

**MINUTES OF THE 451<sup>th</sup> MEETING OF  
THE OHIO TURNPIKE COMMISSION**

**April 26, 1999**

Pursuant to the bylaws, the Ohio Turnpike Commission met for a meeting in the Administration Building at 682 Prospect Street, Berea, Ohio at 10:00 a.m. on April 26, 1999, with members of the staff: Gino Zomparelli, General Counsel and Deputy Executive Director-External Services; John Peca, Special Counsel, James Steiner (recently hired) CFO/Comptroller, Dave Miller, Chief Auditor; Dave Ransbury, Chief Engineer, Pat Patton, Government Liaison Officer, John Mitchell, Director of MIS; William Keaton, Telecommunications Manager; Thomas Amato, Assistant General Counsel and Dan Castrigano, Maintenance Engineer.

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

Ayes:            Senator Armbruster, State Rep. Buehrer, Mr. Williams; Mr. Blair,  
                         Dr. Anthony, Mrs. Baker and Mrs. Leever

Nays :            None.

The Chairman welcomed State Representative Buehrer to his first meeting as a House Member of the Commission and was very delighted to have him at today's meeting and said she needs all the support she can get from northwest Ohio. The Chairman also introduced and welcomed Representative Jeanine Perry from Toledo who is on our Oversight Committee.

She also welcomed ODOT representative, Robert Blair, to today's meeting who had authority to vote at today's meeting.

We have a number of guests here today and we will ask them to identify themselves: Tom Travis, Fred McFall, Host Marriott Services; Howard O'Malley, B & T Express; Tim Escola, OSHP; Paul Ash, OSHP (retired); Ken Marley, Hardee's Food Systems; Heather Morrow, Nat City Investments; Larry Halco, Ed Brisbin, TransCore; Paul Scuria, Scuria & Associates; Joe Beavack, Merrill Lynch; Tom Meagher, Everen Securities; Dave Bennett, Claire Moore and Elva Edger, League of Women Voters, Bobby Everhart, URS Greiner; Eric Erickson, Fifth Third/Ohio Co.; Bob Hudecek, Key Bank;, Frank Lamb, Huntington Bank; J. Sweeney, The (Cleveland) Plain Dealer; Bob Barnett, Heidi Jedel, Barb Lesko and Diane Pring.

The Chairman said the April 26, 1999 Meeting was the 451<sup>st</sup> meeting of the Commission, and we were meeting at the Commission's headquarters as provided for in the Commission's Code of Bylaws. The minutes of the last Commission Meeting of March 29, 1999, has been distributed to the members for their comments, and she would accept a motion for their adoption without reading.

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

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

Nays: None.

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

The Chairman advised that copies of the Commission's 1998 comprehensive annual financial report were distributed by Mr. Patton on April 1, 1999, to the Governor's office and to legislative leaders. The Turnpike Act requires that the initial dispersal of the report which

contains the outside independent's accountant's report, be made by April 1<sup>st</sup>. The Chairman commented that anyone outside of the Turnpike employees, have seen the Annual Report. If you have not, it is certainly worth your while to pick it up and take a look at it. It is beautifully done this year as well as having the correct information. The design of it – it's very easy to read and I would like to say thank you for such a great report. Mr. Plain thanked the Chairman on behalf of the staff.

The Chairman advised that various reports will be received and the Commission will act on a resolutions, draft copies of which has been previously sent to the members and updated drafts are also in the Members' folders. She said the resolutions would be explained during the appropriate reports.

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

Mrs. Baker said the following listed items had been sent to the Members since the last regularly scheduled meeting of the Commission on March 29, 1999:

1. Draft of Commission Meeting Minutes of March 29, 1999.
2. Traffic and Revenue Report, March 1999
3. Financial Statement, March 1999
4. Investment Report, March 1999
5. Traffic Accident Summary Report, March 1999
6. News Release #3-99
7. Revenue by Month & Year March 1999
8. Budget Report 3 Months 1999
9. Turnpike Notes.

Leever: Thank you, Mrs. Baker. Is there a report on Budget & Finance?

Baker: No, there is not.

Leever: Our report on the financials?

Plain: Madame Chairman, I'd like to have David Miller give the Traffic & Revenue Report. David is our Chief Auditor. He is filling in and assisting us.

Miller: Good morning, I am very pleased to report that March 1999 was a very strong month for traffic on the Ohio Turnpike. During the month of March, new records for vehicles traveled were established in 1999. The number of passenger vehicles traveled for March 1999 out-paced the prior record established for the same month in 1998 by approximately 2.8%. For the past several months, we have used 1995 as our benchmark as that was a year of significant traffic volume. Commercial vehicles traveled for the month narrowly set a new record by surpassing the number of commercial vehicles traveled in March 1995 by approximately 0.1%. These two passenger vehicles and commercial vehicles records led to a total vehicle record of travel for the month beating the old record set in 1995 by approximately 2.2%.

As indicated In the monthly traffic & revenue report for month of March, looking at the first quarter of 1999, it proved to be very strong quarter. For total vehicles traveled during the first quarter of 1999, surpassed the total number for the first quarter of 1998 by approximately 3.3%. The total number of miles traveled by passenger vehicles in the first quarter of 1999 actually fell slightly below the miles traveled for passenger cars for the same period in 1998 by approximately 1.4%. However, the number of miles traveled by commercial vehicles for the first quarter increased by 7.3% which compared to 1998 leading to an overall increase in miles traveled for total vehicles by approximately 1.7%. Looking ahead to preliminary data, for the month of April (the current month) approximately 3.2% more vehicles have traveled the Turnpike the first 18 days of this month as compared to the same period in 1998 and approximately 3.5% more miles that was traveled for the first 18 days of April.

Leever: Would you please repeat that last statement?

Miller: Regarding the miles for month of April? Approximately 3.5% more miles was traveled for the first 18 days of April.

Plain: I'd also like Eric Erickson give us an update.

Erickson: Madame Chairman, sorry I was a few minutes late this morning. I had a little trouble getting out of Columbus with the traffic. I guess I want to take about two things – first to give you an update on where we stand from the potential refunding and the market in general. I know most of you folks don't follow the tax-exempt bond market and generally what you read in the newspapers is really the treasury or taxable market. If you recall, we did our last refunding for the Commission back in September 1998 and the index as typically followed in the tax industry is the 25 year revenue bond index. At the time you folks did the advance refunding, it was 5.22. Over that same time period, as of last week that index stood at 5.30. As you can see, that index really has not changed that much over the course of the year. It has bounced a little bit, but it has remained relatively which we in the industry really like. The Treasury Bonds, however, at that time was at 5.17. Last week it was 5.60. That market has changed a fair amount over that time period. What does that mean to you today in terms of your potential refunding and your outstanding bonds that still exist? You are probably about 20-30 basis points away –  $\frac{1}{4}$  of 1% away from being able to do an advance refunding. Will that happen any time soon? Most economists agree that the economy really isn't slowing down at all so it's doubtful anytime soon that you will have the ability to advance refund any of those outstanding issues. That's not saying it won't happen and perhaps by the end of the year, it could happen, but not in the near term do I believe it's a possibility.

Second thing I'd like to mention is that based on Dave's report, the numbers I am seeing the coverage still remains very strong – over 2% which is important from a rating standpoint. We have tentatively scheduled Fitch Investors Service to come in and look at the Travel Centers and do an annual review of the credit and will continue to schedule Moody's and Standard & Poor's at some point over the course of the year – probably after the new Service Plazas are open so they can look at those. Any questions?

Leever: We are just sitting tight till the end of the year?

Erickson: Yes or until rates change dramatically. Thank you.

Plain: The other thing I wanted to report on Madame Chairman is Jim Steiner, our new CFO has already introduced himself and I just wanted to say a few other things. Jim has worked with Cleveland State University for about 22 years. He has an extensive background in similar public accounting – similar to what we use here on the Turnpike. He has been through various bond deals and other things. He comes highly recommended. We are very pleased to have him on the team starting on May 10<sup>th</sup> and again I'd like to welcome him. Jim, would you stand up? We'll let you stay at Cleveland State a little longer, I have some ties there myself.

Steiner: I certainly look forward to joining this outstanding organization. I do want to thank Mr. Plain and Mr. Zomparelli for giving me this opportunity, as well as all the members of the Commission. I look forward to working with all of you. Thank you.

Leever: Thank you, Jim. We look forward to working with you.

Plain: That's all I had on that Madame Chairman.

Leever: Do we have a report on the service plazas? Would you like to do that now or would you like to do it later?

Plain: Yes, we can do it now. We'll give you a brief update. The construction is moving along on the plazas. As you are aware, we awarded the four of the five units or restaurant concepts last month. We'll have another resolution later to award the sit-down restaurant for Commodore Perry and Erie Islands. We are working with the concessionaire to get them to get these things open as quickly as possible. We know that it is a very tight time limit. As I said many times in these meetings, this was the most complicated project I think that we have ever been associated with. It's a lot of coordination and timing and you are really depending upon a lot of other people. When you have as many as 30 contractors working out there and concessionaires wanting to get coordinated, it's very difficult. Those of you who have come from the west and passed them, I think they have taken on some pretty good shape. I have heard some good comments from people that drive the Turnpike and call me and say those things are really fantastic. We are looking forward to getting them open. We had tentatively scheduled contract

opening and plazas opening on June 1<sup>st</sup>. We know that there are some complications. There may be some delays. We have asked the concessionaires to work two shifts a day if that's what it takes. We are trying to get these things open as we had anticipated and scheduled. We will work with them to try and make that happen. As is the case in construction now a days, you often have some delays and setbacks and different things. We are working on it. We will keep the Commission informed of the progress that we are making and try to have a grand opening and schedule that when we know everything will be done and they will be ready to open. We are really excited about it. Again, I am trying to temper the Commission and everybody else, the press I have talked to, that because they are so complicated and varied, we are learning a lot of things. The construction of these two plazas and things that we can use that may be work some of the things out on the ones that are coming. We will try to give a little bit more time for the concessionaires to get in and do their things so we will be ready to do those bids probably by the next Commission meeting. I think it has been a learning experience for everyone. Very difficult – time schedules, as we knew and a lot of times we are held hostage by the weather and in this area of the state it is now always as good as we would like. We have benefited with some mild winters, but we have also had some cold weather and some things that we couldn't do some things that we wanted to. That's the status on it and we have two resolutions to offer later on about some of the services out there.

Leever: Speaking about service plazas, I just had a quick trip and drive up from Florida on I-75 and I am so pleased to see that on the Turnpike when a service center or travel center is closed, at least we give adequate warning to people. Full Service this plaza, next plaza 65 miles. Coming back from Florida was an experience. I mean you are reading the signs, rest area 25 miles. You think OK. And you get there is it is just Closed -- and then you start to worry. That happened to me three or four times, but I'm making a point. It's not funny. But at least on the Turnpike, travelers even though it is an inconvenience, travelers do have warning about this and they are not caught short – so to speak.

Zomparelli: Madame Chair, we I can follow-up a little bit, what the Executive Director said. We do expect. We are talking about if the vendors are not ready, we do expect to have the facilities at Erie Islands and Commodore Perry open around June 1<sup>st</sup> date that we had mentioned and anticipated. Whether it's just a limited use only for fueling and restroom. We know that Host Marriott is working.

Leever: Can they work around it if it opened for people coming in and out.

Zomparelli: Yes, the way it was designed, we can sanction off the food court area.

Williams: But it also would be important for notification by signs that the plaza is open for restroom and fueling only.

Zomparelli: And to give relief for parking at the other facilities. There is an overflow for parking. That way we can open up some vending areas.

Plain; And for fueling; we will do whatever is necessary and we will give sufficient advance notice on what is occurring out there.

Zomparelli: But they will be open on June 1<sup>st</sup>. The question is whether the food operation will be at full speed at that time. Obviously that will be something we will monitor on a weekly basis.

Plain: We have some representatives here today, if they would like to comment? I know Tom Travis here and I know they are working hard to try and make it happen and we will just deal with whatever the situation is and take it in stride.

Leever: Since I have been on the Commission for 6-1/2 years, we were talking about it when I first came on the Commission about doing this project and we have come a long way. It has not been easy and it is so complex. We have reached this point and I think the staff and I have said the second meeting back, the staff is to be congratulated. That so much has been accomplished. This has been our first run through and for the next sets it will be a breeze.

Zomparelli: Madame Chair and Commission members, they haven't even been closed a year yet to keep it all in perspective. It has been a project that everyone has worked well together – the outside contractors, the architects, the Commission staff and a project of this magnitude, not to even be closed for one year is a good credit to the Ohio Turnpike and the people that work on it.



- Leever: And again I want to say, that we have such a small staff and people just do not realize the amount of work and the hours spent on a project like this and if we had a large staff it would be completely different and someone could devote all of their time to it. We don't.
- Plain: I had talked to some of our counterparts in some of the other areas and one of the agencies which I will leave nameless, indicated that when they did the project they closed all down at the same time. Believe me, they had a rough time. I don't know why they did it that way, but they did. They said they would never do it again that way.
- Leever: We were just one step ahead and we didn't do it that way. We are all looking forward to this opening. Next, our report on Employee Relations? Speaking of relations, I want to thank Mr. Williams so much for chairing the last meeting for me. I'm sorry you did such a good job. You did a wonderful job. I heard from many people. I want to say thank you very much for doing that.
- DiPietro: Thank you, Madame Chairman, members of the Commission. As you know from previous meetings we had submitted our Voluntary Early Retirement Incentive Program Plan to PERS. I am pleased to report that we received the plan back approved by PERS last Friday, April 23. The effective date will be June 1, 1999 and the program will conclude on November 30, 2000. As a part of that we have held some briefing sessions and have additional sessions scheduled for our employees. We held four on April 16<sup>th</sup> where 50+ people attended to listen to PERS and Deferred Comp. representatives to talk to them about the benefits of the programs of PERS and Deferred Comp. that they can consider as they contemplate participating in the VERI Program. As I said we have two additional sessions scheduled for May 3 (Perrysburg) and May 4 in Boardman. These same PERS and Deferred Comp. representatives will be there to talk to other Commission employees interested in considering this program. Other than that, that has been the major activity we have been involved with.

Plain; Madame Chairman, I would also like talk – it's not on the agenda – as everyone knows we put in a new Business Applications System and this past weekend a number of our staff worked Saturday and Sunday to get the Payroll System on board and I wanted to thank those people that participated. I don't know all the names but John Mitchell and his staff from MIS, Human Resources, Accounting, Auditing, and Payroll Department. They put a long weekend in and I'm very much appreciative. It's up and running so we are on the new system for Payroll and that was one of the final pieces that we had to put together. I just wanted to thank them for the job well done and putting in an extra effort when we needed it.

Anthony: Madame Chair, I have a question. Mr. DiPietro, what is your projection of how many will take advantage of the VERI Plan?

DiPietro: Dr. Anthony, 185 people that we know of could probably qualify. There will probably be an additional group of people who have time with other entities that we are not aware of that might come forward. I talked to a couple people who had time with the State Teachers Retirement System or individuals who had time with other retirement systems that would qualify. Assuming that another 15 or so come forward, that would bring it to 200, historically, at the Turnpike as well as other entities that have had buy-out programs, about 75% of the people who are eligible will participate. So you could be looking at in the neighborhood of 150 people.

Williams: So that's within our projections, right?

DiPietro: Yes.

Leever: Mr. Plain?

Plain: Thank you, Madame Chairman, I do have a number of resolutions to get through here. The first one is for awarding Contract No. 58-99-03. That's for the toll plaza, utility building, toll booths and canopy renovations to the Commission's Interchange No. 6 at Milepost 91 between the Ohio Turnpike and S. R. 53 in Sandusky County. We only had one bidder respond to the invitation to bid. Again this bidder is currently doing work on the Turnpike. The bid is well below the engineer's estimate of cost to perform the work for this project. The northwest area is getting to be difficult to obtain a number of bids because

everybody seems to be working. There is a lot of construction going on. I know the Jeep plant has a \$2 billion program going on and a lot of the contractors are tied up. We think the bid is good, it is substantially below our engineer's cost of estimate to do the work on this project. Bids have been reviewed by the Chief Engineer and he recommends that an award of contract be made to the low bidder, -- the only bidder, Mosser Construction Company of Fremont, Ohio in the total amount of \$4,139,000.00. General Counsel has also reviewed it and said that everything is proper and legal and I would like to read the Resolveds:

“RESOLVED that the bid of **Mosser Construction, Inc.** of Fremont, Ohio, in the amount of \$4,139,000.00, for the performance of Contract No. 58-99-03 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; and (2) 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. 58-99-03 is designated a System Project under the Commission's 1994 Master Trust Agreement.”

I would need a motion and a second.

Baker: I'll move approval.

Williams: Second.

Blair: What was the engineer's estimate?

Plain: It's on the last page, top left corner, \$5,250,000 and they bid \$4,139,000. Any other questions?

Roll: Mrs. Baker-yes; Mr. Williams-yes; Mr. Blair-yes; Dr. Anthony-yes; Mrs. Leever-yes.

Plain: The resolution is adopted. The next resolution relates to the award of Contract No. 70-99-01 for slope repairs from Milepost 178.00 to Milepost 178.72 in Summit County. As you can see we had six bidders respond to the invitation to bid. The high bid ranged at \$4.2M. The low bid was submitted by the A P

O'Horo Company of Youngstown, Ohio in the total base bid amount of \$3,149,672.89. This bid was also below the engineer's estimate of the cost to perform the work on this project. That was \$3,328,000. We had a nice range of bids and consider that the low bidder submitted a good bid.

Leever: They are all pretty close except the last one.

Plain: It is below our estimate and I'd like to read the Resolved:

"RESOLVED that the bid of **The A. P. O'Horo Company** of Youngstown, Ohio, in the amount of \$3,149,672.89, for the performance of Contract No. 70-99-01, 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. 70-99-01 is designated a System Project under the Commission's 1994 Master Trust Agreement."

Again, if there are not any questions, I would like a motion and a second.

Williams: Are they presently doing work on the Turnpike now?

Ransbury: Yes they have a bridge job and they have a number of projects such as toll plazas, bridge deck replacement.

Plain; They have done a lot of work for us.

Leever: May I ask – what are slope repairs?

Plain; On the 2:1 slopes that we construct or 3:1 slopes on some of the back slopes from the pavement up to the property line, over the years because of the type of soil that is prevalent in northern Ohio, it a clay soil and you get a creep in the soil. It moves slowly and after so long it will just slump out. We have to go back and put in drainage and re-build it to maintain our back slopes. It's usually caused by water and it saturates the clay. When clay is very dry it is very stable, but when you put water with it – you know what happens to clay when you play with clay like a kid – it moves.

Leever: Are there no drainage pipes?

Plain: No. when you go back in in order to get it to stay you have to put a blanket of aggregate in and step it up to kind of key it into the slope. We have been successful in doing those things.

Leever: OK, Does it mean that we will not have to re-do this for a good while.

Plain: It better or they will be back repairing it.

Leever: Bob, I assume you have to go through this?

Blair: Constantly. We have it especially bad in the Ohio River area. It fairly mountainous and hilly terrain. The steeper the slope the more problems you have down there.

Plain: If they had flattened it out years ago and bought the property when it was real nice they probably could have bought twice as much property and they would have had all kinds of things.

Williams: Madame Chairman, I would like to move the adoption of this resolution.

Anthony: Second.

Roll: Mr. Williams-yes; Dr. Anthony-yes; Mrs. Baker-yes; Mr. Blair-yes; Mrs. Leever-yes.

Plain: The next resolution I have is for awarding a Contract for the operation of Unit #5 at Commodore Perry and Erie Islands new travel centers. Unit #5 was the sit-down, family-style restaurant. As you recall, we rejected that bid at the last meeting and re-advertised and opened the bids recently. We have gone over the bid with the staff we are all in agreement and it's been reviewed by Commission's General Counsel who also did some extensive review and number crunching on some of these things. We are prepared to recommend an award. We only had one bid in response to this particular project. That was submitted by Host Marriott Services, d/b/a Host Marriott Tollroads, Inc. from Bethesda, Maryland and I would like to read the Resolveds:

“RESOLVED that the bid of **Host Marriott Services, d/b/a/ Host Marriott Tollroads, Inc.** of Bethesda, Maryland, which utilizes the following concept:

<u>Unit</u>	<u>Gross Receipts Bid %</u>	<u>Concept</u>
5	5%	Max & Erma's Restaurant

is, and is by the Commission determined to be, the **best** of all bids received for the performance of Contract TR-8A (Unit #5) and is accepted;

FURTHER RESOLVED that the executive director and general counsel hereby are authorized to execute Contract TR-8A (Unit #5) [Erie Islands and Commodore Perry] Travel Centers, which provides for an initial term of **Seven (7) years** and at the Commission’s option to extend for three (3) year periods, with Host Marriott Services, d/b/a/ Host Marriott Tollroads, Inc. in the form heretofore prescribed by the Commission pursuant to the aforesaid bid, and to take any and all action necessary or proper to carry out the terms of said bid and said contract.”

I recommend that we award this contract. I will need a motion and a second.

Baker: I’ll make motion to approve.

Anthony: I’ll second.

Zomparelli: Madame Chair, Commission Members, I just want to point out that there is a guaranteed minimum yearly rental of \$75,000. So you would take quite a deal of gross sales before the 5% kicks in anyway. The actual percentage you won’t have to determine until one year of sales to find out how it relates. All the units have minimum guaranteed yearly rentals.

Plain: Those were based on previous experience at those locations. We divided it up by the amount of space.

Anthony: Mr. Zomparelli, could you please describe in some detail this unit as it relates to the previous four units that we already approved.

Zomparelli: Madame Chair, Dr. Anthony, this unit #5 was the sit-down, family-style restaurant that the Commission had contemplated for the Travel Centers. It is a facility that

will require more work than the other units in that the vendor has to provide its own chairs and tables, seating area, do the build-out, provide some level of table service, whether it's waiters and waitresses, I don't expect that it would be the whole time they are opened, but there would be some level of table service. It also is required to have three menus, breakfast, lunch and dinner. This is the same proposed concept that Marriott had proposed last time around with Max & Erma's except that they have expanded the selections for the breakfast menu. That was what was missing in the previous mix.

Plain; We were all concerned with that.

Zomparelli: I think the customers will be satisfied and I recommend that the Commission move to adopt this resolution.

Anthony; What is our seating capacity on this one?

Zomparelli: The Unit is 2100 square feet. – I'm not sure what you mean by capacity – gross sales?

Anthony: Seating capacity?

Zomparelli: It depends on how they lay it out. We haven't seen the drawings yet. That would be the next step. Once the Commission awards it, I don't know if Mr. Travis wants to comment on it, but it's probably not appropriate until after we make an award. I'm sure there are at least in the neighborhood of 60 seats.

Travis: That's about right.

Zomparelli: It would be the sit-down and I'm sure if there is an overflow we can somehow try to design something in the food court area. Maybe an aesthetically pleasing fenced area and that area may be designated for overflow of sit-down. That's something that will be learn-as-you-go situation.

Anthony: In addition, some of the other units will serve breakfast, right?

Zomparelli: All but Sbarro – depending upon what you classify as breakfast, if it is pastries, yes.

Williams: I'd like to ask if any consideration is given to smoking/non-smoking areas in this facility?

Zomparelli: It's a non-smoking facility, but the truckers' lounge we have made some facilitation for smoking in the truckers' lounge.

Plain: We also have tried to install some ventilation system. They have a new systems now where it sucks it up through the top and you can't even smell the smoke in some of the restaurants I have been in. So they got some better ventilating systems and I'm hopeful those are the ones we put in, David?

Ransbury: I'm sure we did,.

Zomparelli: Or was it the Maintenance Engineer's ashtrays? The Maintenance Engineer has looked at some ashtrays specifically designed for disposal of cigarettes and cigarette butts. So you won't see them laying around or stuck in that sand. They smell. We are trying to make it aesthetically pleasing for all our travelers and not having them smoking in the hallway as they come in, and you have to go through a cloud of smoke. We are looking forward to having the concept and Marriott was the successful Bidder for the other five units, four of which are food concessions and the fifth is the retail/gift shop. They will have some economies for scale as they are providing all the operations at one travel center.

Plain: Are there any other questions?

Roll: Mrs. Baker-yes; Dr. Anthony-yes, Mr. Williams-yes; Mr. Blair-yes; Mrs. Leever-yes.

Plain: The motion is adopted. The next resolution also relates to the new Travel Centers at Erie Islands and Commodore Perry. We developed specifications for cleaning and janitorial services for those two facilities and we went out to bid. The last page is the bid tab which shows we had three bidders respond to the invitation to bid. It shows a monthly fee for the facilities for each section along with hourly rates for any other necessary cleaning services. These have been set up by Dan Castrigano, our maintenance engineer, and have been reviewed. He has made a recommendation for the low bidder. It was also reviewed by our General Counsel who also recommends that everything is OK to make an award to the low bidder and I also reviewed the bids and worked along with the group of Gino, Dan and others to put these together and I would also recommend that we adopt this resolution. I would read the Resolveds:



“RESOLVED that the bid submitted by C. A. Horton, Inc., d/b/a/ ServiceMaster by Horton of Oberlin, Ohio, which utilizes the following Schedule of Bids:

<u>Travel Center</u>	<u>Monthly Fee</u>	<u>Hourly Rate</u>	<u>(2) yr. Annual Fee</u>
Erie Islands	\$23,828.00	\$15.00	\$571,872.00
Commodore Perry	\$23,828.00	\$15.00	<u>571,872.00</u>
<b>Total Bid .....</b>			<b>\$1,143,744.00</b>

is, and is by the Commission determined to be, the **best** of all bids received for the performance of Contract TRM 8A-4 and is accepted;

FURTHER RESOLVED that the executive director and general counsel hereby are authorized to execute Contract TRM 8A-4 [Erie Islands and Commodore Perry] Travel Centers, which provides for an initial term of **Two (2) years commencing June 1, 1999**, and further provides, at the Commission’s option, to extend for one (1) year periods, with **C. A. Horton, Inc., d/b/a ServiceMaster by Horton**, in the form heretofore prescribed by the Commission pursuant to the aforesaid bid, and to take any and all action necessary or proper to carry out the terms of said bid and said contract; and

FURTHER RESOLVED that the Commission concurs in the above-mentioned rejection recommendation that all other bids submitted for Contract TRM 8A-4 be rejected;

FURTHER RESOLVED that the executive director is instructed to return the bid security of all other bidders as soon as said contract is executed.”

I would need a motion and a second.

Williams: I move the adoption of the resolution.

Anthony: Second.

Zomparelli: Madame Chairman, as a point of information for the Commission, this is a shared cost and part of the janitorial services to be provided at the Travel Centers will be shared between the Commission and the vendors that are operating the food concessions and the retail shop. In this case, it’s Host Marriott. This is part of the “common area” charges that will be assessed to the concessionaires.

Leever: How do you know?

- Zomparelli: Based on square footage in the building.
- Williams: Would you repeat that?
- Zomparelli: We will be assessing the food concessionaires and the retail gift shop concessionaire – in this case – it's all the same corporation, a common area charges for the cleaning and janitorial services to be provided at the travel center. We will be basically splitting the costs with those vendors.
- Plain; A 50% split – and that's similar to what they do in most of the malls and other areas where they have a common area charges. So we are splitting that and assessing half of the cost.
- Zomparelli: The reason why we have done it differently as opposed to the way it was done in the past, we think this will allow the concessionaires to concentrate on their business at the same time not hedging against keeping the facilities as clean as possible. There are times when you cannot foresee an influx of traffic. A couple busses might pull in and all of a sudden the restrooms that were just cleaned ten minutes ago are a mess. With a separate contract for the cleaning and janitorial services, I think this is the best way we can insure that the facilities will always be clean and sanitary.
- Plain: And not subject taking people out of the restaurant to clean and putting them back into the restaurant. It's always tough when you are doing that to keep the service up to the proper level. We think that this way is in the best interest of the Commission to allow the food vendors to concentrate on things that they do best and provide food promptly and satisfactory to our customers. And to have someone dedicated to cleaning and take care of the place. Again, we will be monitoring this very closely as I'm sure all of you will also. We are looking to upgrade and enhance these areas as best that we can.
- Williams: It's good to hear that there is sound planning that is going in on this. You really should be complimented on it.
- Leever: It's very detailed and nothing has been left to chance.
- Plain; We are still learning and if we see anything that needs tweaking, we'll do it for the next contract.
- Blair: Will you explain the hourly rate?

Castrigano: The way the RFP was set up as part of the monthly fee the contractor would furnish us two employees around the clock – one male and one female and a third employee for an 8 hour period of the day that we would determine that we would consider high-volume time. The hourly rate – if we determine that we need an additional employee or additional hours, we would compensate at \$15.00 per hour. On the other hand, the third employee that we had during the 8-hour shift, if during the slow periods we determine that we don't need that individual, we would deduct \$15.00 an hour from their monthly rate.

Plain: There will be times in the winter time where we probably won't need everybody, but in the summertime we probably will need additional personnel there to keep up. I think a lot of the busses will be coming back to the plazas from what I'm hearing. That always is very difficult to handle when you get 75-100 people or three busses pulling in there and dumping their passengers to accommodate everyone. And not look like a cyclone went through the place after they leave. We will try to accommodate that.

Blair: This was a bid thing or was this something?

Plain: It was part of the competitive bid. We put that in there because we are not sure we require certain number to begin with but if we need additional people we wanted to have it set by bid what the fee was. If we don't need somebody we can also use that to cut that out of the expense.

Blair: It's surprising that they were the highest out of the three for the hourly rate.

Castrigano: I took a look at that and for the second bidder to be more economical it would take us in excess of 400 additional employee hours per month and that's just not feasible.

Anthony: Dan, whose call is that, is that our call?

Castrigano: Yes, it is.

Plain: We will try to have people there at all times present in the facilities so we can monitor these things and that they also have a contact person to go to if they need any help with anything.

Anthony: We had experience with them before, Dan – I saw in the recommendation letters.

Castrigano; Yes, the Toll Dept. currently utilizes this contractor for central portion of the Turnpike at the Toll Plazas.

Anthony; And you're pleased with them?

Castrigano: Yes.

Roll: Mr. Williams-yes; Dr. Anthony-yes; Mr. Blair-yes; Mrs. Baker-yes; Mrs. Leever-yes.

Plain: OK, that resolution passes. I have one other contract. This is the contract for the maintenance of our telecommunication system, our toll information system and the toll lane equipment system. It's a very substantial contract. It takes care of all the microwave facilities, the radio facilities all of the toll information system that we utilize out in the toll lanes and communicate back to the building with the number of traffic and revenue and also the equipment – the scales, the treadles, the photogate towers, the overheight detectors we have installed at all entry lanes. We had two bidders respond to our Request for Proposals – TransCore of Middleburg Heights, Ohio who is our current vendor, submitted a total bid per month of \$152,208 with no administration fee. The second bidder, Telesource Corporation, of New Jersey – they had done some of our fiber-optic installation and had worked on the Turnpike previously and they bid \$179,603.06 for the per month bid and another administration cost of \$18,500 per month plus a total mark-up of 10% on spares. This bid has been reviewed by our telecommunications department, various staff people including our MIS Department, myself, chief engineer and others. We think the bid is a very good bid. General Counsel has also reviewed the bid and recommends that we may award to the low bidder and I would like to read the Resolved:

“RESOLVED that the Commission hereby selects **TransCore** of Middleburg Heights, Ohio, to furnish maintenance services at the initial Schedule of Compensation resulting in the rate of \$152,208.00 per month (\$1,826,496 per year) for the Commission's Telecommunications System, Toll Information System and Toll Lane Equipment and authorizes and directs the executive director and the general counsel to formalize a three-year contract commencing June 1, 1999, for the requested maintenance services, all in

accordance with the terms and conditions of the Commission's Request for Proposals and its response thereto."

To add a little bit, we have a dedicated work force out there that respond 24 hours a day to any problems that we have with any of the communication equipment. A lot of the equipment is used for maintenance in emergencies particularly in snow and ice and if we have accidents and things out there, it is also dependent upon the Highway Patrol for life and death situations that also was part of this package. All of our toll system information systems that we have out in each lane so it's a very, very complicated amount of work and they have a dedicated work force that covers both the communications – the radio side, they are cross-trained to also respond to the computer side of it also. We think it's an excellent bid and I would recommend that we adopt it and I would like to have a motion and a second if there are not any further questions.

Anthony: So moved.

Williams: Second.

Leever: I have a question, why is there no administration cost listed there and the other bidder's is quite substantial.

Plain; You would have to ask the bidders, I don't know.

Ransbury: I would assume that they already have a force in place here and in operation where the other firm would probably have to bring somebody in and all the costs associated with that. That would be my guess.

Plain; I'm not sure why they bid it that way, but that's how they saw the cost of doing business.

Leever; Perhaps, that's because they are right here. Are there any other questions, please call roll.

Roll: Dr. Anthony-yes; Mr. Williams-yes; Mr. Blair-yes; Mrs. Baker-yes; Mrs. Leever-yes.

Leever: Is there anything else, Mr. Plain?

Plain: Well I can't find anything else right now, Madame Chairman, but I think that's all the resolutions and all I have to report at this time.

Leever: In the absence of Mr. Arlow today, Dave Ransbury will give us a report on the operations.

Ransbury: Thank you Madame Chairman. OK, we have a number of projects on the highway active at this point during this time of the year. I'll start out giving a brief rundown of each one. We have two resurfacing projects. One is located at Milepost 38-48 and we are approximately 25% complete and we are anticipating a June 25 completion date. The second resurfacing project is from Milepost 180-187, approximately 30% complete on the first phase with a completion date of the first phase on May 27, 1999. The second phase will be in the fall of this year. We will pick that up later after the summer rush.

There are two, major third-lane projects located between Interchange 6A and 7 (Milepost 110-118) . Both of those projects are now in the construction phase. We have all the traffic shifted over where it needs to be and they are progressing with the construction with a November completion date anticipated. Everything is on schedule and looking good for that project.

The third, third-lane project is located from the Interchange 11 (Milepost 173 to the Cuyahoga River Bridge.) That's a two-year project which the first year will be primarily resurfacing of the westbound lanes with the widening of the shoulder to create the cross-section that we need for the third lane that already has 3 lanes in it. The second year will be the east-bound lanes. We will be adding the third lane and we will be replacing the I-271 bridge and completing that in the year 2000 and also resurfacing that section.

Under bridges, we have a number of bridges over the Turnpike as follows: Camper Road (Milepost 75.6) and also S.R. 105 at the 79.5. Both of those projects are approximately 20% complete. They are running slightly behind schedule due to that tragic accident we reported on last time that caused some

delay. We are working hard to catch up towards a completion date of June 30, 1999. The third bridge is Abbey Road bridge (Milepost 164.4) and we are approximately 15% complete with an August 27, 1999 completion date.

The last bridge over the Turnpike under construction is the S.R. 60 (Milepost 131.6) and are about 50% complete on that. The contractor got started early and for some reasons to help him out with the Vermilion River Bridge, a major bridge project, he anticipates a June completion date even though he doesn't need to finish it under contract before October. They are very ahead of schedule.

Our major bridges – Maumee, Sandusky, Vermilion River Bridge. They are all progressing on schedule. The Maumee completion date is November 2000; Sandusky November 2000 and Vermilion (November 1999.)

We already talked about the service plazas so I don't think we need to add anymore about that. If there are any questions, I'd be happy to answer them.

Leever: The report is so concise. We are doing this bridge and that bridge. It doesn't sound like anything at all and these projects are major.

Ransbury: We're doing the best we can particularly with the traffic control. We keep a close eye to make sure that we don't get those dreaded back-ups that occur.

Leever; I didn't have any problems yesterday. It was just hard keeping up with the trucks.

Ransbury: I'm glad to hear that.

Leever: Thank you, Dave. Frank Lamb, any report?

Lamb: No report, Madame Chairman.

Leever: Alan, now will you take care of the next matter?

Plain; Do you want me to?

Leever: Sure.

Plain: The next thing is usually a report from the OSHP and we have some bitter-sweet news. We are losing former Captain Paul Ash (retired) who was head of District 10 for the OSHP and worked with us for a very long time really one of the

outstanding people we have had from the Patrol. He has always worked very closely with the staff. He has gone about and done everything that we have asked. He's done it in a very nice demeanor and I think on behalf of the staff and Commission members, I know a number of you also know Paul and want to thank you for the outstanding job that you did as Captain and in other capacities for the Ohio Turnpike Commission. We wish you and your wife, Judy, and family the best of luck on a nice retirement and two welcome our new Captain, who I am pleased to announce Timothy Escola. Tim has extensive service on the Ohio Turnpike. He comes along with a lot of experience particularly on our road. Also has the same demeanor and the same cooperative spirit that his predecessor showed and we are very pleased to welcome Tim Escola to the Ohio Turnpike Commission. Welcome aboard, Tim and we look forward to working closely with you.

Escola: Thank you, Mr. Plain. I feel the same way. I have been with the OSHP 26 years and have been up here for 11 years total. I was a trooper at Hiram, a post Commander at Milan and have been a staff lieutenant up here and it's a very professional organization and I'm glad to be a part of it again. Thank you.

Leever: We do welcome you Captain Ash and wish you the best of luck, Captain Ash and our mantra -- safety is the very first and Number 1 and most important thing on this highway and a good portion of that rests on your shoulders. We thank you for a job well done. Is there a report from our general consultant?

Plain: No report.

Leever: Our General Counsel – last, but not least.

Zomparelli: Thank you Madame Chair, if there is no other business, I'd only request that the Commission go into an executive session so I can bring them up to date on certain disputes involving the Commission. I would ask that someone from the Commission make a motion to go into executive session.

Williams: Madame Chairman, members of the Commission, I move that we adjourn this meeting to hold an executive session in order that General Counsel may bring the Commission Members up to date on disputes involving the Commission that



are subject to imminent and pending court action. At the end of such executive session, the Commission shall re-convene.

Baker: Second. (11:08 a.m.)

Roll: Mr. Williams-yes, Mrs. Baker-yes, Mr. Blair-yes; Dr. Anthony-yes; Mrs. Leever-yes.

Leever; Our meeting is now re-convening (11:45 a.m.). If there is no further business, I will accept a motion to adjourn until June 14<sup>th</sup>.

Baler: I'll move that we adjourn until our next meeting.

Roll: Mrs. Baker-yes; Dr. Anthony-yes; Mr. Blair-yes; Mr. Williams-yes; Mrs. Leever-yes. (Time: 1:48 a.m.)

/dsp