

MINUTES OF THE THREE HUNDRED AND FOURTEENTH MEETING
October 11, 1978

Pursuant to bylaws the Ohio Turnpike Commission met in regular session in the conference room of the Administration Building at 682 Prospect Street in Berea, Ohio at 11:00 a. m. on October 11, 1978 with key members of the staff; a representative, William R. Fleischman, of the Consulting Engineers; a member of the press and others in attendance.

The 314th meeting of the Commission was called to order by the Vice Chairman. The roll was called and the attendance was reported to be as follows:

Present: Dennis R. Garwood, Jo Ann Davidson, Ralph H. Anderson,
Clarence D. Rogers, Jr.

Absent: None

The Vice Chairman announced that a quorum was present. He said Mr. Garwood, the assistant Director of the Ohio Department of Transportation, was representing David L. Weir, Director of Transportation, who was unable to attend and that Mr. Garwood had the authority to vote.

The Vice Chairman said that in the absence of an elected Chairman of the Commission and as provided in the bylaws, he, as Vice Chairman, had been serving as Chairman and would also preside over the day's meeting.

The Vice Chairman said he wished to acknowledge the presence of several staff members and employees at the meeting.

A motion was made by Mrs. Davidson, seconded by Mr. Garwood, that the minutes of the last Commission meeting, held on September 14, 1978, which had been examined by the Members and on which the corrections suggested by the Members had been made, be approved without reading.

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

Ayes: Mrs. Davidson, Mr. Garwood, Mr. Anderson, Mr. Rogers

Nays: None

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

The Vice Chairman reported that, as was customary, he would report on the financial experience since the last meeting and he would also comment on the first three quarters of the year. He said that total revenue for September was \$4,834,000, and toll income totalled \$4,041,000, both record amounts and

slightly more than 6% above September last year. He said total revenue for nine months was \$40,972,000, which was \$2,329,000 or 6.0% higher than a year ago.

The Vice Chairman reported also that since the last Commission meeting, the Trustee, The Ohio National Bank, purchased and retired Turnpike bonds on four different dates. He said the combined total of those bond purchases was \$1,768,000 and the outstanding debt was then \$47,545,000. He said a substantial amount of money, more than \$5,200,000, was then available in the redemption account and he would ask the Executive Director to comment further on that subject in his report.

The Vice Chairman reported also that after the last Commission meeting, a news story appeared, indicating that the Cuyahoga County Regional Transit Authority would oppose ending tolls on the Turnpike. He said that on the day prior to the meeting, at the request of the R. T. A. Board, he and the Executive Director had met with two officials of R. T. A. to discuss the matter and had agreed to prepare a fact sheet about the Turnpike in an effort to avoid any position being established by R. T. A. which might be based on misinformation.

The Vice Chairman reported also that, at that time, it appeared it would not be necessary for the Commission to meet in November. He said, therefore, it was suggested that the next meeting be held on either December 12 or 19, subject to call of the Chairman, if another meeting would be necessary before that time.

The Vice Chairman reported also that the only resolution at the day's meeting would be the adoption of a preliminary budget for the fiscal year 1979. He said it would be explained and offered by the chairman of Budget and Finance Committee in his report.

The Vice Chairman said the report of the Vice 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. Weekly Traffic Statistics
2. Month End Statement for August 1978
3. Traffic Accident Analysis Report - August 1978
4. Detail of Investment Transactions which took place in September 1978

The Vice 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 as reported at the last meeting of the Commission, the department heads and staff members of the Committee on Budget and Finance were working on a draft of the Preliminary Budget for 1979. He said the preliminary draft had been reviewed in detail by Messrs. Clark, Johnson, Rudolphy and him on September 28, 1978.

Mr. Anderson reported further that the total amount of the proposed preliminary budget was \$24,113,862, which was \$2,368,368 or 10.9% higher than the budget for 1978. He said the proposed budget provided for anticipated inflationary increases on supplies, materials, services and so forth and the estimated cost of an annual general wage and salary increase for the Commission's employees which had been the custom over the years.

Mr. Anderson reported further that the proposed preliminary budget, along with the Reserve Maintenance Fund deposits of \$13,500,000 recommended by the Consulting Engineers in the Annual Report for 1978, which already has been presented to the Commission, and an estimated bond interest cost of \$1,150,000, resulted in estimated expenditures in 1979 of about \$38,750,000. He said the specific items and programs contemplated in those expenditures represented a slightly increased maintenance effort so as to keep all facilities in satisfactory condition for eventual turnover to the State. He said that even though this was a record high amount, with revenues expected to exceed \$53,000,000, the Commission would be able to continue on a financial course similar to the past and to comply with the financial requirements of the Trust Agreement.

Mr. Anderson reported further that a resolution setting forth the Preliminary Budget in the classifications requested by the Consulting Engineers and setting forth an estimate of income for the year and providing for the deposit to the credit of the Reserve Maintenance Fund of the amount recommended by the Consulting Engineers had been prepared and was in the Members' folders. He said the budget items contained in the resolution had been recommended by the Commission staff, the Committee on Budget and Finance and the Consulting Engineers and he offered the resolution and recommended that it be adopted.

A resolution adopting the preliminary budget for the fiscal year 1979 and providing for Reserve Maintenance Fund deposits during said year was moved for adoption by Mr. Anderson, seconded by Mrs. Davidson, as follows:

RESOLUTION NO. 11-1978

"WHEREAS it is provided by §505 of the trust agreement dated June 1, 1952 between the Commission and The Ohio National Bank of Columbus,

as trustee, and The National City Bank of New York (now Citibank, N. A.), as co-trustee, that on or before the 20th day of October in each fiscal year, the Commission will adopt a preliminary budget of income and current expenses for the ensuing fiscal year;

"WHEREAS the Commission's chairman of the Committee on Budget and Finance, the executive director and comptroller have submitted a preliminary budget of income and current expenses for the fiscal year 1979 to the Commission, and have recommended the adoption thereof, and said budget is now before the Commission;

"WHEREAS all reasonable requests of the consulting engineer as to the classifications in which such budget shall be prepared have been complied with, and the consulting engineer has advised the Commission that said budget classifications meet with its approval and that it has no further requests with respect to said classifications;

"WHEREAS the consulting engineer has made a recommendation as required by §504 of the aforesaid trust agreement, as to the amount to be deposited to the credit of the Reserve Maintenance Fund during the ensuing fiscal year for the purpose of paying the cost of major repairs, equipment replacement, bridge painting, renewals, replacements and improvements and other purposes as set forth in §509 of the said trust agreement, and the amount so recommended is \$13, 500, 000; and

"WHEREAS the Commission desires to provide for deposits to the credit of the Reserve Maintenance Fund during the year 1979 of the amount recommended by the consulting engineer;

"NOW, THEREFORE, BE IT

"RESOLVED that the Commission, having duly and fully considered the same, hereby adopts the following:

"1979

"Preliminary Budget of Income and Current Expenses

Income		\$53, 000, 000
Current Expenses		
Administration & Insurance	\$ 5, 888, 369	
Operations	18, 033, 993	
Trust Indenture Expense	191, 500	
Total Current Expenses	\$ 24, 113, 862	

"Amount to be Deposited to the Credit of the Reserve
Maintenance Fund

Total Amount \$ 13,500,000

"FURTHER RESOLVED that the assistant secretary-treasurer is hereby instructed to file a copy of said budget of income and current expenses, and of the amount to be deposited to the credit of the Reserve Maintenance Fund during the ensuing fiscal year with the trustee and to mail copies thereof to the consulting engineer and to the principal underwriters forthwith."

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

Ayes: Mr. Anderson, Mrs. Davidson, Mr. Garwood, Mr. Rogers

Nays: None

The Vice Chairman declared the resolution stood adopted with all Members voting in the affirmative. The resolution was identified as No. 11-1978.

The Vice Chairman said 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. Johnson, reported that an identical amendment to both the United States House of Representatives and United States Senate versions of the Surface Transportation Act of 1978, which called for retention of the Turnpike's 16 service plazas after the last revenue bonds had been retired and the road became free of tolls, had been passed in both the legislative bodies of Congress and the respective bills had been forwarded to a conference committee for consolidation into the final act.

He said that he had been advised by several representatives and Senator Howard Metzenbaum's office that there had been no opposition to the amendment in either the House or Senate and he did anticipate the finalized bill to include the amendment.

Mr. Johnson reported further that, based on the prospect that the plazas would remain after the Turnpike became toll free, plans were underway to make certain improvements to the plazas, particularly expansion of some restroom facilities.

The Vice 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 vice chairman of the Committee on Employee Relations, G. Alan Plain, reported that specific dates had yet to be established for the annual meetings with the two union-represented employee groups or the non-union employees. He said that the committee had received proposals from the Teamsters Union and the Joint Council of Operating Engineers and Laborers' Union listing suggested items for the agendas of the respective meetings with their groups. He said the committee would be getting together within a week or two to decide on the meeting dates.

The Vice Chairman said that at the last Commission meeting one staff member, Assistant Chief Engineer David H. Ransbury, had been omitted from the list of members of the Committee on Employee Relations. He said that, at that time, he wished to officially designate Mr. Ransbury as a committee member.

The Vice 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. Garwood reported that the study was progressing for the transfer of the Turnpike to the state after the last revenue bonds were retired and the road became toll free.

The Vice 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 the Turnpike's safety record since the last Commission meeting had been good. He said that traffic had, of course, declined recently due to the end of the summer peak travel months.

The Vice 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 first subject he wished to report on was the work being done on the eastbound bridge over the Cuyahoga River valley by private contractors. He said a photo display had been prepared and secured to the blackboard in the meeting room showing various stages of reconstruction.

The Executive Director reported further that at the last Commission meeting he had informed the Members that two contracts, one for removal of 125 feet of reinforced concrete deck and the other for removal and replacement of the damaged steel, had been awarded. He said that since

that time, two more contracts had been awarded. He said the M-A Building and Maintenance Company would be cleaning and painting the steel, as stipulated in a contract for \$115,177. He said some of that work was already underway but the final portion of it would have to be accomplished after the new steel had been erected.

The Executive Director reported further that during the week prior to the meeting, proposals were accepted to replace the reinforced concrete deck. He said those proposals, which numbered three, were received from The John G. Ruhlin Construction Company in the base amount of \$96,794 and an alternate offer of \$120,332 to expedite the work; the Bates and Rogers Construction Corporation in the base amount of \$134,000 and an alternate of \$149,000; and the Great Lakes Construction Company in the base amount of \$140,206 and an alternate of \$160,751.

The Executive Director reported further that, on the basis of the three proposals, a contract had been awarded to the John G. Ruhlin Construction Company for their expedited, alternate bid in the amount of \$120,332. He said that alternate bid was lower than the other two and the work should be accomplished about 10 days earlier than if the alternate bid had not been accepted. He said that, even with the expedited schedule, work would be going on during a portion of November when the cold weather would most likely be evident, which could cause some problem with pouring concrete. He said that, however, all the work was on schedule and, barring any problems with the weather, he expected that the bridge, which had been closed on August 17 following the crash of a tanker trailer truck and subsequent fire, would be reopened before Thanksgiving Day, November 23.

Mr. Anderson asked the Executive Director if there had been any recent traffic backups due to the bridge being closed.

The Executive Director responded by saying that there had been several minor accidents in the bidirectional zone of the westbound bridge within a period of weeks after the eastbound bridge had been closed. He said, however, that, due to the diminished traffic flow following the conclusion of the vacation months, few backups had recently occurred.

Mr. Anderson asked the Executive Director if the Commission had been losing any revenue because of the closed bridge.

The Executive Director said that the Commission had lost some revenue due to the bridge closing and a full accounting of exactly how much revenue was lost would be completed after the bridge was reopened.

Mr. Garwood asked the Executive Director if the contract for replacing the reinforced concrete deck was the last such contract to be awarded.

The Executive Director said that the contract to which Mr. Garwood referred was the last to be awarded to private contractors. He said that, in addition to the work being done on the bridge by private contractors, Commission maintenance crews were performing various repair assignments, particularly skin or surface concrete patching.

The Executive Director said further that the total of the four contracts awarded was just under \$442,000. He said other expenses incurred included pay to the Commission's own maintenance men, laboratory testing fees, charges for consulting services and costs for having standby wrecker service on a seven day, 24-hour basis.

Mr. Garwood asked the Executive Director if he had considered the possibility of reopening the bridge without completing the cleaning and painting work.

The Executive Director said he had and that if, because of inclement weather the cleaning and painting work were to be interrupted before completion, the bridge would be reopened on the scheduled date. He said it was, of course, desirable to have the steel painted and protected before winter to prevent rust. He said, however, that, if this could not be done, the bridge would still be opened.

Mr. Garwood asked the Executive Director if traffic would have to be rerouted in the event that the painting was done after the bridge was opened.

The Executive Director said work of that nature was completed from beneath the structure. He said that, in fact, the Commission's engineering staff had contemplated painting both bridges over the Cuyahoga River valley next year. He said most of this work would be done from spider scaffolding, which is hoisted up from the valley floor. He said that on some occasions traffic is restricted to one lane over a bridge being painted when the work must be done from above the areas to be painted.

The Executive Director reported also that, as the Vice Chairman had mentioned in his report, a substantial amount of money, in excess of \$5.2 million, remained in the bond redemption account because the Trustee had been unable to purchase revenue bonds in the open market to use all the available money. He said that it appeared inevitable that a bond call, the first in the Commission's history, would occur on December 1, which was in line with the stipulation of the Trust Agreement. He said the Trust Agreement provided that, if more than \$50,000 remained in the redemption account 45 days prior to an interest payment date, a situation the Commission currently found itself to be in, a call was mandatory.

The Executive Director reported further that the notice of a bond call would be advertised by the Trustee in the various regional editions of The

Wall Street Journal and in newspapers of general circulation in Columbus and Chicago. He said the Trustee might select to advertise the call in newspapers in other cities, such as Cleveland, if they believed bonds were being held in those cities. He said such advertising would have to be done by at least November 1, 30 days prior to the actual date of call, December 1. He said that, at the next Commission meeting in December, he would be able to report the experience of the bond call.

Mrs. Davidson asked the Executive Director what would happen in the event that a call did not result in the acquisition of a sufficient number of bonds with regard to compliance with the provisions of the Trust Agreement.

The Executive Director said that the call procedure followed by the Trustee involved making a random selection of outstanding bonds and publishing the serial numbers of those bonds in the previously mentioned newspapers. He said that, if any of these called bonds are not presented for redemption, payment of interest on them ceases and sufficient funds are set aside from the redemption account for payment upon eventual redemption. He said that under the Trust Agreement, money set aside from the redemption account for unredeemed bonds or coupons must be available for 15 years after the call date or coupon interest payment date and payable by the Trustee or designated paying agent. He said that after the 15-year limitation, the funds set aside for bond or coupon payment shall, upon request in writing, be paid to the Commission and thereafter the holders of such bonds and coupons would be required to approach the Commission, or its successor, for payment.

The Executive Director reported also that he had spoken in person to O. L. Teagarden, former Commission Chairman, the week before the Commission meeting and had informed him that the meeting was to be held in Berea in the hope that he might be able to attend. He said that, unfortunately, Mr. Teagarden remained confined to his residence in Oak Harbor due to his recent hospitalization but that he wanted to be remembered to everyone.

The Executive Director reported also that he, the Vice Chairman and several staff members had attended the annual meeting of the International Bridge, Tunnel and Turnpike Association in San Francisco, California during the month of September. He said those representing the Commission were able to meet with their counterparts at other toll facilities and discuss matters of mutual interest.

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

Reporting in the absence of General Counsel Francis K. Cole, the Assistant General Counsel, Philip A. Loftus, said General Counsel was in Williams County Common Pleas Court participating in a trial of the Stacey case. He said that basically the court was involved in litigating the issue of damages and that proceedings should conclude that day or the next.

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

The representative of the Consulting Engineers, Mr. Fleischman, reported that the Consulting Engineers' 1978 Annual Report had been completed and submitted to the Commission prior to the October 1 deadline.

The Executive Director said the report submitted to the Commission Members was basically a skeleton of the inspection of the Turnpike roadway, bridges, toll facilities, service plazas and other buildings. He said a more detailed inspection report had been given to the Commission's engineering staff, which was very specific in pointing out all deficiencies. He said the report reinforced his belief that all the Turnpike's facilities were in good condition.

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

The Vice Chairman asked if there was any new business to be brought before the Commission.

The Executive Director suggested that the Commission select one of two dates mentioned earlier for the next Commission meeting, either December 12 or 19. He said that if the latter date were chosen, more up-to-date information on the year's financial experience would be available. He said that should the current budget need to be amended or supplemented such action would have to be taken at the December meeting.

The Vice Chairman said that since a Christmas luncheon was usually planned about the middle of December he would, with the approval of the other Members, propose the next Commission meeting be held during the week of December 18 so the Commission Members might attend the luncheon after the meeting.

There being no further business to come before the Commission, a motion was made by Mr. Anderson, seconded by Mrs. Davidson, that the meeting adjourn until a date to be selected during the week of December 18, subject to call of the Chairman.

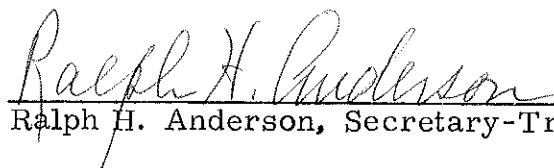
A vote by ayes and nays was taken and all Members responded to roll call. A vote was as follows:

Ayes: Mr. Anderson, Mrs. Davidson, Mr. Garwood, Mr. Rogers

Nays: None

The Vice Chairman declared the meeting adjourned. Time of adjournment was 11:48 a. m.

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



Ralph H. Anderson, Secretary-Treasurer