

## **Illinois State Toll Highway Authority**

### **Minutes of the Finance-Administration Committee Meeting**

**April 28, 2011**

The Illinois State Toll Highway Authority held a Finance-Administration Committee Meeting on Thursday, April 28, 2011 at approximately 8:30 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 March 24, 2011; seconded by Director Pradel. 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:

Award of Liability Insurance Program (general, business auto and excess liability) with a combined annual premium not to exceed \$933,935.

Director Weisner moved to approve said award; seconded by Director Pradel. The motion was approved unanimously.

Executive Director Lafleur called on Director Saldana, Chair of the Liquidity Working Group, to introduce the next agenda item. Director Saldana indicated that she had met with staff to discuss a strategy for

developing recommendations on how to proceed with debt swap reductions. She indicated that staff would like to hire a professional financial advisory firm to do an analysis that would be reviewed by staff and the Liquidity Working Group to make recommendations on debt swap reduction strategy. Director Saldana recommended that the current financial advisory agreement be amended to allow the current firm to be retained on a fixed fee basis instead of on a transactional basis. This firm would also assist the Tollway in developing the ten year capital plan required by the Toll Highway Act.

Michael Colsch, Chief of Finance, added that changing the fee basis in the contract does not increase the upper limit of the contract previously approved by the Board. Chair Wolff said that this was a great solution to the concerns raised at last month's board meeting. Mr. Colsch requested approval of the following for the Consent Agenda:

Amendment to the financial advisory agreement(s) to specify a compensation structure for services provided independent of transaction execution.

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

Director Morris recommended that in the future the Tollway should retain a separate firm to make such recommendations. Executive Director Lafleur said that the General Counsel's Office and the Procurement Office reviewed the amendment agreement and found the services to be within the scope of the original agreement.

Committee Chairman Banks called upon Shana Whitehead, Acting Chief of Business Systems. Ms. Whitehead requested approval for the following:

Renewal to Contract 06-0040 to IGOR, The Watchdog Corporation for a period of one year and increasing the contract upper limit by \$1,067,500, from \$5,337,500 to \$6,405,000 (Tollway RFP).

Executive Director Lafleur commented that the goal is to re-bid this contract after this renewal and to creatively explore opportunities to partner with non-profit organizations to provide this as directed previously by the Board. Director Morris indicated that there are non-profit organizations in Lake County and Aurora area that would be great candidates to provide this service. He also agreed that the current renewal of the contract was necessary to ensure continuity of service.

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

Committee Chairman Banks called upon John Donato, Procurement Chief. Mr. Donato requested approval for the following:

Award Contract No. 11-0123 to Landmark Ford, Incorporated for two (2) Cargo Vans with Aerial Lifts, in an amount not to exceed \$99,360.00 (CMS Master Contract).

Award Contract No. 11-0143 to Hewlett-Packard Company for four (4) Computer Aided Dispatch (CAD) Servers, in an amount not to exceed \$39,707.40 (CMS Master Contract).

Director Pradel moved to approve said award; seconded by Director Morris. The motion was approved unanimously. Mr. Donato requested approval for the following:

Renewal to Contract No. 10-0067 to John Thomas, Incorporated for Nucor Steel High Tension 3-Strand Cable System for a period of one year, increasing the contract upper limit by \$40,000.00, from \$111,000.00 to \$151,000.00 (Tollway IFB).

Director Pradel moved to approve said renewal; seconded by Director Morris. The motion was approved unanimously. Mr. Donato requested approval for the following:

Award Contract No. 11-0010 to Accurate Repro, Incorporated for Web-Based Plan Room for Construction Contracts and System-Wide On-Call Printing Services, in an amount not to exceed \$143,250.00 (Tollway RFP).

Director Pradel moved to approve said award; seconded by Director Weisner. The motion was approved unanimously. Mr. Donato requested approval for the following:

Renewal to Contract No. 07-0063 to Perspectives, Ltd. for the Employee Assistance Program for a period of one year, increasing the contract upper limit by \$45,250.00, from \$180,036.00 to \$225,286.00 (Tollway RFP).

Director Weisner moved to approve said award; seconded by Director Pradel. The motion was approved unanimously. Mr. Donato requested approval for the following:

Award Contract No. 11-0078 to Precision Control System for Building Automation Maintenance, in an amount not to exceed \$100,000.00 (Tollway Sole Source).

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

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

An Intergovernmental Agreement with the Illinois Department of Transportation and the Wisconsin Department of Transportation. Cost to the Tollway \$213,903.26.

Director Pradel moved to approve said award; seconded by Director Weisner. The motion was approved unanimously. Mr. Bamonte requested approval for the following:

An Intergovernmental Agreement with the Illinois Department of Transportation and the New Lenox Fire Protection District. Tollway will receive \$16,451.00.

Director Weisner moved to approve said award; seconded by Director Pradel. The motion was approved unanimously. Mr. Bamonte requested approval for the following:

An Intergovernmental Agreement with the Illinois Department of Natural Resources. Cost to the Tollway \$9,000.

Director Pradel moved to approve said award; seconded by Director Weisner. The motion was approved unanimously.

Executive Director Lafleur introduced the next item. She indicated that the proposed agreement with University of Illinois (UIC) to do at least 6 focus groups to understand how customers understand our current electronic tolling and violation systems. She said that this information could inform how electronic tolling and violation systems are adjusted in the future and/or how the adjustments are communicated to Tollway users.

Director Morris suggested that some of the focus groups should be conducted at locations other than the University of Illinois downtown location to accommodate Tollway users who live and work in the suburbs. Director Weisner added that he shares Director Morris' concerns about attracting suburban users to the University of Illinois center. Executive Director Lafleur indicated that staff will follow-up to determine whether the focus groups can be held in multiple locations and whether the number of focus groups should be increased to ensure that the focus groups include a representative sample of Tollway users.

Chair Wolff emphasized the following points: conducting focus groups is a great opportunity to hear directly from consumers; UIC is a quality research center that would work hard to have a representative group; and, lastly, that working with UIC is a cost-effective method for getting this information. The following item was removed from consideration for this Board meeting and will be considered at the May Board meeting:

An Intergovernmental Agreement with the University of Illinois at Chicago. Cost to the Tollway not to exceed \$28,840.

Mr. Bamonte requested approval for the following: An Intergovernmental Agreement with the Village of Mettawa. Cost to the Tollway \$0.

Director Pradel moved to approve said agreement; seconded by Director Weisner. The motion was approved unanimously. Mr. Bamonte requested approval for the following:

An Intergovernmental Addendum Agreement with the Village of Green Oaks. Cost to the Tollway \$0.

Director Morris moved to approve said award; seconded by Director Pradel. The motion was approved unanimously. Mr. Bamonte requested approval for the following:

A Workers Compensation Settlement – Dragoljub Adamovic. Cost to the Tollway \$64,542.05.

A Workers Compensation Settlement – Anthony Kudra. Cost to the Tollway \$122,461.

Director Pradel moved to approve said award; seconded by Director Morris. The motion was approved unanimously. Mr. Bamonte requested approval for the following:

Settlement of Underinsured Claim – Randal Jacobson. Cost to the Tollway \$60,000.

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

Mr. Bamonte requested that approval for the following item be deferred until discussed in the Executive Session:

Settlement – Virginia Ferrell. Cost to the Tollway \$1,910,000.00

Mr. Bamonte requested approval for the following:

VES Settlement Guidelines – Reauthorization.

Director Morris moved to approve; seconded by Director Weisner. The motion was approved unanimously. Director Banks asked if there was any further business for the committee. There being none, he called for a motion to adjourn.

Director Morris moved to adjourn; seconded by Director Pradel. The motion was approved unanimously.

Meeting adjourned at approximately 9:25 a.m.

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

Tranece Artis  
Board Secretary