

**The Illinois State Toll Highway Authority
Minutes of the Finance-Administration Committee Meeting**

October 29, 2009

The Illinois State Toll Highway Authority held a Finance-Administration Committee Meeting on Thursday, October 29, 2009 at approximately 9:00 a.m. at the Central Administration Building in Downers Grove, Illinois. Those in attendance were as follows:

Chair Paula Wolff	Mr. Greg Stukel
Committee Chairman Jim Banks	Lt. Cindy Benson
Director Tom Canham - phone	Ms. Patti Pearn
Director Bill Morris	Mr. Joe Fivelson
Director George Pradel	Mr. Kent Vedra
Director Jim Roof	Mr. Peter Foernssler
Director Carl Towns	Mr. Bill O'Connell
Director Tom Weisner	Ms. Bunny Anderson
Mr. Mike King	Mr. Scott Sims
Mr. Andrew Boron	Ms. Maria Molliconi
Mr. Paul Kovacs	Mr. Mike Marro
Mr. Albert Murillo	Ms. Lorrie Cataudella
Mr. Stan Ryniewski	Mr. Joseph Errico
Mr. Tom Bamonte	Mr. Bill Ponall
Mr. Jeff Redding	Mr. Dick Sandberg
Mr. Mike Colsch	Mr. John Hauk
Capt. Jesernik	Mr. Sharif Abou-Sabh
Mr. Ed Vargas	Ms. Arjana Jaupi
Ms. Trudy Steinhauser	Ms. Nancy LaMasse-Geraci
Mr. Rocco Zucchero	Ms. Marlene Vick
Mr. Tom Morache	Mr. Dan Haxton
Ms. Cristina Grosso	Ms. Joelle McGinnis
Mr. Scott Sims	Mr. Joe Fivelson
Mr. Vince Volante	Ms. Teri Sieg'l

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Chair Wolff moved to accept the participation of Director Canham by phone; seconded by Director Pradel.

There being “Ayes” and no “Nays”, the motion was carried.

Committee Chair Banks then called the meeting to order and requested a motion approving the Minutes of the Finance-Administration Meeting held on September 24, 2009.

Director Morris moved for approval; seconded by Director Pradel.

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

Committee Chairman Banks called on the Chief of Finance. Mr. Mike Colsch requested approval of the Renewal of the Property Insurance Program with RSUI Indemnity Company and Chubb Insurance Co through Mesirow Insurance Services in the amount of \$643,949 for blanket policy and \$48,809 for the CA Facility.

There was much discussion on this item including why only one bid was received. It was explained that the Tollway has had a long relationship with Mesirow and they have provided excellent pricing. In the past the Tollway had other bids but they came in much higher. Also, many insurance companies do not insure bridges and other agencies, such as IDOT, which is self-insured do not insure their bridges as the Tollway does.

Various Directors asked that staff provide some comparative data to illustrate the quality of the Tollway’s contract and how other tollways insure their infrastructure.

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Committee Chairman Banks called for a motion approving said Renewal of the Property Insurance Program for the Consent Agenda. Director Weisner moved for approval; seconded by Director Pradel.

Committee Chairman Banks called for a voice vote, and there being “Ayes” and one “Nay”, declared the motion carried. Director Morris voted “No” on this item.

Mr. Colsch then requested approval of the issuance of up to \$300M Series 2009B Bonds to finance costs of the Congestion-Relief Program. A PowerPoint presentation was given on this item (copy attached) and it was said that this would probably be the last scheduled bond issue to finance the Congestion-Relief Program.

There was much discussion on this item and it was noted that Director Morris has been very conscientious in talking to Mr. Colsch on this issue. Director Morris agrees with this being a fixed rate and feels this is the appropriate way of dealing with this at this time.

Committee Chairman Banks called for a motion approving said item for the Consent Agenda. Director Morris moved for approval; seconded by Director Weisner.

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

Mr. Colsch and Mr. Paul Kovacs then gave a presentation on the 2010 Tentative Budget (copy attached). Mr. Colsch explained that a Public Hearing will be held in November on this budget and any comments made at that hearing will be brought back to the Board at the November meeting.

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Director Morris suggested having more than one public hearing to discuss the 2010 budget and also having at least two Board Meetings a year held outside the Central Administration Building in order to get the public to attend.

Committee Chairman Roof called for a motion approving the 2010 Tentative Budget for the Consent Agenda. Director Morris moved for approval; seconded by Director Pradel.

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

Committee Chairman Roof then called on the Chief of Procurement. Mr. Albert Murillo stated that Item 4 on his agenda, Award of Contract 09-0143 was being pulled at this time. He then requested approval of the following:

Renewal of Contract 08-0220 to J.P. Bushnell Packing Supply Company for Hydraulic Hose and Fittings, from \$26,000 by \$26,000 to \$52,000.

Renewal of Contract 08-0219 to Tepper Electric Supply for Luminaires and Components from \$65,000 by \$97,000 to \$162,000.

Award of Contract 09-0084 to Filtrona Extrusion, Incorporated (a.k.a. Pexco, LLC) for Replacement Parts and Supplies for the FG300 Interstate Grade Curb System in the amount of \$37,923.60.

Renewal of Contract 08-0157 to Advanced Waterjet Technologies LLC for Refurbishing Service for Extrusions and Aluminum Sign Blanks from \$56,250 by \$56,250 to \$112,500.

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Committee Chairman Banks called for a motion approving said items for the Consent Agenda.

Director Morris moved for approval; seconded by Director Weisner.

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

Mr. Murillo then requested approval of the Award of Contract 09-0160 for Investment Banking Services (Bond Underwriting and Remarketing Services).

Director Morris voiced his concern about some of the procedures which resulted in outcomes he had not anticipated. It was agreed that the process would be reviewed and formal procedures and criteria developed for future bids.

Director Canham left the meeting at this time.

Discussion continued on the Investment Banking Services item. Director Morris reiterated that the system is not consistent when Senior Managers can go into the Co-Manager group but the Co-Managers cannot go into the Senior Managers group. He did make clear that he has no problems with the qualifications of the firms chosen.

Director Morris did have issues with how the Tollway let a firm be approved as an underwriter when in the past they were a financial advisor.

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Chair Wolff suggested that the Tollway needs to establish rules and procedures on a number of the issues raised, including how to treat a firm that has been in a financial advisory position and the length of time the firm would have to wait before being eligible to be in one of these pools. She also asked that staff look into how to design and evaluate public selection processes which would make the intended outcomes and results more understandable and clearer in the future.

Discussion was held on amending the resolution to a one-year term. Directors also commented that all the firms understood the process and everybody had the same opportunity to be on either list.

Director Weisner moved to approve this Award with the understanding that staff would look at the process.

Committee Chairman Banks called for a second. Director Pradel seconded the motion.

Committee Chairman Banks called for a voice vote, and there being “Ayes” and one “Nay”, declared the motion carried. Director Morris voted no on the Award of Contract 09-0160.

Committee Chairman Banks then called on the Chief of Business Systems. Mr. Stan Ryniewski requested approval of the Renewal of the Maintenance Agreement for E-Zpass Reciprocity Hardware and Software for the period of January 1, 2010 through December 31, 2010, in an amount not to exceed \$145,000.

Committee Chairman Banks called for a motion approving this renewal for the Consent Agenda.

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Director Morris moved for approval; seconded by Director Pradel.

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

Committee Chairman Banks then called on the General Counsel. Mr. Tom Bamonte requested approval of the following:

Intergovernmental Agreement with the Illinois Secretary of State to facilitate the processing of toll violations, vehicle registration suspensions and driver’s license suspensions.

Amendment of Resolution No. 16937 for the IDOT/ACS Photo Enforcement Van operated in construction zones by the Illinois State Police, District 15.

Authorization of selection of bond counsel and identification of bond counsel.

Director Morris stated that the bond counsel resolution represents 100% of minority women owned firms. This is the first time in Tollway history that this has been done and he congratulated Mr. Bamonte.

Committee Chairman Banks called for a motion approving said items for the Consent Agenda. Director Morris moved for approval; seconded by Director Weisner.

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

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Mr. Bamonte then requested approval of the following:

Settlement Agreement of a condemnation case, Parcel No. 2230203 (Winnebago County Case No. 05-ED-13).

Settlement Agreement of a condemnation case in the matter of ISTHA v. Deutsch Family Ltd., 08 L 50490 Real Estate Settlement Parcel No. TW-10-06-005.

Committee Chairman Banks called for a motion approving said Settlements. Director Weisner moved for approval; seconded by Director Pradel.

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

There being no further business, Committee Chairman Banks called for a motion to adjourn.

Director Weisner moved to adjourn; seconded by Director Pradel.

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

Meeting adjourned at approximately 10:55 a.m.

Minutes taken by: _____
Trudy Steinhauser