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Record of Closed Meeting | June 22, 2017

The Illinois State Toll Highway Authority (the "Tollway") Board of Directors met in Executive Session at approximately 9:38 a.m. on Thursday, June 22, 2017 to discuss Tollway matters related to the appointment of counsel, purchase of real property, potential or pending litigation, and the minutes of closed meetings pursuant to exceptions provided in Sections 2(c)1, 2(c)5, 2(c)11, and 2(c)21 of the Illinois *Open Meetings Act*.

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

Executive Session Attendance

Board Members Present:	Staff Present for all or portions of the Meeting:
Chairman Bob Schillerstrom	Greg Bedalov (Executive Director)
Director Jim Banks	Elizabeth Oplawski (Acting General Counsel)
Director Corey Brooks	Paul Kovacs (Chief Engineering Officer)
Director Earl Dotson, Jr.	Rocco Zuccherro (Chief Planning Officer)
Director Joe Gomez	Mike Woodward (Land Acquisition Manager)
Director David Gonzalez	Christi Regnery (Board Secretary)
Director Craig Johnson	
Director Neli Vazquez Rowland	

Directors discussed the minutes of a closed session meetings

Chairman Schillerstrom raised for consideration the Minutes of the Executive Sessions of the Board of Directors held from April 2009 through April 2017. He explained that pursuant to the Illinois *Open Meetings Act*, the Board is required to semiannually review the written minutes of all



closed meetings and make a determination, which is then reported in an open session, that the need for confidentiality still exists as to all or part of those minutes or that the minutes or portions thereof no longer require confidential treatment and can be released publicly. Chairman Schillerstrom confirmed that Directors have received for their review the Executive Session Minutes from April 2009 to April 2017 showing content proposed by Acting General Counsel for public release and continued redaction. He then inquired of the Board if there are any questions, concerns or requests for discussion. Hearing nothing, Chairman Schillerstrom advised that Board action on these Minutes will occur upon return to the regular session of the Meeting.

Directors discussed land acquisition activities

Identification of Real Estate Parcels (Engineering Item 12): Pursuant to Tollway obligation (arising from the eminent domain matter of *ISTHA v. DiBenedetto*) to identify real estate interests which may need to be acquired by condemnation, staff provided a summary table of the Central Tri-State (I-294) parcel identification report noting the addition of six (6) parcels, each located within Cook County, in which various real estate interests are sought. Staff advised that only the newly identified parcels highlighted in yellow are subject of the amended resolution for which Board consideration is being requested at the Meeting. Staff also clarified that the record owner information provided reflects the best-known information to-date and is subject to change as the process advances and additional information is acquired.

A Director inquired about a parcel identified for acquisition in which a segment is already owned by the agency, causing a salability issue for the property owners. Staff responded that upon being informed of the circumstances, the agency has been pursuing a hardship acquisition of this parcel and that the owners have indicated satisfaction with this approach.

A Director requested confirmation that additional parcels will be identified for acquisition as design work progresses on the Central Tri-State Tollway (I-294) Project. Staff responded affirmatively, clarifying that a more complete picture of land acquisition needs for the project will be developed by the fall.

A Director requested confirmation that the goal of current land acquisition policy is to acquire as little real estate as possible to meet project needs. Staff confirmed.

Identification of Real Estate Parcels (Engineering Item 13): Pursuant to Tollway obligation (arising from the eminent domain matter of *ISTHA v. DiBenedetto*) to identify real estate interests which may need to be acquired by condemnation, staff provided a summary table of the Elgin O'Hare Western Access ("EOWA") Project parcel identification report noting the addition of three



(3) parcels, located within the Counties of DuPage or Cook, in which various real estate interests are sought. Staff advised that only the newly identified parcels highlighted in yellow are subject of the amended resolution for which Board consideration is being requested at the Meeting. Staff also clarified that the record owner information provided reflects the best-known information to-date and is subject to change as the process advances and additional information is acquired.

[Mr. Zuccherro and Mr. Woodward departed the Executive Session at this time.]

Directors discussed workers' compensation settlements

A Workers' Compensation Settlement – James Clement (Legal Item 3): Acting General Counsel provided a summary of the workers' compensation claim by James Clement for injuries sustained to his right arm and shoulder while performing his duties as an equipment operator/laborer. She reported that the claimant's injuries resulted in permanent restrictions which preclude him from returning to his previous position and that a negotiated settlement, which considers the loss to the person as a whole, has been reached between the parties for \$152,307.55. She advised the Board that both the Legal Department and outside counsel are recommending approval of the settlement agreement reached. Staff noted that the claimant is currently pursuing an alternate position at the agency.

A Director asked whether there would be advantage to postponing settlement until the claimant's employment status at the agency is resolved. Acting General Counsel responded in the negative, explaining that the claimant is seeking recovery based on permanency of injury and not on a wage differential basis.

A Director, noting it was indicated that the claimant has made previous workers' compensation claims, asked whether a claim history for this employee can be provided. **Staff responded that this information will be provided to Directors post-Meeting.**

A Director asked whether pre-employment testing is used to determine a prospective employee's physical fitness for a particular job or role. Staff responded that physical screenings are performed to determine quantitative physical limits and to ensure capabilities are in line with the physical demands of the job.

Directors and staff discussed the circumstances of the claimant's injuries and the potential exposure of proceeding to trial, as well as investigative practices and litigation strategies which might help to uncover and deter potential claim fraud. Additionally discussed were the limitations of current Illinois workers' compensation law, including consideration of pre-existing conditions in



assessing appropriate workers' compensation responsibility after an on-the-job injury, and previous efforts and potential strategies to effect reform.

A Workers' Compensation Settlement – Timothy Menzer (Legal Item 4): Acting General Counsel provided a summary of the workers' compensation claim by Timothy Menzer for injuries sustained to his lower back while performing his duties as an equipment operator/laborer. She reported that a negotiated settlement between the parties has been reached in the amount of \$66,264.66, which includes permanency as well as outstanding temporary total disability benefits. She advised the Board that both the Legal Department and outside counsel are recommending approval of the settlement agreement reached. Staff noted that the claimant was returned to work in a full duty capacity. Staff further noted that Mr. Menzer has made previous workers' compensation claims for job-related injuries.

A Director asked the age of the claimant. Staff responded that this information will be provided post-Meeting.

Directors discussed pending litigation

Acting General Counsel provided a brief background on the case of *Reniece Wright v. ISTHA and Deborah Allen*, a Federal employment discrimination suit brought against the agency (and Ms. Allen in her official capacity) by a former Tollway employee who was suspended (and subsequently terminated) for displaying a racially inappropriate note in the office. Acting General Counsel advised the Board that staff is seeking approval to appoint the law firm of Laner Muchin, Ltd., to represent the interests of the Tollway and Ms. Allen in this matter.

Additionally, Acting General Counsel noted that an internal EEO complaint related to this incident was also previously filed by the Plaintiff. She explained that the law firm of Pugh, Jones & Johnson (PJJ) was then engaged by the Tollway to conduct an internal EEO investigation (which determined the claim to be unfounded), however, due to an oversight, PJJ was not formally appointed by the Board at that time. She stated that staff will therefore be seeking approval (retroactively) of this appointment at next month's Board meeting.

Directors and staff then briefly discussed the facts and merits of the complaint, qualifications of counsel proposed, as well as the need at the time for engaging an outside party to investigate the internal EEO complaint filed by the Plaintiff.

The Board expressed consensus in support of appointing the law firm of Laner Muchin, Ltd., to represent the interests of the Tollway and Ms. Allen in this matter.



Re-Enter Public Session

There being no further business requiring Executive Session, Chairman Schillerstrom called for a motion to re-enter the public session of the regular Board Meeting. Director Gomez made such a motion; seconded by Director Vazquez Rowland. Chairman Schillerstrom called for a roll call, the vote of yeas and nays being as follows:

Yeas: Director Gomez, Director Vazquez Rowland, Director Banks, Director Brooks, Director Dotson, Director Gonzalez, Director Johnson, Chairman Schillerstrom (8)

Nays: None (0)

The motion was PASSED.

The Executive Session concluded at approximately 10:04 a.m.

Minutes taken by: _____ /s/ on original

Christi Regnery
Board Secretary
Illinois State Toll Highway Authority

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Record of Closed Meeting | July 27, 2017

The Illinois State Toll Highway Authority (the "Tollway") Board of Directors met in Executive Session at approximately 9:49 a.m. on Thursday, July 27, 2017 to discuss Tollway matters related to the appointment of counsel, potential or pending litigation, and the minutes of closed meetings pursuant to exceptions provided in Sections 2(c)1, 2(c)11, and 2(c)21 of the Illinois *Open Meetings Act*.

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

Executive Session Attendance

Board Members Present:	Staff Present for all or portions of the Meeting:
Chairman Bob Schillerstrom	Greg Bedalov (Executive Director)
Director Jim Banks	Kevin Artl (Chief Operating Officer)
Director Corey Brooks	Elizabeth Oplawski (Acting General Counsel)
Director Earl Dotson, Jr.	Paul Kovacs (Chief Engineering Officer)
Director Joe Gomez	Mike Woodward (Land Acquisition Manager)
Director Craig Johnson	Christi Regnery (Board Secretary)
Director Neli Vazquez Rowland	

Directors discussed the minutes of a closed session meetings

Chairman Schillerstrom raised for consideration the Minutes of the Executive Session of the June 22, 2017 Board of Directors meeting. He then inquired of the Board if there are any questions, concerns or requests for amendment. Hearing nothing, Chairman Schillerstrom advised that Board that action on these Minutes will occur upon return to the regular session of the Meeting.



Directors discussed land acquisition activities and related pending litigation

Final Settlement of Condemnation Litigation – Parcel EO-1A-12-048 (Legal Item 7):

Staff provided a summary of a condemnation action filed by the Tollway which seeks various real estate interests in an approximately four acre parcel owned by CBS Radio East, Inc., parcel EO-1A-12-048, needed in connection with the EOWA Project. Staff explained that order vesting title was entered in 2014, in the amount of \$2,300,000. Staff noted that significant issues remained how to value any damages to the remainder property as a result of the taking and project. Staff reported that after lengthy negotiations in a settlement conference, an agreement has been reached between the parties for the amount of \$3,300,000. Staff then commented on the bases used and values asserted by appraisals introduced at the quick take hearing and those of updated appraisals commissioned by each party in preparation for trial during the extensive discovery which occurred in the intervening years. Staff highlighted that agreement on the proposed settlement was achieved at a pre-trial settlement conference presided over by the trial judge, who concurred in the amount. Staff also indicated the settlement would represent a savings from a verdict if a jury simply elected to split the difference between competing appraisal values. Staff then advised the Board that the Legal Department, Land Acquisition Manager and outside counsel are recommending approval of the proposed settlement in this amount.

Directors and staff discussed the facts and sequence of the case, differences between the parties' appraisal values, and cause for departure of negotiations from the court established preliminary just compensation ("PJC") amount, which has typically provided a reasonable indicator of anticipated award should the Tollway proceed to trial. Upon conclusion of the discussion, Directors expressed concern about the significant increase over PJC of the proposed settlement amount and reached consensus that pursuing additional information and attempted negotiations in this matter may achieve benefits to the agency of both cost savings and establishing favorable precedent.

[Mr. Kovacs and Mr. Woodward departed the Executive Session at this time.]

Directors discussed a workers' compensation settlement

A Workers' Compensation Settlement – Eugene Jacoby (Legal Item 6):

Acting General Counsel provided a summary of three workers' compensation claims by Eugene Jacoby for a series of injuries sustained by Mr. Jacoby while performing his duties as an equipment operator/laborer. She explained that because the claims involve multiple surgical procedures for the same type of hernia injury, they need to be resolved together. She reported that a negotiated settlement



has been reached between the parties for \$100,000.00. She further reported that separately, the Tollway will be obligated to fund a Medicare Set-Aside once that amount has been submitted to and approved by Medicare. Acting General Counsel advised the Board that both the Legal Department and outside counsel are recommending approval of the settlement agreement reached. She noted that the claimant's injuries resulted in permanent restrictions which preclude him from returning to his position and Mr. Jacoby has been separated from employment pursuant to the union contract.

The Board expressed consensus in support of authorizing settlement of the workers' compensation matter as presented.

Directors discussed pending litigation and the appointments of counsel

Authorization to appoint Outside Counsel (Legal Item 4): Acting General Counsel advised the Board that prior to the filing of a Federal employment discrimination suit against the agency (*Reniece Wright v. ISTHA and Deborah Allen*), an internal EEO complaint related to this incident was also filed by the Plaintiff. She further explained that the law firm of Pugh, Jones & Johnson (PJJ) was then engaged by the Tollway to conduct an independent investigation of the EEO complaint (which determined the claim to be unfounded), however, due to an oversight, PJJ was not formally appointed by the Board at that time. She stated that staff is therefore seeking approval (retroactively) of this appointment.

The Board expressed consensus in support of appointing (retroactively) the law firm of Pugh, Jones & Johnson to conduct an independent investigation in this matter and of compensating the firm for work already performed.

Authorization to appoint Outside Counsel (Legal Item 5): Acting General Counsel stated that staff is seeking approval to appoint the law firm of Franczek Radelet to conduct an independent investigation in response to a referral by the Inspector General for potential discrimination in a hiring related decision. She noted that attorneys from Franczek Radelet may also be called upon to serve as a witness in the event civil litigation is filed. Acting General Counsel advised the Board that to ensure no conflict exists between the individual preparing the Tollway's investigation and any witness to the investigation, it is in the best interest of the Tollway to retain outside counsel to conduct the investigation. Directors and staff discussed the circumstances under which work by outside counsel was initiated in this matter prior to Board approval of their appointment. Directors stressed to staff the importance of seeking Board approval in a timely manner.



Re-Enter Public Session

There being no further business requiring Executive Session, Chairman Schillerstrom called for a motion to re-enter the public session of the regular Board Meeting. Director Banks made such a motion; seconded by Director Brooks. Chairman Schillerstrom called for a roll call, the vote of yeas and nays being as follows:

Yeas: Director Banks, Director Brooks, Director Dotson, Director Gomez, Director Johnson, Director Vazquez Rowland, Chairman Schillerstrom (7)

Nays: None (0)

The motion was PASSED.

The Executive Session concluded at approximately 10:28 a.m.

Minutes taken by: _____ /s/ on original

Christi Regnery
Board Secretary
Illinois State Toll Highway Authority

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Record of Closed Meeting | August 24, 2017

The Illinois State Toll Highway Authority (the "Tollway") Board of Directors met in Executive Session at approximately 9:35 a.m. on Thursday, August 24, 2017 to discuss 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 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*.

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

Executive Session Attendance

Board Members Present:	Staff Present for all or portions of the Meeting:
Chairman Bob Schillerstrom	Greg Bedalov (Executive Director)
Director Earl Dotson, Jr.	Kevin Artl (Chief Operating Officer)
Director Joe Gomez	Elizabeth Oplawski (Acting General Counsel)
Director David Gonzalez	Paul Kovacs (Chief Engineering Officer)
Director Craig Johnson	Mike Woodward (Land Acquisition Manager)
Director Neli Vazquez Rowland	Christi Regnery (Board Secretary)
	T.J. Hengesbach (Inspector General)
	Bob Lane (Assistant Attorney General)
	Rocco Zuccherro (Chief Planning Officer)

Directors discussed the Inspector General's Summary Activity Report



Chairman Schillerstrom introduced T.J. Hengesbach, Tollway Inspector General, to provide a briefing for the Board on items likely to be included in the Office of Inspector General's ("OIG's") Summary Activity Report (to be formally presented in September), which is conveyed semi-annually to the Tollway Board, the Office of the Governor and the Illinois General Assembly, pursuant to requirements of the *Toll Highway Act*. He explained that a preview of the report for the period of March 1, 2017 to August 31, 2017 is being provided in Executive Session to allow Directors an opportunity for discussion of personnel and security issues not appropriate for public session.

Mr. Hengesbach then summarized a memo distributed to Board members detailing five OIG investigations which resulted in corrective or disciplinary actions to Tollway personnel, ranging from employee discharge/termination to counselling.

Directors and staff discussed the thresholds and circumstances in which cases of theft are pursued criminally. Chairman Schillerstrom noted that these matters are referred to the State's Attorney's Office, which has sole authority to make charging decisions and is responsible for ensuring that appropriate cases get charged.

Directors and staff then discussed Tollway procedure for verifying employees' drivers' licenses as well as requirements of the Tollway Employee Policy and Procedure Manual and the Tollway Vehicle Code regarding notification of driver's license suspension by employees utilizing Tollway vehicles. Mr. Hengesbach advised the Board that based on recommendations made by the OIG, the agency has implemented revisions to enhance the employee driver's license tracking process.

[Mr. Hengesbach departed the Executive Session at this time.]

Directors discussed the minutes of a closed session meetings

Chairman Schillerstrom raised for consideration the Minutes of the Executive Session of the July 27, 2017 Board of Directors meeting. He then inquired of the Board if there are any questions, concerns or requests for amendment. Hearing nothing, Chairman Schillerstrom advised that Board that action on these Minutes will occur upon return to the regular session of the Meeting.

[Mr. Woodward, Mr. Kovacs, and Mr. Zuccherro entered the Executive Session at this time.]

Directors discussed land acquisition activities

Identification of Real Estate Parcels (Engineering Item 11): Pursuant to Tollway obligation (arising from the eminent domain matter of *ISTHA v. DiBenedetto*) to identify real estate interests



which may need to be acquired by condemnation, staff provided a summary table of the Central Tri-State (I-294) parcel identification report noting the addition of two (2) parcels, each located within Cook County, in which various real estate interests are sought. Staff advised that only the newly identified parcels highlighted in yellow are subject of the amended resolution for which Board consideration is being requested at the Meeting. Staff also clarified that the record owner information provided reflects the best known information to-date and is subject to change as the process advances and additional information is acquired.

[Mr. Lane and outside attorney Tom Conklin entered the Executive Session at this time]

Directors discussed land acquisition activities and related pending litigation

Final Settlement of Condemnation Litigation – Parcel EO-1A-12-048 (Legal Item 2):

Staff provided a summary of a condemnation action filed by the Tollway which seeks various real estate interests in an approximately four acre parcel owned by CBS Radio East, Inc., parcel EO-1A-12-048, needed in connection with the EOWA Project. Staff explained that order vesting title was entered in 2014, in the amount of \$2,300,000. Staff noted that Directors had expressed concern at the prior meeting that the negotiated settlement amount had departed from the established preliminary just compensation (“PJC”) amount, which may provide a reasonable indicator of anticipated award should the Tollway proceed to trial. Staff advised, however, what was not clarified at that time for the Board was that the amount of PJC was not established by the court but instead through agreement of the parties, and approved by the court. Staff further clarified that significant issues remained as to how to value any damages to the remainder property as a result of the taking and project, which resulted in an extensive discovery phase. Staff reported that after lengthy negotiations in a settlement conference, an agreement was reached between the parties for the amount of \$3,300,000. Staff highlighted that agreement on the proposed settlement was achieved at a pre-trial settlement conference presided over by the trial judge, who concurred in the amount. Staff indicated that further negotiations pursued since the prior Board meeting were unsuccessful in reducing the owner’s settlement demand. Staff also commented on the significant exposure risks should the Tollway proceed to trial. Staff then advised the Board that the Legal Department, Land Acquisition Manager and outside counsel are therefore recommending approval of the proposed settlement in this amount.

Chairman Schillerstrom noted that the additional information provided was helpful to the Board in its consideration of this matter. He encouraged staff to be diligent in ensuring that all relevant information is included in future summaries.

The Board then expressed consensus in support of settlement of the matter as presented.



[Mr. Woodward, Mr. Kovacs, Mr. Zuccherro, Mr. Lane and Mr. Conklin departed the Executive Session at this time.]

Directors discussed pending litigation

Authorization to enter into a Settlement of Claim for Property Damage – Sabrina Bambulas (Legal Item 3): Staff provided a summary of a property damage claim filed by the Tollway which emanates from a multi-vehicle accident that occurred in 2013 causing extensive damage to Tollway property in the amount of approximately \$208,000. Staff explained the accident occurred as a result of actions of Ms. Bambulas; however, the Tollway's damages exceed the \$5,150.68 of remaining available insurance proceeds (of a \$100,000 policy) after prior settlement by the carrier with other parties involved. Staff added that research has revealed that Ms. Bambulas has no other policies or assets available, limiting prospects that further legal action would be cost-effective. Staff highlighted that the agency has been successful in negotiating with the insurance carrier an additional \$20,000 in excess of Ms. Bambulas' coverage to resolve the Tollway's claim. Staff noted, however, that despite providing notice of its claim, because there was a delay in submitting a damage invoice, there does not seem to be a legal basis to pursue litigation against the carrier with any likelihood of success. Staff then advised the Board that the Legal Department is therefore recommending that the Tollway accept settlement in the amount of \$25,150.68, the full amount of the limited insurance proceeds available.

Director Gomez indicated he may know the family of Ms. Bambulas and wishes to recuse himself from participating in the decision regarding this matter.

Directors and staff discussed the impact to the Tollway's position caused by failure of the agency to submit a damage estimate, rather than wait for an invoice, to the insurance carrier in a timely manner. The Board requested that subsequent to this incident, the Engineering and Finance Departments immediately develop procedures for submitting a damage estimate in such incidents.

Chairman Schillerstrom observed that with the recusal of Director Gomez, there will not be available a quorum necessary to act upon this item. He advised that the item will therefore be deferred in open session to the next Board meeting.

Directors discussed pending litigation

Acting General Counsel provided a brief background on the case of *Reniece Wright v. ISTHA and Deborah Allen*, a Federal employment discrimination suit brought against the agency (and Ms.



Allen in her official capacity) by a former Tollway employee who was suspended (and subsequently terminated) for displaying a racially inappropriate note in the office. Acting General Counsel advised the Board that a prior offer by the agency of \$50,000 to settle the claim was rejected and staff is seeking authorization to further explore the option of a settlement agreement during an upcoming settlement conference to be mediated by the court. She advised the Board that given the risk exposure, both the Legal Department and outside counsel are recommending the Tollway explore the potential for a negotiated resolution well below the plaintiff's claimed damages.

Directors and staff then discussed the risk exposure, disruptions to staff and the monetary costs of proceeding to trial. Directors expressed concerns about potential deficiencies which exposed the agency to a claim of retaliation in this matter and the potential precedent set by settling. Upon conclusion of the discussion, the Board expressed a consensus to provide staff with settlement authority in this matter up to the amount of \$83,000.

Directors discussed land acquisition activities and related pending litigation

EOWA Land Acquisition – Canadian Pacific Railway: Chairman Schillerstrom updated the Board on the agency's efforts to acquire real estate interests from Canadian Pacific Railway ("CP") needed for the Elgin O'Hare Western Access ("EOWA") Project. He reported that at the behest of the Federal Surface Transportation Board (STB), the parties are engaged and have elected to conduct negotiations without the presence of a mediator. He noted that an initial 30 day discussion period concluded and the parties have agreed to extend the negotiations for an additional 30 days, with a report due to the STB by September 8th. He advised the Board that there has been positive progress in advancement of an alternate approach which mostly circumvents CP's Bensenville Freight yard, but that memorializing any agreement reached will involve a more protracted effort.

Directors discussed the potential costs and implication to the project form and construction schedules of the alternate approach being developed.

Re-Enter Public Session

There being no further business requiring Executive Session, Chairman Schillerstrom called for a motion to re-enter the public session of the regular Board Meeting. Director Gomez made such a motion; seconded by Director Johnson. 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.

The Executive Session concluded at approximately 10:25 a.m.

Minutes taken by: _____ /s/ on original

Christi Regnery
Board Secretary
Illinois State Toll Highway Authority

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Record of Closed Meeting | September 28, 2017

The Illinois State Toll Highway Authority (the "Tollway") Board of Directors met in Executive Session at approximately 10:03 a.m. on Thursday, September 28, 2017 to discuss Tollway matters related to potential or pending litigation and the minutes of closed meetings pursuant to exceptions provided in Sections 2(c)11 and 2(c)21 of the Illinois *Open Meetings Act*.

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

Executive Session Attendance**Board Members Present:**

Chairman Bob Schillerstrom

Director Jim Banks

Director Earl Dotson, Jr.

Director Joe Gomez

Director David Gonzalez

Director Craig Johnson

Director Neli Vazquez Rowland

Staff Present for all or portions of the Meeting:

Greg Bedalov (Executive Director)

Kevin Artl (Chief Operating Officer)

Bob Lane (Assistant Attorney General)

Paul Kovacs (Chief Engineering Officer)

Mike Colsch (Chief Financial Officer)

Christi Regnery (Board Secretary)

Directors discussed the minutes of a closed session meetings

Chairman Schillerstrom raised for consideration the Minutes of the Executive Session of the August 24, 2017 Board of Directors meeting. He then inquired of the Board if there are any questions, concerns or requests for amendment. Hearing nothing, Chairman Schillerstrom advised that Board that action on these Minutes will occur upon return to the regular session of the Meeting.



Directors discussed pending litigation

Authorization to enter into a Settlement of Claim for Property Damage – Sabrina Bambulas (Legal Item 7): Staff provided a summary of a property damage claim filed by the Tollway which emanates from a multi-vehicle accident that occurred in 2013 causing extensive damage to Tollway property in the amount of approximately \$208,000. Staff explained the accident occurred as a result of actions of Ms. Bambulas; however, the Tollway's damages exceed the \$5,150.68 of remaining available insurance proceeds (of a \$100,000 policy) after prior settlement by the carrier with other parties involved. Staff added that research has revealed that Ms. Bambulas has no other policies or assets available, limiting prospects that further legal action would be cost-effective. Staff highlighted that the agency has been successful in negotiating with the insurance carrier an additional \$20,000 in excess of Ms. Bambulas' coverage to resolve the Tollway's claim. Staff noted, however, that despite providing notice of its claim, because there was a delay in submitting a damage invoice, there does not seem to be a legal basis to pursue litigation against the carrier with any likelihood of success. Staff then advised the Board that the Legal Department is therefore recommending that the Tollway accept settlement in the amount of \$25,150.68, the full amount of the limited insurance proceeds available.

Staff additionally noted that the Risk Insurance Department has instituted a new policy which in addition to filing a notice of claim, directs that the agency submit to insurance carriers in such incidents an estimate within 30-90 days. Chairman Schillerstrom asked for confirmation that the new processes will prevent any further issues with delay in submitting estimates or invoices in such cases. Staff confirmed.

Directors then expressed consensus in support of accepting settlement of the claim, as presented.

Re-Enter Public Session

There being no further business requiring Executive Session, Chairman Schillerstrom called for a motion to re-enter the public session of the regular Board Meeting. Director Banks made such a motion; seconded by Director Gomez. Chairman Schillerstrom called for a roll call, the vote of yeas and nays being as follows:

Yeas: Director Banks, Director Gomez, Director Dotson, Director Gonzalez, Director Johnson, Director Vazquez Rowland, Chairman Schillerstrom (7)

Nays: None (0)

The motion was PASSED.



ILLINOIS STATE TOLL HIGHWAY AUTHORITY

Minutes of the
Executive Session of the Board of Directors Meeting

Meeting Date
September 28
2017



The Executive Session concluded at approximately 10:09 a.m.

Minutes taken by: _____ /s/ on original

Christi Regnery
Board Secretary
Illinois State Toll Highway Authority

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Record of Closed Meeting | October 26, 2017

The Illinois State Toll Highway Authority (the "Tollway") Board of Directors met in Executive Session at approximately 10:03 a.m. on Thursday, October 26, 2017 to discuss Tollway matters related to the purchase of real property, potential or pending litigation and the minutes of closed meetings, pursuant to exceptions provided in Sections 2(c)5, 2(c)11 and 2(c)21 of the Illinois *Open Meetings Act*.

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

Executive Session Attendance

Board Members Present:	Staff Present for all or portions of the Meeting:
Chairman Bob Schillerstrom	Greg Bedalov (Executive Director)
Director Jim Banks	Paul Kovacs (Chief Engineering Officer)
Director Corey Brooks	Kevin Artl (Chief Operating Officer)
Director Earl Dotson, Jr.	Rocco Zuccherro (Deputy Chief of Engineering)
Director Joe Gomez	Mike Woodward (Land Acquisition Manager)
Director Craig Johnson	Mike Colsch (Chief Financial Officer)
Director Neli Vazquez Rowland	Christi Regnery (Board Secretary)
	Liz Oplawski (Acting General Counsel)

Directors discussed the minutes of a closed session meetings

Chairman Schillerstrom raised for consideration the Minutes of the Executive Session of the September 28, 2017 Board of Directors meeting. He then inquired of the Board if there are any questions, concerns or requests for amendment. Hearing nothing, Chairman Schillerstrom



advised that Board that action on these Minutes will occur upon return to the regular session of the Meeting.

Directors discussed land acquisition activities

Identification of Real Estate Parcels (Engineering Item 17): Pursuant to Tollway obligation (arising from the eminent domain matter of *ISTHA v. DiBenedetto*) to identify real estate interests which may need to be acquired by condemnation, staff provided a summary table of the Central Tri-State (I-294) parcel identification report noting the addition of ten (10) parcels, nine within Cook County, and one in DuPage County, in which various real estate interests are sought. Staff advised that only the newly identified parcels highlighted in yellow are subject of the amended resolution for which Board consideration is being requested at the Meeting. Staff also clarified that the record owner information provided reflects the best-known information to-date and is subject to change as the process advances and additional information is acquired.

Directors discussed pending litigation

Authorization to enter into a Workers Compensation Settlement – Peter Turcato (Legal Item 3): Acting General Counsel provided a summary of the workers compensation claim by Peter Turcato for a left shoulder injury sustained by Mr. Turcato while performing his duties as an equipment operator/ laborer. She noted that the claimant's injuries required surgery and resulted in permanent restrictions which preclude him from returning to his position. She added that the claimant has been separated from employment pursuant to the union contract. She then reported that a negotiated settlement has been reached between the parties for \$250,000.00. She further reported that separately, the Tollway would be obligated to fund a Medicare Set-Aside once that amount has been submitted to and approved by Medicare. Acting General Counsel advised the Board that both the Legal Department and outside counsel are recommending approval of the settlement agreement reached.

Directors and staff discussed the nature and circumstances of the injury sustained as well as workers' compensation law regarding accepted injuries and the legal basis on which the agency may proceed to trial. Additionally discussed was the use of independent medical exam to confirm claimant injuries, protocols to minimize claim fraud, and previous workers' compensation claims made by the claimant.

Upon conclusion of the discussion, the Board expressed consensus in support of authorizing settlement of the workers' compensation matter as presented.



Litigation Settlement – Rogers Industrial Park, L.P. (Legal Item 4): Staff provided a summary of the acquisition of two property interests within the same parcel. Staff reported that the first is a fee simple partial acquisition of 0.67 acres or 39,112 square feet and the second is a temporary easement of 0.29 acres or 12,649 feet. Staff noted the property is located near the northeast corner of Greenleaf Avenue and Elmhurst Road in Elk Grove Village. Staff further reported that the Tollway's construction needs require the relocation of the existing driveway and the property required for the replacement driveway has been obtained through replacement condemnation. Staff advised the Board that both the Legal Department and Land Acquisition Manager are recommending approval of the settlement agreement reached between the parties for \$625,000, the amount initially posted as Preliminary Just Compensation ("PJC").

The Board then expressed consensus in support of settlement of the matter as presented.

Litigation Settlement – Reniece Wright (Legal Item 5): Acting General Counsel provided a brief update on the case of *Reniece Wright v. ISTHA and Deborah Allen*, a Federal employment discrimination suit brought against the agency by a former Tollway employee who was suspended (and subsequently terminated) for displaying a racially inappropriate note in her office. She noted that at the August Board meeting, the Board provided staff settlement authority in this matter up to the amount of \$83,000. Acting General Counsel advised the Board that an offer made by the agency in this amount to settle the claim was rejected.

Directors and staff then discussed potential deficiencies in the case, settlement negotiations to date, and risk of exposure of proceeding to trial. Additionally discussed were the obligations of the bankruptcy trustee in the matter and implication to settlement negotiations. Upon conclusion of the discussion, the Board expressed a consensus to provide staff with settlement authority in this matter up to the amount of \$125,000.

Directors discussed land acquisition activities

Memorandum of Understanding with the Union Pacific Railroad (Chairman's Item 4): Staff updated the Board on the agency's efforts to acquire real estate interests needed for the Elgin O'Hare Western Access ("EOWA") Project. Staff reported that the alternative approach currently proposed would require between thirteen and fifteen acres of property in fee and eleven to thirteen acres of permanent easement from Union Pacific Railroad ("UP"). Staff added that the approach also requires between twenty-three and twenty-six acres of temporary construction easements. Staff advised the Board that the Memorandum of Understanding under consideration would memorialize agreement with UP to provide the property and construction



easements required and advance this alternate approach which mostly circumvents Canadian Pacific Railway's ("CP's") Bensenville Yard, requiring predominantly temporary construction easements and air rights from CP.

Directors discussed the potential costs and implication to the project of the alternate approach proposed and expressed consensus in support of executing the Memorandum of Understanding with UP.

Re-Enter Public Session

There being no further business requiring Executive Session, Chairman Schillerstrom called for a motion to re-enter the public session of the regular Board Meeting. Director Gomez made such a motion; seconded by Director Banks. Chairman Schillerstrom called for a roll call, the vote of yeas and nays being as follows:

Yeas: Director Gomez, Director Banks, Director Brooks, Director Dotson, Director Johnson, Director Vazquez Rowland, Chairman Schillerstrom (7)

Nays: None (0)

The motion was PASSED.

The Executive Session concluded at approximately 10:46 a.m.

Minutes taken by: _____ /s/ on original

Christi Regnery
Board Secretary
Illinois State Toll Highway Authority

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Record of Closed Meeting | November 29, 2017

The Illinois State Toll Highway Authority (the "Tollway") Board of Directors met in Executive Session at approximately 10:12 a.m. on Thursday, November 29, 2017 to discuss Tollway matters related to the purchase of real property, potential or pending litigation and the minutes of closed meetings, pursuant to exceptions provided in Sections 2(c)5, 2(c)11 and 2(c)21 of the Illinois *Open Meetings Act*.

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

Executive Session Attendance

Board Members Present:	Staff Present for all or portions of the Meeting:
Chairman Bob Schillerstrom	Greg Bedalov (Executive Director)
Director Jim Banks	Paul Kovacs (Chief Engineering Officer)
Director Corey Brooks	Kevin Artl (Chief Operating Officer)
Director Earl Dotson, Jr.	Rocco Zuccherro (Deputy Chief of Engineering)
Director Joe Gomez	Mike Woodward (Land Acquisition Manager)
Director David Gonzalez	Liz Oplawski (Acting General Counsel)
Director Craig Johnson	Christi Regnery (Board Secretary)
Director Neli Vazquez Rowland	

[Secretary's note: Due to malfunction, the audio of the Executive Session of the Board of Directors meeting was not recorded. Notes were taken throughout by the Board Secretary and used to construct the minutes of the meeting. No action was taken by the Board during the Executive Session.]



Directors discussed the minutes of a closed session meetings

Chairman Schillerstrom raised for consideration the Minutes of the Executive Session of the October 26, 2017 Board of Directors meeting. He then inquired of the Board if there are any questions, concerns or requests for amendment. Hearing nothing, Chairman Schillerstrom advised that Board action on these Minutes will occur upon return to the regular session of the Meeting.

Directors discussed land acquisition activities

Identification of Real Estate Parcels (Engineering Item 11): Pursuant to Tollway obligation (arising from the eminent domain matter of *ISTHA v. DiBenedetto*) to identify real estate interests which may need to be acquired by condemnation, staff provided a summary table of the Central Tri-State (I-294) parcel identification report noting the addition of fourteen (14) parcels, all within Cook County, in which various real estate interests are sought. Staff advised that only the newly identified parcels highlighted in yellow are subject of the amended resolution for which Board consideration is being requested at the meeting. Staff also clarified that the record owner information provided reflects the best known information to-date and is subject to change as the process advances and additional information is acquired.

A Director inquired about the type of real estate interests which are being sought. Staff responded that the agency is seeking temporary and permanent easements for maintenance and construction on the Mile Long Bridge on the Central Tri-State Tollway (I-294).

Identification of Real Estate Parcels (Engineering Item 12): Pursuant to Tollway obligation (arising from the eminent domain matter of *ISTHA v. DiBenedetto*) to identify real estate interests which may need to be acquired by condemnation, staff provided a summary table of the Elgin O'Hare Western Access Project parcel identification report noting the addition of one (1) parcel, within Cook County, in which various real estate interests are sought. Staff advised that only the newly identified parcel highlighted in yellow is subject of the amended resolution for which Board consideration is being requested at the Meeting. Staff also clarified that the record owner information provided reflects the best known information to-date and is subject to change as the process advances and additional information is acquired.

A Director asked whether the parcel identified is currently vacant. Staff responded affirmatively.

[Mr. Zuccherro and Mr. Woodward departed the Meeting at this time.]



Directors discussed collective bargaining

Collective Bargaining Agreement – MAP (Legal Item 4): Staff reported that a collective bargaining agreement has been reached with the approximately twenty telecommunicators of the Metropolitan Alliance of Police, Chapter 135. Staff clarified that the agreement provides a two percent increase on the four-year contract, which concludes on May 30, 2021, and will be applied retroactively to a start date of May 11, 2017.

A Director inquired about other matters which were addressed during the bargaining process. Staff responded that a request for shift differential pay for second and third shifts worked was discussed. Staff advised the Board that differential pay was awarded only for the third shift and no concessions were made regarding scheduling.

A Director asked whether the pay increase is expected to provide better staffing continuity. Staff responded that the increase puts wages in line with those paid for similar positions in the region.

Directors discussed pending litigation

Litigation Settlement – Reniece Wright (Legal Item 5): Acting General Counsel provided a brief update on the case of *Reniece Wright v. ISTHA*, a Federal employment discrimination suit brought against the agency by a former Tollway employee who was suspended (and subsequently terminated) for displaying a racially inappropriate note in her office. Acting General Counsel advised the Board that an offer made by the agency to settle the case for \$115,000 (within settlement authority previously authorized by the Board) has been accepted by the Plaintiff and the bankruptcy trustee, pending approval by the bankruptcy and federal court.

A Director asked whether a non-disclosure agreement is a component of the settlement. Acting General Counsel responded that confidentiality of the terms and conditions is maintained to the maximum extent permitted by law.

The Board expressed a consensus to settle the matter as presented.

Directors discussed land acquisition activities

Land Acquisition – Canadian Pacific Railway / Union Pacific Railroad: Staff updated the Board on the agency's efforts to acquire real estate interests needed for the Elgin O'Hare Western Access ("EOWA") Project. Staff reported that the alternative approach being advanced would involve acquiring substantial real estate interests (including fee taking,



permanent and temporary easements) from Union Pacific Railroad ("UP"), but would only require seeking temporary easements and air rights from Canadian Pacific Railway ("CP"). Staff further reported that in advancement of the alternative approach, agreement with UP regarding the needed real estate interests is actively being pursued by the Legal Department. Staff noted that the environmental impact statement (EIS) prepared for the project did not consider the environmental effects of the alternative approach proposed, therefore a supplemental EIS would be required.

Directors and staff discussed the costs, logistics, legal aspects and impacts to project schedule and form of the original and alternate approaches to the EOWA Project. The Board expressed a consensus to continue to advance the alternate approach proposed.

Re-Enter Public Session

There being no further business requiring Executive Session, Chairman Schillerstrom called for a motion to re-enter the public session of the regular Board Meeting. Director Banks made such a motion; seconded by Director Gomez. Chairman Schillerstrom called for a roll call, the vote of yeas and nays being as follows:

Yeas: Director Banks, Director Gomez, Director Brooks, Director Dotson, Director Gonzalez, Director Johnson, Director Vazquez Rowland, Chairman Schillerstrom (8)

Nays: None (0)

The motion was PASSED.

The Executive Session concluded at approximately 10:32 a.m.

Minutes taken by: _____ /s/ on original

Christi Regnery
Board Secretary
Illinois State Toll Highway Authority