

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

September 30, 2004

The Illinois State Toll Highway Authority met in regular session on Thursday, September 30, 2004 at approximately 10:00 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 J. 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, September 30, 2004 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 State Toll Highway Authority and asked the Secretary to call the roll. Those present and absent were as follows:

Present:

Absent:

Chairman John Mitola
Director David R. Andalcio
Director James Banks
Director Carl Kramp – teleconference
Secretary Timothy W. Martin
Director Ronald E. Materick
Director George Pradel
Director James Roolf
Director Carl Towns

Governor Rod R. Blagojevich

Chairman Mitola stated that Director Carl Kramp has been ill but would be joining the meeting via telephone, in accordance with the Bylaws.

Chairman Mitola then outlined the meeting as follows: “The meeting will start with the public comment period. After that, the Board needs to do some customary housekeeping, basically reviewing and approving the Minutes from the last Board Meeting. There will then be a brief presentation by the Tollway staff regarding our plan to provide reduced-cost I-PASS transponders to low-income and fixed-income drivers. Next, the Board will hold discussion about the Long-Range Plan and then bring that plan to a vote. At the end of the Long-Range Plan discussion, we’re going to take a 15-minute recess. We’ll then reconvene the Board Meeting to take on our normal standing agenda.”

The Chief of Administration, Brian McPartlin then led the public comment period, which is in the transcript attached to these Minutes.

Chairman Mitola thanked the speakers for sharing their thoughts and read into the record a letter from the Lieutenant Governor.

“Dear Chairman Mitola, as Lieutenant Governor and former Illinois State Treasurer who served as custodian of Illinois Toll Highway Authority

funds for four years, I believe the proposed ten-year, \$5.3 billion Open Roads for a Faster Future plan needs improvement.”

“For the record, here are some specific reforms I would recommend.”

“First, guaranteed I-PASS rates stability for passenger car drivers for the next ten years.”

“Rate stability can be accomplished by the Toll Highway Authority Board approving a formal resolution guaranteeing a ten-year freeze. Indeed, the Toll Highway Authority should ask the Illinois General Assembly to enact a statute codifying the toll freeze, just as the General Assembly passed a law providing a moratorium on electric rate hikes for residential customers in the 1990s.”

Point number two, “reduce upfront transponder cost for drivers of limited income. The steep upfront cost of an I-PASS transponder can be a deterrent to those of limited income who wish to participate. The Toll Highway Authority has yet to produce a detailed plan to address this problem. As a result, thousands of low-income and fixed-income drivers are consigned to expensive and congested cash lanes because they cannot afford the upfront cost of a transponder.”

“To bridge this ‘digital divide’ and boost I-PASS usage, the Toll Highway Authority should cut the initial transponder cost from \$50 to \$15 for low-income drivers, persons with disabilities and senior citizens on fixed incomes.”

Point number three, “phase-in any toll increase for non I-PASS passenger car drivers.”

“The immediate doubling of tolls for non I-PASS passenger car drivers is excessive. A phased-in increase over four years would soften the blow, coupled with an annual analysis of its effectiveness.”

Fourth point, “an open and competitive Tollway bond issuance process.”

“As State Treasurer and custodian of Toll Highway Authority funds (between) ’91 and ’95, I objected strenuously to the Authority’s bond

issuance shenanigans. To allay any concerns the public may have about the legitimacy of the Tollway's bonding process, the Toll Highway Authority Board must conduct an open and competitive bidding process for bond issuance. When it comes to bond issuance, 'sunlight is the best disinfectant' in protecting the public interest."

Point number five, "establish an annual schedule for transition from tollways to freeways."

"The Toll Highway authority has the legal obligation to make Illinois' 'Open roads' truly open. The upshot of the current 'Open roads' plan is the addition of 16 years of tolls to the financial life of the state Tollway system...to 2033."

"The Toll Highway Authority should set an annual schedule of when it will convert existing tollways into toll freeways, as required by law."

"Everything done by the members of Toll Highway Authority Board should be devoted to carrying out this obligation. For example, developers who benefit handsomely from locating near new tollway routes and interchanges should be required to pay impact fees to a trust fund dedicated to prepaying Tollway bonds."

"All Board members must remember their missing: The goal is to have open-road tolling but to have truly open roads."

"Sincerely, Pat Quinn, Lieutenant Governor."

Chairman Mitola moved on with the agenda and called for a motion to approve the Minutes of the Board Meeting held on August 26, 2004.

Director Banks 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 called on the Chief of Staff, Marilyn Johnson, to present the staff's plan relating to low-income and fixed-income riders and their ability to obtain I-PASS.

Ms. Johnson then presented the plan, which is included in the transcript attached to these Minutes.

Director Kramp was called and put on speakerphone. Chairman Mitola and each Director then commented on the Long-Range Plan. Mr. Jack Hartman briefed the board on the meetings held with the trucking industry.

After all comments were heard, Chairman Mitola called for a motion to adopt the resolution approving the Long-Range Plan and proposed toll increase. This appears in the Appendage as Resolution No. 16540.

Director Andalcio moved for approval; seconded by Director Banks.

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

Chairman Mitola stated, “With that vote, the tollway is going to pass the long-range plan.” He then requested a motion to take a 15-minute adjournment.

Director Roolf moved to adjourn; seconded by Director Towns.

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

Meeting will reconvene at 12:20 p.m.

The Board Meeting reconvened and Mr. Hartman thanked the Board for their endorsement of this innovative plan. This plan will rebuild our roads and reduce congestion. He also thanked the Governor for going forward with this Plan. He thanked the Tollway employees who helped put this plan together. He stated, “It has been almost two years of a lot of planning to get to this point.”

Chairman Mitola then continued with the agenda and called on the Chief of Information Technology.

Mr. Ted Young requested adoption of a resolution approving Change Order No. 2 on Contract No. 02-6264 to Unisys for E-Commerce Upgrades, in an amount not to exceed \$366,598.00. This appears in the Appendage as Resolution No. 16541.

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

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 Finance. Mr. Mike Colsch requested adoption of the following:

A resolution approving an ERP Advisory Services Contract in the amount of \$250,000.00 to the Government Finance Officers Association. This appears in the Appendage as Resolution No. 16542.

A resolution approving a contract for Litigation Collection Services to Linebarger Goggan Blair & Sampson, LLP, in an amount not to exceed \$500,000.00. This appears in the Appendage as Resolution No. 16543.

Mr. Colsch explained, “The law firm was selected through an RFP. This item was previously discussed but the terms of the pricing had to be worked out.

Chairman Mitola called for a motion adopting said resolutions. Director Roolf 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 of Administration. Mr. Brian McPartlin requested adoption of the following:

Award of Contract 04-6662 for Rock Salt to Cargill Salt Division, in an amount not to exceed \$222,700.00; to Central Salt LLC, in an amount not to exceed \$157,000.00; to Morton International, Incorporated, in an amount

not to exceed \$642,500.00; and to North American Salt Company, in an amount not to exceed \$1,038,800.00. This appears in the Appendage as Resolution No. 16544.

Award of Contract 04-6664 for Flink Spreader Parts to WJN Enterprises, Incorporated, in an amount not to exceed \$40,000.00. This appears in the Appendage as Resolution No. 16545.

Award of Contract 04-6657 for Tires to Brad's Tire, Incorporated, in an amount not to exceed \$75,000.00 and to K & M tire, in an amount not to exceed \$25,000.00. This appears in the Appendage as Resolution No. 16546.

Award of Contract 04-6675 for Plastic Money Bags to Control, Incorporated, in an amount not to exceed \$64,000.00. This appears in the Appendage as Resolution No. 16547.

Award of Contract 04-6684 for Hazardous Waste Removal Service to Environmental Waste Services, Incorporated, in an amount not to exceed \$50,000.00. This appears in the Appendage as Resolution No. 16548.

Award of Contract 04-6620 for Veritas Computer Software to Carasoft Technology Corporation, in an amount not to exceed \$112,611.20. This appears in the Appendage as Resolution No. 16549.

Award of Contract 04-6640 to CapitalSoft, Incorporated, for Web-Based Project and Document Management System, in an amount not to exceed \$2,500,000.00. This appears in the Appendage as Resolution No. 16550.

Renewal of Contract 03-6521 for Light Pole Couplings to Heintz Electric Company by \$38,000.00 from \$32,000.00, to an amount not to exceed \$70,000.00. This appears in the Appendage as Resolution No. 16551.

Resolution increasing the dollar limit on Contract 03-6515 for Engineering Printing Services and Web Plan Services to B & H Industries by \$100,000.00 from \$50,000.00, to an amount not to exceed \$150,000.00. This appears in the Appendage as Resolution No. 16552.

Resolution increasing the dollar limit on Contract 03-6520 for Gasoline and Diesel Fuel to Bell Fuels, Incorporated by \$80,000.00 from \$41,348,725.25, to an amount not to exceed \$1,428,725.25. This appears in the Appendage as Resolution No. 16553.

Chairman Mitola called for a motion adopting said resolutions. Director Banks 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.

Mr. McPartlin then requested adoption of the Award of Contract 04-6654 for TIMS Partnership with WMAQ-TV/NBC5. This appears in the Appendage as Resolution No. 16554.

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

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 Operations. Ms. Karen Burke requested adoption of the following:

A resolution increasing the dollar limit on Contract 03-6564 for I-PASS Transponder Packaging, Distribution and Back-Office Support to IGOR, The Watchdog Corporation, by \$3,890,179.00 from \$1,132,100.00 to an amount not to exceed \$5,022,279.00. This appears in the Appendage as Resolution No. 16555.

A resolution increasing the dollar limit on Contract 03-6528 for Transponders to Mark IV IVHS by \$8,496,700.00 from \$7,275,000.00 to an amount not to exceed \$15,771,700.00. This appears in the Appendage as Resolution No. 16556.

Chairman Mitola called for a motion adopting said resolutions. Director Banks moved for adoption; 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 called on the Chief Engineer. Mr. Jeff Dailey requested adoption of the following:

Extra Work Order on Contract RR-02-5063 in the amount of \$400,000.00 to Rockford Blacktop Construction Co. for Roadway Resurfacing on the Northwest Tollway, approximately between Mile Posts 53 (near Genoa Road) and 62 (Newburg Rd.). This appears in the Appendage as Resolution No. 16557.

Extra Work Order on Contract RR-02-5109 in the amount of \$400,000.00 to Central Blacktop Co., Inc. for Intermittent Pavement Repairs on the Tri-State Tollway at Mile Post 25.2 (Hinsdale Oasis), from mile Post 26.8 (47th St.) to Mile Post 29.0 (31st St.) and at Mile Post 38.7 (Irving Park Rd.). This appears in the Appendage as Resolution No. 16558.

Extra Work Order on Contract RR-01-8940 in the amount of \$300,000.00 to Walsh Construction Company of Illinois for Markham Yards Bridge Widening and Pavement Reconstruction on the Tri-State Tollway from Mile Post 3.5 to Mile Post 4.07. This appears in the Appendage as Resolution No. 16559.

Release of Retainage on Contract RR-03-5081 in the amount of \$113,807.79 to Plote Construction, Inc. for Intermittent Pavement Repairs, Marking and Striping on the Tri-State Tollway from Mile Post 40.5 (O'Hare Interchange) to Mile Post 52.5 (Sanders Rd.) and Mile Post 56.0. This appears in the Appendage as Resolution No. 16560.

Release of Retainage on Contract RR-01-5120 in the amount of \$25,000.00 to James Cape & Sons Company for I-PASS Modifications on the East-West Tollway at Mile Post 138.2 Plaza 51 (York Rd.). This appears in the Appendage as Resolution No. 16561.

Permit No. EW-04-06 to Verizon North, Inc. for permission to install, operate and maintain a fiber optic crossing to the east side of Caron Road on the Reagan Memorial Tollway. Fee will be \$1,000.00. This appears in the Appendage as Resolution No. 16562.

Sale of excess property located in the southwest quadrant of I-294 and 47th Street in Hinsdale to Hartz Construction Co., Inc. in the amount of \$510,000.00. This appears in the Appendage as Resolution No. 16563.

Acquisition of specific properties for the reconstruction and widening of the South Tri-State Tollway. This appears in the Appendage as Resolution No. 16564.

Resolution approving an amendment to the Oases main lease with Wilton Partners. This appears in the Appendage as Resolution No. 16565.

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

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:

A resolution approving an Intergovernmental Agreement with Kane County and the Village of North Aurora in connection with annexed properties adjacent to Randall Road immediately north of Ronald Reagan Memorial Tollway right-of-way. This appears in the Appendage as Resolution No. 16566.

A resolution approving an Intergovernmental Agreement with IDOT for cost participation in moving a Dynamic Message Sign and CCTV Cameras on I-90. This appears in the Appendage as Resolution No. 16567.

Chairman Mitola called for a motion adopting said resolutions. Director Banks 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.

Mr. Bamonte then requested adoption of a resolution amending Resolution No. 16538, to allow for the marketing and sale of I-PASS Transponders at additional Secretary of State facilities. This appears in the Appendage as Resolution No. 16568.

Chairman Mitola called for a motion adopting said resolution. Director Towns 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 stated he had one item under Unfinished Business. Mr. David Buckels spoke during the Public Comment period about getting violation notices and he has an I-PASS. Mr. Matt Beaudet immediately responded to Mr. Buckels and found out that there was a clerical error. The situation has been corrected.

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

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

Meeting adjourned at approximately 12:35 p.m.

Secretary
The Illinois State Toll Highway Authority

