

OHIO TURNPIKE COMMISSION

Resolution Authorizing Two-Year Extension of
Restaurant Contracts

WHEREAS the present contracts for the operation of restaurants on the Ohio Turnpike were made in 1970 pursuant to Ohio Revised Code Section 5537.13 with the two bidders whose bids were determined to be the best bids in the public interest, the length of the terms of such contracts being fixed in relation to, and thus limited by, the Commission's then current estimate of the time when all of the bonds issued by the Commission for Ohio Turnpike Project No. 1 would be retired;

WHEREAS the initial terms of such contracts, namely, Contract TR-4E and Contract TR-4G, expire at midnight September 30, 1979, and said contracts include options to extend the terms thereof for successive periods of two years which options provide that they may be exercised by the operators, in a time period of 12 to 9 months prior to the initial expiration date, subject to Commission veto for unsatisfactory performance;

WHEREAS the Commission estimates that the bonds of the Commission will not be fully paid prior to said September 30, 1979, but that the time when this will occur is now estimated to be so soon thereafter that the Commission cannot have reasonable assurance of obtaining new contracts, which would be satisfactory in the public interest, by bidding pursuant to Ohio Revised Code Section 5537.13 inasmuch as the short length of term that necessarily would be specified in such contracts would not allow new operators to amortize their start-up and demobilization costs;

WHEREAS the Commission is advised by its director of operations and executive director that the present operators have performed their contracts in a satisfactory manner and the executive director recommends that said operators be authorized to exercise the options at the present time to provide continuity in the operations of the restaurants, if legally permissible; and

WHEREAS the Commission's general counsel has advised that under the circumstances such authorization is legally permissible;

NOW, THEREFORE, BE IT

RESOLVED that the executive director be, and hereby he is, authorized to inform the restaurant operators that each may exercise the option in Contract TR-4E and Contract TR-4G, respectively, at any time within the next 90 days, and that the Commission will and hereby does waive the 60-day period within which it may reject the exercise thereof, and agrees that upon the exercise of its option by either of the restaurant operators a binding continuation of said operator's contract with the Commission for a period of two years from and after September 30, 1979, will result, subject to all the provisions of said contract including all provisions relating to cancellation on the cessation of the Commission's jurisdiction over the Turnpike or for any other reasons specified therein.