



Record of Meeting | September 14, 2016

The Illinois State Toll Highway Authority (the “Tollway”) held the regularly scheduled Finance, Administration and Operations Committee Meeting on Wednesday, September 14, 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 9:33 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. Committee Chair Gomez then 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 Neli Vazquez Rowland

Committee Members Not Present:
Director David Gonzalez

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 **Committee Chair’s Item 1**, the Minutes of the regular Finance, Administration and Operations Committee meeting held on August 19, 2016, as presented. Director Dotson made a motion for approval; seconded by Director Vasquez Rowland. Committee Chair Gomez asked if there are any questions, concerns or requests for



amendment. Hearing nothing, Committee Chair Gomez called for a vote. The motion PASSED unanimously.

Committee Chair Gomez called for a motion to approve **Committee Chair's Item 2**, the Minutes of the Executive Session of the FAO Committee meeting held on August 19, 2016, as presented. Director Dotson made a motion for approval; seconded by Director Brooks. Committee Chair Gomez asked if there are any questions, concerns or requests for amendment. Hearing nothing, Committee Chair Gomez called for a vote. The motion PASSED unanimously.

Having no further items, Committee Chair Gomez called on Executive Director Greg Bedalov.

Executive Director's Items

Executive Director Bedalov indicated he had no items to report.

Items for Consideration

Procurement

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

Item 1: Renewal of Contract 15-0076 to Cargill Salt Div. and Compass Minerals America, Inc. for the purchase of Bulk Rock Salt in an aggregate amount not to exceed \$2,737,641.00 (Order Against CMS Master Contract).

Committee Chair Gomez inquired about the status of the Tollway's rock salt inventories. Paul Kovacs, Chief Engineer, responded that agency planning calls for the stockpile of approximately 80,000 tons of rock salt in preparation for the winter season, of which approximately 54,000 tons is currently on hand.

Committee Chair Gomez asked whether staff anticipates a need for additional quantities of rock salt during the course of the winter season. Mr. Donato responded that the planned quantities are expected to be sufficient; however, the contract provides a procurement source (at the bid unit price) for up to 120 percent of the initially contracted quantity.

Item 2: Award of Contract 16-0070 to Thelen Materials, LLC for the purchase of Winter Roadway Abrasives in an amount not to exceed \$322,078.00 (Tollway Invitation for Bid).



Committee Chair Gomez inquired about the utilization of road abrasives. Mr. Donato explained that road abrasives are applied to break up packed snow and ice and provide road traction, particularly in frigid weather (below 15 degrees Fahrenheit) when rock salt is not as effective.

Committee Chair Gomez called for a motion to approve placement of **Procurement Item 1** on the September Board of Directors meeting agenda with the Committee's recommendation for approval by the Board. Director Vazquez Rowland 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 approve placement of **Procurement Item 2** on the September 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.

Business Systems

Committee Chair Gomez called on Shana Whitehead, Chief of Business Systems, to present to the Committee the following Business Systems item:

Item 1: Award of Contract 16-0083 to Accenture LLP for the continued purchase of a Toll Transaction Management System in an amount not to exceed \$22,000,000.00 (Tollway Sole Source).

Director Dotson asked about the sole source procurement process in this circumstance. Ms. Whitehead outlined the demanding vendor evaluation process employed during procurement of the original competitively-bid contract, and the economic advantage to continuing purchase of these services from the vendor who authored the existing programming rather than starting from scratch. Mr. Donato explained that the agency must provide detailed documentation of the economic factors which support the selection of a vendor as the sole economically feasible source. He emphasized that all Tollway sole source contracts are subject to public hearing and undergo a rigorous review within the agency and by the Illinois Chief Procurement Office, pursuant to the Illinois Procurement Code.

Director Vazquez Rowland inquired about the diversity goals established for the contract. Mr. Donato responded that sole source procurements are not subject to Business Enterprise Program ("BEP") goal-setting requirements; however, the vendor selected for award has committed to 5.5



percent participation by certified BEP participants (businesses owned by minorities, women, and persons with disabilities).

After discussion with staff of the BEP goal-setting process, Director Vazquez Rowland and Committee Chair Gomez suggested it may be appropriate to established BEP goals for certain sole source contracts. **Mr. Donato concurred and indicated that staff will develop a protocol for Diversity Department review of sole source contracts for BEP goal-setting opportunities.**

Director Vazquez Rowland inquired about the term of the contract and whether provisions are included for potential extension. Ms. Whitehead responded that the subject contract has an 18 month term, after which renewal options for system maintenance provided under the original contract are still available to the agency.

Committee Chair Gomez called for a motion to approve placement of **Business Systems Item 1** on the September Board of Directors meeting agenda with the Committee's recommendation for approval by the Board. Director Brooks made a motion for approval; seconded by Director Dotson. Committee Chair Gomez asked if there are any further 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 I-16-4269 to John Burns Construction Company for Fiber Optic Relocation, Systemwide, in the amount of \$3,790,982.00.

During presentation of the item, Mr. Kovacs highlighted that the winning bid included applied credits which were earned through the Tollway's Earned Credit Program (ECP). He then provided an overview of the ECP, which incentivizes (through the issue by the Tollway of bid credits) contractors to sponsor into applicable unions, employ and retain eligible disenfranchised African- and Hispanic-Americans, women, ex-offenders and veterans on construction-related projects. He explained that the bid credits earned by contractors can be applied to future bids on Tollway Capital Program projects. Executive Director Bedalov spotlighted the effect the ECP has to promote the employment on Tollway projects of historically underemployed populations. Committee Chair Gomez commended the ECP and its benefit to underserved communities, and he encouraged agency efforts to promote and expand participation in the program.



Item 2: *Acceptance of Proposal from Gewalt Hamilton Associates, Inc. / Atlas Engineering Group Inc. (JV), on Contract I-14-4193 for Roselle Road Interchange, on the Jane Addams Memorial Tollway (I-90) at Milepost 65.5 (Roselle Road Interchange), in an amount not to exceed \$1,699,798.05.*

During presentation of the item, Mr. Kovacs clarified that the contract was ultimately negotiated for \$1,679,688.08, an amount below (by approximately \$20,110) that which was listed on the Meeting agenda.

Item 3: *Acceptance of Proposal from Robert E. Hamilton Consulting Engineers, Inc. on Contract I-13-4111 for Supplemental Construction Management for Document Compliance, Systemwide, in the amount of \$3,344,000.00 from \$3,360,000.00 to \$6,704,000.00.*

Item 4: *Change Order / Extra Work Order on Contract I-13-5675 to IHC Construction Companies, LLC for Noise and Retaining Wall Construction and Drainage Improvements on the Jane Addams Memorial Tollway (I-90) from Milepost 68.1 (I-290/IL Route 53) to Milepost 70.7 (Arlington Heights Road), in the amount of \$373,815.00.*

Committee Chair Gomez asked the scheduled completion date of the Jane Addams Memorial Tollway (I-90) Rebuilding and Widening Project. Mr. Kovacs responded that the 25-mile eastern segment of the project is anticipated to be completed by the end of the year.

Item 5: *Land Acquisition – Sale of Excess Property Parcel TW-1C-10-141.EX located on the easterly side of I-294 and south of 147th Street in Posen, Cook County. Cost to the Tollway: N/A.*

Committee Chair Gomez suggested that any gain realized by the Tollway from the sale of excess property be listed as part of the agenda item.

Item 6: *Land Acquisition – Sale of Excess Parcel NS-702-012.EX located north of Willow Drive, south of 127th Street and west of I-355 in Lemont, Cook County. Cost to the Tollway: N/A.*

During presentation of the item, Mr. Kovacs noted that the parcel number of the subject property was further clarified and should be correctly listed as NS-702-012.2EX.

Director Vazquez Rowland inquired about the accounting treatment of proceeds from the sale of excess property. Mike Colsch, Chief of Finance, responded that the proceeds are applied to the Tollway's general revenue fund.

Upon conclusion of the presentation of items, Committee Chair Gomez called for a motion to consolidate for consideration and action Engineering Items 1 through 6. Director Brooks made a



motion to consolidate; seconded by Director Vazquez Rowland. 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 through 6** on the September 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.

Legal

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

Item 1: Approval of an Intergovernmental Agreement with the Illinois Department of Transportation and the Village of Posen regarding I-294/57 interchange emergency vehicle preemption (EVP) equipment. Cost to the Tollway: \$0.

Item 2: Approval of an Intergovernmental Agreement with DuPage County, the City of Wood Dale, the Village of Itasca, and Wood Dale Park District regarding construction enhancements at Illinois Route 390 Tollway from Arlington Heights Road to Lively Boulevard. Cost to the Tollway: \$41,773.00.

Item 3: Approval of an Intergovernmental Agreement with Cook County and Village of Schaumburg which outlines the division of costs and project responsibilities for the addition of a new westbound I-90 on-ramp at Roselle Road, as well as improvements to the existing Central and Roselle Roads. Cost to the Tollway: The Tollway's estimated contribution towards the project in the amount of \$8,697,438.00 will be charged against a \$9,518,909.00 credit held by Cook County.

Item 4: Approval of an Intergovernmental Agreement with the Illinois Department of Transportation "IDOT" allowing for the sharing of IDOT data necessary for the Tollway's website trip planner. Cost to the Tollway: \$0.

Director Vazquez Rowland asked whether the agency has explored using Google web services to acquire the necessary data or to provide the interface for the Tollway's trip planner. Ms. Whitehead responded that using the Google Maps interface is hoped to be a viable option in the future (and continues to be examined); however, their dataset at present is not sufficiently current for the Tollway's purposes.



Director Vazquez Rowland inquired about usage statistics for the Tollway's website trip planner. Ms. Whitehead responded that while usage fluctuates based on season, a sizable number of proactive customers are taking advantage of the toll planning features made available.

Item 5: Authorization to enter into a Workers Compensation Settlement – Jeffrey Jaworski. Cost to the Tollway: As discussed in Executive Session.

Item 6: Authorization to Enter into a Workers Compensation Settlement – Sam Esposito. Cost to the Tollway: As discussed in Executive Session.

Item 7: Authorization to enter into a Land Acquisition Litigation Settlement regarding Parcel No. NW-6C-13-009. Cost to the Tollway: As discussed in Executive Session.

Mr. Goldberg requested that consideration of Legal Items 5, 6, and 7, involving litigation settlements, be deferred until the Executive Session of the September Board of Directors meeting.

Upon conclusion of the presentation of items, Committee Chair Gomez called for a motion to consolidate for consideration and action Legal Items 1 through 4, each an intergovernmental agreement. Director Brooks 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 4** on the September 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 Vazquez Rowland. 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 Items 5, 6 and 7** will be deferred until the Executive Session of the September 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 Dotson; seconded by Director Brooks. Committee Chair Gomez then called for a vote. The motion PASSED unanimously.

The Meeting was adjourned at approximately 10:12 a.m.



Minutes of the
Finance, Administration & Operations Committee Meeting

Christi Regnery

Minutes taken by: _____

Christi Regnery
Board Secretary
Illinois State Toll Highway Authority