

MINUTES OF THE 492nd MEETING OF THE OHIO TURNPIKE COMMISSION

May 19, 2003

Pursuant to the bylaws, the Ohio Turnpike Commission met for a meeting at the Commission's Administration Building at 10:05 a.m. on April 21, 2003, with members of the staff: W. R. Fleischman, Asst. Chief Engineer, James Steiner, CFO/Comptroller; Tim Ujvari, Maintenance Engineer; Anne Fornshell, Director of Human Resources; Dennis Kratzer, Systems Analyst; Dave Miller, Chief Auditor; William Keaton, Telecommunications Manager; Kerry Ferrier, Traffic Engineer, Lauren Hakos-Dehrmann, Manager, Public Affairs; Heidi Jedel, Crickett Jones, Tracy Cowley and Diane Pring.

The Chairman 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 as follows:

Ayes: Chairman Greenwood, Mr. Wilkins, Mo Darwish,
Mr. Dixon

Absent: Rep. Buehrer and Senator Schuring

Chairman Greenwood stated that The Ohio Department of Transportation's Director, Gordon Proctor, is not here today but Deputy Director Mo Darwish is here and authorized to vote for him.

As Mr. Suhadolnik pointed out, the two legislative representatives are unable to attend today. We have a number of guests here today, so I'd like everyone to introduce themselves as we customarily do:

Doug Deal, Deloitte & Touche, Eric Erickson, Charles Harris, Fifth Third Securities; Bobby Everhart, Mike Burgess, URS; Tony Yacobucci, HNTB; Frank Lamb, Huntington Bank; Howard O'Malley, B & T Express; Dan Sokol, Dick Corp.; Brett Neff, R. E. Warner; Bob Martell, Hardee's Food

Systems; Capt. Bob Ferguson, OSHP; Kevin Redden, Gladieux Corp.; Steve Mayor, Steve DeLong, Local #18 Operating Engineers; Stefan Holmes, First Merit Bank; John Petty, Nat City Investments, Rich Exner (Cleveland) Plain Dealer.

This is the 492nd 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 for its regular meeting.

The Chairman stated that various reports will be received, and we will act on several resolutions draft copies of which have been previously sent to Members and updated drafts are also in the members' folders. The resolutions will be explained during the appropriate reports.

Chairman Greenwood said I'd like to entertain a motion to adopt the Minutes of our April 21, 2003 meeting which were previously sent to the Members. Mr. Darwish moves and Mr. Dixon seconds. Any discussion? Please call the roll.

Roll: Mr. Darwish - yes; Mr. Dixon-yes; Mr. Greenwood-yes; Mr. Wilkins-yes. The Minutes are adopted.

The Chairman said we'll commence with our reports – the Secretary-Treasurer and the Executive Director will give that report.

Asst. Secretary Treasurer stated the following items have been sent to the members since the last regularly scheduled meeting of the Commission on April 21, 2003:

1. Minutes of the April 21, 2003 Commission Meeting
2. Traffic & Revenue Report, April, 2003
3. Total Revenue by Month & Year, April, 2003
4. Traffic Crash Summary Report, March 2003
5. Investment Report, April, 2003
6. OTC Financial Statements, April 30, 2003
7. Various News Releases

Chairman Greenwood asked if there was a report on budgetary and financial matters, Mr. Steiner?

Mr. Steiner said Good Morning Mr. Chairman and Commission Members. Passenger car traffic during the month of April totaled 3,053,000 exceeding

the previous record set last year by 105,000 cars or 3.6%. Commercial traffic during the month totaled 744,000 vehicles falling short of last year's total by 14,000 vehicles or 1.9% . Total traffic during April totaled 3,796,000 vehicles exceeding the previous record set last year by 91,000 vehicles or 2.5%.

Passenger car traffic during the first four months totaled 10,843,000 surpassing the prior record set last year by 69,000 cars or 0.6% . Commercial traffic for the first four months totaled 2,795,000 vehicles exceeding last year's total by 7,000 vehicles or 0.3%, but falling short of the record level reached in 2000 by 173,000 vehicles or 5.8% . Total traffic for the first four months of the year totaled 13,638,000 vehicles surpassing the prior record set last year by 77,000 vehicles or 0.6%.

Mr. Chairman, I would like to pause for any questions and then introduce the representative from Deloitte & Touche.

Chairman inquired if there were any questions.

Mr. Steiner stated we have here this morning Mr. Doug Deal, he is the engagement partner from Deloitte & Touche, and he would like to review our audit reports with you.

Mr. Deal said thank you. As Jim said I'm Doug Deal. I have overall responsibility for the audit of the Turnpike, and I work with several other people on our team, and I'm here to represent them. I passed out an agenda of some items I'm going to talk to you about, some of which are required communications by an auditor to a Board of Trustees.

First - Status of our audit contract - we just completed the fourth year of a five-year contract. It's a three-party contract between us, the Turnpike and the Auditor of State. The Auditor of State has overall responsibility for the audit here and they have to review our reports and our work. Ultimately, the reports will go on the Auditor of State website.

I handed out an engagement letter that was signed (that's the unsigned version) but it didn't really change so you can see our engagement letter. The two documents we have with the Turnpike would be: our audit contract plus that engagement letter.

Briefly, I'll go through some highlights of the audit. There are various reports and I understand they are in your folders, the largest of which is this blue document called the Comprehensive Annual Financial Report which contains the financial statements of the Turnpike, various statistical data and our opinion on those financial statements which is unqualified.

All of the other reports that we render which would be a report on Net Systems Pledged Revenue pursuant to the Trust Agreement ; a legal compliance report on compliance with provisions of the trust agreement and then an internal control and legal compliance report that we have to issue under government auditing standards. All of those are clean, "unqualified" opinions. The type of opinion you would expect as a member of the Commission.

One thing that did happen this year – it's an accounting change that is being phased in by all public sector entities across the country called, "GASB Statement No. 34". This was effective for the Turnpike this year. That did not have as big an affect on the Turnpike as it will the City of Cleveland, Cuyahoga County and other governmental units. The main effect is in this report this year and I'll point this out in a second is a Management's discussion and analysis. This is very similar to what a public company has to do in their annual report to the shareholders. You didn't have that requirement in the past it is a requirement now and into the future. It is not a letter that you can just write and say whatever you want. You have to address specific things.

Another thing that happened this year – Jim obtained an interpretation of the Master Trust Agreement to clarify certain things in the computation of the debt service coverage ratio. That interpretation was obtained.

Other financial statement highlights – and I believe you all have the "blue book" I'll go quickly as I know your time is limited. I will point out certain things in there that may help you in analyzing this.

Page 19 is what is called the "Certificate of Achievement for Excellence in Financial Reporting". This is the award the Commission received for 2001 from the Government Finance Officers Association. The Commission receives this award by sending its report into the national body – it's actually an international body – and the report is disseminated out to reviewers and they come back with comments and suggestions, etc. and if you meet their

high standards of reporting you will get this award. The Commission has received this award since 1985. Some of the plaques I noticed are on the windowsill. It is not an automatic thing and it's a privilege to receive that award from the Government Finance Officers Association.

Page 21 is our report on the financial statements and the third paragraph is one of the key paragraphs, "in our opinion the financial statements referred to above present fairly in all material respects the financial position of the Commission, ... in conformity with generally accepted accounting principles."

The paragraph after that talks about the accounting change this year to go to GASB Statement No. 34. It did not really affect your financial statement numbers. It really only impacted the inclusion of the Management Discussion and Analysis in this document. The paragraph after that talks about the Management Discussion and Analysis. While we are on that subject, if you refer to page 22 – here's the start to what we refer to as the "MD&A". You can see that virtually everything in here is a required disclosure now.

I'll point out a couple things – the bottom of page 23 – the Commission discloses its debt rating – very good, solid financial position. Page 24 – our overall conclusion is that the Commission's financial position is very healthy. There are obviously some issues facing you as there are many entities – public and private – around the state and around the country. You will see the change in net assets on page 24. There is a row entitled, "Change in Net Assets." Last year under the 12/31/01 column it was \$36,524,000 this year it's \$21,223,000. Very good, very positive but obviously it's lower than last year due to a lot of things – interest rates on your investments are going down, interest expense is going up due to some of the improvements, etc. Even though you have had some record-breaking toll revenue and traffic.

Flip page to page 26 which is the start of the Balance Sheet. The 12/31/02 column, "Total Unrestricted Current Assets: \$71,637,000 compared to a little bit further down under Liabilities and you'll see: "Total Current Liabilities Payable from Unrestricted Assets: \$11,492,000 – very healthy, very good – whether you are comparing public or private sector.

Two other things, you go down under Net Assets which is equivalent to equity, stockholders' equity, if you want to call it – although you don't have stockholders - Unrestricted Net Assets went from \$39-M to \$46-M – went up. It's good healthy balance.

I'll point out under Noncurrent Assets: Restricted Investments at Fair Value went down from \$109-M to \$44-M and that's due to the use of cash for capital improvements. That's the other major fluctuation you see here.

Now on page 27 on the third line from the bottom, you see "Increase in Net Assets: \$36-M to \$21-M. Again, very positive and very good, but lower than last year. What are some of the important changes? Obviously, operating income went from \$61-M to \$52-M. Investment earnings went down --rates as well as less money to invest as capital improvements have been made and interest expense has gone up. So very healthy, very good but obviously, not a rose garden and I don't think anybody would think that it is.

Page 29 "New Accounting Pronouncements" I'm just going to hit the highlights and footnotes. GASB Statement No. 34 is the first paragraph and we mentioned the major effect there is the inclusion of the Management Discussion and Analysis. GASB Statement No. 39 which will hit you in 2004 talks about inclusion as part of the reporting entity, entities that are out there to serve the Turnpike and you may not have financial control over them. We haven't analyzed this or completed our analysis of this. I don't believe Jim and his staff have either. But it's really going to hit in the foundation area where you have a college and university where the foundation may not be controlled by the college but the foundation is there to raise money and it's solely for the college and university. What's going to happen is the college and university financial statements will have to include the foundation financial statements on a go-forward basis in this circumstance. Why do I mention this to you? I don't know what the State of Ohio is going to do in applying this pronouncement with respect to the Turnpike. This pronouncement does not change the legality between the State and the Turnpike, but it may change the State of Ohio's reporting of the Turnpike in their financial statements – if that's important to anyone. They may include the Turnpike's assets or balance sheet, revenues and expenses in the State's Comprehensive Annual Report, but that's going to be the Auditor of State's decision along with people from the State of Ohio.

Page 31 - there are some reclassifications that were done in these financial statements of the 2001 numbers to make them comparable. I will say page 32 is a chart in the middle that talks about investments. The categories there are risk categories. Category 1 being the best/least risk and it's very seldom in the public sector all of the investments in Category 1. You see that here – that's extremely good.

Page 33 at the very bottom is a discussion of some ratios relative to debt-service coverage. You'll see 120% and then 150% mentioned and that continues to page 34. Keep that in mind and flip to page 42 and you'll see the last row of numbers is that ratio. And you'll see for 2002 is 1.86 – well in excess of the 150. Again, you will see a trend here and I just point that out to the Commission.

That's the financial highlights in the Comprehensive Annual Financial Report. Just some required communications that we, as auditors, have to make to the Boards and Commissions that we deal with. Our responsibility under Government Auditing Standards are: audit the financial statements – these are your financial statements, they are not ours - ; significant accounting policies and changes therein – there weren't any this year other than the implementation of GASB No. 34. Management judgments and accounting estimates: we look at those. They are obviously the estimates done by Jim and his department, but we don't have any issues with the methodology that are employed in these major areas of estimates that are embodied in these financial statements. Audit adjustments – we came up with no significant audit adjustments as part of our audit. That's an indication of the reliability of the financial statements you would see on an interim basis. Statements that we don't audit.

Other information and documents contained in audited financial statements. We read this entire document and gave Jim and his staff comments on any inconsistencies we saw between what we perceived were the financial statement number and what were in our audit work papers and what were in these documents. During the course of our work, there were no disagreement with management. I wasn't aware that Jim and his staff thought it necessary to consult with other accountants, other than us, on accounting issues and as far as our retention we have a five-year contract so there wouldn't have been any retention issues coming into this year.

Difficulties encountered in performing the audit – there were no major difficulties in performing the audit. I would say overall the staff here is very professional, appeared to be very forthright to us and conscientious. Our people were treated very well. That doesn't always happen in the places that we go.

Last year there was a management letter. This year there is not. There are some what we would call minor comments that we discussed like to do at every audit with management as we go through the audit. In particular, the comments that were in last year's management letter have been addressed by the Commission, Jim and his staff, Dave Miller, to our satisfaction. I also don't want to leave Dave out. He was instrumental, along with Jim and his staff, in getting this done.

In one parting comment, this is the first public sector audit that we work on every year and that shows how quickly they close the books. And it is the first one out the door in our organization every year. Thank you for your time. If you have any comments or questions, I'd be happy to address them.

Chairman Greenwood asked if there were any questions from the Commission Members. Good job, Mr. Deal, thank you. Jim, does that finish your report?

Mr. Steiner replied that he appreciates working with Doug and his staff. He did an excellent job and that concludes my report, Mr. Chairman.

Chairman Greenwood said thank you, Jim, on behalf of the Commission Members, congratulations and we thank you for a job well done. We appreciate the report. Next on the agenda – the Executive Director's Report.

Director Suhadolnik said he had just a few comments before I ask the Commission to adopt a resolution. As I mentioned to the Commission Members, three of our key staffers – Jerry Pursley, Dan Castrigano and Dick Morgan are attending a conference in Minneapolis on Intelligent Transportation Systems – that's the concepts of signboards, electronic tolling, cameras, other things like that many highways and tollroads are using to help improve collection methods, safety, security and those kinds of things.

I also report that the high for today is expected to be 64 and thundershowers all day so I know they will be attending the conferences.

Some serious things – in the past month since we met, the Oversight Committee met in Columbus on May 7th, as required by law. The meeting went well. Our House Members have not been appointed as yet. We met with the Senate Members of the Oversight Committee. Some concerns were expressed about truck traffic on parallel Route No. 20. There are some thoughts that better enforcement on Route 20 would ensure that more trucks would travel on the Turnpike. We will be talking to the appropriate people about that.

Our Customer Advisory Board met on May 13th at our Great Lakes Service Plaza. It was something that was started before I was here. I reinstated it. We have some new members. It's a nice cross-section consisting of some trucking companies, the Ohio Trucking Association, representatives from Lordstown, the Daimler-Chrysler Co., Toledo-Port Authority, representative from the Governor's Office (Ohio Dept. of Development), different entities including some citizens, AAA-Ohio Motorist Association. It was a good meeting of some customers and people whose business have customers and use our road. We have some ideas that I think might improve the operation of the road.

Mr. Pursley, Mr. Castrigano and I went to Pennsylvania on April 22 and 23, 2003 to meet with PA officials to talk about their experience with E-Z Pass. I don't know if that's something we will or will not do on this road, but they are very similar road to ours. We received a lot of good input from them. Those were all worthwhile things we did in the last month.

Now, I would like to present a resolution for the Commission to consider. It's a resolution for the Commission to award a contract for Weigh-in-Motion consulting services. The goal of this project is to improve the accuracy of our present Weigh-In Motion System. As you know, we weigh all vehicles that enter the Turnpike – to provide more accurate weighing vehicles at greater than our present design speeds. The consultant that I am asking you to approve is Bridge Weighing Systems, Inc.. We will work with the Commission's Information Systems' staff to make the necessary software changes, the evaluation of the existing system and the changes will be conducted in a way to lead to ASTM (American Society for Testing and Materials) certification. ASTM is an organization that provides technical

standards for industry worldwide. So I would ask the Commission to adopt the resolution in your folders. Would General Counsel please read the Resolved?

“RESOLVED that the Commission hereby selects **Bridge Weighing Systems, Inc.** of Novelty, Ohio as most qualified to perform the services required under the above-mentioned RFP and authorizes the executive director and the general counsel to execute a contract with Bridge Weighing Systems, Inc., all in accordance with the terms and conditions of the Commission’s Request for Proposals and its responses thereto.”

Chairman Greenwood said I’ll entertain a motion to adopt this resolution. Mr. Darwish moves and Mr. Wilkins seconds. Any discussion on the resolution?

Mr. Darwish stated in the second Whereas paragraph the word should be “proposals” not bids. Chairman Greenwood said thank you, the correction will be made on the final resolution. Any other questions? If not, please call the roll.

Roll: Mr. Darwish-yes; Mr. Wilkins-yes; Mr. Dixon-yes; Mr. Greenwood-yes. The resolution is adopted. Thank you very much. That concludes my report.

The Chairman said Mr. Fleischman – you’ll cover for Dan Castrigano?

Rob Fleischman said I’ll try Mr. Chairman. I do have two resolutions that I would like to present to the Commission for consideration. The first is a resolution titled, “Resolution Awarding Contract No. 43-03-02 (Parts A & B). This is a project for deck replacement and rehabilitation of the Slagle Road Bridge over the Turnpike at MP 200.2 and the deck replacement and rehabilitation of the Horn Road Bridge over the Turnpike at MP 204.7, both in Portage County. A total of four bids were received on this project. The bid of the A. P. O’Horo Co. was deemed to be the lowest, responsive, responsible bid and was less than the engineer’s estimate. Therefore, I would recommend that the Commission adopt this resolution. I would ask General Counsel to read the Resolved:

“RESOLVED that the bid of **A. P. O’Horo Company**, Youngstown, Ohio, in the amount of **\$1,242,947.10**, for the performance of Contract No. 43-03-02 (*Part A and B*) is, and is by the Commission, determined to be the lowest responsive and responsible bid received for the performance of said contract, and is accepted, and that the chairperson and executive director, or either of them, hereby is authorized (1) to execute a contract with said successful bidder in the

form heretofore prescribed by the Commission pursuant to the aforesaid bid; (2) to direct the return to the other bidders of their bid security, when appropriate, and (3) to take any and all action necessary or proper to carry out the terms of said bid and of said contract; and

FURTHER RESOLVED that the Commission hereby authorizes the executive director and the chief engineer to assign Baker and Associates, Cleveland, Ohio, to Contract 43-03-02 (*Part A and B*) for the purpose of performing construction inspection. Such assignment shall be in accordance with the 2003-2004 Engineering Services Agreement between the Ohio Turnpike Commission and Baker and Associates; and

FURTHER RESOLVED that the Commission hereby authorizes the executive director and the chief engineer to assign ACA Engineering, Inc., Youngstown, Ohio, to Contract 43-03-02 (*Part A and B*) for the purpose of performing materials testing. Such assignment shall be in accordance with the 2003-2004 Engineering Services Agreement between the Ohio Turnpike Commission and ACA Engineering, Inc., and

FURTHER RESOLVED that Project No. 43-03-02 (*Part A and B*) is designated a System Project under the Commission's 1994 Master Trust Agreement."

Mr. Fleischman said he would again recommend adoption of this resolution.

Chairman Greenwood inquired if there was a motion to adopt the resolution? Mr. Darwish moves and Mr. Wilkins seconds. Discussion? I noted in our packet of information and included in the General Counsel's report that there was a lower bidder, L & M Lignos, but by fax and I think it was after the bids were opened, Lignos explained there was an error in the preparation of its bid and requested that their bid be withdrawn. Is that your understanding of how it happened?

Mr. Fleischman stated that's correct. In fact I did speak to Mike Lignos on that Friday afternoon and he requested that his bid be withdrawn.

Chairman Greenwood said so that came from the contractor?

Mr. Fleischman said it was very apparent in looking at the bid tabulation that they did have an error on several line items.

Chairman Greenwood said so when he voluntarily took his company out, that left O'Horo as the lowest bidder, right?

Mr. Fleischman said that's correct.

Chairman Greenwood said any questions by the Commission Members or comments before we vote on the motion?

Mo Darwish inquired, Mr. Chairman do we need a motion to withdraw the bid from the lowest bidder and accept his letter?

Chairman Greenwood said I don't know, but I don't think so. What do you think? I have not run across that in the past.

General Counsel Tsevdos said since the contract is being awarded by the Commission perhaps the safest course of action is for the Commission to also approve the withdrawal of the lowest bid.

Chairman Greenwood said it can't hurt so what we'll do then is a procedural matter. Let me momentarily withdraw the motion to adopt and entertain a motion by Mr. Darwish to accept the withdrawal of the bid by L & M Lignos. Does everyone understand the motion? Mr. Wilkins seconds. Any discussion on the motion to accept the withdrawal of the Lignos bid? If not call the roll on the motion to accept the withdrawal of the Lignos bid.

Roll: Mr. Darwish-yes; Mr. Wilkins-yes; Mr. Greenwood-yes; Mr. Dixon-yes. OK the withdrawal has been accepted.

In light of that I'll entertain a re-introduction of the motion to award Contract No. 43-03-02 (Part A and B) to O'Horo Company. Mr. Darwish moves and Mr. Wilkins seconds. Any discussion on the awarding of the contract to the A. P. O'Horo Company. If not, please call the roll.

Mr. Fleischman said I just want to add one thing , Chairman Greenwood, I did speak with the O'Horo Company this morning and they indicated that they are utilizing two MBEs subcontractors on this project that they did not identify in the bid document.

Chairman Greenwood said OK, any further discussion on the motion? If not please call the roll.

Roll: Mr. Darwish-yes; Mr. Wilkins-yes; Mr. Dixon-yes; Mr. Greenwood-yes. The resolution is adopted.

Mr. Fleischman said the second resolution I'd like to present this morning is entitled, "Resolution Awarding Contract No. 55-00-01." This is the project for the construction of the interchange with S. R. 58 and the Ohio Turnpike

in the vicinity of MP 140.2 in Lorain County. I'm sure it's a project that the Commission Members are somewhat familiar with since it has been around for a number of years. A total of five bids were received for this project. The bid deemed the lowest responsive and responsible bid was submitted by Anthony Allega Cement Contractors, Inc. of Valley View, Ohio. Their total bid amount was \$7,772,506.84. This bid was less than the engineer's estimate for this project. I'll ask General Counsel to read the Resolved:

“RESOLVED that the bid of **Anthony Allega Cement Contractors, Inc.** of Valley View, Ohio, in the total bid amount of \$7,772,506.84 for the performance of Contract No. 55-00-01, 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; (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 the Commission hereby authorizes the executive director and the chief engineer to assign HNTB, Inc., Cleveland, Ohio, to Contract 55-00-01 for the purpose of performing construction inspection. Such assignment shall be in accordance with the 2003-2004 Engineering Services Agreement between the Ohio Turnpike Commission and HNTB, Inc.; and

FURTHER RESOLVED that the Commission hereby authorizes the executive director and the chief engineer to assign Solar Testing Labs, Cleveland, Ohio, to Contract 55-00-01 for the purpose of performing materials testing. Such assignment shall be in accordance with the 2003-2004 Engineering Services Agreement between the Ohio Turnpike Commission and Solar Testing Labs; and

FURTHER RESOLVED that Project No. 55-00-01 is designated a System Project under the Commission's 1994 Master Trust Agreement.”

Mr. Flesichman said I recommend that the Commission adopt this resolution.

Chairman Greenwood said I'll entertain a motion to adopt this resolution.

Mr. Darwish moves and Mr. Wilkins seconds. Any discussion on the motion to adopt the resolution to award Contract No. 55-00-01? If there are not questions, please call the roll.

Roll: Mr. Darwish-yes; Mr. Wilkins-yes; Mr. Dixon-yes; Mr. Greenwood-yes. The resolution is adopted.

Mr. Flesichman said I'd also like to give a brief construction update. To date we have three resurfacing projects underway at this time and all of them are scheduled to be completed prior to the first of July and in advance of the July 4th holiday when the traffic begins to peak. There is one project that utilizes single-lane zones in the Toledo area. Those zones will be down and all lanes will be open through the Memorial Day holiday before the contractor goes in and starts back up to finish the second-half of the project.

The Cuyahoga River Bridge project continues to progress very well. We look for a late summer opening on that project. We should never say we hope to open something early, but certainly looks like we will on that project.

The third lane – you may have noticed the barriers has been set up here isolating the median. Hopefully when you are here next month you can see a lot of activity in the median. The weather has hampered the project a little bit but it is still on schedule.

The overhead bridge project, we have reconstructed the CSX Railroad Bridge – the contractor should be out of there today. That's the one where we had to build a temporary bridge so we could modify the permanent bridge to eliminate the double median piers for third-lane construction. They removed the last of the steel on the temporary bridge last night.

Toll plaza work is progressing well at both exits – 187 and 145. That concludes my report. Are there any questions?

Chairman Greenwood said, do the Commission Members have a question for Rob? Thanks very much, Rob. Our financial advisor, Mr. Erickson?

Mr. Erickson stated that from time to time I'd like to update you on some of the activities in the capital markets and something that recently happened in Ohio that I want to alert you to. Moody's Investor Service has sent letters to most of the public entities in Ohio – we haven't received one yet. They are trying to get an inventory of their derivative contracts. I just want to go on record indicating that the Turnpike has no debt derivative contracts or no investment derivative contracts. If you happen to hear of that by some other public entities – I know you are all involved with other public entities of one sort or the other – just to let you know the Turnpike is not involved in any

derivative contracts. I just want to alert you to that fact. That concludes my report, Mr. Chairman.

Chairman Greenwood said any questions for Mr. Erickson? Thank you. A report from Frank Lamb, our trustee?

Mr. Lamb said no report, Mr. Chairman.

Chairman Greenwood – Captain Ferguson?

Captain Ferguson said I have just a few short comments this morning. We just finished up about a week and a half of the National Police Memorial Week around the country and in particular with the OSHP we held our ceremony at the Academy in Columbus on May 9th. It is always important to us to remember our fallen officers and their families. I personally had lost Trooper Jim Grose under my command when I was the Ashland Post Commander and of course, Trooper Robert Perez, who was killed on the Ohio Turnpike in 2000 in a traffic crash. It's very important for us to remember and take part in that. One of the nice things I noticed, Mr. Wilkins, was in attendance at the ceremony down at the Academy. It was nice to see you there and thank you for attending.

The traffic crash picture I'm not going to expand a lot on that other than to say it was fairly uneventful since the good weather has arrived. I seem to jinx myself every time I start to brag and say that we have had a fatal-free period for a while. The fatal crash numbers have remained the same for a couple months now and we have had a fairly safe traffic crash picture.

One of the other responsibilities that we have out here is the apprehension of criminals traveling across the Ohio Turnpike. Quite frequently we run into that. We had an unusual incident last week (May 15th) we had an attempted armed robbery at the Wyandot Service Plaza in Sandusky County early in the morning. We were alerted to a report from the victim, a 57-year old man while in the restroom was confronted by two suspects – one of which had a large semi-automatic handgun and demanded his money. That gentleman refused to give up his money and told him he didn't have any when in fact he had \$4500 cash with him. Fortunately, the suspects believed him and took off. The victim followed them out, got a description of them and the vehicle they were in.

The suspects then went east on the Turnpike and went to the Commodore Perry Service Plaza – probably to do the same thing again. Four of our troopers confronted these people there, took them into custody in a safe manner. It turned out that the vehicle they were driving was a stolen vehicle, the suspect with the weapon – the weapon was recovered and the suspect was wanted on a felony warrant out of the State of Minnesota. Our troopers did a really good job on that apprehension and prevented a possible tragedy from happening and it's one of the things we run into out there on a fairly frequent basis. That's all I have this morning.

Chairman Greenwood said any questions of Capt. Ferguson – thank you very much. I appreciate it. Our general consultant, Mr. Yacobucci?

Mr. Yacobucci reported we have completed about 60% of the inspections on the bridges and culverts. In general, they are all in pretty good condition. The few minor maintenance items that we did find, we have notified the Asst. Chief Engineer and I'm sure he has notified Maintenance to start to take care of some of those issues. The roadway inspections will begin in approximately two weeks and the facilities inspections are scheduled tentatively for July. That's all I have, Mr. Chairman.

Chairman Greenwood asked if there were any questions for Mr. Yacobucci? Thanks a lot. General Counsel, your report?

General Counsel Tsevdos said there are two different resolutions that I would ask the Commission to consider. The first is the "Resolution Amending Resolution No. 40-1997 Authorizing the execution of an amendment to the agreement with GSI Architects, Inc. By way of background, this amendment is required because of the change in Bylaws regarding any amendment to the Executive Director's authority to enter into contracts over \$150,000. An amendment to the existing contract with GSI Architects, Inc. is necessary due to additional design modifications that were requested of GSI and the amount of the amendment for additional fees is \$200,000. So the resolution would authorize the Executive Director to amend the contract providing for additional compensation to compensate them for design changes to, I believe, the service plazas. I will read the Resolved paragraph:

"RESOLVED that the Ohio Turnpike Commission hereby amends Resolution No. 40-1997 by authorizing its executive director to execute an amendment to Article 11, Basis

of Compensation, as reflected in “Exhibit D” (architectural/engineering fee breakdown) of its agreement with GSI Architects, Inc., Cleveland, Ohio to reflect an increase of \$200,000.00 to the previously approved total fixed fee.”

Chairman Greenwood said I’ll entertain a motion to adopt the resolution? Mr. Wilkins moves and Mr. Darwish seconds. Discussion on the motion?

Mr. Fleischman said he’d like to comment. Part of this project requires surveying. We solicited proposals for the surveying on that project and awarded it to an FBE firm. The soil borings were geotechnical investigations - that was really a minority set-aside RFP, and we are recommending award in this resolution to CTL for the geotechnical work on this project.

Chairman Greenwood said OK – any other questions on the motion. If not, please call the roll.

Roll: Mr. Wilkins-yes; Mr. Darwish-yes; Mr. Dixon-yes; Mr. Greenwood-yes. The resolution is adopted.

General Counsel Tsevdos stated the second resolution that the Legal Department is bringing to your attention is an appropriation matter. The resolution in your packet is titled, “Resolution Declaring the Necessity of Appropriating property and directing proceedings to effect such appropriation be begun and Prosecuted.” The property in question is necessary for the reconstruction of Interchange No. 71 located in Wood County, Ohio. Attached to the resolution are the properties in question. Our right-of-Way Coordinator, Joe Disantis, has been in negotiations with the property owners for approximately two different years and has been unsuccessful in reaching an agreement mostly because of a structure – a truck wash that is on one of the properties. We have been in negotiation with the property owner to acquire and there has been disagreement between the parties demand and our appraisal for the “fair market” value of the properties. So at this point, we would recommend proceeding with legal action to appropriate the property as negotiations have been unsuccessful.

Chairman Greenwood said I’ll entertain a motion to adopt the resolution. Mr. Darwish moves and Mr. Wilkins seconds. Any discussion on the motion? If not, please call the roll.

Mr. Darwish-yes; Mr. Wilkins-yes; Mr. Greenwood-yes; Mr. Dixon-yes.
The resolution is adopted.

General Counsel Tsevdos said Mr. Chairman the only other matter I have for you is at the last meeting the Commission Members requested that I updated them regarding our MBE Policy and what steps have been taken. Included in your packets is a summary of information regarding what efforts are made to increase our MBE participation in the contracts awarded. The memo that I prepared for you gives you an overview of the pertinent case decision in the federal circuit covering Ohio and what our legal restraints are as far as MBE policy. It also provides you with an overview of what steps are taken including our efforts that we resumed our MBE certification. However, we are certifying MBE firms and FBE firms, and we do have a policy encouraging participation, because of the current state of the law, the requirement is not mandatory. It outlines what information is included in the bidding packets that are sent out, what information we request from contractors after a contract is awarded and the information we track down regarding their composition of their work force.

Chairman Greenwood did this report go out in the packets last week? General Counsel said no it did not. It was included in the Members' folders this morning. First, I'm glad you did this because since we were in transition and I think I mentioned this last time, we didn't have that update from Legal. What I would suggest is that since we just first received this today, let's give everyone an opportunity to take a look at it and obviously if there are any questions, they can give you a call. If there is any other item for discussion at a Commission Meeting, we can get that on the agenda for next time so we can have a thorough discussion and have an opportunity. I haven't had a chance to read it yet and I'd like to take a look at it rather than holding everyone up to get my questions together – if there are any.

Any other questions of our Legal Counsel on the MBE/FBE policy or any other part of her report? OK. Are there are any other reports from anyone for the good of the order? OK, - Mr. Dixon?

Mr. Dixon said I just want to mention that it seems when we do these resolutions we do them in a pretty matter of fact way. And that's good because the reason we are able to do that is because Mr. Suhadolnik and his staff have made every effort at least with me, and I'm sure with my other colleagues on the Commission to give us a call and go over any questions

that we have and explain. I just want to commend Mr. Suhadolnik and his staff for the efforts they have made for clarity and comprehensiveness in getting this information necessary for us to vote and make this meeting go in a smooth manner as it has been going. Thank you very much for that.

The Executive Director said your welcome.

Chairman Greenwood said any other comments before we adjourn? Mr. Dixon moves and Mr. Darwish seconds. Please call the roll.

Roll: Mr. Dixon-yes; Mr. Darwish-yes; Mr. Greenwood-yes; Mr. Wilkins-yes.

OK, we are adjourned at 10:52 a.m.

/dsp