

MINUTES OF THIRTIETH MEETING
JANUARY 2, 1952

Pursuant to call of the Chairman the Ohio Turnpike Commission met in open session in Hearing Room No. 2, State Office Building, Columbus, Ohio, at 1:50 p.m. on January 2, 1952 with its Attorney, Bond Counsel, representatives of the Consulting Engineers, of the Financial Advisor, of the Department of Highways, and of the press and others also in attendance.

The meeting was called to order by the Chairman and the roll was called and the attendance was reported to be as follows:

Present: Seasongood, Teagarden, Shocknessy, McKay, Kauer
Absent: None

Whereupon the Chairman announced that a quorum was present.

A motion was made by Mr. McKay, seconded by Mr. Teagarden, that the reading of the minutes for the meeting of December 4, 1951 be dispensed with and that the minutes be adopted as submitted to the members. A vote by ayes and nays was taken and all members present responded to roll call and voted aye. The vote was as follows:

Ayes, Seasongood, Teagarden, Shocknessy, McKay, Kauer
Nays, None

The Chairman declared the motion adopted.

The Chairman then reported that since the last meeting of the Commission the Ohio General Assembly had met in special session on December 10, 1951 pursuant to call of the Governor for the purpose of considering the enactment of legislation to eliminate an objection which the Financial Advisor had raised to the existing law which the Financial Advisor indicated would preclude financing. He stated that he, together with Mr. E. J. Donnelly of J. E. Greiner Company, Mr. Henry Crawford of Bond Counsel to the Commission, Mr. Frank Dunbar Jr., Attorney for the Commission, Mr. James Couffer of the Financial Advisor, Mr. John Pershing of Bond Counsel to the Financial Advisor, and Colonel Smith of the Department of Highways, had appeared before Judiciary Committees of the House and Senate, which committees held hearings on the proposed legislation. The Chairman stated that the Commission was enabled by these hearings to inform the General Assembly more fully than it had ever been informed before of the activities of the Ohio Turnpike Commission and the methods and techniques which the Commission had been following and that it was his belief that the hearings in the General Assembly redounded to the great benefit of the Commission and of the project since a measure of acceptance had been

attained both in the General Assembly and with the public that might not have been possible of attainment had it not been for the special session.

The Chairman stated that the Bill as enacted at the special session (Amended House Bill No. 674) had been declared by the representative of the Financial Advisor and of Bond Counsel to the Financial Advisor to be satisfactory to the investment bankers and that it eliminated all objections which could be raised by the investment bankers to the existing law. The Chairman stated his belief that the General Assembly in so promptly enacting the amendment had given a challenge to the Ohio Turnpike Commission to fulfill its mission with equal dispatch.

The Chairman reported that some reference had been made to a possibility of obtaining financing from the Bank of America and he quoted the following from a letter under date of December 6, 1951, which he had received from Mr. E. A. Mattison, Executive Vice President of the Bank of America:

"It is beyond my comprehension how there could be a rumor going the rounds to the effect that Bank of America is interested in any way in financing the Ohio Turnpike. This is no reflection on that undertaking but we are plenty busy taking care of the credit requirements of California and Californians, and as a basic policy have never sought loans outside the state except as a result of a normal correspondent relationship with some other bank; so you can scotch that rumor definitely."

The Chairman reviewed previous correspondence of the Commission with a group of insurance companies concerning whether or not they would be interested in the financing of Ohio Turnpike Project No. 1. He advised the Commission that additional inquiries had been addressed on December 17, 1951 to the following insurance companies:

The Mutual Life Insurance Company of New York
The Northwestern Mutual Life Insurance Company
The Mutual Benefit Life Insurance Company
New York Life Insurance Company
The Travelers Insurance Company
The Equitable Life Assurance Society of the United States
Metropolitan Life Insurance Company
The Prudential Insurance Company of America
John Hancock Mutual Life Insurance Company

He reported that the replies had been received as a result of the renewed inquiries as follows:

" The Mutual Benefit Life Insurance Company

December 20, 1951

Mr. James W. Shocknessy, Chairman
Ohio Turnpike Commission
State Office Building
Columbus 15, Ohio

Dear Mr. Shocknessy:

We have your letter of December 17 telling of the successful developments in connection with the Ohio Turnpike project.

We can really add but little to our letter of July 12. It is impossible for us to make any binding commitment at this time. In our former letter we referred briefly to the changes in the long-term market which made it inadvisable for us to sell Government bonds, as we had been doing in recent months and years, in order to reinvest in suitable private investments. Those conditions still hold. As soon as the terms of the Ohio Turnpike securities are announced we shall give them our most careful consideration. Since you have apparently decided to distribute the securities through selected investment bankers rather than directly on your own initiative, there is less occasion for your concern about the investment support which may be given by the public to the very large issue that is contemplated.

Very truly yours,

John S. Thompson
President "

"The Northwestern Mutual Life Insurance Company

December 21, 1951

Mr. James W. Shocknessy, Chairman
Ohio Turnpike Commission
State Office Building
Columbus 15, Ohio

Dear Mr. Shocknessy:

I have your letter of December 17th. We desire to be completely informed relative to the plans of the financing which the Ohio Turnpike Commission proposes to undertake.

Therefore, may I suggest that all information concerning this matter be directed to the attention of Mr. William Morgan, Manager of Municipal Investments. Mr. Morgan is intimately familiar with the financing of the Pennsylvania Turnpike Authority and the New Jersey Turnpike Authority and this company owns revenue bonds of both of these facilities.

Yours very truly,

D. C. Slichter
Vice President "

" New York Life Insurance Company

December 26, 1951

Hon. James W. Shocknessy, Chairman
Ohio Turnpike Commission
State Office Building
Columbus 15, Ohio

Dear Sir:

I have received your letter of December 17, 1951.

This company would be interested in receiving material concerning the Ohio Turnpike so that we could give consideration to the Revenue Bonds of the Commission as an investment for life insurance funds. For our consideration it would be helpful to have a copy of the Engineers' Report on the construction of the Highway and its costs, and the Engineers' Report on Traffic and Revenue.

The New York Life presently has investments in the Revenue Bonds of the Pennsylvania Turnpike and the New Jersey Turnpike.

Very truly yours,

William F. Young
Assistant Vice President "

"The Mutual Life Insurance Company of New York

December 31, 1951

Mr. James W. Shocknessy, Chairman
Ohio Turnpike Commission
State Office Building
Columbus 15, Ohio

Dear Mr. Shocknessy:

Thank you very much for your letter of December 17th outlining more recent developments in respect to your plans for constructing the Ohio Turnpike.

We still have a very substantial volume of commitments to make, both real estate mortgages and corporate investments, that will utilize a substantial portion of our available cash during the coming year.

In addition, it is quite clear that a large number of corporations, many of whom are carrying out programs to increase either production or productive capacity in the furtherance of the Defense Program, will be before us with applications for funds. Included in this group will be a number of corporations with whom we already have investments, and in furtherance of our desire to be as attentive as possible to the needs of our customers, a further important strain on our funds will be felt.

We are interested fundamentally, however, in a project such as an express highway across your State. When and as plans for its construction are completed and reliable estimates for traffic and other revenue have been prepared, we would be very pleased to examine them in an effort to be as practical and intelligent concerning them as possible.

This may be a somewhat unwelcome comment but for whatever it is worth I would like to suggest that one of the very positive ways by which the sometimes disastrous fluctuations in our business cycle can be softened is by the avoidance of large public works projects in a boom period. With an active armament program superimposed upon a very high level of private capital formation, it might appear advisable to avoid the construction of a large public project in this cycle of the economy and to undertake it at a time when the demands on manpower and material for the expansion of our productive

capacity and for actual production of both guns and butter are somewhat less.

However, if you and your associates in your wisdom decide that this is the best time to undertake your project, you may be sure that we will view it in all respects with an open mind entirely on its merits.

Sincerely,

O. M. Whipple
Financial Vice President "

The Chairman read the following three letters which were addressed on December 18, 1951 to responsible persons in Toledo and Elyria inviting their presence at this meeting of the Commission:

"Hon. Charles A. Mosher
48 S. Main Street
Oberlin, Ohio

Dear Senator Mosher:

Engineers of the J. E. Greiner Company will be reporting to the Ohio Turnpike Commission at its next regular meeting on Wednesday, January 2, 1952, in the State Office Building at Columbus at 1:30 p.m. Their report will concern itself primarily with the controversial crossing of the Maumee River by the Ohio Turnpike and with their recommendations as to whether the road at this point can practicably be depressed.

Knowing of your direct and personal interest in the Turnpike project and particularly in its location in the vicinity of Elyria, I am taking this opportunity to invite you to attend the meeting of the Commission on January 2 and if you so desire to discuss directly with the engineers of the Greiner Company the location of the Turnpike in the vicinity of Elyria. This invitation, of course, is extended to include any interested residents of Elyria whom you may wish to accompany you.

Sincerely yours,

James W. Shocknessy
Chairman "

"Hon. John E. Henderson, Mayor
City of Maumee
Maumee, Ohio

Dear Mayor Henderson:

The J. E. Greiner Company, our Consulting Engineers, have advised me that they will be ready to report upon their supplemental study of the crossing of the Maumee River at the next regular meeting of the Ohio Turnpike Commission to be held in the State Office Building in Columbus on Wednesday, January 2, 1952, at 1:30 p.m. The cost analysis of a depressed section as opposed to an elevated section will have been completed and it should be possible for the Commission to determine its attitude on this problem at that meeting.

Since you and your associates in Maumee have a direct and continuing interest in the matter, I am taking this opportunity to invite you to be present at the meeting on January 2. There will be opportunity on that day for you to discuss in detail the crossing of the Maumee River with the engineers of the Greiner Company if you should so wish.

Sincerely yours,

James W. Shocknessy
Chairman "

"Mr. Arnold V. Finch
City Manager
City of Toledo
Toledo, Ohio

Dear Mr. Finch:

The J. E. Greiner Company, our Consulting Engineers, have advised me that they will be ready to report upon their supplemental study of the crossing of the Maumee River at the next regular meeting of the Ohio Turnpike Commission to be held in the State Office Building in Columbus on Wednesday, January 2, 1952 at 1:30 p.m. The cost analysis of a depressed section as opposed to an elevated section will have been completed and it should be possible for the Commission to determine its attitude on this problem at that meeting.

Since you have a direct and continuing interest in the matter, I am taking this opportunity to invite you to be present at the meeting on January 2. There will be opportunity on that day for you to discuss in detail the crossing of the Maumee River

with the engineers of the Greiner Company if you should so wish.

Sincerely yours,

James W. Shocknessy
Chairman "

The Chairman reported that the following responses had been received as a result of the letters of invitation:

"Mr. James W. Shocknessy, Chairman
Ohio Turnpike Commission December 21, 1951
State Office Building
Columbus 15, Ohio

Dear Mr. Shocknessy:

This is in reply to your letters of December 12 and 18.

Your latest letter arrived just as I was reaching for a typewriter to tell you that Elyria's representatives would welcome an appointment with you at the earliest possible date.

Wednesday, January 2, 1952, at 1:30 p.m. is satisfactory, barring some unforeseen difficulty, such as a bad blizzard. I am anxious to have Don Patterson, Lorain County Engineer, confer with you; but it could be difficult for him, if there happened to be a snow crisis on the county roads on that date. He will be accompanied by two or three other Elyrians, including Attorney King Fauver, spokesman for the schools, the city and most of the individuals interested.

I will not be able to make the conference myself, but I do assure you that I believe the turnpike's public relations and its actual efficiency and public service in this area, all will be greatly improved if an alternate route, such as Patterson is prepared to suggest, can be agreed upon.

We greatly appreciate your willingness to consider this matter fairly.

Sincerely yours,

Charles A. Mosher "

"Mr. James W. Shocknessy December 20, 1951
Chairman, Ohio Turnpike Commission
State Office Building
Columbus, Ohio

Dear Mr. Shocknessy:

Upon receipt of your letter of December 18th regarding your meeting of January 2nd, at which you propose to discuss with your engineers the type of facility to be developed at the Maumee River crossing, I contacted George Banta, Chairman of the Streets and Highways Committee of the Toledo Chamber of Commerce and Robert R. Foeller, Toledo-Lucas County Plan Commission, and wish to advise that they, together with the writer, will be present at the January 2nd meeting and wish to thank you for your consideration and invitation.

Very truly yours,

Arnold V. Finch
City Manager "

"James W. Shocknessy, Chairman Ohio Turnpike Commission State Office Building Columbus, Ohio	Telegram January 1, 1952
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Maumee city council by action today reaffirms position with reference to turnpike route and construction heretofore consistently presented to turnpike commission - stop - relative your invitation to attend meeting of commission January 2 at 1:30 pm on subject of depressing maumee river crossing our position is that for following reasons among others no purpose will be served by our appearance in role of spectator at your proceedings also press reports that Mr. Finch has been invited to discuss subjects with your engineers in advance of your meeting but no such provision contained in your invitation to us and no details furnished to us to enable us to make any preparation in advance of meeting and no indication in your invitation to us of opportunity to be heard upon the effects upon features such as sewers water lines streets and the like necessarily and vitally affecting Maumee - stop - any brief discussion with your consulting engineers after you proceed with your action promises no adequate opportunity for the protection of our interests and is foreign to principles of due process - stop - whenever you determine to submit details affecting Maumee sufficiently in advance of your meetings for proper study to be followed with provision for full hearing they will receive our thorough consideration - stop - current delay and additional expense incurred by your commission in supplemental study on question of depressing turnpike insufficient advantages of southern route around Maumee and illustrates

disadvantages of arriving at previous decision made by your commission based upon inadequate consideration of problems inherent in selections of northern route.

John E. Henderson, Mayor of Maumee
William C. Moore, City Solicitor of Maumee
Earl F. Boxell, Chairman of special committee "

"Mr. James Shocknessy, Chairman December 31, 1951
Members, Ohio Turnpike Commission
Huntington Bank Bldg.
Columbus, Ohio

Gentlemen:

After the most careful consideration and deliberation relative to attendance and representation at your announced meeting of January 2, 1952, relative to the question of depressed construction of the Maumee River crossing of the Turnpike, the conclusion next set forth has been determined.

Since the Maumee Valley Improvement Association representatives and those of the City of Maumee have experienced several of your meetings concerning the Turnpike routing, and have in each case departed such meetings feeling somewhat less than justified for having been present, it has been decided that the instant session could only be some more of the same.

Without passing judgment on the matter of whether a depressed construction would be acceptable to the City of Maumee and the Association, we call your attention to the Editorial of the Toledo Blade of Sunday, December 30, 1951, a copy attached hereto, which seems to adequately state the situation, and wish to inform the Commission of our intention to absent ourselves from this and all future proceedings until and unless the Commission evidences its good will and intention to attempt in good faith to resolve the problem of the Maumee River crossing routing with due respect for the constitutional rights of municipalities and others involved. In the absence of such evidence of good faith, necessarily the ultimate decision must be made by the courts.

Yours truly,

Maumee Valley Improvement Assn.

by Robert C. Ragan
 Otto Hankinson
 Nolan Boggs

The Chairman continued his report by reading to the Commission the following letters:

"Capitol Engineering Corporation December 21, 1951
Dillsburg, Pennsylvania

Dear Sirs:

I received in the mail today the beautiful desk set which you sent with your good wishes in token of the Christmas Season. Be assured of my gratitude for your thoughtfulness but in accordance with a rule adopted for myself many years ago when I was counsel in Ohio for the Home Owners' Loan Corporation, as a public official or quasi public official, I do not accept gifts from persons or firms who may seek to do business with the agency with which I am associated. Under separate cover, therefore, the desk set is returned.

Be assured of my best wishes.

Sincerely,

James W. Shocknessy
Chairman "

"The Honorable Carl Guess December 21, 1951
Clerk of the House of Representatives
State House
Columbus 15, Ohio

Dear Mr. Guess:

The regular monthly meeting of the Ohio Turnpike Commission which is held on the first Tuesday of every month at 10:30 o'clock in the morning is being postponed in January from the first Tuesday till the first Wednesday at 1:30 o'clock in the afternoon because the first Tuesday is New Year's Day. The regular meetings thereafter will be on the first Tuesday at 10:30 o'clock in the morning.

Because the members of the General Assembly at the recent special session evinced such great interest in the Ohio Turnpike I am suggesting to you that if you have occasion to communicate with the members of the House of Representatives before January 2 that you advise them of the meeting and on behalf of the Commission extend to them an invitation to attend not only the January meeting but all subsequent meetings as well.

Kindest regards and best wishes of the Christmas Season.

Very truly yours,

James W. Shocknessy
Chairman "

"The Honorable Thomas E. Bateman December 21, 1951
Clerk of the Senate
State House
Columbus 15, Ohio

Dear Mr. Bateman:

The regular monthly meeting of the Ohio Turnpike Commission which is held on the first Tuesday of every month at 10:30 o'clock in the morning is being postponed in January from the first Tuesday till the first Wednesday at 1:30 o'clock in the afternoon because the first Tuesday is New Year's Day. The regular meetings thereafter will be on the first Tuesday at 10:30 o'clock in the morning.

Because the members of the General Assembly at the recent special session evinced such great interest in the Ohio Turnpike I am suggesting to you that if you have occasion to communicate with the members of the Senate before January 2 that you advise them of the meeting and on behalf of the Commission extend to them an invitation to attend not only the January meeting but all subsequent meetings as well.

Kindest regards and best wishes of the Christmas Season.

Very truly yours,

James W. Shocknessy
Chairman "

"The Honorable Frank J. Lausche December 26, 1951
Governor of the State of Ohio
State House
Columbus 15, Ohio

Dear Governor Lausche:

At your convenience but if possible before the meeting of the Ohio Turnpike Commission on January 2, 1952 when I

should like to make a report on the subject I should like opportunity to discuss with you the aggressive joint efforts which might be expended by the State of Ohio and the Ohio Turnpike Commission in the immediate future directed toward obtaining from the appropriate agency of the United States the requisite authority allocating the steel necessary for the construction of the Ohio Turnpike. It is contemplated that deliveries of steel should be available in the third quarter of 1952.

With kindest regards to you and with my best wishes to you and to your administration throughout the ensuing year,
I am

Very truly yours,

James W. Shocknessy
Chairman "

The Chairman stated for the record that pursuant to his letter of December 26, 1951 Governor Lausche had suggested that he confer with all members of the Commission and accordingly the members had met with the Governor early on January 2, 1952 and that the Governor had been advised of the concern of the Commission with the problem of steel for the turnpike project. He stated that the Governor had assured the members that he would assist in every way possible to procure the allocation of steel; that he fully appreciates the problem; that he fully appreciates the challenge that the State of Ohio has to construct the turnpike, and that he will do everything that he can to assist in its progress.

The Chairman then read the following letters which he had received:

"James W. Shocknessy, Esq.
17 South High Street
Columbus 15, Ohio

December 20, 1951

Dear Jim:

1. Today I received a lovely letter from Governor Lausche in which he comments on my passage at arms with the editor of the Enquirer. He is truly a grand person and it is an honor to have been appointed by him.

2. Would it not be desirable if and when we are ready to receive a proposition from Blyth, et al. to get the opinion of, say, Moody or, possible from the Harvard Graduate School of Business as to what a suitable arrangement should be?

3. Regarding letter of December 14 from the Commission by you as Chairman to Maumee Watershed Conservancy District, of which copy with enclosures were sent to the members, should there not have been, in the letter something to the effect that the request for approval of plans for parallel bridges to be constructed across the Maumee River was not to be an admission that any such request had to be made of the Maumee Watershed Conservancy District? I have the impression (from Sec. 1201, 1205 (o)) that we have a right to do what is necessary in order to have the Turnpike constructed, except only that in bridges over navigable rivers the consent of the Secretary of the Army has to be obtained.

4. Sec. 1218 requires an annual report on or before February 1, in each year, of activities for the preceding calendar year to the Governor and the General Assembly. Could not such a report be prepared and submitted for adoption at our meeting on January 2, 1952?

With good wishes for all for the Holiday Season, I am

Yours very truly,

Murray Seasongood "

"Mr. James W. Shocknessy
Ohio Turnpike Commission
State Office Building
Columbus 15, Ohio

December 26, 1951

Dear Mr. Shocknessy:

Let me commend you for your inviting us, through Mr. Bateman, to attend the Ohio Turnpike meetings. I know you will understand if I am not there.

I appreciated very much the agreeable attitude you showed to the Senate Judiciary Committee. I thought you did a splendid job both in the Senate and House.

I do wish that I were briefed a little more in detail. I feel that the public wants to know more of the details of the construction and that probably I would be in a better position than a member of the Commission to set it forth. The greatest trouble, as I look back at our recent session of the legislature, is in being able to make a convincing statement as to why asphalt was selected over concrete. If there were a report in some detail

that could be sent me on this point, I would appreciate it. It may require too much detailed work to prepare such a report to be sent me, and, therefore, it may be a better thing for me to come to the office of the Commission sometime and go over your existing records.

Yours sincerely,

Carl D. Sheppard "

" Bituminous Concrete Producers Association

December 28, 1951

The Ohio Turnpike Commission
Mr . James W. Shocknessy, Chairman
17 S. High Street
Columbus, Ohio

Gentlemen:

Notwithstanding the fact that we honor the autonomy of the Ohio Turnpike Commission, might we not sense a devotion to matters that appear established before that autonomy?

If this be not true, please examine the following quotation and reconcile it to the grave opinion and counsel advanced to you by your chosen technical advisors in disputation of other competent engineering opinion as to the feasibility of alternate design, cost of construction and cost of maintenance. They did support, however, the thesis of known ability to design either rigid or flexible pavements with a capacity for axle loading common to both. We quote:

"A representative of the Greiner Company recently testified before the House Judiciary Committee that they had retained S. J. Groves of Minneapolis, who they purported was experienced both in concrete and flexible pavement construction, to estimate the cost of both on the Ohio Turnpike, and that he found concrete to be the lowest in price.

On December 18, bids were opened by the Corps of Engineers for paving extensions of the Kinross Air Field in Michigan . Bids on alternate types had been requested, and S. J. Groves bid \$671,000 on the concrete alternate and \$447,000 on the flexible pavement alternate. However, he was not low

in either instance. The low bid for concrete being \$562,000 against \$427,000 for the flexible pavement alternate.

Being familiar with the Army Engineers method of design, we are sure that the flexible pavement section for the Kinross Air Field was in no way under designed as compared to the concrete section. Incidentally, the concrete on the Kinross Field did not require steel reinforcing."

With best wishes and encouragement in your great undertaking, I am

Sincerely yours,

L. P. Burgess
Managing Director"

Thereupon the following report of the Secretary-Treasurer was presented:

"The Third Annual Report of the Commission to the Governor of Ohio and to the General Assembly which is required under the provisions of the Turnpike Act to be submitted by February 1, 1952 is now under preparation. It will probably be completed by January 15, 1952.

A letter has been received from the National City Bank of Cleveland under date of December 24, 1951 offering the services of that institution as Trustee to the Ohio Turnpike Commission. The letter was accompanied by a brochure presenting in detail the qualifications of the National City Bank of Cleveland to act as Trustee. The letter and copies of the brochure have been forwarded to each member of the Commission.

The American Bank Note Company has advised the Commission that it is prepared to print the engraved bonds which the Commission will issue.

A letter has been received from Mr. Seasongood in which question has been raised as to payment for bonding of the members; the inability of the Commission to retain a Certified Public Accountant, and in which Mr. Seasongood filed expense accounts up to date. The letter has been referred to Mr. Dunbar for consideration of the questions which were raised. "

In the absence of objection the report of the Secretary-Treasurer was accepted as received.

The Director of Highways then presented the following report to the Commission.

"County maps on which has been shown the location of Ohio Turnpike Project No. 1 have been transmitted to the County Engineers of each county through which the turnpike is proposed to pass.

A number of requests have been received from individual members of the Ohio General Assembly for data upon which to base speeches on the subject of the Ohio Turnpike. Information which has been available has been placed at the disposal of these members of the General Assembly.

The Western Extension of the Pennsylvania Turnpike was opened to traffic to the Ohio border at 7:00 a. m. on December 26, 1951. A comparatively heavy volume of both passenger and commercial vehicles has begun to use the highway.

The Department of Highways is cooperating with the Pennsylvania Turnpike Commission in the erection of suitable directional signs at the intersection of State Route 170 and State Route 341 in Columbiana County. This is the first intersection over Ohio State highways which receives turnpike traffic entering Ohio over the newly constructed access road connecting to the Gateway Interchange of the Pennsylvania Turnpike. The strength of the State Highway Patrol in the Massillon district has been increased in order to provide adequate service to the increased traffic in the Petersburg-Unity area. Daily reports will be made to me by the Highway Patrol in order that I may be currently informed as to the problems which may arise incident to the traffic generated by the Pennsylvania Turnpike. The secondary Ohio State highways over which turnpike traffic will flow from the Gateway Interchange to Ohio Route 14 have been placed in a top priority for maintenance operations including snow removal and ice control.

The Department of Highways is now conducting continuous traffic counts in the Petersburg area in order to be in a position to meet whatever traffic situation may develop from the opening of the Pennsylvania Turnpike. "

The Director of Highways supplemented his report by advising the Commission that he had visited the Petersburg area on December 29, 1951 and had inspected the traffic situation both on the ground and from the air. In the absence of objection the report of the Director of Highways was received.

Thereupon Mr. Donnelly was requested to report the results of the studies by the Consulting Engineer as to the feasibility of a depressed section for the turnpike in the vicinity of Maumee, and Mr. Donnelly presented a map showing three possible profiles in that area. He stated that the cost of carrying a fully depressed profile throughout the area would be prohibitively expensive but that one which carried the depressed highway partially through the area was feasible both from the standpoint of construction and of cost.

Mr. Arnold Finch, City Manager of Toledo, discussed the several alternatives and stated that the City of Toledo would be willing to close Seventh Avenue at its intersection with the proposed turnpike thereby reducing the cost differential for a depressed section and at the same time rendering less difficult the problem of the City of Toledo itself in the handling of traffic in that vicinity. Both Mr. Finch and Mr. Robert Foeller, Director of the Toledo-Lucas County Plan Commission, agreed that the partially depressed alternate profile was desirable and should be approved. Mr. R. D. Crawford and Mr. Albert Gogel, property owners in the direct path of the turnpike in Maumee, expressed to the Commission their satisfaction over the location of the turnpike and the attitude of the Commission. After thorough discussion the members of the Commission were in agreement as to the desirability of adopting a depressed section through a part of the Maumee area and the Consulting Engineers were instructed to modify the established gradeline and to present to the Corps of Engineers, United States Army, and to the Maumee Watershed Conservancy District revised applications for approval of the crossing over the Maumee River. Such approvals, it was stated by Mr. Donnelly, would be the only remaining possible obstacle to modification of the gradeline for a depressed section since such modification would require a reduction of clearances over the Maumee River. There being no further discussion, the report of the Consulting Engineers was accepted and approved.

Mr. Donald Patterson, County Engineer of Lorain County, and Mr. King Fauver, an attorney from Elyria, were presented to the Commission and advised it of objections to the location of the turnpike in Elyria as adopted by the Commission. Mr. Donnelly reported the results of comparative cost studies which indicated that a proposed alternate route north of Elyria would increase the cost of the project by \$1,194,000. Mr. Donnelly advised the Commission that as a result of a prior conference with Mr. Patterson and Mr. Fauver, the Consulting Engineers would proceed with a study of alternate gradelines in the Elyria area in order to meet as nearly as possible the objections which had been raised. The Consulting Engineers were requested to communicate directly with the Mayor of Elyria and Mr. Patterson and Mr. Fauver upon the completion of their supplemental studies.

Thereupon the Chairman requested that Mr. Dunbar report in the matter of acquisition of rights-of-way for the turnpike project. Mr. Dunbar reviewed his understanding of instructions which he had received for the development of arrangements for the acquisition of right-of-way as set forth in certain legislation of the Commission. He stated that the files of the Secretary-Treasurer containing all inquiries which had been received with respect to right-of-way acquisition had been turned over to him upon his appointment as Attorney to the Commission. He reported in detail the work which he had done and the procedures which he had followed in carrying out his assigned duties. He then presented to the Commission the following memorandum.

" Arrangements and Procedure for Acquisition
of Rights of Way

Foreword

This memorandum is intended to serve a dual purpose. It is prepared pursuant to a request from the Commission's Financial Advisor, transmitted through its Bond Counsel, that sufficient information be adduced to indicate whether the arrangements made or planned by the Commission, will, within any pertinent legal limitations, make it reasonably certain that there will be no such delays in the acquisition of rights of way as would prevent the construction of Ohio Turnpike Project No. 1 according to the time schedule charted in the Greiner report. Also, it is intended to inform the members of the Commission of the nature of the investigations and plans made, and proposed contracts negotiated, by the Commission's Counsel, with the very active cooperation and valuable advice of the J. E. Greiner Company. Proposed contracts for the title work and the services of appraisal and negotiation will be presented to the Commission at its meeting on January 2, 1952.

Dec. 31, 1951

Frank C. Dunbar, Jr.

1. Divisions of Work

The work may conveniently be thought of in five categories, by types or identities of the organizations expected to perform the various required services. They are:

1. Basic plans and right-of-way specifications, overall coordination of work, specification of sequence of work, verification of completeness and adequacy of acquisition, and any functions prescribed by trust inden-

ture; consulting engineers - J. E. Greiner Company, already employed.

2. Surveying, and preparation of detailed roadway plans: section engineering firms to be employed by Commission, under supervision of consulting engineers.

3. Preparation of legal descriptions, examinations of titles, and insurance of titles: a title-insurance company as principal contractor and manager, with other title-searching and abstract companies, and attorney-correspondents.

4. Appraisals, and negotiations for purchase: a partnership of experienced, expert real-estate appraisers and brokers as principal contractor and manager, utilizing services of other experienced and qualified appraisers and negotiators, with local appraisers from the several counties involved.

5. Preparation or prescription of all conveyances, releases, and other legal documents; advice and other services in connection with the clearing of titles; approval of title-insurance policies; and handling of all condemnation cases and other litigation: primarily by attorneys in the office of the general counsel of the Commission with large portions of legal work in condemnation cases to be handled by local counsel in the several counties, under the general direction and supervision of the general counsel.

The foregoing outline, and this memorandum generally, leave out of consideration the question of the precise functions to be performed by the Commission's own nonlegal, salaried personnel, if any in this connection, in furnishing advice or other services to the Commission in connection with right-of-way acquisitions. The procedures and arrangements thus far planned, and in this memorandum described, can be carried out either with or without such salaried personnel. If without such personnel, the Commission would rely for its advice and supervision primarily upon the consulting engineers, and secondarily upon its general counsel.

II. Short-form References

Hereafter in this memorandum certain firms, corporations, and organizations are referred to by abbreviated appellations, as follows:

1. Greiner -- The J. E. Greiner Company, a firm which has been employed by the Commission as its consulting engineers for Ohio Turnpike Project No. 1.
2. Land Title -- The Land Title Guarantee and Trust Company, a corporation with its principal office at Cleveland, Ohio; engaged in the business of searching, examining, reporting upon, and guaranteeing and insuring titles to real estate.
3. The associates -- A partnership of M. J. Rudolph, R. C. Carpenter, D. C. Dunlap, and R. L. Free, real-estate appraisers and brokers of Cleveland, Ohio.
4. Section engineers -- Those engineers or engineering firms who will be employed by the Commission to do all work of surveying for the turnpike, preparing detailed construction plans and specifications, etc. It is contemplated that a firm or group of firms will be employed to do this work for each design section of approximately 20 miles in length.
5. General counsel -- Includes not only the lawyer or law firm serving as the Commission's chief counsel, but also any assistants working directly under the supervision of such counsel; to be distinguished from local counsel, described below.
6. Local counsel -- Lawyers and law firms practicing in the counties traversed by the turnpike, or elsewhere than at the place of headquarters of the Commission, who will be retained to perform special services in their respective localities, such as the handling of condemnation cases.

III. Relevant Other Documents

Among the other documents which may be examined for a more complete statement of some of the things outlined in this memorandum are:

1. "Engineering Report, The Ohio Turnpike, Prepared for the Department of Highways of the State of Ohio, J. E. Greiner Company, Consulting Engineers, August 15,

1951," and especially the following portions thereof:
(1) the section on "Right-of-way at pp. 35-39, (2) the
"Progress Schedule" at p. 54 and Plate 12, and (3)
the "Progress Charts" in Plates 13-17.

2. The following language in the contract dated (accepted)
Oct. 2, 1951, between the Commission and Greiner:

"4. The Consulting Engineers will plan, direct,
and coordinate, and approve all design and pro-
perty surveys, all soil investigations, tests, and
analyses, and the preparation of contract plans
and specifications required for all phases of the
Project construction, * * * ."

"13. The Consulting Engineers will perform the
services stipulated in such trust indenture as may
be executed to secure any bonds issued in connec-
tion with the Project, to be performed by the Consul-
ting Engineers during the active construction period
and for three months following the opening of the
entire Project to traffic."

"17. The Consulting Engineers will furnish such
engineering advice and assistance as may be
required by the Commission in connection with its
acquisition of land and interests therein for the pur-
poses of constructing the Project, and will furnish
such supervisory services as may be required to
coordinate such acquisition with designing and con-
structing the Project. "

3. Proposal of Land Title to the Commission, dated
Jan. 2, 1952.

4. A memorandum or letter, not yet received, but now in
the course of preparation by Land Title describing the per-
sonnel of its organization and others which will perform
the services called for by its proposal.

5. Proposal of the associates to the Commission, dated
Jan. 2, 1952.

6. A statement of the qualifications of each of the assoc-
iates, as submitted by them, respectively, dated December
27, 1951.

7. A letter from Greiner to the Commission, dated Jan. 2, 1952 with respect to the proposals of Land Title, and the associates, and the doing of certain things called for by those proposals.
8. An act of the 99th General Assembly of Ohio, Amended House Bill No. 674, amending Section 1208 of the Ohio General Code.
9. Memorandum, by Frank C. Dunbar, Jr., dated Dec. 4, 1951, setting forth an "Outline of Procedure Under GC 1208 as Proposed to be Amended."

IV. Preparation of Legal Descriptions

Before land can be bought or condemned it must be described in words, so that what is to be acquired can be exactly ascertained. Ordinarily, this would be done by a surveyor's description of the boundaries of the parcels to be acquired, tied in with known "monuments". Greiner has informed me that there are not enough civil engineers and surveyors available in Ohio to make detailed surveys of all parcels, without delaying construction for several months -- and this delay would mean some millions of dollars of added cost. It therefore was necessary to find a short-cut method of preparing legal descriptions, if possible.

This had been done before I was retained by the Commission. The method was worked between Greiner, Land Title and the associates. It has been estimated that this short-cut method can be employed to prepare from 75% to 90% of the descriptions of all parcels required for the turnpike proper, thus making property-line-surveys necessary for only from 10% to 25% of those parcels, plus many of the additional parcels which will have to be impressed with easements, such as those for slope rights in connection with intersecting highways.

The short-cut method will work this way: The section engineers will survey and monument the entire center line of the turnpike. Under favor of a statute enacted in 1947, and with the cooperation of the highway director, maps portraying this center line survey will be recorded in the several counties traversed by the line. An engineer familiar with the title problems involved, and using information from county auditors' maps and possibly other records, will then be able to identify and prepare legally adequate descriptions of a large portion of the parcels, even though the exact location of the boundary lines between parcels will not have been established with relation

to stations of the center line.

Greiner tells us that within four weeks after the Commission has its money in the bank, the section engineers will have half of the center line surveys completed and ready for recording, and that the other half will be completed within another four weeks.

Thereafter property-line surveys can be made in those cases in which they will be required. In some instances, the preparation of legal descriptions, whether made with or without property-line surveys, will have to be postponed until after the section engineers shall have completed their detailed roadway plans. This will be true as to those placed -- especially at underpasses -- where the amount and location of the required takings, and the nature of the required easements, cannot be ascertained until exact construction details are planned.

V. Recommendation that Land Title be Employed

It is my recommendation that the Commission accept the proposal that Land Title will submit to it on January 2, 1952. I have first discussed the problem of legal descriptions, and the short-cut method, because they have a direct bearing on my recommendation.

When, three months ago, the Commission directed me to study the matter of the acquisition of right-of-way my first problem was to determine whether the title work should be handled through numerous individual lawyers in the various counties involved, rendering opinions predicated either upon abstracts or upon their own searches of the public records, or whether reliance should be placed upon one or more so-called title companies, with the ultimate title evidences to be in the form of either guaranties of the record titles or title-insurance policies. The second problem was, if title companies should be utilized, whether the management of the entire job should be entrusted to a single title company, or the Commission should make separate contracts with several of them as to different portions of the line.

Subject to two important conditions, I first reached a tentative conclusion on the second problem, namely, that there would be several advantages to the Commission in contracting with one title company for the whole job.

First, responsibility would be concentrated in one agency. Second, the work of the Commission's own staff and of its counsel would be much reduced, thereby requiring less personnel and less money, if only one organization were to be dealt with, and there were no problem of coordinating the work of several organizations. Third, the integration of the title work and that of the appraisers and negotiators would be easier accomplished if only one title company were ultimately responsible to the Commission. Fourth, it might be possible to achieve all the foregoing advantages, and still gain part or all of the advantages of putting to work for the benefit of the Commission the personnel and other resources of several title companies, if the one title company directly contracting with should arrange to employ the services of other title companies to assist it in the title-examination portion of the work. Fifth, if this title company would utilize the services, in some counties, of competent abstractors and lawyers, the Commission would obtain the benefit of their services. Sixth, and very important, was the fact that it appeared that the work of preparing the legal descriptions could be performed most efficiently if done through a single title company.

I mentioned that there were two important conditions to any selection of a single title company. First, it must have a competent engineering department, capable of preparing the short-cut legal descriptions. Second, it must have such adequate personnel, including especially a depth of experienced and highly capable executive and professional personnel, as to leave no substantial doubt that it could and would perform the required work within the short time that can be allotted to it.

I tentatively concluded that one title company would be preferable to several, if one with the required characteristics could be found.

Because the greatest possible speed is all-important, I was very fearful that working through large numbers of individual lawyers might result in greatly increased costs. So handling this work also appeared somewhat undesirable, because of the greater staff of the Commission and its counsel that would be required, and the Chairman has told me that the Commission wishes to keep its employed personnel at a minimum, and to avoid building up any large

bureaucracy. Furthermore, I don't believe it would be possible for the Commission, at any price, and certainly not within the near-zero amount of time at its disposal, to employ executive talent, with the know-how that comes only from experience, that could begin to compare with that possessed by a large title company of substantial experience.

I concluded, therefore, that a contract with a single title company would be preferable to the direct employment of numerous individual lawyers -- again upon condition that a properly qualified title company could be found.

Four title companies had asked for an opportunity to submit proposals to the Commission. I notified each of them that the time had come for them to submit such proposals to me, in tentative form. One of these companies is one of the two largest in the country, I believe. It's headquarters are in another state. It operates largely through individual lawyers. After studying the matter for several weeks, it notified me that it would not submit a proposal for handling the entire job. Another of these is a large and competent Ohio company. After two months of considering the problems, and after conferring at length with Greiner and me, it also reported that it would not submit a proposal for handling the entire job. The third inquiry was submitted in the name of a very large out-of-state title-guaranteeing and insuring company. Upon investigation it developed that the tentative proposal which was made in this company's name was actually made by a partnership of certain men who, under an underwriting contract with the out-of-state company, countersign and deliver title-guaranty and title-insurance contracts issued in the name of this company. Investigation also disclosed that this partnership had no engineering personnel available to handle the work of legal descriptions, and that it had not the size and depth of organization and any large-scale, state-wide experience to qualify it to handle a rush job of the magnitude here presented. For these and other reasons, I do not and will not recommend employing this organization.

This finally, as of about two weeks ago, left one title company "in the running". It is Land Title. All my investigations and inquiries, including a total of several days of conferences in Cleveland with its principal executives, title officers, and chief engineer, con-

vinced me that it is eminently well qualified to handle the work. Incidentally, Mr. Donnelly, Mr. Jenkins, and other Greiner engineers, also participated in these conferences. As to the ability of Land Title to handle, through its engineering department, the work of preparing legal descriptions and the related work, I rely not only on my own impressions, but primarily upon the opinions expressed to me by Messrs. Donnelly and Jenkins and their associates.

Land Title's financial statement, of which I submit copies, shows it to be financially strong and sound, with large resources behind its title-insurance policies.

Answers to my inquiries of such persons as leading Cleveland lawyers, real-estate men, and newspaper men, and the chief of the right-of-way section of the State Highway Department have indicated that Land Title enjoys an enviable reputation for high quality work, and for performing according to its promises.

It has greater physical facilities and larger personnel than any other title company in the state. Its top men appear to me to be exceptionally well qualified in their work by ability and experience. Its chief title officer, like his lately deceased predecessor, is known by the whole bar of the state as an outstanding authority in his legal specialty.

Land Title has not only offices but complete so-called "title plants" in three of the most important counties to be traversed by the turnpike, namely, Mahoning, Cuyahoga and Lorain counties. In a fourth populous county, Lucas, it proposes to subcontract for the title-searching services of the Title Guarantee and Trust Company of Toledo, which is the leading title company in Lucas County. Similarly, in other counties, it intends to avail itself of the services of The Northern Ohio Guarantee Title Company of Akron and The Erie County Title Company of Sandusky, Ohio. In other counties where it does not have its own facilities, it intends to employ the services of local lawyers. In all cases, where such local personnel are not sufficient to get the required work done properly and within the prescribed time limits, it intends to send in its own teams of experienced title examiners. I understand that Land Title has written, signed commitments from all the other title companies, abstractors, and attorneys whose services it proposed to utilize.

On the basis of my inquiries, it appears that Land Title has probably had a greater experience than any other title company in the state in handling large, across-the-state projects. I have a written description of some of such work, supplied to me by Land Title, which I can make available to the Commission or anyone else who is interested.

I have bargained at length with Land Title on two aspects of its proposal. I believe its executives may think I have driven a somewhat hard bargain. In any event, I think its proposal fair. At my insistence, they have carefully analyzed their anticipated costs. Their proposed prices are, on a per-parcel basis, substantially below those upon which the Greiner estimates of the cost of the Project were predicated -- about 30% lower, I think. My principal other bargaining had to do with the terms of the form of title-insurance policy which Land Title proposes to issue to the Commission. In numerous respects, it is much more favorable to the insured than the standard form of such policies issued by Land Title and its competitors.

My decision to recommend, as I now do, that the Commission procure title insurance rather than mere guaranties of record title is predicated in part upon these more favorable terms and in part upon the favorable premium rates proposed. The greater amount of risks insured against will undoubtedly save the Commission considerable expense for legal work. The Commission's counsel will not have to make some kinds of investigations and take some kinds of precautions that otherwise would be required.

Because I think it will afford the best available assurance that the title work will be done adequately within the severe time limitations which Greiner and the cost of interest on borrowed money have imposed and will impose, because I think that the over-all cost will be less than under any other way of handling the work, because I consider the terms of Land Title's proposal to the Commission (which I and one of my associates have helped hammer out in many days of conferences and drafting) to be satisfactory and sufficient to accomplish the desired purposes, and because I have confidence in the ability and integrity of its organization, I recommend that the Commission accept the proposal. Such acceptance will result in a contract between it and the

Commission. In my opinion it is, as a matter of law, a contract that the Commission may lawfully enter into.

VI. Recommendation that the Associates
be Employed

I recommend that the commission accept the proposal that the associates will present to it on January 2, 1952.

Boiled down, their proposal provides for their managing and directing two phases of the work of acquiring right of way: the appraisal of the compensation to be paid to landowners, and negotiating for the purchase of the needed land and easements. They propose that they shall be paid upon a per-parcel basis for their work, and that out of the amounts so paid to them they will pay the compensation and expenses of all the various appraisers, negotiators, and clerical staff that will be required to do the work.

Before discussing the background of my recommendation, I would comment that in my negotiations with the associates, I insisted that their compensation would have to be on such a basis as would make it as certain as possible that the total amount that the commission would have to expend for their services would be within the Greiner estimates of the costs of those services. I also insisted that (with a minor exception) their basis of compensation must be such as to furnish them no financial incentive for either appraising or negotiating a price that would be too high to be fair to the commission nor too low to be fair to the landowner. I further insisted that their basis of compensation must be such as to furnish a financial incentive for them to succeed in buying for the commission at an agreed price, rather than letting a large number of cases go to condemnation.

Three months ago I started studying and investigating the problem of handling appraisals and negotiations. Some of the same considerations influenced by conclusions here as in the case of the title work. I wanted to develop arrangements that would avoid a large bureaucracy. Quickly, I came to the conclusion that for this short-duration job, it would be impossible for the commission to hire salaried personnel at all comparable in quality with that which could be obtained by employments on a fee or commission basis. Nothing less than the greatest possible order of

ability, and a background of extensive experience on the part of the managers, would give any assurance that this important, delicate and complex work would be handled efficiently, speedily, and fairly.

In this field also, I am indebted to Greiner for valuable spadework. To make its estimates of right-of-way costs for the purposes of its report to the Department of Highways, it had to employ Ohio experts. It had carefully investigated various men. It ultimately employed the four men whom I am herein calling the associates. Greiner made available to me the results of its investigation of them. More important, I also had the benefit of personally examining the fruits and some of the records of that work, and of learning of Greiner's estimate of the quality and sufficiency of that work. I made other inquiries about these men, just as I have mentioned in connection with Land Title. Inquiries of state officials, lawyers, other professional appraisers, and the like, and especially the nature of their past work and the identities and character of their clients over many past years, led to my conclusion that it would probably be impossible to find any four men any better qualified, and difficult to find any four as well qualified, as these four men to do and manage the appraisal and negotiating phases of the Commission's work. I am presenting to the Commission copies of statements of their experience and other qualifications which each of these men have submitted to me.

There was a special reason why I liked the idea of the Commission's employing them, if they should prove individually and collectively qualified. They made the preliminary estimates or appraisals which Greiner adopted. They're going to be nailed to a professional cross if the aggregate of the detailed appraisals turns out to be much, if any, higher than their preliminary estimates, which were made at a time when I think they could not possibly have envisaged this presently proposed employment, or at most no more than a small fraction of it. That could be true of no other persons. It seems to me to offer the best available assurance to the Commission that its acquisition costs will not run several million dollars over the estimates -- as has been the unfortunate experience, I understand, with some other turnpikes.

The associates propose to have a complete appraisal made of all parcels in the whole Project, by two-man teams of highly qualified experts. This is intended, among other things, to furnish a check upon the maintenance of a proper ratio or relationship between values in various areas and communities. They propose that independent appraisals will be made in each county by qualified local appraisers. Reports of both of these independent appraisals will be before the Commission when it determines what price may be paid for any parcel.

The negotiating is to be done by experienced real-estate men.

The associates propose to conduct a school, or course of instruction, for their appraisers and negotiators, to teach them about turnpikes, about the Ohio Turnpike, about the special requirements and techniques of this particular assignment, and about the maintenance of the goodwill of the landowners and the public.

I have spent several scores of hours in conferences with various of the associates. From them, I know that they approach their proposed work with a keen sense of professional responsibility, a marvelously complete grasp of the problems to be met, very well developed ideas as to the means of handling them, and a great amount of executive and administrative know-how -- without which, incidentally, their proposed phase of this work would hopelessly bog down."

Mr. Dunbar presented to the Commission signed proposals of the Land Title Guarantee and Trust Company and of Messrs. Rudolph, Dunlap, Carpenter and Free dated January 2, 1952, as well as the following resolution of the Land Title Guarantee and Trust Company:

"RESOLVED, That The Land Title Guarantee and Trust Company submit a proposal to Ohio Turnpike Commission for performance of services in connection with the acquisition the right-of-way for a turnpike and the issuance by the Company of title reports and title insurance policies insuring the land and interests therein to be acquired by the State of Ohio, in connection therewith, containing terms and provisions somewhat along the lines of the preliminary draft of said proposal which was submitted to the meeting.

RESOLVED FURTHER, That L. A. Moses, President, G. S. Young, Executive Vice President and Treasurer, Dan C. Crane, Vice President and Secretary, L. B. Weddell, Vice President and Assistant Secretary, M. H. Cox, Vice President, or any successor in office of any one of said persons, or any one of said persons be, and he hereby is, authorized and empowered to execute and deliver in the name and on behalf of this Company to Ohio Turnpike Commission a proposal for the performance by the Company of such services and the issuance of such title insurance policies containing such terms and provisions as he shall deem best, and to execute and deliver in the name and on behalf of this Company such other instruments and to do such other acts as he may reasonably deem necessary or appropriate in the premises."

There was extended discussion during which all features of the proposals for title work and for appraisal and negotiation for the acquisition of property were explored in intimate detail. Mr. Seasongood objected to the procedure and to the proposals. He stated that very serious matters of policy are involved as to whether the Commission wishes title insurance or a title company; that the laws of Ohio are in some conflict with the work of title companies; that competitive bids should be taken for title insurance; that the opinion of the State Bar Association should be obtained; that representation should be given insofar as possible to all sections of the State; that criticisms or suggestions should be obtained from the Ohio State Real Estate Association; and that the entire matter merits considerably more study than it has been given because of its monumental importance.

Mr. McKay stated his agreement as to the general plan of procedure but he objected to the immediate approval of proposals for such work as a matter of public policy and expressed his conviction that other agencies in Ohio who may be interested in submitting such proposals should be given opportunity to do so prior to final determination by the Commission.

Mr. Dunbar read excerpts from a memorandum which Messrs. Rudolph, Dunlap, Carpenter and Free had prepared, and submitted the document for file.

Mr. Dunbar summarized the procedure which was proposed to be followed in right-of-way acquisition if the proposals which had been offered should be accepted by the Commission. The procedure would be for the Consulting Engineer to furnish to the title company two complete sets of the plan and profile maps. The title company would

commence work at once and identify a number of parcels of property from these maps. The Consulting Engineer meanwhile would proceed with the marking of right-of-way boundaries on the original tracings of the strip maps and furnish the tracings to the title company as completed so that by early March all such tracings would have been furnished to the title company. Working from County Auditor's maps the title company would be able then to identify a major number of parcels even before the center line survey is finished. The title company would thus have work well under way and would have accumulated a backlog of identified parcels prior to financing of the project in order that no delay would be caused to those who would proceed with appraisal and negotiation work.

The title company would prepare legal descriptions of all parcels to be taken and render a preliminary title report to the Commission for review by counsel of the Commission and for the use of appraisers and negotiators. Counsel for the Commission would examine the title reports; determine what legal documents would need to be prepared in order that the Commission may obtain title to the property and prescribe the standard forms which the appraisers and negotiators would use, and armed with this information the appraisers would then begin their work. As quickly as appraisals have been made the reports of the appraisals would be submitted to the Commission. The Commission would then determine the price at which negotiations ought to be undertaken for the purchase of the property. After negotiation efforts if it became apparent that the Commission could not buy at the price established, then the Commission would resort to condemnation procedures.

Mr. Dunbar pointed out to the Commission that its arrangement for right-of-way acquisition work should be such as would accomplish the work with the greatest speed, since delays will cost the Commission many times the total price that is to be paid to all those who will work on the problem of right-of-way acquisition.

Mr. Dunbar then read the following letter which he had received from Mr. Seasongood and his reply to it:

"Frank C. Dunbar, Jr.
50 West Broad Street
Columbus 15, Ohio

December 28, 1951

Dear Frank:

I received the copy of Amended House Bill No. 674, amending Section 1208. On page 2, third line from bottom, "governed" is misspelled. I suppose this is an error in copying and that

the original Act does not read "governed" as the copy you sent me has it.

I also have your letter of December 27 and enclosures under insufficient postage (Postage due 8 cents). If decisions as to employments are substantially made before members of the Commission are consulted, there does not seem to be much point in their being members. This is especially true when legal matters are involved as to members of the Commission who are lawyers. I indicated my objection to the set-up chart that employments were to be made by the Commission and not by the attorney and I feel that way. I also indicated that everything in the nature of employments so far has been to Columbus and northern Ohio. I am not interested in patronage at all. But, I have indicated that it requires a good deal of explaining here to show why the project is so distinctively a northern Ohio project. For the same reason that appointments to the Commission were made from different parts of the state, I think it advisable that, if possible, various parts of the state should be represented if adequate representation is obtainable in different parts. I have no interest in any title company and do not know whether any one is better than any other. I do know, however, a lot of title work is done down here by independent attorneys who are very competent and that * our Bar Association has considered very favorably creating its own title guarantee company because of the very low fees that the title companies pay examining attorneys working for them. I thought you and the members of the Commission, to whom I am sending copy of this letter, might wish to consider it before our meeting on the 2nd.

Yours very truly,

Murray Seasongood

* The State Bar Association has a committee working on the same matter. "

"Murray Seasongood, Esquire
1616 Union Commerce Bldg.
Cincinnati 2, Ohio

January 2, 1952

Subject: Ohio Turnpike Commission; Your letter
of December 28, 1951

Dear Mr. Seasongood:

Thank you for pointing out the typographical error in the word "governed" in the third line from the bottom of page two of the mimeographed copy of amended house bill no. 674, as sent to you by us last week. You were correct in your supposition that this was an error in copying and that the original act does not contain the error. Our proofreaders have been duly admonished.

I note also that our office has been guilty of a more serious dereliction, in failing to affix sufficient postage to some of the mail sent to you. I am going to see to it that all of our stenographers are reinstructed in the matter of postal laws and regulations and in the weighing of outgoing mail. I can only plead in mitigation that with a shorthanded force, all of our people have been working under rather extreme pressures during this year-end period.

Reimbursement, in the form of eight cents in postage stamps, is hereto attached.

The next matter covered in your letter was introduced by the sentence: "If decisions as to employments are substantially made before the members of the Commission are consulted, there does not seem to be much point in their being members." I am not sure that I understand just what you mean. Perhaps you are raising a question which should be addressed to the members of the commission and not to me. In any event, I do not assume to make any decisions for the commission, and shall not assume to do so unless specifically so directed. I have not been directed to make any decisions for the Commission in this connection. At the October 2, 1951 meeting of the commission I was directed to proceed with the study of procedures and organization for the acquisition of right-of-way. I promptly proceeded to do so.

At the next meeting of the commission, which was held on November 6, 1951, I reported with respect to the instructions given me at the preceding meeting. You were absent at the beginning of the meeting on November 6, but as I recall, and as the minutes show, you came into the meeting just before I made report, and were present during the remainder of the meeting. After reporting with respect to various other matters, I concluded my report in the following words:

"By far the greatest portion of my time during the past five weeks has been spent in work on various

phases of the over-all problem of right-of-way acquisition. I have given much attention to the form and content of title evidences. I have done a considerable amount of work in planning, and in many conferences with respect to, the organization and scheduling of surveys, the preparation of legal descriptions, the making of appraisals of land to be acquired, the handling of negotiations with property owners, title examinations and reports, and closings of real-estate acquisitions. I have given some consideration to the types and forms of deeds, releases, and many other instruments that will be required in connection with right-of-way acquisitions.

At the last meeting of the Commission the chairman asked that if possible I should report at this meeting my recommendations with respect to the handling of the work of right-of-way acquisition. I regret to report that it has proved impossible for me to complete that work within the past month. Various persons and firms have sought and been granted the opportunity to submit proposals and recommendations with respect to performing various portions of the required work. Not all of them have been able to submit their proposals thus far. For that reason I have been unable to make final and sufficiently careful evaluation of the various possible methods and procedures to be followed, in order to formulate definitive recommendations to the Commission. The matter is of such large importance that I would not be warranted in submitting recommendations without the most thorough possible investigation and study. I shall, of course, press this work to a conclusion as promptly as possible."

The very large amount of work on my part -- and for that matter, of two of my associates as well -- which was due to the preparation of the legislation and the work of the special session precluded me from giving my undivided attention to the right-of-way problem during the entire period since the November 6 meeting. However, both before and since the special session, I have done a great deal of work on it, and am now in a position to report to the January 2 meeting, and I understand that in so doing I will be acting strictly in accordance with the wishes and prior instructions of the commission. When I so report,

I will recommend that the commission accept the proposals to be presented by The Land Title Guarantee and Trust Company and by Messrs. Rudolph, Carpenter, Dunlap and Free. At that time I will fully explain my reasons for making the recommendations. You said in your letter that you are not interested in patronage at all. Neither am I. I don't consider it to be any of my business. I was employed by the commission as its counsel. I intend to do my work for the commission just as I do for any other clients, namely, in that way and on that basis which in my judgment will be in that client's best interests. I am a lawyer, and not a politician. And in so saying, I imply nothing derogatory to the politician. His is a necessary and a noble art. Rather, I intend to indicate, first, that it is an art at which I am not adept or experienced, and, second, that I understand my employment to be exclusively that of a working lawyer and counselor to the commission.

I would like to add one bit of comment as to something you cannot know, because only I could have told you and I have not done so. Three or four days before the meeting of the commission which was held on September 4, 1951, I was asked whether I would be willing to accept employment by the commission as its general counsel, if the employment should be tendered. I spent the next three days or so in deciding what my answer should be. There was only one question to which I gave any extended consideration or as to which I made any substantial investigation. That question was whether the Turnpike Commission had been operating and probably would continue to operate on a businesslike, nonpolitical basis. Had my inquiries and investigation indicated that politics probably would play any substantial part in the decisions of the commission, and especially in the handling of its legal work, I would not under any circumstances have accepted the employment, however interesting and challenging I knew it would be.

At the meeting of the commission today, I will tell as fully as the commission wishes me to do so, exactly what investigations I made, and exactly what are the reasons for my conclusions. In other words, I will recommend that the commission accept the proposals which I have mentioned, and will tell why. It will be then up to the commission to decide whether it wishes to accept my recommendations. I will say to you now, that they will be made

solely because I am and will be of the opinion, whether rightly or wrongly, that the acceptance of those proposals will result in arrangements more conducive than any others which I have been able to envisage, to the speedy, efficient, and economical performance of the services which the two organizations propose to render.

I regret that it was not physically possible for me to discuss with each member of the commission individually the conduct of my investigations and other work while it was going on. There simply has not been that much time in any one day, week, or month. This work caused me to be in Cleveland for a number of days upon two different occasions. While there, I did have the opportunity to discuss the matter briefly with Dr. McKay. Since my recent letters to the members of the commission, and since sending out the copies of the proposals to each of you, I have had the opportunity to sit down with Mr. Kauer for an hour or two and go over the whole matter. I have also discussed the matter with Mr. Shocknessy, although again in not as great detail as I would have wished. I had hoped, until three or four days ago, that I might be able to make a trip to Cincinnati to discuss it all with you, and one to Oak Harbor to discuss it with Mr. Teagarden. It proved utterly impossible for me to do it.

I am certain that it will be somewhat more costly for the commission to get this work done if it does not make decisions on or promptly after January 2, and I am quite sure that any delay in reaching such decisions will likely result in some delay in starting construction of the project, assuming that the financing will be accomplished within another three months or so. However, it is for the commission, and not for me, to weigh these considerations and make the required decisions.

Very truly yours,

Frank C. Dunbar, Jr."

Mr. Donnelly submitted to the Commission a statement of the opinion of J. E. Greiner Company with respect to procedures for right-of-way acquisition. The statement was received and filed.

Mr. Donnelly further stated: "It is our opinion and considered judgment, based upon our experience in obtaining rights-of-way on several similar projects, that the methods and details that have been worked out by counsel for the Commission for the acquisition

of rights-of-way are by far the cleanest cut and most economical that we have ever seen on any project."

Mr. Seasongood left the meeting at 6:30 saying he could not remain longer.

The meeting was recessed by the Chairman from 7:00 p. m. until 8:30 p. m. whereupon the meeting was again called to order by the Chairman and the roll was called and the attendance was reported to be as follows:

Present: Teagarden, Shocknessy, McKay, Kauer
Absent: Seasongood

Whereupon the Chairman announced that a quorum was present.

Mr. Dunbar reported to the Commission a suggestion of Mr. James Hartshorne of the Cleveland Plain Dealer that property owners should be advised by the Commission as soon as possible after it may be determined which properties are to be affected by the turnpike project. The Chairman expressed to Mr. Hartshorne the agreement and appreciation of the Commission for his suggestion.

Mr. G. S. Young, Mr. Dan Crane, Mr. L. B. Weddell, Mr. Merrick and Mr. M. H. Cox of Land Title Guarantee and Trust Company were presented to the Commission and explained in detail their proposal for title work and the procedures by which title work would be accomplished.

A motion was made by Mr. McKay, seconded by Mr. Teagarden, that the following resolution be adopted:

"RESOLVED that the Chairman be authorized and directed to enter into contract with Land Title Guarantee and Trust Company of Cleveland, Ohio, for the performance of services as set forth in the proposal of said company submitted to the Commission on January 2, 1952."

A vote by ayes and nays was taken and all members present responded to roll call and voted aye. The vote was as follows:

Ayes, Teagarden, Shocknessy, McKay, Kauer
Nays, None

The Chairman declared the motion adopted.

Thereupon Mr. Max Rudolph, Mr. Roy Carpenter, Mr. Donald

Dunlap and Mr. Robert Free were presented to the Commission and the proposal of Messrs. Rudolph, Carpenter, Dunlap and Free was discussed in detail. It was the opinion of the several members of the Commission that negotiations for property should be done on a local basis rather than that negotiators from Cleveland go into all counties along the line of the turnpike. Mr. McKay suggested that contracts for appraisal and negotiation work are not of the same degree of urgency as that of the title work required. Mr. McKay also suggested that a highly qualified individual might be employed by the Commission to review the work of appraisers and negotiators and act as real estate expert to the Commission. Mr. McKay was opposed to immediate action on the proposal of Messrs. Rudolph, Carpenter, Dunlap and Free because others in the appraisal profession had not had opportunity to submit proposals and because of his belief that insufficient time had been given to consideration of the proposal. The Chairman expressed his profound concern about the implications if Mr. Seasongood and Mr. McKay should be opposed to the action of the Commission. The proposal of Messrs. Rudolph, Carpenter, Dunlap and Free was postponed for consideration at the next meeting of the Commission.

Mr. Dunbar presented the following report with respect to the organization of the legal staff of the Commission :

"Because it is imperative that necessary decisions be made by the commission, and appropriate plans and arrangements be made, if the construction of the proposed turnpike be not delayed, I have given careful and extended consideration to possible means of handling the commission's legal work in the future.

Bond counsel have, of course, been employed, and their compensation contracted for; hence their services are no part of the present problem.

A great amount of legal work needs to be done, and it must be done soon and it must be done properly. If it is not, there will be delays or costly mistakes, or both, in connection with the acquisition of rights-of-way, the making of contracts for the services of section engineers (of whom I understand there may be as many as eight hundred), and the doing of other things vital to the expeditious and economical completion of the project. If such delays and mistakes are to be avoided, much of this work should be done or well started before the time when financing can be completed.

Thus far the commission has employed one attorney. The requirements of the position have far exceeded the physical capacities of any one man. For some weeks past I have devoted a very large portion of my time -- not limited to the daytime hours -- to the commission's work, and in addition, two of the associates of my firm have devoted nearly all their time to the work. The work has been so interesting and so challenging, and working with the large group of devoted and capable men who have been striving to bring this great public project to fruition has been so stimulating, that my labors have been rendered gladly. However, the physical burden of attempting to do with three men work which now requires, or imminently will require, several more, and the financial burden of devoting three men's time to one man's employment, have become too great to be carried much longer. Hence I recommend and request that the commission promptly address itself to this problem.

Some of the lawyers' work can best be performed by attorneys practicing at the seats of the several counties which the turnpike will traverse, with a certain amount of supervision, assistance, and coordination by the commission's general counsel. That work will be comprised principally of the prosecution of condemnation cases, but will include some other services.

However, the major portion of the legal work can be performed efficiently only by a central staff or group of lawyers. The functions which they will be required to perform are in many respects quite comparable, although in a different professional field, to those of the commission's consulting engineers. They will be called upon to render many services of advice, consultation, and planning in connection with various phases of the work of the construction and operation of the project, and in connection with the commission's own decisions and actions. Litigation might upon occasion be an important part, but in terms of amount of work required will probably be a relatively small part, of their work.

One large field of work is and for over a year will be in connection with right-of-way acquisitions. Over 2000 parcels of land must be acquired, either as estates in fee simple, or as lesser estates or servitudes. This means that over 2000 purchases and sales of real estate must be handled. Deeds, quitclaims, releases, and many other

documents will have to be drafted -- one or several or many in each case. Work should start immediately upon the drafting of standard forms of many such instruments. In a good many cases special study, consultation, correspondence, drafting, and other action will doubtless be required to clear title defects and encumbrances. Curative judicial proceedings will have to be instituted and supervised in some cases. Instructions and advice will have to be given to negotiators as to legal matters and problems. Closings will have to be arranged and supervised, in some cases requiring the drafting of escrow and other special documents. In all cases, final title evidences will have to be examined and approved. Standard procedures and forms should be developed for the use and guidance of local attorneys in condemnation cases and other matters. These are many, but not all, of the kinds of services that will have to be performed in connection with the acquisition of rights-of-way.

The foregoing summary takes no account of the legal work in connection with road and railroad crossings, rearrangements and reconstruction of public-utility facilities, and the like -- which I shan't discuss in detail.

Appeals in condemnation cases will require special attention and handling by the central force of lawyers.

A considerable amount of legal work, aside from that which will be performed by bond counsel, will arise in connection with the financing and related arrangements.

Directly in connection with construction much work will be required with respect to the commission's contracts with section engineers and construction contractors. Some indication of the importance of that work may be gleaned from the fact that nearly a quarter of a billion dollars may be spent by the commission under these contracts. One mistake, due to lack of sufficient lawyer personnel or sufficiently competent personnel, might well cost the commission many times what it will expend for all legal services over the next three years.

Some of the other types of legal services required are: (1) attendance at commission meetings and miscellaneous work in connection therewith; (2) the drafting of commission legislation; (3) the preparation and rendition of legal opinions, on a great variety of questions and problems, to the commission and its staff and agents; (4) the performance

of various services in connection with labor and employment problems; (5) the preparation of leases to, and contracts with, service-facility operators; (6) the handling of applications to, and the prosecutions of proceedings before, the Federal Communications Commission in connection with the planned radiotelephone communications facilities of the turnpike; (7) advice in connection with, and drafting of, traffic and other kinds of regulations; (8) advice and other services in connection with the inevitable negotiations and arrangements with turnpike commissions of other states; (9) contracts and leases with the suppliers of various kinds of machines and equipment; (10) the handling of negotiations and arrangements with, and the supervision of the work of, other attorneys; (11) legal research in connection with most or all of the foregoing; and (12) various other routine or occasional services.

The handling of various types of claims against or involving the commission will likely involve a substantial amount of work. These can and probably will include both tort and contract claims, and claims under such statutes as those providing for workmen's compensation. Some of these will almost surely end in litigation.

The foregoing will suffice as a description, not complete nor highly detailed, of the work-functions that must be performed by the commission's lawyers. It remains to consider by what arrangements the commission can best procure the needed services.

First let me point out what is not always realized, that the rendition of legal services involves considerably more than the personal services of lawyers alone. They must have working facilities, including an office, a library, files, office machines of various kinds, and so on. For each well equipped lawyer -- and one without adequate equipment cannot be efficient nor perform high quality work -- an initial investment of several thousand dollars is required. In addition, for each such lawyer, a current outlay for rent, equipment upkeep, supplies, communications, secretarial and clerical personnel, etc. , of several hundred dollars per month is required.

One possible way in which the commission may make available to itself the services of an organization of lawyers is to create, equip, house, and staff it. This means that the commission will have to rent or buy office space, buy

the needed office and library facilities, and hire the requisite lawyers and other personnel on salaries.

Another possible way in which the commission may procure such services is by the employment of an existing firm of lawyers to render the needed services. If this were done, both the personal services of the lawyers involved and their overheads would be paid for in the form of fees for the services rendered.

A third alternative is by a combination of a retained law firm and salaried assistants. For example, a law firm might be retained as general counsel, under arrangements requiring it to plan, organize, and direct the work of the commission's legal staff.

I have stated that it is imperative that the commission make its decisions on these questions at an early date. Perhaps the reasons why this is so are not readily apparent.

The commission has today authorized a contract for the handling of what can be lumped under the description of "title work" in connection with the acquisition of right-of-way, and is considering a proposal for handling the work of appraisal and negotiations. While the acceptance of these proposals will not create contract obligations on the part of The Land Title Guarantee and Trust Co. and the partnership of Rudolph, Dunlap, Carpenter and Free, respectively, to do any work before the commission has money in the bank, except to make certain preliminary arrangements, nevertheless, both the organizations plan to start work at once. In fact, what they have said to the commission today indicates that if they don't start their work fairly promptly, it will be impossible for them to meet their promises as to the numbers of parcels they are to complete within the prescribed time limits. They know they will never be paid if bonds are not sold by the commission. They say they will take that chance, in the interests of handling their work better and more economically, and want to start to work this week. And not only will they do so individually, but the other title companies, abstractors, and attorney-correspondents, or many of them, who will assist Land Title, also want to start work promptly.

Further, the J. E. Greiner Company is working hard

at developing arrangements for the employment of section engineers by the commission. They are also proceeding with the work of arranging for changes and relocations of public utility facilities.

All of these endeavors will soon reach a point at which they will be stopped or slowed down if the necessary legal work in connection with them does not go forward. I will be quite unable to handle it all alone. Furthermore, I will be unable to get it under way promptly after money is available, unless I shall have had a period of at least a number of weeks beforehand to make plans and procure or recommend personnel for the commission. Even though it is obviously true that the commission can pay no fees or salaries before its bonds are sold, yet a great amount of getting ready can be done if we can know fairly soon what form the getting ready shall take. Time saved will be money saved. I should guess that a month saved in getting construction started might save about half a million dollars.

Respectfully, submitted,

Frank C. Dunbar, Jr."

In the absence of comment the report of counsel was received.

Mr. Dennis Murphy of the Financial Advisor submitted the following report:

"On November 20, 1951 as Financial Advisors to your Commission we stated that, based upon our studies to date and assuming the availability of materials and favorable market conditions, we considered the Ohio Turnpike as planned by the Commission and approved by the Governor to be a feasible engineering project and a sound financial undertaking, subject to one major qualification relating to interminable and expensive delay in acquisition of right-of-way.

We are now in receipt of a printed copy of Amended House Bill No. 674 passed at a special session of the General Assembly on December 12, 1951 which amends section 1208 of the General Code of Ohio relative to the appropriation of property by the Ohio Turnpike Commission. This bill provides in effect that as soon as compensation assessed shall have been paid, or its payment

secured by the deposit of money, under order of the court, possession of the property may be taken.

It is our understanding that this Act will reduce to a reasonable and determinable period of time the delay which may be encountered in taking possession of property through appropriation proceedings, and it should permit the successful financing of the project when the availability of steel and other materials is assured.

The action of Governor Lausche in calling a special session of the General Assembly to enact this legislation and the prompt action of the legislature in passing it will, we are sure, be interpreted by investors as an expression of the State's determination to do everything possible to place the proposed financing on a sound financial basis.

We have asked our counsel to furnish us with a detailed report of the procedure which will be followed by the Commission in connection with any eminent domain actions which may be necessary. It is our understanding that our counsel has conferred with Frank C. Dunbar, Jr., counsel for the Commission, on this matter and that a report on the subject will very shortly be available. As soon as this report is received we expect to call a special meeting of our Management Group to plan the next step in the financing. We hope this may be done next week.

We have also asked our counsel to start work on the Trust Indenture. As you know, this is a big job and will require several weeks to complete. In the course of its preparation it will undoubtedly be necessary to have several conferences with the Commission and its counsel to agree upon terms of the Indenture. Before it is completed we will need to be advised of the name of the Trustee selected by the Commission, and also the names of other institutions which are to act as paying agent for the coupons and bonds. We feel it would be desirable to have a paying agent in New York and Chicago as well as in Ohio.

At the present time we are not in possession of any authentic information regarding either the probability or the possibility of the Commission's obtaining allotments of steel or other critical materials with which to construct the Turnpike. The obtaining of allocations of

critical materials is a matter which can best be handled by the Commission and the Consulting Engineers, and its importance can readily be realized. If there is any help which the Financial Advisors can give to the Commission in connection with this problem we stand ready to be of assistance.

We think it only fair to point out to the Commission that during the past several weeks the bond market has not given a very good account of itself. Prices for practically all types of securities have worked lower and the market for practically all issues of Government bonds has been very weak. Long term Governments are now selling at prices to yield 2.75%. Part of the reason for this is undoubtedly the change which has taken place in the loan rates of banks throughout the country. The interest rate on prime commercial loans was increased recently to 3%. This was the fourth such increase in the last 15 months.

While this rise in interest rates and the resulting decline in bond prices has not been of such consequence, in our opinion, as to jeopardize the financing of the Turnpike it will, if the trend is not reversed by the time the Commission's bonds are ready for the market, increase the cost of financing above the rate at which it might have been done prior to this latest rate increase. Since the new legislation will not become effective until March 12, the financing, of course, cannot be completed until after that date.

We will be pleased to report further to the Commission after the next meeting of our group which will be held soon.

Respectfully submitted,

Dennis E. Murphy
For the Financial Advisors"

There being no objection the report of the Financial Advisor was received.

Mr. Lawrence Waterbury of Parsons, Brinckerhoff, Hall and Macdonald presented to the Commission a special report on recommended schedules of tolls for the Ohio Turnpike together with a preliminary statement on methods of vehicle identification and

toll collection procedures. The report by Mr. Waterbury was taken under consideration by the Commission for action at a subsequent meeting.

Mr. Henry Crawford submitted the following report of Bond Counsel:

"James W. Shocknessy, Chairman January 2, 1952
Ohio Turnpike Commission
Columbus, Ohio

Dear Sir:

We tender herewith our report as of this date as follows:

1. The amendments to the Ohio Turnpike Act made by Amended House Bill 674 are regarded by us as removing the objections that interminable delays would or might be encountered in the acquisition of rights of way by the Commission.

We have been advised by Mr. John Pershing of Mitchell and Pershing, Counsel for the financial advisor, that in his opinion said objection has been removed and that he has reported his opinion to the financial advisor.

2. The next task of Bond Counsel is to work with the financial advisor and its counsel and with the Commission and its attorney in the preparation of basic documents for the financing. These documents include (a) the transcript of proceedings, (b) the form of resolution for the authorization of the bonds, (c) the form of the indenture, and (d) the form of the bonds.

3. The most important single document is the indenture. In our opinion work can be done to place in written draft form the basic structure of the indenture as soon as the financial advisor has had its proposed meeting this month and is ready to discuss the method of handling funds during construction, and thereafter during operations, and other terms and provisions dealing with the security for the bonds.

4. We have been advised that the financial advisor has been planning to meet next week and to communicate its views to its counsel.

5. Promptly thereafter drafts of major portions of the indenture are to be submitted for consideration by all parties.

6. Such drafts should contain an outline of the duties of the Trustee and of the Paying Agent or Paying Agents and their preparation even in preliminary form will permit the Commission to hold a hearing for discussion with those institutions which have made application to the Commission for employment in those capacities or have otherwise indicated their interest therein.

7. The drafting of an important phase of the indenture cannot, we believe, be completed until the Commission shall have determined to what extent the Turnpike is to be actually constructed from the first installment of bonds to be issued and to what extent rights of way are to be acquired from the proceeds of such bonds. This is a question that will have to be discussed with the financial advisor and it should be resolved as soon as the circumstances permit.

The foregoing report is respectfully submitted for the regular meeting of the Commission on this date.

Respectfully submitted,

Squire, Sanders & Dempsey"

In the absence of objection the report of Mr. Crawford was received.

A motion was made by Mr. Teagarden, seconded by Mr. Kauer, that a special meeting be called at 9:00 a.m. on January 25, 1952 to hear publicly the representatives of those banking institutions who may wish to act as Trustee or Paying Agent to the Commission. A vote by ayes and nays was taken and all members present responded to roll call and voted aye. The vote was as follows:

Aye s, Teagarden, Shocknessy, McKay, Kauer
Nays, None

The Chairman declared the motion adopted.

A motion was made by Mr. Kauer, seconded by Mr. Teagarden, that a special meeting of the Commission be called at 10:30 a.m. on January 9, 1952. A vote by ayes and nays was taken and all members present responded to roll call and voted aye. The vote was as follows:

Ayes, Teagarden, Shocknessy, McKay, Kauer
Nays, None

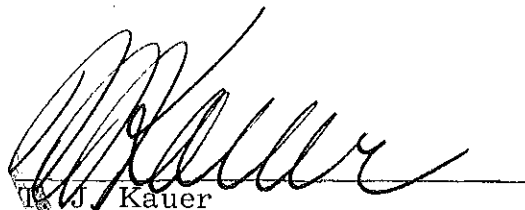
The Chairman declared the motion adopted.

There being no further business to come before the Commission a motion was made by Mr. Teagarden, seconded by Mr. McKay, that the meeting adjourn subject to call of the Chairman. A vote by ayes and nays was taken and all members present responded to roll call and voted aye. The vote was as follows:

Ayes, Teagarden, Shocknessy, McKay, Kauer
Nays, None

The Chairman declared the meeting adjourned. The time of adjournment was 1:00 o'clock a.m., January 3, 1952.

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



T. J. Kauer
Secretary-Treasurer

Mar. 4, 1952