

**THE ILLINOIS STATE TOLL HIGHWAY AUTHORITY
MINUTES OF THE REGULAR BOARD MEETING
September 27, 2012**

The Illinois State Toll Highway Authority met in regular session on Thursday, September 27, 2012, at approximately 9:00 a.m. in the Board Room of The Illinois State Toll Highway Authority's Central Administration Building in Downers Grove, Illinois. The Meeting was held pursuant to By-Laws of the Authority upon call and notice of the Meeting executed by Chair Paula Wolff and posted in accordance with the requirements of the Open Meetings Act.

Bolded entries indicate issues which will require follow-up to present to the Board.

Chair Wolff stated that this is the regularly scheduled meeting of the Board of The Illinois State Toll Highway Authority and asked the Board Secretary to call the roll. Those Directors present and absent were as follows:

Present:

Chair Paula Wolff

Director Jim Banks

Director Terry D'Arcy

Director Mark Peterson

Director Jeff Redick

Director Carl Towns

Director Tom Weisner

Absent:

Governor Pat Quinn

Secretary Schneider

Director Gonzalez

Director Sweeney

Chair Wolff called the meeting to order and opened the floor for public comment. Public comment was offered by Laura Long, Vice President of Banner Personnel. She indicated that Banner is a state certified Women-Owned Business Enterprise and currently provides staffing for the Tollway Call Center. She commended the Board for considering a state use contract that would replace the current call center staff with persons with disabilities. However, she asked the Board to consider that, of the two hundred current call center employees that will be unemployed at the termination of the current contract approximately, sixty-five to seventy percent of them are minority. Chair Wolff asked the Directors whether they had questions for Ms. Long. No questions or comments were offered.

Chair Wolff requested a motion to approve the minutes of the Regular Board Meeting and Executive Session held on August 23, 2012. Director Banks made a motion to approve the minutes; seconded by Director Weisner.

STANDING COMMITTEE REPORTS

Chair Wolff asked each Chair of the following standing committees to provide reports on the committee's recent activities.

Audit Committee

Chair Wolff noted that Director Gonzalez was not present to give a full report of the Audit Committee. However, she noted that the meeting went well and commended Internal Audit and other staff members for the hard work they put into organizing that meeting.

Finance Administration Operations (FAO) Committee

Director Peterson indicated that the Committee last met on September 19, 2012. He indicated that Finance presented five items - two items updated the list of those authorized to conduct customary banking activities with Bank of America by adding the Deputy Chief of Finance. The third item adds the positions of Fiscal Operations Manager and Deputy Chief of Finance to the list of positions authorized to approve vouchers, warrants, checks, or orders on the Treasurer for the disbursement of Tollway funds.

The FAO Committee also approved funding of the Workers' Compensation Insurance Claim Reserve Fund in the amount recommended by the outside actuary. The recommended funding for current claim years is \$7.4 million. The recommended funding for the prior claim year is reduced by \$2.878 million.

The Committee also approved the addition of George K Baum to the pool of firms qualified to act as co-managing underwriters. A review of the files indicated that a clerical error in the transcribing of scores had resulted in the firm being left off of the award as previously approved.

Director Peterson indicated that Procurement presented two items - rock salt requirements for the upcoming winter season and luminaires. Both were approved by the Committee.

Director Peterson indicated that Engineering presented nineteen items that were placed on the Board Consent Agenda. He noted that Engineering Item 3, Acceptance of Proposal from Hill International, Inc. on Contract MO-12-1234 for Systemwide Construction Management and Quality Assurance Services, in the amount of \$1,000,000.00, was also approved to be added to the Board Consent Agenda. He noted that it was the Committee's and staff's intention to select an independent firm to perform an audit of the Tollway's construction management and quality assurance methods and procedures. However, after the Committee Meeting, concerns were raised about whether the goals of the audit could be achieved. He recommended that the Board discuss this item during Executive Session.

Director Peterson indicated that eighteen professional service contracts totaling \$37,914,294.20 were presented to the Committee for approval. These engineering contracts were advertised in Professional Service Bulletin 12-3. The Chief Engineer provided a summary of the selection results which included: thirty-three primes and one hundred and forty sub-consultants in total; twenty sub-consultants new to the Tollway; five joint ventures; and ten DBE prime selections. He also noted that thirty-five percent of the estimated construction fees or \$131 million has been committed to DBE firms. He commended the Engineering and Diversity

departments for their continuing efforts in unbundling contracts and diversifying the vendor pool.

Director Peterson also indicated that the Committee approved an item presented by Legal for the Consent Agenda - an Intergovernmental Agreement with the Village of Rosemont that gives the community permission to enter Tollway property near the Balmoral Interchange for the purpose of mowing the grass, picking up litter and debris, and otherwise maintaining a designated portion of Tollway real estate. He also indicated that after discussion in Executive Session, the Committee approved a workers' compensation settlement and real estate parcel identification as presented by the Legal Department.

Customer Service Committee Meeting

Director Redick indicated that the Customer Service Committee was held on September 20, 2012. Regarding feedback transponders, he indicated that the Committee discussed a possible timeline for making them available by 2014. This timeline would allow: the E-ZPass Group to conclude testing of these transponders; the Tollway to conduct its own testing based on its unique environmental and traffic conditions; and the Tollway to upgrade lane technology for compatibility with the new transponders.

Director Redick indicated that the feedback transponders would cost approximately twenty-five percent more per transponder and that the Tollway needs to determine how to best manage the increased cost. If the Tollway were to explore charging a premium fee for the feedback transponder, there would need to be analysis on the cost and time involved in programming the existing system. He indicated that a previous customer survey indicated that ninety percent of Tollway customers preferred the feedback transponders over the Tollway's current transponders and forty percent were willing to pay more for that

technology. The Committee suggested updating the customer service survey information to assess the customer's current willingness to pay more for the feedback transponder.

Chair Wolff asked whether the feedback transponder would be offered only to customers who are willing to pay an additional fee or to all customers. Director Redick responded that additional analysis would need to be done to determine the costs associated with offering the transponder to all customers versus a subset of customers and the customer's overall willingness to pay more for the technology.

Director Redick indicated that three procurement items related to the call center were approved for the Board Consent Agenda. The first was the contract with Chicago Lighthouse for call center services. He indicated that Shana Whitehead will present this contract later in the meeting. He indicated that the Committee is very pleased with this historic partnership between the Tollway and Chicago Lighthouse, a premier social services organization with a history of providing world class employment services to underserved populations.

The other contracts were contract extensions with TransCore, the existing call center service provider, and Pritchett Realty, the lessor of the existing call center space. The extensions are intended to make it possible to transition call center services to Chicago Lighthouse effectively over the first six months of 2013. This transition timeframe aligns with the construction timeframe of the new call center space at the University of Illinois – Chicago campus.

Strategic Planning Committee

Director Weisner indicated that the Strategic Planning Committee did not meet in September and that the next meeting will be held on October 17th. He noted the following updates since the last meeting in August:

Interchange and Cost Sharing Policy

- The new Draft Interchange and Cost Sharing Policy posted on the Tollway website for public comment in August and the comment period closed on September 4th.
- Twenty comments were received on the Draft Policy and they were all posted on the Tollway's website, which is consistent with the public comment policy adopted when the Committee reviewed the Noise Wall Policy.
- Comments ranged from support for specific interchanges to suggested changes in project financing.
- The comments will be summarized and reviewed in more detail at the October 17th Strategic Planning Committee meeting at which time consideration for formal adoption of the Policy will be discussed.

IL 53/120 Project

- As discussed at the August Board meeting, staff is preparing to include the IL 53/120 Design Concept Report preparation on an upcoming Professional Services Bulletin.
- The Design Concept Report will help advance the project by providing more details regarding costs, revenues, environmental planning and project alignment.
- The Design Concept Report will be developed in parallel with the Corridor Land Use Planning Study that will be led by CMAP.

Chair Wolff thanked the Board and staff for the work that goes on in each Committee meeting. She noted that the Committees are able to

analyze issues in more detail than would be possible at the full Board Meeting.

Chair Wolff also indicated that there will be a Board evaluation before the end of the year. The evaluation will be developed with input from the Executive Director and Executive Committee of the Board and will include an assessment of the organization and effectiveness of Board meetings, Committee meetings, and Board materials and delivery. She added that it is good governance to have the Board and management team annually review how the Board is functioning in terms of its fiduciary duties and ability to leverage individual expertise to assist management.

EXECUTIVE DIRECTOR UPDATE

Inspector General's Report

Ms. Lafleur introduced Inspector General Jim Wagner to present his fourth report to the Tollway Board of Directors as shown in the [attached report](#). The report included summaries of investigations conducted by the Inspector General since the last report published on March 31, 2012 and recommended administrative actions to be considered by the Board.

Director Redick asked whether the three Tollway employees referenced in the report that either entered guilty pleas or were found guilty in criminal cases continue to work at the Tollway. Mr. Wagner indicated that they were no longer employed by the Tollway. Ms. Lafleur added that the Tollway manager charged with assaulting another employee was terminated.

Chair Wolff thanked Mr. Wagner for his report and indicated that after management reviews the recommendations they will bring them to Board for consideration as needed.

Elgin O'Hare Western Access Local Advisory Committee

Ms. Lafleur then introduced Rocco Zucchero, Deputy Chief of Engineering for Planning, to present the Tollway's plans to create a local advisory committee (LAC) for the Elgin O'Hare Western Access (EOWA) Project as shown in the [attached slides](#).

Chair Wolff asked whether the proposed guidelines for the EOWA LAC are standard and whether feedback from the communities will be incorporated into the guidelines. Mr. Zucchero responded that portions of the guidelines are boilerplate to be consistent with the previous LAC for Interstate 355. However, general feedback will be solicited from the affected mayors and township supervisors and considered before the guidelines are brought to the Board for final approval in October.

Chair Wolff asked staff to consult with Tollway Board Directors individually about the geographic distribution of the EOWA LAC members. Ms. Lafleur added that the guidelines for the EOWA LAC membership need to be consistent with those used for the I-355 LAC. Mr. Zucchero indicated that letters will be sent to the mayors and township supervisors of communities along the proposed EOWA requesting that they select/recommend representatives for the EOWA LAC. He added that at least fifty percent of the LAC membership must be from organized citizens' groups.

Chair Wolff asked whether the composition of the LAC will be diverse because the communities represented on the LAC are demographically diverse. Mr. Zucchero responded that the composition of the LAC is

based on the roadway frontage which includes nineteen communities along the EOWA corridor. He indicated that there is diversity within the communities along that twenty mile corridor.

Introduce UIC Call Center Transition

Ms. Lafleur reminded the Board that at their request, staff has unbundled one large contract for I-PASS services. Previously, some of the services were performed in Texas, while the unbundled services spread the work among four not-for-profit companies located in Illinois. Ms. Lafleur noted that approval of this fourth contract with a not-for-profit organization is a major milestone for the Illinois Tollway and continues the Tollway's efforts to increase opportunity for new businesses to work with the agency while engaging the services of Illinois not-for-profit organizations that provide employment for underserved communities, persons with disabilities and veterans.

Under the contract, The Chicago Lighthouse will provide more than two hundred jobs for members of underserved communities to support the Tollway's customer service needs. The Customer Service Committee recommended that we move forward with a contract with The Chicago Lighthouse to provide staffing services for the new call center.

Ms. Lafleur then introduced, Shana Whitehead, Chief of Business Systems, to provide an overview of the call center transition plan as shown in the attached [presentation](#).

Consent Agenda

Chair Wolff began the consent agenda (which consisted of items reviewed earlier in detail by Committees) by calling for a motion adopting the following Finance resolutions:

Item 1: Approval to amend Resolution No. 16978 by adding the Deputy Chief of Finance title as an authorized signatory to conduct customary and usual banking activities with Bank of America.

Item 2: Approval to amend Resolution No. 16977 by adding the Deputy Chief of Finance title to the locally held fund with Bank of America established for remittances to Inter-Agency Group ("IAG") members to conduct customary and usual banking activities.

Item 3: Approval to amend Resolution No. 16775 by adding the Deputy Chief of Finance and Fiscal Operations Manager titles authorizing signature authority to approve vouchers, warrants, checks and orders on the Treasurer of the State of Illinois for the disbursement of funds of the Tollway.

Item 4: Resolution approving funding for the Workers' Compensation Insurance Claim Reserve Fund for the 2012-2013 program year in the amount of \$7,400,000, and approving a reduction for the program years prior to April 30, 2012 in the amount of \$2,878,000.

Item 5: Amendment of Resolution No. 19747 to add George K. Baum and Company to the Underwriter Co-Manager Pool.

Director Banks moved for adoption of the resolution for **Finance Items 1-5**; seconded by Director D'Arcy. The motion was approved unanimously.

Chair Wolff called for a motion adopting the following resolutions for Business Systems Items 1-3:

Item 1: Contract Extension No. 06-0164 for six months for Consolidated Customer Service Center (CCSC) contract with TransCore, increasing

the contract upper limit by \$5,310,000 from \$80,790,870 to \$86,100,870. (Tollway RFP)

Item 2: Contract award for five years with five renewal options for Call and Payment Processing Center, with Chicago Lighthouse in the amount not to exceed \$61,500,000. (State Use Contract)

Item 3: Sole Source contract for one year for facility space for the consolidated customer service center (CCSC) with Lisle Center Associates LLP, in the amount not to exceed \$185,174. (Sole source)

Director Towns moved for adoption of the resolutions for **Business Systems Items 1-3**; seconded by Director Redick. The motion was approved unanimously.

Chair Wolff called for a motion adopting the following Procurement resolutions:

Item 1: Award of Contract 11-0160 to four vendors for the purchase of Rock Salt in an amount not to exceed \$2,596,923.60 (Order Against CMS Master Contract).

Item 2: Award of Contract 12-0095 to Evergreen Supply Company, Inc. for the purchase of Luminaires and Components in an amount not to exceed \$260,000.00 (CMS Contract for the Tollway).

Director D'Arcy moved for adoption of the resolutions **for Procurement Items 1 & 2**; seconded by Director Peterson. The motion was approved unanimously.

Chair Wolff called for a motion adopting the resolutions for the following Engineering Items:

Item 1: Award of Contract RR-12-4062 to Herlihy Mid-Continent Company for Noise Wall Extension on the Tri-State Tollway (I-294) at Plainfield Road from Milepost 24.4 to Milepost 24.5, in the amount of \$295,500.50.

Director Weisner asked why Herlihy Mid-Continent was the selected vendor for Engineering Item 1 despite submitting a DBE commitment significantly lower than the DBE goal set by the Tollway. Mr. Kovacs responded that when a vendor submits a bid it must include a DBE commitment and a plan for meeting that commitment. If the vendor cannot meet the DBE goal set by the Tollway, it must submit documentation demonstrating good faith efforts to meet the DBE goal to remain in consideration. In accordance with the Tollway's DBE waiver policy, a meeting was held with the vendor and Gustavo Giraldo, Chief of Diversity, to allow the vendor to explain the DBE commitment shortfall. Mr. Giraldo indicated that he granted a DBE Commitment waiver based on that meeting, documentation submitted by the vendor and the vendor's past DBE performance.

Ms. Lafleur indicated that the Tollway is required by law to have a waiver process for DBE goals. She added that ultimately the Diversity Department, which is separate from the Engineering Department, is tasked with making the final decisions on granting waivers.

Chair Wolff suggested that staff periodically submit a report similar to the IG report summarizing the activity of the Diversity team—including such things as the number of waivers granted-- so the

Board gets an overall picture of how the new Diversity function is operating.

Director Weisner asked that the vote for Engineering Item 1 be taken separately.

Director Redick moved for adoption of the resolution for **Engineering Item 1**; seconded by Director D'Arcy. The motion was approved with 6 affirmative votes from Directors Banks, D'Arcy, Redick, Towns, Peterson, and Wolff and 1 opposing vote from Director Weisner.

Item 2: Acceptance of Proposal from Structure Designs, Inc. on Contract I-11-4027 for Construction Management Services for Bridge Reconstruction and Widening on the Jane Addams Memorial Tollway (I-90) at Milepost 50.1 (C&NW RR) in the amount of \$1,968,053.60.

Director Peterson moved for adoption of the resolution for **Engineering Item 2**; seconded by Director D'Arcy. The motion was approved unanimously.

Item 3: Acceptance of Proposal from Hill International, Inc. on Contract MO-12-1234 for Systemwide Construction Management and Quality Assurance Services, in the amount of \$1,000,000.00.

Director Peterson made a motion to defer discussion of **Engineering Items 3 to Executive Session**; seconded by Director Weisner. The motion was approved unanimously.

Item 4: Acceptance of Proposal from Quigg Engineering, Inc. on Contract RR-12-9127 for Design Engineering and Construction

Management Services Upon Request Systemwide, in an amount not to exceed \$600,000.00.

Item 5: Acceptance of Proposal from Environmental Design International, Inc. on Contract I-12-4054 for Construction Management Services Upon Request, on the Tri-State Tollway (I-294/I-57) Interchange, in an amount not to exceed \$1,200,000.00.

Item 6: Acceptance of Proposal from DB Sterlin Consultants, Inc. on Contract RR-12-4055 for Construction Management Services Upon Request Systemwide, in an amount not to exceed \$3,000,000.00.

Item 7: Acceptance of Proposal from DLZ Illinois, Inc. on Contract RR-12-5648 for Construction Management Services Upon Request Systemwide, in an amount not to exceed \$3,400,000.00.

Item 8: Acceptance of Proposal from Hampton, Lenzini and Renwick, Inc. on Contract I-12-4046 for Traffic and Geometric Design Services Upon Request Systemwide, in an amount not to exceed \$500,000.00.

Item 9: Acceptance of Proposal from The Upchurch Group, Inc. on Contract RR-12-4044 for Design Services Upon Request, Systemwide, in an amount not to exceed \$1,000,000.00.

Director Banks moved for adoption of the resolutions for **Engineering Items 4-9**; seconded by Director Towns. The motion was approved unanimously.

Item 10: Acceptance of Proposal from Christian-Roge & Associates, Inc. on Contract RR-12-4045 for Design Services Upon Request Systemwide,

in an amount not to exceed \$2,000,000.00. [Recusal by Director Peterson]

Director D'Arcy moved for adoption of the resolution for **Engineering Item 10**; seconded by Director Redick. The motion was approved unanimously.

Item 11: Acceptance of Proposal from Strand Associates, Inc. on Contract RR-12-5647 for Design Services Upon Request Systemwide, in an amount not to exceed \$2,500,000.00.

Item 12: Acceptance of Proposal from exp US Services, Inc. on Contract I-12-4043 for Design Services Upon Request on the Elgin O'Hare Western Access, in an amount not to exceed \$5,500,000.00.

Item 13: Acceptance of Proposal from American Surveying and Engineering, P.C. on Contract I-12-4056 for Surveying and Land Acquisition Services Upon Request Systemwide, in an amount not to exceed \$3,000,000.00.

Item 14: Acceptance of Proposal from Robert E. Hamilton Consulting Engineers, Inc. on Contract I-12-4057 for Surveying and Land Acquisition Services Upon Request Systemwide, in an amount not to exceed \$3,000,000.00.

Item 15: Acceptance of Proposal from SPACECO, Inc. on Contract I-12-4058 for Surveying and Land Acquisition Services Upon Request Systemwide, in an amount not to exceed \$3,000,000.00.

Director Peterson moved for adoption of the resolution for **Engineering Items 11-15**; seconded by Director Banks. The motion was approved unanimously.

Item 16: Acceptance of Proposal from Engineering Enterprises, Inc. on Contract I-12-4059 for Surveying and Land Acquisition Services Upon Request Systemwide, in an amount not to exceed \$3,000,000.00.

[Recusal by Director Weisner]

Director Peterson moved for adoption of the resolution for **Engineering Item 16**; seconded by Director Towns. The motion was approved unanimously.

Item 17: Acceptance of Proposal from Parsons Brinckerhoff, Inc. on Contract I-12-4060 for Planning Services Upon Request Systemwide, in an amount not to exceed \$1,000,000.00.

Item 18: Acceptance of Proposal from Great Arc Technologies, Inc. on Contract MO-12-1235 for Infrastructure Management System Services, Systemwide, in an amount not to exceed \$2,000,000.00.

Item 19: Acceptance of Proposal from Collins Engineers, Inc. on Contract MO-12-1236 for Underwater Inspection and Scour Analysis of Bridge Structures, Systemwide, in an amount not to exceed \$246,249.60.

Director Banks moved for adoption of the resolutions for **Engineering Items 17-19**; seconded by Director Towns. The motion was approved unanimously.

Chair Wolff called for a motion adopting the following Legal resolutions:

Item 1: An Intergovernmental Addendum Agreement with the Village of Rosemont. Cost to the Tollway:\$0

Item 2: Settlement – Workers Compensation Claim – Edward DePaolo. Cost to the Tollway: \$57,000.

Item 3: Amended DiBenedetto (Identification of Real Estate Parcels); Cost to the Tollway: N/A

Director Peterson moved for adoption of the resolution for **Legal Item 1** and to defer discussion of **Legal Items 2-3 to Executive Session**; seconded by Director Banks. The motion was approved unanimously.

At approximately 10:10 a.m., Elizabeth Looby, Senior Assistant Attorney indicated the need to discuss personnel matters, collective bargaining matters, potential purchase of real property and pending litigation in Executive Session pursuant to Sections 2(c)(1), 2(c)(2), 2(c)(5) and 2(c)(11) of the Open Meetings Act.

Director Peterson made a motion to enter into Executive Session; seconded by Director D'Arcy. The motion was approved unanimously.

At approximately 12:00 p.m., the Board re-entered the public session of the Board Meeting.

Chair Wolff called for motions to approve **Legal Items 2-3** as described below by General Counsel:

*Item 2: Settlement – Workers Compensation Claim – Edward DePaolo.
Cost to the Tollway: \$57,000.*

Director Banks moved for adoption of the resolutions for **Legal Item 2**; seconded by Director Weisner. The motion was approved unanimously.

*Item 3: Amended DiBenedetto (Identification of Real Estate Parcels);
Cost to the Tollway: N/A*

Director Weisner moved for adoption of the resolutions for **Legal Items 3**; seconded by Director Peterson. The motion was approved unanimously.

Director Peterson then made a motion to remove from the Consent Agenda **Engineering 6.4 Item 3**; seconded by Director Weisner. The motion was approved unanimously.

There being no further business, Chair Wolff requested a motion to adjourn. Director Peterson made the motion to adjourn; seconded by Director D'Arcy. The motion was approved unanimously.

The meeting was adjourned at approximately 12:15 p.m.

Minutes taken by: _____

Tranece Artis
Illinois State Toll Highway Authority