

OHIO TURNPIKE AND INFRASTRUCTURE COMMISSION

Resolution Authorizing the Executive Director to Issue Public Notice and Hold Public Hearings Regarding a Proposal to Revise the Ohio Turnpike and Infrastructure Commission's Schedules of Tolls

WHEREAS, the Ohio Turnpike and Infrastructure Commission ("Commission") authorized the current Schedule of Tolls under Resolution 43-2013, which contained a series of ten toll rate increases, the last of which takes effect on January 1, 2023; and

WHEREAS, the Commission, as part of the Strategic Plan adopted under Resolution 57-2017, is in the process of implementing a modernized Toll Collection System that will incorporate updated forms of tolling, including but not limited to video tolls, barrier tolls, and an additional class of vehicles; and

WHEREAS, the current Schedule of Tolls does not contain a mechanism for the assessment and collection of video tolls, barrier tolls, and an additional class of vehicles, and

WHEREAS, the Commission requires a Schedule of Tolls that incorporates rates for those updated forms of tolling upon the successful implementation of the new Toll Collection System which is anticipated in 2023; and

WHEREAS, the Commission's Chief Engineer has evaluated the integrity of the bridge structures that compose the Ohio Turnpike; and

WHEREAS, to ensure the continued high quality of its bridge infrastructure, the Commission must financially plan to maintain same; and

WHEREAS, the Commission is authorized by the provisions of Ohio Revised Code Sections 5537.04 and 5537.13 to establish the schedule of toll rates, and Section 4.04(a) of the Master Trust Agreement dated as of February 15, 1994, as supplemented by Eighteen supplemental agreements (collectively, the Master Trust Agreement), allows the Commission to increase tolls from time to time as necessary to cover the cost of the operation, maintenance and administration of the Turnpike Project, and also to meet the required amount of System Pledged Revenues; and

WHEREAS, the Commission is anticipated to go live with the new Toll Collection System during the course of 2023, and therefore the Commission will need new toll rate schedules to account for the addition and removal of various toll plazas and to account for video tolls, barrier tolls, and an additional class of vehicles; and

WHEREAS, to adequately plan for the maintenance of its bridges and other infrastructure, the Executive Director, Chief Financial Officer, and Chief Engineer have determined that toll rate increases are needed to pay for projected increases in operating costs, debt service, and capital improvement costs over the next five years; and

WHEREAS, to meet these operating costs, debt service, and capital improvement costs, the Executive Director and Chief Financial Officer have concluded that, on January 1, 2024, and on January 1, 2025, a toll rate increase of 7.7% per year, and thereafter a toll rate increase of 2.7% per year through 2028, would provide stable predetermined toll rates from which traffic and revenue forecasts and financial projections could be generated; and

WHEREAS, the 2.7% per year toll rate increases are meant to approximate the historical rate of inflation, and to estimate the future rate of inflation and may be higher than or lower than the actual rate of inflation; and

WHEREAS, the 7.7% per year toll rate increases for the years of 2024 and 2025 only are meant to estimate the future rate of inflation as described above, plus an additional 5% for each of those years for additional amounts estimated to properly maintain the Commission's bridges and other infrastructure; and

WHEREAS, with approval of this resolution, in accordance with the provisions of Ohio Revised Code Section 5537.26, notice will be issued to the Governor and respective leaders of the

General Assembly explaining the justification for the toll rate increases, and public notice will be issued and a series of public hearings will be conducted in at least three geographically diverse locations along the Turnpike during a ninety-day period prior to the Commission taking any action to change the toll rate structure; and

WHEREAS, the Commission has duly considered all of these recommendations.

NOW, THEREFORE, BE IT

RESOLVED, that, in accordance with Ohio Revised Code Section 5537.26, the Commission hereby authorizes the Chairman and the Executive Director or his designee to issue the required notice to the Governor and respective leaders of the General Assembly explaining the justification for the toll rate increases, and to issue public notice and conduct the required public hearings regarding the proposed revised schedules of toll rates as outlined in the attached exhibit; and

FURTHER RESOLVED, that the Executive Director shall prepare a report to the Commission after issuing public notice and holding the public hearings in at least three geographically diverse locations along the Turnpike; and

FURTHER RESOLVED, that, if the cumulative increase in the toll rates is less than the cumulative rate of inflation, and the Commission's operating and capital costs are increasing more than projected, the Chief Financial Officer and the Executive Director are instructed to determine whether a change in the toll rate schedule is required so that the Commission will have sufficient funds to pay operating, debt service and capital costs in accordance with the requirements of Sections 4.04(a) and 5.09(a) of the Master Trust Agreement; and

FURTHER RESOLVED, that the Executive Director of the Ohio Turnpike and Infrastructure Commission will provide a certified copy of this resolution to the Huntington National Bank, as Trustee for the Bondholders, and to the Commission's appointed bond counsel.

(Resolution No. 90-2022 adopted December 19, 2022)