

**MINUTES OF THE REGULAR MEETING OF
THE ILLINOIS STATE TOLL HIGHWAY AUTHORITY**

May 26, 2005

The Illinois State Toll Highway Authority met in regular session on Thursday, May 26, 2005 at approximately 10:10 a.m. in the Board Room of The Illinois State Toll Highway Authority's 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 Chairman John Mitola, which notice reads in words and figures as follows:

THE ILLINOIS STATE TOLL HIGHWAY AUTHORITY
Administration Building
2700 Ogden Avenue
Downers Grove, Illinois 60515

Governor Rod Blagojevich

Director Ronald Materick

Secretary Timothy Martin

Director George Pradel

Director David Andalcio

Director James Roof

Director James Banks

Director Carl Towns

Director Carl Kramp

Pursuant to the provisions of Article IV, Section 2 of the Code of By-laws of The Illinois State Toll Highway Authority, Notice is hereby given of the next meeting of the Authority to be held on Thursday, May 26, 2005 at 10:00 a.m. in the Boardroom of the Administration Building in Downers Grove, Illinois.

John Mitola
Chairman

This meeting will be accessible to individuals with disabilities in compliance with Executive Order #5, and pertinent state and federal laws, upon notification of anticipated attendance. Persons with disabilities planning to attend and needing accommodations should contact the Americans with Disabilities Act Coordinator of The Illinois State Toll Highway Authority at (630) 241-6800, Ext. 1010 in advance of the meeting at 2700 Ogden Avenue, Downers Grove, IL, to inform of their anticipated attendance.

Chairman Mitola stated that this is a regularly scheduled meeting of the Board of The Illinois Tollway and asked the Secretary to call the roll. Those present and absent were as follows:

Present:

Chairman John Mitola
Director David Andalcio
Director Jim Banks
Director Carl Kramp
Director Ronald Materick
Director George Pradel
Director James Roof
Director Carl Towns

Absent:

Governor Rod Blagojevich
Secretary Tim Martin

Chairman Mitola asked if there was any public comment and there being none, called for a motion to approve the Minutes of the Regular Board Meeting held on April 28, 2005. Director Banks moved for approval; seconded by Director Towns.

Chairman Mitola called for a voice vote, and there being “Ayes” and no “Nays”, declared the motion carried.

Chairman Mitola then called for a motion approving the Executive Session Minutes from April 21, 2005. Director Kramp moved for approval; seconded by Director Roof.

Chairman Mitola called for a voice vote, and there being “Ayes” and no “Nays”, declared the motion carried.

Chairman Mitola then stated, “Next month, we are going to attempt to hold our Committee and Board Meetings on one day, the last Thursday of the month, starting at 9:00 a.m. This is fairly traditional for other public boards.”

He went on to say that Kathleen Cantillon and her team have put together an extensive roadway communication package and he also talked to Leann Redden about presenting, next month, an update on the work with the local advisory counselors for the 355 south extension.

Chairman Mitola then called on the Executive Director. Mr. Jack Hartman briefed the Board on the following:

An I-PASS Agreement with the operators of the Chicago Skyway; Click it or Ticket - This weekend we will have the largest safety belt enforcement in the State of Illinois and we also have 26 new officers assigned to District 15.

On Open Road Tolling, the design process continues for plazas and we're on track with the program.

Chairman Mitola then called on the Chief of Finance. Mr. Mike Colsch requested adoption of the following:

A Resolution approving the renewal of Liability Insurance Policies. This appears in the Appendage as Resolution No. 16797.

Mr. Colsch then gave a brief presentation on the bond issue and introduced the financial advisors, Mr. Larry Morris from Mesirow and Ms. Lois Scott from Scott Balice Strategies.

The next two items are as follows: A Resolution authorizing the issuance of Toll Highway Senior Priority Revenue Bonds, 2005 Series A of The Illinois State Toll Highway Authority for the purpose of paying a portion of the cost of the Congestion-Relief Plan; authorizing the execution and delivery of a Seventh Supplemental Indenture, a Bond Purchase Agreement, an Official Statement and a Continuing Disclosure Agreement; and related matters. This appears in the Appendage as Resolution No. 16798.

A Resolution approving the execution and delivery of a First Supplemental Junior Bond Indenture and authorizing the issuance of a Series of Junior Bonds in an aggregate principal amount not to exceed \$700,000,000 and the execution and delivery of one or more interest rate hedge agreements in connection therewith. This appears in the Appendage as Resolution No. 16799.

Mr. Tom Bamonte, General Counsel, explained these items to the Board. “There are two goals; one is to issue fixed rate debt to cover borrowing use for next year and the second goal is to have in place an interest rate exchange program that would back a future issuance of variable rate. The large packet previously circulated is a resolution authorizing the immediate issuance of senior debt and that indenture authorizes management and the Chairman to go forward and do what’s necessary to issue those bonds. It approves various agreements that are necessary for the bond issuance through the seventh supplemental indenture which reaffirms the promises that the Tollway has made to senior bondholders. It includes approval from issuance of a preliminary disclosure statement which is a disclosure document required by the Federal Securities laws, it includes a bond purchase agreement under which the Tollway will sell its bonds to the underwriters and a continuing disclosure statement in which the Tollway commits to make certain disclosures to the bondholders. That resolution and the documents incorporated therein again, authorize the Chairman and management to move forward with the issuance of up to \$850 million of fixed-rate bonds.”

“The second resolution approves a First Supplemental Junior Bond Indenture and authorizes the Chairman and management to put in place the interest rate exchange agreement that Mr. Colsch described. It also provides though that before there are any bonds issued pursuant to the supplemental indenture that management come back to the Board and get specific authorization to issue them. So all the resolution does is authorize the interest rate exchange agreement which again is put in place now to lock in interest rates for future issuance of bonds.”

After a brief discussion, Chairman Mitola called for a motion adopting Resolutions numbered 16797, 16798 and 16799. Director Banks moved for adoption; seconded by Director Kramp.

Chairman Mitola called for a voice vote, and there being “Ayes” and no “Nays”, declared the motion carried.

Chairman Mitola then called on the Chief of Administration. Mr. Brian McPartlin requested adoption of the following:

Award of Contract 05-0042 to Fastenal Company for Fasteners, in an amount not to exceed \$34,000.00. This appears in the Appendage as Resolution No. 16800.

Award of Contract 05-0053 to Kimco USA, Incorporated for two Portable Salt Conveyors, in an amount not to exceed \$64,497.12. This appears in the Appendage as Resolution No. 16801.

Increase of Contract 03-6546 to Ron Tirapelli Ford for Ford Auto and Light Truck Parts from \$424,500.00 by \$95,000.00, to an amount not to exceed \$519,500.00. This appears in the Appendage as Resolution No. 16802.

Increase of Contract 04-6657 to Brad's Tires for Tires by \$30,000.00 from \$100,000.00 to an amount not to exceed \$130,000.00. This appears in the Appendage as Resolution No. 16803.

Award of Contract 05-0044 to Gladwin Machinery & Supply Company, Incorporated for a Hydraulic Shear Machine, in an amount not to exceed \$48,144.00. This appears in the Appendage as Resolution No. 16804.

Award of Contract 05-0047 to Prairie International for 12 Vehicles - H.E.L.P. Trucks, in an amount not to exceed \$1,308,444.00. This appears in the Appendage as Resolution No. 16805.

Renewal of Contract 99-5842 to Conor Communication Company for *999 Cellular Express Line Service increasing the upper limit by \$357,888.00 from \$2,057,856.00 to an amount not to exceed \$2,415,744.00. This appears in the Appendage as Resolution No. 16806.

Award of Contract 05-0001 to O'Hare Record Retention Center and Chicago Record Management for Off-Site Storage, in an amount not to exceed \$56,000.00. This appears in the Appendage as Resolution No. 16807.

Award of Contract 05-0037 to Allied Waste Industries, Allied Waste Transportation, Incorporated, Groot Industries, Heartland Recycling, LLC, Waste Management of IL, and Winnebago Reclamation Service, Incorporated, for Landfill Services, in an amount not to exceed \$202,600.00. This appears in the Appendage as Resolution No. 16808.

Renewal of Contract 04-6634 to Owens International, Incorporated for Cummins and Caterpillar Engine Parts from \$24,500.00 by \$25,000.00, to an amount not to exceed \$49,500.00. This appears in the Appendage as Resolution No. 16809.

Increase of Contract 04-6680 to Napco Steel, Incorporated for Steel by \$8,500.00 from \$20,000.00 to an amount not to exceed \$28,500.00. This appears in the Appendage as Resolution No. 16810.

Chairman Mitola called for a motion adopting said resolutions. Director Banks moved for adoption; seconded by Director Kramp.

Chairman Mitola called for a voice vote, and there being “Ayes” and no “Nays”, declared the motion carried. Director Roofl abstained from voting on item 5.2c, Contract 03-6546 to Ron Tirapelli Ford.

Chairman Mitola then called on the Chief of Operations. Ms. Karen Burke requested adoption of a Resolution approving the purchase of up to 631,000 transponders from Mark IV, increasing the upper limit of compensation from \$22,781,700.00 by \$15,173,255.00 to an amount not to exceed \$37,954,955.00. This appears in the Appendage as Resolution No. 16811.

Chairman Mitola called for a motion adopting said resolution. Director Andalcio moved for adoption; seconded by Director Roofl.

Chairman Mitola called for a voice vote, and there being “Ayes” and no “Nays”, declared the motion carried.

Ms. Burke then requested approval of an agreement between the Skyway Concession Co., LLC and the Illinois Tollway concerning electronic toll collection. This appears in the Appendage as Resolution No. 16812.

Chairman Mitola called for a motion adopting said resolution. Director Andalcio moved for adoption; seconded by Director Roofl.

Chairman Mitola called for a voice vote, and there being “Ayes” and no “Nays”, declared the motion carried.

Ms. Burke then requested adoption of a Resolution approving amendments to the I-PASS Transponder Agreement. This appears in the Appendage as Resolution No. 16813.

Chairman Mitola called for a motion adopting said resolution. Director Roof moved for adoption; seconded by Director Towns.

Chairman Mitola called for a voice vote, and there being “Ayes” and no “Nays”, declared the motion carried.

Chairman Mitola then called on the Chief Engineer. Mr. Jeff Daily requested adoption of the following:

Award of Contract I-05-5315 to Plote Construction, Inc. for Open Road Tolling on the North-South Tollway at Mile Post 14.4 (Boughton Rd., Plaza 89), Mile Post 29.0 (Army Trail Road, Plaza 73), and on the Tri-State Tollway at Mile Post 51.8 (Edens, Plaza 24), in the amount of \$17,271,570.00. This appears in the Appendage as Resolution No. 16814.

Award of Contract RR-05-9010 to Maintenance Coatings Co. for Epoxy Pavement Marking on the Reagan Tollway, approximately between Mile Posts 76.0 and 114.0 (both directions) and on the Northwest Tollway, approximately between Mile Posts 0.0 to 17.0 (both directions) and at Toll Plazas 15, 17, 19, 66 and 69, in the amount of \$768,822.00. This appears in the Appendage as Resolution No. 16815.

Proposal from McDonough Associates, Inc. on Contract RR-01-8942 for Widening and Reconstruction on the Tri-State Tollway, approximately between Mile Posts 6.3 (163rd Street) and 9.05 (Kedzie), in the amount of \$5,526,156.00. This appears in the Appendage as Resolution No. 16816.

Proposal from Knight E/A, Inc. on Contract RR-01-8943 for Widening and Reconstruction on the Tri-State Tollway, approximately between Mile Posts 9.05 (Kedzie) and 10.85 (Cal-Sag Bridge), in the amount of \$5,339,433.00. This appears in the Appendage as Resolution No. 16817.

Proposal from Burns & McDonnell Engineering, Inc. on Contract RR-01-8945 for Widening and Reconstruction on the Tri-State Tollway, approximately between Mile Posts 11.13 (Cal-Sag Bridge) and 15.53 (111th St.), in the amount of \$8,497,876.00. This appears in the Appendage as Resolution No. 16818.

Proposal from Alfred Benesch & Co. on Contract RR-01-8946 for Widening and Reconstruction on the Tri-State Tollway, approximately between Mile Posts 15.53 (111th St.) and 17.6 (95th St.), in the amount of \$8,025,780.00. This appears in the Appendage as Resolution No. 16819.

Proposal from V3 Infrastructure Services, Inc. on Contract I-05-5301 for Open Road Tolling on the Northwest Tollway, Plaza 9 (Elgin), in the amount of \$4,763,493.00. This appears in the Appendage as Resolution No. 16820.

Proposal from Globetrotters Engineering Corp. on Contract I-05-5315 for Open Road Tolling on the North-South Tollway at Mile Post 14.4 (Boughton Rd., Plaza 89), Mile Post 29.0 (Army Trail Road, Plaza 73), and on the Tri-State Tollway at Mile Post 51.8 (Edens, Plaza 24), in the amount of \$1,454,192.00. This appears in the Appendage as Resolution No. 16821.

Proposal from Parsons Brinkerhoff Construction Services, Inc. on Contract I-05-5425 for Open Road Tolling on the Tri-State Tollway at Mile Post 24.2 (I-55 Ramp A, Plaza 37) and on the Reagan Memorial Tollway at Mile Post 138.2 (York Road, Plaza 51), in the amount of \$4,713,080.00. This appears in the Appendage as Resolution No. 16822.

Proposal from DLZ Illinois, Inc. on Contract I-05-5318 for Open Road Tolling, Plaza Improvements, Systemwide, in the amount of \$1,947,106.00. This appears in the Appendage as Resolution No. 16823.

Proposal from Stanley Consultants, Inc. on Contract RR-02-5115 for Mainline Roadway Widening and Reconstruction on the Tri-State Tollway, approximately between Mile Posts 40.5 (Balmoral Ave.) and 42.5 (North of Touhy Avenue), in the amount of \$14,101,896.00. This appears in the Appendage as Resolution No. 16824.

Proposal from Cotter Consulting, Inc. on Contract RR-05-5321 for Construction Inspection Upon Request, Systemwide, in the amount of \$1,996,615.00. This appears in the Appendage as Resolution No. 16825.

Proposal from S.T.A.T.E. Testing, LLC on Contract RR-05-5317 for Quality Assurance Testing, Systemwide, in the amount of \$199,972.00. This appears in the Appendage as Resolution No. 16826.

Change Order and Extra Work Order on Contract RR-01-8941, in the amount of \$3,890,139.10 to FHP Techtonics Corp. for Roadway and Bridge Widening and Reconstruction on the Tri-State Tollway, approximately between Mile Posts 4.07 (Lee Street) and 5.39 (167th Street). This appears in the Appendage as Resolution No. 16827.

Release of Retainage on Contract RR-03-5073 for Intermittent Pavement Repairs on the Reagan Memorial Tollway, approximately between Mile Posts 44.0 (Rock Falls) and 76.0 (Route 251), to Rockford Blacktop Construction Co., in the amount of \$59,447.46. This appears in the Appendage as Resolution No. 16828.

Release of Retainage on Contract RR-03-5098 for I-PASS Only Lanes Construction on the Northwest Tollway at Mile Post 55.5 (Plaza 5, Belvedere), to Herlihy Mid-Continent Company, in the amount of \$37,661.46. This appears in the Appendage as Resolution No. 16829.

Release of Retainage on Contract RR-03-5165 for Dynamic Message Sign and CCTV Camera Installation at various locations, to Divane Bros. Electric Co., in the amount of \$128,593.44. This appears in the Appendage as Resolution No. 16830.

Sale of excess parcel number E-ID-394.3EI to DuPage County in the amount of \$48,000.00. This appears in the Appendage as Resolution No. 16831.

Policy establishing approval levels for construction change orders. This appears in the Appendage as Resolution No. 16832.

Motion to rescind Resolution No. 16737 dated February 24, 2005 and to reject all bids on Contract RR-03-5151 for Bridge No. 611 Replacement on the Northwest Tollway at US 20.

Director Materick questioned Item 5.4t, the change order policy. He asked Jeff to clarify what changes were made.

Mr. Dailey explained that Director Materick thought we should be reporting on a monthly basis the change orders that are happening. The other change dealt with potential conflicts of interest. If you have people on the change order committee that may have some involvement in the design or construction portion of a contract, he wanted to have provisions in the resolution that require them to step aside and another person take their place.

Chairman Mitola stated that he wants the resolution to state that we would amend the resolution if the IDOT policy would go to lower levels, for whatever reason, and that this policy would be brought back to the Board. He doesn't want to be non-conforming, and we're always involved with IDOT, so if IDOT changes either way, we would change also.

Director Roolf questioned whether this new policy went far enough to accommodate what we may need to do. He wanted to make sure this accommodates everything engineering needs to do with Change Orders because you have engineering contracts where you might need to make some modifications and it could be \$15,000 or \$20,000, but because it's not construction you don't have the authority to do that.

Mr. Dailey responded that he felt Engineering has enough authority with this policy.

Chairman Mitola called for a motion to approve Item 5.4b, Award of Contract I-05-5315. Director Kramp moved for adoption; seconded by Director Banks.

Chairman Mitola called for a voice vote, and there being "Ayes" and no "Nays", declared the motion carried. Director Roolf abstained from voting on this resolution.

Chairman Mitola then requested adoption of Items 5.4c through 5.4n with the exception of Item 5.4t. Director Kramp moved for adoption; seconded by Director Towns.

Chairman Mitola called for a voice vote, and there being "Ayes" and no "Nays", declared the motion carried.

Chairman Mitola requested a motion to adopt Item 5.4t, the Change Order resolution, after it is amended by adding a provision that it is consistent with IDOT requirements and if the IDOT policy is amended in any material way that our policy would be reviewed and brought back to the Board. Director Kramp moved for adoption; seconded by Director Towns.

Chairman Mitola called for a voice vote, and there being "Ayes" and no "Nays", declare the motion carried.

Mr. Dailey continued with his agenda and requested approval and adoption of the following:

Motion to reject all bids on Contract RR-03-5158 for CCTV Installation and Relocations.

Award of Contract I-05-5329 to Meta-Lite, Inc. for Open Road Tolling - Furnish and Deliver Tollbooths, Systemwide, in the amount of \$4,188,400.00. This appears in the Appendage as Resolution No. 16833.

A Motion to reject all bids on Contract I-05-5357 for Parking Lot Paving at the Belvidere and O'Hare Oasis.

A Motion to reject all bids on Contract RR-05-8957 for Intermittent Pavement Repairs on the Tri-State Tollway, approximately between Mile Posts 6.3 (South of 159th Street) and 17.6 (95th Street).

A Proposal from American Consulting Engineers, LLC on Contract RR-01-8956 for Construction Project Management on the Tri-State Tollway, approximately between Mile Posts 6.3 (163rd St.) and 17.6 (95th St.), in the amount of \$2,046,309.00. This appears in the Appendage as Resolution No. 16834.

A Proposal from Hill International, Inc. on Contract RR-05-5319 for Program Oversight Monitoring, Systemwide, in the amount of \$1,492,890.00. This appears in the Appendage as Resolution No. 16835.

Chairman Mitola called for a motion approving the motions and adopting the resolutions. Director Roolf moved for approval and adoption; seconded by Director Towns.

Chairman Mitola called for a voice vote, and there being "Ayes" and no "Nays", declared the motion carried.

Chairman Mitola then called on the Chief of Planning. Ms. Leann Redden requested adoption of the following:

A Proposal from Patrick Engineering, Inc. on Contract RR-05-5314 for Infrastructure Management Services, Systemwide, in the amount of \$1,133,500.00. This appears in the Appendage as Resolution No. 16836.

Proposal from HDR Engineering, Inc. on Contract I-05-5326 for Interchange Study Environmental Assessment on the Tri-State Tollway, approximately between Mile Posts 6.7 and 9.3 (I-294/I-57), in the amount of \$700,000.00. This appears in the Appendage as Resolution No. 16837.

Chairman Mitola called for a motion adopting said resolutions. Director Andalco moved for adoption; seconded by Director Banks.

Chairman Mitola called for a voice vote, and there being “Ayes” and no “Nays”, declared the motion carried.

Chairman Mitola then called on the General Counsel. Mr. Tom Bamonte requested adoption of the following:

Resolution approving the settlement of pending litigation for the acquisition of Parcels TW-2A-02-004, TW-2A-02-006 and TW-2A-007 for the construction of the Cal-Sag Bridge on the South Tri-State. This appears in the Appendage as Resolution No. 16838.

Resolution identifying a parcel of real estate which is necessary and convenient to Project CIP-93-740, the construction of the South Extension of I-355 in Will County. This appears in the Appendage as Resolution No. 16839.

Resolution approving an Intergovernmental Agreement with the Hazel Crest Park District for the acquisition of a parcel of real estate for the widening and reconstruction of the South Tri-State Tollway. This appears in the Appendage as Resolution No. 16840.

Resolution approving an Intergovernmental Agreement with the Board of Trustees of the University of Illinois to monitor listed species in association with the I-355 South Tollway Extension, in the amount of \$600,000.00. This appears in the Appendage as Resolution No. 16841.

Resolution authorizing the settlement of Case No. 02 L 16375, Estate of Stacey Colegrove v. The Illinois State Toll Highway Authority. This appears in the Appendage as Resolution No. 16842.

Chairman Mitola called for a motion adopting Items 5.6b through 5.6d. Director Banks moved for adoption; seconded by Director Kramp.

Chairman Mitola called for a voice vote, and there being “Ayes” and no “Nays”, declared the motion carried.

Chairman Mitola then called for a motion adopting Items 5.6a and 5.6e. Director Andalcio moved for adoption; seconded by Director Towns.

Chairman Mitola called for a voice vote, and there being “Ayes” and no “Nays”, declared the motion carried.

There being no further business, Chairman Mitola called for a motion to adjourn. Director Banks moved to adjourn; seconded by Director Kramp.

Chairman Mitola called for a voice vote, and there being “Ayes” and no “Nays”, declared the motion carried.

Meeting adjourned at approximately 11:45 a.m.

Secretary
The Illinois Tollway