

MINUTES OF THE 496TH MEETING OF THE OHIO TURNPIKE COMMISSION

October 20, 2003

Pursuant to the bylaws, the Ohio Turnpike Commission met for a regular meeting at the Commission's Administration Building at 10:00 a.m. on October 20, 2003, with members of the staff: Jerry Pursley, Deputy Executive Director; James Steiner, CFO/Comptroller; Noelle Tsevdos, General Counsel; Anne Fornshell, Director of Human Resources; Sharon Isaac, Director of Toll Operations; Kathleen Weiss, Director of Contracts Administration; Dave Miller, Chief Auditor; William Keaton, Telecommunications Manager; Kerry Ferrier, Safety Engineer; Lauren Hakos-Dehrmann, Manager, Public Affairs; Crickett Jones, Tracy Cowley and Diane Pring.

The Chairman called the meeting to order and asked the Assistant Secretary-Treasurer to call the roll.

Present: Mr. Wilkins, Mr. Noe, Mr. Dixon, Mr. Balog, Mr. Campbell

Absent: Representative Buehrer and Senator Schuring

The Assistant Secretary-Treasurer said that the Ohio Department of Transportation's Director, Gordon Proctor, is not here today, but his representative, Deputy Director Robert Campbell, is authorized to vote for him. He also advised that Senator Schuring and Representative Buehrer were unable to attend today's meeting.

The Chairman said we have a number of guests here today, so I'd like everyone to introduce themselves as we customarily do: Richard Stillman, Fifth Third Securities; Bobby Everhart, URS; Dan Sokol, Dennis Albrecht, Dick Corporation; Matt Lawler, HNTB; Rich Exner, The (Cleveland) Plain Dealer; Capt. Robert Ferguson, OSHP; Bernadette Noe (*wife of Commission Member Tom Noe*); Ron Lemon, Hi-Tec; Matt Stuczynski, Nat City Investments; Steve Delong, Steve Mayor, Floyd Jeffries, Operating Engineers; Stefan Holmes, First Merit Bank; Brett Neff, R. E. Warner Co.; Don Glosser, Lichtenstein Consulting Engineers, Inc.

The Chairman said this is the 496th 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. 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. Can I have a motion to adopt the Minutes of our September 15, 2003 meeting, which were previously sent to the Members?

Commissioner Dixon moves and Commissioner Balog seconds. All Members voted in the affirmative and the Minutes were adopted.

The Chairman said we'll proceed with the report of the Secretary-Treasurer, Mr. Dixon.

The following items have been sent to the members since the last regularly scheduled meeting of the Commission on September 15, 2003:

1. Minutes of the September 15, 2003 Commission Meeting
2. Traffic & Revenue Report, September, 2003
3. Total Revenue by Month & Year, September, 2003
4. Investment Report, September, 2003
5. Financial Statements – September, 30, 2003
6. Budget Report – Nine Months – 2003

7. Legal Department's Quarterly Report dated October 15, 2003
8. OTC's **MBE/FBE Policy** memorandum prepared by Legal Department
9. Various News Releases

The Chairman said the next report is on budgetary and financial matters, Mr. Steiner?

Mr. Steiner said I have a short PowerPoint presentation that I would like to project on the screen behind you. If anyone has difficulty seeing the slides, there is a copy of my presentation in your folders. The Commission adopted the 2003 budget at its meeting on December 9, 2002 and I had mentioned at previous meetings, adverse economic conditions and severe winter weather that we have experienced have both affected our operating revenues and expenses this year and our Master Trust Agreement provides that we can amend the annual budget at any time. The Executive Director, Deputy Executive Director, Chief Engineer, department heads and I have reviewed our operations and we have prepared an amended budget, which I'd like to present this morning. The Commission's budget is divided into two categories of funds – Pledged and Non-Pledged, or non-trust as we usually call them. The pledged funds are pledged for re-payment of the Commission's bonds under the Master Trust Agreement. Our pledged revenues consist of toll revenues and related investment income. The proposed amended 2003 budget is presented in the first column, and we have the original 2003 budget in the second column and the columns to the right will show the dollar/percent changes from the original budget to the amended budget.

We originally budgeted our 2003 toll revenues from passenger cars at 1.4% above our actual 2002 revenues and while our passenger car traffic volume for the first nine months of this year is in fact at an all-time high, our revenues are only up 0.6% rather than the 1.4% that we had originally anticipated. Our commercial traffic was anticipated to increase by about 0.8% in 2003, but due to the nationwide economic slowdown that we experienced our toll revenue from commercial vehicles for the first nine months of this year is down 1%. The good news is our commercial traffic for the month of September exceeded the volume of last September by 2.1%. This is the first time we have seen an increase in commercial traffic since February. This trend seems to be continuing in the first half of October. Our traffic consultant, Bobby Everhart from URS, has recommended an amended toll revenue budget of \$181.2 million, which is down \$2.6 million or 1.4% from the original budget. We have also increased the budget for investment income by \$95,000.00.

Unfortunately, our expenses have been over budget since the start of the year when we experienced one of the harshest winter weather in recent memory. Our expenses for overtime and related fringe benefits for our snow plow drivers, salt, truck maintenance, utilities, OSHP costs exceeded the amounts that we had budgeted by about \$2.8 million. We worked very hard to try and offset some of those cost increases. We delayed filling some vacant positions, we reduced summer help in the Maintenance Department. We also began this year to capitalize our in-house professional engineering costs as ODOT currently does. So with these expense reductions which total approximately \$1.35 million, that reduced the net increase in our expense budget from \$2.8 million down to \$1.45 million. With no change in our debt service budget, the proposed increase in our expense budget for pledged funds is just 1%.

Our Master Trust Agreement requires that we maintain an expense reserve account equal to one month's operating maintenance and administrative expenses. With the proposed increase in our expense budget of \$1.45 million we will need to add 1/12 of this amount or \$121,000 to our expense reserve account.

We originally planned to transfer \$3 million to our Renewal and Replacement Fund and \$39.8 million to our Systems Project fund to fund our ongoing capital improvement program. We preferred not to reduce these amounts. We don't want to affect our ongoing capital program. Consequently, we are recommending a transfer of \$4.1 million from our general reserve fund to offset the reductions in the toll revenue and the weather-related cost increases. This amount of

\$4.1 million is less than the amount we added to the general reserve last year and it will still leave an adequate balance in the reserve account.

With the transfer from the general reserve, we are proposing an amended budget for the pledged funds totaling \$182,940,000, which is \$2.5 million or 1.4% below the original 2003 budget.

The non-pledged or non-trust funds are not pledged for repayment of our bonds under our Master Trust Agreement. Our non-trust revenues consist of concession revenues from our service plazas, our allocation of state fuel taxes and other miscellaneous revenues. Fortunately, with the increase in passenger car traffic our concession revenue from our renovated service plazas has continued to rise. We have also seen an increase in the allocation of our fuel tax revenues which is 5 cents per each gallon of fuel sold at our service plazas. Our revenues from leases, licensing and advertising have also grown and in total we are proposing to increase the revenue budget for non-trust funds by \$935,000.

Unfortunately, we have also experienced increased maintenance costs at the older service plazas and higher than anticipated utility costs at the new service plazas totaling \$760,000. We plan to transfer the additional fuel tax revenues of \$100,000 to the fuel tax fund to use on future capital projects and we would like to add the remaining \$75,000 to our service plaza capital improvement reserve.

In total, we are proposing to amend the budget for our non-trust funds to \$17,525,000, which is an increase of \$935,000 or 5.6% over our original 2003 budget. Combining the drop in our toll revenue with the increase in our concession revenues and other non-pledged revenues yields a total proposed decrease in our revenue budget of \$1.6 million. Our total operating maintenance and administrative expenses are up \$2.2 million. Total expenses including debt service are up 1.5%. Including the transfer from a general reserve, our total transfers are down \$3.8 million. Our total proposed amended 2003 budget is \$200,456,000 is \$1.6 million or 0.8% lower than the original budget.

This is the amended budget that we are recommending for your consideration this morning. There is a resolution in your folders, and Mr. Chairman, with your permission, I'd like to have the General Counsel read the Resolved.

General Counsel read the Resolved as follows:

"RESOLVED that the Commission hereby adopts the following as its amended annual budget for the year 2003 and the executive director or the CFO/Comptroller are directed to transmit a copy of the budget to the appropriate officials set forth in Section 5537.17(F) and to The Huntington National Bank, Trustee, under the Commission's Trust Agreement as is provided in Section 5.01(c): (and the budget is attached).

The Chairman asked, do we have a motion?

Commissioner Noe moves and Commissioner Balog seconds.

The Chairman asked, are there any questions or discussion?

The Chairman said we are required to submit the original budget to the Governor, the General Assembly, the Director of OBM, Director of Legislative Budget Office, do we have to submit the amendment?

The General Counsel replied, in the proposed resolution we have stated that the CFO, Mr. Steiner, will submit the amended budget to those officials and to the trustee, Huntington National

Bank. Once the resolution is approved by the Commission, the amended budget will be sent to those officials.

The Chairman asked if there were any other questions.

Would the Assistant Secretary-Treasurer please call the roll.

The "Resolution Adopting the Amended Annual Budget for 2003" was moved for adoption as follows:

RESOLUTION NO. 45-2003

"WHEREAS, the Commission by Resolution No. 43-2002 (copy attached) on December 9, 2002, adopted its annual budget for the year 2003 and on December 11, 2002 the budget was submitted to the Governor, the presiding officers of each Chamber of the General Assembly, the Director of Budget and Management, and the Legislative Budget Office of the Legislative Service Commission in accordance with the provisions of Section 5537.17(F) of the Revised Code of Ohio; and

"WHEREAS, Section 5.01(c) of the Master Trust Agreement (Trust Agreement) dated February 15, 1994, between the Commission and the Huntington National Bank (Trustee) provides that the Commission may at any time adopt an amended annual budget; and

"WHEREAS, the Trust Agreement provides that the Commission shall file a copy of any amended annual budget with the Trustee; and

"WHEREAS, the Commission's executive director, CFO/Comptroller and other members of the Commission's staff have completed a detailed review of the annual budget and have made certain adjustments thereto and the amended budget, including such adjustments, is now before the Commission;

"NOW, THEREFORE, BE IT

"RESOLVED that the Commission hereby adopts the following as its amended annual budget for the year 2003 and the executive director or the CFO/Comptroller are directed to transmit a copy of the budget to the appropriate officials set forth in Section 5537.17(F) and to The Huntington National Bank, Trustee, under the Commission's Trust Agreement as is provided in Section 5.01(c):

**PROPOSED AMENDED 2003 BUDGET OF REVENUES, EXPENDITURES, TRANSFERS
AND DEPOSITS FOR PROJECTS**

	<u>PLEGDED</u>	<u>NON-PLEDGED</u>	<u>TOTAL</u>
REVENUES:			
TOLL	\$ 181,190,000	\$ -	\$ 181,190,000
INVESTMENT	1,750,000	290,000	2,040,000
CONCESSION	-	13,680,000	13,680,000
FUEL TAX	-	2,700,000	2,700,000
OTHER	-	855,000	855,000
TOTAL REVENUES	<u>\$ 182,940,000</u>	<u>\$ 17,525,000</u>	<u>\$ 200,465,000</u>
EXPENDITURES:			
OPERATION, MAINT. & ADMINISTRATION:			
ADMINISTRATION & INSURANCE	\$ 7,705,000	\$ -	\$ 7,705,000
MAINT. OF ROADWAY & STRUCTURES	28,310,500	2,002,000	30,312,500
SERVICES & TOLL OPERATIONS	38,632,000	4,850,000	43,482,000
TRAFFIC CONTROL, SAFETY & PATROL	13,285,500	-	13,285,500
TOTAL OPERATION, MAINT. & ADMIN.	<u>\$ 87,933,000</u>	<u>\$ 6,852,000</u>	<u>\$ 94,785,000</u>
BOND INTEREST PAYMENTS	39,379,000	-	39,379,000
BOND PRINCIPAL PAYMENTS	<u>16,577,000</u>	<u>-</u>	<u>16,577,000</u>
TOTAL EXPENDITURES	<u>\$ 143,889,000</u>	<u>\$ 6,852,000</u>	<u>\$ 150,741,000</u>
TRANSFERS & DEPOSITS:			
EXPENSE RESERVE	\$ 324,000	\$ -	\$ 324,000
FUEL TAX FUND	-	2,800,000	2,800,000
SERVICE PLAZAS CAPITAL IMP. RESERVE	-	375,000	375,000
RENEWAL & REPLACEMENT FUND	3,000,000	-	3,000,000
SYSTEM PROJECTS FUND	39,828,000	7,498,000	47,326,000
GENERAL RESERVE	<u>(4,101,000)</u>	<u>-</u>	<u>(4,101,000)</u>
TOTAL TRANSFERS & DEPOSITS	<u>\$ 39,051,000</u>	<u>\$ 10,673,000</u>	<u>\$ 49,724,000</u>
TOTAL EXPENDITURES, TRANSFERS & DEPOSITS	<u>\$ 182,940,000</u>	<u>\$ 17,525,000</u>	<u>\$ 200,465,000</u>

The resolution was adopted with all Members voting in the affirmative. The resolution was identified as No. 45-2003.

The Chairman asked for the report from the Deputy Executive Director, Jerry Pursley.

Mr. Pursley said the first resolution he would like to discuss concerns a request to withdraw its bid from a plumbing contractor from the bid invitation associated with the award of Contract No. 48-03-04(B). The Commission will recall at the last Commission Meeting the Commission rejected all the bids for the renovation of the Administration Building and ordered that the project be re-advertised. Subsequent to that meeting the re-advertisement did occur, and the contract was divided into four trades (general construction, HVAC, electrical and plumbing). The bidders were also given the option to submit a single bid for one trade or a combination bid for all trades. The lowest bid for the plumbing component of the contract was from Apex Construction & Management Co. Subsequent to the submittal of their bid and the opening of the bids they indicated to the Commission that there had been a mistake in their bid and they have requested to withdraw that bid. The Director of Contracts Administration, Kathleen Weiss, has determined that they meet the statutory requirements for bid withdrawal and at this point, with the Chairman's permission, I would ask General Counsel to read the Resolved.

General Counsel read the Resolved as follows:

"RESOLVED that the plumbing bid submitted by **Apex Construction & Management Co.** in the amount of \$9,750.00 received pursuant to the re-advertisement for bids upon a contract for renovations to the Ohio Turnpike (*Berea*) Administration Building, located at 682 Prospect Street, Berea, Ohio, Milepost 159.4 in Cuyahoga County, Ohio, herein designated as **Contract No. 48-03-04 (B)**, be and the same hereby is withdrawn, and the executive director is authorized to notify the bidder in writing of said action, and to return to the bidder the bid security furnished by it; and

"FURTHER RESOLVED that the executive director and director of contracts administration hereby are authorized to take any and all actions necessary to award a contract or contract(s) for **Contract No. 48-03-04 (B)** for renovations to the Ohio Turnpike (*Berea*) Administration Building, located at 682 Prospect Street, Berea, Ohio, Milepost 159.4 in Cuyahoga County, Ohio, forthwith."

The Chairman asked, is there a motion?

Commissioner Balog moves and Deputy Director Campbell seconds.

The Chairman asked, are there any questions? Please call the roll.

The "Resolution Accepting Request to Withdraw Bid of Plumbing Contractor in Bid Invitation Associated with the Award of Contract No. 48-03-04(B)" was moved for adoption as follows:

RESOLUTION NO. 46-2003

"WHEREAS, the Commission has duly re-advertised according to law for bids upon a contract for renovations to the Ohio Turnpike (*Berea*) Administration Building, located at 682 Prospect Street, Berea, Ohio, Milepost 159.4 in Cuyahoga County, Ohio, herein designated as **Contract No. 48-03-04 (B)**; and

"WHEREAS, the subject contract was divided into the four trades (general construction, HVAC, electrical and plumbing,) and bidders were given the option to submit a single bid for one trade or a combination bid for all four trades; and

"WHEREAS, the Commission received bids from seventeen bidders for the performance of said contract at the bid opening held on October 10, 2003, as provided in said published notice, and said bids are before the Commission at this meeting; and

"WHEREAS, said bids have been reviewed and analyzed by the Commission's maintenance engineer and director of contracts administration, and they have submitted reports concerning such analysis which reports are before the Commission; and the Commission's executive director has made his recommendation to the Commission predicated upon such analyses; and

"WHEREAS, Apex Construction & Management Co. submitted a bid for the plumbing trade in the amount of \$9,750.00, and on October 13, 2003 advised the Commission that an error was made in its bid and requests that its bid be withdrawn; and

"WHEREAS, the Commission has been advised by its director of contracts administration that Apex Construction & Management Co. has met the statutory requirements for bid withdrawal, and therefore, the Commission may lawfully accept the request by Apex to withdraw its plumbing bid for the aforesaid invitation, and furthermore, the director of contracts administration advises that it is in the best interests of the Commission to approve Apex Construction & Management's request to withdraw its bid.

"NOW, THEREFORE, BE IT

"RESOLVED that the plumbing bid submitted by **Apex Construction & Management Co.** in the amount of \$9,750.00 received pursuant to the re-advertisement for bids upon a contract for renovations to the Ohio Turnpike (*Berea*) Administration Building, located at 682 Prospect Street, Berea, Ohio, Milepost 159.4 in Cuyahoga County, Ohio, herein designated as **Contract No. 48-03-04 (B)**, be and the same hereby is withdrawn, and the executive director is authorized to notify the bidder in writing of said action, and to return to the bidder the bid security furnished by it; and

"FURTHER RESOLVED that the executive director and director of contracts administration hereby are authorized to take any and all actions necessary to award a contract or contract(s) for **Contract No. 48-03-04 (B)** for renovations to the Ohio Turnpike (*Berea*) Administration Building, located at 682 Prospect Street, Berea, Ohio, Milepost 159.4 in Cuyahoga County, Ohio, forthwith."

The resolution was adopted with all Members voting in the affirmative. The resolution was identified as No. 46-2003.

Mr. Pursley stated that the next resolution for the Members' consideration concerns the award of Contract No. 48-03-04(B) for renovations to the Berea Administration Building. Seventeen bidders responded to the advertised request for bids and were evaluated by the Commission's consultant, Burgess & Niple, Limited and the engineering department. The apparent low bid for the multiple prime contracts total \$547,969.00. As a result of the Commission's previous action, the bid was allowed to be withdrawn from plumbing. That makes the "combined" bid the lowest bid now at \$548,000.00 to Whitehouse Construction Company of Bedford Heights, Ohio. With the Chairman's permission, I would ask General Counsel to read the Resolved.

General Counsel read the Resolved as follows:

"RESOLVED that the combination bid of **Whitehouse Construction Co.** of Bedford Heights, Ohio in the amount of **\$548,000.00** for the performance of Contract No. 48-03-04(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 Burgess & Niple, Limited of Painesville, Ohio, to Contract 48-03-04(B) for the purpose of performing construction administration. Such assignment shall be in accordance with the 2003-2004 Engineering Services Agreement between the Ohio Turnpike Commission and Burgess & Niple, Limited; and

"FURTHER RESOLVED that Project No. 48-03-04 (B) is designated a System Project under the Commission's 1994 Master Trust Agreement."

The Chairman asked, is there a motion?

Commissioner Noe moves and Commissioner Balog seconds.

The Chairman asked if there are any questions or discussions.

Please call the roll.

The "Resolution Awarding Contract No. 48-03-04(B)" was moved for adoption as follows:

RESOLUTION NO. 47-2003

"WHEREAS, the Commission has duly advertised according to law for bids upon a contract for renovations to the Ohio Turnpike (*Berea*) Administration Building, located at 682 Prospect Street, Berea, Ohio Milepost 159.4 in Cuyahoga County, Ohio, herein designated as **Contract No. 48-03-04 (B)**; and

"WHEREAS, the subject contract was divided into the four trades (general construction, HVAC, electrical and plumbing,) and bidders were given the option to submit a single bid for one trade or a combination bid for all four trades; and

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

"WHEREAS, said bids have been reviewed and analyzed by the Commission's maintenance engineer, and he has submitted a report concerning such analysis and his report is before the Commission and the Commission's executive director has made his recommendation to the Commission predicated upon such analysis; and

"WHEREAS, all bids for said contracts were solicited on the basis of the same terms and conditions and the same specifications, and the combination bid of Whitehouse Construction Co. of Bedford Heights, Ohio in the amount of \$548,000.00 for the performance of Contract No. 48-03-04 (B) has been determined by the Commission to be the lowest responsive and responsible bid received; and

"WHEREAS, the Commission has been advised by its director of contracts administration that said bid conforms to the requirements of Section 5537.07, Section 9.312

and Section 153.54, all of the Revised Code of Ohio, and that a performance bond with good and sufficient surety has been submitted by Whitehouse Construction Co.;

"NOW, THEREFORE, BE IT

"RESOLVED that the combination bid of **Whitehouse Construction Co.** of Bedford Heights, Ohio in the amount of **\$548,000.00** for the performance of Contract No. 48-03-04(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 Burgess & Niple, Limited of Painesville, Ohio, to Contract 48-03-04(B) for the purpose of performing construction administration. Such assignment shall be in accordance with the 2003-2004 Engineering Services Agreement between the Ohio Turnpike Commission and Burgess & Niple, Limited; and

"FURTHER RESOLVED that Project No. 48-03-04 (B) is designated a System Project under the Commission's 1994 Master Trust Agreement."

The resolution was adopted with all Members voting in the affirmative. The resolution was identified as No. 47-2003.

Mr. Pursley said the final resolution that I'll discuss concerns the award of contract pursuant to Invitation No 3954 for furnishing all service and material for cleaning the Commission's toll plazas and Ohio State Highway Patrol Posts 89, 90 and 91. These bids were broken into three separate groups based on geographic locations. Group I covers Toll Plazas from 2 to 91 and OSHP Post 89. Group II covers from Toll Plaza 110 to 173 and OSHP Post 90; and Group III covers Toll Plazas 180 to 238 and OSHP Post 91.

Three bids were received in response to Groups I and II; four bids were received in response to Group III. The recommendation after reviewing the contracts and proposals that Hi-Tec Building Services of Bowling Green was determined the best bidder for these contracts. The total cost of the cleaning service for all three groups was \$193,488.00, which is well below the Commission's estimated cost of \$250,000. With the Chairman's permission, I'd ask General Counsel to read the Resolved.

General Counsel read the Resolved as follows:

"RESOLVED that the bids of **Hi-Tec Building Services, Inc.**

<u>Group</u>	<u>Monthly Fee</u>	<u>Annual Fee</u>	<u>Terms</u>
I	\$5,846.00	\$70,152.00	1%
II	4,831.00	57,972.00	1%
III	5,447.00	57,972.00	1%
Total Annual Award			\$193,488.00

for Invitation No. 3954 are, and are by the Commission deemed to be the lowest responsive and responsible bids received and are accepted and the chairperson and executive director, or either of them, is hereby authorized (1) to execute a contract with said successful bidder in the form heretofore prescribed by the Commission pursuant to the aforesaid invitation; and (2) to direct the return to the other bidders of their bid security at such time as Hi-Tec Building Services, Inc. has entered into a contract and furnished a performance bond required thereby; and (3) to take any and all action necessary to properly carry out the terms of said contract."

The Chairman asked, is there a motion?

Commissioner Dixon moves and Commission Balog seconds.

The Chairman asked, are there any questions?

Please call the roll.

The "Resolution Concerning Award of Contract Pursuant to Invitation No. 3954" was moved for adoption as follows:

RESOLUTION NO. 48-2003

"WHEREAS, the Commission has advertised for bids for Invitation No. 3954 for furnishing to the Commission all service and material for cleaning the Commission's toll plazas and Ohio State Highway Patrol Posts 89, 90 and 91; and

"WHEREAS, said Invitation was divided into three groups as follows:

	<u>Toll Plazas</u>	<u>OSHP Posts</u>
Group I	2, 13, 25, 34, 39, 52, 59, 64, 71, 81 and 91	89
Group II	110, 118, 135, 142, 145, 151, 152, 161 and 173	90
Group III	180, 187, 193, 209, 215, 216, 218, 232, 234 and 238	91

"WHEREAS, five bidders submitted bids in response to that invitation and bidders were given the option to submit a single bid in response to Group I, Group II, Group III or any combination thereof under Invitation No. 3954, and such bids have been reviewed by the Commission's staff; and

"WHEREAS, it is anticipated that the expenditures of the Commission for the above-mentioned cleaning services under Invitation No. 3954 shall exceed \$150,000 and in accordance with Article V, Section 1.00 of the Commission's Code of Bylaws, Commission action is necessary for the award of such contract; and

"WHEREAS, the bids were reviewed by the chief engineer and his staff who have stated that Hi-Tec Building Services, Inc. of Bowling Green, Ohio has submitted the lowest responsive and responsible bid for Group I, II and III as follows:

<u>Group</u>	<u>Monthly Fee</u>	<u>Annual Fee</u>	<u>Terms</u>
I	\$5,846.00	\$70,152.00	1%
II	4,831.00	57,972.00	1%
III	5,447.00	57,972.00	1%
Total Annual Award		\$193,488.00	

"WHEREAS, the Commission's director of contracts administration has reviewed the bids received and has advised the Commission that the procedure followed by the Commission in advertising for Invitation No 3954 is in accordance with Section 5537.07 of the Revised Code of Ohio, and that the bids of Hi-Tec Building Services, Inc. of Bowling Green, Ohio are the lowest responsive and responsible bids received and that the Commission may legally enter into a contract with Hi-Tec Building Services, Inc. to furnish the above-mentioned cleaning services in accordance with Invitation No. 3954; and

"WHEREAS, the executive director has reviewed the bids received and has recommended to the Commission that a contract be awarded to the lowest responsive and responsible bidder, Hi-Tec Building Services, Inc. of Bowling Green, Ohio;

"NOW, THEREFORE, BE IT

"RESOLVED that the bids of **Hi-Tec Building Services, Inc.**

<u>Group</u>	<u>Monthly Fee</u>	<u>Annual Fee</u>	<u>Terms</u>
I	\$5,846.00	\$70,152.00	1%
II	4,831.00	57,972.00	1%
III	5,447.00	57,972.00	1%
Total Annual Award		\$193,488.00	

for Invitation No. 3954 are, and are by the Commission deemed to be the lowest responsive and responsible bids received and are accepted and the chairperson and executive director, or either of them, is hereby authorized (1) to execute a contract with said successful bidder in the form heretofore prescribed by the Commission pursuant to the aforesaid invitation; and (2) to direct the return to the other bidders of their bid security at such time as Hi-Tec Building Services, Inc. has entered into a contract and furnished a performance bond required thereby; and (3) to take any and all action necessary to properly carry out the terms of said contract."

The resolution was adopted with all Members voting in the affirmative. The resolution was identified as No. 48-2003.

The Chairman asked Mr. Pursley if that concluded his report.

Mr. Pursley said, yes it does.

The Chairman asked if the Executive Director had a report.

The Executive Director said he had just a couple items to report. We had our first public hearing on the toll change in Toledo on October 14, 2003. You may recall, at our last meeting we passed a resolution to adjust the weight of Class 8 from 78,000 to 80,000 pounds. One person showed up representing the trucking association in support of it. Our second public hearing will be

in the Youngstown area on November 12, 2003. Also, we have a legislative Oversight Meeting on October 29, 2003 in the Youngstown area at the Dutch Village Inn in Columbiana, Ohio at 11:00 a.m. The third item I'm proud to report that the Ohio Turnpike Commission has participated in the State's Combined Charitable Campaign and we raised a record \$13,394.00. It will show a very nice increase over previous year's contributions, and I want to congratulate and thank all the Turnpike employees who participated in this worthwhile campaign. The last item, as you noticed, Dan Castrigano is not here today. He is attending an IBTTA Meeting in Texas. You may be aware that he has been elected to the Board of Directors of IBTTA.

I believe on Wednesday, November 5, the old Cuyahoga River Bridge will be blown up. I was trying to think of a better word – imploded. It will take place sometime mid-morning. Obviously, it will not be possible for folks to stop their car on the Turnpike and watch it so any Members of the Commission that have a desire to observe that, please let me know so we can make arrangements to reserve a place for you to observe it where it is safe and secure. I understand that OSHP will be involved in stopping traffic so that can happen. As you may recall, construction of the third lane – actually two new bridges have been built, one bridge has already been destroyed and this is the last one. That concludes my report.

The Chairman asked how many people came to the Toledo meeting.

The Executive Director said only one person, an owner of a trucking company representing the Ohio Trucking Association. Dale Craig, it might have been, and I think he is President or Chairman of the Toledo Chapter of OTA. He came in support of our request. I think the Trucking Association actually asked us to make this change and wanted to have someone there. Other than saying I agree, there was no other specific information given at that time.

The Chairman asked if we advertised these hearings.

The Executive Director said, yes we do. We have advertised the three meetings. This one was specifically held in the Lucas County Commissioners' chambers in downtown Toledo – One Government Center.

Commissioner Dixon said I think you and I are on the same track, Mr. Chairman. By law we have to do these public meetings. I was wondering – not to give you more work to do – but my experience with public hearings is that usually unless it is something very controversial, people just don't show up. Even when you give them something, it's a plus, but they will sit at home and say thank you. They won't come out to a meeting and say thank you. Is there any way, since we have all these people, and by law we have to hold these meetings, can we do something else? Some type of informative meeting on the Turnpike or something to maybe draw some people. Do you think I'm just spinning my wheels?

The Executive Director said I'm an employee of the Commission so obviously we'll do whatever you folks deem appropriate. I think these are my thoughts, but you are welcome to interpret what you think is the appropriate public policy. This is a positive change because we are raising it to be consistent with both Pennsylvania and with state law for the 80,000 pounds for Class 8. There really isn't much to say about it. It's one of those things in the main if we were talking about a toll change it would probably be an increase. So that's the reason you need to have a public hearing, so that folks who are economically affected by it would have a chance to let their point be known. This is such a minor change that I think it's one of those things that we have taken such a small staff. We have not taken a large entourage. We have to hire a stenographer so we can record that, but we are doing the minimum time for that person as well. I almost think we are better off just minimizing it and moving on. If we have something big, we can prepare for a big event. However, if the Commission decides they want us to do something further, we are happy to do that.

Commissioner Dixon said we asked for your insight and obviously you have given it. I think that's fine.

The Chairman said thank you Mr. Suhadolnik. Is there a report from the financial advisor?

Mr. Stillman said no report, Mr. Chairman.

The Chairman asked if there was a report from our general consultant.

Mr. Matt Lawler from HNTB said, in September we submitted our annual report and all the bridges and culverts are inspected with the exception of those in the truck zones. We hope that in the next couple months we can complete those zones.

The Chairman asked if there was a report from the OSHP.

Captain Bob Ferguson stated that after five fatality-free successive months we have experienced three fatal crashes – one in September and two in October. The last one occurred at 9:00 a.m. this morning (October 20, 2003) at Milepost 115 in Erie County. That crash is still under investigation as we meet so I don't have the particulars on what occurred in this accident.

I will give you a synopsis of the other two. On September 22nd, the Milan Post investigated a double-fatality involving two SUVs at Milepost 83.8 (westbound) in Sandusky County. A GMC Jimmy was traveling in the center lane and was overtaken by a GMC Envoy at a high rate of speed. The Envoy attempted to swerve around the Jimmy, but struck it in the rear. The Envoy skidded out of control and struck the center wall head-on and then overturned. The driver and right-rear passenger in the Envoy were killed. There were five other occupants in the two vehicles that were injured in that crash.

On October 7 at 3:15 p.m., we had fatal crash that occurred involving two semis and a passenger car at the 151 interchange in Lorain County. This happened right at the entrance to the toll booths. A semi-driver coming off I-480 wanting to enter the Turnpike westbound was approaching the entrance to the toll booth lanes and was unable to come to a stop behind a passenger car and another semi ahead of that passenger car. That semi driver then swerved to the right and actually drove up upon the concrete lane dividers at the toll booths. That caused his cab and trailer to overturn on top of the car ahead of him. He also moved forward and struck the rear of the trailer of the semi ahead of the car. A 39-year old female driver of the car was killed when that semi overturned on top of her car. The passenger in her car was also injured. The semi driver at fault has been charged with vehicular homicide in that case.

Another update, we have begun to work weight enforcement at S.R. 49 interchange – in the west area of the Ohio Turnpike using portable scales. There is concern for the volume of commercial traffic exiting at S.R. 49 and using S.R. 20 to run over to the Toledo area, and a great concern that many of those vehicles are overloaded. We trained one of our troopers on how to use one of those portable scales and used District II's equipment and support personnel to work in conjunction with that enforcement.

As I said, that enforcement got started last week. Forty percent of those vehicles checked and weighed were overloaded. An interesting behavioral change just from the presence of that operation is our trooper will sit on S.R. 49 at the interchange and observe the semis exiting and several of them have been seen to come to the end of the exit ramp, put on a left turn signal to go north on S.R. 49 on their way to Route 20, see our trooper turn-off their turn signal and pull straight ahead and re-enter the Turnpike. So just our presence is having some behavioral changes which is good. We'll continue to work that enforcement for several weeks and we'll report on our progress. That concludes my report.

Commissioner Noe stated, I assumed that was the case, but now that you're out there and living in Toledo that's all I hear about is Central Avenue and the reason the trucks are there is: the Turnpike has too high tolls. We are saying the reason they are there is because they are avoiding the Turnpike because a lot of them are overweight. I think once we have a few months in, I think it would be a good idea that both you, Gary and the Captain send some type of letter to the officials in the Toledo area that are making the assumptions that are false. We hear it all the time. It's a daily mantra when people know I'm on the Turnpike Commission -- when are you going to get all the trucks off Central Avenue and get them back on the Turnpike?

Captain Ferguson stated that several of those that were weighed would have been legal weight on the Turnpike, but some of the trucks -- in fact one was 12,000 pounds over gross weight. It wouldn't have been legal on the Turnpike.

Commissioner Noe said we should keep an eye on these reports and I think it will make a big change. I think it's great and I'm glad you're doing it.

The Chairman thanked Captain Ferguson for his report. He said now we have a report from our General Counsel.

The General Counsel said I have two items. Included in your packets that you should have received last week, is the third Quarterly Report for the Legal Department. I have updated you on all our significant litigation matters and the recent zoning issue we had so that you know exactly where we are. If you have any questions regarding the report or anything, I'd be happy to address them.

Ms. Tsevdos said the second item is an item that was requested by the Chairman two meetings ago. What we have done is both Kathleen Weiss, Director of Contracts Administration, and I have been working on this jointly with our MBE/FBE Coordinator to give you a complete overview of where we are with regard to what our policy is for minority business enterprises and female business enterprises. We have attached a memorandum from the MBE/FBE Coordinator, Ella Camiola, regarding what our numbers are and a list of the companies that are registered by their designation, whether as MBE or FBE. To point out, the FBE policy change was not put into effect until January 2003. Our numbers for FBEs are much lower than MBEs. It gives you an overview of where we are.

We have also included the case law that has been given to you previously by former General Counsel, Tom Amato, and myself earlier this year. What Kathy and I have both recommended is not to change the voluntary nature of the policy, but we do think that there are four additional steps that the Commission can take that we hope will increase MBE and FBE participation. Generally, what we intend to do is, Ella Camiola will be contacting a number of different agencies including ODAS, ODOT, RTA, City of Cleveland, City of Youngstown, City of Toledo, to cross-reference our list of companies that are registered with their list of companies registered to try and increase our numbers as far as the number of companies that are certified as MBEs and FBEs. Ella has already started to do this. Some of these lists are on the website for the respective agencies. Once we get the names of these businesses, we will generate a mailing to them asking them if they are interested in submitting an application for certification as a MBE/FBE status. I think that will definitely increase our numbers. (2) We are recommending that the Commission will expand the number of publications in which it advertises Commission projects, bids and Requests for Proposals (RFPs). Right now we are advertising in The Daily Reporter, however, if we include advertisements in the four major newspapers located in Cleveland, Akron, Youngstown and Toledo and also look into advertising in some of the smaller newspapers that have a circulation in the minority community or publications that FBEs might monitor to increase our exposure as far as outreach and, hopefully, solicit more bids and proposals from MBEs and FBEs. (3) We are also recommending that the Commission and our Coordinator resume participation in workshops that are sponsored by ODAS, ODOT, RTA and the local municipalities or the major cities that have MBE/FBE programs. Then

typically, and we did this in the past, we could co-sponsor and participate in workshops that solicit participation with MBEs, FBEs or disadvantaged business enterprises to educate them about the contracting process, the bidding process and what types of contracts we have. I think if we have a presence at those workshops and participate in these types of workshops, it can only improve our outreach to these types of businesses. (4) What we are recommending is that the Commission monitor what these additional steps do and also monitor the success and whether or not there are any legal challenges to the State of Ohio's new Edge (Encouraging Diversity Growth and Equity) Program. That program is being administered by the Department of Administrative Services. Depending upon where we are when we take the first three steps, we may look to see whether we want to make any changes to the overall program. I'm happy to answer any questions that the Commission Members may have.

The Chairman asked if anyone had any questions.

Mr. Dixon stated he just wanted to comment that he was very pleased with the progress that has been made. Noelle and Kathy have responded to all my questions and quite frankly even going a step beyond. I'm always the first to criticize when there's nothing happening so I want to be the first to commend and congratulate them on the steps they have taken in these areas. I'm very happy.

You all know that I am involved with a lot of organizations around this community and nobody is perfect – not the RTA, the School Board. What we can be is perfect in our intent and openness and inclusiveness to let people understand we want to do things. The bureaucracy and red tape and certain legal matters have us handcuffed, but we want people to understand that we are open to and want to do business with FBEs, MBEs, DBAs, and I think these are the correct steps in doing that. I want to thank you both very much on all the hard work that you have done. It's not easy, I know. Thank you.

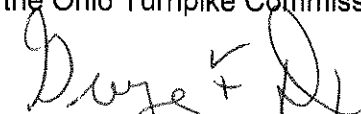
The Chairman asked, how often do we report our MBE activity as a percentage of our total projects?

Ms. Tsevdos said we don't have to report to anybody. What we can do is, I'll include it in my quarterly report that the Legal Department gives you by including a section of where we are. So that before we get to that twelve-month period, we will give you a comprehensive report at the end of the twelve-month period. I can give you a quarterly update on what we have done, which workshops we have participated in, what our numbers are, overall contracts and the number of companies. I'd be happy to do that so everybody knows where we are. That concludes my report.

The Chairman thanked Ms. Tsevdos and asked if there was any other business. Do we have a motion to adjourn?

All Members voted in the affirmative to adjourn. Time of adjournment was 10:43 a.m.

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



George F. Dixon, Secretary-Treasurer