

MINUTES OF THIRTY FOURTH MEETING  
FEBRUARY 5, 1952

Pursuant to call of the Chairman the Ohio Turnpike Commission met in regular open session in Hearing Room No. 2, State Office Building, Columbus, Ohio, at 1:45 p.m. on February 5, 1952 with its Attorney, Bond Counsel, representatives of the Consulting Engineers, of the Financial Advisor, 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.

The Chairman reported that since the last meeting of the Commission conditional approval was given by the Maumee Watershed Conservancy District for a crossing of the turnpike over the Maumee River; that the Third Annual Report has been transmitted to the Governor of Ohio and to the Clerks of the Senate and House of Representatives and that the report has been released to the press; that letters suggesting the location in Toledo of the headquarters building for the Commission were received from the Toledo Chamber of Commerce, The Toledo City Manager, and the Toledo Trust Company; that new offers of steel were received from the Norca Corporation representing German production, from Santo Shoji Kaisha representing Japanese production, and from Industrial Forge & Steel, Inc. of Canton, Ohio representing domestic production. The Chairman referred to a resolution adopted by the Ohio Farm Bureau Federation urging that the Commission hire only local appraisers in connection with land acquisition for the turnpike project.

The Chairman reported that proposals to do appraising and negotiating for the turnpike have been received from

Messrs. Rudolph, Carpenter, Dunlap and Free  
Messrs. Edgeman, Fast, Mayer and Mayer  
Messrs. Laronge, Miller, Beyer, Davis & Etchen  
The J. M. Cleminshaw Company  
A. Rosenfeld and Company  
The Ostendorf-Morris Company  
Frederick A. Schmidt, Inc.

He stated on behalf of the Commission that in the absence of objection the Commission considers that it now has received a representative

group of proposals for this service and will not expect to receive any others nor hold any further hearings upon those already received. There was no objection. The Chairman then appointed a committee composed of Mr. Teagarden and Mr. Seasongood to analyze the proposals received for appraisal and negotiation work. The committee was instructed to report its recommendations to the Commission as soon as possible it being understood that no further proposals for appraisal and negotiation work would be received.

The Chairman appointed a committee composed of Mr. Kauer and Mr. Shocknessy and Mr. Donnelly of the J. E. Greiner Company to meet with representatives of Parsons, Brinckerhoff, Hall and MacDonald to consider the proposal of that firm to serve the Commission as Traffic Consultant and to report to the Commission thereon.

The following report of the Secretary-Treasurer was submitted:

"A letter dated January 28, 1952 has been received from Mr. Alan G. Rorick, counsel for Messrs. Rudolph, Carpenter, Dunlap and Free, requesting the withdrawal of the proposal submitted by them under date of January 2, 1952 and also requesting the return of all signed copies of that proposal. Mr. Rorick was advised that the Secretary-Treasurer is without authority to comply with his request for the return of the documents until after his letter had been presented to the Commission.

Messrs. Rudolph, Carpenter, Dunlap and Free advised the Commission by letter dated January 31, 1952 that they planned to submit alternates to their original proposal and alternate proposals under date of February 2, 1952 were received by the Secretary-Treasurer on February 4, 1952.

A supplemental statement has been received from the Central National Bank of Cleveland which will be distributed to the members of the Commission. A supplemental statement has been received from the Northern Trust Company of Chicago and will be distributed to the several members of the Commission. A supplemental statement has been received from the Bankers Trust Company of New York.

A letter has been received from Mr. Glenn A. Biggs, Trust Officer for the Fifth Third Union Trust Company of Cincinnati, requesting a hearing for his bank at this meeting of the Commission. The Fifth Third Union Trust Company is interested in serving the Commission as Trustee and Paying Agent.

A letter has been transmitted to all members of the Commission by Ostendorf-Morris Company of Cleveland in connection with appraisal and negotiation work of the Commission.

An inquiry was received on January 29, 1952 from Mr. Sylvan Z. Rothschild of Cincinnati who indicated his interest in appraisal and negotiation work for the Commission. Since time did not permit the necessary conferences with Mr. Rothschild in Columbus it was suggested to him that he contact Mr. Seasongood in Cincinnati for advice.

Inquiries have been received from Mr. Jack Richardson, Vice President of Blair, Rollins & Co., who is concerned that his firm may not be given ample opportunity to sell the bonds of the Turnpike Commission. Since Mr. Richardson's firm is a member of the financing group which has been formed, his request was referred to that group.

An announcement has been received that the District Engineer for the Corps of Engineers, U. S. Army, will conduct a public hearing in Toledo on February 19, 1952 to hear those who are interested in the approval or non-approval of the proposed crossing of the Ohio Turnpike over the Maumee River. The Greiner Company has been requested to represent the Commission at that hearing and to be prepared to report thereon at the next succeeding meeting of the Commission.

Approval has been received from the Buffalo District office of the Corps of Engineers, U. S. Army, for the crossing of the Ohio Turnpike over the Sandusky River near Fremont. "

There being no objection the report of the Secretary-Treasurer was accepted as received.

The Chairman reviewed the events of the conference of the Commission in New York City on November 20, 1951 with the representatives of the Financial Advisor. He stated that the Commission has since been giving consideration to the matter of the scope of initial construction of the project and that it is the consensus of the Commission that the initial construction should consist of the first four sections which would provide for the construction of the turnpike initially across the Maumee River to the interchange with U. S. Route 20; that in the financing for the initial construction provision would

be made for the acquisition of right-of-way for Project No. 1 in its entirety as well as provision for necessary engineering work for Project No. 1 in its entirety, and that provision would be made for an open ended indenture so that additional financing could be secured for the construction of the remaining portion of the project. Based upon his introductory statement the Chairman then called upon Mr. James Couffer of the Financial Advisor, Mr. John Pershing, Bond Counsel to the Financial Advisor, the Director of Highways, Mr. Donnelly, Mr. Fischer and Mr. Crawford to speak to that statement.

Mr. Couffer stated his agreement that the Chairman had made a complete and concise statement of that which the Commission would like to undertake. He said that the conclusions of the Financial Advisory group had been that sections one through four should be undertaken as the most economic and most logical in the face of all existing circumstances. He stated that the size of the financial undertaking must be given very serious consideration and that as long as the initial construction leads the highway to a satisfactory point west of the Maumee River a sound revenue bond issue could be assured and the Financial Advisor can go forward with the plans for financing.

Mr. Pershing explained to the Commission that a trust indenture is a contract which provides the machinery by which the proceeds of the bonds may be applied to the construction of Project No. 1 and also provides the manner of applying the revenue of the project when completed to the retirement of the bonds. He said that the document is called a trust indenture because in normal circumstances a bank or trust Company is a party to the contract and that the proceeds of the bonds are held in trust to be applied in accordance with the terms of the contract to the construction of the project. Mr. Pershing said that Bond Counsel for the Commission and for the Financial Advisor are now in a position to prepare the preliminary draft of the trust indenture.

Mr. Crawford stated his belief that the informal agreement of the members of the Commission is of very great advantage to Bond Counsel because effective work cannot be done on the trust indenture without such decision as to the scope of the work having been made.

Mr. Kauer stated his opinion that the existing state highway primary system in the vicinity of an interchange at U. S. Route 20 west of the Maumee River would be adequate to accommodate turnpike traffic temporarily. He pointed out that necessary construction and improvement of state highways would be very costly if the initial construction of the turnpike were to end east of the Maumee

River.

Mr. Donnelly stated the opinion of the Consulting Engineers that the conclusions reached by the Commission were sound when considered in the light of the factors of financing, availability of critical materials, and the availability of a satisfactory temporary terminal point. He agreed also that a satisfactory terminal can be had temporarily west of the Maumee River at U. S. Route 20 and stated that final surveys and plans must be completed for the last two sections of Turnpike Project No. 1 before the Commission can acquire the right-of-way for the entire project. Mr. Donnelly was requested to review the requirements for steel for the turnpike project in the light of the initial construction of sections one through four.

Mr. Fischer advised the Commission that should it decide to undertake the initial construction of sections one through four it should be assured that adequate accommodation will be available to traffic both entering and leaving the turnpike at the temporary terminal point.

The Chairman stated his belief that the traffic and revenue report of Parsons, Brinckerhoff, Hall and Macdonald must be finalized and a toll schedule adopted in order that the financing plan may be completed. He appointed a committee composed of Mr. McKay and Mr. Kauer to confer directly with the Financial Advisor and with the representatives of Parsons, Brinckerhoff, Hall and Macdonald for the purpose of finalizing the traffic and revenue report and with the expectation in the immediate future of recommending to the Commission thereon.

Mr. Dunbar then offered to the Commission for consideration suggested forms of legal advertisement for competitive bidding by title insurance companies and of notice to bidders and proposal for such work pursuant to instructions of the Commission at the meeting of January 26, 1952.

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

"WHEREAS, the Ohio Turnpike Commission has the need of certain title services and title contracts in connection with the acquisition of the rights-of-way for Turnpike Project No. 1; and

WHEREAS, the Commission's counsel, pursuant to its direction, adopted at its meeting on January 26, 1952, has prepared and submitted to the Commission forms of

"Notice to Bidders and Proposal" and a form of legal advertisement for competitive bidding by title insurance companies and title guarantee and trust companies for the furnishing of such title services and title contracts;

NOW, THEREFORE, BE IT RESOLVED by the Ohio Turnpike Commission that it obtain competitive bids by title insurance companies and title guarantee and trust companies for the furnishing of title services and title contracts needed in connection with the acquisition of the rights-of-way for Turnpike Project No. 1, on the terms and conditions set forth in the forms of "Notice to Bidders and Proposal" this day submitted to the Commission by its counsel, which forms of "Notice to Bidders and Proposal" and all terms thereof, the Commission adopts as its own and which shall be filed and preserved by the Secretary-Treasurer among the records of the Commission; and

BE IT FURTHER RESOLVED, that the Secretary-Treasurer of the Commission be instructed to advertise the fact of such competitive bidding by causing an advertisement in the form this day submitted to the Commission by its counsel to be published in The Ohio State Journal, a newspaper of general circulation in Franklin County, Ohio, for two consecutive weeks, the first of said advertisement to be published not later than Friday, February 8, 1952, and that said form of advertisement be filed and preserved by the Secretary-Treasurer among the records of 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:

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

The Chairman declared the motion adopted.

Thereupon Mr. Crawford presented to the several members of the Commission a summary report of the interviews which the Commission had with bankers on January 25, 1952. There being no objection the report of Bond Counsel was accepted as received.

At the request of the Chairman Mr. Donnelly reported for the Consulting Engineers that work is progressing along the lines previously indicated; that several alternative grade lines in the vicinity of Elyria are being weighed, and that a representative of the Greiner Company has been participating in meetings with farm groups along the route of the Turnpike. Mr. Teagarden expressed his personal appreciation at

the assistance which the Consulting Engineers are giving the Commission in bringing to the attention of farm groups a fair explanation of the problems which will arise in connection with the construction of the turnpike.

The Chairman reminded the Commission that a committee had previously been appointed composed of Mr. Kauer, Mr. McKay and Mr. Dunbar to consider the selection of an appraisal consultant to the Commission and to recommend to the Commission thereon. He reconstituted the committee to include Mr. McKay, Mr. Teagarden and Mr. Dunbar.

Mr. Kauer reported that he has been devoting time to the study of job descriptions to be used in connection with the form of organization for the Commission. The Chairman appointed a committee composed of Mr. Shocknessy, Mr. Kauer and Mr. Donnelly to study the plan of organization and to report to the Commission thereon.

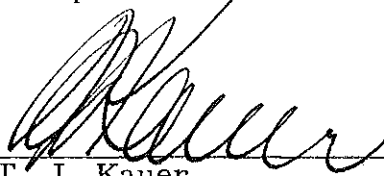
The Chairman appointed a committee composed of Mr. Seasongood, Mr. Crawford and Mr. Dunbar to study the organization of the legal staff of the Commission and to report thereon as soon as possible. The Chairman requested that the Secretary-Treasurer keep currently advised of the progress of the committees and he requested that copies of correspondence of the committees be transmitted to the Secretary and to the Chairman.

There being no further business to come before the meeting a motion was made by Mr. Seasongood, 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, Seasongood, Teagarden, McKay, Shocknessy, Kauer  
Nays, None

The Chairman declared the meeting adjourned. The time of adjournment was 3:10 o'clock p.m.

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



T. J. Kauer

Secretary-Treasurer

Mar. 4, 1952