

MINUTES OF THE 345th MEETING OF THE OHIO TURNPIKE COMMISSION

November 13, 1984

Pursuant to the bylaws the Ohio Turnpike Commission met in regular session in the Administration Building at 682 Prospect Street in Berea, Ohio at 1:55 p.m. on November 13, 1984, with key members of the staff; a representative, William R. Fleischman, of the consulting engineers, J. E. Greiner Company-Ohio; a representative of the trustee, Ameritrust Company National Association, Richard L. Fetzer; a member of the press, Pauline Thoma, The (Cleveland) Plain Dealer; 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: Warren J Smith, William H. Schneider,
Saundra Dombey Cooke, Charles R. Pinzone,
Clarence D. Rogers, Jr.

Absent: None

A motion was made by Mr. Pinzone, seconded by Mr. Schneider, that the minutes of the meeting of September 5, 1984, which had been examined by the Members, 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: Mr. Pinzone, Mr. Schneider, Mr. Smith,
Mrs. Cooke, Mr. Rogers

Nays: None

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

The Chairman reported that the meeting was the 345th meeting of the Ohio Turnpike Commission. He said the meeting was being held at the Commission's headquarters as provided for in the Commission's Code of Bylaws.

The Chairman reported further that the primary purpose of the meeting was to consider the preliminary budget for 1985, but the Commission also had six other resolutions to act on at the meeting.

The Chairman said he wanted to welcome to the meeting Dennis Geraghty, Michael Morris and Raymond Durn, representatives of Litel Telecommunications Corporation. He said the company had requested a license to install a fiber optic cable in the median of the Turnpike, and that proposal was the subject of one of the resolutions before the Commission. He said he also wanted to welcome Richard Fetzer, the representative of the trustee, and Pauline Thoma of The (Cleveland) Plain Dealer.

The Chairman reported further that since the Commission would be discussing the preliminary budget for next year at the meeting, it was appropriate to mention the Commission's financial experience for the first nine months of 1984 because this 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 1984 amounted to \$60,572,159, an advance of 7.8% over the same period in 1983. He said passenger car total income came to \$18,283,892, down .9%, while toll revenues from commercial vehicles were \$33,979,715, an increase of 13.1%, which was encouraging because it implied an improved economy for the area served by the Turnpike.

The Chairman reported further that copies of the seven resolutions had been placed in the Members' folders, and they would be explained and introduced during the various committee and staff reports.

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, Mr. Pinzone, would be received.

The Secretary-Treasurer 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, September and October, 1984
3. Draft of the Commission Meeting Minutes of September 5, 1984
4. Traffic Accident Analysis through August 31, September 30 and October 31, 1984
5. Traffic and Revenue report for August and September, 1984
6. Financial Statements for August and September, 1984
7. Expense and Budget Report - First Nine Months of 1984
8. Litigation Report for Third Quarter 1984
9. News Release No. 5, September 20, 1984, Sale of Turnpike bonds by the Ohio Turnpike Commission and Purchase of New Bonds by AmeriTrust Company National Association
10. Transmittal of the executed Ohio Turnpike Commission Trust Agreement dated September 1, 1984

11. Copy of transcript of proceedings for the 1984 Turnpike Revenue Bonds
12. The Twenty-Ninth Annual Report of the consulting engineers, J. E. Greiner Company-Ohio, for the James W. Shocknessy Ohio Turnpike

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 the first matter to be considered was the preliminary budget for 1985. He said the 1985 budget was, of course, the first such budget to be considered under the terms of the new Trust Agreement which was adopted in September. He said there were changes from the budgets under the old Trust Agreement. He said that, first, was the date by which it must be adopted which was now November 15, instead of October 15. He said that, next, the Commission's budgets would now be prepared and the Commission's accounts administered according to Generally Accepted Accounting Principles rather than by unique features of an individual trust agreement. He said that as a result, it was not possible to compare the items in the 1985 budget precisely to those in the 1984 budget, but some discussion was in order.

Mr. Pinzone said further that the total proposed 1985 budget of current expenses was \$41,158,850, compared to \$37,465,688 in 1984, which was \$3,693,162 or 9.8% higher. He said most of the increase could be attributed to insurance costs, mainly increases in premiums for employee insurance and by the fact that other insurance costs, such as for bridges and use and occupancy, which were formerly charged to the Reserve Maintenance Fund, now the Capital Improvement Fund, were charged to current expenses under the new accounting arrangement. He said the budget also included modest increases to account for inflation and other increases. He said a resolution had been drafted to adopt the preliminary budget for 1985 and he would read the resolved:

"NOW, THEREFORE BE IT

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

"1985

"Preliminary Budget of Revenues, Current Expenses
and Capital Improvement Fund Requirements

Revenues		\$82,500,000
Current Expenses		
Administration & Insurance	\$ 9,950,000	
Operations	30,800,000	
Bond Interest	408,850	41,158,850
Estimated Capital Improvement Fund Deposits		41,341,150"

A resolution adopting the preliminary budget of revenues, current expenses and capital improvement fund requirements was moved for adoption by Mr. Pinzone, seconded by Mrs. Cooke as follows:

"RESOLUTION NO. 10-1984

"WHEREAS, it is provided by Article V, Section 5.01 of the trust agreement dated as of September 1, 1984, between the Commission and AmeriTrust Company National Association, Cleveland, Ohio, as trustees, that on or before the 15th day of November in each fiscal year, the Commission will adopt a preliminary budget of revenue and current expenses for the ensuing fiscal year;

"WHEREAS, the Commission's executive director and comptroller have submitted a preliminary budget of revenues and current expenses for the fiscal year 1985 to the Commission, and have recommended the adoption thereof, and said budget is now before the Commission;

"WHEREAS, the Commission's consulting engineer, J. E. Greiner Company-Ohio, after consultation with the Commission's executive director and its deputy executive director-chief engineer, have estimated that the capital improvement fund requirements relating to the improvement, maintenance, repair and insurance of the turnpike for the fiscal year 1985 will be adequately covered by the estimated deposits to that fund.

"NOW, THEREFORE, BE IT

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

"1985

Preliminary Budget of Revenues, Current Expenses
and Capital Improvement Fund Requirements

Revenues		\$82,500,000
Current Expenses		
Administration & Insurance	\$9,950,000	
Operations	30,800,000	
Bond Interest	408,850	41,158,850
Estimated Capital Improvement Fund Deposits		41,341,150"

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

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

Nays: None

The Chairman declared the resolution stood adopted with all Members voting in the affirmative. The resolution was identified as No. 10-1984.

Mr. Pinzone said further that, next, there were several resolutions that had been drafted that related to the new trust agreement.

Mr. Pinzone said further that the first was to add the Comptroller as an officer of the Commission to execute certifications provided under the trust agreement.

Mr. Pinzone said further that he would read the resolved:

"NOW, THEREFORE, BE IT

"RESOLVED that the comptroller, in addition to the executive director, is hereby designated as an authorized officer to execute the certification provided for in Section 5 of the trust agreement, dated as of September 1, 1984."

A resolution designating the Comptroller as an authorized officer under the terms and provisions of Section 5 of the 1984 Trust Agreement was moved for adoption by Mr. Pinzone, seconded by Mr. Schneider as follows:

RESOLUTION NO. 11-1984

"WHEREAS, the Commission has entered into a trust agreement with AmeriTrust Company National Association, dated as of September 1, 1984;

"WHEREAS, Section 5 of the trust agreement provides that current expenses shall be paid from the revenue fund on the filing of a certificate stating in respect of that payment: (i) the name of the person to whom payment is due, (ii) the amount to be paid, (iii) the purpose for which the obligation to be paid was incurred, and (iv) that the total amount of such payments will not be in excess of the unencumbered balance therefor provided in the annual budget;

"WHEREAS, under the terms and provisions of the trust agreement, the executive director is an authorized officer and thereby empowered to execute the aforesaid certificate; and

"WHEREAS, it is necessary and desirable to have more than one person authorized to execute the certificate aforesaid.

"NOW, THEREFORE, BE IT

"RESOLVED that the comptroller, in addition to the executive director, is hereby designated as an authorized officer to execute the certification provided for in Section 5 of the trust agreement, dated as of September 1, 1984."

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

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

Nays: None

The Chairman declared the resolution stood adopted with all Members voting in the affirmative. The resolution was identified as No. 11-1984.

Mr. Pinzone said further that a resolution had been drafted designating AmeriTrust to continue as depositary bank and authorizing the Comptroller to act on behalf of the Commission on certain transactions.

Mr. Pinzone said further that he would read the resolves:

"NOW, THEREFORE, BE IT

"RESOLVED that AmeriTrust Company National Association is hereby designated to continue as depositary bank for the Commission;

"RESOLVED FURTHER that the comptroller, in addition to the executive director, is hereby authorized to act on behalf of the Ohio Turnpike Commission for the withdrawal and/or transfer of funds deposited with AmeriTrust Company National Association, and from time to time to engage in special banking services on behalf of the Ohio Turnpike Commission including, but not limited to wire transfers, telephone transfers, all electronic fund transfers, depository transfers without signatures, mechanical signatures, use of night depository facilities, express depository, safe depository facilities, and to execute agreements containing terms and conditions as AmeriTrust Company National Association may require."

A resolution designating AmeriTrust Company National Association to continue as depository and authorizing signatures for banking services was moved for adoption by Mr. Pinzone, seconded by Mrs. Cooke as follows:

RESOLUTION NO. 12-1984

"WHEREAS, the Commission has entered into a trust agreement with AmeriTrust Company National Association, Cleveland, Ohio, as trustee, dated as of September 1, 1984; and

"WHEREAS, the Commission desires to designate AmeriTrust Company National Association to continue as its depository bank and to authorize the comptroller, in addition to the executive director, to act for the Commission in dealing with AmeriTrust;

"NOW, THEREFORE, BE IT

"RESOLVED that AmeriTrust Company National Association is hereby designated to continue as depository bank for the Commission;

"RESOLVED FURTHER that the comptroller, in addition to the executive director, is hereby authorized to act on behalf of the Ohio Turnpike Commission for the withdrawal and/or transfer of funds deposited with AmeriTrust Company National Association, and from time to time to engage in special banking services on behalf of the Ohio Turnpike Commission including, but not limited to wire transfers, telephone transfers, all electronic fund transfers, depository transfers without signatures, mechanical signatures, use of night depository facilities, express depository, safe depository facilities, and to execute agreements containing terms and conditions as AmeriTrust Company National Association may require."

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

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

Nays: None

The Chairman declared the resolution stood adopted with all Members voting in the affirmative. The resolution was identified as No. 12-1984.

Mr. Pinzone said further that, finally, a resolution had been drafted that amended the 1984 trust agreement relating to accountants' reports and bridge insurance. He said he would ask the Executive Director to explain and introduce the resolution.

The Executive Director, Allan V. Johnson, said the Members had before them a draft of a resolution approving the first supplemental Trust Agreement to the Trust Agreement dated September 1, 1984, and also a draft of the first supplemental Trust Agreement. He said that as Mr. Pinzone had mentioned, the new Trust Agreement provided that the Commission handle its accounts in accordance with generally accepted accounting principles. He said that procedure had been developed in many discussions among the Commission's staff, bond counsel, trustee and outside accountants, who had all agreed that that was the way those accounts should be handled.

The Executive Director said further that in resolution No. 9-1984, adopted on September 5, 1984, authorizing the new Trust Agreement, the section dealing with the accountants' reports was included but certain changes were desirable. He said that, therefore, the resolution then before the Members would amend the September resolution by making some language changes in the portion relating to the accountants' reports. He said that, essentially, the language was developed in consultation with the Commission's outside accountants, and it was felt that changes would be better for handling the accountants' reports. He said the new resolution states that audits of financial statements would be made as of June 30th and December 31st, which was slightly different from wording in resolution No. 9-1984.

The Executive Director said further that the draft of the first supplemental Trust Agreement before the Members mentions that same accountants' reports, but the bulk of the draft of the supplemental agreement relates to the portions beginning on page two concerning bridge insurance. He said the requirement in the 1984 Trust Agreement as previously adopted more or less followed what appeared in the original 1952 Trust Agreement concerning bridge insurance. He said that agreement stipulated that the Commission had to insure any bridges on which the original construction cost exceeded \$500,000. He said there were five such bridges. He said that in the current economy, costs for improvements on almost all the bridges, especially with deck replacements, reached the \$500,000 level. He said that in seeking quotations for 1984 bridge insurance it was found that more bridges could be covered by insuring them in a blanket coverage manner, as opposed to insuring individual bridges. He said that in fact one quotation received covered virtually all the Turnpike's bridges for the same premium that would individually insure the previously mentioned five bridges.

The Executive Director said further that the amendment stipulates that the Commission must insure bridges in which the original construction cost exceeded \$500,000 already mentioned, but also those bridges on which any reconstruction costs exceeded \$1,000,000. He said the next time insurance quotations were solicited, they would be requested to provide for blanket coverage. He said he expected that a blanket coverage amount would essentially be enough to cover the total replacement cost of the twin Cuyahoga River spans, the longest and highest bridges on the Turnpike, which would probably cost at least \$50,000,000 to replace. He said he thought the Commission could get that kind of coverage without any increase in premium, but it took the Trust Agreement modification in order for the Commission to be permitted to do it.

A resolution approving the first supplemental Trust Agreement to the Trust Agreement dated September 1, 1984, was moved for adoption by Mr. Pinzone, seconded by Mrs. Cooke as follows:

RESOLUTION NO. 13-1984

"WHEREAS, the Commission has previously issued \$4,810,000 Turnpike Refunding Revenue Bonds of 1984 (the Bonds), and has entered into a Trust Agreement dated as of September 1, 1984, with AmeriTrust Company National Association, Cleveland, Ohio (the Trustee), as Trustee, securing those Bonds (the Original Trust Agreement); and

"WHEREAS, based on discussions with the Commission's certified public accountants and with insurance consultants the Commission desires and has determined to amend certain provisions of the Original Trust Agreement relating to accountants' reports and bridge insurance; and

"WHEREAS, the Trustee has approved the proposed amendments, and AmeriTrust Company National Association, the Original Purchaser and as the current holder of all the outstanding Bonds, has consented to the proposed amendments; and

"WHEREAS, by the First Supplemental Trust Agreement authorized by this Resolution those amendments will be made to the Original Trust Agreement;

"NOW, THEREFORE, BE IT RESOLVED BY THE OHIO TURNPIKE COMMISSION as follows:

"Section 1. The Commission by the Chairman, Vice Chairman and Secretary-Treasurer, shall execute, acknowledge and attest, and deliver to the Trustee, in the name and on behalf of the Commission, a First Supplemental Trust Agreement to be dated as of December 1, 1984, in substantially the form attached to this Resolution, with any changes therein not substantially adverse to the Commission as may be permitted by the Act and the Original Trust Agreement and approved by those officers. The approval of those changes, and that

they are not substantially adverse to the Commission, shall be conclusively evidenced by the execution and delivery of the First Supplemental Trust Agreement by those officers on behalf of the Commission.

"Section 2. The Commission hereby formally amends, effective December 1, 1984, Section 12(h) of Resolution No. 9-1984, adopted September 5, 1984, as that amendment is set forth in Section 1 of the proposed First Supplemental Trust Agreement, as follows:

"(h) Accountants Reports. The Commission will cause an audit of financial statements, prepared in accordance with GAAP and as of June 30 and December 31 of each year, to be made of its books and accounts relating to the Turnpike and the Debt Service Fund by an independent certified public accountant of recognized ability and standing. Reports of each such audit promptly shall be filed with the Commission and the Trustee, and copies shall be mailed by the Commission to the Consulting Engineers. Each audit report shall set forth such matters as are required by GAAP and also the findings of the certified public accountants whether the moneys received by the Commission under the provisions of the Trust Agreement have been applied in accordance with the provisions of the Trust Agreement.

"Section 3. It is found and determined that all formal actions of this Commission concerning and relating to the adoption of this Resolution were taken and adopted in an open meeting of this Commission, and that all deliberations of this Commission that resulted in those formal actions were in meetings open to the public, in compliance with all legal requirements including Section 121.22 of the Revised Code.

FIRST SUPPLEMENTAL TRUST AGREEMENT

between the
OHIO TURNPIKE COMMISSION

and

AMERITRUST COMPANY NATIONAL ASSOCIATION
Cleveland, Ohio

Trustee

Dated

as of

December 1, 1984

Supplementing Trust Agreement dated September 1, 1984

Securing

State of Ohio
Turnpike Refunding Revenue Bonds of 1984

"FIRST SUPPLEMENTAL TRUST AGREEMENT

"THIS FIRST SUPPLEMENTAL TRUST AGREEMENT (the First Supplemental Trust Agreement) dated as of December 1, 1984, by and between the OHIO TURNPIKE COMMISSION (the Commission), a body corporate and politic created and existing under Chapter 5537 of the Revised Code, and AMERITRUST COMPANY NATIONAL ASSOCIATION, a bank organized and existing under and by virtue of the laws of the United States of America and authorized to exercise corporate trust powers in the State of Ohio, with its principal place of business located in Cleveland, Ohio (the Trustee), as Trustee under the Trust Agreement dated September 1, 1984 referred to below.

W I T N E S S E T H

"WHEREAS, the Commission, pursuant to the Bond Resolution (the Bond Resolution) adopted by it on September 5, 1984 (Resolution No. 9-1984), has entered into a Trust Agreement dated as of September 1, 1984 (with the Bond Resolution constituting part thereof, the Original Trust Agreement) with the Trustee providing for and relating to Turnpike Refunding Revenue Bonds of 1984 (the Bonds); and

"WHEREAS, the Commission and the Trustee, pursuant to Article VIII of the Original Trust Agreement and with the consent of AmeriTrust Company National Association, the Original Purchaser and the holder of all the Bonds now outstanding, have determined and agreed to amend, as of December 1, 1984, the original Trust Agreement provisions relating to Accountants Reports and Project Insurance, as provided in Section 1 below:

"NOW, THEREFORE, THIS FIRST SUPPLEMENTAL TRUST AGREEMENT, WITNESSETH that to provide for those amendments, and for and in consideration of the premises, and the acceptance by the Trustee of the further and amended trusts hereby created, and for other good and valuable consideration, the receipt of which is hereby acknowledged, the Commission has executed and delivered this First Supplemental Trust Agreement.

"Section 1. The Original Trust Agreement, and specifically subsection (h) of Section 12 of the Bond Resolution constituting part of the Original Trust Agreement, and subsection (b) of Section 5.05 of the Original Trust Agreement, are as amended to read as follows:

"a. (§12) (h) Accountants Reports. The Commission will cause an audit of financial statements, prepared in accordance with GAAP and as of June 30 and December 31 of each year, to be made of its books and accounts relating to the Turnpike and the Debt Service Fund by an independent certified public accountant of recognized ability and standing. Reports of each such audit promptly shall be

filed with the Commission and the Trustee, and copies shall be mailed by the Commission to the Consulting Engineers. Each audit report shall set forth such matters as are required by GAAP and also the findings of the certified public accountants whether the moneys received by the Commission under the provisions of the Trust Agreement have been applied in accordance with the provisions of the Trust Agreement.

"b. [§5.05] (b) This subsection (b) applies to any bridge constituting part of the Turnpike (i) the original construction cost of which exceeded \$500,000, and (ii) other bridges the cost of reconstruction or improvement of which or any part of which exceeds \$1,000,000, from and after the time when any contractors engaged in reconstructing or improving any part of which shall cease to be responsible pursuant to the provisions of the respective contracts with those contractors for loss or damage to that bridge or such part occurring from any cause. The Commission will insure and at all times keep that bridge or such part insured, in a responsible insurance company or companies authorized and qualified under the laws of the State to assume the risk, against physical loss or damage however caused, with such exceptions as are ordinarily required by insurers of structures or facilities of similar type, in an amount not less than 80% of the replacement value of that bridge or such part, less depreciation, as certified by the Consulting Engineers in writing filed with the Commission and with the Trustee. However: (i) the amount of that insurance shall in any case at all times be sufficient to comply with any legal or contractual requirement which, if broken, would result in assumption by the Commission of a portion of any loss or damage as a co-insurer; (ii) such insurance may provide for the deduction from each claim for loss or damage (except in the case of a total loss) of not more than 2% of the total amount of insurance required by the application of the co-insurance clause, unless the Consulting Engineers shall approve a higher deduction; (iii) if the Commission shall determine that it is in the best interests of the Commission to insure those bridges or parts thereof under blanket bridge insurance coverage, and the Trustee consents to that type of coverage, the Commission may insure under that blanket bridge insurance coverage, in lieu of the separate coverages set forth above, in an amount of coverage as approved by the Executive Director of the Commission, the Trustee and the Consulting Engineers, but which amount shall not in any case be less than the aggregate replacement cost of the two bridges commonly referred to as the "Cuyahoga River Bridges"; and (iv) if at any time the Commission is unable to obtain that insurance to the extent above required, either in amount or as to covered risks, it will not constitute an Event of Default under the provisions of this Agreement if the Commission shall maintain such

insurance to the extent reasonably obtainable.

"Section 2. The Trustee accepts the further and amended trusts herein declared and provided and agrees to perform the same upon the terms and conditions in the Original Trust Agreement and in this First Supplemental Trust Agreement set forth.

"The Trustee shall not be responsible in any manner whatsoever for or in respect of the validity or sufficiency of this First Supplemental Trust Agreement or the due execution thereof by the Commission, or for or in respect of the recitals herein contained, all of which recitals are made by the Commission solely.

"IN WITNESS WHEREOF, the Commission has caused this First Supplemental Agreement to be executed in its name and on its behalf by its Chairman and Vice Chairman and attested by its Secretary-Treasurer, and the Trustee in token of its acceptance of the further and amended trusts created hereunder has caused this First Supplemental Trust Agreement to be executed in its corporate name by its authorized officers and its corporate seal to be affixed and attested, on the dates stated in the acknowledgments of those signatures but all as of December 1, 1984.

OHIO TURNPIKE COMMISSION

(Commission Seal)

By: _____
Chairman

Approved and Authorized by Commission
Resolution No. ____-1984 adopted
November 13, 1984

Attest: _____
Secretary-Treasurer

And By: _____
Vice Chairman

(Bank Seal)

AMERITRUST COMPANY NATIONAL
ASSOCIATION, Trustee

By: _____

Attest: _____

AMERITRUST COMPANY NATIONAL ASSOCIATION, as the holder of all the Turnpike Refunding Revenue Bonds of 1984 outstanding, consents to the amendments to the Original Trust Agreement made in the above First Supplemental Trust Agreement.

AMERITRUST COMPANY NATIONAL ASSOCIATION

Witnesses:

By: _____

Title: _____

Dated: November , 1984

STATE OF OHIO)
) SS:
COUNTY OF CUYAHOGA)

The foregoing instrument was acknowledged before me this _____ day of November, 1984, by Clarence D. Rogers, Jr., Sandra Dombey Cooke, and Charles R. Pinzone, Chairman, Vice Chairman and Secretary-Treasurer, respectively, of the Ohio Turnpike Commission.

(Seal)

Notary Public

STATE OF OHIO)
) SS:
COUNTY OF CUYAHOGA)

The foregoing instrument was acknowledged before me this _____ day of November, 1984, by _____ and _____ and _____

_____, respectively of AmeriTrust Company National Association, Cleveland, Ohio, a bank organized and existing under and by virtue of the laws of the United States of America, on behalf of that Bank.

(Seal)

Notary Public

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

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

Nays: None

The Chairman declared the resolution stood adopted with all Members voting in the affirmative. The resolution was identified as No. 13-1984.

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 Chairman of the Committee on Service Plazas, Mrs. Cooke, said that now that it had been established that the Commission would continue to operate the Turnpike and related facilities, at least for the next six years, the Service Plaza Committee expected to be very active in the coming months to help chart a course for the Commission to pursue on the operation of the service plazas, especially for the restaurant facilities which needed to be renovated to match the already modernized service stations.

Mrs. Cooke said further that the new RAX units continued to be well accepted and demonstrated clearly that the public wanted and would patronize such units. She said she had some testimonial to that effect. She said she had a letter from a gentleman from Pittsburgh, Pennsylvania, who wrote:

"At last a good place to stop for food on the Ohio Turnpike. As a frequent user of the toll roads, I have avoided stopping with my family because of the lack of tasty food and limited selections poorly prepared.

"Finally, RAX have been given an opportunity to have the concessions at the Commodore Perry and Erie Islands Service Plazas. It is a pleasure to stop at either of these. In fact, these are the only two we will use. The food is excellent, the service is super and the dining area is very attractive. The Ohio Turnpike Commission should consider expanding the RAX program to additional service plazas pronto."

Mrs. Cooke said further that other feedback had been received. She said one gentleman thought that ribs would sell faster, while a lady said the RAX restaurants were the best stops from Maryland to Wisconsin and back, and so fresh and clean. She said another gentleman said he had completed over 7,000 miles of travel and without a doubt the restaurants were the best he had encountered.

Mrs. Cooke said further that one suggestion that had come up was for a non-smoking section, something the committee might have to give some consideration to in time. She said only one person complained that there were no hamburgers available at the restaurants.

She said one person had suggested that the truck parking lots be expanded. She said that all things considered, she thought the Commission was on the right course with the RAX restaurants.

Mrs. Cooke said further that the Committee will be meeting after the Commission meeting, and it was the Committee's expectation to develop recommendations for the Commission to consider by early next year.

Mrs. Cooke said further that the Members had been informed of an announcement that Marriott Corporation had agreed to acquire certain portions of Gladieux Corporation which, no doubt, would affect the Commission's concession contract with Gladieux. She said she certainly hoped the effect would be positive during the remainder of the term of the contract.

Mrs. Cooke said it had been reported that the Howard Johnson Company was up for sale as well so the Commission was finding that while it was eager to make some changes, it might be having some changes made for it.

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 the committee had met with the various employee representatives to discuss wages and working conditions. He said the Committee agreed to review the employee requests and to make its recommendations to the Executive Director. He said the Committee planned to meet with the employee groups in December to inform them of the recommendations that would be put into effect for 1985.

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

The Executive Director said he would explain and introduce the three remaining resolutions to be acted on at the meeting. He said the first of those related to the Commission's Minority Business Enterprise program, which had been in effect for more than three years. He said the program had been working very well, and after consultation with the Commission's advisor on the program, David Hill, and the Commission's staff, he believed it was appropriate and desirable that the goals of the program be increased from seven to ten percent on construction contracts, and from eight to ten percent for procurement contracts. He said a draft of a resolution had been prepared in which the Commission agreed to increase the percentages, and he would read the resolved of that draft resolution.

"NOW, THEREFORE, BE IT

"RESOLVED that the Ohio Turnpike Commission's goal for the equitable participation of minority business enterprises in the Commission's construction contracts be increased from 7% to 10%, and the Ohio Turnpike Commission's goal for equitable participation of minority business enterprises in the Commission's procurement contracts be increased from 8% to 10%."

The Executive Director said he recommended that the resolution be adopted.

The Director of Transportation, Warren J Smith, asked the Executive Director if the Commission had done anything with regard to the participation of women in contract set asides.

The Executive Director said the Commission's staff had been working on such a program, and he knew ODOT had a program. He said several Commission staff members had conferred with ODOT representatives on ODOT's program.

A resolution modifying goals for construction contracts and the procurement of supplies and services under the Commission's minority business enterprise program was moved for adoption by Mrs. Cooke, seconded by Mr. Pinzone as follows:

RESOLUTION NO. 14-1984

"WHEREAS, by Resolution No. 1-1982, adopted March 11, 1982, the Commission established a policy for the equitable participation for minority business enterprises in its contracting and procurement;

"WHEREAS, in said resolution, the Commission directed the executive director and general counsel with the consultation and advice of David G. Hill, Esquire, to continue with the establishment and implementation of the Commission's program for equitable participation of minority business enterprises in the Commission's contracting and procurement; and

"WHEREAS, the executive director and general counsel as well as the Commission's minority business enterprise coordinator have consulted with David G. Hill, Esquire, concerning the aforesaid program, and after such consultation have concluded that it is reasonable and desirable to recommend to the Commission that the minority business enterprise goals for the Commission's construction contracts be increased from 7% to 10%, and for its procurement contracts from 8% to 10%;

"NOW, THEREFORE, BE IT

"RESOLVED that the Ohio Turnpike Commission's goal for the equitable participation of minority business enterprises in the Commission's construction contracts be increased from 7% to 10%,

and the Ohio Turnpike Commission's goal for equitable participation of minority business enterprises in the Commission's procurement contracts be increased from 8% to 10%."

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

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

Nays: None

The Chairman declared the resolution stood adopted with all Members voting in the affirmative. The resolution was identified as No. 14-1984.

The Executive Director said also he would go on to the next resolution, a resolution relating to completion of environmental and engineering studies prepared for the Commission. He said the resolution had a number of Whereas's in it explaining the background of the environmental and engineering studies that were done for the Commission over the past five years. He said those studies had been completed, and the final Environmental Impact Statement, which was the end result of those studies, had been distributed for comment by the affected agencies. He said the distribution had been a joint effort on the parts of the Commission and ODOT. He said ODOT had made the distribution to the affected Federal and state agencies, and he had made the distribution to all of the other local agencies along the Turnpike.

The Executive Director said further that there would be a 30-day evaluation period on the studies beginning November 16th, which was the time that the public availability of the final EIS was published in the Federal Register. He said the review period ended on December 17th, and that should conclude those studies. He said that, as the Members recalled, the studies were started on the expectation and premise that the Turnpike would be eligible for Federal funds if the Turnpike became free of tolls in the mid 1980's. He said that, of course, that situation had changed and the tolls were to be continued at least through 1990.

The Executive Director said further that there were certain elements and portions of those studies that were still useful to the Commission and others. He said that, in fact, portions of those studies were being used by the Commission's staff to help chart the Turnpike's improvement program, especially on bridge deck replacements and widenings. He said other things being done on the Turnpike starting in 1984 included the addition of a third, truck climbing lane in one area identified by those studies. He said there were other agencies besides the Commission who certainly could make use of those studies. He said he had met with Director Smith in October at which time it was agreed that the final EIS would be published.

He said there had been one particular element which had delayed the completion of the studies for more than a year, and that had been the inclusion of a proposed interchange between the Turnpike and Interstate Route 475 in the Toledo area. He said that interchange had been one of the original 27 interchanges picked for study when the studies were first launched in 1980. He said that negative impacts of building such an interchange with I-475 showed up early in the studies, and it was eliminated from the studies as long ago as 1981. He said it was reinstated, however, at the request of other agencies and it had been kept in the final EIS. He said he had said, on behalf of the Commission, that from his professional standpoint the proposed interchange between the Turnpike and I-475 was not warranted. He said that, in fact, he didn't believe it should ever be built under the conditions existing now, and which were worsening every day.

The Executive Director said further that since the 30-day comment period was in progress, and the Commission was the agency that did the studies, he thought it would be appropriate for the Commission itself to act officially on both the completion of the studies, and make a statement, particularly as it related to the I-475 interchange proposal. He said he would read the final Whereas and then the Resolves.

"WHEREAS, the Commission nevertheless does not want to imply that by having funded, performed, participated in and distributed the studies, it endorses every aspect and element and therefore wishes so to state during the final comment period specified by Federal law and regulations for the studies.

"NOW, THEREFORE, BE IT

"RESOLVED, that the Commission hereby recognizes the completion of the aforesaid Environmental and Engineering Studies and the distribution of copies of the Final Environmental Impact Statement to affected and interested agencies, which distribution was accomplished both by the Ohio Department of Transportation to some of the agencies and by the Executive Director of the Commission to the remainder of the agencies.

"RESOLVED FURTHER, that the Commission hereby accepts most of the elements and conclusions of the studies and acknowledges it already is using the results as guidelines in the extensive repair and improvement program which the Commission has undertaken and pledges to continue to utilize the studies to the extent they are consistent with the objectives, goals and obligations of the Commission.

"RESOLVED FURTHER, that the Commission hereby expresses its opposition to the construction of an interchange between the Turnpike and Interstate Route 475, either by the Commission as a toll interchange or by others as a free interchange in the event tolls are removed.

"RESOLVED FURTHER, that the Executive Director hereby is directed to convey to appropriate officials and agencies a certified copy of this resolution and is authorized to include such other documentation he deems proper to serve as the Commission's official comments concerning the Final Environmental Impact Statement."

The Executive Director said he recommended that the Commission adopt the resolution.

A resolution relating to completion of environmental and engineering studies prepared for the Commission as authorized by Resolution No. 13-1979 was moved for adoption by Mr. Smith, seconded by Mr. Pinzone as follows:

RESOLUTION NO. 15-1984

"WHEREAS, the Commission adopted Resolution No. 13-1979 on July 10, 1979, and authorized funding for and authorized the executive director, in cooperation with the Ohio Department of Transportation and the Federal Highway Administration, to retain consultants on behalf of the Commission to prepare Environmental and Engineering Studies concerning improvements and modifications of the Ohio Turnpike to operate as a toll-free segment of the Interstate Highway System; and

"WHEREAS, these studies have been under way for the past five years and now have been completed and copies of the Final Environmental Impact Statement/Section 4 (f) Evaluation-Ohio Turnpike Upgrading have been distributed for comment by affected agencies; and

"WHEREAS, the studies were initiated on the premise that the turnpike would become toll-free in the mid 1980's and also on the expectation that under then existing Federal law and funding programs the turnpike would be eligible for substantial Federal aid for improvements and modifications identified by the studies; and

"WHEREAS, there have since been significant changes in the Federal Interstate funding programs that reduce the amount of aid eligible for use on the turnpike even if it were now toll free; and

"WHEREAS, as a result it has been determined that tolls will be continued on the turnpike at least through 1990, during the period of refunding bonds issued by the Commission in September, 1984, and that, while certain improvements and modifications identified in the Environmental and Engineering Studies will be performed by the Commission during the period of the refunding bonds using toll revenues and other funds available to the Commission, certain other elements contained in the studies are not now desirable or feasible, particularly the construction of most of the thirteen additional interchanges identified in the Final Environmental Impact Statement, and in fact, the Commission believes that one of the proposed thirteen interchanges, namely, the one between the Turnpike and I-475, which

at one time was dropped from the studies and then reinstated at the request of other agencies, should not be constructed under any circumstances because of its excessive estimated cost and other serious detrimental impacts and effects; and

"WHEREAS, the Commission desires to make every practical and reasonable use of the studies which it has funded and in which it has been a primary and active participant, and it also desires that other affected agencies should benefit from the studies to the full extent possible; and

"WHEREAS, the Commission nevertheless does not want to imply that by having funded, performed, participated in and distributed the studies, it endorses every aspect and element and therefore wishes so to state during the final comment period specified by Federal law and regulations for the studies;

"NOW, THEREFORE, BE IT

"RESOLVED, that the Commission hereby recognizes the completion of the aforesaid Environmental and Engineering Studies and the distribution of copies of the Final Environmental Impact Statement to affected and interested agencies, which distribution was accomplished both by the Ohio Department of Transportation to some of the agencies and by the Executive Director of the Commission to the remainder of the agencies.

"RESOLVED FURTHER, that the Commission hereby accepts most of the elements and conclusions of the studies and acknowledges it already is using the results as guidelines in the extensive repair and improvement program which the Commission has undertaken and pledges to continue to utilize the studies to the extent they are consistent with the objectives, goals and obligations of the Commission.

"RESOLVED FURTHER, that the Commission hereby expresses its opposition to the construction of an interchange between the Turnpike and Interstate Route 475, either by the Commission as a toll interchange or by others as a free interchange in the event tolls are removed;

"RESOLVED FURTHER, that the Executive Director hereby is directed to convey to appropriate officials and agencies a certified copy of this resolution and is authorized to include such other documentation he deems proper to serve as the Commission's official comments concerning the Final Environmental Impact Statement."

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

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

Nays: None

The Chairman declared the resolution stood adopted with all Members voting in the affirmative. The resolution was identified as No. 15-1984.

The Executive Director said also that the last resolution was designated as a resolution granting authority to the Executive Director relative to a fiber optic cable license. He said that about two months before the meeting he had distributed to the Commission Members a proposal that had been received from Litel Telecommunications Corporation requesting that the company be given the right to install a fiber optic cable within the right-of-way of the Turnpike. He said that since that time the Commission's staff, especially General Counsel, James C. McGrath, the Commission's engineering department, and he, worked with Litel to determine whether such a cable would be permitted to be installed, and, if so, how the Commission would go about granting such permission.

The Executive Director said further that, as he had indicated to the Members, the Commission has routinely granted literally hundreds of permits over the years to utility companies to cross the Turnpike. He said that this situation was different because Litel wanted to install the fiber optic cable longitudinally along the Turnpike. He said that, in addition, the company was offering compensation to the Commission for that right.

The Executive Director said further that the Commission's Legal Department had analyzed the legal questions involved, and it was concluded that the Commission does have the statutory right to permit contracts for such utility installations. He said it also had been concluded that it was not a contract that could be bid and awarded in the classic sense of bidding and selecting of only one company. He said that, in other words, there could be more than one cable installed, and bidding was not really an appropriate way to go. He said he thought there was room within the Turnpike Act provisions permitting those contracts, to interpret that bidding was not intended. He said the Commission had just never issued licenses for such projects in the past.

The Executive Director said further that, at the same time, he recognized that the Commission could not release any interest that it acquired in the right-of-way. The right-of-way had been acquired in the name of the state for the Commission, and, eventually, when the road was turned over to the state, when that event occurs, the right-of-way already will be in the name of the state, and there will be no need to do anything relating to the right-of-way in transferring the facility to the state. He said most of the right-of-way was acquired in fee, as limited access right-of-way. He said that in developing a form of license or permit with Litel it had been written in such a way that the granting of the license did not grant any interest in the right-of-way, and the permit would not bind any successor agency to the Commission to the terms of the license. He said that the license agreement would say that the Commission would use its best efforts when the transfer occurs, in 1990, if that's

the time when it is going to take place, or whenever after, to see to it that the terms of the license could be transferred to a successor agency, although such a transfer could not be guaranteed.

The Executive Director said further that representatives of Litel were in attendance--Dennis Geraghty and Michael Morris, who were officials of the company, and Raymond Durn, their legal counsel. He said they and the Commission's legal staff were available to talk about the project, but a resolution had been drafted authorizing the Executive Director to issue a license for the work.

The Executive Director said further that if the cable is installed, and he thought it would, the Commission would have the right to use it for communication along the Turnpike. He said he didn't know exactly how it would be used, but there were many potential applications. He said the potential use of the cable by the Commission was one of the positive aspects of the arrangement, in addition to being paid for the right.

The Executive Director said he would read the resolved of the resolution:

"NOW, THEREFORE, BE IT

"RESOLVED that the executive director, with the approval of the general counsel, is hereby authorized to enter into a license agreement with Litel Telecommunications Corporation on essentially the same terms and provisions as the draft agreement, which is before the Commission."

A resolution granting authority to the Executive Director relative to a fiber optic cable license was moved for adoption by Mr. Schneider, seconded by Mr. Pinzone as follows:

RESOLUTION NO. 16-1984

"WHEREAS, Litel Telecommunications Corporation, a Delaware corporation whose principal office is located in Worthington, Ohio, has requested a license to install a fiber optic cable the entire length of the right-of-way of the Ohio Turnpike;

"WHEREAS, the executive director, deputy executive director-chief engineer and the consulting engineers have determined that the installation of such cable would not at this time interfere with the construction, maintenance and operation of the Ohio Turnpike;

"WHEREAS, Litel Telecommunications Corporation has offered compensation to the Commission over a period of time in consideration for the granting of such a license, and in addition has offered the use of a specific number of fiber optic channels for such use by the Commission, at no cost to the Commission; and

"WHEREAS, a draft of the license agreement is before the Commission, said agreement setting forth in detail the terms and provisions of the aforesaid license;

"NOW, THEREFORE, BE IT

"RESOLVED that the executive director, with the approval of the general counsel, is hereby authorized to enter into a license agreement with Litel Telecommunications Corporation on essentially the same terms and provisions as the draft agreement, which is before the Commission."

The Chairman asked the Executive Director if advertisements had been placed in newspapers of general circulation announcing the availability of possible fiber optic cable licensing agreements.

The Executive Director said that on October 30, such advertisements appeared in the eastern and midwestern editions of the Wall Street Journal. He said the advertisement covered the entire eastern half of the United States. He said he also advertised in The (Cleveland) Plain Dealer and the Columbus Citizen-Journal. He said he had some inquiries on the advertisement from contractors and consulting engineering firms. He said the Commission's staff had been attempting to determine whether there were any other interested companies. He said AT&T had just announced major plans to link up vast parts of the eastern United States with a network of their own, and MCI was planning a network across northern Ohio on other rights-of-way.

Mr. Smith asked if there had been any inquiries from outside that particular industry.

The Executive Director said there had been an inquiry from American Electric Power which apparently had vast internal communication networks in a seven-state area, and they were talking about a fiber optic cable for their own use, if they ever got anywhere with it. He said that had been the only utility that had expressed an interest in the concept.

General Counsel said he had spoken to representatives of AT&T in Chicago and also to MCI. He said AT&T had seemed to show some interest, although a recent article in The (Cleveland) Plain Dealer indicated that they already were committed to using Conrail right-of-way. He said MCI had advised him that they had a commitment from Chicago to Cleveland to use the old Chessie System rights-of-way. He said they were the only two communications companies that really seemed interested in the cable.

Mr. Schneider said he thought that there was an opportunity to use the cable for the advantage of Turnpike patrons, specifically with regard to safety measures and distribution of general information. He said he thought every effort should be taken to find out how best the cable might be used by the Commission and proceed accordingly.

The Executive Director said that was exactly what the Commission's staff intended to do.

General Counsel said that if the license was entered into it didn't mean that there wouldn't be other companies installing cables in the Turnpike's right-of-way.

The Executive Director said the cable itself was very small. He said it was about as big around as a pencil, and it essentially was buried in the median and would pass through the conduits of the bridges. He said it certainly could be installed without any fear of bringing down a bridge or overstressing it.

Mrs. Cooke asked the life expectancy of the cable.

Mr. Morris said he expected that it would be good for at least 20 years, although he didn't think anybody really knew how long it would last.

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

Ayes: Mr. Schneider, Mr. Pinzone, Mr. Smith,*
Mrs. Cooke, Mr. Rogers

Nays: None

The Chairman declared the resolution stood adopted with all Members voting in the affirmative. The resolution was identified as No. 16-1984.

The Executive Director said also that he wanted to pass on to the Members several items of information. He said the Commission's staff and consultants had been actively engaged in the preparation of plans for the Turnpike's bridge improvement program for 1985. He said there would be 57 bridge deck replacements. He said plans for some of those bridge projects would be completed within the next month or so. He said the projects would be started earlier in 1985 than those undertaken in 1984, even though work on the Turnpike's biggest bridges already had been accomplished. He said the reason for the earlier starting times was to avoid doing some of the work in the critical traffic areas during the summer months. He said bids for some contract awards would be brought to the Commission early in 1985.

The Executive Director said also that the mainline resurfacing program would be resumed in 1985. He said the program had been suspended in 1984, the first time in 17 years, because so many bridge deck replacement zones would have overlapped onto those mainline areas set to be resurfaced. He said that both the bridge deck replacements and mainline resurfacings could not be done in the same area at the same time. He said he previously mentioned that a major project

* Mr. Smith indicated while voting that his yes vote applied only to the Turnpike.

in 1985 would be to add a third lane eastbound between the Strongs-ville-Cleveland (#10) and Cleveland (#11) interchanges. He said it would be a truck climbing lane out of the Rocky River valley. He said the bridges in that 3.3 mile area had been widened in 1984.

The Executive Director said further that the toll audit system was being studied with regard to needed repairs. He said one of the critical elements of the system, which was 10 years old, was the toll booth terminals. He said the terminals were reaching the end of their life expectancies, and new ones were needed. He said he expected the new terminals would be in use in 1985.

The Executive Director said further that there would be some major service plaza renovations, especially in the restaurant areas, in 1985. He said that work would develop as the Commission proceeded with its strategy on how to go about it. He said that since longer-termed contracts could now be obtained he expected that renovations would be accomplished by the potential concessionaires, rather than by the Commission, which had been done at the two new RAX units. He said one other area being looked at was the Commission's Administration Building. He said an architect had been hired to look at renovation, remodeling and expansion plans for the Administration Building.

The Executive Director said also that in concluding his report he would ask Mr. Plain to inform the Members of the status of the 1984 bridge deck replacement and rehabilitation program.

Mr. Plain said the program was nearing completion. He said all the concrete decks had been poured. He said the only remaining concrete to be poured was for parapets of the Holland Road bridge over the Turnpike. He said the project started late in 1984, and was being done in conjunction with the City of Maumee. He said one bi-directional zone on the Vermilion River bridges remained, and that would be taken down the week of the meeting.

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

General Counsel said he wanted to thank Francis K. Cole, former General Counsel, for graciously coming out of retirement and working the last month with him on the Litel agreement and other related matters. He said he appreciated Mr. Cole's efforts and thanked him.

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

Mr. Fleischman said the consulting engineers presented their annual report on October 1, 1984.

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

Mr. Fetzner said the entire transition of the trusteeship and the accounts had been accomplished with no major problems encountered.

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 next Commission meeting tentatively would be on December 19, at which time the annual Christmas luncheon would be held at the Administration Building after the meeting ended.

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

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

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

Nays: None

The time of adjournment was 2:43 p.m..

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



Charles R. Pinzone, Secretary-Treasurer