

MINUTES OF THE ONE HUNDRED EIGHTEENTH MEETING  
July 12, 1957

Pursuant to call of the Chairman on July 8, 1957 issued in accordance with bylaws, the Ohio Turnpike Commission met in special session at its headquarters at 8080 Prospect Road in Berea, Ohio at 1:45 p. m. Eastern Standard Time on July 12, 1957 with the key members of its staff, representatives of the Consulting Engineers, of the Trustee, the Secretary to the Governor, 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: Beightler, Teagarden, Chastang, Shocknessy.

Absent: Director of Highways. The Secretary to the Governor represented the Director of Highways.

The Chairman announced that a quorum was present.

A motion was made by General Beightler, seconded by Mr. Teagarden, that the minutes for the meeting of May 24, 1957 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 present responded to roll call. The vote was as follows:

Ayes: Beightler, Teagarden, Chastang, Shocknessy.

Nays: None.

The Chairman declared the motion carried.

A motion was made by Mr. Chastang, seconded by General Beightler, that a resolution be adopted nominating and electing officers of the Commission, as follows:

Resolution No. 19-1957

"RESOLVED that the following officers be nominated and

elected, each to serve until July 1, 1959, and until his respective successor is elected and qualified; provided, however, that should any officer hereby elected, who is now a member or employee of the Commission cease to be such member or employee, the term of such officer shall terminate at such time as he ceases to be such member or employee:

"For Chairman James W. Shocknessy

"For Vice Chairman O. L. Teagarden

"For Secretary-Treasurer Robt. S. Beightler

"For Assistant Secretary-Treasurer John Soller"

The Chairman announced that each office would be voted on separately. The roll was called on the office of Chairman and the members present designated their choices as follows:

Mr. Chastang: Mr. Shocknessy.

General Beightler: Mr. Shocknessy.

Mr. Teagarden: Mr. Shocknessy.

Mr. Shocknessy: Mr. Shocknessy.

The Chairman declared Mr. James W. Shocknessy elected as Chairman.

The roll was called on the office of Vice-Chairman and all members present expressed their choices as follows:

Mr. Chastang: Mr. Teagarden.

General Beightler: Mr. Teagarden.

Mr. Teagarden: Mr. Teagarden.

Mr. Shocknessy: Mr. Teagarden.

The Chairman declared Mr. O. L. Teagarden elected as Vice-Chairman.

The roll was called on the office of Secretary-Treasurer and all members present designated their choices as follows:

Mr. Chastang: General Beightler.

General Beightler: General Beightler.

Mr. Teagarden: General Beightler.

Mr. Shocknessy: General Beightler.

The Chairman declared Robert S. Beightler elected as Secretary-Treasurer.

The roll was called by Mr. Chastang on the office of Assistant Secretary-Treasurer and all members present designated their choices as follows:

Mr. Chastang: Mr. Soller.

General Beightler: Mr. Soller.

Mr. Teagarden: Mr. Soller.

Mr. Shocknessy: Mr. Soller.

The Chairman declared John Soller elected as Assistant Secretary-Treasurer.

The Chairman declared the resolution adopted. The resolution was identified as No. 19-1957.

The Chairman thanked the members and said that he would try to give the best service he could during his fifth term. He said it had always been a pleasure to work with the other officers of the Commission and the Staff of the Commission and the non-officer member and the Secretary to the Governor.

The Chairman reported that an editorial titled "No Time to Relax" had been carried in the Cleveland Plain Dealer of July 10, 1957. He read the editorial as follows:

"A marvelous chapter in safety achievement ended Saturday. Early that morning the Ohio Turnpike had the first fatality on a long holiday weekend in its history.

"On this basis, it's hard to find fault with near perfection. In order to rack up such a mark, it took a combination of alert driver performance, observance of the rules and strict enforcement. But people tend to relax. They did Monday. One of our colleagues drove the pike and had this to report:

"NOT a single patrol car between Sandusky and Cleveland (60-odd miles), either west or eastbound. This between 3 and 4 p.m.

"ONE lone highway patrol vehicle (westbound) in the 39-mile Toledo-Sandusky stretch.

"RESULT - a holiday for speeders.

"Three out of every four cars (with no preponderance of either Ohio or out-of-state violators) whizzed past those who stuck rigidly to the 65 mile-per-hour limit.

"Granted, it was possible to overlook the patrols. They must cover the service plazas and interchanges routinely as well as guarding the pike itself. Nevertheless, coverage is calculated to put one car on each 25-mile stretch (both ways) at all times. In a 100-mile segment, the most one could see would be four patrols. At any given time, a driver should actually see only half that number because a patrol would be either ahead or behind.

"Even so, something was amiss Monday. If only for psychological reasons, the patrol's guard must have been somewhat relaxed after the busy weekend.

"We find it curious that the pike does not employ radar for enforcement purposes. It is used as an occasional check of speed averages but not to make arrests. The patrol says it isn't needed, that a large enough percentage of motorists obeys the law without resort to radar.

"Tactics of other states also bear imitation. On the Pennsylvania pike patrols work in tandem. One trails the other car by a quarter mile. When the first car turns off, speeders try to make hay, only to be nabbed by the officer behind. It's a good method but is not done here except by happenstance.

"Any method securing compliance is and should be

justified. There can be no compromising with death. "

The Chairman said he respected the concern that the Plain Dealer's staff man had experienced when he was on the turnpike and failed to see any patrolmen. He said he would feel assured, however, in saying that probably the patrolmen whom he failed to see were not on the turnpike on July 8, 1957 because they were in courts along the turnpike that day, probably as arresting officers presenting their testimony to the courts considering the violators of law who were arrested on the turnpike over the holiday period. Lieutenant John L. Bishop, Commander of District 10 of the Ohio State Highway Patrol, said the Chairman's explanation was correct. He said that about 50 traffic violations had been prosecuted in the course of the day mentioned in the editorial. The Chairman said he had no doubt that the Plain Dealer would be glad to concede the validity of the officers being off the turnpike for that purpose. He said he knew of no accidents that had occurred on that day from speed or other causes. Lieutenant Bishop said that no accidents of any serious nature had occurred. He said the patrol had not been relaxing on that day as the Plain Dealer had thought.

The Chairman said he had told Colonel Fred Moritz, Commander of the Ohio State Highway Patrol, the day before that if there was any concern in the patrol that adequate patrolmen were not provided under the contract between the Commission and the Patrol, of course, a recommendation for more patrolmen would be given consideration by the Commission and no doubt would receive its approval. He said that the accident which was mentioned in the Plain Dealer editorial which had occurred on the previous Saturday had been the only one on the Ohio Turnpike over the July 4 holiday period. Lieutenant Bishop said the victim of the accident was alone in the vehicle involved in the accident and the patrolman who had investigated the accident had learned he had gotten earlier that spring a discharge from the army as the result of a court martial held because of his use of narcotics. He said the coroner had made an examination and had reported to the patrol his opinion that the driver had not been under the influence of narcotics of liquor at the time of the accident. Lieutenant Bishop said the supposition was that the driver probably had fallen asleep. The Chairman said he was inclined to think that the accident represented a special case. He said he regretted terribly that it had happened; that he doubted that anything in the world would have saved the driver regardless of how many patrolmen there had been on the turnpike that day. He said further that he had wanted in the presence of the whole Commission to discuss with Lieutenant Bishop the matter of the Plain Dealer's anxiety about the distribution of patrolmen on the turnpike. He said

that no one had more deference to the profound concern which the newspapers of Ohio indicated about the Commission affairs than he did. He said he sought the assistance of the newspapers when the Commission was in trouble and he liked to respect the admonitions, questions, and anxieties expressed by the newspapers.

The Chairman said also that the Plain Dealer editorial had made a point about the use of radar and the tactics of other states bearing imitation. He asked Lieutenant Bishop whether the patrol had given consideration to the use of radar. Lieutenant Bishop replied that the patrol had used radar for a number of years on public roads but had principally and primarily confined its use to high accident frequency areas and areas in which the Director of Highways upon competent recommendation had seen fit to establish reduced speed zones because of an assembly of residences, business places, and numerous access driveways. He said radar was not used in what might be called a promiscuous fashion on the open public roads.

The Chairman said he had asked Colonel Moritz to prepare a letter to the Plain Dealer if he considered it appropriate advising of the methods and disciplines of the Patrol on the Ohio Turnpike. He suggested to Lieutenant Bishop and to the Deputy Executive Director that they confer and give Colonel Moritz and the Commission the benefit of their conclusions.

Lieutenant Bishop said the Patrol too was concerned about circumstances that made it possible for persons to drive a considerable distance on the turnpike without seeing a patrol car. He said that in the patrol's study of its enforcement activities to that date on the turnpike each traffic violator prosecuted had required about one hour of the time of the officer involved and a goodly portion of that time was off the turnpike. He said the patrol wished it knew a way to avoid that but the statutory requirements in that respect were specific and the patrol knew of no legal or proper way to do otherwise. The Chairman said that he was of the opinion that if there were any loopholes in enforcement on the Ohio Turnpike which could be sensibly plugged they would be plugged. He said he had the greatest confidence in Lieutenant Bishop and in Colonel Moritz and in the Commission's own operating staff.

The Chairman reported further that revenue during June had been in excess of \$2,157,000. He said the Commission was extremely proud of that revenue and that it was safe to say the Commission had suffered no shrinkage at all because of the increase in rates.

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

- (1) Detail of investment transactions for June 1957.
- (2) Draft of the minutes of the May 24, 1957 meeting.
- (3) Traffic and revenue report for June 1957.

He reported further that during the first half of the year the increase in passenger car traffic both in numbers and percentagewise had been greater west of Toledo than any other part of the turnpike. He said the smallest increases had been east of Warren. He said the greatest increase in numbers of commercial vehicles had been between North Olmsted-Cleveland Interchange and Stony Ridge-Toledo Interchange. He said that percentagewise the best increase on commercial vehicles had been between Maumee-Toledo Interchange and Bryan-Montpelier Interchange where the increase had exceeded 100%. He said the increases east of Warren had been entirely satisfactory but had not been as great as the increases elsewhere for the very good reason that there had not been the area for improvement because a large section of the road east of Warren had been open for business longer than the rest of the turnpike.

The Assistant Secretary-Treasurer reported further that about noon on July 1, 1957 the twentieth million revenue vehicle had entered the Ohio Turnpike.

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

At the suggestion of the Chairman of the Committee on Service Plazas the Chairman called on John Lansdale, Jr., special counsel to the Commission, to report upon the negotiations which he had conducted for the Commission with Olympic Commissary Company.

Mr. Lansdale reported that the controversy with the Olympic Commissary Company had been settled subject to ratification by the Commission. He said that at the last meeting the Commission had canceled the contract between the Commission and the Company. He said that thereafter within a few days the Commission had been sued by the Company for injunctive relief to prevent the Commission from taking action to force the discontinuance of the Company's operation and also for damages for loss of profits in Ohio and elsewhere of

\$2,250,000. He said that a few days before the situation had seemed right to discuss a settlement of the differences between the Commission and the Company and therefore after consultation with Members of the Commission he had entered into those negotiations. He said that the day before he had presented to the Members of the Commission individually the main terms of the settlement and pursuant to the authority given by the individual Members of the Commission he had agreed to the settlement subject to formal ratification by the Commission. Mr. Lansdale said also that there was being presented to the Commission at the meeting a resolution to which a copy of the agreement of settlement was attached. He said that in brief the agreement provided that on July 31, 1957 Olympic Commissary Company should cease its operations on the turnpike and the Commission would take the restaurants over. He said the Commission would, as part of the compromise, take over the business of the Company and the Company would transfer to the Commission all its property, including equipment, used in connection therewith. He said the Commission would pay to the Company the sum of \$525,000 and would pay the Company for its then current inventory of supplies at whatever the actual cost had been as determined by audit. He said the Company would dismiss its action against the Commission. He said it was a complete settlement of all the dispute between the Company and the Commission. He said he recommended the settlement to the Commission as being in its best interest. He said his firm, Squire, Sanders & Dempsey, Fiscal Counsel to the Commission, had given to the Commission its opinion that the settlement of the litigation and other disputes was within the power of the Commission to make. He said it was a just and fair settlement. He said the Commission would assume management of the restaurants at midnight on July 31, 1957, and that the settlement provided that there should be close cooperation in the interim between the Commission and the Company so that there might be no disruption of service, and that the Commission would employ as of August 1, 1957 all personnel of Olympic on the turnpike below the level of District Manager.

Mr. Chastang asked Mr. Lansdale if he had an opinion as to the value of the equipment involved. Mr. Lansdale replied that while there had been no expert opinion obtained he was advised that, based upon a consideration of present day prices of the equipment listed in the agreement, the amount of the settlement appeared to approximate very closely the actual value of the equipment.

In response to questions by the Chairman Mr. Lansdale said the agreement had been executed by Olympic Commissary Company and by him as representative of the Commission, and that an opinion from Baker, Hostetler & Patterson that the officer of the Company who had



signed the agreement was authorized to do so would be delivered at the closing. He said a closing date had been provided because of the various instruments that had to go back and forth. Mr. Charles D. Johnson of Baker, Hostetler & Patterson, who was present, said the firm had been advised by telephone that morning that the necessary corporate action was being taken to ratify the signature of Mr. Lawrence M. McDermott, who was Secretary of the Olympic Commissary Company. He said Mr. McDermott had been the officer who had been present and who had executed the agreement. He said Mr. McDermott had informal authority as an officer of the Company which would permit him to bind the Company. He said there was not the slightest doubt in his mind about that and he assured the Commission that Mr. McDermott did have the authority and in accordance with that authority had executed the agreement. Mr. McDermott, who was present, advised the Commission that he had adequate authority to execute the agreement.

The Chairman said the agreement provided that an audit was to be made by a mutually selected firm which would reconcile the equipment against the list of equipment in the agreement. Mr. Lansdale said the results of the inventory would be checked against the chattel mortgage which covered all the equipment.

The Chairman said it was not the Commission's purpose to be in the restaurant business any longer than was necessary but it appeared practicable from all standpoints that the compromise be effected so there would be no interruption of service to the public.

A motion was made by Mr. Chastang, seconded by Mr. Teagarden, that a resolution be approved ratifying the compromise of litigation between Ohio Turnpike Commission and Olympic Commissary Company, as follows:

Resolution No. 20-1957

"WHEREAS by Resolution No. 16-1957, adopted by the Commission June 20, 1957, the Commission cancelled the contract between the Commission and Olympic Commissary Company under the provisions of Section 31 of said contract;

"WHEREAS the Olympic Commissary Company thereupon brought suit against the Commission in the Court of Common Pleas of Cuyahoga County, being cause No. 698074 on the docket of that Court and entitled Olympic Commissary Company vs. Ohio Turnpike Commission, in which suit Olympic Commissary Company sought an injunction against

the cancellation of said contract becoming effective and against the Commission taking any action to interfere with or impede the operation by Olympic Commissary Company of six restaurants on the Ohio Turnpike, and said cause is set for hearing upon motion for temporary injunction July 15, 1957, and said suit prays also for damages against the Commission in the sum of \$2,250,000 for claimed loss of profits in Ohio and elsewhere and inability to assign its contractual rights because of action of the Commission.

"WHEREAS counsel for the Commission previously informed the Commission that said action and all other disputes and differences between the Commission and Olympic Commissary Company could be settled and compromised, but only upon the condition that as a part of said compromise the Commission acquire the equipment of Olympic Commissary Company used by it in the operation and maintenance of restaurants on the Ohio Turnpike, acquire said Olympic Company's trade inventory, and assume certain short-term commitments of said Olympic Commissary Company with respect to the operation of the restaurants, all substantially upon the terms set out in the attached contract of settlement marked Exhibit 1 and made a part hereof;

"WHEREAS the Commission finds that the acquisition of the property and the assumption of the commitments aforesaid are necessary to effect said compromise;

"WHEREAS counsel for the Commission, pursuant to authority previously given him, on behalf of the Commission compromised and settled its litigation and other disputes and differences with Olympic Commissary Company upon the terms of settlement as set out in Exhibit 1, subject to ratification by the Commission;

"NOW, THEREFORE, BE IT

"RESOLVED that the act of John Lansdale, Jr., counsel for the Commission, in effecting a compromise of the litigation now pending between the Commission and Olympic Commissary Company and settling all other disputes and differences between the Commission and said Olympic Commissary Company substantially upon the terms and conditions set out in the contract of settlement attached hereto marked Exhibit 1 hereby is ratified and confirmed. "

"CONTRACT OF SETTLEMENT OF LITIGATION BETWEEN OLYMPIC COMMISSARY COMPANY AND OHIO TURNPIKE COMMISSION, BEING OLYMPIC COMMISSARY COMPANY v. OHIO TURNPIKE COMMISSION CAUSE NO. 698,074, COMMON PLEAS, CUYAHOGA COUNTY, OHIO, FOR INJUNCTIVE RELEASE AND DAMAGES IN THE AMOUNT OF \$2,250,000.

" 1. The contract dated January 28, 1955, between Ohio Turnpike Commission and Olympic Commissary Company for the operation of six restaurant facilities and the lease of portions of buildings on Ohio Turnpike at Service Plazas 1, 2 and 3, which are the six most easterly restaurants located in Cuyahoga, Portage and Mahoning Counties, is by mutual consent, terminated as of midnight July 31, 1957, and this memorandum shall exclusively govern the rights and obligations of the parties with respect to its termination.

" 2. Olympic Commissary Company will transfer to Ohio Turnpike Commission as of midnight July 31, 1957, all of its tangible property of whatever nature held or used by it for the operation or maintenance of its said restaurant facilities or the discharge of its obligations under said contract, excluding the equipment of its Youngstown and Chicago offices. Said tangible property consists generally of (a) furniture, fixtures, kitchen equipment, storage equipment, restaurant equipment, and maintenance equipment used in the operation of the restaurants, a list of which is attached hereto, marked Exhibit A, and made a part hereof, and (b) inventories of food supplies, gift shop goods and other consumable items used in the operation and maintenance of the restaurants and associated gift shops. Except for the lien of a certain chattel mortgage held by Chicago National Bank of Chicago, Illinois, and obligations to The Borden Company and National Cash Register Company hereinafter referred to, Olympic Commissary Company warrants that it has a good and unencumbered title to all such property.

" 3. On July 31, 1957, the case of Olympic Commissary Company vs. Ohio Turnpike Commission, being cause No. 698074 on the docket of the Court of Common Pleas of Cuyahoga County, Ohio, will be dismissed and the entry made: 'settled and dismissed with no costs to either party'.

" 4. At the closing Ohio Turnpike Commission will pay, or cause to be paid into escrow as hereinafter provided (a) the sum of \$525,000 in full settlement of all claims of Olympic Commissary Company against Ohio Turnpike Commission, including without limiting the generality of the foregoing, the claims made in the case of Olympic Commissary Company v. Ohio Turnpike Commission hereinabove referred to, except those mentioned in paragraph 12 hereof. It is expressly agreed, however, that no payment is being made on account of loss of profits claimed to result from action of Ohio Turnpike Commission, which claim is nevertheless hereby released and abandoned; and (b) 90% of the cost of Olympic Commissary Company's inventory in the category designated (b) in paragraph 2 above as of the

day preceding the closing as certified by a responsible officer of Olympic Commissary Company.

" 5. At the closing, Olympic will deliver a full and complete satisfaction and discharge of the chattel mortgage held by Chicago National Bank on its restaurant facilities in use on the Ohio Turnpike and promptly thereafter will cause the same to be recorded in all places at which the said chattel mortgage is recorded and will deliver satisfactory releases by Borden Company and National Cash Register Company.

" 6. At the closing, Olympic will produce satisfactory evidence of the payment of all Ohio franchise taxes. A dispute exists between Olympic Commissary Company and the counties of Cuyahoga, Portage and Mahoning Ohio, as to whether personal property taxes are owing by Olympic to said counties. Olympic will pay into escrow the amount claimed by said counties to be due to abide the final determination of such disputes.

" 7. Ohio Turnpike Commission will assume, as of midnight July 31, 1957, all commitments of Olympic Commissary Company set out in Schedule B attached hereto and made a part hereof.

" 8. Promptly after the closing, an inventory of the items referred to in (b) of paragraph 2 hereof will be taken as of midnight, July 31, 1957, and Olympic Commissary Company's cost thereof will be determined by an audit of Olympic's books. In addition, an audit will similarly be made of Olympic Commissary Company's gross revenues as defined in the contract referred to in paragraph 1 hereof from July 31, 1956 to July 31, 1957, and a determination made of the amount of Rent, if any, due and owing Ohio Turnpike Commission under said contract as of July 31, 1957. Within one week after the completion of such inventory and audit, the difference between 90% of Olympic's certified book cost of such items, paid at the closing, and the amount disclosed by said inventory and audit to be due shall be paid by Ohio Turnpike Commission into escrow as hereinafter provided, or by Olympic Commissary Company into said escrow, as the case may be and the amount of Rent shown by said audit to be due and owing Ohio Turnpike Commission shall be paid by Olympic Commissary Company into said escrow. Said inventory and audit shall be made by Messrs. Harris, Kerr, Forster & Company who shall determine the time and method thereof and whose written determination of the results thereof shall be conclusively binding on the parties hereto. The cost of such inventory and audit shall be borne equally by the parties. Each of the parties will make fully available to Messrs. Harris, Kerr, Forster & Company its books and records and fully cooperate with them in making such inventory and audit.

" 9. The closing will be at 2:30 p.m., July 31, 1957, at Union Commerce Building. All closing documents and all funds payable by either of the parties hereunder will be delivered to The Cleveland Trust Company (or any other bank or trust company mutually agreed upon) under escrow instructions to be drafted in accordance with this agreement.

" 10. It is contemplated that Ohio Turnpike Commission will assume the operation of said restaurants so that service to the public may continue without interruption. Ohio Turnpike Commission agrees to take into its employ as of July 31, 1957, all persons employed by Olympic Commissary Company in its restaurant operations below the level of District Manager except those who are employed for a longer term than month to month. In order to facilitate the transfer of the operation, Olympic Commissary Company will cooperate and work with representatives of Ohio Turnpike Commission between the time of the execution of this memorandum and July 31, 1957, to insure that the transfer is made without interruption of service or disruption of the operation.

" 11. Ohio Turnpike Commission agrees that it will not use the names Olympic House, Olympic Commissary Company or any similar name in the operation of said restaurants after July 31, 1957, and will promptly after said date remove or obliterate all signs or other designations in or about said restaurants carrying such names.

" 12. Ohio Turnpike Commission has certain claims against Olympic Commissary Company relating to the installation of the latter's equipment in the restaurant buildings on the Turnpike and the alteration of the buildings at Olympic's request. Olympic Commissary Company has certain claims against Ohio Turnpike Commission relating to delays in the completion of the restaurant buildings. All such claims are deemed to be set off and fully compensated.

" 13. The parties do hereby release one another from any and all claims of whatsoever nature and howsoever arising which they may have the one against the other, including but without limiting the generality of the foregoing all claims made in the case of Olympic Commissary Company v. Ohio Turnpike Commission, Cause No. 698074 on the docket of the Court of Common Pleas of Cuyahoga County, and this mutual release shall extend to claims by or against the members, officers, or employees of Ohio Turnpike Commission or Olympic Commissary Company.

" 14. Olympic Commissary Company, at the closing, will

deliver the unqualified opinion of Messrs. Baker, Hostetler & Patterson that the execution and completion of this agreement is the duly authorized corporate act of Olympic Commissary Company and binding on said corporation and its officers. Ohio Turnpike Commission shall deliver the unqualified opinion of Messrs. Squire, Sanders & Dempsey that the execution and completion of this agreement is duly authorized or ratified by Ohio Turnpike Commission and that said Commission has the power to execute and carry out the same.

" 15. Olympic Commissary Company will promptly pay to Ohio Turnpike Commission the proceeds of any insurance collected by it on account of the loss by theft or casualty of any of the property included in category (a) of paragraph 2 hereof and said Olympic Commissary Company hereby assigns to Ohio Turnpike Commission all its right, title and interest in any such claim against its insurers.

" 16. At the closing, Olympic Commissary Company will deliver a Bill of Sale to Ohio Turnpike Commission of all tangible property referred to in Paragraph 2 hereof, and said Olympic Commissary Company will promptly comply with all reasonable requests, whether before or after the closing, of Ohio Turnpike Commission made to enable said Commission to comply with the Bulk Sales Law.

" 17. Between the time of the execution of this agreement and July 31, 1957, Olympic Commissary Company will fully maintain all of the tangible property referred to in (a) of Paragraph 2 hereof and listed in Exhibit A hereto and turn the same over to Ohio Turnpike Commission in as good condition as said property now is, reasonable wear and tear excepted, and said Olympic Commissary Company will maintain in full force and effect, until July 31, 1957, all insurance covering said property.

"Dated July 11, 1957.

"OLYMPIC COMMISSARY COMPANY

" Witness:

" /s/ K. Rex Jones

" /s/ Robert G. Stinchcomb

" Witness:

" /s/ K. Rex Jones

" /s/ Robert G. Stinchcomb

" By /s/ Lawrence M. McDermott  
Secretary

" OHIO TURNPIKE COMMISSION

" By /s/ John Lansdale, Jr.

It has been noted that pages 3273 through 3296 are missing. We know of no reason for this but it appears there actually are no pages missing because page 3297 shows approval of Resolution No. 20-1957 which was offered on the preceding pages.

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

Ayes: Chastang, Teagarden, Beightler, Shocknessy.

Nays: None.

The Chairman announced the vote as all four Members present having voted in the affirmative. He declared the resolution adopted. The resolution was identified as No. 20-1957.

The Chairman instructed Mr. Lansdale that he might advise Mr. Johnson formally at that time that the Commission had adopted the resolution and that the Commission had accepted the compromise as negotiated by Mr. Lansdale and by Baker, Hostetler & Patterson and Mr. McDermott and the officers of Olympic Commissary Company. He said to Mr. McDermott that in closing the subject he was sorry the Commission and Olympic Commissary Company had to part company, that they did not do so with any rancor, and that there would not be any thereafter.

General Beightler said the Committee on Service Plazas had been considering plans for the operation of the restaurants for an interim period and that Mr. William R. Anders of Cleveland who had been employed as Supervisor of Restaurants would take over the responsibility for the actual operation of the six restaurants which were then being operated by Olympic and which would be turned over to the Commission on midnight of August 1. He said Mr. Anders had spent his lifetime in the restaurant business and then was operating a restaurant in Cleveland which served some 2,000 people a day. He said Mr. Anders was a graduate of Cornell University in restaurant operations and the Committee felt he was quite well qualified to operate the restaurants. He said there certainly was not any desire on the part of the Committee to continue indefinitely the operation of the restaurants.

The Chairman thanked General Beightler for his report.

General Beightler presented Mr. Anders, who was present, to the Commission. The Chairman told Mr. Anders he had the Commission's best wishes and it needed his fullest cooperation.

The Chairman of the Committee on Claims reported that since the last meeting of the Commission the Committee had held conferences with the following claimants: The Joseph Bucheit and Sons Company, contractor for toll plazas 4 to 10 inclusive, on June 26, 1957; The W. B.



Gibson Co., contractor for service building contract SB-3, on June 26, 1957; Alden E. Stilson Associates, contracting engineers for design section D-17, on June 27, 1957; Campbell Construction Company, contractor for service building contract SB-2, on July 10, 1957, and Knappen, Tippetts, Abbot & McCarthy, contracting engineers for design section D-7, on July 11, 1957. He said matters discussed at those conferences were then under consideration and it was expected that recommendations to the Commission would be made.

The Executive Director reported that under the terms of the settlement of the litigation with Olympic Commissary Company the Commission had acquired title to the fixtures, furniture, and equipment installed by the Company. He said the contract for the operation of the six restaurants then being advertised provided that the successful bidder should furnish fixtures, furniture and equipment. He recommended that the Commission cancel the advertising and authorize the preparation of a new form of contract wherein the Commission would furnish to the successful bidder the fixtures, furniture and equipment then located in the six restaurant buildings. He recommended further that the manner of bidding be modified from a straight percentage on gross receipts to require an initial payment of \$250,000 and an agreement to pay \$250,000 over a period of five years, plus a percentage on gross receipts, plus reimbursement to the Commission for its investment in inventory at the date of transfer of possession of the restaurants to the successful bidder. He recommended also that the successful bidder be permitted to pay the \$250,000 over a period of five years in semi-annual installments bearing interest at the rate of 5% on the unpaid balance at the time of payment of any installment. He said it was deemed desirable to modify the cancellation provisions to include a provision for immediate cancellation and repossession by the Commission for any of its obligations to the Commission.

The Executive Director reported further that by resolution 13-1957 the Commission had approved a plan for the construction of a new water supply system for the Commodore Perry and Erie Islands Service Plazas. He said that pursuant to the authority granted by that resolution bids had been received for construction on June 28, 1957 from Oberer Construction Company of Dayton, which had bid \$159,977, and Henry B. Sherman and Associates of Lakewood, Ohio, who had bid \$178,000. He said investigation had indicated the Oberer Construction Company was financially sound and well qualified to perform the work. He said the bid had been submitted to Willard F. Schade and Associates, the designers of the system, and to the Commission's Consulting Engineers and both had recommended that an award be made to the Oberer Construction Company. He said the Chief Engineer had concurred in the

recommendation and the General Counsel had advised that the bid was proper in form. The Executive Director said he had reviewed the bids and qualifications of the bidders and concurred in the conclusion reached by the others and, accordingly, in the absence of an objection by the Commission would award a contract to the Oberer Construction Company for the construction of a new water line for Commodore Perry and Erie Islands Service Plazas. He said the latest estimate for the work was \$172,000, the completion date for the work was November 15, 1957, and the cost of the work was within the budget. The liaison engineer of the Consulting Engineers who was present said the award as proposed by the Executive Director was agreeable to the Consulting Engineers. The Executive Director said the investment in the water line would be amortized over a short period of time by the sale of water to the concessionaire.

A motion was made by General Beightler, seconded by Mr. Teagarden, that a resolution be approved cancelling bids for contract TR-1 and authorizing advertising for contract TR-1A, as follows:

Resolution No. 21-1957

"WHEREAS the Commission has heretofore, by and in its Resolution No. 17-1957, approved contract documents and provided for advertising for a contract for the operation of the six easternmost restaurants on the Ohio Turnpike and such advertisements have accordingly been made;

"WHEREAS the Commission has this date approved a settlement of litigation relating to the operation of said restaurants in accordance with the Commission's Resolution No. 20-1957, and such settlement makes it desirable that the operation of said six restaurants be accomplished pursuant to a contract differing in certain respects from the contract which the Commission has advertised as aforesaid; and

"WHEREAS the Commission desires to cancel the receipt of bids for the aforesaid contract, designated contract TR-1, and in lieu of such contract, to solicit bids according to law for a contract to be designated contract TR-1A differing from said contract TR-1;

"NOW, THEREFORE, BE IT

"RESOLVED that the Commission's Executive Director and General Counsel be, and hereby they are, directed:

1. To cancel the receipt of bids and letting of said contract TR-1;
2. To advertise and solicit bids for a contract to be designated contract TR-1A; and
3. To cause advertisements for said contract to appear on or about July 19 and July 26, 1957, provide for the opening of bids on or about August 15, 1957 with an award, if any, to be made on or about August 30, 1957 and possession to be given the successful bidder on or about September 15, 1957;

"FURTHER RESOLVED that said contract TR-1A shall contain language deemed requisite and appropriate by the Commission's General Counsel to provide for an initial payment of \$250,000 to the Commission together with a further payment of \$250,000 in semi-annual installments over a period of five years, plus interest at 5% on the unpaid balances of said \$250,000, in addition to all payments presently provided for in the contract documents for contract TR-1 as heretofore approved;

"FURTHER RESOLVED that said contract shall contain language deemed by the Commission's General Counsel to be apt and sufficient to pass title to the tangible property, other than stock, used in the operation of said restaurants, to the successful bidder, and to provide for the sale of the then current stock to said bidder at cost;

"FURTHER RESOLVED that said contract shall contain provisions respecting its cancellation satisfactory to the Commission's Executive Director and General Counsel;

"FURTHER RESOLVED that subject to the foregoing modifications and changes, the documents heretofore approved for contract TR-1 are approved, ratified and confirmed for contract TR-1A aforesaid;

"FURTHER RESOLVED that addenda to contract TR-1A may be issued by or upon the authority of the Commission's Executive Director and General Counsel;

"FURTHER RESOLVED that the Commission's Executive Director shall take and open the bids for said contract and report the results thereof to the Commission. "

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

Ayes: Beightler, Teagarden, Chastang, Shocknessy.

Nays: None.

The Chairman announced that the resolution was adopted with all four Members present voting in the affirmative and the Secretary to the Governor giving his concurrence. The resolution was identified as No. 21-1957.

The Deputy Executive Director reported that the Inter-Turnpike Safety Committee had met at Harrisburg, Pennsylvania on the previous Wednesday. He said the subjects discussed had included rear lighting on trucks, the sleepy driver problem, and a uniform code of rules and regulations for the operation and regulation of passage on toll facilities. He said the Committee believed that the next step with respect to obtaining better rear lighting on trucks should be to encourage state police organizations and the Interstate Commerce Commission to make more night time studies of truck lighting and enforce actively existing laws relating to the problem. He said that with respect to sleepy drivers, which was a problem common to all toll roads, the Committee had concluded that special signs and lighting had proven ineffective and that there existed no better remedy than that of relentless publicity in newspaper, radio, television and magazine articles. He said also that the New Jersey Turnpike Authority was then experimenting with a device which broadcasted safety measures by means of a loud speaker placed beyond the toll plaza. He said that Authority had offered to lend one of the devices to the Ohio Turnpike Commission for experimental use. He said the next meeting of the Committee was scheduled to be held at the headquarters of the Ohio Turnpike Commission in October 1957. The Secretary to the Governor said that with respect to rear lighting of trucks there was the question of not only adequate bright lighting but of uniform type of lighting. He said passenger cars had almost a uniform height and width of lighting but trucks did not. He said he thought there had been some hesitation on the part of some of the agencies concerned to want to push toward a solution of the problem. He said he thought that once the trucking industry understood the problem it would be glad to cooperate.

A motion was made by Mr. Teagarden, seconded by Mr. Chastang, that a resolution be adopted ratifying actions of administrative officers, as follows:

Resolution No. 22-1957

"WHEREAS the executive director, deputy executive director, chief engineer, general counsel, assistant general counsel, secretary-treasurer, assistant secretary-treasurer, comptroller, maintenance engineer, 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 June 20, 1957, hereby are ratified, approved, and confirmed."

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

Ayes: Teagarden, Chastang, Beightler, Shocknessy.

Nays: None.

The Chairman declared the resolution adopted. The resolution was identified as No. 22-1957.


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

Ayes: Teagarden, Chastang, Beightler, Shocknessy.

Nays: None.

The Chairman declared the meeting adjourned. The time of adjournment was 3:12 p.m. Eastern Standard Time.

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

  
Robert S. Beightler, Secretary-Treasurer