

**THE ILLINOIS STATE TOLL HIGHWAY AUTHORITY
MINUTES OF THE REGULAR BOARD MEETING
November 15, 2012**

The Illinois State Toll Highway Authority met in regular session on Thursday, November 15, 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 James Sweeney

Director Carl Towns

Director Tom Weisner

Absent:

Governor Pat Quinn

Secretary Ann Schneider

Director David Gonzalez

Illinois Tollway Map Cover Contest

Chair Wolff presented certificates to the top four finalists of the 2013 Illinois Tollway Map Cover Contest. For this contest, the Tollway received fifty-seven designs from high school art students following the theme, "Remembering Our Veterans." The top ten entries were displayed on the Tollway website and at each of the Tollway's seven Oases for the public to view and vote on. More than 11,400 public votes were cast online and the winning design will be featured on the 2013 Tollway map cover.

The grand prize winner was Abby Friedman from Highland Park High School and the runners up were Michael Barrios from Victor J. Andrew High School in Tinley Park; Andrew Kaufmann from Highland Park

High School; and Veronica Severini from Glenbard East High School in Glen Ellyn.

The contest sponsors, Richard Jacobsohn - Blick Art Materials Officer of Highland Park Administration and Professional Development, Cindy O'Drobinak - U.S. Equities Senior Vice President/Portfolio Manager and David Myles - U.S. Equities Vice President, also congratulated the contest winners. Chair Wolff indicated that the all of the artwork will be posted on the Tollway website and will be auctioned at a later date with the proceeds to go to charities that serve veterans.

Chair Wolff then opened the floor for public comment. No public comment was offered.

CHAIR'S REPORT

Chair Wolff requested a motion to approve the minutes of the Regular Board Meeting and Executive Session held on October 25, 2012. Director Weisner made a motion to approve the minutes; seconded by Director Towns.

STANDING COMMITTEE REPORTS

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

Finance Administration Operations (FAO) Committee

Director Peterson indicated that the FAO Committee last met on November 14, 2012. He indicated that the public hearing and open house for the 2013 Tentative Budget were held earlier in the week and were well attended by staff, the Directors and the public. He also indicated that Mike Colsch, Chief of Finance, will present a re-cap of the

Quarterly Financial Review for the 3rd Quarter and Bond Financing presented at the FAO Committee meeting.

Director Peterson indicated that the Procurement department presented five items all of which were approved as shown on the Consent Agenda.

Director Peterson also indicated that the Engineering department presented four items including: three professional services contracts representing a total award value of over \$31 million and \$9.3 million in DBE commitments. He also noted that these awards included: a Mentor/Protégé agreement, a joint venture that includes a DBE certified prime consultant, Singh and Associates, and two new DBE sub-consultants - DAAR Engineering and Rubino Engineering.

Additionally, Engineering presented a Change Order/Extra Work Order associated with work at the I-90/I 47 Interchange. This contract change is required to relocate a sanitary sewer that is in conflict with ramp construction. This work was not included in the original contract and is necessary to address an unforeseen condition. This added work will be performed by a DBE subcontractor.

Lastly, Director Peterson indicated that the Legal department presented five items, including four new intergovernmental agreements and an amendment to an IGA with Traffic.com as shown on the Consent Agenda. He indicated that General Counsel recommended that discussion of Legal Item 6 be deferred to Executive Session of the full Board.

Customer Service Committee

Director Redick indicated that the committee last met on November 8 at which time they discussed the existing toll violation settlement

guidelines. The committee agreed that there should be an effort to seek greater flexibility in settling toll violations, especially in cases where customers might not share a name or address with an account holder, or in cases where one of the Tollway customer service representatives have made a data error entry.

Director Redick indicated that staff reviewed the results of a feedback transponder survey previously requested by the committee. Nearly 70,000 responses were submitted to the online survey. Nearly eighty-five percent of respondents indicated they would want a beeping transponder that indicated when a toll had been paid and when they had a low account balance. However, only twenty percent indicated they would be willing to pay extra for a beeping transponder.

The committee discussed what this might mean operationally given the fact that the beeping transponders cost more and that customers likely would want to opt for replacements instead of simply waiting until they needed replacements, thus creating a rush on beeping transponder inventory.

Director Redick indicated that the Tollway is currently testing the feedback transponders to ensure compatibility with the transponder readers and to maximize interoperability of the transponder.

Chair Wolff asked about the significance of interoperability and why it affects decisions related to the feedback transponders. Director Redick responded that the transportation bill MAP-21 requires toll agencies to seek transponder technology that is compatible with tolling systems in multiple states to facilitate interstate travel.

Chair Wolff asked whether there were technological limitations that would affect interoperability and the use of feedback transponders. Shana Whitehead, Chief of Business Systems, responded that the current transponder readers used by the Tollway do not have the bandwidth to read both feedback and non-feedback transponders interchangeably. Staff is working with the vendor, Kapsch, to determine whether they can develop the technology to allow both types of transponders to be compatible with the same transponder readers.

Director Redick indicated that a Request for Proposal for a new back office replacement system was posted on November 8th. He also indicated that the committee approved a contract for retail distribution as shown on the Consent Agenda.

Lastly, Director Redick indicated that the new dispute resolution form was posted online on November 5th. He indicated that the online resolution form will enable customers to resolve nearly 90 percent of the violation issues they may encounter.

Strategic Planning Committee

Director Weisner indicated that the Strategic Planning Committee had not met since the last Board Meeting. He indicated that the interchange cost-sharing policy has gone into effect. He also indicated that a professional service bulletin has been published for design services to refine the scope of the Route 53 and Elgin O'Hare Western Access projects.

Chair Wolff indicated that another meeting with the financial advisors was held on November 14. The timeline for the bond issuance was discussed, as well as, the type of bonds to be issued were discussed. **She**

indicated that a formal presentation on that information will be presented in December.

EXECUTIVE DIRECTOR UPDATE

Michael Stone, Chief of Staff, introduced Cassaundra Rouse as the new Acting Chief of Internal Audit and welcomed her to the senior management team.

Third Quarter Budget to Actual Review

Mr. Stone then introduced Mike Colsch, Chief of Finance, to give a presentation on the 2012 Third Quarter Budget to Actual Review as shown in the [attached presentation](#).

Chair Wolff asked for more information about the cost savings associated with contract bids referenced in the presentation. Paul Kovacs, Chief Engineer, responded that the cost savings could be attributed to changes in the scope of the rehabilitation of the Tri-State Highway. The project scope was reduced because the *Move Illinois Program* provides for overall reconstruction of the Tri-State in the near future.

Mr. Colsch noted that the Maintenance and Operations expenses were more than \$14 million below budget due largely to headcount vacancies and reduced expenditures in contractual services. Chair Wolff asked about the current headcount. Mr. Colsch responded that currently there are approximately one hundred and thirty headcount vacancies. He indicated that a normal headcount vacancy rate would be five percent of total headcount (or sixty-five vacancies).

Mr. Colsch indicated that the Tollway anticipates as much as \$84 million in project scheduling changes primarily due to procurement challenges. Chair Wolff asked whether staff anticipates the vendor bid levels to rise over the next year. Mr. Kovacs responded that it is difficult to determine what the bids will be like next year. However, he added that vendor responses to a recently published Professional Service Bulletin should be an indicator whether bid pricing will remain low over the next few months.

Director Sweeney indicated that labor unions have received union has received several inquiries about *Move Illinois* projects from national firms that have not worked in this area previously. He indicated that this might be an indication that competition will remain strong in 2011.

Bond Financing Timeline

Mr. Colsch then reviewed the bond issuance timeline for 2013 as shown in the [attached presentation](#).

Chair Wolff added that the financial advisors indicated in the meeting that because the financial integrity of the Tollway and its credit ratings are strong, it is hoped that the Tollway will enter the market with good ratings.

Snow and Ice Planning

Mr. Stone then indicated that the Tollway would hold its annual news conference to talk about winter weather preparedness on November 16.

The Illinois Tollway has a variety of services to help drivers get to their destinations quickly and safely this winter season:

- The **Traffic and Incident Management System** coordinates roadway information through the use of roadway cameras, weather sensors, computer-aided dispatch for Tollway Maintenance and Illinois State Police District 15, as well as motorist phone calls.
- **Electronic message signs** throughout the system communicate travel times and travel alerts to motorists during storm events.
- **800-TOLL-FYI** (800-865-5394) is the toll-free telephone line with conditions on the Illinois Tollway System.
- **H.E.L.P. Trucks** provide assistance including changing tires, moving disabled vehicles from the roadway and providing gasoline or coolant for a nominal fee, to stranded motorists.
- ***999 Motorist Assistance Program** provides cellular phone users a quick and easy way to get help with disabled vehicles. Dispatchers contact State Police and roadway assistance services on the Tollway as well as IDOT expressways.

Mr. Stone indicated that the Illinois Tollway is fully prepared for winter weather with 182 plow trucks and other equipment; over two hundred employees per twelve-hour shift – plow drivers, supervisors, mechanics, loaders, etc.; and eleven maintenance sites throughout the 286-mile system. He added that the Tollway will begin this winter season with a supply of 84,000 tons of salt, 41,500 gallons of liquid calcium chloride and 5,500 tons of roadway abrasives.

Illinois Distracted Driving Program

Mr. Stone indicated that the Tollway will join Governor Quinn, Secretary of State Jesse White and other transportation and civic leaders to remind drivers about the dangers of distracted driving this season.

Roads and Bridges

Finally, Mr. Stone announced that the Tri-Level Bridge Project claimed the No. 9 spot on *Roads & Bridges* magazine's list of Top 10 Bridges in North America.

Bridges named to the Top 10 list are chosen by the magazine's editorial staff based on project challenges, impact to region and scope of work.

The Tri-Level Bridge is one of the most complicated, heavily traveled interchanges on the Tollway system. The Tollway overcame numerous challenges to complete a major rehabilitation of this bridge on time and within budget over the course of two construction seasons through the efforts of the following Tollway departments: Engineering, Business Systems, Communications and Toll Operations.

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 **Business Systems** resolutions:

Item 1: Award of Contract No. 12-0039 to IGOR, the Watchdog Corporation (IGOR) for Transponder Distribution Services in the amount of \$12,500,000. (RFP)

Director Redick made a motion to approve **Business Systems Item 1**; seconded by Director Banks. The motion was approved unanimously.

Chair Wolff called for a motion to approve the following **Procurement** resolutions:

Item 1: Award of Contract 12-0101 to Mechanical Systems, Inc. d.b.a. Contech MSI Company for the purchase of Fire Alarm Inspections and

Repairs in an amount not to exceed \$114,748.00 (Tollway Invitation for Bid).

Item 2: Award of Contract 12-0106 to Tradebe Treatment and Recycling, LLC for the purchase of Hazardous Waste and/or Characterization, Transportation, and Disposal Services in an amount not to exceed \$50,000.00 (Tollway Invitation for Bid).

Item 3: Increase of Contract 10-0112 to Alert IT Solutions, Inc. for the purchase of Pre-Employment Screening Services in an amount not to exceed \$60,000.00 (Tollway Request for Proposal).

Item 4: Award of Contract 11-0088R to Crowe Horwath, LLP for the purchase of Financial Statement Preparation Software in an amount not to exceed \$266,447.40 (Tollway Request for Proposal).

Item 5: Award of Contract 12-0305 to Crafc0, Inc. for the purchase of Asphalt Crack Sealing Material in an amount not to exceed \$65,000.00 (Tollway Emergency).

Director Banks made a motion for approval of **Procurement Items 1-5**; seconded by Director Towns. The motion was approved unanimously.

Chair Wolff called for a motion to approve the following **Engineering Items**:

Item 1: Acceptance of Proposal from Bollinger, Lach & Associates, Inc. on Contract I-12-4052 for Construction Management Services for Reconstruction and Widening on the Jane Addams Memorial Tollway (I-90) from Milepost 17.4 (I-39) to Milepost 56.1 (Illinois Route 25), in an amount not to exceed \$10,747,900.00.

Item 2: Acceptance of Proposal from Patrick Engineering, Inc. / Civiltech Engineering, Inc. / Singh & Associates, Inc., Joint Venture, on

Contract I-12-4041 for Design Services for Reconstruction and Widening on the Elgin O'Hare Western Access (EOWA), from U.S. Route 20 to Illinois Route 83, in an amount not to exceed \$9,251,314.92.

Item 3: Acceptance of Proposal from URS Corporation on Contract I-12-4040 for Design Services for Reconstruction and Widening on the on the Elgin O'Hare Western Access (EOWA), from U.S. Route 20 to Illinois Route 83, in an amount not to exceed \$11,129,316.20.

Item 4: Change Order/Extra Work Order on Contract I-11-4000 to Plote Construction Inc. for Interchange Reconstruction on the Jane Addams Memorial Tollway (I-90) at Milepost 45.6 (Sandwald Road) and Milepost 47.3 (IL Route 47), in the amount of \$211,328.00.

Director Peterson made a motion for approval of **Engineering Items 1-4**; seconded by Director Sweeney. The motion was approved unanimously.

Chair Wolff called for a motion to approve the following **Legal** items:

Item 1: An Intergovernmental Agreement with Boone County. Cost to the Tollway: \$tbd

Item 2: An Intergovernmental Agreement with Winnebago Cnty Forest Preserve District. Cost to the Tollway: \$2,000.

Item 3: An Intergovernmental Agreement with the Genoa National Fish Hatchery. Cost to the Tollway: Not to exceed \$30,000.

Item 4: An Intergovernmental Agreement Amendment with CMS. Cost to the Tollway: Upper limit increase of \$1,300,000.

Item 5: A Second Amendment to the Traffic.Com (Mobility Tech) Agreement. Cost to the Tollway: \$0.

Item 6: Approval of Outside Legal Counsel. Cost to the Tollway: Per standard Special Assistant Attorney General Agreement.

Director D’Arcy made a motion for approval of **Legal Items 1-5**; seconded by Director Towns. The motion was approved unanimously. General Counsel David Goldberg recommended that discussion of **Legal Item 6** be deferred to the Executive Session.

At approximately 9:55 David Goldberg, General Counsel, indicated the need to discuss personnel matters and pending litigation in Executive Session pursuant to Section 2(c)(1) and 2(c)(11) of the Open Meetings Act. Director Peterson made the motion to enter into Executive Session; seconded by Director Banks. The motion was approved unanimously.

At approximately 10:15 a.m., the Board re-entered the public session of the Board Meeting.

Chair Wolff asked General Counsel to call for a motion. Mr. Goldberg called for the following motion:

Approval of Outside Legal Counsel, Laner, Muchin in Chicago, to represent the Tollway in a pending employment litigation matter and to have certain attorneys in that firm appointed as Special Assistant Attorneys General.

Director D’Arcy made the above motion for approval; seconded by Director Towns. 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 Banks. The motion was approved unanimously.

The meeting was adjourned at approximately 10:20 a.m.

Minutes taken by: _____

Tranece Artis
Illinois State Toll Highway Authority