

MINUTES OF THE 512th MEETING OF THE OHIO TURNPIKE COMMISSION

March 16, 2005

Pursuant to the bylaws, the Ohio Turnpike Commission met for a "Special" meeting at the Commission's Administration Building at 10:01 a.m. on March 16, 2005, with members of the staff: Jerry Pursley, Deputy Executive Director; Dan Castrigano, Chief Engineer; Noelle Tsevdos, General Counsel; James T. Steiner, CFO/Comptroller; W. R. Fleischman, Assistant Chief Engineer; Kerry Ferrier, Traffic Engineer; Tim Ujvari, Maintenance Engineer; Stuart May, Mechanical Engineer; Dave Miller, Director of Audit & Internal Controls; Dick Morgan, Director of Information Systems; Richard Lash, Director of Safety Services; Bob Gahr, Asst. Director of Safety Services; Andrew Herberger, Customer Services Manager; Sharon Isaac, Director of Toll Operations; Kevin Golick, Purchasing Manager; William Keaton, Telecommunications Manager; Lauren Dehrmann, Manager, Public Affairs; Heidi Jedel, Crickett Jones and Diane Pring.

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

Present: Mr. Noe, Mr. Balog, Mr. Dixon and Deputy Director Mo Darwish

Absent: Mr. Regula, Senator Schuring and Representative Buehrer

The Executive Director advised the Chairman that Mr. Regula was unable to attend today's meeting.

The Chairman said we have recently been advised that the new Speaker of the House, Jon Husted, has re-appointed Steve Buehrer to the Commission. Representative Buehrer could not be here today. We have not yet had an appointment made by the new President of the Senate, Bill Harris. I will let you know when our new Senate member has been appointed.

The Chairman said we have a number of guests here today, so I'd like everyone to introduce themselves as we customarily do: Eric Erickson, Fifth Third Securities; Stefan Holmes, Fifth Third Bank; Tony Yacobucci, Matt Lawler, Chuck Cvitkovich and Larry Wilhelm, HNTB; Don Glosser, Lichtenstein Investments; Ryan Conners, Conners & Co.; Larry Woolum, Ohio Trucking Association; Steve Moore, Lisa Kemp, State of Ohio, Bureau of Services for the Visually Impaired; Brett Neff, R. E. Warner Co.; Tom Reidy, Nat City Investments; Al Esser, EDP Consultants; Dennis Albrecht, Dick Corporation; Frank Lamb, Huntington Bank; Capt. Robert Ferguson; OSHP and Rich Exner (The Plain Dealer, who arrived at approximately 10:45 a.m.).

The Chairman said this is the 512th 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.

The Chairman asked, could I have a motion to adopt the Minutes of the February 22, 2005 Commission Meeting?

Commissioner Dixon moved and Commissioner Balog seconded. All other 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 February 22, 2005:

1. Minutes of the February 22, 2005 "Special" Commission Meeting
2. Traffic & Revenue Report, February, 2005 *
3. Total Revenue by Month and Year, February, 2005 *
4. Investment Report, February, 2005 *
5. OTC Financial Statements dated February 28, 2005 *
6. Various News Releases

* *in Commission Member's folders*

The Chairman asked for a report from the Executive Director.

Executive Director Suhadolnik said I have no report one comment. I am pleased to announce that Anne Fornshell, our Director of Human Resources, is a mother again. She delivered Katherine Anne on February 24, 2005 at 3:45 p.m. The baby weighed 7 pounds, 14-1/2 ounces, 19-1/2 inches long. Mother and family are doing well.

The Chairman asked Dan Castrigano, Chief Engineer, for his report.

Mr. Castrigano said I have four resolutions for your consideration this morning. The first three pertain to construction contracts awards. All three of these projects were included in the presentation of our capital budget that I provided in December, 2004.

The first draft is a Resolution Awarding Contract No. 43-05-01 for the bridge deck replacement of Fulton-Lucas Road at Milepost 48.4 in Fulton County and Cass Road, Milepost 60.3 in Lucas County. We received three bids in response to the contract. The lowest responsive and responsible bid was submitted by Miller Bros. Construction of Archbold, Ohio in the amount of \$2,187,367.12. This bidder has performed satisfactorily on similar projects for the Commission. It is noted that the low bid was approximately 8% above the engineer's estimate. However, there is a memo from our design engineer on this project, Mannik & Smith of Maumee, Ohio explaining that this discrepancy was most probably caused by changes to the project specifications during the bidding process that was addressed by Addenda, and that was not reflected in the revised engineering estimate on the project. Along with this resolution, we are proposing assigning Mannik & Smith Group of Maumee, Ohio for the construction inspection in accordance with their February 24, 2004 agreement specific to the project, and Adaris Testing Lab of Toledo, Ohio for performance of materials testing in accordance with their 2005-2006 General Engineering Agreements.

Would General Counsel please read the Resolved?

General Counsel read in Resolved as follows:

"RESOLVED that the bid of **Miller Bros. Construction, Inc.** of Archbold, Ohio, in the amount of **\$2,187,367.12**, for the performance of Contract No. 43-05-01 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 **Mannik & Smith Group, Inc.** of Maumee, Ohio, to Contract No. 43-05-01 for the purpose of performing construction inspection. Such assignment shall be in accordance with the February 24, 2004 agreement with Mannik & Smith Group, Inc. specific to this project; and

"FURTHER RESOLVED that the Commission hereby authorizes the executive director and the chief engineer to assign **Adaris Testing Laboratory** of Toledo, Ohio, to Contract No. 43-05-01 for the purpose of performing materials testing. Such assignment shall be in accordance with the new 2005-2006 General Engineering Services Agreement between the Ohio Turnpike Commission and Adaris Testing Laboratory; and

"FURTHER RESOLVED that Project No. 43-05-01 is designated a System Project under the Commission's 1994 Master Trust Agreement."

The Chairman asked, is there a motion?

Commissioner Balog moved and Deputy Director Darwish seconded.

The Chairman asked, is there any discussion? He asked Dan, is there a level at which we have to re-bid if it is in excess of our engineering estimate?

Mr. Castrigano said I believe it is 10%.

The Chairman said, please call the roll.

The "Resolution Awarding Contract No. 43-05-01" was moved for adoption as follows:

RESOLUTION NO. 9-2005

WHEREAS, the Commission has duly advertised according to law for bids upon a contract for bridge deck repair and rehabilitation of the Fulton-Lucas Road (CO. RD. 1) Bridge over the Ohio Turnpike at Milepost 48.4 located in Fulton County, and the Cass Road Bridge over the Ohio Turnpike at Milepost 60.3 located in Lucas County, Ohio, herein designated Contract No. 43-05-01; and

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

WHEREAS, said bids have been reviewed and analyzed by the Commission's chief 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 contract were solicited on the basis of the same terms and conditions and the same specifications, and the bid of Miller Bros. Construction, Inc. of Archbold, Ohio, in the amount of \$2,187,367.12 for the performance of Contract No. 43-05-01, 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 Miller Bros. Construction, Inc.

NOW, THEREFORE, BE IT

RESOLVED that the bid of **Miller Bros. Construction, Inc.** of Archbold, Ohio, in the amount of **\$2,187,367.12**, for the performance of Contract No. 43-05-01 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 **Mannik & Smith Group, Inc.** of Maumee, Ohio, to Contract No. 43-05-01 for the purpose of performing construction inspection. Such assignment shall be in accordance with the February 24, 2004 agreement with Mannik & Smith Group, Inc. specific to this project; and

FURTHER RESOLVED that the Commission hereby authorizes the executive director and the chief engineer to assign **Adaris Testing Laboratory** of Toledo, Ohio, to Contract No. 43-05-01 for the purpose of performing materials testing. Such assignment shall be in accordance with the new 2005-2006 General Engineering Services Agreement between the Ohio Turnpike Commission and Adaris Testing Laboratory; and

FURTHER RESOLVED that Project No. 43-05-01 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. 9-2005.

Mr. Castrigano said the next resolution relates to the award of Contract No. 59-05-02 for resurfacing of one lane of the westbound and eastbound roadway from Milepost 145.4 to Milepost 151.8 in Lorain County. We received two bids in response to this contract. The lowest responsive and responsible bid was submitted by The Shelly Co. of Twinsburg, Ohio in the amount of \$1,755,395.75. This bidder has performed similar work in the past for the Commission in a satisfactory manner, and the total amount bid is below the engineer's estimate.

This resolution also contains a provision to assign Gannett Fleming of Berea, Ohio for the purpose of construction inspection and Professional Service Industries of Valley View, Ohio to perform material testing. Would General Counsel please read the Resolved?

General Counsel read the Resolved as follows:

"RESOLVED that the bid of **The Shelly Company** of Twinsburg, Ohio, in the amount of **\$1,755,395.75**, for the performance of Contract No. 59-05-02 is, and is by the Commission, determined to be the lowest responsive and responsible bid received for the performance of said contract, and is accepted, and that the chairperson and executive director, or either of them, hereby is authorized: (1) to execute a contract with said successful bidder in the form heretofore prescribed by the Commission pursuant to the aforesaid bid; (2) to direct the return to the other bidder of its 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 **Gannett Fleming** of Berea, Ohio, to Contract 59-05-02 for the purpose of performing construction inspection. Such assignment shall be in accordance with the new 2005-2006 General Engineering Services Agreement between the Ohio Turnpike Commission and Gannett Fleming; and

"FURTHER RESOLVED that the Commission hereby authorizes the executive director and the chief engineer to assign **Professional Service Industries, Inc.** of Valley View, Ohio, to Contract 59-05-02 for the purpose of performing materials testing. Such assignment shall be in accordance with the new 2005-2006 General Engineering Services Agreement between the Ohio Turnpike Commission and Professional Service Industries, Inc.; and

"FURTHER RESOLVED that Project No. 59-05-02 is designated a System Project under the Commission's 1994 Master Trust Agreement."

The Chairman asked, is there a motion?

Commissioner Balog moved and Deputy Director Darwish seconded.

The "Resolution Awarding Contract No. 59-05-02" was moved for adoption as follows:

RESOLUTION NO. 10-2005

WHEREAS, the Commission has duly advertised according to law for bids upon a contract for repairs and resurfacing of the Ohio Turnpike's westbound and eastbound roadways located at Milepost 145.4 to Milepost 151.8 in Lorain County, Ohio, herein designated Contract No. 59-05-02; and

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

WHEREAS, said bids have been reviewed and analyzed by the Commission's chief 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 contract were solicited on the basis of the same terms and conditions and the same specifications, and the bid of The Shelly Company of Twinsburg, Ohio, in the amount of \$1,755,395.75 for the performance of Contract No. 59-05-02, 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 The Shelly Company.

NOW, THEREFORE, BE IT

RESOLVED that the bid of **The Shelly Company** of Twinsburg, Ohio, in the amount of **\$1,755,395.75**, for the performance of Contract No. 59-05-02 is, and is by the Commission, determined to be the lowest responsive and responsible bid received for the performance of said contract, and is accepted, and that the chairperson and executive director, or either of them, hereby is authorized: (1) to execute a contract with said successful bidder in the form heretofore prescribed by the Commission pursuant to the aforesaid bid; (2) to direct the return to the other bidder of its 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 **Gannett Fleming** of Berea, Ohio, to Contract 59-05-02 for the purpose of performing construction inspection. Such assignment shall be in accordance with the new 2005-2006 General Engineering Services Agreement between the Ohio Turnpike Commission and Gannett Fleming; and

FURTHER RESOLVED that the Commission hereby authorizes the executive director and the chief engineer to assign **Professional Service Industries, Inc.** of Valley View, Ohio, to Contract 59-05-02 for the purpose of performing materials testing. Such assignment shall be in accordance with the new 2005-2006 General Engineering Services Agreement between the Ohio Turnpike Commission and Professional Service Industries, Inc.; and

FURTHER RESOLVED that Project No. 59-05-02 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. 10-2005.

Mr. Castrigano said the third resolution for consideration relates to the award of a contract for reconstruction and resurfacing of Ohio Turnpike Interchange 187 ramps located at Milepost 187.2 in Portage County. We received two bids for this contract and again, the low bidder was The Shelly Company of Twinsburg, Ohio in the amount of \$1,180,481.05. This bidder was performed satisfactorily on similar projects in the past, and the total amount bid was below the engineer's estimate. We are also proposing to assign DLZ, Inc. of Cleveland, Ohio for the purposes of performing construction inspection and Solar Testing Labs of Brooklyn Heights to perform materials testing.

Would General Counsel please read the Resolved?

General Counsel read the Resolved as follows:

“RESOLVED that the bid of **The Shelly Company** of Twinsburg, Ohio, in the amount of **\$1,180,481.05**, for the performance of Contract No. 59-05-03 is, and is by the Commission, determined to be the lowest responsive and responsible bid received for the performance of said contract, and is accepted, and that the chairperson and executive director, or either of them, hereby is authorized: (1) to execute a contract with said successful bidder in the form heretofore prescribed by the Commission pursuant to the aforesaid bid; (2) to direct the return to the other bidder of its 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 **DLZ, Inc.** of Cleveland, Ohio, to Contract No. 59-05-03 for the purpose of performing construction inspection. Such assignment shall be in accordance with the new 2005-2006 General Engineering Services Agreement between the Ohio Turnpike Commission and DLZ, Inc.; and

“FURTHER RESOLVED that the Commission hereby authorizes the executive director and the chief engineer to assign **Solar Testing Labs, Inc.** of Brooklyn Heights, Ohio, to Contract No. 59-05-03 for the purpose of performing materials testing. Such assignment shall be in accordance with the new 2005-2006 General Engineering Services Agreement between the Ohio Turnpike Commission and Solar Testing Labs, Inc.; and

“FURTHER RESOLVED that Project No. 59-05-03 is designated a Fuel Tax Project under the Commission’s 1994 Master Trust Agreement.”

The Chairman asked, is there a motion?

Commissioner Balog moved and Deputy Director Darwish seconded.

The Chairman asked if there was any discussion.

Commissioner Dixon asked, there were only two bidders, right? Is there a relationship between these two companies?

Mr. Castrigano said there is no relationship between The Shelly Company and Shelly & Sands Company. It’s just a coincidence.

Deputy Director Darwish said I noticed we have been getting only two bidders on these resurfacing jobs. Is there any indication from you what’s going on in the market?

Mr. Castrigano said it’s still a good sign the bids are coming in below our estimates. The parent company, The Shelly Company, is consolidating. They purchased two of the major paving contractors on the eastern side, which worked with us, and two on the western end. It’s just a matter of what’s happening in the industry.

The Chairman asked Deputy Director Darwish if he was also seeing that at ODOT.

Deputy Director Darwish said yes, especially in the east. Shelly is buying everybody.

The "Resolution Awarding Contract No. 59-05-03" was moved for adoption as follows:

RESOLUTION NO. 11-2005

WHEREAS, the Commission has duly advertised according to law for bids upon a contract for reconstruction and resurfacing of Ohio Turnpike Interchange 187 ramps located at Milepost 187.2 in Portage County, Ohio, herein designated Contract No. 59-05-03; and

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

WHEREAS, said bids have been reviewed and analyzed by the Commission's chief 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 contract were solicited on the basis of the same terms and conditions and the same specifications, and the bid of The Shelly Company of Twinsburg, Ohio, in the amount of \$1,180,481.05 for the performance of Contract No. 59-05-03, 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 The Shelly Company.

NOW, THEREFORE, BE IT

RESOLVED that the bid of **The Shelly Company** of Twinsburg, Ohio, in the amount of **\$1,180,481.05**, for the performance of Contract No. 59-05-03 is, and is by the Commission, determined to be the lowest responsive and responsible bid received for the performance of said contract, and is accepted, and that the chairperson and executive director, or either of them, hereby is authorized: (1) to execute a contract with said successful bidder in the form heretofore prescribed by the Commission pursuant to the aforesaid bid; (2) to direct the return to the other bidder of its 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 **DLZ, Inc.** of Cleveland, Ohio, to Contract 59-05-03 for the purpose of performing construction inspection. Such assignment shall be in accordance with the new 2005-2006 General Engineering Services Agreement between the Ohio Turnpike Commission and DLZ, Inc.; and

FURTHER RESOLVED that the Commission hereby authorizes the executive director and the chief engineer to assign **Solar Testing Labs, Inc.** of Brooklyn Heights, Ohio, to Contract No. 59-05-03 for the purpose of performing materials testing. Such assignment shall be in accordance with the new 2005-2006 General Engineering Services Agreement between the Ohio Turnpike Commission and Solar Testing Labs, Inc.; and

FURTHER RESOLVED that Project No. 59-05-03 is designated a Fuel Tax 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. 11-2005.

My last resolution relates to increasing the Executive Director's authority for additional expenses incurred pursuant to Invitation No. 3963. On March 15, 2004, the Commission adopted Resolution No. 12-2004 and awarded a contract to Magnetic Ticket & Label Corp. of Dallas, Texas for furnishing rolled magnetic toll tickets pursuant to Invitation No. 3963. The original contract was a one-year term with a one-year renewal in the amount of \$422,420.00. We recently incurred some additional expenses in the amount of \$80,000 for various ticket modifications, specifically the toll decrease for the trucks. We had to revise the toll schedule on the toll tickets. The second modification was some minor adjustments to the toll schedule. Also, the opening of Interchange 140 required artwork modifications as well as incorporating additional information on the tickets. The Commission's bylaws, specifically Article V, Section 1, requires that when a contract goes beyond 10% of the original purchasing authority granted by the Commission to the Executive Director, a resolution is required to amend that contract award. That's the purpose of this resolution this morning. Would General Counsel please read the Resolved?

General Counsel read the Resolved as follows:

"RESOLVED that the authority originally granted to the executive director under Resolution No. 12-2004 shall include authority, as deemed appropriate, to add additional funds in the amount of \$80,000.00 to the current purchase order as it pertains to the first year of the contract with Magnetic Ticket & Label Corp., to offset the charges for various ticket modifications and changes in the artwork under Invitation No. 3963 for cut and rolled magnetic toll tickets."

The Chairman asked, is there a motion?

Commissioner Balog moved and Deputy Director Darwish seconded.

The Chairman asked Mr. Castrigano, is this a one-time charge?

Mr. Castrigano said that's correct.

The "Resolution to Increase Executive Director's Authority to Compensate the Contractor for Additional Artwork and Design Services under Invitation No. 3963" was moved for adoption as follows:

RESOLUTION NO. 12-2005

WHEREAS, pursuant to Resolution No. 12-2004 adopted on March 15, 2004, the executive director was authorized to execute a contract with Magnetic Ticket & Label Corp. of Dallas, Texas to furnish the Commission with its requirements for cut and rolled magnetic toll tickets under Invitation No. 3963; and

WHEREAS, Resolution No. 12-2004 authorized a one-year contract with a one-year renewal and identified an annual contract amount of \$422,420.00; and

WHEREAS, the Commission's purchasing manager has recently advised the executive director that additional funds in the amount of \$80,000.00 need to be added to the current purchase order for cut and rolled magnetic toll tickets to offset charges for various ticket modifications and changes in the artwork necessitated by the opening of Interchange 140 and the recent truck toll decrease; and

WHEREAS, pursuant to the Commission's bylaws, additional purchases procured beyond 10% of the original purchasing authority granted by the Commission to the executive director require Commission approval unless, among other exceptions, the increase is a result of "circumstances that would create a life, safety or health-threatening situation;" and

WHEREAS, the need to add additional funds to the purchase order will soon exceed the executive director's contracting authority for the purchase of cut and rolled magnetic toll tickets under Invitation No. 3963 and the director of contracts administration has advised the Commission that the additional expenditures under Invitation No. 3963 are reasonable and appropriate; and

WHEREAS, the executive director feels there is sufficient time to apprise the Commissioners of the anticipated need to exceed his contracting authority during this first year of the contract to purchase cut and rolled magnetic toll tickets by more than 10%, and to seek their approval to allocate additional funds to the current purchase order beyond those previously approved; and

WHEREAS, the Commission desires to delegate authority to the executive director to take action on behalf of the Commission in excess of the originally approved contract amount by adding additional funds in the amount of \$80,000.00 to the current purchase order to offset the charges for the various aforementioned ticket modifications and changes in the artwork, pursuant to the terms and conditions of Invitation No. 3963.

NOW, THEREFORE, BE IT

RESOLVED that the authority originally granted to the executive director under Resolution No. 12-2004 shall include authority, as deemed appropriate, to add additional funds in the amount of \$80,000.00 to the current purchase order as it pertains to the first year of the contract with Magnetic Ticket & Label Corp., to offset the charges for various ticket modifications and changes in the artwork under Invitation No. 3963 for cut and rolled magnetic toll tickets.

The resolution was adopted with all Members voting in the affirmative. The resolution was identified as No. 12-2005.

Mr. Castrigano advised the Commission Members that he had a couple other matters this morning. He said the Cuyahoga River Bridge structure in Summit County where we recently completed construction has received a couple of awards. The first award was presented to the bridge by the American Society of Civil Engineers. It received the 2004 outstanding achievement award in the State of Ohio --- that's a fairly major award. It was deemed the "most significant project" in the State. Mr. Al Esser is here this morning representing the American Society of Civil Engineers who would like to present the award to the Commission.

Mr. Esser displayed the award and said this is an award that is given by the Ohio Council of the American Society of Civil Engineers. The Ohio Council represents all (6) ASE sections in the State of Ohio. This award is given to recognize outstanding achievement in civil engineering, design and construction. This project was significant since it was the largest project in Ohio for 2004, the year of the award. It was significant not only because of its size (a half-mile bridge, 170 feet high), but among the other things, it is recognized for its achievement in dealing with some of the environmental problems and wetland problems. The long post-tension spans were also significant. Finally, one of the most significant aspects, to me, was the fact that it was designed for use with steel and concrete, and it was bid that way. That gave contractors an opportunity to show their stripes and to innovate in terms of bidding the job and giving you

the best price for the project. Those decisions are often made in the engineering office where we may evaluate the cost of the project both ways, but that really denies the contractors the opportunity to show how they can be innovative and how they can achieve greater economy. This project was nominated by the project designers, HNTB.

Chairman Noe said thank you very much.

Mr. Castrigano said on February 23, 2005, the Executive Director, the Assistant Chief Engineer and myself attended an awards ceremony at the State House in Columbus. The same bridge won the 2005 Engineering Excellence Awards for Outstanding Achievement category from the American Council of Consulting Engineers. I think, as Al mentioned, the bridge was designed by HNTB, and we have a couple representatives here today in addition to Tony Yacobucci.

Mr. Castrigano said, Tony, that was a good project. We got it done on time and on budget, and I think we now can see the fruits of our labor on that project. I'd like to thank HNTB. The American Council of Consulting Engineers is actually an association of professional design engineers. It's an award given to them by their peers.

Chairman Noe said congratulations to HNTB – great job.

Mr. Castrigano said that's all I have this morning.

Chairman Noe recognized Commissioner Dixon.

Mr. Dixon asked the Executive Director, do we have a budget for artwork? That's not the type we just voted on, however. We have completed some substantial projects and at RTA we do something called "Arts in Transit." Do we have a budget for displaying some "artsy-type" things in our service plazas? For example, the bridges we completed? I don't mean like hanging pictures, but something like sculpture art in front of the toll/service plazas. Have we given any thought to this?

The Director said no, I'm not aware that we do. Although there may be a benefit to that, folks are suggesting we need to keep our toll rates low. Therefore, my guess is that might be placed on a back burner for the present time.

Mr. Dixon said we should keep our fares low, and we found a way to do that. I think, it's part of being a member of the community and our responsibility of keeping our roads clean. It's part of making it a pleasant experience and to some people, that's important.

The Director said, I think our service plazas are attractive and are tastefully designed. I think that's also part of it.

Mr. Dixon said I was just thinking. It's not something I want you to do tomorrow. It's just up for consideration, and I'll think about it some more.

Deputy Director Darwish said at ODOT we have an "enhancement aesthetics" – landscaping -- 1% of the total project costs for items like this, on interchanges, landscaping, tunnels – something that reflects back to the local community.

Chairman Noe asked, have you ever done something like a bronze sculpture?

Deputy Director Darwish said no, this is more for the system, like different icons, a soundwall, different texture on the bridge decks – things like that.

Chairman Noe said it's an extreme pleasure to see our Deputy Executive Director, Jerry Pursley, back. He looks healthy and happy. Am I right? You have something for our consideration, Jerry?

Mr. Pursley said I'm happy to be back. Yes, I have one resolution to present. As the Commission is aware, Blue Heron and Wyandot Service Plazas are about to re-open in May after their reconstruction. Consequently, we are in the process of re-bidding services that need to be provided at these plazas when they re-open. I am presenting a draft "Resolution Awarding Contract TRM-8E for Cleaning and Janitorial Services at the Commission's Blue Heron and Wyandot Service Plazas." Two companies presented proposals in response to the RFP that was issued on February 2, 2005, and the evaluation committee comprised of our Chief Engineer, Customer Service Manger and our West Division Service Plaza Manager reviewed those proposals. They made a recommendation, based on the technical scores and the cost proposal, that ADW, Inc. of Parma, Ohio be awarded this contract. A copy of that evaluation has been included in the Commission's packets for their review. ADW, Inc. has twenty-seven years of experience in providing commercial cleaning services. They have also been providing cleaning and janitorial services at four of our service plazas for the past five years and have performed very satisfactorily. This contract is for two years with a maximum of five successive, one-year extensions and the total annual cost for each service plazas is \$286,872.00. Would General Counsel please read the Resolved?

General Counsel read the Resolved as follows:

“RESOLVED that the proposal submitted by **Any Domestic Works, Inc., d/b/a A.D.W., Inc.** of Parma which included the following price proposal:

<u>Service Plaza</u>	<u>Monthly Fee</u>	<u>Annual Fee</u>	<u>Hourly Rate *</u>
Blue Heron	\$23,906.00	\$286,872.00	\$9.70
Wyandot	\$23,906.00	\$286,872.00	\$9.70

** for any added requested services*

is, and is by the Commission determined to be, the **best** of all proposals received for the performance of Contract TRM-8E and is accepted; and

“FURTHER RESOLVED that the executive director and director of contracts administration hereby are authorized to execute an agreement with **Any Domestic Works, Inc., d/b/a A.D.W., Inc.** to furnish cleaning and janitorial services at the Commission’s **Blue Heron and Wyandot Service Plazas** under Contract TRM-8E, which provides for an initial term of **two (2) years commencing May 16, 2005**, and further provides the option to extend the contract for no more than five (5), one (1) year periods, in the form heretofore prescribed by the Commission pursuant to the aforesaid RFP, and to take any and all action necessary or proper to carry out the terms of said RFP and said contract; and

“FURTHER RESOLVED that the Commission directs the return to the other respondent of its proposal guaranty, as submitted with its proposal, as soon as said agreement is executed.”

The Chairman asked, is there a motion?

Commissioner Balog moved and Commissioner Dixon seconded.

Chairman Noe said, I have one question. When we exercise those one-year extensions, does it have to be at the same rate or are there any bumps allowed in there? How does that work?

Mr. Castrigano said this contract does not provide for an escalator provision.

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

The “Resolution Awarding Contract TRM-8E for Cleaning and Janitorial Services at the Commission’s Blue Heron and Wyandot Service Plazas” was moved for adoption as follows:

RESOLUTION NO. 13-2005

WHEREAS, on February 2, 2005, the Commission issued its Request for Proposals (RFP) to furnish cleaning and janitorial services at the Commission's **Blue Heron and Wyandot Service Plazas** for an initial term of two (2) years, which may be extended for not more than five (5) successive one-year periods; and

WHEREAS, copies of the Commission's RFP were mailed to fifty (50) firms expressing an interest in providing the requested cleaning and janitorial services to the Commission for both of the aforesaid service plazas; and

WHEREAS, two (2) companies presented proposals to furnish cleaning and janitorial services at the Commission's Blue Heron and Wyandot Service Plazas, which were duly opened on February 23, 2005, as provided in said published notice; and

WHEREAS, an evaluation committee comprised of the chief engineer, the customer service manager and the division service plaza manager reviewed the proposals submitted and awarded technical scores to each respondent, which scores were then divided by the cost proposal submitted by each respondent in order to identify the "best" cost performance index between the two respondents; and

WHEREAS, as a result of this process, the evaluation committee has recommended that an agreement be awarded to A.D.W., Inc. of Parma, Ohio, which included the following price proposal:

<u>Service Plaza</u>	<u>Monthly Fee</u>	<u>Annual Fee</u>	<u>Hourly Rate *</u>
Blue Heron	\$23,906.00	\$286,872.00	\$9.70
Wyandot	\$23,906.00	\$286,872.00	\$9.70

** for any added requested services*

is the best proposal received in response to the subject RFP; and

WHEREAS, the Commission's director of contracts administration has reviewed the evaluation committee's recommendation as reflected in her written recommendation, which is before the Commission, and she has communicated her agreement to the executive director and the Commission; and

WHEREAS, the executive director has made his recommendation to the Commission predicated on the evaluation committee's and the director of contracts administration's recommendation; and

WHEREAS, the Commission has given due and full consideration to the proposals received, the respondents' qualifications and abilities to perform the contract; and

WHEREAS, all of the aforesaid proposals were solicited on the basis of the same terms and conditions with respect to all respondents and potential respondents; and

WHEREAS, the Commission has determined that the proposal submitted by **Any Domestic Works, Inc., d/b/a A.D.W., Inc.** of Parma, Ohio, is the **best** of all proposals received in response to the advertisement of said contract; and

WHEREAS, the Commission has been advised by its director of contracts administration that said RFP conforms to the requirements of all applicable statutes and to the terms and conditions set forth in the legal notice and the RFP, and that A.D.W., Inc. has provided a proposal guaranty and evidence of its ability to provide all other required bonds and insurance as set forth in the RFP, and that the Commission may legally accept said proposal from A.D.W., Inc.; and

WHEREAS, the executive director and the director of contracts administration and the other members of the Commission's staff are satisfied with the capacity and ability of said respondent to perform its obligations pursuant to its proposal.

NOW, THEREFORE, BE IT

RESOLVED that the proposal submitted by **Any Domestic Works, Inc., d/b/a A.D.W., Inc.** of Parma which included the following price proposal:

<u>Service Plaza</u>	<u>Monthly Fee</u>	<u>Annual Fee</u>	<u>Hourly Rate *</u>
Blue Heron	\$23,906.00	\$286,872.00	\$9.70
Wyandot	\$23,906.00	\$286,872.00	\$9.70

** for any added requested services*

is, and is by the Commission determined to be, the **best** of all proposals received for the performance of Contract TRM-8E and is accepted; and

FURTHER RESOLVED that the executive director and director of contracts administration hereby are authorized to execute an agreement with **Any Domestic Works, Inc., d/b/a A.D.W., Inc.** to furnish cleaning and janitorial services at the Commission's **Blue Heron and Wyandot Service Plazas** under Contract TRM-8E, which provides for an initial term of **two (2) years commencing May 16, 2005**, and further provides the option to extend the

contract for no more than five (5), one (1) year periods, in the form heretofore prescribed by the Commission pursuant to the aforesaid RFP, and to take any and all action necessary or proper to carry out the terms of said RFP and said contract; and

FURTHER RESOLVED that the Commission directs the return to the other respondent of its proposal guaranty, as submitted with its proposal, as soon as said agreement is executed.

The resolution was adopted with all Members voting in the affirmative. The resolution was identified as No. 13-2005.

Mr. Dixon said I support the adoption of the resolution, but I have one question. At the end of two years, we can re-bid or extend the contract?

Mr. Pursley said we have the option of extending the contract under the current terms at the end of two years. If we are having a problem with the provider, at the end of the two years, we can also re-bid.

Chairman Noe asked, I assume the provider can walk away, too, correct?

Mr. Castrigano said the provider has to give the Commission a minimum of 90 to 120 days notice if they do not wish to renew the contract.

Mr. Pursley said there is no re-negotiation after the end of the two years. The extension is under the same terms as the original two-year contract.

Mr. Pursley said that completes my report.

The Chairman said thanks and welcome back, Jerry. Jim, do you have a report?

Jim Steiner, CFO/Comptroller said at the time the Commission approved the 2005 Operating Budget on December 20, 2004, no provision had been made for any salary or wage increases. At last month's meeting, the Commission approved the execution of a new, three-year collective bargaining agreement with Teamsters Local 436 and authorized the implementation of the wage increases for bargaining-unit employees that were set forth in that agreement and further authorized a comparable increase for non-bargaining employees effective January 1, 2005. We are now proposing that the 2005 operating budget be amended to reflect those salary and wage increases.

Mr. Steiner said this slide summarizes the proposed changes in Pledged Funds and while it is still very early in the year, our revenues for the first two months are very close to what was anticipated, and we are not proposing any changes to the Revenue Budget. Passenger car miles traveled on the Ohio Turnpike over the last twelve months continued to track the prior twelve months. Due to the improved economy, the increase in the speed limit and the temporary reduction in toll rates miles traveled by commercial vehicles during the last twelve months have grown significantly.

Passenger car miles traveled during the first two months of this year were down 2% from last year, however, considering the fact that 2004 was a leap year, the daily passenger car traffic was actually very close to that from last year. On the other hand, miles traveled by commercial vehicles were up 17.3% from 2004.

Like the miles traveled, the toll revenues from passenger cars over the last year have tracked very closely to the revenues of the prior twelve months. Through last December, the growth in commercial traffic had resulted in a corresponding increase in toll revenues and, as expected, commercial toll revenues have fallen this year as a consequence of the implementation of the temporary toll rate reduction.

Year-to-date toll revenues from passenger cars were down 1.7% from last year. Again, when you factor in the leap year, the daily revenue from passenger car traffic is comparable to the revenue from the first two months of 2004. Revenues from commercial vehicles were down 7.1% compared to the first two months of 2004.

Including the subsidy from ODOT, our total revenues for the first two months of 2005 were up 5.3% compared to last year. However, revenues were slightly lower than they were during the first two months of calendar year 2000. While we are not proposing any change to the 2005 Revenue Budget, we are proposing to increase the Operating, Maintenance and Administrative Expense Budget by \$2.16 million or 2.1% to reflect the salary and wage increases approved by the Commission at last month's meeting.

Our Master Trust Agreement requires that we maintain a reserve equal to 1/12th of our annual operating, maintenance and administrative expense budget and with the proposed increase in our expense budget of \$2.16 million, we will need to add 1/12th of this amount or \$180,000 to the Expense Reserve Fund. In order to offset these increases, we propose to reduce the transfer to the Systems Project Fund by a total of \$2.34 million.

The 2005 Systems Project Budget which was approved by the Commission in December, 2004, as part of the 2005 Capital Budget included a transfer from the Operating Budget of \$44.2 million and had "uncommitted" funds of a little over \$3 million. With the reduced transfer from the operating budget of \$41.8 million, the uncommitted funds will drop accordingly to a little over \$700,000.

This slide shows the budget for Non-Pledged Funds which was previously approved by the Commission, and we are not proposing any changes to this budget.

The total proposed 2005 Amended Operating Budget is \$213,028,000, and there is a proposed resolution in your materials. With your permission, would General Counsel please 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 2005 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):"

The Chairman asked, is there a motion?

Commissioner Balog moved and Commissioner Dixon seconded.

The Chairman said, Jim, I think it's important to note that we have only had six months of increased speed limit and two months of decreased tolls, so I think it's pretty early to get a good handle on what's going to happen over the summer months with the commercial traffic. Obviously, we have estimates, but I assume by the end of summer we should have a lot better feel of how this should all shake out, right?

Mr. Steiner said that's correct, Mr. Chairman.

The Chairman asked if there were any other questions for Jim.

Commissioner Balog said my observations are and I certainly acknowledge your comments that it is a short period of time, but it seems that with the absence of the ODOT subsidy, we wouldn't be able to maintain tolls at their present level. There was some discussion from ODOT about the potential that the increase in traffic would go ahead and generate additional dollars and cents, and we would have, in effect, a "windfall." It sure doesn't appear that way when looking at our revenue. Is that a correct assumption, Jim?

Mr. Steiner said that's very true. Even when you add in the ODOT subsidy, our revenues for the first two months of this year, while higher than last year, are still slightly lower than they were in calendar year 2000. We definitely need that ODOT subsidy to be able to continue the toll rates at the levels that they are currently at.

The Chairman said, I know it's also too early, but it seems like we got a much larger bump from the speed limit increase than we did the toll rate reduction. Is that right?

Mr. Steiner said that appears to be the case, Mr. Chairman.

The Chairman asked if there were any other questions or comments. Please call the roll.

The "Resolution Adopting Amended Annual Budget for the Year 2005 and Providing for Deposits Required under the 1994 Trust Agreement during said Year" was moved for adoption as follows:

RESOLUTION NO. 14-2005

WHEREAS, the Commission by Resolution No. 66-2004 (copy attached) on December 20, 2004, adopted its annual budget for the year 2005 and on December 20, 2004 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 2005 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):

**OHIO TURNPIKE COMMISSION
2005 AMENDED OPERATING BUDGET**

	<u>PLEGGED</u>	<u>NON-PLEGGED</u>	<u>TOTAL</u>
REVENUES:			
TOLL	\$ 178,535,000	\$ -	\$ 178,535,000
ODOT SUBSIDY	15,600,000	-	15,600,000
INVESTMENT	1,438,000	260,000	1,698,000
CONCESSION	13,062,000	396,000	13,458,000
FUEL TAX	-	2,800,000	2,800,000
OTHER	937,000	-	937,000
TOTAL REVENUES	<u>\$ 209,572,000</u>	<u>\$ 3,456,000</u>	<u>\$ 213,028,000</u>
EXPENDITURES:			
OPERATION, MAINTENANCE & ADMINISTRATION:			
ADMINISTRATION & INSURANCE	\$ 9,060,600	\$ -	\$ 9,060,600
MAINTENANCE OF ROADWAY & STRUCTURES	33,626,900	-	33,626,900
SERVICES & TOLL OPERATIONS	49,765,600	-	49,765,600
TRAFFIC CONTROL, SAFETY, PATROL & COMM.	13,791,000	-	13,791,000
TOTAL OPERATION, MAINTENANCE & ADMIN.	<u>\$ 106,244,100</u>	<u>\$ -</u>	<u>\$ 106,244,100</u>
DEBT SERVICE PAYMENTS	55,973,000	-	55,973,000
CALL REMAINING 1994 SERIES A BONDS	3,270,000	-	3,270,000
TOTAL EXPENDITURES	<u>\$ 165,487,100</u>	<u>\$ -</u>	<u>\$ 165,487,100</u>
TRANSFERS:			
EXPENSE RESERVE	\$ 505,000	\$ -	\$ 505,000
NON-TRUST FUND	-	175,000	175,000
FUEL TAX FUND	-	2,870,000	2,870,000
SERVICE PLAZAS CAPITAL IMPROVEMENT RESERVE	-	411,000	411,000
RENEWAL & REPLACEMENT FUND	5,000,000	-	5,000,000
SYSTEM PROJECTS FUND	41,849,900	-	41,849,900
GENERAL RESERVE	(3,270,000)	-	(3,270,000)
TOTAL TRANSFERS	<u>\$ 44,084,900</u>	<u>\$ 3,456,000</u>	<u>\$ 47,540,900</u>
TOTAL EXPENDITURES & TRANSFERS	<u>\$ 209,572,000</u>	<u>\$ 3,456,000</u>	<u>\$ 213,028,000</u>

I, Gary C. Suhadolnik, Assistant Secretary-Treasurer of the Ohio Turnpike Commission, do hereby certify that the above is a true copy of the aforesaid resolution which was duly adopted at a meeting of the Commission, duly called for and convened and held on March 16, 2005, at which a quorum was at all times present and voting.

WITNESS my hand and the seal of the Ohio Turnpike Commission on this 16th day of March 2005.

Gary C. Suhadolnik
Assistant Secretary-Treasurer

The resolution was adopted with all Members voting in the affirmative. The resolution was identified as No. 14-2005.

Mr. Steiner said that concludes my report, Mr. Chairman.

Chairman Noe asked Noelle Tsevdos, General Counsel if she had a report.

Ms. Tsevdos replied, no report Mr. Chairman.

Chairman Noe asked Eric Erickson, financial advisor if he had a report.

Mr. Erickson replied yes, I have a short report. Mr. Erickson said he was pleased to announce that Moody's has re-affirmed the Commission's "**Aa3**" rating, so currently, all the Commission's three ratings have been re-affirmed. Frankly, I think that probably is the last time that we will have to do that for a couple years unless you decide to issue some debt over the next several years. The report, I believe, was included in your packets. You can read it at your convenience. It does emphasize the fact that the Turnpike is managed and governed very well. That's an "atta boy" for you folks. In that report they talk about the Commission's strengths and challenges. I think it's important that you look at this report. It's fairly short, and it's very complimentary. Does anyone have any questions?

Chairman Noe said, thanks for all your work, Eric, in helping us to maintain it. It came out pretty well.

Chairman Noe asked Tony Yacobucci, HNTB, our general consultant, if he had a report.

Mr. Yacobucci replied, no report, Mr. Chairman.

Chairman Noe asked Frank Lamb, our trustee, if he had a report.

Mr. Lamb replied, no report, Mr. Chairman.

Chairman Noe asked Captain Ferguson from the OSHP if he had a report.

Captain Ferguson said he had a brief report. We were very glad to see the sun shining and maybe the end of the winter weather. Our traffic crashes that we have investigated have increased 32% for the first two months of 2005. We would attribute a lot of this to crashes occurring during periods of inclement weather mostly in the central and eastern portions of the Turnpike. Fortunately, most have been property damage crashes and so far we have had only one fatal crash on the Turnpike this year.

That fatal occurred on February 26, 2005 at 5:10 p.m. in Lucas County. That investigation showed the driver of a car traveling eastbound on the Turnpike, which was a 2003 Ford Thunderbird driven by a 63-year old male from Archbold, who completed a pass of an eastbound semi and shortly afterwards lost control of his car. His car then spun sideways across both eastbound lanes of the Turnpike and traveled off the right side of the roadway and rolled over several times crushing the roof down causing a fatal injury to Mr. Smith. His 59-year old wife was a passenger in the car and was injured and was transported by Life Flight. The eastbound lanes of the Turnpike were closed for approximately thirty minutes and were reduced to one lane for about 1-1/2 hours.

An interesting note to this, just before the crash happened one of our troopers had clocked this car at 85 mph and had not been able to turn on the vehicle to pursue it and apprehend it. There also was some indications that this was an alcohol-related fatality. We do not have the medical lab results back yet. That concludes my report, Mr. Chairman.

Chairman Noe said thank you, Captain. Does anyone have any questions for Capt. Ferguson? We'll all be happy when winter is over.

The Chairman asked, does anyone else have anything for the good of the order?

Before we adjourn, I'd like to remind everyone that next month, our meeting will be held on **Monday, April 18th**, however, it will be held at **1:00 p.m.** instead of 10:00 a.m. Please make note of that change.

I'll accept a motion to adjourn.

Commissioner Balog moved and Commissioner Dixon seconded.

All Members voted in the affirmative to adjourn. Time of adjournment was 10:42 a.m.

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

George F. Dixon, Secretary-Treasurer