

**MINUTES OF THE 514th MEETING OF THE OHIO TURNPIKE COMMISSION  
May 16, 2005**

Pursuant to the bylaws, the Ohio Turnpike Commission met for a regular meeting at the Commission's Administration Building at 10:05 a.m. on May 16, 2005, with members of the staff: Jerry Pursley, Deputy Executive Director; Noelle Tsevdos, General Counsel; Kathleen Weiss, Director of Contracts Administration; James T. Steiner, CFO/Comptroller; Douglas Hedrick, Staff Construction Engineer; Tim Ujvari, Maintenance Engineer; Stuart May, Mechanical Engineer; Dave Miller, Director of Audit & Internal Controls; Nancy Siler, Assistant Comptroller; Dick Morgan, Director of Information Systems; Richard Lash, Director of Safety Services; Bob Gahr, Assistant Director of Safety Services; Robin Carlin, Director of Human Resources, Matt Lawler, Employment Services Coordinator; Andrew Herberger, Customer Services Manager; William Keaton, Telecommunications Manager, Kevin Golick, Purchasing Manager; Crickett Jones, Tracy Cowley and Diane Pring.

Vice-Chairman, Joseph Balog called the meeting to order and said, as many people might be aware, Chairman, Tom Noe, resigned from the Ohio Turnpike Commission last week. I will chair the subsequent meetings until such time as Governor Bob Taft appoints a new member. We will then hold an election of officers.

Vice-Chairman Balog asked the Assistant Secretary-Treasurer to call the roll.

**Present:** Mr. Balog, Mr. Regula, Deputy Director Mo Darwish and Senator Jeffry Armbruster

**Absent:** Mr. Dixon, Representative Buehrer

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; Bobby Everhart, URS; Stefan Holmes, Maureen Murman, FirstMerit Bank; Rhonda Hall, Lynn Basconi, Ciuni & Panichi; Jim McDonnell and Dick Kleck, landowners; Matt Lawler, HNTB; Nick Gattozzi, Key Bank, Matt Stuczynski, Nat City Investments; Frank Lamb, Huntington Bank; Capt. Robert Ferguson; OSHP; Steve DeLong, Steve Mayer, Steve DiLoretto and Floyd Jeffries, Operating Engineers and Glenn Stevens, Glenn Stevens Associates.

The Vice-Chairman said this is the 514<sup>th</sup> 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 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.

The Vice-Chairman said, could I have a motion to adopt the minutes of the April 18, 2005 Commission Meeting?

Deputy Director Darwish moved and Commissioner Regula seconded. All other members voted in the affirmative, and the minutes were adopted.

The Vice-Chairman said we'll proceed with the report of the Secretary-Treasurer. Since Mr. Dixon is absent, our Assistant Secretary-Treasurer, Mr. Suhadolnik, will give that report.

The following items have been sent to the members since the last regularly scheduled meeting of the Commission on April 18, 2005:

1. Minutes of the April 18, 2005 Commission Meeting
2. Traffic & Revenue Report, April, 2005
3. Total Revenue by Month and Year, April, 2005
4. Investment Report, April, 2005
5. Traffic Crash Summary Report for March, 2005
6. Financial Statements, April 30, 2005 \*
7. Various News Releases

*\* in Commission Member's folders*

Director Suhadolnik said he would continue with his Executive Director's report. He said since our Chief Engineer, Dan Castrigano, is out of town at an IBTTA meeting, I'll give his report. As you know, the Annual Meeting of IBTTA, will be held in Cleveland on September 17-21, 2005.

I have a number of items to present. The first resolution I'd like to introduce is entitled, "Resolution Awarding Contract No. 58-05-01 and Contract No. 58-05-02." These relate to the toll plaza renovations at Interchange 142 (Elyria) and Interchange 151 (North Ridgeville) which are both located in Lorain County, Ohio. These are interchanges where I-90 and I-480 join the Turnpike, respectively. The project was divided into bid packages representing the four (4) trades, *i.e.*, general trades and site work; electrical, plumbing and HVAC/mechanical. Bidders were also given the option to bid a "combination" package encompassing all four trade packages as well as the opportunity of submitting a "combined bid" for any of the aforementioned packages to perform the work at both interchanges. Bids were received from seven bidders for the performance of various contracts which were subsequently evaluated by the Commission's project consultant, West Carroll Architecture of Sylvania. The "low bids" for the various trade contracts totaled \$10,041,258.26, which is 25% below the engineer's project estimate. The low bids were submitted as "combined bids"

for both interchanges. For Bid Package #1 (general trades and site work), Bid Package #2 (electrical) and Bid Package #4 (electrical), Blaze Construction, Inc. was the apparent low bidder. For Bid Package #3, (plumbing) Lucas Plumbing & Heating, Inc. was the apparent low bidder. Both bidders have satisfactorily performed similar work for the Commission in the past. The Chief Engineer recommends that the “combined bids” awards be made as follows:

Blaze Construction, Inc.	Bid Packages #1,2 and 4
Lucas Plumbing & Heating, Inc.	Bid Package #3

The Executive Director said the Commission’s design consultant for this project concurs with these recommendations. The resolution also assigns construction inspection to West Carroll Architecture of Sylvania, Ohio and materials testing to Solar Testing Laboratories, Inc. of Cleveland, Ohio. The assignment to Solar Testing Laboratories, Inc. shall be in accordance with their 2005-2006 Engineering Services Agreement. The assignment to West Carroll Architecture shall be in accordance with the agreement of December 4, 2001 specific to this project. Would our General Counsel please read the Resolved:

General Counsel read the Resolved as follows:

“RESOLVED that the above-mentioned bids in the total amount of **\$10,041,258.26**, for the performance of Contract No. 58-05-01 and Contract No. 58-05-02, are determined by the Commission to be the lowest responsive and responsible bids received for the performance of said contracts, and are accepted, and that the vice-chairperson and executive director, or either of them, hereby is authorized: 1) to execute contracts with each of the two (2) successful bidders in the form heretofore prescribed by the Commission pursuant to the aforesaid bids; 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 bids and of said contracts; and

“FURTHER RESOLVED that the Commission hereby directs the executive director and the chief engineer to assign **West Carroll Architecture** of Sylvania, Ohio to Contract No. 58-05-01 and Contract No. 58-05-02 for the purpose of performing inspection services. Such assignment shall be in accordance with the engineering services agreement specific to these Projects between the Ohio Turnpike Commission and West Carroll Architecture; and

“FURTHER RESOLVED that the Commission hereby authorizes the executive director and the chief engineer to assign **Solar Testing Laboratories, Inc.** of Cleveland, Ohio, to Contract 58-05-01 and Contract 58-05-02 for the purpose of performing materials testing. Such assignment shall be in accordance with the 2005-2006 engineering services agreement and a letter agreement specific to Project No. 58-05-01 and Project No. 58-05-02 between the Ohio Turnpike Commission and Solar Testing Laboratories; and

“FURTHER RESOLVED that Project No. 58-05-01 and Project No. 58-05-02 are designated System Projects under the Commission’s 1994 Master Trust Agreement.”

General Counsel said the first Resolved paragraph of the draft resolution should be amended to reflect that the “Vice-Chairman and Executive Director, or either of them,” is authorized . . .

The Vice-Chairman said is there a motion regarding the proposed amendment?

Commissioner Regula moved and Deputy Director Darwish seconded. All Members voted in the affirmative.

The Vice-Chairman said is there a motion to adopt the “Resolution Awarding Contract No. 58-05-01 and Contract No. 58-05-02?”

Deputy Director Darwish moved and Commissioner Regula seconded.

The “Resolution Awarding Contract No. 58-05-01 and Contract No. 58-05-02” was moved for adoption.

#### **RESOLUTION NO. 21-2005**

WHEREAS, the Commission has duly advertised according to law for bids upon two contracts for toll plaza renovations at the following: **Interchange 142** (“Lorain County-West”) located at Milepost 142.8 in Lorain County, Ohio, herein designated **Contract No. 58-05-01**; and **Interchange 151** (“North Ridgeville-Cleveland”) located at Milepost 151.8 in Lorain County, Ohio, herein designated **Contract No. 58-05-02**; and

WHEREAS, the subject Projects were divided into bid packages representing the four (4) trades: Bid Package 1 (site work/general trades/roadway); Bid Package 2 (HVAC/mechanical), Bid Package 3 (plumbing), Bid Package 4 (electrical) and Bid Package 5 (combination of bid packages 1, 2, 3 and 4), and bidders were given the option to submit a “combined bid” for any of the aforementioned packages to perform the work at both toll plaza locations;

WHEREAS, the Commission received bids from seven (7) bidders for the performance of the various bid packages; and

WHEREAS, said bids have been reviewed and analyzed by the Commission’s chief engineer who advises that the low bidders have satisfactorily performed similar work for the Commission in the past, that the bids are below the engineer’s estimate, and that he recommends award of contracts to the low bidders; and

WHEREAS, the director of contracts administration has advised that all bids for said contracts were solicited on the basis of the same terms and conditions and the same specifications as set forth in the bidding documents; that said bids conform to the requirements of Section 5537.07, Section 9.312 and Sections 153.50 through 153.54, all of the Revised Code of Ohio; and that a performance bond with good and sufficient surety has been submitted by each company; and

WHEREAS, the Commission's executive director has made his recommendation to the Commission predicated upon the reports and analysis of the chief engineer and the director of contracts administration; and

WHEREAS, the following "combined bids" for the performance of Contract No. 58-05-01 and Contract No. 58-05-02 have been determined by the Commission to be the lowest responsive and responsible bids received:

<b><u>Bid Package</u></b>	<b><u>Bidder</u></b>	<b><u>Amount</u></b>
1 - Gen. Trades & Site Work	Blaze Construction, Inc.	\$8,919,008.26
2 - Electrical	Blaze Construction, Inc.	\$385,000.00
3 - Plumbing	Lucas Plumbing & Heating, Inc.	\$133,250.00
4 - HVAC/Mechanical	Blaze Construction, Inc.	<u>\$604,000.00</u>
<b>Total Awards</b>		<b>\$10,041,258.26</b>

NOW, THEREFORE, BE IT

RESOLVED that the above-mentioned bids in the total amount of **\$10,041,258.26**, for the performance of Contract No. 58-05-01 and Contract No. 58-05-02, are determined by the Commission to be the lowest responsive and responsible bids received for the performance of said contracts, and are accepted, and that the vice-chairperson and executive director, or either of them, hereby is authorized: 1) to execute contracts with each of the two (2) successful bidders in the form heretofore prescribed by the Commission pursuant to the aforesaid bids; 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 bids and of said contracts; and

FURTHER RESOLVED that the Commission hereby directs the executive director and the chief engineer to assign **West Carroll Architecture** of Sylvania, Ohio to Contract No. 58-05-01 and Contract No. 58-05-02 for the purpose of performing inspection services. Such assignment shall be in accordance with the engineering services agreement specific to these Projects between the Ohio Turnpike Commission and West Carroll Architecture; and

FURTHER RESOLVED that the Commission hereby authorizes the executive director and the chief engineer to assign **Solar Testing Laboratories, Inc.** of Cleveland, Ohio, to Contract 58-05-01 and Contract 58-05-02 for the purpose of performing materials testing. Such assignment shall be in accordance with the 2005-2006 engineering services agreement and a letter agreement specific to Project No. 58-05-01 and Project No. 58-05-02 between the Ohio Turnpike Commission and Solar Testing Laboratories; and

FURTHER RESOLVED that Project No. 58-05-01 and Project No. 58-05-02 are designated System Projects 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. 21-2005.

The Executive Director said the second resolution relates to "Rejecting the Bids Received for Contract No. 59-05-04." This is a contract for shoulder repair and resurfacing from Milepost 196.2 to Milepost 197.9 in Portage County, Ohio. The apparent low bid was submitted by The Shelly Company of Twinsburg, Ohio. The total amount bid was approximately 14% above the engineer's estimate. The Commission must legally reject all bids if they are greater than 10% above the engineer's estimate. The unit prices bid by the Shelly Company have been reviewed and compared to the construction estimate. It has been determined that the majority of the unit prices were in-line with the engineer's estimate with the exception of the bid price for Reference No. 20 (Maintaining Traffic.) The bid price for this item exceeded the estimated cost by 160% or 34% of the total amount bid. It is, therefore, recommended that all bids received for this contract be rejected, and it is further recommended that prior to re-advertising this project the "Special Provisions" will be revised to indicate that the Commission's Maintenance forces will perform these services. The Commission's Hiram Maintenance facility is located at Milepost 198.6. This will result in significant cost savings. Would our General Counsel 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 shoulder repair and resurfacing from Milepost 196.2 to Milepost 197.9 located in Portage County, Ohio, herein designated **Contract No. 59-05-04**, 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. 59-05-04** for shoulder repair

and resurfacing from Milepost 196.2 to Milepost 197.9 located in Portage County, Ohio, forthwith.”

Vice-Chairman Balog said do we have a motion?

Deputy Director Darwish moved and Commissioner Regula seconded.

The Vice-Chairman said are there any questions?

Deputy Director Darwish said do you want to do the maintenance of traffic with your work forces or are you going to do the whole re-hab with your forces?

The Executive Director said we’d just maintain traffic with our forces.

Deputy Director Darwish said I had one comment when you do it in-house with a force account, does the \$25,000 limit apply to you?

The Executive Director said I’ll make a note about that.

The Vice-Chairman said if there are no further questions, please call the roll.

The “Resolution Rejecting the Bids Received for Contract No. 59-05-04” was moved for adoption.

#### **RESOLUTION NO. 22-2005**

WHEREAS, the Commission has duly advertised according to law for bids upon a contract for shoulder repair and resurfacing from Milepost 196.2 to Milepost 197.9 located in Portage County, Ohio, herein designated **Contract No. 59-05-04**; and

WHEREAS, the Commission received two (2) bids for the performance of said contract from The Shelly Company of Akron, Ohio and Shelly & Sands, Inc. of Twinsburg, Ohio; 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 chief engineer has reported that the lowest bid for Contract No. 59-05-04, as submitted by The Shelly Company, was 14% above the engineer’s estimate and, that he is not satisfied with the bids and that both bids should not be considered for award and should be rejected; and

WHEREAS, the Commission's director of contracts administration has advised the Commission that, pursuant to the bidding documents for Project 59-05-04 and Ohio Revised Code Section 5537.07(A), the Commission has expressly reserved the right to reject any and all bids, and that pursuant to Ohio Revised Code Section 153.12, the Commission legally must reject all bids if they are greater than ten percent above the engineer's estimate; and

WHEREAS, the Commission's chief engineer and the director of contracts administration have both 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 analysis.

NOW, THEREFORE, BE IT

RESOLVED that the above-mentioned bids heretofore received pursuant to the advertisement for bids upon a contract for shoulder repair and resurfacing from Milepost 196.2 to Milepost 197.9 located in Portage County, Ohio, herein designated **Contract No. 59-05-04**, 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. 59-05-04** for shoulder repair and resurfacing from Milepost 196.2 to Milepost 197.9 located in Portage County, Ohio, forthwith.

The resolution was adopted with all Members voting in the affirmative. The resolution was identified as No. 22-2005.

The Executive Director said I have one more resolution relating to the purchase of ten cargo vans with trade-ins under Invitation No. 4020. The apparent low bid was submitted by Nick Abraham-Ford, but this bid did not meet our specifications. Specifically, the overall length of the proposed van was less than specifications. Additionally, the proposed van has fixed rear windows in lieu of the specified hinged, swing-out type. The proposed rear windows will limit the ventilation that is necessary when transporting equipment and materials with vapors and odors. The apparent second low bid was submitted by Ed Schmidt Auto Group. This bidder proposes to furnish a 2006 GMC Savanna 3500 cargo van in accordance with our specifications. I, therefore, recommend that an award be made to Ed Schmidt Auto Group in the amount of \$157,130.00 and to reject the apparent low bid of Nick Abraham Ford. Would our General Counsel please read the Resolved?

General Counsel read the Resolved as follows:

"RESOLVED that the low bid of Nick Abraham-Elyria Ford is non-responsive and is rejected, and the bid of **Ed Schmidt Auto Group** of Maumee,



Ohio in the total net bid price, less trade-in allowance, of **\$157,130.00** under Invitation No. 4020 is, and is by the Commission deemed to be the lowest responsive and responsible bid received and is accepted, and the vice-chairperson and executive director, or either of them, is hereby authorized: (1) to inform Nick Abraham-Elyria Ford that its low bid is rejected; (2) to execute a Contract with the successful bidder in the form heretofore prescribed by the Commission pursuant to the aforesaid Invitation; (3) to direct the return to the other bidders of their bid security at such time as Ed Schmidt Auto Group has entered into a contract and furnished a performance bond required thereby; and (4) to take any and all action necessary to properly carry out the terms of said contract.”

General Counsel recommended that the Resolved paragraph be amended to read, “and the vice-chairperson and executive director, or either of them ..

Vice-Chairman Balog said is there a motion regarding the proposed amendment?

Deputy Director Darwish moved and Commissioner Regula seconded with all Members voting in the affirmative.

Commissioner Regula moved and Deputy Director Darwish seconded.

Vice-Chairman Balog asked if there were any questions on the resolution. If not, please call the roll.

The “Resolution Awarding a Contract for the Purchase of Current, Model, Cargo Vans under Invitation No. 4020” was moved for adoption.

### **RESOLUTION NO. 23-2005**

WHEREAS, the Commission has advertised for bids for Invitation No. 4020 for the furnishing to the Commission of ten (10) current model, 9,500 lbs. GVWR (*minimum Gross Vehicle Weight Rating*) cargo vans and accepting in trade, ten (10) used 10,000 lbs. GVWR cargo vans; and

WHEREAS, five (5) companies submitted bids in response to that Invitation, and the bids have been reviewed by the Commission's staff; and

WHEREAS, it is anticipated that the expenditures of the Commission for the above-described current-model, cargo vans, under Invitation No. 4020, 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 five (5) bids received in response to the Invitation were reviewed by the maintenance engineer who has stated that the apparent low bid submitted by Nick Abraham-Elyria Ford failed to comply with the Commission's technical specifications and cannot be considered for award; and

WHEREAS, the maintenance engineer has stated that the lowest responsive and responsible bid was submitted by Ed Schmidt Auto Group of Maumee, Ohio, in the total net bid price, less trade-in allowance, of \$157,130.00, and this bidder proposes to furnish equipment and services in accordance with the Commission's specifications; and

WHEREAS, the Commission's director of contracts administration has reviewed the bids received and has advised the Commission that the procedures followed by the Commission in advertising for Invitation No. 4020 were conducted in accordance with Sections 5537.07, 9.312 and 153.54 of the Ohio Revised Code, and that the bid of Ed Schmidt Auto Group of Maumee, Ohio, is the lowest responsive and responsible bid received in response to Invitation No. 4020, and the Commission may legally enter into a Contract with said bidder; and

WHEREAS, the Commission's director of contracts administration further advises that the Commission, pursuant to the bidding documents for Invitation No. 4020 and Ohio Revised Code Section 5537.07(A), expressly reserves the right to reject any and all bids, and that the low bid of Nick Abraham-Elyria Ford may lawfully be rejected as non-responsive by the Commission; 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, Ed Schmidt Auto Group and that the low bid of Nick Abraham-Elyria Ford be formally rejected.

NOW, THEREFORE, BE IT

RESOLVED that the low bid of Nick Abraham-Elyria Ford is non-responsive and is rejected, and the bid of Ed Schmidt Auto Group of Maumee, Ohio in the total net bid price, less trade-in allowance, of \$157,130.00 under Invitation No. 4020 is, and is by the Commission deemed to be the lowest responsive and responsible bid received and is accepted, and the vice-chairperson and executive director, or either of them, is hereby authorized: (1) to inform Nick Abraham-Elyria Ford that its low bid is rejected; (2) to execute a Contract with the successful bidder in the form heretofore prescribed by the Commission pursuant to the aforesaid Invitation; (3) to direct the return to the other bidders of their bid security at such time as Ed Schmidt Auto Group has entered into a contract and furnished a performance bond required thereby; and (4) 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. 23-2005.

The Executive Director said that completes my report.

Vice-Chairman Balog asked Noelle Tsevdos, General Counsel, if she had a report.

Ms. Tsevdos said I included a draft resolution in your folder entitled, "Resolution Approving the Acquisition of Right-of-Way for Construction of Service Plaza Facilities in Fulton County." She said there are four originally constructed service plazas out west at Milepost 20.8 in Williams County (Indian Meadow and Tiffin River Service Plazas) and at Milepost 49.0 in Lucas County (Oak Openings and Fallen Timbers Service Plazas). These service plazas have not been re-built since their original construction. They are in need of significant repair and renovation.

The other service plazas, with the exception of Mahoning Valley and Glacier Hills, have been re-constructed. It is the Executive Director's recommendation that the Commission not replace these four service plazas out west due to well-established traffic and travel patterns in this part of the State and along the Turnpike. Instead, it is his recommendation that the Commission build two service plazas in Fulton County which is located approximately halfway between these above-mentioned four originally constructed service plazas.

This resolution would authorize the initial steps starting with the process of acquiring the necessary properties, including meeting with the appropriate local and state officials to establish an appropriate location in Fulton County and try to work with them in cooperation so we could move forward. With your permission, I'll read the Resolved:

General Counsel read the Resolved as follows:

"RESOLVED that the executive director and general counsel hereby are authorized and directed to take any and all action necessary to begin the process for acquiring the necessary properties and to begin discussions with the appropriate state and local officials for the designation of locations for a new set of service plazas in Fulton County; and

"FURTHER RESOLVED that the executive director is authorized to issue requests for qualifications to prospective service plaza operators in order to further proceed with the development of design plans for these service plazas."

Vice-Chairman Balog said, is there a motion?

Commissioner Regula moved and Deputy Director Darwish seconded.

Vice-Chairman Balog said is there any discussion?

Deputy Director Darwish said this is the private/public project that we are proposing to do? I'm assuming we're going to have a Cost/Benefit Analysis before we hire prospective private entities to build or to take ownership?

The Executive Director said we expect to have some type of qualifying process such as go out to qualify various vendor/developers. We would evaluate their proposals and, based upon which would be the best course for the Turnpike, we would accept that group to further develop the project.

Deputy Director Darwish asked, but are we going to have the Cost/Benefit Analysis to find out if it is a good idea to go private or public? I don't think we have ever done anything like that before.

Vice-Chairman Balog said it's a good idea. When I look at this particular resolution, all we are doing is authorizing them to start the discussions to purchase the land. You'll have to bring that back to the Commission for authorization, correct?

Deputy Director Darwish said but you're asking for a letter of interest from whoever is going to build it in the second part.

General Counsel Tsevdos said we will be seeking a request for their qualifications. However, that is not the actual authorization.

The Executive Director said we are requesting information regarding their financial resources, their ability to do a project like this. A number of other toll roads are doing some similar things, but right now it has been impressed upon us by a number of folks that the Turnpike needs to hold on to its resources so we can maintain our toll rates and attract more truck traffic. So, anything the Turnpike can do to not spend capital dollars and not spend resources, we think would be helpful in that direction.

The Director said there are many unknowns right now such as what kind of facility will be built. Obviously, if a private entity were paying to build the facility, the concessions that would be paid to the Commission would be lower because the Turnpike would not be spending the up-front capital to build the project.

Deputy Director Darwish said I fully agree with you. Every time you get a private entity to help you with cash flow, and take that initial cost from your capital plans, so you can do more work on the road and the bridges, is a great idea. But I thought the idea behind going into that is to have an analysis that says, yes, it's a good idea or look what kind of money we are going to put out and what kind of return will we get? The Cost/Benefit Analysis would say

whether it is a good idea. I don't know, but I recommend a Cost/Benefit Analysis to look into it. Later, if they build it, what kind of return will we get?

The Vice-Chairman said I agree with Mo 100%, but I think this resolution just starts the process. Before we go ahead and spend any significant dollars and cents on the project, we need to ensure that it makes sense for the Turnpike Commission, not only from the standpoint of protecting its capital, but also in the long-term. You don't want to be "penny-wise and dollar foolish," Again, as I read this resolution, and correct me if I'm wrong, all we are doing is authorizing you to go ahead and investigate the land locations, start that process and also investigate from the standpoint of prospective operators. We are not binding ourselves at this time.

General Counsel said that's correct and a contract award would have to be approved by the Commission. At that time, we would present additional information.

Vice- Chairman Balog said this facility represents the "western" end of the Turnpike, and we are envisioning, a facility on both sides of the Turnpike?

The Executive Director said that's correct. We are going from four (4) facilities to two (2), but we are still envisioning one on each side of the road.

Deputy Director Darwish said it's a good idea when you reduce the number of facilities with the high cost of maintenance, etc.

Vice-Chairman Balog said that's correct especially when the existing service plazas are only twenty-eight (28) miles apart.

The Executive Director said that, by combining the four (4) into two (2), we will have larger facilities that have more offerings and we can make them more attractive.

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

The "Resolution Approving the Acquisition of Right-of-Way for Construction of Service Plazas Facilities in Fulton County" was moved for adoption.

#### **RESOLUTION NO. 24-2005**

WHEREAS, Ohio Revised Code Sections 5537.03 and 5537.04 authorizes the Commission to maintain, construct and operate the Ohio Turnpike System, including those service facilities it deems necessary to operate Ohio Turnpike; and

WHEREAS, the Commission desires to continually provide for the transportation needs of Ohio travelers and to effectively operate and maintain the Ohio Turnpike and its service plaza facilities; and

WHEREAS, the Commission constructed the Indian Meadow and Tiffin River Service Plazas at Milepost 20.8 in Williams County, and the Oak Openings and Fallen Timbers Service Plazas Services Plazas at Milepost 49.0 in Lucas County, as part of the original construction of the Ohio Turnpike, which service facilities have not been reconstructed since their opening and are in need of significant repair and renovation; and

WHEREAS, the executive director has recommended that the Commission not replace or reconstruct the Indian Meadow, Tiffin River, Oak Openings and Fallen Timbers Service Plazas due to well established traffic and travel patterns in this region of the Ohio Turnpike; and

WHEREAS, the executive director has recommended that the Commission develop plans for the location, design and site development of one set of service facilities located in Fulton County which would replace the two sets of service facilities in Williams and Lucas Counties in order to more efficiently serve the needs of the traveling public using the Ohio Turnpike; and

WHEREAS, the Commission is authorized by Ohio Revised Code Section 5537.06 to acquire such property as it deems necessary for the operation of the Ohio Turnpike System, and the Commission desires to begin the process to acquire the necessary properties, and to begin discussions with the appropriate state and local officials for the construction of service plaza facilities in Fulton County; and

WHEREAS, the Commission is authorized by Ohio Revised Code Section 5537.13 to contract for the operation of service facilities.

NOW, THEREFORE, BE IT

RESOLVED that the executive director and general counsel hereby are authorized and directed to take any and all action necessary to begin the process for acquiring the necessary properties and to begin discussions with the appropriate state and local officials for the designation of locations for a new set of service plazas in Fulton County; and

FURTHER RESOLVED that the executive director is authorized to issue requests for qualifications to prospective service plaza operators in order to further proceed with the development of design plans for these service plazas.

The resolution was adopted with all Members voting in the affirmative. The resolution was identified as No. 24-2005.

General Counsel Tsevdos said I have nothing further, Mr. Vice-Chairman.

The Vice-Chairman asked if Mr. Steiner, the Commission's CFO had a report.

Mr. Steiner said I have included one draft resolution in your folders authorizing the Executive Director to enter into a contract for depository and various other banking services. On March 1, 2005, the Commission issued a Request for Proposals (RFP) for banking services for an initial contract term of three years with an optional two-year extension. The major banking services requested by the Commission are for processing of our daily cash and coin deposits from our toll plazas. Other services include such things as: Accounts Payable and Payroll checking accounts, payroll direct deposit, purchasing cards, processing of Master Card and VISA transactions for our "Ready Toll" Program, wire transfers, lock boxes and other miscellaneous banking services. The mandatory pre-proposal conference was held on March 10, 2005 and ten banking institutions attended this conference. Seven proposals were opened on April 5, 2005. The cost and technical merits of these proposals were separately evaluated. The Purchasing Manager evaluated the cost of each proposal and he determined that the cost of three of the seven proposals were so excessive as to eliminate them from further consideration. An Evaluation Committee comprised of the Assistant Comptroller, Director of Audit and Internal Control and me conducted the technical review of the remaining four proposals without being informed of the respective costs. We solicited comments on selective portions of the proposals from the Director of Toll Operations, Superintendent of Toll Operations and members of our Accounting Department staff. The Director of Contracts Administration served as a facilitator. Incumbent FirstMerit Bank and Key Bank emerged as the first and second-place contenders. These two banks were invited to make brief presentations to address specific questions and to highlight other aspects of their proposals. After the presentation, the Evaluation Committee refined the technical evaluation scores and combined them with the cost evaluation that was prepared by the Purchasing Manager. FirstMerit emerged as the leading proposer with a slight advantage over Key Bank. As permitted by the terms of the RFP, the Evaluation Committee decided to pursue verbal discussions with the top-ranked proposer, FirstMerit, concerning specific points, and satisfactory verbal agreements were reached with FirstMerit with respect to each of these issues.

Mr. Steiner said I want to take this opportunity to thank all the proposers with special thanks to representatives from Key Bank for submitting a very competitive proposal. However, based on the outcome of the process I have described and by virtue of FirstMerit's continued outstanding performance under the bank's existing contract with the Commission, the Evaluation Committee recommends that **FirstMerit Bank** be designated as the Commission's depository under a new contract for banking services as outlined in the RFP for

the next three years commencing July 1, 2005, with an option to renew the contract for two-years thereafter. Would General Counsel please read the Resolved?

General Counsel read the Resolved as follows:

“RESOLVED that the proposal submitted by **FirstMerit Bank** of Cleveland, Ohio is, and is by the Commission determined to be, the best of all proposals received in response to the Commission’s RFP for Banking Services and is accepted; and

“FURTHER RESOLVED that the executive director and director of contracts administration hereby are authorized to execute a contract with **FirstMerit Bank** to furnish various banking services to the Commission, which shall provide for an initial contract term of **three (3) years commencing July 1, 2005**, and further provide the option to renew the contract for a two (2) year period, 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 all respondents of their proposal guaranty, as submitted with their proposals, as soon as said contract is executed; and

“FURTHER RESOLVED that the executive director of the Ohio Turnpike Commission will provide a certified copy of this resolution to the Huntington National Bank, as trustee, and the Commission’s bond counsel, Peck Shaffer & Williams L.L.P.”

The Vice-Chairman said is there a motion?

Deputy Director Darwish moved and Commissioner Regula seconded.

The Vice-Chairman asked if there were any questions or comments. If not, please call the roll.

The “Resolution Authorizing the Executive Director to Enter into a Contract with a “Designated Depository” to furnish various banking services to the Commission” was moved for adoption.

#### **RESOLUTION NO. 25-2005**

WHEREAS, on March 1, 2005, the Commission issued its Request for Proposals (RFP) for Banking Services for an initial contract term of three (3) years, which may be extended for one (1) additional two (2) year period; and



WHEREAS, copies of the Commission's RFP were mailed to twelve (12) banking institutions expressing an interest in providing the requested banking services to the Commission; and

WHEREAS, on April 5, 2005, seven (7) banking institutions submitted proposals to provide the various banking services to the Commission; and

WHEREAS, an evaluation committee comprised of the CFO/Comptroller, the Assistant Comptroller, and the Director of Audit and Internal Control conducted the technical review of the proposals submitted; and

WHEREAS, the Commission's purchasing manager conducted the evaluation of the cost proposals submitted separate and apart from the deliberations of the evaluation committee and awarded scores to the various cost proposals; and

WHEREAS, based on both the technical review, the cost proposal review and subsequent meetings with the two finalist banks, the evaluation committee reconvened and awarded final technical scores to the two finalists with FirstMerit Bank emerging as the apparent winner; and

WHEREAS, as contemplated in the RFP, the evaluation committee next pursued verbal negotiations with the top ranked proposer, FirstMerit Bank; and

WHEREAS, as a result of this process, the evaluation committee has concluded that **FirstMerit Bank** has proposed the best combination of value and price to the Commission in response to the subject RFP, and further recognizes FirstMerit's outstanding service under its existing contract with the Commission as demonstrative of this bank's qualifications and ability to satisfactorily perform all of its obligations pursuant to its proposal; 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 Commission has been further advised by its director of contracts administration that the aforesaid proposals were solicited on the basis of the same terms and condition as set forth in the legal notice and the RFP with respect to all respondents; that the procedures followed conform to the requirements of all applicable statutes; that FirstMerit Bank 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 enter into a contract with FirstMerit Bank; 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 determined that the proposal submitted by **FirstMerit Bank** of Cleveland, Ohio, is the best of all proposals received in response to the Commission's RFP.

NOW, THEREFORE, BE IT

RESOLVED that the proposal submitted by **FirstMerit Bank** of Cleveland, Ohio is, and is by the Commission determined to be, the best of all proposals received in response to the Commission's RFP for Banking Services and is accepted; and

FURTHER RESOLVED that the executive director and director of contracts administration hereby are authorized to execute a contract with **FirstMerit Bank** to furnish various banking services to the Commission, which shall provide for an initial contract term of **three (3) years commencing July 1, 2005**, and further provide the option to renew the contract for a two (2) year period, 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 all respondents of their proposal guaranty, as submitted with their proposals, as soon as said contract is executed; and

FURTHER RESOLVED that the executive director of the Ohio Turnpike Commission will provide a certified copy of this resolution to the Huntington National Bank, as trustee, and the Commission's bond counsel, Peck Shaffer & Williams L.L.P.

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 May 16, 2005, at which a quorum was at all times present and voting.

WITNESS my hand and seal of the Ohio Turnpike Commission on this 16<sup>th</sup> day of May, 2005.

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Gary C. Suhadolnik  
Assistant Secretary Treasurer

The resolution was adopted with all Members voting in the affirmative. The resolution was identified as No. 25-2005.

Mr. Steiner said he would like to present a brief update on our traffic and toll revenue as of April 30, 2005. In recent months we have seen a slight decline in our passenger car miles traveled on the Turnpike compared to the prior twelve months. Due to the fact that Easter was in March this year and was in April last year, our passenger car miles increased 6.1% in March but then fell 10.6% in April compared to 2004. 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 continued to exceed those of the prior year.

Passenger car miles traveled during the first four months of 2005 were down 2.5% from last year and miles traveled by commercial vehicles during the first four months were up 17.2% from last year.

Like miles traveled, our toll revenues from passenger cars have been declining the last few months. The 5.9% increase in March was more than offset by the 10.2% decline in April in comparison to last year. Despite the growth in commercial traffic, our 2005 toll revenues from commercial vehicles have fallen well below those from last year. This is the result of the temporary reduction in toll rates which became effective January 1<sup>st</sup>.

Toll revenues from passenger cars during the first four months of this year were down 2.3% from last year while revenues from commercial vehicles were down 6.9%. Total toll revenues during the first four months of this year were down 5.2% in comparison to last year.

Mr. Steiner said he'd be happy to respond to any questions. Afterwards, I'd like to ask Dave Miller, our Director of Audit and Internal Control, to discuss the audit of our 2004 financial statements.

The Vice-Chairman asked if there were any questions for Mr. Steiner.

Mr. Miller said I am pleased to report that the Commission's independent audit for the fiscal year ending December 31, 2004, is complete. This is the first year that Ciuni & Panichi, Inc. performed the Commission's audit. As you may recall, our contract with the prior independent auditors, Deloitte & Touche, ended with a successful completion of the 2003 audit. Ciuni & Panichi was awarded the contract for the Commission's independent auditing services through fiscal 2008 as a result of a formal Request for Proposals procedures governed by the Auditor of State. I'd like to say that the staff of Ciuni & Panichi did an excellent job with the 2004 audit. They worked very well with the Commission's personnel and successfully completed their procedures in time to meet a relatively difficult timeline.

The audit has been reviewed and accepted without modification by the Auditor of State. The Commission's Comprehensive Annual Financial Report for 2004, which contains Ciuni & Panichi's report, is available for download from the website from both the Auditor of State and the Commission. At this time, I'd like to introduce Rhonda Hall, partner and Lynn Basconi, senior manager from Ciuni & Panichi to provide a few more comments about the 2004 audit.

Ms. Rhonda Hall from Ciuni & Panichi said, as Dave mentioned, we did complete the audit for the Ohio Turnpike Commission as of December 31, 2004. Our independent Auditor's Report can be found on Page 21 of the Comprehensive Annual Financial Report. We did issue an "unqualified" opinion. We had no audit adjustments nor did we have any recommendations for the Turnpike. In addition to the Auditor's Report, we also issued a "Report on the Internal Controls Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*." We found no item in the internal control area that we considered either a material weakness or a reportable condition, which is good. Since we are doing the audit in lieu of the State Auditor's Office, we have to test all entities to be considered for the Ohio Revised Code and since the Turnpike has to follow a specific code section, we are required to test that. We found no matters in our testing that would indicate that the Turnpike is in non-compliance with the Ohio Revised Code. Everything is running smoothly, and our audit ran smoothly. We also gave a brief presentation to the Audit Committee, and we gave them a report which we are required under Auditing Standards to issue to them. If we had any significant issues or change in accounting policies that we felt were necessary for the audit committee to be aware of, we would have to report that in this letter. There were no such items, and there were no problems with the audit. It's a "clean" report. Thank you. Lynn will talk about the Master Trust Agreement.

Lynn Basconi said we have two additional independent Auditor's Reports that we were required to prepare. The first one relates to the Master Trust Agreement (MTA) specifically during our audit of the financial statements nothing came to our attention as far as the Commission failed to comply with any of the provisions or covenants of the MTA. There were no problems in that area. The second independent Auditor's Report is titled, "Schedule of Net/System Pledged Revenues" as defined by the Master Trust Agreement. We were required to audit the "Schedule of the Net/System Pledged Revenues" as defined in the MTA. There are three specific tests in that area. The Commission met all three tests. The only change during 2004 was that the Commission had a resolution to provide for additional revenues in the net system pledged revenues which was mainly the concession revenues, leases, licenses, etc. Thank you.

Vice-Chairman Balog said thank you. Is there anything further? Are there any questions from the Commission Members?

Vice-Chairman Balog said I'm a member of the Audit Committee. When you get a letter from the outside auditors which says that there are no adjustments, they have no recommendations and safeguards are in place, it makes the Commission Members feel pretty good. I'd like to thank Jim and Dave and their staffs for a job well done. It's comforting having you do the work for us.

Vice-Chairman asked Eric Erickson, our financial advisor, if he had a report.

Mr. Erickson said no report, Mr. Vice-Chairman.

Vice Chairman Balog asked if there was a report from HNTB, our general consultant.

Mr. Matt Lawler reported that our staff has completed about 75% of the bridges, culverts and road inspections for 2005. The bridge and culvert inspections in the work zones will be completed in November. Facility inspections will begin in June.

Vice-Chairman Balog said OK, thank you. Are there any questions?

Vice-Chairman Balog asked if our trustee, Mr. Frank Lamb, had a report.

Mr. Lamb said no report, Mr. Vice-Chairman.

Vice-Chairman Balog said I believe most people are aware of the tragedy that happened recently on the Turnpike. Captain Ferguson, OSHP, do you have a report?

Captain Ferguson we had two critical instances occur this past Friday, May 13<sup>th</sup>. The first was a fatal crash in the Milan Post area which occurred about 4:30 p.m. I was at that scene as well as the shooting later that evening. The investigation into this crash revealed there were two semis involved. A westbound semi had just passed the interchange at S.R. 4 and experienced a flat right-front steering tire. He then pulled off onto the right-hand berm well off the roadway and was contacting his company for emergency assistance. He was getting ready to put out his safety triangles behind his vehicle when another westbound vehicle traveled off the right side of the road for an unknown reason, struck the left rear for the first semi's trailer, traveled along the left side of the disabled semi and then traveled off into the right ditch, struck a rock embankment and turned over onto its left side and caught fire. The driver of the semi that ran off the road, and rear-ended the disabled semi, was critically and subsequently fatally injured in that crash. This seems to be something that is a central theme in many of the crashes out here. Possibly, it involved fatigue driving. There is no indication of any evasive action or any indication that that semi was forced off the

road. It simply left the road at that point of time, and the first semi happened to be in that location where the crash occurred.

The second incident we had was when our Hiram Post received a call about 6:38 p.m. on Friday, May 13<sup>th</sup>, which ultimately resulted in our investigation of a homicide on the Ohio Turnpike in the City of Broadview Heights. The victim, Dr. Gulam Moonda, age 64 of Hermitage, Pennsylvania, died from an apparent single gunshot wound to the head during a reported roadside robbery. Moonda, a physician in Pennsylvania, was pronounced dead at the scene by Life Flight EMS personnel who responded. Upon the arrival of our troopers, we discovered Moonda had been shot in the head after a reported roadside robbery had occurred. Moonda was occupying a 2000 Jaguar along with two other family members when they stopped along Interchange 80 at Milepost 164 for an emergency pull-off to change drivers. During that exchange an unknown suspect driving a dark-colored van stopped with the victim and demanded money. The suspect carried out the robbery and shot Moonda in the head and fled the scene. Also assisting in this investigation is the Cuyahoga County Coroner's Office. Broadview Heights Fire Department and EMS were also helping us at the scene. This incident remains under investigation. We have asked through the media if anyone has witness information to contact us at Berea headquarters or the Broadview Heights Police Dept. We are continuing to investigate this case. There is quite a bit to look into. I don't have any other details to release at this time. I'd be happy to respond to any questions, if I can.

Vice-Chairman Balog said thank you. It's a tough situation and a tough weekend.

Vice Chairman Balog said is there any further business? If not, I'll entertain a motion to adjourn until **Monday, July 18<sup>th</sup> at 10:00 a.m.** There will **not** be a scheduled meeting in June. If there are any emergency matters, the Executive Director will notify us, and we will schedule an emergency meeting.

Deputy Director Darwish moved and Commissioner Regula seconded the motion to adjourn with all Members voting in the affirmative. Time of adjournment was 10:44 a.m.

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

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George F. Dixon, Secretary-Treasurer