

MINUTES OF THE 357TH MEETING OF THE OHIO TURNPIKE COMMISSION

December 18, 1987

Pursuant to the Bylaws, the Ohio Turnpike Commission met in regular session in the Administration Building at 682 Prospect Street in Berea, Ohio, at 10:50 a.m. on December 18, 1987, with key members of the staff; representatives, William R. Fleischman and Carroll Bayne of the consulting engineers, J. E. Greiner Company - Ohio; representatives, Dean Berry and Kathy Petrey, of the fiscal and labor counsel, Squire, Sanders & Dempsey; two members of the media, Pauline Thoma, The (Cleveland) Plain Dealer, and Hank Harvey, The (Toledo) Blade; 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: Roland Nesslinger, Saundra Dombey Cooke,
Charles R. Pinzone, Clarence D. Rogers, Jr.

Absent: Edwin M. Bergsmark

Not Present: Warren J Smith

A motion was made by Mrs. Cooke, seconded by Mr. Pinzone, that the minutes of the meeting of November 9, 1987, which had been examined by the Members, 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: Mrs. Cooke, Mr. Pinzone, Mr. Nesslinger,
Mr. Rogers

Nays: None

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

The Chairman reported that the meeting was the 357th of the Ohio Turnpike Commission, and it was held at the Commission's headquarters as provided for in the Commission's Code of Bylaws and he was pleased that the Commission finally could meet in its new board room for the first time, even though it was not completely furnished and decorated.

The Chairman reported further that he wanted to welcome again, Roland Nesslinger, Assistant Director of the Ohio Department of Transportation, who had been designated by ODOT Director Warren Smith to represent him at the meeting. He said he had submitted an appropriate notice of his designation and,

therefore, was entitled to participate and vote. He said Mr. Bergsmark had just returned from another trip to China and was still getting over the rigors of the traveling and asked to be excused today.

The Chairman reported further that the annual Christmas luncheon was scheduled for the meeting day so he trusted that the business of the meeting could be conducted and concluded in a prompt manner in order that the Members might join the employees at the luncheon.

The Chairman reported further that a number of guests were at the meeting whom he wanted to recognize. He said they were Kathy Petrey and Dean Berry of Squire, Sanders and Dempsey, the Commission's fiscal and labor counsel, and Bill Hartman, who was retired from that firm; Carroll Bayne, Executive Vice President of J. E. Greiner Company - Ohio, the Commission's consulting engineers; Captain Hank Williams, Commander of the Ohio State Highway Patrol's District 10 on the Turnpike; Francis Cole, the Commission's former General Counsel; and, of course, the other staff members and conferees who regularly attend. He said he also wanted to welcome the members of the news media who were present, Pauline Thoma, The (Cleveland) Plain Dealer, and Hank Harvey, The (Toledo) Blade.

The Chairman reported further that since the Commission's traffic and revenue information for January through November had been compiled and distributed, he saw no reason to comment on it at that time. He said that, further, the more important month-end, year-end financial report would be issued early next year. He said that experience also would appear in the Commission's report which was due by April 1, 1988.

The Chairman reported further that the primary purpose of the meeting was to act on the annual budget for 1988, but there also was another resolution for the Members' consideration. He said copies of the resolutions had been placed in the Members' folders, and they would be explained and introduced during the various committee and staff reports.

The Chairman reported further that before going on with the agenda he wanted to express, on behalf of the Commission, condolences to Mr. Pinzone for a recent loss of a loved one.

The Chairman said the report of the Secretary-Treasurer would be received.

The Secretary-Treasurer, Mr. Pinzone, said that the following listed items had been sent to the Members since the last regular meeting of the Commission, November 9, 1987:

1. Weekly traffic statistics
2. Investment transactions which occurred during October and November 1987

3. Draft of the Commission Meeting minutes of November 9, 1987
4. Traffic accident analysis through November 1987
5. Traffic and revenue report for October and November 1987
6. Financial statements for October and November 1987
7. News release #6 re: 55 mph in "urbanized areas" of the Turnpike

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

The vice chairman of the Committee, Allan V. Johnson, said the Committee chairman, Mr. Pinzone, had asked him to give the report. He said the Committee had a resolution to adopt the annual budget for fiscal year 1988.

Mr. Johnson said further that, at the November 9th Commission meeting, the Members adopted the preliminary budget for 1988, and filed copies of that in accordance with the Commission's trust agreement, and also mailed it to the consulting engineers. He said there was a provision in the trust agreement that if the bondholders desired a hearing to discuss the budget, they could request one. He said no such hearing had been requested and, therefore, none was held.

Mr. Johnson said further that it was appropriate for the Commission to adopt the preliminary budget as the final budget. He said a resolution had been prepared which contained the exact figures as the resolution for the preliminary budget. He said he didn't think it necessary to read the resolution for the final budget, but he did recommend that it be adopted.

A resolution adopting the annual budget for fiscal year 1988 was moved for adoption by Mrs. Cooke, seconded by Mr. Pinzone as follows:

RESOLUTION NO. 12-1987

"WHEREAS, the Commission, by Resolution No. 6-1987, adopted a preliminary budget for the fiscal year 1988, and caused copies thereof to be filed with the trustee and mailed to the consulting engineers;

"WHEREAS, no request for a hearing thereon has been made to the Commission;

"WHEREAS, pursuant to Article V, Section 5.01 of the trust agreement dated September 1, 1984, between the Commission and AmeriTrust Company National Association, Cleveland, Ohio, as trustee, the Commission desires to adopt a budget of revenues,

current expenses (expenditures) and capital improvement fund requirements for the fiscal year 1988, to be designated the "Annual Budget"; and

"WHEREAS, pursuant to Article V, Section 5.01 (iii), the total appropriations in any division of the annual budget do not exceed the total appropriations in the corresponding division in the preliminary budget;

"NOW, THEREFORE, BE IT

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

1988

Annual Budget of Revenues, Current Expenses
(Expenditures) and Capital Improvement Fund Requirements

Revenues		\$89,500,000
Current Expenses (Expenditures)		
Administration & Insurance	\$12,339,441	
Operations	36,162,709	
Bond Interest	<u>408,850</u>	
Total Expenses (Expenditures)		48,911,000
Estimated Capital Improvement Fund Deposits		\$40,589,000

"FURTHER RESOLVED that the Commission hereby determines that the total appropriations in any division of the budget aforesaid do not exceed the total appropriations in the corresponding division of the preliminary budget heretofore adopted by Resolution No. 6-1987; and

"FURTHER RESOLVED that the assistant secretary-treasurer is hereby instructed to file a copy of said "Annual Budget" with the trustee and to mail copies thereof to the consulting engineers and to the original purchaser forthwith."

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

Ayes: Mrs. Cooke, Mr. Pinzone, Mr. Nesslinger,
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. 12-1987.

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 she did not have a report, but would defer to Mr. Johnson to give an update on the Sohio situation.

Mr. Johnson said that at the last Commission meeting one of the items acted on was the then pending sale of the remaining term of the contract for operation of the Turnpike's service stations from Oasis Petroleum Corporation to Sohio Oil Company through the bankruptcy court in California. He said he and General Counsel, James C. McGrath, attended that hearing, which was held shortly after the November Commission meeting, and that sale went through as expected. He said Sohio had become the operator for all sixteen service stations, and the transition had occurred smoothly.

Mr. Johnson said further that until the end of December, Mobil Oil Corporation, which was a fuel supplier at six of the stations, would continue to fulfill that function. He said the Sun Oil Corporation, which supplied fuel at two service stations, would continue to do so until the contract expired on September 30, 1988, with Sohio as the dealer at those locations.

Mr. Johnson said further that beginning on January 1, 1988, Sohio would be the operator of all sixteen service stations and the sole supplier at fourteen, while Sun will be at the remaining two. He said the whole transition had taken place without any interruption and, in his opinion, everything was fine.

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

The chairman of the Committee on Employee Relations, Louis J. Disantis, said the subcommittee of the Committee on Employee Relations had held its annual meetings with the representatives of the field supervisory personnel and the administration building employees. He said he thought the meetings were very successful in terms of exchange of information. He said the subcommittee had met to discuss the proposals and requests and would be making recommendations to the Executive Director within

three or four days after the Commission meeting. He said the subcommittee's final meeting with the representatives would be on December 28.

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

The vice chairman of the Committee on Safety, Mr. Johnson, said that on December 3rd the Commission changed the speed limit on five areas of the Turnpike, totalling 63 miles in length, from 65 miles per hour for passenger cars and certain other vehicles down to 55 miles per hour.

Mr. Johnson said further that the action had been taken reluctantly. He said it resulted from a request from ODOT in order to avoid the loss of federal highway funds to ODOT. He said that it was his opinion that the entire Turnpike was a rural interstate, and was designed as one. He said that because of what he called a flaw in the definition of urbanized versus rural interstate highways the Federal Highway Administration was interpreting federal law in such a way that those five zones on the Turnpike must retain the 55 mile per hour limit. He said he thought the interpretation was wrong, and the Commission was asking the Ohio Congressional delegation to help rectify the situation.

Mr. Johnson said further that the speed limit for passenger cars and certain other vehicles on the entire Turnpike had been changed to 65 miles per hour on July 17. He said those "urbanized" areas were known and had been watched by the staff and Highway Patrol with regard to traffic and accident statistics, and the accident rate had gone down 17 percent from July 17 through December 3 versus the same period in 1986. He said that on the Turnpike the experience had not been that the higher speed limit caused any increase in the number of accidents. He said that, in fact, the Turnpike's safety record again for 1987 had been outstanding. He said the Commission had good news coverage on the speed limit reduction, and had received editorial support for the Commission's position in several newspapers across the state. He said that he hoped that the situation soon would be corrected.

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

The Executive Director, Mr. Johnson, said that at the November meeting he had a whole list of projects that he asked authority to proceed with the advertising and bidding and then a subsequent award. He said it turned out that there was one other project that didn't make that list. He said a resolution had

been prepared authorizing the advertising and immediate award of that particular project. He said the project called for replacing and widening the State Route 164 bridge over the Turnpike in Mahoning County. He said it was likely that the contract costs would exceed the \$250,000 limit of authority that he had under the Bylaws, so he was requesting that authority in order that we could proceed on a timely basis with the advertising and award, assuming suitable bids were received.

A resolution authorizing the Executive Director to take immediate action concerning award of contract FTP 43-88-27 was moved for adoption by Mr. Nesslinger, seconded by Mrs. Cooke as follows:

RESOLUTION NO. 13-1987

"WHEREAS, the Commission is preparing to advertise for bids for a bridge renovation contract providing for deck replacement and widening of S. R. 164 bridge over the Ohio Turnpike at Milepost 233.8 located in Mahoning County, Ohio, such contract being designated as Contract FTP 43-88-27;

"WHEREAS, it is imperative that the work to be performed under this contract be commenced as soon as possible so as to take advantage of the construction season;

"WHEREAS, it is estimated that the cost of this 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;

"WHEREAS, the Commission desires to delegate to the executive director authority to make award of this contract for the performance of the work 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 FTP 43-88-27, if, in the opinions of the executive director, the deputy executive director-chief engineer and the consulting engineer 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 any 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 engineer, 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. Nesslinger, Mrs. Cooke, Mr. Pinzone,
Mr. Rogers

Nays: None

The Chairman declared the resolution adopted with all Members present voting in the affirmative. The resolution was identified as No. 13-1987.

The Executive Director said also that as far as the 1987 construction program was concerned everything was finished on time. He said all the mainline bridge projects were finished and opened just prior to Thanksgiving Day, which was fortunate because a new, all-time record for traffic volume on the Turnpike was recorded on the Wednesday before Thanksgiving. He said that if there had been any lanes that had been blocked due to construction there would have been numerous complaints.

The Executive Director said further that, as the Members knew from the long list of projects already acted on, an extensive bridge renovation program would be conducted in 1988. He said that, in fact, bids already had been opened on three projects and contracts had been awarded on two. He said the first one awarded was for the last of the long river crossings, the twin bridges over the Huron River. He said plans for that work had been finished for more than a year, but the staff had been holding off because a resurfacing project was done in that area in 1987. He said there also were two other complicated bridge projects on that contract, just west of the Sandusky-Norwalk (#7) Interchange. He said the Huron River was just east of Interchange 7. He said the three projects had been coordinated under one contract. He said that contract had been awarded first to allow the contractor as much time as possible to begin work on the project.

The Executive Director said further he hoped once again to have all work on the mainline contracts suspended at the end of June, so there would be no construction obstructions during the heavy travel months of July and August.

The Chairman said the report of the Executive Director was accepted as offered. He ascertained there would be no reports from General Counsel, the consulting engineers or the trustee.

Mr. Johnson said he had talked on the telephone with the representative of the trustee, Richard Fetzner, the day before the meeting, and Mr. Fetzner had said something had come up at the

last minute preventing him from attending the meeting. He said Mr. Fetzer wanted the Commission to know that everything was fine with regard to the financial standing of the Turnpike. He said the trustee had a role in the budget review process and Mr. Fetzer had said the trustee approved the budget as it had been adopted.

The Chairman ascertained there would be no report from the Director of Information and Research.

The chairman said a date for the next Commission meeting had not been set. He said the exact time of the meeting would be determined after consultation with the Members.

There being no further business to come before the Commission, a motion was made by Mr. Pinzone, seconded by Mr. Nesslinger 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:

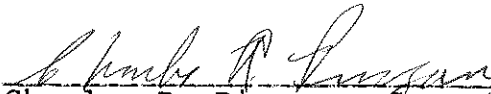
Ayes: Mr. Pinzone, Mr. Nesslinger, Mrs. Cooke,
Mr. Rogers

Nays: None

The Chairman said he again extended an invitation to all those in attendance to join the employees at the Christmas luncheon, and wished everyone happy holidays.

The Chairman declared the meeting adjourned. Time of adjournment was 11:10 a.m.

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


Charles R. Pinzone, Secretary-Treasurer