

MINUTES OF THE ONE HUNDRED TWENTY-SIXTH MEETING
July 15, 1958

Pursuant to bylaws, the Ohio Turnpike Commission met in regular session at its headquarters at 8080 Prospect Road in Berea, Ohio at 1:10 P.M. Eastern Standard Time on July 15, 1958 with the key members of its staff, representatives of the Consulting Engineers, of Fiscal Counsel, of the Auditor of State, members of the press, and others in attendance. No representative of the Trustee, The Ohio National Bank, was present.

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, the
Director of Highways.

Absent: None.

The Chairman announced that a quorum was present.

The Chairman said to Mr. Charles M. Noble that the Commission was glad the Governor had appointed him Director of Highways and it congratulated him both on his appointment and his confirmation by the Ohio Senate. He expressed appreciation for all the things Mr. Noble had done already for the Commission. Mr. Noble expressed his thanks and said he appreciated being with the Commission as a member. The Chairman said it was the first time in 18 months the Commission had had five members. A motion was made by General Beightler, seconded by Mr. Teagarden, that the minutes for the meeting of May 15, 1958 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: Beightler, Teagarden, Noble, Chastang, Shocknessy.

Nays: None.

The Chairman declared the motion carried.

The Chairman reported that since the last meeting the Commission

had had a remarkable experience both over the Memorial Day weekend and the July Fourth weekend, both of which were very long and neither of which had produced a single fatal accident. He said once again it had been demonstrated that when the public was sufficiently alerted to the dangers inherent in congestion, with adequate policing and good engineering safety could be produced.

The Chairman said that in the absence of any questions the Chairman's report would be accepted as offered.

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 May and June 1958.
2. Financial Report as of May 31, 1958.
3. Traffic and Revenue Reports for May and June 1958.
4. Draft of the minutes of the May 15, 1958 meeting.

The Assistant Secretary-Treasurer reported further that on June 3rd the Commission had received from the Auditor of State a copy of "Report of Examination of the Ohio Turnpike Commission Covering Period from January 1, 1957 to December 31, 1957, Inclusive". He said that not only was there nothing in the report which could be construed as at all critical, but that at pages 37 and 38 the report read, in part, as follows:

"Your examiner feels that it would not be amiss in giving credit to the Ohio Turnpike Commission for their competent operation of the six restaurants. They raised the standard of food and service with very little loss in revenue."

The Chairman said the Commission was gratified that the Auditor of State had taken no exception to its affairs and had given it an express compliment, probably the first time it had had one in the annual report of the Auditor of State. He said that in the absence of any questions the report of the Assistant Secretary-Treasurer would be accepted as offered.

General Beightler, reporting as Chairman of the Service Plaza Committee, said the Committee had met to consider the matter of possible adjustment of food prices as requested by the several conces-

sionaires who were operating the Turnpike restaurants. He said no blanket adjustment of pricing had been made since the original specifications had been prepared early in 1955 although a few individual adjustments had been made. He said also the Committee had considered the matter of increased food costs since the time of letting the contracts with the restaurant concessionaires and the additional costs for services and it had been determined that costs had increased considerably.

General Beightler said also that the Committee had considered the standard menu item by item. He said the Committee had approved increases of five cents in the prices of three of the five club breakfasts. He said there had been very few changes in the prices of sandwiches and desserts and first course items on an a la carte basis but that the price of orange and other fruit juices had been increased to twenty cents and the price of ham sandwiches and combination ham and cheese sandwiches had been increased by five cents. He said an increase of five cents in the price of ice cream had been approved. He said the prices of seven luncheons and dinners had been increased by ten cents each and that two new meals - Lake Erie perch or blue pike and halibut, had been added to the standard menu. He said the Committee hoped that as a result of the changes it had made in prices and in a few instances in the size of portions and in grading the restaurants would be able to give the public better service. He said it already had been indicated that perhaps the restaurants were giving better service because complaints received from patrons were few and far between. He said he thought the Ohio Turnpike restaurants compared very favorably with anything to be found on other turnpikes. He said the Commission's requirements with respect to restaurants were more stringent in the matter of quality of food than those of most turnpike authorities..

The Executive Director supplemented the report of the Chairman of the Committee on Service Plazas. He said there were before the Commission plans and specifications for the substantial completion of service plaza pavement. He said the plans were numbered from P-9 to P-16 inclusive and that each plan was for a pair of plazas. He said it was hoped to advertise the plans for receipt of bids on August 15, 1958 and to make an award within several days thereafter. He said the estimated cost of the improvement was \$819,497.00, not including engineering.

In response to a question by General Beightler, the Chief Engineer said the plans included the placing of three inches of B-35 material and one and one-half inches of T-35 material on all truck roads. General Beightler commented that the three-inch course was not going to be applied where there was not natural drainage from the auto-parking areas

end. He asked if it would not have been better to have included those portions of the truck routes and to have provided inlets and pipes to take care of the drainage. The Chief Engineer said inspection had disclosed that the areas of distress on the truck roads were confined principally to those portions of the truck routes where vehicles were confined to one set of tracks, those portions beyond the end of the auto-parking areas which were curbed and in which traffic was unable to spread. General Beightler commented that it was planned to pass over certain portions of the truck routes because of the additional cost that would be involved in putting in some underground drainage. General Beightler said also that apparently it was not planned to add to the base course before the B-35 course would be applied in the truck parking areas. The Chief Engineer said that was correct, that the plans called for increasing the thickness of the T-35 course on one area. He said the other areas would be reviewed prior to construction to determine whether there was need for additional thickness of the T-35 course. General Beightler said he was quite apprehensive that the Commission might have trouble. He said he was not going to go counter to the Commission's Chief Engineer and its Consulting Engineers but he would like to say for the record that he thought the Commission was going to have a lot of maintenance in coming years unless it went a little further in reinforcing some of the truck parking areas. He said the Commission would have enough money to provide the reinforcing. The Chief Engineer said it would not require new plans to accomplish such reinforcing as might be considered desirable but would involve only adding to a bid item in the work plans of construction if it should be observed prior to construction that some portions of the truck areas were not holding out and that the thickness of the T-35 course should be increased. He said it was his opinion and the Consulting Engineers' opinion that a careful examination should be made prior to construction and that the quantity of T-35 used should be increased to reinforce those areas showing distress. Mr. John J. Jenkins, Jr. of the Consulting Engineers said representatives of the Consulting Engineers had accompanied the Chief Engineer on the inspection trip and had agreed with him that there would be an opportunity later on to make another inspection prior to the time of construction.

Mr. Noble suggested that at a later inspection the under drainage be reviewed very carefully because it had been his experience that those areas that got a lot of water should be provided with plenty of drainage before any top course would be applied. The Chief Engineer said that that was a matter again of adding to quantities.

A resolution approving, adopting, and ratifying the plans and other contract documents for Contracts P-9 through P-16 inclusive was moved for adoption by Mr. Noble, seconded by General Beightler, as follows:

Resolution No. 7-1958

"WHEREAS there are before this meeting forms of contract documents, to wit: Forms of notice to bidders, proposals, special provisions and contracts and also plans for Contract P-9 through P-16, both inclusive;

"WHEREAS the Commission's consulting engineer, chief engineer and executive director have recommended approval of the aforesaid plans and they, together with the Commission's general counsel, have recommended approval of the contract documents in addition to plans;

"WHEREAS the Commission has duly and fully considered the same;

"NOW, THEREFORE, BE IT

"RESOLVED that the Commission hereby approves, adopts and ratifies the aforesaid plans and other contract documents, being for certain paving work to be performed within and upon the service plazas comprising part of the Ohio Turnpike;

"FURTHER RESOLVED that any changes which are in the nature of adding or changing headings, captions, and style of writing, or in the nature of filling in blank spaces, or correcting typographical, clerical, or arithmetical errors, may be made upon the authorization of either the chief engineer or general counsel; and

"FURTHER RESOLVED that the Commission's executive director and chief engineer, or either of them, are directed to take and open bids for the aforesaid contracts and report the results thereof to the Commission."

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

Ayes: Noble, Beightler, Chastang, Teagarden, Shocknessy.

Nays: None.

The Chairman declared the resolution adopted. The resolution was identified as No. 7-1958. The Chairman said the report of the Committee on Service Plazas as offered by General Beightler and supplemented by the Executive Director was accepted as offered.

Mr. Chastang reported as Chairman of the Committee on Budget and Finance. He said he had had several conferences with the Executive Director and one with the Comptroller and it would appear as of that date there was some expectation the Commission might operate within budget.

Mr. Chastang reported further that early in 1958 the Chairman had referred to him the question of the investment of funds by the Trustee for the Revenue Fund, the Bond Interest Account, and the Redemption Account. He said that pursuant to the file he had received from the Commission he had had conferences with the Comptroller, the General Counsel, Mr. Henry J. Crawford of Fiscal Counsel, and Mr. Frank C. Dunbar, Jr., as Special Counsel. He said that in 1955 several conferences with the Trustee had been held but that agreement as to amendment of the Trust Agreement had not been had. He said the Trustee had submitted a proposed agreement which was not to the liking of the Commission at that time and that the Commission had submitted a proposed draft of an amendment to the Agreement with which evidently at that time the Trustee was not in accord. He said the matter had rested there until the first part of 1958 when it had been reopened. He said it had been his understanding that during the conferences early in 1958 the conferees were dealing with the Revenue Fund, the Bond Interest Account, and the Redemption Account. He said he noted that the recommendation he had from Mr. Dunbar under date of July 11, 1958 had surprised him somewhat because it dealt with the Bond Interest Account only. Mr. Chastang said he would agree that half a loaf was better than no loaf at all, that if the Commission could not get any more, then well and good. He said it seemed to him that there was only a slight deviation in what had been recommended to the Commission under date of July 11 from that which the Trustee had submitted in 1955. He said the slight deviation was that in 1955 the Trustee had wanted to restrict the money to be invested to that over and above the amount needed for the next interest payment subject to recommendation of the Commission whereas the proposal before the Commission did not have that restriction in it. He asked whether the Commission had abandoned the thought of investing the Revenue Fund and of investing the Redemption Account.

The Chairman said he was not aware of any change in attitude on the part of the Commission. He said the Trustee had wanted to withhold from investment at all times an amount equal to the next interest coupon and that it was the Commission's opinion that that was not necessary at all. He said short term securities could be bought and it was not necessary at all to withhold the whole amount of the coupons. The Chairman said also there was no money in the Redemption Account and there was not likely to be any money in the Redemption Account for

three or four years. He said he had been told by Mr. Crawford and Mr. Dunbar that the Trustee was willing to consider the Bond Interest Account at that time because that was the money it had. He said they had told him also it was understood there was nothing exclusive in the agreement before the Commission.

Mr. Crawford said the Chairman's statement was quite correct. He said that in 1955 and early in 1958 the Trustee, The Ohio National Bank of Columbus, was unwilling to make any concession in regard to what it would be willing to invest. He said the Trustee had made it perfectly clear that it wanted to retain on hand at all times the amount of the next interest coupon, a sum in excess of \$5,000,000, uninvested. He said the proposed second supplemental agreement to the Trust Agreement which would be before the Commission was quite a substantial departure from the position of the Trustee in 1955 or early 1958 in that it provided a mandatory duty on the Trustee to invest the entire amount of the Bond Interest Account and not retain a part of it or any part in cash on deposit. He said that from his point of view the proposed agreement therefore represented a very considerable departure from what the Trustee had theretofore been willing to agree to. He said there had been great difficulty with the Revenue Fund and he did not think the Commission at this time should go into whether the difficulty could be worked out at some future date. He said the Redemption Account was not a pressing problem because there were no funds in that account and it apparently was going to be several years before there would be. Mr. Crawford said it was understood that when the proposed supplemental agreement should be delivered there would be delivered with it a document which the Trustee was willing to receive and had agreed to that the execution of the supplemental agreement would not in any way preclude the negotiation of further supplements. He said the proposed supplemental agreement did not mean the Commission had abandoned any right or power or interest in negotiating for the Revenue Fund and the Redemption Account should that seem to be wise in the future. Mr. Chastang said that it had been intended to include the Redemption Account in the supplemental agreement if it could be done and that to have done so might avoid a fight later on. Mr. Crawford said that in talking the matter out with the Trustee it appeared the Commission would have encountered a very substantial delay in effectuating the investment of the funds in the Bond Interest Account which were ready for investment in a discussion of funds which were not available.

The Chairman said he was greatly pleased with the progress that had been made. He said that he thought that getting the important part negotiated was a major victory. He said the supplemental agreement would make available for investment an average balance of \$7,000,000, practically, in the Bond Interest Account which would

mean a sizeable income.

Mr. Crawford said there were some practical difficulties in connection with the Revenue Fund as the Trustee regarded moneys in that fund as being the cash operating funds of the Commission from which day-to-day bills had to be paid. He said the Trustee was afraid of having bills coming along and having the money in the Revenue Fund tied up, thus possibly giving rise to a situation where bills could be paid only upon forced liquidation of investments. He said that looking at the matter as an overall picture the Revenue Fund and the Bond Interest Account could be considered together and that there was money in the Revenue Fund relatively for a period of days before the monthly transfer to the Bond Interest Account whereas there was money in the Bond Interest Account for up to twelve months so that the moneys in the Revenue Fund constituted a small fraction of the total moneys available for investment.

The Assistant Secretary-Treasurer pointed out that of the moneys in the Revenue Fund, \$500,000 was more or less frozen in that the Commission had an agreement with The Cleveland Trust Company to maintain that sum as a minimum balance in lieu of any service charges and that an additional three to four hundred thousand dollars was required to be kept in the Revenue Fund to be applied against expenses. The Chairman commented that there was therefore not much money left in the Revenue Fund to figure on for investment purposes.

The Chairman said also that there would not be any money in the Redemption Account until two full payments of interest should be set aside which was ten and a half million dollars in the Bond Interest Account, and four full payments of interest should be set aside which was twenty-one million dollars in the Reserve Account. He said he had had a projection made by the Comptroller on redemption and that his and the Comptroller's best estimate was that taking into account the million three hundred seventy-eight thousand dollars required to be deposited in the Reserve Maintenance Fund and the ten and one-half million dollars in the Bond Interest Account and the twenty-one million dollars in the Reserve Account, the first money to go for Bond Redemption would be approximately eight million dollars in 1962 and thereafter in 1963 the Commission could expect to put ten million dollars in the Redemption Account, twelve million dollars in 1964, thirteen million dollars in 1965, fourteen million dollars in 1966. He said the estimate was based upon revenue increases and upon total revenue of twenty-three million dollars in 1961 and total revenue of twenty-four million dollars in 1962. He said that based upon a reasonably decent projection that accounted for reasonable practicalities the

Commission would expect to retire the bonds in 1980. He said also that Ohio Turnpike bonds, based upon reasonable economics, were perfectly sound securities.

The Chairman said also that Mr. Dennis E. Murphy, Vice President of The Ohio Company, one of the principal underwriters of the bonds, had called him by telephone while he was at lunch that day and had advised that the principal underwriters and the largest investors in Ohio Turnpike bonds had indicated agreement with the supplemental agreement and had indicated also that they would agree with adjustment of rates for Class 8.

Mr. Chastang asked whether interest earned on investment of moneys in the Bond Interest Account would go into that account. Mr. Crawford replied that under Section 603 of the Trust Agreement it would be credited to the Bond Interest Account.

A resolution authorizing the execution of a supplement to the Trust Agreement dated June 1, 1952 was moved for adoption by Mr. Chastang, seconded by General Beightler, as follows:

Resolution No. 8-1958

"RESOLVED that the officers of the Commission be, and they hereby are, authorized to enter into a supplement to the Trust Agreement dated June 1, 1952, as heretofore supplemented by agreement dated July 23, 1954, by and between the Ohio Turnpike Commission and The Ohio National Bank of Columbus, as Trustee, et al, in substantially the form of agreement presented to this meeting, with such changes, if any, as may be approved by the Commission's general counsel, and the Commission hereby adopts, approves, and confirms all of the findings and recitals set forth in said supplement presented to this meeting."

The supplemental agreement referred to in the resolution is as follows:

C O N F O R M E D

Second Supplement

to

Trust Agreement Dated June 1, 1952

Relating to Ohio Turnpike Revenue Bonds

Project No. 1

This is a Supplemental Agreement dated July 17, 1958, by and between the Ohio Turnpike Commission, a body corporate and politic in the State of Ohio, hereinafter called "the Commission," and The Ohio National Bank of Columbus, a national banking association duly organized and existing under the laws of the United States of America and having its principal office in the City of Columbus, Ohio, as Trustee under the Trust Agreement hereinafter referred to, hereinafter called "the Trustee."

WHEREAS the Commission has heretofore executed and delivered its Trust Agreement (hereinafter referred to as the Original Agreement) dated June 1, 1952, to the Trustee and also a Supplement to the Original Agreement dated July 23, 1954 (herein called the First Supplement);

WHEREAS the Commission and the Trustee desire, and are authorized and empowered, pursuant to Section 1101 of the Original Agreement, to enter into this Supplemental Agreement;

WHEREAS this Supplemental Agreement is not inconsistent with the terms and provisions of the Original Agreement as supplemented by the First Supplement; and

WHEREAS, after full consideration, the Commission and the Trustee have determined that it is for the benefit and in the best interests of the bondholders that the Trustee be hereby empowered to invest moneys held for the credit of the Bond Interest Account (created by Section 507 of the Original Agreement), subject to the restrictions herein contained, until needed for the purposes specified in the Original Agreement.

NOW, THEREFORE, the Commission and the Trustee, in consideration of the mutual agreements herein contained and in consideration of the sum of \$1.00 to the Commission in hand paid by the Trustee, the receipt of which is hereby acknowledged, and for the purposes aforesaid, agree that the Original Agreement, as supplemented by the First Supplement, shall be further supplemented as follows:

Section 1. When and if so directed by resolution of the Commission, a copy of which, certified by its Secretary-Treasurer, shall be delivered to the Trustee, the Trustee shall from time to time invest moneys held for the credit of the Bond Interest Account in direct obligations of the United States Government which shall mature, or which shall be subject to redemption by the holder thereof at the option of such holder, not later than twelve months after the date of such investment therein.

Section 2. As used herein, all terms shall have the same meanings as the same terms have in the Original Agreement.

IN WITNESS WHEREOF, the Ohio Turnpike Commission has caused this Supplemental Agreement to be executed by its Chairman and its official seal to be impressed hereon and attested by its Assistant Secretary-Treasurer, and The Ohio National Bank of Columbus has caused this Supplemental Agreement to be executed in its behalf by its President or a Vice President and its corporate seal to be impressed hereon and attested by its Cashier or Assistant Cashier the day and year above written.

(SEAL)

OHIO TURNPIKE COMMISSION

By /s/ James W. Shocknessy
Chairman

Attest

/s/ John Soller
Assistant Secretary-Treasurer

THE OHIO NATIONAL BANK OF COLUMBUS,
Trustee

By /s/ Samuel A. Keller
Vice President

(SEAL)

Attest

/s/ J. W. McNamee
Cashier

STATE OF OHIO)
) SS:
COUNTY OF FRANKLIN)

Before me, the undersigned, a Notary Public in and for said County and State, on this 17th day of July, 1958, personally appeared James White Shocknessy, to me known to be the identical person who subscribed the name of Ohio Turnpike Commission to the foregoing instrument as its Chairman and acknowledged to me that he executed the same as his free and voluntary act and deed and as the free and voluntary act and deed of such Commission, for the uses and purposes therein set forth.

Given under my hand and seal of office the day and year last above written.

/s/ Frank C. Dunbar, Jr.
Notary Public

My commission expires: Nov. 16, 1960

(SEAL)

STATE OF OHIO)
) SS:
COUNTY OF FRANKLIN)

Before me, the undersigned, a Notary Public in and for said County and State, on this 17th day of July, 1958, personally appeared Samuel A. Keller, to me known to be the identical person who subscribed the name of The Ohio National Bank of Columbus to the foregoing instrument as its Vice President and acknowledged to me that he executed the same as his free and voluntary act and deed and as the free and voluntary deed of such Corporation, for the uses and purposes therein set forth.

Given under my hand and seal of office the day and year last above written.

/s/ Fred R. Hamilton
Notary Public

Fred R. Hamilton
Notary Public, Franklin County, Ohio
My Commission expires April 28, 1961

(SEAL)

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

Ayes: Chastang, Beightler, Teagarden, Noble, Shocknessy.

Nays: None.

The Chairman declared the resolution adopted. The resolution was identified as No. 8-1958.

A resolution directing the Trustee to invest money held for the credit of the Bond Interest Account was moved for adoption by General Beightler, seconded by Mr. Chastang, as follows:

Resolution No. 9-1958

"WHEREAS, the Commission by resolution heretofore adopted this day has authorized its officers to enter into a Second Supplement to the Trust Agreement dated June 1, 1952 relating to Ohio Turnpike Revenue Bonds, Project No. 1, which provides that when and if so directed by resolution of the Commission, the Trustee shall from time to time invest moneys held to the credit of the Bond Interest Account, as provided in said Second Supplement; and

"WHEREAS the Commission deems it advisable that such moneys be so invested;

"NOW, THEREFORE, BE IT

"RESOLVED that upon the execution and delivery of said Second Supplement the Ohio National Bank of Columbus, Trustee under said Trust Agreement, be and hereby is, directed from time to time to invest the moneys held for the credit of the Bond Interest Account provided for in said Trust Agreement, in accordance with and pursuant to the terms and provisions of said Second Supplement to the Trust Agreement. "

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

Ayes: Beightler, Chastang, Teagarden, Noble, Shocknessy.

Nays: None.

The Chairman declared the resolution adopted. The resolution was identified as No. 9-1958.

The Chairman said the report of the Committee on Budget and Finance as offered by the chairman and as supplemented by Mr. Crawford was received and accepted as offered.

Mr. Teagarden, reporting as the chairman of the Committee on Claims, said that since the last meeting the Committee had disposed of two claims satisfactorily which left ten claims still before the Committee.

The Chairman said the report of the Committee on Claims was accepted.

The Consulting Engineers reported that the annual physical inspection of the turnpike which it was required to make every year was nearing completion and the report would be in on time.

The Chairman thanked Mr. Jenkins of the Consulting Engineers for his report.

The Executive Director reported that by reason of a staff study of the toll collection structure it had become apparent that the tolls charged for Classes 8 and 9 on the Ohio Turnpike placed both classes in a penalty status when compared to tolls charged trucks in other classes. He said also there had been comment from the trucking industry from time to time that the tolls charged Class 8 vehicles made use of the turnpike uneconomical for that weight class. He said that as a result of the findings of the staff the question had been directed to the Consulting Engineers under date of June 12, 1958 with a request for its opinion as to whether or not the Commission should encourage the use of the turnpike by the heavier vehicles and, if so, its recommendation with respect to the tolls being charged for such vehicles. He said the Consulting Engineers had made a recommendation, a copy of which had been forwarded to each Member. He said the Consulting Engineers had recommended that the Class 9 vehicles not be encouraged to use the Ohio Turnpike due to their weight and further that Class 8 tolls be reduced from \$18.50 to \$15.50 for a trip entirely across the turnpike. He said the \$15.50 toll recommended by the Consulting Engineers was substantially the same toll that would be charged on a per-ton basis for a full length trip for a Class 7 vehicle. He said the staff had reviewed the recommendations of the Consulting Engineers and it was the staff's recommendation that the recommendation of the Consulting Engineers be adopted. The Executive Director said also he had made some studies of the effect of the proposed new rate and in the absence of complete information it was difficult to do other than use one's best judgment. He said it would appear to him that a reduction in toll for Class 8 vehicles would increase revenue from a minimum of perhaps forty-six thousand dollars a year to a maximum of perhaps one hundred seventy thousand dollars a year.

In response to a question by Mr. Chastang the Executive Director said the investigation had been prompted originally by comment received from the trucking industry through Mr. Paul C. Rief of the Department of Information and Research who made calls on truck operators. He said trucking companies frequently had stated to Mr. Rief that it was uneconomical for them to use the turnpike under the existing tolls for Class 8 vehicles. He said the trucking industry, speaking through its Ohio association, had commented several times that the Class 8 rates were prohibitive.

The Executive Director said also that the Consulting Engineers in its recommendation had drawn attention to the fact that the reduction in the rate for Class 8 vehicles effective in June of 1956 had been only 13.9% as opposed to approximately 28% for vehicles in Class 7. He pointed out that vehicles of gross weights within the range of Class 8 - 65,001 pounds to 78,000 pounds - could travel Ohio State highways without a permit.

General Beightler said the Consulting Engineers must have had some good reason for suggesting the rates for Class 8 and Class 9 vehicles which had been adopted in June of 1956. Mr. Jenkins said that the Consulting Engineers had used its best judgment at that time but the fact was that the rate of growth of Class 8 and Class 9 vehicles using the turnpike had been very much less than for vehicles in Class 6 and Class 7. He said that meant the heavier trucks were avoiding the turnpike but were on the highways. He said the ratio of Class 8 vehicles to the total trucks was several times as high on state highways as it was on the turnpike which had led the Consulting Engineers to believe there was a potential market.

General Beightler said he was completely in accord with the Consulting Engineers in regard to its comments on Class 9 vehicles. He said he was not sure that the Commission should encourage additional vehicles of 78,000-pounds weight on the turnpike.

A resolution revising with respect to Class 8 vehicles the schedule of tolls as heretofore adopted and revised was moved for adoption by Mr. Teagarden, seconded by Mr. Noble, as follows:

Resolution No. 10-1958

"WHEREAS, pursuant to §501 of the trust agreement dated June 1, 1952, entered into between the Ohio Turnpike Commission and The Ohio National Bank of Columbus, as trustee, and The National City Bank of New York (now The First National City Bank of New York), as co-trustee, the Commission's consulting engineers, J. E. Greiner Company, were requested by the executive director in behalf of the Commission to make recommendations as to a revision of the present schedule of tolls, with specific application to the one question whether the toll rates applicable to vehicles in Class 8 and 9 were too high to permit the economical use of the turnpike, and whether a reduction in rates applicable to these two classes would result in increased usage; and

"WHEREAS as a result of said request, the consulting engineers, after study, have submitted a recommendation with respect to a revision in the rates applicable to Class 8 vehicles, indicating that a 16.2% ad-

ditional reduction would in all likelihood be more than offset by a gain in total traffic and revenues, while recommending against a reduction in toll rates for Class 9 vehicles;

"NOW, THEREFORE, BE IT

"RESOLVED that the Commission hereby ratifies the action of the executive director in making said request, the Commission hereby determining that it was and is necessary to request the consulting engineers to make recommendations as to a revision of the schedule of tolls with specific application to whether the toll rates applicable to vehicles in Class 8 and 9 are too high;

"FURTHER RESOLVED that the Commission, having duly and fully considered the proposed revision and the recommendations of the consulting engineers, does hereby adopt the recommendation of its consulting engineers with respect to a reduction in rates for Class 8 vehicles, and does hereby revise the schedule of toll rates on the Ohio Turnpike as heretofore fixed and revised from time to time, insofar as Class 8 vehicles are concerned, and direct that its said revised schedule of tolls be, and the same hereby is, revised with respect to Class 8 vehicles;

"FURTHER RESOLVED that said revised schedule of tolls, applicable solely to Class 8 vehicles, be made effective as soon as appropriate arrangements necessary to place it in effect can be accomplished, which shall in no event be later than 12:01 A.M. July 21, 1958, provided that there has not been delivered to the executive director on or prior to July 19, 1958 any written communication from the Trustee or the principal underwriters objecting to the establishment of said revised schedule of tolls applicable solely to Class 8 vehicles; if such written objections are received within said period of time, said revised schedule of tolls shall not be placed into effect until the adoption of a further resolution of the commission;

"FURTHER RESOLVED that the Secretary shall forthwith mail copies of this resolution to the Trustee and to the principal underwriters; and

"FURTHER RESOLVED that the aforesaid revised schedule of tolls applicable to Class 8 vehicles is as follows:

Proposed Toll Schedule

Class 8

INTERCHANGE NAME	No.	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
BRYAN-MONTPELIER (SR-15)	2	.75															
WAUSEON (SR-108)	3	1.85	1.10														
MAUMEE-TOLEDO (US-20)	4	3.15	2.40	1.30													
STONY RIDGE-TOLEDO (SR-120)	5	4.05	3.30	2.20	.90												
FREMONT-PORT CLINTON (SR-53)	6	5.40	4.65	3.55	2.25	1.35											
SANDUSKY-NORWALK (US-250)	7	7.10	6.35	5.25	3.95	3.05	1.70										
LORAIN-ELYRIA (SR-57)	8	8.80	8.05	6.95	5.65	4.75	3.40	1.70									
NORTH OLMSTED-CLEVE. (SR-10)	9	9.20	8.45	7.35	6.05	5.15	3.80	2.10	.40								
STRONGSVILLE-CLEVELAND (US 42)	10	9.95	9.20	8.10	6.80	5.90	4.55	2.85	1.15	.75							
CLEVELAND (US-21)	11	10.80	10.05	8.95	7.65	6.75	5.40	3.70	2.00	1.60	.85						
AKRON (SR-8)	12	11.35	10.60	9.50	8.20	7.30	5.95	4.25	2.55	2.15	1.40	.55					
STREETSBORO (SR-14)	13	11.85	11.10	10.00	8.70	7.80	6.45	4.75	3.05	2.65	1.90	1.05	.50				
WARREN (SR-5)	14	13.35	12.60	11.50	10.20	9.30	7.95	6.25	4.55	4.15	3.40	2.55	2.00	1.50			
NILES-YOUNGSTOWN (SR-18)	15	14.05	13.30	12.20	10.90	10.00	8.65	6.95	5.25	4.85	4.10	3.25	2.70	2.20	.70		
YOUNGSTOWN (SR-7)	16	14.95	14.20	13.10	11.80	10.90	9.55	7.85	6.15	5.75	5.00	4.15	3.60	3.10	1.60	.90	
EASTGATE	17	15.50	14.75	13.65	12.35	11.45	10.10	8.40	6.70	6.30	5.55	4.70	4.15	3.65	2.15	1.45	.65

General Beightler said he would support the resolution without any enthusiasm. He said the Commission probably would have some increased revenue but he was not sure that would compensate for increased damage which would be experienced from the increased usage by heavy vehicles.

The Chairman said he thought the Commission would see a dramatic increase in trucks under the proposed new Class 8 rate as it had seen when it reduced the rates in other classes.

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

Ayes: Teagarden, Noble, Chastang, Beightler, Shocknessy.

Nays: None.

The Chairman declared the resolution adopted. The resolution was identified as No. 10-1958.

In response to a suggestion by Mr. Noble that the staff notify trucking companies of the change in Class 8 rates the Director of Information and Research said that arrangements had been completed to inform the Commission's mailing list of some three thousand trucking companies using the turnpike and state and national trucking associations and truck magazines of the change.

The Executive Director reported further that since the last meeting the Consulting Engineers had continued its study with respect to the pavement settlement at milepost 15.5 and at the state route 14 interchange and under date of July 2, 1958 had recommended that by reason of the fact that the settlement had not diminished to the rate expected and of the fact that mudjacking operations in the two areas had reached a point of diminishing returns a flexible pavement be laid on the two pavements until such time as the rate should diminish or stop at which time a permanent, rigid type pavement could be placed. He said that accordingly plans would be prepared for the placement of a flexible type overlay on both the pavement areas as soon as traffic would permit. He said the length of the pavement involved at milepost 15.5 was about 250 feet and the length of the pavement involved at state route 14 interchange would be about 500 feet if the pavement would be brought back to grade. He said there was a question at the latter location of whether or not to bring the entire area back to grade or to repair the distressed pavement.

The Chairman said that in the absence of any questions the report of the Executive Director would be received as offered.

The Deputy Executive Director reported that forty-two Plymouth patrol cars had been delivered to the Commission on or before July 1, 1958 in accordance with the terms of the leasing agreement made with Spitzer Leasing, Inc. of Elyria, Ohio. He said that radios and other police equipment items had been transferred by Radio Corporation of America service personnel and the Commission's maintenance forces to the new cars. He said that by July 4 the Ohio Turnpike Patrol had had a sufficient number of the new cars available to cover all patrol zone assignments and that by July 11 all forty-two cars had been fully equipped and released to the Patrol. He said individual patrolmen reported they were satisfied with the new cars and that the Plymouth patrol car appeared to have the desired quality and performance characteristics. He said the Commander of the Ohio Turnpike Patrol had reported he was pleased with the cars and with the service given by the leasing company.

The Deputy Executive Director reported further that the Dodge patrol cars which had been replaced by the Plymouths were being disposed of in accordance with the terms of the contract awarded to Spitzer Motors of Elyria, Inc. at the last meeting. He said the Commission had received a check in the amount of \$25,450 covering the purchase of the old cars.

The Deputy Executive Director reported further that the Commission's mechanical staff had been reduced by three men on June 30, 1958 and by another two men on July 14. He said all the men released had obtained jobs with other employers.

The Deputy Executive Director reported further that with respect to newspaper pictures of a helicopter being used in patrol work on the Pennsylvania Turnpike over the July 4th weekend a release by the Pennsylvania Turnpike Commission had quoted the Commander of the Pennsylvania Police detail to the effect that "at present the cost of air patrol is not commensurate with value received but shows promise as the means of policing the thousands of miles of interstate highway to be built in the next decade". The Deputy Executive Director said that in the first month of operations of the Ohio Turnpike in its entirety the Commander of the Ohio Turnpike Patrol and he had flown several missions in the Highway Patrol's light plane over the Ohio Turnpike to observe traffic behavior, traffic congestion at toll plazas, and disabled vehicles. He said that at that time it was their opinion the advantages of air patrol were insignificant compared with the cost.

The Chairman thanked the Deputy Executive Director for his report.

Under new business Mr. Chastang said that the previous May he had written to the Executive Director about the insurance in force and its cost to the Commission. He said he had received in reply a very comprehensive but understandable report from the Executive Director and the Comptroller, and he complimented them upon the efficiency with which it had been completed. He said he had two inquiries with respect to insurance (1) was it worth-while considering whether in some particular aspect the Commission ought to be self insured and (2) when, as and if a policy in force and effect expires, was it desirable to consider whether or not the Commission should bid it rather than negotiate it. He said he would like to see both phases of insurance studied.

General Beightler said he had no thoughts on self insurance. He said some of the Commission's most costly insurance was required under the Trust Agreement. He said that with respect to Mr. Chastang's remarks about negotiating insurance in the past and also with respect to the article that had appeared in one of the Cleveland newspapers, the Commission actually had taken invitational bids. He said the Commission had written all the insurance people who had any interest in turnpike business and as a matter of fact had tried to find some who might be interested and, in each instance of procuring any specific type of insurance on the turnpike, the Commission would invite those people to present proposals in writing at a certain time. He said all proposals were opened in public with anyone present who wished to be there. General Beightler said also that he was Executive Director at the time some of the insurance was written and the Commission had had one of the best men in the country, Clayton G. Hale of Cleveland, as its insurance consultant. He said Mr. Hale had been a staff member of the University of Michigan on the subject of insurance and had been a consultant on insurance to the United States Army in Washington and had a national reputation as being a topnotch insurance consultant. He said Mr. Hale had given the Commission fine advice in the matter of insurance and when proposals had been taken he had always been consulted on recommendations as to awards. He said awards had been made to the submitter of the low proposal, if there was one. Mr. Chastang said his point in raising the question was not to be critical. He said that as chairman of the Budget and Finance Committee he was interested in (1) acquiring as much revenue as possible and (2) spending as little money as possible. He said what he wanted to do was to explore every possible angle. He said he knew all the Members had the same objectives and he merely wanted to find out if there were any disposition to review what had gone before.

The Chairman suggested the matter be resolved by having the Executive Director undertake to answer Mr. Chastang's questions and to consult with the Commission's insurance consultant and make a report.

A resolution ratifying actions of administrative officers was moved for adoption by Mr. Teagarden, seconded by General Beightler, as follows:

Resolution No. 11-1958

"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 May 15, 1958, hereby are 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, Beightler, Chastang, Noble, Shocknessy.

Nays: None.

The Chairman declared the resolution adopted. The resolution was identified as No. 11-1958.

There being no further business to come before the Commission, a motion was made by General Beightler, seconded by Mr. Teagarden, 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:

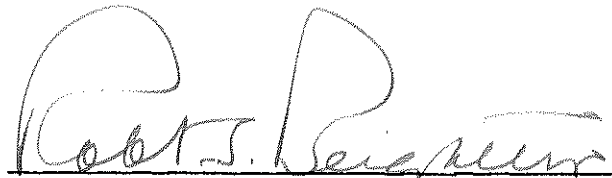
Ayes: Beightler, Teagarden, Chastang, Noble, Shocknessy.

Nays: None.

The Chairman declared the meeting adjourned.

The time of adjournment was 3:10 P.M. Eastern
Standard Time.

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

A handwritten signature in cursive script, appearing to read "Robert S. Beightler", written over a horizontal line.

Robert S. Beightler, Secretary-Treasurer