

THE ILLINOIS STATE TOLL HIGHWAY AUTHORITY
MINUTES OF EXECUTIVE SESSION
OF
THE BOARD OF DIRECTORS
April 30, 2009

On April 30, 2009 at approximately 11:35 a.m. upon a roll call vote, the Illinois Tollway's Board of Directors met in Executive Session pursuant to Sections 2(c)(11) of the *Open Meetings Act* to discuss collective bargaining issues. The Secretary called the roll and those present were as follows:

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|--------------------------|-----------------------|
| Chairman John Mitola | Mr. Mike King |
| Director David Andalcio | Mr. Tom Bamonte |
| Director Steve Harris | Mr. Jeff Redding |
| Director Betty-Ann Moore | Ms. Tracey E. Smith |
| Director George Pradel | Ms. Trudy Steinhauser |
| Director Jim Roof | |
| Director Carl Towns | |

Directors discussed SEIU negotiations.

Mr. Bamonte updated the Board about a significant development in the SEIU collective bargaining negotiations. SEIU covers about 700 tollway employees; toll collection, money room, janitorial, etc. The contract expired at the end of the year. *[Discussion redacted related to collective bargaining negotiations]* Mr. King then discussed some things that the Tollway has been exploring. One option is: In Maryland, if you miss your toll, the Agency notifies the violator that they owe 40 cents for the toll plus a \$3 or \$5 transaction fee and if this isn't paid, an actual violation notice follows.

There have also been discussions with Metra regarding a universal account structure in providing credit card service to Metra customers via their I-PASS account. There will be a fee attached to every Metra transaction to compensate for any build-out costs or transactional costs on top of that.

[Discussion redacted related to collective bargaining negotiations]

There being no further discussion, Chairman Mitola called for a motion to adjourn.

Director Andalcio moved to adjourn; seconded by Director Moore.

Chairman Mitola called for a voice vote, and there being “Ayes” and no “Nays”, declared the motion carried.

Meeting adjourned at approximately 11:57 a.m.

Minutes taken by: _____
Trudy Steinhauser
Board Secretary
Illinois Toll Highway Authority

THE ILLINOIS STATE TOLL HIGHWAY AUTHORITY
MINUTES OF EXECUTIVE SESSION
OF
THE BOARD OF DIRECTORS
May 14, 2009

On May 14, 2009 at approximately 11:00 a.m. upon a roll call vote, the Illinois Tollway's Board of Directors met in Executive Session pursuant to Sections 2 (c) (11) of the *Open Meetings Act* to discuss collective bargaining issues. The Secretary called the roll and those present were as follows:

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| Chairman John Mitola | Mr. Mike King |
| Director David Andalcio | Mr. Tom Bamonte |
| Director Jim Banks | Mr. Jeff Redding |
| Director Steve Harris | Ms. Trudy Steinhauser |
| Director Betty-Ann Moore | |
| Director George Pradel- phone | |
| Director Jim Roof | |
| Director Carl Towns | |

Directors discussed SEIU negotiations.

[Discussion redacted related to collective bargaining negotiations]

There being no further business, Chairman Mitola called for a motion to adjourn. Director Banks moved to adjourn; seconded by Director Towns.

Chairman Mitola called for a voice vote, and there being "Ayes" and no "Nays", declared the motion carried.

Meeting adjourned at approximately 11:15 a.m.

Minutes taken by: _____
Trudy Steinhauser
Board Secretary
Illinois Toll Highway Authority

THE ILLINOIS STATE TOLL HIGHWAY AUTHORITY
MINUTES OF EXECUTIVE SESSION
OF
THE BOARD OF DIRECTORS
August 27, 2009

On August 27, 2009 at approximately 12:25 p.m. upon a roll call vote, the Illinois Tollway's Board of Directors met in Executive Session pursuant to Sections 2(c)(1), 2(c)(2), 2(c)(11) and 2(c)(21) of the *Open Meetings Act* to discuss collective bargaining issues, personnel matters, proposed settlements, and the release of Executive Session Minutes.

The Secretary called the roll and those present were as follows:

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|-------------------------|-----------------------|
| Chair Paula Wolff | Mr. Mike King |
| Director David Andalcio | Mr. Tom Bamonte |
| Director Jim Banks | Mr. Mike Colsch |
| Director Tom Canham | Mr. Jeff Redding |
| Director Bill Morris | Ms. Trudy Steinhauser |
| Director George Pradel | Mr. David Wilson |
| Director Jim Roof | Mr. Mark Bennett |
| Director Carl Towns | |
| Director Tom Weisner | |

Directors discussed SEIU negotiations.

[Discussion redacted related to collective bargaining negotiations]

Messrs. Wilson, Colsch, Redding and Bennett left the meeting at 12:45 p.m.

The Directors then discussed FOIA requests relating to the Oases and Attorney/Client privilege.

Mr. Bamonte then briefed the Board on the request by Senator Garrett and Representative Franks through a series of Freedom of Information Act requests for documents about the Tollway's relationship with Wilton Partners, the manager of the Oases and the Oases themselves. He went on to say that among the documents that they've requested are attorney client communications. He consulted with the

Office of the Attorney General and Tollway management regarding communications from executive session discussions and legal updates to determine if they are privileged and whether that attorney client privilege can be waived and those documents released without unduly prejudicing the Tollway. So, the answer to those questions is that ultimately the decision is the Board's decision to make.

A Director asked if there was current litigation on Wilton. Staff responded that the litigation on Wilton is the foreclosure action by Wilton's bank against Wilton. The Tollway is not a party to that litigation.

Staff stated that the Tollway is an observer, but Wilton has objected to the foreclosure and it's certainly possible that if that litigation rolls ahead there could be discovery and these documents certainly could be used in that.

The Director asked if Wilton is in default. Staff responded affirmatively. Staff explained that there's roughly \$2 million in outstanding, somewhat disputed dollars. Some of it is back rent, some of it is money owed to the R&R account, and then also there are bills that we passed on to Wilton for work that we did and felt was theirs.

Staff stated that under the lease, in order for the bank to take over for Wilton, the bank has to cure Wilton's default. The bank has reached out to the Tollway the Tollway and the bank are meeting next week to discuss that cure process. Relations between the Tollway and iStar, the bank, have been good to date.

With respect to the FOIA requests, staff reported that the Tollway already provided about 3,000 pages, probably another 5 or 6 DVDs of documents, which is thousands of pages. There are probably another 14 or 15 file cabinet drawers full of documents related to Wilton. There are over 22,000 e-mails that pertain to Wilton.

A Director asked regarding the Oases FOIAs from public officials whether release of the documents would put staff, or any of the Tollway people at risk. Staff responded that waiver of the attorney-client privilege is a decision for the Tollway to make, institutionally, and again, the assessment is there appears to be little or no substantive harm to the Tollway itself.

A Director asked if the Attorney General directed release of privileged materials. Staff replied in the negative, noting the public interest in supplying documents in response to requests from public officials.

In response to a question staff stated that release of certain attorney- client materials

creates no binding precedent. The Tollway would only waive the communications about the claims back and forth between Wilton and the Tollway and efforts by the parties to resolve the claims and the operational efforts to try to improve things at the oases, up until the date that a receiver is appointed.

There was then discussion on ownership of these documents and it was explained that the Tollway can choose to do whatever it wants with these documents no matter whose name is on them.

There was then discussion on who would be attending the hearing and if something should be posted to be in compliance with the Open Meetings Act.

The Chair stated that she spoke to Senator Garrett on this issue and spoke in favor of releasing the materials at issue. There ensued a discussion among the directors concerning the merits of releasing the requested materials subject to the attorney-client privilege.

Staff confirmed that it was the sense of the Board to release the Executive Session Minutes and work with management on the waiver of Wilton-related attorney-client communications that applies to past communications but protects future attorney client communications.

Staff also stated that he hopes to have more to report to the Board regarding recouping the money after discussions with iStar.

The Directors discussed litigation.

Staff then briefed the Board on the proposed settlements with rental car fleet owners Avis, Hertz and Dollar Thrifty. Avis owes the Tollway about \$16.5 million and the proposed settlement is \$1.5 million over three years. The face value of the claim against Hertz is about \$26 million and the proposed settlement \$2.35 million. Those settlements are almost \$6.00 per violation. Dollar Thrifty, with \$1 million in face value of Tollway claims, has a proposed settlement at \$212,000 or roughly \$11.00 a claim.

Staff went on to say that these settlements avoid litigation over the Tollway's VES system. Rental car companies are facing economic challenges and would be getting payments from them sooner rather than later. The Tollway sent these companies with literally tens of thousands of violations notices. The companies have 21 days to find their customers and provide the Tollway with the information to shift liability from

the rental car company to their customer. They weren't able to do so in many cases and because many of the violations were over a year old, as a practical matter, they weren't able to go back to the customers and collect. They certainly bear some responsibility for not devoting sufficient resources to process these violations notices, but we have a desire to work with these companies going forward.

Staff recommended settling these claims as outlined above. The Directors discussed a personnel issue.

The Chair then told the Board that she has talked to the Attorney General about her concern that there is a strong Inspector General function at the Tollway. The Chair stated she would talk to the Inspector General and give her the option to resign. An Acting Inspector General will be named and the job will be re-structured.

There being no further business, Chair Wolff called for a motion to adjourn. Director Morris moved to adjourn; seconded by Director Roof. Meeting adjourned at approximately 1:26 p.m.

Minutes taken by: _____
Trudy Steinhauser
Board Secretary
Illinois Toll Highway Authority

THE ILLINOIS STATE TOLL HIGHWAY AUTHORITY
MINUTES OF EXECUTIVE SESSION
OF
THE BOARD OF DIRECTORS
September 24, 2009

On September 24, 2009 at approximately 12:35 p.m. upon a roll call vote, the Illinois Tollway's Board of Directors met in Executive Session pursuant to Sections 2(c)(1), 2(c)(2) and 2(c)(11) of the *Open Meetings Act* to discuss collective bargaining issues, personnel matters, and possible litigation. The Secretary called the roll and those present were as follows:

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|------------------------|-----------------------|
| Chair Paula Wolff | Mr. Mike King |
| Director Jim Banks | Mr. Tom Bamonte |
| Director Tom Canham | Mr. Ed Vargas |
| Director Bill Morris | Ms. Trudy Steinhauser |
| Director George Pradel | Mr. Joe Fivelson |
| Director Jim Roof | Ms. Arjana Jaupi |
| Director Carl Towns | Mr. Peter Foernssler |
| Director Tom Weisner | |

Director discussed possible litigation.

Mr. Tom Bamonte began by briefing the Board on the settlement. Synch Solutions is a sub-contractor providing IT services to the Tollway.

The Inspector General's office performed an audit on Synch Solutions and found that there was significant over-billing. Synch was billing the Tollway as if a group of individuals were employees when, in fact, they were not. As a result of the audit, they identified about \$400,000 in potential over-billing. Synch agreed with the assessment and cooperated with the audit.

Mr. Bamonte explained that after looking at the case, the risk of litigation and the risk of not having contractor services, the desire to move ahead was looked at and management made the decision to split the difference in the pay rate. What that means is a credit of about \$306,000 to the Tollway and a \$110,000 loss to Synch.

One of the terms of the settlement was that Synch wanted guarantees that it would

get future work at the Tollway but we wouldn't agree to that. During the settlement discussions we said that the Tollway would make its decision about whether to give additional work to Synch and pay that work without reference to the settlement. The settlement is done but the Tollway would make any assessment of future work and pay its bills according to its financial and operational needs.

There was much discussion on this item and questions by Directors such as if this was intentionally done by Synch, and why the resumes of these people were on Synch letterhead if they were in fact not Synch employees.

A Director felt there was a problem from a perception standpoint as well as what actually took place. He was also concerned about splitting the difference just so we don't have litigation issues but he feels there are times when principle dictates and that we need to at least insist on full repayment of what we think we have coming with the implication that we would pursue legally if needed.

There was also discussion on whether or not Synch was committing fraud. Mr. Joe Fivelson stated that when this was first brought to the attention of the past Inspector General, it was not done as an investigation; it was done strictly as an audit and he felt this was because the work was actually performed

Mr. Bamonte explained that his understanding was that Synch was paying \$100 per hour for these employees. If in terms of what would be the result of pressing forward, they would say the Tollway was right, Synch wasn't entitled to the \$150, but they did pay the employees and should be reimbursed at \$100 per hour. Under the settlement they're getting less.

Mr. King stated that it could have very well been a misinterpretation of who was staff and who wasn't. Synch did bill the Tollway incorrectly, they admit that, but also, according to all the user departments, they're doing very good work for the people in the field.

Mr. Bamonte stated that the previous IG did not conclude that there was criminal behavior. But he thinks its worthwhile having Mr. Fivelson and his team take another look.

Mr. Foernssler explained that when the engineering department gets a proposal, it's reviewed on the technical merit of the personnel that are bidding on the contract and that's how a selection is made. Unless they receive guidance from others that this firm cannot be selected, they will be considered for the project. He stated that Synch

is a sub-consultant agent to the PMO. We hired the PMO because we couldn't handle all the duties in the Engineering Department as well as the IT Department and as part of the Congestion Relief Program we grew the next generation network system because of the amount of cameras. The toll collection system also goes through there; it was such a robust system that we couldn't handle it within IT and they asked for assistance associated with this system. Synch has been involved with the IT Department since 2005. Their contract expires at the end of this year. They are working on a variety of tasks that will be completed at that time. In the future, the IT Department will need assistance on this and it will be done with in-house personnel or it will be another contract.

It was also mentioned that if the Tollway severs the relationship with Synch by rejecting the settlement and telling them we want the full \$417,000, Synch will probably stop work on the project.

Mr. Bamonte stated, "If the settlement's rejected and the past bills aren't paid, they walk and the move is in their court. But, from their perspective, they've got hundreds of thousands of dollars in unpaid bills so they're suing us for work that we agreed they did legitimately and then we have the same dispute over how do you measure the damages and frankly, the splitting the difference at \$75 per hour is probably where the court will come to because we're paying \$130 now, and they paid \$100, and this is below that."

Since a Director had to leave, Chair Wolff asked the Board for a recommendation on this.

A Director stated that he would vote against what has been proposed; another Canham concurred; A Director would like this looked into more thoroughly; another Director voted no. A Director asked Mr. Bamonte for his opinion.

Mr. Bamonte stated he would not recommend settling on the terms brought to the Board today. He did suggest that the Board give serious consideration to, if Synch came back and agreed to the IG's audit finding in full, which would be an attractive way to resolve the issue. It could also be written in the settlement that Synch would not bid on Tollway work for a stated amount of time; maybe three years.

Two Directors left the meeting at this point

There was then discussion on what the courts could decide if a lawsuit was filed.

Mr. Bamonte asked the Board if they were willing to settle at all and if they were, then he would say that if Synch would pay the amount the IG says they should pay and they also agree not to work for the Tollway for three years, that would be an appropriate response.

Mr. Bamonte also asked the Board if they wanted to terminate Synch's services at the end of the year or upon settlement.

Mr. Vargas stated that there are several issues on the table. There's work that still needs to be done. Some projects can be handled internally, but the IT Department is working toward their ISO certification and that would be delayed. He also felt that the biggest impact would be on the next generation network. That project is 95% complete so if the resource associated with the project left, the Tollway would not be impacted because we have taken ownership of that project.

Mr. Foernssler also explained that Synch is doing some data base management with the oracle system which helps us monitor and track toll collection, violations, and personnel, and there may be a timeframe of a week to two weeks before we can get somebody on board.

The Chair asked Mr. Bamonte to articulate how we would describe what we did and how we did it, if we settled.

Mr. Bamonte responded that we would be recognizing the receipt of valuable IT services, we would be imposing a substantial financial penalty of over \$100,000 for mis-billings, we would be avoiding the cost of certain litigation, and we would be barring them from doing future work for the Tollway.

Mr. Bamonte asked the Board for their decision on if the Tollway should settle or not. A Director, yes; Director, no; Director, no, Director yes.

The Chair asked Mr. Bamonte to get back to the Directors and brief them on what was discussed after they left the meeting and to explain to them that there are two options; we're divided as a Board.

The Chair also instructed Mr. Bamonte to tell the Directors that one option is recognizing the receipt of valuable IT services, etc, (outlined above) and the other is no settlement. We want to make sure that they're still in the no settlement camp having outlined with these four options what a settlement would look like because they left before the Board got to the details.

Mr. Foernssler, Ms. Jaupi and Mr. Vargas left the meeting at this point and Messrs. Ryniewski, Azar and Colsch joined the meeting.

Directors discussed VES settlement policy.

[Discussions related to ongoing litigation are redacted]

Directors discussed SEIU negotiation.

[Discussion redacted related to collective bargaining negotiations]

The Directors discussed a personnel matter.

The Chair discussed with the Board the open position of Inspector General. She stated that there is a question of whether or not that position would be created by legislation. There is legislation under discussion in which inspectors general would be created specifically by law for certain agencies. The Tollway will not be one of these. It is partly a legal question and partly a strategic or tactical question in terms of what the Governor's Office, the General Assembly and the Tollway wish to do, since we function in a larger policy environment.

If the office of Inspector General is not created by law, there is an option that we could title the position differently, such as Chief Inspector, Chief Investigator, or something of that nature and have many of the functions performed. That could be done and we could then name someone to that position. If a legislator wants to introduce and pass legislation we could close off that question and resolve it as a permanent position with subpoena powers. She stated she would get a job description and circulate it to the Directors.

The Chair then stated that with regard to the Executive Director position, the current Executive Director will not continue in that position so we will do a job description and move quickly to fill the job.

There being no further business, Chair Wolff called for a motion to adjourn. Director Morris moved to adjourn; seconded by Director Roof. Meeting adjourned at approximately 2:50 p.m.

Minutes taken by:

Dawn Sirianni
Assistant Secretary
Illinois State Toll Highway Authority

THE ILLINOIS STATE TOLL HIGHWAY AUTHORITY
MINUTES OF EXECUTIVE SESSION
OF
THE BOARD OF DIRECTORS
October 14, 2009

On October 14, 2009 at approximately 9:20 a.m. the Illinois Tollway's Board of Directors met in Executive Session pursuant to Sections 2(c)(1), of the *Open Meetings Act* to discuss performance of specific employees of the public body.

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| Chair Paula Wolff | Mr. Mike King |
| Director Tom Canham (via phone) | Ms. Trudy Steinhauser |
| Director Bill Morris | Mr. Thomas Kizziah |
| Director George Pradel | Ms. Linda Abernethy |
| Director Jim Roof | |
| Director Carl Towns | |

The Directors discussed the Tollway's Audit.

The Chair asked Ms. Linda Abernethy from McGladrey & Pullen, LLP and Mr. Thomas Kizziah of the Office of the Auditor General if they had any issues or problems with the Tollway audit or management staff while working on this year's audit.

Ms. Abernethy thought the cooperation from both firms and the Tollway has improved each year. This year the Tollway and McGladrey had weekly status meetings where they went through all the documents which McGladrey requested, what was received from the Tollway, what McGladrey was still waiting for, and prioritizing work tasks. She thought that helped a lot and cooperation was very good.

There was discussion on areas where there is a potential for fraud. The Auditors stated that the vendor database is a fraud risk and the Tollway should better monitor the vendor database. It was noted that no fraud was detected.

Another area that was mentioned was the award of contracts. Ms. Abernethy stated that it would be unlikely the auditors would be able to find fraud regarding awards because fraud would require collusion and that wouldn't be anything the auditors could see.

The Chair stated that goes to the question of how our actual internal processes are set up, who sits on the committees, how they're selected, how those decisions or criteria are established and who monitors whether the criteria was actually adhered to when contracts are awarded.

The Chair then asked the Directors if they believed that there was a place where there has been or could be fraud that they are concerned about now. She wanted on record that this was their opportunity with the auditors, away from management, to make sure that no one has anything specific that he is concerned about.

A Director stated that for him it would be toll violations. He said there was no set policy or procedure on how certain things are addressed with the exception of the agreements the Tollway had with the car rental agencies. He also wanted to make sure violations weren't "taken care of but felt the potential was there.

A Director asked the auditors how they looked at the construction contracts. Ms. Abernethy explained that they sample a lot of the bidding documents and go through them to make sure the decision making process is well documented and seems reasonable. They normally test a sample of 25 contracts and also 10 contracts which are over \$3 million.

Mr. Kizziah explained that at the beginning of next year's audit, they would be meeting with members of the Board to have a SAS 99 discussion, which is intended to identify the risks of fraud.

Mr. Kizziah also mentioned that there should be good communication between the engineering department and accounting department in order to ensure proper record keeping and controls. Ms. Abernethy asked the Board if it was interested in going over the two new GASB statements that will be necessary in 2010. It was decided that copies would be given to the Board at a later date.

Mr. Kizziah then stated that the Tollway did issue \$500 million of taxable bonds under the Build America program and there was some concern as to whether that would require a federal audit. The Office of Management and Budget has put out some guidance that a federal audit would not be necessary. The Tollway's going to now file a tax return to get back the 35% subsidy that comes with the Build America bonds. Rather than that be a part of the regular annual audit of the Tollway, the Treasury Department can now come in and do its own audit.

The Chair asked if there were any other questions and, there being none, thanked the auditors for their time.

Ms. Pearn, Ms. Savickas, Ms. McGinnis, Mr. Fivelson, Mr. Colsch, Mr. Bamonte and Mr. Boron joined the meeting.

The Chair briefed staff on the auditors' comments about cooperation from staff, areas of concern and the need for communication between departments. She then asked staff the same questions; did they encounter any problems with the audit. Staff felt there were no major problems, acknowledging some disagreements. Staff also felt that the communication greatly improved.

There being no further business or discussion, Chair Wolff called for a motion to adjourn. Director Morris moved to adjourn; seconded by Director Towns. Meeting adjourned at approximately 10:00 a.m.

Minutes taken by: _____
Dawn Sirianni
Assistant Secretary
Illinois State Toll Highway Authority

THE ILLINOIS STATE TOLL HIGHWAY AUTHORITY
MINUTES OF EXECUTIVE SESSION
OF
THE BOARD OF DIRECTORS
November 19, 2009

On November 19, 2009 at approximately 12:00 p.m. upon a roll call vote, the Illinois Tollway's Board of Directors met in Executive Session in accordance with the *Open Meetings Act* to discuss the following: Appointment of specific employees of the agency pursuant to Section 2(c)(1); Collective bargaining matters pursuant to Section 2(c)(2); Litigation pending in the Circuit Court of Cook County pursuant to Section 2(c)(11); and consideration of the Release of Executive Session Minutes pursuant to Section 2(c)(21) The Secretary called the roll and those present were as follows:

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|------------------------|-----------------------|
| Chair Paula Wolff | Mr. Mike King |
| Director Jim Banks | Mr. Tom Bamonte |
| Director Tom Canham | Mr. Greg Stukel |
| Director Bill Morris | Ms. Trudy Steinhauser |
| Director George Pradel | |
| Director Jim Roolf | |
| Director Carl Towns | |
| Director Tom Weisner | |

The Directors discussed the status of the oases.

Staff reported that the Wilton default has been fully cured. The Tollway is now up to date in terms of rent and other payment obligations under the lease and iStar will continue to pay going forward. Court was scheduled for tomorrow to hear iStar's motion to dismiss Wilton's objection for foreclosure but staff received word that Wilton's counsel has filed a motion to withdraw because of non-payment of attorneys' fees.

There was the discussion on the latest Senate hearing regarding the oases. U.S. Equities has done work for the Tollway in the past, made some campaign contributions to the former governor and apparently had some business dealing with Tony Rezko. Tollway management will do an internal review of U.S. Equities into these issues, examining what past work U.S. Equities performed for the Tollway,

how much it was paid, and whether or not the Tollway had an obligation at the time U.S. Equities was named to the Oases receivership to make the Tollway's position known.

Staff stated that U.S. Equities did some work in the 2003-2004 period when there were discussions of the Tollway selling or leasing the Central Administration Building. In 2005 U.S. Equities review the tenant leases that Wilton had negotiated to see that they were at market levels. It does not appear that any contracts were brought to the Board or any payment requests for those services. U.S. Equities was also engaged through an RFP process to assist Tollway staff in land acquisition matters and the record to date shows a payment to U.S. Equities of under \$7,000.

Staff stated that under the mortgage foreclosure law iStar has the right to nominate its choice of a receiver and the court gives preference to that choice. The Tollway was not part of the foreclosure action. The assessment is that if the Tollway wanted to intervene it could have and could still, but the court would most likely look at if the receiver is performing and is capable of performing as opposed to some of these peripheral issues.

Staff stated that the Tollway has documents that work was performed by U.S. Equities but we don't have records showing payments for all the work.

The Directors discussed SEIU negotiations.

[Discussion redacted related to collective bargaining negotiations]

The Chair asked for a more detailed presentation about human resources issues than the one that was given in August. She would like the Board to be informed of what staff is currently looking into, such as family leave and employee benefits.

There was then a brief discussion on a pilot program whereby the Tollway would close two plazas that are showing sub-par numbers of vehicles going through the lanes. Jeff Redding left the meeting after this discussion.

The Directors discussed the release of Executive Session minutes.

It was explained that under the law the Board has to decide whether the need for confidentiality still exists in releasing Executive Session minutes. The Chair would like a policy on whether or not we release employees' names within executive session minutes. She recommends that they be redacted. There was a discussion

covering whether particular minutes should be released.

The Directors discussed a personnel matter.

The Chair had discussion with the Board on the Inspector General position. This title has been changed to General Manager of Investigations & Audit. The Governor's Office would like to introduce legislation in the spring in order to create an inspector general position for the Tollway. The job description for General Manager of Investigations and Audit has been posted and resumes have been received. A Director has interviewed one individual and may interview three more on behalf of the Tollway. The Chair will interview them on behalf of the Board and since the position has been redefined and will report to the Acting Executive Director, the Acting Executive Director will also interview candidates.

The Board then discussed other vacant positions and felt they should not be filled until there is a new permanent Executive Director.

There being no further business, Chair Wolff called for a motion to adjourn. Director Morris moved to adjourn; seconded by Director Roof. The motion was approved unanimously. Meeting adjourned at approximately 1:00 p.m.

Minutes taken by: _____

Dawn Sirianni
Assistant Secretary
Illinois State Toll Highway Authority

THE ILLINOIS STATE TOLL HIGHWAY AUTHORITY
MINUTES OF EXECUTIVE SESSION
OF
THE BOARD OF DIRECTORS
December 17, 2009

On December 17, 2009 at approximately 11:55 a.m. upon a roll call vote, the Illinois Tollway's Board of Directors met in Executive Session in accordance with the *Open Meetings Act* to discuss the following: Appointment of specific employees of the agency pursuant to Section 2(c)(1); collective bargaining matters pursuant to Section 2(c)(2); and litigation matters pursuant to Section 2(c)(11). The Secretary called the roll and those present were as follows:

| | |
|------------------------------|-----------------------|
| Chair Paula Wolff | Mr. Joe Fivelson |
| Director Tom Canham | Mr. Greg Stukel |
| Director Bill Morris - phone | Ms. Trudy Steinhauser |
| Director George Pradel | Mr. Paul Kovacs |
| Director Jim Roof | Mr. Tom Bamonte |
| Director Carl Towns | Mr. Mike Colsch |
| Director Tom Weisner | Ms. Arjana Jaupi |
| Mr. Mike King | Mr. Mike Pustelnik |

The Directors discussed the status of the oases (Wilton).

Staff stated the judge in the oases foreclosure permitted Wilton's lawyer was allowed to withdraw, which means that at this point, Wilton doesn't have legal counsel.

Senator Garrett has raised questions about iStar's use of U.S. Equities as the Receiver. The court handling the foreclosure action would not be inclined to grant the Tollway's request to replace U.S. Equities as Receiver absent strong evidence that would make U.S. Equities incapable of doing its job as a receiver. Staff then outlined some options for the Board to consider. One is to draft a complaint; second would be to do nothing as the foreclosure process is proceeding; and a third option might be when the Inspector General's office completes its investigation, turn over the results to iStar, and tell iStar to do what iStar thinks is appropriate with respect to the receiver.

Staff then discussed its audit of the U.S. Equities past contacts with the Tollway.

Audit has gone back and reviewed some of the prior contracts awarded to U.S. Equities, went through the procurement process and looked for those particular contracts and found one written contract relationship with U.S. Equities. The procurement process was reviewed and Audit found inconsistencies with current procurement processes. It was determined that there appears to be a prior relationship with U.S. Equities and Audit is still in the process of reviewing documents to establish exactly what was that prior relationship. Audit also tried to establish if the Tollway followed all required disclosures as far as U.S. Equities is concerned and have found no direct violations of disclosure requirements. There is no direct non-compliance with disclosure requirements as far as U.S. Equities is concerned. Audit plans on going back to the time of the original procurement, which was 2004. Staff explained that the Tollway holds its contractors to specific standards as far as disclosures are concerned as to prior work and based on the current information, disclosures should have been made to iStar or the courts.

Staff stated that there is an undated report from U.S. Equities and Audit is trying to figure out how that report ties into any kind of work. Only one Tollway payment was found to U.S. Equities. The actual award that U.S. Equities was able to obtain was as part of a vendor pool assisting the Tollway in eminent domain matters.

There were four contractors that were awarded a contract for appraisals and negotiations. This was a professional services contract.

It appears that U.S. Equities did perform one financial analysis but it is not known if this was done pursuant to a written contract. Audit is trying to find out exactly how U.S. Equities was paid but, to date, hasn't uncovered anything.

It was noted that at the Senate hearing there was a suggestion that there was also a contract with U.S. Equities for work which had not been performed. Staff stated that the only contract Audit has been able to find is the one contract where U.S. Equities was part of a vendor pool. Audit went through some of the engineering contracts to make sure U.S. Equities was not listed as a subcontractor, but hasn't found anything.

Staff stated that Audit has gone through both invoicing and general accounting systems, has done variations on the name to make sure there wasn't any kind of payment made out of the Finance Department and haven't found any other payments.

The Chair requested a policy be presented at the January Board Meeting outlining the Tollway's standards and what disclosures would be made.

The Directors discussed the status of the oases (ExxonMobil). Staff explained that on December 4, 2009 ExxonMobil notified the Tollway that it wanted to assign its lease to Combined Oil. Prior to that, the Tollway issued a due diligence letter to ExxonMobil and, as of today, ExxonMobil has submitted everything that was requested in that letter. The Tollway has asked for proposals from firms to do an analysis of Combined Oil to see if it has the financial resources and management capacity to maintain and assume the liabilities of the service stations.

Staff then briefed the Board on the building explosion near the Belvidere Oasis. ExxonMobil and U.S. Equities have hired a structural engineering firm, separate from the Tollway, to inspect their facilities to see if there was any structural damage. The Tollway did call the gas company to check the lines and it reported that nothing was damaged.

The Directors discussed possible litigation.

Mr. Bamonte then addressed Synch Solutions and gave a background briefing for a Director. In September, the Board rejected a settlement. Since then the Tollway has applied the credit as calculated per the Inspector General's methodology against Synch's bills, deducted the overbilling, and is in the process of paying Synch the remainder, which is approximately \$200,000. Payment to Synch of \$125,000 has already been made and the balance is being processed. With regard to a letter received by the Board, Mr. Bamonte said that a draft response is being done and the Board will receive a copy before sending to Synch.

The Chair stated that the letter suggested that the Tollway prohibited Synch from doing future business with the Tollway and asked Mr. Bamonte to respond to that.

Mr. Bamonte stated that after the last meeting on Synch he went back to their counsel and asked if Synch would agree to accept the Inspector General's calculation of the overbilling and also agree not to deal with the Tollway for two years. Synch responded "no." There is currently no ban on Synch getting work with the Tollway as a sub-contractor.

A Director wanted to make clear that it was not because Synch didn't perform their services that they were not being paid but because of differences with the Tollway on the rate of pay for employees and non- employees.

There was also discussion on whether HNTB should be held accountable. Mr. Bamonte stated that Synch submits its bills to HNTB and HNTB submits them to the

Tollway. HNTB is not receiving the money from the Tollway on some of those bills. There is no direct contractual relationship with Synch and the Tollway.

Mr. Kovacs, Mr. Pustelnik and Ms. Jaupi left the meeting at this time. Mr. Jeff Redding joined the meeting.

The Directors discussed personnel benefits.

Mr. King discussed employee participation in defined contributions to the healthcare program. He stated that staff has been looking into defined benefits. *[Discussion redacted due to ongoing collective bargaining negotiations]* If this plan were to be implemented, it is expected that participation would begin on January 1, 2011. A summary of the collective bargaining agreements has been compiled and limitations identified. The Teamster contract is the only one that prohibits the Tollway from requiring participation. The Teamsters actually have language in their contract that says the Tollway has to provide these services without employee financial contribution.

[Discussion redacted due to ongoing collective bargaining negotiations] The Teamsters contract is the only one that says the Tollway will pay all of the premiums.

Mr. King then outlined some of the options being explored. They include: the existing program; one where the Tollway provides an HMO at no cost but imposes a cost for the PPO plan; employee participation across the board, similar to the CMS plan but under the Tollway's makeup; and the last option is that the Tollway adopt the CMS plan. Regarding this option, CMS has said that the Tollway doesn't qualify to participate in their plan. The Tollway has also negotiated better rates than what the State gets for all but the PPO family plan.

Mr. King went on to explain that staff would come back to the Board in the coming months to discuss costs associated with the above options. It was also discussed that in the spring of 2010, the Board could consider passing a resolution saying that there needs to be employee participation by the next plan year. This would make it clear and binding from the Board and senior staff would have to come back to the Board with recommendations. *[Discussion redacted due to ongoing collective bargaining negotiations]*.

It was mentioned that premiums for dependent coverage was also being looked into. The current Teamsters contract stated that the employee will pay no premium, including dependents.

The Directors discussed the Teamsters contract.

Staff stated that the Teamsters contract is currently expired and the Teamsters are looking for an extension rather than a new contract. The Teamsters have asked for an increase of 90 cents per hour. The Tollway's response was if the Teamsters insist on such an increase, negotiations on a new contract will be opened.

A Director asked to review the list of all of the unions at the Tollway because Will County is a very strong union county and chances are Will County probably does business with a number of them. He would then not get involved in discussions.

The Directors discussed SEIU negotiations.

[Discussion redacted due to ongoing collective bargaining negotiations]

Mr. Redding, Mr. Fivelson and Mr. Colsch left the meeting.

The Directors discussed a FOIA matter.

Staff stated that Senator Garrett submitted a FOIA for the 2007 Executive Inspector General's report on the oases. Senator Garrett worked with Senator Cullerton's staff on putting together the required subpoena and once that is served on James Wright, Executive Inspector General, Senator Garrett and the Committee will have access to that report.

The Directors discussed a personnel matter.

Staff then discussed the position of General Manager of Investigations and Audits. Staff passed a copy of the lead candidate's resume to the Directors. The Acting Inspector General, also applied, but staff would like to move him to the position of Acting Chief of Administration. Since this is an Acting position, it provides flexibility to hire for that position in the future. The Chair explained that this position is actually an appointment of the Executive Director and not something that has to be approved by the Board.

Staff left the meeting after bringing in the General Manager of Investigations and Audits candidate and introducing him to the Board. The Board and the candidate discussed his background and credentials. The Chair thanked him for coming in and state that if the Board was in agreement, after the meeting staff would talk to the

candidate about conditions of employment.

There being no further business, Chair Wolff called for a motion to adjourn. Director Saldaña moved to adjourn; seconded by Director Towns. The motion was approved unanimously. Meeting adjourned at approximately 1:10 p.m.

Minutes taken by: _____
Dawn Sirianni
Assistant Secretary
Illinois State Toll Highway Authority

THE ILLINOIS STATE TOLL HIGHWAY AUTHORITY
MINUTES OF EXECUTIVE SESSION
OF
THE BOARD OF DIRECTORS
January 28, 2010

On January 28, 2010 at approximately 11:30 a.m. upon a roll call vote, the Illinois Tollway's Board of Directors met in Executive Session pursuant to Section 2(c)(1) of the *Open Meetings Act* to discuss personnel matters, Section 2(c)(2) of the Act to discuss collective bargaining and Section 2(c)(11) litigation matters. The Secretary called the roll and those present were as follows:

| | |
|------------------------|---------------------|
| Chair Paula Wolff | Mr. Tom Bamonte |
| Director Jim Banks | Mr. Mike King |
| Director Bill Morris | Mr. Jeffrey Redding |
| Director George Pradel | Mr. Mike Colsch |
| Director Jim Roof | Mr. Dave Wilson |
| Director Maria Saldaña | |
| Director Carl Towns | |
| Director Tom Weisner | |

The Directors discussed SEIU negotiations.

[Discussion redacted due to ongoing collective bargaining negotiations]

Staff notified the Board that the pilot program to close the manned lanes at Plazas 69 and 99 overnight will begin on February 16, 2010. All of the appropriate notifications and signage has been done. Customers are being encouraged to pay online; however, they can pay at another plaza.

Chair Wolff asked if there were any questions regarding the U.S. Equities matter. There were none.

The Directors discussed a personnel matter.

The Chair read the Executive Director position job description, and advised that the position would be posted soon. The Board determined that a small search committee would review the candidates and come back to the full Board with their

recommendations.

There being no further business, Chair Wolff called for a motion to adjourn from Executive Session. Director Banks moved to adjourn; seconded by Director Pradel. The motion was approved unanimously.

Meeting adjourned at approximately 12:45 p.m.

Minutes taken by: _____
Dawn Sirianni
Assistant Secretary
Illinois State Toll Highway Authority

THE ILLINOIS STATE TOLL HIGHWAY AUTHORITY
MINUTES OF EXECUTIVE SESSION
OF
THE BOARD OF DIRECTORS
February 25, 2010

On January 28, 2010 at approximately 9:30 a.m., upon a roll call vote, the Illinois Tollway's Board of Directors met in Executive Session pursuant to Section 2(c)(1) of the *Open Meetings Act* to discuss personnel matters, Section 2(c)(2) of the Act to discuss collective bargaining, Section 2(c)(6) to discuss probable sale or lease of property and Section 2(c)(11) to discuss litigation matters. The Secretary called the roll and those Directors present were as follows:

| | |
|--------------------------------|-----------------|
| Chair Paula Wolff | Mr. Paul Kovacs |
| Director Jim Banks | Mr. Tom Bamonte |
| Director Bill Morris – phone | Mr. Mike King |
| Director George Pradel – phone | Mr. Dave Wilson |
| Director Jim Roof | Mr. Mike Colsch |
| Director Maria Saldaña | Mr. John Benda |
| Director Carl Towns | Mr. Craig Green |
| Director Tom Weisner | Mr. Jack Healy |
| | Mr. Greg Stukel |
| | Mr. Bob Lane |

The Directors discussed SEIU negotiations.

[Discussion redacted due to ongoing collective bargaining negotiations]

Chair Wolff called for a motion to adjourn from Executive Session back to the Regular Board Meeting. Director Canham moved to adjourn; seconded by Director Roof. The motion was approved unanimously.

The Board came back into Executive Session at approximately 11:40 a.m.

The Directors discussed status of the oases.

Staff advised that the Board would get a review of the information from McGovern & Green, the Tollway's expert, regarding the ExxonMobil request to assign its lease.

Mr. Jack Healy, of McGovern & Green, advised that Combined Oil is primarily a distributor of fuel. Combined is a very small company with combined assets of \$10 million and a net worth of \$4 million. Combined is cross-collateralized as part of an affiliated group of 23 other companies. This group is part distributor and part real estate company, with the real estate portion a majority of the business. Combined mainly owns the underlying leases on gas stations. The owners of Combined have personally guaranteed all of the liabilities in the affiliated companies. This is a highly leveraged group. Combined Oil does not run any AM/PM stores. Combined has about 15 employees, as it is mainly a fuel distributor.

The Tollway asked who would be running the gas station. Late in the process McGovern & Green received a purported letter of intent from 7-11, stating that 7-11 would run the stores. The letter had typographical errors and was unsigned. It did not match up with the underlying lease.

ExxonMobil is completely protected in its draft agreement with Combined Oil. ExxonMobil assigns all environmental liabilities to Combined Oil, both known and unknown. Combined Oil plans to mitigate the risk with insurance and LUST fund proceeds. McGovern & Green looked at 17 potential risk areas in reviewing this request, and rates the proposed assignment a high risk for the Tollway.

Staff advised that Tollway personnel would be making its decision based upon these recommendations. A letter is being generated that will advise that the Tollway will not accept the assignment of the lease. Staff anticipated that ExxonMobil will come back to the Tollway with changes and revisions.

The Chair stated that it would be inappropriate for any Director to respond or comment when this becomes public. A Director advised that he had been contacted by an employee of ExxonMobil asking when this matter would come before the Board. He had advised her to check the public agenda, and told her that he could not discuss this matter.

The Directors discussed a personnel matter.

The Chair stated that the Executive Director Selection Committee would be meeting immediately after the Board meeting. The Board briefly discussed the process to winnow down the list of approximately 30 resumes and the vetting process. The Chair stated that the Committee will report back to the Board with its recommendations. Staff advised that he will try to get information from IBTTA

regarding Executive Director level salaries.

There being no further business, Chair Wolff called for a motion to adjourn from Executive Session. Director Banks moved to adjourn; seconded by Director Canham. The motion was approved unanimously.

Meeting adjourned at approximately 12:00 p.m.

Minutes taken by: _____
Dawn Sirianni
Assistant Secretary
Illinois State Toll Highway Authority

THE ILLINOIS STATE TOLL HIGHWAY AUTHORITY
MINUTES OF EXECUTIVE SESSION
OF
THE BOARD OF DIRECTORS
March 25, 2010

On March 25, 2010 at approximately 12:00 p.m., upon a roll call vote, the Illinois Tollway's Board of Directors met in Executive Session pursuant to Section 2(c)(1) of the *Open Meetings Act* to discuss personnel matters, Section 2(c)(2) of the Act to discuss collective bargaining, and Section 2(c)(11) to discuss litigation matters. The Secretary called the roll and those Directors present were as follows:

| | |
|------------------------|-----------------------------------|
| Chair Paula Wolff | Also, present were the following: |
| Director Tom Canham | Mike King |
| Director Bill Morris | Tom Bamonte |
| Director George Pradel | Jeff Redding |
| Director Jim Roof | Dave Wilson |
| Director Maria Saldaña | Joe Fivelson |
| Director Carl Towns | John Benda |
| Director Tom Weisner | Greg Busey |

The Directors discussed Teamster negotiations.

Staff briefed the Board on the collective bargaining with Teamsters Local 700 and a tentative agreement. The tentative agreement is a one year extension of the current agreement, with a \$0.50 per hour increase, which is retroactive to January 2010. This correlates to an approximate increase of 1.86% wage increase. In addition, there will be a one-time \$250 lump sum payment for the 452 bargaining employees. The total overall increase for this one year contract, from October 1, 2009 to September 30, 2010 is 1.82%. The union has agreed to not pursue any labor action regarding any changes to the health care insurance. All other terms to the collective bargaining agreement will remain the same. Teamster Local 700 has voted to ratify the agreement.

[Discussion redacted due to ongoing collective bargaining negotiations]

Chair Wolff advised that if there are no further questions or objections, when the Board meets back in regular session, the Board will vote upon this resolution.

The Directors discussed SEIU negotiations.

[Discussion redacted due to ongoing collective bargaining negotiations]

The Directors discussed an AFSCME grievance.

[Discussion related to personnel issues are redacted]

Mr. Bamonte then advised the Board concerning an unfair labor practice charge filed against the Tollway by AFSCME regarding the termination of three safety department employees in 2005 during the AFSCME organizing campaign. The Illinois Labor Relations Board ruled that the terminations were improper and retaliation for the employees union activities. The Tollway appealed, and the appeal will be heard in the 2nd District in Elgin on April 15, 2010. Mr. King stated that this situation was a byproduct of the reorganization of the agency. In 2003 there were 2100 employees, and today there are 1612 employees. Mr. Fivelson stated that the Tollway has determined that the employees do not want their jobs back.

The Directors discussed purchase or lease or real property.

Mr. Bamonte then briefed the Board on a property acquisition case. It involves a property of 30 acres in Lockport, with a sewage plant as a neighbor and that is surrounded by water. The Tollway acquired the land for the South Extension project. The Tollway appraiser estimates the value at \$300,000, and the landowner estimates the property value at \$3 million. There have been some issues regarding the Tollway's counsel, who the landowner alleged had improperly gone to the Corps of Engineers for a ruling that the property included jurisdictional wetlands. The landowner may be interested in mediation.

Discussion was held regarding the appraisals of the property. Mr. Busey advised that there is a lot of complicated information in appraising property, and if it was sent to a jury the jury might not understand the intricacies and decide to split the difference and give the homeowner \$1.5 million, plus the Tollway would have all of the costs of preparing and going to trial. Director Weisner asks how a mediator would be chosen. Mr. Bamonte stated that a mediator would be chosen by mutual agreement of the parties. Director Canham stated that a second appraisal could be viewed favorably by a mediator. Director Roof asked why this property had not previously been designated a wetland. Mr. Busey stated that unless a determination had been needed for development, nothing would have been done to designate the land. Mr.

Bamonte inquired if the Board would be interested in entering into binding mediation for this property. The Board agreed to binding mediation.

Chair Wolff called for a motion to adjourn from Executive Session back to the Regular Board Meeting. Director Roolf moved to adjourn; seconded by Director Canham. The motion was approved unanimously.

There being no further business, the meeting adjourned at approximately 1:30 p.m.

Minutes taken by: _____
Dawn Sirianni
Assistant Secretary
Illinois State Toll Highway Authority

THE ILLINOIS STATE TOLL HIGHWAY AUTHORITY
MINUTES OF EXECUTIVE SESSION
OF
THE BOARD OF DIRECTORS
April 29, 2010

On April 29, 2010 at approximately 11:45 a.m., upon a roll call vote, the Illinois Tollway's Board of Directors met in Executive Session pursuant to Section 2(c)(2) and Section 2(c)(11) of the *Open Meetings Act* to discuss collective bargaining and litigation matters. The Assistant Secretary called the roll and those Directors present were as follows:

Chair Paula Wolff
Director Tom Canham
Director Bill Morris
Director George Pradel
Director Jim Roolf
Director Maria Saldaña
Director Carl Towns

Also, present were the following:
Kristi Lafleur
Doug Kucia
Tom Bamonte
Mike Colsch
Jeff Redding

The Directors discussed SEIU negotiations.

[Discussion redacted due to ongoing collective bargaining negotiations]

Director Morris inquired how long SEIU has been working without a contract. Mr. Redding stated that the contract ended December 2008.

[Discussion redacted due to ongoing collective bargaining negotiations]

Mr. Bamonte then discussed the draft complaint challenging the Tollway's DBE program. Staff will be meeting the following day to discuss a response to the draft complaint. The Tollway does not yet have outside counsel for this matter, but if there is a lawsuit it will need to have outside counsel. Chair Wolff inquired if Mr. Bamonte had counsel in mind. Mr. Bamonte stated that the Attorney General will make that decision and is very conservative on pay rates, so there may be a small pool of interested firms to choose from.

Director Saldaña inquired if this had anything to do with the diversity study. Director Canham stated that this is a reverse discrimination suit. Mr. Bamonte stated that the

draft complaint relates in part to the past operation of the Tollway's DBE program. The current disparity study would not have any effect on that part of the case. By the time this case would get to trial the current disparity study would be complete and available. Director Saldaña asked if the disparity study that is being done with IDOT has a consultant or someone who knows how this should be set up. When the City of Chicago did their WBE/MBE disparity study to set up their program, they were challenged and the City won. Mr. Bamonte stated that IDOT did a competitive procurement and a nationwide search. The Tollway had representatives on the selection committee. Thus far the performance of the group selected has been acceptable.

The Directors discussed AFSCME grievance.

[Discussions related to personnel matters are redacted]

The Directors discussed the status of the oases.

Staff stated that there are no new developments on ExxonMobil since last month. ExxonMobil is thinking of putting together a new proposal. With respect to Wilton, US Equities' plan is to file a judgment for foreclosure by the end of May. It anticipates getting the foreclosure order by the end of June, with the foreclosure sale six weeks after that time. The only significant issue to come up in the past month concerns hanging banners. Discussion is ongoing on what extent should they be allowed and format changes that must be made before they are installed. The Tollway is making sure US Equities is complying with the lease, and that there are no public safety issues with the banners. The Chair inquired if this is consistent with the Federal Highway Act. Staff stated that this was one of the issues under discussion and the other was that the banners must be accompanied by an on-premise business.

A Director advised the US Equities does bank with First Midwest Bank. It was a court appointment. Going forward he will be recusing himself from of all US Equities matters.

Chair Wolff called for a motion to adjourn from Executive Session. Director Morris moved to adjourn; seconded by Director Towns. The motion was approved unanimously.

Chair Wolff then called for a motion to return to the Regular Board Meeting. Director Saldaña moved to go back to the Regular Board Meeting; seconded by Director Pradel. The motion was approved unanimously.

There being no further business, the meeting adjourned at approximately 12:15 p.m.

Minutes taken by: _____
Dawn Sirianni
Assistant Secretary
Illinois State Toll Highway Authority

THE ILLINOIS STATE TOLL HIGHWAY AUTHORITY
MINUTES OF EXECUTIVE SESSION
OF
THE BOARD OF DIRECTORS
May 27, 2010

On May 27, 2010 at approximately 8:30 a.m. upon a roll call vote, the Illinois Tollway's Board of Directors met in Executive Session pursuant to Section 2(c)(11) of the *Open Meetings Act* to discuss threatened litigation against the Tollway. The Secretary called the roll and those present were as follows:

| | |
|----------------------|------------------------|
| Chair Paul Wolff | Director George Pradel |
| Director Jim Banks | Director Jim Roof |
| Director Tom Weisner | Director Maria Saldaña |
| Director Bill Morris | Director Carl Towns |
| Mr. Tom Bamonte | Mr. Paul Kovacs |
| Ms. Stella Banak | Ms. Stephanie Stephens |

The Directors discussed possible litigation.

[Discussions related to ongoing litigation are redacted]

Mr. Tom Bamonte, General Counsel, informed the Board of the threat of litigation from Midwest Fence challenging the Tollway's DBE Program. Executive Director Lafleur stated that Midwest Fence's claims are based on some assumptions that have not been tested. Mr. Bamonte concurred. The Tollway is delving into the numbers.

Chair Wolff then called for a motion to recess Executive Session and return to the Regular Board meeting. Director Morris moved to go back to the Regular Board Meeting; seconded by Director Towns. The motion was approved unanimously.

Meeting recessed at approximately 8:45 a.m.

At approximately 11:30 a.m., upon a roll call vote, Executive Session was convened, the Illinois Tollway's Board of Directors pursuant to Section 2(c)(1) and Section 2(c)(11) of the *Open Meetings Act* met to discuss personnel and litigation matters. The Assistant Secretary called the roll and those Directors present were as follows:

Directors present:
Chair Paula Wolff
Director Tom Canham
Director Bill Morris
Director George Pradel
Director Jim Roolf
Director Maria Saldaña
Director Carl Towns

Also present were the following:
Kristi Lafleur
Doug Kucia
Tom Bamonte

[Discussions related to ongoing litigation are redacted]

The Board resumed its discussion of the threatened lawsuit against the Tollway's DBE Program.

A Director asked if all of this is being handled in-house and if there have been other state agencies facing similar challenges. Mr. Bamonte responded that the Attorney General's office is aware that outside counsel may be needed.

Executive Director Lafleur asked if the Board feels it is important to maintain the Diversity program going forward and received an affirmative response.

The Board then proceeded to discuss an Employment Agreement with the Executive Director.

Director Lafleur summarized the key provisions of the Employment Agreement. Mr. Bamonte pointed out that the agreement is drafted as a memorandum of understanding and the agreement does not create a term contract. The Executive Director still serves at will.

A discussion ensued on the benefits policy for all Tollway employees. A report will be created on the benefits policy and any exceptions.

Chair Wolff committed to sharing information earlier with all of the board on what is coming up on the agenda.

A permanent Board Secretary is in the process of being hired and the position is being upgraded.

Chair Wolff called for a motion to adjourn from Executive Session. Director Canham

moved to adjourn; seconded by Director Towns. The motion was approved unanimously.

Chair Wolff then called for a motion to return to the Regular Board Meeting. Director Canham moved to go back to the Regular Board Meeting; seconded by Director Roof. The motion as approved unanimously.

There being no further business, the meeting adjourned at approximately 12:15 p.m.

Minutes taken by: _____
Marlene Y. Rodriguez-Vick
Senior Manager of Program Development
Illinois State Toll Highway Authority

THE ILLINOIS STATE TOLL HIGHWAY AUTHORITY
MINUTES OF EXECUTIVE SESSION
OF
THE BOARD OF DIRECTORS
June 24, 2010

On June 24, 2010 at approximately 11:30 a.m. upon a roll call vote, the Illinois Tollway's Board of Directors met in Executive Session pursuant to Section 2(c) (11) of the *Open Meetings Act* to discuss probable litigation. The Assistant Secretary called the roll and those present were as follows:

| | |
|----------------------|------------------------|
| Chair Paula Wolff | Director George Pradel |
| Director Jim Banks | Director Jim Roof |
| Director Tom Weisner | Director Maria Saldaña |
| Director Bill Morris | Director Carl Towns |
| Mr. Tom Bamonte | Mr. Paul Kovacs |
| Ms. Stella Banak | Ms. Stephanie Stephens |

The Directors discussed possible litigation.

Mr. Tom Bamonte informed the Board that a lawsuit has not yet been filed against the Tollway's Disadvantaged Business program by Midwest Fence. The Legal Department has been in communication with Midwest Fence's legal counsel.

Executive Director Lafleur provided the Board members with an update on the short, mid and long term strategy for the DBE program. The Engineering and Legal departments are interviewing potential consultants to help advise the Tollway on the existing and future DBE Program.

A discussion ensued on the selection process.

Staff then briefed the Board on a model Mentor-Protégé program for construction projects called the RAMP program. Discussion ensued on details of the RAMP program, which is anticipated to be brought before the Board in August for approval.

[Discussions related to ongoing litigation are redacted]

Stephanie Stephens then gave a presentation to the Board on the proposed follow up

actions for the DBE program.

[Discussions related to ongoing litigation are redacted]

Chair Wolff called for a motion to adjourn from Executive Session. Director Morris moved to adjourn; seconded by Director Roof. The motion was approved unanimously.

Chair Wolff then called for a motion to return to the Regular Board Meeting. Director Morris moved to go back to the Regular Board Meeting; seconded by Director Pradel. The motion was approved unanimously.

There being no further business, the meeting adjourned at approximately 12:15 p.m.

Minutes taken by: _____
Marlene Y. Rodriguez-Vick
Senior Manager of Program Development
Illinois State Toll Highway Authority