



**Record of Meeting | April 20, 2016**

The Illinois State Toll Highway Authority (the “Tollway”) held the regularly scheduled Finance, Administration and Operations Committee Meeting on Wednesday, April 20, 2016 in the Boardroom of Tollway Headquarters in Downers Grove, Illinois. The Meeting was held pursuant to By-Laws of the Tollway upon call and notice of the Meeting executed by Chairman Robert J. Schillerstrom and posted in accordance with the requirements of the Illinois *Open Meetings Act*. The Meeting was open to the public.

*[Bolded entries indicate issues which may require follow-up to present or report to Directors.]*

**Call to Order / Pledge of Allegiance / Roll Call**

Committee Chair Joe Gomez called the Meeting to order at approximately 9:35 a.m., stating that this is the regularly scheduled meeting of the Finance, Administration and Operations Committee (“FAO Committee”) of the Tollway Board of Directors. He invited attendees to rise and join in the Pledge of Allegiance. He then asked attendees to observe a moment of silence in honor of Vicente Santoyo, who was tragically killed on April 4th in an accident at a Jane Addams Memorial Tollway (I-90) construction site. Committee Chair Gomez asked the Board Secretary to call the roll, those Directors present and absent being as follows:

Committee Members Present:
Committee Chair Joe Gomez
Director Corey Brooks
Director Earl Dotson, Jr.
Director David Gonzalez ( <i>entered at 9:38 a.m.</i> )
Director Nick Sauer

Committee Members Not Present:
None

The Board Secretary declared a quorum present.

**Public Comment**

Committee Chair Gomez opened the floor for public comment. No public comment was offered.

**Committee Chair’s Items**



Committee Chair Gomez called for a motion to approve the Minutes of the regular Finance, Administration and Operations Committee meeting held on March 16, 2016, as presented. Director Sauer made a motion for approval; seconded by Director Dotson. Committee Chair Gomez then called for a vote. The motion PASSED by unanimous vote of those Directors present; Director Gonzalez having not yet entered.

After noting that Executive Director Bedalov is attending to other Tollway matters, Committee Chair Gomez called on Mike Stone, Chief of Staff, to report to the Committee on behalf of the Executive Director.

### Executive Director's Items

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Mr. Stone announced he has no items to report.

### Items for Consideration

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#### Procurement

Committee Chair Gomez called on John Donato, Chief of Procurement, to present to the Committee the following Procurement items:

*Item 1: Award of Contract 15-0055 to CalAmp Wireless Networks Corporation for the purchase of an Automated Vehicle Locating System in an amount not to exceed \$1,631,059.00 (Tollway Request for Proposals).*

*[Director Gonzalez entered the Meeting at approximately 9:38 a.m.]*

Director Sauer inquired about the vendor's capacity to provide the needed automated vehicle locating system. Mr. Donato expressed confidence in the vendor's capacity, highlighting that CalAmp Wireless Networks Corporation is a leading company in the wireless communications solutions marketplace.

Committee Chair Gomez called for a motion to approve placement of **Procurement Item 1** on the April Board of Directors meeting agenda with the Committee's recommendation for approval by the Board. Director Sauer made a motion for approval; seconded by Director Dotson. Committee Chair Gomez asked if there are any questions, concerns or requests for discussion. Hearing nothing, Committee Chair Gomez called for a vote. The motion PASSED unanimously.

*Item 2: Award of Contract 15-0178 to National Tek Services, Inc. for the purchase of Red Hat JBoss Software Maintenance and Support in an amount not to exceed \$702,180.00 (Tollway Invitation for Bids).*



Item 3: Award of Contract 14-0095 to Rahn Equipment Co.; Atlas Bobcat LLC; McCann Industries, Inc.; and Martin Implement Sales, Inc. for the purchase of Off-Road Equipment in an aggregate amount not to exceed \$171,199.35 (Tollway Invitation for Bids).

Item 4: Award of Contract 14-0085 to McCann Industries, Inc. for the purchase of Tow-Behind Air Compressors in an amount not to exceed \$96,995.00 (Tollway Invitation for Bids).

Item 5: Award of Contract 15-0154R to Mandel Metals, Inc. (d.b.a. U.S. Standard Sign) for the purchase of Aluminum Sign Blanks in an amount not to exceed \$89,158.00 (Tollway Invitation for Bids).

Item 6: Award of Contract 15-0159 to En Pointe Technologies Sales, LLC for the purchase of Check Point Endpoint Media Encryption Software Licenses, Maintenance, and Support in an amount not to exceed \$60,638.50 (Tollway Invitation for Bids).

Item 7: Renewal of Contract 12-0254R to Cicero Mfg. & Supply Company, Inc. for the purchase of Industrial Supplies in an amount not to exceed \$100,000.00 (Tollway Invitation for Bids).

Item 8: Award of Contract 16-0017 to AssetWorks LLC for the purchase of Fuel Management System Parts, Maintenance, Upgrades, and Training in an amount not to exceed \$122,000.00 (Tollway Sole Source).

Upon conclusion of the presentation of items by Mr. Donato, Committee Chair Gomez called for a motion to consolidate for consideration and action Procurement Items 2 through 7, each a Tollway invitation for bid. Director Sauer made a motion to consolidate; seconded by Director Dotson. Committee Chair Gomez then called for a vote. The motion PASSED unanimously.

The motion to consolidate these items having carried, Committee Chair Gomez called for a motion to approve placement of **Procurement Items 2 through 7** on the April Board of Directors meeting agenda with the Committee's recommendation for approval by the Board. Director Dotson made a motion for approval; seconded by Director Brooks. Committee Chair Gomez asked if there are any questions, concerns or requests for discussion. Hearing nothing, Committee Chair Gomez then called for a vote. The motion PASSED unanimously.

Committee Chair Gomez then called for a motion to approve placement of **Procurement Item 8**, a Tollway sole source procurement, on the April Board of Directors meeting agenda with the Committee's recommendation for approval by the Board. Director Sauer made a motion for approval; seconded by Director Dotson. Committee Chair Gomez asked if there are any questions, concerns or requests for discussion. Hearing nothing, Committee Chair Gomez called for a vote. The motion PASSED unanimously.



## Engineering

Committee Chair Gomez called on Paul Kovacs, Chief Engineer, to present to the Committee the following Engineering items:

*Item 1: Award of Contract RR-15-4247 to Lorig Construction Company for Structural Repair and Preservation on the Reagan Memorial Tollway (I-88) from Milepost 116.8 (IL 31) to Milepost 134.3 (Highland Avenue) and Veterans Memorial Tollway (I-355) from Milepost 7.3 (Archer Avenue) to Milepost 22.0 (I-88) in the amount of \$1,310,004.20.*

Committee Chair Gomez asked Mr. Kovacs to further explain his comment made during presentation of the item that “the vendor has agreed to exceed the Tollway’s disadvantaged business enterprise (“DBE”) goal.” Mr. Kovacs responded that the Diversity Department establishes specific contract goals for participation of disadvantaged, minority- and women-owned business enterprise (D/M/WBE) certified firms on both construction and professional services contracts. He further explained that the vendor selected for award has committed in its submitted DBE plan to a level of participation by DBEs (21.1 percent) which exceeds the DBE goal established by the Tollway (17.0 percent).

Director Brooks inquired about the variance between the Engineer’s Estimate and the amount proposed for award. Mr. Kovacs replied that it is his belief that the responsive low bid incorporated some aggressive pricing as a consequence of increased bid competition. Mr. Kovacs further explained that the Engineer’s Estimates, used as a programming tool to guide budget compliance, are initially developed before having detailed specifications and are then refined during the contract development process with an aim at corresponding to the average bid submitted and not necessarily the responsive low bid selected. He reported that of 229 construction contracts executed for the Jane Addams Memorial Tollway (I-90) Project, the Engineer’s Estimate has varied an average of 2.3 percent from the average bid submitted. Mr. Kovacs noted that the Program Management Office (PMO) additionally develops an estimate, which on the project has varied an average of 1.3 percent from the average bid submitted, providing the Tollway with supplemental guidance during the planning processes.

Director Brooks asked how potential cost overruns are contemplated in the budgeting process. Mr. Kovacs responded that based on historical performance, a 5 percent allowance (on top of the contracted amount) is budgeted for unforeseen conditions and unexpected costs incurred in excess of awarded amounts.

*Item 2: Award of Contract RR-16-4262 to John Burns Construction Company for Salt Barn Replacement on the Jane Addams Memorial Tollway (I-90) at Maintenance Yard M-6 (Marengo) at Milepost 42.5 (US 20) and Salt Dome Repairs on the Tri-State Tollway (I-294) at Maintenance Yard M-4 (Gurnee) at Milepost 8.4 (Grand Avenue); on the Reagan Memorial Tollway (I-88) at*



*Maintenance Yard M-8 (Naperville) at Milepost 127.6 (Naperville Road); and on the Jane Addams Memorial Tollway (I-90) at Maintenance Yard M-5 (Arlington Heights) at Milepost 68.2 (I-290/IL 53) in the amount of \$2,485,000.00.*

Director Sauer asked the average life span of the salt barns and whether new construction materials have been considered. Mr. Kovacs responded that the salt barn proposed for replacement is 34 years old. He further responded that a designer has been engaged to assist with the design and development of the Tollway's maintenance facilities, including evaluating new structures and materials.

Committee Chair Gomez asked whether longer life roofing materials are being explored. **Mr. Kovacs responded that he will compile information on the life span of materials used and considered, including those used during the recent replacement of the M-1 Maintenance Facility, and provide this information for Directors post-meeting.** He noted that an additional consideration of roofing material selection is its capability to permit the cost effective expansion of a structure's size.

*Item 3: Award of Contract RR-16-4259 to Kee Construction, LLC for Maintenance Facility M-2 (Hillside) Pavement Rehabilitation on the Tri-State Tollway (I-294) at Milepost 29.8 (Cermak Road) in the amount of \$1,324,301.88.*

*Item 4: Continuation of Services on Contract I-11-4014 with CH2M Hill, Inc. for Contract Renewal for Design Corridor Management Services and Design Section Engineering Services, on the Elgin O'Hare Western Access (EOWA), in the amount of \$33,000,000.00 from \$70,840,422.00 to \$103,840,422.00.*

*Item 5: Acceptance of Proposal from Wight & Company / R & G Engineering, LLC (JV) on Contract I-12-4081 for Supplemental Construction Management for Construction Management Services Upon Request, on the Elgin O'Hare Western Access (EOWA), in the amount of \$118,884.60 from \$5,000,000.00 to \$5,118,884.60.*

Committee Chair Gomez inquired about the timeliness of payments by primes being made to their subcontractors. Gustavo Giraldo, Chief of Diversity and Strategic Development, responded that the agency receives few complaints from subcontractors and subconsultants regarding payment by primes. Mr. Kovacs responded that the agency's disbursement cycle for professional services contracts averages approximately 40-45 days, contending that the agency's turnaround time compares favorably to payment processing times nationally.

*Item 6: Acceptance of Proposal from HR Green, Inc. on Contract I-13-4105 for Supplemental Construction Management for Bridge Reconstruction, on the Jane Addams Memorial Tollway (I-90) at Milepost 61.3 (Higgins Road) and Milepost 62.2 (Barrington Road), in the amount of \$1,133,651.12 from \$6,105,035.04 to \$7,238,686.16.*



Director Sauer, commenting on the sizable award amount, asked for further clarification of the scope and purpose of the supplemental construction management services. Mr. Kovacs responded that the supplement would provide for additional staffing hours to allow the construction manager to provide the necessary inspections, documentation, and final close out of two separate construction contracts, each having had 12 month extended durations due to delays caused by utility relocations, right-of-way acquisitions and resequencing of work.

*Item 7: Change Order / Extra Work Order on Contract I-14-4209 to Walsh Construction Company II, LLC / K-Five Construction Corporation (JV) for Outside Roadway and Bridge Reconstruction and Widening on the Jane Addams Memorial Tollway (I-90) from Milepost 70.7 (Arlington Heights Road) to Milepost 73.3 (Oakton Street), in the amount of \$437,742.74.*

*Item 8: Change Order / Extra Work Order on Contract I-15-4231 to Lorig Construction Company for Eastbound Roadway and Bridge Reconstruction and Widening on the Jane Addams Memorial Tollway (I-90) from Milepost 53.7 (Elgin Plaza) to Milepost 55.4 (Fox River), in the amount of \$240,148.85.*

*Item 9: Change Order / Extra Work Order on Contract I-14-4644 to Plote Construction, Inc. / Dunnet Bay Construction Co. (JV) for Roadway and Bridge Construction on Illinois 390 from Milepost 15.3 (Lively Boulevard) to Milepost 16.6 (Thomas Drive), in the amount of \$295,496.46.*

*Item 10: Land Acquisition (Identification of Real Estate Parcels associated with the Elgin O'Hare Western Access Project). Cost to the Tollway: N/A.*

Mr. Kovacs requested that consideration of Engineering Item 10, related to land acquisition activities, be deferred until the Executive Session of the April Board of Directors meeting.

Upon conclusion of the presentation of items by Mr. Kovacs, Committee Chair Gomez called for a motion to consolidate for consideration and action Engineering Items 1, 2 and 3, each a construction contract. Director Sauer made a motion to consolidate; seconded by Director Dotson. Committee Chair Gomez then called for a vote. The motion PASSED unanimously.

The motion to consolidate these items having carried, Committee Chair Gomez called for a motion to approve placement of **Engineering Items 1, 2 and 3** on the April Board of Directors meeting agenda with the Committee's recommendation for approval by the Board. Director Dotson made a motion for approval; seconded by Director Sauer. Committee Chair Gomez asked if there are any questions, concerns or requests for discussion. Hearing nothing, Committee Chair Gomez called for a vote. The motion PASSED unanimously.



Committee Chair Gomez called for a motion to consolidate for consideration and action Engineering Items 4, 5 and 6, each a professional services contract. Director Sauer made a motion to consolidate; seconded by Director Dotson. Committee Chair Gomez then called for a vote. The motion PASSED unanimously.

The motion to consolidate these items having carried, Committee Chair Gomez called for a motion to approve placement of **Engineering Items 4, 5 and 6** on the April Board of Directors meeting agenda with the Committee's recommendation for approval by the Board. Director Dotson made a motion for approval; seconded by Director Brooks. Committee Chair Gomez asked if there are any questions, concerns or requests for discussion. Hearing nothing, Committee Chair Gomez called for a vote. The motion PASSED unanimously.

Committee Chair Gomez called for a motion to consolidate for consideration and action Engineering Items 7, 8 and 9, each of which is a change order / extra work order. Director Dotson made a motion to consolidate; seconded by Director Gonzalez. Committee Chair Gomez then called for a vote. The motion PASSED unanimously.

The motion to consolidate these items having carried, Committee Chair Gomez called for a motion to approve placement of **Engineering Items 7, 8 and 9** on the April Board of Directors meeting agenda with the Committee's recommendation for approval by the Board. Director Sauer made a motion for approval; seconded by Director Dotson. Committee Chair Gomez asked if there are any questions, concerns or requests for discussion. Hearing nothing, Committee Chair Gomez called for a vote. The motion PASSED unanimously.

Committee Chair Gomez stated that consideration of **Engineering Item 10** will be deferred until the Executive Session of the April Board of Directors meeting.

## Legal

Committee Chair Gomez called on David Goldberg, General Counsel, to present to the Committee the following Legal items:

*Item 1: Approving an Intergovernmental Agreement with the City of Aurora and the Aurora Township Highway Department regarding Improvements to the Farnsworth Avenue Bridge over I-88. Cost to the Tollway: \$0.*

*Item 2: Approving an Intergovernmental Agreement with the Illinois Department of Transportation for the Construction and Maintenance of a Cumberland Flyover Bridge leading from I-90 to Southbound Cumberland Avenue. Cost to the Tollway: Not available.*



During presentation of the item, Mr. Goldberg advised that the contract for the new Cumberland Avenue flyover ramp being constructed by the Illinois Department of Transportation (“IDOT”), and for which the Tollway is to reimburse IDOT, is expected to be let in July. He clarified that should the responsive low bid selected vary substantially from the current estimated cost of \$16 million, the item would be then re-presented for the Committee’s consideration. Mr. Goldberg noted that reimbursement by the Tollway would not take the form of a direct payment to IDOT; rather, the amount due would be deducted from an outstanding construction balance currently owed the Tollway by IDOT.

*Item 3: Approving an Intergovernmental Agreement with the County of DuPage and the City of Wood Dale regarding Improvements to Wood Dale Road Bridge over IL Route-390. Cost to the Tollway: \$0.*

*Item 4: Approving an Intergovernmental Agreement with the Village of Roselle regarding I-390 Improvements to Landscaping at Lake Street (U.S. Route 20) to Rohlwing Road (Illinois Route 53) in Roselle. Cost to the Tollway: \$0.*

*Item 5: Approving an Intergovernmental Agreement with Spring Township and the Spring Township Road District regarding removal and reconstruction of the Spring Center Road Bridge over I-90. Cost to the Tollway: \$0.*

*Item 6: Authorization to Enter a Worker’s Compensation Settlement – Scott Soldwisch. Cost to the Tollway: As discussed in Executive Session.*

Mr. Goldberg requested that consideration of Legal Item 6 be deferred until the Executive Session of the April Board of Directors meeting.

Upon conclusion of the presentation of items by Mr. Goldberg, Committee Chair Gomez called for a motion to consolidate for consideration and action Legal Items 1 through 5, each an intergovernmental agreement. Director Sauer made a motion to consolidate; seconded by Director Dotson. Committee Chair Gomez then called for a vote. The motion PASSED unanimously.

The motion to consolidate these items having carried, Committee Chair Gomez then called for a motion to approve placement of **Legal Items 1 through 5** on the April Board of Directors meeting agenda with the Committee’s recommendation for approval by the Board. Director Sauer made a motion for approval; seconded by Director Dotson. Committee Chair Gomez asked if there are any questions, concerns or requests for discussion. Hearing nothing, Committee Chair Gomez called for a vote. The motion PASSED unanimously.





Committee Chair Gomez stated that consideration of **Legal Item 6** will be deferred until the Executive Session of the April Board of Directors meeting.

### Adjournment

There being no further business before the Committee, Committee Chair Gomez requested a motion to adjourn. Motion to adjourn was made by Director Sauer; seconded by Director Dotson. Committee Chair Gomez then called for a vote. The motion PASSED unanimously.

The Meeting was adjourned at approximately 10:24 a.m.

Minutes taken by: \_\_\_\_\_

Christi Regnery  
Board Secretary  
Illinois State Toll Highway Authority