

MINUTES OF THE 471st MEETING OF THE OHIO TURNPIKE COMMISSION

November 5, 2001

Pursuant to the bylaws, the Ohio Turnpike Commission met for a meeting at the Commission's Administration Building at 10:10 a.m. on November 5, 2001, with members of the staff: Gino Zomparelli, Executive Director and Assistant-Secretary Treasurer, Daniel Castrigano, Deputy Executive Director-Chief Engineer, Rob Fleischman, Asst. Chief Engineer, Pat Patton, Government Liaison Officer, Thomas Amato, General Counsel; James Steiner, CFO/Comptroller; Richard Morgan, Director of Information Systems; David Miller, Chief Auditor; Tim Ujvari, Maintenance Engineer; Sharon Isaac, Director of Toll Operations; Kathy Dolbin, Manager, Human Relations; Reggie Williams, Community Liaison; Tim Escola, Asst. Director Safety Services; Fred McFall, Patron Services Manager and Lauren Hakos, Public Affairs Manager.

The Chairman then called the meeting to order and requested the Asst. Secretary-Treasurer to call the roll.

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 Chairman advised that Representative Buehrer, Senator Armbruster and Mr. Dixon, who is a new Commission appointee is not present at today's meeting, however, Senator Armbruster is expected shortly.

The Chairman advised that Robert Blair was attending today's meeting representing ODOT Director, Gordon Proctor, and is authorized to vote for him.

The Chairman stated we have a number of guests here today and she said it was wonderful and she was so pleased. Just to show you how pleased I am, I want you all to introduce yourselves. We'll start with the ladies at the table:

Diane Pring, Tracy Cowley, Executive Office; Jim Riley, HNTB, Susan Nobilio, John Petty, Nat City Investments; Bobby Everhart, Mike Burgess, URS; Frank Lamb, Huntington Bank; Eric Erickson, Fifth Third Securities; Mark Miller, Apex Pryor Securities; Capt. Ferguson, Lt. Tornabene, OSHP; John Peca, Alan Hirth, Climaco, Lefkowitz; Larry Woolum, Ohio Trucking Assoc.; Bob Martel, Hardee's Food Services; Kenny McTrickett, Floyd Jeffries, I.U.O.E., Local 18.

At the Executive Director's request, the following OTC Departments were represented at today's Commission Meeting: Toll Audit; MIS, Accounting, Engineering, Legal, Purchasing, Patron/Safety Services; OSHP, Public Affairs, Building Maintenance; Telecommunications, Office Services, Maintenance, Toll, Human Resources, Payroll, OTC Horticulturist; Receptionist/Switchboard Staff, and Executive.

The Chairman welcomed all in attendance and said, "What a wonderful group we are." She also thanked the Executive Director for extending an invitation to all of our co-workers to join us for this Commission Meeting. It's an excellent idea and she was so pleased to have all of you here today.

Our new Commission Member, Mr. George Dixon, arrived at 10:08 a.m. Mr. Dixon was welcomed by the Chairman and introduced to the Commission Members and staff. Mr. Dixon apologized for his tardiness and mentioned he got lost.

Senator Armbruster arrived at 10:15 a.m.

The Chairman said she wanted to welcome Mr. Dixon who was recently appointed by the Governor to serve on the Ohio Turnpike Commission, and he will be observing today and we certainly welcome him. We are very happy to have you here with us.

Mr. Dixon responded with thank you very much, and he appreciates it.

The Chairman commented that the rest of you thought it was difficult because you had to sit in the front of the room, see how came in last and had to sit up here by our front table --it could be worse.

This is the Commission's 471st meeting of the Ohio Turnpike Commission. 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 September 24, 2001 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 Mr. 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, Mrs. Leever.

Nays : None.

The Chairman advised that various reports would be received and the Commission will act on one resolution, a draft of which has previously been set to the Members and a copy has been placed in the Members' folders. The resolution 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.

Greenwood: The following items have been sent to the members since our last meeting on September 24, 2001:

1. Draft of Commission Meeting Minutes of September 24, 2001
2. Traffic Accident Summary Report, August, 2001
3. Traffic Accident Summary Report, September, 2001 *
4. Financial Statements, September 30, 2001
5. Revenue by Month and Year, September, 2001
6. OTC Budget Report, Nine Months, 2001
7. TR-8D bid tabulation, food and retail concession proposals for OTC's Middle Ridge/Vermilion Valley Service Plazas
8. Various News Releases

Leever: Report on Finance/Budgetary matters, Mr. Steiner?

Steiner: Thank you Madame Chairman, Commission Members. I am very pleased to report that passenger car traffic on the Ohio Turnpike continues to set all-time records. Based on preliminary data for the month of October, the passenger car traffic during the first ten months of this year totaled 31-M vehicles, surpassing the prior record established last year by 256,000 cars or 0.8%.

The commercial traffic during the first ten months of this year totaled 7.6-M vehicles falling short of the previous record set last year by 353,000 vehicles or 4.5%.

The total traffic during the first ten months of this year totaled 38.6-M vehicles falling short of the previous record set last year by 97,000 vehicles or 0.3%.

As I reported at the Oversight Meeting, the tragic events of September 11th did not appear to have a direct impact on our commercial traffic. We all know that commercial traffic tends to fluctuate with general economic conditions. The one impact that we had noticed is an increase of somewhere between 3-5% in the average trip length for passenger cars and this includes approximately a 25% increase in the number of the passenger cars that are passing through the State. This would suggest that some individuals who previously chose to fly are using other modes of transportation are probably now driving. That completes my report, Madame Chair, but I'd be happy to answer any questions.

Strnisha: Mr. Steiner, you saw that since September 11th. Interesting.

Steiner: That's correct.

Leever: You said there was a 25% increase in passenger cars?

Steiner: Yes, that are passing through the state. This may suggest that people who were flying to Detroit or Chicago, Pittsburgh, may now be driving.

Leever: Did I hear you say, 38-M vehicles.

Steiner: The total traffic for the first ten months of this year totaled 38.6-M vehicles. It's just 0.3% below last year's record. In these current economic times, that's pretty favorable.

Greenwood: Did you see any connection with purchases at the restaurants in the service plazas? Since there was more traffic, are they using those services significantly more – buying more gas?

Steiner: Madame Chairman, Commission Member Greenwood, we don't have a way to measure vehicles going in and out of the service plazas, but our revenue is consistently increasing and the parking lots seem to be full and it does not appear to have affected our concessionaire revenue at this time – maybe it's too early to tell.

Leever: Mr. Greenwood, perhaps Mr. McFall could speak to that? Could you tell us something about our service plazas?

McFall: We are experiencing increased sales at our plazas, but I don't have the exact percentage. Our operators report a substantial increase and HMS has reported over 25% since 09/11 over last year's sales.

Leever: Thank you, Mr. Steiner. So for you staff members who are sitting here today, no matter what your job is, no matter what your little niche is, just know that you are helping to accommodate 38.6-M customers so far this year. It's all part of making certain that our customers have the very best and safest road in the State of Ohio.

And now our report from our Executive Director, Mr. Zomparelli.

Zomparelli: Thank you, Madame Chairman. Before I get into the resolution in your packet, the resolution is for the Preliminary Budget for 2002. I thought it would be appropriate for the Commission to see our staff – which is not very large – who these numbers apply to, not only to our patrons but also to our staff and the work that the staff does on behalf of the OTC and the State of Ohio. These are all good, hard-working employees. A lot of times government employees do not get enough credit from the media and the public sector and I

wanted them to get recognition from me – at least- this morning and from the Commission Members so they can get an idea what a Commission Meeting looks like. It's not just the heads of the departments attending but they have a feel for it and also for the Commission to see how small a staff we have.

Last year, 2000 there were 2.7 billion miles traveled on the Turnpike last year (0.85 billion was commercial and 1.85 billion miles were traveled by cars.) Over 45-M traversed the Ohio Turnpike last year.

I'm going to give you a little idea what the staff does because I'm going to ask groups to stand and the ones standing to raise their hands. I'm going to show you the different departments.

We're going to start with the one that does not get enough credit. They work down in the trenches – Toll Audit Dept. We finally got them windows this year. Everyone in Toll Audit, please stand. You see, Dave Miller, you can stand too. We've got \$200-M in revenue and about \$176-M came from tolls. This is our Toll Audit Dept. We don't have the host of toll collectors out there who are also part of the Toll Audit program, but I want to give them recognition because they never really get it. Unfortunately, they are on the ground floor, but I am certainly appreciative of the number of transactions. When I talk about 2.7-B miles – that's a lot of cars and trucks going through the Turnpike. That's a lot of toll tickets. They have worked through a couple of transitions already since the 6 years I have been here. We'll probably have another one. I want to thank you.

OK, next the Toll Department – Sharon Isaac, Irene Washington, Kelly Box, Gary Cawley (downstairs) – he's our Superintendent of Tolls. There are 600 employees in the Toll Department. You look at our staff – we also have three District Supervisors who are not here (William Hock, Western District Toll Supervisor; Frank Crouch, Central District Toll Supervisor and Tom Gibbons, Eastern District Toll Supervisor.) That's it. Not too many people handling 600 employees at 31 interchanges along the Turnpike.

Next, Accounting Dept. They collect all the tolls and keeps track of the data – Jim Steiner, Nancy Siler, Janet Kirkpatrick, Donna Cook, Carol Marlowe – that’s probably one of our biggest departments. They are in charge of the \$200-M of revenue we collect each year and paying our \$750-M in debt. We keep paying it down, I like that. The lower the debt the better. I also want to acknowledge all of you today. It’s not a very large department.

Leever: Which one writes my check?

Zomparelli: Linda Birth, Donna Riolo,, Maryanne Walsh comprise our Payroll Dept. for 1200 employees.

Birth: A little higher – about 1300.

Leever: Thank you so much.

Greenwood: The most popular person in my mind is – who handles the Petty Cash?

Zomparelli: We don’t have Petty Cash.

Siler: We have Travel Reimbursement. We have written about \$180-M in checks this year.

Greenwood: That’s more than my wife. That’s a lot of checks.

Zomparelli: OK, the Engineering Dept. They make us spend all that money. We have Dan Castrigano, our Chief Engineer; Rob Fleischman, Asst. Chief Engineer, Scott Brady, Doug Hedrick, J.J. Szachlender, Crickett Jones, Mike Phillips, Karen Hughart (answering phones) Kerry Ferrier, our traffic engineer. That’s a small engineering department. You have met the extension of the Engineering Dept. with HNTB and URS. The third-lane program which we started the engineering and design phase back in 1995. The capital improvement program with the expansion from two lanes to three lanes between Toledo and Youngstown is about 85% complete. That \$750-M debt outstanding is from Engineering, but that’s what our customers needs and that’s what they demand. We are giving them the best product.

OK, I see Nancy Gold from our Legal Department. Nancy is an unlicensed lawyer – no I'm just kidding. There's Joe Disantis, Barb Walker, Ella Camiola, And we have Lisa Reid, our Workers Compensation Administrator and Debbie Klooz, her assistant.

Diane Pring, who is my secretary, was also in Legal before she helped me and transferred to the Executive Director's Office. We have a small Legal Department under Tom Amato, our General Counsel. They process a lot of contracts each year and a lot of transactional work and a lot of employee matters that we handle and of course, our Workers' Compensation Program – 1200 employees with 300 maintenance workers on the road and all our toll collectors there is a lot of Workers' Compensation issues. We are self-insured and we administer that program ourselves. Lisa and Debbie pretty much handle that along with Tom. That's a never-ending task.

We have all these different departments. The departments sound large, but when you look at the number of people in the department it's a small number that do a high level of quality and efficient work. Joe Disantis is a legal assistant who handles the right of way. Ella handles the Prevailing Wage coordination which is not an easy task with all the construction contracts through 13 counties on the Turnpike. She does that with Nancy and Tom and Joe Bernardo is an aspiring attorney attending Cleveland Marshall.

The Legal Department gets involved with all facets – engineering contracts, labor negotiations that are going to be underway soon.

Next Human Resources. We have a huge Human Resources Dept. – Kathy Dolbin, Maggie Baldy and Kim McCullah (3-1/2) . We also have Reggie Williams, our community liaison, who was recently hired by the Turnpike. (He shares his time with Human Resources & Public Affairs.) With the 13 counties and the 70 municipalities that we go through, it's important for the Turnpike to become part of all our communities. The Union keeps us busy, there's benefits issues in excess of 800 full time employees. Employee issues

that never seem to end each day. I want to thank them for all their hard work.

We have a huge Horticultural Dept. to handle all the trees up and down our Turnpike. Please stand – Danon Hopkins. We help neighbors with their trees and shrubs and also our service plazas, maintenance buildings, the residents of Amherst.

How do you keep track of all this processing? Every office now has a computer in it. MIS Dept. , please stand – Dick Morgan, Jeremy Clowers (not here); Denny Kratzer, who has been a stable force in our MIS Dept. We also have Coral Ransom and Jeff Winner who are not here. We have gone through three changes. We had MIS as part of the Acctg. Dept.; under the CFO/Comptroller. That was separated out. Dick is our second MIS Director since I have been here. Denny has been here all that time keeping everything together and processing all those toll transactions, assisting Acctg. by keep track of the General Ledger accounts, helping every employee in every department with word processing, business applications, payroll processing checks. Again, it's a small department, we are expanding because the technology needs of the Turnpike. We have two additional employees down in MIS, Samatha who was a toll collector so we had an opportunity to promote from within; Chriss Pogorelc who are new employees. Thank you.

Next – Purchasing Dept. please stand. Dan Fiktus, our Purchasing Agent, has been here 25 years and is one of our most seasoned veterans. Who has more than 25 years of service? Scott Brady in Engineering and Ron Hoover in Toll Audit (27.5 years) and Judy Peskura in Patron Services (30 years).

We buy an awful lot of goods, services, materials, contracts, salt. We have a small Purchasing Dept. assisting Dan (Darnay Wright, Vicky Kullik, Harriet Teague, Barb Black) and that is why one reason I am working with Senator Armbruster who is assisting us in trying to get our bidding threshold raised from \$10,000 to \$50,000 so we don't have to expand this large staff any further. We keep everyone in Reproduction extra busy. They do an efficient job, process all the RFP materials and

advertise in the paper. That's what Dan is in charge of and I want to thank all of you also.

Patron & Safety Services – Judy Peskura, Fred McFall. Dick Lash and Tim Escola are out on the road and Dan Miller and Frank Irilli are at the service plazas. We have 8 pairs along our 241 mile corridor. That is our new contact for our customers or patrons. We stole Fred from a vendor and he's on our side now. Judy – you have been here 30 years. Does anyone beat Judy with service? No – thank you.

Maintenance Dept., please stand. We have eight maintenance buildings and Tim Ujvari took over for Dan Castrigano when he was promoted Deputy Executive Director. Tim is our Maintenance Engineer. We have Jerry Corbo, Stuart May, Karen Lowman, Frank LaRiccia, Chris Matta, Danon, Toni Sovich (downstairs). We have 300+ maintenance workers. This is the department that is responsible for having the proper equipment for snow removal and handling all the maintenance and roadway issues – cones, reflective pavement markers, putting cones near cars when they have been disabled, coordinating with our Radio Room, deer removal which is our second largest cause of accidents on the Turnpike. We thank you for your work. Again, it's a small department.

Next, Sue Morgan, our receptionist/operator downstairs who greets every call. We don't have voice mail, you don't have to press 1 to get Gino Zomparelli. You call and she'll put you through to Diane. That's the state of our security, and Diane will get you through to me, if necessary. Everyone who calls the Turnpike gets a voice. That don't get a computer that says if you want Engineering press 100 and then go there for a directory. Sue takes care of that and I don't think we'll change that for as long as I'm Executive Director because I think that personal touch is important. People are not numbers, they are people. She you handle that Switchboard excellent. It's not easy when you get 8 lines lit at once. If anyone thinks that's easy, go ahead and try it.

Leever: She tells me to please hold, lots of times.

Zomparelli: We get treated the same, it happens to me occasionally, but she does apologize afterwards and you don't have to. Thank you. Those are internal departments.

Just as important we have a partnership with the OSHP. I see Captain Ferguson and Lt. Tornabene. I ask you to stand. The OSHP is supported by Turnpike employees – Andrea Martinson, Janice Jones, clerks at the three posts along the Turnpike. The OSHP, we recently hired 11 new cadets to start working on the Turnpike. We now have 87 dedicated highway patrol personnel to the Turnpike along with our staff working with them in the same offices. They keep the roadway safe and respond to incidents. It's a small department, Captain, two Lieutenants next door for a 24-7 operation. Thank you.

Building Maintenance also needs to be recognized. Harry Gist, Scott Hedricks, Mike Provenzano. Rob Hughart, Virginia Moon and Helen Shudan are downstairs). They keep this place clean, maintain matters – when there is a complaint, we call them and they take care of it right away. Some days it's easier than others. We have had a lot of reorganization around here the last couple years and a lot of moving of offices. They haven't damaged any equipment. They have done an excellent job, and they also don't get enough credit.

I think I've covered the department represented at today's meeting. I'll ask Sharon and Tim Ujvari to pass along to your departments on the roadway.

Department of Public Affairs: Reggie you can stand again since you are assigned to this department for 50% of your time. Lauren Dehrmann and Heidi Jedel. We get a lot of E-mails, questions from electronic toll collection to why was I delayed on the Turnpike? They want instant responses to questions from the media who are always looking to stir controversy. Whenever we tell them a good story, it's difficult to get it printed. It's not an easy task for such a small department. Again, we are 24/7 and Reggie splits his time in assisting Lauren as well as Kathy Dolbin in Human Resources. I thank you.

Leever They keep the wolves at the door.

Zomparelli: Telecommunications Dept. Has Bill Keaton arrived? We have microwave systems, fiber-optics running along the Turnpike, Radio Room, also operated 24/7. Bill Keaton, Carolyn Wolfe are responsible for the administrative matters. We have 8 radio room operators and a supervisor. That handles all the employee-patron issues that happen along our corridor whether their car has been disabled and they need assistance, there's a work zone coordinating with maintenance, monitor weather conditions.

Being a voice for all our employees out here after the normal first shift. The Radio Room is in constant contact, keeps us tied together with the 8 maintenance buildings, 30 interchanges and also the OSHP radio dispatching room which is right next door to ours. Thank you -- with the microwave system, if we lose communication, we are all in trouble. That's a very important task.

Tracy Cowley from the Executive Department -- you're Pat Patton's, our Government Liaison's, secretary and you also assist the Traffic Engineer, Kerry Ferrier. Pat works with our legislature down in Columbus keeping them informed of what we do, and Tracy is also involved with Kerry on our Long Combination Vehicles (LCVs) our doubles and triples carriers program and our permitting process for over-dimensional vehicles.

We have a department for everything, but it's a small staff. We don't receive any assistance from the State. We don't work with the State's Department of Administrative Services, we are independent from the Ohio Department of Transportation except for the Commission, but we work together. They are also our partner on our roads because we are not insulated.

I wanted the Commission to have a real appreciation for all the departments that we cover and all the needs we cover for our patrons which we accomplish with a relatively small staff. I was at the Pennsylvania Turnpike facilities not so long ago. Their road is not much longer than ours, and you should see

their staff. They have a lot more than we do. I'll match ours against theirs.

The other thing I wanted to point out to the Commission. I started work for the Commission on February 1st, 1995 as General Counsel. In just about 6-1/2 years we had so much transition and new people/personnel because of retirement, attrition, lateral moves. We have been able to keep everything together. We have been able to manage the Capital Improvement Program in excess of \$1-billion, the best maintained road in the world, maintain safety records, complete our construction and engineering projects on time, on budget and in many cases below contract award amount.

I wish there was someone from the media here to see what kind of fine job all these people do. When I started to where I am today as Executive Director, Jim Steiner is my third CFO. Dan Castrigano is the third Chief Engineer; (Alan Plain, Dave Ransbury and now Dan); Tim Ujvari is the second Maintenance Engineer in charge of all Maintenance employees. Sharon Isaac is our second Director of Toll Operations – she worked with me as Asst. General Counsel in the Legal now she is Director of Toll Operations. We have the third Executive Director since I started (Allan V. Johnson in 1995; G. Alan Plain until 07/31/99 and now me).

Dick Morgan is essentially the third Director of MIS. I say third because MIS Dept. was part of the Acctg. Dept. and when I worked with Alan Plain in restructuring and re-organizing the OTC, we split out the MIS Dept. that was handled by Craig Rudolphy, the first CFO. John Mitchell was in charge, and Dick you took over 1-1/2 years ago. Kathy Dolbin was essentially the third person in charge of what was previously called Administrative Services transitioned to Human Resources. We have had internal re-organization between Nancy Siler and Dave Miller who handled that transition well from Chief Accountant to Chief Auditor. The Audit program which we are expanding into conducting audits of all our engineering contracts, contractor contracts and also the OSHP. All that is in line with due diligence and being financially and fiscally responsible.

Fred McFall essentially created a new department in our Patron Services Dept. That's undergone transition since I've been here. Probably two or three transitions – Judy how many do you think – 3.

Dan Fiktus – thank you for being a stable force in Purchasing. I'm glad we didn't have a change in that area.

I'm glad we didn't have to change OSHP. It's been a stabilizing force, but Captain Ferguson is the fourth Captain of the OSHP that is designated for the OTC that I have worked with.

Let's look at this table of Commission Members – Ruth Ann Leever, you've been here almost ten years (Yes, I'm the old one.) Everyone else here is a new Commission Member that I didn't have the pleasure to work with I started. Mr. Dixon will be our newest and before that Mr. Strnisha. Mr. Blair, may be you're the 5th representative from ODOT that I had the pleasure of working with on the Commission. We've have gone through 3 Secretary-Treasurers with Mr. Greenwood holding the current position.

In Engineering, Rob Fleischman is also a new employee as our Asst. Chief Engineer. He was with our consultant, URS.

Ron Hoover and Craig - you have been stable down there for us in Toll Audit, thank you. We appreciate that and the whole department has been stable and there really hasn't been much transition although they probably wonder what's going on in the rest of the building sometimes.

I think I have covered everyone except Lauren – she's my fourth Manager of Public Affairs during the transition. Ella you are the second Prevailing Wage Coordinator, Sue you're the second receptionist – I think – Betty King was your predecessor. Dan, you're third as Deputy Executive Director.

I just want to thank all these employees for working through a great transition. We had two employee buy-outs where we have been over 200 employees retire from the Turnpike through our Voluntary Early Retirement Programs. I would probably say the first buy-out, almost 120 employees

participated and the second was almost 120 employees who retired, but more importantly what they took with them was 80% of our experience. That's my guess, I haven't checked the actual work records, but if they were eligible to retire they had a lot of years under their belt.

I point all these things out because they has not been an easy task as Executive to try and work and coordinate with these departments and I'm really proud how everyone has come together. I'm going to give them my personal hand, and I think the Commission should as well.

I had a lot more and could go on, but I don't want to drag this on any further. That concludes my unwritten report and I'll get to the written report with the resolution unless there is anything else the Commission Members wish to add.

Zomparelli: The first resolution in your packet is a resolution adopting a Preliminary Budget for the year 2002 providing for deposits required under the 1994 Trust Agreement during said year.

“WHEREAS, Section 5.01, Article V of the Commission's 1994 Master Trust Agreement dated February 15, 1994, provides for the preparation of a preliminary budget for the ensuing fiscal year on or before November 15 in each year; and

WHEREAS, the Commission's Executive Director and CFO/Comptroller have prepared the preliminary budget for the year 2002 and have submitted same to the Commission for its review and consideration and have recommended the adoption thereof;

NOW, THEREFORE, BE IT

RESOLVED that the Commission hereby adopts the following as its preliminary budget for the year 2002;

You can see in the resolution the breakdown between total revenues and total expenditures. Total revenues pledged for the year 2002 in the preliminary budget is \$181,680,000.

Non-pledged revenue of \$14,942,000 for a total Preliminary Budget for the year 2002 of \$196,622,000.

Our total expenditures under the Preliminary Budget have also been segregated between Pledged and Non-Pledged which total \$145,463,500 for the year 2002.

In addition, we list total transfers of \$51,158,500 for a Total Expenditure and Transfer Amount of \$196,622,000.

I recommend that the Commission move to adopt the Preliminary Budget for the year 2002. I will be working with the Chairman and review each department with her if the Commission is adopted.

Strnisha: I move for adoption.

Greenwood: Second.

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

The resolution passes.

Zomparelli: Well, I'm not done yet. Besides with the employees being busy with their day-to-day affairs, the Commission has been busy during September and October. On September 24, we held a Ribbon-Cutting Ceremony for the opening of the Cuyahoga River Bridge (eastbound) in Summit County. Approximately 50 people attending including contractors, consultants and staff members. Mr. Castrigano will speak further on that project in his report.

On October 17, 2001, the Commission received proposals for the food and retail concessions at the Middle Ridge/Vermilion Valley Service Plazas, Lorain County. Included in your folders is a bid tabulation. Proposals were submitted by: HMS Host; Restaurant Developers Corp.; Panera Bread Co. and McDonalds Corp. The staff and I will be reviewing those proposals and we will report to the Commission at our December meeting on our recommendation for food concessions/retail operations at Middle Ridge/Vermilion Valley.

We are also near finalizing a contract with Restaurant Developers Corp. for a Mr. Hero's concept at Portage and Brady's Leap Service Plazas, Portage County. All the terms have been agreed to and General Counsel is revising the contract and we will be sending the contract out for signature for the sit-down area at Portage/Brady's Leap. That will complete all food concessions/retail operations at those service plazas.

Fred McFall, Dan Castrigano and General Counsel and myself have been involved with working with Mr. Hero's and coming up with an acceptable food concept and also contract. We will inform the Commission at the December meeting of the signing of the contract.

Strnisha: Is that actually going to be a sit-down concept?

Zomparelli: Madame Chair, Mr. Strnisha, it will have table service, but not a sit-down where you think of having a waitress or waiter for every table. It's an expanded concept for breakfast, chicken, ice cream and sub sandwiches – a variety which we do not presently have. This will be a brand new food concession operator for the Turnpike. We are excited about introducing another Operator to compete for future service plaza facilities. They will also have a breakfast menu. They are excited about being on the Turnpike, too. The other thing I should mention about this concept. This is an Ohio company, an Ohio brand, and we are promoting an Ohio vendor. As that develops, we'll have a menu for the Commission's review at the December meeting so you can see exactly what we will be offering.

On October 15, 2001, the Commission held its informational meeting with the Amherst residents at the Holiday Inn at Exit 8. Over 50 people attended the meeting which included over 20 Amherst residents, the Mayor of Amherst, President of City Council, Senator Armbruster was also there in attendance in his legislative district. A PowerPoint presentation was made to all those in attendance. All residents were given an opportunity to ask questions. The meeting did not conclude until almost 11:00 p.m. that evening. It felt like the Commission came away with providing the residents a clear understanding of what the Ohio Turnpike was attempting to

accomplish with the construction of the new service plazas. We are only meeting the needs of our patrons in particular our trucking patrons, but also with an eye on the homes nearby. In that the buildings were built to be aesthetically pleasing. Also built for community use. There's a community room that is being constructed in those buildings.

We also encourage them to patronize the facilities. We informed them that the employee lots were expanded to allow for customer parking off the Turnpike. It was apparent to me during the course of the meeting that the residents for whatever reason had misinformation on the construction progress and the detail in the plans by our Engineering Dept. and GSI taking into consideration security, drainage, traffic flow to reduce truck noise for possible jake braking that might occur. I personally sent a letter to each Amherst resident who attended thanking them for attending. A copy of the letter is in your folder. I think the Commission should be proud of our representation and also the representation of Senator Armbruster assisting us through of what may have been a difficult meeting, but turned out to be very positive and complimentary to the staff as well as the Commission.

On October 22, Mr. Reggie Williams filed an application with the Ohio Bicentennial Grants Program. This grants program proposes to educate millions of citizens along the Ohio Turnpike with displays at all our service plazas if we are successful. The Bicentennial Committee will render its decision by December 31st, 2001 whether the Commission will be awarded the grant.

In our grant application, we proposed to match them dollar for dollar. Actually, we're a little higher, aren't we? Yes. We hope this would be a great way to enhance the image for the State of Ohio, not only for our citizens but also the visitors traveling through Ohio.

On October 30th, I nervously sent two employees to Washington, D.C. (Tim Escola and Dick Lash) to attend a safety service transportation security summit sponsored by the U. S. Dept. of Transportation, CA Dept. of Transportation, AASHTO and the American Public Transportation

Association. The program included discussions on “Protecting Public Surface Transportation Against Terrorism and Serious Crime” and “Selected National Surface Transportation Security and Disaster Response Training Programs.”

Tim Escola has not had a chance to rest starting work with the Turnpike, he along with Bill Keaton met with PA Turnpike officials for a tour of their communications/surveillance center in Harrisburg, PA. on November 1st.

Kathy Dolbin and Sherman Boyd – did I mention the Reproduction Dept. – where’s Sherman? They went down to Columbus to attend the Governor’s meeting on October 19th concerning suspicious mail. Educational information was distributed to OTC employees relating to precautionary measures to be taken when handling mail and packages.

We had an Oversight Meeting last Friday, November 2 in Toledo presided by Senator Armbruster, Chairman of the Highway & Transportation Committee for the Senate.

Prior to that meeting on Friday at 9:30 a.m., Kerry Ferrier and Dan Castrigano conducted a LCV informational meeting. Dan will cover that further in his report.

I have had numerous meetings with staff and employees. October was one busy month.

Not to forget our fallen citizens and co-workers in New York. On September 24th we started a program to raise funds for the New York Port Authority. The New York Port Authority’s Executive Director was killed as he was in the World Trade Center. Mr. Strnisha and Chairman Leever probably saw the reaction of the Port Authority employees when we attended the IBTTA Annual meeting when they rushed out to hear the news that their headquarters had been tragically terrorized and a number of our fellow employees in safety personnel were killed so at the Turnpike we decided to embark on a program as well as other people across the country to assist.

Remember, “Blinky” who was introduced at our last meeting? Our donation campaign raised over \$14,000. I had set out a goal of only \$10,000. At the Turnpike today, we have exceeded that by about 50%. Thank you to all our employees.

Dave Miller, Kathy Dolbin and Lauren Dehrmann, please stand, Heidi – how many T-shirts did we distribute, almost 1,000. It says, “Ohio Turnpike Commission Caring About America – Safety Drive the Pike.”

Along that, Dave Miller, when we had Blinky at all our service plazas – how much did we take in – in a quiet way, we didn’t have any employee presence.

Dave Miller: I’m pleased to report that “Blinky” the barrel program brought in \$3,493.25 for the 4 weeks that the barrels were in place in October, and I am informed that money is still coming in from patrons who wish to donate to our charitable effort.

Zomparelli: When we have a final tab we will report on the December meeting, and we will also contact the N. Y. Port Authority about the proper distribution of the relief funds. Thank you.

I also have for the Commission Members who also participated – The Chairman and Mr. Strnisha already received their shirts, but these are for you Mr. Greenwood, Mr. Blair. (Q: Will you wear that at the ODOT offices?) Our Special Counsel, Mr. John Peca, also participated so I want to acknowledge his donation as well as Eric, our financial advisor. Thank you.

We have been busy.

Senate Bill 165 – is a proposed bill. I gave testimony on October 16th before the Senate Highway Transportation Committee requesting our bidding threshold be to raised from \$10,000 to \$50,000. The reasons are two fold: administratively, we would save time and money; and secondly, I think it would assist contractors and vendors specifically, the smaller and socially economically disadvantaged businesses to have an economic opportunity on the Ohio Turnpike without having to submit to the onerous

and excessive bidding requirements for our smaller projects. I hope to report to the Commission on the progress of this legislation in December.

That concludes my report, Madame Chairman.

Leever: Thank you, Mr. Zomparelli and at the end of that report, I would like to again thank Senator Armbruster. He has supported us; he has been here; he knows what we are about and understands what we are trying to accomplish and your support means a great deal to us.

The other night at Amherst – that was not an easy thing for the Senator to do. These are his constituents, these are votes and yet he had the courage to say, OK folks, we can work together, this is what we can do. There are a lot of people who if put in that same circumstance would not have the guts to stand up and do what they really felt was right. I would like to thank you in public for doing this.

Report from Mr. Castrigano?

Castrigano: Thank you Madame Chair, Commission Members, I have a relatively short construction update since our last meeting. We are trying to wrap up the work on the road before the weather closes in on us. Within the next few days, we'll have open an additional 17.5 miles of third lane located in Wood, Cuyahoga and Summit County.

As Mr. Zomparelli referred to earlier, on October 12th we reached a major milestone on the third-lane program. On that day we held a ribbon cutting ceremony on the eastbound structure on the eastbound structure of the new Cuyahoga River Bridge. It was a miserable day – rain, windy but it was a big event. The contractor has begun to remove the deck on the existing structure. Over the next few months, we will be including the existing structure and we will keep the Commission updated on those plans in case anybody wants to see the “old” bridge go down. This project will continue through 2004.

On October 9th, we opened up the new toll plaza at S.R. 21 (Interchange 11) providing the new direct exit into S.R. 21. The direct link with Interstate 77 is scheduled to open the first week in December.

Work continues on Middle Ridge/Vermilion Valley Service Plazas. We are pushing the contractor to get those buildings closed in before the weather hits and we can move the work inside.

On a completed construction project, I'm pleased to report that the Maumee River Bridge has won an award. The Maumee River Bridge is located just east of Toledo. The bridge was built by Mosser Construction of Fremont, OH and designed by the Mannik & Smith Group of Maumee. The bridge won the 2001 "Build Ohio Award" on Friday, October 26th from the Associated General Contractors of Ohio. I'll read a short excerpt from the press release:

"The award given by the Associated General Contractors of Ohio recognizes the best of the best in construction in Ohio through finding excellence in meeting the challenges of a difficult job, excellence in project management, innovation in construction techniques and materials and excellence in client service." I think it's important to note that this \$20-M project which was opened in October, 2000 was two months ahead of schedule and more importantly, did have a perfect safety record.

The last item I have – unrelated to construction - you may recall in July I reported to the Commission on proposed changes to the Commission's Long-Combination Vehicle (LCV) and over-dimensional fee structures. Since that time staff has held two public, informational meetings – the first on October 15th at Exit 8, the second on November 2nd at the Toledo Express Airport which we met with over 25 representatives of the trucking industry. We have received both verbal and written comments on the proposed changes to the program. We have the third and final meeting scheduled for November 14th at 7:00 p.m. at the Dutch Village Inn, Youngstown, OH located just off of Exit 16. Following that meeting and after review of all the comments, I will report

further to the Commission at the December meeting. That concludes my report.

Leever: Thank you, Mr. Castrigano. Any questions? Any report from our financial advisor, Eric?

Erickson: As long as we are summing up, I might as well sum up what we have accomplished this year in terms of “the debt.” First, of all, as you will recall, the Commission was upgraded by Moody’s to AA3 so now all three ratings are in the AA category which is quite an accomplishment. It speaks well of the management and administration of the Commission.

Secondly, we accomplished two major debt issues this year. The first one was a new money issue, Series A which required in large part to refund the construction program. In addition, because of certain technicalities within the tax code, we used the common plan of finance - advance refund – to refund the prior issues. We picked that time in large part because of the advantage of the common plan of finance. One would think because interest rates had dropped dramatically recently that it may have been better to wait because of the common plan of finance and because of certain inefficiencies that result from the dramatic dropping of taxable rates relative to tax-exempt rates, that in fact was the best time to actually do the issue. Today, we probably would not have been able to accomplish the advance refunding. The timing was correct and we did accomplish a \$4-M savings to the Commission over the life of the issue. Also, I just wanted to mention one other thing that we had last year deposited a surety into the Debt Service Reserve Fund and moved \$50-M from that fund to the Construction Fund. It really delayed the issuance last year to this year which again, was an interest rate savings. So the strategy and planning which the Commission has done has really paid off this year in the overall debt management of the Commission. That concludes my report.

Leever: Thank you. do we have a report from our trustee, Frank Lamb?

Lamb: No report, Madame Chairman.

Leever: Capt. Ferguson?

Ferguson: Good Morning Madame Chairman, members of the Commission, since October's meeting the OSHP has had investigations on two traffic crashes which took people's lives of persons traveling on the Turnpike.

The first was investigated on October 23rd. The Swanton Post investigated a fatal crash involving three vehicles that killed a 70-year old woman from Findley, OH. This occurred near MP 16 in Williams County. The woman had been traveling eastbound and crossed the grass median for an unknown reason. Her car then collided with a westbound semi and then was struck a second time by another westbound car. The woman was life-flighted to St. Vincent's Hospital in Toledo but passed away later that day. There were no other serious injuries which occurred in that crash.

This past week the Milan Post investigated a fatal crash on October 31st at 8:33 a.m. at MP 28 in Erie County. A tow truck with a car in-tow was traveling eastbound and traveled off the right side of the road after the driver fell asleep. The tow truck struck the left rear of a semi tractor-trailer that was parked in an emergency pull-off area. The 29-year-old male passenger in the tow truck was killed and the driver who was that passenger's father was severely injured. The semi was occupied by two people who were not injured. The tow truck was in the recovery business and had been in the Toledo area all night repossessing this vehicle and was traveling back to the Cleveland area when the crash occurred.

The investigation of crashes and our traffic safety operations is what we like to focus on, but our troopers are also very involved and have a responsibility under our powers and duties to apprehend criminals in Ohio traveling on the highways. It is amazing to me every morning when I review the teletypes that we get back from our officers stopping people and checking them through the MCIC and LEADS system how many people we apprehend – there's 3, 4 or 5 a day out here. I have a couple of examples of what our troopers have done recently under the responsibilities of criminal patrol: On October 20 in Wood County, a trooper

stopped a vehicle for a speeding violation that was traveling east on the Ohio Turnpike and an NCIC check run in the license plate of that vehicle revealed it was stolen in Troy, Michigan. The ensuing probable cause search of that vehicle revealed a loaded 32 caliber revolver under the front passenger floormat, a loaded 40 caliber semi-automatic pistol in the trunk as well as marijuana and drug paraphernalia in it.

This past Friday Trooper Kevin Rogers from the Hiram Patrol attempted to stop a vehicle for speeding traveling westbound in Mahoning County, MP 223. That vehicle refused to stop and increased its speed. Trooper Rogers pursued the vehicle in excess of 100 mph still continuing westbound. In Portage, another trooper from Hiram deployed stop sticks to try and deflate the vehicle's tires which did end up deflating one of the tires, but the suspect continued traveling at speeds over 90 mph. Another trooper joined the pursuit and they got the vehicle boxed in and the suspect tried to hit the patrol cars. This continued to MP 171 near Brecksville when the vehicle finally stopped and the suspect fled on foot. He was apprehended just after he went over the fence into the City of Brecksville. Again, this car was stolen and stolen that morning from Pittsburgh, PA. He can see that besides from trying to keep the roadways safe from vehicles traveling and committing traffic violations, the troopers are also involved in other activities out there. They are trying to do the best job they can and keep active.

The events of September 11th have also heightened our responsibilities and awareness out there. We are trying to do those and also keep traffic safety services going at the same time.

Leever: Captain, what time of day did this pursuit happen?

Ferguson: About 11:00 a.m. in the morning on Friday.

Leever: What about other traffic? If you put down the sticks, I don't understand this?

Ferguson: That's always one of the concerns of any high-speed pursuit particularly on an interstate highway – like the Turnpike and

the number of other motorists traveling out there and traffic volumes. You have to be very concerned whether the pursuit puts in danger other motorists. Sometimes we have to quit pursuing, It takes a lot of communication over the radio to deploy those stop sticks and not to have other traffic traveling over them at the same time. It takes a lot of work and radio engineering communication to get that done.

Leever: I mean he has no place to go when you're on the Turnpike.

Ferguson: Well, you normally don't and sometimes they jump the fence as this guy did or try and drive through the fence. We normally get them afterwards.

Leever: I'm sure you do. Any questions for the Captain? Thank you. Our general consultant, Jim Riley?

Riley: Good Morning Madame Chair and Commission Members, I just have two brief items. The first, our annual bridge and culvert inspection program will be completed this month. We just need to go back out and pick up those structures that were part of the third lane construction sections which were under construction this summer. The second item is the Annual Report which we are finalizing right now. That will be completed within the next couple weeks. We are just waiting for some toll revenue forecast data. That's all I have to report.

Leever: And our report from General Counsel, Mr. Amato?

Amato: Good Morning Madame Chairman, Commission Members, I'd like to report today and give a chronology about the union representation and the steps that have been taken by the incumbent union and the challenging union. On September 5, 2001, we received a Petition for Representation filed by the Teamsters, Local 436 for our full-time toll and maintenance staff which covers approximately 600 employees.

On September 28, 2001, the incumbent union filed a Motion to Intervene with SERB. The matter is now in SERB's hands. They are given the duty to have an orderly election for all of the Commission's employees represented by the bargaining

unit. On October 25, 2001, as we anticipated, the incumbent union, UE, served us with a notice – a request to negotiate. Meaning that now because the Collective Bargaining Agreement (CBA) that expires in December is fastly approaching, they are required by law and they served us with notice that they would like to negotiate their contract.

On October 31, 2001, SERB representatives set up a conference call to discuss the Petition for Election and when the election would actually occur which by law cannot occur until the effective CBA terminates so that would be in January sometime.

Well we had the telephone call – the Teamsters, their counsel participated, the UE participated through counsel and we had several Commission staff members. The Teamsters started the meeting by making several demands that we unrelated to the matter at hand – the Petition for Election – and after five or ten minutes the SERB representative terminated the telephone call. As it turns out, we will be handling that matter through Position Papers filed with SERB.

On November 1st, the Teamsters Local 436 filed their Petition for Election for the part-time toll collectors. Their contract expires on March so this is a timely Petition.

In light of these developments, I'd like to request an adjournment to executive session to discuss these matters and other pending or threatened litigation.

Greenwood: Madame Chairman, I move we adjourn the meeting and hold an executive session to confer with General Counsel concerning pending or threatened legal action and preparation for collective bargaining negotiations. At the end of the executive session, we will reconvene the meeting.

Strnisha: Second.

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

Leever: For your information, there will be no further business. When we do reconvene, we will reconvene to officially adjourn the meeting. Thank you all for coming. *(Time: 11:20 a.m.)*

Blair: I move that we officially adjourn until our next meeting, December 10, 2001.

Greenwood: Second.

Roll: Mr. Blair-yes; Mr. Greenwood-yes; Mr. Strnisha-yes; Mrs. Leever. *(Time: 1:33 p.m.)*

/dsp