

THE ILLINOIS STATE TOLL HIGHWAY AUTHORITY
MINUTES OF THE EXECUTIVE SESSION OF THE
REGULAR BOARD MEETING
December 19, 2013

On December 19, 2013 at approximately 10:40 a.m., the Board of Directors met in Executive Session to discuss certain matters related to personnel matters, real estate acquisition, collective bargaining and litigation matters involving the Tollway, pursuant to Sections 2(c)(1), 2(c)(2), 2(c)(5) and 2(c)(11) of the Illinois *Open Meetings Act*.

Directors Present:

Director James Banks
Director Terri D’Arcy
Director Earl Dotson
Director David Gonzalez
Director Mark Peterson
Director Jeff Redick
Director Tom Weisner

Staff present for all or portions of the Meeting:

Kristi Lafleur (Executive Director)
Michael Stone (Chief of Staff)
Mike Colsch (Chief of Finance)
David Goldberg (General Counsel)

Director Weisner was chair of this Board meeting in Chair Paula Wolff’s absence.

Directors discussed Workers Compensation settlement matter.

Staff provided background information of the workers compensation matter for Jeff Mohan. Staff provided the recommendation of outside counsel to settle this workers compensation claim in an amount not to exceed \$187,000.

A Director asked if there would be additional issues in the future that will require board approval in relation to this claim. Staff responded the proposed settlement agreement will end all potential issues.

A Director asked if there were any previous claims made by this employee. Staff responded that they were uncertain whether there were any and that they were unaware of any other claims.

Directors discussed Bond Counsel.

Staff provided background for the approval of a law firm to be appointed bond counsel in connection with an upcoming renewal and placement of certain Tollway

liquidity facilities. General Counsel indicated that Chapman and Cutler, LLP, would serve as bond counsel.

Directors acknowledged their intent to approve this appointment in open session.

Directors discussed litigation.

Staff provided background on current federal court litigation against the Tollway and additional defendants including the Tollway Inspector General. Counsel recommended that independent counsel be appointed both for the agency and the Inspector General in his official capacity as well as individually. The Sotos Law Firm PC was indicated to serve as the Tollway's counsel. For the Inspector General, arrangements have been made for the Knight Hoppe firm to defend the case.

A Director asked for further detail on the allegations. Counsel provided further information on the allegations and additional issues.

A Director asked about the process for appointing counsel. Counsel provided further information on the appointment process for similar type of litigation.

Directors discussed litigation.

[Discussions related to litigation and litigation strategy are redacted.]

The General Counsel briefed directors on multiple matters that have included Inspector General investigations before ending up in a litigated setting against the Tollway. It was noted that all of these matters have an employment law aspect, related to wrongful discharge and/or discipline.

There was general discussion of the structure of the Office of the Inspector General and its investigation powers.

A Director asked about the Tollway's liability in the various lawsuits. Counsel provided information on the liability risk.

A Director asked if there were any commonalities among the complaints. Staff responded that each fact setting was unique, but their commonality was an Inspector General review prior to litigation.

Staff agreed to continue to provide Directors with further updates on these matters.

Directors discussed a construction litigation matter.

Staff provided background and updated information on a current investigation and corresponding litigation concerning a construction firm.

[Discussions related to litigation and law enforcement investigation are redacted.]
The Tollway staff agreed to provide further updates to the Board related to these matters.

Directors discussed a collective bargaining matter.

Directors discussed collective bargaining and personnel matters.

At approximately 11:08 a.m., Director Weisner called for a motion to re-enter the public session of the Regular Board Meeting. The motion was properly made and seconded. The motion was approved unanimously.

Minutes taken by: _____ /s/ on original
Marlene Y. Vick
Assistant Board Secretary
Illinois State Toll Highway Authority

**THE ILLINOIS STATE TOLL HIGHWAY AUTHORITY
MINUTES OF THE EXECUTIVE SESSION OF THE
REGULAR BOARD MEETING**

January 23, 2014

On January 23, 2014 at approximately 10:15 a.m., the Board of Directors met in Executive Session to discuss certain matters related to personnel matters, real estate acquisition and litigation matters involving the Tollway, pursuant to Sections 2(c)(1), 2(c)(5) and 2(c)(11) of the Illinois *Open Meetings Act*.

Directors Present:

Chair Paula Wolff

Director Terri D’Arcy

Director Earl Dotson

Director David Gonzalez

Director Mark Peterson

Director Jeff Redick

Director Tom Weisner

Staff present for all or portions of the meeting:

Kristi Lafleur (Executive Director)

Michael Stone (Chief of Staff)

Paul Kovacs (Chief Engineer)

David Goldberg (General Counsel)

Joanne Fehn (Land Acquisition Manager)

Directors discussed Land Acquisition.

Staff provided a summary table of the Jane Addams Memorial Tollway (I-90) parcel identification report.

A Director asked if there is any special consideration when there are parcels owned by a village or municipality. Staff responded that there are additional options that the Tollway may consider, such as entering into an Intergovernmental Agreement (“IGA”) with the village or municipality, allowing the village or municipality to donate lands for cost participation or considering easement agreements that impact the acquisition.

Staff added that the parcel identification report for land acquisition for the Elgin O’Hare Western Access, which was provided to Directors earlier, was unchanged from the previous month.

Directors discussed a construction litigation matter.

Staff provided background and updated information on a current investigation matter and related litigation concerning the subject construction firm and the associated construction management firm.

[Discussions related to litigation and law enforcement investigation are redacted.]
Discussion was held on the approach moving forward on the particular construction bid and other alternatives should circumstances change. The Board indicated its approval of the approach as discussed.

The Board was reminded of the confidentiality of Executive Session discussions.

Staff will continue to provide updates to the Directors.

Directors discussed litigation settlements.

Staff provided background and information on two litigation settlements related to an incident involving a Tollway Patrol vehicle. A negotiated proposed settlement of up to \$10,000 for Mr. Lenhardt and up to \$21,000 for Mr. Santilli was recommended.

A Director asked if these were covered by the Tollway insurance. General Counsel responded the amounts are covered by Tollway self-insured reserves.

Directors discussed litigation.

[Discussions related to litigation and personnel matters are redacted.]

A Director noted a likely intent to recuse should there be any votes taken regarding one particular Inspector General investigation of an employee known to the Director *[Discussions related to litigation and personnel matters are redacted.]*– Staff confirmed the discussion is for informational purposes only.

General Counsel provided information on some issues the Tollway is working through following the investigations.

[Discussions related to litigation and personnel matters are redacted.] A Director asked about the structure of the Office of the Inspector General. There was discussion on the responsibilities and expectations of Tollway departments involved in investigations.

Staff agreed to continue to provide Directors with further updates on these matters.

Directors discussed a litigation matter.

Staff provided background and an update on a specific litigation matter from several years ago that involved investigations conducted by both the former and the current Inspector General.

[Discussions related to litigation and litigation strategy are redacted.] **Staff agreed to continue to provide Directors with further updates on these matters.**

Directors discussed potential litigation.

Directors discussed potential litigation and personnel matters in conjunction with the Offices of the Inspector General and Human Resources.

At approximately 11:26 a.m., Director Weisner called for a motion to re-enter the public session of the Regular Board Meeting. Director Peterson made the motion; seconded by Director Weisner. The motion was approved unanimously.

Minutes taken by: _____ /s/ on original

Marlene Y. Vick
Assistant Board Secretary
Illinois State Toll Highway Authority

THE ILLINOIS STATE TOLL HIGHWAY AUTHORITY
MINUTES OF THE EXECUTIVE SESSION OF THE
FINANCE, ADMINISTRATION AND OPERATIONS COMMITTEE
MEETING
February 19, 2014

On February 19, 2014 at approximately 10:00 a.m., the Committee Directors met in Executive Session to discuss certain matters related to litigation involving the Tollway pursuant to Sections 2(c)(2) of the Illinois *Open Meetings Act*.

Directors Present:

Director Mark Peterson
Director Terri D’Arcy
Director David Gonzalez

Staff present for all or portions of the meeting:

Kristi Lafleur (Executive Director)
Michael Stone (Chief of Staff)
David Goldberg (General Counsel)

Also Present:

Chair Paula Wolff

Directors discussed Workers’ Compensation Settlement.

General Counsel provided a summary of the workers’ compensation matter of Elsa Garcia. Outside counsel has recommended settlement of up to \$105,000 based on recent rulings by the Workers’ Compensation Commission and as otherwise described by the General Counsel.

A Director asked if there was another party involved that is financially liable. General Counsel responded the subsequent investigation did not yield identifying information on the other party involved.

At approximately 10:15 a.m., Committee Chair Peterson called for a motion to adjourn. Director D’Arcy made the motion; seconded by Director Gonzalez. The motion was approved unanimously.

Minutes taken by: _____ /s/ on original

Marlene Y. Vick
Assistant Board Secretary
Illinois State Toll Highway Authority

THE ILLINOIS STATE TOLL HIGHWAY AUTHORITY
MINUTES OF THE EXECUTIVE SESSION OF THE
REGULAR BOARD MEETING
February 27, 2014

On February 27, 2014 at approximately 11:00 a.m., the Board of Directors met in Executive Session to discuss certain matters related to personnel matters, collective bargaining matters, real estate acquisition and litigation matters involving the Tollway, pursuant to Sections 2(c)(1), 2(c)(2),2(c)(5) and 2(c)(11) of the Illinois *Open Meetings Act*.

Directors Present:

Chair Paula Wolff

Director James Banks

Director Terry D’Arcy

Director Earl Dotson

Director David Gonzalez

Director Mark Peterson

Director Jeff Redick

Director James Sweeney

Director Tom Weisner

Staff present for all or portions of the meeting:

Kristi Lafleur (Executive Director)

Mike Stone (Chief of Staff)

David Goldberg (General Counsel)

Paul Kovacs (Chief Engineer)

Joanne Fehn (Land Acquisition Manager)

James Wagner (Inspector General)

Directors discussed Land Acquisition.

Staff provided updated summary tables of the Elgin O’Hare Western Access (EOWA) and Jane Addams Memorial Tollway (I-90) parcel identification reports.

A Director asked staff to confirm that the highlighted portions were the added parcels in the report. Staff confirmed.

Directors discussed an Administrative Settlement.

Staff provided information on an administrative settlement for an 18 acre parcel of land needed for the Elgin O’Hare Western Access construction project. Staff provided background on the current use and ownership of the parcel. Staff also provided details of the appraisals and negotiations that have occurred to dated. The Inspector General indicated that his office had also familiarized itself with the process utilized thus far and was satisfied with steps to date. Directors also discussed

potential relocation issues for a commercial tenant on the property and assessing the value of potential claims.

Staff asked the Board for its preference regarding a possible negotiated settlement to acquire the land parcel or to allow the process to continue via condemnation given the variance in appraisals until resolved by the courts.

Discussion ensued on possible financial outcomes from a court decision and impacts on construction.

The Board indicated preference to allow the process to continue until resolved by the courts.

Directors discussed Union negotiations.

[Discussions redacted related to collective bargaining negotiations.]

A Director asked if there are regular labor management meetings held with the unions. Staff responded that labor management meetings are scheduled when requested by the unions and other meetings with the unions are regularly scheduled.

A Director asked about the groups represented by unions at the Tollway. Staff provided a description and background on the different Tollway unions and their constituent groups.

Directors discussed Certain Matters related to the Inspector General's Report.

Staff briefed the Board on certain matters reviewed and investigated by the Office of the Inspector General which are to appear as part of the Inspector General's Office Report as required by statute twice a year.

A Director asked about investigative activities that involved an I-PASS call center vendor employee. Staff provided details of the investigation and the resulting recommendations to prevent future incidents.

Staff provided details of the land acquisition process reviewed related to a parcel of land needed for the Elgin O'Hare Western Access construction project. The ownership and evaluation process details were provided. A Director asked if there was any concern with the transaction in the purchase of the land by the owners. Staff responded there were no issues found at this time.

A Director asked what approach was used for the land appraisal and the comparisons. Staff responded with further details of the land comparisons used by the appraiser due to the unique features of the particular land parcel.

Staff also provided details of the investigation and activities related to the crash in January that claimed the life of a Tollway worker and injured a State Police officer.

Discussion took place regarding the liabilities and responsibilities of independent contractors and transportation companies.

The Tollway is cooperating fully with the investigation and will continue to provide updates to the Board.

Directors discussed updates on litigation matters involving the Tollway.

Staff provided updated information on litigation concerning a construction firm on the I-88 Fox River Bridge construction project. [*Discussions related to litigation and litigation strategy are redacted.*] staff provided details on the decision to cancel and the involvement and approval of the State's Chief Procurement Officer (CPO) for the Tollway. Staff also provided an update on the status of the litigation regarding Midwest Fence Corporation.

Staff will continue to provide updates on these litigation matters to the Board.

At approximately 11:39 a.m., Chair Wolff called for a motion to re-enter the public session of the Regular Board Meeting. Director Weisner made the motion; seconded by Director Banks. The motion was approved unanimously.

Minutes taken by: _____ /s/ on original

Marlene Y. Vick
Assistant Board Secretary
Illinois State Toll Highway Authority

**THE ILLINOIS STATE TOLL HIGHWAY AUTHORITY
MINUTES OF THE EXECUTIVE SESSION OF THE
CUSTOMER SERVICE
COMMITTEE MEETING
March 20, 2014**

On March 20, 2014 at approximately 12:45 p.m., the Committee of Directors met in Executive Session to discuss Tollway litigation matters pursuant to Section 2(c)(11) of the Illinois *Open Meetings Act*.

Committee Members Present:

Committee Chair Jeff Redick
Director Earl Dotson Jr.
Chair Paula Wolff, ex officio

Staff present for all or portions of the meeting:

Kristi Lafleur (Executive Director)
David Goldberg (General Counsel)
Shana Whitehead (Chief of Business Systems)

Committee Member Absent:

Director James Banks

Directors discussed revisions to the Toll Violations and Settlement Guidelines.

[Discussions related to litigation strategy are redacted.]

At approximately 1:15 p.m., Committee Chair Redick called for a motion to re-enter the public session of the Committee Meeting. Chair Wolff made the motion; seconded by Director Dotson. The motion was approved unanimously.

Minutes taken by: _____ /s/ on original

Marlene Y. Vick
Assistant Board Secretary
Illinois State Toll Highway Authority

THE ILLINOIS STATE TOLL HIGHWAY AUTHORITY
MINUTES OF THE EXECUTIVE SESSION OF THE
REGULAR BOARD MEETING
March 27, 2014

On March 27, 2014 at approximately 11:00 a.m., the Board of Directors met in Executive Session to discuss certain matters related to personnel matters, real estate acquisition and litigation matters involving the Tollway, pursuant to Sections 2(c)(1), 2(c)(5) and 2(c)(11) of the Illinois *Open Meetings Act*.

Directors Present:

Chair Paula Wolff
Director Earl Dotson
Director David Gonzalez
Director Mark Peterson
Director Jeff Redick
Director James Sweeney
Director Tom Weisner

Staff present for all or portions of the meeting:

Kristi Lafleur (Executive Director)
Elizabeth Looby (Deputy General Counsel)
Joanne Fehn (Land Acquisition Manager)

Directors discussed Land Acquisition.

Staff provided updated summary tables of the Elgin O’Hare Western Access (EOWA) and Jane Addams Memorial Tollway (I-90) parcel identification reports.

Directors discussed Workers’ Compensation Matters.

General Counsel provided a summary of the workers’ compensation matter of Stanley Peca. A settlement amount of \$59,296.62 is being recommended by outside defense counsel with a Medicare set-aside amount of \$7,448.90 for medical expenses.

A Director requested further detail on the settlement calculation. General Counsel provided the information.

A Director asked if Mr. Peca was still employed by the Tollway. General Counsel responded affirmatively.

A Director asked the reasons for the Medicare set-aside amount. General Counsel responded Mr. Peca is currently Medicare eligible.

General Counsel provided a summary of the workers' compensation matter of Sam Sparacino. A settlement amount of \$130,000 is being recommended by outside defense counsel.

At approximately 11:08 a.m., Chair Wolff called for a motion to re-enter the public session of the Regular Board Meeting. Director Peterson made the motion; seconded by Director Redick. The motion was approved unanimously.

Minutes taken by: _____ /s/ on original

Marlene Y. Vick
Assistant Board Secretary
Illinois State Toll Highway Authority

**THE ILLINOIS STATE TOLL HIGHWAY AUTHORITY
MINUTES OF THE EXECUTIVE SESSION OF THE
REGULAR BOARD MEETING**

April 24, 2014

On April 24, 2014 at approximately 10:15 a.m., the Board of Directors met in Executive Session to discuss certain matters related to personnel matters, collective bargaining matters, real estate acquisition and litigation matters involving the Tollway, pursuant to Sections 2(c)(1), 2(c)(2), 2(c)(5) and 2(c)(11) of the Illinois *Open Meetings Act*.

Directors Present:

Chair Paula Wolff

Director Jim Banks

Director Terri D’Arcy

Director Earl Dotson

Director David Gonzalez

Director Mark Peterson

Director Jeff Redick

Director Jim Sweeney

Director Tom Weisner

Staff present for all or portions of the meeting:

Kristi Lafleur (Executive Director)

Michael Stone (Chief of Staff)

Rocco ZuccherO (Deputy Chief of Eng. for Planning)

David Goldberg (General Counsel)

Joanne Fehn (Land Acquisition Manager)

Debbie Allen (Chief of Administration)

Directors discussed Land Acquisitions.

Staff provided a summary table of the Elgin O’Hare Western Access Project (“EOWA”) parcel identification report noting the addition of 16 new parcels.

The General Counsel updated the Board on the status of the 8400 Partners parcel land acquisition for EOWA. Since last discussed with the Board, preliminary just compensation was set in Circuit Court and the Tollway has secured title to the property. Chair Wolff commended the General Counsel’s Office for their work in expediting this condemnation matter.

Directors discussed Collective Bargaining.

[Discussion redacted related to collective bargaining negotiations.]

Directors discussed Workers’ Compensation Settlement.

General Counsel provided a summary of the workers' compensation matter of District 15 Illinois State Trooper William Aukstolis. Staff provided the recommendation of outside counsel to settle this workers' compensation claim in an amount not to exceed \$117,000, and the Board concurred.

Directors discussed Litigation Matters involving the Tollway.

[Discussions related to litigation strategy and law enforcement investigation are redacted.]

General Counsel briefed directors on multiple adversarial matters involving the Tollway including three matters involving former Tollway employees.

[Discussions related to litigation strategy are redacted.] A Director inquired as to the Tollway's standing in the Corolla v. ISTHA personal injury case. General Counsel replied that the Tollway is contending that the work permit issued indemnifies the Tollway from personal injury claim. The matter is still pending.

A Director asked for a clarification of terminology used in the briefing materials provided to the Board on the Pickens v. ISTHA legal matter. General Counsel responded with clarification of the intended meaning. General Counsel further stated that discussions are underway in this matter seeking a resolution that will both satisfactorily conclude the litigation and satisfy concerns in a related union grievance

[Discussions related to litigation and litigation strategy are redacted.]

Directors discussed potential litigation.

Staff provided detail on litigation matters with parties who had undergone investigation by the Office of Inspector General ("OIG"). *[Discussions related to litigation and litigation strategy are redacted.]* A Director asked about the size and composition of the OIG. Staff responded that the Inspector General has one assistant and three investigators, with one vacancy.

[Discussions related to litigation and litigation strategy are redacted.] A Director asked about the thresholds triggering OIG involvement in a specific matter. Staff responded that OIG action can be initiated through direct contact from Tollway employees, by referral from other Tollway departments or at the discretion of the OIG.

There was general discussion on the approach moving forward to ensure that employee issues that develop are handled by the appropriate Tollway department and that the departments function cooperatively.

Staff will continue to provide updates to the Directors on this matter.

Directors met with Executive Director Lafleur regarding personnel matters.

At approximately 11:05 a.m., Director Weisner called for a motion to re-enter the public session of the Regular Board Meeting. Director Peterson made the motion; seconded by Director Weisner. The motion was approved unanimously.

Minutes taken by: _____ /s/ on original

Christi Regnery
Board Secretary
Illinois State Toll Highway Authority