



Record of Meeting | March 14, 2018

The Illinois State Toll Highway Authority (the "Tollway") held the regularly scheduled Finance, Administration and Operations Committee Meeting on Wednesday, March 14, 2018 in the Boardroom of Tollway Headquarters in Downers Grove, Illinois. The Meeting was held pursuant to By-Laws of the Tollway upon call and notice of the Meeting executed by Chairman Robert J. Schillerstrom and posted in accordance with the requirements of the Illinois Open Meetings Act. The Meeting was open to the public.

[Bolded entries indicate issues which may require follow-up to present or report to Directors.]

Call to Order / Pledge of Allegiance / Roll Call

Committee Chair Joe Gomez called the Meeting to order at approximately 9:34 a.m., stating that this is the regularly scheduled meeting of the Finance, Administration and Operations Committee ("FAO Committee") of the Tollway Board of Directors. He invited attendees to rise and join in the Pledge of Allegiance. Committee Chair Gomez then asked the Board Secretary to call the roll, those Directors present and absent being as follows:

Table with 1 column: Committee Members Present. Rows include Committee Chair Joe Gomez, Director Corey Brooks, Director Earl Dotson, Jr., Director David Gonzalez, and Director Neli Vazquez Rowland.

Table with 1 column: Committee Members Not Present. Row includes None.

The Board Secretary declared a quorum present.

Public Comment

Committee Chair Gomez opened the floor for public comment. No public comment was offered.

Committee Chair's Items

Committee Chair Gomez called for a motion to approve Committee Chair's Item 1, the Minutes of the regular Finance, Administration and Operations Committee meeting held on February 14,



2018, as presented. Director Brooks made a motion for approval; seconded by Director Dotson. Committee Chair Gomez asked if there are any questions, concerns or requests for amendment. Hearing nothing, Committee Chair Gomez called for a vote. The motion was PASSED unanimously.

Having no further items, Committee Chair Gomez called on Kevin Artl, Chief Operating Officer.

### **Executive Director's Items**

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**2017 Year End Budget to Actual Review:** Mr. Artl introduced Mike Colsch, Chief Financial Officer, to present the financial review for the year ending December 31, 2017. [See attached presentation.](#)

Director Dotson commented on the favorable variances from budget of costs and revenue and inquired about financial planning and how surplus funds are purposed. Mr. Colsch responded that the lower operating costs, slightly higher revenue and lower costs of borrowing realized are contributing to funding of Tollway capital programs and are factors which allowed for enhancements approved by the Board to the Central Tri-State (I-294) Project.

Director Vazquez Rowland inquired about the positive variance from budget of pension costs and the impact of recent changes in Illinois pension law. Mr. Colsch summarized actuarial changes which have impacted pension contribution amounts.

Director Vazquez Rowland then inquired how repayments are structured and about the success of reimbursement when the Tollway is footing the upfront costs on shared projects. Rocco Zucchero, Deputy Chief Engineer for Planning, responded that reimbursement from local municipalities is historically good and that repayment is typically structured with 80% occurring at the time of contract award and 20% upon completion of the project.

Hearing no further questions, Committee Chair Gomez then welcomed the Tollway's new Executive Director, Liz Gorman, who will start on March 16<sup>th</sup>, and the new Chief of Operations, Pat Taylor.

### **Items for Consideration**

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#### **Procurement**

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



Item 1: Award of Contract 17-0082 to National Tek Services, Inc. for the purchase of Thermal Paper for PocketJet Printers in an amount not to exceed \$401,280.00 (CMS-Led Invitation for Bid for the Tollway).

Item 2: Renewal of Contract 13-0171 to Genuine Parts Company for the purchase of a Vendor Managed Inventory (“VMI”) Program in an amount not to exceed \$20,000,000.00 (Tollway Request for Proposal).

Item 3: Renewal of Contract 13-0203 to Grant Thornton LLP for the purchase of Enterprise Resource Planning Independent Verification and Validation Services in an amount not to exceed \$830,000.00 (Tollway Request for Proposal).

Item 4: Award of Contract 17-0044 to Kimco USA Inc. for the purchase of Portable Salt Conveyors in an amount not to exceed \$648,868.06 (Tollway Invitation for Bid).

Item 5: Amendment to Contract 15-0138RR to Premier Specialties, LLC for the purchase of Fire Alarm and Sprinkler System Inspections, Repairs, and Replacement Parts in an amount not to exceed \$125,000.00 (Tollway Invitation for Bid).

Committee Chair Gomez requested a motion to consolidate for consideration and action Procurement Items 1 through 5. Director Vazquez Rowland made a motion to consolidate; seconded by Director Brooks. Committee Chair Gomez called for a vote. The motion was PASSED unanimously.

The motion to consolidate these items having carried, Committee Chair Gomez called for a motion to approve placement of **Procurement Items 1 through 5** on the March Board of Directors meeting agenda with the Committee’s recommendation for approval by the Board. Director Dotson made a motion for approval; seconded by Director Brooks. Committee Chair Gomez asked if there are any questions, concerns or requests for discussion of these items. Hearing nothing, Committee Chair Gomez called for a vote. The motion was PASSED unanimously.

## Engineering

Committee Chair Gomez called on Paul Kovacs, Chief Engineering Officer, to present to the Committee the following Engineering items:

Item 1: Award of Contract RR-18-4350 to Foundation Mechanics, LLC for Ramp Rehabilitation, on the Tri-State Tollway (I-94) from Milepost 8.0 (Grand Avenue) to Milepost 22.0 (Half Day Road), in the amount of \$1,048,613.00.



*Item 2: Award of Contract I-18-4368 to Pagoda Electric & Construction for a M-6 Maintenance Facility building, on the Jane Addams Memorial Tollway (I-90), at Milepost 41.9 (Marengo - Hampshire), in the amount of \$1,223,000.00.*

*Item 3: Award of Contract RR-18-4371 to Fence Masters, Inc. for Systemwide Fencing and Site Improvements, on the Reagan Memorial Tollway (I-88) from Milepost 49.8 (Dixon Tower) to Milepost 91.5 (Annie Glidden Road) and Veterans Memorial Tollway (I-355) from Milepost 3.3 (Spring Creek Plaza 99) to Milepost 14.3 (Boughton Road Plaza 89), in the amount of \$1,750,042.32.*

*Item 4: Award of Contract I-17-4687 to Judlau Contracting, Inc. for Advanced Earthwork and Retaining Wall Construction, on the Tri-State Tollway (I-294) from Milepost 35.85 (Union Pacific Railroad) to Milepost 36.20 (South of Wolf Road); Western Access Tollway (I-490) N. of Tri-State Tollway (I-294) from Milepost 0.15 to Milepost 0.30 and Illinois Route 390 Tollway from Milepost 12.30 to Milepost 12.6, in the amount of \$7,061,001.39.*

Director Vazquez Rowland commented positively on the use of credits from the Tollway's Earned Credit Program ("ECP"). Mr. Kovacs highlighted that Item 4, if awarded, would represent the thirty-first Tollway contract won using ECP credits.

*Item 5: Award of Contract RR-16-4256 to Plote Construction, Inc. / Dunnet Bay Construction Company, (JV) for Roadway and Bridge Rehabilitation and Widening, on the Veterans Memorial Tollway (I-355) from Milepost 23.3 (Butterfield Road) to Milepost 29.8 (Army Trail Road), in the amount of \$50,813,308.12.*

*Item 6: Award of Contract RR-13-4117 to Walsh Construction Company II, LLC for Ramp Reconstruction, on the Reagan Memorial Tollway (I-88) at Milepost 138.7 (Ramp N) and Tri-State Tollway (I-294) at Milepost 29.1 (Ramp M), in the amount of \$12,744,744.94.*

*Item 7: Award of Contract RR-18-9014 to R.W. Dunteman Company for East Parking Lot Improvements, at the Tollway Central Administration (CA) Building, in the amount of \$1,978,317.22.*

*Item 8: Award of Contract RR-18-4351 to Lorig Construction Company for Bradley Road Bridge Reconstruction, on the Tri-State Tollway (I-94) at Milepost 17.3 (Bradley Road), in the amount of \$6,697,889.20.*

Mr. Kovacs noted that the award of Item 8 would represent the thirty-second Tollway contract in which ECP credits have been utilized by the winning bidder. He highlighted that the ECP program is providing underemployed populations access to construction industry jobs and has fostered to-date the employment of 333 individuals, earning cumulatively almost \$60 million in wages.



Upon conclusion of the presentation of the items, Committee Chair Gomez requested a motion to consolidate for consideration and action Engineering Items 1 through 8. Director Brooks made a motion to consolidate; seconded by Director Vazquez Rowland. Committee Chair Gomez called for a vote. The motion was PASSED unanimously.

The motion to consolidate these items having carried, Committee Chair Gomez called for a motion to approve placement of **Engineering Items 1 through 8** on the March Board of Directors meeting agenda with the Committee's recommendation for approval by the Board. Director Vazquez Rowland made a motion for approval; seconded by Director Brooks. Committee Chair Gomez asked if there are any questions, concerns or requests for discussion of these items. Hearing nothing, Committee Chair Gomez called for a vote. The motion was PASSED unanimously.

## Legal

Committee Chair Gomez called on Liz Oplawski, Acting General Counsel, to present to the Committee the following Legal items:

*Item 1: Approval of a General Utility Agreement with Crown Castle Communications for the relocation, removal and protection of fiber optic cable. Cost to the Tollway: \$0.*

Committee Chair Gomez called for a motion to approve placement of **Legal Item 1** on the March Board of Directors meeting agenda with the Committee's recommendation for approval by the Board. Director Vazquez Rowland made a motion for approval; seconded by Director Dotson. Committee Chair Gomez asked if there are any questions, concerns or requests for discussion. Hearing nothing, Committee Chair Gomez called for a vote. The motion was PASSED unanimously.

## Adjournment

There being no further business before the Committee, Committee Chair Gomez requested a motion to adjourn. Motion to adjourn was made by Director Brooks; seconded by Director Dotson. Committee Chair Gomez called for a vote. The motion was PASSED unanimously.



The Meeting was adjourned at approximately 10:01 a.m.

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

Christi Regnery  
Board Secretary  
Illinois State Toll Highway Authority