

MINUTES OF THE 534th MEETING OF THE OHIO TURNPIKE COMMISSION

July 16, 2007

Chairman: The meeting will come to order (10:01 A.M.). Will the Assistant Secretary-Treasurer please call the roll?

Assistant Secretary-Treasurer: Mr. Balog

Mr. Balog: Here

Assistant Secretary-Treasurer: Mr. Regula

Mr. Regula: Here

Assistant Secretary-Treasurer: Mr. Kidston

Mr. Kidston: Here

Assistant Secretary-Treasurer: Ms. Teeuwen

Ms. Teeuwen: Here

Assistant Secretary-Treasurer: Mr. Dixon is unable to be here today, Representative Reinhard and Senator Buehrer said they would not be here today. I have not heard from either the OBM Representative or Lt. Governor Fisher's office.

Chairman: Thank you. We have a number of guests here today; I would like everyone to introduce themselves. Jim?

Those in attendance: Jim Steiner, Comptroller/Ohio Turnpike; Eric Erickson, Fifth Third Securities; Bobby Everhart, URS; Kathy Weiss, Director of Contracts Administration, Ohio Turnpike; Mike Swan, Dick Corp.; Heidi Jedel, Ohio Turnpike; Lori Partridge, Ohio Turnpike; Dave Miller, Director Audit & IC; Joshua Burks, HNTB; Don Glosser, Crawford, Murphy & Tilly; Rob Fleischman, Assistant Chief Engineer/Ohio Turnpike; Tim Ujvari, Maintenance Engineer/Ohio Turnpike; Glen Stephens, G. Stephens; Tom Tornabene, Ohio State Highway Patrol; Matt Stuczynski, National City; Sherry Warner, Ohio Trucking Association; Howard O'Malley, B&T Express; John Lee, JP Morgan; John Conner, Key Bank Capital Markets; Floyd Jeffries, Ohio Operating Engineers; Don Taggart, Ohio Operating Engineers; Stephen Szanto, Cabrera Capital; Mark Fisher, A.G. Edwards; Frank Lamb, Huntington Bank; Lauren Hakos, Public Affairs Manager, Ohio Turnpike; Glen Stevens, GSI; Bruce Milligan, Autodesk; Shams Lawson, Merrill Lynch (this man came in at 10:22 a.m.)

Chairman: Thank you. This is the 534th meeting of the Ohio Turnpike Commission and we are meeting here at the Commission headquarters as provided for in the Commission's Code of Bylaws for a regularly scheduled meeting. The various reports will be received and we will act on several resolutions,

draft copies have been previously provided to the Members and updated drafts are in the Members folders. Resolutions will be explained during the appropriate reports.

Can we have a motion to adopt the minutes of the meeting of June 22, 2007?

Kidston: So moved.

Regula: Second.

Chairman: Roll please.

Assistant Secretary-Treasurer: Mr. Kidston

Kidston: Yes

Assistant Secretary-Treasurer: Mr. Regula

Regula: Yes

Assistant Secretary-Treasurer: Mr. Balog

Balog: Yes

Assistant Secretary-Treasurer: Ms. Teeuwen

Teeuwen: Yes

Assistant Secretary-Treasurer: Four yeas, the minutes are adopted.

Chairman: The first item on the agenda will be the election of officers; we have to elect Chairman, Vice Chairman, Secretary-Treasurer and Assistant Secretary-Treasurer. For other Commission member's notification, I was reappointed by Governor Strickland for a full eight year term starting July 1 so you are stuck with me through 2015 I guess.

Kidston: Congratulations.

Chairman: Thank you. Is there a nomination for Chairman?

Regula: I would move to nominate you for Chairman?

Chairman: Is there a second?

Kidston: Second

Chairman: Any other nominations? Nominations are closed, please call the roll.

Assistant Secretary-Treasurer: Mr. Regula

Regula: Yes

Assistant Secretary-Treasurer: Mr. Kidston

Kidston: Yes

Assistant Secretary-Treasurer: Ms. Teeuwen

Teeuwen: Yes

Assistant Secretary-Treasurer: Mr. Balog

Balog: Yes

Assistant Secretary-Treasurer: Four yeas, congratulations.

Chairman: Thank you. Nominations for the Vice Chairman?

Kidston: I will move that Commissioner Regula be Vice Chairman.

Chairman: Is there a second?

Teeuwen: Second

Chairman: Any other nominations? The nominations are closed. Call the roll.

Assistant Secretary-Treasurer: Mr. Kidston

Kidston: Yes

Assistant Secretary-Treasurer: Ms. Teeuwen

Teeuwen: Yes

Assistant Secretary-Treasurer: Mr. Balog

Balog: Yes

Assistant Secretary-Treasurer: Mr. Regula

Regula: Yes

Chairman: Nominations for Secretary-Treasurer, presently Mr. Dixon. Mr. Dixon called and said that something came up unscheduled and that's why he didn't notify us in advance. He's very good

for attendance as far as being at the meetings. He indicated that he would like to serve as Secretary Treasurer. Are there any nominations for Secretary-Treasurer?

Kidston: I'll move that Commissioner Dixon be nominated for Secretary Treasurer.

Chairman: Thank you, is there a second?

Teeuwen: Second

Chairman: Any other nominations? Nominations are closed, call the roll please.

Assistant Secretary-Treasurer: Mr. Kidston

Kidston: Yes

Assistant Secretary-Treasurer: Ms. Teeuwen

Teeuwen: Yes

Assistant Secretary-Treasurer: Mr. Balog

Balog: Yes

Assistant Secretary-Treasurer: Mr. Regula

Regula: Yes

Assistant Secretary-Treasurer: Four yeas, Mr. Dixon is elected Secretary-Treasurer.

Chairman: Noelle, would you please read the prepared Resolution?

General Counsel: **RESOLVED** that the election of Joseph A. Balog, as Chairman of the Ohio Turnpike Commission, David O. Regula, as Vice-Chairman of the Ohio Turnpike Commission, and George F. Dixon as Secretary-Treasurer, pursuant to Ohio Revised Code Section 5537.02(C) and Article I of the Commission's Code of Bylaws dated March 17, 2003, to serve until the next election which shall be held at the first meeting of the Commission held after the 30th day of June, 2011 or until their respective successors are elected and qualified, or until such officers individually shall cease to be members of the Ohio Turnpike Commission, hereby is confirmed as having taken place at this meeting in accordance with law and the Commission's Code of Bylaws dated March 17, 2003, and the Assistant Secretary-Treasurer is directed to enter this resolution in the journal of the Commission as a record thereof.

Chairman: Motion to adopt?

Teeuwen: So moved

Chairman: Second?

Regula: Second

Chairman: Call the roll.

Assistant Secretary-Treasurer: Ms. Teeuwen

Teeuwen: Yes

Assistant Secretary-Treasurer: Mr. Regula

Regula: Yes

Assistant Secretary-Treasurer: Mr. Kidston

Kidston: Yes

Assistant Secretary-Treasurer: Mr. Balog

Balog: Yes

Assistant Secretary-Treasurer: The resolution is adopted.

Resolution Confirming Election of Officers

RESOLVED that the election of Joseph A. Balog, as Chairman of the Ohio Turnpike Commission, David O. Regula, as Vice-Chairman of the Ohio Turnpike Commission, and George F. Dixon as Secretary-Treasurer, pursuant to Ohio Revised Code Section 5537.02(C) and Article I of the Commission's Code of Bylaws dated March 17, 2003, to serve until the next election which shall be held at the first meeting of the Commission held after the 30th day of June, 2011 or until their respective successors are elected and qualified, or until such officers individually shall cease to be members of the Ohio Turnpike Commission, hereby is confirmed as having taken place at this meeting in accordance with law and the Commission's Code of Bylaws dated March 17, 2003, and the Assistant Secretary-Treasurer is directed to enter this resolution in the journal of the Commission as a record thereof.

(Resolution No. 21 - 2007 adopted July 16, 2007)

Chairman: Should we do the resolution for the Assistant Secretary-Treasurer at this time?

General Counsel: Correct.

RESOLVED that **Gary C. Suhadolnik** be, and hereby is, appointed to the position of Assistant Secretary-Treasurer of the Ohio Turnpike Commission and is further authorized to perform all duties set forth in Article I, Section 5.10 of the Commission's Code of Bylaws dated March 17, 2003.

FURTHER RESOLVED that the above-mentioned action is confirmed as having taken place at this meeting in accordance with law and the Commission's Code of Bylaws and the Secretary-Treasurer is directed to enter this resolution in the journal of the Commission as a record thereof.

Chairman: Motion to adopt?

Regula: So moved

Chairman: Second?

Kidston: Second

Chairman: Call the roll.

Assistant Secretary-Treasurer: Mr. Regula

Regula: Yes

Assistant Secretary-Treasurer: Mr. Kidston

Kidston: Yes

Assistant Secretary-Treasurer: Ms. Teeuwen

Teeuwen: Yes

Assistant Secretary-Treasurer: Mr. Balog

Balog: Yes

Assistant Secretary-Treasurer: Four yeas, the resolution is adopted. Thank you very much.

**Resolution Confirming Appointment of Gary C. Suhadolnik
as Assistant Secretary-Treasurer**

WHEREAS, Secretary-Treasurer George F. Dixon, has been elected to the position of Secretary-Treasurer by resolution of the Commission passed on July 16, 2007;

WHEREAS, the Secretary-Treasurer of the Commission is authorized to appoint the Assistant Secretary-Treasurer with the assent of the Commission pursuant to Article I, Section 1.00 of the Commission's Code of Bylaws adopted on March 17, 2003;

WHEREAS, the Secretary-Treasurer wishes to appoint the Executive Director Gary C. Suhadolnik to the position of Assistant Secretary-Treasurer and has requested that the Commission assent to said appointment as required by the Code of Bylaws;

NOW, THEREFORE BE IT

RESOLVED that **Gary C. Suhadolnik** be, and hereby is, appointed to the position of Assistant Secretary-Treasurer of the Ohio Turnpike Commission and is further authorized to perform all duties set forth in Article I, Section 5.10 of the Commission's Code of Bylaws dated March 17, 2003.

FURTHER RESOLVED that the above-mentioned action is confirmed as having taken place at this meeting in accordance with law and the Commission's Code of Bylaws and the Secretary-Treasurer is directed to enter this resolution in the journal of the Commission as a record thereof.

(Resolution No. 22 - 2007 adopted July 16, 2007)

Chairman: If there are no questions we will proceed with the report of the Secretary-Treasurer given by the Assistant Secretary-Treasurer, Gary Suhadolnik, in Mr. Dixon's absence.

Assistant Secretary-Treasurer: Thank you Mr. Chairman. The only item I have to report since the last meeting of the Commission the following information either has been sent to Members or has been included in their folders:

1. Minutes of the June 22, 2007 Commission Meeting
2. Traffic & Revenue Report, June, 2007
3. Total Revenue by Month and Year, 2007
4. Investment Report, June, 2007
5. Financial Statement, June, 2007
6. Budget Report, Six Months, 2007

That's the only item I have to report Mr. Chairman.

Chairman: Thank you, any questions for Mr. Suhadolnik? We might as well go into your report then.

Assistant Secretary-Treasurer: I have no report today Mr. Chairman.

Chairman: Thank you. Resolutions, Dan?

Chief Engineer: Thank you Mr. Chairman. I have two resolutions for your consideration this morning. The first is a resolution awarding Contract 59-07-04 this is for the resurfacing and repairs of the interchange ramps at Exit 145, located in Lorain County. We received four bids in response to the subject contract invitation. The lowest responsive and responsible bid was submitted by the Shelly Company of Twinsburg, Ohio in the total amount of \$1,121,978.25. The total amount bid is below the engineer's

estimate and this bidder has performed satisfactorily for the Commission in the past. The resolution also contains provisions to assign GPD/ACLA of Cleveland, Ohio to the contract for the purpose of performing construction inspection and Geo-Sci of Berea, Ohio for the purposes of performing materials testing. If the General Counsel would please read the Resolved.

General Counsel: RESOLVED that the bid of **The Shelly Company of Twinsburg, Ohio**, in the amount of **\$1,121,978.25** for the performance of Contract No. 59-07-04 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 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 **GPD/ACLA, of Cleveland, Ohio**, to Contract 59-07-04 for the purpose of performing construction inspection, and **Geo-Sci of Berea, Ohio** for the purpose of performing material testing and inspection, with such assignments in accordance with the 2007-2008 General Engineering Services Agreements between the Ohio Turnpike Commission and said engineering firms; and

FURTHER RESOLVED that Project No. 59-07-04 is designated a System Project under the Commission's 1994 Master Trust Agreement.

Chairman: A motion to adopt?

Kidston: So moved

Chairman: Second?

Teeuwen: Second

Chairman: Questions or discussion about the resolution before us? It's nice to see we had a number of bids.

Chief Engineer: Yes. Also, Mr. Chairman, it's interesting to note that one of the bidders is a new bidder with the Turnpike Commission. It's the first time they bid, that's Karvo Paving.

Chairman: No questions, call the roll please.

Assistant Secretary-Treasurer: Mr. Kidston

Kidston: Yes

Assistant Secretary-Treasurer: Ms. Teeuwen

Teeuwen: Yes

Assistant Secretary-Treasurer: Mr. Regula

Regula: Yes

Assistant Secretary-Treasurer: Mr. Balog

Balog: Yes

Assistant Secretary-Treasurer: Four yeas, the resolution is adopted.

Resolution Awarding Contract No. 59-07-04

WHEREAS, the Commission has duly advertised according to law for bids upon a Contract for repairs and resurfacing of the Interchange Ramps located at Milepost 145, located in Lorain County, Ohio, herein designated **Contract No. 59-07-04**; and

WHEREAS, the Commission has received bids from four (4) 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, which report is before the Commission; and

WHEREAS, the chief engineer reports that the lowest responsive and responsible bid for the performance of Contract No. 59-07-04 was received from **The Shelly Company of Twinsburg, Ohio**, in the amount of **\$1,121,978.25**, which bid he recommends be accepted by the Commission; and

WHEREAS, the Commission has also been advised by the director of contracts administration that all bids for Contract No. 59-07-04 were solicited on the basis of the same terms and conditions and the same specifications, that the bid of The Shelly Company for Contract No. 59-07-04 conforms to the requirements of Ohio Revised Code Sections 5537.07, 9.312 and 153.54, and that a performance bond with good and sufficient surety has been submitted by The Shelly Company; and

WHEREAS, the Commission's executive director has reviewed the reports of the chief engineer and the director of contracts administration and, predicated upon such analysis, has made his recommendation to the Commission to award Contract No. 59-07-04 to The Shelly company; and

WHEREAS, the Commission has duly considered such recommendations.

NOW, THEREFORE, BE IT

RESOLVED that the bid of **The Shelly Company of Twinsburg, Ohio**, in the amount of **\$1,121,978.25** for the performance of Contract No. 59-07-04 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 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 **GPD/ACLA**, of **Cleveland, Ohio**, to Contract 59-07-04 for the purpose of performing construction inspection, and **Geo-Sci** of **Berea, Ohio** for the purpose of performing material testing and inspection, with such assignments in accordance with the 2007-2008 General Engineering Services Agreements between the Ohio Turnpike Commission and said engineering firms; and

FURTHER RESOLVED that Project No. 59-07-04 is designated a System Project under the Commission’s 1994 Master Trust Agreement.

(Resolution No. 23 - 2007 adopted July 16, 2007)

Chief Engineer: Thank you. The second resolution this morning is awarding contracts for our requirements for sodium chloride, or rock salt, for the upcoming 2007/2008 winter season pursuant to Invitation 4072. This contract was set up for individual delivery locations, for 14 locations across the state where we store the sodium chloride and it provides for individual awards for the 14 separate locations. We received four bids in response to the subject invitation. The bidding documents allow for the purchase of up to 150% of the quantities established in the anticipation of severe weather. The contract also provides for separate prices for a piler, or conveyor system, for stock piling if needed. The apparent low bid in response to items No. 1, 2, 3 and 5 was submitted by Detroit Salt Company, Overland Park, Kansas. The total amount bid based on the estimated quantities was \$304,150.00 and the total amount based on 150% of the estimated quantity and the allowance of the conveyor charges is \$465,150.00. The apparent low bids in response to Items 4, 6, 7, 8, 9, 10, and 11 were submitted by Cargill, Inc. Deicing Technology, North Olmsted, Ohio. The bid based on estimated quantities is \$1,539,930.00 and again, based on 150% and conveyor charges \$2,366,295.00. Finally, the apparent low bids are in response to items 12, 13 and 14 were submitted by Morton Salt, Chicago, Illinois. Contract bid amount \$673,095.00 and 150% of the quantities and conveyor charges of \$1,031,842.50. Would the General Counsel please read the Resolved?

General Counsel: RESOLVED that the bids of the following companies:

<u>Items</u>	<u>Company</u>	<u>Bid Amount based on Estimated Quantities</u>	<u>150% of Estimated Quantities Bid</u>	<u>Piler or Conveyor Charges</u>	<u>Total Award</u>
1, 2, 3 and 5	Detroit Salt Company Overland Park, Kansas	\$ 304,150.00	\$ 456,225.00	\$ 8,925.00	\$ 465,150.00
4, 6, 7, 8, 9, 10 & 11	Cargill, Inc. Deicing Technology Business Unit, N. Olmsted, Ohio	\$1,539,930.00	\$2,309,895.00	\$ 56,400.00	\$2,366,295.00
12, 13 & 14	Morton Salt Chicago, Illinois	\$ 673,095.00	\$1,009,642.50	\$ 22,200.00	\$1,031,842.50

Total Awards reflecting 150% of estimated quantities bid including freight \$3,775,762.50

**The Awards also reflect an estimated additional cost of conveying \$ 87,525.00
20% of the maximum Contract quantity that may be delivered by the Contractors utilizing a piler or conveyor.**

Grand Total of All Awards \$3,863,287.50

for Invitation No. 4072 are, and are by the Commission deemed to be the lowest responsive and responsible bids received and are accepted and the chairperson and executive director, or either of them, is hereby authorized: (1) to execute a Contract with each successful bidder in the form heretofore prescribed

by the Commission pursuant to the aforesaid Invitation, which Contract awards reflect 150% of estimated quantities bid for each individual delivery destination and any additional piler or conveyor charges; and (2) to direct the return to the bidders of their bid securities at such time as the successful bidders have each entered into a Contract; and (3) to take any and all action necessary to properly carry out the terms of said Contracts.

Chairman: Motion to adopt?

Teeuwen: So moved

Chairman: Second?

Kidston: Second

Chairman: Any questions or discussion on the motion?

Kidston: We had a real light winter last year right?

Chief Engineer: Relatively speaking, that's correct.

Kidston: So if we don't use the actual contract, what happens?

Chief Engineer: Mr. Chairman, Commission Member Kidston. The contract currently is based on the 100% of the quantity, we are obligated to purchase I believe 60% of the total contract amount which usually is not a problem. We will typically use that much. The contract also includes provisions in case of a sever winter that the contractor has to supply 150% of the quantity on the contract, that's why we use 150% in the resolution.

Kidston: If I may Mr. Chairman. How does the price with freight compare to last year?

Chief Engineer: Mr. Chairman, Commission Member Regula, if you look in your packets the last letter size sheet before the legal size document is a comparison of the 2007 to the 2006 prices. We are running about a 5% increase over last year's contract. Actually, some of the salt prices are a little bit lower, maybe a little higher; there's been a great fluctuation in the freight component also.

Kidston: Thank you.

Chairman: Dan, you look at these and I see for example Cargill in location number 4, they got that one, for the unit cost for the materials is only \$18.58 and others bid for the same location \$27.25 for the material. I appreciate the trucking that's on top of it, and you look at the other Cargill bids from \$30.00 all the way down to \$24.00 and \$25.00. Do you have any explanation?

Chief Engineer: Mr. Chairman, when they picked that number 4 item out of there I believe the majority of Cargill's material is coming out of the mine here on Whiskey Island. I do know they have stock piles across the state but you can see their main concentration of their low bids is in the center of the

state which is typically around their mine. I don't know how they can get such a low bid out in the Elmore area. It runs pretty close to what they did last year. We had Cargill last year also in that location.

Chairman: No further comments, please call the roll.

Assistant Secretary-Treasurer: Ms. Teeuwen

Teeuwen: Yes

Assistant Secretary-Treasurer: Mr. Kidston

Kidston: Yes

Assistant Secretary-Treasurer: Mr. Regula

Regula: Yes

Assistant Secretary-Treasurer: Mr. Balog

Balog: Yes

Assistant Secretary-Treasurer: Four yeas, the resolution is adopted.

**Resolution Concerning Award of Contracts for Sodium Chloride
(Rock Salt) Pursuant to Invitation No. 4072**

WHEREAS, the Commission has advertised for bids for Invitation No. 4072 for furnishing to the Commission its requirements for sodium chloride (rock salt) estimated at approximately 74,000 tons; and

WHEREAS, it is anticipated that the expenditures of the Commission for rock salt under Invitation No. 4072 shall exceed \$150,000.00 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 contracts; and

WHEREAS, four (4) bids were received in response to the Invitation, which included quotations for rock salt, freight charges and any additional "piler" and/or "conveyor system" charges for stockpiling, if needed; and

WHEREAS, the bidding documents allow for the purchase by the Commission of up to **150%** of the quantities estimated for each individual delivery location and, because the severity of the snow and ice season for 2007/2008 is unpredictable, the maintenance engineer recommends that the Commission authorize the executive director to purchase up to 150% of the estimated quantities bid for each designated delivery location, if warranted; and

WHEREAS, the bids were reviewed and analyzed by the maintenance engineer, whose report concerning such analysis is before the Commission; and

WHEREAS, the maintenance engineer states that the following companies have submitted the lowest responsive and responsible bids for the rock salt including freight:

<u>Items</u>	<u>Company</u>	<u>Bid Amount based on Estimated Quantities</u>	<u>150% of Estimated Quantities Bid</u>	<u>Piler or Conveyor Charges</u>	<u>Total Award</u>
1, 2, 3 and 5	Detroit Salt Company Overland Park, Kansas	\$ 304,150.00	\$ 456,225.00	\$ 8,925.00	\$ 465,150.00
4, 6, 7, 8, 9, 10 and 11	Cargill, Inc. Deicing Technology Business Unit, N. Olmsted, Ohio	\$1,539,930.00	\$2,309,895.00	\$ 56,400.00	\$2,366,295.00
12, 13 and 14	Morton Salt Chicago, Illinois	\$ 673,095.00	\$1,009,642.50	\$ 22,200.00	\$1,031,842.50
Total Awards reflecting 150% of estimated quantities bid, including freight					\$3,775,762.50
The Awards also reflect an estimated additional cost of conveying 20% of the maximum Contract quantity that may be delivered by the Contractors utilizing a piler or conveyor.					\$ 87,525.00
Grand Total of All Awards					\$3,863,287.50

WHEREAS, as noted above, all bidders have included in their bids the added freight costs for delivery of the rock salt to the Commission’s various designated facilities along with additional charges for piler and/or conveyor system usage, if needed, and all bidders propose to furnish materials and services in accordance with the Commission’s specifications; and

WHEREAS, should quantities of rock salt required for the 2007/2008 snow and ice season exceed 150% of the estimates, Commission approval will be requested for such additional expenditures; and

WHEREAS, the Commission has also been advised by its director of contracts administration that all bids for Invitation No. 4072 were solicited on the basis of the same terms, conditions and specifications, that the bids of Detroit Salt Company, Cargill, Inc. Deicing Technology Business Unit and Morton Salt each conform to the requirements of Ohio Revised Code Sections 5537.07, 9.312 and 153.54, and that performance bonds of good and sufficient surety have been submitted by said bidders; and

WHEREAS, the executive director has reviewed the reports of both the maintenance engineer and the director of contracts administration and, predicated upon such analysis, has made his recommendation that Contracts be awarded to the lowest responsive and responsible bidders: Detroit Salt Company, Cargill, Inc. Deicing Technology Business Unit and Morton Salt; and

WHEREAS, the Commission has duly considered such recommendations.

NOW, THEREFORE, BE IT

RESOLVED that the bids of the following companies:

<u>Items</u>	<u>Company</u>	<u>Bid Amount based on Estimated Quantities</u>	<u>150% of Estimated Quantities Bid</u>	<u>Piler or Conveyor Charges</u>	<u>Total Award</u>
1, 2, 3 and 5	Detroit Salt Company Overland Park, Kansas	\$ 304,150.00	\$ 456,225.00	\$ 8,925.00	\$ 465,150.00

4, 6, 7, 8, 9, 10 & 11	Cargill, Inc. Deicing Technology Business Unit, N. Olmsted, Ohio	\$1,539,930.00	\$2,309,895.00	\$ 56,400.00	\$2,366,295.00
12, 13 & 14	Morton Salt Chicago, Illinois	\$ 673,095.00	\$1,009,642.50	\$ 22,200.00	\$1,031,842.50
Total Awards reflecting 150% of estimated quantities bid including freight		\$3,775,762.50			
The Awards also reflect an estimated additional cost of conveying 20% of the maximum Contract quantity that may be delivered by the Contractors utilizing a piler or conveyor.				\$ 87,525.00	
Grand Total of All Awards					\$3,863,287.50

for Invitation No. 4072 are, and are by the Commission deemed to be the lowest responsive and responsible bids received and are accepted and the chairperson and executive director, or either of them, is hereby authorized: (1) to execute a Contract with each successful bidder in the form heretofore prescribed by the Commission pursuant to the aforesaid Invitation, which Contract awards reflect 150% of estimated quantities bid for each individual delivery destination and any additional piler or conveyor charges; and (2) to direct the return to the bidders of their bid securities at such time as the successful bidders have each entered into a Contract; and (3) to take any and all action necessary to properly carry out the terms of said Contracts.

(Resolution No. 24 - 2007 adopted July 16, 2007)

Chief Engineer: That's all I have this morning Mr. Chairman.

Chairman: Thank you. We have made a decision that we are going to leave the resolution that is shown on the agenda dealing with the engine brake rule to let that remain on the table for another month. We just received copies of that in the last week so we would like to go ahead and make sure that whatever action we take is well thought out. So that will remain on the table for another month and will be brought up at the August meeting. Staff reports, Mr. Steiner.

Comptroller: Good morning Mr. Chairman, Commission Members. I do have an update on the traffic and revenue for the first half of the year. This first chart shows the passenger car miles traveled on the Ohio Turnpike over the past two years. Miles traveled by passenger cars in the month of June were just 6/10 of a percent below the level reached last year. Commercial vehicle miles traveled have been down slightly the last few months, it fell 3.7% below last year's level in the month of June. The primary reason for this is that June 2006 had one more week day than this June and the commercial traffic drops off significantly on weekends. Despite the decline in traffic the revenues from passenger cars were up 9.9% in June compared to last year as a result of the January 1 adjustment in toll rates. Likewise, the revenues from commercial vehicles were up 5.2% in June compared to last year. The total year-to-date toll revenues were up \$6.1 million, or 6.9% in comparison to last year. Again, this is lower than we had expected and it is not enough to fully offset the loss of the \$7.8 million that we received from ODOT during the first half of last year.

This chart shows our total year-to-date revenues from all sources for each year this decade and our total revenues as of the end of June were \$1.4 million, or 1.3% below those from last year. And as the Chairman noted at last month's meeting, our total revenues this year are only 5.2% higher than they were

during the first half of calendar year 2000 while the consumer price index has increased 23.6% over this time period.

This report shows the actual and budgeted revenues expenditures and transfers for the general fund for the first half of the year and with the decline in traffic our toll revenues were \$3.4 million below the budget and the concession revenues were \$350,000.00 below budget. Thanks to higher interest rates the investment income exceeded the budget by \$215,000.00. Our total revenues for the first half of the year were \$3.5 million, or 3.2% below the budget. Fortunately, our total expenditures for the first half of the year, including debt service payments were \$2.3 million, or 2.7% lower than budgeted. Most of these savings were the result of lower than expected liability and health insurance costs, comparatively mild winter weather that we just mentioned that held down the snow and ice removal costs and the reductions in full-time toll staffing through attrition. After paying our operating expenses and debt service, the balance of the revenue is used to fund our 2007 Capital Expenditures. Our Master Trust Agreement requires that we perform a mid-year review about our financial condition and certify to our trustee, The Huntington National Bank, that our projected revenues for the year will be sufficient to meet our obligations under the Trust Agreement. Our 2006 pledge revenues are shown at the top of this line. At the bottom of the slide it shows our actual pledge revenues of \$104.6 million dollars for the first half of this year and based on last year's results and Bobby Everhart's toll revenue projections, I've estimated the pledge revenues for the second half of 2007 at approximately \$115 million and this yields estimated gross pledged revenues for calendar year 2007 of \$219.6 million.

The calculations on this slide demonstrate that based on those projected pledged revenues we expect to meet all three requirements under Section 4.04 of the Trust Agreement. The first requirement is that our estimated gross pledged revenues exceed the sum of our budgeted operating, maintenance and administrative costs, plus the required deposit to the expense reserve account. Second requirement is that our estimated net/system pledged revenues exceed the sum of our annual debt service requirement plus the renewal and replacement requirement. The third and final requirement is that our estimated debt coverage ratio equal at least 120%. This ratio is required to be at least 150% in the year before the issuance of additional bonds and in addition the Commission has adopted a resolution establishing its intent to always maintain a ratio of at least 150%. Coverage ratio of at least 200% is generally recognized as a threshold needed to help maintain our AA credit rating. The projected coverage ratio of 191% does satisfy the current requirement under our Master Trust Agreement. There is a proposed resolution in your materials entitled Concerning the Financial Condition of the Commission. Mr. Chairman, with your permission I'd like to ask the General Counsel to read the Resolved.

General Counsel: RESOLVED that the Commission, having reviewed the analysis prepared by the CFO/Comptroller, determines that there will be sufficient Gross Revenues for fiscal year 2007 together with Series Payments, Additional System Payments and Supplemental Payments to meet the requirements of §4.04(a) of the Trust Agreement, and hereby authorizes and directs the CFO/Comptroller to issue a certificate required by §4.04(b) of the Trust Agreement; and

FURTHER RESOLVED that copies of such certification and a certified copy of this resolution shall be transmitted to the trustee and the rating agencies, and shall be available to any interested party.

Chairman: A motion to adopt?

Regula: So moved

Chairman: Is there a second?

Kidston: Second

Chairman: Questions or discussion? Please call the roll.

Assistant Secretary-Treasurer: Mr. Regula

Regula: Yes

Assistant Secretary-Treasurer: Mr. Kidston

Kidston: Yes

Assistant Secretary-Treasurer: Mr. Balog

Balog: Yes

Assistant Secretary-Treasurer: Ms. Teeuwen

Teeuwen: Yes

Assistant Secretary-Treasurer: Four yeas, the resolution is adopted.

**Resolution Concerning the Financial
Condition of the Commission**

WHEREAS, §4.04(a) of the Master Trust Agreement (“Trust Agreement”) between the Commission and The Huntington National Bank, as trustee, dated February 15, 1994, requires that on or before July 31 of each year, the Commission shall complete a review of its financial condition for the purpose of estimating whether the Gross Revenues for such Fiscal Year will be sufficient to provide, together with Series Payments, Additional System Payments and Supplemental Payments, the amounts specified in §4.04(a) of the Trust Agreement;

WHEREAS, the Commission’s CFO/Comptroller has analyzed the Commission’s financial condition and has advised the Commission that, on the basis of his analysis, the Commission’s revenues for fiscal year 2007 will be sufficient to meet the requirements of §4.04(a) of the Trust Agreement and he has set forth a detailed statement of the actual and estimated Gross Revenues, Series Payments, Additional System Payments and Supplemental Payments; and

WHEREAS, a certification of same is before the Commission.

NOW, THEREFORE, BE IT

RESOLVED that the Commission, having reviewed the analysis prepared by the CFO/Comptroller, determines that there will be sufficient Gross Revenues for fiscal year 2007 together with Series Payments, Additional System Payments and Supplemental Payments to meet the requirements of §4.04(a) of the Trust Agreement, and hereby authorizes and directs the CFO/Comptroller to issue a certificate required by §4.04(b) of the Trust Agreement; and

FURTHER RESOLVED that copies of such certification and a certified copy of this resolution shall be transmitted to the trustee and the rating agencies, and shall be available to any interested party.

(Resolution No. 25 - 2007 adopted July 16, 2007)

Chairman: Thank you Jim.

Comptroller: I have no further report Mr. Chairman.

Chairman: Eric Erickson

Erickson: No report today.

Chairman: Thank you, Frank Lamb?

Lamb: No report Mr. Chairman.

Chairman: General Consultant?

Burks: Mr. Chairman, the bridge, culvert sign and tower inspections have all been completed and the field note reports are on schedule for the July submittal. The facility inspections are complete and the field note report is on schedule for the August submittal. That completes my report. Are there any questions?

Chairman: Questions? Thank you very much. The Ohio State Highway Patrol?

Lt. Tornabene: Thank you Mr. Chairman. I would like to report that since the last Commission meeting; unfortunately we did have a fatal traffic crash that occurred at approximately the 4.3 milepost, westbound. There was traffic slowing down, a vehicle changed lanes from the left lane to the right lane and went under the rear of a semi that was moving about 5 mph. Both husband and wife were in the vehicle in the front seat and both expired; the husband at the scene and the wife a little bit later. It was determined that at the time the subject saw traffic slowing in the left lane, as best as we can guess, thought he could get around it by going in the right lane and traffic was actually moving slower in the right lane. No one ever had an opportunity to speak with either one of them, but witness's reports say that he was traveling approximately the speed limit when he struck the semi in the rear. The semi was traveling about 5 mph.

Last week we did have a major drug apprehension out around the 45 milepost. Our officers got 142 pounds of PC Bud marijuana worth about \$6.5 million. The marijuana was being transported by a

couple from Ontario, Canada, not a couple, but two people from Ontario, Canada. They both were arrested and placed in jail.

I wanted to report also that the Moonda murder investigation trial is complete for Donna Moonda, she was found guilty of murder in federal court. After that trial the other person involved, Damian Bradford was sentenced to 17 ½ years in federal prison. The sentencing for Donna Moonda begins today. We will have a report on what her sentence is after that. After two years of intense investigation by our officers in our Cleveland investigations section, they successfully pulled off a conviction on the Moonda murder investigation. Any questions?

Chairman: Thank you. Any further business from any one else? If not, I'll accept a motion to adjourn until our next regularly scheduled meeting which will be August 20 at 10:00 a.m.

Kidston: So moved

Chairman: Is there a second?

Teeuwen: Second

Chairman: Call the roll.

Assistant Secretary-Treasurer: Mr. Kidston

Kidston: Yes

Assistant Secretary-Treasurer: Ms. Teeuwen

Teeuwen: Yes

Assistant Secretary-Treasurer: Mr. Regula

Regula: Yes

Assistant Secretary-Treasurer: Mr. Balog

Balog: Yes

Assistant Secretary-Treasurer: Four yeas the motion to adjourn is accepted.

Chairman: Thank you.

Time of adjournment was 10:28 a.m.

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

George F. Dixon, Secretary-Treasurer