

Illinois State Toll Highway Authority
Minutes of the Finance-Administration Committee Meeting
January 27, 2011

The Illinois State Toll Highway Authority held a Finance-Administration Committee Meeting on Thursday, January 27, 2011 at approximately 9:00 a.m. at the Central Administration Building in Downers Grove, Illinois. Directors on the Committee in attendance were as follows:

Committee Chairman James Banks
Director Bill Morris
Director George Pradel
Director Tom Weisner

Committee Chairman Banks called the meeting to order.

Director Morris moved to approve the Minutes of the Finance-Administration Committee meeting held on December 16, 2010; seconded by Director Weisner. The motion was approved unanimously.

Committee Chairman Banks called upon Joe Kambich, Chief of Information Technology. Mr. Kambich requested approval of the following for the Consent Agenda:

Amendment to existing tower co-location agreement with AT&T for locations at Plazas 25 and 63.

Amendment to existing tower co-location agreement with AT&T at Plaza 20.

Director Morris moved to approve said Co-Location Agreements; seconded by Director Weisner. The motion was approved unanimously.

Committee Chairman Banks called upon Mike Colsch, Chief of Finance. Mr. Colsch requested approval of the following for the Consent Agenda:

Approval of the Retiree Health Insurance payment to Central Management Services (CMS) per ILCS 375-11 for the fiscal year ending December 31, 2010 in the amount of \$4,317,857.28.

Director Canham asked what costs were included in the \$26 million referenced on the handout. Per Mr. Colsh, the \$26 million represents health insurance costs for current and retired employees.

Director Weisner asked how the 2010 health insurance payment compares to the 2009 payment. Mr. Colsch indicated that the 2010 payment is 11% higher than the 2009 payment, which represents a larger than normal annual increase in the insurance premium.

Director Morris asked what percentage of the health insurance premium is paid by the retiree under the state plan and how that differs for dependents of retirees. Per Mr. Colsch, under State law, the State pays 5% of retiree's health care costs for each year of service, which means the State fully reimburses the healthcare costs for retirees with 20+ years of service. However, dependents of retirees will always pay a co-payment for health insurance under the State plan.

Director Morris moved to approve said Health Insurance payment; seconded by Director Weisner. The motion was approved unanimously.

Committee Chairman Banks called upon Tom Deldin, Fleet Manager to present the Fleet Status/Environmental Overview.

Director Morris asked for clarification on operationally assigned vehicles and permanently assigned vehicles. Kristi Lafleur explained permanently assigned vehicles are assigned to individuals and are used to commute to and from work and assigned all year long. Operationally assigned vehicles are designated to individuals or a small group of people but are not taken home. They are used only during work hours for work related tasks.

Tom reviewed the fleet replacement cycle targets for various vehicles in miles and/or engine operating hours.

Director Banks asked whether the cars are traded in at replacement or sold through auction. Mr. Deldin indicated that it depends on the class of car. The CMS squad cars are offered for sale on the CMS website. Small to medium size trucks were sold through a retailer via contract. The Tollway no longer holds internal auctions but is considering public auctions through an auction retailers again in the future.

Mr. Deldin reviewed the environmental initiatives such as alternate fuel vehicles undertaken by the Tollway.

Director Banks asked whether the Tollway is fueling any vehicles with natural gas. Mr. Deldin explained that if we use a new fuel we would need to build the infrastructure over a wide area--over all Tollway fueling stations--to have a significant impact. Building that infrastructure would be costly.

Director Weisner asked whether all E-85 fuel capable vehicles are actually using E-85 fuel. Mr. Deldin indicated that the use of E-85 fuel was limited to 35,000 gallons last year because the Tollway only has one E-85 fueling station, which is located at Central Administration.

Director Weisner asked whether there was alternative use for the 200 snow plows trucks during non-winter months. Mr. Deldin indicated that 100 snow trucks are used for general roadway maintenance during non-winter months.

Committee Chairman Banks called upon Scott Sims, Acting Chief of Procurement. Mr. Sims requested approval of the following for the Consent Agenda:

Award Contract No. 11-0027 to Miles Chevrolet for five (5) Police Package Utility Vehicles, in an amount not to exceed \$120,601.25 (CMS Master Contract).

Award Contract No. 11-0028 to Landmark Ford, Incorporated for forty-three (43) Police Pursuit Vehicles, in an amount not to exceed \$919,106.00 (CMS Master Contract).

Award Contract No. 11-0029 to Prairie/Archway International Trucks for seven (7) Snow Plow Trucks, in an amount not to exceed \$963,623.29 (CMS Master Contract).

Award Contract No. 11-0030 to Energy Absorption Systems, Incorporated for sixteen (16) Trailer Mounted Attenuators, in an amount not to exceed \$305,600.00 (CMS Master Contract).

Award Contract No. 11-0031 to Wright Automotive, Incorporated for seven (7) Vehicles - Minivans, in an amount not to exceed \$131,068.00 (CMS Master Contract).

Director Morris moved to approve said Awards; seconded by Director Pradel. The motion was approved unanimously.

Mr. Sims requested approval of the following for the Consent Agenda:

Extension and dollar limit increase to Contract No. 08-0176 to K & M Tire Company and Brad's Tire, Incorporated for tires by \$45,000.00; from \$346,000.00 to \$391,000.00 through February 9, 2011 (CMS Master Contract).

Director Morris asked that Staff have Albert Murillo encourage CMS to provide the other bidder information. Kristi Lafleur informed him that Mr. Murillo is not associated with CMS and that Staff would continue to work with CMS to get this information.

Director Morris moved to approve this Award; seconded by Director Pradel. The motion was approved unanimously.

Mr. Sims requested approval of the following for the Consent Agenda:

Award Contract No. 10-0135 to Valk Manufacturing Company for Snow Plow Blades, in an amount not to exceed \$180,000.00 (CMS for Tollway).

Award Contract No. 11-0001 to Badger Truck Center for General Motors Auto and Light Truck Parts, in an amount not to exceed \$80,000.00 (CMS for Tollway).

Award Contract No. 11-0008 to Thelen Sand and Gravel, Incorporated for Winter Roadway Abrasives, in an amount not to exceed \$149,882.50 (CMS for Tollway).

Award Contract No. 11-0059 to Gillie Hyde Ford for Ford Auto and Light Truck Parts, in an amount not to exceed \$220,000.00 (CMS for Tollway).

Mr. Sims asked that the Committee provide permission to modify the award to bidder from Altha Equipment Company (Alta) to Chatham Home in a revised amount of \$74,792.00 . CMS indicated yesterday that Altham was eliminated because it did not submit a copy of the Board of Election Certificate of Registration with their proposal.

Director Morris asked what the Certificate indicates. Chair Wolff indicated that it lists donations/contributions to political campaigns. Kristi Lafleur indicated that the Tollway created checklists to remind bidders to include this information.

Director Roof asked whether there is a way to track donations from out of state companies to Illinois elected officials. Per Scott Sims, all bidders are required to get Board of Election Certificate of Registration to participate in the bid process.

Award Contract No. 11-0119 to Chatham Home for two (2) Battery Powered Forklifts, in an amount not to exceed \$74,792.00 (CMS for Tollway).

Director Morris moved to approve said Award; seconded by Director Pradel. The motion was approved unanimously.

Mr. Sims requested approval of the following for the Consent Agenda:

Renewal of Contract No. 10-0098 to Dunbar Bank-Pak, Incorporated for Plastic Money Bags and increasing the contract upper limit by \$67,500.00, from \$67,500.00 to \$135,000.00 (CMS for Tollway).

Renewal of Contract No. 09-0037 to Auto Color, Incorporated for

Automotive Paints and Supplies (PPG) and increasing the contract upper limit by \$28,000.00, from \$28,000.00 to \$56,000.00 (Tollway IFB).

Director Morris moved to approve said Renewals; seconded by Director Pradel. The motion was approved unanimously.

Committee Chairman Banks called upon Tom Bamonte, General Counsel. Mr. Bamonte requested approval of the following for the Consent Agenda:

An Intergovernmental Agreement with the Illinois Department of Transportation for a license to use NAVTEQ Proprietary Attribute Data in the administration of Tollway programs. Cost to the Tollway is \$0. Projected cost savings \$80,000 - \$100,000.

An Intergovernmental Agreement Second Addendum with the Cook County Highway Department and the Village of Deerfield conforming the IGA to the actual construction costs. Cost to the Tollway is \$0.

Director Weisner moved to approve said Agreement; seconded by Director Morris. The motion was approved unanimously.

Mr. Bamonte then requested approval of the following:

A Settlement with the Cincinnati Insurance Company. Cost to the Tollway is \$0.

Director Morris moved to approve said Agreement; seconded by Director Pradel. The motion was approved unanimously.

There being no further business, Director Pradel moved to adjourn; seconded by Director Morris. The motion was approved unanimously.

Meeting adjourned at approximately 9:41 a.m.

Minutes taken by: _____

Tranece Artis