

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

August 20, 2014

The Illinois State Toll Highway Authority (the “Tollway”) held the Finance, Administration and Operations Committee Meeting on Wednesday, August 20, 2014, at approximately 8:32 a.m. at the Central Administration Building in Downers Grove, Illinois.

Bolded entries indicate issues which may require follow-up to present or report to the Board.

Committee Members Present:

Committee Chair Mark Peterson
Director Terry D’Arcy
Director David Gonzalez

Committee Members Absent:

None

Also Attending:

Chair Paula Wolff

PUBLIC COMMENT

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

CHAIR'S ITEMS

Committee Chair Peterson called for a motion to approve the Minutes of the Finance, Administration and Operations Committee Meeting held on July 16, 2014. Director Gonzalez made a motion for approval; seconded by Director D'Arcy. The motion was approved unanimously.

EXECUTIVE DIRECTOR

Committee Chair Peterson introduced Kristi Lafleur, Executive Director. Executive Director Lafleur then introduced Mike Colsch, Chief of Finance, to present the Quarterly Financial Review for the 2nd Quarter of 2014. [See attached presentation.](#)

Mr. Colsch noted during his presentation that the roadway materials budget allocation for 2014 may not be sufficient to accommodate replenishment of the depleted stores of winter materials and may require an additional funding request.

Committee Chair Peterson asked if the increases reported in vehicle transactions or miscellaneous income are trends expected to continue through the third quarter. Mr. Colsch responded that economic conditions are viewed favorably and the Tollway, in consultation with CDM Smith, Inc., are not anticipating a reversal of trend growth for 2014 of commercial vehicle traffic in particular. Mr. Colsch further stated that variances of actual miscellaneous income to budget are not typically indicative of a trend and likely the temporary effect of a one-time event.

Committee Chair Peterson inquired if the anticipated increase of roadway materials costs over projected budget is a result of the expiration of existing contracts. Executive Director Lafleur responded that the unusually severe winter depleted stores and that contract limitations prevented procurement of winter materials in sufficient quantities to fully replenish under the available CMS master contract renewal. Executive Director Lafleur further stated that in order to fully replenish stores, additional procurement of winter materials is required and will occur at less favorable pricing than was available under the CMS master contract. Executive Director Lafleur noted that there will be several Procurement items, as well as a presentation with discussion, on today's agenda related to winter materials usage.

Executive Director Lafleur then introduced Shana Whitehead, Chief of Business Systems, for a presentation on Reclaiming Inactive I-PASS Account Funds. [See attached presentation.](#)

Committee Chair Peterson inquired how long customers will have to respond to Tollway notification of unclaimed funds. Ms. Whitehead responded that notification letters are in the process of being mailed this week (week of Aug 18th) and that customers will need to claim those funds prior to October 1st, after which time all unclaimed funds are to be transferred to the Illinois State Treasurer's I-Cash program.

Committee Chair Peterson asked if the Tollway attempts follow up to contact the customer beyond the initial notification letter. Ms. Whitehead replied that no further correspondence is initiated but that there is continuing customer outreach via the media and the

Tollway website. Ms. Whitehead noted that unclaimed inactive I-PASS account funds transferred to the Illinois State Treasurer's Office will remain available to be claimed by customers through the I-Cash program.

Committee Chair Peterson inquired if the initiative to promote reclaiming inactive I-PASS account funds is to be publicized. Ms. Whitehead responded that a press release will be issued to the media and that information on the initiative is provided on the Tollway website.

Chair Wolff asked if there is an estimate of the percentage of customers anticipated to respond. Mr. Colsch replied that because this is the Tollway's first initiative to promote the reclaiming of inactive I-PASS account funds, no historical data informing as to expected response rates is available. Mr. Colsch noted that while previous smaller initiatives to notify customers of unclaimed property have resulted in minimal response rates, the higher profile outreach efforts of this initiative may improve on those results.

Chair Wolff inquired regarding the ability of families to claim inactive I-PASS account funds of those that may be deceased. Ms. Whitehead responded that if contacted by the family, the Tollway works with the estate of the deceased to issue those funds.

Executive Director Lafleur then introduced John Donato, Chief of Procurement, to give a presentation on winter materials usage titled Getting Ready for Winter 2014-2015. [See attached presentation.](#)

Chair Wolff requested confirmation that the pricing received under the new Illinois Department of Central Management Services (“CMS”) invitation for bid contract is more than double that of purchase under the existing CMS master contract renewal. Mr. Donato responded affirmatively, explaining that the new CMS invitation for bid contract, available for maximum Tollway purchase quantity of 4,000 tons, has an average weighted cost of \$126.34 per ton while the existing CMS master contract renewal, available for maximum Tollway purchase quantity of 86,040 tons, has an average weighted cost of \$55.50 per ton. Mr. Donato added that because these two CMS contracts do not provide for purchase of sufficient quantities, the remaining 33,000 tons of required winter materials are to be purchased through a Tollway issued competitively bid emergency procurement at an average weighted cost of \$101.35 per ton. Mr. Donato noted that the Tollway now has contracts in place to purchase up to 123,000 tons at an overall weighted average cost of \$70.10 per ton.

Chair Wolff inquired if an intended benefit of joint purchasing under CMS procured master contracts is to achieve better pricing, how is it that the Tollway’s emergency procurement received a lower weighted average cost per ton than that received under the new CMS invitation for bid contract. Mr. Donato responded that one factor that contributed to the improved pricing received was the Tollway’s ability to solicit bids for a fixed quantity, thus reducing the risk or uncertainty to the vendor versus the CMS solicitation that allows for purchase from 80% (minimum) to 120% (maximum) of the contracted quantity. Executive Director Lafleur concurred that the Tollway’s ability to specify a fixed quantity provided a pricing advantage. Executive Director Lafleur also

noted that even though higher costs are associated with the additional contracts required to meet Tollway needs, the vast majority, almost two-thirds, of the purchases will be made under the more favorable pricing of the existing CMS master contract renewal.

Director D'Arcy requested confirmation that rock salt for de-icing is applied as needed, independently of temperature considerations, and that roadway abrasives and liquid calcium chloride are added when temperatures drop below specific thresholds. Mr. Donato responded affirmatively, adding that rock salt is applied in reduced quantities when utilizing the roadway abrasives and liquid calcium chloride at lower temperatures.

Chair Wolff asked if there has been, or if staff anticipates, any extraordinary wear and tear to Tollway vehicles and equipment as a result of the unusually severe winter. Mr. Kovacs, Chief of Engineering, responded affirmatively and expressed his concern that the impact of the severe winter to equipment and vehicles may place budgetary pressures on the allocations made for parts needed for repair and maintenance. Mr. Kovacs added that the increased use of liquid calcium chloride results in accelerated wear to Tollway vehicles.

Chair Wolff asked if the impact of the severe winter has been sufficient to accelerate the Tollway's vehicle replacement schedule. Mr. Kovacs responded that although he has seen increases in need for repair service and parts, he is not aware of any modifications to the vehicle replacement schedules. Mr. Donato added that increased vehicle hours-of-service stemming

from the severe winter resulted in increased expenditures on engine oil and lubricants as well as replacement parts such as plows. Mr. Donato noted that appropriate contracts are in place to repair Tollway vehicles when needed.

Executive Director Lafleur reported to the Committee that Illinois Senate Bill 927, which unanimously passed both chambers of the General Assembly, was recently signed into law by the Governor. She further stated that this legislation, a Tollway-backed bill prompted by the terrible trucking accident earlier this year, amends the Illinois Vehicle Code to include Tollway Highway Emergency Lane Patrol (“HELP”) trucks as authorized emergency vehicles. The bill enhances protection of Tollway maintenance vehicles under Illinois’ Scott’s Law, which requires drivers to slow down and yield the right-of-way to emergency vehicles on state highways and tollways. Executive Director Lafleur added that red and white emergency vehicle lighting will be fitted to some HELP trucks and emergency response vehicles in addition to their existing amber lights.

Chair Wolff asked if the additional red and white emergency vehicle lighting falls under an existing procurement contract. Mr. Donato responded that the red and white lights can be procured under CMS master contracts in place for emergency lighting.

ITEMS FOR CONSIDERATION

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

Item 1: Approval of funding for the Workers' Compensation Insurance Claim Reserve Fund in the amount of \$9,092,000.00 for the 2014-2015 program year, including a reduction of \$553,000.00 for open claims for program years prior to April 30, 2014.

Committee Chair Peterson inquired as to the length of time that Pinnacle Actuarial Resources, Inc. has provided actuarial services for the Tollway's Workers' Compensation Insurance Claim Reserve Fund. Mr. Donato responded that this vendor has been the awarded provider of these services for some time but that this contract is re-solicited for competitive bid regularly, including earlier this year.

Committee Chair Peterson inquired if Illinois State Police District 15 employees are covered under the Tollway's self-insured workers compensation program. Mr. Colsch responded affirmatively.

Committee Chair Peterson inquired into the increase in frequency of claims made against the Workers' Compensation Insurance Claim Reserve Fund. Mr. Colsch responded that over that last year or two there has been an increase in frequency of claims, while prior year increases to funding have typically been related to medical costs with a relatively level frequency of claims.

Item 2: Award of Contract 13-0092 to Alliance One Receivables Management and Harris & Harris, Ltd. for Collections and Collection Litigation Services in an amount not to exceed \$10,000,00.00 (Tollway Request for Proposal).

Mr. Colsch requested that this item be deferred.

Item 3: Approval of payment to the Office of the Auditor General Audit Expense Fund for the 2013 Financial and Compliance Audit in the amount of \$569,400.00.

Committee Chair Peterson stated **Finance Item 2** would be deferred to a future meeting.

Director D'Arcy made a motion for approval of **Finance Items 1 and 3**; seconded by Director Gonzalez. The motion was approved unanimously to move to the full Board consent agenda.

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

Item 1: Renewal of Contract 13-0160 to Cargill Salt Division; Detroit Salt Company Inc.; North American Salt Company; and Morton Salt, Inc. for the purchase of Bulk Rock Salt in an aggregate amount not to exceed \$4,774,757.40 (Order Against CMS Master Contract).

Committee Chair Peterson requested confirmation that the Business Enterprise Program (“BEP”) goal on this order against master contract was fully committed. Mr. Donato responded affirmatively.

Item 2: Award of Contract 14-0117 to Morton Salt, Inc. for the purchase of Bulk Rock Salt in an amount not to exceed \$505,340.00 (Order Against CMS Master Contract).

Committee Chair Peterson inquired about the Diversity Program goals on this order against CMS master contract, specifically the Veteran-owned Business (“VET”) goal. Mr. Donato responded that the vendor demonstrated good-faith efforts in an attempt to meet VET goals, and therefore was not disqualified by CMS.

Item 3: Award of Contract 14-0118 to North American Salt Company for the purchase of Bulk Rock Salt in an amount not to exceed \$3,344,442.00 (Tollway Emergency).

Committee Chair Peterson inquired into the BEP goal on this contract. Mr. Donato responded that because this item is an emergency procurement a BEP goal is not applicable.

Committee Chair Peterson asked if this emergency procurement was competitively bid. Mr. Donato responded affirmatively, adding that 18 materials vendors were solicited and the Tollway received two bids.

Item 4: Award of Contract 14-0113 to Storage Battery Systems, LLC for the purchase of Storage Battery Upgrades in an amount not to exceed \$435,665.00 (Order Against CMS Master Contract).

Committee Chair Peterson requested confirmation that life expectancy of the storage batteries is ten years. Mr. Donato responded affirmatively.

Item 5: Renewal of Contract 11-0013 to Cullen, Inc. (d.b.a. Cullen and Associates) for the purchase of Legislative Liaison Services in

an amount not to exceed \$80,000.00 (Tollway Request for Proposal).

Item 6: Award of Contract 14-0050 to Christian County Farmers Supply Co.; Conserv FS, Inc.; and G. Cooper Oil Co., Inc. for the purchase of Bulk Fuel in an aggregate amount not to exceed \$15,565,547.02 (Tollway Invitation for Bid).

Committee Chair Peterson asked how fuel costs are projected if vendors are not providing fixed rates but are awarded a bid differential over the cost of fuel from the Chicago Commodities Exchange. Mr. Donato responded that the Tollway calculated the maximum projected expenditures for bulk fuels under this contract award using a predetermined price of \$3.50 per gallon diesel/biodiesel and \$3.00 per gallon E-85 gasoline. Executive Director Lafleur added that should actual costs exceed projected prices, an additional request for funding would be required.

Item 7: Award of Contract 12-0178 to J.P. Simons & Co. for the purchase of AAON HVAC Parts in an amount not to exceed \$62,100.00 (Tollway Invitation for Bid).

Director Gonzalez made a motion for approval of **Procurement Items 1 through 7**; seconded by Director D'Arcy. The motion was approved unanimously to move to the full Board consent agenda.

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

Item 1: Award of Contract I-13-4627 to Martam Construction, Inc. for Advance Drainage on Illinois Route 390 from Milepost 15.9 (IL 83) to Milepost 16.8 (Willow Creek South Tributary), in the amount of \$4,281,308.10.

Item 2: Award of Contract RR-14-5695 to GFS Construction, LLC for Signing Improvements on the Tri-State Tollway (I-294) from Milepost 0.0 (I-94/IL 394) to Milepost 25.00 (Hinsdale Oasis), in the amount of \$3,540,600.62.

Item 3: Award of Contract I-14-4180 to Benchmark Construction Co., Inc. for Northwest Suburban Municipal Joint Action Water Agency (NSMJAWA) Transmission Line Relocation on the Jane Addams Memorial Tollway (I-90) from Milepost 62.2 (Barrington Road) to Milepost 73.5 (Elmhurst Road), in the amount of \$54,848,000.00.

Mr. Kovacs stated that as with all Engineering contract awards, an extensive review and analysis of the bid was performed including extra due diligence in this circumstance since only one bid was received. The review and analysis of the bid received for this contract included:

- Bid analysis by the professional engineering firm who prepared the contract documents, along with their recommendation on how to proceed.
- Bid analysis by the program management office along with their recommendation on how to proceed.
- The completion of the Tollway's Sole Bid/No Bid Inquiry form which entails following up with the prime contractors

who purchased plans for the work and documenting their reason for not bidding.

- Coordination and concurrence from the Northwest Suburban Municipal Joint Action Water Agency (“NSMJAWA”), owner of the water main, on the award of this contract.

The results of the review and analyses determined that the primary reason for the sole bid and the increase in the bid price relative to the engineer’s estimate was the tight schedule required for completing the work. The alternative of adjusting the schedule was evaluated, but since this would delay the completion of the mainline roadway work by one year, it is not recommended.

Committee Chair Peterson inquired into responses received from the follow-up performed with the contractors who purchased plans for the work documenting their reason for not bidding. Mr. Kovacs responded that the primary reason cited for not bidding was the schedule requirements for completing the work, mandating an immediate start with scheduled completion date in the first half of 2015. Mr. Kovacs added that two factors account for the tight schedule requirements and include: 1) an Intergovernmental Agreement (“IGA”) with the NSMJAWA that restricts work performed on the water main to off-peak season and 2) the need to complete this work expeditiously in order to avoid costly delays and move forward with the 25-mile eastern segment of the I-90 Rebuilding and Widening Project.

Committee Chair Peterson asked if the feedback received provided insight into why expedited schedule requirements resulted in only a single bid. Mr. Kovacs responded that prime contractors

expressed concerns about their abilities to staff up sufficiently in timeframes needed to meet the schedule requirements. Mr. Kovacs added that contractors additionally expressed concern that the expedited schedule would expose them to liquidated damages assigned with failure to meet the scheduled completion date.

Committee Chair Peterson inquired if the Tollway needs to obtain additional right-of-way in order to perform the water main relocation work. Mr. Kovacs responded that additional right-of-way is needed and is expected to be acquired in time for work on the water main to proceed on schedule. Mr. Kovacs noted that the right-of-way acquired will also accommodate the performance of additional improvements under this contract to the benefit of the Tollway.

Committee Chair Peterson asked what amount of the award is to be reimbursed to the Tollway through an IGA with the NSMJAWA. Mr. Kovacs responded that \$49.2 million of the \$54.8 million award is to be reimbursed. Mr. Kovacs further stated that additionally included in this contract are approximately \$1 million of improvements for the Tollway and approximately \$4.5 million in improvements associated with the Barrington Road interchange, Meacham Road interchange, along with betterments to the Mt. Prospect water main to be reimbursed under separate IGAs.

Committee Chair Peterson inquired if this contract award requires approval by the NSMJAWA. Mr. Kovacs responded that the NSMJAWA has reviewed and approved the award.

Chair Wolff expressed her appreciation for the due diligence exercised in reviewing the sole bid received on this contract. Executive Director Lafleur noted that sole bid awards are not preferred and only account for a small percentage of contract awards.

Director D'Arcy inquired whether the Tollway's aggressive capital program may result in saturation of the roadway construction industry, exceeding prime contractors' capacities to take on new work, to the detriment of pricing and bid participation. Mr. Kovacs responded that the capacity of the industry is considered in the development of the construction schedules for the Move Illinois capital program and he does not believe there would be benefit from decelerating project scheduling. Mr. Kovacs added that the industry has responded with increased staffing levels and that the Tollway has been actively pursuing new contractors in an effort to expand the list of available contractors.

Director D'Arcy requested confirmation that the poor response to this solicitation is not expected to become a trend. Mr. Kovacs responded that he believes the reason for this specialized contract only receiving a single bid was attributable to unique circumstances and is anticipated to remain uncommon. Executive Director Lafleur noted that discussion is planned for an upcoming meeting on the Tollway bid strategy being developed to maximize competitive bidding on the 25-mile eastern segment of the I-90 Rebuilding and Widening Project.

Item 4: Extra Work Order on Contract I-12-4075 to Plote Construction, Inc. for Widening and Reconstruction on the

Eastbound Jane Addams Memorial Tollway (I-90) from Milepost 41.5 (US Route 20) to Milepost 45.5 (IL Route 47), in the amount of \$394,500.00.

Committee Chair Peterson asked for further explanation of the events that precipitated the extra work order. Mr. Kovacs responded that although originally intended, the specification regarding the use of two concrete plants for two-lift concrete paving work was not clearly stated in the contract and resulted in a claim by the vendor for compensation to address the use of the second concrete plant. Mr. Kovacs noted that the contract language has been modified to better clarify the specification on current and future two-lift concrete paving work.

Item 5: Extra Work Order on Contract I-12-4077 to Plote Construction, Inc. for Widening and Reconstruction on the Eastbound Jane Addams Memorial Tollway (I-90) from Milepost 49.7 (Union Pacific Railroad) to Milepost 53.6 (Elgin Toll Plaza), in the amount of \$394,500.00.

Item 6: Extra Work Order on Contract I-13-4136 to F.H. Paschen, S.N. Nielsen & Associates, LLC for Widening and Reconstruction on the Westbound Jane Addams Memorial Tollway (I-90) from Milepost 41.5 (US 20) to Milepost 45.5 (IL 47), in the amount of \$430,020.00.

Committee Chair Peterson inquired into the Disadvantaged Business Enterprise (“DBE”) goal. Mr. Kovacs responded that the contractor has committed to meeting the DBE goal.

Item 7: Change Order / Extra Work Order on Contract I-13-4603 to Plote Construction, Inc. for Roadway Widening on Illinois Route 390 from Milepost 10.1 (Roselle Road) to Milepost 11.2 (Meacham Road), in the amount of \$229,425.75.

Item 8: Change Order / Extra Work Order on Contract I-13-5680 to F.H. Paschen, S.N. Nielsen & Associates, LLC for Grading, Drainage and Wall Construction on the Jane Addams Memorial Tollway (I-90) from Milepost 74.6 (Mt. Prospect Road) to Milepost 76.4 (Lee Street), in the amount of \$626,631.00.

Item 9: Change Order on Contract I-13-5686 to Plote Construction, Inc. for Retaining Wall and Noise Wall Construction on the Jane Addams Memorial Tollway (I-90) from Milepost 56.8 (IL 25) to Milepost 59.1 (IL 59), in the amount of \$351,936.00.

Chair Wolff inquired whether the DBE commitment for this change order is different than the original contract. Gustavo Giraldo, Chief of Diversity & Strategic Planning, responded that the vendor has committed to meeting the original DBE goal.

Committee Chair Peterson inquired whether the designer is contacted when errors or omissions are encountered. Mr. Kovacs responded that there is an errors & omissions process that involves contacting the designer for an explanation, which is then evaluated to determine whether the Tollway will seek compensation to address costs related to the error or omission. Mr. Kovacs noted that damages for change orders for additional work are typically challenging to demonstrate unless the resulting extra work can be

shown to be contracted at a premium to the unit price contained in the original bid.

Committee Chair Peterson asked for the name of the vendor that provided the design services for this project. Mr. Kovacs provided the requested information.

Director D'Arcy inquired if the Tollway has recourse with the vendor that provided the original soil borings analysis when excess top soil is encountered. Executive Director Lafleur responded that these are the types of events that are evaluated as part of the errors and omissions process to determine if the Tollway will seek compensation. Mr. Kovacs added that a deliberate process is in place to evaluate and track all change order/extra work orders including initiation of the errors and omissions process. Executive Director Lafleur added that due to the increased volume of work, an Error & Omissions Committee has been re-established to thoroughly review design and other professional services contracted by the Tollway.

Chair Wolff suggested that Directors might find informative a presentation on the work of the Error & Omissions Committee.

Item 10: Partial Release of Retainage on Contract I-13-4128 to Lorig Construction Company for Bridge Widening and Reconstruction on the Jane Addams Memorial Tollway (I-90), at Milepost 25.3 (Genoa Road over I-90) and at Milepost 37.5 (Getty Road over I-90), by \$188,202.68 from \$238,202.68 to \$50,000.00. (Recusal: Director D'Arcy)

Item 11: Partial Release of Retainage on Contract RR-13-4130 to William Charles Construction Company, LLC for Ramp Reconstruction and Mainline Improvements on the Jane Addams Memorial Tollway (I-90) from Milepost 17.5 (US Business 20) to Milepost 2.7 (Rockton Road), by \$195,312.89 from \$205,312.89 to \$10,000.00.

Item 12: Final Release of Retainage on Contract I-13-4148 to Lorig Construction Company for Noise Abatement Wall Construction on the Jane Addams Memorial Tollway (I-90) from Milepost 37.7 to Milepost 38.2 (Marengo-Hampshire Plaza) and from Milepost 49.1 to Milepost 49.4 (IL 72).

Item 13: Final Release of Retainage on Contract RR-12-5651 to RoadSafe Traffic Systems, Inc. for Pavement Marking, Systemwide.

Item 14: Amended DiBenedetto (Identification of Real Estate Parcels associated with the Elgin O'Hare Western Access Project (EOWA)). Cost to the Tollway: N/A.

Item 15: Amended DiBenedetto (Identification of Real Estate Parcels associated with the Jane Addams Memorial Tollway (I-90)). Cost to the Tollway: N/A.

Item 16: Administrative Settlement – Land Acquisition for the Elgin O'Hare Western Access Project (EOWA).

Committee Chair Peterson stated **Engineering Items 14 through 16** would be deferred to the August Board of Directors meeting.

Director D’Arcy made a motion for approval of **Engineering Items 1 through 9**; seconded by Director Gonzalez. The motion was approved unanimously to move to the full Board consent agenda.

Director Gonzalez made a motion for approval of **Engineering Item 10**; seconded by Chair Wolff. The motion was approved by all voting Directors to move to the full Board consent agenda, with Director D’Arcy recusing himself.

Director D’Arcy made a motion for approval of **Engineering Items 11 through 13**; seconded by Director Gonzalez. The motion was approved unanimously to move to the full Board consent agenda.

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

Item 1: A General Utility Agreement with Sidera Networks, LLC d/b/a Lighttower Fiber Networks. Cost to the Tollway: \$0.

Item 2: A General Utility Agreement with RedSpeed Illinois. Cost to the Tollway: \$0.

Item 3: A General Utility Agreement with XO Communications Services, LLC. Cost to the Tollway: \$0.

Item 4: An Intergovernmental Agreement with the City of Aurora and the Aurora Township Highway Department. Cost to the Tollway: \$0.

Item 5: An Intergovernmental Agreement with the Fox River Water Reclamation District and the Illinois Department of Transportation. Cost to the Tollway: \$153,699.92.

Item 6: Approval of Bond Counsel Assignment.

Committee Chair Peterson requested confirmation that assignment of the firms to act as senior managers is consistent with previous rotations within the Tollway's bond pool of ten firms providing underwriting services. Mr. Goldberg responded affirmatively.

Item 7: A Workers Compensation Settlement – Joseph Colello. Cost to the Tollway: As Discussed in Executive Session.

Mr. Goldberg requested that this item be deferred to Executive Session at the August Board of Directors meeting.

Item 8: A Workers Compensation Settlement – Ronald Lullo. Cost to the Tollway: As Discussed in Executive Session.

Mr. Goldberg requested that this item be deferred to Executive Session at the August Board of Directors meeting.

Director Gonzalez made a motion for approval of **Legal Items 1 through 6**; seconded by Director D'Arcy. The motion was approved unanimously to move to the full Board consent agenda.

Committee Chair Peterson stated **Legal Items 7 and 8** would be deferred to Executive Session at the August Board of Directors meeting.

Committee Chair Peterson inquired if there was any additional business. Executive Director Lafleur informed the Committee that the temporary Customer Service Center in the Secretary of State's Office in Midlothian is set to open next week.

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

The meeting was adjourned at approximately 10:06 a.m.



Minutes taken by: _____

Christi Regnery
Board Secretary
Illinois State Toll Highway Authority



**2014 Second Quarter
Budget to Actual Review**
(Preliminary and Unaudited)

August 20, 2014

Second Quarter 2014 Highlights

Strong second quarter provides partial offset to winter impact

□ Revenue - \$266.9 million

- *\$6.4 million more than budget*

- ✓ Toll revenue and evasion recovery 2 percent more than budget
 - Passenger vehicle transactions 1 percent higher than projection
 - Commercial vehicle transactions 3.5 percent higher than projection
- ✓ Miscellaneous revenue \$1.6 million more than budget

□ Maintenance and Operations

- *\$1.8 million below budget*

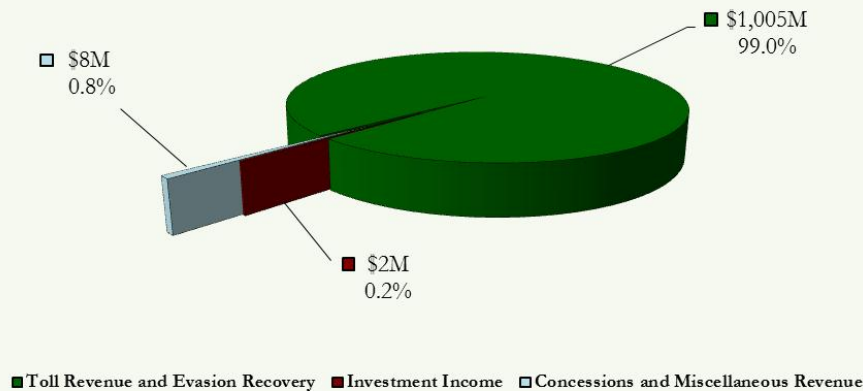
□ Capital Program

- *\$92.2 million below projections*

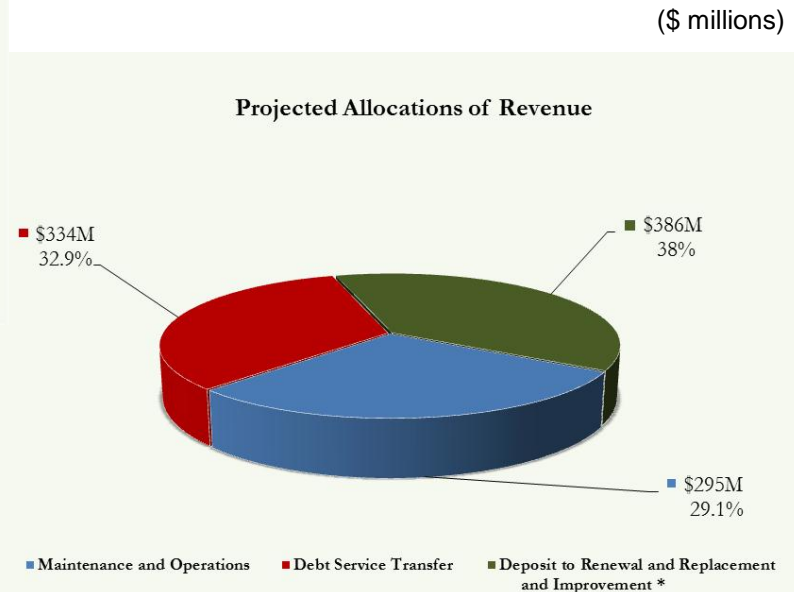
2014 Revenue Sources and Allocations

The Tollway operates within a balanced budget

Projected Sources of Revenue



Projected Allocations of Revenue



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

Second Quarter 2014 – Revenue

Total revenues were \$6.4 million greater than projection

(\$ millions)

	<u>Budget</u>	<u>Actual</u>	<u>\$ Var.</u>	<u>% Var.</u>
Toll and Evasion Recovery	\$258.0	\$263.2	\$5.1	2.0%
Concessions	0.6	0.5	0.0	-4.3%
Investment Income	0.5	0.2	(0.3)	-59.5%
<u>Miscellaneous</u>	<u>1.4</u>	<u>3.0</u>	<u>1.6</u>	<u>117.1%</u>
Total Revenue	\$260.5	\$266.9	\$6.4	2.5%

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

Key Drivers

✓ Commercial vehicles

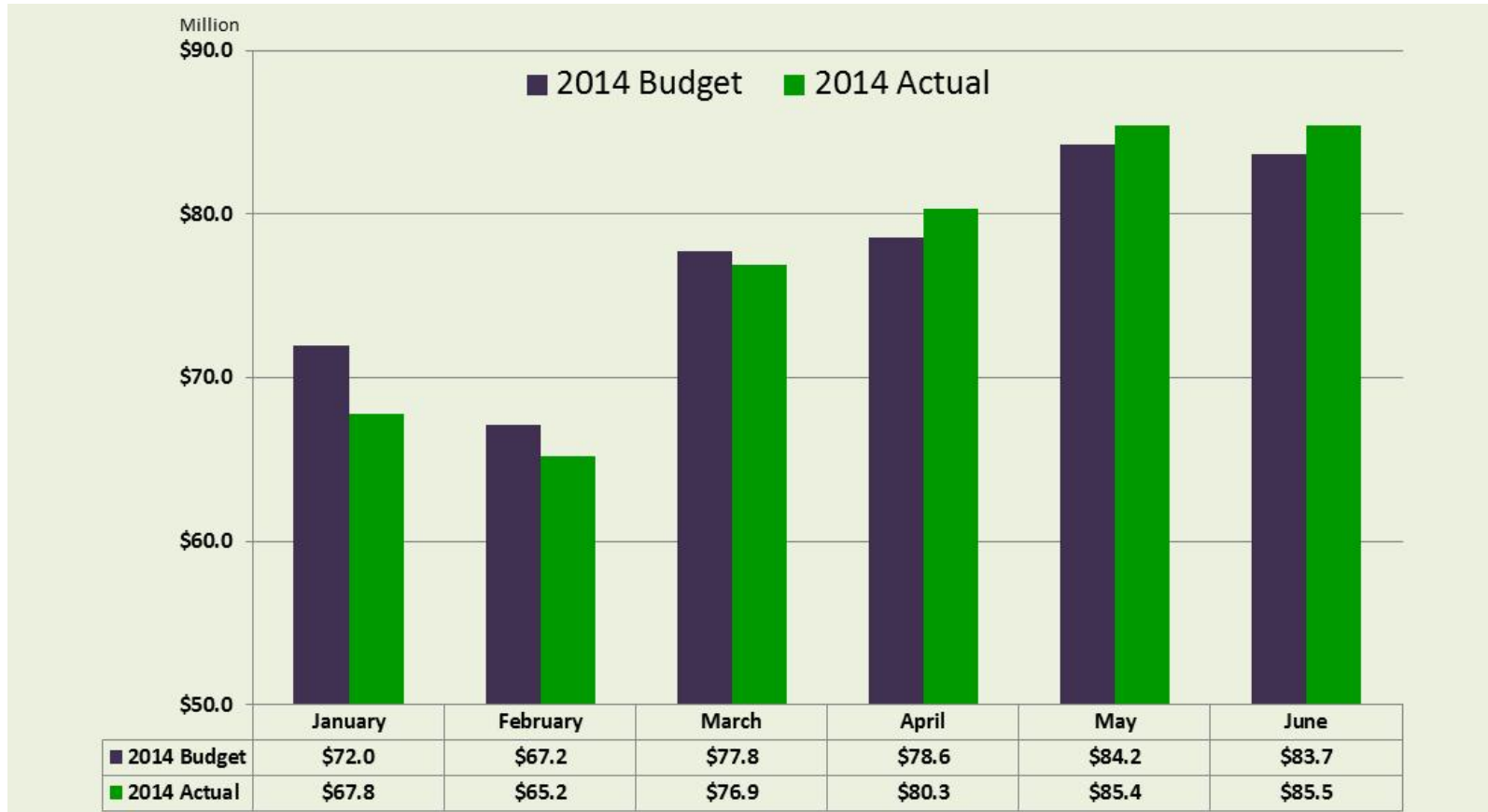
- Grew 6.6 percent year-over-year
- 3.5 percent greater than budget

✓ Passenger vehicles

- Grew 3.5 percent year-over-year
- 1 percent greater than budget

2014 Monthly Toll Revenue

Second quarter toll revenue exceeds projections



Second Quarter 2014 – Maintenance and Operations

\$1.8 million or 2.7 percent below budget

(\$ millions)

	<u>Budget</u>	<u>Act.</u>	<u>\$ Var.</u>	<u>% Var.</u>
Payroll and Related Costs	\$38.7	\$37.9	(\$0.8)	-2.0%
Group Insurance	7.4	7.4	0.0	-0.2%
Contractual Services	13.6	13.4	(0.2)	-1.6%
Materials/Oper. Supplies	1.6	1.0	(0.6)	-36.3%
Utilities	1.3	1.6	0.3	22.8%
All Other Insurance	2.6	2.4	(0.2)	-6.2%
Parts and Fuel	1.5	1.6	0.1	10.1%
Equip. Rental/Maintenance	3.5	3.0	(0.5)	-14.6%
Recovery of Expenses	(0.7)	(0.7)	(0.1)	-9.6%
Total	\$69.4	\$67.6	(\$1.8)	-2.7%

Key Drivers

- ✓ **Vacancies**
- ✓ **Timing of purchases/payments**
 - Roadway materials
 - Equipment maintenance

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

Second Quarter 2014 – Capital Program

Capital Program expended \$92.2 million or 25 percent less than projections

(\$ millions)	Proj.	Act.	\$ Var.	% Var.
Tri-State Tollway	\$3.5	\$1.3	(\$2.2)	-63.1%
Reagan Memorial Tollway	3.0	4.8	1.8	60.1%
Jane Adams Memorial Tollway	192.5	158.6	(33.9)	-17.6%
Veterans Memorial Tollway	5.7	1.4	(4.3)	-74.7%
Open Road Tolling	1.3	0.4	(0.9)	-68.2%
Systemwide Improvements	63.1	39.1	(24.0)	-38.0%
Tri-State Interchange I-294/I-57	29.1	10.8	(18.3)	-62.9%
Elgin O'Hare Western Access	57.1	52.4	(4.7)	-8.2%
Illinois Route 53/120	1.3	0.3	(0.9)	-74.4%
Move Illinois and CRP	\$356.6	\$269.1	(\$87.4)	-24.5%
Other Capital Projects	12.7	12.5	(0.2)	-1.5%
Capital Program Subtotal	\$369.2	\$281.6	(\$87.6)	-23.7%
IGA Reim. and Other Adjust.	0.0	(4.6)	(4.6)	N/A
Total Capital Program	\$369.2	\$277.0	(\$92.2)	-25.0%

Key Drivers

(Move Illinois/CRP)

- ✓ **Timing and schedule**
 - (\$52.6 million)
- ✓ **Project cost savings**
 - (\$37.2 million)
- ✓ **Project scope changes**
 - \$2.2 million

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

Second Quarter 2014 – Budget vs. Actual

Summary

- ❑ Revenue - \$6.4 million above target
 - *Increased traffic and miscellaneous revenue*
- ❑ Maintenance and operations - \$1.8 million below budget
 - *Vacancies and timing of purchases/payments for roadway materials and equipment maintenance*
- ❑ Debt Service transfers - \$9.5 million less than budget
- ❑ Capital Program - \$92.2 million below projections
 - *Schedule modifications, project cost savings partially offset by project scope changes*

Year-to-Date 2014 – Budget vs. Actual

Summary

- ❑ Revenue - \$1.6 million above target
 - *Strong second quarter offset negative impact from first quarter severe winter conditions*

- ❑ Maintenance and operations - \$1 million below budget
 - *Parts/fuel over budget due to replenishment of depleted inventory*
 - *Contractual services, group insurance and materials/operational supplies below budget due to timing of purchases/payments*

- ❑ Debt Service transfers - \$12.4 million less than budget

- ❑ Capital Program - \$127.1 million below projections
 - *Schedule modifications and project cost savings*

Appendix

Second Quarter 2014 – Revenue

(\$ thousands)

	2nd Qtr		Variance	
	Budget	Actual	\$	%
Toll Revenue and Evasion Recovery	\$258,035	\$263,150	\$5,115	2.0%
Concessions	553	529	(24)	-4.3%
Investment Income	500	203	(297)	-59.5%
Miscellaneous	1,386	3,009	1,623	117.1%
Total Revenue	\$260,474	\$266,891	\$6,417	2.5%

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

Second Quarter 2014 – Maintenance and Operations

(\$ thousands)

	2nd Qtr		Variance	
	Budget	Actual	\$	%
Payroll and Related Costs	\$38,656	\$37,896	(\$760)	-2.0%
Group Insurance	7,390	7,377	(13)	-0.2%
Contractual Services	13,613	13,393	(220)	-1.6%
Materials/Operational Supplies/Other Expenses	1,565	997	(568)	-36.3%
Utilities	1,313	1,613	299	22.8%
All Other Insurance	2,584	2,425	(159)	-6.2%
Parts and Fuel	1,470	1,618	148	10.1%
Equipment/Office Rental and Maintenance	3,502	2,989	(513)	-14.6%
Recovery of Expenses	(646)	(708)	(62)	-9.6%
Total Maintenance and Operations Expenditures	\$69,448	\$67,600	(\$1,848)	-2.7%

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

Second Quarter 2014 – Capital Program

(\$ thousands)

	2nd Qtr		Variance	
	Projection	Actual ⁽¹⁾	\$	%
Tri-State Tollway (I-94/I-294/I-80)	\$3,489	\$1,286	(\$2,203)	-63.1%
Reagan Memorial Tollway (I-88)	2,978	4,769	1,791	60.1%
Jane Addams Memorial Tollway (I-90)	192,536	158,593	(33,943)	-17.6%
Veterans Memorial Tollway (I-355)	5,701	1,444	(4,256)	-74.7%
Open Road Tolling (ORT)	1,322	421	(901)	-68.2%
Systemwide Improvements	63,082	39,100	(23,982)	-38.0%
Tri-State Tollway (I-294)/I-57 Interchange	29,068	10,786	(18,282)	-62.9%
Elgin O'Hare Western Access	57,114	52,419	(4,695)	-8.2%
Illinois Route 53/120/Other Planning Studies	1,267	324	(942)	-74.4%
Move Illinois and CRP Subtotal	\$356,557	\$269,142	(\$87,415)	-24.5%
"Other" Capital Projects	12,650	12,460	(190)	-1.5%
Capital Program Subtotal	\$369,207	\$281,603	(\$87,604)	-23.7%
Intergovernmental Agreement Reimbursement and Other Adjustments ⁽²⁾	-	(4,584)	(4,584)	N/A
Total Capital Program Expenditures	\$369,207	\$277,019	(\$92,188)	-25.0%

⁽¹⁾ Capital Program Actual included accrued expenses for which payments have not been made as of June 30, 2014.

⁽²⁾ Intergovernmental Agreement Reimbursements were for work performed in prior periods.

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

2014 Second Quarter Capital Program

Projections vs. Actual

Key variance highlights

Jane Addams Memorial Tollway (I-90)

- project cost savings (\$36.0) million
- schedule changes \$ 1.7
- project scope changes \$ 0.4

Systemwide Improvements

- schedule changes (\$25.1)
- project cost savings (\$ 0.7)
- project scope changes \$ 1.8

Tri-State Tollway (I-294)/I-57 Interchange

- schedule changes (\$18.1)
- project cost savings (\$ 0.2)

2014 Second Quarter Capital Program

Projections vs. Actual

Key variance highlights

<input type="checkbox"/> Elgin O'Hare Western Access	
▪ schedule changes	(\$4.6) million
▪ project cost savings	(\$0.1)
<input type="checkbox"/> Veterans Memorial (I-355)	
▪ schedule changes	(\$4.3)
<input type="checkbox"/> Tri-State Tollway (I-94/I-294/I-80)	
▪ schedule changes	(\$2.1)
▪ project cost savings	(\$0.1)

2014 Second Quarter Capital Program

Projections vs. Actual

Key variance highlights

- Illinois Route 53/120 Extension**
 - *schedule changes* (\$0.9) million

- Open Road Tolling**
 - *schedule changes* (\$0.9)

- Reagan Memorial (I-88)**
 - *schedule changes* \$ 1.8

2014 Year-to-Date Revenue

Budget vs. Actual

(\$ thousands)

	YTD		Variance	
	Budget	Actual	\$	%
Toll Revenue and Evasion Recovery	\$486,457	\$485,884	(\$573)	-0.1%
Concessions	1,082	1,060	(22)	-2.0%
Investment Income	1,000	327	(673)	-67.3%
Miscellaneous	2,682	5,594	2,912	108.6%
Total Revenue	\$491,221	\$492,864	\$1,643	0.3%

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

2014 Year-to-Date Maintenance and Operations

Budget vs. Actual

(\$ thousands)

	YTD		Variance	
	Budget	Actual	\$	%
Payroll and Related Costs	\$79,897	\$80,109	\$212	0.3%
Group Insurance	14,964	14,425	(540)	-3.6%
Contractual Services	26,499	25,382	(1,116)	-4.2%
Materials/Operational Supplies/Other Expenses	3,463	3,043	(420)	-12.1%
Utilities	2,859	3,099	239	8.4%
All Other Insurance	5,149	4,994	(156)	-3.0%
Parts and Fuel	2,678	3,853	1,175	43.9%
Equipment/Office Rental and Maintenance	8,105	7,799	(306)	-3.8%
Recovery of Expenses	(1,330)	(1,440)	(110)	-8.3%
Total Maintenance and Operations Expenditures	\$142,285	\$141,264	(\$1,022)	-0.7%

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

2014 Year-to-Date Capital Program *Projections vs. Actual*

(\$ thousands)

	YTD		Variance	
	Projection	Actual ⁽¹⁾	\$	%
Tri-State Tollway (I-94/I-294/I-80)	\$7,766	\$3,509	(\$4,257)	-54.8%
Reagan Memorial Tollway (I-88)	5,239	4,945	(293)	-5.6%
Jane Addams Memorial Tollway (I-90)	277,186	223,395	(53,791)	-19.4%
Veterans Memorial Tollway (I-355)	9,170	1,471	(7,699)	-84.0%
Open Road Tolling (ORT)	1,968	433	(1,535)	-78.0%
Systemwide Improvements	95,236	59,140	(36,095)	-37.9%
Tri-State Tollway (I-294)/I-57 Interchange	43,643	17,232	(26,411)	-60.5%
Elgin O'Hare Western Access	82,237	92,773	10,535	12.8%
Illinois Route 53/120/Other Planning Studies	2,514	639	(1,876)	-74.6%
Move Illinois and CRP Subtotal	\$524,959	\$403,537	(\$121,422)	-23.1%
"Other" Capital Projects	24,750	23,641	(1,109)	-4.5%
Capital Program Subtotal	\$549,709	\$427,177	(\$122,532)	-22.3%
Intergovernmental Agreement Reimbursements and Other Adjustments ⁽²⁾	-	(4,543)	(4,543)	N/A
Total Capital Program Expenditures	\$549,709	\$422,634	(\$127,075)	-23.1%

⁽¹⁾ Capital Program Actual included accrued expenses for which payments have not been made as of June 30, 2014.

⁽²⁾ Intergovernmental Agreement Reimbursements were for work performed in prior periods.

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

Revenue

2014 Budget Realized

(\$ thousands)

	2014	YTD	% Budget
	Budget	Actual	Realized
Toll Revenue and Evasion Recovery	\$1,005,000	\$485,884	48.3%
Concessions	2,200	1,060	48.2%
Investment Income	2,000	327	16.3%
Miscellaneous	5,800	5,594	96.4%
Total Revenue	\$1,015,000	\$492,864	48.6%

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

Maintenance and Operations

2014 Budget Realized

(\$ thousands)

	2014 Budget	YTD Actual	% Budget Realized
Payroll and Related Costs	\$160,592	\$80,109	49.9%
Group Insurance	30,058	14,425	48.0%
Contractual Services	61,065	25,382	41.6%
Materials/Operational Supplies/Other Expenses	7,536	3,043	40.4%
Utilities	5,950	3,099	52.1%
All Other Insurance	10,483	4,994	47.6%
Parts and Fuel	6,492	3,853	59.4%
Equipment/Office Rental and Maintenance	15,691	7,799	49.7%
Recovery of Expenses	(2,411)	(1,440)	59.7%
Total Maintenance and Operations Expenditures	\$295,456	\$141,264	47.8%

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

Capital Program 2014 Projections Realized

(\$ thousands)

	2014 Projection	YTD Actual ⁽¹⁾	% Projection Realized
Tri-State Tollway (I-94/I-294/I-80)	\$9,448	\$3,509	37.1%
Reagan Memorial Tollway (I-88)	10,569	4,945	46.8%
Jane Addams Memorial Tollway (I-90)	729,153	223,395	30.6%
Veterans Memorial Tollway (I-355)	10,164	1,471	14.5%
Open Road Tolling (ORT)	3,977	433	10.9%
Systemwide Improvements	249,167	59,140	23.7%
Tri-State Tollway (I-294)/I-57 Interchange	80,108	17,232	21.5%
Elgin O'Hare Western Access	282,786	92,773	32.8%
Illinois Route 53/120/Other Planning Studies	5,000	639	12.8%
Move Illinois and CRP Subtotal	\$1,380,373	\$403,537	29.2%
"Other" Capital Projects ⁽²⁾	55,000	23,641	43.0%
Capital Program Subtotal	\$1,435,373	\$427,177	29.8%
Intergovernmental Agreement Reimbursements and Other Adjustments ⁽³⁾	-	(4,543)	N/A
Total Capital Program Expenditures	\$1,435,373	\$422,634	29.4%

⁽¹⁾ Capital Program Actual included accrued expenses for which payments have not been made as of June 30, 2014.

⁽²⁾ The Other Projects portion of the Capital Program Budget for 2014 totaled \$85.3 million, of which \$55 million is anticipated to be spent.

⁽³⁾ Intergovernmental Agreement Reimbursements were for work performed in prior periods.

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

Revenue

2014 vs. 2013 Second Quarter Actual

(\$ thousands)

	Second Quarter		Variance	
	2013	2014	\$	%
Toll Revenue and Evasion Recovery	\$253,780	\$263,150	\$9,371	3.7%
Concessions	580	529	(51)	-8.9%
Investment Income	223	203	(21)	-9.2%
Miscellaneous	1,151	3,009	1,857	161.3%
Total Revenue	\$255,735	\$266,891	\$11,156	4.4%

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

Monthly Toll Revenue – 2014 vs. 2013 Year-to-Date



Maintenance and Operations

2014 vs. 2013 Second Quarter Actual

(\$ thousands)

	Second Quarter		Variance	
	2013	2014	\$	%
Payroll and Related Costs	\$36,129	\$37,896	\$1,767	4.9%
Group Insurance	6,864	7,377	513	7.5%
Contractual Services	11,517	13,393	1,876	-16.3%
Materials/Operational Supplies/Other Expenses	765	997	232	30.4%
Utilities	1,961	1,613	(349)	-17.8%
All Other Insurance	2,280	2,425	145	6.4%
Parts and Fuel	1,769	1,618	(151)	-8.6%
Equipment/Office Rental and Maintenance	3,151	2,989	(162)	-5.1%
Recovery of Expenses	(581)	(708)	(127)	-21.9%
Total Maintenance and Operations Expenditures	\$63,856	\$67,600	\$3,745	5.9%

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

Capital Program 2014 vs. 2013 Second Quarter Actual

(\$ thousands)

	2nd Qtr		Variance	
	2013	2014	\$	%
Tri-State Tollway (I-94/I-294/I-80)	\$7,910	\$1,286	(\$6,624)	-84%
Reagan Memorial Tollway (I-88)	2,580	4,769	2,189	85%
Jane Addams Memorial Tollway (I-90)	59,939	158,593	98,654	165%
Veterans Memorial Tollway (I-355)	3,076	1,444	(1,632)	-53%
Open Road Tolling (ORT)	2,247	421	(1,827)	-81%
Systemwide Improvements	23,093	39,100	16,007	69%
Tri-State Tollway (I-294)/I-57 Interchange	9,357	10,786	1,429	15%
Elgin O'Hare Western Access	11,323	52,419	41,096	363%
Illinois Route 53/120/Other Planning Studies	24.19	324	300	N/A
Move Illinois and CRP Subtotal	\$119,549	\$269,142	\$149,593	125%
"Other" Capital Projects	6,246	12,460	6,214	99%
Capital Program Subtotal	\$125,795	\$281,603	\$155,807	124%
Intergovernmental Agreement Reimbursements and Other Adjustments	(\$9,197)	(\$4,584)	\$4,613	50%
Total Capital Program Expenditures	\$116,598	\$277,019	\$160,421	138%

⁽¹⁾ Intergovernmental Agreement Reimbursements were for work performed in prior periods, and Other Adjustments were accounting adjustments made for the quarter.

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

2014 Transactions - *Projection vs. Actual*

	Projections	Actual	Variance	(millions) Variance %
PASSENGER VEHICLES				
January	55.4	51.7	(3.7)	-6.6%
February	51.8	50.6	(1.2)	-2.4%
March	60.1	59.4	(0.7)	-1.2%
April	60.5	61.0	0.6	0.9%
May	64.9	65.4	0.5	0.8%
June	64.0	64.7	0.8	1.2%
	356.7	353.0	(3.8)	-1.1%
2014 ALL COMMERCIAL VEHICLES (TIER 2-4)				
January	7.5	7.4	(0.1)	-1.9%
February	7.0	7.1	0.1	0.8%
March	7.8	8.0	0.2	2.3%
April	8.2	8.4	0.3	3.2%
May	8.5	8.8	0.3	3.5%
June	8.5	8.8	0.3	3.7%
	47.5	48.5	1.0	2.0%
2014 ALL VEHICLES				
January	62.9	59.1	(3.8)	-6.0%
February	58.8	57.7	(1.2)	-2.0%
March	67.9	67.4	(0.6)	-0.8%
April	68.7	69.5	0.8	1.2%
May	73.5	74.3	0.8	1.1%
June	72.4	73.5	1.1	1.5%
	404.2	401.4	(2.8)	-0.7%

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

2014 vs. 2013 Transactions

(millions)

	2014 Transactions	% Change 2014 to 2013	2014 Transactions	% Change 2014 to 2013
	PASSENGER VEHICLES (TIER 1)		LARGE COMMERCIAL VEHICLES (TIER 4)	
January	51.7	-5.2%	5.3	0.0%
February	50.6	0.6%	5.1	3.9%
March	59.4	2.0%	5.7	6.5%
April	61.0	3.8%	6.0	6.8%
May	65.4	2.8%	6.1	4.2%
June	64.7	4.0%	6.0	9.6%
	353.0	1.4%	34.2	5.2%
	ALL COMMERCIAL VEHICLES (TIER 2-4)		ALL VEHICLES	
January	7.4	1.2%	59.1	-4.5%
February	7.1	4.0%	57.7	1.0%
March	8.0	6.9%	67.4	2.5%
April	8.4	6.5%	69.5	4.1%
May	8.8	4.3%	74.3	2.9%
June	8.8	9.0%	73.5	4.5%
	48.5	5.4%	401.4	1.9%

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



THANK YOU



Getting Ready for Winter 2014-15

August 20, 2014

Winter Statistics

	2013-14 Winter Season	2012-13 Winter Season	12-Year Season Average
Number of Storms	38	19	25
Ice Events	4	1	5
Snowfall (<i>inches</i>)	80.6	28.0	42.3



Winter Materials Usage

	2013-14 Winter Season	2012-13 Winter Season	12-Year Season Average
Rock Salt (<i>tons</i>)	86,079	54,696	69,093
Roadway Abrasives (<i>tons</i>)	19,580	3,806	6,669
Liquid Calcium Chloride (<i>gallons</i>)	65,868	26,080	41,874



Rock Salt

- **10,285 tons of rock salt currently on hand - about 10 percent of capacity**
- **Expect to have 82,885 tons of rock salt on hand before winter - nearly 84 percent of capacity**
- **Tollway has contracts in place to purchase up to 123,000 tons**
 - **Three contracts with varying prices were required to meet our needs**
 - **Renewal contract: 86,040 tons**
 - **New invitation for bid contract: 4,000 tons**
 - **Emergency contract: 33,000 tons**
 - **Weighted average cost per ton: \$70.10**

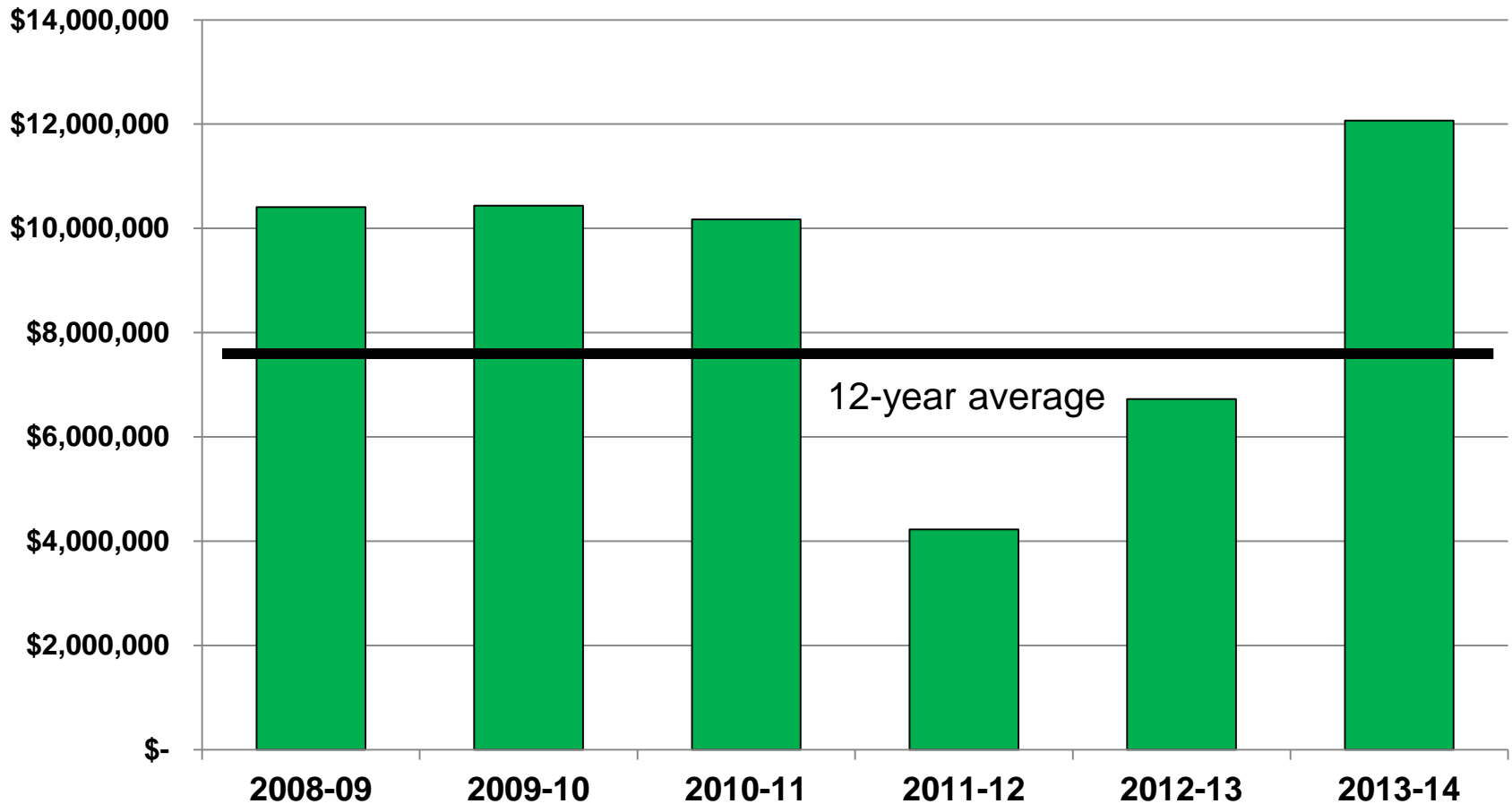
Roadway Abrasives

- **Approximately five times the amount of roadway abrasives were used in the 2013-14 winter season compared with 2012-13**
- **1,104 tons of abrasives currently on hand**
- **13,100 tons can be ordered on existing contract**
- **Weighted average cost per ton: \$18.60**

Liquid Calcium Chloride

- **20,388 gallons of liquid calcium chloride currently on hand**
- **42,908 gallons can be ordered on existing contract, which expires October 31, 2014**
- **Contract cost per gallon: \$0.56**

Winter Operations Costs



Budget Impacts

- Salt purchases will exceed amounts budgeted for 2014
- We will accommodate some additional costs within our existing budget through transfers
- If necessary, additional funding for salt required to be purchased this year could be requested for 2014 budget year during 2015 budget process
- Tollway has the contracts and funding needed to restore winter materials supplies to healthy levels



THANK YOU



**Reclaiming Inactive I-PASS
Account Funds**

August 2014

I-PASS Information

- **The Illinois Tollway operates the largest open road tolling system in the nation**
 - ❑ More than 2.2 million daily transactions
 - ❑ More than 3.6 million I-PASS accounts
 - ❑ More than 5 million I-PASS transponders



Presented by Shana Whitehead on August 20, 2014



Inactive I-PASS Account Status

- **Subject to the Illinois Unclaimed Property Act**
- **Affects accounts inactive for at least seven years**
 - Approximately 59,000 accounts
- **\$2.2 million in unclaimed funds**
 - Approximately \$1.5 million in prepaid tolls
 - \$700,000 in transponder deposits
- **Average account balance exceeding \$10 is \$31 without transponder deposit and \$45 with transponder deposit**
- **Approximately, 500 inactive accounts have unclaimed funds totaling \$100 or more**



Outreach to Customers

■ Letters to customers with inactive accounts

- Inactive for seven years or more
- Balances of \$10 or more

■ Response required by October 1

■ Options for inactive accounts

- Customer re-activates I-PASS account
- Customer closes I-PASS account and requests a refund for deposit and prepaid funds
- No action – Tollway will close I-PASS account and transfer pre-paid funds to I-Cash Program

I-Cash Program

- Per the Unclaimed Property Act, property is remitted to Illinois State Treasurer's Office
- One in eight Illinois residents has an asset to be claimed in I-Cash
- State currently has \$2.1 billion dollars in cash which need to be returned to Illinois residents



Options for Customers

■ I-PASS customers re-activating or closing accounts have several options

- Phone - 1-800-UC-IPASS
- In person - Customer Service Centers
- By mail - I-PASS Fulfillment Center

■ Information online

- www.illinoistollway.com
- www.icash.illinois.gov





THANK YOU