



Record of Meeting | December 7, 2016

The Illinois State Toll Highway Authority (the “Tollway”) held the regularly scheduled Finance, Administration and Operations Committee Meeting on Wednesday, December 7, 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 David Gonzalez

Committee Members Not Present:
Director Neli Vazquez Rowland

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 October 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 was PASSED unanimously.

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

Executive Director's Items

Executive Director Bedalov stated that he had no items on which to report.

Items for Consideration

Finance

Committee Chair Gomez called on Cathy Williams, Deputy Chief of Finance, to present to the Committee the following Finance items:

Item 1: Approval of the 2017 Final Budget.

Director Dotson inquired about the advancement of the *Move Illinois* Capital Program and whether thought has been given to Tollway capital investments which might occur upon the program's conclusion. Executive Director Bedalov responded that the 15-year *Move Illinois* program is currently in its fifth year. He further responded that planning exercises have been initiated which are considering capital investment needs beyond the *Move Illinois* program.

Item 2: Award of the Property Insurance Program with RSUI Indemnity Company and Chubb Insurance Company through Mesirow Insurance Services for the combined annual premium of \$1,003,728.00 (Order Against CMS Master Contract).

Item 3: Renewal of Contract 09-0138 for the Employee Health Benefit Programs with Blue Cross Blue Shield of Illinois for the 2017-2018 plan year (Tollway Request for Proposal).

Director Dotson asked the significance of the negative amounts listed on the included chart which outlines PPO Service Fees and Premiums. John Hauk, Insurance Risk Manager, responded that the negative amounts reflect the discount received on the prescription plan.

Upon conclusion of the presentation of items, Committee Chair Gomez called for a motion to consolidate for consideration and action Finance Items 1 through 3. Director Brooks made a motion to consolidate; 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 was PASSED unanimously.



The motion to consolidate these items having carried, Committee Chair Gomez then called for a motion to approve placement of **Finance Items 1 through 3** on the December Board of Directors meeting agenda with the Committee's recommendation for approval. Director Gonzalez 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 was PASSED unanimously.

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 14-0019 to AltaStaff, LLC for the purchase of Professional Administrative Services in an amount not to exceed \$1,000,000.00 (Tollway Request for Proposal).

Director Gonzalez inquired about the services which would be provided and whether they have been outsourced previously. Mr. Donato responded that the contract would represent the Tollway's first time procuring these professional services. Mr. Donato then highlighted the substantial number of applications being received for many Tollway job postings and explained that the contract provides for expertise to assist the Administration Department in many application processes, including requisition, advertisement/outreach posting, application review, as well as interviewing and testing services.

Item 2: Award of Contract 16-0071 to Patson, Inc. (d.b.a. TransChicago Truck Group) and Morrow Brothers Ford, Inc. for the purchase of Light- and Medium-Duty Trucks in an aggregate amount not to exceed \$2,390,548.65 (Tollway Invitation for Bid).

Item 3: Increase to 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 \$112,155.00 (Tollway Invitation for Bid).

Director Dotson asked for clarification of the diversity detail for this contract. Mr. Donato explained that the goal-setting process for this contract did not render a goal; however, the prime vendor selected for award is a women-owned business certified with the state Business Enterprise Program ("BEP") and therefore represents a 100% BEP commitment.

Item 4: Award of Contract 16-0095 to Liferay, Inc. for the purchase of Liferay Subscriptions, Maintenance, and Support in an amount not to exceed \$772,448.16 (Tollway Sole Source).



Upon conclusion of the presentation of items, Committee Chair Gomez called for a motion to consolidate for consideration and action Procurement Items 1 through 4. Director Brooks made a motion to consolidate; 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 was PASSED unanimously.

The motion to consolidate these items having carried, Committee Chair Gomez then called for a motion to approve placement of **Procurement Items 1 through 4** on the December 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 Gonzalez. 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 was PASSED unanimously.

Business Systems

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

Item 1: Award of Contract 13-0313 to G4S Secure Integration LLC (G4S) for Automatic Number Plate Recognition (ANPR) System in an amount not to exceed \$19,200,000.00 (Tollway Request for Proposal).

Committee Chair Gomez called for a motion to approve placement of **Business Systems Item 1** on the December Board of Directors meeting agenda with the Committee's recommendation for approval by the Board. Director Gonzalez 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 was 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-16-4268 to Lorig Construction Company for Bridge Widening and Reconstruction, on the Jane Addams Memorial Tollway (I-90) from Milepost 36.1(IL 23) to Milepost 36.6, in the amount of \$6,873,730.15.

Item 2: Award of Contract RR-16-5716 to Lorig Construction Company for Noise Abatement Wall Construction and Repair, on the Tri-State Tollway (I-294) from Milepost 44.6 (Ballard Road) to



Milepost 45.6; Tri-State Tollway (I-94) at Milepost 1.4 (IL 41) and Milepost 18.1 (Lake Forest Oasis), in the amount of \$2,840,736.21.

Item 3: Award of Contract RR-16-4271 to Matthew Paving Inc. for M-14 Pavement Rehabilitation, on the Veterans Memorial Tollway (I-355) at Maintenance Facility M-14 (Downers Grove) at Milepost 21.2, in the amount of \$1,952,878.20.

Item 4: Acceptance of Proposal from AECOM Technical Services, Inc. on Contract RR-10-9973 for Supplemental Consulting Engineering Services, Systemwide, in the amount of \$8,479,000.00 from \$77,152,971.33 to \$85,631,971.33.

At the request of Committee Chair Gomez, David Goldberg, General Counsel, updated the Committee on the status of the procurement of the Tollway's General Engineering Consultant (GEC), consequent to the Board's recent vote in opposition to award on the basis of terms presented by staff. Mr. Goldberg reported that after consultation with the state Chief Procurement Officer ("CPO"), members of the Board, and relevant Tollway departments, it was determined that the appropriate course of action was to cancel the pending procurement and resolicit these professional services. He explained that a six month extension of the current contract with AECOM is needed to provide for the continuation of GEC services while the contract is re-solicited.

Committee Chair Gomez asked the outcome of the protest filed with the CPO by AECOM, the preferred bidder in the formerly pending procurement. Mr. Goldberg responded that the protest was denied by the CPO.

Director Gonzalez inquired about the timing of the formerly pending procurement and why sufficient time was not allotted for Board consideration and action, and any transition period which could be required, absent the need for a contract extension. Executive Director Bedalov responded that issues with the bids received resulted in unanticipated delays. He noted that a more detailed timeline of the procurement can be provided if desired. Director Gonzalez suggested that going forward, solicitations for such contracts be timed to account for potential delays, varying Board actions, and any transition period that may be required.

Committee Chair Gomez inquired about the content, procedure, and possible outcomes of a re-solicitation. Mr. Goldberg discussed varying options for re-soliciting in accordance with the *Architectural, Engineering, and Land Surveying Qualifications Based Selection Act* depending upon preferences of the Board and Engineering Department.

Director Dotson asked staff to comment on the reasonableness of the contract extension amount. Mr. Kovacs responded that the approximately \$8.5 million amount for the six month extension



correlates within reason to the average annual expenditure for GEC services of approximately \$14 to \$16 million.

Mr. Kovacs then addressed an earlier question posed regarding the timing of solicitations, explaining that delays to professional services procurements have been increasing as a result of disqualifications and the accommodation made to allow these submitting firms time to avail themselves of the state's protest process (prior to the Tollway initiating the vendor selection process). He noted that the protest process is outside of the agency's control and has become increasingly lengthy. He emphasized that the Engineering Department, however, is making a concerted effort to pursue an aggressive schedule with regard to professional services solicitations.

Item 5: Acceptance of Proposal from Wight & Company / R & G Engineering, LLC, Joint Venture, on Contract I-12-4081 for Supplemental Construction Management Services Upon Request, on the Illinois Route 390 Tollway, in the amount of \$88,448.20 from \$5,118,884.60 to \$5,207,332.80.

Item 6: Acceptance of Proposal from DB Sterlin Consultants, Inc. on Contract RR-13-5662 for Supplemental Construction Management Services for Roadway Resurfacing, on the Reagan Memorial Tollway (I-88) from Milepost 67.3 (Midway Road) to Milepost 76.8 (IL 251), in the amount of \$215,000.00 from \$4,400,000.00 to \$4,615,000.00.

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 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 was 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 December Board of Directors meeting agenda with the Committee's recommendation for approval. 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 was 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 a Litigation Settlement – Parcel No. EO-1A-12-024. Cost to the Tollway: As discussed in Executive Session.

Item 2: Approval of an Intergovernmental Agreement Addendum with the Illinois Community College Board. A Third Addendum extending the contract term and adding additional funding. Cost to the Tollway: \$130,000.00.

Item 3: Authorization to Enter a Workers Compensation Settlement – Sam DeMaria. Cost to the Tollway: As discussed in Executive Session.

Upon conclusion of the presentation of items, Committee Chair Gomez stated that without objection, consideration of **Legal Items 1 and 3** will be deferred until the Executive Session of the December Board of Directors meeting.

Committee Chair Gomez then called for a motion to approve placement of **Legal Item 2** on the December 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 questions, concerns or requests for discussion. Hearing nothing, Committee Chair Gomez called for a vote. The motion was PASSED unanimously.

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 called for a vote. The motion was PASSED unanimously.

The Meeting was adjourned at approximately 10:16 a.m.

Minutes taken by: _____

Christi Regnery
Board Secretary
Illinois State Toll Highway Authority