



Record of Meeting | January 23, 2017

The Illinois State Toll Highway Authority (the “Tollway”) held the regularly scheduled Finance, Administration and Operations Committee Meeting on Monday, January 23, 2017 in the Boardroom of Tollway Headquarters in Downers Grove, Illinois. The Meeting was held pursuant to By-Laws of the Tollway upon call and notice of the Meeting executed by Chairman Robert J. Schillerstrom and posted in accordance with the requirements of the Illinois *Open Meetings Act*. The Meeting was open to the public.

[Bolded entries indicate issues which may require follow-up to present or report to Directors.]

Call to Order / Pledge of Allegiance / Roll Call

Committee Chair Joe Gomez called the Meeting to order at approximately 10:02 a.m., stating that this is the regularly scheduled meeting of the Finance, Administration and Operations Committee (“FAO Committee”) of the Tollway Board of Directors. He invited attendees to rise and join in the Pledge of Allegiance. Committee Chair Gomez then asked the Board Secretary to call the roll, those Directors present and absent being as follows:

Committee Members Present:
Committee Chair Joe Gomez
Director David Gonzalez
Director Neli Vazquez Rowland

Committee Members Not Present:
Director Corey Brooks
Director Earl Dotson, Jr.

The Board Secretary declared a quorum present.

Public Comment

Committee Chair Gomez opened the floor for public comment. No public comment was offered.

Committee Chair’s Items

Committee Chair Gomez called for a motion to approve **Committee Chair’s Item 1**, the Minutes of the regular Finance, Administration and Operations Committee meeting held on December 7, 2016, as presented. Director Gonzalez made a motion for approval; seconded by Director Vazquez Rowland. Committee Chair Gomez asked if there are any questions, concerns or



requests for amendment. Hearing nothing, Committee Chair Gomez called for a vote. The motion was PASSED unanimously.

Having no further items, Committee Chair Gomez called on Executive Director Greg Bedalov.

Executive Director's Items

Tollway Staff Acknowledgments: Executive Director Bedalov introduced and welcomed Kevin Artl, who recently joined the agency as Chief of Staff.

I-90 Celebration: Executive Director Bedalov then extended an invitation to all to attend a Tollway event being held on Friday, January 27, 2017 at the Schaumburg Convention Center to celebrate the completion of the Jane Addams Memorial Tollway (I-90) Rebuilding and Widening Project. He highlighted that over 500 partners are planning to attend this special milestone for the agency.

Items for Consideration

Finance

Committee Chair Gomez called on Mike Colsch, Chief of Finance, to present to the Committee the following Finance items:

Item 1: Approval of the 2016 Retiree Health Insurance Payment to Central Management Services (CMS) per ILCS 375-11.

Item 2: Award of Contract 16-0040 for the purchase of Municipal Advisor Services (Tollway Request for Proposal).

Director Gonzalez asked whether the item proposes the addition of firms to the Tollway's existing pool of financial advisory firms. Mr. Colsch responded in the negative, clarifying that the contract award is to retain two firms, FirstSouthwest and The PFM Group, to provide needed financial advisory services, replacing the pool of four firms which provided these services under the prior contract.

Item 3: Award of Contract 16-0030 to Crowe Horwath LLP for the purchase of Unclaimed Property Reporting Services in an amount not to exceed \$400,000.00 (Tollway Request for Proposal).

Director Vazquez Rowland inquired about the nature of the reporting services provided. Mr. Colsch responded that the vendor would provide the Tollway with assistance in meeting its annual



unclaimed property reporting requirements, primarily related to credit balances held in I-PASS accounts which have remained inactive for a certain period. He explained that efforts are made to notify account owners of unclaimed balances; however, when contact is unsuccessful, these funds must be reported and custody ultimately transferred to the State Treasurer's Office and its unclaimed property program. He further explained that the state then maintains custody of the property in perpetuity until the rightful owner or heirs come forward to claim.

Director Vazquez Rowland inquired concerning the accounting treatment for transfers of unclaimed property to the state. Mr. Colsch clarified that I-PASS account credit balances are held in an escrow account, from which any amounts determined by law to be abandoned are transferred.

Upon conclusion of the presentation of items, Committee Chair Gomez called for a motion to consolidate for consideration and action Finance Items 1 through 3. Director Vazquez Rowland made a motion to consolidate; seconded by Director Gonzalez. Committee Chair Gomez asked if there are any questions, concerns or requests for discussion. Hearing nothing, Committee Chair Gomez called for a vote. The motion was PASSED unanimously.

The motion to consolidate these items having carried, Committee Chair Gomez then called for a motion to approve placement of **Finance Items 1 through 3** on the January Board of Directors meeting agenda with the Committee's recommendation for approval. Director Vazquez Rowland made a motion for approval; seconded by Director Gonzalez. Committee Chair Gomez asked if there are any questions, concerns or requests for discussion. Hearing nothing, Committee Chair Gomez called for a vote. The motion was PASSED unanimously.

Procurement

Committee Chair Gomez called on John Donato, Chief of Procurement, to present to the Committee the following Procurement items:

Item 1: Award of Contract 17-0001 to Patson, Inc. (d.b.a. TransChicago Truck Group) and Rush Truck Centers of Illinois, Inc. (d.b.a. Rush Truck Center, Springfield East) for the purchase of Snowplow Trucks in an aggregate amount not to exceed \$2,775,001.18 (Order Against CMS Master Contract).

Committee Chair Gomez asked Mr. Donato to provide additional background for the Committee on the need for this procurement. Mr. Donato explained that 12 of the snowplow trucks proposed for purchase are to replace existing vehicles that will meet or exceed the Tollway's established replacement criteria of 7000 engine hours at the time of decommissioning.



Director Vazquez Rowland inquired about the final disposition of vehicles which are to be replaced. Mr. Donato responded that decommissioned vehicles are sold at public auction.

Item 2: Award of Contract 16-0068 to The Stone Group, Inc. for the purchase of Elevator Maintenance, Inspection, Repair, and Full Hydraulic Pressure Testing Services in an amount not to exceed \$345,129.00 (Tollway Invitation for Bid).

Item 3: Award of Contract 16-0060 to Voris Mechanical, Inc. for the purchase of Chiller Preventive Maintenance and Repair Services in an amount not to exceed \$145,507.00 (Tollway Invitation for Bid).

Item 4: Award of Contract 15-0138RR to Premier Specialties, LLC for the purchase of Fire Alarm and Sprinkler System Inspections, Repairs, and Replacement Parts in an amount not to exceed \$126,281.00 (Tollway Invitation for Bid).

Item 5: Renewal of Contract 14-0092 to Morrow Brothers Ford, Inc. for the purchase of Light-Duty Trucks in an amount not to exceed \$755,114.00 (Tollway Invitation for Bid).

Item 6: Renewal of Contract 13-0168 to DVL Enterprises, Inc. (d.b.a. Tandem Promotions) and Silk Screen Express, Inc. for the purchase of Various Work Uniforms in an aggregate amount not to exceed \$680,000.00 (Tollway Invitation for Bid).

Item 7: Award of Contract 16-0098 to Mythics, Inc. for the purchase of Oracle Software Maintenance and Support in an amount not to exceed \$294,345.89 (Tollway Emergency).

Upon conclusion of the presentation of items, Committee Chair Gomez called for a motion to consolidate for consideration and action Procurement Items 1 through 7. Director Gonzalez made a motion to consolidate; seconded by Director Vazquez Rowland. Committee Chair Gomez asked if there are any questions, concerns or requests for discussion. Hearing nothing, Committee Chair Gomez called for a vote. The motion was PASSED unanimously.

The motion to consolidate these items having carried, Committee Chair Gomez then called for a motion to approve placement of **Procurement Items 1 through 7** on the January Board of Directors meeting agenda with the Committee's recommendation for approval by the Board. Director Vazquez Rowland made a motion for approval; seconded by Director Gonzalez. Committee Chair Gomez asked if there are any questions, concerns or requests for discussion. Hearing nothing, Committee Chair Gomez called for a vote. The motion was PASSED unanimously.

Engineering



Committee Chair Gomez called on Paul Kovacs, Chief Engineer, to present to the Committee the following Engineering items:

Item 1: Award of Contract I-16-4670 to Plote Construction, Inc. for Illinois Route 19 (Irving Park Road) Widening along the Elgin O'Hare Western Access (I-490) from east of York Road to Taft Avenue, in the amount of \$4,658,919.15.

During presentation of the item, Mr. Kovacs highlighted that the winning bid included applied credits which were earned through the Tollway's Earned Credit Program ("ECP"). He then provided an overview of the ECP, which incentivizes (through the issue by the Tollway of bid credits) contractors to sponsor into applicable unions, employ and retain eligible disenfranchised African- and Hispanic-Americans, women, ex-offenders, and veterans on construction-related projects. He explained that the bid credits earned can be applied by contractors to future bids on Tollway work in order to lower bids and increase the chances of winning contracts. Mr. Kovacs spotlighted that since its inception in 2007, the ECP has resulted in excess of \$13 million in earnings to historically underemployed populations.

Committee Chair Gomez inquired about the breadth of contractor participation in the ECP. Gustavo Giraldo, Chief of Diversity, responded that approximately 25 prime contractors, roughly half the population doing business with agency, hold active Illinois Tollway ECP certificates.

Item 2: Award of Contract RR-16-4273 to Judlau Contracting, Inc. for Pavement and Bridge Repairs and Preservation, on the Tri-State Tollway (I-294) from Milepost 0.0 (Ford/Calumet Expressway) to Milepost 8.25 (147th Street / IL 83), in the amount of \$11,778,501.19.

Item 3: Award of Contract I-15-4246RR to Industrial Fence, Inc. for Fence Replacement and Signing, on the Jane Addams Memorial Tollway (I-90) from Milepost 17.5 (West of Mill Road) to Milepost 52.2 (Randall Road), in the amount of \$5,766,172.91.

Item 4: Change Order / Extra Work Order on Contract I-14-4178 to Herlihy Mid-Continent Company for Orland Grassland South Addition Wetland Mitigation Site at Forest Preserve District of Cook County at 179th Street and 104th Avenue, in the amount of \$435,210.28.

Director Vazquez Rowland inquired as to the source of the Tollway's obligation to perform the restoration work subject of this change order. Rocco Zuccherro, Chief Planning Officer, responded that the work is a condition of permit requirements for Tollway construction on the I-90 East Corridor. He explained that permit applications for all construction activities that occur in the Nation's waters (including wetlands) require U.S. Army Corps of Engineers ("Corps") review to insure that all appropriate and practicable steps are taken to minimize impacts to aquatic resources. He further explained that for unavoidable impacts (common to such construction),



compensatory mitigation in form and amount determined by the Corps is required to replace the loss of wetland or other aquatic resource functions. He noted that to maximize the community benefit of the required aquatic resource restoration and enhancement activities, the Tollway has historically provided compensatory mitigation in partnership with, and on land held by, regional forest preserve districts.

Director Vazquez Rowland asked the term for which the Tollway is responsible for maintenance of the site. Mr. Zucchero responded that the Tollway is committed to maintaining the site until the habitat is established to standards prescribed by the Corps and Illinois Environmental Protection Agency, typically about five years; after which permanent maintenance responsibilities will transfer to the forest preserve district.

Item 5: Land Acquisition (Identification of Real Estate Parcels associated with the Jane Addams Memorial Tollway (I-90)). Cost to the Tollway: N/A.

Item 6: Land Acquisition (Identification of Real Estate Parcels associated with the Elgin O'Hare Western Access Project). Cost to the Tollway: N/A.

Upon conclusion of the presentation of items, Committee Chair Gomez called for a motion to consolidate for consideration and action Engineering Items 1 through 4. Director Vazquez Rowland made a motion to consolidate; seconded by Director Gonzalez. Committee Chair Gomez asked if there are any questions, concerns or requests for discussion. Hearing nothing, Committee Chair Gomez called for a vote. The motion was PASSED unanimously.

The motion to consolidate these items having carried, Committee Chair Gomez called for a motion to approve placement of **Engineering Items 1 through 4** on the January Board of Directors meeting agenda with the Committee's recommendation for approval. Director Gonzalez made a motion for approval; seconded by Director Vazquez Rowland. Committee Chair Gomez asked if there are any questions, concerns or requests for discussion. Hearing nothing, Committee Chair Gomez called for a vote. The motion was PASSED unanimously.

Committee Chair Gomez stated that without objection, consideration of **Engineering Items 5 and 6**, related to land acquisition activities, will be deferred until the Executive Session of the January Board of Directors meeting.

Legal

Committee Chair Gomez called on David Goldberg, General Counsel, to present to the Committee the following Legal items:



Item 1: Approval of an Intergovernmental Agreement with the Village of Rosemont. The Agreement assigns the operational costs and the maintenance of the lighting of Higgins Road, which has been installed under the Jane Addams Memorial Tollway (I-90), to the Village of Rosemont. Cost to the Tollway: \$0

Item 2: Approval of an Intergovernmental Agreement with Pace Suburban Bus regarding bus on the shoulder operations on I-90, and use of the right lane at the River Road Toll Plaza, the Illinois Tollway access road leading to the CTA Blue Line Rosemont Station, and Barrington Road interchange special purposes lanes. Cost to the Tollway: \$0

Upon conclusion of the presentation of items, Committee Chair Gomez called for a motion to approve placement of **Legal Item 1** on the January Board of Directors meeting agenda with the Committee's recommendation for approval by the Board. Director Vazquez Rowland made a motion for approval; seconded by Director Gonzalez. Committee Chair Gomez asked if there are any questions, concerns or requests for discussion. Hearing nothing, Committee Chair Gomez called for a vote. The motion was PASSED unanimously.

Committee Chair Gomez then called for a motion to approve placement of **Legal Item 2** on the January Board of Directors meeting agenda with the Committee's recommendation for approval by the Board. Director Gonzalez made a motion for approval; seconded by Director Vazquez Rowland. Committee Chair Gomez asked if there are any questions, concerns or requests for discussion. Hearing nothing, Committee Chair Gomez called for a vote. The motion was PASSED unanimously.

Adjournment

There being no further business before the Committee, Committee Chair Gomez requested a motion to adjourn. Motion to adjourn was made by Director Vazquez Rowland; seconded by Director Gonzalez. Committee Chair Gomez called for a vote. The motion was PASSED unanimously.

The Meeting was adjourned at approximately 10:37 a.m.

Minutes taken by: _____

Christi Regnery
Board Secretary
Illinois State Toll Highway Authority