

**MINUTES OF THE REGULAR MEETING OF THE OKLAHOMA TURNPIKE AUTHORITY,
HELD AUGUST 16, 2006 AT THE NEAL A. MCCALED TRANSPORTATION BUILDING,
3500 MARTIN LUTHER KING AVENUE, OKLAHOMA CITY, OKLAHOMA.**

NOTICE of the schedule of regular meetings of the Oklahoma Turnpike Authority for the calendar year 2006 having been given in writing to the Oklahoma Secretary of State, and public notice and agenda having been posted in prominent public view at the principal office of the Oklahoma Turnpike Authority, Neal A. McCaleb Transportation Building at 3500 Martin Luther King Avenue, Oklahoma City, Oklahoma, twenty-four (24) hours prior to this meeting, excluding Saturdays, Sundays and legal holidays, all in compliance with the Oklahoma Open Meeting Act.

CALL TO ORDER: Chairman Doug Riebel called the meeting to order at 11:30 a.m.

ROLL CALL: PRESENT: Mr. Doug Riebel
 Mr. Clark Brewster
 Mr. Hal Ellis
 Mr. Ken Fergeson

 ABSENT: Mr. Mike Leonard
 Mr. Greg Massey

INTRODUCTION OF GUESTS:

Ms. Jenny Johnson introduced the following guests: Marc Long, Tetra Tech, Oklahoma City; and Chris Tharp, C-P Integrated Services, Broken Arrow.

APPROVAL OF MINUTES:

Chairman Doug Riebel called for approval of the minutes of the Special Authority Meeting of June 26, 2006.

It was moved by Mr. Ken Fergeson and seconded by Mr. Hal Ellis that the minutes be approved as presented.

The motion carried by the following vote:
YES: Brewster, Ellis, Fergeson, and Riebel

EMPLOYEE RECOGNITION AND OTHER AWARDS:

Mr. David Machamer recognized Ms. Clistie Gilreath, Toll Collector at the Coweta Plaza on the Muskogee Turnpike, to receive the Division Customer Service Award for the month. Ms. Gilreath has been employed with the OTA for three years and eight months. Ms. Gilreath has received commendations from customers and received the Outstanding Attendance Award in 2005.

Mr. David Murdock recognized Mr. Darel Armstrong, Transportation Equipment Operator II on the Muskogee Turnpike, as the Maintenance Division Team Player of the month. Mr. Armstrong has been employed with the Authority for six years. Recently, with the prolonged leave due to illness by the Mechanic on the Muskogee Turnpike, Mr. Armstrong has stepped up and performed the duties of Mechanic.

Major Dennis Gann recognized Trooper Gary Longan as the Trooper of the Month. He is assigned to the Will Rogers Turnpike. From November 6, 2005 through April 6, 2006, the Will Rogers Turnpike experienced 19 separate incidents where vehicles were damaged by items thrown from bar ditches and overpasses. Trooper Longan participated in surveillance of the affected areas and after countless hours of investigation, seven suspects were identified. Through Trooper Longan's efforts, sufficient evidence was obtained to present charges against these suspects, clearing 13 of the 19 incidents. His continuing investigation has identified two additional suspects, which are awaiting interrogation.

NEW BUSINESS:

FINANCE COMMITTEE ITEM(S)

TAB 1 9525. Consider, take action and vote for the approval or disapproval of the Payment Registers for the periods of June 1, 2006 to and including June 30, 2006, and July 1, 2006 to and including July 31, 2006.

Ms. Wendy Smith presented this item stating that staff recommended approval as presented.

It was moved by Mr. Hal Ellis and seconded by Mr. Clark Brewster that the Authority approve this item as presented.

The motion carried by the following vote:
YES: Brewster, Ellis, Fergeson, and Riebel

ENGINEERING AND CONSTRUCTION COMMITTEE ITEM(S)

Item **9526.** **CONSENT DOCKET** – Consider and vote for approval or disapproval of all or any portion of the Engineering and Construction Consent Docket as follows:

TAB 2 A. Change Order(s)/Supplemental Agreement(s):

	<u>Project No.</u>	<u>Contractor</u>	<u>Amount</u>	<u>Time</u>
1.	T-MC-90, S.A. #1 Pavement Rehab MP 179.00 – 200.00 Turner Turnpike	APAC – Oklahoma	\$17,899.20	0 Days

TAB 3 B. Final Estimate(s):

	<u>Project No.</u>	<u>Contractor</u>	<u>Final Contract Amount</u>	<u>Fund</u>
1.	IN-MC-29 Box Culverts at MP 65.00 Indian Nation Turnpike	Sherwood Construction	\$2,958,147.92	General

TAB 4 C. Contract Modification No. 1A Phase I to the Engineering Design Services Contract(s):

	<u>Project No.</u>	<u>Consultant</u>	<u>Amount</u>	<u>Fund</u>
1.	HEB-MC-33 Reconstruction of Toll Plaza at Walters H. E. Bailey Turnpike	Clour Engineering	\$25,451.00	General

TAB 5 D. Contract Modification No. 3 to Construction Observation and Testing Services Contract(s):

	<u>Project No.</u>	<u>Consultant</u>	<u>Amount</u>	<u>Fund</u>
1.	WR-MC-92 Toll Plaza Side Gates at Afton Will Rogers Turnpike	Per Spec Construction Observation	\$15,137.50	General

END OF ENGINEERING AND CONSTRUCTION CONSENT DOCKET

Mr. Eric Strong presented the Consent Docket and stated that it was reviewed by the Engineering and Construction Committee and staff recommended it for approval as presented.

It was moved by Mr. Ken Fergeson and seconded by Mr. Hal Ellis that the Authority approve the Engineering and Construction Consent Docket as presented.

The motion carried by the following vote:
YES: Brewster, Ellis, Fergeson, and Riebel

ENGINEERING AND CONSTRUCTION ITEM(S) REQUIRING SEPARATE VOTE:

TAB 6 9527. Consider, take action and vote for the approval or disapproval of the award of the following contract(s):

	<u>Project No.</u>	<u>Low Bidder</u>	<u>Total Bid</u>	<u>Fund</u>
1.	C-MC-13 Pavement Rehab M.P. 6.0 – 14.0 Cimarron Turnpike	Dobson Bros Construction Co.	\$13,211,574.55	R.M.
2.	CHT-MC-5 Pavement Rehab M.P. 17.0 – 33.0 Cherokee Turnpike	Diamond Surface, Inc.	\$4,388,080.50	R.M.
3.	SP-30 12 Small Toll Booths and 5 Large Toll Booths Various Turnpikes	Alpha Manufacturing	\$691,600.00	General

Mr. Eric Strong presented this item stating that it was reviewed by the Engineering and Construction Committee. He stated it included pavement rehabilitation projects on the Cimarron and Cherokee Turnpikes and a contract for toll booths that will be placed on the Will Rogers, H. E. Bailey, and Indian Nation Turnpikes. Mr. Strong stated that staff recommended approval of this item as presented and also recommended that the requirement for prequalification of bidders be waived for Project SP-30 as allowed in the specifications.

It was moved by Mr. Clark Brewster and seconded by Mr. Ken Fergeson that the Authority approve this item as presented.

The motion carried by the following vote:
YES: Brewster, Ellis, Fergeson, and Riebel

TAB 7 9528. Consider, take action and vote for the approval or disapproval of the award of the following Engineering Design Services Contract(s):

	<u>Project No.</u>	<u>Consultant</u>	<u>Service</u>	<u>Amount</u>	<u>Fund</u>
1.	C-MC-16 PCC Reconstruction M.P. 19.0A – 27.5A Cimarron Turnpike	Poe & Associates	Design Survey Geotech TOTAL	\$55,000.00 5,000.00 <u>49,000.00</u> \$109,000.00	R.M.

	<u>Project No.</u>	<u>Consultant</u>	<u>Service</u>	<u>Amount</u>	<u>Fund</u>
2.	T-MC-92 Bridge Rehab Bridge No. 68.2 at M.P. 203.65 Turner Turnpike	W2M	Design Survey Geotech Traffic Control TOTAL	\$133,500.00 30,000.00 2,500.00 <u>5,000.00</u> \$171,000.00	General

Mr. Eric Strong presented this item stating that it was reviewed by the Engineering and Construction Committee and staff recommended it for approval as presented.

It was moved by Mr. Hal Ellis and seconded by Mr. Clark Brewster that the Authority approve this item as presented.

The motion carried by the following vote:
YES: Brewster, Ellis, Ferguson, and Riebel

TAB 8 9529. Consider, take action and vote for the approval or disapproval of the extension of the following contract(s) – Maintenance Division:

	<u>Project No.</u>	<u>Contractor</u>	<u>Amount</u>	<u>Fund</u>
1.	JKT-MC-1 Total Maintenance Kilpatrick Turnpike	VMS, Inc.	\$316,250.00	Revenue
2.	CKT-MC-1 Total Maintenance Creek Turnpike	C-P Integrated Services	\$771,260.42	Revenue

Mr. Eric Strong presented this item stating that it was reviewed by the Engineering and Construction Committee and staff recommended it for approval as presented.

It was moved by Mr. Ken Fergeson and seconded by Mr. Hal Ellis that the Authority approve this item as presented.

The motion carried by the following vote:
YES: Brewster, Ellis, Fergeson, and Riebel

TAB 9 9530. Consider, take action and vote for the approval or disapproval of the award of the following contract(s) – Maintenance Division:

	<u>Project No.</u>	<u>Low Bidder</u>	<u>Total Bid</u>	<u>Fund</u>
1.	TU-F-06 Fence Replacement M.P. 149.0 – 167.0 Turner Turnpike	Kalka Construction	\$933,050.00	General

Mr. Eric Strong presented this item stating that it was reviewed by the Engineering and Construction Committee and staff recommended it for approval as presented.

It was moved by Mr. Ken Fergeson and seconded by Mr. Hal Ellis that the Authority approve this item as presented.

Mr. Brewster commented that he found the per foot cost on this particular fencing project to be high and he was disappointed that there was only one bidder on this project. He encouraged staff to make an effort to find additional bidders on future fence projects. He stated that he was not going to vote against the award, but he did have some concerns about the price and the fact that there was only one bidder.

The motion carried by the following vote:
YES: Brewster, Ellis, Fergeson, and Riebel

REPORTS:

Item #1. Operating Results

Ms. Wendy Smith stated that the Operations Report had been distributed by the Controller's Division for the month of July 2006. She stated that year-to-date we were still slightly above budgeted projections on net toll revenues and quite a bit below on operating expenses. She also stated that net revenues as of July 31 were 5.3% above budgeted projections.

Item #2. Trustee Report

Mr. Mark McCoy, Bank of Oklahoma, reported that the trustee had reviewed the terms and covenants of the Trust Agreement and the Oklahoma Turnpike Trust Fund Accounts. The Authority was in continued compliance with the Trust Agreement for the month of July 2006. He noted that on July 1, they completed scheduled interest payments for the Authority on outstanding debt totaling approximately \$31 million. There were no exceptions to report.

Item #3. Consulting Engineer Report

Mr. Jimmy Sparks of The Benham Companies presented the Consulting Engineer Report for the month of July 2006. Concerning the Trust Requirements, they had submitted the Annual Inspection Report for review by OTA staff and made recommendations for the 5-Year Capital Plan projects. The final report will go out on October 1. Benham has also assessed collision damage on Bridge 61.47 on the Will Rogers Turnpike and is in the process of generating emergency repair plans.

Concerning the Capital Projects Summary for the 2005-2006 projects, Mr. Sparks stated that there was approximately \$135 million budgeted and over \$110 million had been awarded to date on those projects.

Item #4. Highway Patrol Report

Mr. Riebel welcomed Major Dennis Gann to the OTA staff and to his first official Authority Meeting. Major Dennis Gann presented the OHP Report for the month of July 2006. Troopers made 10,485 violator contacts, assisted 1,104 motorists, and investigated 97 motor vehicle collisions with five fatalities reported. One fatality occurred on the Indian Nation Turnpike; the Will Rogers Turnpike reported a double fatality; and the Creek and Turner Turnpikes reported one fatality each.

He stated that Special Emphasis troopers worked 78 shifts on the Turner and Will Rogers Turnpikes and made 1,193 violator contacts. Turnpike aircraft flew a total of 106 hours during the month of July with 236 enforcement contacts.

In addition, troopers dedicated 550 hours toward toll enforcement, which resulted in 130 citations, 701 warnings, confiscation of 17 PIKEPASSes, and 66 toll violation letters issued. He reported that the size and weights troopers worked 300 hours on the system with 13 arrests, 17 warnings, 109 inspections, and placement of 30 commercial vehicles out of service.

Major Gann stated that Troopers confiscated drugs with an estimated street value of \$972,879 and took \$831,279 of illegal drug money off the system in the month of July.

Item #5. Director's Report

Mr. Tomlinson gave an update on the bond refinance. He stated that we were trying to refinance some \$700 million dollars worth of our previous bond debt while the market was favorable. That process has been substantially completed and the closings for those transactions are set for next week in New York. He stated that the refinance was successful due to a combination of good effort by the staff and the financial consultant and good luck with the timing of the market. Mr. Tomlinson particularly acknowledged Ms. Wendy Smith and Mr. Mike Newman, First Southwest. He asked Ms. Smith to give a brief update on the transaction.

Ms. Wendy Smith stated that on August 7-8, 2006 we sold \$104 million in fixed rate bonds. We did a retail order period that allowed residents of Oklahoma to be first come first serve, and we virtually sold all of the fixed rate bonds in the State of Oklahoma, mostly because they are triple tax exempt. She also stated that on July 28, 2006 OTA entered into a SWAP transaction that was designed to hedge \$530 million in variable rate debt. Those variable rate bonds will be sold next week. Also, due to that SWAP transaction and the good rates that we received on the fixed rate retail order, OTA expects to net about \$40 million in net present value savings because of reduction in our annual debt service over the life of the bonds.

Mr. Tomlinson had nothing further to report.

ADJOURNMENT:

The meeting adjourned at 11:45 a.m. until September 20, 2006 at 11:30 a.m. at the Oklahoma Turnpike Authority, Neal A. McCaleb Building, at 3500 Martin Luther King Avenue, Oklahoma City, Oklahoma.

ATTEST:

Greg Massey
Secretary/Treasurer

Doug Riebel
Chairman