

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

March 31, 2005

The Illinois State Toll Highway Authority met in regular session on Thursday, March 31, 2005 at approximately 10:00 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 Chairman John Mitola, which notice reads in words and figures as follows:

THE ILLINOIS STATE TOLL HIGHWAY AUTHORITY
Administration Building
2700 Ogden Avenue
Downers Grove, Illinois 60515

Governor Rod Blagojevich

Director Ronald Materick

Secretary Timothy Martin

Director George Pradel

Director David Andalcio

Director James Roof

Director James Banks

Director Carl Towns

Director Carl Kramp

Pursuant to the provisions of Article IV, Section 2 of the Code of By-laws of The Illinois State Toll Highway Authority, Notice is hereby given of the next meeting of the Authority to be held on Thursday, March 31, 2005 at 10:00 a.m. in the Boardroom of the Administration Building in Downers Grove, Illinois.

John Mitola
Chairman

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.

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

Present:

Chairman John Mitola
Director David R. Andalco
Director Carl Kramp
Director Ronald Materick - by phone
Director George Pradel
Director James Roof
Director Carl Towns

Absent:

Governor Rod R. Blagojevich
Secretary Timothy Martin
Director Jim Banks

Chairman Mitola asked if there was any public comment and there being none, called for a motion to approve the Minutes of the Regular Board Meeting held on February 24, 2005. Director Kramp moved for approval; seconded by Director Towns.

Chairman Mitola called for a voice vote, and there being "Ayes" and no "Nays", declared the motion carried.

Chairman Mitola then called for a motion approving the Executive Session Minutes from February 24, 2005. Director Kramp moved for approval; seconded by Director Towns.

Chairman Mitola called for a voice vote, and there being "Ayes" and no "Nays", declared the motion carried.

Chairman Mitola then stated that the team has been working with the trucking association regarding the toll increases and the impact on their members. Prior to approving the toll rates, we agreed to offer discounted rates to truckers using I-PASS during non-peak hours and cash paying trucks traveling over night. Dialogue has continued with the trucking associations. Earlier this month we began to add new mixed-use I-PASS only lanes at five toll plazas on the south Tri-State at the request of the association to help trucks using I-PASS continue to save time and money. Construction of a

second mixed-use I-PASS only lane at the 82nd Street, 83rd Street, Irving Park Toll Plaza and in both directions at the Cermak Plazas was completed last week. The association has said this will give further reasons for truckers not to divert to local roads.

The Chairman also commented on work zone safety. The Tollway is coordinating with IDOT and the Illinois State Police to kick-off a coordinated public awareness campaign for this construction season.

Chairman Mitola then called on Chief of Staff, Ms. Marilyn Johnson to present Item 5.1a, RFP 05-0014. Ms. Johnson briefed the Board on this procurement and how the vendor was selected. The contract would be a base five-year contract with five one-year options to renew. We would be given the source codes for the equipment so if we so choose, we could run the system ourselves.

Director Materick asked, “What is the budget amount for this scope of work”? Mr. Mike Colsch explained that we have, in the first year’s capital budget, \$20 million budgeted for development costs. About two-thirds of this is development costs. The 20 million accommodates the first year’s development costs and then we will include the remainder of that within the capital program. There will be some maintenance costs that we will work into future operating budgets.

Director Materick asked Mr. Bamonte if there were some issues regarding another bidder and he wondered if there were any legal impediments or anything. Mr. Bamonte responded that there is not.

Director Materick went on to say, “Contractually, I’m sure that the contract will be written such that we’re not faced with change orders and requests for additional money but I know that there is some contingency included, about \$1 million per year. How would that contingency be controlled? Would it be controlled by the vendor or the Tollway?”

Ms. Johnson responded that the Tollway would control the contingency. The \$69.5 million dollars includes the base bid amount and the software licenses as well as the \$1 million contingency for each of the first three years of the contract.

Director Materick responded, “We would control how that is used by the vendor during that period of time. If they ran over on their fixed costs, they’re not able to arbitrarily take it out of the contingency?”

Ms. Johnson stated “That is correct.”

Director Andalcio stated, “Make sure the benchmarks ensure minority participation.”

Ms. Johnson said “ETC gave their commitment to have minority participation. The firm is a certified DBE firm in the state of Texas and is completing its DBE status in Illinois.”

Chairman Mitola stated “This is a key contract for the Tollway. When the contract comes to my desk for signature, the elements that Directors Materick and Andalcio have pointed out are absolutely critical and I want to assure you that this contract won’t be executed if they’re not there. In particular, liquidated damages for schedule and the ability of the vendor to financially back stop for liquidated damages. We can’t open a new ORT plaza without these guys performing their work on time.”

He went on to say, “The source code element - I understand that this vendor might have been the only vendor to agree to allow us to use the source code and I think that’s absolutely critical. I want to ensure in the contract that they haven’t figured a way out of the source code issue. I want to have the ability to stop the work if we, for any reason, feel they are not doing their job.”

“Also, the overall financial security of the enterprise - If Mike Colsch has not conducted a separate audit I would like him to conduct a quick audit, summary level of the vendor before they approve the contract.”

Director Andalcio stated, “Make sure we are getting the source code for the application software itself and not for the data that is collected.”

Director Materick asked if any of the equipment has been purchased yet.

Ms. Johnson said the purchase of the SAIC equipment and software and the Mark IV readers is on this agenda. We are purchasing now so it is ready when the system installations are in.

Chairman Mitola asked if ETC will wrap the warranty around the equipment that we are directly purchasing.”

Mr. Matt Beudet said they will wrap the warranty around the whole system.

After discussion, Chairman Mitola stated that the Board wants regular updates on this project.

Chairman Mitola called for a motion to adopt the resolution awarding RFP 05-0014 for Toll Revenue Management and Maintenance Program (TRMMP), to Electronic Transaction Consultants (ETC), in an amount not to exceed \$69,500,000.00. This appears in the Appendage as Resolution No. 16750.

Director Andalcio moved for adoption; seconded by Director Towns.

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

Marilyn thanked Matt Beudet and his team for all the work they put into this project.

Chairman Mitola then called for a motion adopting the following:

Resolution approving the Purchase of Mark IV (AVI) Equipment for Congestion Relief Program to Mark IV, in the amount of \$6,608,000.00. This appears in the Appendage as Resolution No. 16751.

Resolution approving the purchase of SAIC (VES System) Equipment for Congestion Relief Program to SAIC, in the amount of \$2,600,000.00. This appears in the Appendage as Resolution No. 16752.

Resolution approving an Extra Work Order on Contract 98-5691 to TransCore under the ITCS Contract, in the amount of \$8,500,000.00. This appears in the Appendage as Resolution No. 16753.

Resolution approving a Change Order on Contract 00-6032, to TransCore for changes in the ATTLAS Violation System, in the amount of \$540,000.00. This appears in the Appendage as Resolution No. 16754.

Resolution approving the renewal of a one-year option on the VES contract, in an amount not to exceed \$11,000,000.00. This appears in the Appendage as Resolution No. 16755.

Chairman Mitola called for a motion adopting said resolutions. Director Towns moved for adoption; seconded by Director Kramp.

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

Chairman Mitola then called on the Chief of Information Technology. Mr. Ted Young requested adoption of the following:

A resolution approving the purchase of Phase II Microsoft software volume licensing for Microsoft Office 2003 Professional and related Microsoft Select Server licensing, in an amount not to exceed \$186,702.37 annually, for three years. This appears in the Appendage as Resolution No. 16756.

Chairman Mitola called for a motion adopting said resolution. Director Roof moved for adoption; seconded by Director Andalcio

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

Chairman Mitola then called on the Chief of Administration. Mr. Brian McPartlin requested adoption of the following:

Award of Contract 05-0022 for Large Lamp Replacements to Neher Electric Supply, in an amount not to exceed \$44,000.00. This appears in the Appendage as Resolution No. 16757.

Award of Contract 05-0013 for Crack Sealing Materials to Sherwin Industries, Incorporated, in an amount not to exceed \$126,500.00. This appears in the Appendage as Resolution No. 16758.

Renewal of Contract 04-6611 for Asphalt Hot Mix to Alpha Construction Company, Arrow Road Construction Company, Curran Contracting Company, DuKane Asphalt Company, DuPage Materials Company, Geneva Construction Company, K-Five Construction Company, Northwest Illinois Construction, Peter Baker and Sons, Plote Construction Incorporated, Rockford Blacktop Construction Company, and Rock Road Companies Incorporated by \$98,512.50, in an amount not to exceed \$187,512.80. This appears in the Appendage as Resolution No. 16759.

Award of Contract 05-0032 for North American Signal Parts to Ray O'Herron Company, Incorporated, in an amount not to exceed \$26,000.00. This appears in the Appendage as Resolution No. 16761.

Chairman Mitola called for a motion adopting said resolutions. Director Andalcio moved for adoption; seconded by Director Kramp.

Chairman Mitola called for a voice vote, and there being "Ayes" and no "Nays", declared the motion carried.

Mr. McPartlin then requested adoption of a resolution awarding Contract 05-0008 for four (4) Motorcycles and Equipment to The Big Picture, Incorporated, in an amount not to exceed \$29,726.80. This appears in the Appendage as Resolution No. 16760.

Chairman Mitola called for a motion adopting said resolution. Director Pradel moved for adoption; seconded by Director Kramp.

Chairman Mitola called for a voice vote, and there being "Ayes" and no "Nays", declared the motion carried. Director Roolf abstained from voting on this resolution.

Chairman Mitola then called on Mr. Greg Stukel to present the agenda for Engineering. Mr. Stukel requested adoption of the following resolutions:

Award of Contract RR-04-5201 to Illinois Constructors Corporation for Bridge Repairs on the Northwest Tollway at Higgins Road, Touhy Avenue and the East Branch of Poplar Creek, in the amount of \$1,039,001.00. This appears in the Appendage as Resolution No. 16762.

Award of Contract RR-04-5302 to Albin Carlson & Co. for Bridge Improvements on the Ronald Reagan Memorial Tollway at Mile Post 118.9 (Church Rd.) and Mile Post 118.3 (Mitchell Rd.), in the amount of \$745,506.00. This appears in the Appendage as Resolution No. 16763.

Release of Retainage on Contract RR-03-5175 for I-PASS Only Lane Construction at Plaza 41 (163rd St.) on the Tri-State Tollway, to Divane Bros. Electric Co., in the amount of \$10,600.75. This appears in the Appendage as Resolution No. 16764.

Permit No. EW-05-09 to Global Naps, Inc. for permission to install, operate and maintain three fiber optic cable ducts crossing the Tri-State Tollway. Fee will be \$1,000.00. This appears in the Appendage as Resolution No. 16765.

Release of permanent drainage easement in exchange for larger alternative drainage facilities which will be maintained by the owners association of the new Churchill Hunt Subdivision. This appears in the Appendage as Resolution No. 16766.

Resolution amending Resolution No. 16677 dated December 16, 2004, to identify the additional permanent index numbers and parcels required for the improvement at the intersection of the Reagan Memorial Tollway and Naperville Rd. This appears in the Appendage as Resolution No. 16767.

Resolution authorizing the acquisition of property for the Open Road Tolling improvements along I-294 in the vicinity of Touhy Ave. in an amount not to exceed \$900,000.00. This appears in the Appendage as Resolution No. 16768.

Chairman Mitola called for a motion adopting said resolutions. Director Roolf moved for adoption; seconded by Director Towns.

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

Mr. Stukel then requested adoption of a resolution amending Resolution No. 16622 dated November 18, 2004 awarding Contract I-04-7702, North-South Tollway Grading, to T. J. Lambrecht Construction Co., revising the amount from \$25,411,610.00 by \$30,000.00 to \$25,441,610.00 due to a clerical error. This appears in the Appendage as Resolution No. 16769.

Chairman Mitola called for a motion adopting said resolution. Director Towns moved for adoption; seconded by Director Kramp.

Chairman Mitola called for a voice vote, and there being “Ayes” and no “Nays”, declared the motion carried. Director Roofl abstained from voting on this item.

Chairman Mitola then called on the General Counsel. Mr. Tom Bamonte requested adoption of the following:

Resolution approving agreements with the railroad subsidiaries of the Canadian National Railroad (CNRR) system. This appears in the Appendage as Resolution No. 16770.

Resolution approving a Memorandum of Understanding with the City of Aurora, City of North Aurora and Aurora Township Highway Department to clarify maintenance responsibilities. This appears in the Appendage as Resolution No. 16771.

Chairman Mitola called for a motion adopting said resolutions. Director Andalcio moved for adoption; seconded by Director Kramp.

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

Mr. Tom Bamonte then requested the Board enter into Executive Session under Section 2 (c) 11 of the Open Meetings Act to discuss union negotiations.

Chairman Mitola called for a motion to enter into Executive Session. Director Kramp moved; seconded by Director Roofl.

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

(Whereupon the Board entered into
Executive Session to discuss union
negotiations)

Back in regular session, and there being no further business, Chairman Mitola called for a motion to adjourn.

Director Kramp moved to adjourn; seconded by Director Pradel.

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

Meeting adjourned at approximately 11:10 a.m.

Secretary

APPENDAGE

March 31, 2005