



Record of Meeting | November 10, 2015

The Illinois State Toll Highway Authority (the “Tollway”) held the regularly scheduled Finance, Administration and Operations Committee Meeting on Tuesday, November 10, 2015 at Tollway Headquarters in Downers Grove, Illinois. The Meeting was held pursuant to By-Laws of the Tollway upon call and notice of the Meeting executed by Chairman Robert J. Schillerstrom and posted in accordance with the requirements of the Illinois *Open Meetings Act*. The Meeting was open to the public.

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

Call to Order / Roll Call

Committee Chair Joe Gomez called the Meeting to order at approximately 9:21 a.m. and stated that this is the regularly scheduled meeting of the Finance, Administration and Operations Committee (“FAO Committee”) of the Tollway Board of Directors. He then asked the Board Secretary to call the roll, those Directors present and absent being as follows:

| Committee Members Present: |
|---|
| Committee Chair Joe Gomez |
| Director Corey Brooks <i>(entered at 9:24 a.m.)</i> |
| Director Earl Dotson, Jr. |
| Director David Gonzalez |

| Committee Members Not Present: |
|--------------------------------|
| Director Nick Sauer |

The Board Secretary declared a quorum present.

Public Comment

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

Committee Chair’s Items

Committee Chair Gomez called for a motion to approve the Minutes of the regular Finance, Administration and Operations Committee meeting held on October 15, 2015. Director Dotson made a motion for approval; seconded by Director Gonzalez. Committee Chair Gomez then called for a vote. The motion PASSED by the unanimous vote of those Directors present, Director Brooks having not yet entered the Meeting.



Committee Chair Gomez then called on Greg Bedalov, Executive Director.

[Director Brooks entered at approximately 9:24 a.m.]

Executive Director's Items

Executive Director Bedalov welcomed the Tollway's newly-appointed Inspector General, TJ Hengesbach, and provided a brief overview of his background. Mr. Hengesbach expressed his appreciation for the welcome.

Quarterly Financial Review: Executive Director Bedalov then introduced Mike Colsch, Chief of Finance, to present the Quarterly Financial Review, comparing the budget to actual (preliminary) results for the third quarter ending Sept 30, 2015. [See attached presentation.](#)

Director Dotson inquired about the allocation of funds resulting from the positive variance to budget experienced in third quarter revenues. Mr. Colsch responded that these funds remain in the Tollway's Revenue Fund until allocated at a future date.

Disparity Study: Executive Director Bedalov reported the recent completion of the Illinois Tollway 2014 Disadvantaged Business Enterprise ("DBE") Disparity Study conducted to review contracting practices and the Tollway's DBE Program. He noted that the study is part of the Tollway's continuing efforts to ensure that diverse businesses have an opportunity to compete for construction and construction-related services contracts awarded as part of the *Move Illinois* Capital Program. He then introduced Gustavo Giraldo, Chief of Diversity and Strategic Development, to provide a briefing for the Committee on the issues examined, the results, and the recommendations of the Disparity Study. [See attached presentation.](#)

Committee Chair Gomez, noting their paths have crossed at several community events, commended Mr. Giraldo for his work in advancing Tollway diversity and inclusion efforts.

Director Dotson inquired about next steps, including whether the Diversity and Inclusion Committee will be tasked with using results of the Disparity Study to help develop a strategic focus for the Tollway's diversity and inclusion efforts. Executive Director Bedalov responded affirmatively, advising that senior staff will work cooperatively with the new Diversity Advisory Council and the Diversity and Inclusion Committee to review the study and develop recommendations to the Board for the best methods to provide more disadvantaged, minority- and women-owned businesses with opportunities to participate in Tollway projects.



Items for Consideration

Finance

Committee Chair Gomez called on Mr. Colsch to present the following Finance items:

Item 1: Award of Contract to Beazley Insurance Company for Cyber Liability Insurance for a one-year period. (Tollway Request for Proposals)

Item 2: Renewal of Contract 09-0138 for the Employee Health Benefit Programs with Blue Cross Blue Shield of Illinois for the 2016-2017 plan year (Tollway Request for Proposals).

Item 3: Authorization of Early Redemption of Series 1998B Bonds.

Committee Chair Gomez asked should the Tollway exercise the option to redeem these bonds early, what impact might be expected to the Tollway's bond rating. Mr. Colsch responded that while the underlying rating is unlikely to be affected, reductions to the percentage of variable rate or synthetic fixed rate debt to total outstanding debt is generally viewed positively by bond rating agencies.

Upon conclusion of the presentation of items by Mr. Colsch, Committee Chair Gomez called for a motion to consolidate Finance Items 1 through 3 for consideration and action. Director Gonzalez made a motion to consolidate; seconded by Director Dotson. Committee Chair Gomez called for a vote. The motion PASSED unanimously.

The motion to consolidate these items having carried, Committee Chair Gomez then called for a motion to approve placement on the November Board of Directors meeting agenda of **Finance Items 1 through 3** with the Committee's recommendation for approval by the Board. Director Dotson made a motion for approval; seconded by Director Gonzalez. Committee Chair Gomez asked if there were any questions, concerns or requests for discussion. Hearing none, Committee Chair Gomez called for a vote on the pending motion. The motion PASSED unanimously.

Procurement

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

Item 1: Award of Contract 15-0152 to Motorola Solutions, Inc. for the purchase of Starcom21 Radio Replacement in an amount not to exceed \$9,461,056.00 (Order Against CMS Master Contract).



Item 2: Award of Contract 15-0155 to Motorola Solutions, Inc. for the purchase of Starcom21 Radio Programming Tools, Training, Equipment, and Equipment Installation in an amount not to exceed \$947,874.48 (Order Against CMS Master Contract).

Item 3: Award of Contract 15-0081 to F.H. Paschen, S.N. Nielsen & Associates LLC; Anchor Mechanical, Inc.; and AGAE Contractors, Inc. for the purchase of Job Order Contracting (“JOC”) for General Construction Services in an aggregate amount not to exceed \$50,000,000.00 (Tollway Invitation for Bids).

Executive Director Bedalov advised that although currently three vendors have been selected for award of this contract, upon further consideration, senior management feels the award criteria figures used during the selection process were sufficiently close amongst the top nine scoring firms (varying by only five hundredths of a point) to warrant expansion of the number of vendors selected for award to nine -- a revision which would be consistent with the Tollway’s interest in expanding contractor opportunities. He further stated that with the Committee’s concurrence, this item would be deferred and amended accordingly, prior to re-presentation at the November Board of Directors meeting. The Committee expressed consensus that the item be amended as described and subsequently re-presented for consideration at the November Board of Directors meeting.

Item 4: Award of Contract 14-0157R to Builders Chicago Corporation for the purchase of Overhead Garage Door Parts and Repair Services in an amount not to exceed \$306,085.20 (Tollway Invitation for Bids).

Item 5: Award of Contract 14-0130R to DisposAll Waste Services, LLC for the purchase of Scrap Tire/Rubber Debris Pickup and Disposal Services in an amount not to exceed \$177,600.00 (Tollway Invitation for Bids).

Item 6: Award of Contract 14-0150 to F.L. Walz, Inc. (d.b.a. Walz Scale Co., Inc.) for the purchase of Portable Wheel-Load Weigh Scales in an amount not to exceed \$71,920.00 (Tollway Invitation for Bids).

Upon conclusion of the presentation of items by Mr. Donato, Committee Chair Gomez called for a motion to consolidate Procurement Items 1, 2, 4, 5, and 6 for consideration and action. Director Dotson made a motion to consolidate; seconded by Director Gonzalez. Committee Chair Gomez called for a vote. The motion PASSED unanimously.

The motion to consolidate these items having carried, Committee Chair Gomez then called for a motion to approve placement on the November Board of Directors meeting agenda of **Procurement Items 1, 2, 4, 5 and 6** with the Committee’s recommendation for approval by the



Board. Director Dotson made a motion for approval; seconded by Director Gonzalez. Committee Chair Gomez asked if there were any questions, concerns or requests for discussion. Hearing nothing, Committee Chair Gomez called for a vote. The motion PASSED unanimously.

Committee Chair Gomez stated that consideration of **Procurement Item 3** will be deferred, allowing for its revision as discussed, until the November Board of Directors meeting,

Engineering

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

During his summary of the items, Mr. Kovacs brought to the attention of the Committee that for identification purposes, the names of those subcontractors which are first time participants on Tollway contracts are now bolded in the item summaries.

Item 1: Award of Contract RR-15-5711 to Lorig Construction Company for Eastbound Bridge Rehabilitation on the Jane Addams Memorial Tollway (I-90) from Milepost 78.3 (West of Des Plaines River Road) to Milepost 78.8 (Kennedy Expressway) in the amount of \$9,169,227.99.

Item 2: Award of Contract I-15-4232 to Plote Construction, Inc. for Inside Roadway and Bridge Reconstruction on the Jane Addams Memorial Tollway (I-90) from Milepost 56.8 (IL Route 25) to Milepost 60.8 (Higgins Road) in the amount of \$30,349,821.73.

Item 3: Award of Contract I-15-4233 to Plote Construction, Inc. for Inside Roadway and Bridge Reconstruction on the Jane Addams Memorial Tollway (I-90) from Milepost 60.8 (Higgins Road) to Milepost 65.5 (Roselle Road) in the amount of \$40,990,755.28.

Item 4: Award of Contract I-15-4231 to Lorig Construction Company, for Eastbound Roadway and Bridge Reconstruction and Widening on the Jane Addams Memorial Tollway (I-90) from Milepost 53.7 (Elgin Plaza) to Milepost 55.4 (Fox River) in the amount of \$21,105,929.40.

Item 5: Award of Contract I-14-5700 to Lorig Construction Company, for Crossroad Bridge Reconstruction and Widening on the Jane Addams Memorial Tollway (I-90) from Milepost 24.5 (Tripp Road) to Milepost 27.9 (Spring Center Road) in the amount of \$6,503,132.28.

Item 6: Award of Contract I-14-4642 to Plote Construction, Inc. / Dunnet Bay Construction Co., JV for Roadway and Bridge Construction on Illinois Route 390 from Milepost 13.6 (West of Prospect Avenue) to Milepost 15.2 (East of Lively Blvd) in the amount of \$52,973,667.81.



Item 7: Award of Contract I-15-4651 to Semper Fi Yard Service, Inc for Landscape Improvements on Illinois Route 390 from Milepost 5.9 (Lake Street US 20) to Milepost 12.1 (Rohlwing Road IL 53) in the amount of \$1,323,776.20.

Item 8: Acceptance of Proposal from Globetrotters Engineering Corporation, on Contract I-15-4241 for Construction Management Service Upon Request, Systemwide, in an amount not to exceed \$3,500,000.00.

Item 9: Acceptance of Proposal from AECOM Technical Services, Inc. on Contract RR-10-9973 for Supplemental Consulting Engineering Services, Systemwide, in the amount of \$18,239,000.00 from \$58,913,971.33 to \$77,152,971.33.

Mr. Kovacs, referencing the supplements provided for in Items 9 and 10, noted that the foundational engineering contracts for these professional services are to be rebid by the Tollway in the coming year, a process which will include aggressive outreach and advertising in order to maximize bid responses.

Item 10: Acceptance of Proposal from CDM Smith Inc. on Contract RR-10-9974 for Supplemental Traffic Engineering Services, Systemwide, in the amount of \$4,270,000.00 from \$17,878,823.19 to \$22,148,823.19.

Item 11: Acceptance of Proposal from HNTB Corporation on Contract I-11-4013 for Supplemental Program Management Services, Systemwide, in the amount of \$19,153,417.53 from \$69,890,000.00 to \$89,043,417.53.

Director Gonzalez requested confirmation that Engineering Items 9 and 10 are supplements providing for additional professional services and time extension through December 31, 2016; however, Engineering Item 11 is a supplement providing only for additional professional services to meet several critical project delivery milestones by the end of 2016. Mr. Kovacs confirmed.

Item 12: Acceptance of Proposal from DLZ Illinois, Inc. on Contract I-13-4106 for Supplemental Construction Management Services for Crossroad Bridge Reconstruction and Widening on the Jane Addams Memorial Tollway (I-90) at Milepost 65.57 (Roselle Road), in the amount of \$1,188,070.34 from \$2,900,000.00 to \$4,088,070.34.

Item 13: Acceptance of Proposal from Parsons Brinckerhoff, Inc. on Contract I-13-4107 for Supplemental Construction Management Services for Bridge Reconstruction on the Jane Addams Memorial Tollway (I-90) at Milepost 67.3 (Meacham Road), in the amount of \$1,098,712.44 from \$2,972,774.21 to \$4,071,486.65.



Item 14: Change Order on Contract I-13-4629 to F.H. Paschen, S.N. Nielsen & Assoc., LLC for Road and Bridge Construction on the New Illinois Route 390 from Milepost 10.1 (East of Roselle Road) to Milepost 13.6 (Arlington Heights Road) in the amount of \$582,940.50.

Director Dotson inquired about the impetus for the seemingly increasing number of subcontractors which are participating on Tollway contracts for the first time. Mr. Kovacs responded that he believes the increase is a result of a combination of factors: the Tollway's outreach to prime contractors urging the use of new firms, and consequently, the primes more aggressive pursuit of new firms, and the benefit of increased professional connections between primes and subcontractors facilitated through the Tollways enhanced networking opportunities.

Item 15: Resolution Authorizing Augmenting Funds for Land Acquisition for the Elgin O'Hare Western Access (EOWA), Project I-11-4011.

Upon conclusion of the presentation of items by Mr. Kovacs, Committee Chair Gomez called for a motion to consolidate Engineering Items 1 through 7, each construction contracts, for consideration and action. Director Dotson made a motion to consolidate; seconded by Director Gonzalez. Committee Chair Gomez called for a vote. The motion PASSED unanimously.

The motion to consolidate these items having carried, Committee Chair Gomez then called for a motion to approve placement on the November Board of Directors meeting agenda of **Engineering Items 1 through 7** with the Committee's recommendation for approval by the Board. Director Dotson made a motion for approval; seconded by Director Gonzalez. Committee Chair Gomez asked if there were any questions, concerns or requests for discussion. Hearing nothing, Committee Chair Gomez called for a vote. The motion PASSED unanimously.

Committee Chair Gomez then called for a motion to consolidate Engineering Items 8 through 13, each professional services contracts, for consideration and action. Director Dotson made a motion to consolidate; seconded by Director Gonzalez. Committee Chair Gomez called for a vote. The motion PASSED unanimously.

The motion to consolidate these items having carried, Committee Chair Gomez then called for a motion to approve placement on the November Board of Directors meeting agenda of **Engineering Items 8 through 13** with the Committee's recommendation for approval by the Board. Director Gonzalez made a motion for approval; seconded by Director Dotson. Committee Chair Gomez asked if there were any questions, concerns or requests for discussion. Hearing nothing, Committee Chair Gomez called for a vote. The motion PASSED unanimously.



Committee Chair Gomez then called for a motion to approve placement on the November Board of Directors meeting agenda of **Engineering Item 14** with the Committee’s recommendation for approval by the Board. Director Dotson made a motion for approval; seconded by Director Gonzalez. Committee Chair Gomez asked if there were any questions, concerns or requests for discussion. Hearing nothing, Committee Chair Gomez called for a vote. The motion PASSED unanimously.

Committee Chair Gomez stated that consideration of **Engineering Item 15** will be deferred until the November Board of Directors meeting.

Legal

Committee Chair Gomez then called on David Goldberg, General Counsel, to present the following Legal item:

Item 1: An Intergovernmental Agreement with DuPage County and the Village of Bensenville regarding advance draining work on Elgin O’Hare Western Access project. Cost to the Tollway: \$0.

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

Adjournment

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

The Meeting was adjourned at approximately 10:20 a.m.

Minutes taken by: _____

Christi Regnery
Board Secretary
Illinois State Toll Highway Authority

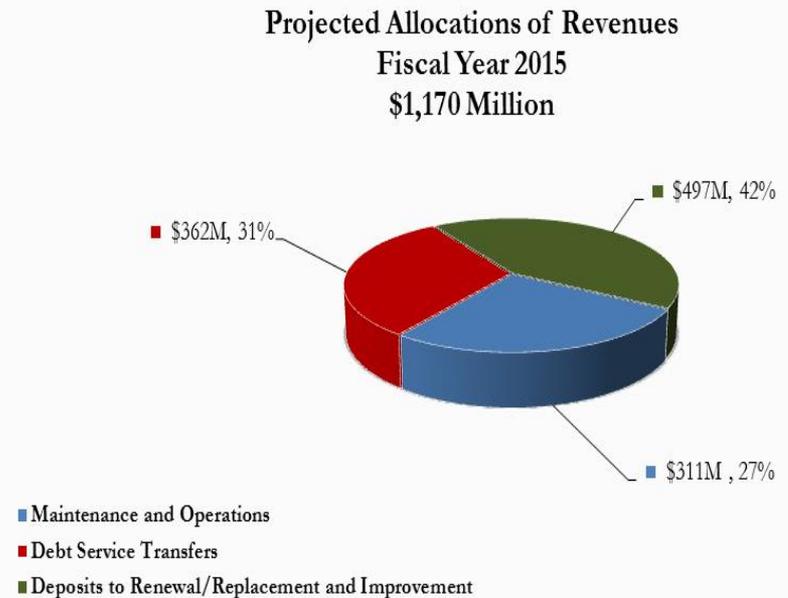
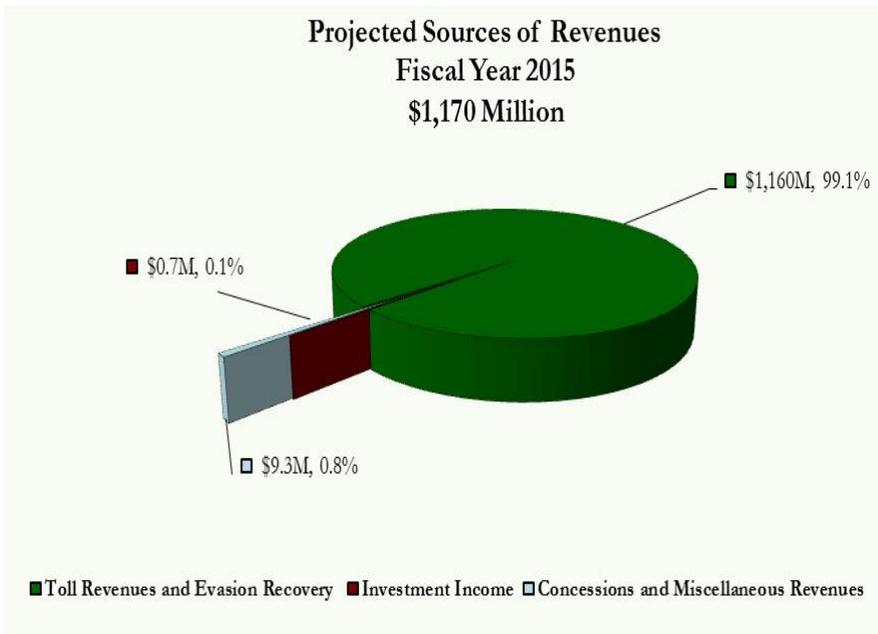


**2015 Third Quarter
Budget to Actual Review**
(Preliminary and Unaudited)

November 10, 2015

2015 Revenue Sources and Allocations

The Illinois Tollway operates within a balanced budget



2015 Revenue Third Quarter

Total revenue was \$13 million greater than budget

| <i>(\$ millions)</i> | <u>Budget</u> | <u>Actual</u> | <u>\$ Var.</u> | <u>% Var.</u> |
|-----------------------------|-----------------------|-----------------------|-----------------------|----------------------|
| Toll and Evasion Recovery | \$310.6 | \$324.3 | \$13.7 | |
| Concessions | 0.5 | 0.6 | 0.0 | |
| Investment Income | 0.2 | 0.5 | 0.3 | |
| Miscellaneous | 1.8 | 0.8 | (1.1) | |
| <i>Total Revenue</i> | <i>\$313.1</i> | <i>\$326.2</i> | <i>\$13.0</i> | <i>4.2%</i> |

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

3rd Quarter Transactions

✓ **Commercial vehicles**

- Grew 1.9 percent year-over-year
- 3.0 percent greater than 3rd quarter projection

✓ **Passenger cars**

- Grew 5.9 percent year-over-year
- 4.4 percent greater than 3rd quarter projection

2015 M and O Third Quarter

M and O expenses were \$4.4 million less than budget

| <i>(\$ millions)</i> | <u>Budget</u> | <u>Act.</u> | <u>\$ Var.</u> | <u>% Var.</u> |
|---------------------------|---------------|---------------|----------------|---------------|
| Payroll and Related Costs | \$41.4 | \$40.5 | (\$0.9) | |
| Group Insurance | 7.9 | 8.3 | 0.3 | |
| Contractual Services | 18.3 | 17.0 | (1.3) | |
| Materials/Oper. Supplies | 0.8 | 1.2 | 0.4 | |
| Utilities | 1.7 | 2.2 | 0.5 | |
| All Other Insurance | 3.2 | (0.0) | (3.2) | |
| Parts and Fuel | 2.1 | 1.2 | (1.0) | |
| Equip. Rental/Maintenance | 3.7 | 4.5 | 0.8 | |
| Other Misc. Expenses | 0.2 | 0.2 | (0.1) | |
| Recovery of Expenses | (0.6) | (0.5) | 0.1 | |
| Total | \$78.9 | \$74.4 | (\$4.4) | -5.6% |

Key drivers

- Workers' comp. insurance
- Timing of expenses
- Unfilled vacancies

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

2015 Capital Program Third Quarter

Capital Program expenses were less than projection mainly due to schedule changes

| <i>(\$ millions)</i> | <u>Projection</u> | <u>Act.</u> | <u>\$ Var.</u> | <u>% Var.</u> |
|--|-----------------------|-----------------------|-------------------------|----------------------|
| Tri-State Tollway (I-94/I-294/I-80) | \$5.6 | \$0.7 | (\$4.8) | |
| Reagan Memorial Tollway (I-88) | 71.2 | 39.7 | (31.5) | |
| Jane Adams Memorial Tollway (I-90) | 315.4 | 246.9 | (68.5) | |
| Veterans Memorial Tollway (I-355) | 0.3 | 0.0 | (0.3) | |
| Open Road Tolling | 1.3 | 0.0 | (1.3) | |
| Systemwide Improvements | 57.4 | 47.6 | (9.8) | |
| Tri-State Tollway (I-294)/I-57 Interchange | 2.0 | 1.9 | (0.2) | |
| Elgin O'Hare Western Access Project | 91.5 | 102.1 | 10.6 | |
| Illinois Route 53/120/Other Planning Studies | 1.3 | 0.3 | (0.9) | |
| <i>Move Illinois and CRP</i> | <i>\$546.0</i> | <i>\$439.2</i> | <i>(\$106.7)</i> | <i>-19.6%</i> |
| Other Capital Projects | 17.9 | 11.4 | (6.5) | -36.2% |
| <i>Capital Program Subtotal</i> | <i>\$563.9</i> | <i>\$450.6</i> | <i>(\$113.2)</i> | <i>-20.1%</i> |
| IGA Reim. and Other Adjust. | | (2.6) | (2.6) | |
| <i>Total Capital Program</i> | <i>\$563.9</i> | <i>\$448.1</i> | <i>(\$115.8)</i> | <i>-20.5%</i> |

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



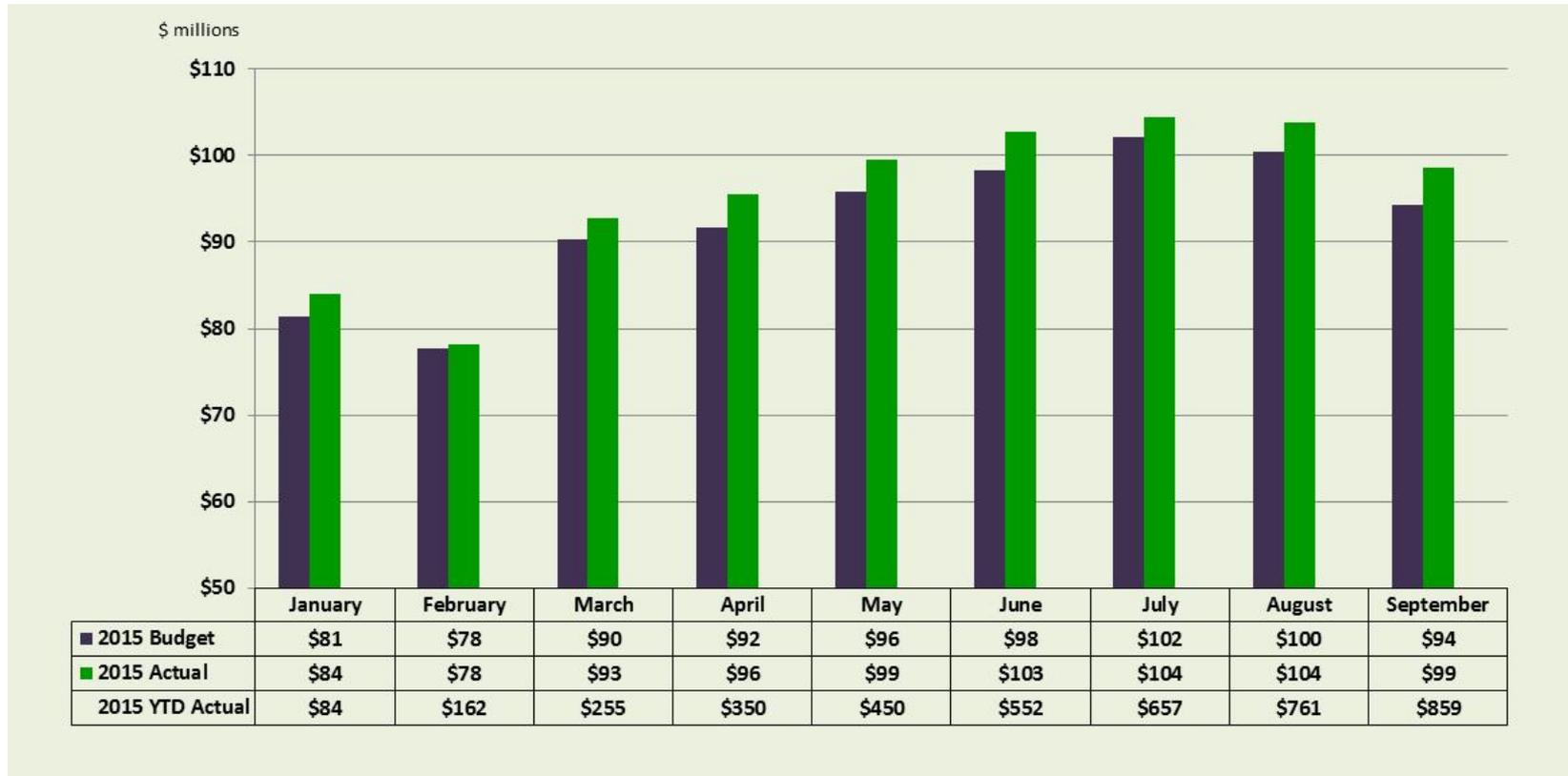
2015 Year-to-Date Summary

Revenue continues to grow, Maintenance and Operations and Capital Program expenses lower than budget

- Revenue was 3.8 percent more than budget
- Maintenance and Operations expenditures were 3.7 percent below budget
- Debt Service transfers were 0.1 percent lower than projection
- Capital Program expenditures were less than projection due to schedule changes

Appendix

2015 Revenue - Monthly Toll Revenue



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

2015 Year-to-Date Revenue

(\$ thousands)

| | YTD | | Variance | |
|-----------------------------------|------------------|------------------|-----------------|-------------|
| | Budget | Actual | \$ | % |
| Toll Revenue and Evasion Recovery | \$870,764 | \$905,363 | \$34,599 | 4.0% |
| Concessions | 1,514 | 1,593 | 79 | 5.2% |
| Investment Income | 525 | 1,339 | 814 | 155.1% |
| Miscellaneous | 5,211 | 3,477 | (1,734) | -33.3% |
| Total Revenue | \$878,014 | \$911,772 | \$33,758 | 3.8% |

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

2015 Year-to-Date – Maintenance and Operations

(\$ thousands)

| | YTD | | Variance | |
|--|------------------|------------------|------------------|--------------|
| | Budget | Actual | \$ | % |
| Payroll and Related Costs | \$123,469 | \$120,195 | (\$3,273) | -2.7% |
| Group Insurance | 23,216 | 24,335 | 1,119 | 4.8% |
| Contractual Services | 45,819 | 45,024 | (795) | -1.7% |
| Materials/Operational Supplies/Other Expenses | 3,823 | 4,240 | 416 | 10.9% |
| Utilities | 4,904 | 5,242 | 338 | 6.9% |
| All Other Insurance | 9,249 | 5,525 | (3,724) | -40.3% |
| Parts and Fuel | 5,814 | 3,763 | (2,051) | -35.3% |
| Equipment/Office Rental and Maintenance | 11,973 | 11,398 | (576) | -4.8% |
| Other Miscellaneous Expenses | 790 | 606 | (183) | -23.2% |
| Recovery of Expenses | (1,746) | (1,535) | 211 | 12.1% |
| Total Maintenance and Operations Expenditures | \$227,310 | \$218,793 | (\$8,517) | -3.7% |

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

2015 Year-to-Date Capital Program

(\$ thousands)

| | YTD | | Variance | |
|---|--------------------|-----------------------|--------------------|---------------|
| | Projection | Actual ⁽¹⁾ | \$ | % |
| Tri-State Tollway (I-94/I-294/I-80) | \$10,432 | \$938 | (\$9,495) | -91.0% |
| Reagan Memorial Tollway (I-88) | 100,312 | 65,980 | (34,331) | -34.2% |
| Jane Addams Memorial Tollway (I-90) | 625,490 | 541,714 | (83,776) | -13.4% |
| Veterans Memorial Tollway (I-355) | 746 | 373 | (373) | -50.0% |
| Open Road Tolling (ORT) | 4,017 | 1,871 | (2,145) | -53.4% |
| Systemwide Improvements | 152,298 | 115,146 | (37,152) | -24.4% |
| Tri-State Tollway (I-294)/I-57 Interchange | 7,931 | 10,947 | 3,017 | 38.0% |
| Elgin O'Hare Western Access | 211,104 | 268,019 | 56,915 | 27.0% |
| Illinois Route 53/120/Other Planning Studies | 2,832 | 1,047 | (1,785) | -63.0% |
| Move Illinois and CRP Subtotal | \$1,115,162 | \$1,006,036 | (\$109,126) | -9.8% |
| "Other" Capital Projects | 42,416 | 33,178 | (9,238) | -21.8% |
| Capital Program Subtotal | \$1,157,577 | \$1,039,214 | (\$118,364) | -10.2% |
| Agreement Reimbursements and Other Adjustments ⁽²⁾ | - | (2,724) | (2,724) | N/A |
| Total Capital Program Expenditures | \$1,157,577 | \$1,036,490 | (\$121,088) | -10.5% |

⁽¹⁾ Capital Program Actual included accrued expenses for which payments have not been made as of September 30, 2015.

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

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

2015 Capital Program Third Quarter

Move Illinois/CRP key variance highlights

| | |
|---|-----------------------|
| <input type="checkbox"/> Elgin O'Hare Western Access Project | \$10.6 million |
| ▪ Schedule changes | |
| ✓ <i>Construction delays due to utility conflicts</i> | |
| ▪ Other agency contributions | |
| <input type="checkbox"/> Jane Addams Memorial Tollway (I-90) | (\$68.5) |
| ▪ Schedule changes | |
| ✓ <i>Construction delays due to utility conflicts</i> | |
| <input type="checkbox"/> Reagan Memorial Tollway (I-88) | (\$31.5) |
| ▪ Schedule changes | |
| <input type="checkbox"/> Systemwide Improvements | (\$ 9.8) |
| ▪ Schedule changes | |
| <input type="checkbox"/> Tri-State Tollway (I-94/I-294/I-80) | (\$ 4.8) |
| ▪ Schedule changes | |
| <input type="checkbox"/> Open Road Tolling | (\$ 1.3) |
| Schedule changes | |

Revenue - 2015 Budget Realized

(\$ thousands)

| | 2015 Budget | YTD Actual | % Budget Realized |
|-----------------------------------|--------------------|------------------|----------------------|
| Toll Revenue and Evasion Recovery | \$1,160,000 | \$905,363 | 78.0% |
| Concessions | 2,000 | 1,593 | 79.7% |
| Investment Income | 700 | 1,339 | 191.3% |
| Miscellaneous | 7,300 | 3,477 | 47.6% |
| Total Revenue | \$1,170,000 | \$911,772 | 77.9% |

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

M and O – 2015 Budget Realized

(\$ thousands)

| | 2015 Budget | YTD Actual | % Budget Realized |
|--|------------------|------------------|----------------------|
| Payroll and Related Costs | \$165,212 | \$120,195 | 72.8% |
| Group Insurance | 31,635 | 24,335 | 76.9% |
| Contractual Services | 63,953 | 45,024 | 70.4% |
| Materials/Operational Supplies/Other Expenses | 7,931 | 4,240 | 53.5% |
| Utilities | 6,672 | 5,242 | 78.6% |
| All Other Insurance | 12,448 | 5,525 | 44.4% |
| Parts and Fuel | 8,170 | 3,763 | 46.1% |
| Equipment/Office Rental and Maintenance | 15,790 | 11,398 | 72.2% |
| Other Miscellaneous Expenses | 1,089 | 606 | 55.7% |
| Recovery of Expenses | (2,321) | (1,535) | 66.1% |
| Total Maintenance and Operations Expenditures | \$310,579 | \$218,793 | 70.4% |

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

Capital Program - 2015 Projection Realized

(\$ thousands)

| | 2015 Projection | YTD Actual ⁽¹⁾ | % Projection Realized |
|---|--------------------|------------------------------|--------------------------|
| Tri-State Tollway (I-94/I-294/I-80) | \$18,986 | \$938 | 4.9% |
| Reagan Memorial Tollway (I-88) | 120,771 | 65,980 | 54.6% |
| Jane Addams Memorial Tollway (I-90) | 839,648 | 541,714 | 64.5% |
| Veterans Memorial Tollway (I-355) | 914 | 373 | 40.9% |
| Open Road Tolling (ORT) | 5,355 | 1,871 | 34.9% |
| Systemwide Improvements | 228,153 | 115,146 | 50.5% |
| Tri-State Tollway (I-294)/I-57 Interchange | 20,245 | 10,947 | 54.1% |
| Elgin O'Hare Western Access | 319,818 | 268,019 | 83.8% |
| Illinois Route 53/120/Other Planning Studies | 6,099 | 1,047 | 17.2% |
| Move Illinois and CRP Subtotal | \$1,559,989 | \$1,006,036 | 64.5% |
| "Other" Capital Projects ⁽²⁾ | 65,000 | 33,178 | 51.0% |
| Capital Program Subtotal | \$1,624,989 | \$1,039,214 | 64.0% |
| Agreement Reimbursements and Other Adjustments ⁽³⁾ | - | (2,724) | N/A |
| Total Capital Program Expenditures | \$1,624,989 | \$1,036,490 | 63.8% |

⁽¹⁾ Capital Program Actual included accrued expenses or which payments have not been made as of September 30, 2015.

⁽²⁾ The Other Projects portion of the Capital Program Budget for 2015 totaled \$96.2 million, of which \$65 million was anticipated to be spent.

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

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

Revenue – Third Quarter 2015 vs. 2014

(\$ thousands)

| | Third Quarter | | Variance | |
|--|------------------|------------------|-----------------|---------------|
| | 2014 | 2015 | \$ | % |
| Toll Revenue and Evasion Recovery | \$276,841 | \$324,335 | \$47,494 | 17.2% |
| Concessions | 542 | 564 | 22 | 4.0% |
| Investment Income | 333 | 477 | 143 | 43.0% |
| Miscellaneous | 2,509 | 786 | (1,722) | -68.7% |
| Total Revenue | \$280,225 | \$326,161 | \$45,937 | 16.4% |

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

M and O - Third Quarter 2015 vs. 2014

(\$ thousands)

| | Third Quarter | | Variance | |
|--|-----------------|-----------------|----------------|-------------|
| | 2014 | 2015 | \$ | % |
| Payroll and Related Costs | \$39,704 | \$40,473 | \$769 | 1.9% |
| Group Insurance | 7,832 | 8,284 | 452 | 5.8% |
| Contractual Services | 14,770 | 16,956 | 2,186 | 14.8% |
| Materials/Operational Supplies/Other Expenses | 902 | 1,194 | 292 | 32.4% |
| Utilities | 2,012 | 2,181 | 168 | 8.4% |
| All Other Insurance | 3,130 | (14) | (3,144) | -100.4% |
| Parts and Fuel | 1,925 | 1,188 | (737) | -38.3% |
| Equipment/Office Rental and Maintenance | 3,601 | 4,507 | 906 | 25.2% |
| Other Miscellaneous Expenses | 122 | 176 | 54 | 44.5% |
| Recovery of Expenses | (604) | (508) | 97 | 16.0% |
| Total Maintenance and Operations Expenditures | \$73,393 | \$74,437 | \$1,045 | 1.4% |

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

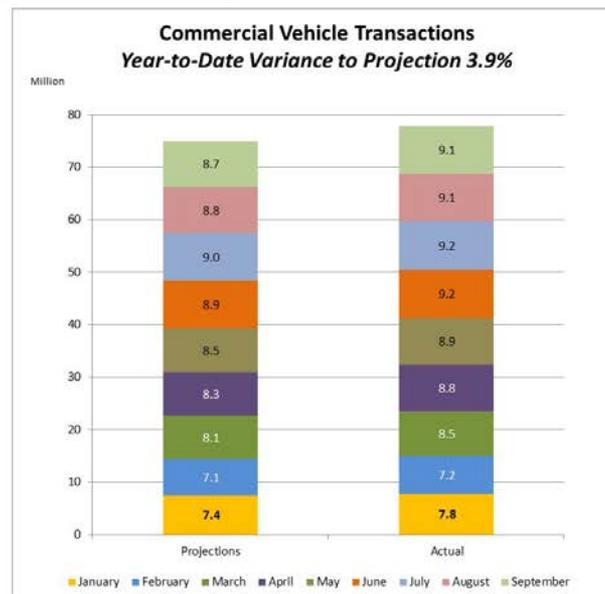
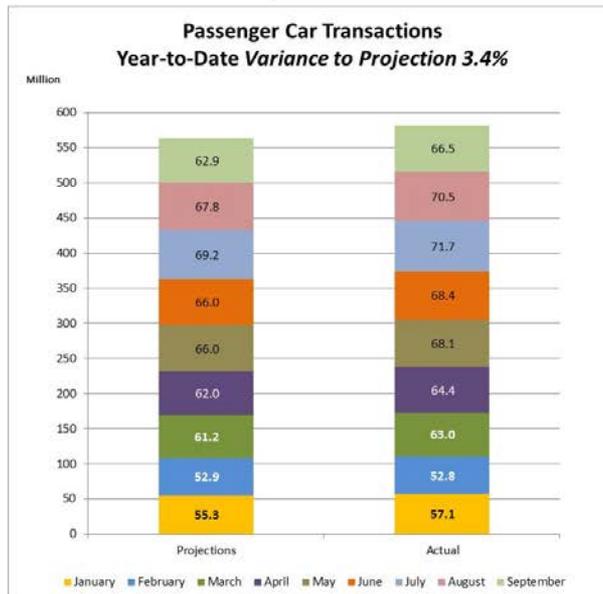
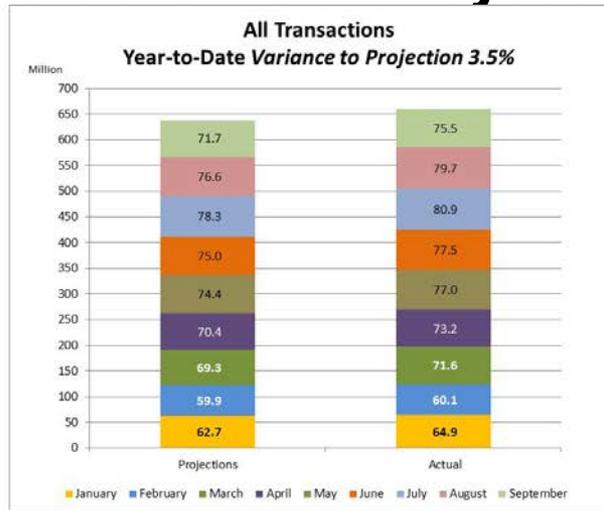
Capital Program – Third Quarter 2015 vs. 2014

(\$ thousands)

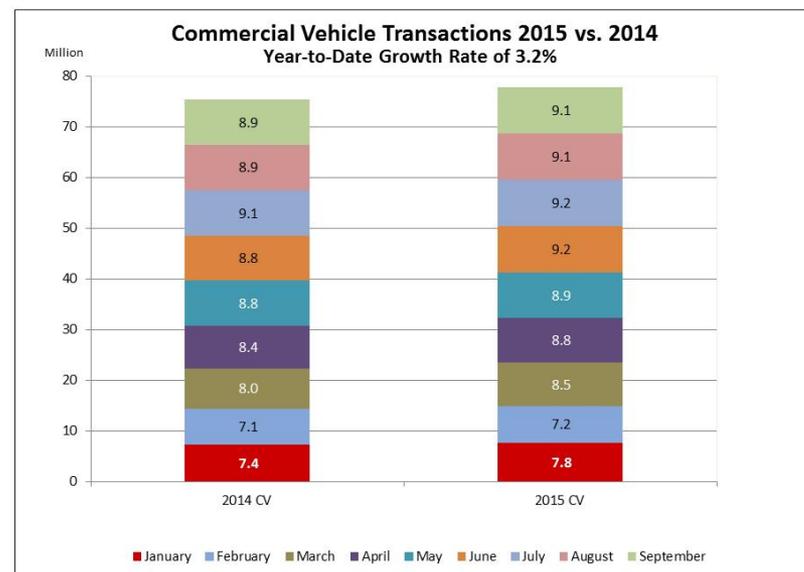
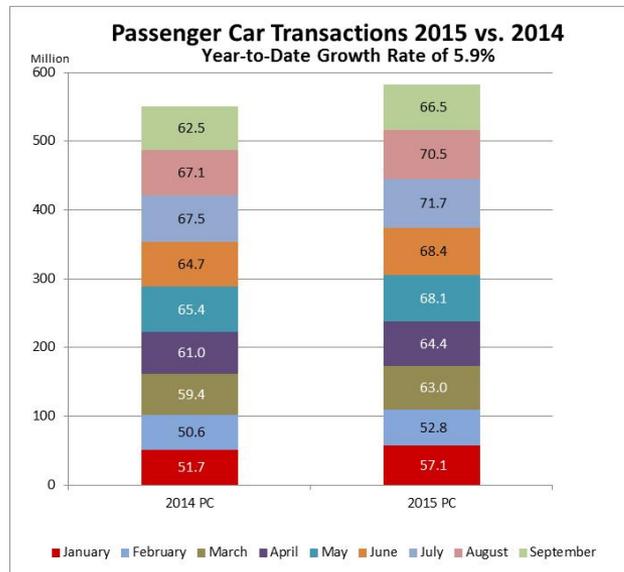
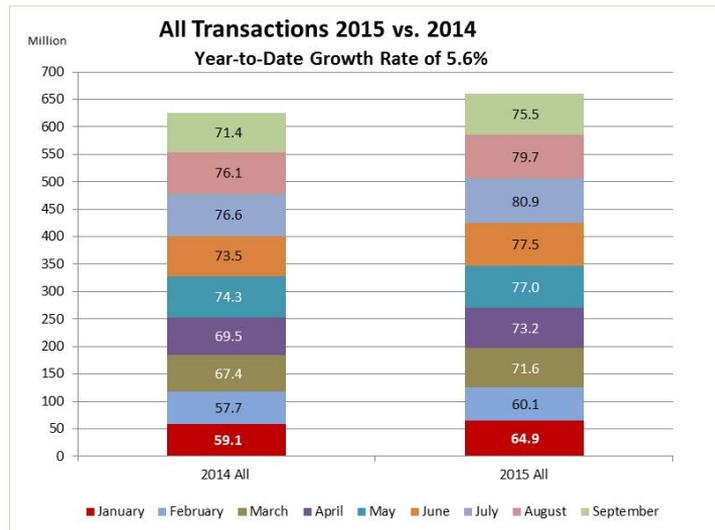
| | Third Quarter | | Variance | |
|--|------------------|------------------|-----------------|------------|
| | 2014 | 2015 | \$ | % |
| Tri-State Tollway (I-94/I-294/I-80) | \$73 | \$734 | \$662 | 910% |
| Reagan Memorial Tollway (I-88) | 4,547 | 39,681 | 35,134 | 773% |
| Jane Addams Memorial Tollway (I-90) | 232,107 | 246,865 | 14,758 | 6% |
| Veterans Memorial Tollway (I-355) | 805 | 37 | (768) | -95% |
| Open Road Tolling (ORT) | 860 | 40 | (819) | -95% |
| Systemwide Improvements | 57,766 | 47,635 | (10,132) | -18% |
| Tri-State Tollway (I-294)/I-57 Interchange | 17,638 | 1,856 | (15,782) | -89% |
| Elgin O'Hare Western Access | 72,875 | 102,058 | 29,183 | 40% |
| Illinois Route 53/120/Other Planning Studies | 480 | 332 | (148) | -31% |
| Move Illinois and CRP Subtotal | \$387,151 | \$439,239 | \$52,087 | 13% |
| "Other" Capital Projects | 14,853 | 11,400 | (3,453) | -23% |
| Capital Program Subtotal | \$402,004 | \$450,639 | \$48,634 | 12% |
| Agreement Reimbursements and Other Adjustments | (\$8,224) | (\$2,569) | \$5,654 | -69% |
| Total Capital Program Expenditures | \$393,781 | \$448,069 | \$54,289 | 14% |

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

2015 Transactions - Projections vs. Actual



2015 vs. 2014 Transactions – Year-Over-Year





THANK YOU



Disparity Study

November 10, 2015

Purpose of Tollway Disparity Study

- Explore accessibility of Tollway contracting opportunities for disadvantaged, minority- and women-owned business (D/M/WBE) firms
- Develop remedies to remove barriers created by race and gender discrimination identified in study data
- Ensure that Tollway-sponsored DBE programs adhere to applicable legal standards
- Conducted by Colette Holt & Associates



Key Issues Examined in Study

- Tollway's utilization of DBEs as prime and subcontractors compared to white male-owned firms
- Any disparities between the availability of DBEs and their utilization on Tollway contracts
- General experiences of DBE business opportunities throughout Illinois and other regions of the country
- Specific experiences of DBEs seeking Tollway work
- Whether race- and gender-neutral measures have been sufficient to remedy market discrimination



Disparity Study Findings

- Findings provide strong basis for the Tollway to continue administering DBE programs with narrowly tailored remedies to mitigate effects of discrimination
- Disparities exist between utilization of DBEs and their availability in the Tollway's market area
- DBEs will continue to benefit from Tollway networking, contracting and training opportunities



Recommendations

- Consider enhanced training opportunities for prime contractors
- Consider expanding current efforts to “unbundle” appropriate contracts
- Consider expanding the Small Business Initiative
- Consider relaxing experience requirements to ensure DBEs and small firms are not unfairly disadvantaged
- Continue to set DBE goals on contracts
- Consider expansion of the Mentor/Protégé Program to construction contractors
- Consider measures to encourage primes to use new DBEs
- Evaluate appropriateness of an electronic contracting data collection, monitoring and notification system
- Evaluate overall program resources periodically



Disparity Study Release Schedule

- Study found at www.illinoistollway.com
- Public meetings regarding the study including question-and-answer session
 - November 18, DePaul Conference Center, 2 p.m.
 - November 19, Naperville Marriott, 2 p.m.
- Adoption to be considered by full Tollway Board in early 2016





THANK YOU