

OHIO TURNPIKE AND INFRASTRUCTURE COMMISSION

Resolution Authorizing the Executive Director to Implement the Ohio Turnpike and Infrastructure Commission's New 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 its Master Trust Agreement dated February 15, 1994, as amended and fully restated under the Eighteenth Supplemental Trust Agreement dated as of April 8, 2013 (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 System Pledged Revenues; 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, toll rate increases of 7.7% per year, and thereafter toll rate increases 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 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, pursuant to Resolution No. 90-2022, adopted December 19, 2022, in accordance with Ohio Revised Code Section 5537.26, the Commission issued the required notice to the Governor and respective leaders of the General Assembly explaining the justification for the toll rate increases, and issued public notices and conducted the required public hearings regarding the proposed revised schedule of toll rates; and

WHEREAS, all requirements of Ohio Revised Code Section 5537.26 have been met, and the Executive Director has issued a written report to the Commission that summarizes the public comments received regarding the proposed Schedules of Tolls, including the comments submitted during the three public hearings that were conducted prior to any final action by the Commission in accordance with the requirements of Ohio Revised Code Section 5537.26; and

WHEREAS, the Commission has duly considered all of the public comments received.

NOW, THEREFORE, BE IT

RESOLVED, with all requirements of Ohio Revised Code Section 5537.26 having been met, the Commission hereby adopts the revised Schedules of Tolls attached hereto, and the Executive Director is authorized to implement the revised toll rates on the effective date indicated on each Schedule of Tolls; and

FURTHER RESOLVED, that when the Commission goes live with the new Toll Collection System, the new toll system rate schedules for either 2023 or 2024 attached hereto will become effective 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

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, in accordance with Section 4.04(f) of the Master Trust Agreement, 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. 40-2023 adopted April 17, 2023)