

THE ILLINOIS STATE TOLL HIGHWAY AUTHORITY
MINUTES OF THE EXECUTIVE SESSION
OF
THE BOARD OF DIRECTORS
November 15, 2012

On November 15, 2012 at approximately 9:55 a.m., the Board of Directors met in Executive Session to discuss personnel matters and pending litigation pursuant to Sections 2(c)(1) and 2(c)(11) of the *Open Meetings Act*.

Directors Present:

Chair Paula Wolff

Director Jim Banks

Director Terry D'Arcy

Director Mark Peterson

Director Jeff Redick

Director James Sweeney

Director Carl Towns

Director Tom Weisner

Staff present for all or portions of the meeting:

Michael Stone (Chief of Staff)

David Goldberg (General Counsel)

Directors discussed a class action suit against the State Police, the Tollway and individual Directors.

General Counsel asked the Directors to review and sign the waiver of service of process and acknowledgement provided at their desks allowing the Attorney General's Office to represent each Director in this class action suit. He explained that, from the initial investigation, it seems the Tollway has historically charged defendants a twenty dollar fee to obtain video footage recorded by a camera on the windshield of the State troopers' cars during arrests on the Tollway. This class action suit challenges the appropriateness of the amount of the fee.

General Counsel indicated that any Director can obtain separate legal representation, if preferred. He indicated that the case will not officially begin until legal representation is established for each party. General Counsel indicated that this case might be considered moot because the Tollway offered refunds to the plaintiffs a few weeks ago which may impact the plaintiffs' ability to bring a class action lawsuit.

General Counsel indicated that staff is considering lowering the fee to the cost of the medium for the video footage going forward.

Directors discussed litigation.

General Counsel informed the Directors that this litigation involves two former employees - a maintenance section manager and his wife, a labor relations specialist. They were both terminated just before the current Executive Director's tenure at the Tollway.

Mr. Marro allegedly misused Tollway vehicles and transponders and inappropriately used Tollway employees to complete work on his private property. Mrs. Marro was terminated because she allegedly interfered with the investigation among other things.

The Marros sued the Tollway citing retaliatory discharge under a number of theories which are being investigated. Mr. Marro claimed retaliation because he reported improper testing procedures for employee candidates.

General Counsel indicated that whether Mr. Marro ever made formal allegations of improper testing is under dispute and, therefore, his self-proclaimed status as a whistleblower is also under investigation.

Directors asked about possible outcomes if the Marros are successful against the Tollway in this litigation. General Counsel responded that the Tollway could be ordered to reinstate the Marros as employees and to pay them up to two years of back pay. Additionally, General Counsel indicated that Mr. Marro filed a worker's compensation complaint during the investigation.

Directors asked whether litigation is recommended over settlement in this matter. General Counsel recommended that trial counsel be brought in to litigate this case, while keeping open the prospect of settling if favorable terms present. General Counsel and the Attorney General's Office have chosen the Laner, Muchin legal firm to provide employment litigation services for this case. He noted that this firm also represents the Tollway in collective bargaining matters.

At approximately 10:15 a.m., Chair Wolff called for a motion to re-enter the public session of the Regular Board Meeting. Director Banks made the motion; seconded by Director Weisner. The motion was approved unanimously.

Minutes taken by: _____ /s/ on original

Tranece Artis
Board Secretary
Illinois State Toll Highway Authority

**THE ILLINOIS STATE TOLL HIGHWAY AUTHORITY
MINUTES OF THE EXECUTIVE SESSION
OF
THE FINANCE, ADMINISTRATION AND OPERATIONS
COMMITTEE
December 12, 2012**

On December 12, 2012 at approximately 10:21 a.m., the Board of Directors met in Executive Session to discuss financial matters and collective bargaining pursuant to Sections 2(c)(1) and (5) of the *Open Meetings Act*.

Directors Present:

Director Mark Peterson

Chair Paula Wolff

Director David González

Staff present for all or portions of the meeting:

Kristi Lafleur (Executive Director)

Michael Stone (Chief of Staff)

David Goldberg (General Counsel)

Mike Colsch (Chief of Finance)

Directors discussed Bond Counsel.

Staff discussed three (3) appointments for bond counsel; two (2) approvals and one (1) recommendation. Chapman and Cutler were rated very high on technical scoring as bond counsel and Quarles and Brady as issuers counsel; recommended as underwriters were Michael Best & Friedrich. The firms were contacted to confirm their acceptance of the assignment and given notification their names would be brought before the Board for approval.

At approximately 10:27 a.m., Committee Chair Peterson called for a motion to re-enter the public session of the Regular Board Meeting. General Counsel noted that collective bargaining issues were not discussed. Director Gonzalez made the motion; seconded by Director Peterson. The motion was approved unanimously.

Minutes taken by: _____ /s/ on original

Marlene Y. Vick

Assistant Board Secretary

Illinois State Toll Highway Authority

THE ILLINOIS STATE TOLL HIGHWAY AUTHORITY
MINUTES OF THE EXECUTIVE SESSION
OF
THE BOARD OF DIRECTORS
December 13, 2012

On December 13, 2012 at approximately 10:15 a.m., the Board of Directors met in Executive Session to discuss personnel matters and pending litigation pursuant to Sections 2(c)(1), (2) and 2(c)(11) of the *Open Meetings Act*.

Directors Present:

Chair Paula Wolff
Director Jim Banks
Director Terry D'Arcy
Director David Gonzalez
Director Mark Peterson
Director Jeff Redick
Director James Sweeney
Director Carl Towns

Staff present for all or portions of the meeting:

Kristi Lafleur (Executive Director)
Michael Stone (Chief of Staff)
David Goldberg (General Counsel)

Directors discussed SEIU negotiations.

Staff indicated that the current SEIU contract expires at the end of 2012. Staff indicated that there has been very little progress in the five negotiation sessions held to date. A couple of negotiation sessions have already been scheduled for January 2013.

Staff is waiting for SEIU to make a comprehensive economic proposal. So far, SEIU has focused on smaller language issues.

Directors asked that staff inform them if picketing or other public displays are expected from the union members.

Directors discussed the Tobin litigation matter.

General Counsel indicated that the Tobin litigation was dismissed.

Directors discussed a class action suit against the State Police, the Tollway and individual Directors.

General Counsel reminded Directors that the Tollway is preparing its defense in a class action suit and thanked the Directors for completing the waiver that allows the Attorney General's Office to represent each Director in this class action suit. He explained that, from the initial investigation, it seems the Tollway has historically charged defendants a twenty dollar fee to obtain video footage recorded by a camera on the windshield of the State troopers' cars during arrests on the Tollway. This class action suit challenges the appropriateness of the amount of the fee.

Directors discussed [a litigation matter].

General Counsel indicated that the plaintiff has not yet explained how they have been damaged by the Tollway's Diversity Business Enterprise program. However, he indicated that this will not lessen the Tollway's challenge in defending this case.

General Counsel indicated that Illinois Department of Transportation will be doing some refreshing work on their diversity study with the same vendor they used previously.

Directors discussed [a litigation matter].

General Counsel indicated that a young woman is suing the Tollway and the Village of Schiller Park for personal injuries she incurred while sledding on an embankment near Rosemont. The plaintiff was injured when her sled hit a raised sewer pipe installed by Schiller Park. General Counsel indicated that the Tollway issued a permit for Schiller Park to use the land during 1990 to install their sewer line. The permit indicates that the Tollway would be held harmless for any accidents on the property that result from the village's work. As such, the Tollway has informed them that this is their case to defend.

General Counsel indicated that the damages claimed by the plaintiff has not been specified but appeared to be in excess of \$100,000.

Directors discussed personnel matters with the Executive Director.

Staff discussed hiring strategies to fill executive positions that might become vacant due to retirements.

Directors discussed personnel matters without the Executive Director.

Directors discussed personnel matters.

At approximately 11:00 a.m., Chair Wolff called for a motion to re-enter the public session of the Regular Board Meeting. Director Peterson made the motion; seconded by Director D’Arcy. The motion was approved unanimously.

Minutes taken by: _____ /s/ on original
Tranece Artis
Board Secretary
Illinois State Toll Highway Authority

**THE ILLINOIS STATE TOLL HIGHWAY AUTHORITY
MINUTES OF THE EXECUTIVE SESSION
OF
THE FINANCE, ADMINISTRATION AND OPERATIONS
COMMITTEE
January 16, 2013**

On January 16, 2013 at approximately 10:03 a.m., the Board of Directors met in Executive Session to discuss land acquisition matters and collective bargaining pursuant to Sections 2(c)(2) and 2(c)(5) of the *Open Meetings Act*.

Directors Present:

Director Mark Peterson

Chair Paula Wolff

Director David González

Staff present for all or portions of the meeting:

Kristi Lafleur (Executive Director)

Michael Stone (Chief of Staff)

David Goldberg (General Counsel)

Joanne Fehn (Land Acquisition Manager)

Directors discussed Land Acquisitions.

Staff provided a summary table of the I-290/I-57 Interchange parcel identification report. A discussion ensued on the land acquisition process and the just compensation process. **Staff committed to providing an updated summary table in advance of a DiBenedetto item being presented to the Board as well as a review of the land acquisition timeline at the next Executive Session.**

Directors discussed SEIU negotiations.

Staff indicated that there has been very little progress in the negotiation sessions held to date.

Staff is waiting for SEIU to make a comprehensive economic proposal. So far, SEIU has focused on language issues. Staff is contemplating whether the Tollway should present the comprehensive economic proposal first to lay the groundwork for expectations and upper thresholds.

A Director asked that staff consider the economic proposal in tandem with the language issues since one issue may change a party's position on the other. Staff concurred.

At approximately 10:30 a.m., Committee Chair Peterson called for a motion to re-enter the public session of the Regular Board Meeting. Director Gonzalez made the motion; seconded by Director Peterson. The motion was approved unanimously.

Minutes taken by: _____ /s/ on original

Marlene Y. Vick

Assistant Board Secretary

Illinois State Toll Highway Authority

THE ILLINOIS STATE TOLL HIGHWAY AUTHORITY
MINUTES OF THE EXECUTIVE SESSION
OF
THE BOARD OF DIRECTORS
January 24, 2013

On January 24, 2013 at approximately 10:30 a.m., the Board of Directors met in Executive Session to discuss land acquisition matters and collective bargaining pursuant to Sections 2(c)(2) and 2(c)(5) of the *Open Meetings Act*.

Directors Present:

Director Mark Peterson
Chair Paula Wolff
Director David González

Staff present for all or portions of the meeting:

Kristi Lafleur (Executive Director)
Michael Stone (Chief of Staff)
David Goldberg (General Counsel)
Gustavo Giraldo (Chief of Diversity)
Paul Kovacs (Chief Engineer)
Joanne Fehn (Land Acquisition Manager)

Directors discussed Land Acquisitions.

Staff provided an updated summary table of the I-294/I-57 Interchange parcel identification report. A discussion ensued on the land acquisition process and the just compensation process.

A Director asked if there was any anticipated change in the budget for the acquisitions. Staff responded that the Tollway is currently within budget and any increases will be brought before the Board for approval.

Staff then discussed further assistance that the Tollway is obtaining for homeowners involved in the land acquisition process for the I-294/I57 Interchange.

Directors discussed Diversity issues.

Staff provided an update on current topics which are the subject of pending Tollway litigation, and which involve matters handled by the Diversity and Strategic Development department. In light of this, General Counsel noted these topics are most appropriate for discussion in executive session.

Directors were also provided with a litigation hold summary memorandum by staff.

Staff provided a legal and programmatic overview of the Disadvantaged Business Enterprise (DBE) Program waiver process. In addition, detailed waiver information was provided covering 2007 through 2012.

A Director asked where the Tollway waiver data stands in comparison with sister agencies. Staff responded there is only anecdotal waiver information available.

A Director asked if the waiver information provided covered construction and professional services. Staff responded the information covered construction only.

A Director asked if there was a significant change between individual years. Staff indicated there were few waiver requests in 2012 and prior reports are cumulative.

A Director asked that a list of pending litigation be provided to the Board for informational purposes.

Diversity outreach and assistance efforts were then discussed.

Directors discussed personnel issues with the Executive Directors.

The Executive Director shared information regarding the status of senior staff evaluations and hiring plans for the future.

There was a discussion on personnel matters without the Executive Director present.

At approximately 12:00 p.m., Chair Wolff called for a motion to re-enter the public session of the Regular Board Meeting. Director Gonzalez made the motion; seconded by Director Peterson. The motion was approved unanimously.

Minutes taken by: _____ /s/ on original

Marlene Y. Vick
Assistant Board Secretary
Illinois State Toll Highway Authority

**THE ILLINOIS STATE TOLL HIGHWAY AUTHORITY
MINUTES OF THE EXECUTIVE SESSION
OF
THE JOINT FINANCE, ADMINISTRATION AND OPERATIONS AND
STRATEGIC PLANNING COMMITTEES
February 20, 2013**

On February 20, 2013 at approximately 10:56 a.m., the Committees of Directors met in Executive Session to discuss financial matters and collective bargaining pursuant to Sections 2(c)(5) and 2(c)(11) of the *Open Meetings Act*.

Directors Present:

Chair Paula Wolff
Director Mark Peterson
Director Tom Weisner
Director Jim Sweeney
Director Carl Towns
Director David Gonzalez
Director Terry D'Arcy

Staff present for all or portions of the meeting:

Kristi Lafleur (Executive Director)
Michael Stone (Chief of Staff)
David Goldberg (General Counsel)
Paul Kovacs (Chief of Finance)
Joanne Fehn (Land Acquisition Manager)

Directors discussed Land Acquisitions.

Staff provided an updated summary table of the I-294/I-57 Interchange parcel identification report. A discussion ensued about acquisition of the identified parcels, and related thereto the land acquisition process and the just compensation process.

A Director asked if there was any anticipated change in the budget for the acquisitions. Staff responded that the Tollway is currently within budget and no changes are anticipated.

Directors discussed Workers' Compensation Litigation Settlements.

General Counsel indicated that each of the five workers' compensation matters referenced on the February 2013 Finance Administration Operations Committee Agenda were negotiated by outside counsel and recommended for settlement. He noted that each of the negotiated settlements were below the expected range of potential litigation exposure.

A discussion ensued on the worker's compensation process and the use of the Tollway's third party administrator to manage the process of returning claimants to work. **Staff noted that at a future board discussion of the Tollway's worker's compensation attorneys may present an update on litigation trends and issues.**

At approximately 11:08 a.m., Committee Chair Peterson called for a motion to re-enter the public session of the Regular Board Meeting. Director Towns made the motion; seconded by Chair Wolff. The motion was approved unanimously.

Minutes taken by: _____ /s/ on original
Marlene Y. Vick
Assistant Board Secretary
Illinois State Toll Highway Authority

THE ILLINOIS STATE TOLL HIGHWAY AUTHORITY
MINUTES OF THE EXECUTIVE SESSION
OF
THE BOARD OF DIRECTORS
March 28, 2013

On March 28, 2013 at approximately 10:35 a.m., the Board of Directors met in Executive Session to discuss financial matters pursuant to Sections 2(c) (1) (5) and (11) of the Illinois *Open Meetings Act*.

Directors Present:

Chair Paula Wolff
Director James Banks
Director Terri D’Arcy
Director David Gonzalez
Director Mark Peterson
Director Jeff Redick
Director Carl Towns

Staff present for all or portions of the meeting:

Kristi Lafleur (Executive Director)
Michael Stone (Chief of Staff)
Elizabeth Looby (Senior Assistant Attorney General)
Paul Kovacs (Chief Engineer)
Joanne Fehn (Land Acquisition Manager)
Mike Colsch (Chief of Finance)

Directors discussed Land Acquisitions.

Staff provided an updated summary table of the I-290/I-57 Interchange parcel identification report. A discussion ensued on ownership information and notification process.

Directors discussed workers compensation.

Staff provided the recommendation of outside counsel to settle a workers compensation claim in the amount of \$190,000.

A Director requested further information on the employee’s legal representation to ensure there are no conflicts of interest. The information was provided by Staff.

Directors discussed litigation.

Staff provided updated information on a current investigation regarding a construction firm.

Directors discussed personnel issues.

There was a discussion on the Executive Director evaluation.

At approximately 11:30 p.m., Chair Wolff called for a motion to re-enter the public session of the Regular Board Meeting. Director Peterson made the motion; seconded by Director Banks. The motion was approved unanimously.

Minutes taken by: _____ /s/ on original
Marlene Y. Vick
Assistant Board Secretary
Illinois State Toll Highway Authority

**THE ILLINOIS STATE TOLL HIGHWAY AUTHORITY
MINUTES OF THE EXECUTIVE SESSION
OF
THE FINANCE, ADMINISTRATION AND OPERATIONS
COMMITTEE
April 17, 2013**

On April 17, 2013 at approximately 10:10 a.m., the Committee of Directors met in Executive Session to discuss the matter regarding upcoming sale of Tollway bond debt, pursuant to Sections 2(c)(7) of the *Open Meetings Act*.

Directors Present:

Chair Paula Wolff

Director Terry D'Arcy

Director David Gonzalez

Director Mark Peterson

Staff present for all or portions of the meeting:

Kristi Lafleur (Executive Director)

Michael Stone (Chief of Staff)

David Goldberg (General Counsel)

Mike Colsch (Chief of Finance)

Directors discussed Sale of Securities.

Staff provided an update on bond pricing and the extensive outreach activities in New York, Boston, New Hampshire and Chicago. The feedback received from investors was positive in the reference to the bond structure and management of the Tollway. Some questions asked were primarily around the Tollway's relationship with the State.

Staff provided further details on the pricing process, strategies and timeline.

A Director asked about the preliminary pricing strategy. Staff provided further explanation.

Staff also provided different pricing-based scenarios, possible effect on the Tollway and detailed information on yield rates.

Staff asked the Directors' guidance on the bond sale strategy going forward. A Director responded they are comfortable implementing a balanced approach.

At approximately 10:34 a.m., Committee Chair Peterson called for a motion to re-enter the public session of the Finance Administration Operations Committee

Meeting. Director D’Arcy made the motion; seconded by Director Gonzalez. The motion was approved unanimously.

Minutes taken by: _____ /s/ on original
Marlene Y. Vick
Assistant Board Secretary
Illinois State Toll Highway Authority

THE ILLINOIS STATE TOLL HIGHWAY AUTHORITY
MINUTES OF THE EXECUTIVE SESSION
OF
THE BOARD OF DIRECTORS
April 25, 2013

On April 25, 2013 at approximately 10:11 a.m., the Board of Directors met in Executive Session to discuss certain matters related to legal counsel for the Tollway and personnel performance pursuant to Section 2(c) (1) of the Illinois *Open Meetings Act*.

Directors Present:

Chair Paula Wolff
Director James Banks
Director Terri D’Arcy
Director David Gonzalez
Director Mark Peterson
Director Jeff Redick
Director Carl Towns

Staff present for all or portions of the meeting:

Kristi Lafleur (Executive Director)
Michael Stone (Chief of Staff)
David Goldberg (General Counsel)
Mike Colsch (Chief of Finance)

Directors discussed Bond Counsel.

Staff provided updated information on the law firms to be appointed in connection with a planned refunding transaction. Due to the complexity of this transaction, the General Counsel would like to have the selected firms in place shortly to commence work. In the view of the General Counsel, the identified firms will bring appropriate expertise to this assignment. General Counsel indicated that Chapman and Cutler, LLP, would serve as bond counsel, Burke Burns & Pinelli as issuer’s counsel and Schiff Hardin as the recommended underwriter’s counsel. Staff provided further detailed information on firms within the pool, and the Directors confirmed they would be comfortable having the identified firms in those roles.

Directors discussed personnel issues with the Executive Director.

There was a discussion about the Executive Director evaluation, board self-evaluation and personnel matters.

At approximately 10:34 a.m., Chair Wolff called for a motion to re-enter the public session of the Regular Board Meeting. Director Gonzalez made the motion; seconded by Director Peterson. The motion was approved unanimously.

Minutes taken by: _____ /s/ on original
Marlene Y. Vick
Assistant Board Secretary
Illinois State Toll Highway Authority

THE ILLINOIS STATE TOLL HIGHWAY AUTHORITY
MINUTES OF THE EXECUTIVE SESSION
OF
THE BOARD OF DIRECTORS
May 23, 2013

On May 23, 2013 at approximately 9:45 a.m., the Board of Directors met in Executive Session to discuss certain matters related to Tollway litigation and real estate acquisition pursuant to Sections 2(c) (5) and 2 (c) (11) of the Illinois *Open Meetings Act*.

Directors Present:

Director James Banks
Director Terri D’Arcy
Director David Gonzalez
Director Mark Peterson
Director Carl Towns

Directors Present for a portion of the meeting:

Director Jeff Redick

Staff present for all or portions of the meeting:

Michael Stone (Chief of Staff)
Wendy Abrams (Chief of Communications)
Mike Colsch (Chief of Finance)
David Goldberg (General Counsel)
Paul Kovacs (Chief Engineer)
Clarita Lao (Deputy Chief of Program Implementation)
Rocco Zuccherro (Deputy Chief of Planning)

Directors discussed Land Acquisition Litigation.

Staff provided updated information on land acquisition progress, specifically regarding the I-294/57 project, relocation status and a possible eviction. Details on the Tollway’s efforts and progress on working with owners and renters of specific properties were discussed.

Regarding a particular property where there is a possibility of eviction, a Director asked if the owners of the property had legal representation. Staff affirmed the

owners had legal representation. Staff provided background on these particular owners and the varied, consistent and continued efforts of the Tollway to work with the owners. Included in these efforts are: down-payment assistance available for up to 24 months after relocation, purchase supplement assistance, rental assistance, 7 weeks extension to continue to reside in the property after condemnation, and financing options with the Illinois Housing Development Authority. A Director asked about the requests of these particular owners and the interactions between the Tollway and the involved parties. Staff provided a summary of the interactions.

Staff also provided information regarding a complaint these particular owners made to the Federal Highway Administration (FHWA). The FHWA investigated the complaint and issued a letter stating the Tollway had complied with the federal requirements of the Uniform Relocation Act. A Director inquired whether the property owner's status as a disabled veteran could be accounted for in this process. Staff indicated that no Tollway programs take that status into account when addressing land acquisition and relocation, but that further thought would be given.

Staff provided detailed information on the impact of issues regarding the land acquisition process on the construction schedule, public perception and future construction projects. Directors and staff discussed possible outcomes, the steps required for each and time lines.

A Director asked for General Counsel's recommendation. General Counsel recommended the Tollway continue to offer assistance to these particular owners and continue the legal process. Directors concurred.

Staff will provide Directors with an update on this issue at the June 2013 Board meeting.

Directors discussed Land Acquisitions.

Staff provided an updated summary table of the Elgin O'Hare Western Access parcel identification report.

At approximately 10:50 a.m., Director Peterson called for a motion to re-enter the public session of the Regular Board Meeting. Director Weisner made the motion; seconded by Director Sweeney. The motion was approved unanimously.

Minutes taken by:

/s/ on original

Marlene Y. Vick
Assistant Board Secretary
Illinois State Toll Highway Authority

**THE ILLINOIS STATE TOLL HIGHWAY AUTHORITY
MINUTES OF THE EXECUTIVE SESSION
OF
THE FINANCE, ADMINISTRATION AND OPERATIONS
COMMITTEE
June 19, 2013**

On June 19, 2013 at approximately 10:20 a.m., the Committees of Directors met in Executive Session to discuss litigation and acquisition of real property pursuant to Sections 2(c)(5) and 2(c)(11) of the *Open Meetings Act*.

Directors Present:

Director Mark Peterson

Director David Gonzalez

Director Terry D'Arcy

Staff present for all or portions of the meeting:

Kristi Lafleur (Executive Director)

Michael Stone (Chief of Staff)

David Goldberg (General Counsel)

Paul Kovacs (Chief of Finance)

Joanne Fehn (Land Acquisition Manager)

Directors discussed Land Acquisitions.

Staff provided information for approval of a Condemnation Legal Settlement for property near the I-90 and Illinois Route 47 Interchange. Settlement will be in the amount of \$536,966.78 which is equivalent to the just compensation amount. A discussion ensued about acquisition of the identified parcels, related to the land acquisition process and the just compensation process.

Further discussion will be held with the full board.

A Director requested the status of remaining land acquisition parcels for 294/57. Staff provided a summary of actions that have taken place and the agreed upon resolution between the Tollway and the parcel owners.

Directors discussed Workers' Compensation Litigation Settlement.

General Counsel provided a summary of a workers' compensation matter. The Tollway is exploring options to resolve the matter and will provide a further update before the full Board meeting.

At approximately 12:30 p.m., Committee Chair Peterson called for a motion to re-enter the public session of the Regular Board Meeting. Director Towns made the motion; seconded by Director Banks. The motion was approved unanimously.

Minutes taken by: _____ /s/ on original
Marlene Y. Vick
Assistant Board Secretary
Illinois State Toll Highway Authority

THE ILLINOIS STATE TOLL HIGHWAY AUTHORITY
MINUTES OF THE EXECUTIVE SESSION
OF
THE BOARD OF DIRECTORS
June 27, 2013

On June 27, 2013 at approximately 11:45 a.m., the Board of Directors met in Executive Session to discuss certain matters related to Tollway litigation and real estate acquisition pursuant to Sections 2(c) (5) and 2 (c) (11) of the Illinois *Open Meetings Act*.

Directors Present:

Chair Paula Wolff
Director James Banks
Director Terri D'Arcy
Director David Gonzalez
Director Mark Peterson
Director Jeff Redick
Director James Sweeney
Director Carl Towns
Director Tom Weisner

Staff present for all or portions of the meeting:

Kristi Lafleur (Executive Director)
Michael Stone (Chief of Staff)
Mike Colsch (Chief of Finance)
David Goldberg (General Counsel)
Paul Kovacs (Chief Engineer)
Joanne Fehn (Land Acquisition Manager)
Rocco Zuccherro (Deputy Chief of Planning)

Directors discussed Land Acquisitions.

Staff provided updated information on land acquisition progress, specifically regarding the Elmhurst Road and the Elgin O'Hare Western Access (EOWA) projects. Details on the Tollway's efforts and progress on working with owners and renters of specific properties were discussed.

Staff provided a summary of the I-294/I-57 Interchange land acquisition progress. A discussion ensued on ownership information and notification process.

Regarding a particular property where the owner is reluctant to move into temporary housing until the closing on the final property, staff is exploring options with the advice of outside counsel.

Staff was commended on the progress achieved thus far.

A Director asked if there have been any scheduling impacts due to any delays in parcel acquisition. Staff responded any budget impacts are being managed and the projects are currently on track as scheduled.

Directors discussed litigation.

Staff provided updated information on a current investigation regarding a construction firm.

Discussion ensued on possible outcomes and future issues that may arise due to this and other investigations. Staff emphasized due diligence is performed on all contracts.

A Director asked if the Tollway may request certain contractor employees not participate on Tollway projects. Staff responded a request can be made to exclude specific contractor staff on projects.

The Tollway will make a recommendation to the Board related to this matter.

Staff provided an update on a litigation matter related to a roadway accident. Staff will provide the Directors with further updates as the case develops.

At approximately 12:35 p.m., Chair Wolff called for a motion to re-enter the public session of the Regular Board Meeting. Director Peterson made the motion; seconded by Director Banks. The motion was approved unanimously.

Minutes taken by: _____ /s/ on original

Marlene Y. Vick
Assistant Board Secretary
Illinois State Toll Highway Authority

**THE ILLINOIS STATE TOLL HIGHWAY AUTHORITY
MINUTES OF THE EXECUTIVE SESSION
OF
THE FINANCE, ADMINISTRATION AND OPERATIONS
COMMITTEE
July 17, 2013**

On July 17, 2013 at approximately 10:45 a.m., the Committee Directors met in Executive Session to discuss litigation pursuant to Sections 2(c)(5) of the *Open Meetings Act*.

Directors Present:

Director Mark Peterson
Director David Gonzalez
Director Terry D’Arcy

Staff present for all or portions of the meeting:

Kristi Lafleur (Executive Director)
Michael Stone (Chief of Staff)
David Goldberg (General Counsel)

Directors discussed litigation.

Staff provided an update on a litigation matter related to a roadway accident. Further discussion will be held with the full board.

At approximately 10:50 a.m., Committee Chair Peterson called for a motion to re-enter the public session of the Regular Committee Meeting. Director D’Arcy made the motion; seconded by Director Gonzalez. The motion was approved unanimously.

Minutes taken by: _____ /s/ on original

Marlene Y. Vick
Assistant Board Secretary
Illinois State Toll Highway Authority

THE ILLINOIS STATE TOLL HIGHWAY AUTHORITY
MINUTES OF THE EXECUTIVE SESSION
OF
THE BOARD OF DIRECTORS
July 25, 2013

On July 25, 2013 at approximately 9:53 a.m., the Board of Directors met in Executive Session to discuss certain matters related to Tollway litigation, personnel matters and real estate acquisition pursuant to Sections 2(c)(1), 2(c)(5) and 2(c)(11) of the Illinois *Open Meetings Act*.

Directors Present:

Chair Paula Wolff
Director Earl Dotson
Director David Gonzalez
Director Mark Peterson
Director Jeff Redick
Director James Sweeney
Director Tom Weisner
Director Terri D’Arcy

Staff present for all or portions of the meeting:

Kristi Lafleur (Executive Director)
Michael Stone (Chief of Staff)
Mike Colsch (Chief of Finance)
David Goldberg (General Counsel)
Paul Kovacs (Chief Engineer)
Joanne Fehn (Land Acquisition Manager)
Cassandra Rouse (Chief Auditor)

Directors Not Present:

Director Jim Banks

Directors discussed Land Acquisitions.

Staff provided a summary of the previous land acquisition activities and process to a Director. Staff provided updated information on the land acquisition progress, specifically regarding the Elmhurst Road and the Elgin O’Hare Western Access (EOWA) projects. Details on the Tollway’s efforts and progress on working with owners and renters of specific properties were discussed.

Staff provided a summary of the I-294/I-57 Interchange land acquisition progress. Regarding a particular property where the owner is reluctant to move into temporary housing until the closing on the final property, staff is working with the owner to firm up financing options.

A Director asked about a particular property owner. Staff provided the owner is in temporary housing and is in the process of purchasing permanent housing. Staff will continue to work with the owners and provide updates to the Directors.

Director discussed an active litigation matter and its impact on a current contract.

Staff updated Directors on an ongoing litigation matter and informed Directors on options to fulfill specifications of an active audit contract. Two options were discussed with estimated cost and possible challenges inherent in each. Directors discussed each option in detail including the reasons for the original contract specifications.

Directors provided direction to Staff on the issue.

Directors discussed litigation.

Staff provided updated information on a current investigation regarding a construction firm. Discussion ensued on potential outcomes and issues upon the conclusion of the investigation.

Staff confirmed a request was honored to exclude a specific contractor staff person on Tollway projects.

Staff will continue to provide updates to the Directors on this matter.

Directors discussed litigation.

Staff provided an update on a litigation matter related to a roadway accident. Staff provided the Directors with further updates and a recommendation for settlement.

Directors discussed Oases negotiations.

Staff provided information on activities regarding the oases and impact on current oasis lease. Discussion ensued on notification requirements, matters that may affect future construction and possible approaches to negotiations. Staff indicated that the Tollway may assume long term maintenance of parking lots once the lots are reconstructed.

Staff will continue to provide updates to the Directors on this matter.

Directors discussed personnel matters.

Discussion ensued on personnel matters and potential litigation concerning the separation of staff from the Tollway.

At approximately 11:06 a.m., Chair Wolff called for a motion to re-enter the public session of the Regular Board Meeting. Director Peterson made the motion; seconded by Director Dotson. The motion was approved unanimously.

Minutes taken by: _____ /s/ on original

Marlene Y. Vick
Assistant Board Secretary
Illinois State Toll Highway Authority

**THE ILLINOIS STATE TOLL HIGHWAY AUTHORITY
MINUTES OF THE EXECUTIVE SESSION
OF
THE FINANCE, ADMINISTRATION AND OPERATIONS
COMMITTEE
August 21, 2013**

On August 21, 2013 at approximately 11:00 a.m., the Committee Directors met in Executive Session to discuss collective bargaining and real estate matters pursuant to Sections 2(c)(2) and 2(c)(11) of the *Open Meetings Act*.

Directors Present:

Chair Paula Wolff

Director Mark Peterson

Director David Gonzalez

Director Terry D'Arcy

Staff present for all or portions of the meeting:

Kristi Lafleur (Executive Director)

Michael Stone (Chief of Staff)

David Goldberg (General Counsel)

Mike Colsch (Chief of Finance)

Directors discussed M.A.P. 135 negotiations.

Staff provided an update on negotiations for a new collective bargaining agreement with the Metropolitan Alliance for Police (M.A.P.) Chapter 135. Staff advised that such negotiations typically move very quickly though the starts of negotiations were delayed due to scheduling conflicts. Directors discussed the non-economic and economic requests made by the union, as well as Tollway negotiation options. Directors provided general guidance for resolving economic requests and suggested that Staff seek to enter into a four year agreement.

Staff agreed to provide updates as negotiations progress.

Directors discussed Oases negotiations.

Staff provided information on activities regarding the oases and oases lease negotiations. In particular, staff noted that good progress is occurring in negotiations with the Oases Master Leaseholder ("SFI") related to a future closure of the DesPlaines Oasis, and a tentative deal to perform parking lot reconstructions at all oases with significant financial contribution from SFI.

Directors will continue to be provided updates as negotiations progress.

At approximately 11:20 a.m., Committee Chair Peterson called for a motion to end Executive Session discussion and to adjourn this meeting of the Board. Director D’Arcy made the motion; seconded by Director Gonzalez. The motion was approved unanimously.

Minutes taken by: _____ /s/ on original

Marlene Y. Vick
Assistant Board Secretary
Illinois State Toll Highway Authority

THE ILLINOIS STATE TOLL HIGHWAY AUTHORITY
MINUTES OF THE EXECUTIVE SESSION
OF
THE BOARD OF DIRECTORS
August 29, 2013

On August 29, 2013 at approximately 10:20 a.m., the Board of Directors met in Executive Session to discuss certain matters related to personnel matters and real estate acquisition and leasing topics pursuant to Sections 2(c)(5) and 2(c)(11) of the Illinois *Open Meetings Act*.

Directors Present:

Chair Paula Wolff
Director Jim Banks
Director Terri D’Arcy
Director Earl Dotson
Director David Gonzalez
Director Mark Peterson
Director Jeff Redick
Director James Sweeney

Staff present for all or portions of the meeting:

Kristi Lafleur (Executive Director)
Mike Colsch (Chief of Finance)
David Goldberg (General Counsel)
Paul Kovacs (Chief Engineer)
Joanne Fehn (Land Acquisition Manager)

Not Present:

Director Tom Weisner

Directors discussed Land Acquisitions.

Staff provided a summary of land acquisition activities and process to Directors. Staff provided updated information on the land acquisition progress, specifically regarding the Elmhurst Road and the Elgin O’Hare Western Access (EOWA) projects. After inquiry about the current budget for EOWA land acquisition, staff confirmed the amount expensed to date.

Directors discussed Oases negotiations.

Staff provided information on activities regarding the upcoming closure of the DesPlaines Oasis, and related negotiations with the oases leaseholder (“SFI”).

Details of the negotiations under the buy-out provision of the Master Lease were addressed. Staff indicated preliminary terms have been set, per section 15.1, for a closure in April 2014, and a corresponding payment to SFI of approximately \$9.3 million.

Staff also provided details on a tentative lease modification that would call for reconstruction of oases parking lots with financial contribution from SFI (approximately \$8.5 million). Under the arrangement, oases lots would be reconstructed during 2014 and 2015, and SFI's payment would then shift financial responsibility for lot maintenance back to the Tollway. SFI's payment is estimated to cover 50% of the reconstruction costs, and Tollway engineering favors lot reconstruction to achieve a long-term structural solution.

Directors asked about the return on investment of the oases reconstruction. Discussion ensued on different options for the use of oases public space.

Directors asked about sales revenue loss for the Village of DesPlaines. **Staff agreed to provide the information to Directors.**

Staff will continue to provide updates to the Directors on this matter.

Directors discussed personnel matters.

Directors engaged in discussion on one personnel matter.

At approximately 10:52 a.m., Chair Wolff called for a motion to re-enter the public session of the Regular Board Meeting. Director Banks made the motion; seconded by Director D'Arcy. The motion was approved unanimously.

Minutes taken by: _____ /s/ on original
Marlene Y. Vick
Assistant Board Secretary
Illinois State Toll Highway Authority

THE ILLINOIS STATE TOLL HIGHWAY AUTHORITY
MINUTES OF THE EXECUTIVE SESSION
OF
THE BOARD OF DIRECTORS
September 26, 2013

On September 26, 2013 at approximately 11:04 a.m., the Board of Directors met in Executive Session to discuss certain matters related to personnel matters, real estate acquisition, litigation involving the Tollway and collective bargaining matters, pursuant to Sections 2(c)(1), 2(c)(2), 2(c)(5) and 2(c)(11) of the Illinois *Open Meetings Act*.

Directors Present:

Chair Paula Wolff
Director Jim Banks
Director Terri D’Arcy
Director Earl Dotson
Director David Gonzalez
Director Mark Peterson
Director Jeff Redick
Director James Sweeney
Director Tom Weisner

Staff present for all or portions of the meeting:

Kristi Lafleur (Executive Director)
Michael Stone (Chief of Staff)
Mike Colsch (Chief of Finance)
David Goldberg (General Counsel)
Elizabeth Looby (Deputy General Counsel)
Paul Kovacs (Chief Engineer)
Joanne Fehn (Land Acquisition Manager)

Directors discussed litigation.

Staff provided background and updated information on a current investigation and corresponding litigation regarding a construction firm, and the involvement of a construction management firm in the subject work.

Staff requested guidance from the Directors regarding next steps. Discussion ensued on possible options. Directors provided further direction to staff.

The Tollway will provide further updates to the Board related to this matter.

Directors discussed Land Acquisitions.

Staff provided a summary of land acquisition activities and process to a Director. Staff provided updated information on the land acquisition progress, specifically

regarding the Elmhurst Road and the Elgin O’Hare Western Access (EOWA) projects. A Director asked about the current budget for EOWA land acquisition. Staff confirmed the amount expensed to date.

Directors discussed M.A.P. 135 negotiations.

Staff provided an update on union negotiations. Staff provided details on agreement terms including contract length and wage increases. Discussion ensued on other bargaining issues.

A Director asked about non-revenue transponders. Discussion ensued on different options under consideration.

A Director inquired about drug and alcohol policies for safety sensitive positions. Staff provided further detailed information about USDOT requirements and policies for safety sensitive positions. Discussion ensued on requirements and policies.

Directors asked Staff to pursue negotiating a zero-tolerance drug policy with M.A.P. union. Staff concurred.

Directors discussed personnel matters.

Directors engaged in a discussion of a personnel matter and goals for the Executive Director.

At approximately 11:45 a.m., Chair Wolff called for a motion to re-enter the public session of the Regular Board Meeting. Director Weisner made the motion; seconded by Director Peterson. The motion was approved unanimously.

Minutes taken by: _____ /s/ on original
Marlene Y. Vick
Assistant Board Secretary
Illinois State Toll Highway Authority

**THE ILLINOIS STATE TOLL HIGHWAY AUTHORITY
MINUTES OF THE EXECUTIVE SESSION
OF
THE FINANCE, ADMINISTRATION AND OPERATIONS COMMITTEE
October 16, 2013**

On October 16, 2013 at approximately 10:05 a.m., the Committee Directors met in Executive Session to discuss certain matters related to litigation involving the Tollway and collective bargaining matters, pursuant to Sections 2(c)(2) and 2(c)(11) of the Illinois *Open Meetings Act*.

Directors Present:

Director Mark Peterson
Director Terri D'Arcy
Director David Gonzalez

Staff present for all or portions of the meeting:

Kristi Lafleur (Executive Director)
Michael Stone (Chief of Staff)
David Goldberg (General Counsel)

Also Present:

Chair Paula Wolff

Directors discussed litigation.

Staff provided background and information on a personal injury (car accident) lawsuit by an EOL employee hurt while in a Tollway vehicle. Details were provided on potentially authorizing handling counsel to settle the matters under consideration.

Staff indicated that it would keep the Board apprised of settlement discussions and return for approval if tentative terms are reached.

Directors discussed M.A.P. 135 negotiations.

Staff provided an update on union negotiations. Staff provided details on agreement terms which included a zero-tolerance drug policy. Ratification is expected soon.

The Tollway will provide further updates to the Board related to negotiations.

At approximately 10:15 a.m., Committee Chair Peterson called for a motion to adjourn. Director D’Arcy made the motion; seconded by Director Gonzalez. The motion was approved unanimously.

Minutes taken by: _____ /s/ on original
Marlene Y. Vick
Assistant Board Secretary
Illinois State Toll Highway Authority

THE ILLINOIS STATE TOLL HIGHWAY AUTHORITY
MINUTES OF THE EXECUTIVE SESSION
OF
THE BOARD OF DIRECTORS
October 24, 2013

On October 24, 2013 at approximately 11:08 a.m., the Board of Directors met in Executive Session to discuss certain matters related to personnel matters, litigation involving the Tollway and collective bargaining matters, pursuant to Sections 2(c)(1), 2(c)(2), 2(c)(5) and 2(c)(11) of the Illinois *Open Meetings Act*.

Directors Present:

Chair Paula Wolff
Director Jim Banks
Director Terri D’Arcy
Director Earl Dotson
Director David Gonzalez
Director Mark Peterson
Director Jeff Redick
Director James Sweeney
Director Tom Weisner

Staff present for all or portions of the meeting:

Kristi Lafleur (Executive Director)
Michael Stone (Chief of Staff)
Mike Colsch (Chief of Finance)
David Goldberg (General Counsel)
Paul Kovacs (Chief Engineer)
Peter Foernssler (Dep. Chief of Program Implement.)
Rocco Zuccherro (Deputy Chief of Eng. for Planning)

Directors discussed threatened litigation and potential settlement.

Staff provided background on the terms of an agreement with Northwest Suburban Municipal Joint Action Water Agency (NSMJAWA) regarding a specific water main within the Tollway’s right-of-way. At issue is which party is responsible for payment in the event of relocation of the water main due to expansion of the roadway. Staff provided information on the Tollway’s past practice for utility relocation. General Counsel informed the Board litigation brought by the agency if a near-term resolution is not achieved. Staff informed the Board of options in light of contractual language from 1984 that is the main focus of dispute. **A Director asked if the Tollway was indemnified in the agreement. Staff responded that general construction indemnification was included and obtaining additional indemnification would be explored regarding possible disruption of water services during the water main relocation.**

Discussion ensued on the financial terms of the tentative agreement including interest, payment schedule and late payment fees.

A Director asked about accounting treatment of the tentative deal. Staff responded this agreement would reimburse the Tollway for the costs incurred while meeting the needs of both the agency and the Tollway.

A Director asked if this agreement would create a precedent for other utilities and if there are existing agreements where the Tollway may incur relocation costs due to expansion. Staff responded there is a long history of agreements with other parties regarding utilities existing in the Tollway's right-of-way that include provisions that any relocation costs be funded by the other party. General Counsel indicated the norm is that the utility finances any moves at the Tollway's request.

There was discussion held on interpretations of the current agreement's financing terms. The agreement being negotiated includes Tollway's forbearance or enforcing future relocation costs specifically in the case of rapid transit development.

A Director asked if there are similar agreements with community agencies where interpretations of existing financing agreements may be an issue. Staff responded this financing agreement is similar to interchange agreements with communities where there is a payment schedule for costs incurred.

The Tollway will provide further updates to the Board related to this matter.

Directors discussed a construction litigation matter.

Staff provided background and updated information on a current investigation and corresponding sealed litigation concerning a construction firm and the associated construction management firm.

Staff provided details on a particular bid regarding the construction firm. Discussion continued on options and possible future scenarios relating to pending litigation.

A Director asked if the contractor has been doing work for IDOT. Staff responded affirmatively.

Staff may meet with the Chief Procurement Office to discuss the issue further with the approval of the Attorney General's Office.

The Tollway will provide further updates to the Board related to this matter.

Directors discussed M.A.P. 135 negotiations.

Staff provided an update on union negotiations. Staff provided details on agreement terms that were ratified by the union, including contract length and wage increases.

Also provided were terms regarding employee use of non-revenue transponders and the zero-tolerance drug policy.

A Director asked about the status of this union on contributing towards premiums for health insurance. Staff stated that the union would be contributing toward premiums and provided further details about the terms of the agreement.

This matter will be voted on upon return into the Regular Board Session.

Directors discussed litigation.

Staff provided background and information on a personal injury (car accident) lawsuit by an EOL employee hurt while in a Tollway vehicle. Details were provided about the parameters for potential settlement. Staff indicated that it would keep the Board apprised of settlement discussions and return for approval if tentative terms are reached.

At approximately 12:08 p.m., Chair Wolff called for a motion to re-enter the public session of the Regular Board Meeting. Director Peterson made the motion; seconded by Director Weisner. The motion was approved unanimously.

Minutes taken by: _____ /s/ on original
Marlene Y. Vick
Assistant Board Secretary
Illinois State Toll Highway Authority

THE ILLINOIS STATE TOLL HIGHWAY AUTHORITY
MINUTES OF THE EXECUTIVE SESSION
OF
THE BOARD OF DIRECTORS
November 21, 2013

On November 21, 2013 at approximately 11:00 a.m., the Board of Directors met in Executive Session to discuss certain matters related to personnel matters, real estate acquisition and litigation matters involving the Tollway, pursuant to Sections 2(c)(1), 2(c)(5) and 2(c)(11) of the Illinois *Open Meetings Act*.

Directors Present:

Chair Paula Wolff
Director Terri D’Arcy
Director Earl Dotson
Director David Gonzalez
Director Mark Peterson
Director Jeff Redick
Director James Sweeney

Staff present for all or portions of the meeting:

Kristi Lafleur (Executive Director)
Michael Stone (Chief of Staff)
Mike Colsch (Chief of Finance)
David Goldberg (General Counsel)
Paul Kovacs (Chief Engineer)
Joanne Fehn (Land Acquisition Manager)
John Donato (Chief of Procurement)

Directors discussed Land Acquisition.

Staff provided a summary of land acquisition activities. Staff provided updated information on the progress of land acquisition, specifically regarding the Elmhurst Road and the Elgin O’Hare Western Access (EOWA) projects. A Director indicated the information regarding the additional parcels being acquired were sent out previously for review by Directors should a director need to recuse him or herself.

Directors discussed Real Estate Settlement Guidelines.

Staff provided a summary of the current real estate settlement guidelines, presented how the guidelines are used in a pre-litigation setting and sought to confirm the understanding that staff would be allowed to use guidelines when a matter has entered litigation.

A Director asked for examples where the guidelines may be used in litigation. Staff provided several examples and added that staff may still seek Board approval even for items falling within the settlement guidelines if deemed appropriate.

There was an expression of approval from the Directors on the understanding that the real estate settlement guidelines would be appropriate for acquisitions that have entered litigation.

Directors discussed a settlement agreement.

Staff provided background on the terms of a settlement agreement with Xerox for payment on services previously provided and to allow for payment to allow continued service until the procurement process could be completed. Staff provided information on the reasons for the settlement agreement and the status of the procurement for the services going forward.

Directors discussed litigation.

Staff provided background and updated information on a current investigation and corresponding litigation regarding a construction firm and the involvement of a construction management firm.

There was a discussion regarding the Attorney General's decision on an aspect of the case and its possible impact to the Tollway. Staff provided further detail on possible future litigation on the matter. Discussion continued on options and possible future scenarios.

Staff provided information on the subject construction firm's award of a Tollway construction contract and the additional oversight being put in place to monitor all aspects of this contract.

There was discussion on the communication plan regarding the construction project and the safeguards in place to ensure the integrity of the project.

Staff agreed to continue to provide Directors with further updates.

Directors discussed personnel.

Staff provided background and information on proposed compensation plans for non-union employees, including maintenance section managers and supervisors and plaza managers and supervisors.

There was discussion on the ranges of the proposed increases and the decision process.

Directors expressed support for the compensation proposal and encouraged the management to design the specific plan.

Directors discussed personnel.

Directors discussed board personnel.

At approximately 11:30 a.m., Chair Wolff called for a motion to re-enter the public session of the Regular Board Meeting. Chair Wolff made the motion; seconded by Director Peterson. The motion was approved unanimously.

Minutes taken by: _____ /s/ on original

Marlene Y. Vick
Assistant Board Secretary
Illinois State Toll Highway Authority