

MINUTES OF THE TWO HUNDRED AND EIGHTY-THIRD MEETING
November 5, 1974

Pursuant to bylaws the Ohio Turnpike Commission met in regular session in the conference room of the Ohio Department of Transportation building at 139 East Gay Street in Columbus, Ohio at 11:00 A. M. on November 5, 1974 with key members of the staff; representatives, Thomas E. Donnelly and Wilbur O. Nelson of the Consulting Engineers; a representative, P. Joseph Sesler, of the Trustee, the Ohio National Bank, members of the press and others in attendance. The Chairman said all Members were present and that the minutes should show that O. L. Teagarden, Ralph H. Anderson, Daniel E. Bricker, J. Phillip Richley and James W. Shocknessy were present.

The Chairman said that the Executive Director, Allan V. Johnson, had finished his fourth year in the position of Executive Director on November 1, 1974 and so was in his fifth year. The Chairman said the Commission congratulated the Executive Director and he was happy that Mr. Johnson had been with the Commission for four years and wished him a much longer tenure. The Chairman said the Governor had told him in a letter, after he had handed the Governor the last Annual Report, that the Governor looked forward to receiving many such reports in the future from the Chairman's hands. He said every so often he was asked whether Governor John J. Gilligan was going to reappoint him and he replied, "So, what." He said after 26 years whether he was reappointed or not, the record was durable. He said he had always suffered from a certain kind of giddiness on Election Day (which was the day of the meeting). He said everyone did whether he was sure of the outcome or not. He said that when Charles J. Chastang was a Member of the Commission Mr. Chastang was a Republican committeeman in Upper Arlington. He said that on Election Day through all the years he and Mr. Chastang sat together on the Ohio Turnpike Commission, the Chairman would bug Mr. Chastang about the whole business and he always had more things to cheer about after elections than Mr. Chastang had. He said Mr. Chastang always took things very well and that both he and Mr. Chastang had been appointed by both Democratic and Republican Governors. He said he himself had been first appointed by Governor Frank J. Lausche and so had Mr. Teagarden and that Mr. Chastang also had been appointed by Governors C. William O'Neill, Lausche, and then by Governor Gilligan and that Governor Michael V. DiSalle had appointed the Chairman once and Governor James A. Rhodes had appointed him once, while Governor Lausche had appointed him twice. He said because he and Mr. Chastang and Mr. Teagarden had been appointed by both Democratic and Republican Governors he and Mr. Chastang and Mr. Teagarden had bantered back and forth. He said he never let Mr. Chastang forget that he began his service on the Commission as a Republican appointed by a Democrat. He said Mr. Anderson and Mr. Bricker had been Republicans appointed by the same Democrat.

The Chairman said he wished to take note of the fact that two distinguished gentlemen from the J. E. Greiner Company were at the meeting, Mr. Donnelly and Mr. Nelson, both of whom the Commission had known for a long while. He said Tom Donnelly was the brother of Edward J. Donnelly whom the Commission had first met in Harrisburg, Pennsylvania, in the early days of the Commission's existence, when the Members went to Harrisburg to see what a turnpike organization looked like. He said both Mr. Donnelly and Mr. Nelson had been with the Greiner Company a long time and the Commission was very glad to have them present at the meeting, but was sorry to have them there because of Harvey A. Harnden's illness. Mr. Donnelly said he had visited Mr. Harnden in the hospital on November 4. The Chairman asked that they give Mr. Harnden the Commission's respects and extend the best wishes of the Commission for his recovery. He said he sent the good wishes of the Commission to Mr. Harnden.

A motion was made by Mr. Bricker, seconded by Mr. Richley, that the minutes for the meeting of October 1, 1974, which had been examined by the Members and on which the corrections suggested by the Members had been made, be approved without reading. The Chairman said the minutes were rather extensive and that he had been accused of speaking at least 250 words a minute at that meeting.

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

Ayes: Bricker, Richley, Teagarden, Anderson, Shocknessy.

Nays: None.

The Chairman declared the minutes stood adopted with all Members voting in the affirmative.

The Chairman reported that during the month of October the revenues on the Ohio Turnpike were an estimated \$3,778,000 which was only 4.4% less than October 1973. He said that was a continuation of lower revenues which the Commission could well sustain. He said it just happened that he picked up a couple of editorials that morning from his files. He said one of the editorials was from the New York World-Telegram of February 9, 1965 and he read the editorial as follows:

"James W. Shocknessy, chairman of the Ohio Turnpike Commission, has some quaintly old-fashioned ideas--such as the notion that debts should be liquidated as quickly and cheaply as possible.

"Not long ago, in noting the continuing prosperity of the Ohio Turnpike, he estimated that bonds due for redemption in 1992 might be paid off by 1980.

"Politicians and other free-wheeling critics countered with a different idea. Lower the tolls now, they clamored, and let the bond redemptions stretch out to 1992.

"In other words, why pay in 1980 what you can put off till 1992?

"Shocknessy tells why in the commission's latest annual report:

" 'So long as the charges on the Ohio Turnpike are properly competitive, prudence dictates that they be continued so that, during the years of its youth and vigor, moneys will be accumulated and debts paid rather than continued into its age as an unnecessary burden to posterity. '

"It may not often happen, he concedes, but 'good business practices can be followed in government. '

* * *

"Just because the road is a big moneymaker now, Shocknessy points out, doesn't guarantee perpetual prosperity. The interstate highway system may crimp its revenues. So could any number of unforeseeable setbacks.

"Far better, he says, to be on the safe side in 'the old American way of "paying as you go, " "saving for a rainy day" and providing personally for the future rather than relying upon the largesse of posterity. '

"Well, we warned you at the outset. The man is obviously some kind of eccentric. "

The Chairman said there was an editorial from the Cleveland Plain Dealer of February 5, 1965, which was appropriate and which he read as follows:

"The Ohio Turnpike Commission is using sound business judgment in declining to reduce tolls on the Ohio Turnpike despite the fact that record toll collections continue to be set annually.

"If turnpike business remains at its current high level, maintaining of the present toll rates will enable the commission to retire its bonds at least 12 or 13 years early, by 1979 or 1980.

"Even in the event of an economic decline that could significantly reduce the commission's toll revenue through loss of business before the bonds are due, the economic cushion being built up now through advance payments will help to assure retirement of the bonds at least by their 1992 expiration date.

"Bonds with a face value of over \$40 million have been retired since the

bond retirement program was begun in 1961. This is about \$5 million more than had been expected by this time.

"By following this farsighted policy of accelerated payments, the Turnpike Commission is acting in the best interests of both the general public and the bond holders who are entitled to every possible protection."

The Chairman also read from the Cleveland Press editorial of February 12, 1965 which said in part "The Ohio Turnpike Commission's annual report for 1964 is an elegant booklet . . ." The Chairman said he was not so sure but that he thought the Commission ought to put out a more elegant booklet in 1974. He said it had been four years since the Commission had published a report really comparable in elegance to its results. He said he had sent a report issued by one of the state agencies, the Department of Agriculture, to the Executive Director. He asked Mr. Richley whether he had seen that report. Mr. Richley said he had a copy of it. The Chairman said the Turnpike had been so austere in recent years about its report and that, after looking at some of the reports published by agencies not as successful as the Turnpike, he thought even in the face of possible criticism by Walter Friedenber, editor of the Cincinnati Post & Times-Star, the Commission might publish a report for 1974 a bit more elaborate than those published of the last three years. He said he would like to see a report that had Mr. Bricker's and Mr. Anderson's pictures in it. He said there had been one with Mr. Richley's picture in it and that was the one that a lot of people complained about. He said that was also the only one the Commission ever had with Governor Gilligan's picture in it, but he thought, on looking at some of the other recent reports, that were a lot more elaborate and expensive than the austere version of the Ohio Turnpike Commission reports, he said he thought it might be warranted to be a little less austere than recent Commission reports but could still be less expensive than reports of some other agencies he had seen.

The Chairman reported also that on October 3, 1974 bonds in the face value of \$3,940,000 had been purchased and retired by the Trustee. He said so far in 1974 the face value of bonds retired amounted to \$15,053,000, which made a total of \$209,421,000 retired to date and that left the remaining debt at \$116,579,000. He said it was expected that another \$4,000,000 in bonds would be retired by the end of the year which would bring the total debt down to around \$112,000,000 of the original \$326,000,000.

The Chairman reported also that at 11:45 P. M. on the night of November 9 the new toll audit system would be cut in. He said the cost of replacing the existing system was slightly over \$2,850,000, but the new system nevertheless would cost less to install and operate, while at the same time being amortized during the remaining life expectancy of toll collection on the road, than it would have cost to rehabilitate, retain and operate the existing system.

The Chairman reported also that during the month there had been one fatal accident which occurred on October 29 after 64 days without a fatal accident. He said there had been only eight fatalities so far in 1974 which compared with 24 in the same time in 1973. He said regardless of anything else the Commission could not overlook the fact that the lower speed limit had something to do with it and so had the cost of gasoline because there had been fewer passenger cars on the Turnpike since the gasoline prices had been so exorbitant.

The Chairman reported also that after the last meeting letters from three of the four oil companies doing business on the Ohio Turnpike had been adverted to and that since that meeting the fourth oil company doing business on the Turnpike had also notified the Commission that it did not wish to extend its contract under the present terms. He said a telegram or memorandum had been sent to all four oil companies which he read into the record as follows:

"MEMORANDUM

to

"Atlantic Richfield Co., Gulf Oil Corp., Mobil Oil Corp., Texaco Inc.

from

"James W. Shocknessy

"Chairman, Ohio Turnpike Commission

"We acknowledge receipt from each of the four companies hereinabove named, contractors with the Ohio Turnpike Commission for the operation of service stations at the Service Plazas on the Ohio Turnpike, of notices respectively, advising of unwillingness to continue operating the service stations after September 30, 1975, by renewal of the respective contracts for the renewal period set forth in the contracts. This acknowledgment is conditioned upon whatever rights the companies may have so to terminate service under whatever regulations of the United States for the dispensation of fuel products which are current or which may be current hereafter before or on September 30, 1975. If such said regulations will permit your several companies to discontinue service then the Ohio Turnpike Commission will expect to receive bids after advertising for the operation of the service stations at the Service Plazas on the Ohio Turnpike after September 30, 1975, hopefully from you, and from others under whatever regulations for the dispensation and marketing of fuel products are effective at the appropriate time.

"It is not at all unlikely that regulations which may be promulgated by the authoritative agencies of the United States hereafter may require the continuance by you of service under such regulations. It is of interest and satisfaction to the Commission that certain of you indicated in the notices that you would like to continue serving the patrons of the Ohio Turnpike.

"James W. Shocknessy
Chairman, Ohio Turnpike Commission

"Dated October 11, 1974"

The Chairman said he made a special point of taking note of the fact that the Commission had received the notices and the Commission acknowledged them for whatever import they might have under the regulations for energy control which the United States thereafter might promulgate.

The Chairman reported also that the Executive Director had attended a meeting of all the advisory groups of the State-Wide Transportation Study. He said the meeting concerned the study being prepared by the Department of Transportation, a study which was expected to be completed by December 1st. He said the Executive Director would probably report on that meeting and perhaps Mr. Richley also would.

The Chairman reported also that at the last meeting he had mentioned that the Commission had asked Squire, Sanders & Dempsey to give the Commission an opinion with respect to one subject and to prepare one on the use of toll revenues that would consolidate the conclusions of previous opinions of that firm on that subject. He said that opinion had not yet been prepared. He said the matter had been discussed by the General Counsel; Squire, Sanders & Dempsey; the Chairman of the Commission and the Executive Director. He said he told Ralph H. Gibbon of Squire, Sanders & Dempsey to take as much time as was needed and that he also told Mr. Gibbon that Cicero had once said in a letter to his daughter "If he had had more time he would have written a shorter letter," and he was inviting Mr. Gibbon to write a short letter expressing the finalities. The Chairman said there was nothing that the Executive Director had reported from the meeting on the Transportation Study that gave him any pause except that he said that Mr. Richley had said, if he understood him correctly, that Mr. Richley's position and that of the administration, would be that there would be no change in the earmarking of funds for highway purposes as presently provided. The Chairman asked Mr. Richley if that were so. Mr. Richley said that was a generally true statement. The Chairman asked Mr. Richley how he could reconcile that position with the material he had brought over that morning -- three letters of Mr. Richley's to the Constitutional Revision Committee, two of them to Mrs. Ann Eriksson and one to Nolan W. Carson, and a clipping from the Youngstown Vindicator of December 23, 1970, in which Mr. Richley had been quoted as follows: "We must and we shall in the very near future get into the area of mass transportation. We are not going to solve transportation problems by paving urban areas with concrete." The Chairman said that Mr. Richley was the Director of Transportation and not of Highways. The Chairman said he also had a note from Mr. Richley commenting upon a story that was in the Cleveland Plain Dealer on April 27, 1973 in which the Plain Dealer had said: "Turnpike Commission Chairman James W. Shocknessy, a revision commissioner, suggested retaining the restriction but expanding it to say 'all forms of transportation'." The Chairman asked if that was Mr. Richley's position. Mr. Richley said nothing was changed. The Chairman said that was what he wanted to know because the Executive Director had the idea that Mr. Richley had said that he did not

want the Constitution changed and the Chairman said he did want the Constitution changed. Mr. Richley said that philosophically he still believed that there would always be earmarking of some sort. He said he did not think it possible at the present time to expand earmarking to include all forms of transportation. He said he still clung to the hope that it might be so expanded. He said that when the time was right for the Constitution to be revised that it would be time to press the issue. He said he did not think it was possible to do so at the present time but he hoped it would come to pass.

The Chairman said he could still bind Mr. Richley philosophically. He said in Mr. Richley's letter to the Constitutional Revision Commission and in the little note of Mr. Richley's which he had from Mr. Richley's desk in his own handwriting, he said "I thank you, Governor Gilligan thanks you, the people of Ohio thank you. The Governor has indicated he is solidly behind transportation earmarking."

The Chairman directed that the letters be included in the minutes, as follows:

"State of Ohio
"Department of Highways
"Columbus, Ohio 43216

"September 14, 1972

"(Mrs.) Ann M. Eriksson, Director
Ohio Constitutional Revision Commission
20 South Third Street, Room 212
Columbus, Ohio 43215

"Dear Director Eriksson:

"I appreciated receiving your letter of September 5, 1972, advising me of your Commission's study and consideration being given to Section 5a of Article XII of the Ohio Constitution, and inviting me to attend your meeting on September 22, 1972.

"Unfortunately I will be unable to attend the meeting due to prior commitments, however, I do wish to advise the Commission as to my views and trust that you will transmit my feelings on the subject to the Commission members.

"In view of the fact that highways carry 90% of all passenger miles traveled in the nation and that the present and future needs for the improvement and maintenance of our state, county and local roads and streets far outstrip the present revenues received from highway-user taxes, I am presently

opposed to any change in the non-diversion section of the Ohio Constitution. Until such time as there are more highway-user revenues than needed to provide the public with a well-balanced, modern and safe highway system there should be no thought given to robbing Peter to pay Paul.

"The revenues needed to develop and provide other modes of transportation services are very real needs and all possible new sources of revenue should be explored and earmarked to meet those needs, but I do not believe the general public will accept a down-graded inferior highway system as the price to improve the other modes of travel which carry less than 10% of the total passenger miles traveled.

"Very truly yours,

J. Phillip Richley
Director"

"State of Ohio
"Department of Transportation
"Columbus, Ohio 43216
"April 24, 1973

"(Mrs.) Ann M. Eriksson, Director
Ohio Constitutional Revision Commission
20 South Third Street, Room 212
Columbus, Ohio 43215

"Dear Director Eriksson:

"Unfortunately I will be unable to appear before your Commission at its meeting on April 26, 1973, however, I do wish to advise the Commission by means of this letter as to my views and recommendation with respect to Section 5a of Article XII of the Ohio Constitution.

"The people of Ohio approved the so-called non-diversion of highway funds amendment in 1948 at the end of World War II when there were critical and crucial needs for modern and safe highways and a critical need for a guaranteed basic financing level. By virtue of having these protected funds Ohio has been able to develop one of the best highway systems in the nation and to construct its portions of the Interstate system in a rapid yet orderly and well planned manner.

"The importance of good highways to the industrial, economic, agricultural, and recreational development of Ohio is beyond question and it is

an undisputable fact that our modern network of freeways has been the principal catalyst in producing the tremendous economic and industrial growth that Ohio has enjoyed since the end of World War II.

"Admittedly, we have come to a point, however, where we must step back and take a new look at the over-all transportation picture and carefully analyze the direction and emphasis that should be placed upon various transportation modes for the future. That is why the General Assembly wisely enacted Sub. H. B. 1064 last session creating a Department of Transportation and directed this new Department to prepare a report to the 110th General Assembly that is to include an over-all statewide transportation plan, planning functions and priorities, and recommendations as to funding both in amounts and sources of funds. This need for total transportation planning and funding is receiving attention and recognition at the Federal level as well as in most of the urban states in the United States.

"Hopefully, the studies that we are now engaged in to develop this report will result in legislation that will provide the means to meet the needs for all modes of transportation.

"The revenues needed to develop and provide other modes of transportation services are very real needs and all possible new sources of revenue should be explored and earmarked to meet those needs, but we should not allow those needs to be superimposed over other needs to the extent that we would be providing the public with a down-graded inferior highway system.

"I can visualize the possibility and desirability of pooling present and future highway user revenues and revenues from other transportation modes, from which appropriations could be made equitably by the General Assembly for needed construction and improvements for all modes pursuant to a comprehensive systems plan that would provide an integrated and coordinated transportation network to serve all the various needs of the people of Ohio. The highway mode will undoubtedly continue to be the principal mode and serve as the fundamental base for such a network and the future needs for improvement and maintenance of our highways must never be neglected.

"Accordingly, although I firmly believe that the time is soon coming when we must broaden our vision to provide the public with a total transportation system of highways, airways, mass transit, water transportation, etc. and funded from a broader base than highway user revenues alone, I presently would not recommend making any change to Article XII, Section 5a. The change should come when we have the total picture in mind with facts, statistics, needs, revenue sources and program plans available to present to the public.

"My reasons for recommending that the Constitutional Revision Commission not advocate any change in Section 5a of Article XII of the Ohio Constitution at this time may be summarized, as follows:

- "1. The comprehensive statewide transportation study requested by the legislature will be completed within another year, and this report will include a full analysis of the total needs for other transportation modes, such as transit and aviation, as well as highways, together with recommendations for financing and source of funds.
- "2. At this time a change in the Constitutional highway user revenue restrictions should be submitted to the electorate with a specific proposal to create a pool of transportation revenues with highway user revenues and other definite sources of revenue earmarked for transportation purposes.
- "3. The present highway revenues are totally inadequate to finance committed highway improvements alone, and until a broader-based fund can be provided, or substantial progress made on committed and planned highway projects, highways will continue to preempt the major share of transportation expenditures.

"Very truly yours,

J. Phillip Richley
Director of Transportation"

"Ohio Department of Transportation

"May 11, 1973

"Mr. Nolan W. Carson
2100 Fountain Square Plaza
Cincinnati, Ohio 45202

"Dear Mr. Carson:

"As I indicated to you in our telephone conversation on Friday, May 4, 1973, I greatly appreciate the invitation you extended to me to appear before the Finance and Taxation Committee of the Ohio Constitutional Revision Commission at your meeting scheduled for 9:30 a.m., May 14.

"As you know the Ohio Department of Transportation was created last year by the Ohio General Assembly in recognition of the fact that we have reached a point at the state level as well as the national level where all

modes of transportation on land, water, or in the air must be coordinated and developed to provide the public with a comprehensive transportation system. Highways have played the predominant role in meeting the public's needs and will continue to play the major role for the foreseeable future but the time has come for integrating highway planning with the planning for all other modes. Today no single mode can be developed or constructed without recognizing and integrating its effects upon the plans for development of other modes.

"With this new broadened approach to total transportation planning comes the need for a new and broadened approach to financing. At the Federal level this need for flexibility and coordinated planning by broadening the use of highway trust funds has already been recognized in existing Federal-aid legislation, and the pending Federal-aid Highway Act of 1973 contains several proposals to further broaden the use of highway funds for related transportation problems. Attachment #1 to this letter indicates some of the existing and proposed Federal-aid programs which we in Ohio cannot presently participate in because Article XII Section 5(a) prevents us from using State highway-user revenues to match the available Federal moneys. Ohio has already lost many millions of Federal dollars for the existing programs and we will lose much more as the new Federal programs are instituted unless we quickly achieve greater flexibility in the use of highway and other transportation revenues.

"Accordingly, I am deeply concerned with the study your committee is now engaged in with respect to the amendment of Section 5(a) of Article XII of the Ohio Constitution, and I have a proposal to suggest that I believe will meet the needs and be acceptable to the General Assembly and the General public.

"Although, we are presently in need of additional highway funds and many highway projects are being delayed or deferred for lack of funds, we believe that conceptually and ideally a broader base of funding and expenditures should be established than just highway funds for highway projects as now restricted by Section 5(a). Our proposal simply stated is to pool all existing and future revenues from all modes of transportation, including highways, into a Transportation General Fund from which all modes would be financed pursuant to appropriations by the General Assembly. The administration budget submission would recommend a balanced program for all modes subject to approval or revision of priorities as seen fit by the legislature in much the same manner as the general revenue funds are appropriated. It would, however, maintain the fundamental principle of restricting transportation user revenues for transportation purposes and insure the development of coordinated transportation systems in Ohio.

"I am enclosing as Attachment #2 a draft of a proposed amendment to Section 5(a) of Article XII which we believe would accomplish the above

outlined proposal.

"I shall look forward to appearing before your committee next week to explain the above proposal in greater detail and to discuss how the completion of our total transportation study and action plan in the fall of 1974 would complement the approval of such a Constitutional amendment.

"Very truly yours,

J. Phillip Richley
Director of Transportation

JPR:rds

Attachments

cc: Governor Gilligan
All Committee Members
(Mrs.) Ann M. Eriksson"

The Chairman asked if that did not mean that Mr. Richley wanted to keep highway earmarking out of the Constitution. Mr. Richley said that he still was in favor of keeping it out of the Constitution but that it was not possible as an objective at present. The Chairman said he was bringing the matter out, not so much because he was alarmed about any effect it might have on the Ohio Turnpike, which was his prime and great concern, but because it conflicted philosophically with his belief that anything like earmarking should not be in the Constitution of the State of Ohio. He said he bled and almost died at the Constitutional Revision Commission, and he was grateful to Mr. Richley for the support he had received from him in the second letter. Mr. Richley said the administration would be delighted to furnish continued support in the future. He said the practicabilities of the situation were the need for action by the General Assembly and the loss of time generated by the need to bring the matter to the electorate. He said those factors made it not possible and not desirable as an immediate objective. The Chairman said he did not know whether he would still be on the Constitutional Revision Commission in January of 1975 but that Mr. Richley indicated something that rather astounded him. He said if everything happened on Election Day which he read in the newspapers ought to happen, he did not see how Mr. Richley could even hypothesize a great concern about what the legislature might do with respect to the program which Mr. Richley and the Governor believed in. He said if one believed everything that one read in the newspapers and if one believed what the administrations believed, he could not see how there could be any reluctance to proceed. Mr. Richley said that

there was no reluctance, that the problem was the time required to achieve the goal. He said the results of the exercises would not be readily available to put to use until 1976. The Chairman said he did not agree because there would be a new legislature which could send the proposed new constitution to the electors. Mr. Richley said in the main the language which the Chairman proposed stated the philosophical position of the administration. The Chairman said that when Mr. Johnson came out of a meeting and said Mr. Richley had said so and so, he went to his files. Mr. Richley said that nothing was changed, that action had merely been postponed because of the impracticabilities. The Chairman said it was only impractical because of the attitude of certain people. He said he was indignant about the whole thing but that he valued the notes very highly and kept them and was going to continue to keep them in his files because they expressed positions of those who concurred with him on the points at issue.

The Chairman said what he wanted to make clear was that when Mr. Richley was appointed as Director of Highways he did not know him. He said he knew Mr. Richley first in December of 1970 as the distinguished County Engineer of Mahoning County who came to Columbus to appear before the Interstate Coordinators' Conference. Mr. Richley said that was the last meeting of that Committee. The Chairman asked if that was the only time Mr. Richley had appeared before the Committee and Mr. Richley replied that he had been there before. Mr. Richley said he thought that the Chairman had been quite subdued at the last meeting of the conference. The Chairman asked if it were the last meeting. Mr. Richley said he had raised particular hell that day. The Chairman said he could not imagine raising hell and that anyhow, he had been disenchanted with the whole thing and it was not much better now than it was then. Mr. Richley asked whether the question was cleared up, there was no change in the philosophical position. The Chairman said he had never collected any money or taxes on philosophical positions. He said positions of those who construed their citizenship as a responsibility toward accomplishing what was in the best interests of the people did not agree that the philosophical position which Mr. Richley supported could not be made practical. Mr. Richley said he also supported it on a federal level. The Chairman said the United States had already broken what he always refused to call a Highway Trust Fund because it was not a trust fund, but whatever it was, the United States had invaded the fund. He said that they may not have invaded the fund very far, but that was like a touch of pregnancy. He said he had written Mr. Richley a letter on October 15, 1974 and that copies had gone to all Commission Members and Governor Gilligan. The Chairman read the letter as follows:

"Mr. J. Phillip Richley, Director
Ohio Department of Transportation
25 S. Front Street
Columbus, Ohio 43215

"Dear Mr. Richley:

"We acknowledge receipt of a copy of your letter under date of October 9, 1974 to Mr. E. S. Preston with the several enclosures noted therein. Although Mr. Preston no doubt has copies of our letter of December 15, 1971 and of the letters of Squire, Sanders & Dempsey of January 20, 1972 and my letter to Mr. Ralph H. Gibbon of Squire, Sanders & Dempsey under date of September 7, 1972, we are enclosing copies of all of them which we suggest might be provided also to him because the ratiocination of those letters is closely related to the concerns of the letters copies of which you sent to him with your letter of October 9, 1974. He might also be interested in seeing the editorial from The Blade (Toledo) of September 18, 1974 which is quite expositive, a reproduction of which we are enclosing also.

"Very truly yours,

"James W. Shocknessy
Chairman"

(the editorial in The Blade read as follows:)

"Shocknessy's Relentless Crusade

"Every so often, almost with the changing of the seasons, comment arises in one quarter or another about the prospect that the Ohio Turnpike will not become toll-free in another few years, despite the long-standing promise to the contrary by James W. Shocknessy, the turnpike commission's resident one-man protective society.

"And just as routine is Mr. Shocknessy's vehement denunciation of such speculation, generally in terms so blunt and rhetorically precise that the detractor is sorry he brought the whole thing up.

"Thus it was hardly surprising when Mr. Shocknessy utilized his monthly forum -- the commission's regular meeting in Columbus -- to put to rest once again the notion that his own 1981 deadline for a toll-free turnpike cannot be met. Speculation had arisen that the date to help pay for substantial upgrading of the toll road, a red flag that the chairman would not and never could ignore.

"Mr. Shocknessy has pledged for years that the turnpike's remaining indebtedness would be paid by 1980, 12 years before the original 1992 due date on turnpike bonds. Even when the gasoline shortage cut into traffic volume on the turnpike last winter, the chairman remained firm on his commitment to a toll-free highway, conceding only that the crisis might set the timetable back one year to 1981.

"As the only chairman that the turnpike commission has had, he can

hardly be blamed for making bond retirement and toll-free turnpike driving a personal crusade. And it is a tribute to the outstanding job he has done toward that end that others see the pike's financial health and look for ways to take advantage of it.

"It is unfortunate that holding the state to its promise of a toll-free road appears to depend so totally on Mr. Shocknessy's ability to retain his chairmanship through 1981. He faces reappointment in 1975, which should be routine, regardless of who is governor, but he also will be 74 years old when bond retirement is completed six years later.

"To permit the collection of tolls beyond bond retirement would make the turnpike, to borrow the chairman's typically lofty assessment, a 'workhorse in perpetuity.' The citizens of this state do not deserve that sort of tampering with Chairman Shocknessy's shrewd management."

The Chairman said he had written the letter to consolidate other correspondence for the purposes of Mr. Preston. He said the meeting which the Executive Director had attended was subsequent to that letter so he did not want to go into that.

The Chairman reported also that the J. E. Greiner Co. had written thanking the Commission for acknowledging receipt of the newspaper article which declared them honest. He said the Supreme Court of Ohio had at one time declared him honest in an opinion and he had been proud of it until someone said "Of course, it isn't everybody who needs it."

The Chairman reported further that he had a release before him which annoyed him. He said it was none of the Ohio Turnpike Commission's business but there had been a proposal to increase tolls on the New Jersey Turnpike by an average of 37% to cover minimum operating expenses for 1975. He said the Ohio Turnpike Commission did not have such a proposal before it nor was it likely to have any proposal to increase tolls on the Ohio Turnpike at a time when the public was burdened as never before for its transportation needs.

The Chairman said he had with him letters to Nolan W. Carson of the Constitution Revision Commission and Mrs. Ann M. Eriksson, Director of that Commission, which he had alluded to earlier.

The Chairman said he had something else which was not exactly in the business but he had taken a position on it and that was the matter of the Olentangy Freeway. He said he had talked to President Harold L. Enarson of The Ohio State University about it and that Mr. Richley was elected to do the work. Mr. Richley said he would be happy to do so.

The Chairman said there was a traffic bottleneck in Gahanna which annoyed him greatly and he wanted to know whether the Director of Trans-

portation knew about it. The Director of Transportation said it depended on which one it was. The Chairman said it was at the intersection of Mill and Granville Streets where Ohio State Routes 371 and 62 crossed. He said the traffic piled up there every day and all that was needed was a traffic signal. Mr. Richley said he would look into the problem.

The Chairman said the report of the Chairman was accepted as offered. He said the report of the Secretary-Treasurer would be received.

The Secretary-Treasurer, Mr. Anderson, reported that since the last meeting the following had been sent to all Members:

1. Traffic and Revenue report for September 1974.
2. Financial Statements as of September 30, 1974.
3. Budget Report - nine month 1974.
4. Draft of the minutes of the October 1, 1974 meeting.
5. Detail of Investment Transactions which took place in October 1974.
6. Month-end Release dated November 1, 1974.

The Chairman said the report of the Secretary-Treasurer was accepted as offered. He said the report of the Committee on Budget and Finance would be received.

The chairman of the Committee on Budget and Finance, Mr. Anderson, reported that since the last meeting of the Commission on October 1, the expense and budget report for the first nine months of 1974 had been prepared and distributed to all Members of the Commission by the Comptroller, William G. Gerber. He said the summary sheet in the report had been changed from previous similar reports, and that the sheet had been condensed into three major budget categories as stipulated in the Commission resolutions wherein such budgets were adopted in order to present the information in a more meaningful way than heretofore. He said other changes which could clarify the financial statements and reports were being considered by the Executive Director and Comptroller as a result of the meeting attended by Mr. Richley, the Executive Director, the Comptroller and the Secretary-Treasurer to review the 1975 preliminary budget prior to its presentation to the Commission at the October meeting.

The Secretary-Treasurer reported further that operating expenses for the first nine months of 1974 were \$107,000 under the year-to-date budget and it was anticipated that expenses for the entire year would be within budget unless extraordinary snow and ice removal costs were incurred before the

end of the year, in which case a small budget supplement would be necessary in December.

The Executive Director said there had been snow removal expense in October but that so far there had been no other snow and ice to remove. The Chairman said there were scientific indications that it was to be a hard winter.

The Chairman said in the absence of any questions, the report of the Committee on Budget and Finance was accepted as offered. He said the report of the Committee on Service Plazas would be received.

The chairman of the Committee on Service Plazas, Mr. Teagarden, reported that the sales in the service plazas continued to increase every month despite the fact that there was less traffic. He said that one complaint had been received which was being handled. He said the Executive Director had been very helpful and that the service plazas were in good shape.

The Chairman said the Ohio Turnpike Commission gave people good service when they complained. Mr. Teagarden said whenever the Commission received a complaint it was always followed up. The Executive Director said that usually people were amazed by the reaction they got from the Commission when they complained and were astounded that anyone would do as much as the Commission did to get to the bottom of the matter. The Chairman said they wrote letters to him or to Governor Gilligan and Governor Gilligan sent the letters over to him and then the Commission gave the letter writers everything there was to give. He said people wrote such letters to vent their spleen and the next morning they had almost forgotten that they had written them and meanwhile the Commission was grinding out all kinds of rebuttal.

The Chairman said the report of the Committee on Service Plazas was accepted as offered. He said the report of the Committee on Employee Relations would be received.

The chairman of the Committee on Employee Relations, Mr. Teagarden, reported that since the last meeting Members had received the Executive Director's final report on changes to be made in the Employee Manual. He distributed pages to the Members to be inserted in their copies. He said the Manual formed the basis upon which the Commission proceeded in all matters concerning the employees. He said he would like to express his thanks on behalf of the Committee to the Executive Director for fine cooperation that he had given to the Committee. He said the Executive Director always worked closely with the Committee and it was a pleasure to have a man as Executive Director who had rendered such fine cooperation with the Committee. He said he was sure Mr. Bricker, the vice chairman of the Committee, would concur with him in acknowledging that the Committee had received fine cooperation. He determined that every employee would receive the new pages for his own Manual after the Commission meeting.

The Chairman said the report of the Committee on Employee Relations was accepted as offered. He said the report of the Director of Transportation would be received.

Mr. Richley said he had no report except he wanted to let the Executive Director know that the materials for the next two meetings of the Transportation Study Commission were available. The Executive Director said he would see that he got them before he left Columbus.

The Chairman said the report of the Director of Transportation was accepted as offered. He said the report of the Committee on Safety would be received.

The chairman of the Committee on Safety, Mr. Johnson, reported that there had been only one fatality in the previous two months which made a total of eight for the year compared to 24 in the same period in 1973. He said intensive speed enforcement continued as was evidenced by the outstanding safety record and by reports of discontent and resentment of truckers because enforcement in Ohio was more evident than it was in other states.

Mr. Johnson reported also that the Coliseum, which was located adjacent to the Turnpike between Exit 11 and Exit 12, had opened on October 26. He said, in anticipation of possible traffic problems, the Commission had developed a Cedar Point type of program and had met several times with officials from all agencies involved in an effort to coordinate activities. He said no problems had occurred at any time on the Turnpike since the Coliseum opened, but there were massive tie-ups on the opening night on the other highways which he attributed to poor handling of traffic in the parking lots of the Coliseum rather than on the roadway system leading to and from the facility, although some improvement of the local roads would be desirable. Mr. Richley asked if the Coliseum was located in Richfield Township. The Executive Director said it was and it was an exciting facility and a gem. Mr. Richley asked if he could imagine that traffic trying to get into downtown Cleveland. The Chairman said he could answer that by saying no one would want to. He said if the Coliseum could figure out a way to get the people into the parking area, the highway could be cleared up. The Executive Director said there were only three driveways leading into the Coliseum parking lots. Mr. Richley said with 20,000 people trying to reach the parking lot at once on some nights he hoped that the Coliseum would establish more entrances and parking spaces and have more parking attendants with greater experience. The Chairman said the promoter of the Coliseum, Nick J. Mileti, had received all kinds of approval except for traffic and parking. He said no one he talked to had managed to get into the Coliseum on time. Mr. Richley said he knew that some people had parked in the right of way on I-271 and that was a dangerous situation. The Executive Director said there were cars parked in the median of I-271 as well and that people had walked to and from their cars at great risk.

The Chairman said the report of the Committee on Safety was accepted as offered. He said the report of the Executive Director would be received.

The Executive Director reported that the Manual changes that Mr. Teagarden had mentioned had been distributed through his office but the work had been done by the Committee and he wanted to say that when Mr. Teagarden said he had cooperated he wanted to say that it was a ten to one proposition.

The Chairman said it was the work done behind the scenes by committees upon which the Commission depended and that the experience of the committees that had been chaired by Mr. Teagarden over the years had been outstanding. He said Mr. Teagarden had been chairman of the Committee on Claims for the first two years of the Turnpike construction and that the Commission had had an excellent result on the handling of those claims. Mr. Teagarden said the results of that committee had been unbelievable. He said when the job was done the Ohio Turnpike Commission had been the first Commission to have completed all of the claims of the contractors and all right of way claims. Mr. Teagarden said he thought he had done such a good job on the Claims Committee that he had been given the Service Plaza Committee and the Employee Relations Committee chairmanships. He said he thought he had made a mistake in doing such a good job.

The Executive Director reported also that the Comptroller was doing an outstanding job for the Commission in getting ready for the cutover to the new toll audit system and that he was confident that the system would go into use at 11:45 P. M. November 9. He said there might be some wrinkles but that he would be there and also the staff would be there.

The Executive Director reported also that the Statewide Transportation Study was in its final stages and was scheduled for completion at the end of November. He said he had attended an advisory committee meeting on the study on October 29 at which the Director of Transportation had presided. He said E. S. Preston, one of the study consultants for the Ohio Department of Transportation, had explained the improvements to the Turnpike identified by the Consulting Engineers as desirable when the Turnpike became toll free in 1981, could not be paid for from toll revenues. The Executive Director reported that the study would recommend that prompt efforts be initiated to have the cost of such improvements in the approved Federal estimates for completion of the Interstate Highway System. He said in the event such approval were denied, a new interstate route parallel to the Turnpike primarily to handle passenger car traffic would be recommended. The Chairman directed Mr. Johnson to have the Consulting Engineers confer with the Ohio Department of Transportation and with the State's consulting engineer on the study. He determined that there would be three more meetings in November of the Transportation Study Committees.

The Executive Director reported on staff changes that had taken place

since the last meeting. He introduced J. Budd Morrison, who had been at meetings previously as Superintendent of Patron Services. He said Mr. Morrison had been appointed Director of Operations. He also introduced Philip A. Loftus, the new Staff Lawyer. Mr. Johnson suggested the new staff members be appointed to the various committees on which their predecessors had served. The Chairman determined that it was the will of the Commission to grant the Executive Director authority to reappoint the staff members to the committees and he directed that the record show that action.

The Executive Director reported also that on October 30, he and the General Counsel, Francis K. Cole, had met with representatives of the State Architect and Ohio Environmental Protection Agency to discuss the request of a study of certain Turnpike facilities. He said the representatives of the State Architect and the EPA agreed with the Turnpike's position that, because of the Turnpike's autonomous nature, it would be best to omit the Turnpike from their study and said the facilities on the Turnpike were outstanding. He said he agreed to arrange a meeting between the Consulting Engineers for the Turnpike and the field representatives of the EPA so that they might attempt to identify any areas in which the Turnpike facilities might be covered by Federal and State regulations. The Executive Director said he would try to arrange the meeting between the Turnpike's Consulting Engineers and the field representatives of the EPA to discuss just what the problems in the facilities might be and to identify where the facilities might contravene any current Federal and State regulations so that the Commission might bring its facilities into accord with the regulations. The Chairman said there was a distinction and a difference and so he assumed that the Executive Director was going to proceed and was going to have other conferences and that if anything was required the Executive Director would go ahead and do what was required but the Commission Members would have to know what the requirements might be. Mr. Richley said all that had been done so far was to put together an inventory and no evaluation had been made. The General Counsel said the initial interest had been in waste water and the Turnpike facilities had been rated far above standards. He said the representatives of the EPA had said the facilities on the Turnpike were outstanding.

The Executive Director reported also that final plans for the toll plaza of the interchange with I-680, an interchange currently under construction by the Ohio Department of Transportation in Mahoning County, were to be delivered by the Consulting Engineers later in the week. He said the contract would be advertised in November and bids were to be opened in time for an award to be made at the December Commission meeting. He said the completion date planned by the state was October 31, 1975 and the toll plaza contract would have the same completion date.

The Executive Director reported also that the toll plaza plans for the interchange with I-90 were still in initial stages. He reported further that

several landscaping projects were just beginning and that the renovation of the Administration Building was in its final phases.

Mr. Richley asked if the new toll audit system would be incorporated in the new interchange. The Executive Director said there was a supplemental contract with Electron, Inc. for equipment for those interchanges.

Mr. Bricker asked what the one fatal accident on the road was. The Executive Director said it was a truck driver. The Chairman said the accident was due to the usual cause and that most such accidents were the result of sleepiness. Mr. Bricker asked how the Ohio Turnpike safety record compared to other turnpikes. The Executive Director said the staff received regular reports from the National Safety Council and that the Ohio Turnpike compared favorably.

The Chairman said that the Executive Director had reported the conference of the ODOT committees which he had attended was excellently prepared. He asked Mr. Richley to tell Mr. Preston, if he spoke to him, that the Executive Director had reported that the Ohio Turnpike matters were very properly, if gingerly, handled by Mr. Preston and others at the conference. The Chairman said he wanted General Counsel to know that the Executive Director had reported that Mr. Preston had adverted to General Counsel's opinion which he, the Chairman, considered a very good one. He said the opinion concerned a subject that had been the subject of discussions and opinions by Squire, Sanders & Dempsey and by the Turnpike's General Counsel for a long while and he wanted the record to show that the Executive Director had reported on the meeting as favorably as it could be reported upon. The Chairman said the only real concern he had was about earmarking.

The Chairman said the report of the Executive Director was accepted as offered. He said the report of the General Counsel would be received.

The General Counsel said he had no report but he wanted to say that he was very glad to have Mr. Loftus with the staff. He said his arrival was most welcome. The Chairman said he was always glad to see another lawyer with the Commission and that Mr. Loftus came to the Commission with very good credentials. He said that Mr. Loftus had been law clerk to several judges on a Cuyahoga County Common Pleas bench, among them Judge Adrian B. Fink, Jr., Judge Harry T. Marshall, Judge Joseph J. Nahra and Judge Joseph J. LoPresit, and that Mr. Loftus was most welcome. He said he had great respect for Judge Fink and that Mr. Loftus had also had experience in the Cuyahoga County Prosecutor's office, so he brought good credentials with him and the Commission was glad to have him.

Mr. Richley asked whether the Sovereign Immunity Bill would have any effect upon the Turnpike Commission. The General Counsel said he was not prepared to answer that question because he had not seen the bill, but that

the Turnpike Act said the Commission could be sued. The Chairman said there had been a bill in the Legislature some years before to grant immunity from suit to certain hospitals and not only did that bill not pass but hospitals were now responsible for torts of all kinds.

The Chairman said the report of the General Counsel was accepted as offered. He said the report of the Consulting Engineers would be received.

Mr. Donnelly reported for the Consulting Engineers that they had been very happy to cooperate and coordinate their efforts with those of the Department of Transportation in the study soon to be completed and with the EPA in the matter of the Turnpike facilities to make sure that the Commission was in compliance. He said he had nothing more to say except to say that Mr. Nelson would be the Consulting Engineers' representative to the Commission until Mr. Harnden returned to work.

The Chairman said the report of the Consulting Engineers was accepted as offered. He ascertained there would be no report from the Trustee. He said the report of the Director of Information and Research would be received.

The Director of Information and Research, Talbot Harding, reported that preliminary planning was under way for the 1974 Annual Report.

The Chairman said the report of the Director of Information and Research was accepted as offered.

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

RESOLUTION NO. 20-1974

"WHEREAS the executive director, deputy executive director, chief engineer, general counsel, secretary-treasurer, assistant secretary-treasurer, comptroller 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 on October 1, 1974, 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 October 1, 1974 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, Bricker, Richley, Anderson, Shocknessy.

Nays: None.

The Chairman declared the resolution stood adopted with all Members voting in the affirmative. The resolution was identified as No. 20-1974.

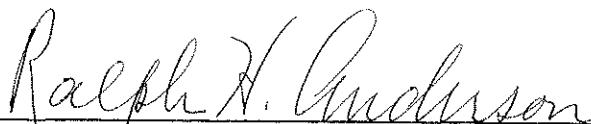
There being no further business to come before the Commission, a motion was made by Mr. Anderson, seconded by Mr. Teagarden, that the meeting adjourn until December 3, 1974 subject to call of the Chairman. A vote by ayes and nays was taken and all Members responded to roll call. The vote was as follows:

Ayes: Anderson, Teagarden, Richley, Bricker, Shocknessy.

Nays: None.

The Chairman declared the meeting adjourned. The time of adjournment was 12:35 P. M.

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



Ralph H. Anderson, Secretary-Treasurer