



## Record of Meeting | March 25, 2021

The Illinois State Toll Highway Authority (“Tollway”) held the regularly scheduled Finance, Administration and Operations (“FAO”) Committee meeting on Thursday, March 25, 2021. The meeting was held pursuant to the By-Laws of the Tollway upon call and notice of the meeting executed by Chairman Willard S. Evans, Jr. and posted in accordance with the requirements of the Open Meetings Act, 5 ILCS 120/1, *et seq.*

Due to necessary precautions relating to COVID-19, in accordance with the Gubernatorial Disaster Proclamation and current conditions, and consistent with the Open Meetings Act, it was determined by Chairman Willard S. Evans, Jr. that an in-person meeting of the body was neither practical nor prudent. In compliance with all conditions of Section 7(e) of the Open Meetings Act, 5 ILCS 120/7(e), the Committee meeting was conducted by audio conference. A telephone access number was provided for members of the public to monitor and/or participate in the meeting.

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

## Call to Order / Roll Call

Committee Chair McConnaughay called the meeting to order at approximately 10:08 a.m. She then asked the Board Secretary to call the roll, those Directors present and absent being as follows:

Committee Members Present:
Committee Chair Karen McConnaughay
Director Alice Gallagher
Director Scott Paddock
Director Gary Perinar

Committee Members Not Present:
Director James Sweeney

Other Directors Present:
Director James Connolly
Director Stephen Davis
Director Jacqueline Gomez
Chairman Willard S. Evans, Jr.



The Board Secretary declared a quorum present.

## Public Comment

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

## Committee Chair's Items

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Committee Chair McConnaughay entertained a motion to approve **Committee Chair's Item 1**, the Minutes of the regular FAO Committee meeting held on February 25, 2021, as presented. Director Perinar made a motion to approve the Minutes, seconded by Director Paddock. Chair McConnaughay asked that the roll be called on the motion, the vote of yeas and nays being as follows:

Yeas: Director Perinar, Director Paddock, Director Gallagher, Committee Chair McConnaughay (4)

Nays: (0)

The motion PASSED.

Having no further items, Committee Chair McConnaughay called on Executive Director José Alvarez.

## Executive Director's Items

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Executive Director Alvarez introduced Cathy Williams, Chief Financial Officer, to provide the 2020 Year End Budget vs. Actual Review. [See attached presentation.](#)

Director McConnaughay commended the budget staff and Ms. Williams for their accuracy of forecast during uncertain times.

Upon conclusion of the presentation, Executive Director Alvarez noted that the meeting agenda contains 24 items for the Committee's consideration. He then proceeded to the presentation of items for consideration.

## Items for Consideration

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### Finance



Executive Director Alvarez called on Cathy Williams, Chief Financial Officer, to present to the Committee the following item:

*Item 1: Award of Contract 21-0022 to RSUI Indemnity Company, Westchester Fire Insurance Company, Lloyd's of London, Westchester Surplus Lines Insurance Company, Berkley National Insurance Company and Federal Insurance Company for the purchase of a Property Insurance Program through insurance broker, Mesirow Insurance Services, Inc., for the combined annual premium of \$1,740,855.00 for a one-year term (Order Against CMS Master Contract).*

Upon conclusion of the item presentation, Committee Chair McConnaughay entertained a motion to approve placement of **Finance Item 1** on the March Board of Directors meeting agenda with the Committee's recommendation for approval by the Board. Director Perinar made a motion to approve this item, seconded by Director Paddock. Chair McConnaughay asked that the roll be called on the motion, the vote of yeas and nays being as follows:

Yeas: Director Perinar, Director Paddock, Director Gallagher, Committee Chair McConnaughay (4)

Nays: (0)

The motion PASSED.

### **Information Technology**

Executive Director Alvarez called on Joe Kambich, Chief of Information Technology, to present to the Committee the following items:

*Item 1: Award of Contract 21-0055 to Dell Technologies Inc. for the purchase of Microsoft Office 365 and Remote Desktop Services in an amount not to exceed \$668,177.00 (Order Against DoIT Master Contract).*

*Item 2: Award of Contract 21-0071 to DLT Solutions, LLC for the purchase of Informatica Software Licenses, Services, Maintenance and Support in an amount not to exceed \$956,827.71 (Order Against DoIT Master Contract).*

*Item 3: Award of Contract 21-0072 to Carahsoft Technology Corporation for the purchase of Okta Software, Training and Services in an amount not to exceed \$236,685.14 (Release Off a Multiple Award Master Contract).*

Upon conclusion of the presentation of items, Committee Chair McConnaughay entertained a motion to consolidate for consideration and action Information Technology Items 1 thru 3. Director



Perinar made a motion to consolidate these items, seconded by Director Paddock. Committee Chair McConnaughay asked that the roll be called on the motion, the vote of yeas and nays being as follows:

Yeas: Director Perinar, Director Paddock, Director Gallagher, Committee Chair McConnaughay (4)

Nays: (0)

The motion PASSED.

The motion to consolidate these items having carried, Committee Chair McConnaughay entertained a motion to approve placement of **Information Technology Items 1 thru 3** on the March Board of Directors meeting agenda with the Committee's recommendation for approval by the Board. Director Perinar made a motion to approve these items, seconded by Director Paddock. Chair McConnaughay asked that the roll be called on the motion, the vote of yeas and nays being as follows:

Yeas: Director Perinar, Director Paddock, Director Gallagher, Committee Chair McConnaughay (4)

Nays: (0)

The motion PASSED.

### **Facilities & Fleet Operations**

Executive Director Alvarez called on Dave Donovan, Chief of Facilities & Fleet Operations, to present to the Committee the following items:

*Item 1: Award of Contract 21-0028 to Rush Truck Centers of Illinois, Inc. (d.b.a Rush Truck Center, Springfield) for the purchase of Snowplow Vehicles in an amount not to exceed \$4,880,433.68 (Order Against CMS Master Contract).*

*Item 2: Award of Contract 21-0029 to Rush Truck Centers of Illinois, Inc. (d.b.a. Rush Truck Center, Springfield) for the purchase of Truck and Equipment Repair Services in an amount not to exceed \$1,750,000.00 (Order Against CMS Master Contract).*

*Item 3: Award of Contract 21-0017 to Energy Absorption Systems, Inc. for the purchase of Trailer-Mounted Crash Attenuators in an amount not to exceed \$414,304.00 (Order Against CMS Master Contract).*



Upon conclusion of the presentation of items, Committee Chair McConnaughay entertained a motion to consolidate for consideration and action Facility & Fleet Operations Items 1 thru 3. Director Perinar made a motion to consolidate these items, seconded by Director Paddock. Committee Chair McConnaughay asked that the roll be called on the motion, the vote of yeas and nays being as follows:

Yeas: Director Perinar, Director Paddock, Director Gallagher, Committee Chair McConnaughay (4)

Nays: (0)

The motion PASSED.

The motion to consolidate these items having carried, Committee Chair McConnaughay entertained a motion to approve placement of **Facility & Fleet Operations Items 1 thru 3** on the March Board of Directors meeting agenda with the Committee's recommendation for approval by the Board. Director Perinar made a motion to approve these items, seconded by Director Paddock. Chair McConnaughay asked that the roll be called on the motion, the vote of yeas and nays being as follows:

Yeas: Director Perinar, Director Paddock, Director Gallagher, Committee Chair McConnaughay (4)

Nays: (0)

The motion PASSED.

## Engineering

Executive Director Alvarez called on Manar Nashif, Acting Chief Engineering Officer, to present to the Committee the following Engineering items:

*Item 1: Award of Contract RR-20-4544 to Foundation Mechanics, LLC for M-8 Maintenance Facility Westbound Access Road on the Reagan Memorial Tollway (I-88) from Mile Post 117.4 (IL 25) to Mile Post 117.5 (Plaza 61 Aurora) in the amount of \$4,616,388.46.*

*Item 2: Award of Contract RR-20-4549 to Elite Fiber Optics LLC for Fiber Optic Construction Upon Request, Systemwide, in the amount of \$2,217,355.20.*

*Item 3: Award of Contract RR-21-4560 to Western Remac, Inc. for Plaza Modifications on the Reagan Memorial Tollway (I-88) from Mile Post 133.9 (Plaza 52 Meyers Road) to Mile Post 139.8 (Plaza 51 York Road) in the amount of \$710,197.60.*



*Item 4: Award of Contract RR-21-4561 to Western Remac, Inc. for Plaza Modifications on the Veterans Memorial Tollway (I-355) from Mile Post 13.1 to Mile Post 15.5 (Plaza 89-Boughton Road) and from Mile Post 27.8 to 29.8 (Plaza 73-Army Trail Road) in the amount of \$1,202,711.40.*

*Item 5: Award of Contract I-20-4722 to Superior Construction Company, Inc. for Bridge Construction from O'Hare to Westbound Illinois Route 390 Ramp at I-490 and Illinois Route 390 Interchange Mile Post 16.7 to Mile Post 16.9 in the amount of \$7,854,846.25.*

*Item 6: Award of Contract RR-20-4552 to Lorig Construction Company for Structural Rehabilitation on the Veterans Memorial Tollway (I-355) from Mile Post 22.6 (Butterfield Road) to Mile Post 29.8 (Army Trail Road) in the amount of \$1,486,044.00.*

*Item 7: Extra Work Order on I-18-4428 to Walsh Construction Company II, LLC for Bridge Reconstruction on the Tri-State Tollway (I-294) at Mile Post 26.6 (Burlington Northern Santa Fe Railway) in the amount of \$488,639.77, increasing the upper contract limit from \$80,831,323.41 to \$81,319,963.18.*

*Item 8: Change Order / Extra Work Order on I-19-4490 to Martam Construction, Inc. for Flagg Creek Water Reclamation District Sanitary Relocations on the Tri-State (I-294) between Mile Post 24 (I-55 ramp) and Mile Post 25.5 (55th Street) and between Mile Post 26.5 (47th Street) and Mile Post 27.3 (Ogden Avenue) in the amount of \$1,792,000.00, increasing the upper contract limit from \$19,242,790.26 to \$21,034,790.26.*

*Item 9: Extra Work Order on I-19-4491 to Walsh Construction Company II, LLC for I-55 Ramp A Bridge Construction on the Tri-State Tollway (I-294) from Mile Post 24.0 (I-55 ramps) to Mile Post 24.5 (Plainfield Road) in the amount of \$1,158,848.08, increasing the upper contract limit from \$24,292,133.52 to \$25,450,981.60.*

*Item 10: Acceptance of Proposal from Gonzalez Companies, LLC on Contract I-20-4548 for Construction Management Services Upon Request on the Tri-State Tollway (I-294) in an amount not to exceed \$6,000,000.00.*

*Item 11: Award of Contract 20-0061 to 3M Company for the purchase of Reflective Sheeting in an amount not to exceed \$700,000.00 (Order Against CMS Master Contract).*

*Item 12: Renewal of Contract 13-0187R with BHFX, LLC for the purchase of Web-Based Plan Room and On-Call Printing Services in an amount not to exceed \$246,000.00 (Tollway Request for Proposal).*



Upon conclusion of the presentation of items, Committee Chair McConnaughay entertained a motion to consolidate for consideration and action Engineering Items 1 thru 12. Director Perinar made a motion to consolidate these items, seconded by Director Paddock. Committee Chair McConnaughay asked that the roll be called on the motion, the vote of yeas and nays being as follows:

Yeas: Director Perinar, Director Paddock, Director Gallagher, Committee Chair McConnaughay  
(4)

Nays: (0)

The motion PASSED.

The motion to consolidate these items having carried, Committee Chair McConnaughay entertained a motion to approve placement of **Engineering Items 1 thru 12** on the March Board of Directors meeting agenda with the Committee's recommendation for approval by the Board. Director Perinar made a motion to approve these items, seconded by Director Paddock. Chair McConnaughay asked that the roll be called on the motion, the vote of yeas and nays being as follows:

Yeas: Director Perinar, Director Paddock, Director Gallagher, Committee Chair McConnaughay  
(4)

Nays: (0)

The motion PASSED.

## Legal

Executive Director Alvarez requested that consideration of Legal Items 3 thru 5 be deferred until the Executive Session of the full Board of Directors meeting. He then called on Kathleen R. Pasulka-Brown, General Counsel, to present the remaining Legal Items to the Committee:

*Item 1: Approval of an Intergovernmental Agreement with Illinois Department of Transportation for work associated with the Central Tri-State Project (I-294), including partial reconfiguration of the Ogden Avenue interchange. Cost to the Tollway: \$1,500,000.00.*

*Item 2: Approval of a Second Addendum to an Intergovernmental Agreement with the Western Springs Park District. Cost to the Tollway: \$75,000.00.*

*Item 3: Settlement Agreement. Cost to the Tollway: As discussed in Executive Session.*



*Item 4: Amendment to Land Acquisition Resolution 22175 for the Central Tri-State Project (I-294) to add 1 parcel that may need to be acquired by condemnation. See ISTHA v. DiBenedetto. Cost to the Tollway: As discussed in Executive Session.*

*Item 5: Authorization to Enter a Workers' Compensation Settlement – Jeffery Jaworski. Cost to the Tollway: As discussed in Executive Session.*

Upon conclusion of the presentation of items, Committee Chair McConnaughay stated that without objection, consideration of Legal Items 3 thru 5 will be deferred.

Committee Chair McConnaughay entertained 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 Perinar made a motion to approve this item, seconded by Director Paddock. Chair McConnaughay asked that the roll be called on the motion, the vote of yeas and nays being as follows:

Yeas: Director Perinar, Director Paddock, Director Gallagher, Committee Chair McConnaughay (4)

Nays: (0)

The motion PASSED.

Committee Chair McConnaughay stated that Director Gallagher has indicated in advance her wish to recuse herself on Legal Item 2. Committee Chair McConnaughay then entertained a motion to approve placement of **Legal Item 2** on the March Board of Directors meeting agenda with the Committee's recommendation for approval by the Board. Director Perinar made a motion to approve this item, seconded by Director Paddock. Chair McConnaughay asked that the roll be called on the motion, the vote of yeas and nays being as follows:

Yeas: Director Perinar, Director Paddock, Committee Chair McConnaughay (3)

Nays: (0)

Recusals: Director Gallagher (1)

The motion PASSED.

## **Adjournment**

There being no further Committee business, Committee Chair McConnaughay entertained a motion to adjourn. Director Perinar made a motion to adjourn, seconded by Director Paddock.





Chair McConnaughay asked that the roll be called on the motion, the vote of yeas and nays being as follows:

Yeas: Director Perinar, Director Paddock, Director Gallagher, Committee Chair McConnaughay (4)

Nays: (0)

The motion PASSED.

The Meeting was adjourned at approximately 11:00 a.m.

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

Christi Regnery  
Board Secretary  
Illinois State Toll Highway Authority

# 2020 Year End Budget vs Actual (Preliminary and Unaudited)

Cathy Williams  
March 25, 2021



# 2020 - Original Budget vs. Forecast

CATEGORY	ORIGINAL BUDGET*	(\$ millions)			% CHANGE
		FORECAST*	ACTUAL	\$ CHANGE	
Revenue	\$1,535	\$1,270	\$1,283	\$13	1.0%
M&O Expenditures	\$380	\$365	\$348	(\$17)	(4.7%)
Debt Service Transfers	\$450	\$426	\$423	(\$3)	(0.7%)
Capital Expenditures	\$1,462	\$1,094	\$1,101	\$7	0.6%

**Original 2020 Budget approved December 2019**

## Revenue

- Impact from COVID-19

## Reduced operating costs

- Customer service costs
- Fees

## Reduction in capital expenditures

- Schedule changes
- Timing of right-of-way agreements


\*As part of the 2021 Budget process, in October 2020 the Tollway forecasted 2020 revenue and capital expenditures.



# REVENUE



# 2020 Year End - Revenue

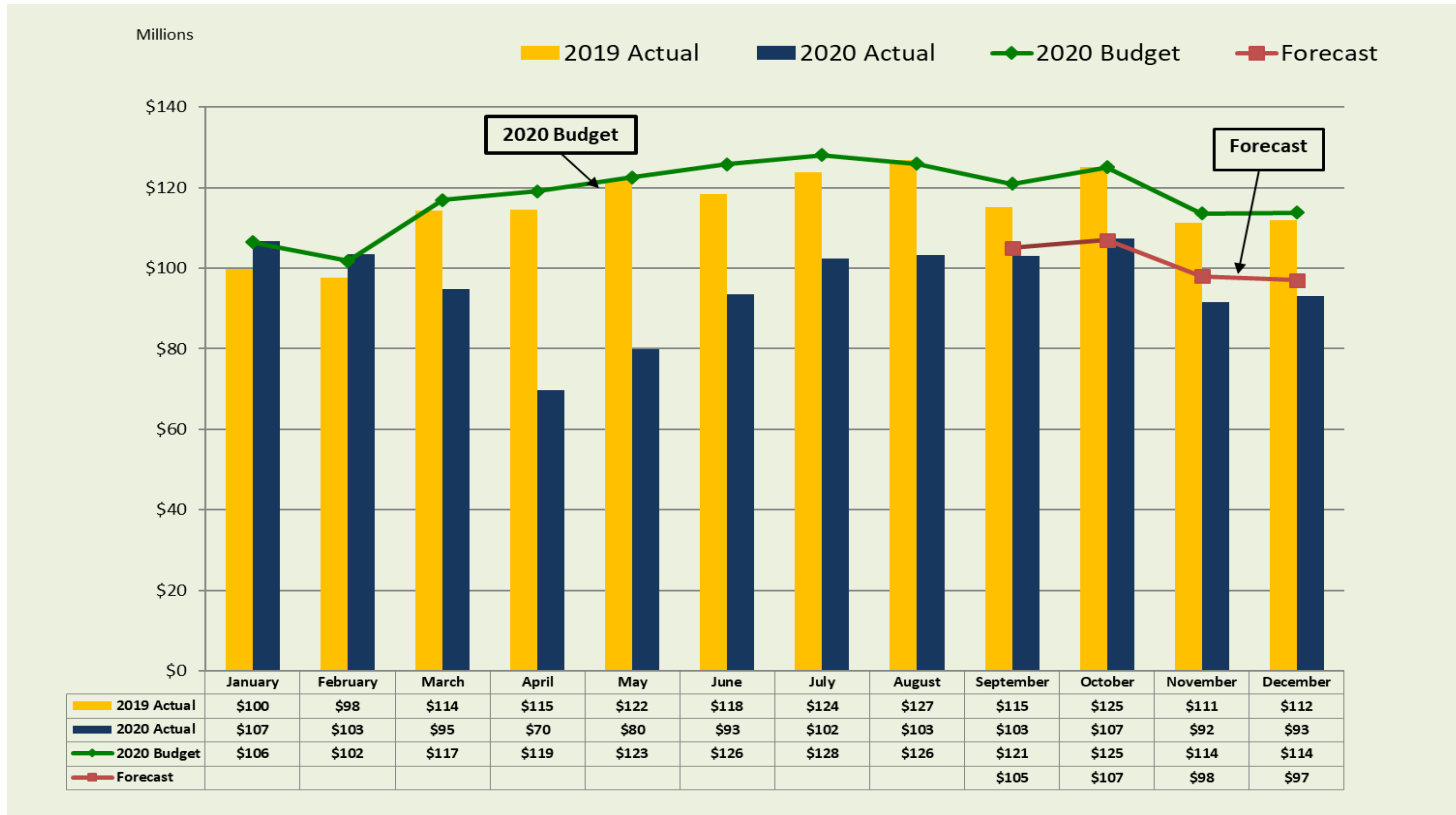
CATEGORY	ORIGINAL BUDGET*	(\$ millions)			% CHANGE
		FORECAST*	ACTUAL	\$ CHANGE	
<b>Total Revenues</b>	<b>\$1,535.0</b>	<b>\$1,270.0</b>	<b>\$1,282.5</b>	<b>\$12.5</b>	<b>1.0%</b>
					
Toll Revenue and Evasion Recovery	\$1,495.0	\$1,240.0	\$1,242.2	\$2.2	0.2%
Concessions	\$2.0	\$2.0	\$1.4	(\$0.6)	(30.3%)
Investments	\$30.0	\$15.0	\$13.7	(\$1.3)	(8.5%)
Miscellaneous	\$8.0	\$13.0	\$25.2	\$12.2	94.1%

Note: Numbers may not add to totals due to rounding.

\* Toll revenue based on projections of expected toll revenue from CDM Smith as Traffic Engineers



# Monthly Toll Revenue 2020 vs. 2019



# 2020 Year End – Maintenance and Operations

CATEGORY	(\$ millions)			% CHANGE
	ORIGINAL BUDGET	ACTUAL	\$ CHANGE	
<b>Total M&amp;O</b>	<b>\$380.2</b>	<b>\$348.7</b>	<b>(\$31.5)</b>	<b>(8.3%)</b>



Payroll and Related Costs	\$175.6	\$177.6	\$2.1	1.2%
Contractual Services	\$100.7	\$81.8	(\$18.9)	(18.8%)
Group Insurance	\$35.8	\$31.9	(\$3.9)	(11.0%)
Equipment Maintenance	\$31.2	\$28.1	(\$3.0)	(9.7%)
All Other Insurance	\$11.6	\$10.3	(\$1.3)	(11.3%)
Materials/Operational Supplies/Other Expenses	\$10.7	\$6.3	(\$4.5)	(41.8%)
Utilities	\$8.7	\$7.5	(\$1.1)	(12.8%)
Parts and Fuel	\$6.6	\$6.2	(\$0.4)	(5.5%)
Other Miscellaneous Expenses	\$1.7	\$0.9	(\$0.9)	(49.9%)
Recovery of Expenses	(\$2.3)	(\$1.9)	\$0.4	(17.8%)

*Note: Numbers may not add to totals due to rounding.*

## Key Drivers

### Contractual Services

- Reduced transactions and customer service costs

### Group Insurance

- Lower costs due to lower than budgeted headcount, claims and admin fees

### Materials, operational, supplies and equipment maintenance

- Lower price per ton on salt
- Less supplies and services needed in many facilities as a result of limited work schedule due to COVID-19

# CAPITAL PROGRAM





# 2020 Year End – Capital Program

CATEGORY	ORIGINAL BUDGET	(\$ millions)			% CHANGE
		FORECAST	ACTUAL	\$ CHANGE	
Tri-State (I-94/I-294/I-80)	\$446.9	\$485.0	\$519.3	\$34.3	7.1%
Reagan Memorial (I-88)	\$27.9	\$27.3	\$39.0	\$11.7	42.6%
Jane Addams (I-90)	\$12.2	\$5.4	\$3.4	(\$2.0)	(37.5%)
Veterans Memorial (I-355)	\$10.8	\$19.3	\$12.9	(\$6.4)	(33.0%)
Systemwide	\$328.7	\$238.1	\$231.2	(\$6.9)	(2.9%)
Tri-State (I-294/I-57)	\$71.6	\$45.4	\$50.2	\$4.7	10.4%
Elgin O'Hare Project	\$559.6	\$338.8	\$317.0	(\$21.8)	(6.4%)
<b>Total Capital Expenditures</b>	<b>\$1,461.5</b>	<b>\$1,159.3</b>	<b>\$1,172.9</b>	<b>\$13.6</b>	<b>1.2%</b>
Agreement Reimbursements and Other Adjustments	-	(\$64.9)	(\$71.6)	(\$6.7)	10.3%
<b>Total Capital with Reimbursements</b>	<b>\$1,461.5</b>	<b>\$1,094.4</b>	<b>\$1,101.3</b>	<b>\$6.9</b>	<b>0.6%</b>

## Key Drivers

On track with current estimate developed during 2021 budgeting process

### Central Tri-State Project

- Progress on design and construction and timing of utility payments

### I-490 Tollway Project

- Timing of right-of-way agreements

### Reagan Memorial

- Optimized staging between Aurora Toll Plaza and Illinois Route 59



# THANK YOU



# APPENDIX

## 2020 vs 2019 Results



# Year End - Maintenance and Operations - 2020 vs 2019

CATEGORY	(\$ millions)					
	2019		2020		2020 ACTUAL/ 2019 ACTUAL CHANGE	
	ORIGINAL BUDGET	ACTUAL	ORIGINAL BUDGET	ACTUAL	\$ CHANGE	% CHANGE
Payroll and Related Costs	\$168.3	\$169.7	\$175.6	\$177.6	\$7.9	4.7%
Contractual Services	\$96.7	\$87.1	\$100.7	\$81.8	(\$5.3)	(6.0%)
Group Insurance	\$39.4	\$31.5	\$35.8	\$31.9	\$0.3	1.1%
Equipment Maintenance	\$27.2	\$24.3	\$31.2	\$28.1	\$3.9	15.9%
All Other Insurance	\$11.6	\$10.7	\$11.6	\$10.3	(\$0.4)	(3.7%)
Materials/Operational Supplies/Other Expenses	\$7.5	\$10.0	\$10.7	\$6.3	(\$3.7)	(37.2%)
Utilities	\$8.9	\$8.3	\$8.7	\$7.5	(\$0.8)	(9.5%)
Parts and Fuel	\$6.9	\$9.1	\$6.6	\$6.2	(\$2.9)	(31.9%)
Other Miscellaneous Expenses	\$1.1	\$1.1	\$1.7	\$0.9	(\$0.2)	(18.4%)
Recovery of Expenses	(\$2.3)	(\$1.9)	(\$2.3)	(\$1.9)	\$0.1	(2.6%)
<b>Total Maintenance and Operations Expenditures</b>	<b>\$365.4</b>	<b>\$349.8</b>	<b>\$380.2</b>	<b>\$348.7</b>	<b>(\$1.1)</b>	<b>(0.3%)</b>



# Year End - Capital Program 2020 vs 2019

CATEGORY	(\$ millions)					
	2019		2020		2020 ACTUAL/ 2019 ACTUAL CHANGE	
	FORECAST	ACTUAL	FORECAST	ACTUAL	\$ CHANGE	% CHANGE
Tri-State (I-94/I-294/I-80)	\$335.6	\$372.1	\$485.0	\$519.3	\$147.2	39.6%
Reagan Memorial (I-88)	\$59.8	\$59.7	\$27.3	\$39.0	(\$20.7)	(34.7%)
Jane Addams (I-90)	\$10.3	\$5.2	\$5.4	\$3.4	(\$1.8)	(34.7%)
Veterans Memorial (I-355)	\$21.3	\$24.5	\$19.3	\$12.9	(\$11.6)	(47.2%)
Systemwide	\$305.0	\$323.0	\$238.1	\$231.2	(\$91.8)	(28.4%)
Tri-State (I-294/I-57)	\$14.2	\$10.3	\$45.4	\$50.2	\$39.9	386.9%
Elgin O' Hare Project	\$317.5	\$147.1	\$338.8	\$317.0	\$169.9	115.5%
<b>Total Capital Expenditures</b>	<b>\$1,082.8</b>	<b>\$941.9</b>	<b>\$1,159.3</b>	<b>\$1,172.9</b>	<b>\$231.0</b>	<b>24.5%</b>
Agreement Reimbursements and Other Adjustments	\$7.9	(\$0.3)	(\$64.9)	(\$71.6)	(\$71.3)	N/A
<b>Total Capital Program with Reimbursements</b>	<b>\$1,071.7</b>	<b>\$941.6</b>	<b>\$1,094.4</b>	<b>\$1,101.3</b>	<b>\$159.7</b>	<b>17.0%</b>

