

MINUTES OF THE REGULAR MEETING OF THE ILLINOIS  
STATE TOLL HIGHWAY AUTHORITY

December 16, 2010

The Illinois State Toll Highway Authority met in regular session on Thursday, December 16, 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 and posted in accordance with the requirements of the Open Meetings Act.

Bolded entries indicate issues which will require follow to present to the board.

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

Present:

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

Absent:

Governor Pat Quinn  
Secretary Gary Hannig

Chair Wolff called the meeting to order.

Executive Director Lafleur introduced the presentation on the Tollway's long term financial outlook. The Toll Highway Act requires the Tollway to develop a ten-year capital plan in 2011, for 2012 through 2021. She added that this presentation, and the work the Board has taken on over the last year to understand the needs of our existing system, is well-timed in that staff will soon need to begin preparations for this ten-year plan. She noted that while additional revenue will be provided by a commercial toll increase anticipated for 2015, ultimately the needs of the existing system will outstrip and outpace the dollars generated by overall revenue as well as this increase.

Mike Colsch, Chief of Finance, gave an overview of the total revenue assumptions between 2015 and 2034, employing different scenarios, one which included a commercial toll increase and one which did not. Under the current toll rate, revenue is projected to increase from \$800 million in 2015 to \$1 billion by 2034. With the commercial toll increase, total revenue would climb from \$908 million in 2015 to \$1.7 billion in 2034.

Director Saldaña asked what kind of assumptions can be made in terms of passenger or commercial traffic when looking ten years out. Mr. Colsch responded that the traffic growth rate begins to diminish after 2020, and Karl Fry, Wilbur Smith, added that between 2010 and 2016, Wilbur Smith projections indicate that there will be less than three percent annual growth in passenger car travel, while for 2016 through 2034, there will be less than one percent annual growth.

Mr. Colsch continued that given a three percent growth rate in Operating expenses per year, this cost will climb from \$286 million in 2015 to \$502 million in 2034. An alternative assumption of a 5 percent growth rate each year would result in Operating expenses of \$310 million in 2015 to \$783 million in 2034. Mr. Colsch added that the Tollway would attempt to keep debt service ratios of between 1.75x and 2x, as the commercial toll increase goes into effect. This would accommodate the issuance of \$4 billion in bonds between 2015 and 2034 (\$2.8 billion in 2010 dollars).

Director Saldaña asked what kind of debt service was assumed for the bonds. Mr. Colsch answered that for the debt service, 5 percent rate of interest was assumed.

Mr. Colsch detailed that historically, from 2000 to 2010, the drivers of growing operating expenses, which included substantial increases in the following expense categories: employee pensions, healthcare, workers compensation insurance, roadway salt, credit card expenses (for I-PASS usage), and lane miles.

Mr. Colsch then described charts that depicted, by year, the revenue available for capital projects from 2015-2026, after accommodating operating expenses and debt service obligations.

Paul Kovacs, Chief Engineer, continued the presentation and outlined the existing system needs following the conclusion of the Congestion-

Relief Program (CRP) through 2026. These needs total \$6.1 billion. Mr. Kovacs noted that these estimates address keeping the system in a state of good repair, and that not fully funding capital projects will result in improvements being down-scoped and deterioration of the Tollway system. Mr. Kovacs then gave an overview of the capital demands by project versus the anticipated revenue.

Executive Director Lafleur noted that the point of the presentation was to convey that there is a significant difference between the Tollway's existing capital needs and expected revenue, even based on a conservative operating cost escalation.

Director Roolf added that he felt the goal of the presentation was to give the Board a sense, (without drilling down to detail) that they have to come to some rationalization about the feasibility of future projects in order to better position the Tollway going forward.

Mr. Kovacs then noted that by accelerating the work on Tollway projects, primarily I-90, there is the potential for at least \$200 million in cost savings (mostly due to eliminating planned, short-term, interim pavement improvements).

Director Roolf asked if, in Mr. Kovacs' opinion, moving up the work on I-90 is realistic.

Mr. Kovacs answered that from a funding perspective, it currently is not realistic. However, from an engineering standpoint, it would be the best investment of the Tollway's money from a long-term perspective.

Director Roolf responded that I-90 seems to be the highest priority, and to the extent that the Tollway could accelerate the job and do it right the first time, it is the best option, and, therefore, adequate funding is critically important.

Mr. Kovacs answered that in 2011 the Tollway will begin doing

resurfacing on I-90 in the sections that are most in need. All that can be afforded under the current CRP is patching and resurfacing.

Director Weisner asked if it was fair to say that the Tollway could save \$600 million overall by accelerating the I-90 project.

Mr. Kovacs answered that if projects are moved into a time period where we understand the construction escalation factors as well as the cost of borrowing money, like right now, we reduce risks. The marketplace is very competitive right now, and the Tollway is receiving very good bids on all work, which is a great opportunity. Mr. Kovacs then detailed the capital costs for new regional improvements, which are projected to be \$16 billion for all projects. Existing system needs total \$6.1 billion, with \$5.1 billion available funding.

Executive Director Lafleur noted that the commercial toll increase set to begin in 2015 is critical to address the future needs that we have but appears insufficient to do everything that needs to be done on the existing Tollway system, let alone fund new projects that could be taken on for the benefit of the State. She stressed the need to keep the Tollway system in a state of good repair.

Mr. Kovacs informed the Board that when the I-90 project was presented to the Board in February, he notified the Directors that a modified plan for the project could move forward as soon as 2011, but he had recently changed that projected timeline to 2012. If transit was to be incorporated into the project it would push the date back another year.

Director Morris responded that if there was to be a transit component, it would not be something that the Tollway could finance itself, and the Tollway would need partners for the project. He suggested that any project so large should have a corridor designated for it so that the system does not need to be torn up five years down the road.

Chair Wolff noted that there are four variables the Board would need to

move forward: 1) Financial: how do we think about supporting what we want to do; 2) What do we want to do; 3) Timing: how quickly can we move to make these decisions; and 4) What kinds of non-traditional activities do you need to know more about to make these decisions? Chair Wolff added that **by the next Board meeting, the Directors should have a plan to address these projects**, as the longer the Board waits, the more expensive the capital projects become.

Director Weisner responded that the Tollway needs to identify whether it will have willing partners to work on some of these projects.

Director Morris stated that there is no question that I-90 needs to be rebuilt; however, if, for instance, a high-occupancy vehicle (HOV) lane is added, how would Wilbur Smith change revenue projections? He added **that it would be beneficial to see the possible different revenue scenarios between widening I-90 and adding transit or, for example, adding an HOV lane on I-90**. He noted that if in fact there is no additional revenue from widening the lane, it would change the way he looked at the project. If these investments do not produce additional revenue, then it should be looked at differently as to whether or not the project can somewhat cover its cost.

**Director Saldaña added that she would need more information on projects such as managed lanes, and whether there would be transit partners interested or available.**

**Chair Wolff asked staff to come back to the Board with more information and to begin a set of scenarios, including what the implications of those are in terms of generating revenue, as well as the expenses.** She added that the Tollway has an obligation to engage the public and help people understand these projects in terms of the demand and funding constraints.

Director Morris added that for 30 years, there had been a lack of maintenance on the Tollway system. Only in the last eight years has

there been a significant effort to rebuild and rehab the system. He noted that it might be difficult to repair in 12 years what took 30 to 40 years to deteriorate; however, there may be an advantage to slowing down so that portions of the system are being rebuilt several miles at a time.

Executive Director Lafleur stressed the need to plan for the long-term and think about the system as a whole.

**Director Morris suggested that a fifth variable he would like to see fleshed out for the Board is that of preventive maintenance and ongoing costs of these projects.**

Chair Wolff called for public comment. No members of the public were present for public comment.

Director Pradel moved for approval of the Minutes of the Regular Board Meeting and Executive Session held on November 18, 2010; seconded by Director Roof. The motion was approved unanimously.

### **Chair Report:**

Chair Wolff asked for updates from the Working Groups.

Director Morris told the Board that the [Customer Service Working Group had finished its report](#) and the Directors were provided with copies. He added that the group had discovered that electronic tolling has been extremely successful. The biggest problem discovered during this process was the Indiana toll violations issue and the communications breakdown that led to that situation. The Customer Service Working Group had asked that the electronic tolling contract be rebid; that process had started but has now been stopped so that staff can get a handle on it and acquire the best possible technology available. Director Morris then noted that there will soon be new signage on the roadways and revamped violation notices. He added that the most difficult thing to resolve was the violations framework, such as the

business practice of collecting on violations from up to two years back. He told the Board **he anticipates a recommendation forthcoming within the first quarter of 2011 as to how far back to look for violations.** Finally, **he asked that the Board set aside time twice a year to review customer service and electronic tolling.**

Chair Wolff thanked Director Morris for his report. Executive Director Lafleur thanked the staff for their work on the report.

Chair Wolff introduced Director Weisner to speak to the progress of the Oases Working Group.

Director Weisner told the Board that his group is still in the process of identifying the future partners at the oases, whether it is the convenience store/fuel providers or the pavilion operators. Exxon Mobil has indicated its desire to assign its lease. The Tollway is doing due diligence on 7-Eleven, the party Exxon Mobil has proposed for the assignment. Director Weisner noted that Working Group recommendations and a draft report would likely be ready by the January Board meeting.

Chair Wolff thanked all the Directors for their work on these two issues.

Chair Wolff mentioned that she and Tranece Artis are in the process of meeting individually with the Directors and will soon be coming back to them with suggestions on restructuring Board meetings. She then reminded the Directors to fill out copies of their monthly time sheets documenting their time on Tollway matters. Chair Wolff informed the Board that Executive Director Lafleur is in the process of establishing performance measurements, and they will be ready to discuss at the January Board meeting. Finally, she reminded Directors that those who wanted to could contribute money to help buy cookies for the employees in the field for the holidays.

#### **Executive Director Report:**

Executive Director Lafleur introduced Tom Bamonte, General Counsel,



and Kelsey Austin, Community Relations Coordinator, to give a presentation on the upcoming Procurement Communications reporting requirements.

Mr. Bamonte gave an overview of SB51 reporting requirements to the Board. The requirement comes from SB51 and begins January 1<sup>st</sup>. It requires all state employees, including directors to report communications they receive that contain material information and that make an argument regarding potential action on a procurement matter. As of yet, no definitive rules have been adopted by the Procurement Policy Board or the Executive Ethics Commission.

Mr. Bamonte relayed to the Board that reportable communications cover written, oral, and electronic communications. If the communication is issued by a non-Tollway employee, it is reportable. It must ask for or impart meaningful information, pertain to a Procurement action, and be material.

Director Saldaña asked for clarification on what it would mean to be initiated by a non-Tollway party. Mr. Bamonte responded that there is some indication in the Procurement Code that if a Tollway employee initiates a request for information, it is not subject to reporting. However, there are other indications that if one has received such information, you must report it. He assured the Board that staff would try to get clarity on such an issue.

Director Morris asked if someone calling and asking about a bond issue or engineering contract would be subject to reporting. Mr. Bamonte answered that it must be reported if it bears on a procurement matter. If it is related to a procurement that was being advertised versus just a policy matter, then it must be reported.

Mr. Bamonte gave several examples of reportable and non-reportable communications. The common theme is if the communication is trying to influence the Tollway's procurement process, it is reportable. He

noted that each employee that is party to the communication must file a report. Everyone must file their own report, there is no delegation of reporting. Mr. Bamonte told the Board that the Tollway has adopted a 5-business-day reporting requirement for procurement communications.

Director Saldaña asked if the 5-day requirement was an internal policy. Mr. Bamonte answered that staff is not asking for a formal adoption from the Board, but the Tollway's decision was that 5 business days was the best way to comply with this reporting requirement. It is better to report these communications while memories are still fresh. He noted that this is a dynamic process, as staff is still awaiting final rules from the Executive Ethics Commission.

Mr. Bamonte detailed that all the reports are reviewed by the Tollway's State Procurement Officer, and those with any malicious content are referred to the Executive Ethics Commission. Once review is complete, the reports go to the Procurement Policy Board, which publicly posts each report.

Executive Director Lafleur told the Board that, when in doubt, it is suggested to err on the side of caution when reporting, as there is a lot about the new reporting requirement that is still undefined.

Kelsey Austin, Community Relations Coordinator, next gave an overview of how to report procurement communications on the [pcrs.il.gov](http://pcrs.il.gov) website, including navigation, creating communication documents, and submittal. Ms. Austin informed the Board that on the off-chance that the reporting system is unavailable on January 1<sup>st</sup>, there is a tool on Crossroads Board members can access to create the procurement communication document. She then advised the Board that if Board members had any additional questions, they could contact the Administrative Manager to the Board, Tranece Artis.

Mr. Bamonte noted that before January 1<sup>st</sup>, the Board would receive follow-up materials with any developments on the legal front.

Executive Director Lafleur updated the Board on the work with the RITE system (violations and electronic tolling). She explained that Tollway staff is working with the vendor, ETC, to meet the closeout dates on items still outstanding.

She then noted that Shana Whitehead, Senior Manager of Program Development, has been working on developing a performance measurement tool to use internally as a management tool, with selected key measures going to the Board for periodic review. These measures will be helpful to monitor and track priorities. Executive Director Lafleur thanked the Chiefs for working with Ms. Whitehead in developing these measures. **She added that there will be an opportunity for feedback on these measures during the presentation at the January Board meeting.**

Executive Director Lafleur told the Board that the Tollway will be seeking a 90-day extension on the Cullen and Associates lobbyist contract, and will be recommending subsequently moving forward with an RFP for a lobbyist.

**Director Morris asked that a written report be issued to the Board quarterly on what the lobbyist is working on.** He noted that he would not support a lobbyist without having a written report of the work they have done on the Tollway's behalf. Executive Director Lafleur noted that the Tollway receives written reports from the lobbyist and can take the broader step of sharing those with the Board.

Director Morris asked how staff evaluates a competitive process for lobbyists. Executive Director Lafleur answered that lobbyists could be evaluated by how successful they have been with other agencies or clients, how proactive they will be, and their areas of expertise. Director Morris asked if there would be barriers in the contract so that the lobbyist is not also representing conflicting interests. Executive Director Lafleur answered that they are required to disclose any potential

conflicts. She then noted that in light of the approaching federal Transportation Reauthorization bill, it is important for the Tollway to have not only a state presence, but a federal presence as well. She added that the 2011 budget has provided for a small additional amount of funding for that purpose. The budget has increased from \$80,000, solely at a state level, to \$150,000 for the state and federal level lobbying.

Director Saldaña asked if the Tollway was part of a group that already used federal lobbyists. Executive Director Lafleur answered that the Tollway is part of associations that have a federal presence and keep the Tollway apprised of issues. However it is also important for the Tollway to do everything it can to stay on top of these transportation issues. Chair Wolff added that if the Tollway is to pursue non-traditional types of projects, there could potentially be federal grant dollars to assist in these endeavors.

Executive Director Lafleur publicly thanked Andrew Boron, former Deputy Chief of Staff, for being so instrumental in her transition into her role; she wished him well in his future efforts.

Chair Wolff called for public comment. No members of the public were present for public comment.

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

Approval of Commercial Tower Co-Location Agreement with Business Only Broadband (BOB) at PL 36. Monthly Revenue \$1441.00.

Approval of Commercial Tower Co-Location Agreement with Paetec at PL 25. Monthly Revenue \$442.00.

Director Banks moved for adoption. Seconded by Director Weisner. The motion was approved unanimously.

Chair Wolff called for a motion adopting the following resolutions:

Resolution approving the Employee Health Benefit Programs with Blue Cross and Blue Shield of Illinois for the 2010-2011 plan year.

Amend resolution no. 18976 authorizing the Refunding of the Synthetic Fixed Rate Bonds and the designation of the Underwriting Group which expires December 31, 2010.

Resolution approving the 2011 Final Budget.

Director Weisner moved for adoption. Seconded by Director Banks. The motion was approved unanimously.

Chair Wolff called for a motion adopting the following resolutions:

Award to Contract No. 10-0168 to Westside Tractor Sales Company, in an amount not to exceed \$42,500.00 (CMS Master Contract).

Renewal to Contract No. 09-0010 to Enterprise Oil Company and D-A Lubricant Company for Lubricants, Greases and Oils (Virgin) in the amount of \$139,500.00, increasing the contract upper limit from \$140,100.00 to \$279,600.00 (CMS Master Contract).

Award of Contract No. 10-0169 to Kent Manufacturing Company for Reclosable Fasteners, in an amount not to exceed \$143,000.00 (CMS Contract for the Tollway).

Renewal to Contract No. 09-0048 to Pollution Control Industries, Incorporated for Hazardous Waste Removal Services in the amount of \$50,000.00, increasing the contract upper limit from \$50,000.00 to \$100,000.00 (Tollway IFB).

Award to Contract No. 10-0140 to WMAQ/NBC5 and WFLD/FOX Chicago for TIMS Partnership Agreement – In-Kind Marketing

(Tollway RFP).

Award to Contract No. 10-0172 to CGN & Associates, Incorporated for Electronic Tolling Technology Audit, in an amount not to exceed \$314,240.00 (Tollway RFP).

Director Weisner moved for adoption. Seconded by Director Banks. The motion was approved unanimously.

Chair Wolff called for a motion adopting the following resolution:

Award of Contract No. 10-0063 to SEPS, Inc. for replacement of multiple Uninterruptable Power Source (UPS) units in the amount of \$607,271.00.

Director Banks moved for adoption. Seconded by Director Weisner. The motion was approved unanimously.

Chair Wolff called for a motion adopting the following resolutions:  
Renewal of Contract RR-07-9035 with Systems Development Integration, Inc. for Intelligent Transportation Systems (ITS) and Fiber Optic Program Management & Support in the amount of \$715,000, increasing the contract upper limit from \$3,834,280 to \$4,549,280.

Partial Release of Retainage on Contract I-07-5227 to Walsh Construction Company of Illinois for Roadway and Bridge Construction and Widening on the Northbound Tri-State Tollway (I-94) from Milepost 59.7 (IL Route 60) to Milepost 62.4 (IL Route 176); and Offsite Stormwater Compensatory Storage at Milepost 62.5 (Site 10) and Milepost 72.2 (Site 13) by \$1,714,604.35, from \$1,823,104.35 to \$108,500.

Partial Release of Retainage on Contract RR-08-5475 to K-Five Construction Corp./James D. Fiala Paving Co. (Joint Venture) for Roadway and Bridge Rehabilitation on the Veterans Memorial Tollway

(I-355) from Milepost 12.3 (I-55) to Milepost 21.8 (Butterfield Road) by \$901,562.24, from \$955,562.24 to \$54,000.

Partial Release of Retainage on Contract RR-08-5571 to Herlihy Mid-Continent Company for Bridge Rehabilitation on the Tri-State Tollway (I-294) from Milepost 9.76 (Rexford Avenue) to Milepost 10.31 (Midlothian Turnpike) and from Milepost 31.1 (I-88 Tri- Level Bridge) to Milepost 31.4 (Butterfield Road) by \$306,578.54, from \$316,578.54 to \$10,000.

Partial Release of Retainage on Contract RR-08-5572 to Lorig Construction Company/Geneva Construction Company (Joint Venture) for Roadway and Bridge Rehabilitation on the Veterans Memorial Tollway (I-355) from Milepost 21.8 (Finley Road Overpass) to Milepost 29.9 (Army Trail Road) by \$877,878.07, from \$1,491,430.87 to \$613,552.80.

Director Banks moved for adoption. Seconded by Director Saldaña. The motion was approved unanimously. The Board then considered the following:

Partial Release of Retainage on Contract I-07-5233 to Plote Construction, Inc. for Roadway and Bridge Reconstruction and Widening on Northbound Tri-State Tollway (I-94) Milepost 65.0 (IL Route 137/Buckley Road) to Milepost 70.5 (South of Stearns School Road) by \$1,087,272.12, from \$1,247,272.12 to \$160,000. (Recusal by Director Roof)

Partial Release of Retainage on Contract I-07-5241 to Plote Construction, Inc. for Roadway and Bridge Reconstruction on Northbound Tri-State Tollway (I-294) from Milepost 44.5 (Dempster Street) to Milepost 48.3 (Willow Road) by \$1,256,197.24, from \$1,331,197.24 to \$75,000. (Recusal by Director Roof)

Full Release of Retainage on Contract I-07-5243 to Plote Construction,

Inc. for Roadway and Bridge Reconstruction on Northbound Tri-State Tollway (I-294) Milepost 48.3 (Willow Road) to Milepost 51.3 (Dundee Road) in the amount of \$630,000.

Full Release of Retainage on Contract I-08-5696 to Plote Construction, Inc. for Eola Road Interchange on the Reagan Memorial Tollway (I-88) Milepost 120.5 to Milepost 122.0 (Eola Road) in the amount of \$50,000. (Recusal by Director Roof)

Director Saldaña moved for adoption. Seconded by Director Weisner. Director Roof recused himself from voting on these items. The motion was approved.

Chair Wolff called for a motion adopting the following resolution:

Full Release of Retainage on Contract I-08-5541 to Rockford Blacktop Construction Co. (currently known as William Charles Construction Company, LLC) / Rock Road Companies (Joint Venture) for Reconstruction and Widening on the Jane Addams Memorial Tollway (I-90) Milepost 69.9 (IL Route 173) to Milepost 62.3 (Cherry Valley Interchange) in the amount of \$20,000.

Director Banks moved for adoption. Seconded by Director Pradel. Director Towns recused himself from voting on this item. The motion was approved.

Chair Wolff called for a motion adopting the following resolutions:

Full Release of Retainage on Contract I-07-5244 to Walsh Construction Company of Illinois for Roadway and Bridge Reconstruction on Northbound Tri-State Tollway (I-294) Milepost 51.4 (Dundee Road) to Milepost 53.5 (Lake-Cook Road) in the amount of \$165,187.72.

Full Release of Retainage on Contract RR-09-5579 to Lorig Construction Company for Bridge Repairs and Concrete Ramp Patching



on Southbound Tri-State Tollway (I-294) Milepost 31.5 (Bridge 212) and Northbound Tri-State Tollway (I-294) Milepost 31.8 (Westbound I-290) in the amount of \$27,148.09.

Full Release of Retainage on Contract RR-09-5582 to F.H. Paschen, S.N. Nielsen & Assoc., LLC, for Bridge Rehabilitation on the Jane Addams Memorial Tollway (I- 90) Milepost 23.1 (Bridges 549 and 550 over the Fox River) in the amount of \$120,434.93.

Full Release of Retainage on Contract RR-07-9927R to Divane Bros. Electric Co. for M-4 Self Supporting Communication Tower Construction on the Tri-State Tollway (I-94) at Milepost 70.0 (Grand Avenue) in the amount of \$43,130.01.

Director Saldaña moved for adoption. Seconded by Director Pradel. The motion was approved unanimously.

Chair Wolff called for a motion adopting the following resolution:

An Intergovernmental Agreement with the Argonne National Laboratory. Cost to the Tollway: \$250,000.

Chair Wolff recused herself from voting on this item. Director Saldaña moved for adoption. Seconded by Director Weisner. The motion was approved.

Chair Wolff called for a motion adopting the following resolutions:

An Intergovernmental Agreement with the Village of Oak Brook providing for the transmittal of an excess parcel to the Village of Oak Brook so the Village can construct a new connector road. Cost to the Tollway: \$0. Tollway to receive \$15,000.

Recovery of property damage from Kennedy Transportation. Cost to the Tollway: \$0. Tollway to recover \$75,000.

Director Banks moved for adoption. Seconded by Director Pradel. The motion was approved unanimously.

Chair Wolff called for a motion adopting the following resolutions:

Adoption of Violation Enforcement System (VES) Payment and Settlement Guidelines.

Extension of Contract for Legal Counsel on Workers Compensation issues. Cost to Tollway – \$115 per hour for Ganan & Shapiro, and \$120 per hour for Nyhan, Pfister Bambrick Kinzie & Lowry. The budgetary impact will depend on the need for such services.

Authorization for the execution of a settlement agreement with Frank Gonzalez. The cost to the Tollway is \$40,000.

Director Pradel moved for adoption. Seconded by Director Roof. The motion was approved unanimously.

Tom Bamonte, General Counsel, requested that the Board enter into Executive Session pursuant to Sections 2(c)(1), 2(c)(2), and 2(c)(11) of the Open Meetings Act.

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

(Whereupon the Board entered into Executive Session)

The Board came out of Executive Session at approximately 1:30 p.m.

Motion to adjourn was made by Director Morris; seconded by Director Weisner. The motion was approved unanimously.