

MINUTES OF THE 567th MEETING OF THE OHIO TURNPIKE COMMISSION
December 20, 2010

Chairman: (10:03 a.m.) Good morning, the meeting will come to order? Will the Assistant Secretary-Treasurer please call the roll?

Assistant Secretary-Treasurer: Chairman Balog

Mr. Balog: Yes. Here

Assistant Secretary-Treasurer: Mr. Regula

Mr. Regula: Here

Assistant Secretary-Treasurer: Mr. Dixon

Mr. Dixon: Here

Assistant Secretary-Treasurer: Mr. Kidston

Mr. Kidston: Here

Assistant Secretary-Treasurer: Ms. Teeuwen

Ms. Teeuwen: Here

Assistant Secretary-Treasurer: Mr. DiNapoli

Mr. DiNapoli: Here

Assistant Secretary-Treasurer: Mr. Jerse

Mr. Jerse: Here

Assistant Secretary-Treasurer: Senator Patton

Senator Patton: Here

Assistant Secretary-Treasurer: Representative Hagan

Chairman: We have a number of guests attending today and in keeping with past practice I'd like everyone to introduce themselves:

Those in attendance: Martin Seekely, CFO/Comptroller, Ohio Turnpike; Eric Erickson, Fifth Third Securities; Debby Sideris, Executive Office, Ohio Turnpike; Jennifer Diaz, Legal Department, Ohio Turnpike; Don Schultz, Representing himself; Kathy Weiss,

Director of Contracts Administration and Government Affairs, Ohio Turnpike; Dave Miller, Director of Audit, Ohio Turnpike; Jim Ewinger, Plain Dealer; Frank Bronzo, KCI Associates of Ohio; Neil Gresham, URS; Tim Ujvari, Maintenance Engineer, Ohio Turnpike; Doug Hedrick, Assistant Chief Engineer, Ohio Turnpike; Roger Hannay, Ohio State Highway Patrol; Helen Carmelo, Sunoco; Bob Hughes, Sunoco; Vic Spinabelli, Hill International; Todd Cooper, Hill International; David Patch, Toledo Blade; Don Glosser, Crawford Murphy & Tilly; Chris Hopkins, KeyBank; David DeFlorentis, Eastern Division Service Plaza Manager, Service Plaza Operations, Ohio Turnpike; Andrew Herberger, Director of Service Plaza Operations, Ohio Turnpike; Don Taggart, IUOE Local 18; Frank Lamb, Huntington Bank; Brian Newbacher, AAA; Glen Stephens, G. Stephens; Lauren Hakos, Public Affairs & Marketing Manager, Ohio Turnpike; Dick Lash, Director of Safety Services, Ohio Turnpike; Sharon Isaac, Director of Toll Operations, Ohio Turnpike; Robin Carlin, Director of Human Resources, Ohio Turnpike; Sheri Warner, Ohio Trucking Association; Daniel Van Epps, West Virginia University.

Chairman: Thank you. This is the 567th Meeting of the Ohio Turnpike Commission. We are meeting here at the Commission's headquarters as provided for in the Commission's Code of Bylaws for a Regularly Scheduled Meeting. Various reports will be received. We will act on several resolutions, draft copies which have been previously been sent to the Members and updated drafts are in the Members' folders. The resolutions will be explained during the appropriate reports. May I have a motion to adopt the minutes of the November 15, 2010, Commission Meeting?

Mr. Regula: So moved.

Chairman: Is there a second?

Ms. Teeuwen Second.

Chairman: Questions, corrections or additions to the Minutes? Please call the roll.

Assistant Secretary-Treasurer: Chairman Balog

Mr. Balog: Yes

Assistant Secretary-Treasurer: Mr. Regula

Mr. Regula: Yes

Assistant Secretary-Treasurer: Mr. Dixon

Mr. Dixon: Yes

Assistant Secretary-Treasurer: Mr. Kidston

Mr. Kidston: Yes

Assistant Secretary-Treasurer: Ms. Teeuwen

Ms. Teeuwen: Yes

Chairman: Thank you, if there are no questions we will proceed to the report of the Secretary-Treasurer, Mr. Dixon.

Secretary-Treasurer: Thank you Mr. Chairman. The following items are in the Commission Members' folders or have been previously sent to the Members since the last scheduled meeting of the Commission on November 15, 2010. They are:

1. Minutes of the November 15, 2010, Commission Meeting
2. Traffic and Revenue Report, November, 2010
3. Total Revenue by Month and Year, November, 2010
4. Investment Report, November, 2010
5. Traffic Crash Summary Report, October, November, 2010
6. Financial Statement, October, November, 2010
7. Various News articles.

That completes the Secretary-Treasurer's report Mr. Chairman. I would be happy to try and answer any questions.

Chairman: Any questions or comments for Mr. Dixon? Thank you. Next we will go to the Executive Director, Mr. Distel.

Executive Director: Thank you Mr. Chairman, first and foremost I would like to wish everybody on be half of the administrative staff at the Ohio Turnpike a very Happy Holidays. Since we have a very busy agenda today I do not have a very lengthy report. I think our work is indicative of the agenda that we have before us. I want to jump right into it and the way we want to proceed today, we have some information for you regarding the speed limit and to get that on the agenda I would like ask our General Counsel to please read the Resolved.

General Counsel: RESOLVED that the Commission hereby authorizes the Executive Director and Chief Engineer to post a uniform speed limit of **70 MPH** for all vehicles on the entire Turnpike **effective April 1, 2011**, and to take such additional measures as necessary in cooperation with the Ohio State Highway Patrol to ensure the enforcement of the posted speed limit, lane restrictions and such other provisions of state law as are necessary to ensure the safety of the traveling public on the Turnpike.

Chairman: Motion to adopted, so we can have the resolution before us?

Mr. Kidston: So moved.

Chairman: Is there a second?

Mr. Regula: Second.

Chairman: Before we get into general discussion from the Members, I just wanted to go ahead and acknowledge that there was an article in the Cleveland Plain Dealer where I was quoted as stating that the Ohio Truckers Association supported the resolution increasing the speed limit from 65 miles an hour to 70 miles an hour. I was given that information verbally from a few members of the association that is incorrect. The Truckers Association is taking the formal stance that they are not supporting the increase of the speed limit from 65 to 70 miles an hour. I just wanted to clear that particular issue up, so there is no questions about that.

Executive Director: Yes Mr. Chairman, if I can continue we have a PowerPoint presentation that our Chief Engineer has put together regarding the resolution that is being discussed and just to kind of follow-up on your comments we were all handed just a few moments ago a formal letter from the Ohio Truckers Association that I did distribute, I think covers exactly what the Chairman said, so without any delay, Mr. Castrigano.

Chief Engineer: Thank you Mr. Chairman and Commission Members. The Executive Director asked the Engineering Department to look at some of the aspects of the possibility of increasing the uniform speed limit from 65 to 70 miles-per-hour. We took a look at it as three aspects of the proposed increase. The first is the possibility that commercial vehicle traffic would increase on the Turnpike due to the speed limit increase. The second is how a speed limit increase would affect the actual speeds of the vehicles operating on the Turnpike, and then finally how the proposed speed limit increase may affect the safety of the Turnpike. In these slides I will be referring to the terms rural interstate and 85th percentile speed. Rural interstate as you see is an interstate that does not pass through urbanized areas of 50,000 or greater. The Ohio Turnpike is considered a rural interstate for its entire length. As there are no changes in the physical and/or traffic characteristics along the entire length, including interchange spacings as it skirts the urban areas around Toledo, Cleveland, and Youngstown/Akron. The 85th percentile speed is the speed at or below which 85% of the traffic on a road is traveling. 85th percentile speed is typically utilized by traffic engineers rather than average speed limits when establishing and analyzing the effectiveness of speed limits. Basically the 85th percentile, if you would take the speed of 100 vehicles that are traveling along a road way, rank them from lowest to highest, you would go down and pick out that 85th vehicle, that is the 85th percentile speed. This slide shows you the history of the speed limit on the Ohio Turnpike since we opened back in 1954. You'll note that there was a ten year period from the mid-60's to the mid-70's where the speed limit was 70 miles-per-hour for passenger vehicles. That was reduced to 55 miles-per-hour due to the energy crisis. The commercial speed limit for trucks has always been 55 miles-per-hour until the implementation of the Northern Ohio Freight Strategy on September 8, 2004, when it was increased to our current speed, uniform speed limit of 65 miles-per-hour. The Northern Ohio Freight Study was implemented back in 2004. One of the goals, one of the Commission's goals of increasing the speed limit is to attract commercial vehicles to the Turnpike from parallel routes, thereby reducing congestion and increasing safety on those routes. You may recall that the freight strategy back in 2004, and 2005, was implemented by the Commission, along with ODOT. The goal, the strategy, was also to improve safety on these parallel routes. The strategy had a three-pronged approach. The first was increasing the speed limit for trucks from 55 to 65. The second was the temporary toll reduction for commercial vehicles, and finally increase speed and weight enforcement for commercial vehicles by the Ohio State Highway Patrol on parallel routes. The truck speed limit was

increased to 65 miles-per-hour on September 8, 2004. Because this change was implemented almost four months prior to the trial toll commercial reduction it was possible to measure with some degree of accuracy the effect that the increased speed limit had on commercial traffic. Commercial VMT or vehicles miles traveled during the months of September and October were about 12% higher than the corresponding months from 2003. It was thought that this was a transition period during which trucking firms were gradually learning of the change in the speed limit. Once news of the increase of the speed limit became widely known, commercial VMT during the months of November and December rose to a level about 20% higher than the previous year, with the growth in traffic of almost 8% during the first eight months of 2004, in other words 8% during that time was our normal growth for that period. It would be logical to assume that most of the other 12% increase in November and December was a result of the change in the speed limit. This slide depicts the 26 states in the country that have adopted a uniform speed limit of at least 70 miles-per-hour or greater on their rural interstates. Recently studies have been performed in Kentucky and Iowa to determine what effect the increase of the uniform speed limit from 65 to 70 had on the actual vehicle speeds. Following are the results of these studies.

In July 2007, the State of Kentucky increased the uniform speed limit from 65 miles-per-hour to 70 miles-per-hour on rural interstates. The objective of this study was to document the change and the actual operating speeds of the cars and trucks on rural interstates and parkways as a result of the change in speed limit. Again the 85th percentile speed increased 1.3 miles-per-hour for cars, from 74.6 to 75.9 and 0.6 miles-per-hour for trucks on the rural interstates. So with the five mile an hour increase in the speed limit, actual vehicle speeds increased approximately one mile-per-hour. The second study I'll cite is one that was performed in Iowa in July 2005. The state implemented again a 70 mile an hour speed limit on most rural interstates again from 65 miles-per-hour. Actual vehicle speed increases were similar to Kentucky's results. After the change it was found that both the average and the 85 percentile speed increased by about two miles-per-hour on the rural interstates. The study further determined that speeding was reduced from 20% of vehicles to approximately 8% of the vehicles for the purposes of the study they defined speeding as vehicles exceeding the speed limit by more than 10 miles-per-hour. This chart depicts the results of actual speeds surveys taken on the Ohio Turnpike. You can see we took surveys in August 2004 and August 2006. These were before and after the implementation of the speed limit increase as part of the Northern Ohio Freight Strategy. These results indicated that truck vehicle speed increases were approximately four to five miles-per-hour, while passenger speeds remained relatively constant or increased slightly. We performed additional studies in October and November of this year and you can see that the actual vehicle speeds have remained unchanged. I would like to draw your attention though to the average and 85th percentile speeds for commercial vehicles in our current studies. These are approximately one to four miles-per-hour over the posted speed limit, respectively, not five to ten miles-per-hour as has been reported recently in the media.

Finally, I would like to review safety statistics. Several studies have been performed by various agencies relating to the increased speed limit and their impact on safety. However, we have an ideal case study here on the Ohio Turnpike and these are our actual results. In February 2007, the Ohio State Highway Patrol reported that total crashes and crashes involving commercial vehicles increased after the speed limit was increased, this is true. However, they

reported a number of accidents, all the results you'll have here to be statistically accurate you should report accident ratios not number of accidents. Accident ratios take into effect, how many vehicles are traveling on the road and it gives you a true number. Furthermore, those results only utilize statistics for an 18-month period after the increase. Again, statistical analysis produces more accurate results, using longer periods of time that can provide additional data points. As you can see comparing the four year period before the speed limit increase to the five year period after indicates that the total crash rate increased approximately 2.8%, that's indicated by the two averages in the first highlighted column. More importantly, crash rates involving trucks, commercial vehicles, decreased 6.1% that's indicated in the second column and the fatality rate decreased 15.3% in the third column. And then finally Mr. Chairman and Commission Members, I was asked if the Ohio Turnpike was designed for 70 miles-per-hour, I don't have any slides on this, but we took a look at this back in 2004, when we increased the speed limit from 55 to 65. As originally designed the Ohio Turnpike predated the interstate designed standards, as it predated the interstates. However from 1973, pardon me, from 1979 to 1983, a study team consisting of representatives from FHWA, the Commission, the Ohio Department of Transportation, and Dalton, Dalton Newport now URS, conducted an environmental and engineering study for the operation of the Ohio Turnpike as a toll free interstate highway. The primary purpose of these studies was to identify potential improvements required to make the Turnpike conform to interstate design standards. As part of the engineering study typical sections and as-built plans for the entire turnpike were reviewed to verify that the roadway geometry conformed to a design speed of 70 miles-per-hour, which is a standard for rural interstate segments as adopted by ODOT and AASHTO. No exceptions were found and the final report approved by all agencies indicated no modifications required to conform to a 70 mile-per-hour design speed. That completes my presentation Mr. Chairman.

Chairman: Thank you, questions or comments on the presentation from the Commission? Yes, Bonnie.

Ms. Teeuwen: Yes Mr. Chairman, I guess I have one comment in regard to the design speed. As engineers, the design speed is what we design for and it is usually over five miles-per-hour from the posted speed, knowing that people will speed. So if the design speed is 70 miles an hour, when anybody goes over the posted speed limit, if the posted speed limit was 70 miles an hour, that there is concerns about the design of the roadway for anybody exceeding the 70 miles an hour, so when we do our calculations, the design speed is usually over the posted speed.

Chairman: Thank you. You know I find the statistics and actually what we have before us still on the PowerPoint presentation very interesting. If you look back for the five years, 2000 through 2004 inclusive, when we changed the speed limit late in 2004, we had 64 fatalities on the Turnpike. We increased the speed limit for the commercial vehicles by 10 miles-per-hour and in the next five years, if my math is correct; we have 53 fatalities on the Turnpike, which is nominally a reduction of approaching 20%. I also see as you talk about the number of accidents, that's a good point you made, for 2000 through 2004, we're dealing with 800 million plus truck miles, but if you go and you look at 2005, 6, 7, 8, and 9, four of those years we're at a billion truck miles each of those years. So again, we are talking a 15, 18 maybe approaching 20% for one or two years in comparison, difference in miles, so naturally if you

have 20% more vehicles on the freeway at that point in time, you're going to have more accidents. So, I think those are some important statistics that you need to look at as you go ahead. Also as you talk about a 18-month period of time, where they've gone ahead and compared accidents from the date we implemented the speed limit, your 18 months from September of 2004, takes in two winter seasons and one summer, so you certainly are going to again more accidents in the summer time, excuse me, more accidents in the winter time than you are in the summer. So, you are comparing two winters and one summer, so again you can look at statistics and you can make those statistics fit your argument almost any way you want it to go. I think one of the telling statistics that I'm looking at is the previous slide that talked about 26 states have adopted a uniform 70 mile an hour or faster speed limit on rural interstates and we are classified as a rural interstate because of the distances between our exits, you know we are not like going into downtown Cleveland where you have got an exit Chester, and exit at Superior, exit at Euclid, exit at Carnegie, and you have four or five exits in a mile. You know we're 241 miles with approximately 30 entrances and exits, and seven or eight plazas, so we have very limited access onto the road. Any other comments? Ed.

Mr. Jerse: I am just wondering if there are going to be additional presentations?

Executive Director: That's it.

Chairman: No, I think.....

Mr. Jerse: I guess then my question is on the safety. As I am reading this it appears that total crashes increased when the speed limit went up; but that the total truck crashes and fatality rates went down? Is there an explanation for that because it just seems counter intuitive that raising the speed limit would lead to lower crash rates and fatalities?

Chairman: I think when you are talking about total vehicles miles and you look at the far left column in 2006, for example, where three billion miles that two percent increase or decrease is really just a variation in your statistics. I mean that's such a small number when you are dealing with the large population that you have and even as you go ahead and you look into a particular category, if you look for example 2005, we had, crash rate was 95.6, but the next year it was 77, so I think that a two percent differentiation when you're comparing these broad numbers is really a relative small difference. I think that's just a statistical difference we have experienced, but I think as I said previously when we talked a little bit about this, vehicles are safer, you know we now have anti-skid brakes on many more cars than you had before, braking systems are better, I think, you know, that accounts for less of the crashes and that's one of the concepts of giving the driver and the making the car so it does not go ahead and respond inappropriately. The anti-skid allows the driver to go ahead and drive around an accident verses previously when they hit the brakes and it fishtailed around, so I think you got to look at the quality of the vehicles that we have now in the comparison. I think that partially explains why the fatality rate is reduced. I think that partially explains why the average accidents has been reduced.

Mr. Jerse: Have there been any national, have we considered any national studies, or has anyone weighed in from a national point of view in terms in what the likely safety impact of raising it to 70 would be?

Chairman: To my knowledge the answer is no, I mean we've looked at what some of the other states have experienced when they have increased their speed limits and as Dan just pointed out, we used the two states as an example, and we are not in a situation here where we are the first state that has ever done it, if there were significant issues I don't think you would see 26 states in the United States have a uniform 70 mile an hour or faster speed limit.

Mr. Jerse: Just a couple of other questions.

Chairman: Sure.

Mr. Jerse: When I looked at that map I noticed that the entire upper quadrant of the state appeared to be not at 70 miles, that the 70 was in the South and in the Midwest, so will we be kind of, I mean it would seem if you put Ohio at 70, you'll be unique among the northern tier, going from the east coast?

Executive Director: Come back to that slide please.

Chairman: Yeah, what I want to point out is that this slide talks about a uniform speed of 70, for example, sister states of Michigan has a 70 plus mile an hour for the automobiles, it does not have 70 for the commercial vehicles in the Lower Peninsula of Michigan and that's why it is not a black state; but the speed limit for automobiles in the state of Michigan is in fact 70 or more. I believe that is also true and maybe somebody could help me on Indiana and Illinois?

Mr. Kidston: Indiana as well.

Chief Engineer: Mr. Chairman if I may interrupt, I believe that Upper Peninsula of Michigan should not be highlighted. It must have been a mistake when they drafted the slide.

Chairman: Well we didn't include that I believe if you would count the states, you will find out there is 27.

Chief Engineer: Right, we did not count that.

Chairman: And that is why you made the comment that there is 26. The answer to your question is that what we are talking about here in this chart is uniform speed, so cars and trucks both 70 or more in the rural interstates.

Mr. Jerse: Are any of these states that are in the white there, do they have 70 mile an hour truck speeds, do you know?

Chairman: No they do not. The states that have the black have the 70 mile or faster for truck speeds. The states that are in the white have 65 or less for truck speeds, but some of the

states that are in white, in fact, do have 70 miles an hour for automotive, 70 miles and hour or higher for automotive. We looked at the issue of separating the speeds as we previous had and it was recommended by our traffic consultant, back in 2004, that the uniform speed was a safer operation than going ahead and having differential speed on the Turnpike.

Mr. Jerse: Then one last question. Given the Truckers Association's letter and the map, what is the impetuous, what is the push to get it to 70? Who is pushing to have it at 70 or what's the argument for that?

Chairman: You know I'll just speak for myself personally from talking with a number of truckers and individuals, it's just, as we go any place as we are heading to the South or go any place heading to the west the speed limit for automobiles is in fact 70 miles an hour or faster. We are a rural interstate we're the best quality road in the State of Ohio and as I look at it and I say to myself and I've heard from some of my colleagues, especially I will use Ed as an example who's in the western part of the state, is that there is a significant amount of vehicles that are using the parallel roads and not using the Turnpike that potentially would be using the Turnpike with a faster speed limit and I guess I look at it and I say to myself, if 26 states in the United States believe that 70 miles an hour is a safe speed and I look at two parallel cars on the Turnpike or two parallel trucks for that matter going 70 and I say to myself what is more dangerous a car going 55 miles an hour on Route 2 heading westbound and a car going 55 miles an hour heading eastbound on Route 2 that pass about two feet apart from each other going in effect 55 and 55, 110 mile an hour difference, is that a safer situation than going 70 miles an hour on traffic heading the same way with a separation medium? I think any time you are dealing with speed limits it is a balancing act and I really don't think that, that situation is safer than the Turnpike and if you said well we should be only be concerned about safety, well if we should only be concerned about safety, everybody on the Turnpike should only go 35 miles an hour and everybody on the parallel roads ought go 20, because I think our fatality number would be virtually zero at that rate, but that's not realistic and so that's why I think I am supporting the concept, I think it will go ahead and help bring some of that traffic of the parallel roads back to the Turnpike where it belongs and I think from a person who travels quite a bit, I was out west last week, I have been down to Tennessee, I've driven through all the other states, we're a rural interstate road with three lanes in most directions, a great road and I think that 70 miles an hour is the proper speed to try to bring as many people as possible back to the Ohio Turnpike. I will yield to anybody else that has thoughts or comments on it.

Mr. Kidston: I will just second your comments about that, I agree totally.

Ms. Teeuwen: Mr. Chairman.

Chairman: Yes, Bonnie.

Ms. Teeuwen: I think the letter that the Ohio Turnpike Association has sent us.

Executive Director: Ohio Truckers Association.

Ms. Teeuwen: The Ohio Truckers Association has sent us is very powerful and if we could read it here at the meeting to make it a formal document. Can we do that?

Chairman: Put that into the minutes. Would you like it read?

Executive Director: We can certainly include it as part of the minutes if you would like Mr. Chairman?

Ms. Teeuwen: I would like it read out loud here.

Chairman: Okay.

Ms. Teeuwen: Publically.

Chairman: Noelle can I impose on you to go ahead, you are our designated reader, to go ahead and read that into the minutes.

Ms. Teeuwen: Cause you do so well.

General Counsel: The letter is directed to Jolene Molitoris, Director of the Ohio Department of Transportation and Ex-Officio Member.

Dear Ms. Molitoris,

The Ohio Trucking Association is a membership organization consisting of almost 1000 companies involved in the transportation and logistics industry. Our members include carrier members and suppliers from across the state, many of whom consistently run the Ohio Turnpike.

This letter is being written to express our opposition to the resolution increasing the speed limit on the Turnpike to 70 miles-per-hour. Our understanding is that this is an attempt by the Turnpike to lure commercial vehicles back to the Turnpike after a significant reduction in commercial traffic over the last couple of years.

The Association spent the last week asking members their position on the proposed speed increase and the answer was overwhelming in opposition to the move. Concern about safety was the primary purpose many gave when expressing their opposition. A uniform speed limit is found to be the safest way for traffic to move efficiently.

Additionally many companies listed the environmental impact that this proposal would have. Semi tractors run most efficiently at somewhere between 63 and 65 miles-per-hour. Any speed higher than this reduces the mile per gallon performance of the vehicles. For this reason many companies have their trucks regulated to not go faster than 65 miles-per-hour. For those companies there was

no reason to increase the speed and doing so will not act as any incentive to them to use the Turnpike. For trucks that choose to run higher than 65 miles-per-hour, their fuel performance will fall causing more carbon emissions to be released into the air on the Turnpike and in turn to the homes and communities surrounding the Turnpike.

We understand that, as the economy improves, the parallel routes to the Turnpike are seeing an increase in commercial traffic. This is a result of the tolls on the Turnpike, not the speed limit. Companies are choosing to send their trucks on the alternative routes, where the speeds are already reduced, to save money. Speed limits will not impact that decision. The members of the Association asserted that a toll reduction would be why they would choose to return to the Ohio Turnpike.

A solution to the traffic on the parallel routes is one that will increase all interested parties working together to formulate. OTA is very interested in participating in a meaningful debate regarding this issue with the Commission.

Sincerely,
Sherri Warner, Legal Counsel, Ohio Trucking Association

Chairman: Thank you, so that will now be in the Minutes.

Ms. Teeuwen: Thank you.

Chairman: Anything further, Bonnie?

Ms. Teeuwen: Yes, I appreciate what you said Mr. Chairman in regard to the safety of the vehicles and that our safety is improving for that reason. I think our goal should be to increase our safety, decrease our accidents and to increase the speed with the possibility because we have safer vehicles kind of seems that we are just trying to balance that act. So my recommendation would be to keep the speed at 65 miles-per-hour, so that we can improve on the safety and from the letter from the Ohio Truckers Association that they don't feel that there's any benefit to increasing the speed limit.

Chairman: Thank you, any other comments from Commission Members? Please call the roll?

Assistant Secretary-Treasurer: Chairman Balog

Mr. Balog: Yes

Assistant Secretary-Treasurer: Mr. Regula

Mr. Regula: Yes

Assistant Secretary-Treasurer: Mr. Dixon

Mr. Dixon: Yes

Assistant Secretary-Treasurer: Mr. Kidston

Mr. Kidston: Yes

Assistant Secretary-Treasurer: Ms. Teeuwen

Ms. Teeuwen: No

RESOLUTION NO. 48-2010

**Resolution Providing for a Uniform Speed Limit of 70 MPH
for the Entire Ohio Turnpike**

WHEREAS, the Commission is authorized to establish such rules, as it considers advisable for the control and regulation of traffic on the Turnpike pursuant to the provisions of Ohio Revised Code Section 5537.16, and pursuant to its rules has the authority to determine what the posted speed limit shall be along the Turnpike; and

WHEREAS, the Commission desires to take those reasonable measures necessary to encourage more traffic, including commercial motor vehicles to use the Turnpike, thereby reducing congestion and improving safety on parallel routes; and

WHEREAS, the Chief Engineer has advised that the Turnpike was designed to safely accommodate a speed limit of 70 MPH; and

WHEREAS, the rules of the Commission restrict heavy commercial vehicles from using certain traffic lanes on the Turnpike, and signs along the Turnpike notify heavy commercial vehicles of this restriction.

NOW, THEREFORE, BE IT

RESOLVED that the Commission hereby authorizes the Executive Director and Chief Engineer to post a uniform speed limit of **70 MPH** for all vehicles on the entire Turnpike **effective April 1, 2011**, and to take such additional measures as necessary in cooperation with the Ohio State Highway Patrol to ensure the enforcement of the posted speed limit, lane restrictions and such other provisions of state law as are necessary to ensure the safety of the traveling public on the Turnpike.

Chairman: Passes four to one, thank you. Next on your... anything further?

Executive Director: We flip flopped things around Mr. Chairman, but I think next we have our CFO/Comptroller.

Chairman: Martin.

CFO/Comptroller: Good morning Mr. Chairman and Commission Members. I have an update on our traffic and revenue for the month of November. This first chart shows the monthly passenger car miles traveled on the Ohio Turnpike over the past two years. The passenger car vehicle miles traveled increased in November and were 1.6% above the total from 2009. Commercial vehicle miles traveled increased significantly in November and were 9% higher than last year. This chart shows the year-to-date total vehicles miles traveled through the month of November during each year over the past decade. Total vehicle miles traveled for the first 11 months of this year were 1.6% above the amount from last year. This chart shows total toll revenues over the last two years. Total toll revenues in November were 5.8% higher than last year and this was driven primarily by the increase in commercial vehicle miles traveled. This chart shows the year-to-date toll revenues through the month of November during each year over the past decade. Toll revenues for the first 11 months of this year were \$44.8 million or 26.4% above the amount from last year. That concludes my report on traffic and revenue.

I would now like to present the proposed 2011 Operating Budget for your consideration. Please feel free to stop me at any time should you have any questions. This pie chart provides an overview of the proposed 2011 Revenue Budget. Tolls are obviously the major source of the Commission's funding representing 92.4% of the projected 2011 revenues. Concessions generated from the sales of food, fuel and other retail goods and services at the Commission's service plazas are estimated to be 5.6% of the total revenues. The remaining 2.1% consists of investment earnings, fuel taxes and other miscellaneous revenues.

This slide shows a comparison of the proposed 2011 budget to the 2010 budget for pledged funds. The Toll Revenue Budget is \$14.6 million higher than last year's budget. Actual toll revenue for 2010 is expected to be higher than what was budgeted and the 2011 budget is close to the expected 2010 actual toll revenue. Low interest rates are expected to continue to have a negative effect on our investment earnings this year. The increase in other revenues relates primarily to higher monthly transponder usage fees. The proposed 2011 Pledged Revenues Budget totals \$248.8 million, an increase of \$15.2 million or 6.5% from the 2010 budget.

This slide shows the projected 2011 vehicle miles traveled by vehicle class and the percentage of those miles expected to be paid with E-ZPass. Total vehicle miles traveled are budgeted to increase 1% from our current forecast of actual 2010 vehicles miles traveled. The E-ZPass usage rate for Class 1 vehicles, which is passenger cars, is budgeted to increase to 32.1% from 29.2% in 2010. Similar increases in E-ZPass usage are budgeted for the commercial vehicle Classes 2 through 7. It is expected that only 4.1% of the Commission's 2011 budget will be spent on administration and insurance. We project that 16.1% of the budget will be needed for the maintenance of the roadway and structures, 21.2% for the operation of the toll and service plazas and 6.3% for traffic control and safety services, patrol and communications. The Commission currently has about \$610 million in bonds outstanding. The debt service on those bonds will require 21.2% of the Commission's 2011 Expenditures Budget, leaving 31% available for Capital Projects. With the implementation of E-ZPass, staffing levels have continued to be reduced. This slide identifies the elimination of 53 full-time toll collector positions and 57 part-time toll collector positions from the 2011 Expense Budget compared against the 2010 budget. The increase in part-time maintenance workers represents the return of our usage of summer

seasonal employees, who earn approximately 1/10th of the annual amount of a full-time maintenance worker. We expect increases in health insurance costs due to continue health care inflation, as well as increase E-ZPass transponder costs and credit card fees due to increased E-ZPass usage. Partially offsetting these increases is the elimination the VSIP or the Voluntary Separation Incentive Payment costs that were incurred in 2010 to reduce toll personnel because of the implementation of E-ZPass. Considering these changes and the staffing reduction just mentioned, total 2011 Operating, Maintenance and Administrative Expenses are expected to decrease by \$8,000 over the 2010 budget.

As we discussed at the November Commission Meeting, \$6.7 million of the saving from the recently completed debt refinancing will be recognized over the first two years. We will recognize \$2.6 million of those upfront savings in 2011, which will reduce our debt service payments to \$53.3 million. The Commission's Master Trust Agreement requires that we maintain an expense reserve equal to 1/12th of our Annual Operating Maintenance and Administrative Budget. With a proposed decrease in our expense budget of \$8,200 we need to subtract 1/12th of this amount or \$700 from 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 \$250,000 from the Service Plaza Capital Improvement Fund to the General Fund to cover small equipment purchases that will be expensed in the General Fund, a transfer of \$9.1 million to the Renewal and Replacement Fund, and a transfer of \$66.3 million to the Systems Project Fund. The 2011 budgeted debt coverage ratio is 2.41. To be eligible to issue additional bonds our Master Trust Agreement requires a minimum coverage ratio of 1.5 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. This is the proposed 2011 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 reconstructing services 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. The total proposed 2011 Operating Budget is \$251,837,000. 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 and there is a proposed resolution in your materials. With your permission, Mr. Chairman, I would like to ask the General Counsel to please read the Resolved?

Chairman: Please.

General Counsel: RESOLVED that the Commission hereby adopts the following as its Annual Operating Budget for the Year 2011 and the Executive Director, his successor or the CFO/Comptroller are directed to transmit a copy of the budget to the appropriate officials set forth in Section 5537.17(F) and to The Huntington National Bank, Trustee, under the Commission's Trust Agreement as is provided in Section 5.01(a)(iii):

Chairman: Is there a motion to adopt the resolution?

Mr. Regula: So moved.

Chairman: Second?

Ms. Teeuwen: Second.

Chairman: Questions, discussions?

Ms. Teeuwen: I guess I would, Mr. Chairman, I have one comment. As far as expenditures, I commend the Executive Director and his staff on reducing the expenditures in the Turnpike and I know that you have been working real hard to reduce the expenses here, so congratulations on that.

Executive Director: Thank you, Bonnie.

Chairman: In the two years and nine months since you have been here as Executive Director, what is our employment number now compared to what is was when you started? What are we down in total?

Executive Director: I am looking at my Director of HR in the back. Mr. Chairman, when I first came in, in 2008, obviously the economy was tubing, traffic and revenue were tubing, and if you remember we made about \$13 million dollar reduction to our Operating Budget, I think, at my first or second meeting as Director. Since that time I am going to say about 150, about 200. We are down from 2008 to now by about 200 employees. I think last I looked it was about 186, does that sound about right Robin? About 186 employees less, working today than in say May of 2008.

Chairman: And nominally a 100 or so are toll people because I think I heard 53 and 57. A 100 or so.

Executive Director: That is correct.

Chairman: Which is a reflection of E-ZPass installation. Administration has done a nice job.

Executive Director: Thank you.

Chairman: Any further questions on the resolution before us? Please call the roll.

Assistant Secretary-Treasurer: Chairman Balog

Mr. Balog: Yes

Assistant Secretary-Treasurer: Mr. Regula

Mr. Regula: Yes

Assistant Secretary-Treasurer: Mr. Dixon

Mr. Dixon: Yes

Assistant Secretary-Treasurer: Mr. Kidston

Mr. Kidston: Yes

Assistant Secretary-Treasurer: Ms. Teeuwen

Ms. Teeuwen: Yes

RESOLUTION NO. 49-2010

Resolution Adopting Proposed Annual Operating Budget for the Year 2011 and Providing for Deposits Required Under the 1994 Trust Agreement During said Year

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

WHEREAS, the Master Trust Agreement dated February 15, 1994 between the Commission and The Huntington National Bank (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 same with the Trustee; and

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

NOW, THEREFORE, BE IT

RESOLVED that the Commission hereby adopts the following as its Annual Operating Budget for the Year 2011 and the Executive Director, his successor or the CFO/Comptroller are directed to transmit a copy of the budget to the appropriate officials set forth in Section 5537.17(F) and to The Huntington National Bank, Trustee, under the Commission's Trust Agreement as is provided in Section 5.01(a)(iii):

**OHIO TURNPIKE COMMISSION
2011 ANNUAL OPERATING BUDGET**

	PLEGGED	NON-PLEGGED	TOTAL
REVENUES:			
TOLL	\$ 232,582,500	\$ -	\$ 232,582,500
CONCESSION	13,559,000	486,200	14,045,200
INVESTMENT	683,300	424,500	1,107,800
FUEL TAX	-	2,100,000	2,100,000
OTHER	2,001,500	-	2,001,500
TOTAL REVENUES	\$ 248,826,300	\$ 3,010,700	\$ 251,837,000
 EXPENDITURES:			
OPERATION, MAINTENANCE & ADMINISTRATION:			
ADMINISTRATION & INSURANCE	\$ 10,446,600	\$ -	\$ 10,446,600
MAINTENANCE OF ROADWAY & STRUCTURES	40,624,300	-	40,624,300
SERVICES & TOLL OPERATIONS	53,386,600	-	53,386,600
TRAFFIC CONTROL, SAFETY, PATROL & COMM.	15,845,000	-	15,845,000
TOTAL OPERATION, MAINTENANCE & ADMIN.	120,302,500	-	120,302,500
DEBT SERVICE PAYMENTS	53,340,700	-	53,340,700
TOTAL EXPENDITURES	173,643,200	-	173,643,200
 TRANSFERS TO / (FROM):			
EXPENSE RESERVE	(700)	-	(700)
NON-TRUST FUND	-	410,000	410,000
FUEL TAX FUND	-	2,102,500	2,102,500
SERVICE PLAZAS CAPITAL IMPROVEMENT FUND	(250,000)	498,200	248,200
RENEWAL & REPLACEMENT FUND	9,100,000	-	9,100,000
SYSTEM PROJECTS FUND	66,333,800	-	66,333,800
TOTAL TRANSFERS	75,183,100	3,010,700	78,193,800
TOTAL EXPENDITURES & TRANSFERS	\$ 248,826,300	\$ 3,010,700	\$ 251,837,000

(Resolution No. 49-2010 adopted December 20, 2010)

Chairman: Anything further?

CFO/Comptroller: No that's it.

Chairman: Thank you. Next will be the Chief Engineer, Dan.

Chief Engineer: Thank you Mr. Chairman. I have three resolutions for your consideration this morning. The first is a resolution adopting the proposed 2011 Capital Budget. Again at the conclusion of this resolution I will be requesting that the Commission adopt the resolution approving the Capital Budget. This resolution will refer to a preliminary list of projects which may be subject to change. A detailed proposed budget is included in your folders. Also I would like to remind the Commission that although we will be adopting the budget today, each individual contract contained within the budget that exceeds \$150,000 will be awarded by

the Commission via individual resolutions. Please feel free to stop me if you have any questions during this presentation. The Capital Budget is comprised of four funds.

The first fund we'll review is the System Projects Fund. System projects are the major construction projects that are a part of our Capital Improvement Program. We will begin the year with a balance of approximately \$26.8 million dollars. As the Comptroller reported approximately \$66.3 million will be transferred into this fund from the 2011 Operating Budget. This results in approximately \$93.1 million dollars available for projects in 2011. Of this amount approximately \$15.6 million dollars is committed to ongoing projects. These are projects that are currently under construction or have been funded in 2010. Some of these major projects in this category include completion of the Indian Meadows/Tiffin River Service Plazas in Williams County, payment to ODOT for the ongoing project at Toll Plaza 180 for the reconfiguration of State Route 8, and wrap up of the Toll Collection System including the implementation of E-ZPass. This slide summarizes approximately \$74.6 million dollars of new projects to be funded in 2011. As I stated earlier the file in your folders identifies the individual projects, although I will review the major expenditures. Fourteen million dollars has been allocated to begin the Roadway Base Replacement Program. We have programmed approximately 10.6 lane miles in 2011, it is expected that this will increase to approximately 20 lane miles annually, beginning in 2012. A total of \$5.3 million dollars has been allocated for bridge structure painting and miscellaneous structure rehabilitation. A total of \$31 million dollars has been budgeted for the reconstruction of the Mahoning Valley/Glacier Hills Service Plazas located in Mahoning County. You may recall that on October 25th of this year the Commission passed a resolution authorizing the closures of these facilities on January 31, 2011. Note that it is estimated that approximately \$14 million dollars of the total cost will actually be expended in 2012 and it is therefore shown as a credit in the 2011 budget. Three Mainline Resurfacing Projects totaling \$22.5 million dollars are programmed for construction in 2011. The detailing these, 12.7 miles in Williams County. This is the project that we were forced to reject in March of this year; nine miles in Lorain and Cuyahoga Counties, and seven miles in Trumbull County. A total of \$1.25 million dollars is budgeted for correction of slope failures, specifically Jacobs Road over the Turnpike in Sandusky County and slope failure of the embankment of the Mainline Roadway also in Sandusky County. A total of \$34 million dollars has been budgeted for the construction of one of the final two incomplete segments of the third lane. This is 7.3 miles located in Summit County. Again approximately \$20 million dollars of the total cost is expended in 2012 and is shown as a credit. Again total expenditures in 2011 on new projects will be approximately 74.6 million dollars. Summarizing this fund the \$15.6 million dollars of continuing expenditures, and \$74.6 million dollars of new projects in 2011, totals approximately \$90.2 million in committed funds. As I stated earlier we have approximately \$93.1 million dollars available in this fund, leaving approximately 2.9 million dollars uncommitted in the Systems Project Fund.

The second component of the Capital Budget is the Renewal and Replacement Fund. These projects funded by this account include purchase of maintenance vehicles and equipment, and other minor capital projects. We will begin 2011 with approximately \$2.7 million dollars in this fund. Again as the Comptroller reported, approximately \$9.1 millions dollars will be transferred from the 2011 Operating Budget and we will also receive the final \$600,000 dollars of Clean Diesel Grant Funding that was previously awarded to the Commission. This will result

in approximately \$12.4 million dollars available in the R&R Fund. Approximately \$4.4 million dollars is committed to ongoing projects again that were funded in 2010. Some of these major projects in this category include \$3.9 million dollars for previously awarded maintenance vehicles that will be received in 2011. Approximately \$7.4 million dollars will be budgeted for new projects in 2011. The major expenditures in this fund include the replacement of equipment and vehicles, and purchase of communications equipment. Approximately \$825,000 has been budgeted for replacement of maintenance equipment, specifically replacement of 18 portable air compressors at a cost of \$260,000 dollars, \$190,000 dollars for purchase of two asphalt recycling units and \$275,000 dollars for the replacement of eight frontend loaders with three new units. Approximately \$1.9 million dollars has been budgeted for replacement of vehicles assigned to the Maintenance Department, this includes \$1.2 million dollars for eight single axle dump trucks with snow and ice equipment, \$250,000 for five crew cab dump trucks, and replacement of eight incident response vehicles at total cost of approximately \$450,000 dollars. The other major expenditures in the R&R Budget for 2011 is approximately \$1 million dollars for communications equipment. The largest expense in the sub fund is approximately \$500,000 dollars for replacement of VHS in-car recording equipment with digital equipment for all patrol cars assigned to District 10 of the Ohio State Highway Patrol. This represents approximately 75 vehicles. Adding the \$4.4 million dollars of continuing expenditures from 2010 to the \$7.4 million of new projects totals approximately \$11.8 million dollars in committed funds. This will result in approximately \$615,000 dollars of uncommitted funds in the R&R Projects Fund.

The third component of the Capital Budget is the Fuel Tax Fund. This account is funded from \$.05 of the total of the \$.28 cents per gallon of fuel taxes for fuel sold at our service plazas being returned to the Commission. We will begin the year with a balance of approximately \$632,000 dollars; approximately \$2.1 million will be generated during 2011, resulting in a balance of approximately \$2.7 million available for 2011 projects. Proposed projects in this fund included \$2 million for replacement of roadway lighting at Interchanges 142 and 151 in Lorain County, as well as \$250,000 dollars for new and/or replacement roadway signage. This results in \$2.25 million dollars of new projects being funded from the Fuel Tax Budget in 2011. That leaves us approximately \$484,000 dollars in uncommitted funds in the Fuel Tax Budget.

And then finally is the Capital, the final Capital Budget Fund is the Service Plaza Capital Improvement Fund. This account is funded from 1% of sales from food and retail vendors operating at the 10 reconstructed service plazas. These funds are designated for Capital Improvements at the new facilities. Revenue of approximately half million dollars is projected for 2011, adding this to the projected 2011 beginning balance of \$3.5 million dollars results in approximately \$4 million dollars available. One million dollars will be budgeted to projects in 2011, adding this to the \$100,000 dollars in continuing projects will results in approximately \$2.9 million dollars in uncommitted funds in the Service Plaza Capital Improvement Fund. In summary, budgeted expenditures for new projects in 2011 will be approximately \$8.5 million dollars. Mr. Chairman with your permission I will now request that the General Counsel read the Resolved of the subject resolution?

General Counsel: RESOLVED that the Commission hereby authorizes expenditures on 2011 capital projects which shall constitute System projects to the extent provided in the Trust Agreement from the System Projects Fund, Renewal and Replacement Fund, Fuel Tax

Fund and Service Plaza Capital Improvement Fund, not to exceed a combined total of up to \$85,275,000.00, which projects will not be awarded except as provided by Article V of the Commission's Code of Bylaws dated March 17, 2003.

Chairman: Is there a motion to adopt the resolution?

Mr. Kidston: So moved.

Chairman: Is there a second?

Ms. Teeuwen: Second.

Chairman: Discussion or questions? Senator.

Senator Patton: I recalled that in the past year Director Distel had talked about a project where we were implementing a pilot project, if I am not mistaken at one of the plazas, circumstances where instead of having the truck drivers have their motors run all night long to keep their heaters going. Number one, if in fact did that get implemented, how successful has it been and is there any plan Danny to expand on that? That's the first point and the second point of the question as long as we are on the green topic. I had been approached by someone regarding just lights, lights that are much less costly to operate and I don't know if we, you know, if in 2011 if we haven't begun any type of a project, to investigate that, should we not be taking a look at with all the lighting we have to do in the plazas and along the exits. Should we not be taking a look at doing something from an investigative point of view to kind of piggy back on your very good idea of getting trucks to turn their engines off at night?

Executive Director: I will let our Chief Engineer, it is actually under construction Senator, but I think Dan can give you an update.

Chief Engineer: Mr. Chairman and Commission Member Patton, first the Truck Electrification Project as the Director stated that has been awarded and is currently under implementation, it is scheduled to open along with the service plaza in Indian Meadows/Tiffin River in 2011. We do have the space available if we wanted to go ahead and further implement it in Mahoning County at the Mahoning Valley/Glacier Hills. Your second questions is yes, the Maintenance Department has begun researching implementation of energy conservation, on page two of the budget, specifically under the Renewal and Replacement Budget, if you will look about almost to the bottom of the page under Fund Number 56 Maintenance Buildings. We have \$70,000 dollars budgeted for energy optimization and conservation and that would include things such as LED lighting.

Senator Patton: Okay, thanks.

Chairman: Further questions?

Mr. DiNapoli: Just one question. Regarding the Systems Project Fund, I see that we have a, I will say a large balance in that fund right now, with approximately \$25 million.

You're projected to start next year with \$26.8 million; but we are projected to end with \$2.9 million, a substantial increase in expenditures, is that the timing of the projects you just described, that were deferred?

Chief Engineer: That's correct Mr. Chairman, Commission Member DiNapoli. It just happens that we were. All of our focus during the past year and half has been on getting this Toll Collection System wrapped up. As we get past that we are now going to get into our other aspects of the capital program, the three main projects, base replacement, third lane and our second service plazas. Just to give you some idea, that our 2010 Systems Budget had us ending, with about \$2 million dollars, but we pushed a lot of those projects into 2011.

Mr. DiNapoli: So, again to I will quote the "large balance" we see in that fund at this time it is not a historic thing?

Chief Engineer: It is somewhat unusual, yes.

Executive Director: It is an anomaly.

Mr. DiNapoli: Thank you.

Chairman: The other issue is that we in the past as we have been concentrating on implementing the E-ZPass system, we have gone ahead and delayed some normal maintenance that we should be doing, which you would call capital, for example the resurfacing projects the 241 mile roadway and the goal is to go ahead and try and do about 20 miles a year. If you look back the last few years you saw that we were substantially below that. The resurfacing projects under Category 59 are about 31, 32 miles, so we are almost 50% more, which will add \$7 or \$8 million dollars to that project for example. Further comments or questions?

Mr. Jerse: I noticed that there is a fairly substantial uncommitted funds. Are those used for emergency projects during the course of the year? And to what extent do you expect those to be spent down?

Chief Engineer: Mr. Chairman, Commission Member Jerse they're used for contingencies, emergencies, possible change orders in some of the contracts. Although our contract record has been very good as far as change orders throughout the years, I am expecting to end up with those funds at the end of the year.

Mr. Jerse: Okay.

Chairman: Please call the roll.

Assistant Secretary-Treasurer: Chairman Balog

Mr. Balog: Yes

Assistant Secretary-Treasurer: Mr. Regula

Mr. Regula: Yes

Assistant Secretary-Treasurer: Mr. Dixon

Mr. Dixon: Yes

Assistant Secretary-Treasurer: Mr. Kidston

Mr. Kidston: Yes

Assistant Secretary-Treasurer: Ms. Teeuwen

Ms. Teeuwen: Yes

RESOLUTION NO. 50-2010

Resolution Adopting Proposed Capital Budget for the Year 2011

WHEREAS, the 2011 annual operating budget includes transfers of revenues to the System Projects Fund, Renewal and Replacement Fund, Fuel Tax Fund and Service Plazas Capital Improvement Fund; and

WHEREAS, the transfers of 2011 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 to be available for capital expenditures; and

WHEREAS, the Commission's Executive Director, Chief Engineer and CFO/Comptroller have recommended a preliminary list of 2011 capital projects, which list of projects is subject to change, totaling up to \$85,275,000.00;

NOW, THEREFORE, BE IT

RESOLVED that the Commission hereby authorizes expenditures on 2011 capital projects which shall constitute System projects to the extent provided in the Trust Agreement from the System Projects Fund, Renewal and Replacement Fund, Fuel Tax Fund and Service Plaza Capital Improvement Fund, not to exceed a combined total of up to \$85,275,000.00, which projects will not be awarded except as provided by Article V of the Commission's Code of Bylaws dated March 17, 2003.

(Resolution No. 50-2010 adopted December 20, 2010)

OHIO TURNPIKE COMMISSION
2011 SYSTEM PROJECTS BUDGET

Estimated Beginning Balance January 1, 2011		\$ 26,818,000
Transfers from 2011 Operating Funds		66,334,000
Total 2011 Available Funds		<u>\$ 93,152,000</u>
2011 Expenditures:		
Continuing Expenditures from 2010:		
Reconstruction of IM/TR SP, Williams County	\$ 12,551,000	
Payment to ODOT for Reconfiguration of TP180	1,892,000	
Replacement of Toll Collection System	<u>1,177,000</u>	
Total Continuing Expenditures from 2010		\$ 15,620,000
New 2011 Projects:		
39 Pavement Repair & Replacement		
Replacement of Original Concrete Pavement		14,000,000
MP 95.9 to MP 101.2, WB, Sandusky County		
40 Repainting Bridges & Towers		2,250,000
43 Bridge Repair and Resurfacing		
A. Deck Replacement, Gulf Rd., MP146.4, Lorain County	\$ 2,000,000	
B. Misc. Structure Rehabilitation	<u>800,000</u>	
Total		2,800,000
53 Service Plazas		
Reconstruction of Mahoning Valley/Glacier Hills	\$ 31,000,000	
Service Plazas, MP 237.2, Mahoning County		
Less Amount to be Spent in 2012	<u>(14,000,000)</u>	
		17,000,000
59 Resurfacing Pavement		
A. MP 14.8 to MP 27.5, Williams & Fulton Counties	\$ 10,000,000	
B. MP 153 to MP 162, Lorain & Cuyahoga Counties	6,250,000	
C. MP 207 to MP 214, Trumbull County	<u>6,250,000</u>	
Total		22,500,000
70 Correction of Slope Failures		
A. Jacobs Rd., MP 96.5, Sandusky County	\$ 850,000	
B. Mainline Roadway, WB, MP 90.8, Sandusky County	<u>400,000</u>	
Total		1,250,000
71 Engineering Consulting Services		
Design & Consulting Services		600,000
74 Right of Way Acquisitions		
Mahoning Valley/Glacier Hills Service		200,000
Plazas, MP 237.2, Mahoning County		
77 Third Lane Construction		
MP 178.0 to MP 185.3, Summit County	\$ 34,000,000	
Less Amount to be Spent in 2012	<u>(20,000,000)</u>	
		14,000,000
Total 2011 Expenditures on New Projects		<u>\$ 74,600,000</u>
Total 2011 Expenditures		<u>\$ 90,220,000</u>
Uncommitted Funds		2,932,000
Total 2011 Expenditures and Uncommitted Funds		<u>\$ 93,152,000</u>

OHIO TURNPIKE COMMISSION
2011 RENEWAL AND REPLACEMENT BUDGET

Estimated Beginning Balance January 1, 2011	\$ 2,679,000
Transfers from 2010 Operating Funds	9,100,000
Clean Diesel Grant	600,000
Total 2011 Available Funds	<u>\$ 12,379,000</u>

2011 Expenditures:

Continuing Expenditures from 2010:

20 Single Axle Trucks w/ S&I Control Equipment	\$ 3,100,000	
10 Tandem Axle Trucks w/ S&I Control Equip. & 8 Tow Plows	800,000	
Leachate Pump Station	184,000	
Dispatch Console System Upgrades	100,000	
Other Miscellaneous Projects	<u>190,000</u>	
Total Continuing Expenditures from 2010		\$ 4,374,000

New 2011 Projects:

24 Guardrail – Additions & Replacement Replacement of Deteriorated Guardrail		\$ 150,000
31 Maintenance Equipment See Attached Exhibit "A"		825,000
32 Maintenance Vehicles See Attached Exhibit "A"		1,900,000
38 Communications Equipment – New or Replacement		
A. Replacement of OSHP In-Car Video Systems	\$ 500,000	
B. Reconfiguration of Communications Center	200,000	
C. Replacement of Mobile VHF Band Radios	150,000	
D. Replacement of Voicemail Server	75,000	
E. Installation of Telepanel Intercoms at Toll Plazas	50,000	
F. Miscellaneous Communications Equipment	25,000	
G. Miscellaneous OSHP Equipment	<u>25,000</u>	
Total		1,025,000
39 Pavement Repair & Replacement Full Depth Pavement Repair		600,000
41 Resealing Asphalt Surfaces Sealing Paved Areas Located at LCV Lots and Maintenance Buildings		80,000
43 Bridge Repair & Resurfacing Miscellaneous Structure Repairs		250,000
48 Administration Building		
A. Rehabilitation of Exterior Building Surfaces	\$ 250,000	
B. Interior Refurbishment, Communications Building	75,000	
C. Replacement of Office Equipment & Furniture	<u>25,000</u>	
Total		350,000
56 Maintenance Buildings		
A. HVAC Upgrades, MB3 & MB7	\$ 200,000	
B. Energy Optimization & Conservation	<u>70,000</u>	
Total		270,000
58 Toll Plazas		
A. Replacement of Communications Room A/C Systems	\$ 300,000	
B. HVAC Control Interface, TP52 & TP64	<u>40,000</u>	
Total		340,000

59	Resurfacing Pavement		
	A. Maintenance Yard Resurfacing, MB6	\$	300,000
	B. Mainline Shoulder Treatment		<u>150,000</u>
	Total		450,000
61	Landscaping		
	Right-of-Way Landscaping		100,000
67	Computer Equipment		
	A. New & Replacement Equipment		
	Data Center, Backup Center & Desktops	\$	250,000
	B. Software Systems Upgrades		<u>250,000</u>
	Total		500,000
68	Right-of-Way Fence		
	Replacement of Right-of-Way Fence		200,000
69	Drainage		
	Culvert Cleaning & Repair		250,000
73	Automotive Equipment – Replacement		100,000
	Total 2011 Expenditures on New Projects		<u>\$ 7,390,000</u>
	Total 2011 Expenditures		<u>\$ 11,764,000</u>
	Uncommitted Funds		615,000
	Total 2011 Expenditures and Uncommitted Funds		<u><u>\$ 12,379,000</u></u>

OHIO TURNPIKE COMMISSION
2011 FUEL TAX BUDGET

Estimated Beginning Balance January 1, 2011	\$ 632,000
Transfers from 2011 Operating Funds	<u>2,102,000</u>
Total 2011 Available Funds	<u>\$ 2,734,000</u>
2011 Expenditures:	
Continuing Expenditures From 2010	\$ -
New 2011 Projects:	
26 Roadway Lighting Interchange 142 & 151, Lorain County	\$ 2,000,000
45 Signs - New & Replacement New & Replacement Regulatory, Guide & Destination Signage & Supports	250,000
Total 2011 Expenditures on New Projects	<u>\$ 2,250,000</u>
Total 2011 Expenditures	<u>\$ 2,250,000</u>
Uncommitted Funds	484,000
Total 2011 Expenditures and Uncommitted Funds	<u>\$ 2,734,000</u>

OHIO TURNPIKE COMMISSION
2011 SERVICE PLAZA CAPITAL IMPROVEMENT BUDGET

Estimated Beginning Balance January 1, 2011	\$ 3,516,000
Transfers from 2011 Operating Funds	<u>498,000</u>
Total 2011 Available Funds	<u>\$ 4,014,000</u>
2011 Expenditures:	
Continuing Expenditures From 2010 Sanitary Sewer Improvement, Portage	\$ 100,000
New 2011 Projects:	
Service Plaza Furnishings - less than \$1,000 ea.	
A. Service Plaza Furnishings Indian Meadow/Tiffin River	\$ 200,000
B. Replacement of Misc. Service Plaza Furnishings	<u>50,000</u>
Total - Transfer to General Fund	\$ 250,000
41 Resealing Asphalt Surfaces Sealing Paved Areas Located at Service Plazas	140,000
53 Service Plazas Misc. Interior Refurbishments	100,000
59 Resurfacing Pavement Misc. Parking Area Rehabilitation	500,000
69 Drainage Drainage Improvements, Portage	45,000
Total 2011 Expenditures on New Projects	<u>\$ 1,035,000</u>
Total 2011 Expenditures	<u>\$ 1,135,000</u>
Uncommitted Funds	2,879,000
Total 2011 Expenditures and Uncommitted Funds	<u>\$ 4,014,000</u>

OHIO TURNPIKE COMMISSION
2011 CAPITAL BUDGET
EXHIBIT "A"

31	Replacement of Maintenance Equipment	
	<u>Miscellaneous Maintenance Equipment</u>	\$ 100,000
	Purchase of miscellaneous new/replacement equipment (less than \$10,000)	
	<u>18 Each, Portable Air Compressors</u>	
	Replacement of 18 each, 1997 model units	260,000
	<u>2 Each, Mobile Asphalt Recycler</u>	
	New Equipment	190,000
	<u>3 Each, Front End Loaders</u>	
	Replacement of 8 each 1996 model front end loaders with 3 each, new units	275,000
	Total	<u>\$ 825,000</u>
32	Replacement of Maintenance Vehicles	
	<u>8 Each, Single Axle Dump Trucks w/ Snow and Ice Control Equipment</u>	
	Replacement of 8 each, 1998 model units (93-1120, 1220, 1222, 1322, 2520, 2622, 2720, 2822)	1,200,000
	<u>5 Each, Crew Cab Dump Trucks</u>	
	Equipment for MB's 1, 2 and 8 and replacement of 2 each 1993 model units (92-1036 & 2036)	250,000
	<u>8 Each, Incident Response Pickup Trucks w/ Utility Body</u>	
	Replacement of 8 each, 1999 model units (93-1150 thru 2850)	450,000
	Total	<u>\$ 1,900,000</u>

Commission Member Jerse left meeting at 11:02 a.m. and returned at 11:06 a.m.

Chief Engineer: Thank you the second resolution is the award of contract Invitation 4152 for the purchase of 20 truck cabs and chassis with dump bodies and snow removal equipment. This project was on the 2010 budget approved last December. The project was divided into three groups. The first for 20 truck cabs and chassis, the second for the 20 dump bodies, wing plows and central hydraulic and lighting systems, and finally Group III for front reversing and coning plows. We received eight bids in response to the invitation. The apparent low bid for Group I was submitted by Power City International of Cleveland, Ohio. This bidder has taken some substantial exception to the Commission's delivery requirements, and proposes to furnish an engine that is not compliant with the Bid Specifications, specifically emission standards. Therefore, this bid must be rejected. The Maintenance Engineer has advised that the second low bid was submitted by Cleveland Peterbilt of Brooklyn, Ohio, proposing to furnish 2012 Peterbilt Model 378 cabs and chassis. These vehicles comply with the Commission's specifications in the total amount of \$1,803,980.00.

The apparent low bids in response to Group II and Group III was submitted in the form of a combination bid by Concord Road Equipment Manufacturing, Incorporated, of Painesville, Ohio in the total amount of \$1,846,634.80. The total proposed bid amounts for these various groups are within 2.5% of the estimate for this contract. As the new bids are placed, the new vehicles are placed into service the existing vehicles will be disposed of in accordance with the Commission's property disposal policy. If the General Counsel will please read the Resolved.

General Counsel: RESOLVED that the bid of **Power City International Trucks of Cleveland, Ohio** is deemed not responsive and is rejected; and

RESOLVED that the bids of **Cleveland Peterbilt of Brooklyn, Ohio** in the total amount of **\$1,803,980.00** for **Group I** (for furnishing twenty truck cab and chassis), and **Concord Road Equipment Mfg., Inc. of Painesville, Ohio** in the total amount of **\$1,846,634.80** for **Group II** and **Group III** (for furnishing twenty dump bodies, wing plows, central hydraulic and lighting systems, and twenty front reversible and coning plows), all under Invitation No. 4152, are, and are by the Commission, determined to be the lowest responsive and responsible bids received, and are accepted, and the Executive Director and the Director of Contracts Administration, or either of them, hereby is authorized to: 1) execute a Contract with the successful bidders in the form heretofore prescribed by the Commission pursuant to the aforesaid bids, 2) direct the return to the bidders of their bid security when appropriate, and 3) take any and all action necessary or proper to carry out the terms of said Contracts.

FURTHER RESOLVED that the Commission's Executive Director and Purchasing Manager are authorized to proceed with the disposal of the existing vehicles identified for replacement in accordance with the Commission's Property Disposal Policy.

Chairman: Motion to adopt?

Ms. Teeuwen: So moved.

Chairman: Is there a second?

Mr. Kidston: Second.

Chairman: Discussions, questions on the motion before the Commission? Please call the roll.

Assistant Secretary-Treasurer: Chairman Balog

Mr. Balog: Yes

Assistant Secretary-Treasurer: Mr. Regula

Mr. Regula: Yes

Assistant Secretary-Treasurer: Mr. Dixon

Mr. Dixon: Yes

Assistant Secretary-Treasurer: Mr. Kidston

Mr. Kidston: Yes

Assistant Secretary-Treasurer: Ms. Teeuwen

Ms. Teeuwen: Yes

RESOLUTION NO. 51-2010

**Resolution Awarding a Contract for the Purchase of
Twenty Truck Cab and Chassis and Furnishing and Installing Twenty Dump Bodies, Wing
Plows, Central Hydraulic and Lighting Systems and Twenty Front Reversible and Coning
Plows under Invitation No. 4152**

WHEREAS, the Commission has advertised in accordance with law for bids in response to Invitation No. 4152 for the furnishing to the Commission of twenty truck cab and chassis, 48,000 lb. minimum GVWR (*Group I*); and furnishing and installing twenty dump bodies, wing plows, central hydraulic and lighting systems (*Group II*); and twenty front reversible and coning plows (*Group III*); and

WHEREAS, expenditures for the Contracts to be awarded under Invitation No. 4152 will exceed \$150,000, and, therefore, in accordance with Article V, Section 1.00 of the Commission's Code of Bylaws, Commission action is necessary for the award of said Contracts; and

WHEREAS, on December 2, 2010, the Commission received eight bids in response to the Invitation, and said bids were reviewed and analyzed by the Commission's Maintenance Engineer, who has submitted a report concerning said analysis; and

WHEREAS, said bids were reviewed and analyzed by the Commission's Maintenance Engineer who has reported that the apparent low bid for the **Group I** truck cab and chassis was submitted by Power City International of Cleveland, Ohio, however, this bidder has taken exception to the Commission's delivery requirements, and has proposed an engine that is not compliant with the Bid Specifications, therefore, this bid is not responsive and must be rejected; and

WHEREAS, the Maintenance Engineer further reports that the second low bid was submitted by **Cleveland Peterbilt** of **Brooklyn, Ohio** and that this bidder proposes to furnish a 2012 Peterbilt Model 348 cab and chassis in accordance with the Commission's Specifications; and

WHEREAS, the Maintenance Engineer has recommended award of the Contract for **Group I** to the lowest responsive and responsible bidder, Cleveland Peterbilt in the amount of **\$1,803,980.00 (twenty at \$90,199.00 each)**; and

WHEREAS, the Commission's Maintenance Engineer has reported that the apparent low bid for the **Group II** dump bodies, wing plows, central hydraulic and lighting systems and the **Group III** front reversible and coning plows was submitted in the form of a Combination Bid for both Groups by **Concord Road Equipment Mfg., Inc.** of **Painesville, Ohio** and that this bidder proposes to furnish equipment and installation services in accordance with the Commission's Specifications; and

WHEREAS, the Maintenance Engineer has recommended award of the Contract for **Group II** and **Group III** to the lowest responsive and responsible bidder, Concord Road Equipment., in the amount of **\$1,846,634.80 (twenty dump bodies, wing plows, central hydraulic and lighting systems, and twenty front reversible and coning plows at \$92,331.74 per unit)**; and

WHEREAS, after the new vehicles are placed into service, the Maintenance Engineer has further recommended that the existing vehicles identified for replacement be disposed of in accordance with the Commission's Property Disposal Policy; and

WHEREAS, the Commission has been advised by the Director of Contracts Administration that bids for Invitation No. 4152 were solicited on the basis of the same terms and conditions and the same specifications, that the lowest responsive and responsible bids of Cleveland Peterbilt and Concord Road Equipment conform to the requirements of Ohio Revised Code Section 5537.07 and Section 9.312, that a bid guaranty with good and sufficient surety has been submitted by the aforementioned bidders, and that each of the bidders qualify for consideration under the Commission's "Domestic and Ohio Preference" Policy; and

WHEREAS, the Commission's Executive Director has reviewed the reports of the Maintenance Engineer and the Director of Contracts Administration and, predicated upon such analysis, has made his recommendation to the Commission to award the Contracts for Invitation No. 4152 to Cleveland Peterbilt for Group I, and Concord Road Equipment for both Groups II and III; and

WHEREAS, the Commission has duly considered such recommendations.

NOW, THEREFORE, BE IT

RESOLVED that the bid of **Power City International Trucks of Cleveland, Ohio** is deemed not responsive and is rejected; and

RESOLVED that the bids of **Cleveland Peterbilt of Brooklyn, Ohio** in the total amount of **\$1,803,980.00** for **Group I** (for furnishing twenty truck cab and chassis), and **Concord Road Equipment Mfg., Inc. of Painesville, Ohio** in the total amount of **\$1,846,634.80** for **Group II** and **Group III** (for furnishing twenty dump bodies, wing plows, central hydraulic and lighting systems, and twenty front reversible and coning plows), all under Invitation No. 4152, are, and are by the Commission, determined to be the lowest responsive and responsible bids received, and are accepted, and the Executive Director and the Director of Contracts Administration, or either of them, hereby is authorized to: 1) execute a Contract with the successful bidders in the form heretofore prescribed by the Commission pursuant to the aforesaid bids, 2) direct the return to the bidders of their bid security when appropriate, and 3) take any and all action necessary or proper to carry out the terms of said Contracts.

FURTHER RESOLVED that the Commission's Executive Director and Purchasing Manager are authorized to proceed with the disposal of the existing vehicles identified for replacement in accordance with the Commission's Property Disposal Policy.

Chief Engineer: Thank you the final resolution I have this morning, is resolution awarding Contract SS-12 for service station operations at the Commission's 16 service plazas. In the spring of this year our current fuel provider advised the Commission that they did not wish to extend Contract SS-11 beyond the initial renewal date of December 31, 2011. With SP1, Indian Meadow/Tiffin River opening in June 2011, we elected to re-advertise this project. On October 14, 2010, the Commission issued our Request for Proposals for the Service Station Operations at all 16 service plazas. The initial contract has a term of six years, which may be extended for not more than two successive five year periods.

On November 15th of this year proposals were received from Sunoco, Incorporated, of Philadelphia, Pennsylvania and Lehigh Gas Corporation of Bethlehem, Pennsylvania. An evaluation team consisting of staff from the Commission's Service Plaza Operations and Maintenance Department reviewed the two proposals as far as the technical aspects of both proposals. The evaluation team awarded the highest and best technical score to Sunoco. The revenue sharing proposals that were submitted with the RFPs on November 15th were then tabulated by the Commission's Purchasing Manager, who determined that the revenue sharing proposal submitted by Sunoco will produce the most compensation to the Commission, and therefore it also received the highest and best possible revenue sharing score. Our Contracts Department then entered into negotiations with Sunoco, which resulted in the following final proposal:

- 3.3 cents per gallon of unleaded gasoline up to 35 million gallons; and

- 2.5 cents per gallon of diesel fuel up to 16 million gallons; and
- 4% of gross retail sales at the kiosks; and
- 6% of gross C-Store sales.

The Commission may recall that the Indian Meadows/Tiffin River Plazas will be opening with the convenient store and also it's planned for Mahoning Valley/Glacier Hills. In addition, the Commission will receive:

- \$65,000 each year per set of operating Service Plazas for exterior Common Area Maintenance fees;
- 1% of sales toward the Capital Improvement Fund that I spoke of earlier during the budget presentation; and
- 15% of the share of the interior CAM fees for Service Plazas with C-Stores.

If the General Counsel will please read the Resolve?

General Counsel: RESOLVED that the Proposal submitted by **Sunoco, Inc. (R&M)** of **Philadelphia, Pennsylvania**, is, and is by the Commission determined to be, the **best** of all Proposals received for the performance of Contract SS-12 and is accepted; and

FURTHER RESOLVED that the Executive Director and Director of Contracts Administration hereby are authorized to: 1) execute Contract SS-12 with **Sunoco, Inc. (R&M)** to conduct Service Station Operations for an initial term of **six (6) years commencing January 1, 2011 at the Indian Meadow and Tiffin River Service Plazas, and at the remainder of the Commission's Service Plazas commencing January 1, 2012**; 2) direct the return of the proposal guaranty provided by the RFP respondents, with their Proposals, as soon as said Contract with Sunoco is executed; 3) extend Contract SS-12 predicated on satisfactory performance reviews by both the Director of Service Plaza Operations and the Maintenance Engineer for up to **two (2), successive five (5) year periods**, pursuant to the terms and conditions of the aforesaid Contract; and 4) to take any and all action necessary or proper to carry out the terms of said Contract.

Chairman: Is there a motion to adopt?

Mr. Kidston: So moved.

Chairman: Is there a second?

Mr. Dixon: Second.

Chairman: Discussion or questions?

Mr. Kidston: Dan will the plazas on the West end, is that the first place we will have a C-Store? An actual C-Store?

Chief Engineer: Mr. Chairman, yes. Commission Member Kidston, yes. That will be the first set of plazas that has a C-Store, as I said earlier from there we are going to have the same model at Mahoning Valley/Glacier Hills in Mahoning County.

Mr. Kidston: Are you looking to put C-Stores in existing plazas at any time?

Chief Engineer: Mr. Chairman, Commission Member Kidston, we are definitely looking at Oak Openings and Fallen Timbers and we are talking about possibly retrofitting some of the other plazas in the future.

Mr. Kidston: Thank you.

Mr. Regula: If I may, under these contracts are they responsible for maintaining the pump sites, whether it be paper towels, whether it be the squeegees for doing your windshields and all that and in the convenient stores are they going to be responsible for the cleanliness over all of that or is that going to fall under?

Chief Engineer: Mr. Chairman, Commission Regula they are responsible to maintain those items that you spoke of, the squeegees, towels at the fueling islands. They are also required to maintain the cleanliness and order of their C-Store unit. We contract with a separate janitorial contract to maintain the public areas of the service plaza and in this particular contract the concessionaire pays us back 15% of the janitorials for the common areas also.

Mr. Regula: So interior wise and also around the pump structures and all that, that falls under their.....

Chief Engineer: Yes.

Mr. Regula: If we could please mention to them that we expect a level that is higher than you corner gas station, I would sincerely appreciate it.

Chief Engineer: Certainly.

Executive Director: They heard you.

Chairman: Yeah, Sunoco is in the audience. They heard you clearly. The previous contract Dan had two five-year extensions and they notified that they did not, so are the five year extensions on this contract also mutual agreement between the parties?

Chief Engineer: Yes.

Chairman: So at the end of five years, Sunoco could opt out, well actually six years on this first one, could opt out the same way we could opt out. Is that correct?

Chief Engineer: Yes, that is correct.

Chairman: Thank you. Questions or comments further? Please call the roll.

Assistant Secretary-Treasurer: Chairman Balog

Mr. Balog: Yes

Assistant Secretary-Treasurer: Mr. Regula

Mr. Regula: Yes

Assistant Secretary-Treasurer: Mr. Dixon

Mr. Dixon: Yes

Assistant Secretary-Treasurer: Mr. Kidston

Mr. Kidston: Yes

Assistant Secretary-Treasurer: Ms. Teeuwen

Ms. Teeuwen: Yes

RESOLUTION NO. 52-2010

**Resolution Awarding Contract SS-12
for Service Station Operations at the Commission's
Sixteen (16) Service Plazas**

WHEREAS, on October 14, 2010, the Commission issued its **Request for Proposals (RFP) for Service Station Operations on the Ohio Turnpike** at the Commission's sixteen (16) Service Plazas (*Contract SS-12*), for an initial term of six (6) years, which may be extended for not more than two (2) successive five (5) year periods; and

WHEREAS, Notice of the Commission's RFP was published in two (2) newspapers and on both the Commission's website as well as that of the International Bridge, Tunnel and Turnpike Association, and the RFP was mailed to twenty-five known oil companies, distributors and oil industry trade associations; and

WHEREAS, on November 15, 2010, Proposals were received from **Sunoco, Inc. (R&M) of Philadelphia, Pennsylvania ("Sunoco")**, and **Lehigh Gas Corporation of Bethlehem, Pennsylvania ("Lehigh")**; and

WHEREAS, an Evaluation Team comprised of the Director of Service Plaza Operations, the Maintenance Engineer, the Assistant Maintenance Engineer and the Eastern and Western Division Service Plaza Managers was formed to review and evaluate the technical aspects of both Proposals; and

WHEREAS, upon completion of its review, the Evaluation Team awarded the highest and best Technical score to Sunoco; and

WHEREAS, the Revenue Sharing Proposals were then tabulated by the Commission's Purchasing Manager who determined that the Revenue Sharing Proposal submitted by Sunoco will produce the most compensation to the Commission, and, therefore, it received the highest and best possible Revenue Sharing score; and

WHEREAS, equal weight was given in the Evaluation Process to the Technical scores and the Revenue Sharing scores, and, as a result of this process, Sunoco received both the highest and best Technical score and also the highest and best Revenue Sharing score, and the Evaluation Team has, therefore, recommended that a Contract be awarded to Sunoco, which has submitted the following negotiated Revenue Sharing Proposal:

Cents per Gallon (CPG) of Fuel Dispensed, and Percentage of Retail Receipts:

1. 3 CPG of unleaded gasoline up to 35 million gallons.
2. 2.5 CPG of Ultra Low Sulfur Diesel ("ULSD") up to 16 million gallons.
3. 4% of gross (non-fuel) retail sales receipts at the fueling kiosks.
4. 6% of gross C-Store retail receipts up to \$1.5 million per Service Plaza Set.

In addition, the Commission will receive:

5. \$65,000 each year per set of operating Service Plazas for exterior Common Area Maintenance ("CAM") Fees, increasing by the Urban Consumer Price Index for fuel and utilities annually.
6. 1% of C-Store sales towards Capital Improvements at those Service Plazas with C-Stores.
7. 15% of the share of interior CAM Fees for Service Plazas with C-Stores.

WHEREAS, the Director of Contracts Administration advises that: 1) the RFP conforms to the requirements of applicable statutes including Ohio Revised Code Section 5537.07 and Section 5537.13, which contemplates that the Commission will accept the "best bid" for Service Plazas operations, 2) the aforesaid Proposals were solicited on the basis of the same terms and conditions with respect to all RFP respondents and potential respondents, and 3) due and full consideration has been given to the Proposals received, the respondents' qualifications and their abilities to perform the required services, 4) Sunoco has provided a proposal guaranty of good and sufficient surety and evidence of its ability to provide the required performance bond and insurance as set forth in the RFP, and 5) that the Commission may legally accept said Proposal from Sunoco; and

WHEREAS, the Executive Director has reviewed the Evaluation Team's and the Director of Contracts Administration's written recommendations and concurs with the selection of Sunoco, Inc. (R&M) as the Commission's Service Station Operator; and

WHEREAS, the Commission has duly considered such recommendations.

NOW, THEREFORE, BE IT

RESOLVED that the Proposal submitted by **Sunoco, Inc. (R&M)** of **Philadelphia, Pennsylvania**, is, and is by the Commission determined to be, the **best** of all Proposals received for the performance of Contract SS-12 and is accepted; and

FURTHER RESOLVED that the Executive Director and Director of Contracts Administration hereby are authorized to: 1) execute Contract SS-12 with **Sunoco, Inc. (R&M)** to conduct Service Station Operations for an initial term of **six (6) years commencing January 1, 2011 at the Indian Meadow and Tiffin River Service Plazas, and at the remainder of the Commission's Service Plazas commencing January 1, 2012**; 2) direct the return of the proposal guaranty provided by the RFP respondents, with their Proposals, as soon as said Contract with Sunoco is executed; 3) extend Contract SS-12 predicated on satisfactory performance reviews by both the Director of Service Plaza Operations and the Maintenance Engineer for up to **two (2), successive five (5) year periods**, pursuant to the terms and conditions of the aforesaid Contract; and 4) to take any and all action necessary or proper to carry out the terms of said Contract.

Chief Engineer: That completes my report this morning, Mr. Chairman.

Chairman: Thank you, any questions for Dan? Next will be Noelle, talking about our Collective Bargaining Agreement, Noelle.

General Counsel: Thank you Mr. Chairman and Commission Members, I have one proposed resolution for your consideration. The resolution would authorize the execution of new Collective Bargaining Agreements for the full-time and part-time bargaining units represented by the Teamsters Local Union 436. As we reported to you last month we have been in negotiations with Teamsters Local Union 436 to reach new agreements. The current contracts with both units expire December 31, 2010. I am happy to report that the Commission has reached a tentative agreement with both bargaining units for new three year agreements. In general, the tentative agreements provide that both bargaining units will have agreed to no significant changes to the current contracts and the current wages being paid to both bargaining unit employees will remain the same over the term of the three year agreement. Although the Commission has not received confirmation yet that the Union and the bargaining units have voted to approve the tentative agreements, we do expect them to be accepted by both bargaining units by a majority vote. It is recommended that the Commission authorize the resolution to allow the Executive Director to execute new agreements in the event that either or both bargaining units vote by majority vote to approve the tentative agreements in order to ensure the continuity of our operations. With your permission I will read the Resolved?

Chairman: Please.

General Counsel: RESOLVED that the Commission hereby authorizes the Executive Director to execute new Collective Bargaining Agreements with both the Full-Time and Part-

Time Bargaining Units represented by the Teamsters Local Union 436 in the event each bargaining unit has voted by a majority to approve the tentative agreement; and

FURTHER RESOLVED, the Commission authorizes the Executive Director to take any other action necessary to carry out the terms and provisions of the new collective bargaining agreements with the Full-Time and Part-Time Bargaining Units: and

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

Chairman: Is there a motion to adopt?

Mr. Kidston: So moved.

Chairman: Second.

Mr. Dixon: Second.

Chairman: We have a motion, second, before we actually talk about the resolution I think the Executive Director would like to bring us up-to-date on the union vote and talk a little bit about the agreement.

Executive Director: Thank you Mr. Chairman, you are absolutely right, I did. I usually sit here, and pay attention and turn my PDA off, but I was anxiously awaiting the final count on the vote from the Teamsters 436. I did receive that email just five minutes ago and the reason is the members of the bargaining units had to vote on that agreement by 10 o'clock this morning. That has been completed and I am happy to report that 72% of the full-timer's by a number of 289 yeas, 113 nays ratified the full-time agreement, correspondingly for the part-timer's 80% of the members voted affirmatively by a vote of 103 yes to 26 no, so both contracts have now been approved by the membership and we will get that in writing and I guess with this resolution passing, there are a couple of things I would like to point out. First and foremost 99.9% of our employees, be they full-time or part-time in Toll and Maintenance or in the Administration of this Turnpike work very, very hard and diligently to help us operate and I'd like to certainly thank them for their hard work and diligence. I think it is important to also point out that this contract as proposed is basically a wage freeze for three years. After much negotiation I have to thank our negotiating team Dan, Noelle and Robin we met many times with the Teamsters to negotiate this contract. I think this contract is a good deal for both us and for the rank and file. I think they recognize that in these troubling times that without really pursuing an increase in wages that it's time for us all to kind of buckle-up a little bit and see how this economy moves forward. So I would also like to thank not only the people of the rank and file, but also the people of our negotiating team who brought this agreement to you and Mr. Chairman without hesitation I recommend that the Commission give it strong consideration and hopefully approval so we can move forward.

Chairman: Thank you, comments from the Commission Members.

Mr. Kidston: Director could you give me the first count again?

Executive Director: For full-timers?

Mr. Kidston: Yes.

Executive Director: 289 yes to ratify, 113 no.

Mr. Regula: And that was approximately what percentage of the total vote?

Executive Director: That is 72% of those voted voted affirmatively, that bargaining unit is made up of 467 full-time employees. On part-timers Mr. Kidston 80% voted affirmatively and those numbers were 103 yes to 26 no and that unit is made up of 169 part-time employees, so about by an 80% margin.

Chairman: So both of them passed in the 70 to 80% range, but the interesting point is also that they both had a majority over the total bargaining unit, even if everyone voted and everyone voted who didn't vote, would have voted no they still would have passed. So there is significant support and I think it reflects that we have been fair with the Teamsters and the bargaining unit in the past and they realize that these are difficult times and their contract, previous contract which was extended in 2007 for 2008, 2009 and 2010 gave them increases why the rest of the world was really tightening it belt up and taking no increases. So they have agreed to take the no increases now for the next three years, so I think that is important for us.

Mr. Kidston: I would like to congratulate the team as well and the Teamsters, I think it is a good agreement that we all can live with and congratulations on your hard work.

General Counsel: Thank you.

Chairman: Please call the roll.

Assistant Secretary-Treasurer: Chairman Balog

Mr. Balog: Yes

Assistant Secretary-Treasurer: Mr. Regula

Mr. Regula: Yes

Assistant Secretary-Treasurer: Mr. Dixon

Mr. Dixon: Yes

Assistant Secretary-Treasurer: Mr. Kidston

Mr. Kidston: Yes

Assistant Secretary-Treasurer: Ms. Teeuwen

Ms. Teeuwen: Yes

RESOLUTION NO. 53-2010

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

WHEREAS, negotiations have taken place between representatives of the Commission and Teamsters Local Union No. 436, affiliated with the International Brotherhood of Teamsters, (“Union”), as representatives of certain regular, full-time and part-time, non-supervisory field employees in the Toll Operations and Maintenance Departments, hereinafter collectively referred to as “**Bargaining Unit Employees**”; and

WHEREAS, on March 28, 2002, the Union was certified by the State Employee Relations Board as the exclusive bargaining representative of the regular, full-time and part-time, non-supervisory field employees in the Toll Operations and Maintenance Departments; and

WHEREAS, the current Collective Bargaining Agreements between the Commission and the Union, as representatives of the Full-Time and Part-Time Bargaining Unit Employees will expire on December 31, 2010, but the Executive Director has reported that tentative agreements have been reached with both bargaining units whereby the parties have agreed to no significant changes to the current contracts and the current wages paid to the Bargaining Unit Employees will remain the same over the term of the agreements; and

WHEREAS, the Executive Director has reported that a vote on the tentative agreements by both bargaining units is expected to be concluded by the Union within the next few days and the Commission wishes to authorize the Executive Director to execute new three (3) year collective bargaining agreements in the event either or both bargaining units vote to approve the tentative agreements by a majority vote of each respective bargaining unit; and

NOW, THEREFORE, BE IT

RESOLVED that the Commission hereby authorizes the Executive Director to execute new Collective Bargaining Agreements with both the Full-Time and Part-Time Bargaining Units represented by the Teamsters Local Union 436 in the event each bargaining unit has voted by a majority to approve the tentative agreement; and

FURTHER RESOLVED, the Commission authorizes the Executive Director to take any other action necessary to carry out the terms and provisions of the new collective bargaining agreements with the Full-Time and Part-Time Bargaining Units: and

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

Chairman: Anything further Noelle?

General Counsel: Nothing further Mr. Chairman.

Chairman: Thank you, reports from Financial Advisor?

Financial Advisor: No report today, Mr. Chairman.

Chairman: Thank you, General Consultant?

General Consultant: No report today, Mr. Chairman.

Chairman: Thank you, Trustee?

Trustee: No report Mr. Chairman.

Chairman: Ohio State Highway Patrol?

Captain Hannay: Just briefly Mr. Chairman, over the Thanksgiving holiday we did investigate a traffic fatality. We had two persons killed at Milepost 118 area, which is the State Route 250 exit. We did have a vehicle disabled on the side of the road with a small trailer attached to it; a mini-van style vehicle occupied by three people and for unknown reasons another vehicle, a full-size van traveled off the side of the roadway, struck the disabled vehicle, killing two of its occupants. I can answer any questions if there are any.

Chairman: Any questions? Thank you.

Captain Hannay: Thank you Mr. Chairman.

Chairman: The next meeting is by our agreement would be the 17th, we've agreed to because that is a national holiday, to change that meeting to Monday, the 24th at 10:00 a.m. If there is no further business, I will accept a motion to adjourn.

Mr. Kidston: So moved.

Mr. Dixon: Second.

Chairman: Before we call the roll there might be a few Commission Members who might not be attending any more meetings. We certainly appreciate the hard work that they have done to date. I appreciate Bonnie Teeuwen asking the tough questions; we had a resolution that was before the Commission that did not make it to the Commission's light because Bonnie saw a

way that we could save a significant amount of money, so we certainly have appreciated the help that you have given us and your insight and thoughts. Likewise Members of the Administration that might not be here at the next meeting we certainly appreciate the work you've done for the Commission. Please call the roll.

Assistant Secretary-Treasurer: Chairman Balog

Mr. Balog: Yes

Assistant Secretary-Treasurer: Mr. Regula

Mr. Regula: Yes

Assistant Secretary-Treasurer: Mr. Dixon

Mr. Dixon: Yes

Assistant Secretary-Treasurer: Mr. Kidston

Mr. Kidston: Yes

Assistant Secretary-Treasurer: Ms. Teeuwen

Ms. Teeuwen: Yes

Chairman: Thank you. Meeting is adjourned.

Time of adjournment is 11:21 a.m.

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

George F. Dixon, Secretary-Treasurer