

MINUTES OF THIRTY EIGHTH MEETING
MARCH 20, 1952

Pursuant to call of the Chairman the Ohio Turnpike Commission met in special open session in Hearing Room No. 2, State Office Building, Columbus, Ohio, at 1:45 p.m. on March 20, 1952, with its General Counsel, 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: Allen, Teagarden, Shocknessy, McKay, Kauer
Absent: None

The Chairman announced that a quorum was present.

On behalf of the Commission the Chairman welcomed Mr. A. J. Allen, the newly appointed member, and told Mr. Allen that he would find the members of the Commission receptive of his suggestions in pursuance of the Commission's purposes and assured him that he would find cooperation not only in the Commission and its immediate associates, but also on the part of the Governor of Ohio and the other state officials with whom the Commission may deal. The Chairman mentioned also the assistance which the Commission has had from the members of the press and from such agencies as the Ohio Highway and Turnpike Association.

Mr. Allen expressed his appreciation for the opportunity to work with the Commission and stated his belief in the objectives of the Commission.

The Chairman then reported that he had been in conference in New York City for several days with the representative of the Financial Advisor and Bond Counsel to the Financial Advisor and that he had been accompanied by Mr. Henry Crawford of Bond Counsel. He reported that the impact of the law suit which was recently filed against the Commission in Lucas County had been considered and that the immediate reaction of counsel for the financiers and for the Commission has been that the suit is totally without merit. Counsel for the financiers are examining the petition and investigating the background of the suit.

The Chairman reported that representatives of the Financial Advisor insist that work on the trust indenture and the traffic and revenue report proceed irrespective of the impact which the law

suit may have and that, therefore, the preparation of each document was proceeding to the point where each could be printed. The Chairman pointed out that the Commission was a truly deliberative body and reviewed the several stages of study and review which preceded the final decision as to location of Ohio Turnpike Project No. 1. He stated that the financiers are well aware of the full deliberation which the Commission has given to the location of the route; that the financiers have indicated great confidence in the actions of the Commission, and that the investment public has exhibited an enthusiasm for the project which was far beyond the expectation of the bankers. He stated his belief that such enthusiasm cannot be defeated by those who think not of the validity of the project nor of its economic essentiality but only of their own private interests. The Chairman concluded his report with the statement that the Commission is going ahead and that if it is to be thrown off schedule such action will not be voluntarily taken. There being no objection the report of the Chairman was received.

Mr. Frank Dunbar, Jr., General Counsel, reported as follows:

"The "Plan of Organization and Administration of the Legal Staff" of the commission requires that I make investigations of, and conduct negotiations with, lawyers who might be employed as staff lawyers of the commission, and make recommendations with respect to their employment. At this time I have completed my investigations only with respect to one Columbus attorney, but will press to the quickest possible conclusion other investigations already under way with respect to other potential staff lawyers resident in various places in the state. In the near future I shall submit further recommendations to the commission. In the meantime I submit the following recommendations, so that, if followed, this man may commence work at once, as he is willing to do, for his services are urgently needed. In this case, little investigation was required, for I have known Mr. Folkerth well, personally and by professional reputation, for many years.

I have investigated and carefully considered the qualifications of Mr. Justin H. Folkerth of Columbus, Ohio, and have negotiated with him with respect to his employment. I recommend that he be employed as a staff lawyer. I will furnish to the commission any and all information which it may wish and which I possess with regard to this gentleman and his qualifications.

I further recommend that Mr. Folkerth's compensation be fixed at \$9600 per annum, payment to be contingent upon funds becoming available for the purpose. Provision should be made for reimbursing him for his office overhead expenses during the period before financing when he will have to furnish his own

office facilities."

General Counsel further reported that after preliminary review of the litigation pending in Lucas County he had concluded that action should be taken immediately and had requested Squire, Sanders and Dempsey to undertake the defense of this litigation as special counsel. He recommended that the Commission formally employ Squire, Sanders and Dempsey for the purpose. He reported that Mr. John Lansdale of that firm had been delegated the major responsibility of preparing the defense of the case and that Mr. Lansdale had already started an investigation of the underlying facts. There being no objection the report of General Counsel was received.

Mr. Henry Crawford of Bond Counsel reported that the basic work of preparation of the trust indenture would be completed after one further conference scheduled to be held in New York City. He stated that he and Mr. Lansdale had already gone into the matter of the pending litigation and that recommendations with respect to the method of handling the law suit would be made at the next meeting of the Commission. He stated that he could say conscientiously on the merits of the case after studying carefully the petition that the law suit does not appear to raise any point of law which is of a substantial character. There being no objection the report of Bond Counsel was received.

Mr. Donnelly reported for the Consulting Engineers that proposed specifications for engineering services had been prepared and he submitted a copy of the proposed specifications to each member of the Commission. The proposed specifications were received for consideration at a subsequent meeting and the Chairman appointed a committee composed of Mr. Kauer as chairman and Mr. McKay and Mr. Teagarden to handle all matters and recommendations with respect to contract engineers until further notice.

The Chairman reconstituted the committee to study the organization of the Commission to be composed of Mr. Kauer as chairman, Mr. Allen, Mr. Shocknessy and Mr. Donnelly.

The Director of Highways reported that he had requested the Attorney General of Ohio to represent him in the law suit filed in Lucas County.

A motion was made by Mr. McKay, seconded by Mr. Teagarden, that the following resolution (No. 11 - 1952) be adopted:

"BE IT RESOLVED that Messrs. Squire, Sanders & Dempsey, of Cleveland, having been recommended by general counsel, be and they are employed as special counsel to represent the Commission and the members thereof in their capacity as

members of the Commission, in the action filed in the Common Pleas Court of Lucas County, by Carl R. Balduf against the Commission, and others, being case No. 175811 in that court, and to take such action with respect thereto as may be proper to protect the interests of the Commission and its members; that said employment be subject to the terms of the "Plan of Organization and Administration of Legal Staff" adopted by the Commission on February 27, 1952; that they shall receive reasonable compensation for their services; that this employment shall be effective retroactively as of March 12, 1952, upon their filing written acceptance of the terms of this resolution with the Secretary-Treasurer; that said firm shall, upon presentation of accounts thereof to the satisfaction of the Commission, be reimbursed for their actual expenses for travel and away-from-home subsistence and long distance telephone, telegraph, printing, mimeographing, photostating, and other actual expenses, excluding office overheads, necessarily incurred by them in the rendition of their services under this employment; and that the payment of all compensation and expense reimbursements shall be made only if, when, and to the extent that funds therefor shall become available from the proceeds of turnpike revenue bonds or from revenues."

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, Shocknessy, Teagarden, McKay, Allen, Kauer
Nays, None

The Chairman declared the motion adopted.

A motion was made by Mr. Teagarden, seconded by Mr. McKay, that the following resolution (No. 12 - 1952) be adopted:

"RESOLVED, that upon the recommendation of general counsel, Justin H. Folkerth, an attorney of Columbus, be employed as a staff lawyer; that Mr. Folkerth's compensation be at the rate of \$9600.00 per year; that the employment shall commence upon the filing with the Secretary-Treasurer of written acceptance of the employment hereby provided for; that said employment shall be subject to all the terms of the "Plan of Organization and Administration of Legal Staff" adopted by the Commission on February 27, 1952; that there shall be paid to said Justin H. Folkerth an allowance to reimburse him for his law office overhead expenses; that said allowance shall be in an amount equal to 30% of his

compensation for services rendered on and after the commencement of his employment hereunder and ending upon the date when the Commission shall first make available to him at the Commission's expense office space, utilities, furniture and necessary equipment, a working law library, and stenographic and clerical services; that said Justin H. Folkerth shall, upon presentation of accounts thereof to the satisfaction of the Commission, be reimbursed for his actual expenses for travel, and away-from-headquarters subsistence and long distance telephone, telegraph, printing, mimeographing, photostating, and other actual expenses excluding office overheads, necessarily incurred by him in the performance of his duties under his employment by the Commission; and that the payment of all compensation, allowances, and expense reimbursements shall be made only if, when, and to the extent, that funds therefor shall become available from the proceeds of turnpike revenue bonds or from revenues."

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, Shocknessy, Teagarden, Allen, McKay, Kauer
Nays, None

The Chairman declared the motion adopted.

A motion was made by Mr. McKay, seconded by Mr. Teagarden, that the following resolution (No. 13 - 1952) be adopted:

"WHEREAS , the Commission, by Resolution Number 9 - 1951, adopted on September 4, 1951, employed Frank C. Dunbar, Jr. as attorney; and

WHEREAS , said employment, under said resolution, became effective upon September 4, 1951, by the filing of his written acceptance on that day and he has served continuously since that day; and

WHEREAS, said resolution provided that his compensation should be later fixed by action of the Commission; and

WHEREAS, said attorney has incurred certain expenses for which he is entitled to reimbursement under the Commission's Resolution No. 9 - 1951, adopted September 4, 1951, and has borne various law office overhead costs and

has incurred still other costs in employing other lawyers to assist him in rendering his services to the Commission; and

WHEREAS, he will, in order adequately to perform his duties, necessarily have to continue to incur and bear such expenses and costs, until the time when the Commission shall be able to furnish office facilities and services;

NOW, THEREFORE, BE IT RESOLVED, that the compensation of Frank C. Dunbar, Jr. for his past and future services as attorney as aforesaid shall be at the rate of \$13,000.00 per annum, commencing on September 4, 1951; that he shall be paid an allowance equal to 100% of his said compensation in order to reimburse him for his law office overhead costs and expenses and his costs incurred in employing other lawyers to assist him in rendering his services to the Commission; that this allowance shall terminate upon the date when the Commission shall first make available to him at the Commission's expense office space, utilities, furniture, and necessary equipment, a working library, and stenographic and clerical services; that said Frank C. Dunbar, Jr. shall, upon presentation of accounts thereof to the satisfaction of the Commission, be reimbursed for his actual expenses for travel and away-from-headquarters subsistence, and long distance telephone, telegraph, printing, mimeographing, photostating, and other actual expenses, excluding office overheads and the compensation of other lawyers employed to assist him, necessarily incurred by him in the performance of his duties under his employment by the Commission; and that payment of the aforesaid compensation, allowances, and expenses shall be made only if, when, and to the extent, that funds therefor shall become available from the proceeds of turnpike revenue bonds or from revenues."

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, Shocknessy, Teagarden, Allen, McKay, Kauer
Nays, None

The Chairman declared the motion adopted.

Mr. McKay then submitted the report of the committee appointed to study the crossing of Turnpike Project No. 1 at U.S. Route 42 in Cuyahoga County. In the absence of objection the report was received and filed.

A motion was made by Mr. McKay, seconded by Mr. Kauer, that the following resolution (No. 14 - 1952) be adopted:

"BE IT RESOLVED that the report of the committee composed of Mr. Kauer, Mr. Donnelly and Mr. McKay appointed to study the crossing of Turnpike Project No. 1 at U. S. Route 42 in Cuyahoga County across and adjacent to the lands of the Metropolitan Park be and is hereby received and approved; and

BE IT FURTHER RESOLVED that when the details of design and location of Ohio Turnpike Project No. 1 have been refined so as to make discussion and conference with the Board of the Metropolitan Park District profitable the Chairman be and is hereby authorized to arrange for a conference by the Commission with the officers and engineers of the Board of the Metropolitan Park District to discuss the detailed plans in furtherance of the recommendations of the committee."

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, Shocknessy, Teagarden, Allen, McKay, Kauer
Nays, None

The Chairman declared the motion adopted.

Mr. McKay then reported that he and Mr. Kauer had met in New York City for two days with representatives of Parsons, Brinckerhoff, Hall and Macdonald and of the Financial Advisor for the purpose of reviewing the traffic and revenue report and that the report was now substantially in final form. The Chairman inquired of Mr. Donnelly and Mr. Waterbury as to whether each was ready to uphold his previous recommendations as to the location of the turnpike when the litigation at Maumee comes to trial. Both Mr. Donnelly and Mr. Waterbury replied that the facts remain unchanged.

A motion was made by Mr. Kauer, seconded by Mr. Teagarden, that the minutes of the meetings of February 27 and March 4, 1952 be approved as previously submitted to the members and corrected. 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, Allen, Teagarden, McKay, Kauer, Shocknessy
Nays, None

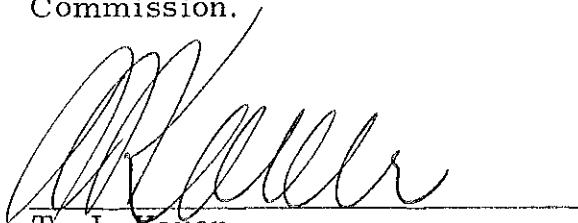
The Chairman declared the minutes adopted.

There being no further business to come before the meeting a motion was made by Mr. McKay, seconded by Mr. Kauer, that the meeting adjourn and that the regular meeting for the month of April be held at 1:30 p.m. 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, Allen, Teagarden, McKay, Kauer, Shocknessy
Nays, None

The Chairman declared the meeting adjourned. The time of adjournment was 2:45 o'clock p.m.

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

A handwritten signature in cursive script, appearing to read 'T. J. Kauer', written over a horizontal line.

T. J. Kauer
Secretary-Treasurer

April 1, 1952