

MINUTES OF THE 446TH MEETING OF THE OHIO TURNPIKE COMMISSION

November 9, 1998

Pursuant to the bylaws, the Ohio Turnpike Commission met in the Administration Building at 682 Prospect Street, Berea, Ohio at 10:05 a.m. on November 9, 1998, with members of the staff: G. Alan Plain, Executive Director; Gino Zomparelli, General Counsel and Deputy Executive Director-External Services; Robert Arlow, Deputy Executive Director-Operations; Anthony A. DiPietro, Deputy Executive Director-Administration; David Wright, CFO/Comptroller; Richard Lash, Director of Safety Services; and others in attendance.

Present: Senator M. Ben Gaeth, Representative Sally Perz, Dr. Ferris Anthony, Earl W. Williams, Marilyn R. Baker, Ruth Ann Leever

Absent: Jerry Wray

The Chairman said that ODOT Director Jerry Wray and his assistant, Gary Joseph, were both unable to attend today's meeting.

The Chairman said the minutes of the last Commission meeting on October 5, 1998, had been distributed to the Members for their comments and she would accept a motion to adopt them without reading.

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

Ayes: Dr. Anthony, Mr. Williams, Mrs. Baker, Mrs. Leever

Nays: None

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

The Chairman said the meeting was the 446th meeting of the Ohio Turnpike Commission and was being held at the Commission's Administration Building as provided for in the Commission's Code of Bylaws.

The Chairman said there were a number of guests at the meeting and she would ask them to identify themselves as follows: Pat Patton, Government Liaison Officer; Thomas Amato, Assistant General Counsel; John Peca, Special Counsel; Heidi Jedel, Information and Research Department secretary; Barbara Lesko, Executive Director's secretary; Diane Pring, General Counsel's secretary; Tom Travis and Fred McFall, Host Marriott Services; Larry McQuillin, ARCI; Elva Edger and Claire Moore, League of Women Voters; Howard O'Malley, B & T Express; Tom King, Ohio Trucking Association; David Patch, The (Toledo) Blade; Arun Shah, HNTB; Stu Shear, Ohio Rehab Services Commission; Richard Boylan, Boylan & Associates; Captain Paul Ash, Ohio State Highway Patrol; Paul Komloski, McDonald & Co.; Thomas Blasko, Ohio Turnpike Commission guest and former employee; Jim Blasko, Ohio Turnpike Commission; Jim Calpin, PaineWebber; Bobby Everhart, URS Greiner; Eric Erickson, Fifth Third/Ohio Co.; Vince Chiarucci, business consultant; Frank Lamb, Huntington Bank; Joe Rice, Rice Consultants; and Paul Sciria, Sciria & Associates.

The Chairman said that various reports would be received and the Commission would act on a number of resolutions, draft copies of which had been previously sent to the Members and

updated drafts were also in the Members' folders. She said the resolutions would be explained during the appropriate reports.

The Chairman said that, if there were no questions, the report of the Secretary-Treasurer, Mrs. Baker, would be received.

Mrs. Baker said that the following items had been sent to the Members since the last regularly scheduled meeting of the Commission on October 5, 1998:

1. Weekly Traffic Statistics
2. Draft of Commission meeting minutes of October 5, 1998
3. Traffic and Revenue Report, September 1998
4. Financial Statement, September 1998
5. Budget and Expense Report, first nine months of 1998
6. Traffic Accident Summary Report, September 1998
7. Investment Report, September 1998
8. Various News Releases

The Chairman said the report of the Secretary-Treasurer was accepted as offered. She said the report on Budget and Finance would be given by Mr. Wright.

Mr. Wright said that traffic and revenue for October was again very strong. He said the Turnpike broke records for all three traffic categories: passenger cars, commercial vehicles and total. He said for the first 10 months of 1998 passenger cars on the Turnpike were up 6.7% over last year. He said for commercial vehicles the increase was 3.2% and for total vehicles it was 6%.

Mr. Wright said further that the Traffic & Revenue Report for October and the Investment Report should be out at the end of that week.

Mr. Plain said he would defer the resolution he had for Budget & Finance until later in his report.

The Chairman said the report on Budget & Finance was accepted as offered. She ascertained there would be no report on Service Plazas. She said the report on Employee Relations would be received.

Mr. DiPietro said that since the last Commission meeting they had begun preparations for union negotiations due to the fact that the collective bargaining agreement was going to expire on January 1, 1999. He said they had numerous requests from the union for information that they felt they needed in preparation for the collective bargaining negotiations. He said they had provided a number of pieces of materials to the union and were gathering additional information.

Mr. DiPietro said further that they had two sessions scheduled for negotiations, the first was on November 5 and second was scheduled for November 8. He said that at the session on November 5 they were there with the members of the union's collective bargaining team and they were not very successful at making progress. He said they would meet again, as he indicated, on November 18th. He said that meeting would be held in Sandusky.

Mr. DiPietro said also that, regarding research the Commission had asked him to do relative to recognition of Commission employees, it had been concluded and he found that two retired employees that were not properly acknowledged for their years of service. He said the first individual was Wendell J. Wasnich, who served for 30 years, 4 months and 10 days with the Commission.

Mr. DiPietro said further that they invited Mr. Wasnich to attend today's Commission meeting and receive proper acknowledgement of his years of service. He said that, unfortunately, due to health concerns, Mr. Wasnich was unable to attend and sent his regrets.

Mr. DiPietro said further that Mr. Thomas Blasko was at the meeting and he had served 32 years, 1 month and 27 days with the Commission, a period spanning from 1954 to 1987. He said Mr. Blasko was in attendance and at that time he wished to present him with a commemorative watch.

The Chairman said that on behalf of the Commission she wanted to thank Mr. Blasko for his 32 years of service and in appreciation she hoped he would enjoy the watch.

The Chairman said she also had an award for Representative Perz. She said that first she congratulated Representative Perz on her re-election. She said she had a commendation from the Governor to Representative Perz for her service to the citizens of Ohio as a Member of the Ohio Turnpike Commission.

The Chairman said further that Representative Perz was to be commended for her efforts to provide a high level of quality transportation to those traveling in and through Ohio. She said that, on behalf of the Governor, she would like to present the commendation to Representative Perz.

The Chairman said the report on Employee Relations was accepted as offered. She said the report of the Executive Director would be received.

Mr. Plain said he would first like to cover a few resolutions and get into some other items that had transpired since the last Commission meeting.

Mr. Plain said the first resolution was a Resolution Rejecting Bids for Contract No. 38-98-04. He said that attached to that resolution was a letter from the General Counsel and also the bid tabulation of the bids received in response to that particular invitation. He said the bids were very, very good and the apparent low bidder was the Harris Corporation, Farinon Division from Redwood Shores, California.

Mr. Plain said further that, if the Members referred to the General Counsel's letter, the bids were received on November 4, 1998, and on November 6th they got a memorandum from the Commission's Chief Engineer, as well as a letter from Jaytel, the Commission's independent fiber-optic consultant. He said Jaytel's letter summarizes Harris Corporation's deficiencies and recommends that the bid be considered non-compliant.

Mr. Plain said further that Harris had not bid in accordance with what the Commission had expected and that was one of the reasons for their low bid. He said that what they left out probably was another \$500,000.

Mr. Plain said further that they had talked to the Engineering staff and they would like to re-advertise for bids on the project because it was vital to the Turnpike's operations. He said it would extend the fiber-optic system to all of the Turnpike's facilities, all of the toll plazas and maintenance buildings and the Administration Building and other sites. He said they would transmit toll audit information along the fiber-optic system and back and facilitate some of the other things to enhance the Turnpike's operations out in the toll plazas. He said he would read the RESOLVED as follows:

"RESOLVED that the above-mentioned base bids, with additional bids, hereto received pursuant to the advertisement for bids upon Contract No. 38-98-04 for the furnishing and installation of fiber optic communication system equipment at forty-seven (47) locations along the Ohio

Turnpike, be and the same hereby are rejected, and the executive director is authorized to notify the bidders in writing of said action, to return to the bidders the bid security furnished by it and take whatever steps are necessary to re-advertise, forthwith."

The Chairman asked Mr. Plain if they were prepared now to re-advertise.

Mr. Arlow said they were ready right away to re-advertise.

The Chairman asked how long it would take.

Mr. Arlow said they would have it ready for the next Commission meeting.

Mr. Williams asked why there were only two bidders.

Mr. Plain said there were only two bidders, but the staff was going to try to get the advertising out and encourage other bidders on the equipment. He said it was difficult at times because of the type of equipment needed and the complexity of the project to get a number of bidders. He said the staff would certainly intensify their efforts to try to get some additional bids.

Mr. Arlow said they did have 8 bidders at the pre-bid conference and, therefore, sending the bid back out might entice some of the other bidders to bid this time.

A Resolution Rejecting the Bids for Contract No. 38-98-04 was moved for adoption by Mrs. Baker, seconded by Dr. Anthony as follows:

RESOLUTION NO. 61-1998

"WHEREAS, the Commission has duly advertised according to law for bids upon Contract No. 38-98-04 for the furnishing and installation of fiber optic communication system equipment at forty-seven (47) locations along the Ohio Turnpike;

"WHEREAS, on November 4, 1998, the Commission received bids from two bidders, and each bidder submitted its base bid, together with an optional, additional bid for work to be performed, at the Commission's request, through December 31, 1999;

"WHEREAS, said bids have been reviewed and analyzed by the Commission's chief engineer, telecommunications manager and its independent fiber-optic consultant and they have reported thereon, and they have made a recommendation to reject the bids submitted;

"WHEREAS, the executive director concurs in the chief engineer, telecommunications manager and fiber-optic consultant's recommendation to reject the bids received in response to Contract 38-98-04;

"WHEREAS, the Commission has been advised by its general counsel that it may lawfully reject all bids for the aforesaid invitation;

"NOW, THEREFORE, BE IT

"RESOLVED that the above-mentioned base bids, with optional bids, hereto received pursuant to the advertisement for bids upon Contract No. 38-98-04 for the furnishing and installation of fiber optic communication system equipment at forty-seven (47) locations along the Ohio Turnpike, be and the same hereby are rejected, and the executive director is

authorized to notify the bidders in writing of said action, to return to the bidders the bid security furnished by it and take whatever steps are necessary to re-advertise, forthwith."

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

Ayes: Mrs. Baker, Dr. Anthony, Mr. Williams, Mrs. Leever

Nays: None

The Chairman declared the resolution stood adopted with all Members present voting in the affirmative. The resolution was identified as No. 61-1998.

Mr. Plain said the next resolution he had was for awarding Contract No. 43-98-02 (Part A and B). He said Part A was for the reconstruction of Camper Road Bridge over the Ohio Turnpike at Milepost 75.6 and Part B was for the rehabilitation of the State Route 105 bridge over the Ohio Turnpike at Milepost 79.5 located in Sandusky and Ottawa Counties, Ohio.

Mr. Plain said further that there were four bidders in response to the invitation to bid. He said the bids ranged from \$3.1 million to a low of \$2,679,991.57. He said the project was part of the Turnpike's third lane and bridge reconstruction. He said it was necessary that the Commission award the contract and he would read the RESOLVED as follows:

"RESOLVED that the bid of J. D. Williamson Construction Co. Inc. of Tallmadge, Ohio, in the total bid amount of \$2,679,991.57 for the performance of Contract No. 43-98-02 (Parts A and B) is, and is by the Commission, determined to be the lowest responsive and responsible bid received for the performance of said contract, and is accepted, and that the chairperson and executive director, or either of them, hereby is authorized (1) to execute a contract with said successful bidder in the form heretofore prescribed by the Commission pursuant to the aforesaid bid; (2) to direct the return to the other bidders of their bid security, when appropriate, and (3) to take any and all action necessary or proper to carry out the terms of said bid and of said contract, and

"FURTHER RESOLVED that Project No. 43-98-02 (Part A and B) is designated a System Project under the Commission's 1994 Master Trust Agreement."

A Resolution Awarding Contract No. 43-98-02 (Part A and B) was moved for adoption by Mr. Williams, seconded by Dr. Anthony as follows:

RESOLUTION NO. 62-1998

"WHEREAS, the Commission has duly advertised according to law for bids upon a contract for (Part A) reconstruction of Camper Road Bridge over the Ohio Turnpike at Milepost 75.6 and (Part B) rehabilitation of S.R. 105 Bridge over the Ohio Turnpike at Milepost 79.5 located in Sandusky and Ottawa Counties, which project has been designated Project No. 43-98-02;

"WHEREAS, the Commission has received bids from four bidders for the performance of said contract;

"WHEREAS, said bids have been reviewed and analyzed by the Commission's chief engineer and its consulting engineer, and they have submitted reports concerning such

analyses and their reports are before the Commission, and the Commission's executive director has made his recommendation to the Commission predicated upon such analyses;

"WHEREAS, the Commission's minority business enterprise coordinator has reviewed the documents submitted by the bidders and has determined that there is satisfactory evidence of compliance with the Commission's Minority Business Enterprise Program;

"WHEREAS, all bids for said contract were solicited on the basis of the same terms and conditions and the same specifications, and the bid of J. D. Williamson Construction Co., Inc. of Tallmadge, Ohio, in the total bid amount of \$2,679,991.57 for the performance of Contract No. 43-98-02 (Part A and B) has been determined by the Commission to be the lowest responsive and responsible bid received;

"WHEREAS, the Commission has been advised by its general counsel that said bid conforms to the requirements of Section 5537.07, Section 9.312 and Section 153.54, all of the Revised Code of Ohio, and that a performance bond with good and sufficient surety has been submitted by J. D. Williamson Construction Co., Inc.;

"NOW, THEREFORE, BE IT

"RESOLVED that the bid of **J. D. Williamson Construction Co., Inc.** of Tallmadge, Ohio, in the total bid amount of \$2,679,991.57 for the performance of Contract No. 43-98-02 (Part A and B) is, and is by the Commission, determined to be the lowest responsive and responsible bid received for the performance of said contract, and is accepted, and that the chairperson and executive director, or either of them, hereby is authorized (1) to execute a contract with said successful bidder in the form heretofore prescribed by the Commission pursuant to the aforesaid bid; (2) to direct the return to the other bidders of their bid security, when appropriate, and (3) to take any and all action necessary or proper to carry out the terms of said bid and of said contract, and

"FURTHER RESOLVED that Project No. 43-98-02 (Part A and B) is designated a System Project under the Commission's 1994 Master 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. Williams, Dr. Anthony, Mrs. Baker, Mrs. Leever

Nays: None

The Chairman declared the resolution stood adopted with all Members present voting in the affirmative. The resolution was identified as No. 62-1998.

Mr. Plain said he would ask for some additional help on the next resolution and that was why he deferred some of the report on Budget and Finance. He said that, as the Members knew, the Commission had some major bond deals recently. He said that what they now proposed was another resolution to put the Commission in a position for refunding the remaining bonds that were not refunded under the last refunding.

Mr. Plain said further that they did not know what the rates were going to be. He said that, if they came back down and the Commission was in such a position where they could make their goals and achieve some additional savings, they would like to be prepared for that.

Mr. Plain said further that the resolution would put the Commission in a position to take advantage of a fall in rates and authorize the refunding of bonds not to exceed \$125 million. He said he would ask Mr. Erickson to talk about the resolution.

Mr. Erickson said he first wanted to say that he thought the Commission clearly picked probably the best time this year to come to market with their two issues. He said that since that time the interest rates had gone up a bit. He said that he still counseled with the Executive Director and encouraged him to adopt this resolution because most economists were clearly calling for lower rates early next year.

Mr. Erickson said further that there was an opportunity potentially to advance refund the remaining portion of refunding bonds that the Commission had outstanding. He said he would suggest that they were probably about 60 basis points away from having an economic refunding today.

Mr. Plain asked Mr. Erickson to please explain basis points.

Mr. Erickson said they were approximately 1/2 of 1% interest rate away from having the ability to accomplish a refunding. He said that, again, it was hard to predict the future. He said that, however, early next year they might get to that position and it certainly would be advisable to the Commission to be at a point where they were ready to go and go quickly. He said that was why he advised the Commission to adopt this resolution.

Mrs. Baker said she just would like to say she thought it was an excellent idea to be ready. She said she was pleased that the last time the Commission went out they did it at exactly the right time.

Dr. Anthony asked what was the interest rate the Commission received the last time they sold bonds.

Mr. Erickson said it was approximately 4.85% for total interest costs. He said it had gone up about 15 basis points or about 1/10 of 1% since then.

The Chairman said it was a good idea to always be prepared.

Mr. Plain said all the Members had the resolution before them and he didn't want to take half an hour to read the RESOLVED. He said the resolution would put the Commission in a position so that they would be able to do something at a moment's notice if the interest rates fell. He said he would read the second WHEREAS of the resolution as follows:

"WHEREAS, the Commission has determined that it is necessary to issue an amount not to exceed its \$125,000,000 of State of Ohio Turnpike Revenue Refunding Bonds (the "Refunding Bonds") in order to advance refund certain Outstanding Bonds of the Commission to reduce interest costs and to pay the costs of issuance of the Refunding Bonds."

A Resolution Authorizing the Issuance of an Amount Not to Exceed \$125,000,000 Aggregate Principal Amount of State of Ohio Turnpike Revenue Refunding Bonds and Authorizing Other Actions in Connection with the Issuance of Such Bonds was moved for adoption by Dr. Anthony, seconded by Mr. Williams as follows:

RESOLUTION NO. 63-1998

"WHEREAS, the Ohio Turnpike Commission (the "Commission") is, by virtue of Chapter 5537 of the Ohio Revised Code (the "Act"), authorized and empowered, among other things (a) to issue revenue bonds of the State of Ohio (the "State") for the purpose of advance refunding any bonds then outstanding, including the payment of related financing expenses, and (b) to enact this Resolution and execute and deliver the documents hereinafter identified; and

"WHEREAS, the Commission has determined that it is necessary to issue an amount not to exceed its \$125,000,000 of State of Ohio Turnpike Revenue Refunding Bonds, (the "Refunding Bonds") in order to advance refund certain Outstanding Bonds of the Commission to reduce interest costs and to pay the costs of issuance of the Refunding Bonds;

"NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE OHIO TURNPIKE COMMISSION:

"Section 1. Definitions. In addition to the words and terms defined in the recitals and elsewhere in this Resolution, those words and terms not expressly defined herein and used herein with initial capitalization where rules of grammar do not otherwise require capitalization shall have the meanings assigned to them in the Master Trust Agreement, dated as of February 15, 1994 (the "Master Trust Agreement"), the First Supplemental Trust Agreement, dated as of February 15, 1994, the Second Supplemental Trust Agreement, dated as of September 1, 1995, and the Third Supplemental Trust Agreement, dated as of May 1, 1996, the Fourth Supplemental Trust Agreement dated as of June 1, 1998, the Fifth Supplemental Trust Agreement dated of July 1, 1998, the Sixth Supplemental Trust Agreement dated as of September 1, 1998, the Seventh Supplemental Trust Agreement dated as of September 15, 1998, and the Eighth Supplemental Trust Agreement to be dated the date of the Refunding Bonds (collectively, the "Supplemental Trust Agreements"), each between the Commission and The Huntington National Bank, as Trustee (the "Trustee"). (The Master Trust Agreement and the Supplemental Trust Agreements are collectively referred to herein as the "Trust Agreement.")

"Section 2. Recitals, Titles and Headings. The terms and phrases used in the recitals of this Resolution have been included for convenience of reference only, and the meaning, construction and interpretation of such words and phrases for purposes of this Resolution shall be determined solely by reference to Article I of the Trust Agreement. The titles and headings of the articles and sections of this Resolution and the Trust Agreement have been inserted for convenience of reference only and are not to be construed as a part hereof or thereof, shall not in any way modify or restrict any of the terms or provisions hereof or thereof, and shall never be considered or given any effect in construing this Resolution or the Trust Agreement or any revisions hereof or in ascertaining intent, if any question of intent should arise.

"Section 3. Interpretation. Unless the context requires otherwise, words of the masculine gender shall be construed to include correlative words of the feminine and neuter genders and vice versa, and words of the single number shall be construed to include correlative words of the plural number and vice versa. This Resolution, the Trust Agreement and the terms and provisions hereof and thereof shall be liberally construed to effectuate the purposes set forth herein to sustain the validity of the Trust Agreement.

"Section 4. Determinations of Commission. The Commission hereby finds and determines that the Refunding Bonds will be and are being issued in full compliance with the provisions of the Act and in a manner consistent with the purposes thereof. The Commission hereby declares its intention to comply fully with the requirements of the Internal Revenue Code

of 1986, as amended, and the regulations applicable thereto (the "Code") in issuing the Refunding Bonds.

"Section 5. Authorization of Refunding Bonds. It is hereby determined to be necessary to, and the Commission shall, issue, sell and deliver an aggregate principal amount not to exceed \$125,000,000 of State of Ohio Turnpike Revenue Refunding Bonds, for the purpose of advance refunding all or a portion of the Outstanding 1994 Series A Bonds and 1996 Series A Bonds, including costs of the financing thereof, all in accordance with the provisions of the Trust Agreement and the Bond Purchase Agreement relating to the Refunding Bonds (the "Bond Purchase Agreement") between the Commission and PaineWebber Incorporated, as representative of the Underwriters named in the Bond Purchase Agreement (collectively, the "Underwriters").

"Section 6. Terms of the Refunding Bonds:

(a) Authorization and Authorized Amount of Refunding Bonds. The Refunding Bonds shall be issued in the aggregate principal amount not to exceed \$125,000,000. No additional Bonds may be issued under the provisions of this Resolution or the Trust Agreement on a parity with the Refunding Bonds, except in accordance with the Trust Agreement.

(b) Form, Number and Denominations of the Refunding Bonds. Each Refunding Bond shall be issued in the form of global book entry bonds, with one Refunding Bond per maturity. The Refunding Bonds shall be in the denominations of \$5,000 each and integral multiples thereof, shall be initially numbered, and shall be in substantially the form set forth in the Eighth Supplemental Trust Agreement.

(c) Interest Payment Dates. The Refunding Bonds shall bear interest from their date, payable semiannually on February 15 and August 15 of each year, as provided in the Trust Agreement.

(d) Pricing. The Chairman and Secretary-Treasurer of the Commission are hereby authorized, empowered and directed to determine the Series designation, the dated dates, the principal amounts and the dates on which the Refunding Bonds shall mature and be redeemed, whether the Refunding Bonds shall be subject to optional redemption, and the redemption price in the case of optional redemption, whether bond insurance should be obtained in order to produce present value savings in debt service on the Refunding Bonds in excess of its cost, and the rates of interest per annum which the Refunding Bonds shall bear, provided that the Refunding Bonds shall mature no later than **February 15, 2027**, and shall bear interest at a true interest cost not to exceed **6%** per annum.

(e) Redemption of Refunding Bonds Prior to Maturity. The Refunding Bonds shall be subject to redemption prior to maturity as set forth in the Eighth Supplemental Trust Agreement.

(f) Execution of Refunding Bonds. The Refunding Bonds shall be executed by the manual or facsimile signatures of the Chairman or the Vice Chairman of the Commission and shall be attested by the manual or facsimile signature of the Secretary-Treasurer of the Commission, and the seal of the Commission shall be impressed thereon or a facsimile of such seal placed thereon. No Refunding Bond shall be valid for any purpose unless and until a certificate thereon shall have been duly executed by the Trustee.

"Section 7. Security for the Refunding Bonds. The Refunding Bonds shall be payable solely from the System Pledged Revenues and shall be secured by a pledge of and lien on the

System Pledged Revenues on a parity with the Outstanding 1994 Series A Bonds, 1996 Series A Bonds, the 1998 Series A Refunding Bonds, 1998 Series B Bonds, and any additional Bonds to be issued in accordance with the Trust Agreement in the future, all as set forth in the Trust Agreement. Anything in this Resolution, the Trust Agreement, the Refunding Bonds or any other agreement or instrument to the contrary notwithstanding, the Refunding Bonds shall not constitute a debt or pledge of the faith and credit or the taxing power of the State, or of any political subdivision of the State, and each Refunding Bond shall contain on the face thereof a statement to that effect.

"Section 8. Continuing Disclosure. In order to comply with Securities and Exchange Commission Rule 15c2-12, as amended from time to time (the "Rule"), the Commission hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Commitment dated as of May 1, 1996 (the "Continuing Disclosure Commitment"). For purposes of such Continuing Disclosure Commitment, "Annual Information" with respect to the Refunding Bonds means the Comprehensive Annual Financial Report of the Commission and the operating data contained in the Section of the Official Statement (as hereinafter defined) relating to Tolls, including the Schedule of Tolls, Statistical Traffic Information and Summary of Gross Revenues and Cost of Operation, Maintenance and Administration.

"Section 9. Eighth Supplemental Trust Agreement, Escrow Agreement, Bond Purchase Agreement, Continuing Disclosure Commitment and Official Statement. The Chairman, Vice Chairman, Secretary-Treasurer and Executive Director are each alone, or in any combination, hereby authorized, empowered and directed to execute, acknowledge and deliver on behalf of the Commission, the Eighth Supplemental Trust Agreement, the Escrow Agreement, the Bond Purchase Agreement and the Official Statement of the Commission regarding the Refunding Bonds (the "Official Statement"), and to comply with and carry out the provisions of the Continuing Disclosure Commitment, the forms of which shall be approved, upon advice of counsel to the Commission and Bond Counsel, by the Executive Director and the officers executing the same. The approval of such documents by such officers, shall be conclusively evidenced by the execution of the Eighth Supplemental Trust Agreement, the Escrow Agreement, the Bond Purchase Agreement and Official Statement by such persons. The use and distribution of the Preliminary Official Statement by the Underwriters, the form of which shall be substantially the same as that used in connection with the 1998 Series A Refunding Bonds with such changes as are approved by the Executive Director, upon advice of counsel to the Commission and Bond Counsel, is hereby authorized and approved.

"Section 10. Authorization of Other Documents. The Chairman, Vice Chairman, Secretary-Treasurer and Executive Director are each alone, or in any combination, hereby authorized to take any and all actions and to execute such financing statements, certificates, commitments with bond insurers, if any, and other instruments or documents that may be necessary or appropriate in the opinion of Bond Counsel, or Counsel for the Commission, in order to accomplish the issuance the Refunding Bonds and the intent of this Resolution. The Secretary-Treasurer, or other appropriate officers of the Commission, shall certify a true transcript of all proceedings had with respect to the issuance of the Refunding Bonds, along with such information from the records of the Commission as is necessary to determine the regularity and validity of the issuance of the Refunding Bonds.

"Section 11. Sale of the Refunding Bonds. The Refunding Bonds are hereby awarded to the Underwriters, in accordance with the terms of the Bond Purchase Agreement, as approved by the Executive Director. The Chairman, Vice-Chairman, Secretary-Treasurer and Executive Director are each alone, or in any combination, hereby authorized and directed to make on behalf of the Commission the necessary arrangements with the Underwriters to establish the price, date, location, procedure and conditions for the delivery of the Refunding

Bonds, and to take all steps necessary to effect the due execution and delivery of the Refunding Bonds to the Underwriters under the terms of this Resolution, the Bond Purchase Agreement and the Trust Agreement.

"Section 12. No Personal Liability. No recourse under or upon any obligation, covenant, acceptance or agreement contained in this Resolution, or in the Refunding Bonds, or in the Trust Agreement, the Escrow Agreement, the Bond Purchase Agreement, the Continuing Disclosure Agreement, or under any judgment obtained against the Commission or by the enforcement of any assessment or by any legal or equitable proceeding by virtue of any constitution or statute or otherwise, or under any circumstances, shall be had against any member or officer or attorney, as such, past, present, or future, of the Commission, either directly or through the Commission, or otherwise, for the payment for or to the Commission or any receiver thereof, or for or to any Holder of the Refunding Bonds secured thereby, or otherwise, of any sum that may be due and unpaid by the Commission upon any of such Refunding Bonds. Any and all personal liability of every nature, whether at common law or in equity, or by statute or by constitution or otherwise, of any such member or officer or attorney, as such, to respond by reason of any act or omission on his or her part, or otherwise, for, directly or indirectly, the payment for or to the Commission or any receiver thereof, or of any sum that may remain due and unpaid upon the Refunding Bonds hereby secured or any of them, shall be expressly waived and released as a condition of and consideration for the execution and delivery of the Eighth Supplemental Trust Agreement and the Escrow Agreement, the compliance with the terms of the Continuing Disclosure Commitment and acceptance of the Bond Purchase Agreement and the issuance of the Refunding Bonds.

"Section 13. Repeal of Conflicting Resolutions. All resolutions and orders, or parts thereof, in conflict with the provisions of this Resolution are, to the extent of such conflict, hereby repealed.

"Section 14. Compliance with Sunshine Law. It is hereby determined that all formal actions of the Commission relating to the adoption of this Resolution were taken in an open meeting, and that all deliberations of the Commission and of its committees, if any, which resulted in formal action were in meetings open to the public, in full compliance with Section 121.22 of the Ohio Revised Code."

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

Ayes: Dr. Anthony, Mr. Williams, Mrs. Baker, Mrs. Leever

Nays: None

The Chairman declared the resolution stood adopted with all Members present voting in the affirmative. The resolution was identified as No. 63-1998.

Mr. Plain said he had a couple of other items to cover. He said he had another recognition for the Commission to bestow. He said one of their favorite law enforcement officers was retiring and it was Ork, the drug-sniffing dog. He said Ork had served faithfully and long out on the Turnpike. He said Ork had been to a Commission meeting before when he was introduced and the Commission authorized his purchase.

Mr. Plain said further that they had something better than a flag for Ork. He said they had a doggie dish with the Turnpike seal on it and also his name. He said they also had some doggie

treats for Ork. He said Ork was nine years old and had arthritis. He said he understood that Ork's trainer was taking him and would provide a nice home for him. He said Ork worked very hard on the drug interdiction.

Captain Ash said Ork had been part of the Turnpike family for nine years. He said Ork was retiring due to several reasons and he appreciated the Commission turning Ork over to his handler's family. He said the family also appreciated it.

Mr. Plain said the Commission had been contacted about setting up a meeting with representatives of Kobe Steel and the Wheeling Lake Erie Railroads. He said the staff met with them twice, once on October 22 and again on October 27. He said they were interested in pursuing a plan that would accommodate the railroad at the new Turnpike interchange with State Route 58.

Mr. Plain said further that at those meetings the staff told them they would listen and consider any reasonable request at that time. He said there were a number of people from Kobe and Wheeling Lake Erie and also Consolidated Investors Group at the last meeting.

Mr. Plain said that the Consolidated Investor's Group owned the property that was needed by the Commission to move the toll plaza south to accommodate the railroad along the right-of-way. He said that morning he received a fax that was a copy of a letter from Steven Luca, Managing Partner of Consolidated, and addressed to William A. Callison, Vice President Law and Governmental Relations. He said he would read the letter to the Members as follows:

"Dear Mr. Callison:

"I have been in receipt of your letter of October 30, 1998, relating to the above matter. Discussion was held at a special meeting of Consolidated Investors Group on November 8, 1998.

"We reject your offer to purchase approximately 9.011 acres of land from our organization. The contents of your letter will remain strictly confidential.

"Our organization is in support of Original Plan A."

Mr. Plain said they had remained open to any serious considerations from any groups and said they would consider them. He said on the basis of the information they had to date he was recommending to the Commission that they continue the preparation of Plan A.

Mr. Plain said further that Plan A called for running part of the roadway down the right-of-way the Commission owned at S. R. 58 without the railroad and to continue to finalize those plans so the interchange could be built in the near future. He said he would ask Mr. Zomparelli to add anything that he might have left out or he thought was necessary.

Mr. Zomparelli said that, since the last Commission meeting, the staff had been contacted by the Ohio Rail Development Commission and representatives of Wheeling & Lake Erie Railroad Association regarding the S. R. 58 interchange. He said the Lake Shore Railway Association originally got the Commission to the point where they were today as far as the "co-existence" that was discussed at prior Commission meetings and possible relocation.

Mr. Zomparelli said further that there was now a different group, the Wheeling & Lake Erie Railroad, that had approached the Ohio Rail Development Commission, its Director, Tom O'Leary, and Kobe Steel to come to some transportation agreement. He said they sought an agreement whereby Wheeling & Lake Erie would handle some of Kobe's shipments if the rail corridor was

somehow preserved. He said that, obviously, they would still have to build the rail line and do everything the same as Lake Shore Railway Association had to do.

Mr. Zomparelli said further that a lot of things had to come into place. He said the Ohio Rail Commission, as a entity, would itself have to pass a resolution to loan money or grant money to Wheeling & Lake Erie or whatever party. He said Tom O'Leary had been working to come up with a viable project.

Mr. Zomparelli said further that there were a lot of "ifs" in that plan and he thought the Executive Director was correct in recommending to the Commission that Plan A go forward for the S. R. 58 interchange. He said that, in the meantime, any developments that might occur between now and the December Commission meeting would be reported to the Members. He said it was just something that the staff thought the Commission should be aware of.

Dr. Anthony asked if there was a timetable for beginning construction of that interchange or was it a future project with no definite start up time.

Mr. Zomparelli said the interchange was something the Commission had been working on since 1993. He said that S. R. 58 and the Turnpike was an area designated as a desirable interchange site. He said that when the Commission was ready to go forward with the designs for the interchange they were asked to delay any work by Lake Shore Railway Association because they wanted to pursue purchasing land on which to build their own rail line.

Mr. Zomparelli said that sounded to the staff like Lake Shore Railway Association plans were a dead issue. He said that, if anything would happen, Lake Shore would probably work with Wheeling & Lake Erie to somehow utilize the latter's rail line for Lake Shore's excursions. He said the Commission initially kept plans for the interchange open because Lake Shore wanted to build an excursion rail line. He said it was not a "for profit" venture and the Commission could not purchase land that was for non-Turnpike business.

Mr. Zomparelli said further that the Commission was still willing to make an accommodation if they were willing to make the Commission "whole." He said that had not changed. He said that was still the same proposal that the Commission put forth to Lake Shore and Wheeling & Lake Erie and the Ohio Rail Development Commission. He said it was that the Commission had to be made "whole" to make any changes or relocate the interchange to a different area. He said the Commission didn't have any eminent domain powers to purchase land that was not necessary to a Turnpike project.

Mr. Zomparelli said further that for the relocation it would be necessary that certain land be purchased from a group known as Consolidated Investor's Group. He said that was the letter that Mr. Plain referred to earlier. He said their members met yesterday on Sunday and they voted to reject Wheeling & Lake Erie's proposal to purchase the land so there was a problem that had to be worked out. He said he didn't think the issue was right for the Commission to make a determination at that time because everything wasn't done.

Mr. Zomparelli said further that the Commission was in jeopardy of losing another construction season if nothing happened. He said costs continued to rise and they would not go down. He said he thought it would be prudent for the Commission to continue working with the engineers on the Plan A design without the co-existence of the rail line. He said that if a viable offer was made then the Commission could look at it.

Mr. Plain said that the latest idea was not something new that had not been heard before. He said years ago the Commission put together a plan that would accommodate Lake Shore's

requirements. He said it required Lake Shore to pick up the additional right-of-way costs necessary for relocation of the interchange and make the Commission "whole" for the costs necessary for changing the original plans.

Mr. Plain said further that the Commission would have to change to a different set of plans to accommodate the railroad and they wanted to be made "whole." He said that had been the Commission's position all along. He said that to date Lake Shore had not put the pieces together.

Mr. Plain said further that Lake Shore had always been seeking extensions. He said the Commission had not seen anything as a plan that addressed all its concerns. He said the Commission would continue to finish up the plans for the interchange without the railroad so that construction could start sometime next year.

Mr. Plain said further that the earlier delays already meant that only a portion of the construction season next year could be utilized. He said it would take past the construction season the following year to complete the project. He said it did not make sense to keep the project on hold for something else when the Commission had not received a concrete form of an offer.

Mr. Plain said further that Consolidated's letter stated they would not sell the necessary property for the price offered. He said that was the piece of the puzzle that was necessary to make the plan happen. He said that if they could put together another plan then the staff would certainly bring it before the Commission to be considered on that basis.

Mr. Plain said further that in lieu of not having that plan he would recommend that the Commission continue working on the construction drawings for State Route 58 so that they could at least build the interchange in the near future.

Mr. Zomparelli said the area still wanted the interchange and he wanted to point that out.

The Chairman said that was the Commission's job to build the interchange and they wanted to do it the best way possible. She said they certainly went the extra miles over the past five years.

Mr. Plain said also that on Tuesday, November 3rd, the staff had a meeting with the Farmers' Market group again. He said the Legal Department was trying to work out the forms of agreement. He said the staff was making sure that they had all the necessary utilities required to conduct business. He said they also were looking at the types of stands and related items. He said that when the first four Travel Centers opened next year everything would have been done to include the Farmers' Markets.

Mr. Plain said also that they had determined that the opening of the new interchange in Archbold would be next Friday, November 13th at 10:00 a.m. He said they were out at the interchange the other day. He said everything looked pretty good with that. He said there was still equipment that had to be installed that week for operation of the interchange.

Mr. Plain said further that the Chairman, he and Pat Patton were out there the other day, Friday, to address the Rotary Club in Archbold and then they viewed the area later on with one of the Fulton County Commissioners. He said that area was growing. He said he was impressed with the amount of business and industry that has been attracted to the particular area. He said he thought the new interchange would serve the area very, very well and make it more convenient to some of the existing facilities that were already there. He said it also provided a base for attracting new growth to that area.

The Chairman said the report of the Executive Director was accepted as offered.

The Chairman said that, before going any further, she did want to remind everyone that on Monday, November 16th, the Commission had a public meeting. She said the Commission was required by the legislature to have a public meeting prior to a toll increase, which would take effect in January. She said the meeting would be held from 6:00 to 9:00 p.m. at the Harley Hotel on Bagley Road.

Mr. Plain said the Harley Hotel was on the northeast quadrant of Bagley Road and I-71.

The Chairman said the report of the Deputy Executive Director-Operations would be received.

Mr. Arlow said the resurfacing projects were completed and opened. He said two overhead bridge projects also were finished and open. He said four major bridge projects would all be opened that week. He said three of the four third lane projects would open shortly and the fourth one would be open that week.

Mr. Arlow said further that the toll audit equipment was being installed at the Archbold Interchange in the next couple of days. He said it would open on Friday, November 13th at 10:00 p.m. He said the tying into Mahoning County Road 18 with the Niles-Youngstown Interchange would be completed on December 10 and be ready to open thereafter.

Mr. Plain said that he met with the new Fulton County Engineer and the transfer from County Road 24 to State Route 66 was not complete. He said the County was working with the State to get that moving and it involved putting in some equalizer pipes under CR 24 to prevent flooding. He said he toured both north and south of the Turnpike around both those routes and there were some serious wetland conditions in some of these areas so they were hoping ODOT would get that done.

Mr. Plain said the Commission got their part done and they were still waiting for ODOT to get their part done. He said that, as a result, they would probably have to do some additional snow plowing along CR 24 because the County didn't have the equipment to do that until it was turned over to ODOT.

Mr. Arlow said the County just didn't have the equipment to do the work in the interim between the ODOT changeovers.

Mr. Plain said the Turnpike's Maintenance crews would run their plows down there to make sure that people could get on and off. He said that there were two right angle bends in State Route 66 and ODOT would eventually take that bad jog out and run it straight up CR 24. He said that when they did that then the County would take over the old SR 66 portion of it and the State would take over the old CR 24.

Mr. Williams asked how much area they were talking about.

Mr. Plain said it was a little area of about 2, 000 feet. He said it was small, but they were taking out the big 90-degree turns in the road. He said they were hoping ODOT would get that done quickly and he knew they were working on it.

The Chairman said the report of the Deputy Executive-Operations was accepted as offered. She ascertained there would be no report from the Trustee, Captain Ash or Mr. Everhart. She said the report of General Counsel would be received.

Mr. Zomparelli said the only item he had related to what the Deputy Executive Director-Administration talked about earlier and that was the Commission's union negotiations. He said he

felt it would be more appropriate to discuss certain matters concerning the bargaining activities in executive session.

A motion was made by Mr. Williams, seconded by Dr. Anthony that the Commission adjourn the meeting and hold an executive session in order to prepare for, conduct and review negotiations or bargaining sessions with the Commission's full-time toll collectors and road maintenance employees concerning their compensation or terms and conditions of their employment. Mr. Williams said that at the end of the executive session, the Commission meeting would re-convene.

Representative Perz said she had a couple of questions before going into executive session. She asked if it was absolutely necessary that the Commission have another toll increase. She said commercial accounts were up 6%, revenue was up 12% and she said it was really hard to justify to the public the increase when they were hearing this good news all the time. She asked what would be the real impact of the last 9.09% toll increase.

Mr. Plain said he would like to answer that question along with maybe some help from Bobby Everhart and Eric Erickson. He said that traffic was up, but it had been projected to be up. He said traffic was within 1% of the projections of where it would be at that point in time. He said that those projections had already been put into the plan and the staff had made representations to the rating agencies that those toll increases would be in there.

Mr. Plain said further that those tolls were necessary for the Commission to continue with its financial plan and for the payment on the construction of all the projects that they had. He said he would let Eric Erickson talk about that from a financial point of view.

Mr. Erickson said that the third lane project and new Travel Center projects were all based on a financial plan that was not yet complete. He said the revenue for funding that plan was not completely realized and it was designed around the total rate increase that was enacted several years ago. He said that, as the Executive Director had indicated, that plan was laid forth to the rating agencies and the potential for a downgrade would result if the Commission decided not to go forward with the last rate increase.

Mr. Erickson said further that this was the last rate increase and that it would get all the projects done. He said that five years from now it will be looked upon as something that all the projects were done and Turnpike customers didn't have to worry about toll increases. He said he saw that a lot throughout the state in various projects. He said the pain was getting the increases in place and building the projects. He said that after it was done people take great pride in the fact that there is a workable project.

Mr. Erickson said further that the revenues were coming in very good right now. He said that there was still yet one more piece of financing to be done and he thought that in order to accomplish that the Commission needed to push forward and implement the last rate increase since it already was enacted.

Mr. Erickson said further that if the last increase was not enacted there was a potential for a downgrade in the bond rating and potential for higher interest rates on the last piece of the financing, which was two years away. He said the Commission had issued debt in 1994, 1996 and 1998 and there was another piece slated for 2000, the size of which had yet to be determined.

Mr. Erickson said further that it was at least \$100 million or around that amount. He said that the risk was that when the time came to do that the rating agencies would look unfavorably upon the Commission for going back on an enacted toll increase. He said they would look very negatively upon the Commission if the rates were not enacted at this point.

Mr. Zomparelli said they understood the issues that Representative Perz was probably receiving telephone calls on and they explained over and over at the Oversight Committee Meetings the Commission's position on the need to enact the toll increases. He said it was an issue that Mr. Plain had addressed at every meeting about the toll increases when he tried to get the explanation out there.

Mr. Zomparelli said further that when the Commission issued bonds it made certain covenants and the toll rates were one of the covenants that were made. He said that it specified that the toll rates in effect and adopted by the Commission would be the toll rates that would be charged.

Mr. Zomparelli said further that there was positive news on traffic, but, as Mr. Plain described earlier, that had been projected and was contemplated when the Commission pledged its rate covenant to its bondholders. He said the Commission had a duty to its bondholders in regards to rates. He said to effect a decrease there would be a lot of steps that the Commission would have to have approved by the Trustee and the Commission's consultants.

Mr. Zomparelli said further that at each Oversight Committee meeting the issue of the toll increases were addressed. He said they tried to explain what would be the impact if they didn't have them and the reasons for them. He said when someone called and suggested that the Turnpike's revenue was up and a toll increase was not needed it had a lot bigger impact than that.

Mr. Zomparelli said further the Turnpike had one year of positive traffic statistics, but that increase was projected. He said there would be an impact with the last toll increase, but they thought the construction on the Turnpike and on other roads in Ohio had a bigger impact on traffic than the toll increase given the fact that they had not seen the loss in traffic.

Mr. Everhart said that they had been very fortunate that year with the fuel prices where they were. He said that could change at any time.

Mr. Zomparelli said that was a big factor. He said they had gone up and down during the last month many times.

Mr. Zomparelli said a large part of the Turnpike's construction or capital improvement projects were funded by tolls. He asked Mr. Wright what was the Commission's ratio at that time.

Mr. Wright said it was about 60/40.

Mr. Zomparelli said the Commission was funding the third lane expansion and the improvements to the bridges and the interchanges with about 40% from revenue. He said he thought the biggest message that had to get out there was the toll increase money was being used for the capital improvement program. He said the toll increase was not being used to fund day-to-day operations. He said it was being used to pay back the debt and that was a major accomplishment in itself.

Mr. Plain said that one of the things that he had been talking to the Oversight Committee about for almost three years was a way to lessen the impact on the trucking industry. He said that could be accomplished if there was a refund to the truckers of the fuel tax based on miles driven on the Turnpike. He said he thought there was an inequity there that was created in the legislature by the state taking fuel tax which went for highway maintenance money when the Commission was paying for all of the operating and maintenance costs on the Turnpike, primarily out of tolls.

Mr. Plain said further that if they equated the \$.22 per gallon cost of fuel with an average of 5.5 miles per gallon for most of the trucks that would amount to a \$.04 per mile rebate to truckers. He said that rebate would only apply for the mileage they drove on the Turnpike. He said that for the miles they drove on the state roads they would be paying for the fuel tax.

Mr. Plain said further that it was similar to the old axle mile tax, which the truckers didn't pay for miles driven on the Turnpike. He said if they rebated only one half of the fuel tax or 2 cents per mile it would average to a 20% reduction in tolls. He said that if they took that off the toll structure that will become effective on January 1st the total increase would not become 82%, but more like 60%. He said it was not something that would impact the State negatively. He said it was something that the truckers were paying to provide maintenance on the Turnpike that was being financed by the Commission through tolls. He said he didn't think it was right that that money went to the State.

Representative Perz asked if that took legislation to change.

Mr. Plain said it would take legislation to change and for an empty truck that was Class 8 it would be approximately a 50% reduction. He said that would equate to only a 30% so it was a significant savings to the trucking industry. He said he had put that out and had talked to the trucking industry. He said nobody picked up on it except for the independent truckers who were willing to back that type of legislation.

Mr. Plain said further that everyone he had talked to about the third lane raved about it. He said the trucks had an opportunity to pass one another in the right two lanes and passenger cars traveling at a different speed could move without being impeded by a whole line of trucks trying to pass one another.

Representative Perz asked what impact this proposed rebate of fuel tax funds would have on ODOT and would the ODOT Member of the Commission support that legislation.

Mr. Plain said he had brought that up with the ODOT people. He said they were not present at that day's meeting, but that was something that they have been getting all these years, probably since the 1980s. He said he wondered what they had done with the excess that they had gotten from the road and from Turnpike customers. He said the Commission was the one that took the heat when it did the development and made a good facility, yet the Commission generated "soft-match" funds for them on every one of the Turnpike's projects.

Mr. Plain said further that the ODOT got the benefit of the money that came to the State for the construction of the Turnpike, which they didn't pay for. He said that money went directly to the Department of Transportation. He said there was a Tripartite Agreement among the State, Federal Government and the Commission and when that money came back to the State it became a two-party deal that the Commission was not involved in.

Mr. Plain said he thought those were some considerations that they should remember in Columbus because they already had the benefit of some of those things. He said that should lessen the impact on anything that should happen to the State. He said the economic development that the Commission had been a part of was providing tremendous amounts of revenue back to the State.

Mr. Plain said further that he thought that was something that had been worked out behind closed doors in Columbus between the Department of Transportation and certain other special interest groups. He said he thought it was time that we put the cards on the table and said, "Hey, we are doing our share, let's have the rest of the people do their share."

Senator Gaeth said the next Commission meeting would probably be the last meeting for him as a Member from the Ohio Senate. He said he expected to turn over to the Speaker of the House and the President of the Senate a letter of recommendation. He said that, in addition, he had talked to the people who were at the Oversight Committee meeting on October 23rd, and he talked to Senator Oelslager. He said he would like to have the Oversight Committee members sign the letter of recommendation that he was going to put together.

Senator Gaeth said further that the particular issue discussed by Mr. Plain was one of the main things that could help the trucking industry dramatically and might switch them over from going on the parallel roads to going on the Turnpike. He said that would be a plus for the Turnpike, a plus for the truckers and certainly not a negative factor as to the money the Commission would take away from the State of Ohio.

Senator Gaeth said further that his letter of recommendation was going to be forthcoming and he was in the process of putting something together right now. He said it would be delivered to the Speaker of the House and the President of the Senate sometime in December.

Mr. Plain said that another thing that sometimes got overlooked was that the Commission did offer discounts to the truckers already (15% for volume use). He said the Commission also hoped by next year to be in a position with its new systems to allow for commuter or frequent-traveler discounts on the Turnpike. He said that those were some of the things they were looking at for the future.

Mr. Plain said he had been talking about the gasoline tax refund for about 3 years. He said if a business person could get a 20% discount then they had already lost that amount for 3 years. He said it was going to take something in the legislature. He said the Commission needed somebody who could speak for it. He said that often times they had meetings in Columbus and they didn't want representatives of the Commission to attend even when they were talking about something that affected the Turnpike.

Mr. Plain said further that the Commission needed somebody to go down to Columbus and explain to the legislators that the gasoline tax refund would benefit the whole trucking industry and the State of Ohio. He said the proposal had to be pushed in Columbus to make things happen. He said they could sit and talk about it for the next 5 years and, if nothing happened, the Commission needed the action in the legislature where it counted.

Senator Gaeth said he would like Tom King to comment on that proposal. He said that he talked to Mr. King briefly before the meeting about the matter.

Mr. King said his organization was supporting the gasoline tax refund proposal as long as the rest of Ohio is supportive of losing the money that they would lose from the trucking industry using the Turnpike. He said that any time it seemed to be that ODOT loses money they wanted to put a fuel tax on the entire State of Ohio. He said it came back to the same old battle -- those of us on the Turnpike vs. the rest of the State of Ohio.

Mr. King said further that he didn't know what our industry would do, but I have to believe they would support it. He said he didn't know how much money they were talking about. He said he had not taken a look at it in recent months. He said he would be more than happy to sit down and pursue it. He said he thought it was worth pursuing. He said he thought it would be a very big carrot to those people who were not using the Turnpike.

Mr. King said further that, again, he didn't know how much of ODOT's overall revenue for the State would go down if the fuel tax refund were enacted. He said he didn't know if it would result in

a fuel tax increase. He said he did know that the truckers in southern Ohio would raise all kinds of holy hell if there were a fuel tax increase. He said that he stood ready to work with Mr. Plain and the Commission on the proposal.

Mr. Plain said he thanked Mr. King, but again his point was that ODOT was already getting more than they should have gotten for many years. He said it was a question of equity. He said he was only talking about the mileage driven on the Turnpike and the trips that will take them along the portion of the Turnpike and then get on the state road. He said the State was still getting paid that tax money.

Mr. Plain said further that he was talking about the mileage which they could certify with the receipts from all the drivers. He said it would be just like the old "axle mile tax" that drivers on the Turnpike were exempted from. He said that was because the Commission did the maintenance on the Turnpike and ODOT never had to pay for it. He said drivers would turn in their forms showing mileage driven on the Turnpike and got reimbursed for the axle mile tax. He said that was the precedent for the fuel tax refund.

Mr. Plain said further that he thought the same concept could be used for the refund and the Commission could then help Ohio businesses, the Ohio trucking industry and the State. He said the plan should entice the truckers off the crowded parallel facilities and onto the Turnpike where they could be accommodated with the new third lane, which was now 50% completed.

Representative Perz said she had one other question. She said she also received some inquiries and she would like an explanation of an apparent change in policy in the new Travel Centers. She asked if there would be generic offerings or known brand names. She said she wanted to know if Turnpike customers were going to be dealing with established name brands.

Mr. Plain said that was probably a legal question. He said the Commission had competitive bidding, like the State had. He said they were intending to go out soon with bids for operation of the service stations, which was currently Sunoco. He said they also would go out for competitive bids for the restaurant concepts. He said they were certainly interested in name brands and things that were recognizable. He said it was a very complex thing.

Mr. Plain said further that the Commission hoped there would be better and more competitive pricing at the New Travel Centers, as well more amenities for the comfort of Turnpike customers. He said they hoped to address the needs and requests they had from the business community, the trucking industry and from Mom and Pop out there with the kids.

Representative Perz asked what happened if the Commission's change of policy put out through the bid specs meant that the most recognizable brands even bid. She said she was asking that question as the voice of the consumer at that point.

Representative Perz said that, first, she wanted to mention that there was another bill pending in the legislature that someone wanted a Turnpike Commission in the southern part of the State. She said what if they had 6 Turnpike Commissions in the State of Ohio and what if they were all run separate from and not under ODOT. She said what if they didn't have elected boards and they were making their own decisions. She said she was beginning to hear that kind of conversation in the legislature because consumers called then when they were upset.

Representative Perz said the consumers didn't know the other Commission Members and there also was the sense that when they were elected the individual's name was out there, their phone number was out there and they had to answer questions. She said she was concerned as a driver on the Turnpike. She said she made the decision which plaza to stop at based on what the

sign told her. She said that if she came into a plaza she didn't want a surprise and didn't want an unrecognizable brand that the Commission might be able to negotiate a cheaper bid with. She said she was really concerned.

Mr. Zomparelli said they were way ahead of the process because they had not even drafted bid documents. He said they were still having meetings internally among the Travel Center group, the Chairman, Executive Director, Mr. Arlow, the Maintenance Engineer, Dick Lash and others. He said he understood Representative Perz had not been with the Commission very long so there was a lack of information.

Mr. Zomparelli said they were going through the history and the bidding process on the service stations and Travel Centers and there were two issues -- the food concessions and the fueling operations. He said they had two contracts for each of the Travel Centers and there were 16 altogether. He said the fuel contract was coming up in June. He said the contract would expire and they had talked to Sunoco about renewing.

Mr. Zomparelli said further that the consumer did not have a choice because only Sunoco products were available at every single location. He said they went through the competitive bidding process and Sun Oil was the successful bidder. He said all the companies bid on it and the Commission received some compensation for their services.

Mr. Plain said they were competitive with the off-Turnpike stations. He said that, in fact, he bought some gas on the Turnpike the other day and it was less than what he paid for his personal car in Strongsville.

Mr. Zomparelli said further that in the meetings they had with all the vendors they stressed that the Commission's business was transportation. He said the Travel Centers were a service that the Commission was providing its customers and they demanded the best of service for its customers. He said they also were demanding that the customers not be gouged and that they keep a check on prices. He said they had two gentlemen from Marriott at the meeting and also a representative from Advanced Food Concepts, who could tell Representative Perz how involved the Commission was in the operations of the restaurants on the Turnpike.

Mr. Zomparelli said further that to suggest what choices had been made was way too early. He said that maybe Representative Perz was hearing complaints from customers or people seeking to do business and he thought it was premature.

Mr. Zomparelli said further that what the Commission had taken into consideration in the reconstruction of the Travel Centers was that they did not want a building that looked like a particular operator's building. He said that was because when that operator left the Commission would be faced with remodeling expenses or reconstruction costs. He said they wanted a building that could work for any type of food or fuel concessionaire.

Representative Perz asked if the vendor was being asked to put money into that building or that area they would be utilizing.

Mr. Zomparelli said that they would personalize their space within the building. He said that let's say it was ABC Foods. He said they would fit within the building's framework. He said they wanted something attractive, appealing to the customers and convenient.

Representative Perz said she did not want to re-route the meeting. She said she was glad it was premature. She said she knew it was a concern and the last thing she would say was that

some of the vendors the Commission was dealing with had a lot of experience and expertise. She said she hoped the Commission was working with people and not dictating to people.

Representative Perz said further that she was not taking anything away from what the Commission was doing because it ran a great road. She said that she was just saying that she hoped that they tapped into and listened to some of the others who shared the same goals as the Commission.

Mr. Zomparelli said the Travel Centers would be attractive facilities and Mr. Arlow had stacks of interest letters from people who wanted to provide services at those centers. He said he thought what Representative Perz saw were a lot of competitors with interest in the centers.

Mr. Plain said it also was "lowest and best."

Mr. Zomparelli said it was still the competitive bidding process that they needed to go through.

The Chairman said that, although she was not elected, she still received the same phone calls Representative Perz received. She said the process was only just beginning.

Representative Perz said it was the time to bring it up.

Mr. Zomparelli said the Commission also planned to have a meeting before they bid out for all the interested parties to get their feed back on things that they'd like to see and they recognized there were two different interests. He said the Ohio Turnpike's interest was service to its customers.

Mr. Zomparelli said further that they were not necessarily as concerned about the profit motive. He said the vendors were interested in service and profit because they needed to stay in business. He said the Commission would work with them to find an acceptable balance between their interests and the necessity to operate. He said that was not going to be an easy thing.

Mr. Williams said one further note was that as Commission Members they depended upon the professionals on the staff to tell them what direction they wanted to go and what the particulars were. He said he suggested that if Representative Perz received some calls she was not able to answer directly she might refer them to the staff for adjudication.

Mr. Plain said that, as far as 6 Turnpike Commissions, he thought there should be one in Ohio and the other 5 would be too many. He said that was based on about 39 years of public service.

Mr. Zomparelli said that if the Commission still had time he thought they should go into executive session.

The Chairman said they already had a motion and second to go into executive session so they needed a roll call.

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

Ayes: Mr. Williams, Dr. Anthony, Mrs. Baker, Mrs. Leever

Nays: None

(The executive session began at 11:25 a.m. and ended at 11:50 a.m.)

There being no further business before the Commission, a motion was made by Dr. Anthony, seconded by Mrs. Baker that the meeting adjourn until the next meeting on December 14.

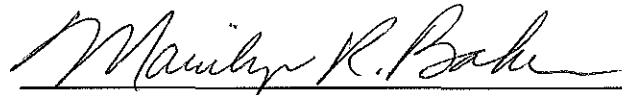
A vote by ayes and nays was taken and all Members present responded to roll call. The vote was as follows:

Ayes: Dr. Anthony, Mrs. Baker, Mr. Williams, Mrs. Leever

Nays: None

The Chairman declared the meeting adjourned. The time of adjournment was 11:52 a.m.

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



Marilyn R. Baker, Secretary-Treasurer