

**THE ILLINOIS STATE TOLL HIGHWAY AUTHORITY  
MINUTES OF THE REGULAR BOARD MEETING  
December 13, 2012**

The Illinois State Toll Highway Authority met in regular session on Thursday, December 13, 2012, at approximately 9:00 a.m. in the Board Room of The Illinois State Toll Highway Authority's Central 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-up 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 Terry D'Arcy

Director David Gonzalez

Director Mark Peterson

Director Jeff Redick

Director James Sweeney

Director Carl Towns

Secretary Ann Schneider (joined at 9:30 a.m.)

Absent:

Governor Pat Quinn

Director Tom Weisner

Chair Wolff then opened the floor for public comment. The following public comment was offered,

- Latasha Terry, resident of Posen, Il, indicated that her family, as well as fifty-three other homeowners, has been impacted negatively by the Tollway's right of way purchases for the I-294/I-57 project. She asked that the Tollway provide more time for the current homeowners to find alternative housing.
- Kiecha Lacey, resident of Posen asked that the Tollway provide additional programs to assist homeowners that are being displaced due to Tollway right of way purchases. She indicated that she did

not receive notice prior to building her home in Posen that the Tollway was planning to build a construction project in that area.

- Bernard Bradley, retired military serviceman and resident of South Holland, talked about the challenges his family faced due to the Tollway's acquisition of his property and commended the Tollway's team for their overall performance and compassion in relocating his family from Posen to South Holland.

Executive Director Kristi Lafleur acknowledged the Posen residents' concerns and introduced Rocco Zuccherro, Deputy Director of Engineering, to give an overview of the land acquisition program for the I-294/I-57 Interchange Project as shown in the attached [presentation](#).

**Chair Wolff asked staff to keep the Board updated on the land acquisition process and its effects on the Posen residents.**

### CHAIR'S REPORT

Chair Wolff requested a motion to approve the minutes of the Regular Board Meeting and Executive Session held on November 15, 2012. Director Banks made a motion to approve the minutes; seconded by Director Towns. The motion was approved unanimously. Director Gonzalez abstained from the vote because he did not attend the Board Meetings held on November 15, 2012.

Chair Wolff called for a motion to approve a 2013 Board and Committee Meeting Schedule. Director Redick made the motion to approve; seconded by Director Banks. The motion was approved unanimously.

Chair Wolff called for a motion to approve the Executive Session minutes for public release. Director D'Arcy made a motion to approve

public release; seconded by Director Towns. The motion was approved unanimously.

Chair Wolff indicated that the Directors will complete the attached [Board Self-Assessment](#) form as a means for staff to collect feedback from the Directors regarding the Board's performance and how it can be improved.

### STANDING COMMITTEE REPORTS

Chair Wolff asked each Chair of the following standing committees to provide reports on the committee's recent activities.

#### **Finance Administration Operations (FAO) Committee**

Chair Peterson indicated that the FAO Committee last met on December 12, 2012. He indicated that the items reviewed and approved by the committee appear on the Board Consent Agenda with one exception. Engineering Item 7 will be deferred to the January Board Meeting because the diversity detail submitted by the vendors is still under review by staff.

Director Peterson also indicated that Mike Colsch, Chief of Finance, presented a plan for the 2013 Debt Issuance and Management report as shown in the attached presentation.

#### **Audit Committee**

Chair Gonzalez indicated that the Audit Committee met on December 12. At that meeting, the external auditor, KPMG, provided a schedule for the 2012 external audit. KPMG expects to start field audit work in January 2013 and will provide a report on its finding at the Audit Committee meeting in August 2013.

Director Gonzalez also indicated that Cassandra Rouse, Acting Chief

of Internal Audit, provided an overview of the Internal Audit Plan for 2013-14. Fifty percent of the internal auditing hours for 2013-2014 are scheduled to be allocated to mandatory internal controls.

### **Strategic Planning Committee**

In Committee Chair Weisner's absence, Director Sweeney provided an update on the Strategic Planning Committee's activities. He indicated that the committee voted to adopt the blue board signage policy and designated fee structure as shown in the [attached presentation](#). That policy is on the Board Consent Agenda for approval today.

Director Sweeney also indicated that the committee began discussions of the landscaping policy as shown in the [attached presentation](#). A draft of that [policy](#) has since been posted to the website to solicit public comment. He indicated that further discussion of this policy and associated public comments will be discussed at the next Strategic Planning Committee meeting in February 2013.

### **EXECUTIVE DIRECTOR UPDATE**

#### **Pension Reform**

Ms. Lafleur introduced Illinois Transportation Secretary Ann Schneider, an ex-officio member of the Tollway Board, to present Illinois Department of Transportation's perspective on how the Illinois State Employee Retirement Pension costs impact current budgets as shown in the [attached presentation](#).

Ms. Lafleur indicated that the pension costs in Illinois are at the heart of its fiscal crisis. The Tollway's pension contribution rate has increased by 350 percent over the last decade and anticipated expenses will grow

another ten percent in the next year. That could mean as much as \$41 million spent on pensions in 2013 alone, which is \$31 million more than what was spent in 2003.

Ms. Lafleur indicated that the Tollway could fund an additional \$500 million of construction projects in the Move Illinois program with the expected \$31 million increase in Tollway retirement contributions if the bonding capacity that this available cash on hand would bring is factored in. She indicated that those funds could be used to build new interchanges along the system, repair bridges and roads and enhance toll collection technology to ensure that it is meeting the needs of our customers.

Secretary Schneider indicated that IDOT's 6 year highway program is estimated to be approximately \$900 million less than what it would have been had pension contributions remained at 2006 levels per employee. That \$900 million could be used to repair an additional 2300 miles of road or 400 bridges which creates or maintains 10,400 jobs throughout the state.

#### State Procurement Officer

Ms. Lafleur introduced Vicky Santiago who temporarily filled the State Procurement Officer (SPO) role for the Tollway while the regular SPO was out of the office. She thanked Ms. Santiago for keeping the procurement process on track.

#### Holiday Events

Ms. Lafleur invited the Directors to the employee holiday celebration at the Tollway's Central Administration Building on Wednesday, December 19<sup>th</sup> in the atrium from 1:30 to 3:00 p.m. which included hors

d'oeuvres, desserts and beverages for all to enjoy, as well as raffles and holiday music to spread some holiday cheer.

She also indicated that Executive Staff will deliver holiday cookies to employees at the Oases, maintenance sites and toll plazas.

#### PRWeek Awards 2013

Ms. Lafleur indicated that the Tollway's public affairs campaign for *Move Illinois* was chosen as one of five finalists for the Public Affairs Campaign of the Year Award from *PRWeek* magazine which bills itself as the highest accolade in the public relations industry. The winner will be announced at a ceremony in New York on March 7, 2013.

#### CISCO Pride in Construction

Ms. Lafleur also indicated that the Tollway was recognized for a Pride in Construction Award from the Construction Industry Service Corporation, or CISCO, for the I-294/I-90 Tri-Level Bridge Project. The awards ceremony will be held on January 25 at CISCO's annual breakfast meeting in Schaumburg.

Ms. Lafleur noted that this is the second award this year for the Tri-Level Bridge Project. Previously, this project was named to *Roads & Bridges* magazine's Top 10 Bridges in North America.

She congratulated everyone who worked on this highly complex project, especially Paul Kovacs – Chief Engineer, Manar Nashif – Senior Project Engineer, and the Engineering team.

## **Consent Agenda**

Chair Wolff began the consent agenda (which consisted of items reviewed earlier in detail by Committees) by calling for a motion adopting the following **Finance** resolutions:

*Item 1: Approval of the Employee Health Benefit Programs with Blue Cross Blue Shield of Illinois for the 2013 – 2014 plan year.*

Director Peterson made a motion to approve **Finance Item 1**; seconded by Director Towns. The motion was approved unanimously.

*Item 2: Renewal of Contract 11-0195 with RSUI Indemnity Company and Chubb Insurance Company through Mesirow Insurance Services for the Property Insurance Program for the combined annual premium of \$741,088 (Tollway RFP). (Recusal by Director Redick)*

Director Banks made a motion to approve **Finance Item 2**; seconded by Director Towns. The motion was approved unanimously.

*Item 3: Authorize the issuance of up to \$1 billion of revenue bonds to finance a portion of costs related to the Move Illinois Capital Program.*

*Item 4: Authorize extensions of the Standby Bond Purchase Agreements for the Authority's \$191.5 million Series 2008A-1a Bonds and \$95.8 million Series 2008A-2 Bonds.*

*Item 5: Extension of authorization to issue up to \$570.7 million of refunding revenue bonds to refund a portion of the Authority's outstanding synthetic fixed rate bonds.*

*Item 6: Approval of the 2013 Final Budget.*

Director Peterson made a motion to approve **Finance Items 3-6**; seconded by Director Banks. The motion was approved unanimously.



Chair Wolff called for a motion to approve the following **Procurement** resolutions:

*Item 1: Renewal of Contract 11-0127 to 3M Company for the purchase of Reflective Sheeting in an amount not to exceed \$350,000.00 (Order Against CMS Master Contract).*

*Item 2: Award of Contract 12-0001 to Miles Chevrolet, Inc. for the purchase of Police Pursuit Vehicles in an amount not to exceed \$2,021,407.00 (Order Against CMS Master Contract).*

*Item 3: Award of Contract 13-0019 to Prairie International, Inc. for the purchase of Snow Plow Trucks in an amount not to exceed \$1,603,633.07 (Order Against CMS Master Contract).*

*Item 4: Award of Contract 11-0102RR to Travelers Marketing LLC for the purchase of Highway Emergency Lane Patrol (H.E.L.P.) Program Sponsorship. The sponsorship is expected to generate \$1,803,000.00 in Tollway income over three years. (Tollway Invitation for Bid).*

*Item 5: Renewal of Contract 11-0038R to Advanced Waterjet Technologies LLC for the purchase of Refurbishing Services for Aluminum Sign Blanks and Extrusions in an amount not to exceed \$93,730.00 (Tollway Invitation for Bid).*

*Item 6: Renewal of Contract 11-0144 to DisposAll Waste Services LLC for the purchase of Scrap Tire Removal Services in an amount not to exceed \$36,500.00 (Tollway Invitation for Bid).*

*Item 7: Renewal of Contract 08-0001 to Meade Electric Company, Inc. for the purchase of Traffic and Security Monitoring and Management System Maintenance in an amount not to exceed \$1,000,000.00 (Tollway Request for Proposal).*

Director Peterson made a motion for approval of **Procurement Items 1-7**; seconded by Director Redick. The motion was approved unanimously.

Chair Wolff called for a motion to approve the following **Engineering Items**:

*Item 1: Award of Contract I-12-4064 to Homer Tree Service, Inc. for Tree Removal Contract A on the Tri-State Tollway (I-294) at I-57 Interchange from Milepost 7.6 to Milepost 7.75, in the amount of \$155,686.00.*

*Item 2: Award of Contract I-12-4065 to Homer Tree Service, Inc. for Tree Removal Contract B on the Tri-State Tollway (I-294) at I-57 Interchange from Milepost 7.6 to Milepost 8.05, in the amount of \$140,007.90.*

*Item 3: Award of Contract I-12-4069 to Lorig Construction Company for Mosquito Creek Bridge Widening and Reconstruction on the Jane Addams Memorial Tollway (I-90) at Milepost 27.4, in the amount of \$3,292,156.98.*

*Item 4: Award of Contract I-12-4071 to Aldridge Electric, Inc. for Temporary Lighting and Advance ITS Construction on the Jane Addams Memorial Tollway (I-90) from Milepost 17.6 (Mill Road) to Milepost 53.5 (Elgin Toll Plaza), in the amount of \$2,771,126.97.*

*Item 5: Award of Contract RR-12-5655 to Meade, Inc. for Underpass Lighting Replacement on the Veterans Memorial Tollway (I-355) and the Reagan Memorial Tollway (I-88) from Milepost 19.9 to Milepost 20.1, in the amount of \$2,749,160.96.*

*Item 6: Award of Contract I-12-4068 to Lorig Construction Company for Coon Creek Bridge Widening and Reconstruction on the Jane Addams Memorial Tollway (I-90) at Milepost 34.8, in the amount of \$4,432,201.50.*

*Item 7: Award of Contract I-12-4077 to Plote Construction, Inc. for Widening and Reconstruction on the Eastbound Jane Addams Memorial Tollway (I-90) from Milepost 49.7 (Union Pacific Railroad) to Milepost 53.6 (Elgin Toll Plaza), in the amount of \$32,409,437.38.*

*Item 8: Award of Contract I-12-4070 to Lorig Construction Company for Eastbound Bridge Widening and Reconstruction on the Jane Addams Memorial Tollway (I-90) at Milepost 18.3 (Kishwaukee River), in the amount of \$8,677,437.90.*

Director Peterson made a motion for approval of **Engineering Items 1-6 and Item 8**; seconded by Director Sweeney. The motion was approved unanimously. (Review and approval of Engineering Item 7 was deferred to the January 2013 Board meeting as indicated in the Board Committee section of the minutes.)

*Item 9: Acceptance of Proposal from Globetrotters Engineering Corporation on Contract I-12-4051 for Construction Management Services for Reconstruction and Widening on the Jane Addams Memorial Tollway (I-90) from Milepost 17.4 (I-39) to Milepost 56.1 (Illinois Route 25), in an amount not to exceed \$8,742,408.73. (Recusal by Director Peterson)*

Director Sweeney made a motion for approval of **Engineering Item 9**; seconded by Director Banks. The motion was approved unanimously.

*Item 10: Acceptance of Proposal from Harry O. Hefter Associates, Inc. / AES Services, Inc., Joint Venture on Contract I-12-4050 for Construction Management Services for Reconstruction and Widening on the Jane Addams Memorial Tollway (I-90) from Milepost 17.4 (I-39) to Milepost 56.1 (Illinois Route 25), in an amount not to exceed \$13,672,404.41.*

Director Banks made a motion for approval of **Engineering Item 10**; seconded by Director Sweeney. The motion was approved unanimously.

*Item 11: Renewal of Contract RR-10-9973 with AECOM Technical Services, Inc. for Consulting Engineer Services Systemwide, in the amount of \$14,125,493.33 from \$22,765,478.00 to \$36,890,971.33. (Recusal by Director Peterson)*

Director Banks made a motion for approval of **Engineering Item 11**; seconded by Director Towns. The motion was approved unanimously.

*Item 12: Change Order/Extra Work Order on Contract RR-11-5627 to Curran Contracting Company for Hot Mix Asphalt Repairs on the Jane Addams Memorial Tollway (I-90) from Milepost 15.0 (Business U.S. 20 Ramp) to Milepost 77.9 (I-294 Tri-Level Bridge), in the amount of \$336,824.93.*

*Item 13: Final Release of Retainage on Contract RR-10-5613 to Herlihy Mid-Continent Company for Bridge Rehabilitation on the Tri-State Tollway (I-80/I-294) from Milepost 0.0 (I-94/IL-394) to Milepost 5.3 (167th Street); and on the Tri-State Tollway (I-94) at Milepost 15.2 (Atkinson Road) in the amount of \$30,275.35.*

*Item 14: Final Release of Retainage on Contract RR-09-9056 to John Burns Construction Company for New Salt Storage Facility on the Tri-State Tollway (I-294) at Maintenance Facility 1 (M-1), Milepost 12.0, in the amount of \$199,025.55.*

*Item 15: Approval of the Traffic Generator and Specific Service Sign Policy.*

Director Peterson made a motion for approval of **Engineering Items 12-15**; seconded by Director Sweeney. The motion was approved unanimously.

Chair Wolff called for a motion to approve the following **Legal** items:

*Item 1: An Intergovernmental Agreement with the Illinois Department of Transportation (Rt. 59). Cost to the Tollway: Estimated at \$13,213,590.00*

*Item 2: Approval of Bond Counsel Assignment.*

Director Redick made a motion for approval of **Legal Items 1-2**; seconded by Director Sweeney. The motion was approved unanimously.

At approximately 10:15 a.m., David Goldberg, General Counsel, indicated the need to discuss personnel matters, pending litigation and collective bargaining in Executive Session pursuant to Section 2(c)(1), 2(c)(2) and 2(c)(11) of the Open Meetings Act. Director Peterson made the motion to enter into Executive Session; seconded by Director Banks. The motion was approved unanimously.

At approximately 11:00 a.m., the Board re-entered the public session of the Board Meeting.

There being no further business, Chair Wolff requested a motion to adjourn. Director Towns made the motion to adjourn; seconded by Director D'Arcy. The motion was approved unanimously.

The meeting was adjourned at approximately 11:00 a.m.

Minutes taken by: \_\_\_\_\_

Tranece Artis  
Illinois State Toll Highway Authority