

MINUTES OF THE 340TH MEETING OF THE OHIO TURNPIKE COMMISSION

October 13, 1983

Pursuant to bylaws the Ohio Turnpike Commission met in regular session at the BancOhio National Bank Building at 155 East Broad Street, Columbus, Ohio at 11:00 a.m. on October 13, 1983, with key members of the staff; a representative, William R. Fleischman, of the consulting engineers, J. E. Greiner Company - Ohio; representatives, P. Joseph Sesler and Dan Hearl, of the trustee, the BancOhio National Bank; a representative, Daniel F. Hollern, of the Auditor of State; a member of the press, Lee Leonard, United Press International; 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: Charles R. Pinzone, William H. Schneider,
Clarence D. Rogers, Jr.

Absent: Sandra Dombey Cooke, Warren J Smith

A motion was made by Mr. Schneider, seconded by Mr. Pinzone, that the minutes of the meeting of August 17, 1983, 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 present responded to roll call. The vote was as follows:

Ayes: Mr. Schneider, Mr. Pinzone, Mr. Rogers

Nays: None

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

(At this point, Mr. Smith joined the meeting, along with Robert C. Brown, Deputy Director of Public Transportation.)

The Chairman reported that the meeting was the 340th of the Ohio Turnpike Commission. He said the primary purpose of the meeting was to consider the preliminary budget for 1984, and act on a resolution authorizing the transfer of funds from the Reserve Maintenance Fund to the Bond Redemption Account. He said he was asking that the committee and staff reports be minimal and concise so Mr. Pinzone and he could return to Cleveland immediately after the meeting.

The Chairman reported also that, since the Commission would be considering the preliminary budget for next year at the meeting, it was appropriate to review briefly the Commission's financial experience for the first nine months of 1983

because that information supplied the basis for next year's projected income, which was part of the budget analysis.

The Chairman reported further that total revenues for the first nine months of 1983 amounted to \$56,197,893, an increase of 5.9% over the same period of 1982. He said passenger car toll income came to \$18,443,852, up 3.8%, while toll revenue from commercial vehicles was \$30,042,073, an increase of 10.2%. He said those increases, particularly for commercial revenues, were encouraging in that they pointed to an improving economic outlook. He said that, in fact, commercial revenues had been gaining steadily during the year, and were up 12.4% in September alone.

The Chairman reported further that bonds in the principal amount of \$782,000 were purchased and retired in September by the trustee, BancOhio National Bank, to bring the total bond retirements in 1983 to \$2,063,000. He said it would be necessary for a bond call to be conducted on December 1 to secure an additional \$2,748,000 in bonds for the year in order to comply with the recommendation contained in the consulting engineers' 1981 toll structure analysis report that bonds totaling \$4,811,000 be retired in 1983. He said the recommendations of the consulting engineers, of course, were accepted and implemented when the Commission acted to increase toll rates.

The Chairman reported also that the Commission had three resolutions to be acted on at the meeting. He said the first resolution pertained to the Commission's preliminary budget for 1984, the second dealt with the transferring of funds from the Reserve Maintenance Account to the Bond Redemption Account, and the third authorized the Executive Director to take immediate action concerning award of certain contracts. He said the first and second resolutions would be explained and introduced in the report of the Committee on Budget and Finance. He said the third resolution would be explained and introduced in the report of the Committee on Service Plazas.

The Chairman said that in the absence of any questions, the report of the Chairman was accepted as offered. He said the report of the Secretary-Treasurer would be received.

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

1. Weekly Traffic Statistics
2. Investment Transactions which occurred during August and September 1983
3. Draft of the Commission Meeting Minutes of August 17, 1983

4. Traffic Accident Analysis through August 31, 1983
5. Traffic and Revenue Report for August and September 1983
6. Financial Statements - August 31, 1983 and September 30, 1983
7. Accountants' Report, Financial Statements as of June 30, 1983
8. Litigation Report for Quarter ending September 30, 1983

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. Pinzone, said that first, he wanted to report that actual operating expenses for the first nine months of 1983 were some \$2,603,000 or 9.7% below the budgeted amount for the period, which was \$26,898,793. He said that with that favorable experience, due mainly to the mild weather conditions last winter, the Commission should easily conclude the year without the necessity of amending or supplementing the current budget for 1983.

Mr. Pinzone said further that one of the covenants in the Commission's Trust Agreement was that on or before October 20 each year, the Commission agreed to adopt a preliminary budget of income and current expenses for the following year. He said that as reported at the last meeting of the Commission, the appropriate staff members once again had been preparing the necessary budget and had done so in cooperation with the consulting engineers, who were required to analyze the Commission's income and expenses as part of their Trust Agreement responsibilities to prepare and submit an annual report each year which they had done and which had been distributed. He said copies of the consulting engineers' report were in the Members' folders.

Mr. Pinzone said further that the total amount of the proposed preliminary budget was \$37,534,312, which was \$2,345,476 or 6.7% more than the budget for 1983. He said most of the increases were proposed to accommodate some moderate inflation anticipated throughout a wide range of supplies, materials, equipment, services, utilities and so forth required for the effective operation of the Turnpike.

Mr. Pinzone said further that the largest increases were \$600,000 in employee insurance for life, health, dental and eye coverage, which was based on the Commission's own experience, and \$580,000 for Highway Patrol services as the Commission continued to strive to bring the trooper forces up to full, authorized strength.

Mr. Pinzone said further that the committee also had

included a modest amount in the budget for employee wage, salary and fringe benefit adjustments, although such adjustments, if any, were subject to the recommendations and conclusions from the annual employee discussions which had not yet been held.

Mr. Pinzone said further that the proposed budget of expenses, along with the estimate of income, would allow bond retirement and Reserve Maintenance Fund and related Fuel Tax Fund projects, which were basically in accordance with the program recommended by the consultants which led to the toll rate increase in February 1982.

A resolution setting forth the preliminary budget for the fiscal year 1984 in the classifications requested by the consulting engineers and setting forth an estimate of income and deposits to the Reserve Maintenance Fund during said year was moved for adoption by Mr. Pinzone, seconded by Mr. Schneider as follows:

RESOLUTION NO. 18-1983

"WHEREAS, it is provided by §505 of the trust agreement dated June 1, 1952, between the Commission and The Ohio National Bank of Columbus, (now BancOhio National Bank), 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 executive director and comptroller have submitted a preliminary budget of income and current expenses for the fiscal year 1984 to the Commission, and have recommended the adoption thereof, and said budget is now before the Commission;

"WHEREAS, all reasonable requests of the consulting engineers as to the classifications in which such budget shall be prepared have been complied with, and the consulting engineers have 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 engineers have made a recommendation as required by §504 of the aforesaid trust agreement, as to the estimated 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 the highest priority 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 estimated amount so recommended is \$37,465,688; and

"WHEREAS, the Commission desires to provide for deposits to the credit of the Reserve Maintenance Fund during the year 1984 of the amount recommended by the consulting engineers;

\$4,811,000. He said the additional bonds would be secured through a call on December 1. He said the bond call date was another stipulation set forth in the Trust Agreement.

Mr. Johnson said further that he did not know the exact date the transfer of funds had to be made to cover the bond call. He said the resolution that had been prepared didn't indicate a specific date, but the transfer would be done in December. He said that, as Mr. Sesler would confirm, he was sure that all the bonds called would not be turned in for redemption. He said that had occurred with previous bond calls, and the December call would probably bring in a number of bonds from past calls.

A resolution authorizing the transfer of moneys from the Reserve Maintenance Fund to the Redemption Account was moved for adoption by Mr. Pinzone, seconded by Mr. Schneider as follows:

RESOLUTION NO. 19-1983

"WHEREAS, section 509 of the trust agreement of June 1, 1952 by and between the Ohio Turnpike Commission and the Ohio National Bank of Columbus, (now BancOhio National Bank), as trustee, and The National City Bank of New York (now Citibank, N.A.), as co-trustee, provides that the trustee shall from time to time transfer any moneys from the Reserve Maintenance Fund to the credit of the Redemption Account upon receipt of a certified copy of a resolution duly adopted by the Commission directing such transfer, and a certificate of the consulting engineers certifying that the amount so to be transferred is not required for the purposes for which the Reserve Maintenance Fund has been created.

"WHEREAS, the trustee has notified the Commission that the sum of \$2,554,472.60 will be needed in the Redemption Account to cover the Bond Call of December 1, 1983; and

"WHEREAS, a certificate has been received by the Commission from the consulting engineers certifying that the amount of \$2,554,472.60 is not required for the purposes for which the Reserve Maintenance Fund has been created;

"NOW, THEREFORE, BE IT

"RESOLVED that the trustee, The Ohio National Bank of Columbus (now BancOhio National Bank), upon receipt of the certificate of the consulting engineers, and upon receipt of a certified copy of this resolution, be, and said trustee hereby is directed to transfer forthwith sufficient funds, not exceeding \$2,554,472.60, from the Reserve Maintenance Fund to the credit of the Redemption Account to cover the cost of the Bond Call of December 1, 1983, all in accordance with section 509 of the trust agreement."

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

Ayes: Mr. Pinzone, Mr. Schneider, Mr. Smith, Mr. Rogers

Nays: None

The Chairman declared the resolution stood adopted with all Members present voting in the affirmative. The resolution was identified as No. 19-1983.

The 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 vice chairman of the Committee on Service Plazas, Mr. Johnson, said that at the last Commission meeting the chairman of the committee, Mrs. Cooke, reported that the committee had been working with Gladieux Corporation to convert two service plaza restaurants, for which Gladieux held concessionaire contracts, to fast food operations. He said that, since there was such a short time potentially remaining whereby the Commission would have jurisdiction over the Turnpike and its service plazas, the Commission had agreed to participate in the accomplishment of the necessary modifications.

Mr. Johnson said further that the Commission's staff had been working with an architect to make the appropriate changes to the restaurants and he expected the final plans to be delivered the week after the Commission meeting. He said that it was important for the work to begin as soon as possible, and, therefore, a resolution had been prepared authorizing him, as Executive Director, to award a contract for the project, provided good bids were received, prior to the next Commission meeting.

The Chairman asked Mr. Johnson if the cost of the contract would exceed the \$250,000 limit of authorization granted the Executive Director for contract awards.

Mr. Johnson said the cost estimates had not been received from the architect, but he was seeking the authority to award the contract as a precautionary measure should the total costs exceed the \$250,000 limitation. He said he assumed the work at the two restaurants, which were directly opposite one another, would be combined into one contract.

A resolution authorizing the Executive Director to take immediate action concerning award of certain contract was moved for adoption by Mr. Schneider, seconded by Mr. Pinzone as follows:

RESOLUTION NO. 20-1983

"WHEREAS, the Commission is preparing to advertise for bids for a certain contract, to wit:

"RMP 53-83-07

Restaurant and Other Building
Modifications at Erie Islands -
Commodore Perry Service Plazas,
Milepost 100, Sandusky County,
Ohio

"WHEREAS, it is imperative that the work to be performed under these contracts be commenced as soon as possible so as to take full advantage of the time constraints inherent in this contract;

"WHEREAS, it is estimated that the cost of the aforesaid contract will exceed the \$250,000 limit of authorization heretofore granted by the Commission to the executive director with respect to the awarding of such contracts; and

"WHEREAS, the Commission desires to delegate to the executive director authority to make award of this contract so that such award may be made immediately as soon as appropriate;

"NOW, THEREFORE, BE IT

"RESOLVED that with respect to the award of Contract RMP 53-83-07, if in the opinions of the executive director, the deputy executive director-chief engineer and the consulting engineers it is in the best interest of the Commission for an award to be made by the executive director in advance of any meeting of the Commission, the executive director hereby is authorized to award and enter into a contract and to take whatever other action, on behalf of the Commission, the executive director, with the approval of the deputy executive director-chief engineer and the consulting engineers, shall determine to be in the best interest of the Commission, notwithstanding any limitation imposed upon the authority of the executive director under any resolution heretofore adopted, provided that any award made and contract entered into pursuant to authority granted herein shall be approved by general counsel, and

"FURTHER RESOLVED that the executive director shall inform the Commission of the actions taken hereunder."

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

Ayes: Mr. Schneider, Mr. Pinzone, Mr. Smith, Mr. Rogers

Nays: None

The Chairman declared the resolution stood adopted with all Members present voting in the affirmative. The resolution was identified as No. 20-1983.

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 vice chairman of the Committee on Employee Relations, G. Alan Plain, said that the committee had received a request from the Laborers' International Union of North America, local 1283, to meet with the committee to discuss a wage increase and general working conditions. He said the committee expected to meet with all the various employee groups sometime before the December

Commission meeting.

The Chairman said the report of the Committee on Employee Relations was accepted as offered. He ascertained there would be no reports from the Director of Transportation or Committee on Safety. He said the report of General Counsel would be received.

General Counsel, James C. McGrath, said that, as the Members were aware, the Commission was one of the defendants in a U. S. District Court (Cleveland) suit brought by the Cuyahoga County Commissioners, and the cities of Berea and Strongsville. He said the court action was an attempt to halt the shipment of spent nuclear material by commercial vehicles through Ohio on the Turnpike. He said the shipments originated in Buffalo, New York and were destined for either Illinois or Wisconsin. He said the case was in its very early stage and there was no prayer for relief against the Commission itself, although it was a defendant.

Mr. McGrath said further that motions were due to be filed by the 21st of October relative to dismissal and he expected to file such a motion. He said he could not anticipate where the case would go, but he hoped the Commission would be dismissed from it.

The Chairman asked Mr. McGrath to keep Mr. Schneider, the chairman of the Committee on Safety, and him advised of the court action.

Mr. McGrath said he would certainly keep the Chairman and Mr. Schneider advised on the progress of the case.

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

The Executive Director, Mr. Johnson, said that the environmental and engineering studies the Commission had been performing for more than four years in cooperation with the Ohio Department of Transportation and the Federal Highway Administration were filed prior to the September 30, 1983 deadline called for in the Surface Transportation Act of 1978 in order to qualify for Federal Interstate Construction funds.

The Executive Director said further that, as the Members all knew, since that Act, further Federal legislation had changed the funding opportunities. He said the final Environmental Impact Statement had been filed on time with the Federal Highway Administration and the Environmental Protection Agency. He said he didn't yet know what the impact of having completed the studies would be, but at least the deadline was met.

The Executive Director said also that subsequent to the last Commission meeting, and following his conversations with Mr. Smith, he and Mr. Plain met with Bernard Hurst, ODOT Assistant Director, and Richard Longenecker, ODOT Deputy Director of

Operations. He said Mr. Hurst and Mr. Longenecker were given a tour of some Turnpike facilities to get them familiar with the road, and they also were made aware of the various construction contracts under way. He said he expected to have further on-site meetings with both men in the months ahead.

The Executive Director asked Mr. Plain to give the Members a brief review of the status of some projects in progress.

Mr. Plain said he was pleased to report that the deck replacement and widening of the westbound span of the Cuyahoga River bridges was on schedule. He said he expected to open that bridge to traffic on or before November 1. He said the same type of work on the eastbound span of the Maumee River bridges was slightly behind schedule, and he hoped to have the last concrete deck pour on October 14, although there could be a delay due to inclement weather. He said he expected to open the eastbound bridge sometime around November 21.

Mr. Plain said further that deck replacement work on the Sprague Road bridge over the Turnpike had been completed, and it had been opened to traffic. He said four other bridges over the Turnpike, which were undergoing the same work, were on schedule and would be opened to traffic either at the end of October or in early November. He said the resurfacing and expansion of the parking areas at Brady's Leap, Portage, Great Lakes and Towpath service plazas were on schedule and should be completed in November.

The Executive Director said the Commission's staff had been preparing its final evaluation of projects that would be scheduled for 1984. He said the staff had been working with ODOT on that evaluation.

The Executive Director said also that he still owed a further reply to Governor Celeste in response to the Governor's telegram to him in July. He said he had initially responded to the telegram regarding information on the condition of Ohio Turnpike bridges. He said the telegram had been sent after a section of bridge on Interstate Route 95 (on the Connecticut Turnpike) collapsed, claiming several lives. He said additional material had been promised and it was being gathered to forward to the Governor.

The Executive Director said further that there would be an extensive bridge deck replacement and repair program in 1984, and, again, the staff was in the final stages of the selection process.

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

The representative of the consulting engineers, Mr. Fleischman, said the consulting engineers' annual inspection report was forwarded to the Commission and to the trustee and co-trustee

on September 30, in accordance with the Trust Agreement.

The Chairman said the report of the consulting engineers was accepted as offered. He said the report of the trustee would be received.

The representative of the trustee, Mr. Sesler, said that published notice of the December 1 bond call would appear in the Eastern, Midwest, Western, and Southwest editions of the Wall Street Journal, the Columbus Dispatch, the Cleveland Plain Dealer, and the Chicago Tribune on Monday, October 31.

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

The Chairman said the Commission would hold its next meeting sometime in December at the Commission's headquarters in Berea to coincide with the annual Christmas luncheon for employees.

There being no further business to come before the Commission, a motion was made by Mr. Pinzone, seconded by Mr. Schneider that the meeting adjourn, subject to call of the Chairman.

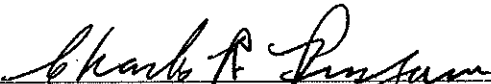
A vote by ayes and nays was taken, and all Members present responded to roll call. The vote was as follows:

Ayes: Mr. Pinzone, Mr. Schneider, Mr. Smith,
Mr. Rogers

Nays: None

The Chairman declared the meeting adjourned. Time of adjournment was 11:32 a.m.

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



Charles R. Pinzone, Secretary-Treasurer