

**THE ILLINOIS STATE TOLL HIGHWAY AUTHORITY
MINUTES OF THE
FINANCE ADMINISTRATION OPERATIONS
COMMITTEE MEETING**

January 16, 2013

The Illinois State Toll Highway Authority held a Finance Administration Operations (FAO) Committee Meeting on Wednesday, January 16, 2013 at approximately 8:35 a.m. at the Central Administration Building in Downers Grove, Illinois.

Committee Members Present:

Committee Chair Mark Peterson
Director David Gonzalez
Chair Paula Wolff (Ex-officio member)

Not Present:

Director Terry D’Arcy

Committee Chair Peterson called the meeting to order and opened the floor for public comment. No public comment was offered.

Committee Chair Peterson then noted that the minutes of the Finance Administration Operations Committee Meeting and Executive Session held on Wednesday, December 12, 2012 would be presented to the committee at the February Finance Administration Operation Committee Meeting.

EXECUTIVE DIRECTOR

Overview: Improving Maintenance Facilities

Executive Director Kristi Lafleur introduced Paul Kovacs, Chief of Engineering, to present Overview: Improving Maintenance Facilities as shown in the [attached presentation](#).

Chair Wolff asked the reasons for the re-location of facilities. Mr. Kovacs responded that due to the expansion of the existing roadway, some of the current maintenance facility sites are not in an optimal location to provide the most efficient operational benefit. Executive Director Lafleur added the area is prime development for the community so the relocations would be beneficial for both the Tollway and the impacted communities.

Director Peterson asked if a Design-Build contract was considered for the maintenance sites. Mr. Kovacs responded the Tollway does not have the authority to engage in Design-Build contracting; Illinois statutes would need to be changed to accommodate it. Chair Wolff asked that considerations beyond LEED certification be communicated to the consultants so uniqueness and excellence in design aesthetics will be part of the plan standards. Mr. Kovacs concurred.

Director Peterson asked about salt storage. Mr. Kovacs responded that salt storage will be brought to the design consultant for further review. Chair Wolff if there might be lessons learned from maintenance facility upgrades on other roadway systems. **Executive Director Lafleur committed to obtaining such information through current industry associations.**

Committee Chair Peterson called on Michael Colsch, Chief of Finance, to present the following **Finance** items:

Item 1: Renewal of Contract with Cannon Cochran Management Services, Inc. (CCMSI) for the Workers' Compensation Claim Administration for a one-year period commencing May 1, 2013 through April 30, 2014 in an annual amount not to exceed \$76,950.00. (Recusal

by Director Redick)

Director Peterson asked when the last count for Tollway claims was over 225. Mr. Colsch responded the last year claims surpassed the 225 count was the 2000 to 2001 claim year. He noted that the Tollway has averaged approximately 180 claims in the last two years.

Chair Wolff asked if there was a cost-benefit analysis that can be done. Mr. Colsch described the processes currently in place resulting in savings to the Tollway.

Item 2: Renewal of Contract with Minnesota Life Insurance for the Life Insurance Benefit Program for a period of one-year commencing May 1, 2013 through April 30, 2014 in an estimated annual premium not to exceed \$450,660.00.

Director Peterson asked if a broker was involved in this contract. It was explained a broker was not involved. The utilization of a broker and benefits were discussed.

Director Gonzalez made a motion for approval of **Finance Items 1 and 2**; seconded by Director Peterson. The motion was approved unanimously.

Committee Chair Peterson called on John Donato, Chief of Procurement, to present the following **Procurement** items:

Item 1: Amend Resolution No. 19830 – Dollar Amount Correction to Contract 12-0001 to Miles Chevrolet, Inc. for the purchase of Police Pursuit Vehicles in an amount not to exceed \$2,059,407.00 (Order Against CMS Master Contract).

Item 2: Award of Contract 13-0022 to Mythics, Inc. for the purchase of Oracle Software Licensing Support and Maintenance in an amount not

to exceed \$1,475,380.11 (Order Against CMS Master Contract).

Item 3: Award of Contract 12-0047 to Anderson Lock Company for the purchase of Safe Repair and Maintenance Services in an amount not to exceed \$123,470.00 (Tollway Invitation for Bid).

Item 4: Renewal of Contract 11-0013 to Cullen, Inc. d.b.a. Cullen & Associates for the purchase of Legislative Liaison Services in an amount not to exceed \$120,000.00 (Tollway Request for Proposal).

Item 5: Award of Contract 13-0025 to Quimex, Inc. for the purchase of Lubricants, Greases and Oils (Virgin) in an amount not to exceed \$70,000.00 (Tollway Emergency).

Executive Director Lafleur explained a presentation will be made to the full board on the current procurement process. A discussion ensued on the current procurement timeline and its impact on Tollway contracting. Director Gonzalez asked how the Legislative Liaison Services were advertised. A discussion ensued on the procurement process of Legislative Liaison Services and reviewing the Tollway's approach on the next RFP for these services.

Director Gonzalez made a motion for approval of **Procurement Items 1-5**; seconded by Director Peterson. The motion was approved unanimously.

Committee Chair Peterson called on Paul Kovacs, Chief of Engineering, to present the following **Engineering** Items:

Item 1: Award of contract RR-08-9043 to G4S Technology, LLC for Digital Video Migration and Traffic Operations Center (TOC) Upgrades, systemwide in the amount of \$2,277,925.00.

Director Peterson requested further information on the reasons bidders on item #1, RR-08-9043, were deemed incomplete. Mr. Kovacs committed to providing requested information.

Item 2: Award of Contract I-12-4072 to William Charles Construction Company, LLC / Rock Road Companies, Inc., Joint Venture for Eastbound Widening and Reconstruction on the Jane Addams Memorial Tollway (I-90) from Milepost 17.7 (Mill Road) to Milepost 24.9 (Genoa Road) in the amount of \$28,672,756.59. (Recusal by Director Towns) This item was deferred to January board.

Item 3: Award of Contract I-12-4066 to Lorig Construction Company for Roadway Widening & Bridge Reconstruction of Ramp B, on the Tri-State Tollway (I-294) at the I-57 Interchange, from Milepost 7.5 to Milepost 7.8 in the amount of \$29,515,070.33.

Item 4: Acceptance of Proposal from Cotter Consulting, Inc./CivCon Services, Inc./SE3, LLC, Joint Venture, on Contract RR-12-4047 for Construction Management Services for Roadway Resurfacing on the Veterans Memorial Tollway (I-355) from M.P. 0.0 (I-80) to M.P. 29.8 (Army Trail Road), in an amount not to exceed \$1,998,845.00.

Item 5: Acceptance of Proposal from Applied Research Associates, Inc. on Contract MO-12-1237 for Pavement Roadway Management Services systemwide, in an amount not to exceed \$13,005,000.00.

Item 6: Acceptance of Proposal from System Development Integration, LLC on Contract RR-12-9134 for Intelligent Transportation Systems (ITS) Network Support/Technical Deployment Guidance and ITS Maintenance Management/PM Support Services systemwide, in an

amount not to exceed \$2,659,406.00.

A discussion ensued on expanding outreach efforts to increase competition for ITS contracts.

Item 7: Acceptance of Proposal from Primera Engineers, Ltd. / EJM Engineering, Inc., Joint Venture on Contract I-12-4083 for Design Services Upon Request systemwide, in an amount not to exceed \$7,500,000.00.

Item 8: Acceptance of Proposal from Techknow Engineering / Hanson Professional Services, Inc., Joint Venture on Contract RR-12-9132 for Design Services Upon Request systemwide, in an amount not to exceed \$2,500,000.00.

Item 9: Acceptance of Proposal from Bowman, Barrett & Associates, Inc. on Contract RR-12-4084 for Construction Management Services Upon Request systemwide, in an amount not to exceed \$7,500,000.00.

Item 10: Acceptance of Proposal from J.A. Watts, Inc. on Contract RR-12-9133 for Construction Management Services Upon Request systemwide, in an amount not to exceed \$2,500,000.00.

Item 11: Acceptance of Proposal from Gilbane Building Company on Contract MO-12-1234R for Construction Management Services for Construction Practices Review and Audit Services, in an amount not to exceed \$1,000,000.00. This item was deferred to January board.

Item 12: Acceptance of Proposal from Crawford, Murphy & Tilly, Inc., on Contract RR-09-5584 for Supplemental Design Services for Roadway

and Bridge Rehabilitation on the Tri-State Tollway (I-294) from Milepost 26.9 (BNRR) to Milepost 30.0 (Cermak Road Plaza 35) and on the Reagan Memorial Tollway (I-88) at Milepost 138.7 (Cermak Road) in the amount of \$138,000.00 from \$1,909,581.20 to \$2,047,581.20. This item was deferred to January board.

Item 13: Acceptance of Proposal from ESI Consultants, Ltd., on Contract I-11-5624 for Supplemental Construction Management Services for Roadway Widening and Reconstruction on the Reagan Memorial Tollway (I-88) from Milepost 114.2 (Deerpath Road) to Milepost 113.3 (IL Route 56) in the amount of \$228,005.00 from \$1,060,478.36 to \$1,288,483.36. This item was deferred to January board.

Item 14: Continuation of Services on Contract RR-10-9974 with CDM Smith Associates, Inc., for Traffic Engineer Services Systemwide, in the amount of \$4,287,750.00 from \$9,455,372.19 to \$13,743,122.19. This item was deferred to January board.

Item 15: Partial Release of Retainage on Contract I-12-4036 to Curran Contracting Company for Shoulder Widening on the Jane Addams Memorial Tollway (I-90) from Milepost 27.6 (Mosquito Creek) to Milepost 45.3 (Sandwald Road) by \$808,829.55 from \$908,829.55 to \$100,000.00. This item was deferred to January board.

Item 16: Final Release of Retainage on Contract RR-08-5569 to Lorig Construction Company for Bridge Rehabilitation on the Tri-State Tollway (I-294) at Milepost 40.8 (I-90) in the amount of \$194,500.00. This item was deferred to January board.

A discussion ensued on the items 11 and 14. Items 11 thru 16 are being deferred to the January Board meeting to provide further diversity detail.

Item 17: Amendment to Resolution 19584 authorizing acquisition of real estate needed for the Jane Addams Memorial Tollway (I-90) Corridor. Cost to the Tollway: N/A

A discussion ensued on the land acquisition process. Mr. Kovacs committed to providing the board with information in advance as it becomes available.

Item 18: Amendment to Resolution 19584 authorizing acquisition of real estate needed for the Elmhurst Road Interchange, as part of the Elgin O'Hare Western Access (EOWA). Cost to the Tollway: N/A

Item 19: DiBenedetto (Additional Identification of Real Estate Parcels associated with the I-294/I-57 Interchange). Cost to the Tollway: N/A

Director Gonzalez made a motion for approval of **Engineering Items 1, 3, 4-10, 17-19**; seconded by Director Peterson. The motion was approved unanimously.

Engineering Items 2 and 11-16 were deferred to the full board for consideration.

Committee Chair Peterson called on David Goldberg, General Counsel, to present the following **Legal** item:

Item 1: A Third Intergovernmental Agreement Addendum with the Board of Trustees of the University of Illinois for Pavement Research. Cost to the Tollway \$100,000.

Director Gonzalez made a motion for approval of **Legal Item 1**; seconded by Committee Chair Peterson. The motion was approved unanimously.

At approximately 10:03 a.m. David Goldberg, General Counsel, indicated the need to discuss collective bargaining matters and real estate acquisition in Executive Session pursuant to Section 2(c)(2) and 2(c)(5) of the Open Meetings Act. Committee Chair Peterson made the motion to enter into Executive Session; seconded by Director Gonzalez. The motion was approved unanimously.

At approximately 10:14 a.m., the Committee re-entered the public session of the Finance Administration Operations Committee meeting.

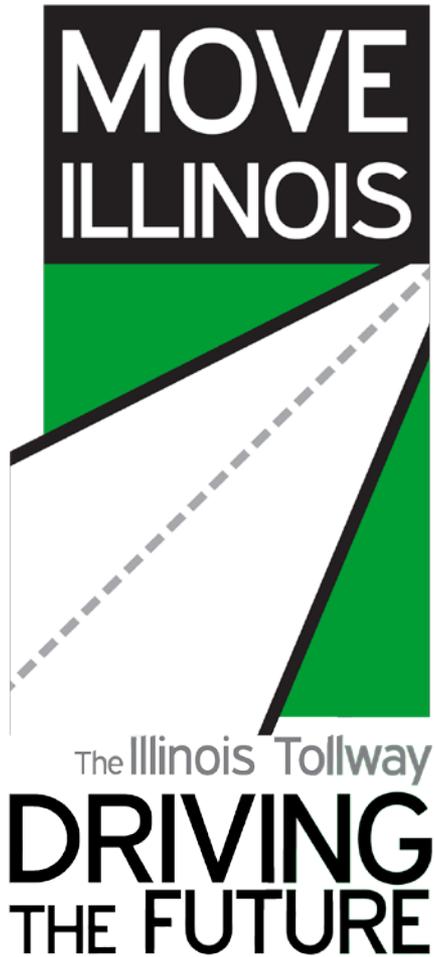
There being no further business, Committee Chair Peterson requested a motion to adjourn. Motion to adjourn was made by Director Gonzalez; seconded by Director Peterson. The motion was approved unanimously.

The meeting was adjourned at approximately 10:30 a.m.



Minutes taken by: _____

Marlene Vick
Assistant Board Secretary
Illinois State Toll Highway Authority



Overview: Improving Maintenance Facilities

Paul Kovacs, January 16, 2013

Maintenance Facilities

- ▶ Eleven existing “M-Sites”
 - ▶ Range in age from 18 to 54 years
- ▶ House the people, equipment and materials needed to keep the system operational

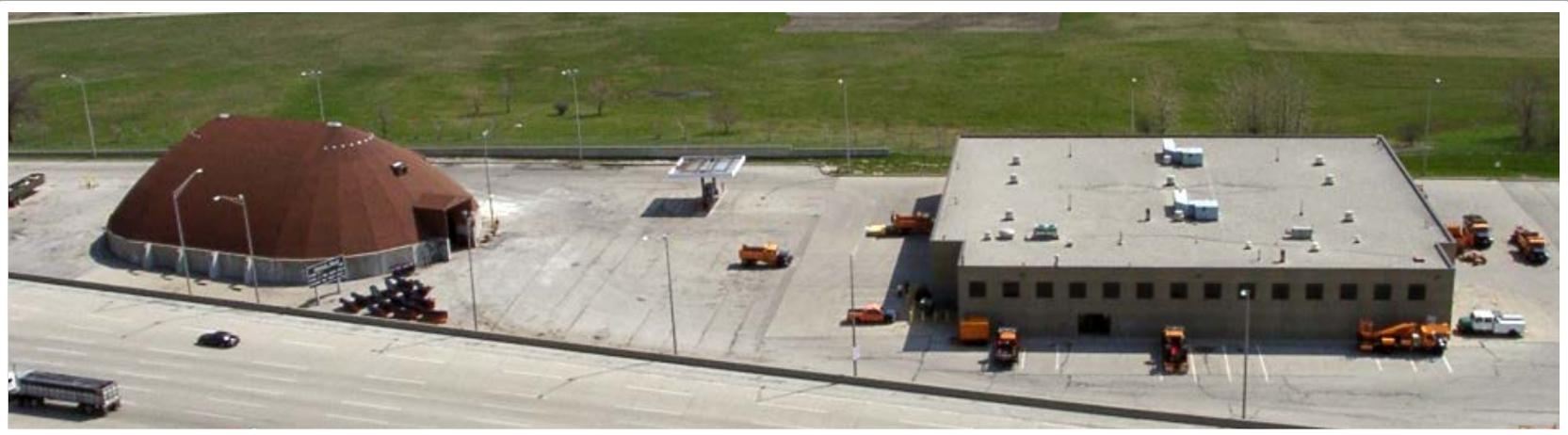
*Equipment storage,
maintenance and repair*

Material storage

Fueling stations

Radio towers

State Police use

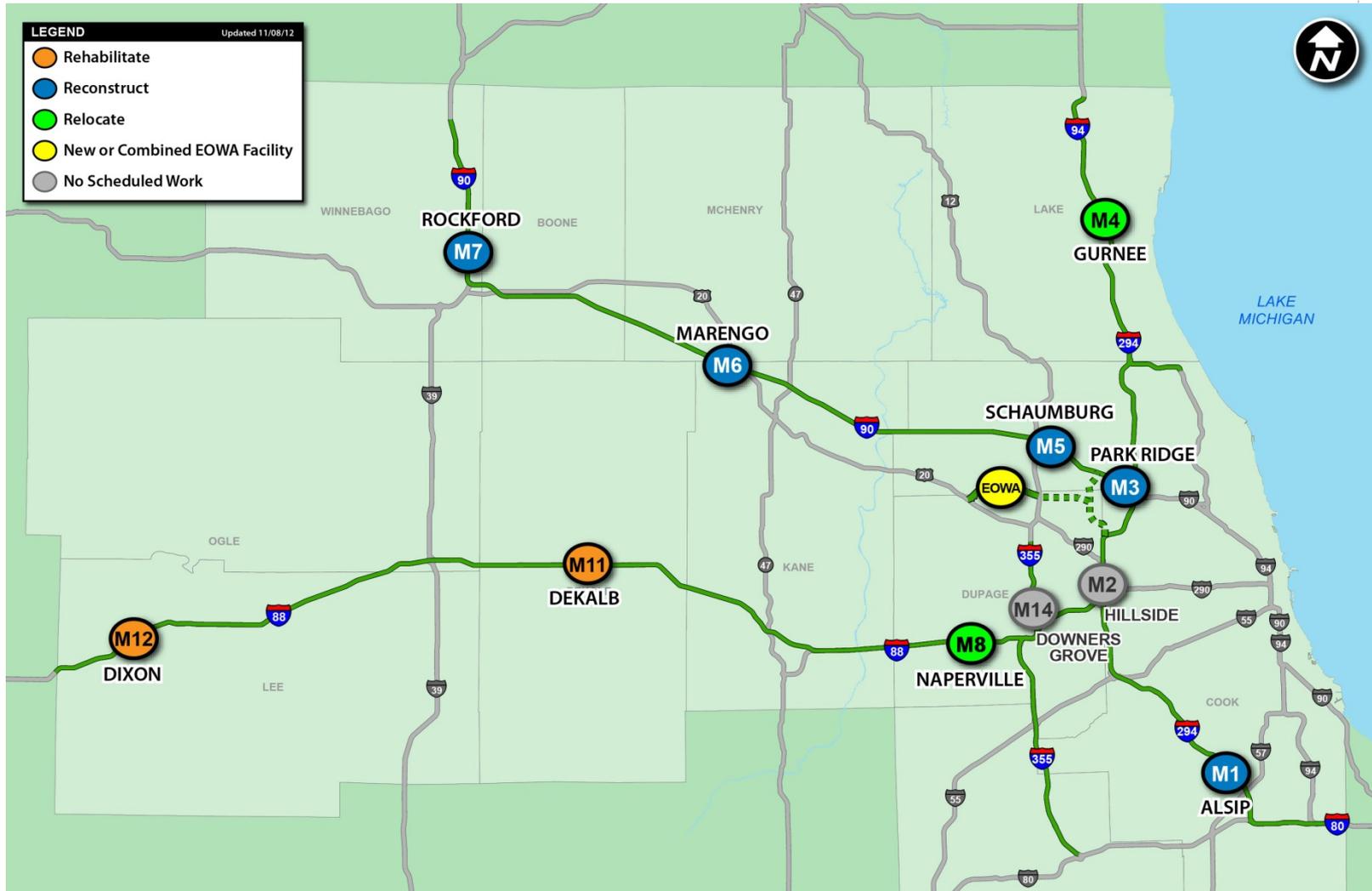


Improve Aging Infrastructure

- ▶ \$506 million budget
- ▶ 2013-2026
- ▶ Designed to meet LEED standards
- ▶ Improving nine (9) sites
 - 5 reconstructions
 - 2 relocations
 - 2 rehabilitations

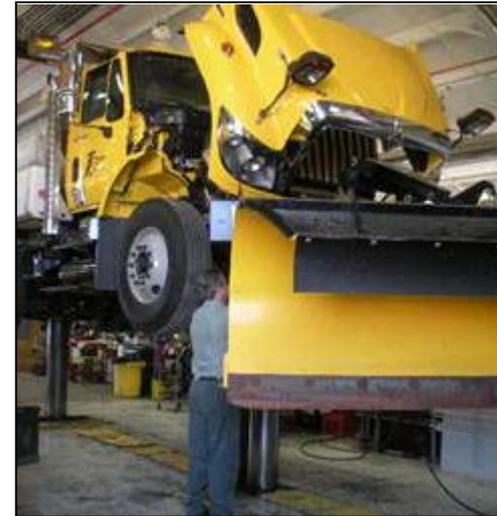


Contract Opportunities Across the Region



M-Site Approach

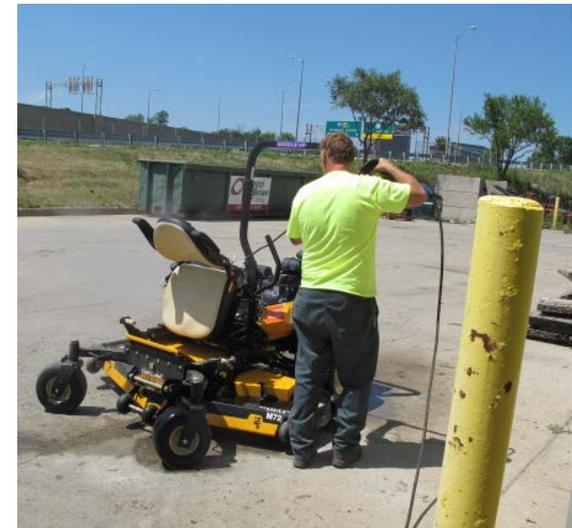
- ▶ **Prototype design for consistency and efficiency across the system**
 - ▶ Design contract on current Professional Services Bulletin
 - ▶ March Notice to Proceed, completion in 2015
- ▶ **Designer’s activities will set framework**
 - ▶ Two prototype designs for **LEED certified building**
 - ▶ Short-term maintenance repair plan for existing sites
 - ▶ Plats of survey for new and relocated facilities
 - ▶ Master plans for reconstructed or rehabilitated facilities
 - ▶ Strategy for maintaining operations during construction



M-Site Approach

- ▶ **Multiple contracts for site-specific work**
 - ▶ Up to **four (4)** design contracts for final design/site plans
 - ▶ Up to **eight (8)** construction management contracts
 - ▶ Minimum of **one construction contract per site (9)**

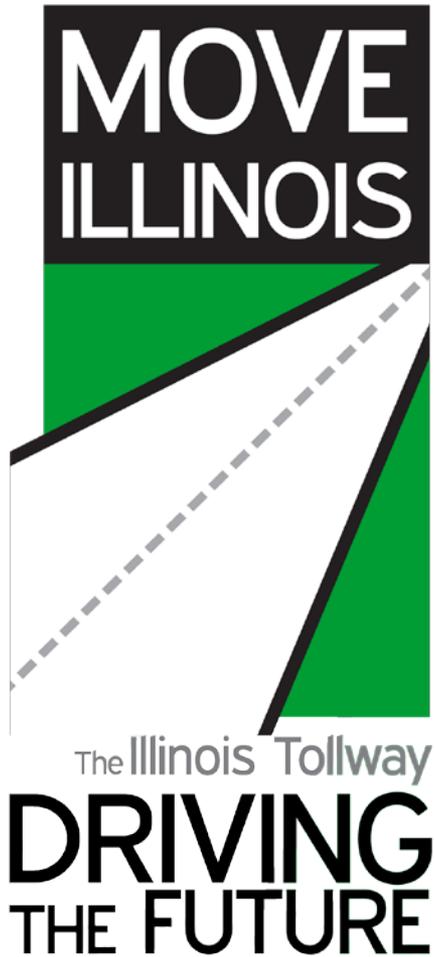
- ▶ **Encourage small business involvement**
 - ▶ Specialty contracts or subcontractor requirements for parking lots, landscaping and final finishing
 - ▶ Could result in **additional 21 contract opportunities**



Anticipated Schedule *subject to change*

► Design: 2013 – 2015

Facility	Project Type	Construction
M-8 – Naperville	Reconstruct/Relocate	2013 - 2026
M-4 – Gurnee	Reconstruct/Relocate	
M-1 – Alsip	Reconstruct	
EOWA	Construction	
M-5 – Schaumburg	Reconstruct	
M-7 – Rockford	Reconstruct	
M-6 – Marengo	Reconstruct	
M-11 – DeKalb	Rehabilitate	
M-3 – Park Ridge	Reconstruct	
M-12 – Dixon	Rehabilitate	



THANK YOU
