

MINUTES OF THE REGULAR MEETING OF THE
ILLINOIS STATE TOLL HIGHWAY AUTHORITY
August 26, 2010

The Illinois State Toll Highway Authority met in regular session on Thursday, August 26, 2010 at approximately 10:15 a.m. in the Board Room of The Illinois State Toll Highway Authority's Administration Building in Downers Grove, Illinois.

The Meeting was held pursuant to By-Laws of the Authority upon call and notice of the Meeting executed by Chair Paula Wolff, which notice read as follows:

THE ILLINOIS STATE TOLL HIGHWAY AUTHORITY

Administration Building

2700 Ogden Avenue Downers Grove, Illinois 60515

Governor Pat Quinn

Director George Pradel

Acting Secretary Gary Hannig

Director Jim Roof

Director Jim Banks

Director Maria Saldaña

Director Thomas Canham

Director Carl Towns

Director Bill Morris

Director Tom Weisner

Pursuant to the requirements of the Authority's By-Laws, Notice is hereby given of the Regular Board Meeting of the Authority to be held on Thursday, August 26, 2010 at 10:45 a.m. in the Boardroom of the Administration Building in Downers Grove, Illinois.

Paula Wolff, Chair

This meeting will be accessible to individuals with disabilities in compliance with Executive Order #5, and pertinent state and federal laws, upon notification of anticipated attendance. Persons with disabilities planning to attend and needing accommodations should contact the Americans with Disabilities Act Coordinator of The Illinois State Toll Highway Authority at (630) 241-6800, Ext. 1010 in advance of the meeting at 2700 Ogden Avenue, Downers Grove, IL, to inform of their anticipated attendance.

There will be live feed Webcasting of the Board Meeting while in session. An audio file will be available five business days after the meeting at www.illinoistollway.com.

Chair Wolff stated that this is the regularly scheduled meeting of the Board of the Illinois State Toll Highway Authority and asked the Assistant Secretary to call the roll. Those Directors present and absent were as follows:

Present:

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

Absent:

Governor Pat Quinn
Secretary Gary Hannig
Director Jim Banks

Chair Wolff stated that she will advise the Board when the Auditor General's Report is complete and ready for release.

Rocco Zuccherro introduced Peter Skosey, from the Metropolitan Planning Council. Mr. Skosey then gave a presentation on the Chicago Region Congestion Pricing Study. He discussed the overview and scope of the study and the outreach to date. Mr. Skosey explained how the original 40 corridors and segments were narrowed to 3 finalist corridors for further study – I-90 (Kennedy) Reversible Lanes, converting existing reversible lanes; I-90 (Jane Addams Tollway), building new lanes as managed lanes; and I-55, adding new lanes as managed lanes. Mr. Skosey explained the study results and the number of minutes which would be saved as a result of the different pricing scenarios. He also showed the estimated toll revenue from various congestion pricing scenarios. Mr. Skosey then explained the public's perception of other projects around the country.

Chair Wolff inquired what are the next steps? Mr. Skosey advised that the addition of managed lanes as a priority in the CMAP 2040 plan would give them an additional opportunity to look at further analysis of those corridors, to

have further discussions with the implementing agencies, and to continue working on public education and acceptance. Director Morris asked if a freeway could have tolls added to it? Mr. Skosey advised that the federal government has given grants to USDOTs to look at tolling certain facilities. Director Saldaña asked what the next steps would be for the Jane Addams Tollway. Mr. Zuccherro advised that during his presentation on the Jane Addams Tollway, one of the options included was the managed lane, and discussions with the RTA for transit elements.

Director Saldaña inquired if there is a critical timeline for making decisions on upcoming projects. Executive Director Kristi Lafleur advised that as the presentations on possible projects are finished toward the end of the year, the Tollway will be looking to the Board to identify the priorities of the projects, and which options, such as congestion pricing should be included. Chair Wolff asked that Mr. Zuccherro send his presentation on the Jane Addams Tollway out to the Board members. Chair Wolff stated that the Tollway needs to coordinate with CMAP, Metra and the RTA.

Director Morris stated he would like the numbers in the congestion pricing study verified, to make sure that the Tollway would not be creating a “Mercedes Benz” lane. Mr. Zuccherro stated that it has been shown that there is a 70% approval rating for these managed lanes from low income drivers in California.

Mr. Skosey then discussed the differences between a fixed price and dynamic pricing for the managed lanes. Customer approval is easier to obtain with a fixed price, but from an operational standpoint the dynamic pricing works better.

Director Saldaña requested a timeline. Ms. Lafleur stated that a timeline will be presented at the next Board meeting, along with a schedule for getting the remaining potential capital project presentations done.

Chair Wolff advised that after the Board receives copies of the Jane Addams presentation, she would like any questions or requests for additional information the Board may have sent back to staff. Chair Wolff stated that

she would like to know if the Tollway did a bus rapid transit lane, would the tollway be responsible for the buses and for what the Tollway would be required to pay.

Director Morris would like the Metropolitan Planning Council to get further information from people in the Rockford/Belvidere area on their thoughts regarding the study. Director Roolf requested the volume of traffic. Mr. Skosey advised that he will get him that information. Mr. Raghu Kowshik, from Wilbur Smith Associates, advised that to keep the lanes free flowing the toll rate would need to manage the lane at no more than 1600 vehicles per hour.

Chair Wolff then called for a motion approving the Minutes of the Regular Board Meeting and Executive Session held on July 29, 2010. Director Pradel moved for approval; seconded by Director Towns. The motion was approved unanimously.

Director Morris gave an update on the Customer Service Working Group. Director Morris advised that transponder fulfillment project pilot program went well, and will now be going into full production with suggested modifications from the pilot program, such as bold print and different size fonts. The Tollway will be partnering with the Secretary of State's office in the Rockford/Belvidere area, where there are not many Jewel/Osco stores. Director Morris stated that the bidding for the electronic tolling project, which will take about a year and a half, is about 10 weeks behind schedule. Director Morris is looking for the Chair's direction if the electronic tolling project should be split into smaller projects for bidding. In addition, the committee approved three non-for-profit groups, two of which are veterans groups, all based in Illinois, to bid for the assignment to review and verify the photographs of toll violations. In January violators will be able to view the photos of the violations online, and pay the fine online or start the appeal process. Director Morris stated that the Customer Service Working Group will wrap up in December, and asked if the Board has any issues they would like the group to look into.

Director Morris then stated that the big issue the committee is looking at is

that in May 2008 Indiana changed its types of license plates. The violation system was turned off by the Tollway until the system could be upgraded to read the new type of Indiana plates. However, once it was fixed, the system was not turned back on again. Now that the system is back on, the committee is recommending that the Tollway do a two year review of violations. There are approximately 116,000 violations and a loss of approximately \$1.6 million. Senior management has recommended that an outside auditor be brought in to review the system to make sure that no other areas are being overlooked.

Chair Wolff asked that the committee monitor the progress on this and report back to the Board. Director Morris advised that in October he will ask the Board to set a policy on how far back the violation system should look in case of future problems. Ms. Lafleur stated that the Board, before she was at the Tollway, had worked with legislators and determined and approved a 90 day look-back for future violations, but that was before it was known that there were additional glitches in the system. The Chair asked the Board if they agreed to have the violations for the Indiana plates go back the two years. The Board members verbally consented with that approach.

Director Weisner reported on the Oases Working Group. There was a public meeting on July 7, 2010. Director Weisner stated that the working group compared the Illinois Tollway oases to other toll road service plazas. In many cases the Illinois Tollway was used as a model for other entities; however, one of the major advantages for other entities was that they had a single master lease, instead of two as the Tollway currently has. The group also found that many of the other roadways maintain the service plazas infrastructure, including parking lots. The working group also looked at Advanced Truck-Stop Electrification (ATE) and its potential for the Tollway. There was also a meeting on July 29, 2010 with the Illinois Trucking Association and Midwest Truckers Association. It was learned that the Illinois Tollway oases are probably not useful for long term stop services, but could be good for truckers short-term stops. The foreclosure auction for the oases will be on September 15, 2010.

Chair Wolff advised that the Board, in Executive Session, will discuss the

release of previous Executive Session minutes. She also stated that the Tollway Inspector General legislation was signed by the Governor and goes into effect on January 1, 2011. The Governor will appoint the Inspector General.

Executive Director Kristi Lafleur explained the proposed changes to the By-Laws. Director Saldaña requested clarification whether the proposed log to be kept by the Secretary listing the Board's conflicts of interest would be subject to release under FOIA. Mr. Bamonte advised that if the log is disclosable under FOIA it will be disclosed, and no more. Mr. Bamonte then outlined an amendment to the proposed By-Laws to read, "and is subject to release consistent with the requirements of the Freedom of Information Act."

Chair Wolff called for a motion adopting a resolution revising the By-Laws with this amendment. Director Saldaña moved for adoption; seconded by Director Roof. The motion was approved unanimously. Resolution Number 19178.

Ms. Lafleur introduced Wendy Abrams, new Chief of Communications.

Ms Lafleur then gave an update on the Transition Team. The next meeting will be held on August 27, 2010 in Chicago at the CMAP offices to discuss planning and coordination opportunities with other transportation entities, as well as green sustainability. There will be a final meeting in October.

Mr. Lafleur gave an update on the ETCC contract, advising that additional controls and management tools have been added to the contract extension. She stated that management will keep the Board informed on the progress of managing the key dates that have been added. Also, retainage will be systematically released for meeting the key dates in the contract, and there will be a penalty for key dates that are missed.

Mr. Stan Ryniewski, Chief of Business Systems, gave a presentation on the Electronic Toll Contracts. Mr. Ryniewski stated that there are 22 contracts in the operation of Business Systems. There are three contracts currently in process and which will be presented to the Board in the upcoming months:

Disaster Recovery Hardware, Disaster Recovery Software, and the Payment Card Industry. Mr. Ryniewski showed a graph of the status and end dates for all of the current contracts. Director Saldana inquired on the status of the TRMMP Change Order for the EZ Pass reciprocity. She was advised that the change order had been included in the \$11 million extension, but the change order was necessary to get the work done. The EZ Pass reciprocity was to make it easier for the agencies in the consortium to share license plate information. Director Morris stated that he would like the retail placement agreement, currently with the Jewel Food Stores, which ends February 22, 2011 to include other vendors in the Rockford and Quad Cities areas where there are few Jewel Stores.

Ms. Lafleur advised that in the interest of time the Customer Satisfaction Survey presentation would be given at a later date.

Mr. Lafleur recognized Mr. Greg Busey, Property Manager, who is retiring after 25 years of service.

Mr. Lafleur then advised that a review has been done on the use of Tollway vehicles, transponders, cell phones, laptops, and BlackBerries. There were 53 permanently assigned vehicles, which were prioritized to first responders and have been reduced to 33 vehicles, which will save the Tollway \$100,000 a year. There will be tighter controls on the remaining vehicles, including the Tollway logo decals on the doors and the vehicles will get GPS installed. Also, a fleet audit will be initiated.

Ms. Lafleur stated that 84% of Tollway employees have non-revenue transponders. This equates to approximately \$228,000 per year of non-revenue for the Tollway per year. Additional controls will be put into place to make sure that these transponders will be used only for work activities, while reviewing if this is a benefit that the Tollway should and can provide to its employees. Audits will be conducted on 15% of the transponders per month, including a review of usage, and the employees will be required to fill out a log. In addition, the Tollway is reviewing if use of these non-revenue transponders should be taxed as an employee benefit. Also, additional discipline will be incurred for abuse of the use transponders.

Ms. Lafleur advised that the Tollway has 445 laptops, of which approximately half are used by the State Police. The IT office has been working on a more comprehensive inventory process, and recertify that individuals assigned to permanent laptops still have a need for them. There will be a similar recertification process put into place for the current users of cell phone and BlackBerries. The Tollway is actively working with CMS to get a monthly list of calls for each BlackBerry and cell phone, so these logs can be reviewed to make sure that they are being used for work purposes.

Director Rooff advised that he wants to make sure that the processes put into place to review these benefits does not become too cumbersome, wherein it becomes more expensive to monitor than the actual benefit from the review.

Chair Wolff stated that it may be advantageous to survey the employees to see if they have any ideas on how to monitor these benefits.

Mr. Tom Bamonte, General Counsel, gave a presentation on Geographic Preferences and Tollway Procurements. Mr. Bamonte stated that the Tollway must balance two policy goals; maximizing the local economic benefit from the money spent by the public agency, through the creation and retention of local jobs and businesses, and getting the lowest price and highest quality goods and services. There are legal limits on the Tollway's use of explicit geographic preferences, and the Tollway's procurement process is subject to the Procurement Code and CMS oversight.

Chair Wolff then began the consent agenda by calling for a motion adopting the following resolutions:

Resolution authorizing amounts to be deposited into the Workers' Compensation Insurance Claim Reserve fund of \$6,440,000 for 2010 – 2011 program year. Resolution Number 19179.

Director Weisner moved for adoption; seconded by Director Pradel. The motion was approved unanimously.

Chair Wolff called for a motion adopting the following resolutions:

Renewal of Contract No. 07-0169 to International Truck & Engine Company, d/b/a Prairie International for Navistar Truck Parts, increasing the contract upper limit by \$540,000.00, from \$1,604,000.00 to \$2,144,000.00 (CMS Master Contract). Resolution Number 19180.

Renewal of Contract No. 09-0106 to Bell City Battery Manufacturing, Incorporated for Automotive Batteries, increasing the contract upper limit by \$25,000.00, from \$32,000.00 to \$57,000.00 (CMS Master Contract). Resolution Number 19181.

Renewal of Contract No. 09-0128 to Minnesota Mining and Manufacturing, d/b/a 3M Traffic Control Material Division for Reflective Sheeting, increasing the contract upper limit by \$350,000.00, from \$350,000.00 to \$700,000.00 (CMS Master Contract). Resolution Number 19182.

Award of Contract No. 10-0134 to Phoenix Business Solutions, Incorporated, for Electrical Wire and Cable in the amount of \$47,000.00 (CMS Contract for the Tollway). Resolution Number 19183.

Renewal of Contract No. 09-0063 to Arlington Power Equipment for North American Signal Parts, increasing the contract upper limit by \$49,000.00, from \$41,000.00 to \$90,000.00 (CMS Contract for the Tollway). Resolution Number 19184.

Award of Contract No. 10-0089 to Valdes Enterprises for Touch Free Hand Driers in the amount of \$41,720.00 (Tollway Invitation for Bids). Resolution Number 19185.

Renewal of Contract No. 09-0087 to Progressive Industries, Incorporated, for Welding Gases, increasing the contract upper limit by \$23,503.30, from \$21,503.30 to \$45,006.60 (Tollway Invitation for Bids). Resolution Number 19186.

Director Roolf moved for adoption; seconded by Director Canham. The motion was approved unanimously.

Chair Wolff called for a motion adopting the following resolutions:

Award of Contract I-10-5604 to Lorig Construction Company for Roadside Improvements on the Jane Addams Memorial Tollway (I-90) Milepost 61.0 (Cherry Valley Interchange) to Milepost 76.5 (Rockton Road) in the amount of \$2,022,358.00. Resolution Number 19187.

Award of Contract RR-10-5609 to Alliance Contractors, Inc. for Ramp Reconstruction on the Tri-State Tollway (I-94) Milepost 9.9 to Milepost 10.01 (Milwaukee Avenue/IL Route 21) in the amount of \$831,289.09. Resolution Number 19188.

Director Roolf moved for adoption; seconded by Director Pradel. The motion was approved unanimously.

Chair Wolff called for a motion adopting the following resolution:

Award of Contract I-10-5607 to Plote Construction, Inc. for Reconstruction and Widening on the Reagan Memorial Tollway (I-88) Milepost 119.5 to Milepost 120.0 (Farnsworth Avenue) in the amount of \$3,072,347.57. Resolution Number 19189.

Director Canham moved for adoption; seconded by Director Towns. Director Roolf and Director Weisner recused themselves from voting on this item. The motion was approved.

Chair Wolff called for a motion adopting the following resolution:

Award of Contract RR-10-5610 to Plote Construction, Inc. for Ramp Pavement Reconstruction on the Reagan Memorial Tollway (I-88) Milepost 94.1 to Milepost 94.5 (Peace Road Interchange), Ramps J and K in the amount of \$1,322,668.24. (Director Roolf recusal) Resolution Number 19190.

Director Canham moved for adoption; seconded by Director Pradel. Director Roolf recused himself from voting on this item. The motion was approved.

Chair Wolff called for a motion adopting the following resolutions:

Award of Contract RR-10-5611 to William Charles Construction Company, LLC, (formerly known as Rockford Blacktop Construction Co.) for Ramp Rehabilitation on the Reagan Memorial Tollway (I-88) Milepost 76.1 (IL Route 251 Interchange) NE and SE Ramps in the amount of \$538,379.02. Resolution Number 19191.

Award of Contract RR-10-5612 to William Charles Construction Company, LLC, (formerly known as Rockford Blacktop Construction Co.) / Northwest Illinois Construction Co. (JV) for Ramp Rehabilitation on the Jane Addams Memorial Tollway (I-90) Milepost 53.5 (Genoa Road Interchange), Ramps A, B, C, D and AB in the amount of \$2,155,269.22. Resolution Number 19192.

Director Roolf moved for adoption; seconded by Director Canham. Director Towns recused himself from voting on these items. The motion was approved.

Chair Wolff called for a motion adopting the following resolutions:

Proposal from Graef – USA Inc. for Supplemental Design Upon Request Systemwide on Contract RR-09-5592 increasing the contract upper limit by \$150,000, from \$500,000 to \$650,000. Resolution Number 19193.

Director Morris moved for adoption; seconded by Director Towns. Director Roolf and Director Weisner recused themselves from voting on these items. The motion was approved.

Chair Wolff called for a motion adopting the following resolutions:

Proposal from Christian-Roge & Associates, Inc. for Supplemental Design Upon Request Systemwide on Contract RR-08-5564, increasing the contract

upper limit by \$75,000, from \$500,000 to \$575,000. Resolution Number 19194.

Proposal from Singh & Associates, Inc. for Supplemental Construction Management Services Upon Request Systemwide on Contract RR-09-5593, increasing the contract upper limit by \$500,000, from \$1,000,000 to \$1,500,000. Resolution Number 19195.

Proposal from H.W. Lochner, Inc. for Supplemental Construction Management Services Upon Request Systemwide on Contract RR-09-5594, increasing the contract upper limit by \$250,000, from \$1,000,000 to \$1,250,000. Resolution Number 19196.

Proposal from Applied Research Associates, Inc. for Supplemental Program Management on Contract RR-09-9071 for Pavement Roadway Management Services and Quality Assurance Testing Systemwide, increasing the contract upper limit by \$64,000, from \$1,100,000 to \$1,164,000. Resolution Number 19197.

Proposal from V3 Companies of Illinois, Ltd. for Supplemental Project Management and Construction Inspection Services on Contract I-06-5402 for I-90 Reconstruction on the Jane Addams Memorial Tollway (I-90) Milepost 58.0 (Irene Road) to Milepost 76.1 (Rockton Road), increasing the contract upper limit by \$140,000, from \$6,915,000 to \$7,055,000. Resolution Number 19198.

Full Release of Retainage on Contract I-07-5222 for F.H. Paschen, S.N. Nielsen & Associates, LLC for Roadway Reconstruction and Widening on the Northbound Tri-State Tollway (I-294) Milepost 55.5 (Half Day Road) to Milepost 59.7 (Town Line Road) in the amount of \$132,046. Resolution Number 19199.

Full Release of Retainage on Contract I-07-5223 for Walsh Construction Company of Illinois for Interchange Reconstruction, Bridge Replacement Lighting, and Signal Modernization on the Tri-State Tollway (I-94) Milepost

56.5 (IL Route 22/Half Day Road) in the amount of \$242,655.18. Resolution Number 19200.

Permit NW 10-11 to XO Communications for permission to install, maintain and operate fiber optic facilities on the Jane Addams Memorial Tollway (I-90) Milepost 13.2 (Roselle Road). Fee will be \$1,000. Resolution Number 19201.

Permit NW 10-12 to XO Communications for permission to install, maintain and operate fiber optic facilities on the Jane Addams Memorial Tollway (I-90) Milepost 11.5 (Meacham Road). Fee will be \$1,000. Resolution Number 19202.

Director Roolf moved for adoption; seconded by Director Canham. The motion was approved unanimously.

Chair Wolff called for a motion adopting the following resolutions:

An Addendum Agreement with Cook County and the Village of Deerfield. Cost to Tollway is \$0. There is no budgetary impact. Resolution Number 19203.

Director Morris moved for adoption; seconded by Director Towns. Director Roolf recused himself from voting on this item. The motion was approved.

Chair Wolff called for a motion adopting the following resolutions:

Addendum Agreement with the Glenview Park District. Resolution Number 19204.

Worker's Compensation Settlement – Billy Parker. Cost to Tollway is \$53,487.86. Amount funded from the Worker's Compensation Claim Reserve Fund. Resolution Number 19205.

Director Roolf moved for adoption; seconded by Director Towns. The motion was approved unanimously.

Chair Wolff requested that the Board consider changing the date of the Board meeting in October 2010 due to a family matter. Further information will be sent out to the Board.

Tom Bamonte, General Counsel, requested that the Board enter into Executive Session to discuss collective bargaining matters specific to Section 2(c)(1) employment, compensation, discipline, performance, or dismissal of specific employees, 2(c)(2) collective negotiations, 2(c)(6) sale or lease of property, 2(c)(11) litigation matters, and 2(c)(21) discussion of minutes pursuant to the Open Meetings Act;

Director Morris moved to enter into Executive Session; seconded by Director Saldaña. The motion was approved unanimously.

(Whereupon the Board entered into Executive Session)

Back in regular session, Chair Wolff then called for a motion approving the revision and release of the Executive Session Minutes from January 2010 through June 2010. Director Morris moved for approval; seconded by Director Towns. The motion was approved unanimously.

There being no further business Director Morris moved for adjournment; seconded by Director Saldaña. The motion was approved unanimously.

Meeting adjourned at approximately 2:10 p.m.

Dawn Sirianni
Assistant Secretary