

## MINUTES OF THE 497th MEETING OF THE OHIO TURNPIKE COMMISSION

November 19, 2003

Pursuant to the bylaws, the Ohio Turnpike Commission met for a Special meeting at the Commission's Administration Building at 10:10 a.m. on November 19, 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; Kathleen Weiss, Director of Contracts Administration; Dave Miller, Chief Auditor; Dick Morgan, Director of Information Systems; 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 and Mr. Balog

Absent: Mr. Dixon, Director Proctor, Representative Buehrer  
and Senator Schuring

The Assistant Secretary-Treasurer said that Mr. Dixon is out of the country and the Ohio Department of Transportation's Director, Gordon Proctor, or his designee, are not here today. 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; Mike Burgess, URS; Rich Exner, The (Cleveland) Plain Dealer; Dan Sokol, Dennis Albrecht, Dick Corporation; Tony Yacobucci, HNTB; Frank Lamb, Huntington Bank; Capt. Robert Ferguson, Staff Lt. Dave Dicken, Major Bob Cassidy, OSHP; Steve DeLong, Floyd Jeffries, Operating Engineers; G. Alan Plain (retired); Tom Travis, HMS Host; Tim Reidy, Nat City Investments; Stefan Holmes, First Merit Bank; Howard O'Malley, B & T Express, and Kevin Redden, Gladieux Corporation.

The Chairman said this is the 497th 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 a special 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 October 20, 2003 meeting, which were previously sent to the Members?

Commissioner Balog moves and Commissioner Noe 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, Director Suhadolnik.

The following items have been sent to the members since the last regularly scheduled meeting of the Commission on October 20, 2003:

1. Minutes of the October 20, 2003 Commission Meeting
2. Traffic & Revenue Report, October, 2003
3. Total Revenue by Month & Year, October, 2003

4. Investment Report, October, 2003
  5. Financial Statements – October 31, 2003 \*
  6. Various News Releases
- \* in Commission Members' folders

Director Suhadolnik said that concludes my report as Assistant Secretary-Treasurer. I would like to make another comment that later on in the meeting you will get to see a short video of the demolition of the Cuyahoga River Bridge. As a human-interest story, I'd like to mention that the Commission was fairly successful this year in having employees participate in the statewide Combined Charitable Campaign. We collected almost \$19,000.00. Any employee who participated in that campaign was eligible to have their name submitted to be the person who set off the charge that demolished the bridge. We drew one name out of the hat and it happened to be an Assistant Toll Supervisor, Beth Blackburn from Interchange 232. She participated by setting off the charge. She was excited and mentioned that it was the first contest she had ever won. She wrote me a personal note saying it was great to be a part of history.

Chairman Wilkins said we collected almost \$19,000.00, how did that compare to last year?

Director Suhadolnik said I'd rather not report on last year's collection, but let me just say it was leaps and bounds ahead of last year. All our Turnpike employees should be applauded for their efforts. That concludes my report, Mr. Chairman.

The Chairman asked for the report on financial and budgetary matters.

Mr. Jim Steiner, the Commission's CFO/Comptroller, said that our IS (Information Systems) Director, Dick Morgan, has implemented some new technology that has been installed in the Commission room. I'm going to attempt to use that technology to present the Preliminary 2004 budget. If I could I would like to direct your attention to the flat panel monitors in front of you.

This Preliminary 2004 budget was prepared under the direction of the Executive Director, with the assistance from the Deputy Executive Director, Chief Engineer and all the department heads. The proposed 2004 preliminary budget is presented in the first column. The Amended 2003 budget is listed in the second column and the columns at the right show the dollar and % changes from the amended 2003 budget to the proposed preliminary 2004 budget.

An overview of our revenue budget reveals that toll revenues represent 91% of total revenues. Our concession revenues account for about 7% and all other sources combined represent only 2% of the Commission's revenues. This pie chart includes all revenues.

I want to first focus on our pledged revenues, which includes our tolls and the related investment earnings. Passenger car traffic on the Ohio Turnpike has increased steadily during each of the last ten years with the exception of the slight declines in 1996 and 1997. Passenger car traffic has increased from 30.5 million vehicles in 1993 to a projected 39 million cars this year. It's an increase of about 8.5 million cars or 28%. Car traffic for the first ten months of this year is up 1.1% compared to last year.

Our commercial traffic is somewhat more volatile and tends to fluctuate with the economy. Despite this volatility, commercial traffic does show long-term growth. Our commercial traffic has grown from 7.6 million vehicles in 1993 to a projected 9 million vehicles this year. It's an increase of about 1.4 million vehicles or 18%. While our year to date commercial traffic through October of this year is 0.7% lower than the volume from last year, our commercial traffic for September and October of this year exceeded the volumes from the corresponding months from 2002 by 2.1% and 1.9%

respectively. This trend does appear to be continuing into the first half of November. This chart shows our actual toll revenues from 1993 through 2002 along with the budgeted revenues for 2003 and 2004. The growth in toll revenues since 1993 reflects both the growing traffic volumes combined with toll rate increases that were phased in from 1995 through 1999. We are not proposing any toll rate increases for 2004.

The 2004 proposed toll revenue budget including special toll permits is \$184.3 million, an increase of \$3.1 million or 1.7% over the amended 2003 budget. Revenue for passenger cars is projected to increase by \$2 million or 2.6% and revenue from commercial vehicles is projected to increase by \$1.1 million or 1%. These projections were prepared by our traffic consultant, Bobby Everhart of URS Corporation.

The proposed budget for pledged investment income is \$983,000, which is a drop of \$767,000. The Commission's investment revenues have been declining since calendar year 2000 for two reasons: the amount of money we have to invest has been declining as we pay for our ongoing capital improvement program. The spike you see in July 2001 reflects the proceeds from a \$100 million bond issue, which was the last bond issue that the Commission had planned. The second reason for the decline is our investment earnings dramatic decline in interest rates. The federal funds rates peaked at 6.5% in May of 2000 and it now stands at just 1%.

The total proposed 2004 pledged revenue budget is \$185.3 million, which is an increase of \$2.3 million over the amended 2003 budget.

This overview of the proposed 2004 budget for expenditures and transfers reveals that the Commission spends only 4% of its budget on administration and insurance, 15% on maintenance of the roadway and structures, 22% on the operation of the toll and service plazas, 7% on traffic control, safety, patrol and communications; 28% on debt service and 24% on capital projects. This pie chart includes all expenditures and transfers, I want to start with the expenditures and transfers from our pledged revenues.

The total 2004 proposed budget for operating maintenance and administrative expenses paid from pledged revenues is \$90.8 which is increase of \$2.8 million or 3.2% compared to the amended 2003 budget. The major increase in the proposed expense budget is the negotiated \$.70 per hour wage increase for bargaining unit employees and a comparable percentage increase for non-bargaining employees.

The Commission currently has bonds outstanding with a par amount of about \$754 million. The 2004 debt service payment on these bonds total \$56 million, which is approximately the same amount as in 2003. The interest payments on the debt are slightly lower than in 2003 and the principal payments are slightly higher.

The proposed 2004 budget for expenditures paid from pledged revenues including the debt service payments totals \$146.7 million which is an increase of \$2.9 million or 2% over the amended 2003 budget.

Our Master Trust Agreement requires that we maintain a reserve equal to 1/12 of our annual operating, maintenance, and administrative expense budget. With the proposed increase in our expense budget of \$2.8 million we will need to add 1/12 of this amount or \$237,000 to the expense reserve fund. The remaining transfers totaling \$38.3 million represents funds that we intend to commit for capital projects. Including the funds that we budgeted to come from the General Reserve this year, this is about \$400,000 less than the transfers included in the amended 2003 budget. The amounts in the Renewal and Replacement Fund are typically used to purchase vehicles and

equipment as well as for bridge repainting and other minor capital projects. The System Project Funds are used for the Commission's ongoing capital improvement program, bridge and roadway resurfacing and other major construction projects. Our Chief Engineer will be presenting the proposed 2004 capital budget at next month's Commission Meeting.

The total proposed 2004 budget for pledged funds is \$185,283,000, which is an increase of \$2,343,000 or 1.3% over the amended 2003 budget.

Next we have the proposed preliminary budget for non-pledged funds and the concession revenues represent the major source of our non-pledged revenues. The proposed budget for concession revenues is \$13,680,000, which is the same amount we included in the 2003 amended budget. We receive 5 cents in fuel tax from each gallon of fuel sold at the Commission's 16 service plazas and the Commission traditionally uses these funds for intersecting state routes. The proposed 2004 fuel tax revenue budget is \$2.8 million.

Due to the drop in interest rates, which I mentioned earlier, investment income from non-pledged funds is also expected to decline again in 2004. Other revenues are generated from leases, licensing, advertising, other miscellaneous sources and these are growing sources of non-toll revenue for the Commission. The total proposed 2004 non-pledged revenue budget is \$17.6 million.

The proposed budget to maintain and operate the service plazas is \$7 million, which is an increase of \$126,000 or 1.8%. We plan to use the remaining non-pledged revenues for capital projects. As mentioned earlier, the fuel tax revenues and the related investment income is customarily used for intersecting state routes. \$30,000 of the total investment income of \$138,000 is attributable to fuel-tax funds. Those investment earnings are also transferred to the fuel tax fund.

Our food and retail vendors at the service plazas are charged 1% of sales which is designated for capital improvements at the service plazas, and the 2004 budget for this revenue is \$390,000. We plan to add the remaining \$7.4 million from non-pledged revenues to the System Project Fund, to help support our ongoing capital improvement program.

The total proposed 2004 budget for non-pledged funds is \$17,581,000, an increase of \$56,000 over the amended 2003 budget.

The total proposed preliminary 2004 budget, both pledged and non-pledged funds, is \$202,864,000. Our Master Trust Agreement requires that we submit a preliminary budget to our trustee by November 15th, and we have complied with that requirement. The Trust Agreement further requires that the Commission pass a resolution adopting a final budget by December 31st, but the Trust Agreement does not require a formal resolution approving the preliminary budget. Nevertheless, it has always been our practice to ask the Commission to approve the preliminary budget and there is a proposed resolution in your materials. Mr. Chairman, with your permission, I'd like to ask the General Counsel to read the resolution.

General Counsel read the resolution as follows:

"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 2004 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 2004" (as set forth in the resolution).

The Chairman asked, is there a motion?

Commissioner Noe moves and Commissioner Balog seconds.

The Chairman said, Jim, I think that was an excellent presentation. Are there any questions?

Commissioner Balog asked, in light of the transfer that we had to make at the last meeting, we are showing additional revenue coming in -- how comfortable are we with the numbers so we won't be in the same situation next September or October that we have to make similar adjustments because we fell short on revenue? I certainly acknowledge that we also increase certain expenses because of the winter and additional Highway Patrol expenses.

Mr. Steiner stated the main source of our revenues is from tolls and that's why we use an independent traffic consultant, Bobby Everhart from URS, who has many years of experience in monitoring our traffic and projecting our toll revenues. Some years it is difficult to project exactly what the revenues are going to be on a year-to-year basis depending upon things like the weather, economy, but Bobby Everhart is very comfortable with these projections. In fact, he has prepared a rather detailed analysis that we recently submitted to one of the rating agencies. If you'd like a copy of that report, I can certainly provide it to you.

Commissioner Balog said yes, I'd appreciate receiving that information.

Commissioner Noe said, we adopt this budget, but the Board technically doesn't approve the budget? I'm confused about the Master Trust Agreement.

General Counsel said the Master Trust Agreement is the agreement with the Trustee. The agreement is incumbent upon the Commission with respect to the issuance of the bonds, so it's our commitment to the bondholders that we will operate in accordance with the terms of the Master Trust Agreement. The trust agreement does not require you to adopt a preliminary budget, but it has been the practice of the Commission to do so.

Commissioner Noe said it seems that it would be part of our job to adopt the budget, and it seems like a backward way of doing it.

The Chairman said I think it's the policy of the Commission to adopt the budget, but it is not a requirement of the Master Trust Agreement.

Mr. Steiner clarified his comments by stating that the Master Trust Agreement does not require the Commission to approve a resolution adopting the Preliminary Budget, which has to be submitted to the trustee by November 15th. We did provide the trustee with a copy of the budget you have before you prior to November 15th. The Master Trust Agreement does require that the Commission adopt a resolution approving the final budget by December 31, and I will be bringing back the final budget at the December meeting for your consideration.

Commissioner Noe said that clears it up, thanks.

The Chairman asked if you expect any changes.

Mr. Steiner said hopefully nothing major. We still have a few items that we are looking at, but I assume it will be very similar to what you have before you.

The Chairman asked, so you won't be making another budget presentation?

Mr. Steiner said that's correct -- hopefully, just an abbreviated presentation.

The Chairman said if there are no other questions, please call the roll.

The "Resolution Adopting Preliminary Budget for the year 2004 and Providing for Deposits Required under the 1994 Trust Agreement during said year" was moved for adoption as follows:

**RESOLUTION NO. 49-2003**

"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 2004 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 2004:

**PRELIMINARY 2004 BUDGET - REVENUES, EXPENDITURES AND TRANSFERS**

	<u>PLEGDED</u>	<u>NON-PLEGDED</u>	<u>TOTAL</u>
<b>REVENUES:</b>			
TOLL	\$ 184,300,000	\$ -	\$ 184,300,000
INVESTMENT	983,000	138,000	1,121,000
CONCESSION	-	13,680,000	13,680,000
FUEL TAX	-	2,800,000	2,800,000
OTHER	-	963,000	963,000
<b>TOTAL REVENUES</b>	<u><u>\$ 185,283,000</u></u>	<u><u>\$ 17,581,000</u></u>	<u><u>\$ 202,864,000</u></u>
<b>EXPENDITURES:</b>			
<b>OPERATION, MAINT. &amp; ADMINISTRATION:</b>			
ADMINISTRATION & INSURANCE	\$ 8,177,400	\$ -	\$ 8,177,400
MAINT. OF ROADWAY & STRUCTURES	28,818,400	2,080,400	30,898,800
SERVICES & TOLL OPERATIONS	40,478,300	4,897,400	45,375,700
TRAFFIC CONTROL, SAFETY & PATROL	13,306,400	-	13,306,400
<b>TOTAL OPERATION, MAINT. &amp; ADMIN.</b>	<u><u>\$ 90,780,500</u></u>	<u><u>\$ 6,977,800</u></u>	<u><u>\$ 97,758,300</u></u>
<b>BOND INTEREST PAYMENTS</b>	38,535,000	-	38,535,000
<b>BOND PRINCIPAL PAYMENTS</b>	<u>17,429,000</u>	<u>-</u>	<u>17,429,000</u>
<b>TOTAL EXPENDITURES</b>	<u><u>\$ 146,744,500</u></u>	<u><u>\$ 6,977,800</u></u>	<u><u>\$ 153,722,300</u></u>
<b>TRANSFERS:</b>			
EXPENSE RESERVE	\$ 237,000	\$ -	\$ 237,000
FUEL TAX FUND	-	2,830,000	2,830,000
SERVICE PLAZAS CAPITAL IMP. RESERVE	-	390,000	390,000
RENEWAL & REPLACEMENT FUND	8,000,000	-	8,000,000
SYSTEM PROJECTS FUND	<u>30,301,500</u>	<u>7,383,200</u>	<u>37,684,700</u>
<b>TOTAL TRANSFERS</b>	<u><u>\$ 38,538,500</u></u>	<u><u>\$ 10,603,200</u></u>	<u><u>\$ 49,141,700</u></u>
<b>TOTAL EXPENDITURES &amp; TRANSFERS</b>	<u><u>\$ 185,283,000</u></u>	<u><u>\$ 17,581,000</u></u>	<u><u>\$ 202,864,000</u></u>

The resolution was adopted with all Members voting in the affirmative. The resolution was identified as No. 49-2003.

The Chairman thanked Mr. Steiner for his report. He asked for the Chief Engineer's report, Mr. Castrigano.

Mr. Castrigano said he had one resolution for the Members' consideration. It is included in your folders as a "Resolution Rejecting the Bids Received for Contract No. 58-03-01." This contract represents the construction of the toll plaza and utility buildings at Interchange 140 that is currently under construction in Lorain County. The contract provided for bids that could be received as an individual trades package or a combined bid for the entire contract work. We received a total of 13 bids for this contract (11 were received as individual trades bids and 2 for the entire contract work). The apparent low bid was received as a combination bid for the entire contract, however, the total amount bid was in excess of 10% above the consulting engineer's estimate. In accordance with statutory and contract requirements, the bids cannot be considered for award. What we are

proposing this morning is to reject the bids received in response to the contract. We will then review not only the consulting engineer's estimate, but also the contract specifications to see if we can do any fine-tuning to the costs. If the General Counsel would please read the Resolved.

General Counsel read the Resolved as follows:

"RESOLVED that the above-mentioned bids heretofore received pursuant to the advertisement for bids upon a contract for construction of the Ohio Turnpike Interchange 140 toll plaza utility building, toll booths and canopy located at Milepost 140.3 in Lorain County, Ohio, herein designated as **Contract No. 58-03-01**, be and the same hereby are rejected, and the executive director is authorized to notify the bidders in writing of said action, and to return to the bidders the bid security furnished by each; and

"FURTHER RESOLVED that the executive director and director of contracts administration hereby are authorized to take any and all action necessary to re-advertise for bids for **Contract No. 58-03-01** for construction of the Ohio Turnpike Interchange 140 toll plaza utility building, toll booths and canopy located at Milepost 140.3 in Lorain County, Ohio."

Mr. Castrigano recommended the adoption of the resolution.

The Chairman asked, do we have a motion?

Commissioner Balog moves and Commissioner Noe seconds.

The Chairman asked, are there any questions?

Commissioner Balog said there must be some confusion on the bidder's part when you look at Blaze's bid. They submitted everything across the board. Their package 1 exceeded the total, which included 1, 2, 3 and 4, from the information that we have been provided and they were so far off on some of their bids. When you look at their electrical bid compared to the other electrical bids, they were 250%. There must be some confusion in the bidding process or in the scope of work. It's hard to take and have the components equal 150-175% of their total bid.

Mr. Castrigano said we noticed that too. If you look at the combined bid that was submitted by Blaze, that was in line with the other combined bid that we received. We did see their general trades bid was above their combined bid. We haven't contacted the bidder as of yet, however, we felt that this bidder was truly going after either the combined bid or nothing on this job.

Commissioner Balog said I would assume that just by the fact that his component bids were all these round perfect numbers and he just wanted to put something in. If I get that phase of the job, I'll make the most money.

Mr. Castrigano said that may be the case.

Commissioner Balog said as you look at the bids and see the variations on the general trades and some of the other ones indicate the variations were just too great on some of the other bids also. You might want to have some discussions with them post-bid to see what the issues were.

Mr. Castrigano said, as I said, if you look at the individual bids on the individual packages for all the other bidders, you will see they all are relatively in line except for the individual packages that were submitted by Blaze Construction. It's my feeling that they were either after the whole bid package or possibly falling into one of the other smaller packages.



Chairman Wilkins said I didn't think it was an option of submitting a whole package.

General Counsel said we could bid out the individual trades or we could also accept the combination bid. Sometimes with the individual trades, the individual trades are lower than the combined bid. We have that option.

Chairman Wilkins asked if there were any other questions.

The Executive Director said we can't just bid the combination bid alone.

Would the Assistant Secretary please call the roll?

The "Resolution Rejecting the Bids received for Contract No. 58-03-01" was moved for adoption as follows:

**RESOLUTION NO. 50-2003**

"WHEREAS, the Commission has duly advertised according to law for bids upon a contract for construction of the Ohio Turnpike Interchange 140 toll plaza utility building, toll booths and canopy located at Milepost 140.3 in Lorain County, herein designated as **Contract No. 58-03-01**; and

"WHEREAS, the subject contract was divided into the following bid packages:

Bid Package #1	site work/general trades;
Bid Package #2	electrical trades;
Bid Package #3	HVAC/mechanical trades;
Bid Package #4	plumbing trades;

"WHEREAS, bidders were given the option to submit a single bid for one bid package or a combination bid; and

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

"WHEREAS, said bids have been reviewed and analyzed by the Commission's chief engineer and its director of contracts administration, and they have reported thereon and have made recommendations with respect thereto; and

"WHEREAS, the Commission's director of contracts administration has also adopted the recommendations of the chief engineer finding that the bids were in excess of 10% above the consulting engineer's estimate, and that, in conformity with Ohio Revised Code Section 153.12(A), the bids, therefore, cannot be considered for award; and

"WHEREAS, the Commission's director of contracts administration has submitted a report concerning such analysis, which report is before the Commission; and the Commission's executive director has made his recommendation to the Commission predicated upon such analysis; and

"WHEREAS, the Commission has been advised by its director of contracts administration that it may lawfully reject all bids for the aforesaid invitation;

"NOW, THEREFORE, BE IT

"RESOLVED that the above-mentioned bids heretofore received pursuant to the advertisement for bids upon a contract for construction of the Ohio Turnpike Interchange 140 toll plaza utility building, toll booths and canopy located at Milepost 140.3 in Lorain County, Ohio, herein designated as **Contract No. 58-03-01**, be and the same hereby are rejected, and the executive director is authorized to notify the bidders in writing of said action, and to return to the bidders the bid security furnished by each; and

"FURTHER RESOLVED that the executive director and director of contracts administration hereby are authorized to take any and all action necessary to re-advertise for bids for **Contract No. 58-03-01** for construction of the Ohio Turnpike Interchange 140 toll plaza utility building, toll booths and canopy located at Milepost 140.3 in Lorain County, Ohio."

The resolution was adopted with all members voting in the affirmative. The resolution was identified as No. 50-2003.

Mr. Castrigano said the other item I have is the Construction Update Report for this month. I'd like to report on the major project that we wrapped up since our last Commission Meeting. You may have noticed if you took the turnpike in this morning that our third-lane project in front of the Administration Building was completed this week. The zones were pulled down Monday afternoon and Tuesday morning. Commission Member Noe, that should save you quite a bit of time coming in. With that, we are just shy of 90% completion on the entire projected 160 miles of the currently programmed third lane.

Our four bridge projects have been completed: the ramp bridge at Exit 59 in Lucas County; the Horn and Slagle Road Bridges in Portage County have been open to traffic, including our largest contract, the Cuyahoga River Bridge structure in Summit County. On September 8th, the westbound structure was re-opened to traffic and two weeks ago on November 5th, the existing westbound superstructure was demolished by the use of explosives. I have a short, one-half minute video to show you.

Mr. Castrigano said we had 200-300 people to view the demolition two weeks ago. This is a slow-motion video. The bridge came down on Wednesday and we were able to get the scenic railway re-opened on that weekend. They are currently working on cleaning up the rest of the steel from the valley floor which will be recycled and then following that procedure, they will begin taking down the piers also by explosives. That completes my report on the bridges.

The only other major project we have ongoing again is the Interchange 140 at S.R. 58 in Lorain County. The work is continuing on the ramps for the interchange and as we just rejected the contract for the toll plaza and utility building, we will be re-advertising that project in the near future.

Chairman Wilkins asked if Dan was supervising the renovation of the first floor of the Administration Building. Mr. Castrigano said Tim Ujvari and the Maintenance Department are overseeing that project. However, if you have a problem, let me know and I can take care of it.

Commissioner Balog said the last 19 miles, a portion of that is the area due east of the bridges that were demolished, I know there is a bridge that looks like it might have some significant issues to deal with – what's the schedule on that?

Mr. Castrigano said the bridge you are speaking about is the Norfolk & Southern Bridge located at approximately Milepost 182. That bridge does have to be re-constructed to remove the double median piers similar to what we did here at Milepost 157 before we could put the third lane through. The railroad bridge is currently on the Capital Budget for next year. I'll be giving a

presentation at next month's Commission Meeting. Once we get the bridge done, we'll proceed with the third lane.

General Counsel stated there are some legal issues and we are involved in negotiations with several telecommunications companies that have fiber-optic cables on the bridge. We are at an impasse, but we have a meeting on Thursday, November 20th, and there is some additional right-of-way that needs to be purchased.

The Chairman asked Mr. Castrigano, when will the third lane be done?

Mr. Castrigano said we are projecting completion of the 160 miles -- now again this is all based on current revenue projections -- and we move these pieces along as we go. Once this piece is done out here just east of us, then we move to the western portion of the segment from Exit 71 to Exit 59. Current completion is in 2007.

The Chairman asked, when did we start it?

Mr. Castrigano said in 1996.

The Chairman thanked Mr. Castrigano for his report. Are there any reports from our financial advisor, Mr. Stillman?

Mr. Stillman said no report.

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

Mr. Yacobucci said no report.

The Chairman asked if there was a report from our trustee.

Mr. Lamb said no report.

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

Captain Ferguson said no report.

The Chairman asked if there was a report from General Counsel.

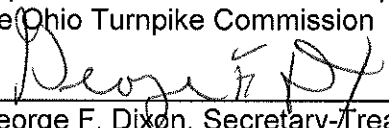
Ms. Tsevdos said no report.

The Chairman said if there was no further business, I'll accept a motion to adjourn until Monday, December 15th.

The Assistant Secretary Treasurer said before I call the roll, I'd just like to remind our Commission Members that we are to have a holiday luncheon on Friday, December 19th, at noon. You are all welcome to attend.

All Members voted in the affirmative to adjourn. Time of adjournment was 10:47 a.m.

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

  
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George F. Dixon, Secretary-Treasurer