



Record of Meeting | August 24, 2017

The Illinois State Toll Highway Authority (the “Tollway”) Board of Directors met in regular session on Thursday, August 24, 2017 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 the Board.]

Call to Order / Pledge of Allegiance / Roll Call

Chairman Bob Schillerstrom called the Meeting to order at approximately 9:02 a.m., inviting attendees to rise and join in the Pledge of Allegiance. He then asked the Board Secretary to call the roll, those Directors present and absent being as follows:

Board Members Present:
Chairman Bob Schillerstrom
Director Earl Dotson, Jr.
Director Joe Gomez
Director David Gonzalez
Director Craig Johnson
Director Neli Vazquez Rowland

Board Members Not Present:
Governor Bruce Rauner <i>[ex officio]</i>
Secretary Randall Blankenhorn <i>[ex officio]</i>
Director Jim Banks
Director Corey Brooks

The Board Secretary declared a quorum present.

Public Comment

Chairman Schillerstrom opened the floor for public comment. No public comment was offered.

[At approximately 9:02 a.m., Director Gomez departed the Meeting for a brief period.]

Chairman Schillerstrom, observing the temporary absence of a quorum necessary to conduct business, requested without objection that the order of the Meeting be amended to first address the Executive Director’s Report.



Executive Director's Items

Tollway Staff Acknowledgements: Executive Director Bedalov congratulated Clarita Lao, Deputy Chief of Program Implementation, who was recently selected by the Gintong Pamana Awards Foundation to receive the 2017 Panday Pira Award for Outstanding Achievements in Engineering.

[Director Gomez re-entered the Meeting at approximately 9:04 a.m.]

Annual Economic Development in Illinois Awards: Executive Director Bedalov reported that the Tollway's I-90 Rebuilding and Widening Project was one of five winners of the 9th Annual Economic Development in Illinois Awards – the Edies. He highlighted that the Edies, presented by the Illinois Chamber of Commerce in collaboration with the Illinois Economic Development Association, honor outstanding economic development projects completed in the calendar year of 2016 that bring jobs, growth and prosperity to Illinois communities.

SmartRoad Launch and Pace Partnership: Executive Director Bedalov announced that on September 5, the Tollway will go live with full operation of the new SmartRoad on I-90. He explained that the SmartRoad directly informs customers, providing real-time information to enable drivers to be better prepared and make better travel decisions. He highlighted that the SmartRoad builds on the new FlexLanes delivered last year to accommodate Pace buses through direct coordination between Pace and the Tollway traffic center. He further reported that Pace continues to work to complete construction and begin operation of all three of its new Park-n-Ride stations within Tollway right-of-way, located at the interchanges at Randall Road, Illinois Route 25 and Barrington Road.

Director Johnson asked about expected completion dates for the Pace commuter lots on the Jane Addams Memorial Tollway (I-90). Joelle McGinnis, Press Secretary, responded that the Pace Park-n-Ride station on the north side of I-90 is expected to be completed by the end of the current year and the Pace Kiss-n-Ride location on the south side of the Tollway is scheduled to be complete in the spring of 2018.

Director Johnson then expressed concern over the fast rate at which some message signs were changing on gantries over lanes of the Jane Addams Tollway. Executive Director Bedalov highlighted the priority placed on safety and noted that the Director's concerns will be shared with and addressed by the Traffic and Incident Management System (TIMS) team.

Illinois Route 390 Celebration: Executive Director Bedalov reported that the Illinois Route 390 Celebration will take place on Saturday, October 28th before the opening of the new Illinois Route 390 Tollway to traffic and tolling on November 1.



Quarterly Financial Review: Executive Director Bedalov then introduced Mike Colsch, Chief Financial Officer, to present to the Board the quarterly financial review comparing the budget to actual (preliminary and unaudited) results for the quarter ending June 30, 2017. [See attached presentation.](#)

Chairman's Items

Item 1: Approval of the Minutes of the regular Board of Directors meeting held July 27, 2017.

Chairman Schillerstrom called for a motion to approve **Chairman's Item 1**, the Minutes of the regular Board of Directors meeting held on July 27, 2017, as presented. Director Gomez made a motion for approval; seconded by Director Johnson. Chairman Schillerstrom asked if there are any questions, concerns or requests for amendment. Hearing nothing, Chairman Schillerstrom called for a vote. The motion was PASSED unanimously.

Chairman Schillerstrom stated that without objection, action on Chairman's Item 2, concerning the minutes of closed meetings, will be deferred until after consideration in Executive Session.

COMMITTEE REPORTS

Chairman Schillerstrom asked the chair of the following committee of the Board if he had any report to provide on the committee's recent activities:

Finance, Administration & Operations Committee

Committee Chair Gomez updated the Board on the Finance, Administration and Operations Committee ("FAO Committee") meeting held Wednesday, August 16, 2017, providing the following highlights:

FINANCE presented three items which the FAO Committee recommended placing on the full Board agenda. In addition, Mike Colsch, Chief Financial Officer, presented financial results for the 2nd quarter of 2017.

BUSINESS SYSTEMS presented two items which the Committee approved for placement on the full Board agenda, and **PROCUREMENT** presented two items which the Committee approved for placement on the full Board agenda.

ENGINEERING presented 10 items which were each approved by the Committee for placement on the Board agenda, including two construction contracts and seven professional service contracts. Of the nearly \$46.3 million in recommended Engineering awards, more than \$24.6 million or 53% is committed to small, veteran owned or disadvantaged firms. The



remaining Engineering item, deferred at Committee, will be reviewed in Executive Session today prior to full Board consideration.

LEGAL presented one item which was reviewed and approved by the Committee, an intergovernmental agreement with the Illinois Department of Transportation (IDOT). The remaining two Legal items were deferred at Committee and will be reviewed in Executive Session today prior to full Board consideration.

[End of Committee Reports]

Chairman Schillerstrom announced that he is appointing Directors Dotson and Johnson to an ad hoc committee to review for potential amendment the Tollway's By-laws, which he has observed are often confusing and duplicative of existing state legislation.

Items for Consideration

Finance

Item 1: Payment to the Illinois Auditor General Audit Expense Fund for the Fiscal Year 2016 Financial and Compliance Audit in the amount of \$619,200.00.

Chairman Schillerstrom called for a motion to approve **Finance Item 1**. Director Johnson made a motion for approval; seconded by Director Gomez. Chairman Schillerstrom asked if there are any questions, concerns or requests for discussion. Hearing nothing, Chairman Schillerstrom called for a roll call, the vote of yeas and nays being as follows:

Yeas: Director Johnson, Director Gomez, Director Dotson, Director Gonzalez, Director Vazquez Rowland, Chairman Schillerstrom (6)

Nays: None (0)

The motion was PASSED.

Item 2: Approval of funding for the Workers' Compensation Insurance Claim Reserve Fund in the amount of \$7,860,000.00 for the 2017-2018 program year and a reduction of \$2,747,000.00 for open claims for program years prior to April 30, 2017.

Chairman Schillerstrom called for a motion to approve **Finance Item 2**. Director Vazquez Rowland made a motion for approval; seconded by Director Johnson. Chairman Schillerstrom asked if there are any questions, concerns or requests for discussion. Hearing nothing, Chairman Schillerstrom called for a roll call, the vote of yeas and nays being as follows:



Yeas: Director Vazquez Rowland, Director Johnson, Director Dotson, Director Gomez, Director Gonzalez, Chairman Schillerstrom (6)

Nays: None (0)

The motion was PASSED.

Item 3: Amendment of Board Resolution No. 20421 to continue an Intergovernmental Agreement with the Illinois Treasurer's Office for American Express Credit Card Services from January 1, 2018 through November 17, 2019 increasing the upper limit by \$7,000,000.00 from \$19,000,000.00 to \$26,000,000.00.

Chairman Schillerstrom called for a motion to approve **Finance Item 3**. Director Johnson made a motion for approval; seconded by Director Gomez. Chairman Schillerstrom asked if there are any questions, concerns or requests for discussion.

Director Dotson asked for further clarification of the purpose of the increase being requested in spending authority. Mr. Colsch responded that the amendment will allow the Tollway to continue its Intergovernmental Agreement with the Treasurer's Office for American Express credit card services from January 1, 2018 until November 17, 2019.

Hearing nothing further, Chairman Schillerstrom called for a roll call on the pending motion, the vote of yeas and nays being as follows:

Yeas: Director Johnson, Director Gomez, Director Dotson, Director Gonzalez, Director Vazquez Rowland, Chairman Schillerstrom (6)

Nays: None (0)

The motion was PASSED.

Business Systems

Item 1: Renewal of Contract 12-0268 to Jewel Food Stores, Inc. for Transponder Retail Placement Services in an amount not to exceed \$3,700,000.00 (Tollway Request for Proposal).

Chairman Schillerstrom called for a motion to approve **Business Systems Item 1**. Director Vazquez Rowland made a motion for approval; seconded by Director Gomez. Chairman Schillerstrom asked if there are any questions, concerns or requests for discussion.



Director Gomez requested confirmation that the contract is not an exclusive agreement. Shana Whitehead, Chief of Business Systems, confirmed, clarifying that the renewal does not preclude the agency from working with other organizations.

Hearing nothing further, Chairman Schillerstrom called for a roll call on the pending motion, the vote of yeas and nays being as follows:

Yeas: Director Vazquez Rowland, Director Gomez, Director Dotson, Director Gonzalez, Director Johnson, Chairman Schillerstrom (6)

Nays: None (0)

The motion was PASSED.

Item 2: Award of Contract 17-0084 to RGA Solutions LLC for Out-of-State Registration Retrieval Services in an amount not to exceed \$915,000.00 (Tollway Invitation for Bid).

Chairman Schillerstrom called for a motion to approve **Business Systems Item 2**. Director Johnson made a motion for approval; seconded by Director Vazquez Rowland. Chairman Schillerstrom asked if there are any questions, concerns or requests for discussion. Hearing nothing, Chairman Schillerstrom called for a roll call, the vote of yeas and nays being as follows:

Yeas: Director Johnson, Director Vazquez Rowland, Director Dotson, Director Gomez, Director Gonzalez, Chairman Schillerstrom (6)

Nays: None (0)

The motion was PASSED.

Procurement

Item 1: Award of Contract 17-0148 to A-1 Lock, Inc. for Hirsch Velocity Security System Parts in an amount not to exceed \$650,000.00 (Order Against CMS Master Contract).

Chairman Schillerstrom called for a motion to approve **Procurement Item 1**. Director Vazquez Rowland made a motion for approval; seconded by Director Johnson. Chairman Schillerstrom asked if there are any questions, concerns or requests for discussion. Hearing nothing, Chairman Schillerstrom called for a roll call, the vote of yeas and nays being as follows:

Yeas: Director Vazquez Rowland, Director Johnson, Director Dotson, Director Gomez, Director Gonzalez, Chairman Schillerstrom (6)



Nays: None (0)

The motion was PASSED.

Item 2: Increase to Contract 17-0051 to Energy Absorption Systems, Inc. for Crash Attenuator Parts in an amount not to exceed \$225,000.00 (Order Against CMS Master Contract).

Chairman Schillerstrom called for a motion to approve **Procurement Item 2**. Director Gomez made a motion for approval; seconded by Director Dotson. Chairman Schillerstrom asked if there are any questions, concerns or requests for discussion. Hearing nothing, Chairman Schillerstrom called for a roll call, the vote of yeas and nays being as follows:

Yeas: Director Gomez, Director Dotson, Director Gonzalez, Director Johnson, Director Vazquez Rowland, Chairman Schillerstrom (6)

Nays: None (0)

The motion was PASSED.

Engineering

Item 1: Award of Contract RR-17-4324 to Star & Crest Decorating, Inc. for Toll Plaza Signing Improvements, Systemwide, in the amount of \$382,668.12.

Chairman Schillerstrom called for a motion to approve **Engineering Item 1**. Director Dotson made a motion for approval; seconded by Director Johnson. Chairman Schillerstrom asked if there are any questions, concerns or requests for discussion. Hearing nothing, Chairman Schillerstrom called for a roll call, the vote of yeas and nays being as follows:

Yeas: Director Dotson, Director Johnson, Director Gomez, Director Gonzalez, Director Vazquez Rowland, Chairman Schillerstrom (6)

Nays: None (0)

The motion was PASSED.

Item 2: Award of Contract I-17-4323 to Natural Creations Landscaping for Tree Planting and Landscaping on the Jane Addams Memorial Tollway (I-90) from Milepost 53.8 (Elgin Plaza 9) to Milepost 78.9 (Kennedy Expressway), in the amount of \$1,997,616.00.



Chairman Schillerstrom called for a motion to approve **Engineering Item 2**. Director Vazquez Rowland made a motion for approval; seconded by Director Johnson. Chairman Schillerstrom asked if there are any questions, concerns or requests for discussion.

Chairman Schillerstrom inquired about the implication of the protest filed with the state Chief Procurement Officer by a submitting firm on this item. John Donato, Chief of Procurement, responded that that Board can act on the item but approval would be stayed pending resolution of the protest. He explained that if the protest is denied, no further action is needed; however, if the protest is upheld then the agency would amend the procurement appropriately and seek Board approval of the revised item.

Director Vazquez Rowland asked the nature of the protest filed. Mr. Donato responded that the protest asserts that the selected vendor is not a qualified Illinois small business.

Director Johnson inquired about the status of a contract for tree plantings approved several months earlier by the Board. Chairman Schillerstrom noted that the agency is receiving guidance from the Morton Arboretum on optimal planting schedules and that plantings are anticipated to commence in the fall.

Hearing nothing further, Chairman Schillerstrom called for a roll call on the pending motion, the vote of yeas and nays being as follows:

Yeas: Director Vazquez Rowland,, Director Johnson, Director Dotson, Director Gomez, Director Gonzalez, Chairman Schillerstrom (6)

Nays: None (0)

The motion was PASSED.

Item 3: Acceptance of Proposal from exp U.S. Services, Inc., on Contract I-17-4676 for Interchange Design, on the Elgin O'Hare Western Access Tollway (I-490) from Milepost 5.8 (Touhy Avenue) to Milepost 6.2 (Jane Addams Memorial Tollway (I-90) System Interchange), in an amount not to exceed \$13,398,000.00.

Chairman Schillerstrom called for a motion to approve **Engineering Item 3**. Director Gomez made a motion for approval; seconded by Director Vazquez Rowland. Chairman Schillerstrom asked if there are any questions, concerns or requests for discussion. Hearing nothing, Chairman Schillerstrom called for a roll call, the vote of yeas and nays being as follows:

Yeas: Director Gomez, Director Vazquez Rowland, Director Dotson, Director Gonzalez, Director Johnson, Chairman Schillerstrom (6)



Nays: None (0)

The motion was PASSED.

Item 4: Acceptance of Proposal from Burns & McDonnell Engineering Co., Inc., on Contract I-17-4678 for Roadway Design, on the Elgin O'Hare Western Access Tollway (I-490) from Milepost 5.1 (Pratt Boulevard) to Milepost 5.8 (Touhy Avenue), in an amount not to exceed \$5,500,000.00.

Chairman Schillerstrom called for a motion to approve **Engineering Item 4**. Director Johnson made a motion for approval; seconded by Director Dotson. Chairman Schillerstrom asked if there are any questions, concerns or requests for discussion. Hearing nothing, Chairman Schillerstrom called for a roll call, the vote of yeas and nays being as follows:

Yeas: Director Johnson, Director Dotson, Director Gomez, Director Gonzalez, Director Vazquez Rowland, Chairman Schillerstrom (6)

Nays: None (0)

The motion was PASSED.

Item 5: Acceptance of Proposal from RS&H, Inc./Toltz, King, Duvall, Anderson and Associates, Inc., on Contract I-17-4677 for Roadway and Bridge Design, on the Elgin O'Hare Western Access Tollway (I-490) from Milepost 4.3 (Devon Avenue) to Milepost 5.1 (Pratt Boulevard), in an amount not to exceed \$8,000,000.00.

Chairman Schillerstrom called for a motion to approve **Engineering Item 5**. Director Gomez made a motion for approval; seconded by Director Gonzalez. Chairman Schillerstrom asked if there are any questions, concerns or requests for discussion. Hearing nothing, Chairman Schillerstrom called for a roll call, the vote of yeas and nays being as follows:

Yeas: Director Gomez, Director Gonzalez, Director Dotson, Director Johnson, Director Vazquez Rowland, Chairman Schillerstrom (6)

Nays: None (0)

The motion was PASSED.

Item 6: Acceptance of Proposal from SE3, LLC, on Contract RR-17-4293 for Construction Management Upon Request, Systemwide, in an amount not to exceed \$2,000,000.00.

Chairman Schillerstrom called for a motion to approve **Engineering Item 6**. Director Vazquez Rowland made a motion for approval; seconded by Director Dotson. Chairman Schillerstrom



asked if there are any questions, concerns or requests for discussion. Hearing nothing, Chairman Schillerstrom called for a roll call, the vote of yeas and nays being as follows:

Yeas: Director Vazquez Rowland, Director Dotson, Director Gomez, Director Gonzalez, Director Johnson, Chairman Schillerstrom (6)

Nays: None (0)

The motion was PASSED.

Item 7: Acceptance of Proposal from A. Epstein and Sons International Inc., (dba Epstein), on Contract I-17-4304 for Design Upon Request, on the Tri-State Tollway (I-294), in an amount not to exceed \$5,000,000.00. [Recusal: Director Gomez]

Chairman Schillerstrom stated that consideration of Engineering Item 7 will be deferred to the September Board of Directors meeting.

Item 8: Acceptance of Proposal from Geo Services, Inc., on Contract I-17-4311 for Geotechnical Upon Request, Systemwide, in an amount not to exceed \$5,000,000.00.

Chairman Schillerstrom called for a motion to approve **Engineering Item 8**. Director Gomez made a motion for approval; seconded by Director Vazquez Rowland. Chairman Schillerstrom asked if there are any questions, concerns or requests for discussion. Hearing nothing, Chairman Schillerstrom called for a roll call, the vote of yeas and nays being as follows:

Yeas: Director Gomez, Director Vazquez Rowland, Director Dotson, Director Gonzalez, Director Johnson, Chairman Schillerstrom (6)

Nays: None (0)

The motion was PASSED.

Item 9: Acceptance of Proposal from Globetrotters Engineering Corporation, on Contract I-17-4315 for Construction Management Upon Request, on the Tri-State Tollway (I-294), in an amount not to exceed \$5,000,000.00.

Chairman Schillerstrom called for a motion to approve **Engineering Item 9**. Director Vazquez Rowland made a motion for approval; seconded by Director Johnson. Chairman Schillerstrom asked if there are any questions, concerns or requests for discussion. Hearing nothing, Chairman Schillerstrom called for a roll call, the vote of yeas and nays being as follows:



Yeas: Director Vazquez Rowland, Director Johnson, Director Dotson, Director Gomez, Director Gonzalez, Chairman Schillerstrom (6)

Nays: None (0)

The motion was PASSED.

Item 10: Approval of a Real Estate Lease concerning approximately 90,000 square feet of Tollway owned real estate situated near I-294 and I-55. Cost to the Tollway: \$0.

Chairman Schillerstrom called for a motion to approve **Engineering Item 10**. Director Gomez made a motion for approval; seconded by Director Vazquez Rowland. Chairman Schillerstrom asked if there are any questions, concerns or requests for discussion. Hearing nothing, Chairman Schillerstrom called for a roll call, the vote of yeas and nays being as follows:

Yeas: Director Gomez, Director Vazquez Rowland,, Director Dotson, Director Gonzalez, Director Johnson, Chairman Schillerstrom (6)

Nays: None (0)

The motion was PASSED.

Chairman Schillerstrom stated that without objection, action on Engineering Item 11 will be deferred until after consideration in Executive Session.

Legal

Item 1: Approval of an Intergovernmental Agreement with the Illinois Department of Transportation. Cost to the Tollway: \$0.

Chairman Schillerstrom called for a motion to approve **Legal Item 1**. Director Johnson made a motion for approval; seconded by Director Gomez. Chairman Schillerstrom asked if there are any questions, concerns or requests for discussion. Hearing nothing, Chairman Schillerstrom called for a roll call, the vote of yeas and nays being as follows:

Yeas: Director Johnson, Director Gomez, Director Dotson, Director Gonzalez, Director Vazquez Rowland, Chairman Schillerstrom (6)

Nays: None (0)

The motion was PASSED.



Chairman Schillerstrom stated that without objection, action on Legal Items 2 and 3 will be deferred until after consideration in Executive Session.

Unfinished Business

Director Vazquez Rowland asked whether there would be implication to tree planting schedules should the protest filed on Contract I-17-4323 be upheld. Mr. Donato responded that schedules are not anticipated to be detrimentally impacted in either scenario. He explained that should the protest to be upheld, the next lowest bidder would be selected for award and approval of the revised contract would be expected to be sought at the September Board meeting.

Executive Session

Chairman Schillerstrom called for a motion to enter Executive Session pursuant to exceptions provided in Sections 2(c)1, 2(c)5, 2(c)8, 2(c)11, and 2(c)21 of the Illinois *Open Meetings Act* to consider Tollway matters related to performance of specific employees, purchase or lease of real property, security procedures for the safety of employees or public property, potential or pending litigation, and the minutes of closed meetings. Director Gomez made a motion, pursuant to the sections specified, to enter Executive Session; seconded by Director Johnson. Chairman Schillerstrom asked if there are any questions, concerns or requests for discussion. Hearing nothing, Chairman Schillerstrom called for a roll call, the vote of yeas and nays being as follows:

Yeas: Director Gomez, Director Johnson, Director Dotson, Director Gonzalez, Director Vazquez Rowland, Chairman Schillerstrom (6)

Nays: None (0)

The motion was PASSED.

At approximately 9:35 a.m., the Board entered into Executive Session.

Return from Executive Session and Action (if any)

At approximately 10:25 a.m., the Board re-entered the public session of the Meeting.

Chairman's Item 2: Approval of the Minutes of the Executive Session of the Board of Directors meeting held July 27, 2017.

Chairman Schillerstrom called for a motion to approve **Chairman's Item 2**, the Minutes of the Executive Session of the Board of Directors meeting held on July 27, 2017, as presented. Director Gomez made a motion for approval; seconded by Director Johnson. Chairman Schillerstrom



asked if there are any questions, concerns or requests for amendment. Hearing nothing, Chairman Schillerstrom called for a vote. The motion was PASSED unanimously.

Engineering Item 11: Land Acquisition (Identification of Real Estate Parcels associated with the Central Tri-State Tollway). Cost to the Tollway: N/A. As discussed in Executive Session.

Chairman Schillerstrom called for a motion to approve **Engineering Item 11**, which amends a prior resolution to identify two (2) additional parcels needed for the Central Tri-State Tollway (I-294) Project that may need to be acquired by condemnation. Director Gomez made a motion for approval; seconded by Director Dotson. Chairman Schillerstrom asked if there are any questions, concerns or requests for discussion. Hearing nothing, Chairman Schillerstrom called for a roll call, the vote of yeas and nays being as follows:

Yeas: Director Gomez, Director Dotson, Director Gonzalez, Director Johnson, Director Vazquez Rowland, Chairman Schillerstrom (6)

Nays: None (0)

The motion was PASSED.

Legal Item 2: Authorization to Enter a Litigation Settlement – ISTHA v. CBS Radio East, Inc., f/k/a Infinity Broadcasting East, Inc., as Successor by merger to Infinity Broadcasting Operations, Inc., 13 ED 17. This is a settlement of a DuPage County eminent domain action. Cost to the Tollway: As discussed in Executive Session.

Chairman Schillerstrom called for a motion to approve **Legal Item 2**, authorizing staff to enter into a litigation settlement with CBS Radio East, Inc., consistent with terms discussed in the Executive Session. Director Johnson made a motion for approval; seconded by Director Gomez. Chairman Schillerstrom asked if there are any questions, concerns or requests for discussion. Hearing nothing, Chairman Schillerstrom called for a roll call, the vote of yeas and nays being as follows:

Yeas: Director Johnson, Director Gomez, Director Dotson, Director Gonzalez, Director Vazquez Rowland, Chairman Schillerstrom (6)

Nays: None (0)

The motion was PASSED.

Legal Item 3: Authorization to Enter into a Settlement of Claim for Property Damage – Sabrina Bambulas. Cost to the Tollway: As discussed in Executive Session.



Chairman Schillerstrom stated that in conformity with discussion held in the Executive Session, consideration of **Legal Item 3** will be deferred to a future meeting.

Adjournment

There being no further business before the Board, Chairman Schillerstrom requested a motion to adjourn. Motion to adjourn was made by Director Johnson, seconded by Director Gomez. Chairman Schillerstrom called for a vote. The motion was PASSED unanimously.

The Meeting was adjourned at approximately 10:29 a.m.

Minutes taken by: _____

Christi Regnery
Board Secretary
Illinois State Toll Highway Authority



2017 Second Quarter Budget to Actual Review

(Preliminary and Unaudited)

August 24, 2017

Mike Colsch



2017 Revenue – Second Quarter

Total revenue was \$4 million greater than budget

(\$ millions)	Budget	Actual	\$ Var.	% Var.
Toll and Evasion Recovery	\$352.4	\$353.0	\$0.6	
Concessions	0.8	0.6	(0.2)	
Investment Income	1.5	3.2	1.7	
Miscellaneous	1.3	3.1	1.9	
Total Revenue	\$355.9	\$359.9	\$4.0	1.1%

Second Quarter Transactions

- **Commercial vehicles**
 - Grew 6.2 percent year-over-year
 - 2.2 percent greater than projected for the quarter
- **Passenger cars**
 - Grew 10.2 percent year-over-year
 - 0.5 percent less than projected for the quarter

Note: Numbers may not add to totals due to rounding

Presented by Mike Colsch on August 24, 2017



2017 Maintenance and Operations – Second Quarter

M and O actual expenses

(\$ millions)	<u>Budget</u>	<u>Actual</u>	<u>\$ Var.</u>	<u>% Var.</u>
Payroll and Related Costs	\$40.1	\$38.4	(\$1.7)	
Group Insurance	9.7	8.0	(1.7)	
Contractual Services	17.4	18.3	0.9	
Materials/Oper.Supplies	1.6	1.4	(0.2)	
Utilities	2.0	2.6	0.5	
All Other Insurance	2.9	2.5	(0.4)	
Parts and Fuel	1.3	1.3	(0.1)	
Equip.Rental/Maintenance	6.2	5.7	(0.5)	
Other Misc. Expenses	0.2	0.2	(0.0)	
Recovery of Expenses	(0.6)	(0.6)	0.0	
Total	\$81.0	\$77.8	(\$3.1)	-3.9%

Key drivers

- Payroll-related costs
- Group insurance and all other insurance
- Equipment rental/maintenance
- Contractual services
- Utilities

Note: Numbers may not add to totals due to rounding

Presented by Mike Colsch on August 24, 2017



2017 Capital Program – Second Quarter

<i>(\$ millions)</i>	<u>Projection</u>	<u>Act.</u>	<u>\$ Var.</u>	<u>% Var.</u>
Tri-State Tollway (I-94/I-294/I-80)	\$6.5	\$7.0	\$0.5	
Reagan Memorial Tollway (I-88)	11.4	11.6	0.2	
Jane Addams Memorial Tollway (I-90)	52.8	58.8	6.0	
Veterans Memorial Tollway (I-355)	3.9	1.4	(2.5)	
Systemwide Improvements	68.3	51.3	(17.0)	
Tri-State Tollway (I-294)/I-57 Interchange	0.4	0.2	(0.2)	
Elgin O'Hare Western Access	112.3	139.3	26.9	
Other Emerging Projects	4.7	0.1	(4.6)	
Move Illinois and CRP Subtotal	\$260.4	\$269.6	\$9.2	3.5%
Agreement Reimbursements and Other Adjustments	-	(3.3)	(3.3)	N/A
Total Capital Program Expenditures	\$260.4	\$266.2	\$5.9	2.3%

Note: Numbers may not add to totals due to rounding

Presented by Mike Colsch on August 24, 2017



2017 Capital Program – Second Quarter

Capital Program expenses were \$5.9 million more than projected primarily due to the following:

- **Elgin O’Hare Western Access Project**
Schedule changes and right-of-way impacts \$26.9 million
- **Jane Addams Memorial Tollway (I-90)**
Timing of close out activities \$6.0 million
- **Systemwide**
Slower than planned spending in Business Systems,
IT and other systemwide projects (\$17.0) million



2017 Second Quarter Summary

- Revenue was \$4 million more than budget
- Maintenance and operations expenditures were \$3 million less than budget
- Debt service transfers were \$3.8 million less than projection
- Capital Program expenditures were \$5.9 million higher than projection

2017 Year-to-Date Summary

- Revenue was \$4.6 million more than budget
- Revenue increased \$47.5 million, or 7.6 percent, more than 2016
- Maintenance and operations expenditures were \$4.3 million less than budget
- Debt service transfers were \$5.9 million less than projection
- Capital Program expenditures were \$119.6 million less than projection

Appendix



2017 Revenue – Year-to-Date

(\$ thousands)

	YTD		Variance	
	Budget	Actual	\$	%
Toll Revenue and Evasion Recovery	\$663,402	\$663,283	(\$119)	0.0%
Concessions	1,500	1,110	(390)	-26.0%
Investment Income	3,000	5,450	2,450	81.7%
Miscellaneous	2,500	5,156	2,656	106.2%
Total Revenue	\$670,402	\$674,999	\$4,597	0.7%

Note: Numbers may not add to totals due to rounding

Presented by Mike Colsch on August 24, 2017



2017 Maintenance and Operations – Year-to-Date

(\$ thousands)

	YTD		Variance	
	Budget	Actual	\$	%
Payroll and Related Costs	\$81,076	\$78,748	(\$2,328)	-2.9%
Group Insurance	19,402	17,809	(1,594)	-8.2%
Contractual Services	34,241	35,070	829	2.4%
Materials/Operational Supplies/Other Expenses	2,668	2,358	(310)	-11.6%
Utilities	3,971	4,543	571	14.4%
All Other Insurance	5,823	5,178	(645)	-11.1%
Parts and Fuel	2,759	2,644	(116)	-4.2%
Equipment/Office Rental and Maintenance	13,361	12,699	(662)	-5.0%
Other Miscellaneous Expenses	501	482	(20)	-3.9%
Recovery of Expenses	(1,070)	(1,049)	20	1.9%
Total Maintenance and Operations Expenditures	\$162,733	\$158,481	(\$4,252)	-2.6%

Note: Numbers may not add to totals due to rounding

Presented by Mike Colsch on August 24, 2017



2017 Capital Program – Year-to-Date

(\$ thousands)

	YTD		Variance	
	Projection	Actual ⁽¹⁾	\$	%
Tri-State Tollway (I-94/I-294/I-80)	\$24,426	\$12,304	(\$12,122)	-49.6%
Reagan Memorial Tollway (I-88)	26,057	16,181	(\$9,876)	-37.9%
Jane Addams Memorial Tollway (I-90)	137,339	99,251	(\$38,088)	-27.7%
Veterans Memorial Tollway (I-355)	9,146	3,892	(\$5,254)	-57.4%
Systemwide Improvements	113,570	83,447	(\$30,122)	-26.5%
Tri-State Tollway (I-294)/I-57 Interchange	855	518	(\$337)	-39.4%
Elgin O'Hare Western Access	203,980	195,639	(\$8,342)	-4.1%
Other Emerging Projects	7,906	153	(\$7,752)	-98.1%
Move Illinois and CRP Subtotal	\$523,278	\$411,385	(\$111,894)	-21.4%
Agreement Reimbursements and Other Adjustments ⁽²⁾	-	(7,724)	(\$7,724)	N/A
Total Capital Program Expenditures	\$523,278	\$403,661	(\$119,618)	-22.9%

⁽¹⁾ Capital Program Actual included accrued expenses for which payments have not been made as of June 30, 2017.

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

Note: Numbers may not add to totals due to rounding

Presented by Mike Colsch on August 24, 2017



2017 Revenue – Budget Realized

(\$ thousands)

	2017 Budget	YTD Actual	% Budget Realized
Toll Revenue and Evasion Recovery	\$1,366,000	\$663,283	48.6%
Concessions	3,000	1,110	37.0%
Investment Income	6,000	5,450	90.8%
Miscellaneous	5,000	5,156	103.1%
Total Revenue	\$1,380,000	\$674,999	48.9%

Note: Numbers may not add to totals due to rounding

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2017 Maintenance and Operations – Budget Realized

(\$ thousands)

	2017	YTD	% Budget
	Budget	Actual	Realized
Payroll and Related Costs	\$166,066	\$78,748	47.4%
Group Insurance	38,832	17,809	45.9%
Contractual Services	72,918	35,070	48.1%
Materials/Operational Supplies/Other Expenses	7,717	2,358	30.6%
Utilities	8,304	4,543	54.7%
All Other Insurance	11,646	5,178	44.5%
Parts and Fuel	6,672	2,644	39.6%
Equipment/Office Rental and Maintenance	25,408	12,699	50.0%
Other Miscellaneous Expenses	958	482	50.3%
Recovery of Expenses	(2,260)	(1,049)	46.4%
Total Maintenance and Operations Expenditures	\$336,261	\$158,481	47.1%

Note: Numbers may not add to totals due to rounding

Presented by Mike Colsch on August 24, 2017



2017 Capital Program–Projection Realized

(\$ thousands)

	YTD		% Projection
	Projection	Actual ⁽¹⁾	Realized
Tri-State Tollway (I-94/I-294/I-80)	\$56,470	\$12,304	21.8%
Reagan Memorial Tollway (I-88)	38,436	16,181	42.1%
Jane Addams Memorial Tollway (I-90)	165,263	99,251	60.1%
Veterans Memorial Tollway (I-355)	12,350	3,892	31.5%
Systemwide Improvements	294,977	83,447	28.3%
Tri-State Tollway (I-294)/I-57 Interchange	2,079	518	24.9%
Elgin O'Hare Western Access	374,454	195,639	52.2%
Other Emerging Projects	17,255	153	0.9%
Move Illinois and CRP Subtotal	\$961,283	\$411,385	42.8%
Agreement Reimbursements and Other Adjustments ⁽²⁾	-	(7,724)	N/A
Total Capital Program Expenditures	\$961,283	\$403,661	42.0%

⁽¹⁾ Capital Program Actual included accrued expenses for which payments have not been made as of June 30, 2017.

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

Note: Numbers may not add to totals due to rounding

Presented by Mike Colsch on August 24, 2017



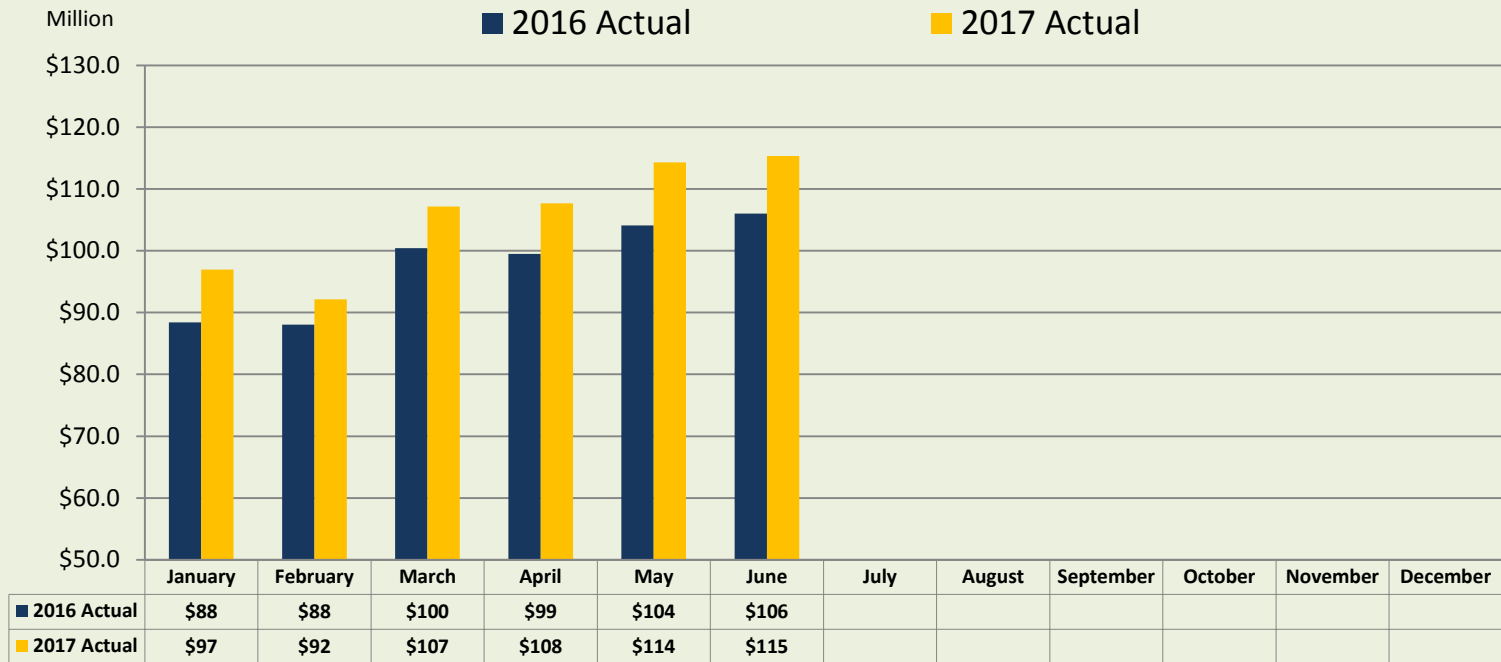
Second Quarter Revenue—2017 vs. 2016

(\$ thousands)

	2016	2017	Variance	
			\$	%
Toll Revenue and Evasion Recovery	\$326,320	\$353,015	\$26,695	8.2%
Concessions	573	595	22	3.9%
Investment Income	1,141	3,166	2,025	177.5%
Miscellaneous	847	3,119	2,272	268.2%
Total Revenue	\$328,881	\$359,896	\$31,015	9.4%



Revenue (monthly) 2017 vs. 2016



Note: Numbers may not add to totals due to rounding

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Second Quarter Maintenance and Operations–2017 vs. 2016

(\$ thousands)

	2nd Qtr		Variance	
	2016	2017	\$	%
Payroll and Related Costs	\$38,797	\$38,429	(368)	-0.9%
Group Insurance	8,442	8,022	(421)	-5.0%
Contractual Services	15,461	18,288	2,828	18.3%
Materials/Operational Supplies/Other Expenses	1,057	1,437	381	36.0%
Utilities	1,820	2,563	743	40.8%
All Other Insurance	2,604	2,517	(87)	-3.4%
Parts and Fuel	682	1,261	579	84.9%
Equipment/Office Rental and Maintenance	4,378	5,697	1,319	30.1%
Other Miscellaneous Expenses	179	182	2	1.3%
Recovery of Expenses	(717)	(563)	154	21.5%
Total Maintenance and Operations Expenditures	\$72,703	\$77,833	\$5,130	7.1%

Note: Numbers may not add to totals due to rounding

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Second Quarter Capital Program – 2017 vs. 2016

(\$ thousands)

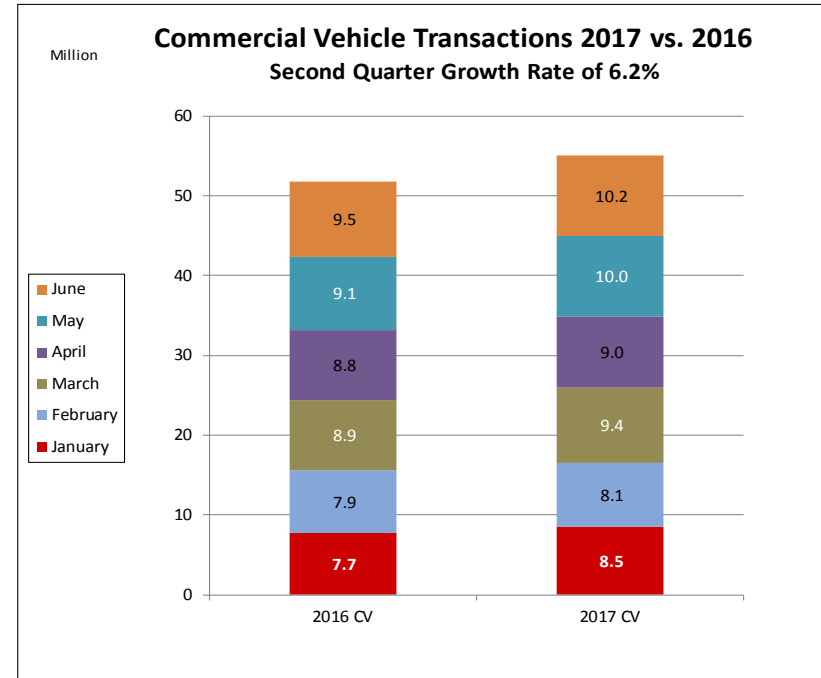
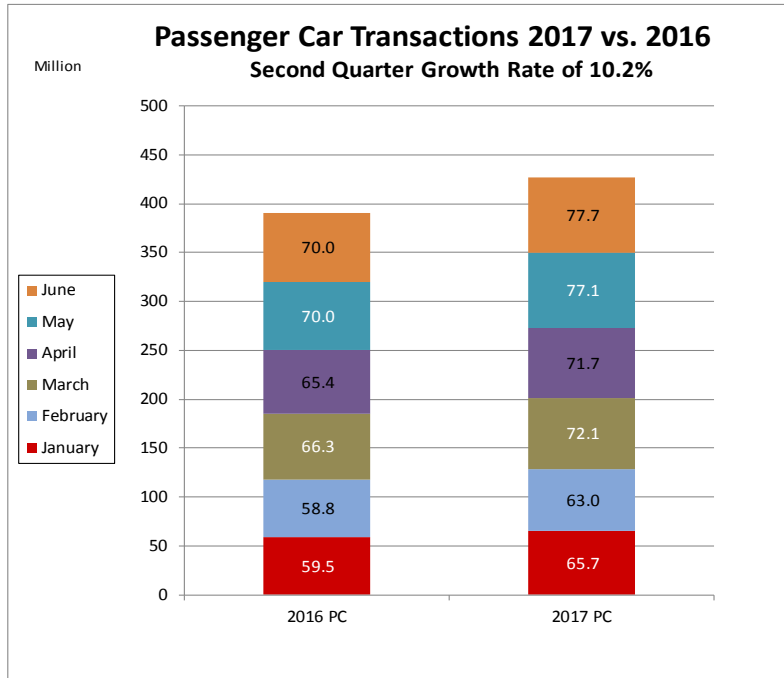
	2nd Qtr		Variance	
	2016	2017	\$	%
Tri-State Tollway (I-94/I-294/I-80)	\$10,531	\$7,001	(\$3,530)	
Reagan Memorial Tollway (I-88)	19,628	11,595	(8,033)	
Jane Addams Memorial Tollway (I-90)	148,449	58,781	(89,667)	
Veterans Memorial Tollway (I-355)	8	1,351	1,344	
Systemwide Improvements	46,344	51,292	4,948	
Tri-State Tollway (I-294)/I-57 Interchange	356	230	(126)	
Elgin O'Hare Western Access	68,536	139,280	70,744	
Other Emerging Projects	88	59	(30)	
Move Illinois and CRP Subtotal	\$293,939	\$269,589	(\$24,350)	-8%
Agreement Reimbursements and Other Adjustments	(\$12,497)	(\$3,342)	\$9,154	73%
Total Capital Program Expenditures	\$281,443	\$266,247	(\$15,196)	-5%

Note: Numbers may not add to totals due to rounding

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2017 vs. 2016 Transactions—Year over Year



Note: Numbers may not add to totals due to rounding





THANK YOU

