

MINUTES OF THE ONE HUNDRED EIGHTH MEETING  
JUNE 5, 1956

Pursuant to bylaws, the Ohio Turnpike Commission met in regular session at its headquarters at 139 East Gay Street in Columbus, Ohio at 11:00 A. M. Eastern Standard Time on June 5, 1956 with the key members of its staff, representatives of the Consulting Engineers, 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: Allen, Beightler, Teagarden, Linzell, Shocknessy.

Absent: None.

The Chairman announced that a quorum was present.

A motion was made by Mr. Teagarden, seconded by General Beightler, that the minutes for the meeting of May 1, 1956 which had been examined by the members of the Commission and on which the corrections suggested by the members had been made be approved without reading.

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

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

Nays: None.

The Chairman declared the motion carried.

The Chairman said that the Commission might have just pride in the fact that thanks to God and the safety features incorporated in the construction of the Ohio Turnpike there had been no fatal accidents since the 21st of March, 1956.

The Chairman reported that since the last meeting the

Commission had paid its interest for June. He said that revenue from the first few days in June had been especially gratifying. He said that preliminary indications were that on the immediately previous weekend the Commission had the most traffic and the largest revenue for any weekend since the turnpike was opened on October 1, 1955 except perhaps for one of the early weeks which had included a Sunday of curiosity traffic on which revenue had been \$62,000 for the single day. He said that the income for the month of April had been about \$1,046,000 and that income for the month of May might be in excess of \$1,150,000 and might equal expenses and fixed charges for interest.

The Chairman reported that it was his belief that the attorney who had filed suits against the Commission several days before for claims by contractors had done so to protect the venue of the suits. He said that once the Commission's headquarters had moved to Cuyahoga County the suits against the Commission would be filed in Cuyahoga County in accordance with the law so that it was a bit more convenient for a lawyer who might have to file suits against the Commission, if he lived in Columbus, to file them in Franklin County while the Commission's principal office was still there. He said that he understood the lawyer who had filed those suits had thought that the Commission might change its principal office that day. The Chairman said that he had not personally examined the petitions but that he believed that in one of them at least items were included which were, likely as not, not in dispute. He said that the Commission had no concern about its ability to uphold the position that it had taken with respect to the closing out of its contracts and that neither did it have any apprehension about its ability to pay from the construction fund the claims which were legitimately payable from that fund. He said that he might also mention that there had been a time when the Commission had worried enormously about suits filed against it by the city of Elyria. He said further that he currently read in the newspapers that probably the greatest benefit the city of Elyria had had since the waters of Noah's flood receded had been the Ohio Turnpike.

The Chairman reported further that it was expected that the headquarters would be moved by July 1 as had been

agreed and that its Columbus headquarters building had been offered to the State of Ohio and that the Governor of Ohio had advised that the State of Ohio was interested in acquiring the building.

The Chairman reported further that the Commission would have before it that morning for consideration a resolution providing for the appointment of an Executive Director. He said that the Commission also had before it the resignation of its General Counsel, Mrs. Ruth Lloyd Wilkins, who had served ably and nobly in the office but who said that it would not be convenient for her to move to the new headquarters and that she had made her resignation effective when the headquarters would be moved. He said that the Commission did not expect to name a successor to Mrs. Wilkins that day but that for all of the members of the Commission he would say that Mrs. Wilkins had been devoted, she had been loyal, she had been resourceful, and she had given noble, competent service in the capacities in which she had served the Commission.

The Chairman reported that the Commission had before it a resolution which would provide severance pay for employees who would remain on duty at their posts at the Columbus headquarters until the Commission should move. He said that the Commission also had before it a provision for the payment of per diem expenses and moving expenses of certain employees who would do either temporary duty or permanent duty prospectively at the new headquarters.

The Chairman reported that the Commission was in receipt of a letter from Blyth & Company, Inc. addressed to the Chairman under date of June 4, 1956 which he would read and copies of which the Director of Information and Research would provide for the press table upon completion of any discussion of the letter which the Commission would have. He said that at its meeting on May 1, 1956 the Commission had been expecting to receive the engineering reports on prospective Ohio Turnpike Project No. 2 and had said at that time that upon their receipt it would analyze them and that while it was in the process of analyzing them it would submit them to the representatives of the syndicate it had been advised had been formed to undertake the financing of the proposed second turnpike. He said further that at the

same time it had been understood that the Director of Highways would be analyzing the reports and analyzing the prospects which the Highway Department itself would have for the construction of highways through funds already available to it and from funds prospectively available from the legislation being considered in the Congress of the United States. The Chairman said further that, accordingly, the Director of Highways had presented the engineering reports, both as to construction and traffic and revenue, to the Commission and the Commission had submitted them to the investment bankers. He said that the letter of the Chairman to the investment bankers, written in behalf of the Commission, had been made a matter of public information and public comment and discussion. He said that the Commission thereafter had been in receipt of a letter from the Governor of Ohio advising that without waiting further the Commission might consider that it would be required to provide the highway facility from Cincinnati to the corridor at the Pennsylvania-Ohio border which would connect with the New York Thruway, because the state could not otherwise do so and accordingly the Chairman of the Commission had advised the investment bankers. He said further that the Chairman of the Commission at that time had written a letter both to the investment bankers and to the Governor of Ohio wherein certain conditions, reasonably obvious, had been made the subject of comment. He read the letter from the investment bankers addressed to the Commission on the stationery of Blyth & Company, Inc., 14 Wall Street, New York 5, New York, under date of June 4, 1956, addressed to the Chairman of the Commission, as follows:

"This letter is a further reply to your letter of May 15, 1956.

"As the principal Underwriters of the Group which purchased and distributed the Revenue Bonds which financed the construction of the Ohio Turnpike Project No. 1, we have closely followed for two years the various steps taken to develop the proposed Ohio Turnpike Project No. 2, which will require new construction under "Concept A" of approximately 301 miles, or approximately 250 miles under "Concept B", such Project to extend from the neighborhood of Cincinnati northeasterly across the State to Conneaut. In this connection we have previously indicated to you that we

have formed a nationwide Account of dealers of which we would act as principal Managers, to consider underwriting and distributing such amount of Turnpike Revenue Bonds as would be necessary to pay the cost of construction of such Project No. 2.

"You have furnished to us copies of the Civil Engineering Report of the J. E. Greiner Company and the Traffic and Revenue Report of Coverdale & Colpitts. In acknowledging receipt of these reports we stated that we would study them and at the appropriate time communicate to you our findings. To that end, representatives of our organizations met on May 23, 24, 28 and 29, and had preliminary conferences with representatives of J. E. Greiner Company and Coverdale & Colpitts. During these deliberations we had in mind the opinion expressed by Governor Lausche that "the Turnpike Commission should proceed with the construction of Turnpike Project No. 2, provided that it can be financed on reasonable terms." We also forcefully had in mind the considerations which you expressed in your letter of May 15, 1956 as being essential to the proper evaluation of financing of this proposed magnitude.

"Our conclusion is that the time is not now propitious to undertake the issuance of the amount of Turnpike Revenue Bonds which would be required to pay the cost of constructing Project No. 2, either "Concept A" or "Concept B", and we suggest that the financing of this Project be postponed until:

"A. There has been a sufficiently satisfactory operating experience on Ohio Turnpike Project No. 1 to offset the disappointing operating results for the first seven months of its operation.

"B. The current study of truck toll rates has been completed and the recommendations of the engineers have been acted upon by the Commission and the effect of such recommendations, assuming that they result in different tolls, on the revenues of Project No. 1 is known.

"C. Market conditions are more favorable for the marketing of Turnpike Revenue Bonds, (Ohio

Turnpike 3 1/4% Bonds are now selling at approximately 95. The most recent offering of Turnpike Revenue Bonds was that of Illinois which sold 3 3/4% Bonds in October 1955, and these are now selling at approximately 97). It is our considered belief that even if the conditions set forth in A. and B. above were properly satisfied in the foreseeable future, the interest rate that would be required to market Ohio Turnpike Project No. 2 Revenue Bonds would not meet the condition of "Reasonable Terms" as set forth by Governor Lausche in his letter of May 14, 1956.

"D. The Federal Road Program has been enacted and its effect on the financing of projects of this character can be evaluated, particularly as it is applicable to Ohio.

"E. It can be determined whether construction economies as a result of changes in design or otherwise can be made which would reduce the amount of financing required.

"Despite our conclusion and our suggestion that the financing of Project No. 2 be postponed at this time, we believe that under circumstances more favorable than those presently existing that the financing might be undertaken with the conviction that it could be successfully concluded. To that end we will follow developments closely and when conditions make it apparent to us that the time is propitious for the financing to be undertaken, we will so inform you.

"On the other hand, we trust that you will keep us advised of any discussions and developments that take place in Ohio, particularly as to the attitude of the State towards building a part of Project No. 2 from prospective Federal Funds.

Respectfully submitted  
BLYTH & CO., INC.  
B. J. Van Ingen & Co., Inc.  
THE OHIO COMPANY

By: Blyth & Co., Inc.

By: /s/ T. Henry Boyd

Vice President"

The Chairman said it was his belief that the letter spoke for itself quite effectively, that the five conditions set forth were understandable, and that certainly the last paragraph left unmistakable the desirability of the state's considering building a part of the project from funds prospective. He said further that the first thing the Commission could advise right then that it would do was that it would receive from the Consulting Engineer the recommendations with respect to tolls for commercial vehicles on June 15, 1956 and as soon thereafter as warranted it would take action upon those recommendations of the Consulting Engineer and would make effective the recommendations whose effect it considered would be in the best interests of the project. He said that the rest of the conditions set forth were beyond the control of the Commission. He said that operating experience on the first project was improving just about daily; that monthly revenue was increasing in accordance with seasonal expectations and in accordance with the integration of the facility with the transportation system of the United States. The Chairman said that market conditions were things over which the Commission had no control; that the effect of the federal road program on Ohio highway construction was something also beyond its control; that construction economies the Commission would, of course, consider as it would in any event, consider. He said that the state of Ohio would have to decide whether or not any portion of the road could be built with prospective funds. The Chairman said it was his belief, as it had always been his belief, that the facility from the Ohio Turnpike to the corridor in Pennsylvania connecting with the New York Thruway was an absolute must, and that it was also his belief that, regardless of considerations other than the fact that the route which was prospective was almost identical with the interstate route, the portion of the road from the Ohio Turnpike to the Pennsylvania border might be a toll road, being in fact a part of an existing toll system. He said further that that, of course, was subject to whatever modification would be required because of the identity of the road with the interstate system. The Chairman, addressing Dennis E. Murphy, Vice President of the Ohio Company, as a representative of the investment bankers, said he thought that they, as bankers, were entitled to credit for taking a courageous position and so advising the Commission of it promptly, that they did not consider the time propitious for the project financially, so that all those agencies concerned could take appropriate action.

Mr. Allen said that he was a little disappointed to see underwriters fall in with the popular clamor and make the statement in Condition "A" about the "disappointing operating results for the first seven months". He said that he did not think that that was anything that he was going to admit right offhand. He said he would just like to have it in the record that he did not feel that that was entirely a proven fact.

The Chairman said that the statement was not quite at that time a justifiable criticism. He said further that the results had not been what the traffic and revenue engineers had led the Commission to expect but that they could not be considered disappointing for a project as vast as it which had had to be put into operation at a time of the year difficult for such a project and had had to be integrated in a vast system of highways.

The Chairman said that he would like the record of the meeting to show not only his allusion to the correspondence which the Commission had had with respect to Ohio Turnpike Project No. 2 since the previous meeting but also to incorporate by reference that correspondence, as follows:

"May 3, 1956

"Mr. Dennis E. Murphy, Vice President  
The Ohio Company  
51 North High Street  
Columbus 15, Ohio

Dear Mr. Murphy:

"We acknowledge receipt of your letter of April 30 written in behalf of your company and of Blyth & Co., Inc. and of B. J. Van Ingen & Co., Inc. in which you advise that the three companies in whose behalf the letter was submitted have formed an account consisting of firms who were participants in the financing of Ohio Turnpike Project No. 1 with addition of new members, for the purpose of considering any financing which the Ohio Turnpike Commission may wish to do on a proposed Project No. 2, and further advise that the account would proceed with negotiations for the financing of a proposed Project No. 2 whenever, at the Commission's pleasure after the receipt of engineering and traffic and revenue reports, negotiations for financing might be undertaken.



"The letter was presented to the meeting of the Commission held at its headquarters on the Ohio Turnpike on May 1 and was received by the Commission as a happy augury for a prospective Project No. 2. The Commission is not unmindful of the confidence in its administration which is implied in an offer to negotiate upon a second project at the very time when the experience on the first one does not indicate a return as rich as expected.

"For your information we are enclosing a transcript of the Chairman's opening statement to the Commission meeting which included the presentation of your letter.

Very truly yours,

James W. Shocknessy  
Chairman"

"May 5, 1956

"Mr. Dennis E. Murphy, Vice President  
The Ohio Company  
51 North High Street  
Columbus 15, Ohio

Dear Mr. Murphy:

"With further reference to your letter of April 30 written in behalf of your company and of B. J. Van Ingen & Co., Inc. and of Blyth & Co., Inc. to which reply was made on behalf of the Commission under date of May 3, you are advised that as soon as the engineering reports, which we learn from today's newspapers quoting a spokesman for the highway department are for all practical purposes in form acceptable to the Director of Highways, are delivered to the Commission they will be examined by its several members and will be made available to you for consideration by the syndicate for which you, B. J. Van Ingen & Co., Inc. and Blyth & Co., Inc. would

would seem to be the authoritative spokesmen. The reports will be made available also to representatives of any other account or syndicate which can give evidence of ability to undertake the financing.

"During the time while all of us are initially considering the reports, the highway bill in the Congress of the United States, H. R. 10660, will be proceeding toward its legislative disposition. No doubt by the time H. R. 10660 has been disposed of in the Congress, the Department of Highways of the State of Ohio will be able to announce whether or not all or any part of the proposed highway facility, which we have been considering as prospective Turnpike Project No. 2, will be constructed by the State of Ohio. Consistent with the determination reached by the Department of Highways the Ohio Turnpike Commission will expect either to terminate discussion of the prospective Ohio Turnpike Project No. 2 as a toll facility or to proceed to enter into firm negotiations directed toward the financing of all or part of the proposed project.

Very truly yours,

James W. Shocknessy  
Chairman"

"May 5, 1956

"O. L. Teagarden  
A. J. Allen  
R. S. Beightler  
S. O. Linzell

"There is enclosed a copy of a self-explanatory letter which is being directed today to Mr. Dennis Murphy with respect to the course the Commission would be expected to follow in treatment of the engineering reports upon the proposed Project No. 2 when they are received from the Director of Highways.

"Unless advised to the contrary it is assumed that it is the wish of the members of the Commission that the representations made in its behalf in the letter to Mr. Murphy are proper and in accord with the intent the Commission implied in the conduct of its business at its regular meeting on May 1.

Very truly yours,

James W. Shocknessy  
Chairman"

"May 10, 1956

"Mr. James W. Shocknessy, Chairman  
Ohio Turnpike Commission  
139 East Gay Street  
Columbus, Ohio

Dear Sir:

"Submitted herewith are twelve (12) copies of the Engineering Report and twelve (12) copies of the Traffic and Revenue Report for Ohio Turnpike Project No. 2.

Yours very truly,

/s/ S. O. Linzell

S. O. Linzell,  
Director"

"May 11, 1956

"S. O. Linzell, Director  
Department of Highways  
State Departments Building  
Columbus, Ohio

Dear Mr. Linzell:

"We acknowledge receipt of 12 copies of the Civil Engineering Report, Ohio Turnpike Project No. 2, prepared by the J. E. Greiner Company, consulting engineers of Baltimore, Maryland, numbered consecutively 003 through 014, and 12 copies of the Report on Estimated Traffic and Revenues of a Proposed Turnpike in Ohio from Cincinnati to Conneaut, prepared by Coverdale & Colpitts, consulting engineers of New York, New York, numbered consecutively 0003 through 0014, both inclusive, delivered by messenger to the receptionist at the principal offices of the Ohio Turnpike Commission, 139 East Gay Street, Columbus, Ohio. Assignments of the several copies were made as follows:

- 003 and 0003 - O. L. Teagarden, Vice-Chairman of the Commission
- 004 and 0004 - A. J. Allen, Secretary-Treasurer of the Commission
- 005 and 0005 - Robt. S. Beightler, Member of the Commission
- 006 and 0006 - C. W. Hartford, Acting Executive Director
- 007 and 0007 - R. J. Lehman, Chief Engineer
- 008 and 0008 - James D. Hartshorne, Director of Information & Research
- 009 and 0009 - Ruth L. Wilkins, General Counsel
- 010 and 0010 - John Soller, Comptroller
- 011 and 0011 - Squire, Sanders & Dempsey, Fiscal Counsel
- 012 and 0012 - The Ohio Company, Co-Manager of Investment Group
- 013 and 0013 - Blyth & Co., Inc., Co-Manager of Investment Group
- 014 and 0014 - B. J. Van Ingen & Co., Inc., Co-Manager of Investment Group

"The required distribution as set forth could not be made unless the Chairman or someone else relinquished a copy, and accordingly the Chairman relinquished the copy that would have been his personally and will expect to share the copy of the Acting Executive Director or of the Director of Information and Research.

"Although your letter which accompanied the 12 copies of each of the respective engineering reports did not so state,

it is assumed by their deliver to the Commission that they are final and that they represent full and complete performance of the contracts between the Director of Highways and the firms of J. E. Greiner Company and Coverdale & Colpitts, respectively, made pursuant to the request of the Ohio Turnpike Commission to the Director of Highways in accordance with law. If our assumption is incorrect, that the reports are complete and final and in full satisfaction of the aforementioned contracts, it is requested that the Commission be so advised promptly.

"Our necessary distribution, with which as an ex-officio member of the Commission you would be familiar, having exhausted the limited supply of the respective reports furnished us by you, it is assumed that you yourself would expect to make the further distribution to persons having a rightful interest in examining the respective reports, and accordingly we shall refer to you all persons who seek copies of the reports so that they may be withdrawn from the reservoir of them which you would have, if my recollection of your contract with the respective firms of consulting engineers serves me oorrectly.

Very truly yours,

James W. Shocknessy  
Chairman"

"May 14, 1956

"Mr. James W. Shocknessy  
Chairman  
Ohio Turnpike Commission  
139 E. Gay Street  
Columbus 15, Ohio

Dear Mr. Shocknessy:

"The Highway Director has sent me the two reports on the proposed Turnpike Project No. 2. These reports,

the Greiner Engineering report, and the Coverdale and Colpitts traffic and revenue report, deal with a continuous turnpike from the Pennsylvania border in the vicinity of Conneaut extending to the Cincinnati area; also a broken turnpike from the Pennsylvania border at Conneaut extending to USR 23 south of Delaware, and resuming at USR 40 just east of Springfield, and extending to the Cincinnati area.

"There is no doubt in my mind that an adequate four-lane highway extending diagonally across the State is urgently needed and should be built as soon as possible. In determining if it be a toll highway or a freeway consideration should be given whether a free highway can be financed and built in a comparatively short period of time, or a toll highway can be financed at a reasonable cost and built in a comparatively short period of time.

"Investigation of the Fallon Bill indicates that:

"(1) It does not provide sufficient funds to complete the building of the Interstate system. This was the original intent of the Bill but the amount of funds provided by the Bill was based on needs established by a nationwide survey made in 1953. At that time, acceptable standards of design were established for interstate highways by the Bureau of Public Roads. Indications are that the acceptable standards of design for the Fallon Bill improvements will be somewhat higher than those used in the 1953 survey. Right of way values have increased materially since that time and approximately 100 miles of state highways have been added to the Ohio Interstate highway system. The net results of these factors indicate that the Fallon Bill would only provide sufficient funds to build approximately 65% of the Ohio portion of the Interstate system.

"(2) Metropolitan areas in Ohio, where the greatest traffic congestion and traffic needs exist, rightfully should have 45 to 50% of the Interstate funds assigned to their improvement. An obligation, whether written or moral, exists which will require the expenditure of approximately one-half of the

Interstate funds accruing to Ohio on urban sections of the Interstate system.

"(3) All of the Fallon Bill funds for six years, exclusive of the 50% needed for urban expressways, would be required to build free-ways which would serve as a replacement for the proposed Turnpike Project No. 2, and this could be done only at the expense of shelving all improvements programmed on U. S. Routes 25, 40 and 18 for that length of time.

"(4) The Fallon Act also has a provision stating that it is the intent of Congress to reimburse the States for adequate turnpikes started prior to January 30, 1957. This would indicate a possibility that Federal funds might be used to reduce indebtedness on turnpikes already built.

"Moreover, may I point out that during the entire time that Turnpike Project #2 was in contemplation the State Highway Department, to carry out the highway improvements needed to modernize our system, was relying upon a Federal highway program having a relationship to the terms of the present Fallon Bill.

"It is, therefore, my opinion that the Turnpike Commission should proceed with the construction of Turnpike Project No. 2, provided that it can be financed on reasonable terms.

Sincerely yours,

/s/ Frank J. Lausche

Frank J. Lausche"

"May 14, 1956

"Mr. James W. Shocknessy  
Chairman  
The Ohio Turnpike Commission  
139 East Gay Street  
Columbus 15, Ohio

Dear Sir:

"We are submitting today, by messenger, twenty-five (25) additional copies each of the Engineering Report and Traffic and Revenue Report for Ohio Turnpike Project No. 2.

"In accordance with our agreements with the consulting engineers, we have received five hundred (500) copies of each report so additional copies are available if you need them.

Yours very truly,

/s/ S. O. Linzell

S. O. Linzell  
Director"

"May 15, 1956

"S. O. Linzell, Director  
Department of Highways  
State Departments Building  
Columbus, Ohio

Dear Mr. Linzell:

"We acknowledge receipt of your letter of May 14 which accompanied the 25 copies of the Civil Engineering Report, Ohio Turnpike Project No. 2, prepared by the J. E. Greiner Company, consulting engineers of Baltimore, Maryland, numbered consecutively 030 through 035, both inclusive, and 0036 through 0054, both inclusive, and 25 copies of the Report on Estimated Traffic and Revenues of a Proposed Turnpike in Ohio from Cincinnati to Conneaut, prepared by Coverdale & Colpitts, consulting engineers of New York, New York, numbered consecutively 0030 through 0054, both inclusive.

"The letter which the Chairman of the Commission received today from His Excellency, the Governor of Ohio,



under date of May 14, copy of which you received as an ex-officio member of the Commission, indicating his opinion that irrespective of any eventualities which may affect H.R. 10660 in the Congress of the United States the highway facility from Cincinnati to Conneaut should be built as a toll road, and requesting the Ohio Turnpike Commission to proceed accordingly subject only to an ability to finance the borrowings on reasonable terms, would seem to eliminate any need that the Department of Highways retain the remaining supply of the reports which the two engineering firms furnished in accordance with their respective contracts, and accordingly it is requested that all copies not in use be delivered to the Commission accompanied by a statement setting forth their numbers. We are in receipt today of your letter, also under date of May 14, setting forth the distribution of the first 66 copies of each report.

Very truly yours,

James W. Shocknessy  
Chairman"

"May 15, 1956

"Mr. Dennis E. Murphy, Vice President  
The Ohio Company  
51 North High Street  
Columbus 15, Ohio

Dear Mr. Murphy:

"Pursuant to the statements made in our letter of May 5 addressed to you, copy of which was sent to the Governor of Ohio, to the members of the Ohio Turnpike Commission, to B. J. Van Ingen & Co., Inc., and to Blyth & Co., Inc., wherein you were advised that upon receipt by the Commission of the Civil Engineering Report, Ohio Turnpike Project No. 2, prepared by the J. E. Greiner Company, consulting engineers of Baltimore, Maryland, and of the Report on Estimated Traffic and Revenues of a Proposed Turnpike in Ohio from Cincinnati to Conneaut,

prepared by Coverdale & Colpitts, consulting engineers of New York, New York, a copy of each would be made available to you, to B. J. Van Ingen & Co., Inc. and to Blyth & Co., Inc. as the three authoritative spokesmen of the syndicate of whose formation we were advised by you, as Vice President of The Ohio Company, on behalf of B. J. Van Ingen & Co., Inc., Blyth & Co., Inc. and The Ohio Company, under date of April 30, the respective reports were forwarded to all three upon their receipt on May 11 from the Department of Highways of Ohio.

"In our letter of May 5 you were advised that while we, all of us, would be initially considering the engineering reports, H. R. 10660 would be proceeding toward its legislative disposition in the Congress of the United States, and we implied in our same letter that at the same time the Department of Highways of Ohio would be considering whether or not all or any part of the proposed highway facility which we have been mentioning as prospective Turnpike Project No. 2 would be constructed by the State of Ohio. We are in receipt today of a letter under date of May 14 from His Excellency, the Governor of Ohio, stating that in his opinion "the Turnpike Commission should proceed with the construction of Turnpike Project No. 2, provided that it can be financed on reasonable terms." From the Governor's statement of his opinion that the Turnpike Commission should proceed to construct Turnpike Project No. 2, it is assumed that irrespective of the disposition ultimately by the Congress of the United States of H. R. 10660 it is the fixed purpose of the Department of Highways to exclude the highway facility from Cincinnati to Conneaut in whole and in part from consideration for construction as a non-toll project. It would seem, therefore, that the Ohio Turnpike Commission is under a mandate to seek to provide the urgently needed facility in its entirety.

"It is requested that in its consideration of the engineering reports which it has before it the syndicate consider for financing the entire highway facility, which in the reports is set forth in the alternative as Ohio Turnpike Project No. 2, as a toll road "from the Pennsylvania border in the vicinity of Conneaut extending to the Cincinnati area" or "from the Pennsylvania border at Conneaut extending to

USR 23 south of Delaware, and resuming at USR 40 just east of Springfield, and extending to the Cincinnati area." (The two phrases set forth in quotations are from the letter of His Excellency under date of May 14, hereinbefore mentioned.) In recognition of the mandate, the Commission by its several members and staff is evaluating the reports and at the mutual convenience of the syndicate and itself will entertain whatever proposal for negotiations the syndicate may present. As you were advised in our letter of May 5 hereinbefore mentioned, the Commission will expect to consider also any proposal offered for negotiation by any other account or syndicate which can give evidence of ability to undertake the financing.

"It had been earnestly hoped that by astute husbanding of funds already available to it and prospective from H. R. 10660 the Department of Highways of Ohio would find it convenient to consider the construction from appropriated funds of at least parts of the highway facility, and so it was suggested to you in our letter of May 5 that while H. R. 10660 was pending in the Congress of the United States the Department of Highways of Ohio would determine 'whether or not all or any part of the proposed highway facility, which we have been considering as prospective Turnpike Project No. 2, will be constructed by the State of Ohio.' The determination obviously having been reached before final disposition of H. R. 10660, the consideration of Ohio Turnpike Project No. 2 as a financial venture need not be postponed any longer.

"Because of the magnitude of the prospective project and the almost crushing burden of interest and financing charges which it will entail even under terms of financing more favorable than those which were obtained for Ohio Turnpike Project No. 1, it behooves financiers in considering the project for financing, just as it behooves the Commission and all others who have responsibility toward its realization, to make certain that the negotiations will contemplate every improvisation in construction and in use of funds which will assure economical use of funds, material, construction timing and duration, priorities in construction based on urgency, and every other factor which can be examined and refined, in pursuit of an objective of making every dollar borrowed produce its full value. However much we

may want to believe that reimbursement under H.R. 10660 ultimately may provide reimbursement for funds expended for toll roads under construction prior to whatever fixed date would be determined by the Congress, we cannot be so sanguine in our hopes as to expect the relief which would be afforded to be more than a mere reimbursement for cost of capital construction, exclusive of the financing charges which make the vast difference between the cost of projects built from funds derived from revenue bonds on the one hand and those built from appropriated funds on the other.

"In conclusion, let us all proceed hopefully, if warily, so that the best result obtainable will be obtained for our state and for our nation in these times so parlous.

Very truly yours,

James W. Shocknessy  
Chairman"

"May 16, 1956

"The Honorable Frank J. Lausche  
The Governor  
The Capitol  
Columbus, Ohio

Dear Governor Lausche:

"We acknowledge receipt of your letter under date of May 14 addressed to the Chairman of the Commission which indicated copies had been sent to the other members of the Commission, requesting the Commission to "proceed with the construction of Turnpike Project No. 2" subject only to the condition that the borrowing be made on "reasonable terms."

"The Chairman of the Commission, with the acquiescence of its several members, has hitherto stated that when the engineering reports were completed and accepted by the Director of Highways and presented to the Commission they would receive most careful analysis as to every section of the proposed project, and negotiations for financing would

be undertaken in accordance with conclusions thereby reached. Upon receipt from the Director of Highways on May 11 of the 12 copies of each of the respective engineering reports the Commission proceeded to fulfill its commitment. In acknowledging receipt of your letter of May 14 the Chairman of the Commission, on behalf of the Commission, affirms that the Commission will proceed as it has hitherto indicated and as herein reasserted which is quite in accord with the advice in your letter of May 14.

"It had been my personal hope that with the funds prospective from H. R. 10660 the Department of Highways would find it convenient to provide the whole or part of the facility from Cincinnati to Conneaut as a non-toll highway, and so it is my personal regret that the funds prospective from H. R. 10660 will not be adequate to fulfill the highway needs of the state, inclusive of the facility from Cincinnati to Conneaut, and that therefore the Ohio Turnpike Commission may be required to incur obligations for a proposed Project No. 2 as a toll road which, together with its already existing obligations for Project No. 1, would make its total debt come nigh within the portentously long shadow of a billion dollars.

"Regardless of the valiance of the efforts which may be expended by those who would be charged with the responsibility of constructing Project No. 2 speedily, the engineering industry, the contracting industry and the materials industry, all three, will be so overburdened by the crushing load otherwise placed upon them by H. R. 10660 that the financiers inevitably would be required, in making the securities marketable, to assure investor protection by providing interest from the capital funds during a long period of construction. So while we shall proceed to consult with financiers and others upon the understanding derived from your letter that the Turnpike Commission will be required to undertake the construction in its entirety of the facility from Cincinnati to Conneaut, the vast prospective debt which would include more than a hundred million dollars in capitalized interest and financing charges alone compels us to hope that the Highway Department and the Highway Construction Council will re-examine the statewide needs after enactment, in some form, of H. R. 10660 to the end that portions of the facility from

Cincinnati to Conneaut might be undertaken by the Highway Department and accordingly reduce the prospective debt of the Ohio Turnpike Commission as much as possible. The enormous difference between the cost of a project built from appropriated funds and one built from revenue funds must be paid by the user, and that additional cost must be avoided if any valid improvisation in scheduling will permit it. No one knows better than we, from our experience with Project No. 1, how much anxiety is suffered and how much effort is expended just to make certain that there is income sufficient to pay the fixed charges, and a fortiori no one knows better than we how important it is to keep those charges at a minimum.

"On behalf of the Commission we assure you of our best efforts in furtherance of the prospective Ohio Turnpike Project No. 2 which in your opinion should be constructed by the Ohio Turnpike Commission. Our letter of yesterday, the 15th, addressed to Mr. Dennis Murphy, copy of which is enclosed, written immediately upon receipt of your letter of the 14th, is self-explanatory evidence of our purposeful endeavors directed toward the accomplishment of your objective.

Very truly yours,

James W. Shocknessy  
Chairman"

"May 18, 1956

"Mr. James W. Shocknessy, Chairman  
Ohio Turnpike Commission  
139 East Gay Street  
Columbus 15, Ohio

Dear Mr. Shocknessy:

"We are pleased to acknowledge receipt on behalf of ourselves, Blyth & Co., Inc., and B. J. VanIngen & Co. Inc. of your letter of May 15 in which you advise that the Civil Engineering Report of the J. E. Greiner Company

and the report of Estimated Traffic and Revenues of Coverdale & Colpitts, relating to Ohio Turnpike Project No. 2 had been forwarded to our respective firms. Receipt of these reports on May 14 by the three firms is hereby acknowledged.

"It is also noted from your letter that the Commission is in receipt of a letter under date of May 14 from Governor Lausche stating that, in his opinion, "the Turnpike Commission should proceed with the construction of Turnpike Project No. 2, provided that it can be financed on reasonable terms."

"The reports above mentioned are now undergoing detailed study by our respective firms, and as soon as this study is completed we will undoubtedly wish to have a conference with the Commission to discuss the matter and to advise you of any recommendations we may have with respect to the financing of the project. We will do this at our earliest opportunity, but at this time we cannot give you a definite date as to when this will be. The writer plans to attend a preliminary conference in New York with Blyth & Co., Inc. and B. J. VanIngen & Co. Inc. next week on this matter.

Very truly yours,

/s/ Dennis E. Murphy

Dennis E. Murphy  
Vice President"

"May 19, 1956

"Mr. Dennis E. Murphy, Vice President  
The Ohio Company  
51 North High Street  
Columbus 15, Ohio

Dear Mr. Murphy:

"We acknowledge receipt of your letter of May 18

on behalf of your company and of Blyth & Co., Inc., and B. J. VanIngen & Co., Inc., in reply to ours of May 15 and acknowledging receipt on May 14 on behalf of all three firms of the Civil Engineering Report, Ohio Turnpike Project No. 2, prepared by the J. E. Greiner Company, and of the Report on Estimated Traffic and Revenues of a Proposed Turnpike in Ohio from Cincinnati to Conneaut, prepared by Coverdale & Colpitts, which were forwarded by us to all three firms by mail on May 11 immediately after the reports were delivered to us by the Director of Highways.

"We are glad to note that you will hold your preliminary conference with Blyth & Co., Inc., and B. J. VanIngen & Co., Inc. in New York sometime during next week which begins on May 21. We shall await your further word if you have anything to communicate to us after that meeting with respect to the financing.

Very truly yours,

James W. Shocknessy  
Chairman"

"May 19, 1956

"O. L. Teagarden  
A. J. Allen  
Robt. S. Beightler  
S. O. Linzell

"We are enclosing a copy of a letter which has been received from the Vice President of The Ohio Company, Mr. Dennis E. Murphy, in reply on behalf of his company and of Blyth & Co., Inc., and of B. J. VanIngen & Co., Inc., to our letter of May 15 and acknowledging receipt on behalf of all three firms on May 14 of the Civil Engineering Report, Ohio Turnpike Project No. 2, prepared by the J. E. Greiner Company, and of the Report on Estimated Traffic and Revenues of a Proposed Turnpike in Ohio from Cincinnati to Conneaut,



prepared by Coverdale & Colpitts, which were forwarded by us to them by mail on May 11 immediately after the reports were delivered to us by the Director of Highways.

"It is noted that Mr. Murphy expects to attend a preliminary conference in New York with Blyth & Co., Inc., and B. J. VanIngen & Co., Inc. during the week beginning Monday, May 21, to consider the financing.

Very truly yours,

James W. Shocknessy  
Chairman"

The Chairman took note of the fact that Mrs. A. J. Allen was in the room and welcomed her. He said also that the Commission had heard about the illness of Mr. Brady Black, Managing Editor of the Cincinnati Enquirer, who was confined to the hospital. He said that the Commission wanted the business of the meeting to show that it extended its good wishes to Mr. Black.

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

1 - Unaudited financial reports for period ending April 30, 1956.

2 - Draft of the minutes of the meeting of May 1, 1956.

3 - Monthly traffic and revenue report for April, 1956.

4 - Detail of investment transactions during May, 1956.

The Assistant Secretary-Treasurer reported further that income from investment of moneys in the construction fund at the end of May, 1956 had totaled \$16,780,000. He said that such income in the month of May, 1956 alone had been \$32,400. He said that the lowered activity of the

automobile manufacturers had been noticeable on the turnpike not only in the reduced hauling of new cars but also in business from suppliers to the automotive industry. He said further that, nevertheless, preliminary figures on truck revenue for the first 25 days of May indicated an improvement over the same period in April. He said that since the last meeting five additional charge accounts had been approved for trucking firms, bringing the total to 39.

The Chairman thanked the Assistant Secretary-Treasurer for his report.

The Chairman reported again that the Governor of Ohio had advised that he would very promptly expect to give an indication of what the Department of Highways of the state of Ohio might undertake with respect to the construction of all or part of the facility between Cincinnati and Conneaut.

The Chairman addressed Mr. John Blanpied, Vice President and Trust Officer of the Trustee, The Ohio National Bank, and said that he wanted to congratulate him and thank him on behalf of the Commission for making the usual valiant effort to do a competent job in getting its moneys transferred and its interest coupons in order and in line for payment. Mr. Blanpied said that the effort had been quite routine. The Chairman said that it was only routine because Mr. Blanpied had done a good job every day. He said that the Commission's business that day would show that the Commission took note of the Ohio National Bank's efficient job as Trustee.

Resolution No. 30-1956 authorizing the Comptroller to make certain determinations with respect to the allocation of expenditures was moved for adoption by General Beightler, seconded by Mr. Teagarden, as follows:

Resolution No. 30-1956

"WHEREAS the cost of the turnpike is payable from the construction fund pursuant to the provisions of article IV of the trust agreement dated June 1, 1952, between the Ohio Turnpike Commission and The Ohio National Bank of

Columbus, as trustee, and The First National City Bank of New York (formerly The National City Bank of New York), as co-trustee;

"WHEREAS the 'current expenses' of the turnpike are payable from the revenue fund pursuant to article V of said trust agreement;

"WHEREAS it is necessary that determinations be made for the purpose of properly allocating expenditures of the Commission to each of the aforesaid funds;

"WHEREAS in some instances particular expenditures may accurately be attributed in their entirety either to cost of the turnpike or to current expenses, while in some instances particular expenditures are not attributable in their entirety to either of such purposes or the fund related thereto, but are in part attributable to the cost of the turnpike and chargeable to the construction fund and are in part attributable to current expenses and chargeable to the revenue fund;

"WHEREAS the comptroller has from time to time made the determinations necessary to charge each expenditure payable wholly from either the construction fund or the revenue fund to the fund from which same is payable, and has also made the determinations needed, with respect to expenditures not chargeable in their entirety to only one of said funds, and charge same to both of such funds in proportions and percentages which represent a proper distribution thereof between the cost of the turnpike and current expenses; and

"WHEREAS the making of the aforesaid determinations and the allocations consequent thereon by the comptroller has been done with the knowledge of the Commission, and the Commission now desires formally to ratify the comptroller's performance of said function and to direct him to continue performing it;

"NOW, THEREFORE, BE IT

"RESOLVED that the comptroller be, and hereby he is, authorized and directed from time to time to make any

and all determinations that specific expenditures are a part of the cost of the turnpike within the meaning of the aforesaid trust agreement and that other specific expenditures are for current expenses within the meaning of said agreement, as the case may be;

"FURTHER RESOLVED that the comptroller be, and hereby he is, authorized and directed to determine that other expenditures are not in their entirety specifically for the cost of the turnpike or current expenses, but are in part attributable to the cost of the turnpike and in part to current expenses, and to determine further, on a departmental or other basis as shall to him appear most accurately and conveniently to reflect a proper allocation of such expenditures, the proportions or percentages thereof which constitute payment for the cost of the turnpike and the proportions or percentages which constitute payment of current expenses;

"FURTHER RESOLVED that the comptroller be, and he hereby is, authorized and directed to charge the construction fund and the revenue fund, pursuant to articles IV and V of the trust agreement aforesaid, in accordance with the determinations so made; and

"FURTHER RESOLVED that the determinations and charges to each of said funds heretofore made by the comptroller be, and hereby they are, approved, ratified, and confirmed."

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

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

Nays: None.

The Chairman declared the resolution adopted.

The Chairman said that before the Commission considered the resolution providing for the appointment of an Executive Director he wanted to pay tribute to the man who had been acting as Executive Director for the past several months and to tell him that the Commission was mindful of the fine service given and grateful for its extent and for its

quality, and in recognition of its belief in his capacity, if it appointed an Executive Director at that meeting, it would expect to name Mr. C. W. Hartford as the Deputy Executive Director. The Chairman addressed Mr. Hartford and told him that he had done a fine job as Acting Executive Director under very difficult circumstances. He said further that it was harder to perform in an acting capacity than it was when one had the full authority of the position confirmed in one, that Mr. Hartford had done a good job and the Commission respected him for the job he had done. Mr. Hartford expressed his thanks.

Resolution No. 31-1956 appointing Executive Director was moved for adoption by Mr. Allen, seconded by Mr. Teagarden, as follows:

Resolution No. 31-1956

"RESOLVED that Herman F. Tornau be, and hereby he is, appointed executive director of the Commission, effective upon his assumption of the duties of said office, to serve at his and the Commission's mutual pleasure, and that his compensation be at the rate of \$19,000 per annum."

The Chairman said that all members of the Commission had interviewed Mr. Tornau over a period of months. He said further that Mr. Tornau, as his biographical information indicated, was a man of demonstrated capacity in the management of a large business and that that capacity should and would stand him in good stead as the manager of the Ohio Turnpike. He said that if it should become the duty of the Commission to construct all or any part of the facility from Cincinnati to Conneaut, he had no doubt that Mr. Tornau had the executive capacity to bring it into being under the best possible auspices.

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

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

Nays: None.

The Chairman declared the resolution adopted.

Resolution No. 32-1956 appointing Deputy Executive Director was moved for adoption by Mr. Teagarden, seconded by Mr. Allen, as follows:

Resolution No. 32-1956

"RESOLVED that C. W. Hartford be, and hereby he is, appointed deputy executive director of the Commission, effective upon the assumption of duties of the office of executive director by Herman F. Tornau, to serve at his and the Commission's mutual pleasure; and that the compensation for his services in this and in all other capacities in which he serves the Commission shall be at the rate of \$14,000 per annum."

The Chairman said to Mr. Hartford that if the Commission should proceed with the second turnpike it was his hope that in addition to Mr. Hartford's duties as Deputy Executive Director he would continue as Chief of Right-of-Way.

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

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

Nays: None.

The Chairman declared the resolution adopted.

Resolution No. 33-1956 consolidating the Commission's principal offices with the administration office presently in the Commission's Administration Building in Cuyahoga County, Ohio was moved for adoption by Mr. Linzell, seconded by General Beightler, as follows:

Resolution No. 33-1956

"WHEREAS it is no longer necessary or desirable that the Commission maintain its headquarters in Columbus, Ohio; and

"WHEREAS the Commission's affairs can be more efficiently conducted by consolidating the headquarters

office with that of the administration office at the Administration Building on the Ohio Turnpike in Cuyahoga County, Ohio;

"NOW, THEREFORE, BE IT

"RESOLVED that the principal office of the Commission located in Columbus, Franklin County, Ohio, and the administration office located in the Administration Building in Cuyahoga County, Ohio, be consolidated in the Administration Building in Cuyahoga County, Ohio;

"FURTHER RESOLVED that the effective date of said consolidation and the establishing of the principal office in Cuyahoga County shall be 12:01 a. m. , July 1, 1956; and

"FURTHER RESOLVED that the executive director, and the acting executive director until such time as the executive director assumes the duties of his office, be and they hereby are respectively so authorized to do any and all things deemed necessary or advisable by them to effect said consolidation and the establishing of the principal office of the Commission in Cuyahoga County, Ohio."

The Chairman said that not only was it the view of the Commission that the measure was an appropriate and economical one but that it was the view of the Governor also who had been advised of it.

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

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

Nays: None.

The Chairman declared the resolution adopted.

Resolution No. 34-1956 determining certain real property to be no longer needed in connection with the operation and maintenance of Ohio Turnpike Project No. 1 was moved for adoption by Mr. Allen, seconded by General Beightler, as follows:

Resolution No. 34-1956

"WHEREAS to effect the consolidation of the Commission's offices pursuant to resolution No. 33-1956 heretofore adopted, the Commission headquarters are to be relocated at the administration building on the Ohio Turnpike, in Cuyahoga County, Ohio, effective 12:01 a.m., July 1, 1956;

"NOW, THEREFORE, BE IT

"RESOLVED that the Commission, having duly and fully considered the matter, hereby determines that from and after July 1, 1956, the following described real estate situated in the city of Columbus, Franklin County, Ohio, and bounded and described as follows:

"FIRST PARCEL. Being part of Inlot number Six Hundred and thirty nine (639) in said city, as the same is numbered and delineated upon the recorded plat of the city of Columbus, Ohio, of record in Deed Book F, page 332, Recorder's Office, Franklin County, Ohio. Commencing at a point in the north line of said Inlot, thirty nine and one fourth feet ( $39 \frac{1}{4}$ ) east of the northwest corner of said Inlot thence easterly along the north line of said Inlot fifty four and one half ( $54 \frac{1}{2}$ ) feet to a point; thence southerly on a line parallel with the east and west lines of said Inlot, sixty two and one half ( $62 \frac{1}{2}$ ) feet to a point in the south line of said Inlot, thence westerly along the south line of said Inlot, fifty four and one half ( $54 \frac{1}{2}$ ) feet to a point; thence northerly on a line parallel with the east and west lines of said Inlot sixty two and one half ( $62 \frac{1}{2}$ ) feet to the place of beginning. Said parcel having a frontage of fifty four and one half ( $54 \frac{1}{2}$ ) feet on Gay Street and a depth of sixty two and one half ( $62 \frac{1}{2}$ ) feet;

"SECOND PARCEL. Being the west one half of Inlot Number Six Hundred and thirty eight (638) in said city as the same is numbered and delineated upon the recorded plat thereof, of record in Deed Book F, page 332, Recorder's Office, Franklin County, Ohio, and having a frontage of sixty three and eight hundredths



(63.08) feet on Lazelle Street, and a depth of ninety three and seventy five hundredths (93.75) feet;

"Also, to the extent not described in the two preceding paragraphs, the entire four-story and basement building located at and known as 135-141 East Gay Street and the entire one-story garage building located at and known as 40-46 North Lazelle Street, together with all the lands upon which said buildings are situated,

"will not be needed in connection with the operation and maintenance of Ohio Turnpike Project No. 1;

"FURTHER RESOLVED that the Commission deems it in its best interest to sell said real estate hereinabove described and adopts this resolution pursuant to §713 of the trust agreement dated June 1, 1952, entered into between the Ohio Turnpike Commission and The Ohio National Bank of Columbus, trustee, and The National City Bank of New York (now The First National City Bank of New York), as co-trustee;

"FURTHER RESOLVED that the Commission's chairman is hereby authorized and empowered to negotiate for the sale of said real estate hereinabove described and to consummate said sale on behalf of the Commission for such price as the Commission shall approve, provided, however, that the consulting engineer shall first approve this resolution; and

"FURTHER RESOLVED that the proceeds of said sale shall be paid to the trustee to be held for the credit of the construction fund pursuant to said §713 of the trust agreement, and that the comptroller is hereby directed, immediately upon the consummation of said sale, to notify the trustee thereof and to notify the trustee of the amount and disposition of the proceeds thereof as hereinabove directed."

The Chairman said that an expert appraisal was being made of the building so that its true market value in cash would be the information of the Commission in the near future.

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

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

Nays: None.

The Chairman declared the resolution adopted.

Resolution No. 35-1956 amending Article IV, Sections 1.00, 3.00, and 4.00 of the Commission's Code of Bylaws was moved for adoption by General Beightler, seconded by Mr. Teagarden, as follows:

Resolution No. 35-1956

"WHEREAS the Commission has resolved to move its principal office to the administration building located in Cuyahoga County, Ohio;

"NOW, THEREFORE, BE IT

"RESOLVED that §§1.00, 3.00, and 4.00 of article IV of the code of bylaws be amended, effective July 1, 1956, to read as follows:

'Sec. 1.00 Principal Office. The commission's principal office shall be within the limits of Cuyahoga County, Ohio.'

'Sec. 3.00 Office Hours. Unless and except as the commission shall otherwise specifically direct, its principal office shall be open from 8:00 A. M. to 5:00 P. M. on all days except Saturdays, Sundays, and holidays, and on Saturdays which are not holidays and do not immediately follow holidays falling on Friday shall be open from 8:00 A. M. to 12:00 M., eastern standard time. Other offices shall be open during such hours as the commission shall direct, or, in the absence of direction by the commission, as the executive director shall direct.'

'Sec. 4.00 Hours of Work. Except as may be otherwise provided in an employee's contract of employment, the normal, average workweek of salaried employees shall be of forty hours' duration,

exclusive of lunch periods. Department heads and professional employees shall devote such time to their work as is necessary adequately to discharge their responsibilities. Employees performing their services at the commission's principal office (other than employees whose services are employed in connection with the maintenance of traffic on the days hereinafter described, custodians, and janitors) shall not be required to work on days on which the office is closed, as above in Sec. 3.00 provided. Every employee shall be permitted to take time off for voting in public elections, to the extent reasonably necessary in each case under the circumstances thereof. The pay of salaried employees shall not be reduced on account thereof."

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

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

Nays: None.

The Chairman declared the resolution adopted.

Resolution No. 36-1956 authorizing the payment of severance pay to certain employees was moved for adoption by Mr. Teagarden, seconded by Mr. Allen, as follows:

Resolution No. 36-1956

"WHEREAS the Commission deems it advisable to offer an inducement in the form of severance pay to certain of its employees who are not removing from Columbus, or who are not permanently so removing, in connection with the consolidation of the Commission's headquarters, to remain in its employ until the closing of the office in Columbus or temporarily to transfer to the administration building in Cuyahoga County;

"NOW, THEREFORE, BE IT

"RESOLVED that, in addition to his regular salary, each non-supervisory employee, as such personnel is defined

in article V, §2.00 of the Commission's code of bylaws, attached to the Commission's headquarters who remains in the active employ of the Commission until the closing of the headquarters office in Columbus, as an inducement so to remain, shall receive severance pay equal to one-third of his regular monthly salary, which severance pay shall be payable at the termination of such employee's employment which shall be not earlier than June 30, 1956, and not later than August 31, 1956. Any employee who is discharged for cause, or who resigns prior to the closing of the office in Columbus, or who agrees or has agreed to accept a permanent transfer to the administration building, or who was employed subsequent to May 7, 1956, shall not be entitled to such severance pay. Such severance pay shall be in addition to regular salary and to the terminal pay in lieu of vacation provided in §3.50 of article VI of the code of bylaws. The purpose of offering severance pay being to induce employees to remain with the Commission until the headquarters office in Columbus is officially closed, any employee may indicate his acceptance of such offer only by remaining in the employ of the Commission until said headquarters office is officially closed; and

"FURTHER RESOLVED that the comptroller is hereby authorized to determine which of the Commission's employees have accepted the foregoing offer and to make payment of the prescribed severance pay to such employees with his final pay check from the Commission."

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

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

Nays: None.

The Chairman declared the resolution adopted.

Resolution No. 37-1956 authorizing the payment of per diem expenses and the providing of transportation to certain employees accepting transfers to the Administration Building was moved for adoption by Mr. Linzell, seconded by General Beightler, as follows:

Resolution No. 37-1956

"WHEREAS in connection with the consolidation of the headquarters office with the administration office, the services of certain employees will be required only temporarily;

"WHEREAS certain employees whose services are required on a permanent basis will encounter difficulties in removing their households to the vicinity of the administration building and, therefore, will be unable to effect such removal contemporaneous with the consolidation of the headquarters office with the administration office; and

"WHEREAS the Commission deems it advisable to reimburse such temporary employees and permanent employees for their increased and extraordinary living expenses and to provide transportation to and from Columbus;

"NOW, THEREFORE, BE IT

"RESOLVED that each employee who agrees to accept a transfer to the administration building, in addition to his regular salary, shall be paid his expenses at the rate of \$8.00 per diem, five days per week, and shall be furnished transportation for a round trip between the administration building and Columbus each weekend, until such time as such employee's employment is terminated, or until such time as he relocates his residence from Columbus, provided that no per-diem expenses shall be paid to any employee pursuant to this resolution after August 31, 1956; and provided further that this resolution shall in no way derogate the right of any employee to receive reimbursement for his actual expenses while traveling upon commission business, except that no employee shall receive both per-diem expenses and actual expenses for the same period; and

"FURTHER RESOLVED that the comptroller is hereby authorized to make payment of the per-diem expenses hereinabove provided to each employee entitled thereto."

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

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

Nays: None.

The Chairman declared the resolution adopted.

The General Counsel reported that since the Commission had last met, a petition had been filed in the Supreme Court of Ohio seeking a writ of prohibition. She said that copies of the petition had been sent to all of the members. She said further that the purpose of that action was to seek an order prohibiting the Fulton County Court of Common Pleas from further hearing the case of the Indiana Equipment Company vs. the Ohio Turnpike Commission, it being the Commission's contention that the Fulton County court lacked jurisdiction. She said that the Indiana Equipment Company case was one in which the company had filed certain purported attested accounts with the Commission and was claiming a lien upon the moneys owed by the Commission to the prime contractor, Terry & Wright, Inc. and Calumet Paving Co. She said also that the Supreme Court had issued an alternative writ temporarily prohibiting the Fulton County Common Pleas Court from proceeding further in the Indiana Equipment case. She said that answer date in the Supreme Court action was June 30, 1956. She said also that under the attested-account statutes, a claimant was permitted to file his account, or claim, with the public authority constructing the work against the funds allegedly owed by said authority to the contractor, rather than against real property. She said that the proceeding was one similar to that of the familiar mechanics lien, under which a lien might be filed against the real property of a private owner.

The General Counsel reported further on the two suits to which the Chairman had adverted earlier in the meeting. She said that one of them had been filed against the Commission by Terry & Wright, Inc., and Calumet Paving Co., a prime contractor, seeking a judgment of approximately \$800,000. She said that of that amount approximately \$354,000 was involved in the suit brought by the Indiana Equipment Co. She said that the \$354,000 had been withheld by the Commission because of purported attested accounts filed with it by various claimants. She said also that approximately \$400,000 of the remainder constituted the retained percentage under the contract with the prime contractor, and that the balance of approximately

\$36,800 was the amount actually in dispute in that case.

The General Counsel reported further that the D. W. Winkelman Co., Inc., and D. W. Winkelman Carolina Co. had filed a suit against the Commission seeking judgment in the amount of \$1,500,000. She said that of that amount, approximately \$500,000 represented the retained percentage under the contract with the plaintiff. She said that the plaintiff was asking the balance as damages. She said that the petition contained some 27 causes of action and that the claims all fell into three principal categories. The General Counsel said further that with the exception of one category which was comprised of minor claims in the amount of \$17,000, the other claims had been presented to the Commission only several days prior to the filing of the suit so that, obviously, the Commission's staff had not had sufficient time to review them carefully. She said that it was interesting that the contractor had not submitted all of the papers necessary for the final closing out of the contract and that she thought it could be presumed that the delay on the contractor's part had been due undoubtedly to the fact that the contractor had been preparing the claims for presentation to the Commission. She said that the delay had persisted in spite of the fact that the Commission had repeatedly written to the contractor asking that the papers be sent in.

Mr. Teagarden said to Mrs. Wilkins that she had done an excellent job and that everyone on the Commission was very proud of her and hoped that in the future her new venture, whatever it might be, would be successful.

Mrs. Wilkins expressed her thanks and added that it had been a real pleasure to be associated with the Commission. She said that the job had indeed been a challenging one and that she would miss the associations she had enjoyed in her work with the Commission.

The Acting Executive Director reported that under date of June 1, 1956 he had directed to the members a comprehensive report concerning the consolidation of the headquarters office in Columbus with the administration office in Strongsville. He said further that by official action at the meeting the Commission had accomplished certain recommendations which he had made in that report.

The Acting Executive Director reported further that he finally had received a recommendation from the Ohio Trucking Association with respect to rules and regulations concerning trucking company safety patrols. He said that those recommendations were quite similar to the rules and regulations which had been adopted tentatively by the Commission's committee working on that phase of Ohio Turnpike operations and that it appeared that it would be possible very shortly to have the safety patrols on the turnpike.

The Chairman thanked the Acting Executive Director for his report.

Mr. John J. Jenkins, Jr., a partner of J. E. Greiner Company, Consulting Engineers to the Commission, reported that the study which his firm was making on truck rates was progressing satisfactorily and that it expected the report to be ready for presentation to the Commission on June 15, 1956.

The Chairman said that the Commission had already asked the Comptroller and had asked Mr. E. J. Donnelly, a partner of J. E. Greiner Company, to consider what improvisations would be required and could be made to make any adjustments effective promptly. He said that he had asked Mr. Donnelly to include in the recommendations to the Commission suggestions as to the improvisations which could be made, in the event that adjustments were recommended, to make those adjustments effective prior to the receipt of new tickets, which would require perhaps 45 days. He said that the Consulting Engineers might deliver the report to the Chairman of the Commission on June 15. He said further that the report would be delivered to the members so that they would have an opportunity to consider over the weekend and, unless there should be some great urgency, the Commission would expect to meet on June 19, and at that time take action and very promptly after that to make effective any changes which would be warranted. The Chairman thanked Mr. Jenkins for his report.

Resolution No. 38-1956 ratifying actions of Administrative Officers was moved for adoption by Mr. Teagarden, seconded by Mr. Allen, as follows:



Resolution No. 38-1956

"WHEREAS the acting executive director, assistant to the executive director, chief engineer, assistant chief engineer, general counsel, assistant secretary-treasurer, comptroller, chief, right-of-way department, and the 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 May 1, 1956, are hereby ratified, approved, and confirmed."

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

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

Nays: None.

The Chairman declared the resolution adopted.

The Chairman said that when he had left the room for a while it had been to take a telephone call from His Excellency the Governor of Ohio to affirm that he would expect to make some comment upon the prospects of construction by agencies of the state of all or portions of the proposed second Ohio Turnpike project. The Chairman said that the Governor also had said that he would hope that the Turnpike Commission would be able to finance as a revenue-bond project whatever portions the state would not be able to accommodate.

There being no further business to come before the meeting, a motion was made by Mr. Linzell, seconded by General Beightler, 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, Beightler, Allen, Teagarden, Shocknessy.

Nays: None.

The Chairman declared the meeting adjourned.

The time of adjournment was 12:25 p. m.

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



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A. J. Allen, Secretary-Treasurer.