

**MINUTES OF THE 620th MEETING OF THE
OHIO TURNPIKE AND INFRASTRUCTURE COMMISSION
August 17, 2015**

Chairman: Good morning ladies and gentlemen, it is 10:00 a.m. Would you please rise as we say our Pledge of Allegiance.

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

Will the Assistant Secretary-Treasurer please call the roll?

Assistant Secretary-Treasurer: Chairman Hruby

Chairman Hruby: Here

Assistant Secretary-Treasurer: Vice Chairman Balog

Vice Chairman Balog: Here

Assistant Secretary-Treasurer: Mrs. Barber

Secretary-Treasurer Barber: Here

Assistant Secretary-Treasurer: Commissioner Paradiso

Mr. Paradiso: Here

Assistant Secretary-Treasurer: Mr. McAuliffe

Mr. McAuliffe: Here

Assistant Secretary-Treasurer: Mr. Kauffman

Mr. Kauffman: Here

Assistant Secretary-Treasurer: Senator Manning

Senator Manning: Here

Assistant Secretary-Treasurer: We have a quorum, Mr. Chairman.

Chairman: This is the 620th Meeting of the Ohio Turnpike and Infrastructure Commission. We are meeting here at the Commission's headquarters, as provided for in the Commission's Code of Bylaws for a Commission Meeting.

Various reports will be received, and we will act on several resolutions. Draft copies have previously been sent 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 July 6, 2015, Commission Special Meeting? Call the roll, please.

MOTION: A motion to approve the Minutes was made by Mr. Balog and seconded by Chairman Hruby. All Commission Members present voted to approve the Minutes, except for Mr. Paradiso who abstained.

Chairman: Any questions or comments before we move on to our reports? Please let the record reflect that Mr. Dixon is in attendance (10:09 a.m.). If not, I would like to proceed with the report of our Secretary-Treasurer, Mrs. Barber.

Secretary-Treasurer: The following items have been sent to the Members since the last scheduled meeting of the Commission on July 6, 2015:

1. Four Resolutions;
2. Draft Minutes of the July 6, 2015, Commission Special Meeting; and
3. Agenda for today's meeting.

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

1. Traffic Crash Summary Report, June 2015;
2. Traffic and Revenue Report, June and July 2015;
3. Total Revenue by Month and Year, July 2015;
4. Investment Report, June and July 2015;
5. Financial Statement, June 30, 2015 and July 31, 2015;
6. Budget Report, Six Months; and
7. Various News Articles.

That concludes my report, Mr. Chairman.

Chairman: Thank you. Any questions for Mrs. Barber? Hearing none. We will move on to the report of our Executive Director, Randy Cole.

Director Cole: Thank you, Mr. Chairman. I do have few updates for the Commission today. In less than eight weeks the Ohio Turnpike and Infrastructure Commission will reach the 60th Anniversary of full operation. You will see at your seat a commemorative lapel pin recognizing the occasion. The pins are available online and in vending machines at the Middle Ridge and Vermilion Valley Service Plazas for \$5.00, along with commemorative coins and keychains for \$10.00. The lapel pins will be distributed to employees in September. Please wear them proudly and help us recognize our 60th Anniversary.

In addition, there are two events planned: 1) on Thursday, October 1, 2015, we will travel the Turnpike and at multiple locations have an historical display of the original ribbon cutting and a ceremonial ribbon cutting honoring the day. Please mark your calendars. Adam Greenslade will provide you each with details soon related to the ribbon cutting closest to you. In addition, on October 19, 2015, during the three-day IBTTA workshop on new media communications in Human Resources, which we will be hosting here in Cleveland, Bridge and Toll Authority Officials from around the country and around the world will join us in an evening celebration at the House of Blues. Lauren Hakos, who is here, will be providing details on that event as well.

Real quickly, since Lauren is here, she is our Manager of Training and Development for all of our employee training and employee activities, about a month ago she and Adam Greenslade, our Director of Communications and Government Affairs, came to me and said we would like to do a Cedar Point day for Turnpike employees. I asked if we had ever done anything like that before and then being kind of frugal I said what do we have to guarantee, what money do we have to put upfront? I am usually an optimist, but I was rather critical of this and wanted to make sure the i's were dotted and the t's were crossed, and the Executive Director or the Turnpike wasn't going to get stuck with some kind of a bill for employees who didn't show up or something. I have to say that yesterday we had over forty-nine employees bring over two hundred and thirty guests and family members. We had a pavilion, we had wonderful weather, that's the only part of the day that I can take credit for, and we had a luncheon. We had an absolutely fantastic day. I had one employee, who has been with the Turnpike for twenty-five years, who said "Director Cole in twenty-five years we have never quite done anything like this at this level." He was very appreciative. I thanked him for coming because I said two hundred and thirty people this year, it is something that we can build on to get not just forty-nine employees, but maybe one hundred or a hundred and fifty employees next year because we can show it was a success. So, I hope the planning is already in place for something like that for next year. I saw a number of employees who had a wonderful time. I wanted to recognize them for their effort to convince the Director that we do care about our employees and it is good to get out and not just work together.

In a quick staffing update. As some of you know, our DED/Director of Administration, Robin Carlin, has been pulled away on a special assignment for a short period of time. Due to some recent staffing changes, Robin has been asked to conduct an organizational assessment of the Ohio Veterans Home in Sandusky. She is on loan, through a leave of absence, for about eight to twelve weeks and is expected to resume her duties at the Ohio Turnpike prior to our transition to snow and ice operations. In her absence, Matt Cole has assumed the role of Director of Human Resources and will handle labor relations.

Robin does a great job here at the Turnpike and it is an honor that her efforts and expertise have gained the attention of decision makers around the state. While we will miss her in Berea over the next few weeks, I am confident that Matt will do a great job.

As the Turnpike embraces the changing world around us and major administration initiatives, we have created two new positions and found two great people to fill them. First, Diana Anthony has joined our team as the MBE/DBE Program Manager to add to the MBE/DBE success that Tommie Jo Marsilio has created in that area of our operations. She joins Mark Musson and Kevin Golick in the Contracts and Procurement Departments to expand our outreach efforts, to help complete the work on the Disparity Study with ODOT and ensure MBE/DBE efforts are integrated throughout all of our departments. She is up to the challenge and already doing a great job.

Ralph Stilphen has joined our staff as the Outreach Coordinator for partnerships. The first transition we have made is to head up our efforts with Giant Eagle for *E-ZPass*[®] sales. I am happy to report that in the first month, almost 1,800 transponders have been sold at Giant Eagle locations across Northeast Ohio and over 75% have been activated online. We are very happy with the early results of this partnership. In addition to Giant Eagle, Ralph will be working directly with major partners and employers to maximize the value of the Turnpike as an asset and gain information about their operations for Management and decision makers at the Turnpike. As one example, Ralph will be reaching out to Arhaus Furniture to understand their distribution and employee needs for the Turnpike, so we can make continued adjustments at the already very busy Interchange 180 at State Route 8. Their relocated world headquarters and over 770,000 square foot distribution facility will certainly make an impact. In other ways, Ralph will use his extensive product development background to evaluate services and offerings that create value for different types of travelers on the Turnpike like families, commercial drivers and business people. It is an exciting opportunity to more directly meet traveler and partner expectations.

Finally, Mr. Chairman, as we near the end of summer travel we continue to encourage motorists to slow down and move over in construction zones and during traffic incidents on the roadway. We continue to monitor each of our construction zones and areas of our operations to ensure safe and efficient travel for our motorists and for the safety of our employees.

Thank you, Mr. Chairman that concludes my report.

Chairman: Are there any questions or comments concerning the Director's report? I have just a couple comments. Some of the work that is being done for the 60th Anniversary is really incredible, including tracing the history of the Turnpike. If you ever have an opportunity to go online you will be able to see much of that and in the days to come there will be much more, so I hope the public takes advantage of that and I want to commend you, Mr. Director, for overseeing that and making sure it is getting done in the way that it is. As you heard the Director say he arranged the weather and he was in control of the weather, so this winter we are commanding that there be no snow. So, let's see how well the Director does this winter.

Good morning Mr. Dixon (10:09 a.m.). The Director made an announcement about our MBE/DBE Program. If you would update that again for Mr. Dixon please.

Executive Director: Commissioner Dixon, just so you know we have hired Diana Anthony, who is someone that has a long history in the City of Cleveland helping to run their MBE/DBE program and we are expanding on what Tommie Jo Marsilio did and making our program even stronger. I think you will be pleased with her efforts and what you see coming out of our program.

Mr. Dixon: Thank you, Mr. Chairman and Mr. Director.

Chairman: You are very welcome. Good to have you with us. We will move on to the report of our Chief Engineer, Tony Yacobucci.

Chief Engineer: Good morning, Mr. Chairman and Commission Members. I have three resolutions for your consideration this morning.

The first Resolution for your consideration is to award Contract No. 56-15-07 for the pavement improvements at the Kunkle Maintenance Building located at Milepost 16.0 in Williams County, Ohio. This work is included in the 2015 Capital Improvement Budget. On July 29, 2015, one bid was received via Bid Express, with the sole bid being submitted by Gerken Paving, Inc., of Napoleon, Ohio, in the amount of \$554,458.50. The bid submitted by Gerken is about two (2) percent above the Engineer's Estimate. Gerken has successfully performed similar work for the Commission in the past, and based on a review of their current projects under contract and previous year's work volume, it appears they have the sufficient capacity to perform the work for this project. It should be noted that Gerken has committed to 12% DBE participation on this project. Therefore, it is recommended that Contract No. 56-15-07 be awarded to Gerken Paving, Inc., of Napoleon, Ohio, in the amount of \$554,458.50. This Resolution also contains provisions to assign Somat Engineering of Ohio, Inc., of Cleveland, Ohio, a Commission certified MBE firm, to perform construction administration, inspection and material testing services. With your permission, may the General Counsel please read the Resolved?

General Counsel: RESOLVED by the Ohio Turnpike and Infrastructure Commission that the bid of **Gerken Paving, Inc., of Napoleon, Ohio**, in the amount of **\$554,458.50** for Contract No. 56-15-07 (Re-Bid) is approved as the lowest responsive and responsible bid received and that Executive Director is authorized to execute a Contract on the basis of said bid; and

FURTHER RESOLVED that the Commission approves the assignment of **Somat Engineering of Ohio, Inc., from Cleveland, Ohio**, to perform the necessary construction administration, inspection and material testing services for the Project; and

FURTHER RESOLVED that Contract No. 56-15-07 (Re-Bid) is designated a Renewal and Replacement Project under the Commission's 2013 Master Trust Agreement; and

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

Chairman: Any questions or comments?

Mr. Dixon: I think it is a good Resolution with the fact that we went back out and came back with the proper representation. I am very proud of that and I think it is a good deal.

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

MOTION: A motion for adoption of the *Resolution Awarding Contract No. 56-15-07 (Re-Bid), Kunkle Maintenance Building, Pavement Improvements in Williams County*, was made by Mr. Hruby, seconded by Mr. Balog, and unanimously approved by all Commission Members present.

Chairman: Please continue.

Chief Engineer: The second Resolution for your consideration is to award Contract No. 20-15-01 for the repairs and resurfacing of the Humm Road and Frailey Road Access Drives at Mileposts 125.3 and 126.3 respectively, both located in Erie County, Ohio. This work is included in the 2015 Capital Improvement Budget. On July 28, 2015, two bids were received via Bid Express, with the apparent low bid being submitted by Erie Blacktop, Inc. ("Erie"), of Sandusky, Ohio, in the amount of \$259,014.50. Engineering staff reviewed the bids and found no errors or anomalies. Erie has successfully performed similar work for the Commission in the past, and based on a review of their current projects under contract and previous year's work volumes, it appears they have the sufficient capacity to perform the work for this project. It should be noted that Erie has committed to 14% DBE participation on this Project. Therefore, it is recommended that Contract No. 20-15-01 be awarded to Erie Blacktop, Inc., of Sandusky, Ohio, in the amount of \$259,014.50. This Resolution also contains provisions to assign Professional Service Industries, Inc., of Cleveland, Ohio, to perform construction administration, inspection and material testing services. With your permission, may the General Counsel please read the Resolved?

General Counsel: RESOLVED by the Ohio Turnpike and Infrastructure Commission that the bid of **Erie Blacktop, Inc.**, of **Sandusky, Ohio**, in the amount of **\$259,014.50** for Contract No. 20-15-01 is approved as the lowest responsive and responsible bid received and that the Executive Director is authorized to execute a Contract on the basis of said bid; and

FURTHER RESOLVED that the Commission approves the assignment of **Professional Service Industries, Inc.**, of **Cleveland, Ohio**, to perform the necessary construction administration, inspection and material testing services for the Project; and

FURTHER RESOLVED that Contract No. 20-15-01 is designated a System Project under the Commission's 2013 Master Trust Agreement; and

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

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

MOTION: A motion for adoption of the *Resolution Awarding Contract No. 20-15-01, Repairs and Resurfacing in Erie County, Ohio*, was made by Mr. Paradiso, seconded by Mr. Balog, and unanimously approved by all Commission Members present.

Chairman: Please continue, Mr. Yacobucci.

Chief Engineer: My last Resolution for your consideration seeks authorization to award Contract Nos. 53-15-02 and 53-15-03 for the removal and replacement of underground fuel piping and containment at the Great Lakes and Towpath Service Plazas at Milepost 170.1 in Cuyahoga County, Ohio. This work is included in the 2015 Capital Improvement Budget. On June 26, 2015, Procurement received two bids for the Project. The apparent low bid was submitted by Lawrence Building Corp. ("Lawrence"), of Fort Wayne, Indiana in the amount of \$1,478,472.00, which is about twenty (20%) percent below the Engineer's Estimate. This bid was evaluated by both the Design Consultant, Wellert Corporation, of Medina, Ohio, as well as Commission staff and was found to contain no errors or anomalies. Lawrence has not previously performed work for the Commission, therefore additional due diligence was performed. A review of the company's financial records by the CFO/Comptroller were found to be acceptable. Several references, both independent and those submitted by the company, were contacted and all reported satisfactory performance by Lawrence. A review of the current work in progress indicates that Lawrence has sufficient capacity to complete this contract in accordance with the project schedule. Therefore, it is recommended that Contract Nos. 53-15-02 and 53-15-03 be awarded to Lawrence Building Corp., of Fort Wayne, Indiana, in the amount of \$1,478,472.00. It should be noted that Lawrence Building Corp. is a Commission certified DBE firm. This Resolution also contains provisions to assign Wellert Corporation, of Medina, Ohio, to perform construction administration, inspection and material testing services. With your permission, may the General Counsel please read the Resolved?

General Counsel: RESOLVED by the Ohio Turnpike and Infrastructure Commission that the bid of **Lawrence Building Corporation, of Fort Wayne, Indiana**, in the amount of **\$1,478,472.00** for Contract Nos. 53-15-02 and 53-15-03 (Re-Bid) is approved as the lowest responsive and responsible bid received and that the Executive Director is authorized to execute a Contract on the basis of said bid; and

FURTHER RESOLVED that the Commission approves the exercise of the option to contract with **Wellert Corporation**, of **Medina, Ohio**, to perform the necessary construction administration, inspection and testing services for the Project; and

FURTHER RESOLVED that Contract Nos. 53-15-02 and 53-15-03 (Re-Bid) is designated a Renewal and Replacement Project under the Commission's 2013 Master Trust Agreement; and

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

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

MOTION: A motion for adoption of the *Resolution Awarding Contract Nos. 53-15-02 & 53-15-03 (Re-Bid), Fuel Piping & Containment Replacement Projects at the Great Lakes & Towpath Service Plazas in Cuyahoga County*, was made by Mr. Hruby, seconded by Mrs. Barber, and unanimously approved by all Commission Members present.

Chairman: Passes unanimously. Any questions or comments for Tony?

Mr. Balog: Just as Mr. Dixon indicated earlier, sometimes we go out and re-bid. I see in this one we just passed that the bid came in substantially below the Engineer's Estimate. I certainly like the concept of hiring local if we can, and I know there was an Ohio company that bid it, but they bid 50% higher, I thought that was a really good price for that job. I think that was about \$300,000 to \$400,000 below the Engineer's Estimate. Good job on that one.

Chief Engineer: Thank you. If I may, Mr. Chairman.

Chairman: Please, go ahead.

Chief Engineer: There was a little more competition in the rebid than there was in the original bidding. I think that had a lot to do with the decreased costs from the last one. But, secondly we allowed the contractors a couple of options for the schedule. We allowed them to construct it this year if they chose, or construct it in the spring. This contractor chose to construct it in the spring when he has much more availability, which was not the case the first time we bid it. So, I think that had a lot to do with the decrease in the costs.

Chairman: Any other comments or questions? Hearing none. We will move on to our CFO/Comptroller, Marty Seekely.

CFO/Comptroller: Thank you Mr. Chairman. I have an update on our traffic and revenue for the months of June and July.

This first chart shows the monthly passenger car miles traveled on the Ohio Turnpike over the past two years. Passenger car vehicle miles traveled continued to improve and were 2.1% higher than last year in June and 5.4% higher than last year in July.

Commercial traffic continued to benefit from the improving economy and was 5.1% higher than last year in June and 3.7% higher than last year in July.

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

Total vehicle miles traveled for the first seven months of this year were 4.9% higher than the amount from last year.

The increase in traffic combined with the toll rate increase on January 1 of this year caused passenger car toll revenue to increase 3.6% in June and 7.1% in July from the corresponding month last year.

The increase in Commercial traffic combined with the toll rate increase resulted in Commercial vehicle toll revenues increasing 7.4% in June and 5.6% in July from the corresponding month last year.

This chart shows the year-to-date toll revenues through the month of July during each year over the past decade. Toll revenues through July were \$9.6 million or 6.4% above the amount from last year.

That completes my report, Mr. Chairman.

Chairman: Thank you. Any questions? Hearing none. We will move on to the report of our Director of Risk Management, Tommie Jo Marsilio.

Director of Risk Management: Thank you, Mr. Chairman. I am thoroughly enjoying my duties as the Director of Risk Management. Today we have a fairly routine matter. I am going to turn it over to our outside consultant, Crain Langner. Dan Buser and Kelly Wierzchowski, who are familiar faces and they are going to talk to you about the insurance renewals.

Dan Buser: Thank you, Tommie Jo. Good morning, Mr. Chairman and Commission Members. We will spend a few minutes going over the 2015 Property Casualty Renewal process, the market conditions and results for the year. This is, in fact, a routine year. The Commission operates under a three-year rotating cycle for the marketing of its property casualty coverage. Property Casualty Insurance is intended to cover the loss and liability exposure, which can arise from that which the Commission owns, its activities, and its holdings.

Let us first talk about market conditions. The environment in which we operate in terms of insurance, Property Casualty Insurance and what that translates to in terms of pricing and terms and conditions for the Commission. Market conditions remain relatively soft, and in our

parlance, that means pricing is relatively good and stable. In other words, you can buy what you need to buy at pricing similar to what it was in prior years, all things being equal. That is subject to some variability, which we don't suffer, frankly, the Commission is well-run, well-orchestrated and has a good loss history. Consequently, we do not suffer from the vacillations of price and terms and conditions.

Our policies are relatively the same year over year. We do, as a Commission, from time to time expand the coverages that are purchased. In 2012, two additional coverages were purchased, which were Pollution Liability and Cyber Liability. We do not anticipate a lot of changes in the Property Casualty Insurance Market, relative to what the Turnpike does and what it needs to purchase from the industry. There are segments which are much more volatile, including certain healthcare, financial, banking and international markets.

In terms of the renewal process, proposals were received from our incumbent markets and our incumbent agents and brokers. Every three years, the Commission issues a Request for Proposals, Invitations are directed to any agent or broker that wants to participate in that process. We are in the middle of that cycle. It will next be incepted and conducted in 2017. Arthur J. Gallagher provides a variety of coverages through Travelers and they are listed in your slide; Hylant, which works with a MBE agent, Pinkney Perry, provides a Property, Boiler and Machinery coverage; and Hoffman, a local agency, provides coverage for the Bridges.

The graph which appears now on the screen is a pictorial illustration of the insurance coverage purchased by the Commission. We track this every year. It doesn't change a lot every year. We do not expect it to change a lot every year. We do not want it to change every year. The X and Y axis describes the coverages and the limits purchased. The Commission has had borderline extraordinary loss experience and pricing experience for its Property Casualty Insurance.

We, Crain Langner, have been working for the Commission as pure consultants, not agents or brokers, providing insurance risk management advice to the Commission. Since 2008, when a RFP was issued, participation was tremendous and as you can see the drop in the fixed costs premiums. Since then, even when we added two coverages, two very critical coverages, to the program in 2012, we have stable enjoyed pricing, which is still a little bit less than it was almost ten years ago. That is the result of a number of things; both internal and external. Internal meaning what we do, how we do it, how well we manage it, and a lot of luck. External meaning what the marketplace is doing to us. We are not the only buyers of Property Casualty Insurance and, in fact, those insurances as a subset of the financial industry, it can get whipsawed around. We have not been pushed around a whole lot as buyers of Property Casualty Insurance and we are very thankful for that.

This slide shows the renewal summary of each coverage, the broker that places that coverage for us, the name of the insurance company and the A.M. Best Rating. The Commission properly, in our point of view, expects the insurance carriers to enjoy some of the highest ratings by A.M. Best, the parallel to that in the finance world would be Moody's or Standard & Poor's.

Now on to the good news on our renewal detail. Our fixed costs premiums are largely flat and that again is insurance parlance for barely up or barely down.

The next slide shows, by line of coverage, which we group together to some degree, what the real pricing is, the percent change year over year, and the dollar change year over year. The increases that we do have, the total is up just a slight bit, is largely due to our increase in values, including service plazas, toll plazas, etc. So, in fact, literally $\frac{2}{3}$ to $\frac{3}{4}$ of the pricing increase is attributable to the increase in values of the Commission's assets.

The Commission is doing real well on the insurance it purchases and the price it pays for it. I would be happy to answer any questions.

Chairman: Any questions?

Mr. Dixon: You described the brokers as an incumbent. Do we go out to bid for other brokers to have an opportunity to get that business?

Dan Buser: Every three years, the Commission is on a cycle, every three years Request for Proposals are requested from any broker agency in the marketplace. Brokers are intermediaries between insurance companies and the policy holder meaning the Commission.

Mr. Dixon: This is not one of those three years?

Dan Buser: That's correct, Mr. Dixon. The year 2017, is the next year where we will conduct the RFP process.

Mr. Dixon: I am just trying to get an understanding of the insurance business and the way it is done. So, the broker gets paid on the amount of insurance that they sell, is that correct? I mean, they get a percentage is that correct? So, if they sell \$1 million dollars worth of insurance versus \$500,000 worth of insurance, they would make more money on the \$1 million dollar policy, is that correct?

Dan Buser: Yes, perhaps, but not always. You are absolutely correct. The broker compensation is standard in the business as a percentage of the premium charged. It is paid by the insurance carriers. Ms. Marsilio and her colleagues have said, let's reexamine that broker compensation arena and that is what we are doing now because to your point sir if, in fact, the premium increases for no reason at all, external forces have changed the pricing of that particular product we want to buy, but the Commission's rate stays the same, the broker gets paid more for doing what, nothing more than it did last year.

Mr. Dixon: Exactly.

Mr. Buser: Now that can be structured and modified to some degree, and we are working through those options, because there are times when even though the fixed premium increases the carrier may reduce the commission rate, thereby keeping flat the amount of compensation paid to the broker.

Mr. Dixon: So, I asked all of that and you did a very good job of explaining it, thank you. Now to my point. So for that three year period that they are pretty much intact, what is their impetus to try and get us a better rate? You just told me that we had a banner period as far as casualties and these other things, so it will seem to me that the flat rate, which sounds good, could maybe be lower if we had agents that were aggressive in trying to find us a lower market.

Mr. Buser: I think that is a fair statement. I have a couple of thoughts on this because it is, in fact, pretty standard. The brokers are not and neither are the carriers given three year agreements. They are not given a three year agreement. Neither the broker nor the carrier has a three year promise from us. So, should the Commission yesterday, tomorrow, or the next day want to go to market and solicit or, in fact, receives an unsolicited proposal for coverage, it would be entitled, I should think subject to Administrative Rules, to examine that and consider it. The other piece of the puzzle is, if they were to change the pricing a lot, the market, because loss history, something goes wrong here, something goes wrong in the marketplace and our pricing goes from X to Y and it increases considerably, we are not compelled to necessarily pay that broker that same commission rate year over year. There is a certain degree of competitive pressures that come into play.

Mr. Dixon: Very good. Thank you.

Chairman: Any other questions? Thank you.

Dan Buser: You're welcome.

General Counsel: Mr. Chairman, we have a resolution for your consideration this morning.

Chairman: Please read the Resolved.

General Counsel: RESOLVED that the Commission hereby authorizes the Executive Director and Director of Risk Management to purchase the above-specified insurance policies through: Arthur J. Gallagher Risk Management Services, Inc. for Commercial General Liability, Automobile Liability, Public Officials Errors & Omissions, Employment Practices Liability, Employers Liability, Employee Benefits Liability, Broad Form Money and Securities/Crime Insurance, Umbrella Liability, Pollution Liability and Cyber Liability Insurance; The Hylant Group for Multi-Peril/Property Insurance; Hoffman Group for Bridge and Use & Occupancy Insurance; and Wells Fargo Insurance Services USA, Inc., for Excess Liability Insurance; all in accordance with the terms and conditions set forth in the renewal proposals and at the premiums quoted by the respective agent brokerage firms; and

FURTHER RESOLVED that a certified copy of this Resolution shall be transmitted to the Trustee for the bondholders in accordance with the requirements of our Trust Agreements.

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

MOTION: A motion for adoption of the *Resolution Authorizing the Renewal of Insurance Policies for the Commission's Property and Casualty Insurance Program*, was made by Mr. Paradiso, seconded by Mr. Balog, and unanimously approved by all Commission Members present.

Chairman: The resolution passes unanimously. We will now move on to the reports of our advisors. Our Financial Advisor, Bethany Pugh?

Financial Advisor: No report, Mr. Chairman.

Chairman: General Consultant, Scott Buchanan.

General Consultant: No report, Mr. Chairman.

Chairman: Financial Consultant, Frank Lamb.

Financial Consultant: No report, Mr. Chairman.

Chairman: Ohio State Highway Patrol, Staff Lieutenant Weirtz.

S/Lt. Weirtz: Good morning, Mr. Chairman and Commission Members. Today, I am going to briefly go over some traffic fatalities that occurred in the month of July and our activities from the Patrol.

The first fatal crash occurred on Friday, July 24, 2015, at 11:03 a.m., at Milepost 163 eastbound, in Cuyahoga County, which involved several vehicles, including a commercial vehicle. An 87-year old, female passenger from Michigan was deceased in that crash. The second one occurred on Wednesday, July 29, 2015, at 12:35 a.m., at Milepost 37 westbound in Fulton County. This crash involved two commercial vehicles. One of the commercial vehicles was disabled and was rear ended by a second commercial vehicle. In that second commercial vehicle, a 47-year old male from Warren was deceased. The third fatal crash was on Friday, July 31, 2015, at 2:27 p.m., at Milepost 223 westbound, in Mahoning County. This crash involved several vehicles, including a commercial vehicle that started a chain reaction crash. There were multiple injuries, and unfortunately, a 43-year old female from Massillon was deceased in that crash.

Now on to our criminal patrol activities. On July 30, 2015, in Lorain County at Milepost 142, Trooper McGill stopped a 2002 GMC Yukon and after a probable cause search, due to a K-9 alert from K-9 Edo, one kilo of suspected cocaine was seized with a value of \$80,000. On August 5, 2015, at Milepost 72 in Wood County, Trooper Edelbrock stopped a 2014 Nissan with Texas tags for following too closely. Upon contact, a strong odor of burnt marijuana was detected. A search revealed a small amount of marijuana under the passenger seat. A further search revealed a large amount of U.S. Currency (\$18,880) behind the center console and another large amount of currency on the driver's person. The vehicle and two suspects were taken to the Bowling Green Post for further investigation. On August 11, 2015, Trooper Romero stopped a 2014 Nissan Rogue with New York tags for a marked lanes violation at Milepost 63.

Criminal indicators were detected and Sergeant Laubacher was called to the scene. A consent search was asked for and granted, which revealed three kilogram packages of suspected cocaine (valued at \$252,000) underneath the rear passenger seat. The vehicle and two occupants were then taken to the Bowling Green Post for further investigation. On August 12, 2015, Trooper Smith, stopped a Volkswagen Passat at Milepost 137 for a speed violation. The odor of burnt marijuana was smelled coming from the vehicle and a probable cause search revealed a small bag of marijuana in the driver side door. An additional search revealed 70 grams of hashish hidden in the spare tire compartment.

Most recently, an incident that occurred on August 11, 2015, at approximately 10:30 a.m. at the Erie Islands Service Plaza, Troopers from the Milan Post followed a suspect vehicle into Erie Islands Service Plaza after receiving a BOLO (be on the look-out) on this vehicle and three suspects that were wanted in the connection with an attempted murder that occurred that morning in the City of Alliance. Two suspects exited the vehicle and made their way into the plaza before Troopers could make contact. Additional Troopers from the Milan, Sandusky and Swanton Posts arrived on-scene within minutes. The parking lot and plaza were secured. OSHP Aviation and our Special Response Team also responded to the plaza. Two suspects were apprehended without incident. The plaza was evacuated and the building searched for a possible third suspect. Traffic on the mainline was maintained and the plaza was reopened at approximately 4:45 p.m. The third suspect was not located and is still at large at this time.

That concludes my report, Mr. Chairman.

Chairman: Thank you. Any questions?

Mr. Paradiso: It seems like these fatalities are just shocking right. A lot of construction is going on. Were any of those fatalities in a construction zone?

S/Lt. Weirtz: Mr. Chairman and Commission Member Paradiso, there were two that were in construction zones. One was due to a back-up that started a rear-end collision. The second one was in a zone where a commercial vehicle became disabled and was not able to get off of the roadway.

Mr. Paradiso: Any lessons learned? Anything we can do different? I know we go to great extents to be safe.

S/Lt. Weirtz: The lessons learned are through strict enforcement for speed and following too close, is about the best that we can do. Unfortunately, we can't change driver behavior. We can't put a Trooper in every vehicle with everyone or have a Trooper at every milepost, but we can do the best that we can do with enforcement and education, along with the safety messages in the service plazas, I think help. An event that is coming up shortly is the I-80 Challenge, which is when we will have heightened enforcement along the Turnpike all across the nation. So, hopefully that will get the message out.

Mr. Paradiso: Thank you to you and your team. I appreciate everything you do. I did notice that ODOT has on the side of roads signs that keep track of fatalities. Are those just

Ohio fatalities? It is shocking to me when I go by one day after another and see the number move up. It is just tragic. Thank you, Mr. Chairman.

Chairman: Isn't there a trend of higher fatalities. I mean it is not the Ohio Turnpike alone. It's throughout the State of Ohio that the trend is occurring.

S/Lt. Weirtz: Yes, Mr. Chairman, statewide we are up about 17%, but one thing to remember is that we are coming off of two of the safest years we've had in Ohio history with under 1,000 fatalities, so you have to put it into perspective. Obviously, one is too many, but we are coming off two very safe years, so it is going to be hard to beat those two safe years.

Chairman: Anyone else?

Director Cole: I have a brief comment, Mr. Chairman. We continue to evaluate each incident and look for lessons learned, including our messaging, the construction zones themselves, the placement, contractor activities, I mean in every step of the way, every day we evaluate that and then especially after any of these incidents, we debrief and look at any procedures in communications that we can have to help impact it, but echoing S/Lt. Weirtz's comments, it comes down to drivers and appropriate driver behavior. We can put the signs where we put the signs, we make sure we maximize visibility, we adjust as necessary, but it really does come down to driver behavior.

In a lighter note, Mr. Chairman, I also want to thank the Ohio State Highway Patrol and S/Lt. Weirtz, the coins I mentioned earlier, they are co-sponsors with us, so the 60th Anniversary also recognizes 60-years of service that the Ohio State Highway Patrol has provided policing the Turnpike. So, one side is our attractive 60th Anniversary logo and the other side is the Ohio State Highway Patrol logo. They are working on distributing these as well.

Chairman: S/Lt. Weirtz, again, thank you so much. Please pass it on to your team. We continue to be impressed with your work and the work of the Ohio State Highway Patrol. Again, I will say it over and over again, when are people going to realize to stay off of the Turnpike if you are moving drugs. I just can't believe they continue to do it. Pretty soon they are going to come to the realization.

Any further comments or questions?

General Counsel: Mr. Chairman, I have a very brief report for the Commission Members on the status of the lawsuit pending against the Commission.

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

MOTION: A motion to adjourn into Executive Session was made by Mrs. Barber, seconded by Mr. Balog, and unanimously approved by all Commission Members present.

Chairman: Ladies and gentlemen, we are going into Executive Session. After which, when we reconvene there will be no further action taken by this Commission. You are welcome to stick around if you wish. Our next meeting shall be held on Monday, September 21, 2015, at 10:00 a.m. Thank you. (Time: 10:46 a.m.)

Chairman: May I have a motion to adjourn the Executive Session?

MOTION: A motion to adjourn the Executive Session was made by Mrs. Barber, seconded by Mr. Balog, and unanimously approved by all Commission Members present. (Time: 11:13 a.m.)

Chairman: I will move to adjourn the meeting. Is there a second?

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

Time of adjournment: 11:13 a.m.

Attendees for Record Keeping Purposes:

Scott Buchanan, AECOM; Zack Deems, AECOM; Bethany Pugh, PFM; Jennifer Townley, ODOT; Tim McDonald, ODOT; Jim Gates, ODOT; Rich Winning, ODOT; Dan Buser, Crain Langner; Kelly Wierzchowski, Crain Langner; Gene Baxendale, Hill International; Mark Mill, PNC; Jacob Siesel, IUOE Local 18; Frank Lamb, Huntington; Biagio Impala, Huntington; Tony Urankar, MSG; Mike Smith, MSG; Doug Talbott, RLB Group; Halle Jones-Capers, G. Stephens; Ryan Kozak, PNC; Eric Golynsky, PNC; Kevin Grobelny, PNC; Mark Miller, PNC; Sarah Brown, HNTB; Matt Wahl, HNTB; Greg Spies, Wells Fargo; Sandy Mann, Wells Fargo; Jennifer Stueber, Ohio Turnpike; Anthony Yacobucci, Ohio Turnpike; Tommie Jo Marsilio, Ohio Turnpike; Martin Seekely, Ohio Turnpike; David Miller, Ohio Turnpike; Sharon Isaac, Ohio Turnpike; Helen Guggenbiller, Ohio Turnpike; Jennifer Diaz, Ohio Turnpike; Dennis Albrecht, Ohio Turnpike; Mark Musson, Ohio Turnpike; Diana Anthony, Ohio Turnpike; Chris Matta, Ohio Turnpike; Adam Greenslade, Ohio Turnpike; Lauren Hakos, Ohio Turnpike; Joe Mannion, Ohio Turnpike; and Ralph Stilphen, Ohio Turnpike.

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

Sandra K. Barber, Secretary-Treasurer