

ILLINOIS TOLLWAY 2012 ANNUAL REPORT

Making Our *Move*

BUILDING A NEW TOMORROW TODAY



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LETTER FROM GOVERNOR PAT QUINN ■ ■ ■

Illinois is a place where everyone has an opportunity to work...and where our companies innovate and grow.

From expanding local access in the south suburbs of Chicago to improving mobility between Rockford and Chicago, from building a better route to the west end of O'Hare International Airport to blazing a trail for transit accommodations on its system for the first time, the Illinois Tollway is making sound investments in its transportation infrastructure by investing \$12 billion and putting thousands of men and women to work.

These investments will fuel the economic development necessary to keep Illinois competitive in today's global economy.

Led by Chair Paula Wolff and Executive Director Kristi Lafleur, with support from an active Board of Directors, the Illinois Tollway is showing that the smartest investments we can make are investments in the people of Illinois. I am proud to see the highway transportation infrastructure of Northern Illinois being built by men and women who have a stake in the future of this great state.

In the first year of the *Move Illinois* Program, the Illinois Tollway provided substantial opportunities for businesses of all sizes and types to play a role in rebuilding and strengthening our infrastructure and our economy. At the same time, the Tollway put thousands of people to work last year on construction projects that will drive long-term, sustainable economic growth well into the 21st century.

The Illinois Tollway is bringing together the deep and varied talents of Illinois to deliver one of the most ambitious capital programs of any toll road agency in the nation.

These are the difference-makers – the people who have a vision for the future of our transportation network and the people who have the skills to carry out that vision and make it a reality. I am pleased to have a role in working with those who are building success in Illinois.

Sincerely,



Governor Pat Quinn



Governor Pat Quinn at the groundbreaking for the Illinois Route 47 Interchange Project at the Jane Addams Memorial Tollway (I-90).

LETTER FROM THE BOARD CHAIR AND EXECUTIVE DIRECTOR ■ ■ ■

In 2012, the Illinois Tollway laid the groundwork to move forward with our ambitious new 15-year, \$12 billion capital program, *Move Illinois: The Illinois Tollway Driving the Future* – the largest capital program in our agency’s history and the largest of any toll road agency in the nation.

With a vision to provide customers a fully rebuilt, state-of-the-art system and introduce new projects to improve regional mobility, the Tollway wasted no time establishing a foundation to begin making improvements that will benefit our customers and the communities we serve for decades to come.

In our first year, we made steady progress toward building a 21st century transportation network that satisfies the needs of the 1.4 million daily drivers on the Illinois Tollway today and the untold number of customers who will use our growing system in the future to get to and from work, take road trips and summer vacations, and move freight throughout the Midwest region.

We recognize that we are nothing without our customers and appreciate the confidence they have shown us. We continue to lead the industry as the toll agency with the highest percentage of customers who choose to pay electronically. More than 86 percent of all toll transactions on the Illinois Tollway are now I-PASS, up from 84 percent at the beginning of 2012.

As we look back on our accomplishments, we are driving forward with a vision of something that is much greater – a comprehensive infrastructure improvement program that will relieve congestion, reduce pollution, stimulate the economy, create as many as 120,000 jobs and ensure that our region retains the competitive advantage it has over other major metropolitan areas and around the world. This is the vision that Governor Pat Quinn has for the Illinois Tollway and we remain committed to realizing these goals.

We are working hard to deliver the benefits of the *Move Illinois* Program as quickly as possible without losing sight of our guiding principles: to promote the regional economy, increase collaboration with regional transportation agencies, foster environmental responsibility and sustainability, further transparency and accountability, and enhance customer service.

And, we are doing so with a commitment to make sure that everyone has an opportunity to benefit from *Move Illinois*. In 2012, more than \$628 million in contracts were awarded to 66 businesses and an estimated 3,650 jobs were created.

But, the Tollway’s capital program isn’t just about numbers. It’s about people. Featured throughout this report are the perspectives of people who have been impacted by *Move Illinois* in its first year – business owners, professionals and workers. We hope these are just the first of many stories we will be able to share over the next 15 years.

Tollway engineers will tell you that you can’t build a roadway until you’ve first made sure that you have a solid foundation. That’s exactly what we did in 2012. And, we are ready and eager to build upon that foundation in 2013.

 CHAIR PAULA WOLFF

 EXECUTIVE DIRECTOR KRISTI LAFLEUR



Move Illinois will address the remaining needs of the existing Tollway system; rebuild and widen the Jane Addams Memorial Tollway (I-90) from Chicago to Rockford; construct a new interchange to connect the Tri-State Tollway (I-294) to I-57; build a new, all-electronic Elgin O’Hare Western Access and fund planning studies for the Illinois Route 53/120 Extension and the Illiana Expressway.

Tollway Board of Directors (from left to right): Jeffrey Redick, Carl O. Towns, Terrence D’Arcy, Mark Peterson, Chair Paula Wolff, James Sweeney, David Gonzalez, Tom Weisner, James J. Banks

INVESTING FOR THE FUTURE

We invest today for the promise of a better tomorrow.

In 2012, the Illinois Tollway made the initial deposit on investments that will pay dividends well into the 21st century.

These investments to improve our transportation infrastructure assets in Northern Illinois will yield significant returns – not only for the people and businesses in the construction trades, but for Tollway customers and the regional economy as a whole.

“Our goal has been to take advantage of the opportunities the Tollway provides and become a competitive and valuable member of the engineering community. The Tollway has given us an opportunity to grow and be a partner in its success.”

Joan Berry, president of EJM Engineering Inc.



Joan Berry (in red) and the staff of EJM Engineering Inc.



Broke ground
ON THE \$61 MILLION ILLINOIS ROUTE 47 INTERCHANGE AT THE JANE ADDAMS MEMORIAL TOLLWAY (I-90) IN HUNTLEY

Completed advance work
FOR \$2.2 BILLION JANE ADDAMS MEMORIAL TOLLWAY (I-90) REBUILDING AND WIDENING PROJECT
ON TIME AND ON BUDGET

Completed
RECONSTRUCTION OF THE \$13 MILLION I-294/I-90 TRI-LEVEL BRIDGE
ON TIME AND ON BUDGET

Completed
\$112 MILLION CENTRAL TRI-STATE TOLLWAY (I-294) RESURFACING PROJECT
ON TIME AND ON BUDGET

Completed
\$70 MILLION IN ROADWAY IMPROVEMENTS ON THE REAGAN MEMORIAL TOLLWAY (I-88)
ON TIME AND ON BUDGET

Broke ground
ON THE \$719 MILLION TRI-STATE TOLLWAY (I-294)/I-57 INTERCHANGE PROJECT

EVERBODY IN. NOBODY LEFT OUT. ■ ■ ■

Astronaut Sally Ride. Baseball legend Jackie Robinson. Supreme Court Justice Sonia Sotomayor. "Firsts" are always worth celebrating.

At the Illinois Tollway, there were several "firsts" to celebrate as we promoted opportunities for businesses of all sizes, as well as disadvantaged, minority- and women-owned business enterprises.

In 2012, the Tollway:

- Hosted our agency's first Construction Careers Expo to educate nearly 500 job seekers about careers in the construction industry.
- Created and launched the agency's first Construction Contracts 101 Webinar to help companies learn how to navigate our contract and bidding process.
- Began webcasting construction contract bid openings to give members of the general public and contractors the opportunity to watch and listen live.

In addition, to accelerate our outreach efforts and provide firms the tools they need to do business with the Tollway and play a role in the *Move Illinois* Program in 2012, we:

- Launched an initiative to ensure that large construction contracts were "unbundled" into smaller contract opportunities to encourage small and diverse businesses to compete for work.
- Held "Are You Ready to Bid?" workshops tailored to prepare small and diverse businesses to bid on unbundled contracts.
- Hosted networking events for more than 400 representatives of engineering and design firms and construction companies.
- Reconvened and expanded our Earned Credit Program (ECP) Advisory Council to assist us with our diversity outreach efforts.
- Worked to expand our Mentor/Protégé Program, which encourages prime consultants to mentor disadvantaged, minority- and women-owned business enterprises in gaining and increasing their capacity.

- Participated in more than 155 outreach events, including focus groups, meetings with advocacy agencies, conferences and expos and networking events.

In 2012, the Illinois Tollway was equally diligent in promoting diversity within our own ranks. Fifty-seven percent of new employees hired in 2012 are people of color, including 44 percent who are African-American. Based in part on these successes, the Tollway is experiencing the greatest diversity in the agency's history.

The ECP is a rewards initiative that allows contractors and subcontractors to earn bid credits toward future Tollway construction bids when they hire from a pool of qualified, pre-screened job candidates, including underemployed African-Americans, Latinos, Asian-Americans, women, ex-offenders and veterans.



"The work we're able to secure through the *Move Illinois* Program will continue to fuel our growth and help us realize our dreams."

Wilbur C. Milhouse III, President and CEO of Milhouse Engineering and Construction

"The *Move Illinois* Program has enabled us to keep our existing staff employed, expand our business and create new jobs."

Paul Wang and Corina Farez, owners of Wang Engineering Inc.



"As a woman trying to take care of my children, I am thankful for the blessing I have been given through *Move Illinois*. Being able to make good money and provide a better life for my family has been a real gift."

Patricia Robles, Carpenters Local 80, Lorig Construction, Tri-State Tollway (I-294)/I-57 Interchange Project



MOVING AS ONE

No single transportation agency can go it alone these days – let alone effectively carry out the largest capital program of any toll road agency in the nation – without some help along the way.

That's why the Illinois Tollway has established productive partnerships that are essential to keeping *Move Illinois* projects moving forward as quickly and efficiently as possible.

In May, the Tollway began work in cooperation with the Illinois Department of Transportation on the Tri-State Tollway (I-294)/I-57 Interchange Project, which will connect I-294 and I-57 and improve access and economic development in the Chicago Southland.

Later that month, the Illinois Route 53/120 Blue Ribbon Advisory Council completed nine months of discussion and deliberation and presented its final report to the Tollway Board of Directors. The council – created by the Tollway in 2011 – recommended that the new Illinois Route 53 be built as a four-lane, limited-access, tolled parkway with a 45 mph maximum operating speed, with further study of alignment options for the configuration of Illinois Route 120.

“Our participation in the Tollway’s new capital program has allowed us to maintain our current workforce, as well as add several new positions within our firm to meet the exciting challenges ahead. We are pleased to be part of this historical program and help meet the important goals of *Move Illinois* to improve mobility and relieve congestion, while at the same time reduce the impact of construction on our natural environment.”

Fred Lin, transportation manager at Lin Engineering Ltd.

From left, front: Paul Lin, president of Lin Engineering Ltd., and his sons John and Fred, surrounded by company staff.

COLLABORATION = ACCELERATION

Third Annual Earth Day XLII Transportation Summit
The Tollway led efforts to bring together leaders of the transportation industry at the third annual Earth Day Transportation Summit in Chicago. The summit focused on how various local and state transportation agencies can work together to develop innovative financing options for multimodal projects.

Jacky Grimshaw, vice president of policy at the Center for Neighborhood Technology, talks to author and economist Charles Wheelan, keynote speaker at the 2012 Earth Day event.



I-294/I-90 Tri-Level Bridge
The Tollway also worked closely with local communities to complete reconstruction of the I-294/I-90 Tri-Level Bridge, one of the most complicated, heavily traveled interchanges on the Tollway system. The \$13 million project, completed on time and on budget, received local and national recognition.

Elgin O'Hare Western Access Local Advisory Committee
The Tollway established the Elgin O'Hare Western Access Local Advisory Committee to get feedback from local communities and help guide construction of the project through 2025. In December, the Federal Highway Administration and Federal Aviation Administration issued a Record of Decision approving the plan for the Elgin O'Hare Western Access Project. Approval of this document completed the last step in the federal review of the project's environmental impact, allowing the Tollway to move toward implementation in 2013.



Illinois Transportation Secretary Ann L. Schneider and Illinois Tollway Executive Director Kristi Lafleur sign-off on the final Elgin O'Hare Western Access planning document.

EMERALD HIGHWAYS ■ ■ ■

Emeralds are associated with spring and good luck, but they also represent an open door to new possibilities.

Our commitment to make *Move Illinois* the “Cleanest and Greenest” capital program in Illinois Tollway history is providing us innovative, new ways to build and maintain roadways.

Today, we’re using more recycled materials like roof shingles and tire rubber, more environmentally friendly technologies like warm-mix asphalt and intelligent transportation systems that help reduce delays and, ultimately, the air pollution that is a byproduct of roadway congestion.

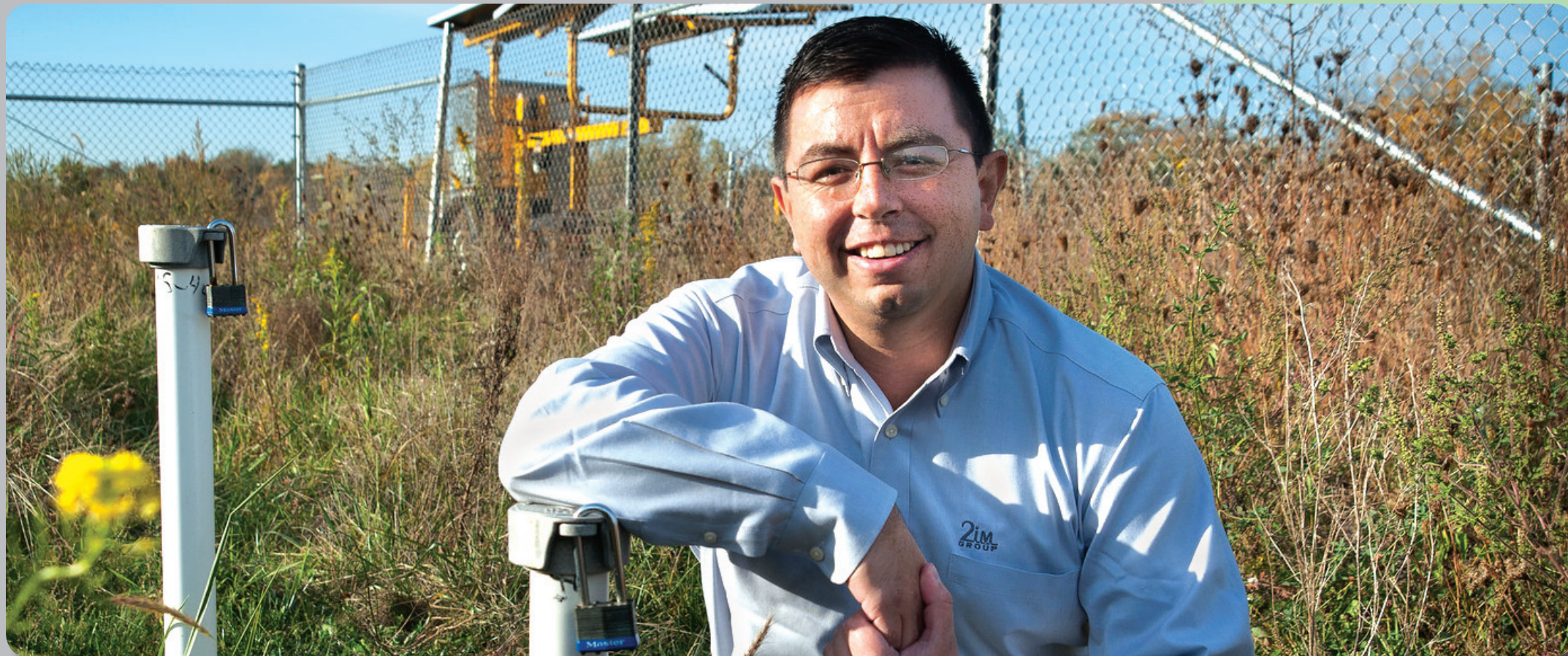
In the first year of *Move Illinois*, the Tollway made its move to foster environmental responsibility and sustainability. In 2012, we:

- Started construction of the Tollway’s first “green” interchange at Illinois Route 47 on the Jane Addams Memorial Tollway (I-90). The new interchange will feature geothermal water piping system, reflective roofs and trellised vegetation, as well as ramp shoulder pavement that allows water to seep through and reduce storm water runoff.
- Began planning for the Elgin O’Hare Western Access Project as the first all-electronic toll road in the region. All-electronic tolling decreases the amount of pollution because vehicles no longer need to stop at traditional barrier toll plazas.
- Installed fast-charging electric vehicle stations at 7-Eleven sites at the Tollway Oases and at the Tollway Central Administration building in Downers Grove, making the Illinois Tollway part of the nation’s largest fast-charging electric vehicle network.

- Hosted a free paper recycling and shred event in conjunction with U.S. Equities and Cintas Corporation at the Des Plaines Oasis on the Jane Addams Memorial Tollway (I-90). Altogether, customers brought in more than 3,400 pounds of documents to be shredded and recycled.

“I share the Tollway’s vision of developing best management practices to protect our natural resources. With the increasing demand for sustainable solutions in the transportation industry, my firm is well-positioned for future growth.”

Luis Montgomery, president of 2IM Group



BUILDING GREEN ■ ■ ■

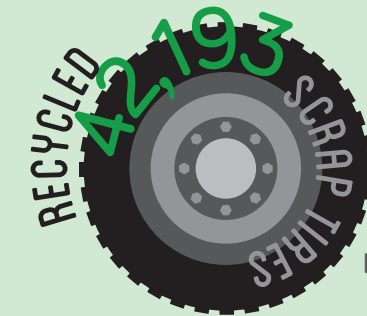
The Tollway’s “Building Green” efforts are minimizing the environmental impact of roadway construction by reducing, recycling and reusing materials that would otherwise be sent to a landfill. In 2012, the Tollway:



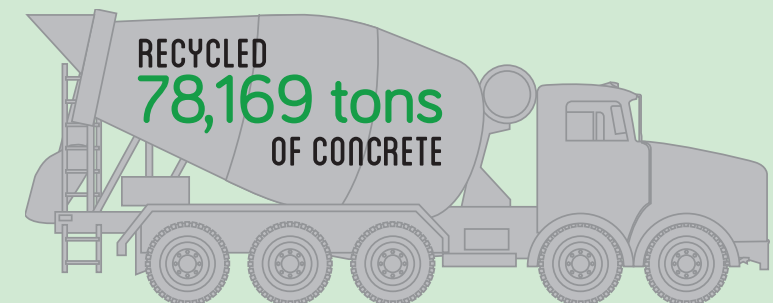
ENOUGH TO BUILD AN 8-FOOT WIDE, 2-INCH THICK BIKE PATH FROM CHICAGO TO LINCOLN, NEBRASKA



ENOUGH TO ROOF MORE THAN 16,000 CHICAGO BUNGALOWS



ENOUGH TIRES FOR A LINE OF CARS FROM DOWNERS GROVE TO NORTH AVENUE BEACH



ENOUGH TO FILL A LINE OF CONCRETE MIXER TRUCKS DOWN LAKE SHORE DRIVE FROM EVANSTON TO HYDE PARK

BUILDING TRUST ■ ■ ■

Investments in maintenance and improvements to the Tollway system come from toll revenues. That's why we go the extra mile to fulfill our obligations to be efficient, transparent and accountable across every aspect of Tollway operations, so customers can clearly see that their toll dollars are not wasted.

Our goal is to leave no doubt that toll revenues are being invested responsibly back into the system to provide benefits for Tollway customers and economic advantages for the people of Illinois.

In 2012, our customers continued to find that the Illinois Tollway remains a good value for the money, with traffic and toll revenue exceeding projections. The Illinois Tollway continues to explore every avenue to unlock greater value for customers by improving the efficiency of its operations.

In September, the Illinois Tollway approved a new five-year, \$61.5 million contract with The Chicago Lighthouse to manage the Tollway's Customer Call Center, providing assistance to Tollway customers calling 1-800-UC-IPASS for account services. This contract award completed the Tollway's goal to break up the large, single contract for I-PASS services into four smaller contracts in order to increase opportunities for businesses to work with the agency. The Tollway bid the work for this contract through the Illinois State Use Program, which is designed to provide employment for underserved communities, persons with disabilities and veterans.

The Illinois Tollway also began pursuing its worst toll violators in court on behalf of the 98 percent of Tollway customers who pay their tolls on time. The Tollway began filing lawsuits against toll violators, sending a clear and strong message to

chronic violators who use the Tollway regularly without paying that the time had come for them to pay their fair share. In 2012, the Tollway entered 51 judgments in actions filed to recoup approximately \$2.5 million.

The Tollway also began posting our agency's policies online for review and public comment. Soliciting public comment on our website is part of a new effort by the Tollway to ensure that the interests of customers, businesses and communities impacted by Tollway policy decisions have been considered.

"We anticipate *Move Illinois* will continue to provide much-needed opportunities to work on various construction projects that will strengthen our state's foundation and, ultimately, fuel our state's economic recovery."

Natalia Homedi, president of Atlas Engineering Group Ltd.



"We are happy to be a part of *Move Illinois*. It is opportunities like this that we dream of, where we can play a meaningful role and make a positive impact on the transportation system in our region."

Jorge Moreno, president of CivCon Services Inc.

"Being able to play a role in the new *Move Illinois* Program will not only allow us to strengthen our skills, but it will also give us the ability to compete as a prime consultant in the future."

Shakti Joshi, P.E., president of APS Consulting, Inc.



Jorge Moreno (center) and the staff at CivCon Services Inc.

CUSTOMERS COME FIRST ■ ■ ■

We know that our customers don't like to wait, so we make every effort to demonstrate the value of the Illinois Tollway by getting customers to where they're going quickly, safely and efficiently.

Looking down the road, we remain focused on delivering the highest level of customer service while finding new ways to provide added value for our commuter community.

In 2012, the Tollway moved forward with efforts to upgrade its electronic toll collection system by gathering information about the latest technologies, products and services. Lessons learned from meeting with more than 20 prospective vendors were used to develop and issue a request for proposals for a new system, with the final selection to be made in 2013.

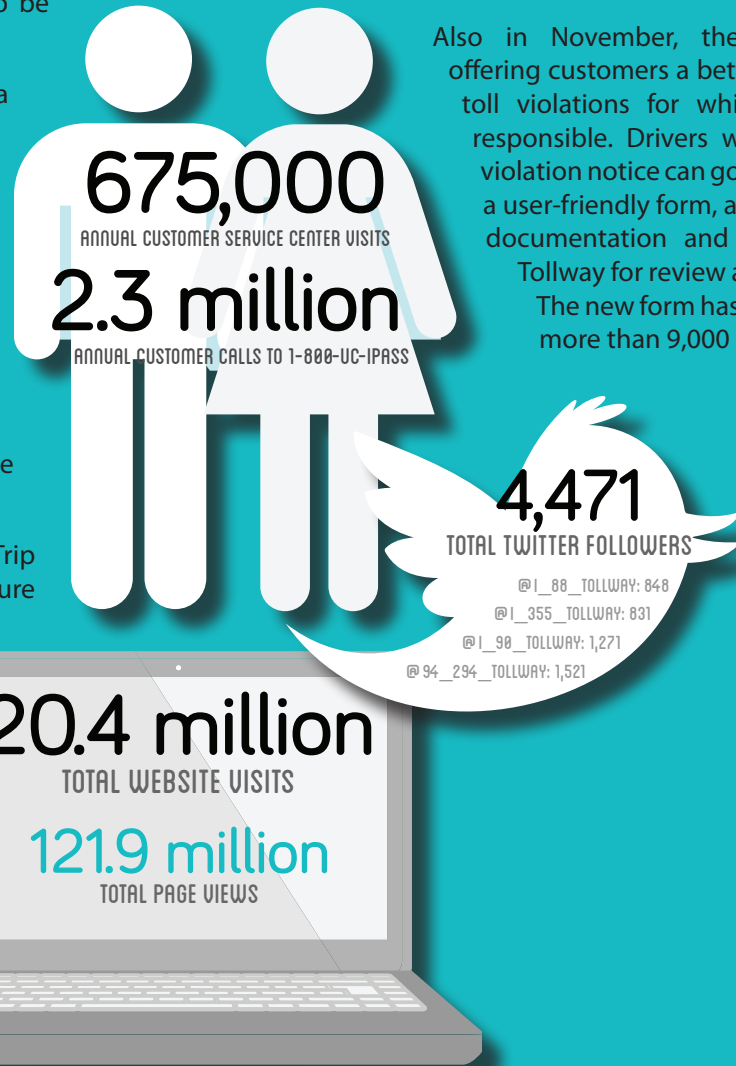
The Tollway's goal is to implement a new, cutting-edge system by 2015 that keeps the agency at the forefront of this rapidly changing industry. This includes developing a system that makes it faster and easier for individual and fleet customers to manage their I-PASS accounts or violations online. The new system will also improve customer communications, provide enhanced functionality with the E-ZPass Group and lay the foundation for future electronic tolling technologies.

The Tollway also added an easy-to-use Trip Calculator to its website in 2012. This feature

allows customers to select specific start and end points on an interactive map and then calculate tolls along the designated route. Designed to help customers plan their trips and pay missed tolls, the Trip Calculator has had more than one-half million total visits since it debuted in March.

Thanksgiving marked the debut of Tollway Trip Tweets on Twitter.com. Drivers now can follow each of the four tollways – the Tri-State Tollway (I-94/I-294/I-80), Jane Addams Memorial Tollway (I-90), Reagan Memorial Tollway (I-88) and the Veterans Memorial Tollway (I-355) – to receive real-time roadway incident information to help plan their trips. To date, Tollway Trip Tweets have attracted more than 4,471 followers.

Also in November, the Tollway began offering customers a better way to contest toll violations for which they are not responsible. Drivers who receive a toll violation notice can go online, download a user-friendly form, attach the required documentation and return it to the Tollway for review and consideration. The new form has been accessed by more than 9,000 customers so far.



“Thanks to Move Illinois, I have an opportunity to participate in something larger than myself while doing work that I love.”

Dawn Voce, Operating Engineers Local 150, William Charles Construction, Jane Addams Memorial Tollway (I-90)/Illinois Route 47 Interchange Project



“Move Illinois has made it possible for me do an honest day's work for an honest day's pay so I can take care of my family – I couldn't ask for anything more.”

Roy Griffin, Laborers Local 582, Plote Construction, Jane Addams Memorial Tollway (I-90)/Illinois Route 47 Interchange Project

Roy Griffin with Governor Pat Quinn

2012 AWARDS

- Executive Director Kristi Lafleur named “Most Powerful and Influential Woman in Illinois” by the National Diversity Council.
- Executive Director Kristi Lafleur and Illinois Department of Transportation Secretary Ann L. Schneider named “Women of the Year” by the Women’s Transportation Seminar Greater Chicago Chapter.
- *Move Illinois* Program public affairs campaign received a Chicago Skyline Award from the Public Relations Society of America, Chicago Chapter, and a Platinum Award from Hermes Creative Awards.
- The Tri-State Tollway (I-294)/Balmoral Avenue Interchange Project awarded the Toll Excellence Award in the administration category from the International Bridge, Tunnel and Turnpike Association.
- The I-294/I-90 Tri-Level Bridge Project named one of the “Top 10 Bridges in North America” by Roads & Bridges magazine.
- The I-294/I-90 Tri-Level Bridge Project won a Pride in Construction Award for “Rehabilitation Project of the Year” from the Construction Industry Service Corporation.
- Tollway engineering firms also submitted projects and initiatives that won Engineering Excellence Awards from the American Council of Engineering Companies, Illinois Chapter.
 - » Merit Award, North Chicago Wetland Mitigation Area – nominated by AMEC Environment & Infrastructure Inc.
 - » Merit Award, the Tri-State Tollway (I-294)/Balmoral Avenue Interchange Project – nominated by Christopher B. Burke Engineering Ltd.
 - » Merit Award, Illinois Tollway Virtual Map/Trip Calculator – nominated by HNTB Corporation



Illinois Tollway Executive Director Kristi Lafleur and Illinois Transportation Secretary Ann L. Schneider

HONORING VETERANS

Governor Quinn has long made commitments to veterans affairs, servicemembers and their families one of his top priorities throughout his career in public service.



The Illinois Tollway joined Governor Quinn in honoring the Illinois men and women who have fallen in service to our country since September 11, 2001, with the unveiling of the “Portrait of a Soldier” memorial exhibit at Tollway Oases. The exhibit featured hand-drawn portraits of Illinois servicemembers who gave their lives protecting America’s freedom.



The Tollway also paid tribute to veterans who have served in the various branches of the armed forces past and present by inviting Illinois high school students to participate in its annual Tollway Map Cover Art Contest, which had the theme “Remembering Our Veterans.” The grand prize winner’s entry is featured on the cover of the Tollway’s 2013 map, which is distributed at no cost to more than 125,000 customers.

FUNDING SOURCES AND ALLOCATIONS

The Illinois Tollway is a user-funded system that receives no state or federal funding for maintenance and operations.

Allocations are made from revenue collected on a cash basis and may differ from revenue that is booked on an accrual basis.

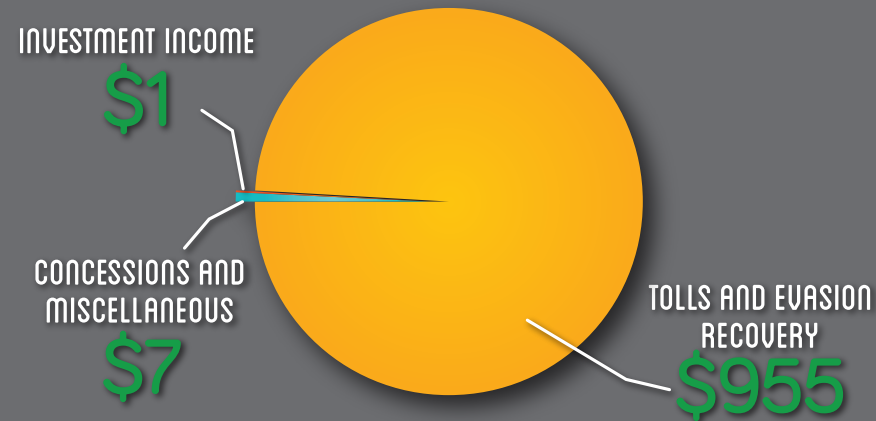
Sources of Revenue

(\$ millions)

- **Tolls and Evasion Recovery** – Collections via cash, I-PASS and violation recovery payments
- **Concessions and Miscellaneous** – Oases fuel, food and other retail sales; overweight truck fines; rental and easement income
- **Investment Income** – Interest earned on Tollway funds and I-PASS cash escrow accounts

Sources of Revenue

(\$ millions)



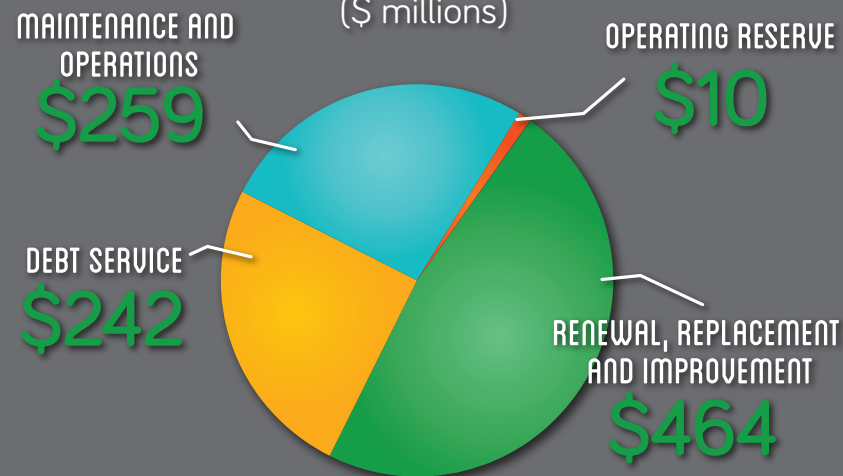
Allocations of Revenue

(\$ millions)

- **Maintenance and Operations** – Related to toll collection, roadway maintenance, traffic control, safety, insurance and administration
- **Debt Service** – Principal and interest payments on outstanding Tollway bonds
- **Operating Reserve** – A reserve to provide a contingency for events that may adversely impact revenue or increase operating expenditures
- **Renewal, Replacement and Improvement** – Deposits to Renewal and Replacement account and improvement account

Allocations

(\$ millions)



Capital Program Expenditures

\$373 Million

Capital expenditures for roadway reconstruction, expansion and systemwide maintenance. Does not reflect reimbursements of \$21 million received pursuant to intergovernmental agreements.

For more information, please see our 2012 Comprehensive Annual Financial Report (CAFR), which will be available in summer 2013 on the Illinois Tollway's website, www.illinoistollway.com.

MEASURES OF SUCCESS

TOLLWAY SYSTEM



I-PASS



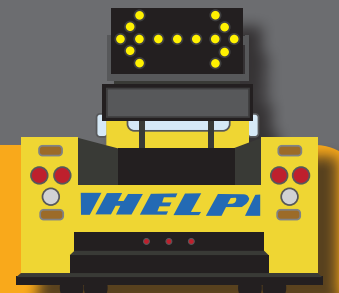
MOVE ILLINOIS PROGRAM



K.I.S.S. EVENTS



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