

MINUTES OF THE ONE HUNDRED TWENTY-SEVENTH MEETING
August 15, 1958

Pursuant to call of the Chairman on August 7, 1958 issued in accordance with bylaws, the Ohio Turnpike Commission met in special session at its headquarters at 8080 Prospect Road, Berea, Ohio, at 3:00 P.M. on August 15, 1958 with the key members of its staff, representatives of the Consulting Engineers, members of the press and others in attendance.

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

Present: Teagarden, Beightler, Shocknessy.

Absent: Chastang, Noble.

The Chairman said three Members of the Commission had answered present. He said two Members, Mr. Chastang and Mr. Noble, were absent. He said that under the law three Members constituted a quorum. He said that under the law also actions taken by the Commission when it was acting with only three Members required that all votes be unanimous. He said Mr. Chastang and Mr. Noble had expected to be present and had intended to come by Highway Patrol plane but because of weather their plane had been unable to leave Columbus and so they would not be able to come.

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

Ayes: Teagarden, Beightler, Shocknessy.

Nays: None.

Absent: Chastang, Noble.

The Chairman declared the motion carried with the three Members present voting in the affirmative.

The Chairman said the meeting was being held on that date and at that time so as to act promptly upon the bids received earlier that day which had been analyzed by the staff. He congratulated the staff upon handling the bids so promptly and said the Commission was grateful for the promptness so that it would be possible to make the awards that afternoon.

The Chairman said he wanted to take note of the untimely death of Allison C. Neff who had been a sturdy friend of the Ohio Turnpike and of the Ohio Turnpike Commission for the nearly nine years of its existence.

The Chairman reported that total toll revenue for the first fourteen days of August was \$996,801 or 4.5% over the first fourteen days of August 1957. He said the week of August 3 to August 9, inclusive of both, was the first week since the turnpike opened in which every single day's toll revenue exceeded \$60,000. He said the total toll revenue for that week had been exceeded only by the week before Labor Day of 1957. He said the first fourteen days of August augured well for August. He said the revenue made the timeliness of the service plaza paving right.

The Chairman reported further that all Members had received correspondence relating to the quasi-objection which the Trustee had filed on the revision of the schedule of tolls adopted by the Commission at the meeting of July 15, 1958. The correspondence follows.

THE OHIO NATIONAL BANK OF COLUMBUS

July 18, 1958

"James W. Shocknessy, Chairman
Ohio Turnpike Commission
17 South High Street
Columbus 15, Ohio

"Dear Jim:

"This is to inform you that we are not communicating with your Executive Director concerning the revision of the toll schedule, adopted at your last meeting. This is not to be construed as constituting approval on our part of any irregularity in the adoption of the revision.

"I am enclosing a copy of a letter received from our counsel concerning the matter.

"Very truly yours,

/s/ Leland A. Stoner

"Leland A. Stoner

"President

"LAS:pa

"Encl. "

BRICKER, EVATT, BARTON, ECKLER & NIEHOFF

July 18, 1958

"Mr. Leland A. Stoner, President
The Ohio National Bank
51 North High Street
Columbus, Ohio

"Re: Ohio Turnpike Commission
Resolution No. 10-1958.

"Dear Mr. Stoner:

"I have examined a writing certified by John Soller, as assistant and secretary-treasurer of the commission, to be a true copy of the above resolution, which purports to revise the schedule of tolls on the Ohio turnpike. The revision is unique in that it becomes effective on condition that no objection to its establishment is made in writing by the trustee or the principal underwriters and delivered to the executive director on or before July 19, 1958.

"In my opinion the revision is invalid, because not made in accordance with the terms of section 501 of the trust agreement. In these circumstances silence on your part and on the part of the principal underwriters will do nothing to validate it. On

the other hand, there is nothing in the agreement requiring or authorizing you to write to the executive director concerning any action of the commission. Under the indenture, the commission is responsible for revising the schedule of tolls; you have no active part in the procedure (except in specified circumstances not present here) and you cannot be given one by unilateral action of the commission, such as the subject resolution.

"The breach of the indenture is, of course, a technical one. Had the commission properly requested the consulting engineers to make the recommendation and filed a copy of the request with you and mailed a copy to the principal underwriters, the validity of the revision would not be open to question. Since the fault was not yours, you should not be made to shoulder any of the ill effects that may flow from it.

"I see no reason for you to communicate with the executive director concerning the revision; but, as you have received notice of the adoption of the resolution and of the infirmities in the revision, I think you should inform the commission that you have not written to the executive director and that that fact is not to be construed as constituting approval of any infirmity in the revision of the toll schedule.

"Very truly yours,

/s/ John Caren

"JC:em"

WESTERN UNION TELEGRAM

"CTA 195

"CT CZA224 PD-COLUMBUS OHIO 20 1235PME-

"JAMES SHOCKNESSY, CHAIRMAN OHIO TURNPIKE COMMISSION-
"ATHLETIC CLUB EAST BROAD ST COLUMBUS OHIO-

"YOU ARE ADVISED UNDER THIS DATE MR CARRAN HAS AMENDED HIS SAID LETTER OF JULY 18TH AS FOLLOWS- 'IN CLARIFICATION OF MY LETTER OF JULY 18TH, 1958, ALTHOUGH THE PROCEDURE WAS IRREGULAR, IF THE REVISED RATES ARE PUT INTO EFFECT JULY 21ST IN ACCORDANCE WITH THE RECOMMENDATION OF THE ENGINEERS, THE ACTION OF THE COMMISSION WOULD NOT CONSTITUTE A BREACH OF THE TRUST AGREEMENT AND THE REVISED RATES WOULD NOT BE INVALID.' THERE WAS NO INTENTION ON THE PART OF THE TRUSTEE TO INTERFERE

WITH THE EFFECTIVE DATE.

"OHIO NATIONAL BANK. TRUSTEE L A STONER."

WESTERN UNION TELEGRAM

"Columbus, Ohio July 20, 1958

"Ohio National Bank, Trustee
Columbus, Ohio
Attention President Leland A. Stoner

"Receipt acknowledged your telegram this date modifying your letter July 18 and advising clarification and modification by John M. Caren of his letter same date incorporated therein by reference. Request copy of Caren letter to you from which quoted portion of your telegram this date was taken. Quoted portion your telegram is accepted as entirely negating those statements of Caren letter of 18th to you wherein he declared revised toll schedule invalid and declared its establishment would constitute breach of trust indenture between Ohio Turnpike Commission and Ohio National Bank and National City Bank of New York. Subject to these understandings our fiscal counsel, Squire Sanders & Dempsey, advises your letter of July 18 incorporating by reference Caren's letter of same date need not be construed as an objection to the latest revised toll schedule of the Commission which accordingly is being made effective at one minute after midnight tonight.

"James W. Shocknessy, Chairman
"Ohio Turnpike Commission"

OHIO TURNPIKE COMMISSION

"July 21, 1958

"Mr. Leland A. Stoner
President
Ohio National Bank, Trustee
51 N. High Street
Columbus, Ohio

"Dear Sir:

"So that you may have a complete record on the revision in the Class 8 toll schedule adopted by the Commission under date *of July 15, 1958 there is enclosed a photocopy of the letter of recommendation received from the Consulting Engineers, the J. E. Greiner Company, under date of July 8, 1958 in response to a letter from the Commission by its Executive Director dated June 12, 1958.

"For your ready reference there are enclosed also a *copy of the Commission's letter under date of July 11, 1958 signed by its Assistant Secretary-Treasurer addressed to S. A. Keller *and a copy of the Commission's letter of June 12, 1958, signed by its Executive Director addressed to the J. E. Greiner Company which was enclosed with the said letter of July 11 addressed to *Mr. Keller and another copy of the resolution adopted by the Commission under date of July 15, 1958.

"The language in the Trust Agreement applicable to the recent regrettable opinion of your Counsel is found beginning with the last three words on page 48 and finishing with the word 'proper' in the eighth line of page 49.

"Very truly yours

cc: Henry J. Crawford, Squire,
Sanders & Dempsey

"James W. Shocknessy
"Chairman

"*Attachments"

"TO: Mr. Leland A. Stoner Page 2 7/21/58

"cc: Mr. F. E. Heppel, Vice President, BancOhio Corporation
Mr. Derrol R. Johnson, President, BancOhio Corporation
Mr. William F. Morgan, Vice President, Blyth & Company
B. J. Van Ingen & Company, Inc.
Mr. Dennis E. Murphy, The Ohio Company
Mr. Sanford L. Smith, Vice President, First National City
Bank of New York
Maj. Gen. Robt. S. Beightler, U. S. A. (Ret.)
Mr. Charles J. Chastang
Mr. O. L. Teagarden
Mr. Frank C. Dunbar, Jr. "

J. E. GREINER COMPANY
CONSULTING ENGINEERS

"C 720-9

July 8, 1958

"Mr. C. W. Hartford, Executive Director
Ohio Turnpike Commission
8080 Prospect Road
Berea, Ohio

"Dear Mr. Hartford:

"We have studied your request of June 12, 1958, concerning a possible reduction in toll rates for Classes 8 and 9 on the Ohio Turnpike and whether or not, in our judgment, it would be desirable to encourage these classes of traffic to use the Ohio Turnpike more extensively than at present.

"In respect to Class 8 vehicles, which are the heaviest vehicles permitted to travel the public highways in Ohio without the use of special permit, we are of the opinion that the full-length trip rate should be reduced from the present rate of \$18.50 to \$15.50. Our reasons for this recommendation are as follows:

"(1) On June 25, 1956, at which time commercial toll rates were reduced, the reduction for Class 8 vehicles for a full-length trip was only 13.9 percent, as opposed to approximately 28 percent for Class 7 vehicles and 27 percent for Class 6 vehicles. Since the Class 8 vehicle is accepted on public highways in the State of Ohio without special permit, it would have appeared reasonable to have reduced rates for this class of traffic in generally the same proportion as was granted to Class 6 and Class 7 vehicles.

"(2) For the 29-month period from January 1, 1956 through May 31, 1958, the total of Class 8 and Class 9 traffic represented 2.28% of all commercial traffic patronizing the Ohio Turnpike. A review of the somewhat meager statistical data presently available (one day random samples) from weighing stations of public roads generally parallel to the Ohio Turnpike indicates that at the designated stations the percentage

of commercial vehicles exceeding 65,000 pounds was as indicated below:

"U. S. 20 west of Toledo	-	4.3%
U. S. 20 west of Clyde	-	2.5%
S. R. 82 east of Aurora	-	7.0%
U. S. 30 near Ashland	-	7.25%
U. S. 30 near Van Wert	-	5.15%

"Data available from the records of the Bureau of Public Roads generally supports the above tabulation. We therefore conclude that there is an additional potential market for Class 8 traffic. Based on experience gained as a result of the initial reduction of 13.9% in Class 8 rates placed in effect June 25, 1956, we believe the recommended 16.2 percent additional reduction will be more than offset by a gain in total traffic and revenues.

"Class 9 vehicles, which permit a gross vehicle weight of up to 90,000 pounds, must obtain special permits to travel the public highways of the State of Ohio. While it is true that the Ohio Turnpike was designed to accommodate vehicles of this weight, nevertheless, we feel it would not be to the best interest of the Commission to encourage the use of the Ohio Turnpike by this class of vehicle, since expanded use would tend to increase maintenance costs.

"During 1957, and excluding house trailers, the Department of Safety of the State of Ohio issued approximately 28,000 special permits, of which an estimated 23,800 were for vehicles with a gross weight of over 78,000 pounds. It is estimated by the Department of Safety that approximately 60 percent, or 15,000, of the above vehicles were potentially Turnpike traffic. However, of this 15,000 vehicles, only 10 percent, or 1,500 vehicles, are deemed to be of a commercial character, the balance being construction equipment or trucks loaded with heavy construction materials. This latter type of traffic is generally short-haul and is not of a character deemed particularly desirable to the Ohio Turnpike, especially in view of the safety aspects.

"We do not believe that the potential market for Class 9 traffic is of consequence and, for the additional reasons above stated, are of the opinion that Class 9 toll rates should not be reduced below the present level.

"In conclusion, and in accordance with Article V, Section 501, of the Trust Agreement dated June 1, 1952, we recommend that the Ohio Turnpike Commission reduce the full-length toll rate for Class 8 vehicles from the present rate of \$18.50 to a new rate of \$15.50, and that the incremental trip rates be modified in direct proportion to the rates presently prevailing. This reduction should be made effective at the convenience of the Commission.

"We further recommend that no modification be made to the Class 9 toll rates. It is our opinion that the encouragement of the use of the Ohio Turnpike by Class 8 vehicles will not have any undesirable effect upon the physical facilities afforded, but that the accelerated use by Class 9 vehicles might very well increase maintenance costs.

"Very truly yours,

"J. E. GREINER COMPANY

"by /s/ J. J. Jenkins, Jr.

"J. J. Jenkins, Jr.

"cc: J.E.G. Co. - Berea"

OHIO TURNPIKE COMMISSION

July 11, 1958

"Mr. S. A. Keller, Vice President
The Ohio National Bank of Columbus
51 North High Street
Columbus 15, Ohio

"Dear Mr. Keller:

"Enclosed herewith is a letter dated June 12 from
the Executive Director to the Consulting Engineers with respect

to the toll rates in classes 8 and 9. This letter prompted a recommendation from the Consulting Engineers which the Commission may consider at its meeting next Tuesday, July 15.

"Yours very truly,

"JS:ln

"John Soller
"Assistant Secretary-Treasurer"

OHIO TURNPIKE COMMISSION

"June 12, 1958

"Mr. J. J. Jenkins, Jr.
J. E. Greiner Company
1106 North Charles Street
Baltimore, Maryland

"Dear Mr. Jenkins:

"The trucking industry has on different occasions and from different sources advised that the toll rates applicable to vehicles in Classes 8 and 9 were too high to permit the economical use of the turnpike and that a reduction in rates applicable to these two classes would result in increased usage.

"Assuming this to be a valid conclusion please advise, if in your judgment, it is desirable that heavy vehicles be encouraged to use the Ohio Turnpike particularly in Classes 8 and 9 and would you advise an adjustment in rate for these classes.

"Very truly yours,

"C. W. Hartford
"Executive Director

"cc: Chairman
"CWH/ma"

"7-15-58

"OHIO TURNPIKE COMMISSION

"Resolution Revising With Respect to Class 8
Vehicles the Schedule of Tolls as Heretofore
Adopted and Revised

"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% additional 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:

"(Resolution No. 10-1958 adopted July 15, 1958)"

Proposed Toll Schedule

Class 8

INTERCHANGE NAME		No.	INTERCHANGE NAME																	
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		

WEST

2 BRYAN-MONTPELIER

3 WAUSEON (SR-108)

4 MAUMEE-TOLEDO (US-20)

5 STONY RIDGE-TOLEDO (SR-120)

6 FREMONT-PORT CLINTON

7 SANDUSKY-NORWALK (US-250)

8 LORAIN-ELYRIA (SR-57)

9 NO. OLMSTED-CLEVELAND (SR-10)

10 STRONGSVILLE-CLEVELAND (US-42)

11 CLEVELAND (US-21)

12 AKRON (SR-8)

13 STREETSBORO (SR-14)

14 WARREN (SR-5)

15 NILES-YOUNGSTOWN (SR-18)

16 YOUNGSTOWN (SR-7)

Class 8

Proposed Toll Schedule

OHIO TURNPIKE COMMISSION

"17 South High Street
Columbus, Ohio
July 22, 1958

"Mr. Henry J. Crawford
Squire, Sanders and Dempsey
Union Commerce Building
Cleveland 14, Ohio

"Dear Mr. Crawford:

"You are already in receipt of a copy of a certain telegram under date of July 20 addressed to me as chairman of the Ohio Turnpike Commission by The Ohio National Bank, Trustee, L. A. Stoner; and you are in receipt also of a copy of a telegram of mine as chairman of the Ohio Turnpike Commission under the same date addressed to The Ohio National Bank, Trustee, attention, President Leland A. Stoner; and you are also in receipt of a photocopy of a letter of July 18 addressed to me as chairman of the Ohio Turnpike Commission by Leland A. Stoner, president of The Ohio National Bank of Columbus with which he enclosed what he called 'a copy of a letter received from our counsel' also dated July 18 which was in fact, however, not a copy but an original letter on the stationery of Bricker, Evatt, Barton, Eckler & Niehoff signed John Caren. Now today we are in receipt of a copy of a letter dated July 20 addressed to Mr. Leland A. Stoner, President, The Ohio National Bank, signed John Caren, photocopy of which we enclose, which we herewith refer to you for advice calling specially to your attention paragraphs 2 and 3 which are quoted hereafter as follows:

'The import of your letter, written on my advice, was that the bank, as trustee, while not raising an objection to the revised toll schedule in the manner specified in the resolution, did not wish to be understood as approving any irregularity in the adoption of the schedule.

'In clarification of my letter to you of July 18, 1958, although the procedure was irregular, if the revised rates are put into effect on July 21 in accordance with

the recommendations of the consulting engineer,
the action of the commission would not constitute
a breach of the trust agreement and the revised
rates would not be invalid. '

It is of paramount importance to this public body which
administers vast responsibility in behalf of the State of Ohio that
whatever 'irregularity' Caren is alleging be illuminated at once.
An unfair and unfounded charge such as that hurled by Caren in
his letter to Stoner dated July 18 is intolerable and cannot stand
unchallenged. Your opinion as fiscal counsel is therefore sought
as to the validity and 'regularity' of the Commission's revision
of toll rates under date of July 15, 1958 because it is imperative
that the record be made to demonstrate the groundlessness of
Caren's charge not only as originally made in his letter of July
18 but as diluted in his letter of July 20.

"Very truly yours,

/s/ James W. Shocknessy

"James W. Shocknessy
"Chairman

"cc The Ohio National Bank, att: Leland A. Stoner
Members of Commission
General Counsel
Executive Director
Comptroller"

BRICKER, EVATT, BARTON, ECKLER & NIEHOFF

"July 20, 1958

"Mr. Leland A. Stoner, President
The Ohio National Bank
51 North High Street
Columbus, Ohio

"Re: Ohio Turnpike Commission
Resolution No. 10-1958

"Dear Mr. Stoner:

"Questions have arisen of the effect of my letter of July 18, 1958 in respect of the above resolution, a copy of which was sent to James W. Shocknessy, Chairman, Ohio Turnpike Commission with your letter of the same date.

"The import of your letter, written on my advice, was that the bank, as trustee, while not raising an objection to the revised toll schedule in the manner specified in the resolution, did not wish to be understood as approving any irregularity in the adoption of the schedule.

"In clarification of my letter to you of July 18, 1958, although the procedure was irregular, if the revised rates are put into effect on July 21 in accordance with the recommendations of the consulting engineer, the action of the commission would not constitute a breach of the trust agreement and the revised rates would not be invalid.

"Yours very truly,

/s/ John Caren

"JC:em"

SQUIRE, SANDERS & DEMPSEY

"July 23, 1958

"Mr. James W. Shocknessy, Chairman
Ohio Turnpike Commission
Huntington National Bank Building
17 South High Street
Columbus 15, Ohio

"Dear Mr. Shocknessy:

"I have your letter of July 22nd, 1958 referring to telegrams and correspondence with respect to the Commission's revision of toll rates for Class 8 vehicles effective July 21st,

1958, pursuant to Resolution 10-1958 adopted July 15, 1958.

"The said Resolution was, in my opinion, validly adopted and the revised schedule of tolls is valid and was placed into effect legally and without breach of the Trust Agreement.

"Very truly yours,

/s Henry J. Crawford

"HC:ra

"cc:The Ohio National Bank, att: Leland A. Stoner
Members of Commission
General Counsel
Executive Director
Comptroller"

SQUIRE, SANDERS & DEMPSEY

"July 24, 1958

"Mr. John M. Caren
Bricker, Evatt, Barton, Eckler & Niehoff
50 West Broad Street
Columbus 15, Ohio

"Dear Mr. Caren:

"Mr. Shocknessy has sent to me a copy of your letter of July 20, 1958 concerning Ohio Turnpike Commission's Resolution No. 10-1958 adopted July 15th and establishing a revised schedule of tolls for Class 8 vehicles.

"In order to be able to reply fully to Mr. Shocknessy, will you please advise me what was irregular, in your opinion, in the procedure, in view of the phrase in your letter reading 'although the procedure was irregular'.

"your prompt advice will be appreciated.

"Very truly yours,

/s/ Henry J. Crawford

"HC:ra

"cc:James W. Shocknessy, Chairman, Ohio Turnpike Commission
Members of the Commission
The Ohio National Bank, Attn: Leland A. Stoner
General Counsel
Executive Director
Comptroller"

JOHN M. CAREN

"July 31, 1958

"Henry J. Crawford, Esq.
c/o Messrs. Squire, Sanders & Dempsey
Union Commerce Building
Cleveland, Ohio

"Dear Henry:

"As you know, section 501 of the trust agreement contains this covenant on the part of the commission:

'* * that from time to time and as often as it shall appear to it to be necessary it will request the Consulting Engineers to make recommendations as to a revision of the schedule of tolls and will file copies of such request with the Trustee and mail a copy thereof to the principal underwriters and, upon receiving such recommendations or giving reasonable opportunity for such recommendations to be made, it will revise such schedule and rates of tolls as may be necessary or proper, * *'

"The purpose of requiring the commission to file copies of requests for recommendations with the trustee is not stated, but it could only be to put the trustee on notice that the commission thinks it necessary to revise the toll schedule, and has asked the consulting engineers for recommendations in that respect, and will act when the recommendations are received or a reasonable opportunity for

making them has been given. The trustee is not told, specifically, what to do when it receives copies of such a request; but, since the provision must have some meaning, I think it means that the trustee should inform itself concerning the revision, and do what it can to protect the interests of the bondholders if it should consider it necessary.

"The provisions for revision are, of course, for the benefit of the bondholders and it is unlikely that the trustee would have occasion to object; but it is possible for circumstances to arise that would make it necessary to raise objection to some particular revision. This, in my opinion, is why the provision for notice to the trustee was made.

"It is my opinion, too, that when a request for recommendations is made of the consulting engineers, copies of the request must be filed, forthwith, with the trustee. If the filing could be done at any time before the commission's adoption of a revision, the purpose of requiring the filing would be defeated and the filing would be a vain thing. I do not think that the agreement can be so construed.

"In the present instance, on Monday, July 14, 1958 the trustee received a letter written under date of July 11, 1958 by Mr. John Soller, Assistant Secretary-Treasurer of the commission to Mr. S. A. Keller, Vice President of the bank reading as follows:

'Enclosed herewith is a letter dated June 12 from the Executive Director to the Consulting Engineers with respect to the toll rates in classes 8 and 9. This letter prompted a recommendation from the Consulting Engineers which the Commission may consider at its meeting next Tuesday, July 15.'

"The letter referred to by Mr. Soller was written about a month before (on June 12, 1958) by Mr. C. W. Hartford, Executive Director of the commission to the consulting engineers. This is the content of the letter:

'The trucking industry has on different occasions and from different sources advised that the toll rates applicable to vehicles in Classes 8 and 9 were too high to permit the economical use of the turnpike and that a reduction in rates applicable to these two classes would result in increased usage (sic).

'Assuming this to be a valid conclusion, please advise if in your judgment it is desirable that heavy vehicles be encouraged to use the Ohio Turnpike particularly in Classes 8 and 9 and would you advise on (sic) adjustment in rate for these classes.'

"The day following the trustee's receipt of Mr. Soller's letter and the copy of Mr. Hartford's, the commission adopted a resolution revising the toll schedule effective no later than the beginning of July 21, 1958, provided that no written objection to the establishment of the revised schedule was received by the executive director from the trustee or the principal underwriters on or before July 19, 1958.

"In respect of the method of adoption of the resolution, my opinion is that the filing with the trustee on July 14 of a copy of Mr. Hartford's letter of June 12 did not satisfy the requirement of section 501, and the proviso in the resolution did not, necessarily, remedy the defect. In short, my view is that the procedure was irregular.

"I hope this answers your question. There are other aspects of the matter which could be discussed, but I see no reason for doing so. As I said to you on the telephone, I assume that your request for this statement was made in good faith and I make it in the same spirit.

"Very truly yours,

/s/ John Caren

"JC:em"

SQUIRE, SANDERS & DEMPSEY

"August 14, 1958

"Mr. James W. Shocknessy, Chairman
Ohio Turnpike Commission
8080 Prospect Road
Berea, Ohio

"Re: Revision of Toll Schedules
 Adopted July 15, 1958

"Dear Sir:

"I am now in receipt from Mr. John M. Caren of a letter dated July 31, 1958 with regard to the revision of the toll schedules adopted by the Commission on July 15, 1958, in which he replies to my inquiry of July 24, 1958 as to the respects in which the procedure of the Commission was, in his opinion, irregular.

"Copy of his letter is enclosed.

"As I understand his letter, it is his opinion that the mailing on July 11th to the Trustee of a copy of Mr. Hartford's letter of June 12th to the Consulting Engineer, did not satisfy the requirement of Section 501 of the Trust Agreement to the effect that the Commission should file copies of any such request with the Trustee. The basis of his opinion is that copies of any such request must be filed 'forthwith' with the Trustee in order to satisfy the assumed purpose that the Trustee be placed on notice that the Commission thinks it necessary to revise the toll schedules, so that the Trustee may inform itself concerning the revision and do what it can to protect the interests of the bondholders if it should consider it necessary.

"The Trust Agreement does not fix any time for the filing of copies of such request with the Trustee. It is therefore my considered opinion that such filing can be done at any time, if it is done in such a way as reasonably to give the Trustee an opportunity to act if the Trustee concludes that action is necessary. That was accomplished in this case because of (1) the actual filing of the request with the Trustee with the statement that the recommendation of the Engineers might be considered at the July 15, 1958 meeting, (2) the opportunity of the Trustee to attend the meeting and (3) the further opportunity of the Trustee to object by July 19th. That the notice was not unreasonably short in this case is conclusively established by the Trustee refusing the opportunity to attend the meeting, (the minutes show that it was not present) and failing to object to consideration of the revision; and by its later failing to nullify the action of the Commission, which it could have done by making objection by July 19th. The Trustee being absent from the July 15th meeting, the Commission in adopting the rate change provided the Trustee should have further opportunity to object and by objection, to nullify the change.

"Although Mr. Caren's opinion and mine differ as to whether there was in this case any 'irregularity' I should point out that, in the light of his opinion to Mr. Stoner dated July 20, he and I are in entire agreement that the action of the Commission placing the schedules in effect on July 21, 1958 was legal and valid.

"Very truly yours,

/s/ Henry J. Crawford

"HC/pb

"Encl.

"cc: The Ohio National Bank, Attn: Leland A. Stoner
Members of Commission
General Counsel
Executive Director
Comptroller
John M. Caren"

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

1. Financial Reports as of June 30, 1958. and July 31, 1958.
2. Statistical report on concessionaires for the first half of 1958.
3. Budget Report for the first half of 1958.
4. Traffic and Revenue Report for July 1958.
5. Detail of investment transactions for July 1958.
6. Draft of the minutes of the July 15, 1958 meeting.
7. Auditors' Report for period ending June 30, 1958.

The Assistant Secretary-Treasurer reported also that the Peat, Marwick, Mitchell & Co. report as of June 30, 1958 had revealed an error of slightly under \$10,000.00 in the Commission's own unaudited financial report. He said one item had been added instead of subtracted which resulted in an overstatement of construction costs to date. He said

the balance sheet, however, had been correct. He said the other figure had been corrected on the Commission's July report.

The Assistant Secretary-Treasurer reported further that consideration was being given to a change in the Commission's invoicing of toll charge customers from weekly to semi-monthly. He said that would reduce slightly the work in the Accounting Department. He said there had been indications that the change would be well received by the Commission's customers.

The Assistant Secretary-Treasurer reported further that accounting procedures had been established for the Reserve Maintenance Fund and it was believed that matter would present no serious problems.

In response to questions by Members the Assistant Secretary-Treasurer said collections had been slow on only one charge account. He said that customer had gone into bankruptcy and as a result the Commission had lost about \$400. He said that customer was over its bond and had no assets. He said investigation of financial standing of customers was not made before credit was extended because the Commission required a bond in the amount of six times the estimated weekly tolls of the respective customers. He said customers who had used the turnpike substantially more than they had estimated had been asked to increase the amounts of their bonds. He said the \$400 loss had been charged off to toll revenue adjustments and that the Commission's auditors had approved that procedure. The Chairman directed that the concurrence of Fiscal Counsel on the procedure be obtained. He said that in the absence of any questions the report of the Secretary-Treasurer would be accepted as offered.

A Resolution extending sympathy to the widow and family of Allison C. Neff, deceased, was moved for adoption by the Chairman, seconded by Mr. Teagarden and General Beightler, as follows:

Resolution No. 12-1958

"WHEREAS it has been with profound sorrow and deep regret that the Commission has learned of the death of Mr. Allison C. Neff of Middletown, Ohio, a professional engineer and a vice president of Armco Drainage & Metal Products, Inc. ;

"WHEREAS Mr. Neff devoted his entire life to the high principles of his profession and earned the utmost respect and commanded the sincere admiration of all who knew him during the many years he engaged in the practice of engineering; and

"WHEREAS Mr. Neff, in the course of devoting a great deal of time and effort to public affairs, was most effective in his support of the enactment of the Ohio Turnpike Act by the General Assembly and in his cooperation with the Ohio Turnpike Commission;

"NOW, THEREFORE, BE IT

"RESOLVED that the Commission, by the adoption of this resolution, extends its sympathy to Mrs. Neff and to their sons and grandchildren in the death of her husband and their father and grandfather: and

"FURTHER RESOLVED that the Assistant Secretary-Treasurer be, and he hereby is, instructed to transmit certified copies of this resolution to Mrs. Neff, to the Society of Professional Engineers, to the Armco Drainage & Metal Products, Inc., and to the Ohio Highway and Turnpike Association. "

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

Ayes: Shocknessy, Teagarden, Beightler.

Nays: None.

Absent: Chastang, Noble.

The Chairman declared the resolution adopted with the three members present voting in the affirmative.

The resolution was identified as No. 12-1958.

General Beightler reported as Chairman of the Committee on Service Plazas that several restaurant operators were continuing to expand the area in the restaurant buildings which was being used for gift shops beyond the gift shop area as shown in the original plans on which they had submitted their bids. He said the operators had expanded in the lounge area and, in some cases, into the dining area. He said the members of the Committee were at variance with respect to specific recommendations for limitation of the gift shop area which had been submitted by the Supervisor of Restaurants. He said the Committee had decided therefore that the Executive Director would write to the several restaurant concessionaires and advise them that the Commission was planning to review the problem of the usage of the lounge and dining areas in part for gift shops and that they could,

if they wished, submit applications to the Commission for proposed usage of areas for gift shop purposes. He said some expansion of the gift shop areas had been unsightly and the Committee felt limitations should be established.

General Beightler reported further that one restaurant concessionaire, the Howard D. Johnson Company, recently had air-conditioned a men's rest room somewhat successfully at the low cost of \$150. He said the company was considering similar measures in the other five restaurants which they operated.

The Executive Director supplemented the report of the Chairman of the Committee on Service Plazas. He said the Commission that morning had received bids on eight contracts for paving the 16 service plazas. He said the bids were surprisingly lower than the Commission's estimates. He said a pre-award conference attended by representatives of the Chief Engineer, of the Legal Department, and of the Consulting Engineers and by him had been held with the low bidder on each of the contracts. He said that as a result of the bids and of the pre-award conferences, the Consulting Engineers recommended the award of the contracts to the low bidders on the respective contracts. He said the Chief Engineer had concurred in the recommendation of the Consulting Engineers and that he likewise concurred in that recommendation.

The Assistant General Counsel said he had reviewed all the bids with respect to legal requirements.

General Beightler said the tabulation of bids showed there had been only one bid on each of two contracts, two bids on each of three contracts, three bids on each of two contracts, and four bids on one contract. He asked the Executive Director how he accounted for the limited amount of bidding and for the great variation between the low bid and the estimate on each contract. The Executive Director did not agree that there was a limited number of bids. He said the estimates were prepared by the Contracting Engineers who had informed the Commission the estimates were based on prices which were current at the time the estimates were prepared. He said all the contractors were located within close proximity to the service plazas concerned in the contracts for which they were the successful bidders. The Chief Engineer said several contractors had told him that contractors generally were eager for the type of work involved in the contracts and that the Commission was going to receive some very fine bids.

General Beightler said he was very happy to get the bids. The

Executive Director said all the low bidders were prequalified for bidding with the Ohio Department of Highways. He said all the low bidders had furnished equipment and financial questionnaires.

The Executive Director reported further that the estimated cost of contract P-9 was \$109,886.00. He said the low bid on the contract had been submitted by The City Asphalt & Paving Co. of Youngstown, Ohio in the amount of \$62,685.00. He said the Consulting Engineers and the Chief Engineer recommended an award to The City Asphalt & Paving Co. and he concurred in that recommendation. The Assistant General Counsel said award of the contract might lawfully be made to such bidder.

A resolution awarding service plaza paving contract P-9 was moved for adoption by General Beightler, seconded by Mr. Teagarden, as follows:

Resolution No. 13-1958

"WHEREAS the Commission has duly advertised, according to law, for bids upon a contract for the performance of certain paving work at and upon the Mahoning Valley-Glacier Hills Service Plazas of the Ohio Turnpike in Mahoning County, which contract is designated Contract P-9, and proof of said advertising is before the Commission;

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

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

"WHEREAS all of the aforesaid bids for said contract were solicited on the basis of the same terms and conditions, and the same specifications, with respect to all bidders and potential bidders, and the bid of The City Asphalt & Paving Co. of Youngstown, O. for the performance of said Contract P-9, is, and is by the Commission determined to be, the lowest of all said bids for the performance of said contract, and the Commission has been advised by its assistant general counsel (its general counsel being absent) that said bid conforms to the requirements of Section 5537.04 of the Revised Code of Ohio and to the terms, conditions, and specifications in the legal notice applicable thereto, and, accordingly, the Commission is authorized

to accept said bid as the lowest and best bid for the performance of the work required under said contract and of the incidental obligations thereof; and

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

"NOW, THEREFORE, BE IT

"RESOLVED that the bid of The City Asphalt & Paving Co. of Youngstown, O. for the performance of Contract P-9 be, and hereby it is, determined to be the lowest and best of all said bids and is accepted, and that the chairman and executive director, or either of them, be, and each of them hereby is, authorized, (1) to execute a contract with said successful bidder in the form heretofore prescribed by the Commission, pursuant to the aforesaid bid, and upon the condition that said successful bidder shall furnish a performance bond as heretofore approved by the Commission, (2) to direct the return to all bidders for the aforesaid contract, other than said successful bidder, of the bid security furnished by each of them, respectively, (3) to direct the return to said successful bidder of its bid security when the aforesaid contract has been duly executed and said performance bond furnished, and (4) to take any and all action necessary or proper to carry out the terms of said bid and of said contract. "

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

Ayes: Beightler, Teagarden, Shocknessy.

Nays: None.

Absent: Chastang, Noble.

The Chairman declared the resolution adopted with the three Members present voting in the affirmative. The resolution was identified as No. 13-1958.

The Executive Director reported further that the estimated cost of contract P-10 was \$97,506.00. He said the low bid on the contract had been submitted by A. J. Ronyak, Inc. of Burton, Ohio in the amount of \$56,246.60. He said the Consulting Engineers and the Chief Engineer had recommended an award to A. J. Ronyak, Inc. and he concurred in that recommendation. The Assistant General Counsel said the contract might lawfully be awarded to such bidder. A resolution awarding

service plaza paving contract P-10 was moved for adoption by Mr. Teagarden, seconded by General Beightler, as follows:

Resolution No. 14-1958

"WHEREAS the Commission has duly advertised, according to law, for bids upon a contract for the performance of certain paving work at and upon the Portage-Brady's Leap Service Plazas of the Ohio Turnpike in Portage County, which contract is designated Contract P-10, and proof of said advertising is before the Commission;

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

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

"WHEREAS all of the aforesaid bids for said contract were solicited on the basis of the same terms and conditions, and the same specifications, with respect to all bidders and potential bidders, and the bid of A. J. Ronyak, Inc. of Burton, Ohio for the performance of said Contract P-10, is, and is by the Commission determined to be, the lowest of all said bids for the performance of said contract, and the Commission has been advised by its assistant general counsel (its general counsel being absent) that said bid conforms to the requirements of Section 5537.04 of the Revised Code of Ohio and to the terms, conditions, and specifications in the legal notice applicable thereto, and, accordingly, the Commission is authorized to accept said bid as the lowest and best bid for the performance of the work required under said contract and of the incidental obligations thereof; and

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

"NOW, THEREFORE, BE IT

"RESOLVED that the bid of A. J. Ronyak, Inc. of Burton, Ohio for the performance of Contract P-10 be, and hereby it is, determined to be the lowest and best of all said bids and is accepted, and that the chairman and executive director, or either of them, be, and each of them hereby is, authorized, (1) to execute a contract with said successful

bidder in the form heretofore prescribed by the Commission, pursuant to the aforesaid bid, and upon the condition that said successful bidder shall furnish a performance bond as heretofore approved by the Commission, (2) to direct the return to all bidders for the aforesaid contract, other than said successful bidder, of the bid security furnished by each of them, respectively, (3) to direct the return to said successful bidder of its bid security when the aforesaid contract has been duly executed and said performance bond furnished, and (4) to take any and all action necessary or proper to carry out the terms of said bid and of said contract. "

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

Ayes: Teagarden, Beightler, Shocknessy.

Nays: None.

Absent: Chastang, Noble.

The Chairman declared the resolution adopted with the three Members present voting in the affirmative. The resolution was identified as No. 14-1958.

The Executive Director reported further that the estimated cost of contract P-11 was \$100,500.00. He said the low bid on the contract had been submitted by The Pioneer Paving & Construction Company, Inc. of Bedford Heights, Ohio in the amount of \$75,236.90. He said the Consulting Engineers and the Chief Engineer had recommended an award to The Pioneer Paving & Construction Company, Inc. and he concurred in that recommendation. The Assistant General Counsel said the contract might lawfully be awarded to such bidder. The Chairman inquired whether there was any question about any of the low bidders. The Executive Director replied that the staff had determined that all the low bidders had the equipment required, that they were not bound by other work, that their plants were in the proximity of the respective jobs on which they bid, that only one contractor proposed to sub-contract and that for the distributor work, and that the staff was quite well pleased with the character of the contractors who had made bids.

The Chief Engineer said all the contractors were going to start work within a short time after September 3, 1958. The Executive Director said the time of construction, barring rainy weather, would be two or three weeks. He said only a portion of each service plaza would be closed to traffic at a time so that users of the turnpike would not be seriously

inconvenienced. The Chairman asked whether the Commission had adequate staff to police all the contracts.

A resolution awarding service plaza paving contract P-11 was moved for adoption by General Beightler, seconded by Mr. Teagarden, as follows:

Resolution No. 15-1958

"WHEREAS the Commission has duly advertised, according to law, for bids upon a contract for the performance of certain paving work at and upon the Great Lakes-Towpath Service Plazas of the Ohio Turnpike in Cuyahoga County, which contract is designated Contract P-11, and proof of said advertising is before the Commission;

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

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

"WHEREAS all of the aforesaid bids for said contract were solicited on the basis of the same terms and conditions, and the same specifications, with respect to all bidders and potential bidders, and the bid of The Pioneer Paving & Construction Co., Inc. of Bedford Hts., Ohio for the performance of said Contract P-11, is, and is by the Commission determined to be, the lowest of all said bids for the performance of said contract, and the Commission has been advised by its assistant general counsel (its general counsel being absent) that said bid conforms to the requirements of Section 5537.04 of the Revised Code of Ohio and to the terms, conditions, and specifications in the legal notice applicable thereto, and, accordingly, the Commission is authorized to accept said bid as the lowest and best bid for the performance of the work required under said contract and of the incidental obligations thereof; and

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

"NOW, THEREFORE, BE IT

"RESOLVED that the bid of The Pioneer Paving & Construction

Co., Inc. of Bedford Hts., Ohio for the performance of Contract P-11 be, and hereby it is, determined to be the lowest and best of all said bids and is accepted, and that the chairman and executive director, or either of them, be, and each of them hereby is, authorized, (1) to execute a contract with said successful bidder in the form heretofore prescribed by the Commission, pursuant to the aforesaid bid, and upon the condition that said successful bidder shall furnish a performance bond as heretofore approved by the Commission, (2) to direct the return to all bidders for the aforesaid contract, other than said successful bidder, of the bid security furnished by each of them, respectively, (3) to direct the return to said successful bidder of its bid security when the aforesaid contract has been duly executed and said performance bond furnished, and (4) to take any and all action necessary or proper to carry out the terms of said bid and of said contract."

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

The vote was as follows:

Ayes: Beightler, Teagarden, Shocknessy.

Nays: None.

Absent: Chastang, Noble.

The Chairman declared the resolution adopted with the three Members present voting in the affirmative. The resolution was identified as No. 15-1958.

The Executive Director reported further that the estimated cost of contract P-12 was \$108,000.00. He said the low bid on the contract had been submitted by Price Construction Company, Inc. of Norwalk, Ohio in the amount of \$88,512.24. He said the Consulting Engineers and the Chief Engineer had recommended an award to the Price Construction Company, Inc., and he concurred in that recommendation. The Assistant General Counsel said the contract might lawfully be awarded to such bidder.

A resolution awarding service plaza paving contract P-12 was moved for adoption by Mr. Teagarden, seconded by General Beightler, as follows:

Resolution No. 16-1958

"WHEREAS the Commission has duly advertised, according to law, for bids upon a contract for the performance of certain paving work at and upon the Middle Ridge-Vermilion Valley Service Plazas of the Ohio Turnpike in Lorain County, which contract is designated Contract P-12, and proof of said advertising is before the Commission;

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

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

"WHEREAS all of the aforesaid bids for said contract were solicited on the basis of the same terms and conditions, and the same specifications, with respect to all bidders and potential bidders, and the bid of Price Construction Co., Inc. of Norwalk, O. for the performance of said Contract P-12, is, and is by the Commission determined to be, the lowest of all said bids for the performance of said contract, and the Commission has been advised by its assistant general counsel (its general counsel being absent) that said bid conforms to the requirements of Section 5537.04 of the Revised Code of Ohio and to the terms, conditions, and specifications in the legal notice applicable thereto, and, accordingly, the Commission is authorized to accept said bid as the lowest and best bid for the performance of the work required under said contract and of the incidental obligations thereof; and

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

"NOW, THEREFORE, BE IT

"RESOLVED that the bid of Price Construction Co., Inc. of Norwalk, Ohio for the performance of Contract P-12 be, and hereby it is, determined to be the lowest and best of all said bids and is accepted, and that the chairman and executive director, or either of them, be, and each of them hereby is, authorized, (1) to execute a contract with said successful bidder in the form heretofore prescribed by the Commission, pursuant to the aforesaid bid, and upon the condition that said successful bidder shall furnish a performance bond as heretofore approved by the

Commission, (2) to direct the return to all bidders for the aforesaid contract, other than said successful bidder, of the bid security furnished by each of them, respectively, (3) to direct the return to said successful bidder of its bid security when the aforesaid contract has been duly executed and said performance bond furnished, and (4) to take any and all action necessary or proper to carry out the terms of said bid and of said contract."

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

Ayes: Teagarden, Beightler, Shocknessy.

Nays: None.

Absent: Chastang, Noble.

The Chairman declared the resolution adopted with the three Members present voting in the affirmative. The resolution was identified as No. 16-1958.

The Executive Director reported further that the estimated cost of contract P-13 was \$113,290.00. He said the low bid on the contract had been submitted by Ohio Road Paving Company, Inc., of Columbus, Ohio in the amount of \$78,689.10. He said the Consulting Engineers and the Chief Engineer recommended an award to the Ohio Road Paving Company, Inc., and he concurred in that recommendation. The Assistant General Counsel said award of the contract might lawfully be made to such bidder.

A resolution awarding service plaza paving contract P-13 was moved for adoption by General Beightler, seconded by Mr. Teagarden, as follows:

Resolution No. 17-1958

"WHEREAS the Commission has duly advertised, according to law, for bids upon a contract for the performance of certain paving work at and upon the Erie Islands-Commodore Perry Service Plazas of the Ohio Turnpike in Sandusky County, which contract is designated Contract P-13, and proof of said advertising is before the Commission;

"WHEREAS bids for the performance of said contract have been received and were duly opened and read as provided in the published

notice for said bids, and said bids are before this meeting;

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

"WHEREAS all of the aforesaid bids for said contract were solicited on the basis of the same terms and conditions, and the same specifications, with respect to all bidders and potential bidders, and the bid of Ohio Road Paving Co., Inc. of Columbus, Ohio for the performance of said Contract P-13, is, and is by the Commission determined to be, the lowest of all said bids for the performance of said contract, and the Commission has been advised by its assistant general counsel (its general counsel being absent) that said bid conforms to the requirements of Section 5537.04 of the Revised Code of Ohio and to the terms, conditions, and specifications in the legal notice applicable thereto, and, accordingly, the Commission is authorized to accept said bid as the lowest and best bid for the performance of the work required under said contract and of the incidental obligations thereof; and

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

"NOW, THEREFORE, BE IT

"RESOLVED that the bid of Ohio Road Paving Co., Inc. of Columbus, Ohio for the performance of Contract P-13 be, and hereby it is, determined to be the lowest and best of all said bids and is accepted, and that the chairman and executive director, or either of them, be, and each of them hereby is, authorized, (1) to execute a contract with said successful bidder in the form heretofore prescribed by the Commission, pursuant to the aforesaid bid, and upon the condition that said successful bidder shall furnish a performance bond as heretofore approved by the Commission, (2) to direct the return to all bidders for the aforesaid contract, other than said successful bidder, of the bid security furnished by each of them, respectively, (3) to direct the return to said successful bidder of its bid security when the aforesaid contract has been duly executed and said performance bond furnished, and (4) to take any and all action necessary or proper to carry out the terms of said bid and of said contract. "

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

Ayes: Beightler, Teagarden, Shocknessy.

Nays: None.

Absent: Chastang, Noble.

The Chairman declared the resolution adopted with the three Members present voting in the affirmative. The resolution was identified as No. 17-1958.

The Executive Director reported further that the estimated cost for contract P-14 was \$103,650.00. He said the low bid on the contract was submitted by the S. E. Johnson Company of Maumee, Ohio in the amount of \$79,976.65. He said the Consulting Engineers and the Chief Engineer recommended award of the contract to the S. E. Johnson Company and he concurred in the recommendation. The Assistant General Counsel said award of the contract might legally be made to such bidder.

A resolution awarding service plaza paving contract P-14 was moved for adoption by Mr. Teagarden, seconded by General Beightler, as follows:

Resolution No. 18-1958

"WHEREAS the Commission has duly advertised, according to law, for bids upon a contract for the performance of certain paving work at and upon the Blue Heron-Wyandot Service Plazas of the Ohio Turnpike in Sandusky County, which contract is designated Contract P-14, and proof of said advertising is before the Commission;

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

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

"WHEREAS all of the aforesaid bids for said contract were solicited on the basis of the same terms and conditions, and the same specifications, with respect to all bidders and potential bidders, and the

bid of S. E. Johnson Co. of Maumee, Ohio for the performance of said Contract P-14, is, and is by the Commission determined to be, the lowest of all said bids for the performance of said contract, and the Commission has been advised by its assistant general counsel (its general counsel being absent) that said bid conforms to the requirements of Section 5537.04 of the Revised Code of Ohio and to the terms, conditions, and specifications in the legal notice applicable thereto, and accordingly, the Commission is authorized to accept said bid as the lowest and best bid for the performance of the work required under said contract and of the incidental obligations thereof; and

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

"NOW, THEREFORE, BE IT

"RESOLVED that the bid of S. E. Johnson Co. of Maumee, Ohio for the performance of Contract P-14 be, and hereby it is, determined to be the lowest and best of all said bids and is accepted, and that the chairman and executive director, or either of them, be, and each of them hereby is, authorized, (1) to execute a contract with said successful bidder in the form heretofore prescribed by the Commission, pursuant to the aforesaid bid, and upon the condition that said successful bidder shall furnish a performance bond as heretofore approved by the Commission, (2) to direct the return to all bidders for the aforesaid contract, other than said successful bidder, of the bid security furnished by each of them, respectively, (3) to direct the return to said successful bidder of its bid security when the aforesaid contract has been duly executed and said performance bond furnished, and (4) to take any and all action necessary or proper to carry out the terms of said bid and of said contract."

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

Ayes: Teagarden, Beightler, Shocknessy.

Nays: None.

Absent: Chastang, Noble.

The Chairman declared the resolution adopted with the three Members present voting in the affirmative. The resolution was identified as No. 18-1958.

The Executive Director reported further that the estimated cost for contract P-15 was \$89,720.00. He said the low bid on the contract had been submitted by the S. E. Johnson Company of Maumee, Ohio in the amount of \$67,743.25. He said the Consulting Engineers and the Chief Engineer recommended award of the contract to the S. E. Johnson Company and he concurred in that recommendation. The Assistant General Counsel said award of the contract might lawfully be made to such bidder.

A resolution awarding service plaza paving contract P-15 was moved for adoption by General Beightler, seconded by Mr. Teagarden, as follows:

Resolution No. 19-1958

"WHEREAS the Commission has duly advertised, according to law, for bids upon a contract for the performance of certain paving work at and upon the Oak Openings-Fallen Timbers Service Plazas of the Ohio Turnpike in Lucas County, which contract is designated Contract P-15, and proof of said advertising is before the Commission;

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

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

"WHEREAS all of the aforesaid bids for said contract were solicited on the basis of the same terms and conditions, and the same specifications, with respect to all bidders and potential bidders, and the bid of S. E. Johnson Co. of Maumee, Ohio for the performance of said Contract P-15, is, and is by the Commission determined to be, the lowest of all said bids for the performance of said contract, and the Commission has been advised by its assistant general counsel (its general counsel being absent) that said bid conforms to the requirements of Section 5537.04 of the Revised Code of Ohio and to the terms, conditions, and specifications in the legal notice applicable thereto, and, accordingly, the Commission is authorized to accept said bid as the lowest and best bid for the performance of the work required under said contract and of the incidental obligations thereof; and

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

"NOW, THEREFORE, BE IT

"RESOLVED that the bid of S. E. Johnson Co. of Maumee, Ohio for the performance of Contract P-15 be, and hereby it is, determined to be the lowest and best of all said bids and is accepted, and that the chairman and executive director, or either of them, be, and each of them hereby is, authorized, (1) to execute a contract with said successful bidder in the form heretofore prescribed by the Commission, pursuant to the aforesaid bid, and upon the condition that said successful bidder shall furnish a performance bond as heretofore approved by the Commission, (2) to direct the return to all bidders for the aforesaid contract, other than said successful bidder, of the bid security furnished by each of them, respectively, (3) to direct the return to said successful bidder of its bid security when the aforesaid contract has been duly executed and said performance bond furnished, and (4) to take any and all action necessary or proper to carry out the terms of said bid and of said contract."

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

Ayes: Beightler, Teagarden, Shocknessy.

Nays: None.

Absent: Chastang, Noble.

The Chairman declared the resolution adopted with the three Members present voting in the affirmative. The resolution was identified as No. 19-1958.

The Executive Director reported further that the estimated cost for contract P-16 was \$96,945.00. He said the low bid on the contract was submitted by Northwest Materials, Inc. of Bryan, Ohio in the amount of \$82,642.50. He said the Consulting Engineers and the Chief Engineer recommended award of the contract to Northwest Materials, Inc. and he concurred in that recommendation. The Assistant General Counsel said award of the contract might lawfully be made to such bidder.

A resolution awarding service plaza paving contract P-16 was moved for adoption by Mr. Teagarden, seconded by General Beightler, as follows:

Resolution No. 20-1958

"WHEREAS the Commission has duly advertised, according to law, for bids upon a contract for the performance of certain paving work at and upon the Indian Meadows-Tiffin River Service Plazas of the Ohio Turnpike in Williams County, which contract is designated Contract P-16, and proof of said advertising is before the Commission;

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

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

"WHEREAS all of the aforesaid bids for said contract were solicited on the basis of the same terms and conditions, and the same specifications, with respect to all bidders and potential bidders, and the bid of Northwest Materials, Inc. of Bryan, Ohio for the performance of said Contract P-16, is, and is by the Commission determined to be, the lowest of all said bids for the performance of said contract, and the Commission has been advised by its assistant general counsel (its general counsel being absent) that said bid conforms to the requirements of Section 5537.04 of the Revised Code of Ohio and to the terms, conditions, and specifications in the legal notice applicable thereto, and, accordingly, the Commission is authorized to accept said bid as the lowest and best bid for the performance of the work, required under said contract and of the incidental obligations thereof; and

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

"NOW, THEREFORE, BE IT

"RESOLVED that the bid of Northwest Materials, Inc. of Bryan, Ohio for the performance of Contract P-16 be, and hereby it is, determined to be the lowest and best of all said bids and is accepted, and that the chairman and executive director, or either of them, be, and each of them hereby is, authorized, (1) to execute a contract with said successful bidder in the form heretofore prescribed by the Commission, pursuant to the aforesaid bid, and upon the condition that said successful bidder shall furnish a performance bond as heretofore approved by the Commission,

(2) to direct the return to all bidders for the aforesaid contract, other than said successful bidder, of the bid security furnished by each of them, respectively, (3) to direct the return to said successful bidder of its bid security when the aforesaid contract has been duly executed and said performance bond furnished, and (4) to take any and all action necessary or proper to carry out the terms of said bid and of said contract."

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

Ayes: Teagarden, Beightler, Shocknessy.

Nays: None.

Absent: Chastang, Noble.

The Chairman declared the resolution adopted with the three Members present voting in the affirmative. The resolution was identified as No. 20-1958.

The Executive Director reported further that although written complaints about restaurant service were fewer so far in 1958 when compared to a like period of 1957, the severity of the criticisms appeared to be greater. He said each complaint received was referred to the operator of the restaurant concerned for information and corrective action and was checked also by a member of the Commission's staff. He said that unless an impartial witness to an incident occasioning a complaint could be found it was difficult to establish the validity of a complaint. He said that unless it could be determined otherwise, factually, all complaints were considered valid and were so treated.

The Executive Director said also the Commission was in receipt of a serious complaint against the operations of one concessionaire from a person whose integrity could not be questioned. He said time had not permitted the completion of an investigation of the complaint but the concern with which the complaint had been treated should serve ample warning to the operator that such conditions as described in the complaint would not be tolerated on the Ohio Turnpike. He said the contracts for the operation of the restaurants on the turnpike provided they should be operated with the highest standards of management and operation to the end that the public might be served in the best possible manner and that public esteem might be won and retained for the operator and for the Ohio Turnpike Commission. He said nothing less was acceptable.

General Beightler said there was a marked improvement in the operations of the restaurants over the previous year. He said inspection of a number of comment cards sent to him from various of the turnpike restaurants included some slight criticisms in a few cases but that most of them were complimentary. He said he believed that whereas there had been some instances in which the service had not been what it should be, the improvement in the restaurants had been so great that the Commission could be pleased with what was going on. He read comments from a number of comment cards such as "very good", "best food", "service exceptional", "we've been on turnpikes in Massachusetts, New York and Ohio and this is the finest we've hit", "excellent and very courteous service", "your service is much superior to the service on the Pennsylvania Turnpike", "ladies restroom very nice", "men's restroom clean".

The Chairman said the report of the Committee on Service Plazas as offered by General Beightler and amplified by the Executive Director would be accepted as offered.

The Executive Director, as Vice-Chairman of the Committee on Budget and Finance, reported that preliminary preparation of the budget for 1959 had been begun. He said it was necessary that the Commission adopt a preliminary budget by October 20, 1958. He reported also that the Chairman had referred a question with respect to salaries which had been put to him to the Budget and Finance Committee for its consideration.

The Chairman said the question was with respect to the freeze which the Commission instituted on salary increases in January 1958. He said he had asked the Budget and Finance Committee to make a report with respect to the review requested by the Executive Director and the reconsideration which he had requested the Commission give it. He said the report of the Executive Director as Vice-Chairman of the Budget and Finance Committee was accepted as offered.

Mr. Teagarden, as Chairman of the Committee on Claims, reported that two of the most difficult claims had been settled since the last meeting. He said the Committee still had about seven claims that were in the process of settling. He said that on two of those claims the Committee had submitted to the claimants what it considered the Commission's final settlement. He said none of the claims before the Committee involved right-of-way.

The Chairman congratulated Mr. Teagarden on the report of his Committee and said the report was accepted as offered.

The Assistant General Counsel reported in the absence of the General Counsel that the Commission's files were very good with respect to the claim of the Harrison Construction Company against the Commission which was the basis of a suit filed by the company. He reported further the settlement of the Rundle case.

The Chairman said that in the absence of questions the report received from the Assistant General Counsel was accepted as offered.

The Consulting Engineers reported that it was practically through with its inspection of the turnpike and that in general it was better maintained in 1958 than in 1957. The Chairman thanked the Consulting Engineers for its report.

The Executive Director reported that at the meeting of the Commission on July 15, 1958 the Executive Director had been instructed to request the Commission's insurance consultant, Mr. Clayton Hale, to review the Commission's policy and procedure in the purchase of insurance and to advise his recommendations for any modification in that policy and procedure deemed advisable and further to review the Commission's insurance program currently in effect and recommend with respect to the Commission being a self-insurer for that insurance or any portion thereof not required under the provisions of Section 707 and 708 of the Trust Agreement.

The Executive Director said also that by letter dated August 6, 1958 Mr. Hale had advised, in brief, that it was his opinion that an insurance program could be more economical and more stable when conducted, as had been done by the Commission, on a negotiated basis rather than on a basis of receiving bids on predetermined specifications and further he had had no recommendation to make regarding change in the insurance currently in effect except the possibility of omitting the December 1958 renewal of the valuable papers and records policy. The Executive Director said also that Mr. Hale had concluded that he saw no possibility of an actual self-insurance plan for the Commission's exposure because the essential ingredient for self-insurance was lacking as explained in his response. He said Mr. Hale did foresee the possibility of non-insurance in certain respects should the Commission wish to absorb its losses but believed that current lines in that respect had been properly drawn and he had recommended no changes at that time.

The Executive Director said also that with respect to the Commission's insurance program, the policy covering use and occupancy insurance

required by the Trust Agreement had had an expiration date of August 15, 1958 at noon. He said that in order to comply with the requirements of the Trust Agreement and to permit the Commission an opportunity to consider the recommendations of its consultant regarding insurance procurement, a binder on the existing use and occupancy insurance had been obtained providing coverage to September 15, 1958.

The Executive Director said also that a copy of the recommendations of the Commission's consultant on insurance had been forwarded to each Member under date of August 8, 1958. He said it was his opinion that the Commission should approve the recommendations of its consultant and to continue to procure insurance in the manner recommended by Mr. Hale. He read from a memorandum addressed to the Members of the Commission under date of August 14, 1958 as follows:

"By memorandum written under date of August 11, 1958 you were advised that I expected to renew the use and occupancy insurance with the Aetna Insurance Company, unless advised not to.

"Rather than renew the insurance prior to the Commission having had an opportunity to consider the recommendations of its consultant in the matter of procurement of insurance it was deemed advisable to secure this coverage by a binder to the present policy. A thirty-day binder has been obtained and that policy's expiration date is now noon September 14, 1958 rather than noon August 15, 1958".

The Chairman said the Executive Director was going to proceed under his authority to keep the terms of the Trust Agreement inviolate.

The Executive Director reported further that a new radar speed study had been conducted and that copies of the results would be sent to the Members.

The Executive Director reported further that bids had been opened on August 12, 1958 for approximately 2,000 tons of bulk calcium chloride. He said identical bids had been received from four suppliers for the unit price per ton but that one bidder had submitted a bid \$10.00 lower than the other three on freight rates. He said that firm had advised later that it had made an error in the calculation of freight rates. He said the bid as made was binding on the company in accordance with the terms of the contract documents. He said the bids were

being examined for compliance with bidding requirements. He said the grand total for the low bid, including material and freight, amounted to \$68,900.00 at an average price of \$34.45 per ton delivered. He said the only difference between bids received in 1958 and the bids received in 1957 was a slight increase in freight rates for those deliveries to be made westerly of the Maumee River. He said calcium chloride used during the winter of 1957 - 58 amounted in cost to \$36,633.82.

The Executive Director reported further that bids had been opened on August 14, 1958 for approximately 20,000 tons of sodium chloride. He said that for the first time the Commission had divided the invitation into two proposals in an effort to stimulate competition in bidding. He said that theretofore identical bids had been received from each of two suppliers. He said the latest bids received included three bids for the requirements of the eastern division of the turnpike and two identical bids for the western division. He said the two firms which had given identical bids for the quantities for the western division also had given identical bids for the eastern division. He said the third bidder for quantities in the eastern division was low by a significant amount. He said the bids were being examined for compliance with requirements of the bidding documents. He said the total amount bid by either of the two identical bidders on the quantities for the western division and the low bidder for quantities for the eastern division was \$308,800.00. He said the average delivered price for sodium chloride in 1957 had been \$15.34 per ton compared to \$15.44 per ton in 1958. He said the cost of sodium chloride used during the winter of 1957 - 58 was \$313,569.06.

The Executive Director reported further that plans for work to restore distressed pavement at milepost 15 had been completed and the work was scheduled to commence the following week. He said the first operation would include the redrilling of mudjack holes and the pumping of grout into all voids encountered. He said no significant adjustment in elevation of the pavement slab was anticipated. He said it was planned further to remove a V-shaped section of the concrete along the center of the pavement, place anchor bolts in the two halves of the pavement, weld tie bars to those anchor bolts to fix rigidly the two halves of the pavement together to prevent differential movement after the flexible pavement was laid. He said that subsequent to that corrective work the concrete would be replaced, the flexible overlay would be laid and the shoulders raised as needed.

The Executive Director said also that plans for the restoration of the distressed areas at the interchange at State Route 14 were being

prepared. He said it was not anticipated that anything other than a flexible overlay would be necessary at that location.

The Executive Director reported further that a new area of settlement had occurred shortly before in the westbound lane at milepost 187. He said it was minor in nature and was believed to be a result of saturated subgrade. He said mudjacking and sealing of the pavement was scheduled for the week of August 18 and that that action would in all probability restore the pavement to its original grade and riding quality.

The Executive Director reported further that the 1958 mudjacking program of correcting settled approach slabs and settlements in the pavement was progressing on schedule.

The Chairman thanked Mr. Hartford.

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

Resolution No. 21-1958

"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 July 15, 1958, 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, Beightler, Shocknessy.

Nays: None.

Absent: Chastang, Noble.

The Chairman declared the resolution adopted with the three Members present voting in the affirmative. The resolution was identified as No. 21-1958.

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 present responded to roll call. The vote was as follows:


Ayes: Beightler, Teagarden, Shocknessy.

Nays: None.

Absent: Chastang, Noble.

The Chairman declared the meeting adjourned. The time of adjournment was 4:45 P. M.

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


Robert S. Beightler, Secretary-Treasurer