have done for the Turnpike and your support of me of over the last 2½ years.

Chairman: You are very welcome. When we read the Resolved sometimes we overlook some really fine things about a person's career and I think we have with you. I would like to quote a few things from the Resolution, Staff Lieutenant, as we say goodbye to you. First of all, it says that served with distinction, we all know that. You have done an outstanding job and have really continued the level of service and really increased it. You earned numerous awards, dozens of commendations, most recently from Governor John Kasich in August 2016. You have safe driving awards, you were the Trooper of the Year, you have been a Staff Lieutenant, you are known for your honor, your dedication, and effective service as a Staff Lieutenant. All that put together, working for one fine organization means a significant contribution to making this state better. We thank you so very much for your service.

Does anyone else wish to make a comment? Hearing none, please call the roll.

MOTION: A motion to adopt the *Resolution Expressing Appreciation of Staff Lieutenant William Weirtz*, was made by Chairman Hruby, seconded by Mrs. Barber, and approved by all Commission Members present. Resolution No. 67-2016 is attached hereto as an Exhibit.

Chairman: Thank you again, Staff Lieutenant, we appreciate you very much. We will move on to the report of our Secretary-Treasurer, Mrs. Barber.

Secretary-Treasurer: Thank you, Mr. Chairman. The following items have been provided to the Members since the last scheduled meeting of the Commission on November 21, 2016:

1. Nine Resolutions;
2. Draft Minutes of the November 21, 2016, Commission Meeting; and
3. Agenda for today's meeting.

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

1. Traffic Crash Summary Report, November 2016;
2. Traffic and Revenue Report, November 2016;
3. Total Revenue by Month and Year, November 2016;
4. Investment Report, November 2016
5. Financial Statement, November 2016; and
6. Various News Articles.

Chairman: Thank you. Any questions for Mrs. Barber? Please have the Minutes reflect that Senator LaRose (10:07 a.m.) and Mr. Peterson (10:14 a.m.) are now in attendance at our meeting. We will now move on to the report of the Executive Director, Mr. Cole.

Director Cole: In January, we highlighted our record-setting year with over 53.4 million vehicles and over three billion miles traveled. Through the end of October, we were 1.37 million vehicles and 39.9 million miles traveled ahead of last year. If we don't get unusually bad weather before the end of the year, we should top last year's mark. It is a testament to the hard work of our Maintenance Department, the efficiency and customer service of our Toll Operations team and the continued quality of our service plazas that keep driving those numbers up.

A major focus this year was safety. We have good news on the customer side, with 11,395 drivers who signed up to take the distracted driver pledge. In addition, the Highway Patrol, ODOT and the Turnpike have all been persistent in getting the word out about safety, including our participation in the *Kickoff for National Work Zone Awareness Week* (April). We hope these efforts are part of the reason the number of accidents through October of this year are down by 144, or almost 7%. On the employee side, we do have mixed results. We are still below average in workers' compensation claims, but we have seen an increase from last year's historic lows.

Everyone knows that 2016 was a big year for improving technology and communications on the Turnpike. In addition to installing computer kiosks for employees at every facility, over 600 employees received e-mail training in March and April, then we successfully completed our first online (paperless) open enrollment in November and December. Teams of OTIC employees are now working to prepare for the rollout of electronic timekeeping and scheduling in the spring of 2017. Also, we successfully transitioned to the MARCS radio system and should have a new voiceover internet protocol phone system in place by the end of the year or January 2017.

One of the biggest improvements of the year was automating the credit card processing in our toll lanes, reducing the transaction time by 50% or more.

We began extensive work to evaluate our current toll system. Most of the data gathering is complete, including customer surveys and extensive facility and infrastructure review. A management team is now working with our consultants to narrow alternatives for further review. There is still quite a bit of work left to do. The in-depth analysis and development of a long-term strategic plan should be completed in early 2017.

It was a good year for sports fans. In June, the Cleveland Cavaliers ended the championship drought and brought home the NBA title, while the Cleveland Indians thrilled us with a seven-game World Series that many believe may have been the most exciting and dramatic in history. The Chicago to Cleveland *#TurnpikeSeries* allowed us to be a part of the fun too.

In addition, the Turnpike made its own history this year. As a family, we set a record for pledges to the Combined Charitable Campaign. It wasn't just the over \$30,000 raised that was impressive, it was how we did it. We tied the record for percent of employees participating and for the second year in a row, the Teamsters Local 436 helped put us over the top, this year donating \$500 to the cause. Our effort will help a lot of families and important organizations along the Turnpike.

As we look toward 2017, your first order of business is passing the Operating and Capital Budgets for the year. Our Operating Budget keeps the Commission in line to meet our operating needs and fulfill our debt service requirements. As we look at the Capital Budget, our emphasis in 2017 is that we will continue to make improvements to ensure reliable travel, but we will have less congestion in work zones because we will have 25% fewer lane miles under construction. We heard loud and clear from our customers last summer. They want fewer orange barrels, so we are carefully balancing customer preference with the pace of our program for improvements. We maintain our commitment to replacing the 60-year old base and resurfacing to ensure a smooth ride for customers.

In addition to improving the roadway and our bridges, in 2017 we will begin to deploy Dedicated Short Range Communications (DSRC) or connected vehicle technology. Installation of the technology will take place on the mainline in the Boston and Amherst Maintenance Sections between mileposts 126.4 in Erie County (Berlin Township) and 187.5 in Portage County (Streetsboro) and forty Ohio Turnpike maintenance vehicles will be equipped with onboard units that will gather and supply data to managers monitoring their usage and safety of the equipment.

As you know, we changed auditing firms this year. Three representatives from Plante Moran are here today and they are Mary Schafer, Keith Martinez, and Danny Sklenicka. We had a very productive kickoff meeting and look forward to working with the Plante Moran team through the audit.

Personally, I would like to thank all of you for your support of our operations and guidance and oversight throughout the year. My deepest wishes to all of you and your families for a very safe and Happy Holiday Season.

Thank you, Mr. Chairman. I would be happy to answer any questions.

Chairman: Any questions or comments for the Director? Randy, on behalf of the Commission, I want to thank you for an outstanding year. You have certainly put a lot of things in motion, brought a lot of new things to the Turnpike and you have made us much better and we appreciate that. Mr. Peterson has been brought to the board, his expertise has been a definite positive to the operation. Senator LaRose coming onboard and his outstanding contribution on his behalf and bitter sweet, Mr. Dovilla, I am sorry Representative Dovilla will not be with us. He completes his service with the State government at this point, but I am sure we will be hearing that name again someday soon.

Representative Dovilla: Thank you.

Chairman: Thank you all for your work. We appreciate having members of the State Legislature at the table and, again, Mr. Peterson, a new Member to the Board. Randy, you have again, done an outstanding job and I believe listening to what you have said on the plate that you have set yourself now going in to 2017, you will do even a better job in the future.

Mrs. Barber: We appreciate your leadership, Randy. You are a joy to work with. I like your communication and keeping us informed as Commission Members. So, thank you.

Mr. Peterson: I would like to thank you very much. I am honored to be part of this team and working with you. Thank you.

Director Cole: Mr. Chairman, all I would like to say is that I am not going anywhere, this is feeling a little bit like one of those farewell speeches. I have all these projects in place, I call that job security because no one quite knows how to get them all put together and done on time, so I am not going anywhere.

Chairman: Thank you. Let's move on to our CFO/Comptroller/DED, Marty Seekely.

CFO/Comptroller/DED: Thank you Mr. Chairman. I have an update on our traffic and revenue the month of November and three resolutions for your consideration this morning.

The first resolution for your consideration is a resolution authorizing a perpetual license and five-year maintenance agreement with Apteon, Inc. for the enterprise management system.

In 1996, the Commission entered into an agreement with Ross Systems, Inc. for implementation of its enterprise resource planning (ERP) software solution, which currently provides all of the Commission's financial software, including financial reporting, purchasing, accounts payable, accounts receivable, fixed asset, and inventory systems. In 2012, Apteian acquired Ross Systems and assumed the Commission's contract.

Apteian currently provides maintenance services to the Commission for the ERP system under a three-year agreement that expires on December 30, 2016. Apteian has submitted a cost proposal for software maintenance services for a five-year period with annual cost increases of 3% as follows:

For the years ended December 30:

2017	\$88,844.97
2018	\$91,510.32
2019	\$94,255.63
2020	\$97,083.29
2021	\$99,995.79

The original agreement, in 1996, also provided for an initial software license term of 20 years, which expires this year. Apteian has agreed to a one time perpetual license fee of \$21,564 to allow for the Commission's continued use of the software. The Commission's staff members are satisfied with the performance of the ERP system and it is the recommendation of the Chief Technology Officer and the CFO/Comptroller that the Commission enter into the five-year software maintenance agreement and the perpetual software license.

May the General Counsel please read the title of the resolution.

General Counsel: Resolution Approving an Agreement with Apteian, Inc. to Obtain a Perpetual License for \$21,564.00 and Maintenance Services for \$88,844.97 Per Year, Increasing Three Percent Annually, for the Continued Use and Support of its Enterprise Resource Planning System for a Five-Year Period.

Chairman: Any questions or comments? Hearing none, please call the roll.

MOTION: A motion to adopt the *Resolution Approving an Agreement with Apteian, Inc. to Obtain a Perpetual License for \$21,564.00 and Maintenance Services for \$88,844.97 Per Year, Increasing Three Percent Annually, for the Continued Use and Support of its Enterprise Resource Planning System for a Five-Year Period*, was made by Chairman Hruby, seconded by Mr. Paradiso, and approved by all Commission Members present. Resolution No. 68-2016 is attached hereto as an Exhibit.

Chairman: The Resolution passes unanimously. Marty, please continue.

CFO/Comptroller/DED: The next resolution for your consideration is a Resolution approving the selection of Electronic Merchant Systems to perform credit card processing services.

The Commission utilizes a credit card processor to provide an interface between its various point-of-sale, the credit card networks and ultimately the issuing banks. The agreement with the Commission's current credit card processor will expire on January 31, 2017.

An RFP to provide credit card processing services was issued on August 29, 2016.

Ten proposals were timely received in response to this RFP. An Evaluation Team consisting of the Director of Audit and Internal Control, The Technology Manager and myself reviewed the proposals. The Director of Contracts Administration also performed a review of the proposals for compliance with legal requirements.

The proposals from Bank of America Merchant Systems, BankCard USA, Capital One/Vantiv and TSYS Merchant Solutions, LLC, did not contain the required information for most of the topics to be addressed in the RFP's response and were eliminated from consideration due to those omissions. The cost proposal from Priority Payment Systems was more than double the next highest proposal, so it was also eliminated from consideration.

The Team met in a group setting and discussed the remaining proposals. The time and effort needed to convert from our existing credit card processor, Electronic Merchant Systems or EMS, and a new processor was discussed and the Commission's toll system integrator, Transcore, was asked to provide an estimate of the time and cost necessary to change credit card processors. Transcore advised that a system upgrade would be necessary to accomplish this task, which would take approximately six to twelve months at a cost of approximately \$750,000. The Commission is also currently studying its toll system and, depending on the outcome of the study, may replace the toll system software within the next three years.

Because of the complexity and cost of a change in the credit card processor and the uncertainty surrounding possible changes to the toll system, the Team decided that retaining the current credit card processor would be the best option now, if a reduction in fees could be negotiated.

The Commission's current credit card processor, EMS, was contacted and a reduction in the estimated annual fees from \$317,930 to \$195,389 was negotiated. In addition, a cost for credit card updates of \$0.25 per update was negotiated should the Commission decide to utilize this service in the future. The new contract with EMS should reduce the Commission's credit card processing costs by approximately \$122,000 per year.

Based upon the result of the evaluation and price negotiation processes, the Evaluation Team recommends that the Commission contract with Electronic Merchant Systems of Independence, Ohio, for credit card processing services for an initial term of five years with three two-year options to renew. In accordance with the terms of the RFP, the Commission may terminate the contract at any time by providing 30 days' notice.

May the General Counsel please read the title of the resolution.

General Counsel: Resolution Approving the Selection of Electronic Merchant Systems to Perform Credit Card Processing Services for the Estimated Annual Fee of \$195,389.00 for Five Years with the Option to Renew for Three Additional Two Year Terms.

Chairman: Any questions or comments? Hearing none, please call the roll.

MOTION: A motion to adopt the *Resolution Approving the Selection of Electronic Merchant Systems to Perform Credit Card Processing Services for the Estimated Annual Fee of \$195,389.00 for Five Years with the Option to Renew for Three Additional Two Year Terms*, was made by Chairman Hruby, seconded by Mr. Peterson, and approved by all Commission Members present. Resolution No. 69-2016 is attached hereto as an Exhibit.

Chairman: The Resolution passes unanimously. Marty, please continue.

CFO/Comptroller/DED: Next, I have an update on our traffic and revenue the month of November.

This first chart shows the monthly passenger car miles traveled on the Ohio Turnpike over the past two years. Passenger car vehicle miles traveled were 2.1% higher than last year in November.

Commercial traffic was 4.7% higher than last year in November. There was one more weekday in November this year than there was in November last year.

This chart shows the total vehicle miles traveled through the month of November during each year over the past decade.

Total vehicle miles traveled for the first eleven months of this year were 1.6% higher than the amount from last year.

If you subtract February 29th from this year's total, total vehicle miles traveled are up 1.4% over last year.

The increase in traffic combined with the toll rate increase on January 1 of this year caused passenger car toll revenue to increase 3.5% in November from the corresponding month last year.

The 4.7% increase in commercial traffic combined with the toll rate increase resulted in Commercial vehicle toll revenues increasing 7.6% 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 through November were \$8.1 million or 3.1% above the amount from last year.

If you subtract February 29th from this year's total, total toll revenues are up \$7.5 million or 2.9% over last year.

That completes my report on traffic & revenue. I would now like to present the proposed 2017 operating budget for your consideration.

Chairman: Any questions or comments for Marty. Hearing none, please continue.

CFO/Comptroller/DED: This pie chart provides an overview of the proposed 2017 revenue budget.

Tolls are obviously the major source of the Commission's funding, representing 91.6% of projected 2017 revenues.

Concessions generated from sales of food, fuel and other retail goods and services at the Commission's service plazas are estimated to be 4.9% of total revenues.

The remaining 3.5% consists of investment earnings, fuel taxes and other miscellaneous revenues.

This slide shows a comparison of the proposed 2017 budget to the 2016 budget for pledged funds.

The toll revenue budget is \$1.5 million or 0.5% higher than last year's budget. Our 2016 actual toll revenue is running about 2% below budget, so the 2017 budgeted toll revenue is about 2.5% above our projected 2016 toll revenue. Tolls will be increased 2.7% on January 1 next year.

The Concession revenues budget is \$646,000 or 4.4% more than last year's budget.

Investment revenue is budgeted to decrease by \$200,000 or 5.5% from last year's budget. The decrease is due to an approximately \$250 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 2017 pledged revenues budget totals \$323.2 million, an increase of \$2.6 million or 0.8% from the 2016 budget.

This slide shows the projected 2017 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 0.1% from the 2016 budget. The budgeted amount of Commercial vehicle miles traveled is projected to decrease 2.6% while the budgeted amount of passenger car miles traveled is projected to increase 1.4% from last year's budget.

The *E-ZPass* rate of usage for Class 1 vehicles (passenger cars) is budgeted to increase to 52.4% in 2017. Increases in *E-ZPass* usage are budgeted for the commercial vehicle classes 2 through 7 as well.

Consequently, the additional revenue generated by the toll rate increase combined with the slight increase in vehicle miles traveled results in total toll revenue of \$299.4 million, which is an increase of \$1.5 million from our 2016 toll revenue budget.

It is expected that only 3.8% of the Commission's 2017 budget will be spent on administration and insurance. We project that 12.7% of the budget will be needed for the maintenance of the roadway and structures, 17.8% for the operation of the toll and service plazas, and 4.4% for traffic control, safety, patrol and communications.

The Commission currently has about \$1.6 billion in senior and junior lien bonds outstanding and we have budgeted for a \$200 million junior lien bond issuance for some time in 2017. The debt service on those bonds will require 32.2% of the Commission's 2017 expenditures budget, leaving 29.1% available for capital projects.

Our investment in the MARCS radio system and a new voice over IP phone system has allowed us to cancel our telecommunications maintenance contract with Transcore. We have planned to add three full-time technicians to handle the remaining telecommunications equipment that will no longer be serviced by Transcore personnel. This will allow us to reduce our payments to Transcore by \$1 million per year.

We have added three part-time service plaza employees to increase our customer service at the service plazas and have planned a reduction in the number of part-time non-bargaining employees, most of which were summer help or seasonal interns.

We have added five part-time toll collectors to fill open positions.

The total 2017 staffing budget is 983, which is a net increase of 1 full-time and 3 part-time positions from last year's budget.

Fringe benefits are budgeted to increase \$4.2 million or 19.1% from last year's budget primarily due to a \$3.4 million GASB 68 pension expense increase.

Most of the increase in Administration & Insurance is due to increased wage and fringe benefit expense.

The increase in Maintenance of Roadway & Structures is due primarily to the increase in fringe benefit costs.

Most of the increase in Services & Toll operations expenses is due to increased wage and fringe benefit expense combined with a projected increases credit card fees due to increased *E-ZPass* use.

The decrease in Traffic Control, Safety & Patrol is primarily due to the cancelation of the Transcore telecommunications contract.

Total 2017 operating, maintenance and administrative expenses are expected to increase by \$4.2 million or 3.5% over the 2016 budget.

Debt service payments on \$525 million in existing senior lien debt, \$1.0 billion in existing junior lien debt and a new debt issuance of \$200 million in junior lien bonds are estimated to be \$105 million in 2017.

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 \$4.2 million, we are required to add one-twelfth of this amount, or \$354,000 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 \$10.0 million to the Renewal and Replacement Fund and a transfer of \$81.5 million to the System Projects Fund.

The 2017 budgeted debt coverage ratio on our senior debt is 3.27 and the composite debt coverage ratio on all of our debt is 1.89.

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 when we issued bonds in 2013, we indicated that we would try to maintain a minimum composite debt coverage ratio of 1.70.

This is the proposed 2017 budget for non-pledged funds.

The major source of non-pledged revenue is five cents 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's capital budget.

This chart shows the Commission's Operating Budgets for the last 9 years. The red line represents budgeted revenues, which have steadily increased from \$212 million in 2009 to \$327 million in 2017.

The green line represents budgeted operating expenditures which have been held fairly constant over this period and have increased slightly from \$123.3 million in 2009 to \$126.3 million in 2017.

The difference between our revenues, the red line, and our operating expenditures, the green line, represent our income from operations which has more than doubled over this period from \$89 million in 2009 to \$200 million in 2017.

This has enabled the commission to fund the increase in debt service payments from \$56 million in 2009 to \$105 million in 2017 and an increase in the amount of funds transferred to our capital improvements funds from \$33 million in 2009 to \$95 million in 2017.

The total proposed 2017 operating budget is \$326,815,000.

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 title of the resolution.

General Counsel: Resolution Adopting Proposed 2017 Annual Operating Budget and Providing for Deposits Required Under the Master Trust Agreement During 2017.

Chairman: Any questions or comments?

Director Cole: Just a quick comment. I think Marty did a great job explaining where we are going into this year, but in context. But a quick comment, you guys said very nice things about me at the beginning of the meeting after my report, and I do appreciate that, but very clearly, the Turnpike team is what delivers all of that and if I could make the analogy of being a conductor at an orchestra. If it weren't for each of those departments and everyone that makes this budget happen and all of our operations happen, I would just be a mad man standing in front of a room waving my arms and no one would know why. They make the music happen. They make everything happen. Each of the Directors in this room are a cohesive team, which is good, experts in their own fields and in operating the departments, but the amount of teamwork we have here is probably across state agencies that I have been affiliated with, unparalleled, and that's a great testament. We had our executive staff Christmas party yesterday. Cyndra and I were happy to

host that and we got to spend some time with spouses, and the fun part of listening to spouses meet people and say I've heard about you at home, and my spouse says this about you and this about that one, and across the board, just a family feeling and I think that carries through here Monday through Friday, and again even on the weekends when we get those bad text messages and phone calls and need to step up and get things done. It is just a great team and I think when you look at these results, I mean in 2009, the Operating Budget at the Turnpike was \$123 million, and now in 2017, it has only risen \$3 million, even with these crazy healthcare costs, taking care of wage increases for our employees through the years and increasing customer service levels in all areas of our operation, and still having a road that has, when we get to the Capital Budget, not one deficient bridge structure out of almost five hundred on our system and pavement condition ratings that are unparalleled. I mean, the number of people as I travel around that talk about coming into our state and noticing the immediate difference and/or people who run other toll roads, other turnpikes say we've heard about your service plazas, but we stopped because we were driving through the state and we didn't know you were right. What we have heard is different than when you actually see it. They would rather stop at our service plazas before they go home, than stop at their own service plazas. We actually heard that from people from other toll authorities and other departments of transportation. Again, it is each of those members, every member of the Executive Staff, I see Sharon, Adam, Bill Keaton, Mark, I think everyone is here except for Matt. Can you all stand up please because you guys really deserve the applause. Mr. Chairman, they are the people who get it done.

Chairman: Absolutely, Randy. That was very nice of you to say that and on behalf of the Commission, thank you all four your outstanding service to the Commission. Any further comments or questions? Hearing none, please call the roll.

MOTION: A motion to adopt the *Resolution Adopting Proposed 2017 Annual Operating Budget and Providing for Deposits Required Under the Master Trust Agreement During 2017*, was made by Mrs. Barber, seconded by Mr. Paradiso, and approved by all Commission Members present. Resolution No. 70-2016 is attached hereto as an Exhibit.

Chairman: Excellent report, Marty. Anything else?

CFO/Comptroller/DED: That completes my report, Mr. Chairman.

Chairman: Thank you. We appreciate your fine work, Marty. You do a great job at keeping us informed.

Next, we will move on to our Chief Engineer, Tony Yacobucci.

Chief Engineer: Good morning, Mr. Chairman and Commission Members. I have five Resolutions for your consideration this morning. The first Resolution is for the adoption of our 2017 Capital Budget. In your folders, you have a detailed Capital Budget, listing all of our proposed projects for 2017. I have a brief presentation this morning which reviews the proposed 2017 Capital Budget. After the presentation, I will be requesting that the Commission adopt a resolution approving the Capital Budget. This resolution will refer to a preliminary list of projects,

which may be subject to change, and any Capital Project more than \$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 Projects 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 the major construction projects that are part of our Capital Improvement Program. We will begin the year with a balance of approximately \$30.2 million, and approximately \$81.5 million will be transferred to this fund from the 2017 Operating Budget. We intend to carry approximately \$13 million of these funds over to 2018 to cover future projects which will result in approximately \$98.7 million available for projects in 2017.

We have identified about \$90 million in System Projects, of which \$28.3 million will cover the completion of existing projects and \$61.7 million is allocated to new projects.

Continuing expenditures are for existing projects that are currently under construction and have been previously awarded in 2016. The major projects in this category primarily include the second phase of the pavement replacement projects in Erie and Portage Counties, which were bid as two-year construction projects.

This slide lists the \$61.7 million of new System Projects to be funded in 2017. \$20.3 million has been allocated to one contract as we continue the Pavement Replacement Program in Sandusky County. The budget includes \$16.6 million for several bridge deck replacements and rehabilitations. Approximately \$21.6 million has been programmed for resurfacing projects in 2017, in Wood, Lorain and Cuyahoga Counties. About \$1.4 million has been allocated to Engineering Design and Consulting Services for Capital Projects.

This will leave about \$8.6 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 for the Commission to maintain its buildings, vehicles, equipment and various other minor projects. We will begin the year with a balance of approximately \$6.9 million, and \$10 million will be transferred to this fund from the 2017 operating budget. This will result in approximately \$16.9 million available for projects in 2017.

About \$2.2 million is committed to ongoing projects that were previously awarded in 2016. New projects total approximately \$13.2 million and include about \$1.5 million for replacement of maintenance equipment, \$4.1 million for maintenance vehicle replacements, \$1.8 million for the replacement of underground fuel lines at one of our service plazas, \$1.2 million for various projects at our maintenance buildings and almost \$3 million for numerous technology upgrades to both our communication equipment, as well as computer software and hardware.

This will leave approximately \$1.5 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 five cents of the total twenty-eight cents per gallon of state 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 \$1.5 million in this fund. About \$2.4 million will be generated during 2017, resulting in a balance of approximately \$4 million available for 2017 projects.

\$200,000 is committed to ongoing projects. New projects total about \$3.5 million, and include \$3.1 million for bridge repainting and \$400,000 is committed for a sign structure replacement project.

This will leave about \$267,000 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. These funds are designated for capital improvements at these facilities. Revenue of approximately \$652,000 is projected for 2017. Adding this to the projected 2017 beginning balance of \$1.2 million results in approximately \$1.9 million available for projects.

About \$230,000 is committed to an ongoing project for the resurfacing of the Vermilion Valley Service Plaza. Approximately \$600,000 will be budgeted for new projects in 2017.

This will leave approximately \$1 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 2017 Capital Budget includes about \$110 million in identified projects and \$11.5 million for unidentified projects, for a total of \$121.4 million. That completes my 2017 Capital Budget presentation. With your permission, may the General Counsel please read the title of the Resolution?

General Counsel: Resolution Adopting Proposed 2017 Capital Budget.

Chairman: Any questions or comments?

Mr. Paradiso: Just a couple general questions. First, how far out are you thinking in terms of capital expenses or capital budgets? Are you out 5 or 10 years? Then as comment on that, the Director commented about how we heard our customers loud and clear, and we are going to slow down the orange barrels. I notice that we are slowing down in the pavement replacement project. Can you tell me a little bit about how that works because I thought we had a twenty-year plan? We have a lot of lane miles to replace and if we are going to back-off on that, so maybe just frame that in that conversation.

Chief Engineer: Mr. Chairman and Commission Member Paradiso, first and foremost, I have put together a 50-year Capital Budget looking at everything, including all of our infrastructure over a 50-year period and trying to plan out over 50 years. We obviously get more specific as the years get closer with the projects, but it is a general projection. With respect to the pavement replacement program, 2018 and 2019 were two years in particular that we did happen to reduce our pavement replacement program and that was primarily because of the toll collection system coming on board, so that was planned and that is actually planned every ten years in our 50-year plan where we are reducing the pavement replacement program during that timeframe.

Mr. Paradiso: Is it about allocation of capital funds or just being able to manage those projects, or both?

Chief Engineer: It is basically an allocation of capital funds, moving funds from the pavement replacement program over to the toll collection system and other needs that we have.

Mr. Paradiso: Again, very well thought out. I appreciate it. Thank you.

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

MOTION: A motion to adopt the *Resolution Adopting Proposed 2017 Capital Budget*, was made by Chairman Hruby, seconded by Mr. Peterson, and approved by all Commission Members present. Resolution No. 71-2016 is attached hereto as an Exhibit.

Chairman: The resolution passes unanimously. Please continue, Tony.

Chief Engineer: The second Resolution for your consideration is to reject the bids received for Contract Nos. 53-17-02 and 53-17-03. This represented a contract for the removal and replacement of the underground fuel piping and containment system at the Portage and Brady's Leap Service Plazas at Milepost 197 in Portage County. Procurement received two bids for this Project, and both bids were more than 10% above the Engineer's Estimate. Therefore, the bids cannot be considered for award, and must be rejected. It is recommended that all bids received for Contract Nos. 53-17-02 and 53-17-03 be rejected, and the project be re-advertised at a later date. With your permission, may the General Counsel please read the title of the Resolution?

General Counsel: Resolution Rejecting all Bids Received on Project No. 53-17-02 & 53-17-03 for Fuel Piping & Containment Replacement Project at the Portage and Brady's Leap Service Plazas in Portage County, Ohio.

Chairman: Any questions or comments? Hearing none, please call the roll.

MOTION: A motion to adopt the *Resolution Rejecting all Bids Received on Project No. 53-17-02 & 53-17-03 for Fuel Piping & Containment Replacement Project at the Portage and Brady's Leap Service Plazas in Portage County, Ohio*, was made by Chairman Hruby, seconded by Mr. Paradiso, and approved by all Commission Members present. Resolution No. 72-2016 is attached hereto as an Exhibit.

Chairman: The resolution passes unanimously. Please continue, Tony.

Chief Engineer: The third Resolution for your consideration seeks authorization for the purchase of seven (7) zone trucks, with the cab and chassis of the zone trucks purchased under the Ohio Department of Transportation's ("ODOT's") Cooperative Purchasing Program Contract Number 023-16 and the zone truck bodies purchased under the Ohio Department of Administrative Services Cooperative Purchasing Program, State Term Contract Index No. STS515, Schedule No. 800116. The purchase of the zone trucks is included in the 2017 Capital Budget and is required to replace existing 2001 model year zone trucks. The Procurement Manager has determined that the lowest cost of obtaining the seven (7) zone trucks is to purchase the cab and chassis under ODOT's Cooperative Purchasing Program from Cleveland Freightliner, Inc., dba Valley Freightliner, of Parma, Ohio, in the amount of \$454,580.00, and to purchase the zone truck bodies under the Ohio Department of Administrative Services Cooperative Purchasing Program from Concord Road Equipment Manufacturing, Inc., of Painesville, Ohio, in the amount of \$240,827.65. The total combined cost for the seven (7) zone trucks will be \$695,407.65. In addition, the existing 2001 model year zone trucks shall be disposed of in accordance with the Commission's Property Disposal Policy after the new zone trucks are placed into service. The expenditures by the Commission for the seven (7) zone trucks will exceed \$150,000.00, and, therefore, in accordance with Article V, Section 1.00 of the Commission's Code of Bylaws, Commission authorization of this purchase is required. With your permission, may the General Counsel please read the title of the Resolution?

General Counsel: Resolution Authorizing the Purchase of Seven Truck Cab and Chassis from Cleveland Freightliner, Inc. in the Amount of \$454,580.00 and Seven Zone Truck Bodies from Concord Road Equipment Manufacturing in the Amount of \$240,827.65 Under the ODOT and DAS Cooperative Purchasing Programs.

Chairman: Are there any questions or comments?

Mr. Paradiso: First of all, during my short tenure here on the Commission, I have just seen relationship with ODOT improve, improve and improve, and this is another example of that. I want to thank ODOT for all of the things we do together. Secondly, I wish I could have my cars last fifteen years. That's very impressive.

Chairman: Any further questions or comments? Hearing none, please call the roll.

MOTION: A motion to adopt the *Resolution Authorizing the Purchase of Seven Truck Cab and Chassis from Cleveland Freightliner, Inc. in the Amount of \$454,580.00 and Seven Zone Truck Bodies from Concord Road Equipment Manufacturing in the Amount of \$240,827.65 Under the ODOT and DAS Cooperative Purchasing Programs*, was made by Mrs. Barber, seconded by Chairman Hruby, and approved by all Commission Members present. Resolution No. 73-2016 is attached hereto as an Exhibit.

Chairman: The resolution passes unanimously. Please continue, Tony.

Chief Engineer: The fourth Resolution for your consideration is for the authorization to award Project No. 71-16-09 for Engineering Services relating to the investigation, evaluation and rehabilitation of the Ohio Turnpike mainline bridges over Norfolk Southern Railroad at Milepost 186 and the I-480 southbound bridge over the Ohio Turnpike at Milepost 186.8 in Portage County. On August 22, 2016, Procurement received fifteen Letters of Interest for Project No. 71-16-09, from which three firms were deemed most qualified and invited to submit technical proposals. Engineering staff reviewed the technical proposals and concluded that Palmer Engineering Company (“Palmer”), of Akron, Ohio, was most qualified to perform the services. Fee negotiations commenced between Palmer and our Engineering staff, and on November 30, 2016, a final fee proposal was submitted in the amount of \$216,924.00 for Phase I services. The services for Phase I include the site investigation, evaluation, design and plan preparation for the rehabilitation of these two structures. Therefore, we are requesting Commission authorization for the award of Project No. 71-16-09 to Palmer Engineering Company of Akron, Ohio, for Phase I of this Project in the amount of \$216,924.00. Commission authorization may be requested in the future for Construction Administration and Inspection Services of the Project. With your permission, may the General Counsel please read the title of the Resolution?

General Counsel: Resolution Selecting Palmer Engineering Company as the Most Qualified Consultant to Perform Engineering Design and Construction Administration and Inspection Services for the Rehabilitation of Two Bridges in Portage County, and Authorizing the Executive Director to Execute an Agreement to Obtain Phase I Services for a Fee Not-To-Exceed \$216,924.00 (Project No. 71-16-09).

Chairman: Are there any questions or comments?

Mr. Paradiso: I would like to comment, over 25% SBE/DBE/MBE participation is encouraging, I think, since we focusing on it, reporting on it, we are making a conscious effort with it, I am very happy with that. Congratulations.

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

MOTION: A motion to adopt the *Resolution Selecting Palmer Engineering Company as the Most Qualified Consultant to Perform Engineering Design and Construction Administration and Inspection Services for the Rehabilitation of Two Bridges in Portage County, and Authorizing the Executive Director to Execute an Agreement to Obtain Phase I Services for a Fee Not-To-Exceed \$216,924.00 (Project No. 71-16-09)*, was made by Mr. Paradiso, seconded by Ms. Townley, and approved by all Commission Members present. Resolution No. 74-2016 is attached hereto as an Exhibit.

Chairman: The resolution passes unanimously. Please continue, Tony.

Chief Engineer: The fifth and final Resolution for your consideration seeks the Commission’s authorization of continuing expenditures for the Contract with Hill International, Inc., of Broadview Heights, Ohio, for the Mainline Pavement Reconstruction Program. Under Resolution No. 52-2013 adopted in August 2013, the Commission authorized an agreement with Hill International to serve as the Commission's Construction Manager for Pavement Replacement

Program Projects, with each project encompassing approximately a five to six-mile section located along the mainline of the Ohio Turnpike. Hill International has submitted a fee proposal dated December 7, 2016, outlining proposed expenditures to perform project specific Construction Management and Inspection services for Pavement Replacement Project No. 39-17-01, consisting of the Eastbound Right Two Lanes and Shoulder Reconstruction from Milepost 90 to Milepost 95.9, located in Sandusky County in the not-to-exceed amount of \$999,993.00. In addition, the fee proposal submitted by Hill International also includes a not-to-exceed amount of \$280,281.00 for General Construction Management Services for 2017. Engineering staff has reviewed and negotiated the fee proposal and finds it reasonable for the scope to be performed. Since these additional expenditures will increase the total cost in excess of ten percent of the previous Commission's authorizations, it is required under Article V, Section 1.00 of the Commission's Code of Bylaws that the Commission must authorize such expenditures. With your permission, may the General Counsel please read the title of the Resolution?

General Counsel: Resolution Authorizing Construction Management and Inspection Services Expenditures with Hill International, Inc. for the 2017 Pavement Replacement Program Project in the Not-to-Exceed Amount of \$1,280,274.00.

Chairman: Are there any questions or comments? Hearing none, please call the roll.

MOTION: A motion to adopt the *Resolution Authorizing Construction Management and Inspection Services Expenditures with Hill International, Inc. for the 2017 Pavement Replacement Program Project in the Not-to-Exceed Amount of \$1,280,274.00*, was made by Chairman Hruby, seconded by Mr. Peterson, and approved by all Commission Members present. Resolution No. 75-2016 is attached hereto as an Exhibit.

Chairman: The resolution passes unanimously. Tony, anything further?

Chief Engineer: The only other comment I would like to make, Mr. Chairman, is Randy eluded to all of his Directors being a great team and it doesn't stop there. It trickles down into the rest of the organization. When you have a Maintenance Engineer like Chris Matta, an Assistant Chief Engineer like Dennis Albrecht, Staff Lieutenant Weirtz, and Drew Herberger, who is our Service Plaza Manager of Operations, it makes my life a lot easier, so, again, my appreciation for those folks doing great work.

Chairman: Thank you. On behalf of the Commission, I would just say to the staff, thank you again so very much for your fine work. 2016 was certainly an outstanding year. Our excellent Director has led the way and has done so with a lot of class. I appreciate the way that Randy handles situations and the demeanor that he demonstrates is outstanding and speaks well for the Governor and speaks well for the Commission. It has been really a great year. Representative Dovilla, I want to again thank you for your work over the years. You have supported this Commission over and over and over again in the Legislature and we appreciate that very much and we wish you the very best of luck. To the new Members, I would just say to you, Mr. Peterson you have been here a short time now, but I think you are starting to grasp the responsibility that we have as Members, but this Commission in the years that I have been here, the improvement that we have seen is in the reputation and the improvement is outstanding and

that has nothing to do with myself, I am talking about the staff, the employees, the Executive Directors, and what a wonderful job they have done and have really renewed the respect that this Commission deserves and the Turnpike is simply just an outstanding roadway throughout the United States, I hope people realize that. In this time of year when we recognize and give thanks for many reasons, we certainly thank the employees and the staff. On behalf of the Commission, I wish you all a very Happy Holidays and Merry Christmas. We hope that you have a wonderful New Year. We will see you all next year, Monday, January 23, 2017 at 10:00 a.m. when we will have our next Commission Meeting. Are there any other comments or further business to be brought before the Commission? Hearing none, may I have a motion to adjourn?

MOTION: A motion to adjourn the Commission Meeting is made by Chairman Hruby, seconded by Mr. Paradiso and unanimously approved by all Commission Members present.

Time of adjournment: 11:09 a.m.

Attendees for Record Keeping Purposes:

Tim McDonald, ODOT; Mike Burgess, Prime; Bethany Pugh, PFM; Beth Fulton, TRC; Preston Yuzma, IUOE 18; Scott Buchanan, AECOM; Todd Majidzadeh, Resource International; Zoltan Szabo, Mott MacDonald; Gene Baxendale, Hill International; Al Biehl, TranSystems; Sadie Mayle, Plante Moran; Megan Stufflebeam, Plante Moran; Katie Parfejewiec, Plante Moran; Danny Sklenicka, Plante Moran; Keith Martinez, Plante Moran; Mary Schafer, Plante Moran; Halle Kapers Jones, G. Stephens; Jason Watson, Mannik & Smith; Jake Siesel, IUOE 18; Mitch McCoy, Palmer Engineering; Ed Adamczyk, Arcadis; Dave Ray, JMT; Frank Bronzo, EDG; Jennifer Stueber, Ohio Turnpike; Anthony Yacobucci, Ohio Turnpike; Martin Seekely, Ohio Turnpike; Sharon Isaac, Ohio Turnpike; Helen Guggenbiller, Ohio Turnpike; Jennifer Diaz, Ohio Turnpike; Mark Musson, Ohio Turnpike; Chris Matta, Ohio Turnpike; Dennis Albrecht, Ohio Turnpike; David Miller, Ohio Turnpike; William Keaton, Ohio Turnpike; Chriss Pogorelc, Ohio Turnpike; Joe Mannion, Ohio Turnpike; Lisa Mejac, Ohio Turnpike; Adam Greenslade, Ohio Turnpike; and Brian Newbacher, Ohio Turnpike.

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

Sandra K. Barber, Secretary-Treasurer

EXHIBITS

1. Resolution Expressing Appreciation of Staff Lieutenant William Weirtz;
2. Resolution Approving an Agreement with Aptean, Inc. to Obtain a Perpetual License for \$21,564.00 and Maintenance Services for \$88,844.97 Per Year, Increasing Three Percent Annually, for the Continued Use and Support of its Enterprise Resource Planning System for a Five-Year Period;
3. Resolution Approving the Selection of Electronic Merchant Systems to Perform Credit Card Processing Services for the Estimated Annual Fee of \$195,389.00 for Five Years with the Option to Renew for Three Additional Two Year Terms;
4. Resolution Adopting Proposed 2017 Annual Operating Budget and Providing for Deposits Required Under the Master Trust Agreement During 2017;
5. Resolution Adopting Proposed 2017 Capital Budget;
6. Resolution Rejecting all Bids Received on Project No. 53-17-02 & 53-17-03 for Fuel Piping & Containment Replacement Project at the Portage and Brady's Leap Service Plazas in Portage County, Ohio;
7. Resolution Authorizing the Purchase of Seven Truck Cab and Chassis from Cleveland Freightliner, Inc. in the Amount of \$454,580.00 and Seven Zone Truck Bodies From Concord Road Equipment Manufacturing in the Amount of \$240,827.65 Under the ODOT and DAS Cooperative Purchasing Programs;
8. Resolution Selecting Palmer Engineering Company as the Most Qualified Consultant to Perform Engineering Design and Construction Administration and Inspection Services for the Rehabilitation of Two Bridges in Portage County, and Authorizing the Executive Director to Execute an Agreement to obtain Phase I Services for a Fee Not-To-Exceed \$216,924.00 (Project No. 71-16-09); and
9. Resolution Authorizing Construction Management and Inspection Services Expenditures with Hill International, Inc. for the 2017 Pavement Replacement Program Project in the Not-to-Exceed Amount of \$1,280,274.00.

OHIO TURNPIKE AND INFRASTRUCTURE COMMISSION

Resolution Expressing Appreciation of Staff Lieutenant William Weirtz

WHEREAS, Staff Lieutenant William Weirtz was hired by the Ohio State Highway Patrol (“OSHP”) on May 16, 1990. During his tenure, Staff Lieutenant William Weirtz worked at the New Philadelphia Post, Marietta Post, Canton Post, Hiram Post and, most recently, the District 3 Headquarters Post; and

WHEREAS, Staff Lieutenant William Weirtz served with distinction as a member of the OSHP for twenty-six years during which time he earned numerous awards, dozens of commendation letters, including most recently in August 2016 from Governor Kasich, as well as safe driving awards and trooper of the year award; 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 Staff Lieutenant William Weirtz.

NOW, THEREFORE, BE IT

RESOLVED that the Ohio Turnpike and Infrastructure Commission hereby acknowledges and expresses its gratitude to Staff Lieutenant William Weirtz for his twenty-six 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 Staff Lieutenant William Weirtz, his wife, Laurel, and daughters, Ava, Brenna, Shannon and Taylor, and much success and well-being to Staff Lieutenant William Weirtz 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 Staff Lieutenant William Weirtz.

(Resolution No. 67-2016 adopted December 19, 2016)

OHIO TURNPIKE AND INFRASTRUCTURE COMMISSION

Resolution Approving an Agreement with Aptean, Inc. to Obtain a Perpetual License for \$21,564.00 and Maintenance Services for \$88,844.97 Per Year, Increasing Three Percent Annually, for the Continued Use and Support of its Enterprise Resource Planning System for a Five-Year Period

WHEREAS, pursuant to Resolution No. 68-1996 adopted on November 12, 1996, the Commission entered into an Agreement with Ross Systems, Inc. of Atlanta, Georgia (“Ross Systems”) to furnish and install software for an Integrated Business Application System, incorporating six different modules to assist in the performance of the Commission’s equipment maintenance, financial reporting, inventory, purchasing, human resources and payroll functions; and

WHEREAS, the Agreement also included a twenty-year software license for the system through December 30, 2016 and all necessary software maintenance and support services for an annual fee; and

WHEREAS, Ross Systems sold components of its business pertaining to the software modules related to human resources (“HR”) and payroll to a company now known as NOW Solutions, Inc., of Toronto, Canada (“NOW Solutions”), which supports those aspects of its Integrated Business Management System (“Enterprise Management System”) under a separate agreement from the remaining modules (“Enterprise Resource Planning System”) that Ross Systems retained after the partial sale to NOW Solutions; and

WHEREAS, the Commission continued to obtain the maintenance and support necessary for the Enterprise Resource Planning System software modules used for equipment maintenance, financial reporting, inventory and purchasing functions from Ross Systems and supported the software modules used for the Enterprise Management System through NOW Solutions under the authority of Resolutions Nos. 26-2004, 47-2007 and 46-2010; and

WHEREAS, Aptean, Inc., of Atlanta, Georgia, acquired Ross Systems’ interests in the Commission’s agreement for the software licenses and maintenance support of the maintenance, financial reporting, inventory and purchasing components of its Enterprise Resource Planning System in 2012, which the Commission recognized when approving the continued maintenance of the software through 2016 under Resolution No. 74-2013; and

WHEREAS, with the pending expiration of the twenty-year license agreement on December 30, 2016, Aptean, Inc. has offered a perpetual software license for the maintenance, financial reporting, inventory and purchasing components of the Enterprise Resource Planning System for \$21,564.00; and

WHEREAS, Aptean, Inc. offered, in conjunction with its proposal for the perpetual license, to perform the necessary maintenance and support for the licensed software over a five-year period for the following annual fees, which represent three percent increases per year:

<u>Annual Maintenance Period</u>	<u>Amount</u>
12/31/2016 through 12/30/2017	\$88,844.97
12/31/2017 through 12/30/2018	\$91,510.32

12/31/2018 through 12/30/2019	\$94,255.63
12/31/2019 through 12/30/2020	\$97,083.29
12/31/2020 through 12/30/2021	\$99,995.79; and

WHEREAS, the Chief Technology Officer and CFO/Comptroller are satisfied with the performance of the Enterprise Resource Planning System applicable to their respective departmental operations, and agree in the recommendation that the Commission should authorize acquiring the perpetual license and obtaining maintenance and support services for the system from Aptean, Inc. through December 30, 2021; and

WHEREAS, the Commission's Executive Director has reviewed the reports submitted by the Director of Contracts Administration and the Chief Technology Officer, and, predicated upon such analysis, has recommended to that the Maintenance Agreement with Aptean, Inc. be extended as outlined herein; and

WHEREAS, the Commission has duly considered such recommendations.

NOW, THEREFORE, BE IT

RESOLVED by the Ohio Turnpike and Infrastructure Commission that an agreement with **Aptean, Inc.**, of **Atlanta, Georgia**, to obtain a perpetual license for \$21,564.00 and five years of support services for \$88,844.97 per year, increasing three percent annually, for the continued use of the Enterprise Resource Planning System, supporting its Enterprise Resource Planning System for equipment maintenance, financial reporting, inventory and purchasing functions, is approved.

(Resolution No. 68-2016 adopted December 19, 2016)

OHIO TURNPIKE AND INFRASTRUCTURE COMMISSION

Resolution Approving the Selection of Electronic Merchant Systems to Perform Credit Card Processing Services for the Estimated Annual Fee of \$195,389.00 for Five Years with the Option to Renew for Three Additional Two Year Terms

WHEREAS, on August 29, 2016, the Commission issued its Request for Proposals (“RFP”) for Credit Card Processing Service to twenty-three credit card processing firms also known in the credit industry as credit card acquirers; and

WHEREAS, the Contract for Credit Card Processing Services shall commence on February 1, 2017 and continue for an initial term of five years, which may be renewed for up to three additional, two-year periods each; and

WHEREAS, ten credit card processing companies submitted proposals in response to the Commission’s RFP on October 7, 2016, and Commission action is necessary to approve the award of the Contract for Credit Card Processing Services in accordance with Article V, Section 1.00 of the Commission's Code of Bylaws because fees under the contract will exceed \$150,000.00; and

WHEREAS, an Evaluation Team comprised of the Director of Audit and Internal Control, the CFO/Comptroller, and the Assistant Technology Manager conducted the technical review of the proposals submitted, and the Commission’s Toll Collection System Integrator provided input during the review; and

WHEREAS, based on the technical review of the Evaluation Team, the top-ranked proposal was submitted by **Electronic Merchant Systems, of Independence, Ohio**, after conducting a negotiation to determine whether its price proposal could be improved upon, and these negotiations resulted in proposed fees that are estimated to cost the Commission **\$195,389.00** per year based on the volume of credit card payments the Commission accepts; and

WHEREAS, based upon the favorable results of the evaluation and price negotiation processes, the Evaluation Team has unanimously recommended that the Commission approve the selection of Electronic Merchant Systems to perform its Credit Card Processing Services; and

WHEREAS, the Director of Contract Administration advises the Commission that all legal requirements have been performed, and that Electronic Merchant Systems has demonstrated its ability to provide the requisite performance bond and insurance policies, and that the Commission may lawfully enter into a Contract with Electronic Merchant Systems to perform its Credit Card Processing Services; and

WHEREAS, the Executive Director has reviewed the reports of the Evaluation Team and the Director of Contracts Administration, and concurs with the recommendation that the Commission should approve the selection of Electronic Merchant Systems to award a Contract for Credit Card Processing Services; and

WHEREAS, the Commission has duly considered such recommendations.

NOW, THEREFORE, BE IT

RESOLVED by the Ohio Turnpike and Infrastructure Commission that the selection of **Electronic Merchant Systems, of Independence, Ohio**, as having submitted the best proposal to perform Credit Card Processing Services for the Commission is approved, and that the Executive Director is authorized to execute a Contract with Electronic Merchant Systems to furnish Credit Card Processing Services on the basis of the RFP and revised proposal in the estimated annual amount of \$195,389.00 for a period of five years with the option to renew for three additional terms of two-years each.

(Resolution No. 69-2016 adopted December 19, 2016)

OHIO TURNPIKE AND INFRASTRUCTURE COMMISSION

Resolution Adopting Proposed 2017 Annual Operating Budget and Providing for Deposits Required Under the Master Trust Agreement During 2017

WHEREAS, Ohio Revised Code Section 5537.17(F) requires the Ohio Turnpike and Infrastructure Commission (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 Deputy Executive Director/CFO/Comptroller and the Executive Director have recommended that the Commission adopt the attached proposed 2017 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 2017 Annual Operating Budget, and the Executive Director or the Deputy Executive Director/CFO/Comptroller is 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.

FURTHER RESOLVED that any 2017 revenues remaining in the General Fund after making payments for the Cost of Operation, Maintenance and Administration, Debt Service and all budgeted transfers shall be transferred to the Systems Projects Fund.

(Resolution No. 70-2016 adopted December 19, 2016)

OHIO TURNPIKE AND INFRASTRUCTURE COMMISSION

Resolution Adopting Proposed 2017 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 2017 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 2017 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 Deputy Executive Director/CFO/Comptroller have prepared the attached Capital Budget that includes a recommended preliminary list of 2017 capital projects totaling up to **\$109,990,950**, which list is subject to change, and **\$11,449,661** in uncommitted funds, which may be used for currently unidentified capital projects that may be needed during 2017; and

WHEREAS, the Executive Director has reviewed and concurs with the recommendations of the Chief Engineer and Deputy Executive Director/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 2017 capital projects, which shall constitute System projects, with such expenditures not-to-exceed a combined total of up to **\$121,440,611**, 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 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.

(Resolution No. 71-2016 adopted December 19, 2016)

**OHIO TURNPIKE AND INFRASTRUCTURE COMMISSION
2017 TOTAL CAPITAL EXPENDITURES BUDGET**

	IDENTIFIED PROJECTS	UNCOMMITTED FUNDS	TOTAL BUDGETED EXPENDITURES
SYSTEM PROJECTS FUND	\$ 90,041,282	\$ 8,632,231	\$ 98,673,513
RENEWAL & REPLACEMENT FUND	\$ 15,412,578	\$ 1,520,973	\$ 16,933,551
FUEL TAX FUND	\$ 3,700,000	\$ 267,453	\$ 3,967,453
SERVICE PLAZA CAPITAL IMPROVEMENT FUND	\$ 837,090	\$ 1,029,004	\$ 1,866,094
TOTAL 2017 EXPENDITURES	<u>\$ 109,990,950</u>	<u>\$ 11,449,661</u>	<u>\$ 121,440,611</u>

OHIO TURNPIKE AND INFRASTRUCTURE COMMISSION
2017 SYSTEM PROJECTS BUDGET

Estimated Beginning Balance January 1, 2017	\$ 30,186,177
Transfers from 2017 Operating Funds:	81,539,000
Funds to be carried over to 2018	(13,051,664)
Total 2017 Available Funds	<u>\$ 98,673,513</u>

	Future Year Expenditure	2017 Expenditure	2017 Totals
2017 Expenditures:			
Continuing Expenditures from 2016:			
39 MP 107.3 to MP 112.5 EB/WB, Erie County	\$ -	\$ 12,600,000	
MP 186.35 to MP 191.39 EB/WB, Portage County	\$ -	\$ 12,500,000	
Other		<u>\$ 3,216,282</u>	
Total Continuing Expenditures from 2016			\$ 28,316,282
New 2017 Projects:			
39 Pavement Replacement			
A. MP 90.0 to MP 95.9 EB, Sandusky County	\$ -	\$ 20,300,000	
B. MP 149.24 to MP 154.10 EB/WB, Cuyahoga/Lorain Counties	\$ 30,000,000	\$ 50,000	
C. MP 169.74 to MP 176.34 EB/WB, Cuyahoga County	\$ 45,000,000	<u>\$ 50,000</u>	
Total			\$ 20,400,000
43 Bridge Repair and Resurfacing			
A. Deck Replacement (MP 156.9)		\$ 1,400,000	
B. Deck Replacements (MPs 122.3, 128.5, 132.4, 145.8)		\$ 4,100,000	
C. Deck Replacements (MPs 138.0, 138.2)	\$ 3,800,000	\$ 1,000,000	
D. Deck Replacements (MPs 178.0, 179.5, 199.2)		\$ 3,800,000	
E. Bridge Rehabilitation and Repair (MP's 222.8, 232.6, 232.9, 240.8)		\$ 4,800,000	
F. Bridge Replacement (MP 233.8 - ODOT)		<u>\$ 1,500,000</u>	
Total			\$ 16,600,000
58 Toll Plazas			
Installation of Automated Toll Payment Machines at TP 180 & TP 209		<u>\$ 750,000</u>	
Total			\$ 750,000
59 Resurfacing Pavement			
A. MP 69.3 to MP 74.15		\$ 3,600,000	
B. MP 136.1 to MP 144.1		\$ 11,200,000	
C. MP 160.1 to MP 169.1		\$ 3,700,000	
D. TP 173 Ramps		<u>\$ 3,100,000</u>	
Total			\$ 21,600,000
70 Correction of Slope Failures			
A. MP 222.3 to MP 223.0 EB/WB		<u>\$ 950,000</u>	
Total			\$ 950,000
71 Engineering Consulting Services			
Design & Consulting Services			\$ 1,425,000
Total 2017 Expenditures on New Projects			<u>\$ 61,725,000</u>
Total 2017 Expenditures			<u>\$ 90,041,282</u>
Uncommitted Funds			\$ 8,632,231
Total 2017 Expenditures and Uncommitted Funds			<u>\$ 98,673,513</u>

OHIO TURNPIKE AND INFRASTRUCTURE COMMISSION
2017 RENEWAL AND REPLACEMENT BUDGET

Estimated Beginning Balance January 1, 2017	\$ 6,933,551
Transfers from 2017 Operating Funds:	10,000,000
Total 2017 Available Funds	<u>\$ 16,933,551</u>
2017 Expenditures:	
Total Continuing Expenditures from 2016	\$ 2,223,078
New 2017 Projects:	
24 Guardrail – Additions & Replacement	\$ 200,000
25 Patrol Posts	\$ 50,000
31 Maintenance Equipment	\$ 1,472,000
32 Maintenance Vehicles	\$ 4,082,000
38 Communications Equipment – New or Replacement	\$ 754,000
39 Pavement Repair & Replacement	\$ 500,000
41 Resealing Asphalt Surfaces	\$ 120,000
43 Bridge Repair & Resurfacing	\$ 250,000
48 Administration Building	\$ 60,000
53 Service Plazas	\$ 1,875,000
56 Maintenance Buildings	\$ 1,205,000
58 Toll Plazas	\$ 100,000
61 Landscaping	\$ 125,000
67 Computer Equipment	\$ 2,121,500
68 Right-of-Way Fence	\$ 75,000
69 Drainage	\$ 150,000
73 Automotive Equipment – Replacement	\$ 50,000
Total 2017 Expenditures on New Projects	<u>\$ 13,189,500</u>
Total 2017 Expenditures	<u>\$ 15,412,578</u>
Uncommitted Funds	1,520,973
Total 2017 Expenditures and Uncommitted Funds	<u><u>\$ 16,933,551</u></u>

OHIO TURNPIKE AND INFRASTRUCTURE COMMISSION
2017 FUEL TAX BUDGET

Estimated Beginning Balance January 1, 2017		\$ 1,561,453
Transfers from 2017 Operating Funds:		<u>2,406,000</u>
Total 2017 Available Funds		<u>\$ 3,967,453</u>
2017 Expenditures:	2017	2017
Continuing Expenditures from 2016:	Expenditure	Totals
43 A. Bridge Deck Rep MP197.8-236.7	<u>\$ 200,000</u>	
Total Continuing Expenditures from 2016		\$ 200,000
New 2017 Projects:		
40 Repainting Bridges and Towers		
A. MPs 14.1 E&W, 14.2 E&W, 23.9, 24.4, 27.3	\$ 1,600,000	
B. MPs 34.9, 41.1, 41.9, 51.4 E/W, 56.1 E/W	<u>\$ 1,500,000</u>	
Total		\$ 3,100,000
45 Signs - New and Replacement		
A. Sign Structure Repl. MP 3.75, 53.0, 237.2 to MP 240.65	<u>\$ 400,000</u>	
Total		\$ 400,000
Total 2017 Expenditures on New Projects		<u>\$ 3,500,000</u>
Total 2017 Expenditures		<u>\$ 3,700,000</u>
Uncommitted Funds		267,453
Total 2017 Expenditures and Uncommitted Funds		<u>\$ 3,967,453</u>

OHIO TURNPIKE AND INFRASTRUCTURE COMMISSION
2017 SERVICE PLAZA CAPITAL IMPROVEMENT BUDGET

Estimated Beginning Balance January 1, 2017		\$ 1,214,194
Transfers from 2017 Operating Funds:		651,900
Total 2017 Available Funds		<u>\$ 1,866,094</u>
	2017	2017
2017 Expenditures:	Expenditure	Totals
Continuing Expenditures from 2016:		
53 A. Repairs & Resurfacing SP5(S)	\$ 227,090	
Total Continuing Expenditures from 2016		\$ 227,090
New 2017 Projects:		
41 Resealing Asphalt Surfaces		
A. Sealing Paved Areas at Service Plazas, SP 4, 7, 8		\$ 260,000
53 Service Plazas		
A. Misc. Refurbishments	\$ 100,000	
B. Electric Hand Dryers in Restrooms	\$ 100,000	
C. Roof Repairs	\$ 120,000	
D. Sidewalk Replacement SP-6	\$ 30,000	
Total		\$ 350,000
Total 2017 Expenditures on New Projects		<u>\$ 610,000</u>
Total 2017 Expenditures		<u>\$ 837,090</u>
Uncommitted Funds		1,029,004
Total 2017 Expenditures and Uncommitted Funds		<u>\$ 1,866,094</u>

OHIO TURNPIKE AND INFRASTRUCTURE COMMISSION

Resolution Rejecting all Bids Received on Project No. 53-17-02 & 53-17-03 for Fuel Piping & Containment Replacement Project at the Portage and Brady's Leap Service Plazas in Portage County, Ohio

WHEREAS, the Commission publicly advertised, in accordance with law, an Invitation for Bids on a Contract for fuel piping and containment replacement project at Portage and Brady's Leap Service Plazas at Milepost 197.0, in Portage County, Ohio, designated as **Contract No. 53-17-02 & 53-17-03** (the "Project"); and

WHEREAS, the Commission received two bids for the performance of the Contract, and the Maintenance Engineer's report analyzing the bid is before the Commission; and

WHEREAS, the Commission's Maintenance Engineer reports that the bids received are more than ten percent over the Engineer's Estimate and recommends that the bids be rejected; and

WHEREAS, the Commission's Director of Contracts Administration has submitted a report advising the Commission that, pursuant to the Bidding Documents for Project No. 53-17-02 & 53-17-03 and Ohio Revised Code Sections 5537.02(A) and 153.12, the discretion of the Commission to accept bids received in excess of ten percent of the Engineer's Estimate is expressly restricted; and

WHEREAS, Commission action is requested for the rejection of the bids pursuant to Article V, Section 1.00 of the Commission's Code of Bylaws because the amount of the bids involved for Project No. 53-17-02 & 53-17-03 exceed \$150,000.00; and

WHEREAS, based on the reports submitted by both the Maintenance Engineer and the Director of Contracts Administration, the Executive Director concurs with their recommendation that the two bids on Contract No. 53-17-02 & 53-17-03 should be rejected; and

WHEREAS, the Commission has duly considered said recommendations.

NOW, THEREFORE, BE IT

RESOLVED by the Ohio Turnpike and Infrastructure Commission that all bids received in response to Contract No. 53-17-02 & 53-17-03 are rejected.

(Resolution No. 72-2016 adopted December 19, 2016)

OHIO TURNPIKE AND INFRASTRUCTURE COMMISSION

Resolution Authorizing the Purchase of Seven Truck Cab and Chassis from Cleveland Freightliner, Inc. in the Amount of \$454,580.00 and Seven Zone Truck Bodies from Concord Road Equipment Manufacturing in the Amount of \$240,827.65 Under the ODOT and DAS Cooperative Purchasing Programs

WHEREAS, under Resolution No. 32-2003, adopted on July 21, 2003, the Executive Director is authorized to participate in state contracts through the Ohio Department of Administrative Services (“DAS”) Cooperative Purchasing Program, through which members may purchase supplies, services, equipment and other materials in accordance with Ohio Revised Code Section 125.04; and

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

WHEREAS, the Maintenance Engineer has determined that the purchase of seven truck cab and chassis outfitted with custom bodies are necessary to replace seven zone trucks used for operating and maintaining the Ohio Turnpike that have reached the end of their viable economic life and recommended for disposal under the Commission’s Property Disposal Policy; and

WHEREAS, the Maintenance Department staff has recommended that the best equipment available to perform its operations is the Freightliner M2-106 cab and chassis that are outfitted with a Concord manufactured body; and

WHEREAS, the truck cab and chassis are available for acquisition through the ODOT Cooperative Purchasing Program, and the Procurement Manager has determined that the lowest cost of obtaining the seven cab and chassis is under **ODOT Invitation 023-16 from Cleveland Freightliner, Inc., dba Valley Freightliner, of Parma, Ohio**, in the total amount of **\$454,580.00**; and

WHEREAS, the truck bodies are available for acquisition through the DAS Cooperative Purchasing Program, and the Procurement Manager has determined that the lowest cost of obtaining the seven truck bodies is under **DAS Contract Schedule No. 800116, Index No. STS515, from Concord Road Equipment Manufacturing, Inc., of Painesville, Ohio**, in the total amount of **\$240,827.65**; and

WHEREAS, Commission action is necessary under Article V, Section 1.00 of the Commission’s Code of Bylaws because the expenditure required to purchase the seven cab and chassis trucks and the customized bodies exceeds \$150,000.00; and

WHEREAS, the Executive Director and Chief Engineer have reviewed the evaluation and report of the Maintenance Engineer and concur with the recommendation that the Commission approve the purchase of the seven cab and chassis trucks from Cleveland Freightliner, Inc. through

the ODOT Cooperative Purchasing Program, and acquire the bodies from Concord Road Equipment Manufacturing, Inc. under the DAS Cooperative Purchasing Program; and

WHEREAS, the Commission has duly considered such recommendations.

NOW, THEREFORE, BE IT

RESOLVED by the Ohio Turnpike and Infrastructure Commission that the purchase of seven truck cab and chassis from **Cleveland Freightliner, Inc., dba Valley Freightliner**, of **Parma, Ohio**, through the ODOT Cooperative Purchasing Program under Invitation 023-16, in the total amount of **\$454,580.00**, is approved; and

FURTHER RESOLVED that the purchase of seven installed truck bodies from **Concord Road Equipment Manufacturing, Inc.**, of **Painesville, Ohio**, through the DAS Cooperative Purchasing Program under DAS Contract Schedule No. 800116, Index No. STS515, in the total amount of **\$240,827.65**, is approved.

(Resolution No. 73-2016 adopted December 19, 2016)

OHIO TURNPIKE AND INFRASTRUCTURE COMMISSION

Resolution Selecting Palmer Engineering Company as the Most Qualified Consultant to Perform Engineering Design and Construction Administration and Inspection Services for the Rehabilitation of Two Bridges in Portage County, and Authorizing the Executive Director to Execute an Agreement to Obtain Phase I Services for a Fee Not-To-Exceed \$216,924.00 (Project No. 71-16-09)

WHEREAS, on September 6, 2016, the Commission published notice of its Request for Proposals (“RFP”) for Project No. 71-16-09 seeking Engineering and Construction Administration and Inspection Services relating to the Rehabilitation of Two Bridges at Milepost 186.0 and Milepost 186.8 in Portage County; and

WHEREAS, on August 22, 2016, Letters of Interest were received from fifteen firms expressing their willingness to serve as the Commission’s Engineering Consultant for this Project, three of which were deemed most qualified and invited to submit proposals in response to the RFP, with were due on October 13, 2016; and

WHEREAS, on the basis of the proposals received, the Engineering staff concluded that **Palmer Engineering Company, of Akron, Ohio (“Palmer”)**, is the most qualified firm to perform the necessary services for Project No. 71-16-09, and conducted a Scope of Services meeting to confirm a mutual understanding of the Phase I Services for the Project consisting of Engineering Design and Plan Preparation Services; and

WHEREAS, Palmer submitted its fee proposal dated November 30, 2016, for Phase I Services in the not to exceed amount of **\$216,924.00**, which fee proposal the Chief Engineer deemed reasonable and appropriate, and recommends that the Commission approve the award of the Contract to Palmer for Project No. 71-16-09; and

WHEREAS, Commission action is necessary to approve the Contract award in accordance with Article V, Section 1.00 of the Commission’s Code of Bylaws because the total expenditures will exceed \$150,000.00; and

WHEREAS, the Director of Contracts Administration advises that the RFP process and the selection of Palmer conformed with the requirements of Ohio Revised Code Sections 153.65 to 153.71, and that all legal requirements were performed and that the proposals were solicited on the basis of the same terms and conditions with respect to all respondents and potential respondents; and

WHEREAS, the Executive Director has also reviewed the recommendation submitted by the Chief Engineer and the Director of Contracts Administration, and concurs that the Commission should approve the selection of Palmer to perform Phase I Services for Project No. 71-16-09; and

WHEREAS, the Commission has duly considered such recommendations.

NOW, THEREFORE, BE IT

RESOLVED by the Ohio Turnpike and Infrastructure Commission that the selection of **Palmer Engineering Company**, of **Akron, Ohio**, is approved as the most qualified firm to perform the professional engineering and construction administration and inspection services necessary for Project No. 71-16-09, and that the Executive Director is authorized to execute a Contract with Palmer on the basis of the Commission's Request for Proposals and Palmer's technical response and fee proposal for Phase I Services in the not to exceed amount of **\$216,924.00**; and

FURTHER RESOLVED that the Executive Director has the authority to approve such extra work or change orders under previously awarded said contracts as a result of an increase in the planned quantities, newly mandated requirements that did not exist at the time of original contract awards, or circumstances that would create a life, safety, or health threatening situation or would unduly delay the completion of the Project and increase its costs.

(Resolution No. 74-2016 adopted December 19, 2016)

OHIO TURNPIKE AND INFRASTRUCTURE COMMISSION

Resolution Authorizing Construction Management and Inspection Services Expenditures with Hill International, Inc. for the 2017 Pavement Replacement Program Project in the Not-to-Exceed Amount of \$1,280,274.00

WHEREAS, under Resolution No. 52-2013, the Commission approved an agreement with Hill International, Inc., of Broadview Heights, Ohio (“Hill International”), to serve as the Commission’s Construction Manager for the Pavement Replacement Program, which consists of Projects encompassing approximate five to six-mile sections located along the mainline of the Ohio Turnpike (“Program Projects”), and also approved initial expenditures with Hill International in the not-to-exceed amount of \$145,519.07 to perform pre-construction services, including, but not limited to: 1) review of Program Project constructability, 2) review of plans, specifications and other contract documents for the Program Projects, and 3) analysis of bids received on Program Projects; and

WHEREAS, the Commission approved additional expenditures with Hill International under Resolution No. 13-2014 to perform General Construction Management Services for the Pavement Replacement Program during 2014 in the not-to-exceed amount of \$247,590.00, and project-specific Construction Management and Inspection as follows: 1) in the not-to-exceed amount of \$1,615,211.00 for Program Project No. 39-14-01 from Milepost 101.20 to Milepost 107.2 in Sandusky and Erie Counties, and 2) in the not-to-exceed amount of \$1,607,959.00 for Program Project No. 39-14-02 from Milepost 159.8 to Milepost 164.82 in Cuyahoga County; and

WHEREAS, the Commission approved additional expenditures with Hill International under Resolution No. 9-2015 to perform General Construction Management Services during 2015 in the not-to-exceed amount of \$279,348.00, and project-specific Construction Management and Inspection services as follows: 1) in the not-to-exceed amount of \$1,754,839.00 for Program Project No. 39-15-01 from Milepost 144.10 to Milepost 149.24 in Lorain County, and 2) in the not-to-exceed amount of \$1,666,242.00 for Program Project No. 39-15-02 from Milepost 216.10 to Milepost 221.6 in Trumbull and Mahoning Counties; and

WHEREAS, the Commission approved additional expenditures with Hill International under Resolution No. 3-2016 to perform General Construction Management Services during 2016 in the not-to-exceed amount of \$309,372.00, and project-specific Construction Management and Inspection services during 2016 and 2017 as follows: 1) in the not-to-exceed amount of \$1,970,601.00 for Program Project No. 39-16-01 from 107.3 to Milepost 112.5 in Erie County, and 2) in the not-to-exceed amount of \$1,734,923.00 for Program Project No. 39-16-02 from Milepost 186.35 to Milepost 191.39 in Portage County; and

WHEREAS, Hill International has submitted a fee proposal dated December 7, 2016 outlining proposed costs to perform General Construction Management Services and project-specific Construction Management and Inspection Services during 2017 in the total not-to-exceed amount of **\$1,280,274.00**, as follows: 1) in the not-to-exceed amount of **\$280,281.00** for General Program Management Services, and 2) in the not-to-exceed amount of **\$999,993.00** for Program **Project No. 39-17-01** eastbound from Milepost 90.00 to Milepost 95.90 in Sandusky County; and

WHEREAS, the Chief Engineer has reviewed the fee proposal submitted by Hill International, and reports that the proposal is both reasonable and appropriate, and the Executive Director has reviewed the Chief Engineer's recommendation, and concurs that the Commission should authorize the expenditures with Hill International to perform the required General Construction Management Services for 2017 and the Construction Management and Inspection Services for the specific 2017 Program Projects; and

WHEREAS, the Commission has duly considered such recommendations.

NOW, THEREFORE, BE IT

RESOLVED that Ohio Turnpike and Infrastructure Commission approves the additional expenditures with **Hill International, Inc.**, of **Broadview Heights, Ohio**, to obtain additional Construction Management and Inspection Services for the 2017 base replacement program projects in the total not-to-exceed amount of **\$1,280,274.00**, which, based on its accepted fee proposal dated December 7, 2016, is derived from: (i) performing General Construction Management Services during 2017 for the not-to-exceed amount of **\$280,281.00**, and (ii) performing the necessary Construction Management and Inspection Services on Program Project No. 39-17-01 for the not-to-exceed amount of **\$999,993.00**, all in accordance with the terms and conditions of the Commission's RFP for Pavement Replacement Program Construction Management Services, Hill International's technical response and fee proposal.

(Resolution No. 75-2016 adopted December 19, 2016)