

MINUTES OF THE EIGHTY-NINTH MEETING  
SEPTEMBER 17, 1954

Pursuant to call of the Chairman, the Ohio Turnpike Commission met in regular open session in its offices at 139 East Gay Street in Columbus, Ohio, at 9:15 o'clock A. M. on September 17, 1954, with the key members of its staff, representatives of the Consulting Engineer, of the Trustee, members of the press, and others in attendance.

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

Present: Teagarden, Allen, McKay, Linzell, Shocknessy.

Absent: None.

The Chairman declared that a quorum was present.

The Chairman reported that since the last previous meeting he and Major H. H. Allen and Mr. E. J. Donnelly, both of the J. E. Greiner Company, the Consulting Engineer, had flown the line of Ohio Turnpike Project No. 1 and that he believed that the work was progressing satisfactorily. He said that plans were progressing for the opening of the Eastgate Section and that the Mahoning Valley people were giving a great deal of cooperation and that the Youngstown Chamber of Commerce had a committee appointed which was working with the staff of the Commission to make the occasion memorable.

The Chairman brought to the attention of the Commission a proposal which he stated he believed to be fantastic and wholly untenable which had been presented since the last meeting to the Executive Director by the representatives of a group including Merritt-Chapman & Scott, Incorporated, Thompson-Starrett Company, Incorporated, and Brown & Blauvelt. The Chairman said that because of the import of the matter he had asked the Executive Director to withhold distribution of it until the members of the Commission would be in Columbus together publicly and because he felt strongly about some of the circumstances which surrounded the presentation of the proposal to the Executive Director. There was discussion of the matter

participated in by the Chairman and by Mr. Allen and Mr. McKay. The several members concluded that they would review the proposal individually before determining what action, if any, might be taken by the Commission.

The Assistant Secretary-Treasurer reported for Secretary-Treasurer that since the last meeting the following had been sent to all members:

1. Detail of investment transactions during August.
2. Financial reports for the period ending August 31.
3. Copies of contract documents for Contract TA-1.

He reported that income from investments at the end of August 1954 had been \$13,430,000 as compared with the original estimate for the same period of \$6,118,000, or a gain of \$7,312,000. He said that representatives of the Commission had begun the interviews of applicants for positions as toll collectors on the Eastgate Section, and that bids would be received on September 27, 1954 for central office tabulating equipment. The Secretary-Treasurer's report was received as offered.

The Director of Highways reported that he had received from his consulting engineers the preliminary reports on studies to determine the feasibility of Turnpike Project No. 2. He summarized for the Commission the essential features of the preliminary survey of feasibility prepared by Coverdale & Colpitts and the preliminary engineering report prepared by J. E. Greiner Company and tendered to each member of the Commission a copy of each report and made copies of each report available to the press. The Director of Highways stated that he was presenting the reports to the members of the Commission and to the Governor in order that he might obtain their guidance and advice before taking any further action with respect to Turnpike Project No. 2, and he stated his belief that no action should be taken until the reports had been thoroughly examined.

The Chairman read the following from page 30 of the preliminary report by Coverdale & Colpitts:

"CONCLUSION AS TO ECONOMIC AND  
FINANCIAL FEASIBILITY

A distinction must be made between economic feasibility and financial feasibility. We consider economic feasibility as meaning that a proposed project, based on its estimated capital costs and estimated net revenues, would at least cover estimated first-year interest on the bonded indebtedness necessary to finance such project, and that the project's estimated long-term net revenues could carry interest charges and pay off its indebtedness within 25 operating years or less. In other words, if the estimates for a particular project show that it would be self-liquidating over a term of 25 operating years plus its construction period, it is to be deemed economically feasible.

Whether or not a particular revenue bond project is financially feasible is quite a different question, wherein the time factor is of determining importance. For example, a project which barely meets the above stipulated test of economic feasibility might be definitely not financially feasible at the present time and yet have excellent prospects of financial feasibility in the future. In brief the question of financial feasibility is: Could revenue bonds to finance such project be sold on reasonable terms during the forthcoming year? - which is a phase of the project upon which your financial advisers should pass.

Against the above background, and considering the tests of economic feasibility discussed in the preceding pages, we have concluded as follows in respect of the economic feasibility of selected alternate projects covered by our present studies of the proposed Ohio Turnpike Project No. 2."

The Chairman said that he had trouble distinguishing between economic feasibility and financial feasibility because of his belief that financial feasibility is encompassed by economic feasibility. He then read further from the same report as follows:

"Alternative A - Entire Project

The entire project shows estimated first-year interest coverage of 1.09 times, and indicates that its estimated capital cost of \$571,371,000 could be paid off within 25 years if estimated net revenues are fully realized. Accordingly, this project must be characterized as economically feasible."

The Chairman asked the Director of Highways if he was correct in his understanding that the report in that paragraph dealt with economic feasibility as it had been defined in the first paragraph on page 30 of the report. The Director of Highways said that that was his understanding of the report.

The Chairman then read the following from page 31 of the report:

"Alternative B - Cincinnati to Conneaut

This alternative project clearly meets the test of economic feasibility."

"Alternative C - South of Cleveland to Conneaut

This alternative is a short turnpike section confined to the northeast corner of the State of Ohio, but it has the psychological advantage of being a connection from the projected New York State Thruway spur via a contemplated Pennsylvania Turnpike project and thence to Ohio Turnpike Project No. 1 south of Cleveland. With its estimated first-year interest coverage of 1.39 times and its shorter theoretical debt pay-out period, this alternative project is economically feasible."

"Alternative D - Cincinnati to Springfield

This short turnpike section in the southwest corner of the State shows the attractive first-year interest coverage of 2.45 times and would pay off its debt very rapidly. Clearly this alternative is both economically and financially feasible. We do recommend, however, that this section be constructed as an isolated project, inasmuch as its estimated earnings are sufficiently great to enable it to carry considerable non-self-supporting turnpike mileage as in Alternative B above or Alternative E below."

The Chairman pointed out that the Coverdale & Colpitts report said that the section from Cincinnati to Springfield was both economically and financially feasible and that the entire project as well as the section from Cincinnati to Conneaut and the section from Cleveland to Conneaut were reported to be economically feasible only.

The Chairman then read the following from page 32 of the Coverdale & Colpitts report:

"Alternative E - Cincinnati to Toledo via Dayton-Springfield Area

This particular alternative has not been studied as thoroughly as the others because it would be marked departure from the alignment of the components of Project No. 2 as agreed upon August 9, 1954. We believe that definitive construction cost and revenue estimates for this alternative would show an earnings - cost relationship nearly as good as Alternative C above, but if the high earnings from Section I were embraced in this combination, Alternative B would be precluded."

The Chairman observed that any agreement of August 9, 1954 was obviously between the consulting firm and the Director of Highways because the Commission had no agreement with Coverdale & Colpitts. There was general discussion among the members of the Commission with respect to the reported degree of economic and financial feasibility of the several sections of the project. The Chairman inquired of the Director of Highways as to his opinion about a turnpike route which would follow the projected line from Cincinnati to U. S. Route 40 and then go direct to Ohio Turnpike Project No. 1 and let traffic go at right angles to Cleveland and at right angles also to Toledo and Detroit. The Director was not prepared to answer that question. The Chairman stated his belief that in order to serve southern Ohio some feasible project must be established and that there appeared to be a prospect that the very rich section from Cincinnati to U. S. Route 40 might well support a further direct connection to Ohio Turnpike Project No. 1. He pointed out also that the report indicated a reasonably satisfactory coverage for the section between Cleveland and Conneaut. There was extended discussion among the several members concerning alternative routes whose feasibility might be considered by the Director of Highways.

The Director of Highways said that he believed that five-day traffic counts which the report suggested be taken would be helpful in testing the validity of factors used for the projection of traffic and revenues by Coverdale & Colpitts. Reference was made to the effect which the completion of the New York Thruway and its extension across Pennsylvania by the Pennsylvania Turnpike Commission would have upon traffic flow in northern Ohio. The Chairman then suggested that the Commission give its own independent study to the reports and that the Executive Director have the reports thoroughly examined by the specialists on the Commission's staff. The several members of the Commission agreed that this course of action should be followed with the understanding that a contemporaneous study would be conducted by the Director of Highways.

The Executive Director said that his staff would make the examination of the reports but he pointed out that the small engineering staff of the Commission was intensely occupied with the construction of Project No. 1 and that the examination of the preliminary reports for Project No. 2 would necessarily take a considerable amount of time. The Executive Director then appointed a committee of the Commission's staff consisting of the Deputy Executive Director and Mr. C. H. Makeever and Mr. R. J. Lehman of the Chief Engineer's staff to work in coordination with a committee to be appointed from the Department of Highways by the Director of Highways in the examination of the preliminary reports. The Executive Director said also that the committee would examine carefully into the preliminary engineering report by the J. E. Greiner Company to ascertain whether or not predicted construction costs for Project No. 2 might be reduced. He reported that early construction contract awards for the Indiana Turnpike had been about 15 percent under the estimates which might be an indication that construction costs were on a downward trend. In response to a question of the Chairman the Executive Director stated that he would expect a report of the re-examination of the reports to be available before January 1, 1955. The Chairman expressed the hope of the Commission that sometime before January 1, 1955 a conclusion could be reached not with respect to the feasibility of a project but with respect to how to proceed with additional studies. He reminded the Director of Highways that the Commission had previously requested that he consider a

connection with the Pennsylvania Turnpike in eastern Ohio and he again requested that the Director of Highways consider such a connection. Comments by the representatives of the Consulting Engineer and the Chief Engineer confirmed to the Commission the desirability of proceeding with an examination of the reports without delay.

The Chairman reminded the Commission that the studies for Project No. 2 were still in the very preliminary stage and observed that if the entire cost for engineering reports had been obtained from the Controlling Board at the time when the Director of Highways requested such funds from the Controlling Board the Director of Highways would not have come to the Commission at this stage of the studies and exposed the posture of the studies but because the Director of Highways had only \$135,000 allocated for a preliminary investigation of the project he was forced to make a full preliminary disclosure before funds could be secured for the completion of engineering reports. The Chairman pointed out that in Project No. 1 at the same stage the project was completely re-evaluated before the engineering studies were carried to completion. The Chairman concluded the Commission's discussion of the preliminary reports by stating that his understanding was that sometime before the beginning of 1955 the Commission would expect to come to a meeting to determine the desirability and propriety of going forward with detailed studies for Turnpike Project No. 2.

The Executive Director recommended that the Commission approve a resolution for color combinations for traffic signs.

Resolution No. 139-1954, adopting color combinations for traffic signs for Ohio Turnpike Project No. 1, was moved for adoption by Mr. Linzell, seconded by Mr. McKay, as follows:

Resolution No. 139-1954

"WHEREAS, in connection with the operation and maintenance of Ohio Turnpike Project No. 1, it will be

necessary for the Commission to erect and maintain suitable traffic signs for the control of traffic;

WHEREAS the Commission's executive director, by memorandum dated September 9, 1954, informed the Commission of the color combinations for traffic signs which are set forth in the contract documents for Contract TS-1; and

WHEREAS the Commission has duly and fully considered the same;

NOW, THEREFORE, BE IT

RESOLVED that the following color combinations for traffic signs be, and the same hereby are, adopted:

1. Each sign indicating exit approach, entrance approach (including lead-in signs on public roads), terminal approach, ramp speed, names of counties and rivers, and mileage markers and information signs (such as those for distance to exit) shall have silver or white letters, symbols, and border on a green background.
2. Each sign indicating the approach to service plazas and each sign within a service plaza shall have silver or white letters, symbols, and border on a blue background.
3. Each stop sign shall have silver letters and border on a red background.
4. All warning signs such as "merging traffic" and "curve" shall have black letters, symbols, and borders on yellow backgrounds."

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

Ayes: Linzell, McKay, Allen, Teagarden, Shocknessy.

Nays: None.

The Chairman declared the resolution adopted.



The Executive Director reported that bids had been received on September 16, 1954, on Contract TS-1 for the furnishing and erecting of traffic signs on Ohio Turnpike Project No. 1 from the western terminus to the eastern terminus. He said that proposals had been received from three firms on each of the four alternates provided and that the lowest bid received had been that of the Minnesota Mining & Manufacturing Company on all alternates. He said that alternate A provided for the use of plywood; that alternate B provided for the use of aluminum; that alternate C provided for the use of plywood for large signs and aluminum for small signs, and that alternate D provided for the use of extruded aluminum for large signs and plywood for small signs. He said that the bidding had been quite good and had been considerably below what the Consulting Engineer had estimated that the total would amount to. He said that the Minnesota Mining & Manufacturing Company was one of the largest of its kind in the world and that it proposed to do all the work itself. He said that representatives of the company had assured that the company could construct the signs on the Eastgate Section prior to December 1, 1954. The Executive Director said that the Commission's Engineers had been unanimous in recommending that the award be made on alternate B primarily because of the lesser maintenance that would be involved in the case of aluminum and also because of the lack of experience in the use of plywood backing for overall reflectorized signs. He said that the bid of the Minnesota Mining & Manufacturing Company on alternate B was only about \$1,380 more than its bid for signs of plywood. He said that it was felt that the painting of the plywood, which had not been included in the specifications would have to be done and that that would increase the cost on alternate A and probably would make it in excess of alternate B. He said that actually the Commission had got a very good proposition from the aluminum people and that he strongly recommended the award to the Minnesota Mining & Manufacturing Company on alternate B.

Resolution No. 140-1954, awarding traffic-sign Contract TS-1, was moved for adoption by Mr. Teagarden, seconded by Mr. Allen, as follows:

Resolution No. 140-1954

"WHEREAS pursuant to authority heretofore granted, the executive director and general counsel have caused an advertisement to be published, according to law, for bids upon a contract for the furnishing and erecting of traffic signs along the route of Ohio Turnpike Project No. 1, which contract is designated Contract TS-1, and proof of said advertising is before the Commission;

WHEREAS there are before this meeting the plans and forms of other contract documents for said contract, to wit: forms of notice to bidders, proposal, contract, and special provisions for Contract TS-1;

WHEREAS the form of proposal for said contract permits bidders to bid upon four alternate materials and combinations of materials to be used in the construction of said signs;

WHEREAS bids for the performance of said contract have been received, and were duly opened and read, as provided in the published notice for said bids, and said bids are before this meeting;

WHEREAS said bids have been analyzed by the Commission's executive director, chief engineer, and consulting engineer, and they have reported thereon to the Commission with respect to said analysis and made their recommendations predicated thereon;

WHEREAS all of the aforesaid bids for said contract were solicited on the basis of the same terms and conditions and the same specifications, with respect to all bidders and potential bidders, and the bid of Minnesota Mining & Manufacturing Company, a corporation formed under the laws of the state of Delaware, in the amount of \$294,794.18 upon alternate B of said contract, is, and is by the Commission determined to be, the lowest of all said bids; and the Commission has been advised by its general counsel that said bid conforms to the requirements of §5537.04 of the Revised Code of Ohio and to the terms, conditions, and specifications in the legal notice applicable thereto, and, accordingly, the Commission

is authorized to accept said bid as the lowest and best bid for the furnishing and erecting of the traffic signs along the route of Ohio Turnpike Project No. 1; and

WHEREAS the Commission is satisfied with the capacity of said bidder to perform its obligations pursuant to its proposal;

NOW, THEREFORE, BE IT

RESOLVED that the Commission hereby approves, adopts, and ratifies the plans and forms of other contract documents before it at this meeting for the aforesaid contract, being for and in connection with the furnishing and erecting of traffic signs along the route of Ohio Turnpike Project No. 1, and that all action heretofore taken by the executive director, chief engineer, and general counsel, and any of them, with reference to said contract be, and the same hereby is, ratified, approved, and confirmed; and

FURTHER RESOLVED that the bid of Minnesota Mining and Manufacturing Company, a corporation formed under the laws of the state of Delaware, in the amount of \$294,794.18 upon alternate B of Contract TS-1 be, and hereby it is determined to be the lowest and best of all said bids for the aforesaid contract and is accepted; and that each of the chairman and the executive director be, and each of them hereby is, authorized (1) to execute a contract with said successful bidder in the form heretofore prescribed by the Commission, pursuant to the aforesaid bid, and upon the condition that said successful bidder shall furnish a performance bond as heretofore approved by the Commission by and in its resolution No. 69-1952 and meeting the requirements of said resolution, (2) to return to all other bidders the bid security furnished by each of them, respectively, (3) to return said successful bidder's bid security when the aforesaid contract has been duly executed and said performance bond furnished, and (4) to take any and all action necessary or proper to carry out the terms of said bid and of said contract."

The General Counsel suggested that the record indicate that the Commission had before it his letter of analysis and recommendation of the bids wherein the conclusion was expressed that the Commission might properly make award as recommended.

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

Ayes: Teagarden, Allen, McKay, Linzell, Shocknessy.

Nays: None.

The Chairman declared the resolution adopted.

Resolution No. 141-1954, approving, adopting and ratifying the contract documents for Contract TA-1, was moved for adoption by Mr. McKay, seconded by Mr. Allen, as follows:

Resolution No. 141-1954

"WHEREAS there are before this meeting the forms of contract documents, to wit: Forms of notice to bidders, proposal, special provisions, and contract for Contract TA-1, which, in general terms, is a contract for the furnishing, installation, and maintenance of toll-audit equipment comprising a toll-audit system for Ohio Turnpike Project No. 1; and

WHEREAS the Commission has duly and fully considered the same;

NOW, THEREFORE, BE IT

RESOLVED that the Commission hereby approves, adopts, and ratifies the forms of contract documents before it at this meeting for the aforesaid contract, being for and in connection with a contract for the furnishing, installation, and maintenance of toll-audit equipment comprising a toll-audit system for Ohio Turnpike Project No. 1; and

FURTHER RESOLVED that the executive director shall take and open bids for the aforesaid contract and report the results thereof to the Commission."

The Executive Director explained that the toll-audit equipment referred to in the resolution was central-office tabulating equipment and that bids would be taken on the contract on September 27, 1954.

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

Ayes: McKay, Allen, Linzell, Teagarden, Shocknessy.

Nays: None.

The Chairman declared the resolution adopted.

Resolution No. 142-1954, authorizing the Executive Director to enter into contracts on behalf of the Commission for the furnishing of service to disabled vehicles on Ohio Turnpike Project No. 1 and the approval of the documents for said contracts, was moved for adoption by Mr. Allen, seconded by Mr. McKay, as follows:

"WHEREAS there are before this meeting the forms of contract documents, to wit: Forms of Instructions to Applicants for Furnishing Disabled-vehicle Services, Bond, Affidavit, Zone Map for Disabled-vehicle Services, and Contract, being for and in connection with the rendition of services to turnpike patrons whose vehicles become disabled on Ohio Turnpike Project No. 1; and

WHEREAS the Commission has duly and fully considered the same;

NOW, THEREFORE, BE IT

RESOLVED that the Commission hereby approves, adopts, and ratifies the forms of contract documents before it at this meeting being for and in connection with the rendition

of services to turnpike patrons whose vehicles become disabled on Ohio Turnpike Project No. 1; and

FURTHER RESOLVED that the executive director be, and he hereby is, authorized, on behalf of the Commission, to enter into contracts for the rendition of the aforesaid services."

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

Ayes: Allen, McKay, Teagarden, Linzell, Shocknessy.

Nays: None.

The Chairman declared the resolution adopted.

Resolution No. 143-1954, authorizing issuance of \$2,000.00 of new bonds, to replace bonds Nos. TM105443 and TM105444, was moved for adoption by Mr. Allen, seconded by Mr. Teagarden, as follows:

Resolution No. 143-1954

"WHEREAS, by resolution No. 100-1954, adopted by the Commission on June 8, 1954, provision was made for the execution, authentication, and delivery of new bonds in exchange and substitution for mutilated bonds and their interest coupons, and in lieu of and in substitution for bonds destroyed or lost and their coupons, pursuant to §211 of the trust agreement relating to Turnpike Revenue Bonds, Project No. 1, and by said resolution certain requirements for execution and issuance of such new bonds and coupons were established; and

WHEREAS the conditions provided for in said resolution No. 100-1954 have been complied with, including the submission to the Commission of the documents required by said resolution No. 100-1954 and the terms and conditions adopted thereby, relating to bonds Nos. TM105443 and TM105444, each of the denomination of \$1,000.00, with the Series Two coupons, due June 1, 1953, attached in coupon form, and, according to the affidavits and application submitted to the Commission, belonging to Max Cheplove.

NOW, THEREFORE, BE IT

RESOLVED that the Commission hereby approves the documents submitted to it by the trustee as aforesaid and authorizes the execution, authentication, and delivery of new bonds in lieu of the aforesaid bonds pursuant to §211 of said trust agreement, and the officers of the Commission are authorized to take any and all action necessary and proper to effect the execution, authentication, and delivery of such new bonds, and that said bonds be in definitive form with all coupons maturing subsequent to June 1, 1953, attached, and that the trustee be authorized to make payment for the aforesaid Series Two coupons, due June 1, 1953, lost with said bonds."

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

Ayes: Allen, Teagarden, Linzell, McKay, Shocknessy.

Nays: None.

The Chairman declared the resolution adopted.

The General Counsel reported that he was presenting for the consideration of the Commission a set of contract documents for a form of contract with the operators of service stations upon Ohio Turnpike Project No. 1. He said that under date of September 14, 1954, he had sent a lengthy memorandum addressed to the members of the Commission discussing and analyzing on behalf of the Allen Committee the proposed contract documents. He said that he had sent at that time to each member of the Commission a complete set of proposed contract documents and that there had been included therein what had been denominated the "Draft as of 9-10-54" of the proposed form of contract. He said that since that memorandum had been sent, the Executive Director had received a letter from Mr. McKay setting forth some seven numbered comments and suggestions with respect to that draft. He said that the letter had arrived at the headquarters of the Commission only several days previously and that it had not been possible to get into the hands of the members of the Commission in writing before the meeting any comments with respect to the suggestions made therein. He said that a memorandum addressed to the members

of the Commission commenting in detail upon the suggestions set forth in Mr. McKay's letter had been completed just prior to the meeting and that he would summarize the contents of that memorandum. He said that two of the suggestions made by Mr. McKay had reference to an earlier draft of the contract and were no longer pertinent to the draft which had been sent to the members by the General Counsel with his memorandum on September 14, 1954, since the points covered in them had already been adequately taken care of. The General Counsel said that four of the seven suggestions seemed to him to be quite constructive and desirable in whole or in part and that he was presenting thereupon to the Commission a revised version of the document marked "Draft as of 9-16-54" that incorporated, in part, those four suggestions, none of them exactly and literally adopted but all of them adopted with some refinements. He said that there was incorporated also in the latter draft one additional change which had been determined to be necessary in further review of that document. He said that the change had to do with the provision respecting the rate to be paid by the service-station operator for water consumed on the premises. He said that the original provision on that matter had not adequately covered the situation in which the Commission would obtain the water from a municipality or water company or other source of public supply. He said that the provision had been modified so as to provide that in the event there should be such a source of supply in any given instance and if the cost to the Commission of the water which it should obtain from such municipality or other similar source should be greater on the average than \$2.00 per thousand cubic feet, the average greater price should be paid by the operator.

Resolution No. 144-1954, approving, adopting, and ratifying the contract documents for Contracts SS-1, SS-2, SS-3, SS-4, SS-5, SS-6, SS-7, and SS-8, was moved for adoption by Mr. Allen, seconded by Mr. Teagarden, as follows:

Resolution No. 144-1954

"WHEREAS there are before this meeting the forms of contract documents, to wit: Forms of notice to bidders,



proposal, terms and conditions of bidding, the affidavit, and the contract for Contracts SS-1, SS-2, SS-3, SS-4, SS-5, SS-6, SS-7, and SS-8, which, in general terms, are contracts for the operation of dual service stations (i.e., pairs of service stations, each pair having individual stations to be located opposite each other, on both sides of Ohio Turnpike Project No. 1) to be located at the eight dual service plazas of Ohio Turnpike Project No. 1; and

WHEREAS the Commission has duly and fully considered the same;

NOW, THEREFORE, BE IT

RESOLVED that the Commission hereby approves, adopts, and ratifies the forms of contract documents before it at this meeting for each of the aforesaid contracts, being for and in connection with contracts for the operation of dual service stations to be located at the eight dual service plazas of Ohio Turnpike Project No. 1; provided that any changes which are in the nature of adding or changing headings, captions, and style of writing, or in the nature of filling in blank spaces, or correcting typographical, clerical, or arithmetical errors, may be made upon the authorization of either the executive director, chief engineer, or general counsel; and

FURTHER RESOLVED that the executive director and general counsel shall cause to be published advertisements of notices for the taking of bids for each of the aforesaid contracts, and that the executive director shall take and open bids for same and report the results thereof to the Commission."

Mr. McKay said that before a vote should be taken he would like to explain his position with respect to a policy. He said he thought that the documents and the lease and all the provisions with the exception of a general policy were excellent all the way through. He said that as the contract documents stood, any oil operator from California to Maine could bid whether they had any business in the State of Ohio or not. He said that in his opinion that was an economic

mistake on the part of the Commission. Mr. McKay said that if the Commission were requiring the successful bidders to finance the cost of building and to purchase the land and to pave it and to install their equipment so that they would be putting in a capital investment of perhaps three or four hundred thousand dollars for their share of the total service-station building, he would not have made the comment he did. He said that it seemed to him, however, that the revenues to be derived from the gasoline stations in proportion to tolls were too small to put potential bidders from out of the state, as had happened in New Jersey and as had happened in New York, in competition with business in Ohio that paid taxes to the extent of about a billion and a half dollars and employed somewhere in the neighborhood of one hundred fifty-thousand people in order to gain a revenue advantage of possibly a tenth of a cent a gallon or a quarter of a cent a gallon. He said that for that reason and in view of the tough competition and of the fact that there was an Ohio petroleum industry, and regardless of whether the Commission always liked what that Ohio industry did or what it did not do, he thought that the Commission would be on much safer grounds if the policy to which he had taken exception was not inherent. He said that since he was thoroughly satisfied with all of the rest of the proceedings, he would vote for the resolution but that he wanted his position with respect to wide-open bidding in competition with Ohio industry on a permanent basis understood.

Mr. Allen said that he thought that there was a point in Mr. McKay's comment but that on the other hand the Commission in general in all other things had been inclined to, where it could, favor Ohio industry while not in anything excluding outside bidders. He said that he doubted whether the Commission could have built the Turnpike if it had excluded outside bidders.

Mr. McKay said that he thought that there was a clear economic difference in the two positions. He said that, for example, in the bidding on contracts for the construction of the New York Thruway the New York Thruway Authority had definitely and deliberately in its bidding procedure used New York contractors up to the point where the Authority had

been getting squeezed and then had opened the bidding up to contractors from outside the state. He said that he did not think that the Ohio Turnpike Commission could have built Project No. 1 in any other way than through the acceptance of outside-of-the state contractors but that when those contractors had completed their work they were gone and did not have any capital investment in the turnpike.

The Chairman asked Mr. McKay whether he thought that under the Ohio Turnpike Act where it was required that there be open and competitive bidding the Commission could exclude anybody. Mr. McKay answered in the affirmative. He said he thought that the Commission could set a prerequisite for bidding which would restrict it and that the Commission would get sharp competitive bidding out of the Ohio companies anyway. He said that he did not want anybody to misunderstand him. He said that he had no affiliations with any oil company, contractor, steel, aluminum, or any other company and never had had and never would have but that as an economist he just could not agree with that policy. Mr. Allen said that he was inclined to doubt that the Commission was going to have much trouble in the matter. He said that if the Commission had been opening up the whole turnpike to some one bidder, some outsider, as had happened in New Jersey, might have come in to establish himself. He said that he did not think that that would happen in Ohio where service-station bidders had been limited to 25% of the contracts on the Turnpike. Mr. McKay said that he hoped and trusted that Ohio bidders would be low all the way through.

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

Ayes: Allen, Teagarden, Linzell, McKay, Shocknessy.

Nays: None.

The Chairman declared the resolution adopted.

The General Counsel presented to the Commission a resolution by the adoption of which it would rescind resolution No. 130-1954 which had been adopted at the August 1954 meeting and which had directed the commencement of appropriation proceedings involving property owned by Joseph A. Bendik, et al. He said that it had developed that that resolution had become inadequate and inaccurate because of revisions in the construction plans that had since been made. He recommended that the resolution be adopted.

Resolution No. 145-1954, rescinding condemnation resolution No. 130-1954 due to changes in and revision of construction plans, was moved for adoption by Mr. Teagarden, seconded by Mr. McKay, as follows:

Resolution No. 145-1954

"WHEREAS certain revisions in the construction plans have altered the right-of-way requirements in connection with property owned by Joseph A. Bendik et al, and

WHEREAS resolution No. 130-1954, adopted August 24, 1954, which directed the commencement of appropriation proceedings against the above-mentioned owners, is now inaccurate because of the revisions in plans mentioned above.

NOW, THEREFORE, BE IT

RESOLVED that resolution No. 130-1954, adopted August 24, 1954, be, and the same hereby is, rescinded."

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

Ayes: Teagarden, McKay, Allen, Linzell, Shocknessy.

Nays: None.

The Chairman declared the resolution adopted.

The General Counsel presented to the Commission the written statement of the Chief of the Right-of-Way Section with respect to the unsuccessful efforts of the Commission's negotiators to reach agreement with respect to the amounts to be paid by the Commission for certain parcels of land and his recommendation that such properties be appropriated; also, the written statement of the Chief Engineer that the acquisition of this property was necessary for the construction of Ohio Turnpike Project No. 1; a written statement of the concurrence of the Executive Director in the recommendations of the Chief Engineer and the Chief of the Right-of-Way Section, and the General Counsel's written recommendation that title be acquired as and to the extent set forth in the forms of resolutions presented to the Commission by the General Counsel.

Resolutions Nos. 146-1954, 147-1954, 148-1954, 149-1954, and 150-1954, declaring the necessity of appropriating property and directing that proceedings to effect such appropriation be begun and prosecuted, were moved for adoption by Mr. Linzell, seconded by Mr. McKay, as follows:

"RESOLVED that the Commission has endeavored for a reasonable time to agree with the owner or owners of the property described herein as to the compensation to be paid therefor, but has been unable to agree with said owner or owners, and said property is needed for the construction and efficient operation of the Ohio Turnpike Project No.1, and

BE IT FURTHER RESOLVED that proceedings be begun and prosecuted to effect the appropriation of the following-described property, and the rights hereinafter described, from the following-named owner or owners and persons having interests therein, to wit:

<u>Owner(s)</u>	<u>Place of Residence</u>
Ralph Johnson	R. F. D. #1 Genoa, Ohio
Bertha Johnson	R. F. D. #1 Genoa, Ohio

<u>Owner(s)</u>	<u>Place of Residence</u>
County Auditor of Sandusky County	Sandusky County Court House, Fremont, Ohio
County Treasurer of Sandusky County	Sandusky County Court House Fremont, Ohio

The aforementioned property to be appropriated  
is described as follows:

Parcel No. 63-B(3) -- Fee Simple

Situated in the Township of Woodville, County  
of Sandusky and State of Ohio, and known as being part  
of Original Woodville Township Section No. 9, Township  
6 North, Range 13 East, and bounded and described as  
follows:

Beginning on the Westerly line of the Southeast  
quarter of said Section No. 9 at its intersection with a  
line drawn parallel to and distant 120 feet Northeasterly  
of, measured at right angles to, the center line of Ohio  
Turnpike Project No. 1, as shown by plats recorded in  
Volume 9, Pages 40 and 41 of Sandusky County Map  
Records; thence Southeasterly along said parallel line  
about 1567.60 feet but to the Easterly line of the Westerly  
half of the Southeast quarter of said Section No. 9; thence  
Northerly along said Easterly line to its intersection with  
a line drawn parallel to and distant 215 feet Northeasterly  
of, measured at right angles to, said Turnpike center  
line; thence Westerly along said last mentioned parallel  
line about 881.99 feet but to a point opposite Station 156+65  
on said Turnpike center line; thence Northwesterly in a  
direct line to a point distant 254.97 feet Northeasterly of  
and opposite Station 153+00.19 on said Turnpike center  
line; thence Northerly to a point distant 850 feet North-  
easterly of and opposite Station 150+19.56 on said Turnpike  
center line; thence Northwesterly parallel with said Turn-  
pike center line about 766.79 feet to the Westerly line of  
the Southeast quarter of said Section No. 9; thence Southerly  
along said Westerly line to the place of beginning.

Parcel No. 63-B(4) -- Fee Simple

Situated in the Township of Woodville, County of Sandusky and State of Ohio, and known as being part of Original Woodville Township Section No. 9, Township 6 North, Range 13 East, and bounded and described as follows:

Beginning on the Westerly line of the Southeast quarter of said Section No. 9, at its intersection with a line drawn parallel to and distant 120 feet Southwesterly of, measured at right angles to, the center line of Ohio Turnpike Project No. 1, as shown by plat recorded in Volume 9, Page 41 of Sandusky County Map Records; thence Southeasterly along said parallel line about 612.14 feet but to a point opposite Station 155+00 on said Turnpike center line; thence Northwesterly to a point distant 205 feet Southwesterly of and opposite Station 151+43.10 on said Turnpike center line; thence Southwesterly at right angles to said Turnpike center line about 325.33 feet to the Westerly line of the Southeast quarter of said Section No. 9; thence Northerly along the Westerly line of the Southeast quarter of said Section No. 9 to the place of beginning.

The aforementioned rights to be appropriated are as follows:

Any and all abutters' rights, including access rights, appurtenant to any remaining portion of the lands of said owner or owners of which the above-described real estate shall have formed a part prior hereto, in, over, or to the parcels described above."

Resolution No. 147-1954

"RESOLVED that the Commission has endeavored for a reasonable time to agree with the owner or owners of the property described herein as to the compensation to be paid therefor, but has been unable to agree with said owner or owners, and said property is needed for the construction and efficient operation of the Ohio Turnpike Project No. 1, and

BE IT FURTHER RESOLVED that proceedings be begun and prosecuted to effect the appropriation of the following-described property, and the rights hereinafter described, from the following-named owner or owners and persons having interests therein, to wit:

<u>Owner(s)</u>	<u>Place of Residence</u>
Otto Trapp	R. F. D. #1 Genoa, Ohio
Esther Trapp	R. F. D. #1 Genoa, Ohio
Lizzie Trapp	R. F. D. #1 Genoa, Ohio
County Auditor of Sandusky County	Sandusky County Court House, Fremont, Ohio
County Treasurer of Sandusky County	Sandusky County Court House, Fremont, Ohio

The aforementioned property to be appropriated is described as follows:

Parcel No. 63-C(3) -- Fee Simple

Situated in the Township of Woodville, County of Sandusky and State of Ohio, and known as being part of Original Woodville Township Section No. 9, Township 6 North, Range 13 East, and bounded and described as follows:

Beginning on the Easterly line of the Southwest quarter of said Section No. 9, at its intersection with a line drawn parallel to and distant 110 feet Northeasterly of, measured at right angles to, the center line of Ohio Turnpike Project No. 1, as shown by plats recorded in Volume 9, Pages 40 and 41 of Sandusky County Map Records; thence Northwesterly along said parallel line to the Westerly line of the Easterly 30 acres of the North half of the Southwest quarter of said Section No. 9; thence Northerly along the Westerly line of said 30 acres to the intersection with a line drawn parallel to and distant 140 feet Northeasterly of, measured at right angles to, said Turnpike center line; thence Southeasterly along said last mentioned parallel line to a point opposite Station 139+00 on said Turnpike center line;



thence Easterly in a direct line to a point distant 205 feet Northeasterly of, and opposite Station 140+56.90 on said Turnpike center line; thence Northeasterly at right angles to said Turnpike center line 503.44 feet; thence Easterly in a direct line to a point in the Easterly line of the Southwest quarter of said Section No. 9 distant 850 feet Northeasterly of, measured at right angles to, the said Turnpike center line; thence Southerly along the Easterly line of the Southwest quarter of said Section No. 9 to the place of beginning.

Parcel No. 63-C(4) -- Fee Simple

Parcel No. 1

Situated in the Township of Woodville, County of Sandusky and State of Ohio, and known as being part of Original Woodville Township Section No. 9, Township 6 North, Range 13 East, and bounded and described as follows:

Beginning on the Easterly line of the Southwest quarter of said Section No. 9 at its intersection with a line drawn parallel to and distant 100 feet Southwesterly of, measured at right angles to, the center line of Ohio Turnpike Project No. 1, as shown by plats recorded in Volume 9, Pages 40 and 41 of Sandusky County Map Records; thence Northwesterly along said parallel line to the Westerly line of the Easterly 30 acres of the North half of the Southwest quarter of said Section No. 9; thence Southerly along the Westerly line of said 30 acres to the Southwesterly corner thereof; thence Westerly along the Northerly line of the Easterly 34 acres of the South half of the Southwest quarter of said Section No. 9 about 133.8 feet to the Northwesterly corner thereof; thence Southerly along the Westerly line of said 34 acres about 221.58 feet, but to its intersection with a line drawn parallel to and distant 850 feet Southwesterly of, measured at right angles to, the said Turnpike center line; thence Southeasterly along said last mentioned parallel line about 918.11 feet but to a point distant 850 feet Southwesterly of and opposite Station 149+22.02 on said Turnpike center line; thence Easterly about 359.43 feet to a point in the Easterly line of the Southwest quarter of said Section No. 9 distant 660.15 feet Southwesterly of, measured at right angles to, the

said Turnpike center line; thence Northerly along the Easterly line of the Southwest quarter of said Section No. 9 to the place of beginning.

Parcel No. 2.

Situated in the Township of Woodville, County of Sandusky and State of Ohio, and known as being part of Original Woodville Township Section No. 9, Township 6 North, Range 13 East, and bounded and described as follows:

Beginning on a line drawn parallel to and distant 850 feet Southwesterly of, measured at right angles to, the center line of Ohio Turnpike Project No. 1, as shown by plats recorded in Volume 9, Pages 40 and 41 of Sandusky County Map Records, at a point therein opposite Station 147+02.58 on said center line; thence South 58° 14' 41" East along said parallel line 70.82 feet; thence South 0° 20' 41" East 685.03 feet to the center line of Trapp Road; thence South 88° 48' 41" West along the center line of Trapp Road, 60 feet; thence North 0° 21' 41" West 723.33 feet to the place of beginning.

The aforementioned rights to be appropriated are as follows:

Any and all abutters' rights, including access rights, appurtenant to any remaining portion of the lands of said owner or owners of which the above-described real estate shall have formed a part prior hereto, in, over, or to the parcels described above."

Resolution No. 148-1954

"RESOLVED that the Commission has endeavored for a reasonable time to agree with the owner or owners of the property described herein as to the compensation to be paid therefor, but has been unable to agree with said owner or owners, and said property is needed for the construction and efficient operation of the Ohio Turnpike Project No. 1, and

BE IT FURTHER RESOLVED that proceedings be begun and prosecuted to effect the appropriation of the following-described property, and the rights hereinafter described, from the following-named owner or owners and persons having interests therein, to wit:

<u>Owner(s)</u>	<u>Place of Residence</u>
Leonard G. Harmeyer	R. F. D. #1 Genoa, Ohio
Elizabeth A. Harmeyer	R. F. D. #1 Genoa, Ohio
County Auditor of Sandusky County	Sandusky County Court House Fremont, Ohio
County Treasurer of Sandusky County	Sandusky County Court House Fremont, Ohio

The aforementioned property to be appropriated is described as follows:

Parcel No. 63-D(2) -- Fee Simple

Situated in the Township of Woodville, County of Sandusky and State of Ohio, and known as being part of Original Woodville Township Section No. 9, Township 6 North, Range 13 East, and bounded as follows:

Southwesterly by a line drawn parallel to and distant 100 feet Northeasterly of, measured at right angles to, the center line of Ohio Turnpike Project No. 1, as shown by plat recorded in Volume 9, Page 40 of Sandusky County Map Records;

Northeasterly by a line drawn parallel to and distant 120 feet Northeasterly of, measured at right angles to, said Turnpike centerline;

Westerly by the Westerly line of the East half of the Southwest quarter of the Northwest Quarter of said Section No. 9, and

Easterly by the Easterly line of the Westerly 30 acres of the Easterly 60 acres of the North half of the Southwest quarter of said Section No. 9.

Parcel No. 63-D(3) -- Fee Simple

Situated in the Township of Woodville, County of Sandusky and State of Ohio, and known as being part of Original Woodville Township Section No. 9, Township 6

North, Range 13 East, and bounded as follows:

Northeasterly by a line drawn parallel to and distant 100 feet Southwesterly of, measured at right angles to, the center line of Ohio Turnpike Project No. 1, as shown by plat recorded in Volume 9, Page 40 of Sandusky County Map Records;

Southwesterly by a line drawn parallel to and distant 135 feet Southwesterly of, measured at right angles to, said Turnpike center line, and

Easterly and Westerly by the Easterly and Westerly lines of the Westerly 30 acres of the Easterly 60 acres of the North half of the Southwest quarter of said Section No. 9.

The aforementioned rights to be appropriated are as follows:

Any and all abutters' rights, including access rights, appurtenant to any remaining portion of the lands of said owner or owners of which the above-described real estate shall have formed a part prior hereto, in, over, or to the parcels described above."

Resolution No. 149-1954

"RESOLVED that the Commission has endeavored for a reasonable time to agree with the owner or owners of the property described herein as to the compensation to be paid therefor, but has been unable to agree with said owner or owners, and said property is needed for the construction and efficient operation of the Ohio Turnpike Project No. 1, and

BE IT FURTHER RESOLVED that proceedings be begun and prosecuted to effect the appropriation of the following-described property, and the rights hereinafter described, from the following-named owner or owners and persons having interests therein, to wit:

<u>Owner(s)</u>	<u>Place of Residence</u>
Walter H. Camper	R. F. D. #1 Genoa, Ohio
Irene B. Camper	R. F. D. #1 Genoa, Ohio

<u>Owner(s)</u>	<u>Place of Residence</u>
County Auditor of Sandusky County	Sandusky County Court House Fremont, Ohio
County Treasurer of Sandusky County	Sandusky County Court House Fremont, Ohio

The aforementioned property to be appropriated is described as follows:

Parcel No. 63-A - 64-H(7) -- Fee Simple

Situated in the Township of Woodville, County of Sandusky and State of Ohio, and known as being part of Original Woodville Township Section No. 9, Township 6 North, Range 13 East, and bounded as follows:

Southwesterly by a line drawn parallel to and distant 155 feet Northeasterly of, measured at right angles to, the center line of Ohio Turnpike Project No. 1, as shown by plat recorded in Volume 9, Page 41 of Sandusky County Map Records;

Northeasterly by a line drawn parallel to and distant 215 feet Northeasterly of, measured at right angles to, said Turnpike center line;

Southeasterly by the center line of Trapp Road, and Northwesterly by the Westerly line of the Easterly half of the Southeast quarter of said Section No. 9.

The aforementioned rights to be appropriated are as follows:

Any and all abutters' rights, including access rights, appurtenant to any remaining portion of the lands of said owner or owners of which the above-described real estate shall have formed a part prior hereto, in, over, or to the parcel described above."

Resolution No. 150-1954

"RESOLVED that the Commission has endeavored for a reasonable time to agree with the owner or owners of the property described herein as to the compensation to be paid therefor, but has been unable to agree with said owner or owners, and said property is needed for the construction and

efficient operation of the Ohio Turnpike Project No. 1, and

BE IT FURTHER RESOLVED that proceedings be begun and prosecuted to effect the appropriation of the following-described property, and rights hereinafter described, from the following-named owner or owners and persons having interests therein, to wit:

<u>Owner(s)</u>	<u>Place of Residence</u>
Joseph A. Bendik	South Range Center Road New Springfield, Ohio
County Auditor of Mahoning County	Mahoning County Court House Youngstown, Ohio
County Treasurer of Mahoning County	Mahoning County Court House Youngstown, Ohio

The aforementioned property to be appropriated is described as follows:

Parcel No. 196-D(1) -- Fee Simple

Reserving to the owner herein an easement for ingress and egress to serve his remaining lands, over that portion of the following-described premises lying Northerly of a point 700 feet North of Station 1075+75 on the centerline of Ohio Turnpike Project No. 1, as shown by plat recorded in Volume 33, Page 25 of Mahoning County Map Records.

Situated in the Township of Springfield, County of Mahoning and State of Ohio, and known as being part of Original Springfield Township Section No. 21, and bounded and described as follows:

Beginning on the center line of South Range Center Road, said center line being also the Northerly line of said Section No. 21, at the Northeasterly corner of Parcel No. 4 of land conveyed to Joseph A Bendik and Catherine Bendik, by deed dated September 1, 1931 and recorded in Volume 416, Page 391 of Mahoning County Deed Records; thence South 88° 10' West along the center line of said South Range Center Road, 14.00

feet to the Northwestern corner of Parcel No. 3 as described in said deed; thence South  $1^{\circ} 33' 30''$  East along the Westerly line of said Parcel No. 3, 1110.78 feet to the Southwesterly corner thereof; thence North  $88^{\circ} 10' 00''$  East along the Southerly line of said Parcel No. 3, 7,00 feet to the Northwestern corner of Parcel No. 1 as described in said deed; thence South  $1^{\circ} 33' 30''$  East along the Westerly line of said Parcel No. 1, 292.97 feet to its intersection with a line drawn parallel to and distant 120 feet Northeasterly of, measured on a line normal to, said center line of Ohio Turnpike Project No. 1; thence Southeasterly along said parallel line to a point distant 120 feet Northeasterly of and opposite Station 1089+50 on said Turnpike center line; thence North  $53^{\circ} 53' 17''$  West 158.78 feet to a point distant 160 feet Northeasterly of and opposite Station 1088+00 on said Turnpike center line; thence North  $72^{\circ} 35' 07''$  West 308.24 feet to a point distant 150 feet Northeasterly of and opposite Station 1085+00 on said Turnpike center line; thence North  $58^{\circ} 27' 34''$  West 159.54 feet to a point distant 190 feet Northeasterly of and opposite Station 1083+50 on said Turnpike center line; thence North  $43^{\circ} 41' 21''$  West 108.40 feet to a point distant 245 feet Northeasterly of and opposite Station 1082+ 60 on said Turnpike center line; thence North  $12^{\circ} 13' 21''$  West 301.17 feet to a point distant 26.43 feet Southerly of, measured at right angles to, the Northerly line of Parcel No. 1 of lands conveyed to Joseph A. Bendik and Catherine Bendik, as aforesaid; thence Northwesterly on a curved line deflecting to the right to the Northerly line of said Parcel No. 1, said curved line having a radius of 75 feet and if prolonged an arc distance of 107.10 feet would have a chord bearing North  $50^{\circ} 55' 30''$  West 98.23 feet; thence South  $87^{\circ} 27' 50''$  West along the Northerly line of said Parcel No. 1 to the Southeasterly corner of land described as Parcel No. 4 in said deed to Joseph A. Bendik and Catherine Bendik; thence North  $1^{\circ} 33' 30''$  West along the Easterly line of said Parcel No. 4, 1,110.63 feet to the place of beginning.

Parcel No. 196-D(3) -- Fee Simple

Situated in the Township of Springfield, County of Mahoning and State of Ohio, and known as being part of Original Springfield Township Section No. 21, and bounded  
2407.

and described as follows;

Beginning on the Westerly line of Parcel No. 1 of lands conveyed to Joseph A. Bendik and Catherine Bendik, by deed dated September 1, 1931, and recorded in Volume 416, Page 391 of Mahoning County Deed Records, at its intersection with a line drawn parallel to and distant 150 feet Southwesterly of, measured on a line normal to, the center line of Ohio Turnpike Project No. 1, as shown by plat recorded in Volume 33, Page 25 of Mahoning County Map Records; thence Southeasterly along said parallel line to a point opposite Station 1086+00 on said Turnpike center line; thence Westerly to a point distant 170 feet Southwesterly of and opposite Station 1085+23.33 on said Turnpike center line; thence Southwesterly on a line drawn normal to said Turnpike center line 527.13 feet; thence Northwesterly at an included angle of 96° 31' 23" with said last described line to the intersection with the Westerly line of Parcel No. 1 of lands conveyed to Joseph A. Bendik and Catherine Bendik as aforesaid; thence Northerly along the Westerly line of said Parcel No. 1, to the place of beginning.

The aforementioned rights to be appropriated are as follows:

Any and all abutters' rights, including access rights, appurtenant to any remaining portion of the lands of said owner or owners of which the above-described real estate shall have formed a part prior hereto, in, over, or to the parcels described above as Parcels Nos. 196-D(1) and 196-D(3), except as herein above reserved."

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

Ayes: Linzell, McKay, Allen, Teagarden, Shocknessy.

Nays: None.

The Chairman declared the resolutions adopted.

The Executive Director reported that construction of Project No. 1 was close to fifty percent completed and that



actual progress of construction was practically paralleling the scheduled progress. He said that progress was quite satisfactory and that all contractors with the exception of about seven were actually paving. He said that on the Expedited Section the progress could be considered as generally satisfactory. He said that the work was being watched very closely and that the staff was concerned somewhat with the paving of the shoulders. He said that it had been necessary to prod the contractors quite a bit.

The Executive Director reported that he had awarded so-called "3-D" insurance covering dishonesty, disappearance, and destruction, which had to do with forgery or disappearance of money either inside the buildings or outside the buildings and that the insurance covered all employees of the Commission. He said that proposals had been received from six different parties and that they had covered a 3-year period and had ranged from \$3,396 to \$4,915. He said that the low proposal had been based upon the present number of employees of the Commission but that the Commission could add employees during the three-year period and such additional employees would be covered also. He said the award had been made to Harris & DeCessna on its low bid.

The Executive Director reported that a maintenance organization and a toll-collection organization were being formed. He said that equipment and supplies necessary for the operation of the Eastgate Section were being purchased and that snow fence, posts, and cinders already had been bought. He said that the snow fence and the posts as well as trucks and snowplows for which proposals would be received later would be stored at the state highway maintenance garage at Canfield until maintenance building No. 1 would be ready. He said that 3,000 tons of cinders had been purchased for delivery and that 2,000 tons would be delivered to Maintenance Area No. 1 and another 1,000 to the Route 7 interchange and that the price for the cinders had been \$3.79 a ton delivered. He said that the order had gone to the Craver Trucking Company

at Warren, Ohio. The Executive Director said that an order for 700 posts at 90 cents a post had been awarded to Bowman Western Stamping Company of Cleveland, Ohio, and that an order for 5,000 feet of snow fence had been awarded to Lincraft Corporation of Burlington, New Jersey. He said that he had made the award in each instance on the low bid.

The Executive Director reported that the Comptroller was interviewing persons for the toll collection organization. Mr. McKay asked that a dozen printed applications for employment be sent to him. He said that he did not have anybody in mind but that people kept calling him. The Executive Director said that an attempt was being made to select employees from that part of the state in which the Expedited Section was located.

The Executive Director reported that meetings had been held between Mr. Russell S. Deetz of the Engineering Department and the Ohio Industrial Commission in regard to the matter of safety controls as a result of the very considerable concern of the Commission because of the number of fatalities that had been occurring in connection with construction of the Turnpike. He said that the Industrial Commission had made a proposal which he believed would insure greater safety and better inspection. He said that the Industrial Commission would place about five inspectors permanently upon the work to see that the laws of Ohio were complied with by the contractors and he said further that the Commission had set up certain specifications in the way of handling the employees and enlightening them with regard to safety rules and regulations and laws. He said that the accident record should be improved in the future.

The Executive Director referred to the one-package proposal previously discussed by the Chairman and said that it had been submitted by several firms: Brown-Blauvelt, engineers; and Merritt-Chapman & Scott, and Thompson-Starrett, two of the largest contracting and managing firms in the United States. He said that those firms had proposed to construct, finance, and design the entire Ohio Turnpike Project No. 2, if and when any such turnpike should be authorized and that they had

stated in their proposal that they could save some \$46,115,000 if the Commission should follow the plan which they had envisioned. He confirmed for the Chairman that the proposal would contemplate the negotiation with them and with them alone of the contract and the elimination of all other competition. He said that at a conference in his office attended by representatives of the firms and by representatives of the legal and engineering departments of the Commission and by the Executive Director, a Mr. Wilmore, who seemed to be the general promoter of the plan, had frankly stated that there could be no competition because financiers would not back any other combination of firms than that making the proposal. He said that Mr. Wilmore had described those firms as tops in their fields.

The Chairman inquired whether those making the proposal had been aware of the existing law which required that all contracts entered into by the Commission in excess of \$1,000, except for personal services, must be by competitive bidding. The Executive Director replied that Mr. Wilmore seemed to think that the proposal should not be considered to involve a violation of existing law and that the Executive Director had sent a copy of the documents involved to the General Counsel for his comment. He said that what had been proposed was that the three firms practically take over the entire management of a new turnpike, that the Commission's staff be shunted aside and the Commission also to a great extent after the estimate had once been made and that the management group would in turn subcontract engineering and construction work to others. He said that they had offered to guarantee that the cost would not exceed the estimate and that they had proposed a bond of \$25,000,000 to guarantee that. The Executive Director said that the \$500,000,000 cost estimate had been based on a nine-inch concrete pavement and that the proposal had included a demand that in case of any saving below the estimated cost, and not considering changes in design, any savings which might accrue as a result of the letting of subcontracts would be divided 40% to those making the proposal and 60% to the Commission. He said that the fee asked had been 7 3/4%. He said that representatives of Merritt-Chapman & Scott and of Thompson Starrett had represented that Mr. Wilmore had come to them asking them to permit him to present some package proposal. He said that he had written to Mr. Wilmore and had told him that if the underwriting firms

would not consider any other combination of contractors and engineers that he doubted very much that the Commission would even consider any such proposal as had been made because it would appear that competition would be stifled completely and that no one else could be considered.

The Chairman said that it looked like there would have to be legislation certainly to accomplish the purpose of the firms and that if they were going to have any legislation at all they ought to get the legislature to legislate the contract to them and let it go at that. The Executive Director said that the firms had commented that the Mackinaw Bridge in Michigan was being built under such a management plan by one of the firms and that three other turnpike commissions were considering such a plan. The Chairman commented that those representations could have been on the same basis as a long-distance telephone conversation the previous day which had indicated that the Commission was committed to the proposal. The Executive Director said that the representatives of the Commission had not committed themselves to anything except to present the proposal to the Commission. He said that he had advised the representatives of the firms that he felt that the proposal was fantastic. The Chairman said that the Commission had done what the occasion required in putting the proposal on the table so that everybody knew about it.

The Executive Director presented to the members of the Commission charts for a toll-collection organization and for a maintenance organization for the Turnpike Project No. 1. He said that no action was required but that he thought that the Commission should be ready to comment sometime later if any changes in the plans should be desired.

Mr. McKay said that he would like to request that the Commission have a very brief report on where all of the Commission's insurance was then, that was where it had gone to over the state. He asked that the report include total volume and who the insurance was with. The Executive Director said that he knew and was rather proud of the fact that there had been no repercussions on the award of insurance by the Commission. Mr. McKay said that he agreed with that but that he still would like to see the totals on the insurance. The Executive Director said that proposals had actually been taken for insurance and that in all cases awards had been made to the lowest proposal submitted. The Chairman said that Mr.

McKay could also have if he wanted it from the Insurance Administrator a schedule that would show all the policies that had been presented to the Commission by the contractors. Mr. McKay said that he did not think he would care about that. The Insurance Administrator said that he had the schedules up to date from the beginning.

The Executive Director displayed samples of letters proposed to be placed on toll plazas on Ohio Turnpike Project No. 1. He said that the samples were of aluminum and that the cost was rather high and that the engineers were trying to devise some other metal or some other material with which to build the letters, and he said further that the cost for the entire Turnpike using aluminum would be about \$10,000 although competition undoubtedly would reduce those costs. He said that it was intended to place the words "Ohio Turnpike" on each toll plaza.

The Executive Assistant presented to the Commission Rear Admiral Joseph Worthington, United States Navy, Retired, who had assumed the position of permanent resident of the Consulting Engineer in the Commission's headquarters building.

Resolution No. 151-1954, ratifying actions of administrative officers, was moved for adoption by Mr. Teagarden, seconded by Mr. McKay, as follows:

"WHEREAS the executive director, deputy executive director, executive assistant, chief engineer, general counsel, assistant secretary-treasurer, comptroller, chief of the right-of-way section, and director of information and research of the Commission have, by various written and oral communications, fully advised the members of the Commission with respect to their official actions taken on behalf of the Commission since the Commission's last meeting, and the Commission has duly reviewed and considered the same;

NOW, THEREFORE, BE IT

RESOLVED that all official actions taken by the aforesaid administrative officers of the Commission on its behalf since the Commission's meeting on August 24, 1954 are hereby ratified, approved, and confirmed."

Mr. McKay said that for the first time, based on the reports, he would second the resolution.

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

Ayes: Teagarden, McKay, Allen, Linzell, Shocknessy.

Nays: None.

The Chairman declared the resolution adopted.

There being no further business to come before the Commission, a motion was made by Mr. Linzell, 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 responded to roll call.

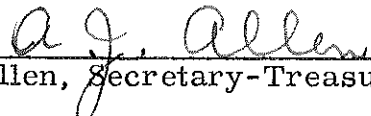
The vote was as follows:

Ayes: Linzell, McKay, Allen, Teagarden, Shocknessy.

Nays: None.

The Chairman declared the meeting adjourned. The time of adjournment was 11:30 o'clock A. M.

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

  
A. J. Allen, Secretary-Treasurer