

MINUTES OF THE 540th MEETING OF THE OHIO TURNPIKE COMMISSION
March 17, 2008

Chairman: Good morning. The meeting will come to order. 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. Dixon

Mr. Dixon: Here

Assistant Secretary-Treasurer: Mr. Kidston

Mr. Kidston: Here

Assistant Secretary-Treasurer: Ms. Teeuwen.

Ms. Teeuwen: Here

Assistant Secretary-Treasurer: I have not heard from OBM*. We are expecting a representative from the Lt. Governor's Office**, but she is not here yet. But Senator Buehrer, I understand, has a court case. We have not heard from Representative Reinhard. So, we do have a quorum Mr. Chairman.

(*Nikos Kaplanov from OBM arrived at 10:02 a.m.)

(**Kimberly Gibson from Lt. Governor's Office arrived at 10:02 a.m.)

Mr. Chairman: We have a full agenda, so we want to start at 10:00 a.m. sharp today. Keeping with past practices, we have a number of guests here, and again in keeping with past practices, I'd like everyone to introduce themselves starting with Mr. Steiner.

Those in attendance: Jim Steiner, CFO/Comptroller, Ohio Turnpike Commission; Dave Miller, Director of Internal Audit, Ohio Turnpike Commission; Kathy Weiss, Director of Contracts Administration, Ohio Turnpike Commission; Heidi Jedel, Ohio Turnpike Commission; Jennifer Diaz, Ohio Turnpike Commission; Eric Erickson, Fifth Third; Bobby Everhart, URS; Alan Johnson, Retired from the Ohio Turnpike Commission; Captain Roger Hannay, Ohio State Highway Patrol; Chris Hopkins, Key Bank; Rob

Fleischman, Assistant Chief Engineer, Ohio Turnpike Commission; Tim Ujvari, Maintenance Engineer, Ohio Turnpike Commission; Joshua Burkes, HNTB; Tony Yacobucci, HNTB; Mike Swan, Dick Corp; John Grabenstatter, RBC; Joseph Robertson, RBC; Don Glosser Crawford, Murphy & Tilly; Rick Gobeille, Jacobs Carter Burgess; Dick Morgan, Director of Information Systems, Ohio Turnpike Commission; David Patch, Toledo Blade; Dale Distel; George Distel, Ohio House of Representatives; Lauren Hakos, Public Affairs and Marketing Manager; Steven Szanto, Cabrera Capital; John Lee, J.P. Morgan; Dave Sabol, PSI; Andy Plavny, Safety Control Technologies; Kathleen Olson, Safety Controls Technologies; Frank Lamb, Huntington Bank; Daniel Van Epps, West Virginia University; Don Taggart, International Union of Operating Engineers Local #18; Floyd Jeffries, International Union of Operating Engineers Local #18; Sharon Isaac, Director of Toll Operations, Ohio Turnpike Commission; Stephen Holmes, First Merit Bank; Jim Hrusovski, 360 Construction; Steve Roditis, 360 Construction; and William Keaton, Director of Telecommunications, Ohio Turnpike Commission.

Chairman: Thank you. This is the 540th Meeting of the Ohio Turnpike Commission. We are meeting here at the Commission's Headquarters as provided in the Commission's Code of Bylaws for a regularly Scheduled Meeting. Various reports will be received and we will act on several resolutions, draft copies have been previously sent out to the Members and updated drafts are in the Members' folders. The resolutions will be explained during the appropriate reports. May I have a motion to adopt the minutes of the February 11, 2008 Commission Meeting?

Mr. Dixon: So moved.

Chairman: Is there a second?

Ms. Teeuwen: Second.

Chairman: Please call the roll?

Assistant Secretary-Treasurer: Mr. Dixon

Mr. Dixon: Yes

Assistant Secretary-Treasurer: Ms. Teeuwen

Ms. Teeuwen: Yes

Assistant Secretary-Treasurer: Mr. Kidston

Mr. Kidston: Yes

Assistant Secretary-Treasurer: Mr. Regula

Mr. Regula: Yes

Assistant Secretary-Treasurer: Mr. Balog

Mr. Balog: Yes

Assistant Secretary-Treasurer: Five yeas and the minutes are approved. If I might also add Mr. Chairman that in the meantime representing the Office of Budget Management, Mr. Kaplanov is here and Kim Gibson representing Lt. Governor Lee Fisher is here.

Chairman: Thank you. The first report will be the report of the Secretary-Treasurer, Mr. Dixon.

Secretary-Treasurer: Thank you Mr. Chairman. The following items have been sent to the Members since the last scheduled meeting of the Commission on February 11, 2008. They are:

1. Minutes of the February 11, 2008 Commission Meeting
2. Traffic Crash Summary, February, 2008
3. Traffic & Revenue Report, February, 2008
4. Total Revenue by Month and Year, February, 2008
5. Investment Report, February, 2008
6. Financial Statement, January, 2008

That completes my report Mr. Chairman. I'd be happy to answer any questions.

Chairman: Any questions? Thank you Mr. Dixon.

Mr. Dixon: Thank you sir.

Chairman: Next we will have the report of the Executive Director, Mr. Suhadolnik.

Executive Director: Thank you Mr. Chairman. First I have a comment and then I have four resolutions. I am proud to say that thanks to the efforts of Jim Steiner, our CFO, and also to Dave Miller our Director of Audit and Internal Control, the Turnpike has been fortunate to, once again, receive the Certificate of Achievement for Excellence in Financial Reporting. This is issued by the Government Finance Offices Association for the 2006 Annual Report, so I have this award that we will place here in the Commission Room as well, after the meeting.

The first item I have is a resolution for the appointment of a new Executive Director, L. George Distel. It establishes his compensation, some conditions for his employment and it establishes his authority in this position. This resolution is very similar to the resolution adopted some five years ago when I was hired. I'll ask the General Counsel to read the Resolved.

General Counsel: RESOLVED that L. George Distel be, and hereby is appointed to the position of Executive Director of the Commission effective April 2, 2008, 12:00 AM Eastern Daylight Time, to serve at the pleasure of the Commission and his initial salary shall be established at a rate of \$125,000.00 per year (biweekly rate of \$4,807.69), including a car allowance of \$6,000.00 per year (payable in 26 equal biweekly installments); and

FURTHER RESOLVED, that the position of Executive Director shall continue to be exempt from those provisions of the Employee Manual that govern vacation leave, sick leave and personal leave; and

FURTHER RESOLVED, that L. George Distel shall be authorized to perform all of the duties and powers granted to the Executive Director as governed by Article V, Section 1.00 of the Bylaws of the Commission; and

FURTHER RESOLVED that the Chairman is authorized to execute all paperwork necessary to employ L. George Distel as the new Executive Director and to effectuate the provisions of this resolution; and

FURTHER RESOLVED, that Gary C. Suhadolnik shall continue to serve as the Executive Director of the Commission through April 1, 2008, 11:59 PM Eastern Daylight Time;

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?

Mr. Regula: So moved.

Chairman: Is there a second?

Mr. Kidston: Second.

Chairman: Before we vote or anything, number one: I would really like to thank Gary Suhadolnik for all of the hard work for 5 ½ years, it'll be that you've been here and the great job that you have done and also the second part of that is such a smooth transition in working with us and working with everybody in making this kind of a seamless transaction and you know, we are very fortunate to have had you and we are going to miss you. You've done a great job.

Executive Director: Thank you.

Chairman: We won't get emotional more than that at this point.

Executive Director: Keep the meeting moving.

Chairman: That's it. We have a long agenda today.

Mr. Dixon: I'm looking for my tissue.

Executive Director: I am actually smiling.

Chairman: So, thank you very much again. Any quick comments or questions on the motion? Call the roll please.

Assistant Secretary-Treasurer: Mr. Regula

Mr. Regula: Yes

Assistant Secretary-Treasurer: Mr. Kidston

Mr. Kidston: Yes

Assistant Secretary-Treasurer: Mr. Balog

Mr. Balog: Yes

Assistant Secretary-Treasurer: Mr. Dixon

Mr. Dixon: Yes

Assistant Secretary-Treasurer: Ms Teeuwen

Ms. Teeuwen: Yes

Assistant Secretary-Treasurer: Five yeas and the resolution is adopted. Mr. Distel will be the new Executive Director.

RESOLUTION NO. 6-2008

Resolution Authorizing the Appointment of L. George Distel as Executive Director

WHEREAS, on February 11, 2008, the current Executive Director Gary C. Suhadolnik notified the Commission of his interest in retiring from his position as Executive Director, but indicated his willingness to continue working for the Commission in another capacity through June 30, 2008; and

WHEREAS; the Chairman has recommended to the Commission that L. George Distel be appointed as the new Executive Director effective April 2, 2008, and the Commission concurs with said recommendation; and

WHEREAS, the Commission members have determined it is in the best interest of the Commission that the Executive Director serve at the pleasure of the Commission and his initial salary be established at the rate of \$125,000.00 per year (biweekly rate of \$4,807.69) based upon his extensive experience and prior service in county and state government, and that he be furnished a car allowance in the amount of \$6,000.00 per year (payable in 26 equal biweekly installments); and

WHEREAS, the Commission members previously determined that the position of Executive Director shall be exempt from those sections of the Employee Manual that govern vacation leave, sick leave, and personal leave in Resolution No. 3-2003; and

WHEREAS, the Commission Members have agreed that the Chairman should be authorized to execute all documents necessary to employ and establish the terms of the employment and compensation of the Executive Director.

NOW, THEREFORE, BE IT

RESOLVED that L. George Distel be, and hereby is appointed to the position of Executive Director of the Commission effective April 2, 2008, 12:00 AM Eastern Daylight Time, to serve at the pleasure of the Commission and his initial salary shall be established at a rate of \$125,000.00 per year (biweekly rate of \$4,807.69), including a car allowance of \$6,000.00 per year (payable in 26 equal biweekly installments); and

FURTHER RESOLVED, that the position of Executive Director shall continue to be exempt from those provisions of the Employee Manual that govern vacation leave, sick leave and personal leave; and

FURTHER RESOLVED, that L. George Distel shall be authorized to perform all of the duties and powers granted to the Executive Director as governed by Article V, Section 1.00 of the Bylaws of the Commission; and

FURTHER RESOLVED that the Chairman is authorized to execute all paperwork necessary to employ L. George Distel as the new Executive Director and to effectuate the provisions of this resolution; and

FURTHER RESOLVED, that Gary C. Suhadolnik shall continue to serve as the Executive Director of the Commission through April 1, 2008, 11:59 PM Eastern Daylight Time;

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.

Mr. Dixon: Mr. Chairman, I just realized something, that if we don't have a meeting next month this is it?

Executive Director: This will be it.

Chairman: Well....

Executive Director: But I'm gonna be here through June, so I'll still see you George. I'll just be sitting out there.

Mr. Dixon: Okay.

Mr. Chairman: We'll have him for May and for June.

Mr. Dixon: We have plenty of time to say goodbye.

Executive Director: I am going to slowly ease my way out of here.

Chairman: Second resolution.

Executive Director: Yes sir, thank you. The second item I have is a resolution that confirms L. George Distel as the Assistant Secretary-Treasurer of the Commission. As the Members are aware George Dixon, to my right here, is the Secretary-Treasurer, but for convenience it is helpful to have an Assistant Secretary-Treasurer to sign various documents and resolutions when necessary since the Commissioners are not here on a forty-hour per week basis. If the General Counsel would read the Resolved please.

General Counsel: RESOLVED that L. George Distel be, and hereby is, appointed to the position of Assistant Secretary-Treasurer of the Ohio Turnpike Commission effective April 2, 2008 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?

Mr. Dixon: So moved.

Chairman: Is there a second?

Mr. Regula: Second.

Chairman: This is volunteer, Mr. Distel, by the way there is no additional pay, we just thought we would let you know that. Comments?

Mr. Kaplanov: Is there currently an Assistant Secretary-Treasurer now?

Chairman: Yes, that's Mr. Suhadolnik.

Mr. Kaplanov: It'll be just a seamless transition as well.

Chairman: That's correct and again what it is, is if Mr. Dixon is not here and something needs to be signed by the Secretary-Treasurer, it's just easier having a person that's here forty hours to go ahead and sign it.

Mr. Kaplanov: That makes sense.

Chairman: Call the roll please.

Assistant Secretary-Treasurer: Mr. Dixon

Mr. Dixon: Yes

Assistant Secretary-Treasurer: Mr. Regula

Mr. Regula: Yes

Assistant Secretary-Treasurer: Ms Teeuwen

Ms. Teeuwen: Yes

Assistant Secretary-Treasurer: Mr. Kidston

Mr. Kidston: Yes

Assistant Secretary-Treasurer: Mr. Balog

Mr. Balog: Yes

Assistant Secretary-Treasurer: Five yeas and the resolution is adopted. Mr. Distel will now be the Assistant Secretary-Treasurer.

RESOLUTION NO. 7-2008

Resolution Confirming Appointment of L. George Distel as Assistant Secretary-Treasurer

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

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; and

WHEREAS, the Secretary-Treasurer wishes to appoint the new Executive Director L. George Distel to the position of Assistant Secretary-Treasurer effective April 2, 2008 and has requested that the Commission assent to said appointment as required by the Code of Bylaws; and

NOW, THEREFORE BE IT

RESOLVED that L. George Distel be, and hereby is, appointed to the position of Assistant Secretary-Treasurer of the Ohio Turnpike Commission effective April 2, 2008 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.

Assistant Secretary Treasurer: Now for a little bit of heavier lifting here. The third item we have is a resolution to award a contract for a new toll collection system and I want to quickly remind the Commission Members that our new system will include E-ZPasssm or really electronic tolling in all of the entry and exit lanes. It will be a gated system with gates at all entry and exit lanes. We will have new ticket dispensing machines in the entry lanes. We will have ATPM or automated toll payment machines at selected low volume interchanges, new terminals in all of the lanes. We will have the ability to accept credit cards in all of the lanes and I want to remind Members that we will be converting from a weight-based system to an axle-based system. At this point with the Chairman's permission I want to introduce Kathy Weiss, our Director of Contracts Administration, who will go over the process that we followed to produce the RFP and this recommendation and then I want to introduce Dave Miller, our Director of Audit and Internal Control, who will explain some more details about the project. Dave is the Project Manager on this new toll system and when I talked to George Dixon awhile ago, he thought it was kind of strange that an auditor was the project manager, but much of our toll system really is accounting or auditing, accounting for all of the monies that are collected and making sure that the appropriate tolls are charged to the appropriate vehicles and so really, it makes sense that

someone in auditing or in the financial part of our operation is in charge of this and I am also going to add that Dave is very detailed oriented and that is very important for a project of the magnitude and he is also somewhat of a “techy”, so for all of those reasons I thought that was a good reason for Dave to be the project manager. So first, I would like to, with your permission, ask Kathy Weiss to proceed and then we will introduce Dave Miller to proceed with some more explanation on the project.

Chairman: Fine. Thank you.

Assistant Secretary-Treasurer: Kathy.

Director of Contracts Administration: Thank you. Good morning Mr. Chairman and Commissioners. As Director Suhadolnik mentioned, I’m going to spend a few minutes and discuss the process that was followed in leading to the ultimate award of this contract. Actually this process began two years ago with the retention of a consultant, now known as Jacobs Carter Burgess, and in fact Rick Gobeille is here today from the firm’s New York office. However, that firm is located in Dallas. In the winter of 2006 and spring of 2006, this firm assisted us with conducting a study of the current toll collection system status and we also conducted a survey of our customers, we analyzed preferred alternatives for a new system and, ultimately, we prepared a strategic plan. During that time frame also, Commission staff visited two sites in West Virginia and New Jersey, looked at electronic tolling and customer service centers and I do want to mention the staff that have been involved in this process from the outset. As Director Suhadolnik mentioned Dave Miller is the Project Manager; Dan Castrigano, our Chief Engineer; Jim Steiner, our CFO/Comptroller; Sharon Isaac, who is our Director of Toll Operations; Dick Morgan, our Director of Information Systems and also from his staff Chriss Pogorelc; and very importantly, our Communications Manager, Bill Keaton were all involved in this process from the outset. In the fall of 2006, the Commission reviewed the strategic plan and actually approved it then and I’m going to tell you that Dave is going to cover all of the fine points of the strategic plan and what we are going to get with the system, so I’ll leave that to him.

In the winter of 2007, we conducted what is known as a RFI, or a Request for Information process, and we invited known integrators in the industry to come to the Commission’s offices and show us what available technologies there are for new toll collection systems and specifically electronic toll collection. Again, all of the aforementioned individuals attended as well as the consultant. We had fourteen presentations.

During the spring and summer of 2007, this document, which I’ll pick up and show to you, was drafted. This is the RFP that was ultimately issued and also contained within this RFP were detailed business rules for electronic toll collection. What we attempted to do in drafting this document was to invite known integrators to present us with their solution for toll collection and on November 9th we issued this document to thirty-six firms that had expressed interest to us. On November 28th we conducted a mandatory pre-proposal conference. Nineteen firms attended that conference in our briefing there of what is contained in this document. We answered all the questions they had to date at that time. We

also provided them with a tour of our toll collection facilities. We showed them a non-busy interchange where we have ATPMs, or automated toll payment machines located. We took them to Exit 161 and showed them a very busy interchange. We showed them our back-up data center there, and we brought them here to this building and showed them our Communications Building and where our main data center is located.

The inquiry process for this RFP took place during the month of December and during that time we again continued to answer questions from the integrators and we issued a few addenda to make some changes to the document, but really, by in large, there weren't many changes made. The responses were due in January on the 17th and we received four responses; ACS State and Local Government Solutions from Washington, D.C.; Electronic Transaction Consultants of Richardson, Texas; Indra Sistemas of Madrid, Spain; and TransCore of Hummelstown, Pennsylvania. On the day of the opening, which was public, we actually opened the proposals and then made sure that the pricing portions were there, but did not actually look at them. Our Purchasing Manager immediately resealed the pricing in the presence of one of our internal auditors and our objective there was we wanted to look at the technical proposals without knowing what the pricing was at that time, so that was done. Also, in the interim, the Director had appointed an evaluation team that basically consisted of the Department Heads I mentioned before, Dave, Dan, Jim, Sharon, Dick Morgan and Bill Keaton, our consultants again were deeply involved in this process. They reviewed the proposals received and reported back to us, and I personally did a review of the submissions to make sure everything we had requested was provided and also that legally they would be in compliance. The team took two weeks to review the proposals and during that time they also met to determine what weight should be given to all the different criteria that we had in the RFP. You were supplied with an evaluation summary and attached to it was the final scoring and you'll note that all these different criteria were listed in there and points were assigned to them. Also, in the RFP we had indicated that we were going to award 65% of the total points to the technical score and 35% of the total points to the pricing, so at the end of the day we had 2,000 points available. During that time also the team met to formulate specific questions that they had about each proposal and we then created documents and forwarded those back to the four respondents. When those responses to questions came back, the team met and conducted preliminary technical scoring and determined that they had a few more questions and that they would really like to hear from each of the respondents, so all four were invited to make oral presentations to the Commission staff here and in mid-February that's when that occurred and I am sure, as you are following along on this slide, you can see what the timeline was for all of this. In late February, the scoring was completed. After each oral presentation, the team got together and sort of finalized scoring as we went along, but we also, during all of this time, were checking the references that were listed in each proposal and, as well, our Engineering Department was reviewing the construction cost estimate that was quoted by each respondent and just to digress for a moment, the reason why we had to ask for that was because this particular contract is for a toll system integrator. The Commission doesn't legally possess what's known as "design build authority". So when we go out there, well actually the integrator goes out there to install their new equipment, if for instance, there has to be a hole cut into a toll booth or concrete needs to be dug up to lay in a new loop, a detection loop or treadle, something of that nature, then that is considered construction under Ohio's Public Improvement Statute.

So what we wanted to know from the integrator was what kind of construction disruption is your proposal going to cause the Commission and tell us what you think it will cost. So, while the team was reviewing the proposals, the Engineering Department was looking over those estimates and the reliability of those estimates and reported back to the team regarding each of those proposals, so the team then factored in the references and the construction estimates when it finally completed its technical scoring. At the end of the day, the team concluded and determined that two of the respondents had submitted proposals that scored above 80% and two scored below 80%, and I'll tell you that at the beginning of this process for each one of these criteria, the team felt that if you scored 80%, you met our criteria. So, in facilitating those discussions, I felt the team did a really good job of sticking to that rule that they established for themselves early on and, at the end of the day, they decided that they wanted to short-list two of the firms, which was specifically allowed under the RFP. Those two firms scored 84% and those two firms were ACS State and Local Government Solutions and TransCore. So, at that point we were ready to unseal the pricing, which we did in early March. The pricing was evaluated and TransCore came in with a \$28.7 million price for the toll collection system and customer service center and ACS' price was \$43.4 million. There was obviously a somewhat significant difference there and we'd be happy to answer for you questions if you have any about that. However, ultimately that meant that TransCore received the highest number of points available for the price proposal and the team therefore, unanimously recommended that TransCore be awarded this important contract.

To conclude why TransCore, TransCore submitted a proposal that demonstrated their capability to provide the toll collection system and customer service center from both a technical and financial perspective. They are experienced in integration, they have toll systems in Pennsylvania, for the Maine Turnpike Authority, the Delaware River Joint Toll Bridge and the Harris County Toll Road Authority, plus they provide maintenance in numerous other jurisdictions. They are a wholly-owned subsidiary of a billion dollar corporation known as "Roper Industries", which has guaranteed both the financial capital necessary for the project, as well as TransCore's performance, and TransCore has Ohio offices and significant experience in Ohio and with the Ohio Turnpike. So that concludes my remarks, I'd be happy to answer any questions, otherwise I will pass this on to Dave, who will tell you a lot more about what we are getting with this system.

Executive Director: I think I'd be happy to pass it on to Dave, if that is okay with the Chairman.

Chairman: That makes more sense. We can ask questions at one time.

Director of Internal Audit: Mr. Chairman, Commission Members, as you can see from Kathy's overview, key members of the Commission staff with the assistance of our consultants from Jacobs Carter Burgess have worked diligently over the last two years to bring us to this point. I believe I speak for everyone on the Project Team when I say that we are confident of our process and of the outcome that we have brought for your consideration this morning. At this time I'd like to take a few moments to revisit the seven goals and objectives that we identified in the early stages of the project and that were incorporated into the Strategic Plan that Kathy mentioned. Goal No. 1 – Provide OTC customers with a

continued high level of service. The key to meeting this objective is providing a toll system that reduces delays, provides improvements to travel times and makes it generally easier for the motoring public to obtain the services that the Commission offers. Goal No. 2 – at least maintain or improve existing toll collection system functionality. At a minimum, we determined that we wanted the new system to retain, at least, the positive aspects of what we have today. Goal No. 3 – Provide a cost effective solution. We want a solution that provides a reasonable balance between cost and benefit and that allows the Commission to maintain its debt service requirements. Goal No. 4 – Maintain or improve safe conditions. This speaks for both the motoring public, as well as the many Commission personnel that are out there in the field. Goal No. 5 – Provide a toll collection system that can be implemented seamlessly for the customer. What we mean here is that we need a solution for integrating a new system that will minimize disruption of the customers' ability to use the Turnpike or any of the services that the Commission offers and conversely Goal No. 6 – Provide a toll collection system that can be implemented seamlessly for the OTC. We must have a solution that can be implemented efficiently and with a minimum of disruption to the routine operations of the Commission staff. Finally, Goal No. 7 – Provide a sustainable and adaptable toll collection system. Simply put, we want a new system that will last for a long time. We don't want to go through this process again anytime soon. Therefore, whatever we implement must be readily adaptable to new and any other emerging technology. I'm pleased to report that not only did TransCore receive the highest overall score, as Kathy indicated, but their solution appears to satisfactorily meet each of these goals very effectively and it also supports the objectives of the Commission's overall Strategic Plan. I'm also pleased to report that TransCore's cost proposal is within the original budget established at the time our Strategic Plan was initially developed. The screen before you kind of illustrates this a little further. The pie chart illustrates the comprehensive budget that we anticipate for the overall project. Notice that the toll collection system and customer service center segment that we're discussing this morning, while the largest piece at approximately \$29 million is only part of the overall \$50 million budget for the project. We have estimated a budget of approximately \$10 million for toll lane signage that will be contracted for later in 2008. These new signs are anticipated to be full-matrix LED signs that will be installed in all lanes, all entry and exit lanes. Full-matrix LED signs provide maximum versatility in configuring clear messages to our customers. In entry lanes, these signs will be placed on leading structures well forward of the toll booths. These entrance structures will perform double-duty, also holding some of the E-ZPasssm equipment. In exit lanes, the LED signs will be placed on the toll collection canopies. We have also estimated a budget of approximately \$11 million for engineering, construction and testing. Nearly half of this budget was established based upon the toll construction estimate provided in TransCore's proposal that Kathy mentioned a moment ago. The remaining amount includes an estimate for redevelopment of an area in the basement of this building for a new E-ZPasssm Customer Service Center, as well as all the additional engineering, testing and professional consulting fees that we expect to incur over the next year and a half with respect to this project.

At this point, I'd like to focus on the largest piece of the pie – the toll collection system/customer service center and discuss for a few minutes what we expect to receive from TransCore. Most notably, we expect to receive all of the hardware and all of the software to outfit the Commission's 230 exit and entrance lanes with a new E-ZPasssm enabled toll

collection system. This system will be capable of accepting all payment types in all lanes. It will also be configurable, for example, allowing certain lanes to be designated as “E-ZPasssm - Only” in order to maximize the efficient throughput of traffic. New major lane equipment will be provided under this contract, including:

- All of the equipment necessary for toll collection via E-ZPasssm
- DATIMS – dual height automatic ticket issuing machines
- Lane controllers
- Ticket transports
- Automated gates
- Receipt printers
- Card readers
- Touch screens
- Camera surveillance systems

TransCore will also provide what is known as a digital video audit system and as Executive Director Suhadolnik mentioned, this happens to be an area near and dear to my heart coming from the audit discipline here at the Commission. Basically, this system will synchronize and “marry” toll system data to video images captured by cameras located at the entrance and exit points of each toll plaza. Toll auditors will now be able to review this digital audit in order to investigate discrepancies and unusual events occurring in the toll plazas, thus eliminating much of the guesswork that we encounter today. ATPM’s – automated toll payment machines, similar to those that the Commission has piloted in recent years, will also be provided by TransCore for eleven strategic toll plazas. These devices will be integrated into the system with video and two-way voice communication, so that they have the potential for operating at certain low-volume plazas in a remote mode during certain hours of the day. Also, included from TransCore is one lane of fully functional “VES” or what is known as “Violation Enforcement System” for the purpose of demonstrating that their toll system is capable of migrating to open-road tolling in the future. “VES” refers to the system of cameras and other equipment that captures images of exiting vehicle license plates and correlates these images to a toll transaction. Now, in addition to all of these mostly hardware and hardware related systems, the Commission will also receive all of the software to operate the toll collection system and customer service center. The customer service center software will provide the comprehensive management and administration of the E-ZPasssm customers. Among a host of other operational features, this software will provide a means for opening, servicing and closing customer accounts; issuing statements via mail and the internet; and inventorying and tracking the inventory of E-ZPasssm transponders. Now, in keeping with the requirements of the Commission’s RFP, TransCore’s proposal also provides for a comprehensive warranty of the systems provided. First and foremost, included is a 1-year all inclusive warranty for all hardware and all software, identified in their proposal. This also includes any existing equipment the Commission has that has been identified for reuse in the new system. Next, is a 5-year warranty on all of the software provided, following the 1-year all-inclusive warranty. Finally, included in TransCore’s proposal is a pricing quote for an option to elect up to five years of hardware maintenance subsequent to the 1-year all inclusive warranty.

And now just a few words about the next steps in this major project. With approval of the TransCore proposal today, it is anticipated that activities for the new systems will commence almost immediately with a notice to proceed in April. We also anticipate joining the E-ZPasssm Interagency Group in April. Initial tasks with TransCore personnel include a review of the Commission's business rules that Kathy mentioned, commencement of the detailed system design and procurement of the construction contractor. Construction, such as the installation of the entry lane sign structures is slated for the fall of 2008. We also expect to contract for the LED signage in the fall of 2008. Installation and testing of the lane equipment and related systems is anticipated for the late part of 2009 through the first half, or late part of 2008 through the first half of 2009. Startup of the customer service center is expected in May of 2009 and based upon the TransCore proposal go-live of the new E-ZPasssm enabled toll collection system is anticipated to occur in August of 2009. Mr. Chairman and Commission Members, on behalf of all the members of the Project Team, we are pleased to present you with our recommendation that TransCore be awarded with the contract for this historic undertaking. We look forward to partnering with TransCore to implement the best possible toll system that will effectively serve Ohio's motoring public for many, many years to come. At this time, I'd also like to recognize the efforts of Executive Director Gary Suhadolnik with respect to this project. His thoughtful input and unwavering support over the last two years have been instrumental in bringing us to the milestone where we stand today, and so having said all of that, with your permission I would like to ask the General Counsel to please read the Resolved for this resolution.

General Counsel: RESOLVED that the proposal submitted by **TransCore of Hummelstown, Pennsylvania** is, and is by the Commission determined to be, the best of all proposals received in response to the Commission's RFP for a new Toll Collection System and Customer Service Center and is accepted; and

FURTHER RESOLVED that the Executive Director and Director of Contracts Administration hereby are authorized to execute an Agreement with TransCore to furnish the new Toll Collection System and Customer Service Center to the Commission 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 Agreement; and

FURTHER RESOLVED that the Commission hereby authorizes the Executive Director and the Chief Engineer to assign **Jacobs Carter Burgess of Dallas, Texas** to Project No. 64-08-01 for the purpose of performing construction administration services, with such assignment in accordance with the Agreement between the Ohio Turnpike Commission and Jacobs Carter Burgess specific to this Project; and

FURTHER RESOLVED that, should the staff recommend that the Commission exercise the option to further engage TransCore beyond the full one-year Systems warranty to perform extended Systems maintenance, a new resolution shall be prepared and brought before the Commission for approval; and

FURTHER RESOLVED that Project No. 64-08-01 is designated a System Project under the Commission's 1994 Master Trust Agreement.

Chairman: Motion to adopt?

Mr. Regula: So moved.

Chairman: Second please?

Ms. Teeuwen: Second.

Chairman: Any questions? Questions from the Members on the toll collection system? Bonnie.

Ms. Teeuwen: Do we anticipate the usage of the Turnpike to go up with E-ZPasssm?

Executive Director: Commission Member Teeuwen, we do not. I think the Turnpike, maybe like other interstate highways, is a road that either takes you where you want to go or it doesn't. I don't think that people anticipate now that there's E-ZPasssm, I'll take it. There may be a selected customer or two, but in the main we do not see traffic changing because of that.

Ms. Teeuwen: Even from the trucking industry?

Executive Director: I think most of the truckers believe that the Turnpike is an excellent road and the best way to get from point A to point B, except for the few that don't want to pay a toll at all, and that's not going to change with the E-ZPasssm. So those who want to avoid a toll are still going to avoid the toll road and those who realize the value will continue to ride the Turnpike. That's my opinion.

Chairman: My response to that is a trucker going across the State of Ohio spending nominally four hours, three and a half, four hours going across the state and our lines at either ends are generally five minutes or less so it doesn't really change his time significantly. The only thing I would say is that I disagree with Gary a little bit on is we might get a little bit more commuter traffic. If I am only going one exit and I use my own personal situation, I can use a parallel road or I can use the Turnpike. It's a ten minute ride if I use the Turnpike and I've got three or four minutes going through the exiting system, it changes it a little bit. Now with the E-ZPasssm if I am able to get through there and it becomes a seamless transaction on and off, well then I'll probably use the Turnpike because I can go faster on the Turnpike than I can on the parallel road. What time that it took me to get through before was used up, which made the rides about the same time, now the Turnpike will be a little bit faster. I think we will pick up a little bit of commuter traffic. People going one exit that is marginal to use the Turnpike before now it will be just easier to use the Turnpike, it will be faster. But I don't think that will have a tremendous effect on the bottom line, but this is really about customer service. People want it, truckers have talked about it, automotive traffic has talked about it, so I think really it is about customer service. Our costs, plus we were at the end of our life with our tolling system, we had to go ahead and be

investing in that at this point and time. So it makes sense to go ahead and add this convenience for the traveling public.

Ms. Teeuwen: Do we know what the life expectancy of this and what the upgrade cost would be over time?

Director of Internal Audit: I think it's fair to say that we would anticipate at least a decade of use out of the new system. The system that we will be migrating from will have been in service approximately 10 years at the time that this goes live and so I would expect that we put into today at least that kind of a life span.

Ms. Teeuwen: And the upgrade cost at that time?

Director of Internal Audit: The upgrade cost at that time, I don't know if I would want to speculate on that. I'm not even sure that we could anticipate what technologies may have emerged by that time. There is a lot of talk about changes in the transponder world and that cars may be produced with transponder technology built into them. It might completely change what hardware and software would be required.

Ms. Teeuwen: Thank you.

Chairman: Mr. Dixon.

Mr. Dixon: A couple things, tiny, okay, we have two more contracts based upon my conversation with you Kathy, we have two more contracts we have to approve on this before we get started, is that correct?

Director of Contracts Administration: Mr. Chairman, Commissioner Dixon, I believe that we can get started with TransCore and then we are going to be awarding the contract for the construction and for the signage with their input, so yes. We have other contracts that need to be awarded before we get started in earnest, however, the award to TransCore is important now so that we can get their input particularly with respect to the engineering that will be required for construction out there in the toll lanes.

Mr. Dixon: What's our goal as far as starting then in earnest, with the transformation and completion?

Chairman: Our goal is probably to be live in August of 2009.

Director of Internal Audit: The fall of 2008 will be a significant time frame for procurement of the signage and construction activities, as they identified as being needed as far as TransCore's solution.

Mr. Dixon: Okay, so about a year.

Director of Contracts Administration: Mr. Chairman, Commissioner Dixon, if what you are asking is the go live date, the projected go live date for everything is August 2009.

Mr. Dixon: Where does the money come from to pay for this?

Director of Internal Audit: Out that window.

CFO/Comptroller: Mr. Chairman, Commission Member Dixon, we do have the \$50 million included in our current capital budget that the Commission approved earlier this year.

Mr. Kidston: Mr. Chairman, I'd like to congratulate the team on a very thorough and competent job in this first stage. I think you guys did an excellent job in putting this thing together. I have one question; going forward, what are our plans for communicating with the public as they see signs and things going up? There are going to be questions of where can I get transponders and what is our plan of communicating with the public going forward as this thing starts to develop?

Executive Director: Maybe I should answer that. We have hired a media consultant, we have them retained and we're expecting we will probably use them for some additional services to help us do some advertising, some promotion and news releases, things of that nature. I don't think we've exactly laid out a plan, but we hired them for a couple purposes and that was one of the secondary purposes that we hired them for, they would help us develop a program to help communicate the E-ZPasssm electronic tolling in the future. So that will be something obviously new people in these positions will work out and review some of those specific plans.

Mr. Dixon: What was the primary purpose of hiring them?

Executive Director: We hired them for some helpful communications, as we were negotiating some labor issues.

Chairman: Anything further? Mr. Regula.

Mr. Regula: Mr. Chairman, how many people do you anticipate signing up for this program? Do you have any projected numbers?

Director of Internal Audit: Actually, I think I might at this point recognize our consultant from Jacobs Carter Burgess. This has been a topic of much debate and some side bets. Rick Gobeille, from Jacobs Carter Burgess, not to put you on the spot Rick, but I can't resist.

Mr. Gobeille: Yeah, it actually was a side bet with Gary and that's why he's leaving.

Executive Director: I'm going to come back to collect.

Mr. Gobeille: We had actually done the customer survey where we handed out an intercept survey postcard to all the customers and we used that as a basis to estimate. Potential number of customers that would be out there. I think the number that we worked out to is a range of usage of someplace between 40 and 50% of all the traffic would pay with E-ZPasssm. Now that sounds like a low number, all right, but you're actually, much of your traffic is long distance and in the range of E-ZPasssm market shares of all the different agencies. You're about mid range of that and low ranges as low as 25, the West Virginia Turnpike for example only has 25% E-ZPasssm. The high ranges are bridges in Manhattan that have 80% E-ZPasssm and your truckers will probably be about 70%, which is a huge amount of your traffic and it's a huge amount of your revenue. So, a lot of your revenue is going to be moved over to this other type of collection rather than the way you do now, you know, post pay. In terms of the number of customers, I think the number that we had put out there was about 130,000 transponders that would be. Now again, that puts you in a range that you are actually smaller in terms of E-ZPasssm number of customers, now that's a very large number. I think it's actually more than what you actually have daily trips on the roadway, but many people don't use it everyday. That's what we used for estimating purposes, I think it was about 130,000 is what we had in there. Now, agencies have as many as 2 and 3 million transponders and agencies have as few as 15,000.

Chairman: The 130,000, I mean, it's a reflection too that people already have their transponders. They are going to be going across using our system, but they won't necessarily be our customer.

Mr. Gobeille: Correct and besides, in the studies we did over 50% of your trucks already have a transponder. It's a capital asset you won't have to purchase; you won't have to set up. If someone is already there and it's actually already somebody that's a customer of some other toll agency and you in a way leverage what someone else has already done for you. The passenger cars is much lower, but interestingly I recall correctly in the study, the two highest points were at the Westgate and the Eastgate of existing E-ZPasssm usage. And that would be the longer distance trips, someone coming from somewhere else that already has a transponder in Illinois or Pennsylvania, or New York, or whatever. The lowest percentage was right here, 161. That's where most of your customers that will be Ohio Turnpike customers will be your local commuter type traffic.

Mr. Regula: What is that going to cost our consumer to go out and buy, or purchase? How is that going to go?

Mr. Gobeille: Well, we set up with the group business rules, all right, and we were going to do a \$.50 monthly charge for the transponder and some of the original agencies of E-ZPasssm to expand on it a little bit, offered it for free. A couple things happened to them over time. They found a lot of people would get it and would never use it, so agencies would buy transponders for customers that were never used, all right. And another is over a period of time the transponder has a life. The current ones are about ten years and then you have to replace it. So, that it's to kind of generate a capital reserve to have an ongoing replacement

for the transponder in there. The fifty cents is a little bit of a deterrent just to hand them out to people. There are examples of toll agencies that have almost had fire sales in giving away transponders and if you look at their account base, the most common usage of a transponder was zero times a month. So it was an expense that the agency made that really was not in their best interest. So the fifty cents is to try and deter people from getting a transponder that won't otherwise use it.

Mr. Regula: How many other places can these interface with? I know for example the E-ZPasssm in Pennsylvania, can't you also use that for parking at the Pittsburgh Airport?

Mr. Gobeille: Yeah, there is something called E-ZPasssm Plus all right, it's the customer service center that is being procured will have the ability to do that and you actually contract, a private entity can contract with a public entity to offer the service. And right now it mostly is parking. There is parking in Pennsylvania, there is parking at the New York airports, there is parking at Albany airport, and there is parking at Massachusetts airports. Most of it is parking at airports right now where the other service is that they have it, but it is there to be used for other things if you know.

Mr. Regula: And that airport parking service then pays you for the ability?

Mr. Gobeille: Yeah, the airport parking service would pay a fee to the agency that actually owns the transponder for using the transponder, and they would pay the costs of that transaction. So that to not incur costs onto a toll authority.

Mr. Regula: And would you also see the ability from, especially from I think from the consumer, the passenger, not the trucking individual, to do surveys in terms of what the customer would like to see on the Turnpike whether it would be in our food courts or other things like that?

Mr. Gobeille: Well yeah, yes. In the process of going through this with your staff one of the things we pointed out to them is toll agencies used to call the people who use their road patrons, alright and they went by and gave someone money and left, there was nothing more than that relationship with them, alright. Now you are buying a customer service center, you are actually establishing customers now. So there is going to be hundreds of thousands of users of your road that you are going to know their names, their addresses, you are going to know something about their usage of the road, how often they use it and it really does give you the ability to communicate with your customers and find out the things they want and don't want. One of the things that Gary and I did have a discussion about is where Gary said he went to a party and most of the people would say they weren't going to get a transponder. And through the survey that we did I was able to show him that he was correct, that most of the people at the party wouldn't get a transponder, but what we found out was that one in five people that would buy it, get a transponder would make up 50% of the trips on your roadway. And the people that are your customers, you find when you actually find out who they are, they are very different people than they thought you were, who your constituents are that use the roadway and things, and this gives you the way to communicate with them that you don't have today.

Ms. Gibson: Mr. Chairman, this is a fascinating discussion because being sort of an outsider and not having the benefit of the many hours of debate and discussion that the staff had on this system, I just want to say that I think what we are experiencing here is a complete shift in the way we deliver the service of transportation, and as I believe it was Mr. Regula said, this is a customer service delivery mechanism. So, I guess what my question is, there are so many swimming around in my head right now, my question is this seems like a game changer for the Turnpike; the way that you do business and the way that you manage your asset. And I guess I'm just curious when I think about that, your business is providing transportation and other services. How does this new system first of all impact the way you do business? And the second thing is how does it impact the staff of the Turnpike Commission? I'm just curious, I know that this is going to have a long term, a longer term impact; this is a totally different way of doing business.

Executive Director: Thank you for the question, number ones some of it depends on what the customer base is. The higher the customer base obviously then the greater impact. When you say the word staff, probably the greater impact is on the toll collection staff, or the people who are directly collecting tolls. Although, most of our interchanges today, we have 31 interchanges and if you consider three shifts a day, I just happened to look at it, 54 of those times we have two collectors or less on duty. You almost always have to have two on duty because people need a break, they have personal needs, we just can't leave someone there alone. So, I think we see electronic tolling helping maybe somewhat of the fringes, some of the busy interchanges where there are some commuters, and we don't have a lot of those, maybe a lane or two could be automated at some of those rush hours in the morning. I think we see minimal impact there. But it depends of course upon the base, the more people that are involved. We've viewed some interchanges and gates in New York and New Jersey and there are only a few that are manned, most of them are unmanned because of the comments that Mr. Gobeille was saying. There they have 80 – 85% penetration. If we were to get to those kinds of numbers, that would change it, but still the Turnpike has a lot of occasional users. Folks who take a trip to the islands, who go to Cedar Point, who take that one trip to see Grandma or go pick the kids up at college and those are still going to require some attention either by a collector or maybe by some of the machines we are putting into place. So, there will be some benefit, but we are also going to put a lot of technology in here. We needed a new toll system period, so that was the overriding factor, but I don't think it's going to be the huge money saver that some people envision. It's going to be a convenience for lots of people who have those transponders, but not necessarily a big money saver and actually we are going to have additional costs because we are going to start this customer service center that we don't have today. So, we are going to have to hire additional people to mail out transponders, deal with billing issues. People sell a car and leave a transponder in the old car and it's gone now so we have to issue a new transponder, or adjust their account. We are going to have other issues, so I look at this somewhat, and I've used this as an example, it's very much like I think the airlines today. I think most of us get our tickets online, but there is still someone waiting for us at the counter helping you with the luggage. There is still someone loading the plane, there's still pilots, there are still stewardesses, the plane has to be maintained. I'm not sure the airlines have saved a lot of money, but it's convenient for us because I don't have to call a travel agent. If I can't sleep at night I can get

up at two o'clock in the morning and purchase a ticket online and I think to some extent, that's what we are going to have. It will be very convenient for lots of customers and those customers who travel in many states will be able to do that now, go seamlessly from the east coast all the way to Chicago or all the way down to Virginia. But, I don't think it's going to have a dramatic impact on our work force, at the fringes some, but I don't think a dramatic impact.

Ms. Gibson: Can I follow up Mr. Chairman?

Chairman: Yes.

Ms. Gibson: Will there be an impact, will you need to amp up your IT and staff here to be able to handle the software and credit card and other issues, or are you going to outsource all that, do you think?

Executive Director: We actually have already begun to anticipate that, we've included some additional employees or spots in IS in anticipation of the system. We are planning to do that in house.

Mr. Kaplanov: Mr. Chairman, I just have a quick question on the costs section of the RFP and the bids that you received. Did you guys take into account operation costs over the life span of the system for the next 10 years, into that cost factor, the 35% when you were evaluating this or was it simply just the how much is it going to cost in the contract to get it done?

Director of Contracts Administration: Mr. Chairman, Mr. Kaplanov, the cost included the full one year warranty, plus the five year software warranty beyond that, plus we solicited up to five years of additional maintenance costs, which includes all of the spare parts and so on for the system. So, I would think that at least for six years we know what it is going to cost and that \$28.7 million figure includes all of those warranty costs that were mentioned. So, I think it's pretty all inclusive, beyond that I think there will be additional maintenance costs that we'll be back to the Commission for, but I think we have a pretty good picture of what the whole system is going to cost.

Mr. Kaplanov: Thank you, that's all.

Ms. Gibson: Mr. Chairman, one more question. I'm enthusiastic about the possibilities that this system provides and the switching. One of those possibilities is the concept of Homeland Security Applications. Can you describe if there are any Homeland Security Applications for the E-ZPasssm System?

Executive Director: Do you want me to take a stab at it?

Mr. Gobeille: Is it all right if I answer?

Executive Director: Go ahead.

Mr. Gobeille: Okay, in the world of E-ZPasssm alright, I think generally speaking the agencies themselves try not to use it in that aspect. I'm going to give you one example of a project that I was involved in to say why it wasn't. But it's transportable, you can move it between vehicles, there's all types of things like that, so it's in terms of using it for homeland security it doesn't directly fix to a vehicle and things like that so there's always some uncertainty about whose it is or what the vehicle's purpose is. The border crossings have done a pilot program that have used the transponder as a way to identify a person entering the country. To try and expedite people who work on both sides of the borders. But, what I saw at the time, and I'm not sure their still using it, but the transponder would cause an image of a person to come up on a terminal from the immigrations officer and it really was just used to expedite trying to identify the person, but it wasn't the primary mode of identifying the person. I also had worked on a project in 2001 when the world trade center tragedy, and the decision was made then they needed to track some vehicles as they were working at the site and they actually made a choice not to use E-ZPasssm because it wasn't as vehicle and person certain. So, in terms of using it that way for directly Homeland Security I think the answer is most of them don't.

Ms. Gibson: Mr. Chairman, let's take it to a different level. What about tracking hazardous cargo? Does it have that capability? Not just people, because I know the transponder is tied to and registered in some fashion. But what about tracking the actual cargo?

Mr. Gobeille: There are things you can do like that. I mean every railroad car actually has a transponder on it and the railroad is virtually the same device and they track railroad cars around with that but you know you can only track the vehicle or the container, not what is in it right? Because you can remove this.

Chairman: Any further questions? Thank you. I have a question for Noelle. Do we need any additional authorization as we talk about the situation that David spoke of with the Pittsburgh Airport, for example, using transponders since we're going to be the agency who is going to be selling the transponders in Ohio, if there would be a government or private agency that wants to go ahead and potentially be involved and that could be a revenue source for us and we have the system in place? Do we need any authorization to be able to do that because we are somewhat limited under, maybe if you could take a look at that for us and see what we need to do?

General Counsel: Mr. Chairman, Commission Members, actually I think it was the last session of the General Assembly, we did seek an amendment to the statute to cover the inner agency agreement, but yes we do have to go back and look at the amendment that we sought and were successful in getting to see if that language would cover that situation that Kathy took care of that in the last legislative session because we anticipated the agreement coming up.

Chairman: Thank you.

Mr. Dixon: Real quick, I just have to ask this. We are going to spend \$29 million outside of the state, are there any subcontractor opportunities in here for small businesses or Ohio businesses in this \$29 million?

Director of Contracts Administration: Mr. Chairman, Commissioner Dixon, yes. First and foremost TransCore has a very significant Ohio presence at this time. Secondly, as we mentioned, we are going to be awarding contracts for construction which, I would say 99.9% chance will go to Ohio construction firms located here and up and down the Turnpike. So that also obviously opens the door for significant subcontracting as well. So yes, the answer is definitely yes.

Mr. Dixon: So, to round this whole thing off, we are going to spend approximately \$50 million on this whole thing correct?

Director of Contracts Administration: Correct.

Chairman: Jim, I know that we have the \$50 million broken out into partial 2008 and partial 2009 in the budget, do we anticipate having any more of this, because our goal was also to try and get this more occurring during 2008 that was in 2007, that was what our look was, do we anticipate having any additional dollars and cents that we allocated for 2008 that will be spent in 2009 that we might be able to shift to other capital projects in 2008, I'm specifically looking at the Williams County service plazas for example?

CFO/Comptroller: Mr. Chairman, in the 2008 Capital Budget that was approved we had anticipated that \$30 million of the total \$50 million would be spent in 2008 and the remaining \$20 million would be spent in 2009 and I'm guessing we're going to be pretty close to that. I don't believe there is going to be additional funds freed up that could be used for any other major projects in 2008. I would defer to the Chief Engineer if he has any additional comments.

Chief Engineer: That's about right. We will stay on the current schedule.

Chairman: Thank you, I was just curious. Any further comments? Please call the roll.

Assistant Secretary Treasurer: Mr. Kidston

Mr. Kidston: Yes

Assistant Secretary Treasurer: Ms. Teeuwen

Ms. Teeuwen: Yes

Assistant Secretary Treasurer: Mr. Regula

Mr. Regula: Yes

Assistant Secretary Treasurer: Mr. Balog

Mr. Balog: Yes

Assistant Secretary Treasurer: Mr. Dixon

Mr. Dixon: Yes

Assistant Secretary Treasurer: Five yeas, the resolution is approved.

RESOLUTION NO. 8-2008

Resolution Awarding a Contract for a New Toll Collection System and Customer Service Center Project No. 64-08-01

WHEREAS, via Resolutions 43-2006 and 26-2007, the Commission approved a Strategic Plan for the Integration of a new Toll Collection System and Customer Service Center; and

WHEREAS, on November 9, 2007, the Commission issued its Request for Proposals (“RFP”) for a new Toll Collection System and Customer Service Center to thirty-six (36) firms interested in Project No. 64-08-01; and

WHEREAS, on January 17, 2008, four (4) firms submitted proposals; and

WHEREAS, an Evaluation Team comprised of the Director of Audit and Internal Control, the Chief Engineer, the CFO/comptroller, the Director of Toll Operations, the Director of Information Systems and the Telecommunications Manager conducted the technical review of the proposals submitted; and

WHEREAS, the Evaluation Team was also assisted in its review by the Commission’s consultants from Jacobs Carter Burgess; and

WHEREAS, the Director of Contracts Administration also reviewed each proposal for compliance with the legal requirements of the RFP and served as the facilitator for Evaluation Team meetings; and

WHEREAS, based on the technical scores awarded by the Evaluation Team combined with the tabulated scores awarded for Pricing Proposals submitted, the Evaluation Team has unanimously recommended that the Contract be awarded to **TransCore of Hummelstown, Pennsylvania**; and

WHEREAS, TransCore’s Pricing Proposal of **\$28,727,665.10** (coupled with other costs affiliated with the installation of the new Toll Collection System and Customer Service Center) is within the budget contemplated by the Commission for this important Project; and

WHEREAS, the Commission's Director of Contracts Administration has reviewed the Evaluation Team's recommendation, as reflected in her written recommendation, which is before the Commission, and she has communicated her agreement to the Commission; and

WHEREAS, the Commission has been further advised by its Director of Contracts Administration that all legal requirements have been performed and that the aforesaid proposals were solicited on the basis of the same terms, conditions and specifications with respect to all respondents; that TransCore has provided a bid guaranty of good and sufficient surety and demonstrated its ability to provide the requisite performance bond and insurances required under the RFP; and that the Commission may legally enter into an Agreement with TransCore; and

WHEREAS, the Executive Director has reviewed the reports of the Evaluation Team and the Director of Contracts Administration and, predicated on their analysis, has made his recommendation to the Commission that the Contract for Project No. 64-08-01 be awarded to TransCore of Hummelstown, Pennsylvania; and

WHEREAS, the Commission has duly considered such recommendations.

NOW, THEREFORE, BE IT

RESOLVED that the proposal submitted by **TransCore of Hummelstown, Pennsylvania** is, and is by the Commission determined to be, the best of all proposals received in response to the Commission's RFP for a new Toll Collection System and Customer Service Center and is accepted; and

FURTHER RESOLVED that the Executive Director and Director of Contracts Administration hereby are authorized to execute an Agreement with TransCore to furnish the new Toll Collection System and Customer Service Center to the Commission 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 Agreement; and

FURTHER RESOLVED that the Commission hereby authorizes the Executive Director and the Chief Engineer to assign **Jacobs Carter Burgess of Dallas, Texas** to Project No. 64-08-01 for the purpose of performing construction administration services, with such assignment in accordance with the Agreement between the Ohio Turnpike Commission and Jacobs Carter Burgess specific to this Project; and

FURTHER RESOLVED that, should the staff recommend that the Commission exercise the option to further engage TransCore beyond the full one-year Systems warranty to perform extended Systems maintenance, a new resolution shall be prepared and brought before the Commission for approval; and

FURTHER RESOLVED that Project No. 64-08-01 is designated a System Project under the Commission's 1994 Master Trust Agreement.

Chairman: I appreciate the good work you've all done again, on behalf of the Commission.

Executive Director: I have one more resolution Mr. Chairman. The fourth item I have is a resolution approving a contract for independent public accounting services, or I should really say an outside auditor. This is a three party agreement between the state auditor, the Turnpike and the selected auditing firm. The response to the RFP for this was independently evaluated by both the Turnpike and State Auditor, and separately we both ranked Ciuni and Panichi as the best. If the Legal Counsel would read the Resolved.

General Counsel: RESOLVED that the Commission hereby approves the award of a Contract covering the audit periods over five (5) fiscal years (**2007 through 2011**) to the firm of **Ciuni & Panichi, Inc.** of **Cleveland, Ohio**, and authorizes the Executive Director to enter into a formal Contract between the Auditor of State, the Ohio Turnpike Commission and Ciuni & Panichi for such services to be performed in accordance with the proposal submitted by Ciuni & Panichi and further authorizes the Executive Director to take any and all action necessary or appropriate to carry out the terms and conditions of such Contract.

Chairman: Motion to adopt?

Mr. Dixon: So moved.

Chairman: Is there a second?

Mr. Kidston: Second.

Chairman: Quick comment I'd make is it's interesting, we always have the same issue and Mr. Dixon and myself and other Commission Members have talked about it, is that when you are using the same firm that you previously used, there is probably a bias to that firm because you have worked with them and developed a relationship and it's hard to go ahead and remove yourself from that bias, but it's interesting that the Auditor of State came out with the same results that our firm, that the Ohio Turnpike did, showed that Ciuni and Panichi is in fact the highest in the Auditor of State's scoring and along with the Ohio Turnpike Commission's scoring. Any comments from the Commission Members? Call the roll.

Assistant Secretary-Treasurer: Mr. Dixon

Mr. Dixon: Yes

Assistant Secretary-Treasurer: Mr. Kidston

Mr. Kidston: Yes

Assistant Secretary-Treasurer: Mr. Balog

Mr. Balog: Yes

Assistant Secretary-Treasurer: Ms. Regula

Mr. Regula: Yes

Assistant Secretary-Treasurer: Ms. Teeuwen

Ms. Teeuwen: Yes

Assistant Secretary-Treasurer: Five yeas, the resolution is adopted. That's all I have Mr. Chairman.

RESOLUTION NO. 9-2008

Resolution Approving Contract for Independent Public Accounting Services

WHEREAS, a Request for Proposals ("RFP") for Independent Public Accounting Services for fiscal years 2007 through 2011 was issued by the Auditor of State's Office on January 18, 2008; and

WHEREAS, on February 7, 2008, three (3) accounting firms submitted proposals to the offices of the Auditor of State and the Ohio Turnpike Commission in response to the subject RFP; and

WHEREAS, an Evaluation Team consisting of the Commission's Director of Audit and Internal Control, Dave Miller; the CFO/Comptroller, James Steiner; the Accounting Manager, Lisa Mejac; and Senior Internal Auditor, Denise Urbansky reviewed and evaluated the proposals and provided its recommendations to the Auditor of State; and

WHEREAS, by letter dated March 12, 2008, the Auditor of State, Mary Taylor, acting through Robert Greenwalt, Chief Auditor, Administration, advised **Ciuni & Panichi, Inc. of Cleveland, Ohio** that the Contract is being awarded to that firm; and

WHEREAS, the Commission's Director of Contracts Administration advises that the approval of a Contract for Independent Public Accounting Services is in conformance Ohio Revised Code Section 5537.17, which requires the Auditor of State to at least once a year audit the accounts and transactions of the Commission, and that the cost of auditing Commission's books and accounts by certified public accountants may be treated as a part of the Commission's operations; and

WHEREAS, the Director of Contracts Administration further advises that, because expenditures incurred by the Commission for this Contract over the course of the five (5) fiscal years will exceed \$150,000.00, in accordance with Article V, Section 1.00 of the Commission's Code of Bylaws, Commission approval of this Contract award by the Auditor of State is necessary; and

WHEREAS, the Commission has received the aforesaid recommendations and concurs in such recommendations.

NOW, THEREFORE, BE IT

RESOLVED that the Commission hereby approves the award of a Contract covering the audit periods over five (5) fiscal years (**2007 through 2011**) to the firm of **Ciuni & Panichi, Inc.** of **Cleveland, Ohio**, and authorizes the Executive Director to enter into a formal Contract between the Auditor of State, the Ohio Turnpike Commission and Ciuni & Panichi for such services to be performed in accordance with the proposal submitted by Ciuni & Panichi and further authorizes the Executive Director to take any and all action necessary or appropriate to carry out the terms and conditions of such Contract.

Chairman: Thank you. Chief Engineer, Dan.

Chief Engineer: Thank you Mr. Chairman. I have five resolutions for your consideration this morning. The first is to award Invitation No. 4087 for furnishing reflective and non-reflective sheeting and cuttable overlay film. This is for use by our maintenance forces in the manufacture of our highway signage. We received two bids in response to the bid invitation the apparent low bid was submitted by Avery Dennison Corporation of Niles, Illinois in the amount of \$80,862.50. The total amount is below the engineers estimate and this bidder has satisfactorily furnished material in the past. We are recommending a blanket contract amount of \$85,000.00 per year. The contract also has the possibility of two, one year renewal terms. Will General Counsel please read the Resolved?

General Counsel: RESOLVED that the bid of **Avery Dennison Corporation** of **Niles, Illinois** under Invitation No. 4087 is, and is by the Commission deemed to be the lowest responsive and responsible bid received and is accepted, and the Executive Director or the Director of Contracts Administration, or either of them, is hereby authorized: 1) to execute a blanket Contract in the annual amount of **\$85,000.00** with the successful bidder for a one-year period in the form heretofore prescribed by the Commission pursuant to the aforesaid Invitation; 2) to exercise either or both of two possible one-year renewal options upon satisfactory performance evaluations by the Maintenance Department; 3) to direct the return to each of the bidders of their bid security at such time as Avery Dennison Corporation has entered into a Contract and furnished the performance bond required thereby; and 4) to take any and all action necessary to properly carry out the terms of said Contract.

Chairman: Motion to adopt?

Ms. Teeuwen: So moved.

Chairman: Second?

Mr. Regula: Second.

Chairman: Questions or discussion on the motion? Please call the roll.

Assistant Secretary-Treasurer: Ms. Teeuwen

Ms. Teeuwen: Yes

Assistant Secretary-Treasurer: Mr. Regula

Mr. Regula: Yes

Assistant Secretary-Treasurer: Mr. Balog

Mr. Balog: Yes

Assistant Secretary-Treasurer: Mr. Dixon

Mr. Dixon: Yes

Assistant Secretary-Treasurer: Mr. Kidston

Mr. Kidston: Yes

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

RESOLUTION NO. 10-2008

Resolution Awarding a Contract for the Purchase of Retroreflective and Non-Reflective Sheeting and Electronic Cuttable Overlay Film under Invitation No. 4087

WHEREAS, the Commission duly advertised for bids to furnish the Commission with its requirements for Retroreflective and Non-Reflective Sheeting and Electronic Cuttable Overlay Film for a one-year period under Invitation No. 4087 with two possible one-year renewal terms; and

WHEREAS, Invitation No. 4087 was divided into five different Groups listing estimated quantities and various sizes of retroreflective, non-reflective sheeting and electronic cuttable overlay film to be used in the Commission's Sign Shop; and

WHEREAS, it is anticipated that total Contract expenditures by the Commission for the above-described materials under Invitation No. 4087 will exceed \$150,000, and, therefore, 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 two bids received were reviewed and analyzed by the Commission's Maintenance Engineer, and he has submitted a report concerning such analysis, which report is before the Commission; and

WHEREAS, the Maintenance Engineer reports that, collectively, the lowest responsive and responsible bid received for all five Groups under Invitation No. 4087 was submitted by **Avery Dennison Corporation** of **Niles, Illinois** in the total annual amount of **\$80,862.50** based on the estimated quantities to be ordered by the Commission as set forth in the Invitation; and

WHEREAS, the Maintenance Engineer further reports that Avery Dennison Corporation proposes to furnish materials and services in accordance with the Specifications and has furnished similar materials to the Commission in the past and has performed satisfactorily; and

WHEREAS, the Maintenance Engineer also reports that Avery Dennison Corporation is proposing to provide materials similar to those it provided between 2005 and 2007 at unit prices that are thirteen percent lower; and

WHEREAS, for all of the above reasons, the Maintenance Engineer recommends that a Contract be awarded to the lowest responsive and responsible bidder, Avery Dennison Corporation, in an annual blanket amount of **\$85,000.00**; and

WHEREAS, the Commission has also been advised by the Director of Contracts Administration that all bids for Contract No. 4087 were solicited on the basis of the same terms and conditions and the same specifications, that the bid of Avery Dennison Corporation conforms to the requirements of Ohio Revised Code Sections 5537.07 and 9.312, and that a bid guaranty of good and sufficient surety has been submitted by Avery Dennison Corporation; and

WHEREAS, the Executive Director has reviewed the reports of the Maintenance Engineer and the Director of Contracts Administration and has made his recommendation to the Commission that Contract No. 4087 be awarded to the lowest responsive and responsible bidder, Avery Dennison Corporation of Niles, Illinois predicated upon such analysis; and

WHEREAS, the Commission has duly considered such recommendations.

NOW, THEREFORE, BE IT

RESOLVED that the bid of **Avery Dennison Corporation** of **Niles, Illinois** under Invitation No. 4087 is, and is by the Commission deemed to be the lowest responsive and responsible bid received and is accepted, and the Executive Director or the Director of Contracts Administration, or either of them, is hereby authorized: 1) to execute a blanket Contract in the annual amount of **\$85,000.00** with the successful bidder for a one-year period in the form heretofore prescribed by the Commission pursuant to the aforesaid Invitation; 2) to exercise either or both of two possible one-year renewal options upon satisfactory performance evaluations by the Maintenance Department; 3) to direct the return to each of the bidders of their bid security at such time as Avery Dennison Corporation has entered into a Contract and furnished the performance bond required thereby; and 4) to take any and all action necessary to properly carry out the terms of said Contract.

Chief Engineer: Thank you Mr. Chairman. The second resolution is award of Invitation No. 4083 for the purchase of magnetic toll tickets. We received three bids in response to the subject invitation, the apparent low bid was submitted by Electronic Data Magnetics, Inc. of High Point, North Carolina in the total amount of \$381,200.00. The total amount bid is below the estimate for this invitation and this bidder has furnished material satisfactorily in the past. This bid is for a one year period and it also contains provisions for two possible one year renewal options. If the General Counsel would please read the Resolved?

General Counsel: RESOLVED that the bid of **Electronic Data Magnetics, Inc. of High Point, North Carolina**, in the total annual amount of **\$381,200.00** under Invitation No. 4083 is, and is by the Commission deemed to be the lowest responsive and responsible bid received and is accepted, and the Executive Director or the Director of Contracts Administration, or either of them, is hereby authorized: 1) to execute a Contract with the successful bidder for a one-year period in the form heretofore prescribed by the Commission pursuant to the aforesaid Invitation; 2) to exercise either or both of two possible one-year renewal options upon satisfactory performance evaluations by the Toll Operations Department; 3) to direct the return to each of the bidders of their bid security at such time as Electronic Data Magnetics, Inc. has entered into a Contract and furnished the performance bond required thereby; and 4) to take any and all action necessary to properly carry out the terms of said Contract.

Chairman: Motion to adopt?

Mr. Dixon: So moved.

Chairman: Is there a second?

Mr. Kidston: Second.

Chairman: Discussions or questions on the resolution?

Ms. Gibson: Mr. Chairman this may seem like an obvious question; these are the little tickets, right? So when we do our E-ZPasssm it may reduce the need for these in the future right? So conceivably there could be a savings on this contract in the future once E-ZPasssm has been implemented?

Chief Engineer: Yes. Mr. Chairman, the contract is set up for estimated amounts. We only purchase what we require and obviously the solution proposed by TransCore utilizes the same ticket as we are using today.

Mr. Kaplanov: Thank you.

Chairman: Please call the roll.

Assistant Secretary-Treasurer: Mr. Dixon

Mr. Dixon: Yes

Assistant Secretary-Treasurer: Mr. Kidston

Mr. Kidston: Yes

Assistant Secretary-Treasurer: Mr. Balog

Mr. Balog: Yes

Assistant Secretary-Treasurer: Ms. Teeuwen

Ms. Teeuwen: Yes

Assistant Secretary-Treasurer: Five yeas the resolution is adopted.

RESOLUTION NO. 11-2008

Resolution Awarding a Contract for the Purchase of Magnetic Toll Tickets under Invitation No. 4083

WHEREAS, the Commission duly advertised for bids to furnish the Commission with its requirements for cut and rolled magnetic toll tickets for a one-year period under Invitation No. 4083 with two possible one-year renewal terms; and

WHEREAS, it is anticipated that the expenditures by the Commission for the above-described magnetic tickets under Invitation No. 4083 will exceed \$150,000, and, therefore, 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, three bids were received in response to the Invitation, and said bids were reviewed by the Commission's Toll Operations Department, which also had the sample tickets provided by the bidders field-tested for compliance with specifications and requirements set forth in the Commission's Bid Invitation; and

WHEREAS, the lowest bid was submitted by **Electronic Data Magnetics, Inc.** of **High Point, North Carolina** in the annual amount of **\$381,200.00**, based on the estimated quantities to be ordered by the Commission as set forth in the Invitation; and

WHEREAS, the Director of Toll Operations has advised that the sample tickets submitted by Electronic Data Magnetics, Inc. meet the specifications and requirements set forth in the Commission's Bid Invitation and further reports that the bid submitted by Electronic Data Magnetics, Inc. in the annual amount of \$381,200.00 is below the Commission's estimated expenditures for this Contract; and

WHEREAS, the Director of Toll Operations, therefore, is the lowest responsive and responsible bid received; and

WHEREAS, based on the Director of Toll Operations' recommendations, the Chief Engineer has recommended that a Contract be awarded to Electronic Data Magnetics, Inc.; and

WHEREAS, the Commission has also been advised by the Director of Contracts Administration that all bids for Contract No. 4083 were solicited on the basis of the same terms and conditions and the same specifications, that the bid of Electronic Data Magnetics, Inc. conforms to the requirements of Ohio Revised Code Sections 5537.07 and 9.312, and that a sufficient bid guaranty in the form of a certified check has been submitted by Electronic Data Magnetics, Inc.; and

WHEREAS, the Executive Director has reviewed the reports of the Director of Toll Operations, the Chief Engineer and the Director of Contracts Administration and has made his recommendation to the Commission that Contract No. 4083 be awarded to the lowest responsive and responsible bidder, Electronic Data Magnetics, Inc. of High Point, North Carolina predicated upon such analysis; and

WHEREAS, the Commission has duly considered such recommendations.

NOW, THEREFORE, BE IT

RESOLVED that the bid of **Electronic Data Magnetics, Inc. of High Point, North Carolina**, in the total annual amount of **\$381,200.00** under Invitation No. 4083 is, and is by the Commission deemed to be the lowest responsive and responsible bid received and is accepted, and the Executive Director or the Director of Contracts Administration, or either of them, is hereby authorized: 1) to execute a Contract with the successful bidder for a one-year period in the form heretofore prescribed by the Commission pursuant to the aforesaid Invitation; 2) to exercise either or both of two possible one-year renewal options upon satisfactory performance evaluations by the Toll Operations Department; 3) to direct the return to each of the bidders of their bid security at such time as Electronic Data Magnetics, Inc. has entered into a Contract and furnished the performance bond required thereby; and 4) to take any and all action necessary to properly carry out the terms of said Contract.

Chief Engineer: The third resolution is to award Invitation 4086 for furnishing retro reflective pavement markings along the Ohio Turnpike. This is our annual maintenance contract for our roadway striping. We received three bids in response to the invitation. The apparent low bid was submitted by Oglesby Construction Inc. of Norwalk, Ohio in the total amount \$715,687.48. The total amount bid is below the estimated amount for this project and this contractor has worked satisfactorily for the Turnpike in the past. Would General Counsel please read the Resolved?

General Counsel: RESOLVED that the bid of **Oglesby Construction, Inc. of Norwalk, Ohio**, in the total amount of **\$715,687.48** under Invitation No. 4086 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 the 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 Contract.

Chairman: Motion to adopt?

Mr. Kidston: So moved.

Chairman: Is there a second?

Mr. Dixon: Second.

Chairman: Discussion or questions on the motion before the Commission?

Ms. Teeuwen: Mr. Chairman, usually when there's a construction contract there's an inspection firm that's associated with the contract and there is not one here, is this something that would be done with our own forces?

Chief Engineer: That's correct Mr. Chairman, Commission Member Teeuwen. We are currently, this year we are going to inspect this one with our own in-house construction coordinators.

Chairman: If there are no further questions, please call the roll.

Assistant Secretary-Treasurer: Mr. Kidston

Mr. Kidston: Yes

Assistant Secretary-Treasurer: Mr. Dixon

Mr. Dixon: Yes

Assistant Secretary-Treasurer: Mr. Balog

Mr. Balog: Yes

Assistant Secretary-Treasurer: Ms. Teeuwen

Ms. Teeuwen: Yes

Assistant Secretary-Treasurer: Mr. Regula

Mr. Regula: Yes

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

RESOLUTION NO. 12-2008

Resolution Awarding a Contract to Furnish and Apply Retro-Reflective Pavement Markings on the Ohio Turnpike's Mainline Roadway and Interchange Ramps

WHEREAS, the Commission duly advertised according to law for bids under Invitation No. 4086 for furnishing and applying retro-reflective pavement markings on the Ohio Turnpike's mainline roadway and interchange ramps located in Williams, Fulton, Lucas, Wood, Ottawa, Sandusky, Erie, Lorain, Cuyahoga, Summit, Portage, Trumbull and Mahoning Counties, Ohio (*Milepost 0.0 to Milepost 241.2*); and

WHEREAS, the Commission has received bids from three (3) bidders in response to said Invitation; and

WHEREAS, said bids were reviewed and analyzed by the Commission's Maintenance Engineer, and he has submitted a report concerning said analysis, which report is before the Commission; and

WHEREAS, the Maintenance Engineer reports that the lowest responsive and responsible bid for the performance of the work under Invitation No. 4086 was submitted by **Oglesby Construction, Inc. of Norwalk, Ohio**, in the total amount of **\$715,687.48**, which bid is below the Commission's estimated expenditure for this Contract and which bid he recommends be accepted by the Commission; and

WHEREAS, the Commission has also been advised by the Director of Contracts Administration that bids for Invitation No. 4086 were solicited on the basis of the same terms and conditions and the same specifications, that the bid of Oglesby Construction, Inc. for Invitation No. 4086 conforms to the requirements of Ohio Revised Code Sections 5537.07, Section 9.312 and Section 153.54, and that a performance bond with good and sufficient surety has been submitted by Oglesby Construction, Inc.; and

WHEREAS, the Commission's Executive Director has reviewed the reports of the Maintenance Engineer and the Director of Contracts Administration and, predicated upon such analysis, has made his recommendation to the Commission to award a Contract for Invitation No. 4086 to the lowest responsive and responsible bidder, Oglesby Construction, Inc.; and

WHEREAS, the Commission has duly considered such recommendations.

NOW, THEREFORE, BE IT

RESOLVED that the bid of **Oglesby Construction, Inc. of Norwalk, Ohio**, in the total amount of **\$715,687.48** under Invitation No. 4086 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 the 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 Contract.

Chief Engineer: Thank you Mr. Chairman. The fourth resolution is a resolution awarding Contract 40-08-01 for the repainting of six structures carrying roadways over the Turnpike in Summit and Portage Counties. This project was in our Capital Budget approved in December. We received six bids in response to the subject contract. The apparent low bid was submitted by 360 Construction, Inc. of Cleveland, Ohio in the total amount of \$1,848,780.50. The total amount bid is below the engineer's estimate. This bidder has not worked for the Commission in the past, however, we did check references with favorable results. The resolution also contains provisions to assign Safety Controls Technology of Bedford, Ohio to the contract for the purpose of performing inspections and testing. If the General Counsel would please read the Resolved?

General Counsel: RESOLVED that the bid of **360 Construction of Cleveland, Ohio**, in the amount of **\$1,848,780.50**, for the performance of **Contract No. 40-08-01** is, and is by the Commission, determined to be the lowest responsive and responsible bid received for the performance of said Contract, and is accepted, and that the Chairperson and Executive Director, or either of them, hereby is authorized: 1) to execute a Contract with said successful bidder in the form heretofore prescribed by the Commission pursuant to the aforesaid bid; 2) to direct the return to the 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 **Safety Controls Technology of Bedford, Ohio** to Contract No. 40-08-01 for the purpose of performing inspection and testing. Such assignment shall be in accordance with the 2007-2008 General Engineering Services Agreement between the Ohio Turnpike Commission and Safety Controls Technology; and

FURTHER RESOLVED that Project No. 40-08-01 is designated a Fuel Tax Project under the Commission's 1994 Master Trust Agreement.

Chairman: Motion to adopt?

Mr. Dixon: So moved.

Chairman: Second?

Ms. Teeuwen: Second

Chairman: Questions or discussions?

Ms. Teeuwen: I have a question. You bid this project earlier this year?

Chief Engineer: This is the project we tried to award in '07, it was rejected. We received one bid at that time that was significantly above the engineer's estimate.

Ms. Teeuwen: What was that cost, do you remember?

Chief Engineer: I don't recall. I can check the files for you.

Ms. Teeuwen: Thank you.

Chairman: It's interesting we received six bids, which again, we have always asked the staff to get as many bids as possible for us. Four of them are somewhat grouped in the \$300,000.00 range and the other two seem to be substantially out but I think it's great that we have six bids on this particular project. Call the roll.

Assistant Secretary-Treasurer: Mr. Dixon

Mr. Dixon: Cleveland, Ohio, yes.

Assistant Secretary-Treasurer: Ms. Teeuwen

Ms. Teeuwen: Yes

Assistant Secretary-Treasurer: Mr. Kidston

Mr. Kidston: Yes

Assistant Secretary-Treasurer: Mr. Regula

Mr. Regula: Yes

Assistant Secretary-Treasurer: Mr. Balog

Mr. Balog: Yes

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

RESOLUTION NO. 13-2008

Resolution Awarding Contract No. 40-08-01

WHEREAS, the Commission has duly advertised according to law for bids upon a Contract for repainting of the following bridges, herein designated **Contract No. 40-08-01**:

<u>Bridge</u>	<u>Milepost</u>	<u>County</u>
Exit 180 Ramp Bridge	180.3	Summit
Prospect Road	182.1	Summit
S.R. 91	183.2	Summit
Exit 187 Ramp Bridge	187.2	Portage
Limeridge Road	196.7	Portage
Asbury Road	197.8	Portage

WHEREAS, the Commission received bids from six (6) 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. 40-08-01 was submitted by **360 Construction, Inc. of Cleveland, Ohio** in the total amount of **\$1,848,780.50**, which bid is below the engineer's estimate and 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. 40-08-01 were solicited on the basis of the same terms and conditions and the same specifications, that the bid of 360 Construction, Inc. for Contract No. 40-08-01 conforms to the requirements of Section 5537.07, Section 9.312 and Section 153.54, all of the Ohio Revised Code and that a performance bond with good and sufficient surety has been submitted by 360 Construction, Inc.; and

WHEREAS, the Commission's Executive Director has reviewed the reports of the Chief Engineer and the Director of Contracts Administration and has made his recommendation to the Commission to award Contract No. 40-08-01 to the lowest responsive and responsible bidder, 360 Construction, Inc. predicated upon such analysis; and

WHEREAS, the Commission has duly considered such recommendations.

NOW, THEREFORE, BE IT

RESOLVED that the bid of **360 Construction of Cleveland, Ohio**, in the amount of **\$1,848,780.50**, for the performance of **Contract No. 40-08-01** is, and is by the Commission,

determined to be the lowest responsive and responsible bid received for the performance of said Contract, and is accepted, and that the Chairperson and Executive Director, or either of them, hereby is authorized: 1) to execute a Contract with said successful bidder in the form heretofore prescribed by the Commission pursuant to the aforesaid bid; 2) to direct the return to the 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 **Safety Controls Technology of Bedford, Ohio** to Contract No. 40-08-01 for the purpose of performing inspection and testing. Such assignment shall be in accordance with the 2007-2008 General Engineering Services Agreement between the Ohio Turnpike Commission and Safety Controls Technology; and

FURTHER RESOLVED that Project No. 40-08-01 is designated a Fuel Tax Project under the Commission's 1994 Master Trust Agreement.

Chief Engineer: Thank you Mr. Chairman my final resolution this morning is a resolution awarding Contract No. 59-08-02, this is for roadway resurfacing and repairs of the east and westbound roadways from Milepost 111.7 to Milepost 118.8 located in Erie County. This project was also on the Capital Budget approved in December. We received two bids in response to the subject contract; the apparent low bid was submitted by Gerken Paving, Inc. of Napoleon, Ohio in the total amount of \$5,472,091.70. The total amount bid is within 3.2% of the engineer's estimate and this bidder has successfully performed work of this nature in the past for the Commission. This resolution also contains provisions to assign Quality Control Inspection of Bedford, Ohio to perform construction inspection and Solar Testing Laboratories of Brooklyn Heights, Ohio for the purposes of performing materials testing. If the General Counsel would please read the Resolved?

General Counsel: RESOLVED that the bid of **Gerken Paving, Inc.** of **Napoleon, Ohio**, in the amount of **\$5,472,091.70** for the performance of Contract No. 59-08-02 is, and is by the Commission, determined to be the lowest responsive and responsible bid received for the performance of said Contract, and is accepted, and that the Chairperson and Executive Director, or either of them, hereby is authorized: 1) to execute a Contract with said successful bidder in the form heretofore prescribed by the Commission pursuant to the aforesaid bid; 2) to direct the return to the 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 **Quality Control Inspection of Bedford, Ohio** to Contract 59-08-02 for the purpose of performing construction inspection, and **Solar Testing Laboratories, Inc. of Brooklyn Heights, 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. 59-08-02 is designated a System Project under the Commission's 1994 Master Trust Agreement.

Chairman: Motion to adopt?

Mr. Dixon: So moved.

Chairman: Second?

Ms. Teeuwen: Second.

Chairman: Any questions from the Commission Members? Just as a follow-up since we only had two bids, which I'm glad we had two bidders, would you possibly contact Shelly and see why they did not bid on this particular one?

Chief Engineer: Yes, Mr. Chairman. Once we award the contract we'll contact them.

Chairman: They are normally a bidder on a resurfacing job. Please call the roll.

Assistant Secretary-Treasurer: Mr. Dixon

Mr. Dixon: Yes

Assistant Secretary-Treasurer: Ms. Teeuwen

Ms. Teeuwen: Yes

Assistant Secretary-Treasurer: Mr. Balog

Mr. Balog: Yes

Assistant Secretary-Treasurer: Mr. Regula

Mr. Regula: Yes

Assistant Secretary-Treasurer: Mr. Kidston

Mr. Kidston: Yes

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

RESOLUTION NO. 14-2008

Resolution Awarding Contract No. 59-08-02

WHEREAS, the Commission has duly advertised according to law for bids upon a Contract for Repairs and Resurfacing of the Eastbound and Westbound Roadways from Milepost 111.7 to 118.8 located in Erie County, Ohio, herein designated **Contract No. 59-08-02**; and

WHEREAS, the Commission received two (2) bids 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. 59-08-02 was received from **Gerken Paving, Inc.** of **Napoleon, Ohio**, in the amount of **\$5,472,091.70**, 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. 59-08-02 were solicited on the basis of the same terms and conditions and the same specifications, that the bid of Gerken Paving, Inc. for Contract No. 59-08-02 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 Gerken Paving, Inc.; 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. 59-08-02 to Gerken Paving, Inc.; and

WHEREAS, the Commission has duly considered such recommendations.

NOW, THEREFORE, BE IT

RESOLVED that the bid of **Gerken Paving, Inc.** of **Napoleon, Ohio**, in the amount of **\$5,472,091.70** for the performance of Contract No. 59-08-02 is, and is by the Commission, determined to be the lowest responsive and responsible bid received for the performance of said Contract, and is accepted, and that the Chairperson and Executive Director, or either of them, hereby is authorized: 1) to execute a Contract with said successful bidder in the form heretofore prescribed by the Commission pursuant to the aforesaid bid; 2) to direct the return to the 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 **Quality Control Inspection of Bedford, Ohio** to Contract 59-08-02 for the purpose of performing construction inspection, and **Solar Testing Laboratories, Inc. of Brooklyn Heights, 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. 59-08-02 is designated a System Project under the Commission's 1994 Master Trust Agreement.

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

Chairman: Thank you. General Counsel, Noelle?

General Counsel: I have no report Mr. Chairman.

Chairman: I have a couple things Noelle. Number one is if you would follow up, as I made the comment earlier about making sure that legislation allows us to go ahead and use the E-ZPasssm system in case we do have an opportunity, I'd like to know if there is something we need to do on that. Secondly, and Mr. Dixon pointed this out when he made the comment about a couple Ohio companies were the bidders, I would like you to go ahead and give us a report on what we can and cannot do either in crediting in the form of points in the reviewing process to go ahead and use Ohio companies over other United States companies, or United States companies over foreign companies. We didn't have to go ahead and address it today, but the third bidder on the toll system was the Spanish company, not that they couldn't have done a very good job, but I certainly would rather have a \$28 million contract with a United States company, I would rather have an Ohio company, but Pennsylvania is relatively close. I'd rather have an Ohio company or Pennsylvania company before a Spanish company. So, if you provide us with what we can do as far as in effect giving credit to a company. Then the next issue is a DBE company. What can we do to go ahead and in effect, add points or adjust bids when we are dealing with minority or female owned businesses so that they can be more competitive? I would like you to give us something in writing on that as to what we can do on that.

General Counsel: We will do that Mr. Chairman. The first step, actually, in regard to your second question, the first step is to adopt a policy. We have not adopted a policy. DAS has a program that indicates a preference of Ohio based companies. Just keep in mind that in determining whether or not a company is an Ohio company, they also look to companies that may be headquartered out-of-state, but have a significant presence in Ohio. I will give you a report before the next meeting about the steps that the Commission can take.

Chairman: Kind of a separate thought, but the same thing, I think we need to have depending what we ultimately find out in your report, but we all are busy and we all have things to do, my experience is if you have a obligation for a report on a regular basis that you can go ahead and expect to get a little bit better response to it. I was thinking maybe

somebody from Kathy's office would provide us with a report, it doesn't have to be monthly maybe quarterly or something of that nature, what our efforts have been to reach out to DB companies and go ahead and to bring that.

General Counsel: If I can answer that Mr. Chairman. We actually have in the Legal Department an MBE/FBE Coordinator, who is a dedicated staff member to register companies and outreach. Actually, in the last two years we have been working closely with Purchasing to increase our efforts and participation in conferences through the small business administration. I think it's a Match Maker Program. Kathy and I both have sent a staff member there and actually our certified companies, registered companies have gone up and our corresponding numbers as far as MBE/FBE participation have gone up. I'll get you an update on that.

Chairman: I think we'd like to have, and I'm speaking for myself, I think some of the other Commission Members have talked to me about it also, we'd like to have besides...and I heard your comment and what you are doing and we really appreciate that, but we need to get that information to us. And I'm thinking if we had something, a line item in a report, and again if it's only quarterly, what was accomplished, what our goals were, and things of that nature and get a report I think would be important for us.

General Counsel: Absolutely, I'll do that.

Chairman: Any other comments or anything further for Noelle? Thank you. Staff reports, Mr. Steiner?

CFO/Comptroller: Good morning Mr. Chairman, Commission Members. I do have a brief update on our traffic and revenue for the first two months of the year. This first chart shows the monthly passenger car miles traveled on the Ohio Turnpike over the past two years. Miles traveled by passenger cars during the last 12 months have generally been below the levels reached the prior 12 months and while miles traveled this February exceeded last year's total by 4.8% all but 1/10 of one percent of this increase is attributable to February 29th. Commercial traffic in the last 12 months has followed a similar pattern. Miles traveled in February increased by 2.2% compared to last year, however excluding February 29th, miles traveled actually fell 1.6% below the level reached in February 2007.

This chart shows the year to date miles traveled through February during each year this decade. Passenger car traffic has been declining the past three years and excluding February 29th, passenger cars miles traveled in the first two months of this year were 1.6% below last year's total and lower than the corresponding totals from every year since 2001. Commercial traffic has been more stable the past three years, however, excluding February 29th, the commercial vehicle miles traveled in the first two months of this year were 1.1% below last year's total.

This chart shows year to date toll revenues through the month of February during each year this decade and our toll revenues during the first two months of this year were 8/10

of a percent higher than the amount from last year. However, without the revenue from February 29th the year to date toll revenue would have been 1.2% below last year's total.

And this final chart shows our total year to date revenues from all sources for each year this decade and with the benefit of the extra day this year, our total revenues as of the end of February were \$215,000.00 or 7/10 of a percent above those of the first two months of 2007. Without the toll revenues from February 29 our total year to date revenues would have been 1% below the amount from the first two months of last year. Even including the toll revenues from February 29th, our year to date revenues this year were only 4.2% higher than they were in the first two months of calendar year 2000, while the Consumer Price Index has increased by more than 25% over this time period. That completes my report.

Chairman: Can you arrange any additional days in any other months this year?

CFO/Comptroller: I'll look into that Mr. Chairman.

Chairman: Anybody have any questions? Thank you. Financial Advisor, Mr. Erickson?

Financial Advisor: No report today Mr. Chairman.

Chairman: Huntington, Mr. Lamb?

Trustee: No report Mr. Chairman.

Chairman: General Consultant?

General Consultant: No report Mr. Chairman.

Chairman: Ohio State Highway Patrol?

Captain Hannay: No report Mr. Chairman.

Chairman: Thank you Captain. If there is no further business we will accept a motion to adjourn until our next meeting which is going to be held on May 12th if that works with everyone's schedule. The normal day would be the 17th, this is a week earlier because we are not holding a meeting in April. The meeting will be May 12th at 10:00 a.m. It's considered a Special Meeting because it does not fall on the third Monday of the month and no April meeting. May I have a motion to adjourn?

Mr. Dixon: So moved.

Chairman: Second?

Mr. Regula: Second.

Chairman: Call the roll.

Assistant Secretary-Treasurer: Ms. Teeuwen

Ms. Teeuwen: Yes

Assistant Secretary-Treasurer: Mr. Kidston

Mr. Kidston: Yes

Assistant Secretary-Treasurer: Mr. Dixon

Mr. Dixon: Yes

Assistant Secretary-Treasurer: Mr. Regula

Mr. Regula: Yes

Assistant Secretary-Treasurer: Mr. Balog

Mr. Balog: Yes

Assistant Secretary-Treasurer: Five yeas and the meeting is adjourned.

Time of adjournment is 11:27 a.m.

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

George F. Dixon, Secretary-Treasurer