

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

June 24, 2010

The Illinois State Toll Highway Authority held a Finance-Administration Committee Meeting on Thursday, June 24, 2010 at approximately 9:35 a.m. at the Central Administration Building in Downers Grove, Illinois. Directors on the Committee in attendance were as follows:

Committee Chairman James Banks

Director George Pradel

Director Bill Morris

Committee Chairman Banks called the meeting to order.

Chair Paula Wolff requested a correction to the spelling of her name on the May 27, 2010 Minutes of the Finance-Administration Committee Meeting. Committee Chairman Banks requested a motion to approve the Minutes of the Finance-Administration Committee Meeting held on May 27, 2010, with said correction.

Director Morris moved for approval; seconded by Director Pradel. The motion was approved unanimously.

Committee Chairman Banks called upon Ed Vargas, Acting Chief of Information Technology. Mr. Vargas requested approval of an Intergovernmental Tower Co-Location Agreement with Quadcom at Plaza 14. Fee is waived.

Committee Chairman Banks called for a motion approving the Agreement for the Consent Agenda. Director Morris moved for adoption; seconded by Director Pradel. The motion was approved unanimously.

Committee Chairman Banks then called upon Mike Colsch, Chief of Finance. Mr. Colsch requested approval to write-off unpaid miscellaneous receivables in the total amount of \$12,425.00.

After discussion, Committee Chairman Banks called for a motion approving the Write-Off amount for the Consent Agenda. Director Morris moved for adoption;

seconded by Director Pradel. The motion was approved unanimously.

Committee Chairman Banks called upon Albert Murillo, Chief of Procurement, to present his agenda items. Mr. Murillo requested approval of the following:

Award of Contract 10-0100 to Allied Tube and Conduit, for tubular steel posts, in the amount of \$75,000.

Award of Contract 10-0110 to Clark Devon Hardware Company, Incorporated, for fasteners, nuts and bolts in the amount of \$60,000.

Renewal of Contract 09-0114 for one year to Cargill Salt Company, Morton International and North American Salt Company for Rock Salt in the amount of \$5,599,346.40, increasing total contract amount from \$6,361,091.80 to \$11,961,091.80.

Director Morris inquired if the Tollway would have enough salt for the winter season. John Benda, General Manager of Maintenance and Traffic, advised that the Tollway orders more than is projected for the winter season and the Tollway will be refilling the salt domes this year.

Award of Contract 10-0112 to Alert IT Solutions Incorporated, for Pre-Employment Screening Services in the amount of \$60,000.

Mr. Murillo advised that this is the best overall value procurement. Director Morris inquired how that was determined. Mr. Murillo advised that other than price the Tollway required the company to be available systemwide and to offer additional drug screenings that were not available with the last contract. Mr. Murillo advised that only potential employees that were offered employment receive drug screens. Committee Chairman Banks inquired as to why the current vendor did not bid. Mr. Murillo advised that the current vendor did not want to do the paperwork that would be involved in the bid process.

Committee Chairman Banks called for a motion approving the Award and Renewal of Contracts for the Consent Agenda. Director Morris moved for adoption; seconded by Director Pradel. The motion was approved unanimously.

Committee Chairman Banks then called upon Stan Ryniewski, Chief of Business Systems. Mr. Ryniewski provided an update to the Board regarding the I-PASS

Transponder Replacement Program. Mr. Ryniewski advised that transponders have an 8.5 year expected life. More than 300,000 transponders will need to be replaced by the end of 2010. The pilot program through Jewel began in February and ran through May, involving swapping out of 1751 old transponders for new units. Patrons were sent a letter advising them to bring their old transponders to the local Jewel, an oasis or Tollway offices to receive a new transponder. The response rate was 71 percent for letters which advised that the unit would stop working within 30 days, as opposed to a 60 percent response rate for letters that did not contain this language. The overall success rate was 74 percent, with 66 percent of the transactions taking place at Jewel and 8 percent being performed at Tollway facilities. Business Systems will start implementing the changes needed to start rolling out the program in July 2010. The program will begin with 500 transponders per week and expand up to 5000 transponders per week. The Tollway is looking at alternative exchange facilities for areas which do not have Jewel stores readily available, such as the Rockford area. Director Morris advised that the new transponders will have expiration dates on them.

Mr. Ryniewski requested approval of the following:

Renewal of Contract 07-0016 for one year to Mark IV, for Transponder and Transponder Reader Equipment in the amount of \$10,000,000, increasing the total contract amount from \$30,000,000 to \$40,000,000.

Chair Wolff stated that the Board had extensive discussions regarding this contract. Committee Chairman Banks called for a motion approving the Renewal of Contract for the Consent Agenda. Director Morris moved for adoption; seconded by Director Pradel. The motion was approved unanimously.

Mr. Ryniewski then requested approval of the following:

Award of State Master Contract CMCE300170 to International Business Machines Corporation (IBM) for Independent Oversight in the amount of \$1,300,000, a contract discussed at the last Board meeting.

Committee Chairman Banks called for a motion approving the Award for the Consent Agenda. Director Morris moved for adoption; seconded by Director Pradel. The motion was approved unanimously.

Committee Chairman Banks then called upon the Tollway's General Counsel, Mr. Tom Bamonte, to present his agenda items. Mr. Bamonte requested approval of the following:

Intergovernmental Agreement with the Metropolitan Water Reclamation District of Greater Chicago (MWRD). The Metropolitan Water Reclamation District of Greater Chicago wants to improve the Thornton Composite Reservoir, which includes mining, ground water protection, tunnels, gates and final reservoir protection. The Tri-State toll highway is located above the reservoir and built upon a rock wall. This Intergovernmental Agreement contains assurances that MWRD will protect the integrity of the toll highway.

Committee Chairman Banks called for a motion approving the Intergovernmental Agreement for the Consent Agenda. Director Morris moved for adoption; seconded by Director Pradel. The motion was approved unanimously.

Mr. Bamonte then requested approval of the following:

Intergovernmental Agreement with the Illinois Department of Transportation. This intergovernmental agreement provides for IDOT to reimburse the Tollway for costs associated with the removal and replacement of the Illinois Rt. 120 bridge over I-94 in the amount of \$2,318,914.20.

Intergovernmental Agreement with the Illinois Department of Transportation. This intergovernmental agreement provides for IDOT to reimburse the Tollway for costs associated with the repairs and maintenance to the IL Rt. 56 and IL Rt. 64 bridge decks over I-355 in the amount of \$205,044.

Committee Chairman Banks called for a motion approving the Intergovernmental Agreements for the Consent Agenda. Director Morris moved for adoption; seconded by Director Pradel. The motion was approved unanimously.

The Intergovernmental Agreement with the Village of New Lenox was deferred. Mr. Bamonte then requested approval of the following:

Intergovernmental Agreement with the Illinois Department of Transportation. The intergovernmental agreement will allow the Tollway and IDOT to share in compensatory wetland mitigation credits developed at the North Chicago site. The Tollway is responsible for the first \$2,000,000 of construction costs. The remaining construction cost will be split 50% Tollway and 50% IDOT.

Committee Chairman Banks called for a motion approving the Award for the Consent Agenda. Director Morris moved for adoption; seconded by Director Pradel. The motion was approved unanimously.

Mr. Bamonte requested approval of the following:

A Settlement Agreement regarding Richard Lockette.

Committee Chairman Banks called for a motion approving the Settlement Agreement for the Consent Agenda. Director Pradel moved for adoption; seconded by Director Morris. The motion was approved unanimously.

Committee Chairman Banks then called upon Captain John Jesernik, State Police District 15 District Commander, to present his agenda item. Captain Jesernik requested approval of the following:

Approval to purchase 76 Panasonic Arbitrator MD2.0 digital in-car video systems from CDS Office Technologies, in the amount of \$448,000.

Captain Jesernik demonstrated the system for the Board. Committee Chairman Banks inquired if the unit records the video can be seen in real time. Captain Jesernik advised that the unit can record and video can be seen in real time. Committee Chairman Banks called for a motion approving the Purchase for the Consent Agenda. Director Morris moved for adoption; seconded by Director Pradel. The motion was approved unanimously.

There being no further business, Committee Chairman Banks called for a motion to adjourn. Director Morris moved to adjourn; seconded by Director Pradel. The motion was approved unanimously.

Meeting adjourned at approximately 10:15 a.m.

Minutes taken by: _____

Dawn Sirianni
Assistant Secretary