

**MINUTES OF THE 462nd MEETING OF
THE OHIO TURNPIKE COMMISSION
September 11, 2000**

Pursuant to the bylaws, the Ohio Turnpike Commission met for a meeting at the Commission's Administration Building at 10:00 a.m. on September 11, 2000, with members of the staff: Gino Zomparelli, Executive Director and Assistant-Secretary Treasurer, Deputy Executive Director; Robert Arlow; Deputy Executive Director; Dan Castrigano, Asst. Deputy Executive Director/Chief Engineer, Rob Fleischman, Asst. Chief Engineer, James Steiner, CFO/Comptroller, Pat Patton, Government Liaison Officer, Thomas Amato, General Counsel, Richard Morgan, Director of Information Systems; David Miller, Chief Auditor; Tim Ujvari, Maintenance Engineer, Kathy Dolbin, Human Resources Manager and Lauren Hakos, Public Affairs Manager (eff. 09/25/00).

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

Ayes: Mr. Blair, Mr. Strnisha, Mr. Greenwood and Mrs. Leever
Nays : None.

The Assistant Secretary-Treasurer advised that Earl Williams and Representative Buehrer could not attend today's meeting. Senator Armbruster called to advise that he would be arriving shortly. The Chairman also said Robert Blair is here today representing the Ohio Department of Transportation Director, Gordon Proctor, and is authorized to vote for him.

The Chairman advised that a number of guests were in attendance, and she would like them to introduce themselves.

The following representatives attended the meeting:

Vince Chiarucci, business consultant; G. Alan Plain; Bobby Everhart, URS; John Peca, Climaco, Lefkowitz;; Paul Stubbins, Seasongood & Mayer; Frank Lamb, Huntington Bank; Stephen Szanto, Public Financial Management; Ryan Connors, Connors & Co.; Bobby Everhart, URS; Tom Travis, HMS Host; Mike Schipper, HNTB; Courtney Shea, Salomon, Smith Barney; Mike Puskar, Bank One; Steven Mayer, IUOE, Local 18; Steve Long, David Patch (The Toledo Blade); Captain Ferris, OSHP; Pat Anaszewicz, Advanced Restaurant Concepts, Inc. (ARCI); Heidi Jedel, Tracy Cowley and Diane Pring.

The Chairman said Good Morning to all and thank you for coming. This is the 462nd meeting of the Ohio Turnpike Commission, and we are meeting here in the Commission's headquarters as provided for in the Commission's Code of Bylaws.

The minutes of the last Commission Meeting of August 7, 2000 have been distributed to the Members for their comments, and I will accept a motion to adopt them without reading.

The minutes were moved for adoption by Commissioner Greenwood and seconded by Mr. Strnisha. A vote of ayes and nays was taken and all Members present responded to roll call. The vote was as follows:

Ayes: Mr. Greenwood, Mr. Strnisha, Mr. Blair and Mrs. Leever
Nays : None.

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

If there are no further questions at this time, we will proceed with the report of the Secretary-Treasurer, Mr. Greenwood:

The following items have been sent to the members since the last regularly scheduled meeting of the Commission August 7, 2000:

1. Draft of Commission Meeting Minutes of August 7, 2000
2. Traffic and Revenue Report, July, 2000
3. Traffic Accident Summary Report, July 2000
4. Financial Statement, July 2000
5. Revenue by Month & Year, July 2000
6. Investment Report, July 2000
7. Various News Releases

Leever: Thank you, a report of financial and budgetary matters, Mr. Steiner?

Steiner: Madame Chairman, Commission Members, passenger car traffic for the month of August 2000 totaled 3.9-M vehicles just 600 cars short of the previous record set last year. Commercial traffic for the month total 893,000 vehicles exceeding the previous record set last year by 31,000 vehicles or 3.6%. Total traffic for August totaled 4.8-M

vehicles surpassing the previous record set last year by 30,000 vehicles or 0.6%. Passenger car traffic for the first eight months of year totaled 24.6-M vehicles exceeding last year's record by 519,000 cars or 2.2%. Commercial traffic for the first eight months of the year totaled 6.3-M vehicles exceeding last year's record by 223,000 vehicles or 3.7%. Total traffic for the first eight months of the year totaled 30.9-M vehicles surpassing last year's previous record by 742,000 vehicles or 2.5%. General Fund revenues for the first eight months of the year exceeded the amount budgeted by \$2.8-M and our operating maintenance and administrative expenses for that period were \$2.3-M less than the amount budgeted. That completes my report and I'd be happy to respond to any questions.

Leever: Thank you, Mr. Steiner. Any questions? We will move on to our Executive Director, Mr. Zomparelli.

Zomparelli: Thank you, Madame Chairman. Before we get to the resolutions, I think since Mr. Steiner just gave his report and our financial advisor would probably like to comment, too. We wanted to make the Commission aware that on September 7, 2000, the staff which comprised of Commission Member Steve Strnisha, myself, Jim Steiner, our CFO, Eric Erickson, our financial advisor, and Bob Arlow, Deputy Executive Director met with Moody's Investors Service to give them an update on the operations of the Turnpike and how we have been able to manage our capital improvements as well as give them financial statistical information.

You will find on the table a copy of the presentation that we made and presented before two of the senior credit analysts at Moody's. Jim you have it set up. Why don't you start. (Screen lowered and excerpts from presentation shown to the Commission Members and attendees.)

Just as a reminder, the Turnpike has the highest rating from Standard & Poor's and Fitch. We are AA rated by both those entities and we have one of the highest ratings from Moody's but we don't have their highest rating. That's what we sought at this presentation at the September 7th meeting. We took a little different approach this time than we had in the past. This time we decided to make them aware of Ohio's role in the economy as it relates to the Great Lakes region and more specifically to northern Ohio and how diverse northern Ohio is compared to what their perceptions may be. Before talking or

reviewing the specific facts in this booklet, a lot of times people outside of the State of Ohio think of Ohio as a old industrial steel manufacturing area especially along the Great Lakes regions. They think of Cleveland steel mills, steel factories in the Youngstown area. They think we are in the “rust belt”. They know we are highly concentrated in auto manufacturing as well and if the auto manufacturing did move to Detroit, I think at one time the Cleveland are was the largest manufacturer of automobiles. We wanted to let them know there is more to Ohio than the steel mills and the auto related industries – that we do have a significant services – financial, regular, trade and construction.

We start out very simple. We show them a map of where the Turnpike runs along the northern part of Ohio and then we decided to separate the northern part of Ohio along the Turnpike corridor into six segments and in each segment we took several counties. Segment 1 included the northwest counties of Williams, Fulton, Lucas and Wood. We gave them an update on the capital improvements along the Turnpike, how many miles of third lane we had constructed, and remain to be completed. The toll plazas that have been reconstructed or will be reconstructed and any service plazas that would be along the Turnpike and when they would be scheduled for reconstruction. We didn't go over each project but we included it so that they could see it, but more importantly what we wanted to draw their attention to was the economic development that was occurring along our corridor in each segment – particularly in these counties. I think they were surprised when we told them just what these two major corporations have located in the northwest Ohio – Sauder Woodworking, the largest employer in northwest Ohio has an investment of \$150-M. Worthington Steel- \$450-M. It's a brand new steel company that located because the Turnpike built an interchange. Obviously, there is an economic multiplier effect that comes along with these major employers. There are small companies that get business, there's service and banks that get business, houses that get built. We also looked at for each segment transportation-related entities – airports, ports. Going through this exercise, we were surprised to know the Port of Toledo (Commission Member Greenwood already know this) is the second largest port in the Great Lakes Region. I don't know if our reporter from the Toledo Blade even knows that, but the second largest port on the Great Lakes. I bet if I talked even to people in Ohio or Toledo and asked them to guess – give me the top two ports in the Great Lakes Region. I don't think they would have included

Toledo. Then to say it's the fifteenth largest in the nation. And if over a ½ billion dollars invested is not enough – we had Daimler Chrysler who invested \$1.2-B in their new Jeep plant in the area.

We also have major state universities (Div. 1) Toledo. All a part of our transportation network. All part of the hub or web of transportation that are going to need to use the Ohio Turnpike – to go to school, to build the houses for all the people that work in these industries. Besides the Port, we have the Toledo Airport that's been expanding tremendously and that had to do with the Turnpike again building a new interchange. So we have a new interchange for Worthington Steel that has caused this type of investment, a second interchange in Archbold, OH – Sauder Woodworking and then you have the Toledo Airport that's expanding and at the same time the industrial parks are being built along the Toledo Airport for freight facilities. You have to include Detroit – Detroit International Airport is probably only 2-1/2 hours from Cleveland. It's all in close proximity to the Ohio Turnpike. And what we wanted to address specifically with Moody's because we looked at the rating they have done with the New York Thruway. The New York Thruway has one rating higher than us. One major reason they have given them a higher rating was because of the concentration of New York traffic on their toll facility. We wanted to say well – we have same kind of intra-state traffic that is part of the Turnpike as you can see, but we also have a great diversity in our traffic. We are not limited to any one particular industry and as we go through the segments along the Turnpike corridor it will become very obvious.

For each county – we won't go through each one – but you can see it in the booklet. We broke it up by population, land area, number of labor force, unemployment rate – a very low rate in Williams County - I bet they would suspect it would be an agricultural area and it would be a lot higher. This is an area where you would think would be agricultural, but 80% of employees are employed by manufacturing firms. Given a breakdown in the mileage, the Turnpike mileage in that area total mileage that goes through and for each county, very importantly, we also gave the number of registered vehicles and the median income. We have listed major employers for each county.

We did that for all the other counties and we went through the same exercise for each segment. Segment 2: Sandusky and Ottawa

County. It's a diversified area. Sandusky, Huron, Erie and even Lorain County. Over here we have a highly concentration of tourist activities with the Islands. People will use the Turnpike in the summer to go to the Islands located in our area – Cedar Point – and as our Commission Member Steve Strnisha pointed out in that meeting that I wasn't aware of, the largest draw in Ohio is Cedar Point. And the people that go to Cedar Point come from Michigan, Indiana, Illinois, PA., southern part of the state. They will be driving on the Ohio Turnpike. There's a steady stream of traffic. A steady stream of patrons regardless of what changes in the economy. You have an agricultural base, manufacturing base, tourist base, airports, ports, Lorain County port, steel mill in Lorain County, Ford. Again we gave them the nuts and bolts update on construction. Update of what kind of investments were happening in that area (Erie, Lorain, Huron counties.) We had a \$150-M investment for an auto parts facility. The port of Lorain is growing. Oberlin College – we have students and activities that go along with that college that will use the Turnpike to get to their destination point. You have Cedar Point, all the islands, the increase of summer homes being constructed in that area. Same thing again, we gave them the specific update per county,

Segment 4 (Cuyahoga and Medina County.) We told them the area we were working along 18.9 miles in the third lane, the plazas that had been re-constructed: Great Lakes and Towpath. How our income has increased along our service plazas. We also mentioned how housing has increased in Medina County more than at any time ever at a greater rate than what has happened in Cuyahoga County. We have professional sports teams, major league city as Cleveland likes to state. We have the orchestra, museum, Blossom Music Center. People who come to our area will use the Turnpike. We don't need to worry if the economy did not increase at the level it has been increasing or there would be a downturn, the Turnpike has survived since 1955. The records we gave them went back to 1959, but we survived all these upturns. We are in the middle of the teeter-totter. The economy goes up or goes down, we are always in the forefront. Ohio is always in the middle. We have a great cost of living for our housing. We don't experience the high ups and high downs.

\$500-M airport expansion – that's at Hopkins. We have Cuyahoga Valley National Park. We know people travel on the Turnpike to reach malls – Southpark (Strongsville), Elyria, Aurora Farms, General Motors. Eric, what was the statistic on Cleveland Hopkins? It's the

second fastest growing airport in the United States. We'll have 30% more operations by 2002. We knew it was growing but didn't know at that great a capacity. (Senator Armbruster arrived at 10:30 a.m.)

With 71 right next to the Turnpike as Commission Member Blair can attest, 71 is undergoing their expansion.

The next segment is Segment 5 (Summit, Lake, Geauga Counties). The Turnpike starts going through at this angle coming through the counties. Again, the northern part of Summit Counties, the fastest part that is growing in Summit County. Geauga and Lake Counties housing has not stopped in those areas over the last 4 or 5 years. It's only increasing. One thing they have faulted the Turnpike was our lack of commuter traffic. With these housing corridors increasing in Summit, Geauga, Medina Lorain, Counties, Amherst area, people having summer homes in the Islands, Wood County has increased, the City of Toledo has gotten into the water business supplying all these communities that are growing. We are starting to experience commuter segments all along our corridor. It's not the same as New York City when you're driving through a major city and you have a population of 8-M people going to the same destination point in one city. We are divided. We are diversified. These homes or plants are not going anywhere. These plants that made the multi-million dollar investments – some in the neighborhood of ½-M dollars. They are not going to be leaving anytime soon. Certainly not in 30 years which is the longest term of our bonds.

Next segment shows the kind of growth along those counties. Here, this is another misunderstood part of our state – the eastern part, Youngstown, Warren (Mahoning, Trumbull and Portage County.) everybody thinks steel is dead. Well here you have CFC, a steel facility of Warren. They are investing \$100-M. Pretty good for a rust-belt area. You've got Sea World Amusement Park that is here. Geauga Lake (now Six Flags) Geauga County and Sea World is in Portage County. Youngstown/Pittsburgh Airport is growing. This area is becoming a commuting need for the Pittsburgh areas. Pittsburgh is expanding into our corridor. Again, we have major state universities: Youngstown State.

That was just a brief summary of what we tried to convey to them about what are the demographics on the Turnpike. We won't include the counties that are not near us – the central counties or the counties

south. But I'm sure plenty of manufacturing firms or other industries that supply raw materials and supplies to companies up north and the same way the companies located in our corridor supply products and services throughout the country let alone our state.

Jim Steiner, at this point, when we were in our presentation gave them an update of our traffic. We didn't go back to 1955 when the Turnpike opened. We said we'll go back 40 years. We'll try to take the worst case scenario – even though they were good traffic figures for us from 1955-1999, the trend is stable and steady growth. It started getting steeper when we get into 1984–1999 that rate of increase is a lot greater than what was happening from 1959-1979. That's a lot lower rate of increase. Incidentally, that's when we had our toll increase and we still have had a steady growth. The same thing is happening for commercial traffic. It all has been steady as the line goes up and down. If we were to average it out, the line would be straight. It's steady growth. Moody's was concerned with our make-up between passenger and commercial traffic and that the Turnpike was too dependent on commercial traffic. This chart and graph clearly illustrates that our rate of growth for passenger traffic is a lot greater than commercial traffic. That's all because of the growth along our corridor. It's the housing, the increase plant expansions that the previous and current Governor have always been proud to point out with Ohio being No. 1 for expansion in new plants and new site growths. The chart says: "We've had an annual compounded growth of 2.6% which is higher than what we have projected slightly." We are very proud of this trend in passenger traffic and we expect that to continue. At this point a light bulb should be coming on in everyone's head that – that's why we built the third lane—that's why we needed a third lane.

Despite the criticism we had back then, why do you need a third Lane? Start projecting this out for another 5 years. We are in the 40-M clip and not too far from 50-M. In 1994, you are the 30-35M number of vehicles. We just didn't have the capacity. As the other roads start lacking capacity, that's only going to increase our traffic more.

Again, you can see the steady increase all along from 1959 to 1989, the rate of growth starts to increase – look what happens. The same time we have a toll increase, the same time we start increasing our road capacity, look how the traffic starts growing. We would be

happy with a slope that would be equivalent to this slope, but this has been tremendous. Here is a combination so we can view the total toll revenue and look how steady that has been. It's almost a one-to-one relationship between commercial and passenger. We have been fair to both our commercial and passenger patrons.

This is purely statistical information but what our CFO is trying to explain on this graph is that co-efficient – the correlation between OTC's commercial traffic and OTC's passenger traffic is almost a co-efficient of .98 for passenger and .95 for passenger and .96 for total. Jim, why don't you explain what the co-efficient is.

Steiner: You will remember from your statistics class, the correlation co-efficient measures the strength of the relationship between two sets of data and the range is from 0-1. The correlation of 0 means there is very little relationship between the two series of data and a co-efficient of 1 means there is a very high correlation and you can where we are almost at 1 (.98) and what that indicates – as we know from common sense, there is a very strong relationship between economic activity and traffic on the Turnpike. This was an analysis that was suggested by Commission Member Strnisha who suggested we look at the U.S. disposable income, the measure of the economic activity that's in constant dollars. We compared that with the traffic to try and quantify what's that relationship is and this demonstrates that there is a very high correlation between the personal disposable income and traffic on the Turnpike. The next slide and what we tried to do was the same type of analysis looking at the relationship between registered motor vehicles in those 17 counties that the Executive Director has been discussing this morning. Looking at the number of registered motor vehicles in those counties and the traffic. The correlation co-efficients are almost identical. A very high correlation co-efficient. What this is indicating to me is along with economic growth you've got increased population, increased traffic on the Turnpike. Then to see what might happen in the future, we looked at a projection of population for those same 17 counties. This projection was prepared by the Ohio Dept. of Development and what it shows is continued, steady increase in population in those counties until 2015. Increased population growth, increased economic activity, increased traffic on the Turnpike. I think this is consistent with the traffic projections that have been prepared by Bobby Everhart which show sustained, steady growth well into the future.

Zomparelli: Again, the basis here is to educate them on what's happening in Ohio and what's happening in our corridor. Too often they compare us with other toll roads – for example the Indiana Toll Road, the PA Turnpike or New York Thruway. We are all different. This is not 1955 and we are all getting started for the first time and you need to do this generic across-the-board comparisons. Ohio and our area, especially along the Turnpike corridors, is black and white difference as to what the corridor is like in Indiana – that's a lot more agricultural. They don't have the same number of major metropolitan areas we are going through. PA has demographic problems. They are not located next to the Great Lakes.

When going through the Cleveland, Akron, Toledo, Detroit area, we are tied in – location, location. We are tied into water, airports, the lack of rail that is happening throughout the country – that makes the Turnpike a greater resource for companies using trucking. As the airports start becoming more crowded for passenger traffic and everyone is experiencing delays, we are starting to become more viable for travel on our corridor. We wanted to get them away from doing a direct comparison with the other toll entities. We wanted them to concentrate on our facts and figures – on Ohio and then at the next point compare us to the other toll roads because there are some common aspects that go along with planning. We also explained to them our relationship with our Commission Members, how things progress because we have new Commission Members, how we have receptive to the new administration and I pointed out that the Governor had come to our meeting. They were very happy to hear that. That was the first time in 37 years we had a Governor come to one of our meetings. We have a great relationship with the Ohio Department of Transportation. Just to give them a feel of our staff, our employees and the Ohio Turnpike.

They always ask us about pending legislation. This time it didn't come up because we are coming near to an end of a General Assembly and they have seen that the bills haven't gone very far.

In particular if you go back to the number charts, the capital projects. You can't see this figure here but this says financed through bond proceeds 49% and financed through OTC revenues 51%. This was to explain to them how we have been able to fund our capital improvement program. They had recalled and we had reminded them that the Commission in prior presentations were optimistically – the

goal was 60/40 split. 60% to be funded through revenue bonds and 40% from toll revenue. We have been able at this point to do it 50/50. It will change a percentage point or two as we go along through our projects, but this points our strong stability. This was the kind of comparison you can do with other toll roads. How do we compare with other toll roads when you look at our level of debt financing to theirs? What is our position? How we can handle increase in construction costs? How can we address a downturn in traffic? We have such a strong make-up between our financing that we could handle, if there was a slight increase in construction costs because we have gone through more than 1/2 of our projects at this kind of ratio (50/50). When it is all said and done and if you finish at a ratio of 60/40 we have a great margin to work with. That would be acceptable.

The next chart is the all important Debt Coverage which you compare with all toll roads and all other debt entities. (Only Tom could read this.) It's in the book and it's right before Tab B. In 1998 our actual debt coverage was 2.84. In 1999 it was 2.36 and the forecast for the year 2000, our debt coverage is going to be 2.26. The Commission goal is 1.5, the trust agreement when it was originally drafted was 1.2 debt coverage. We are almost double and well above the 1.5 requirement. The next chart with the 35% reduction.

Steiner: Under the Master Trust Agreement that coverage ratio only includes the pledged revenue which is our toll revenue and does not include all the concession revenue that we are getting from the service plazas. We wanted to see what would happen if we exclude that concession revenue and it dramatically increased our debt coverage ratio. In fact, the minimum debt coverage ratio over 2008 is about 2.25 and we are only required to have debt coverage ratio of 1.5. When you factor-in the concession revenue, it makes a big difference. The other thing was we wanted to show on the final spreadsheet. They expressed a concern that if there is a downturn in the economy and what that may do to our commercial traffic. This analysis indicates that once we factor-in the concession revenue, we could absorb a 35% reduction in our commercial traffic and still have a debt coverage ratio of 1.5. And as Commission Member Strnisha pointed out, we have never experience any drop of that magnitude in the 45 years the Ohio Turnpike has been here. We feel we have quite a cushion in case there is.

Zomparelli: Basically, we took the worst case scenario – 35%. As we saw in the earlier graphs where we showed commercial traffic and passenger traffic – the blue and yellow graphs – we never had a 35% downturn. The growth has been steady throughout the year. We can withstand the 35% problem, and it’s not going to happen. If it does, and we point out to Moody’s, not only is the Ohio Turnpike in trouble but so is the rest of the country and probably the world. If we are going to see that kind of downturn.

Strnisha: They accepted that that was unprecedented. I said that would be an “unprecedented” drop and they nodded their heads.

Zomparelli: That was a great exercise for them to go through and a great analysis. You can’t see it but the benefit of our audience, the top part talks about our gross revenue, primarily from tolls, and then we broke down our debt service requirements. We are in a great position to re-pay the debt. We will also be in a great position to re-pay the debt when we go out next spring for a future bond financing. We were hoping and I know Eric wanted to talk about this, and I am sure we will follow-up with them if they need future financial information as they go through their exercise. They are going to review and give us their analysis and report before next spring so that way we’ll keep our fingers crossed so if we have an opportunity for an upgrade, it will be out before we go out for our next bond issue, and the finance community will be aware of it.

They explained to us because of schedules and timing that we shouldn’t expect anything until November. The meeting went very well and if there are any questions at this point, I’m sure Mr. Erickson or Mr. Steiner or myself can answer them. We will show the Oversight Committee the same booklet and document and update them on September 15 so they can see what is happening along their corridor and the various statistics they represent. There are no questions or comments? I hope we didn’t bore the Commission.

Leever: No, a report like that is not boring.

Zomparelli: Thank you. At this time, Madame Chairman, I’d like to get into my report and present the draft resolutions in their folders.

The first resolution is a resolution awarding Contract No. 26-00-01. This contract relates to a project located at Ohio Turnpike Exit 91 (old

Interchange 6), MP 91.7 in Sandusky County. It's for the demolition of existing site lighting and installation of toll plaza high mast lighting. The Commission received bids from five companies. The lowest responsive bid was submitted by Miller Cable Company in the amount of \$585,465.00, It was below our estimate and the Resolved of that resolution reads:

RESOLVED that the bid of **Miller Cable Company** of Green Springs, Ohio, in the amount of **\$585,465.00** for the performance of Contract No. 26-00-01 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; and (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. 26-00-01 is designated a System Project under the Commission's 1994 Master Trust Agreement.

I recommend that the Commission move to adopt this resolution.

Greenwood: How do you decide when and where you put these high mast lighting? Is it part of a federal requirement or a Turnpike plan:

Zomparelli: Madame Chairman, Mr. Castrigano, can you respond to that question?

Castrigano: Madame Chair, Commission Members, this is the last phase of Exit 91 upgrade. We did not interchange expansion earlier this year. Basically we are going through all our toll plazas as we upgrade and determine if they adaptable to high mast lighting. Our existing lighting facilities out there are original from 1955 and basically the consideration we have out there is the ease of maintenance with the high mast. But we also have to balance that with our surrounding neighbors. High Mast lighting is easier to maintain but it also can cause some problems in populated areas.

Blair: Does high mast lighting allow you use fewer luminaries?

Castrigano: Definitely. I would guess that a typical interchange would have upwards of 100, 30-foot poles. With the high mast lighting design, you may get away with 10-12.

Blair: For what it's worth, we spend an enormous amount for electricity. This is probably a pretty good cost savings.

Zomparelli: Madame Chair, Commission Member Greenwood, the planning is as we progress with renovations, it has to make sense. Why we're doing some work at our toll plaza renovation or for third lane project, it may involve an area and that way we can economize and there will be less interference in that area when we do construction. Hopefully that lighting will last another 50 years.

Greenwood: I'll move for adoption.

Strnisha: Second.

Roll: Mr. Greenwood-yes, Mr. Strnisha-yes, Mr. Blair-yes; Mrs. Leever-yes. The resolution is adopted.

Zomparelli: The second draft resolution is titled, "Resolution rejecting bids for Contract No. 58-00-02/58-00-03." This is a contract for renovations to the Commission's interchange No. 34 (formerly Exit 3) in Wauseon located at MP 34.9 in Fulton County and designated 58-00-02 and secondly for renovations to the Commission's Interchange No. 13 (formerly Exit 2) in Bryan/Montpelier location, MP 13.5 in Williams County, OH herein designated Contract No. 58-00-03.

Again this is in our northwest corner of the State. The Commission received bids from one bidder for the performance of said contract. The bid was higher than our estimate. The only bidder was Mosser Construction from Fremont, OH. Unfortunately, we will be recommending to the Commission that we reject this bid because it was so much greater than our estimate and we only received one bid. The staff is going to review this project and possibly look at splitting out some of the construction components and see if that can cultivate a more competitive environment and encourage more than one bidder. At the same time know we are not happy with that high proposal amount and get him to sharpen his pencil. The Resolved reads:

“RESOLVED that the above-mentioned bids, hereto received pursuant to the advertisement for bids upon a contract for renovations to the Commission’s Interchange 34 (*formerly TP-3*) “Wauseon” located at Milepost 34.9 in Fulton County herein designated **Contract No. 58-00-02**; and for renovations to the Commission’s Exit 13 (*formerly TP-2*) “Bryan-Montpelier” located at Milepost 13.5 in Williams County, Ohio herein designated **Contract No. 58-00-03** be and the same hereby are rejected, and the executive director is authorized to notify the bidder in writing of said action, to return to the bidder its bid security furnished by it and take whatever steps are necessary to re-advertise, forthwith.

I would strongly recommend rejecting this bid. It’s a total bid of over \$10-M (\$10,595,000). We understand that at that part of the state there really aren’t very many companies and that we are going to receive less bids as opposed to the central part of the State of Lorain, Medina County – there are just a lot more bidders.

I think business is starting to get a lot more tighter out there from what I have heard from contractors. Competition will only be increasing this year and next year. We are going to look at two options: either re-bidding the same way as we bid or possibly separating some major components – for example, the electrical or we just haven’t gotten that far. We would like the opportunity to sit down with the staff.

Blair: Gino, do you advertise in the Dodge Reports?

Zomparelli: Yes and the Daily Reporter.

Blair: I assume they all know about it.

Zomparelli: Yes, sure they do. It’s MP 13.5 right by the Indiana border.

Blair: I know for projects near the Youngstown area, we get bidders from PA. Often.

Zomparelli: There’s not very much near Indiana. The big cities are by Gary, Chicago, Ft. Wayne. We would like to pursue it. Obviously, we like Ohio companies doing the work, but when you get to the border, we will definitely be receptive to out of state bidders.

Blair; Did you do an analysis of the bid and see why they were so high from our estimates?

Zomparelli: It wasn't even close. We don't want to put that figure out, but Bob, Dan did you look at specific number?

Castrigano; It was generally across the board.

Zomparelli: I think they knew there wouldn't be many bidders. Maybe they came in high and were a little too optimistic.

Arlow: That happens sometimes – especially out west.

Zomparelli: We don't know what they were thinking, but I know they have tried to call and send letters asking us to award the contract. I have not responded because the bid is open and I won't respond until after the Commission has taken any action. I have had no contact with Mosser Construction. They are good contractors and have done work for us before. I can't see that great amount being a mistake. If they want the work, they will have to sharpen their pencil.

I would need a motion and a second.

Strnisha; I'll move.

Blair: Second.

Roll: Mr. Strnisha-yes; Mr. Blair-yes, Mr. Greenwood-yes and Mrs. Leever-yes. The resolution is adopted.

Zomparelli: It doesn't get any easier, but this is a little easier. The next resolution is captioned, "Resolution Accepting the Bids and Authorizing the Executive Director to take Future Action Concerning Award of Contract No. 54-98-04"

There really was not a major problem with this project except that the Commission had not received a Permit to Install from the OEPA. The OEPA representatives have indicated to us that they anticipate issuing the permit within the next two to three weeks. The Commission received bids from four companies. The lowest responsible, responsive bid was in the amount of \$781,327.50. I will be asking the Commission to delegate authority to me as Executive Director to

award the contract to the lowest responsible, responsive bidder after the OEPA has issued our permit. Obviously, if they do not issue our permit, we will not award the contract. The staff does not think a Commission Meeting will be necessary in October and we're looking at November 6th as our next Commission Meeting date. If we were to wait that long, it would jeopardize the progress we would make on this project construction. I would ask the Commission to delegate authority to me to award to Kirila Contractors - the lowest responsive bid of \$781,327.50 – well below the engineer's estimate.

The Resolved reads:

“RESOLVED that the bid submitted by Kirila Contractors, Inc. of Brookfield, Ohio in the amount of \$781,327.50 in response to the Commission's advertisement for bids upon Contract No. 54-98-04 for installation of sanitary sewer service at the Commission's Portage and Brady's Leap Service Plazas at Milepost 197.0, located in Portage County, Ohio; be and the same hereby is accepted; and

FURTHER RESOLVED that the authority hereby granted to the executive director and general counsel shall include authority, if deemed appropriate, to award the subject contract to Kirila Contractors, Inc.; and

FURTHER RESOLVED that the executive director may take such action aforesaid, provided the maintenance engineer advises that the OEPA has issued the requested Permit to Install, and he concurs in the recommendation of award and that the general counsel issues an opinion that Kirila Contractors, Inc. complies with all statutory requirements of the State of Ohio and complies with the policies of the Commission; and

FURTHER RESOLVED that the executive director of the Ohio Turnpike Commission is hereby authorized to take any action necessary concerning award and execution of Contract No. 54-98-04 for installation of sanitary sewer service at the Commission's Portage and Brady's Leap Service Plazas at Milepost 197.0, located in Portage County, Ohio; prior to the next meeting of the Commission, including the award of contract for such invitation and is further directed to notify the bidders in writing of said action, and to return to the other bidders the bid security furnished by it;

FURTHER RESOLVED that Project No. 54-98-04 is designated a System Project under the Commission's 1994 Master Trust Agreement.

I recommend that the Commission move to adopt this resolution.

Greenwood: I'll move to adopt.

Strnisha: Second. Could I ask a question? Is this a sanitary sewer system or is it a septic tank/leach bed?

Zomparelli: Sanitary sewer. That's a good question and how it related to our meeting with Moody's. That's the other thing we tried to point out to the analysts at Moody's – how the character the Turnpike has changed. Originally all our old service plazas restaurants and food concessions and fuel areas, we had all our own water treatment areas. We had to handle our own sanitary water. Now, how the population and urban sprawl has occurred along our corridor, we have now been able to tie-in all but one location into existing municipal utilities – water and sewer. That not only spurs economic development and also increases the housing and ancillary businesses that occur. Hopefully, they understood the points we belabored.

Roll: Mr. Greenwood-yes; Mr. Strnisha-yes; Mr. Blair-yes; Mrs. Leever-yes. The resolution awarding Contract No. 54-98-04 is adopted.

Zomparelli: The next draft resolution is entitled, "Resolution Awarding Contract No. 59-00-03." The Commission advertised for bids to contract for repairs, resurfacing, guardrail improvements of Interchange No. 234 (formerly Exit 16A) – eastern part of the Ohio Turnpike at MP 234.1 in Mahoning County. We received three bids. The bids have been reviewed by the Asst. Deputy Director/Chief Engineer. The low bid was submitted by The A. P. O'Horo Company – the lowest responsive and responsible bid. Resolved reads:

"RESOLVED that the base bid + Alternate 1 of **The A. P. O'Horo Company** of Youngstown, Ohio, in the amount of **\$794,994.00**, using crushed slag in the surface course, for the performance of Contract No. 59-00-03, 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; (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. 59-00-03 is designated a System Project under the Commission's 1994 Master Trust Agreement.

Again, it's a little bit more populated area. We received three bids. All three bidders have done work for the Turnpike in the past. It is below our estimate and I recommend that the Commission move to adopt this resolution.

Greenwood: I move we adopt this resolution, Madame Chair.

Strnisha; Second.

Roll: Mr. Greenwood-yes, Mr. Strnisha-yes, Mr. Blair-yes; Mrs. Leever-yes. The resolution awarding Contract No. 59-00-03 is adopted.

Zomparelli: The next draft resolution is "Resolution Awarding Contract No. 77-00-02". As a reminder to the Commission, this was a bid that we had rejected at the last Commission Meeting and I asked the Commission authority to re-advertise. I am happy to report that Mr. Arlow, our Deputy Executive Director comment about it never happening before continues to hold true today. (Leever: Lucky for him.)

It was even greater than we had expected. The low bidder on this project the first time around when we opened on July 25 had submitted a base bid for \$24,568,000. The low bidder this time around has submitted a bid for \$23,199,000. The difference between our low bid this time as compared to the first time is \$1,368,646.00. This time we really look like an expert saving the Commission almost \$1.4-M. I strongly recommend that the Commission move to adopt this resolution.

Leever: (Let's do it again --- see where it goes.) Bob, is that it?

Zomparelli: The Resolved reads:

RESOLVED that the bid of **Miller Bros. Construction, Inc.** of Archbold, Ohio, in the amount of **\$23,199,411.12**, utilizing its base bid using crushed slag in the surface course for the performance of Contract No. 77-00-02, 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. 77-00-02 is designated a System Project under the Commission's 1994 Master Trust Agreement.

The bids have been reviewed by the Commission's Assistant Deputy Director/Chief Engineer. I believe it's below estimate.

Strnisha: I'll move.

Blair; I'll second.

Roll: Mr. Strnisha-yes; Mr. Blair-yes; Mr. Greenwood-yes; Mrs. Leever-yes.

Zomparelli: I also want to point out for the Commission's reference that Mr. Commission Member Strnisha did point this out to Moody's – the painstaking steps we take when we award contracts. I wanted to thank him for the positive comments he made to the Moody's analysts about the Commission. They seem to know what they are doing.

Blair: Before we move to the next resolution. Did anyone look at any particular item that they reduced their amounts on or was it across the board?

Castrigano: Across the board.

Zomparelli: Was there an item that you recall Dan that might have. Why don't you review that again and if there is something that you think is worth mentioning, please let Commission Member Blair be aware of that. It's a significant project and over \$23-M. There are a lot of avenues. I didn't mention, but the job is located at Milepost 72.59 – 76.95 and 76.95-81.31 in Wood, Ottawa and Sandusky Counties. It is for grading, drainage, pavement widening and deck replacement of steel bridges. It's a big project.

This last draft resolution includes a very, very difficult analysis that was done by our staff. Again, we are asking the Commission Members to reject this bid. It is a draft resolution entitled, "Resolution Rejecting Proposals for the Operation of the Food Concessions and Retail/Gift Shops at the Commission's Portage and Brady's Leap Service Plazas under Contract No. TR-8C.

The Turnpike is under renovation at those two locations, Portage and Brady's Leap. We are progressing well with our reconstruction of those service areas. We have received several bids. I believe a bid tab was included in the Commission Members' file (attached to Mr. Amato's recommendation letter). Although we had significant requests for bid documents and interest in this project, we didn't receive as many bids as we'd like. We received a bid from McDonalds Corporation, HMS Host Toll Roads, Inc. (formerly Marriott Corporation); Advanced Restaurant Concepts, Inc. (ARCI).

I think the staff would like to ask the Commission for more time to review this project and we would also like the Commission Members to comment on how they may think we should proceed. We didn't receive any bids for the sit-down that met the technical requirements. We did receive one bid proposal for a sit-down – a Denny's which was submitted ARCI, however, they qualified their bid and had reduced some of the monetary requirements that we had required of all bidders so we consider that a non-responsive bid. For all in tense and purposes, we did not receive any sit-down bids.

We did receive good bids for Unit 3 – McDonalds submitted their McDonalds concept and that was for 10.26%. HMS Toll Roads submitted a bid for a Burger King at the same Unit 3 at 8.0%. Or in the alternative, they proposed one all inclusive bid package that included a Star Bucks, Flatbreads, Burger King and Travel Mart (gift retail shop). If we award that package the percentage bid was 10.0%

of gross revenues. These are very good numbers. ARCI submitted a bid for Denny's at 4% and Wendy's at 4.75% at Unit #3. I wasn't happy with those low percentages, but I think we need to do a little bit more review on is exactly what type of food service and what type of concept we would like at this eastern end of the Turnpike (Portage & Brady's Leap.)

If the sit-down, family-style restaurant is an important concept that the Commission would require for that location, we would have to look at possibly changing our requirements as we have done in the past to promote more competition for sit-down restaurants or do we want to enlarge the food concession area where the sit-down restaurant is really the "star" first-billing and the ancillary food concessions would be something that would complement that. Should the focus be a sit-down or should the focus at those locations be fast-food concepts and specialty food items – like coffee, ice cream, pretzels?

Madame Chairman, I ask you and the Commission Members and let's open it up for discussion. I guess we should ask for a motion first on the resolution to reject before we open it up for discussion.

Greenwood: I move to adopt the resolution to reject.

Strnisha: Second.

Greenwood: My two cents worth is to say that I admit total ignorance and it seems like this is a decision for a marketing-driven rather than gut feelings. I know that Senator Armbruster has said in the past, and at least it demonstrated to me that he knows. I don't put him in that category, but maybe what ought to be done, but I don't like to spend money on "consultants", however, we need to since it's market driven to come up with some expert advice on what really is needed out there.

Blair: Gino, the one's with our sit-down and other states and the ones we have along the Turnpike – do we have an analysis of how well they are doing?

Zomparelli: Madame Chairman, Commission Member Blair, and Commission Member Greenwood, we have seen how the other sit-downs have done in other restaurants along the other toll facilities. At the last meeting we got complimented by the Indiana Toll Roads General Manager and the industry is commenting on how well we are doing

with our service plazas. Our sit-down areas are the most challenging areas for an operator. The profit margins are smaller and the requirements are greater because of the staffing that we will be demanding. Commission Member Greenwood, I think that even though you weren't here before, you kind of hit the nail on the head. There really isn't a consultant. We tried to go through that avenue earlier on and what happens is it's a consultant maybe but it's more of a marketer for a particular brands, franchisers or they want to take over complete operation and charge the food concepts.

ARCI and HMS that's really what they do a lot of. They put the brands together. They don't have the concepts themselves, but they put together a deal with Burger King or Starbucks or Wendy's whatever. I think what we need more time to do is as a staff is explore and go out and meet with the companies who said they were interested but did not submit a bid. Let's find out from them, face-to-face, after we have taken action on this resolution so that it is not an open bid, and see what they think. Then we'll come back to the Commission in November and give you some proposals to consider.

I'm imagining now that I might come with a package that states that the focus should be a sit-down, family style restaurant. I'll throw out some brands – not that we are targeting these brands or give them competitive preference, but something like a Cracker Barrel, Denny's or Perkins or Bob Evans. Let's say that that will be the focus for Portage and maybe Brady's Leap or for both. What would make sense if we focus our food concessions with this main type of food concept, a sit-down, family-style restaurant, what would compliment them? Would a little coffee shop, pizza shop, hot pretzels compliment them? All these specialty food items where now the sit-down has enough business to generate the kind of profits it needs to invest in this project and also hire employees and be open 24 hours and offer us breakfast, bakery items. What would go together?

That might be one package the Commission would have to consider. Then the second package would be let's throw the sit-down out at this point and let's come to the Commission with fast-food concepts and some specialty food items: hamburger fast food – like Wendy's, Burger King, and McDonalds. What makes sense to compliment this concept? Another pizza place, Mexican restaurant?

I think at this point we should identify what we want. Let's be a little more specific. I know we don't get to do this very often. This is really only the second time in history of the Turnpike, we are really spending time considering what type of food concepts. When we first opened in 1955, they were sit-down restaurants. They took your order and made your food to order. A lot of people liked that. A lot of people liked the "diner" service. Maybe we'll focus on a diner presence there.

Blair: It seems to me that some people because it's a closed system, some people might pass up one and go to the next one if they know it's a sit-down, so what I'm wondering about if we put it on a map or as they go through the toll booth, is there some way to designate where these type facilities are located.

Zomparelli: That's a great point. It's a discussion that we had on Friday with the staff. If we are going to take the focus on let's say, at this location or another location as we go further along in our project that we'll focus on a major concept for that particular service area. Then we have to do some good promotions or marketing so people know as they are going along the Turnpike or at a toll or through travel magazine, or Ohio Buckeye the tourism that if you want to stop here – Triple A – this is where you go if you want a nice sit-down restaurant. This is where you go if you want fast-food concepts. If you like the food court, this is where you go.

Blair: One suggestions – you might think of Todd's or signing program or maybe there's a way when you get on the Turnpike to designate 40 or 50 miles ahead – sign programs you might want to think about as well.

Zomparelli: Those are good points. That's why we want to reject it and have some time to work with the staff and go out and meet with companies and see what it would take to get more competition and also other branding.

Armbruster: I think that it will become more and more difficult as you revamp the other toll plazas based on franchises that have territorial rights, the ability of that franchise to give up a location that might be in their territorial right. The fact that we have made it just so much easier to get off the Turnpike and you know as you get off on I-71 or I-90 that there are probably a venue of anywhere from 3 to 50 sites that you

could go to so in making the decision you be real careful back in the 60's you didn't have that many opportunities to get off the Turnpike. You didn't have 9A, 8A didn't have different venues to get off and at each one of these interchanges, you have increased the availability of your motels, fast-food and sit-down restaurants so the competition is much stiffer and the audience is not as captive as it was. I suppose it gets into the fuel side as more and more opportunities, if you are competitive fuel-wise on the Turnpike you will find people getting off the Turnpike and buying fuel as I did when I went through Indiana at South Bend. I always got off and went off and went to the Shell station because I could buy it for 10 or 15 cents less than I could on the Turnpike. Now that's not true right now. You have to be real careful with your profitability and what you are trying to do so I think the impact, getting back to the restaurant, Portage area, what exits are around there. I don't go in that direction, I go the other way. That you are impacted with the ability to maintain the income that you'd like to see based on all those factors that are around us. Even when you get over to Baumhart and 7, you got more and more venues that you will be competing with. Do you really want to be captive? I go back to the fact that Portage has the opportunity to bring in outsiders to the Turnpike restaurants then we should make it easier for them to get there from outside the Turnpike and you might end up with more bidders based on that they can compete with the locals. I don't know again if that's possible or not. I understand that you really don't want to compete but you are being forced to compete based on franchising and everything else you have to deal with. If you are going to survive, you want to give the owner of that business on the Turnpike the ability to be able to compete and survive. And not to just say, I've got a Turnpike location, but I don't really make any money there. Next time the bid comes up, you're going to have an empty Turnpike plaza. Be real careful when you do it.

Zomparelli: Madame Chairman, Senator Armbruster, I often say and I agree with you, we are balancing interests. The Turnpike is interested in furnishing provider services to our travelers and the food operators' interest is to make money. We've got to balance that. We will review it. It might be more difficult. We might have to look at our common area charges, guaranteed rent. We will go through that exercise and I understand the competition off our mainline. But there is a big convenience, you only have to stop one place. You have buildings on the north and south side of the road, McDonalds is left and Bob Evans is right and there's four people in the car and they don't know what

that want. At least when they go to the Turnpike, the family can split up right there. We have some competitive advantages on the Turnpike, too. And the trucks have no where to park and that helps. I think that's what we need to look at. What do we want? Right now it's all national brands and maybe there are some local brands that should be bidding that don't.

Strnisha: Gino, are you proposing that by November you'll come back and tell us basically the approach you want to take or will you actually be bidding between now and November?

Zomparelli: That's another good question. I'd like to come back with both. We will immediately start talking about this if we do this and we can get momentum going quickly enough that I would be able to come back with a proposal to the Commission. I still want to keep a competitive bid, but we won't go through the same process that we did this last time.

We'll make it a lot easier for them to bid. We won't ask for and this is just a plan and I'm thinking out loud, not asking for the bond guaranties right now. I want companies to submit their proposals for the food concepts that they would like to operate at that facility and then put together a package and then come back and whatever the Commission approves go back and negotiate with the companies for rates. Now, there is a strong possibility that we won't have all the concepts in by the time the plazas are scheduled to open. But I'm not too concerned with that. I don't mind it if they are not in. As long as we get it in by the summertime – late summer – because they are concepts that we hope will be there a long time and that it's OK to wait a couple months on the front end. If it's something we can be satisfied for 10-20 years down the line. The answer to the question that I would be asking the Commission if they reject the bid, re-advertise and I'll meet with General Counsel to make sure we are meeting the legal requirements for re-advertisement, but do it more along the lines that we do for professional services – have them submit the concept technically and then we'll go back and negotiate rates and fees assuming it is accepted.

And hopefully, the Commission will have two or three options to pick from. We will be making the decision not only on percentage but what will be the best use.

Strnisha: I think it would be good as you construct that bid still to have an idea on the rate issue. Because we'll want to know if we go for a concept that we really feel strong about but in a sense may be taking a concept that isn't quite as profitable. We need to understand if we do that how profitable that is. I think there is some sense for the right combination we would consider that, but if there is a great difference we would probably say this is not the place probably to do that and we ought to go with a more traditional approach. It has to be part of the consideration, it can't be just what restaurant concept four people here think is the right choice.

Zomparelli: I agree 100%. So the Commission Members understand, we are not looking highest bid but the best bid. That may be the trade-off.

Strnisha: We'll have some of that information in the restructured bid format, right? We'll know what we are getting.

Roll: Mr. Greenwood-yes, Mr. Strnisha-yes; Mr. Blair-yes; Mrs. Leever-yes. The resolution rejecting proposals for the operation of the food concession/retail gift shop at the Commission's Portage and Brady's Leap Service Plazas under Contract No. TR-8C is adopted.

Zomparelli: One last piece of business to report to the Commission Members. We have been successful in our search for a new Public Affairs Manager. She has not started with the Turnpike yet but she is here at present. I'll ask her to stand and introduce herself. Take two minutes and tell us where you used to work and a little bit about your background.

Hakos: Good Morning, I'm Lauren Hakos. I have worked at Sun Newspapers for the past 2-1/2 years as their Promotions and Community Affairs Director. I'm anxious to start working at the Ohio Turnpike Commission in their Public Relations Dept. I have a wide background in communications, promotions, advertising and am well-rounded and I'm anxious to get started. Thank you.

Zomparelli: I wanted the Commission Members to know, part of the interview process, we gave her complaint questions to handle. She had to sit here without knowing what the question was, and write a letter. She wrote a pretty good letter without knowing anything about the Turnpike. It was an idea of our Government Liaison, Mr. Pat Patton. We'll give him credit, too – it was a great idea. It was a situation we'd have to deal with.

I do know that Senator Armbruster would like to address the Commission on a situation that we discussed and I think the Commission Members should be made aware of. I think it might be worth pursuing.

Armbruster: The question I'd like to propose is to ask the Commission to put together or to look at a feasibility study or feasibility of actually building a "spur" or a new Turnpike you might say, to the existing transportation system in Lorain County and possibly through Medina County, Wayne County and kind of get a north/south corridor started. It's my guess and Mr. Blair can tell me if I'm wrong that ODOT will not have any funds in the immediate future to build a new road.

The proposed road I'm talking about I'm not sure where it would connect or go. I've been asked that question. The first step would be to ask the Turnpike Commission #1, Tom, can it be done? Is it within the legal right of the Turnpike to do this and the second question would be: Do we have the will and the political will to look into it and it's the only way that I can see in Lorain, Medina and Wayne Counties that we will ever get something like this done. If we don't look at it now, the growth in those counties will be so tremendous that because of what's there we will not be even look at available land because we'll have to take something down to get it down.

So I would ask that the Turnpike Commission at least give the opportunity of the Executive Director to look into and I propose that and I don't know if I have to make it in the form of a motion, I don't think I can, but how can we proceed on this?

Leever: Well, since this has been opened up for discussion, I think our next step and it will be a series of steps, as you are well aware Senator, I think would be for our Executive Director and staff just to make inquiries, gather information and fact-find and report back to the Commission. I would assume that would be the very first step and then we can go from there.

Zomparelli: Madame Chairman, I think that would be the approach if the Commission Members also agree. It's an idea. We'd like to take it to the next point. We have done some work in the past and we have to identify what we have done in the past on studying some of that Lorain corridor. We might have some information already, we'll have

to dig up some files. I spoke with Mr. Everhart, our transportation advisor, about this also. If the Commission is in agreement, Madame Chairman, I'll follow along and report back to the Commission Members at the November meeting how far we have gotten and I'll work with Senator Armbruster so we can identify what area we are talking about and also try to get a feel for the local officials and who is supportive. I guess Senator Armbruster has already talked to some local business interests and some local representatives. We will try to gauge the interest and the need and identify the area and hopefully we could be talking about our first spur. That would be tremendous and at the same time we'll keep close contact with Commission Member Blair or whoever he would direct us to do that with.

Blair: As you all know, our budget is such that on tract, we are pretty well spent out for the next three years and probably even beyond that before we could even consider that. Our budget's pretty tight. I think you are appropriate to go to this group to ask and see if they can, in fact, do anything. We certainly will help them in any way we can as far as new dollars, our budget is pretty tight on that as you well know.

Armbruster: And from my evaluation of living in this county for 30 years and being in this position for the last two, and being on the Transportation Committee, I don't see us probably ever building a new road out there at least in the 20 years coming from ODOT funding. We have to look at other alternatives if, in fact, there is the political will to get it done from the local communities out there.

I guess what I'm looking for is closure, We can talk about all the things we want to talk about and make it as political as we want to. But the issue is: can it become reality, does it make sense and let's quit talking about it and move on to other subjects if, in fact, it is not feasible and there is not the political will to get it done.

Zomparelli; The next item is the Commission will have its next Oversight Meeting on Friday, September 15th. Senator Armbruster is also a member of the Oversight Committee and you may want to mention that we will be looking at that project so that they may be aware of it, but there is not any formal process. We are just looking into it and gathering information. We don't want it to get out of hand. Once we have a complete package, then I think that would be the time to address it.

We will also have a Customer Advisory Meeting. I told the Commission it would be in August, but because of schedule conflicts with some of our members, it's going to be held on September 12. Mr. Chiarucci will help us gauge our first meeting of the year.

Leever: We expect great and wonderful things.

Zomparelli: That concludes my report, Madame Chairman.

Leever: Thank you, Mr. Zomparelli. Mr. Erickson, do you have any added report that you'd like to give?

Erickson: No, I just wanted to thank the staff for their cooperation in putting this document together. You did an excellent job at Moody's and I think it's fair we are fairly optimistic about the outcome in later this fall.

Leever: Our trustee, Frank Lamb?

Lamb: No report, Madame Chairman.

Leever: We are getting down to the end, never the least – Captain Farris?

Farris: I'll try and be brief. During the summer holidays, we experienced no fatalities on the Ohio Turnpike. That is attributed to the efforts of the Turnpike Commission and our troopers out on the road. During the holidays, we try and keep additional troopers out there to deter violations and particularly accident-causing violations and our troopers work very hard during those times. We currently stand at 7 fatalities for the year. That includes the death of Trooper Perez and George Tenney whose deaths were ruled accidental by the respective county coroners in Cuyahoga and Erie Counties.

My goal is to conclude the year 2000 with no additional fatalities. That would equal 1999 totals. This is a tall order I recognize considering that 1999 was an exceptional year and in addition there is nearly four months remaining in the year 2000. However, we will give it our best effort.

Yesterday afternoon there was an incident on the Turnpike that I want to bring to the attention of the Commission and Director Zomparelli. At approximately 4:30 p.m. a commercial hauling 2,000 pounds of a corrosive liquid was involved in a one-vehicle crash. The commercial

was traveling eastbound on the Turnpike at MP 127 entering a construction zone. He ran off the right side of the roadway into a ditch and the vehicle over-turned. The vehicle was hauling approximately 2,000 pounds of a corrosive liquid in 55 gallon drums. The liquid did leak out of the drums and out of the trailer into the ditch. As a result of this crash, the eastbound and westbound lanes of the Turnpike were shut down for a period of time. The westbound was subsequently re-opened and I understand Madame Chair you were a victim of that crash caught in the traffic.

I am assuming you were westbound?

Leever: No, I was eastbound. I wound up westbound, though.

Farris: The westbound lane was open after a brief delay. However, the eastbound lane was closed until the spill was contained and cleaned up which did not occur until 12:40 this morning. That crash although could have been very serious was not and could have had some other implications as far as other crashes as a result of that initial crash. I think that's attributed to the quick response of the Turnpike maintenance. In fact, in order to get traffic re-routed, we had to move some of the construction barricades and actually turn eastbound traffic around and head them back westbound.

That was quite an undertaking and the Turnpike Commission certainly is to be commended for the work of the Maintenance Department that you have. That driver was charged with failure to maintain control of his vehicle.

One other incident I'd like to share with the Commission and the Director, on August 31, Trooper Pagan of the Milan Post arrested a patron on the Ohio Turnpike for driving under the influence of alcohol. Following the arrest, our investigation led us to learn that the driver had used a contractor, non-revenue card to pay his toll when he exited the Turnpike. The driver had in the vehicle a passenger. The passenger admitted to one of our troopers that he had taken the card from his father's desk without the father's permission.

After consultation with the prosecutor's office, it was decided that we would charge the driver with DUI, speed and toll evasion. The passenger was charged under age consumption and unauthorized use of property. The two people in the vehicle are students at the

University of Toledo and as we learned, they use the Turnpike quite frequently traveling to and from the University. On this particular occasion and possibly others, they use that non-revenue card that was issued to Gerkin Paving. It is my understanding that the father of the passenger actually works for Gerkin. To give you some idea how seriously this violation is viewed by the Milan Municipal Court and I am certain how the Turnpike views this violation, the driver was found guilty of all three charges and fined \$550 and sentenced to 3 days in jail and his license was suspended for 6 months for the DUI violation, \$50 in court costs for speeding, and \$20 fine for the toll evasion.

The passenger was found guilty of both charges. He was confined \$100 and sentenced to three days in jail for underage consumption and for the theft offense which is unauthorized use, is a theft offense, he was found guilty, fined \$100 and sentenced to 10 days in jail. I think that is very significant. The 10 days not suspended by the way which some courts have a tendency to do. So that court at least took that very seriously. I also wanted to inform the Commission that whenever we become aware that these cards are being used inappropriately, they will be confiscated and returned to the OTC as was the card in this case. It has not been returned but it has been confiscated.

Anytime we become of mis-use of these cards, these people will be charged appropriately and hopefully the other courts if it does take place in another court it will treat it as seriously as the Milan Court did.

On August 26 of this year a memorial was conducted at the Milan Post in honor of Trooper Robert Perez. In attendance at that ceremony was the Perez family and members of the Milan Post including myself and Staff Lt. Derr. A tree was planted in memory of Trooper Perez and a granite stone was placed at the base of that tree. On behalf of the Perez family and the OSHP I'd like to thank the Turnpike for granting approval to plant that tree and place that monument in honor of Trooper Perez.

Lastly on Friday, September 1st, graduation of the 135th Ohio State Highway Patrol Academy class took place at the OSHP Academy in Columbus. Four new troopers from that class have been assigned to the Ohio Turnpike District #10. Those new troopers are eager, ready

and willing to perform their duties and they are also very young. They will need great guidance and supervision while they learn their trade. I would like to thank Mrs. Leever for taking time from her busy schedule to attend that graduation. I hope that was a learning experience for you and I hope you appreciate what exactly is these young people go through and how important it is for them to undertake that graduation ceremony. That is all.

Leever; Thank you Capt. Farris and yes I thoroughly enjoyed myself and I want to thank you for being such a great guide and appreciate it. Capt. Farris gave me a tour of the Academy after the graduation ceremony and he is right. These are very young people. Either that or I'm getting old really fast. They look so young as he suggested, -- "eager" and they really are and we have three young men and one young woman assigned – two at Swanton and two at Milan Post. We are looking forward to having them as part of our family. I want to thank you again for taking the time to escort me around. I felt very secure. Captain Farris sat on one side and Lt. Derr on the other side. I couldn't get in any trouble that day. I appreciate that you took and the courtesy that you showed me. Thank you.

Mr. Arlow, I apologize for missing you in the wonderful line-up here.

Arlow: No problem, Madame Chairman, Commission Members, I'll be very brief. We have 17 on-going construction projects presently. Fourteen will be completed by November 30, 2000 and three are on-going until next year.

Leever: Our General Consultant, Mike?

Schipper: This month we turned in our building inspection reports.

Leever: And no report from General Counsel which cuts off at least ½ hour. If there is no further business, I'll accept a motion to adjourn until November 6th.

Roll: Mr. Strnisha-yes; Mr. Blair-yes; Mr. Greenwood-yes; Mrs. Leever-yes. We are adjourned.

Leever: Thank you for coming, have a safe trip home. (Meeting adjourned at 11:47 a.m.)

/dsp

