



Record of Meeting | April 27, 2017

The Illinois State Toll Highway Authority (the "Tollway") Board of Directors met in regular session on Thursday, April 27, 2017 in the Boardroom of Tollway Headquarters in Downers Grove, Illinois. The Meeting was held pursuant to By-Laws of the Tollway upon call and notice of the Meeting executed by Chairman Robert J. Schillerstrom and posted in accordance with the requirements of the Illinois *Open Meetings Act*. The Meeting was open to the public.

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

Call to Order / Pledge of Allegiance / Roll Call

Chairman Bob Schillerstrom called the Meeting to order at approximately 9:01 a.m., inviting attendees to rise and join in the Pledge of Allegiance. He then asked the Board Secretary to call the roll, those Directors present and absent being as follows:

Board Members Present:
Chairman Bob Schillerstrom
Director Jim Banks
Director Earl Dotson, Jr. <i>(entered 9:06 a.m.)</i>
Director Joe Gomez
Director David Gonzalez
Director Craig Johnson
Director Neli Vazquez Rowland
Director James Sweeney <i>(entered 9:06 a.m.)</i>

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

The Board Secretary declared a quorum present.

Public Comment

Chairman Schillerstrom opened the floor for public comment.

The following members of the public expressed concerns regarding the potential widening of the central Tri-State Tollway (I-294) and encouraged process transparency:



- Kathleen Gargano, Village Manager of Hinsdale, who read aloud a letter from Village President Tom Cauley.
- Sal Valela, Hinsdale, Illinois
- Mark Johnson, Hinsdale, Illinois

[Directors Sweeney and Dotson entered the Meeting at approximately 9:06 a.m.]

The following members of the public expressed support for moving forward enhancements proposed to the Central Tri-State Tollway (I-294) Project:

- Pat Terrell, Terrell Materials, Rosemont, Illinois
- Dave Bender, American Council of Engineering Companies of Illinois, Springfield, Illinois
- Todd Faerber, Dunnet Bay Construction, Glendale Heights, Illinois
- Dan Plote, Illinois Road and Transportation Builders Association, Itasca, Illinois
- Mike Sturino, Illinois Road and Transportation Builders Association, Itasca, Illinois
- T.J. Ross, Executive Director, Pace Suburban Bus, Arlington Heights, Illinois
- Duane O’Laughlin, Ciorba Group, Chicago, Illinois
- John O’Neill, American Council of Engineering Companies of Illinois, Chicago, Illinois
- Pete Meshka, Wight & Company, Darien, Illinois
- Jennifer Killen, Cook County Department of Transportation, Chicago, Illinois
- Libby Braband, HDR, Inc., Wilmette, Illinois
- Matthew Zarebczan, Village of Justice Director of Economic Development, Justice, Illinois
- Ed Maher, International Union of Operating Engineers, Local 150, Wood Dale, Illinois
- Diane O’Keefe, Parsons Brinckerhoff, Chicago, Illinois
- James Shaw, RS&H, St. Charles, Illinois
- Elias Gordon, Gordon Law Office, Palos Park, Illinois
- David Castillo, GRAEF USA, Chicago, Illinois
- Marty Ross, TranSystems, Schaumburg, Illinois
- Tanya Adams, Illinois Black Chamber of Commerce, Chicago, Illinois
- Mary Craighead, Illinois Economic Policy Institute, Countryside, Illinois
- Michael Lingl, *Indiana, Illinois, Iowa Foundation for Fair Contracting*, Countryside, Illinois
- Tom Heraty, Naperville, Illinois
- Robert Baker, Save our Community Coalition, Chicago, Illinois
- Roberto Cornelio, GSG Consultants, Chicago, Illinois
- Elise Houren, Chicagoland Chamber of Commerce, Chicago, Illinois
- Nick Laga, Hinsdale, Illinois



The following members of the public expressed opposition to advancing the Illinois Route 53/120 Project and related environmental impact statement:

- Evan Craig, Vernon Hills, Illinois, *Livable Lake County*
- Bill Morris, Grayslake, Illinois
- Barbara Klipp, Grayslake, Illinois, *Livable Lake County*

Additionally, Harvind Singh, of Singh & Associates, Inc., addressed the Board. Mr. Singh commented positively on Tollway diversity initiatives and encouraged the Board's continuing support of these efforts.

Chairman Schillerstrom thanked the speakers for their comments.

Chairman's Items

Item 1: *Approval of the Minutes of the regular Board of Directors meeting held March 23, 2017.*

Chairman Schillerstrom called for a motion to approve **Chairman's Item 1**, the Minutes of the regular Board of Directors meeting held on March 23, 2017, as presented. Director Banks made a motion for approval; seconded by Director Johnson. Chairman Schillerstrom asked if there are any questions, concerns or requests for amendment. Hearing nothing, Chairman Schillerstrom called for a vote. The motion was PASSED unanimously.

Chairman Schillerstrom stated that without objection, action on Chairman's Item 2, the Minutes of the Executive Session of the Board of Directors meeting held on March 23, 2017, will be deferred until after consideration in the Executive Session.

COMMITTEE REPORTS

Chairman Schillerstrom asked the chairs of the following committees of the Board if they had any report to provide on the committees' recent activities:

Finance, Administration & Operations Committee

Due to time constraints, Committee Chair Gomez briefly updated the Board on the Finance, Administration and Operations Committee ("FAO Committee") meeting held Wednesday, April 19, 2017, providing the following highlights:

FINANCE presented one item, **PROCUREMENT** presented two items, **ENGINEERING** presented nine items, and **LEGAL** presented three items. All of the items presented were reviewed by the Committee and approved for placement on the full Board agenda.



Diversity & Inclusion Committee

In the absence of Committee Chair Brooks, Executive Director Bedalov updated the Board on activities of the Diversity & Inclusion Committee meeting held Wednesday, April 19, 2017, providing the following highlights:

The Tollway's Department of Diversity and Strategic Development provided a number of updates:

- First, the Partnering for Growth (P4G) Program for Construction is closer to completion. Tollway staff and the Programs Committee of the Diversity Advisory Council have developed a sample relationship agreement, program guidelines and milestone tracking forms. Staff is also exploring additional incentives for mentors, such as bonus credits for partnering with new firms to the Tollway. The agency anticipates launching the first pilot agreements later this spring.
- Last month the Tollway Board approved seven contracts to continue providing technical assistance for emerging businesses in Chicago, Cook County and South Suburbs, and establishing services for the first time in the Rockford area. These contracts are moving ahead toward contract execution, with anticipated launch of services in the next 30 to 60 days.
- The Workforce Development Technical Assistance Initiative is under internal review and remains on track for issuance later this spring. Tollway staff has met with key stakeholders, including state and local agencies and trade organizations, to provide a general project overview and solicit feedback on successful strategies for implementing this program. Additional meetings are being scheduled with state agencies such as IDOT, the Capital Development Board, and City of Chicago departments and agencies that can also benefit from the workforce development initiative.
- Diversity staff is drafting a new special provision requiring contractors to hire apprentices for Tollway projects. The ratios would be based on industry standards established by labor trades and allow novice workers to gain valuable experience. The agency is also looking at incentives for contractors hiring new apprentices, such as bonus virtual credits. These special provisions are anticipated for implementation in the fall, in time for the major 2018 construction contracts and the workforce development initiative.
- Diversity staff hosted or participated in more than 100 outreach events, including presentations, panel discussions or staffing exhibit tables. In addition, Diversity hosted or attended more than 40 meetings with disadvantaged business enterprise (DBE) advocacy agencies, strengthening the partnerships developed through the Tollway's Diversity Advisory Council and the Diversity and Inclusion Committee. Diversity expects to host or attend nearly 200 meetings this year.



- More than 33 percent of all construction and professional services payments in the first quarter of 2017 went to DBE firms, the high percentage most likely due to prime contractors catching-up on project close out and documentation. Project closeout is a priority because it typically involves substantial DBE firm payment information.
- More than \$254 million was paid to DBE firms in 2016, accounting for one-quarter of all payments and the third consecutive year of more than \$200 million in annual payments to DBEs. The numbers also show the steady increase in participation by African American-owned firms. The Tollway paid nearly \$44 million to African American firms in 2016, accounting for 17.3 percent of all DBE payments. Three years earlier, that number was less than eight percent.
- The number of African American firms doing business with the Tollway is also rising. Of the 67 African American firms that have done work for the Tollway since the start of the *Move Illinois* Program, 54 have worked on Tollway projects since 2015.
- The underutilization of DBE firms did not happen overnight and will not be fixed in a year or two. The Tollway has made progress, but there is much more work to do. The Tollway is an active partner in making change happen, and in it for the long haul.
- Finally, the Tollway paid more than \$62 million to minority and disadvantaged firms through the Illinois Business Enterprise Program (BEP) for goods and services purchases, far exceeding the goal of 20 percent established for all state agencies. The Tollway anticipates spending a minimum of \$39 million with minority and disadvantaged firms in 2017. The Committee will be updated in future meetings on progress toward this goal.

Audit Committee

Committee Chair Gonzalez updated the Board on the Audit Committee meeting held on Wednesday, April 19, 2017, providing the following highlights:

- Cassandra Rouse, Chief Internal Auditor, presented required communication on Internal Audit's purpose, authority and responsibility, Internal Audit Activity from 2016, and identification of any risk exposures and control issues identified in 2016. There were no governance concerns expressed by the Chief Internal Auditor.
- Highlights of the Internal Audit Activity completed to date included an overview of the Cycle Audit Schedule for 2016, which included reviews of electronic data processing, administrative support services, budget, accounting and reporting, property equipment and inventory, revenues and receivables, and petty cash.
- The Chief Auditor provided a synopsis of the action plans of management to address the risk and control issues noted. The Chief Auditor stated that all audit observations and recommendations are being appropriately addressed by management and have either been implemented or are scheduled for implementation.



- Lastly, the External Audit is underway and progressing on schedule. The 2016 External Audit Report is expected to be tentatively issued for release by June 30, 2017. As Special Assistant Auditors for the Auditor General of the State of Illinois, KPMG presented the External Audit Plan for the fiscal year ending December 31, 2016. Cathy Bauman, KPMG Audit Partner, also discussed the engagement team for this year's audit, which will return with no personnel changes. An overview of new accounting pronouncements impacting the audit was provided as well as the auditor's statement of independence. Field work for the audit began in January 2017.

Customer Service & Planning Committee

Committee Chair Schillerstrom updated the Board on the Customer Service & Planning Committee meeting held Monday, April 24, 2017, providing the following highlights:

- Staff provided a brief presentation on the issues of chlorides and the Tollway's efforts to offset their impacts. The Tollway, to satisfy permit conditions of *Move Illinois* construction projects, is required to develop and implement a chloride-offset program to mitigate new chloride loadings to waterways along these corridors. The Tollway executed a memorandum of understanding with the DuPage River Salt Creek Workgroup and committed to reducing chloride applications to comply with the federal permits for the Jane Addams Memorial Tollway (I-90) Rebuilding and Widening Project and the Elgin O'Hare Western Access ("EOWA") Project.
- The Committee discussed video tolling and collections and asked staff to develop a comprehensive report on ways to improve I-PASS toll collection operations and maximize revenue collection. The goal is to improve efficiencies related to the collection of unpaid tolls and, at the same time, educate customers on the importance of transponder use. Kevin Artl, Chief Operating Officer, will present today for Board consideration the recommendations developed, which were advanced by the Committee with a recommendation for approval.
- A year ago, the Board directed staff to look at a long-term vision for the central Tri-State Tollway (I-294). Tollway staff have since been gathering input from communities, stakeholders and planning experts. Today, Aimee Lee, Senior Manager of Strategic Planning, will provide for the Board an overview of the research staff has done and present an alternative concept that would achieve long-term value for an investment into the Central Tri-State Tollway (I-294). The alternative concept to be presented was reviewed and approved by the Committee for placement on the full Board agenda with a recommendation for approval.

[End of Committee Reports]



Recommended Alternative: Central Tri-State Tollway (I-294) Project: Chairman Schillerstrom introduced Aimee Lee, Senior Manager of Strategic Planning, to provide an overview of research staff has conducted and to present an alternative concept that would achieve long-term value for an investment into the central Tri-State Tollway (I-294). [See attached presentation.](#)

Director Vazquez Rowland expressed her sensitivity to the reliance which may be had by municipalities on local tax revenues generated by oases and asked whether increased capacity on the central Tri-State Tollway (I-294) may benefit local communities, specifically Hinsdale, through increased tax revenues. Ms. Lee commented on the importance of oases to local tax bases and to the agency. She further responded that as part of the planning process for the project, the agency hopes to work with local stakeholders to create a vision for redevelopment of the Hinsdale Oasis.

Director Gonzalez inquired about the scheduled completion date for the Central Tri-State Tollway (I-294) Project. Ms. Lee responded that the project, under the *Move Illinois* timeline, is currently scheduled for completion in 2025; however, schedule acceleration is to be examined as part of the planning process.

Director Gonzalez requested confirmation that the \$1.9 billion currently funded (under *Move Illinois*) for the Central Tri-State Tollway (I-294) Project does not address congestion relief. Paul Kovacs, Chief Engineering Officer, confirmed, clarifying that project funding currently provides only for removal and replacement of pavement in-kind.

Director Johnson asked if the Central Tri-State Tollway (I-294) Project is to employ a similar maintenance of traffic ("MOT") plan to that utilized on the Jane Addams Memorial Tollway (I-90) Rebuilding and Widening Project, during which most lanes remained open. Ms. Lee confirmed that a similarly effective MOT plan is a goal of the agency. Director Sweeney commended the priority placed by the agency on worker safety in prior MOT plans and encouraged a similar commitment during the Central Tri-State Tollway (I-294) Project.

With permission of Chairman Schillerstrom, Executive Director Bedalov then read aloud for the record a list of organizations that have expressed support for advancing proposed enhancements to the Central Tri-State Tollway (I-294) Project:

- American Council of Engineering Companies of Illinois
- Alderman Gilbert Villegas, 36th Ward, City of Chicago
- Chicagoland Chamber of Commerce
- Choose DuPage
- City of Chicago



- DuPage County Board
- Chicago Metropolitan Agency for Planning
- Hispanic American Construction Industry Association
- Illinois Road & Transportation Builders Association
- Greater Oak Brook Chamber of Commerce & Economic Development Partnership
- Pace
- West Central Municipal Conference
- Illinois Economic Policy Institute
- Cook County
- Village of Justice
- International Union of Operating Engineers - Local 150
- Village of Rosemont
- Illinois Hispanic Chamber of Commerce

Item 4: Approval of modifications to the Move Illinois Program reflecting changes to the Central Tri-State Project.

Chairman Schillerstrom then called for a motion to approve **Chairman's Item 4**, providing authorization to modify the *Move Illinois* capital program reflecting changes to the Central Tri-State Tollway (I-294) Project, as presented. Director Banks made a motion for approval; seconded by Director Vazquez Rowland. Chairman Schillerstrom asked if there are any questions, concerns or requests for discussion. Hearing nothing, Chairman Schillerstrom called for a roll call, the vote of yeas and nays being as follows:

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

Nays: None (0)

The motion was PASSED.

Having no further items, Chairman Schillerstrom called on Executive Director Greg Bedalov.

Executive Director's Items

Arbor Day Giveaway: Executive Director Bedalov announced that as part of agency efforts to promote sustainability and to support the region's vital ecosystem, the Tollway will be giving away 7,500 tree seedlings and 7,500 pollinator seed packets on Arbor Day, April 28th. He noted that



the tree seedlings and wildflower seed packets will be distributed at Tollway headquarters and at seven oases locations from 7 a.m. until supplies last.

Tollway Staff Announcements: Executive Director Bedalov reported that Cassandra Rouse, Chief Internal Auditor, has recently been selected as one of the *Chicago Defender's* Women of Excellence, Class of 2017. He further reported that John Donato, Chief of Procurement, received the 2017 Outstanding Buying / Contracting Executives Award by the Minority Business Enterprise Committee of the Chicago Minority Supplier Development Council. And finally, he recognized Paul Cerpa, Executive Manager of the Department of Diversity and Strategic Development, who recently received the 2017 President's Recognition Award, also presented by the Minority Business Enterprise Committee. He congratulated these staff members for their outstanding work on behalf of the Illinois Tollway.

Video Tolling and Collections: Executive Director Bedalov introduced Kevin Artl, Chief Operating Officer, to present to the Board recommendations developed to improve I-PASS toll collection operations and maximize revenue collection. [See attached presentation.](#)

At the conclusion of the presentation, Director Dotson inquired about the circumstance which previously prevented pursuit of violation recovery from Minnesota license plates. Mr. Artl explained that a shortfall existed in the data system in Minnesota which prevented accurate identification of vehicle ownership at the time of violation. He advised that this shortfall has now been remedied.

Director Sweeney asked about video tolling transaction rates of passenger vehicles compared to commercial vehicles. **Shana Whitehead, Chief of Business Systems, responded that she will compile this information and convey to Directors post-Meeting.**

Director Vazquez Rowland inquired about rental car toll violations and options for recovery. Mr. Artl responded that the agency is currently examining efficiencies (including potential legislation) in this regard; however, under current law, the Tollway is limited to pursuing renters individually using contact information which is provided by the rental car agencies.

April 2017 Diversity Statistics: Executive Director Bedalov provided the following diversity statistics for Tollway procurements to be presented in the current month:

ENGINEERING has one professional services contract totaling \$6 million and four construction contracts totaling \$4.3 million, which include:

- One firm doing business for the first time on a Tollway contract; and



- Two small business set-aside contracts awarded as part of the Tollway's Small Business Initiative.

Of the \$10.3 million in recommended Engineering contract awards, nearly \$3.3 million or 32 percent is committed to small, veteran-owned or disadvantaged firms. Three contracts include commitments for disadvantaged, minority- and women-owned business participation ranging from 21 to 23 percent per contract. Two contracts include commitments for veteran-owned firm participation ranging from 1.5 to 3 percent per contract. Additionally, these awards include:

- One subcontractor and one subconsultant which are certified as both veteran-owned and D/MBEs;
- Two subcontractors and one subconsultant which are certified as D/M/WBEs; and
- One subcontractor which is a certified veteran-owned firm.

Items for Consideration

Finance

Item 1: Award of Contract 17-0004 to Mesirow Insurance Services for the purchase of Liability Insurance Services in an amount not to exceed \$1,012,824.00 (Order Against CMS Master Contract).

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

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

Nays: None (0)

The motion was PASSED.

Procurement

Item 1: Renewal of Contract 14-0077 to Rush Truck Centers of Illinois, Inc. (d.b.a. Rush Truck Center, Chicago); Lakeside International LLC; and Thompson Truck & Trailer, Inc. for the purchase of Navistar Truck Repair Services in an aggregate amount not to exceed \$500,000.00 (Tollway Invitation for Bid).



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

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

Nays: None (0)

The motion was PASSED.

Item 2: Renewal of Contract 12-0063RRR to Oak Brook Mechanical Services, Inc. for the purchase of Preventive Maintenance and Repair of Boilers and Water Heaters in an amount not to exceed \$156,102.00 (Tollway Invitation for Bid).

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

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

Nays: None (0)

The motion was PASSED.

Business Systems

Item 1: Approval of Video Tolling and Toll Violation Settlement Guidelines.

Chairman Schillerstrom called for a motion to approve **Business Systems Item 1**, authorizing staff to modify debt collection processes and seek necessary approvals required to amend the Tollway's current administrative rules related to video tolling, as presented. Director Gomez made a motion for approval; seconded by Director Banks. Chairman Schillerstrom asked if there are any questions, concerns or requests for discussion. Hearing nothing, Chairman Schillerstrom called for a roll call, the vote of yeas and nays being as follows:

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

Nays: None (0)



The motion was PASSED.

Engineering

Item 1: Award of Contract RR-17-4286 to Fox Excavating, Inc. for Drainage Improvements, on the Tri-State Tollway (I-294) from Milepost 10.2 Northbound Midlothian Turnpike (137th Street) to Milepost 10.5 (135th Street), in the amount of \$395,114.00.

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

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

Nays: None (0)

The motion was PASSED.

Item 2: Award of Contract RR-17-4287 to Fox Excavating, Inc. for Drainage Improvements, on the Tri-State Tollway (I-294) Northbound Milepost 14.9 to Milepost 15.1 (South of 111th Street); Southbound Milepost 15.7 (Norfolk Southern Railways) to Milepost 15.8 (107th Street), in the amount of \$652,631.00.

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

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

Nays: None (0)

The motion was PASSED.

Item 3: Award of Contract RR-17-6001 to Aldridge Electric, Inc. for Systemwide Dynamic Message Sign Improvements on the Reagan Memorial Tollway (I-88) Milepost 115.3 (Randall Road) to Milepost 137.6 (Spring Road); Veterans Memorial Tollway (I-355) Milepost 17.1 (63rd Street) to Milepost 25.8 (IL 53), in the amount of \$2,599,902.70.



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

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

Nays: None (0)

The motion was PASSED.

Item 4: Award of Contract RR-17-9201 to RoadSafe Traffic Systems, Inc. for Pavement Marking, Systemwide, in the amount of \$675,209.00.

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

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

Nays: None (0)

The motion was PASSED.

Item 5: Acceptance of Proposal from Parsons Transportation Group, Inc., on Contract RR-16-9194 for ITS Maintenance and Network Deployment Guidance and Support Management, Systemwide, in an amount not to exceed \$6,000,000.00.

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

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

Nays: None (0)

The motion was PASSED.



Item 6: Acceptance of Proposal from Bowman Consulting Group, Ltd., on Contract RR-13-4117 for Roadway Reconstruction, on the Reagan Memorial Tollway (I-88), East West Connector with the Tri-State Tollway (I-294), in an amount of \$419,000.00 from \$2,993,467.42 to \$3,412,467.42.

Chairman Schillerstrom called for a motion to approve **Engineering Item 6**. Director Banks made a motion for approval; seconded by Director Johnson. Chairman Schillerstrom asked if there are any questions, concerns or requests for discussion. Hearing nothing, Chairman Schillerstrom called for a roll call, the vote of yeas and nays being as follows:

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

Nays: None (0)

The motion was PASSED.

Item 7: Acceptance of Proposal from Parsons Transportation Group, Inc., on Contract RR-13-4116 for Roadway Reconstruction, on the Reagan Memorial Tollway (I-88) from Milepost 138.1 (York Road Plaza) to Milepost 140.5 (I-290), in an amount of \$534,000.00 from \$3,348,578.95 to \$3,882,578.95.

Chairman Schillerstrom called for a motion to approve **Engineering Item 7**. Director Dotson made a motion for approval; seconded by Director Johnson. Chairman Schillerstrom asked if there are any questions, concerns or requests for discussion. Hearing nothing, Chairman Schillerstrom called for a roll call, the vote of yeas and nays being as follows:

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

Nays: None (0)

The motion was PASSED.

Item 8: Acceptance of Proposal from BV3 Joint Venture (Alfred Benesch & Company/V3 Companies of Illinois), on Contract I-11-4018 for Reconstruction and Add Lane, on the Jane Addams Memorial Tollway (I-90) Milepost 78.6 (Kennedy Expressway) to Milepost 53.8 (Elgin Toll Plaza) and Milepost 60.8 (Higgins Road) to Milepost 53.8 (Elgin Toll Plaza), in an amount of \$550,000.00 from \$28,107,147.80 to \$28,657,147.80.

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



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

Nays: None (0)

The motion was PASSED.

Item 9: Change Order / Extra Work Order on Contract I-13-4618 to F.H. Paschen, S.N. Nielsen & Associates, LLC for Elmhurst Road West Bridge and Interchange on the Jane Addams Memorial Tollway (I-90) at Milepost 73.5 (Elmhurst Road); and Elmhurst Road from South of Landmeier to Oakton, in the amount of \$2,002,135.25.

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

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

Nays: None (0)

The motion was PASSED.

Legal

Item 1: Approval of an Intergovernmental Agreement with the Village of Schaumburg regarding cost sharing for reconstruction of Amanda Drive and Commerce Court for utility relocation near I-90 with Village of Schaumburg. Cost to the Tollway: \$1,584,000.00.

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

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

Nays: None (0)

The motion was PASSED.

Item 2: Approval of an Intergovernmental Agreement with the City of Northlake regarding reimbursement to City of Northlake for additional final design services for the Illinois Route 390



project for I-294 at County Line Road, North Avenue, and Lake Street. Cost to the Tollway: Estimated at \$422,478.40.

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

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

Nays: None (0)

The motion was PASSED.

Item 3: Approval of an Intergovernmental Agreement with the Chicago Metropolitan Agency for Planning (CMAP) regarding a study of northeastern Illinois freeway and tollway systems. Cost to the Tollway: \$1,000,000.00.

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

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

Nays: None (0)

The motion was PASSED.

Chairman Schillerstrom stated that without objection, action on Legal Items 4 through 12, concerning land acquisition and litigation settlements, will be deferred until after consideration in the Executive Session.

Executive Session

Chairman Schillerstrom called for a motion to enter Executive Session pursuant to exceptions provided in Sections 2(c)5, 2(c)11, and 2(c)21 of the Illinois *Open Meetings Act* to consider Tollway matters related to the purchase of real property, potential or pending litigation, and the minutes of closed meetings. Director Gomez made a motion, pursuant to the sections specified, to enter Executive Session; seconded by Director Banks. Chairman Schillerstrom asked if there



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

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

Nays: None (0)

The motion was PASSED.

At approximately 11:36 a.m., the Board entered into Executive Session.

[Director Vazquez Rowland departed the Meeting at approximately 12:30 p.m.]

Return from Executive Session and Action (if any)

At approximately 12:31 p.m., the Board re-entered the public session of the Meeting.

Chairman's Item 2: Approval of the Minutes of the Executive Session of the Board of Directors meeting held March 23, 2017.

Chairman Schillerstrom called for a motion to approve **Chairman's Item 2**, the Minutes of the Executive Session of the Board of Directors meeting held on March 23, 2017, as presented. Director Johnson made a motion for approval; seconded by Director Banks. Chairman Schillerstrom asked if there are any questions, concerns or requests for amendment. Hearing nothing, Chairman Schillerstrom called for a vote. The motion was PASSED unanimously by those Directors still present.

Legal Item 4: Authorization to Enter into a Land Acquisition Settlement – Aaron Equipment. Cost to the Tollway: As discussed in Executive Session.

Chairman Schillerstrom called for a motion to approve **Legal Item 4**, authorizing staff to enter into a land acquisition settlement with Aaron Equipment, consistent with terms discussed in the Executive Session. Director Gomez made a motion for approval; seconded by Director Sweeney. Chairman Schillerstrom asked if there are any questions, concerns or requests for discussion. Hearing nothing, Chairman Schillerstrom called for a roll call, the vote of yeas and nays being as follows:

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

Nays: None (0)



The motion was PASSED.

Legal Item 5: Authorization to Enter into a Land Acquisition Litigation Settlement – Rosemont Park District, et al. Cost to the Tollway: As discussed in Executive Session.

Chairman Schillerstrom called for a motion to approve **Legal Item 5**, authorizing staff to enter into a land acquisition settlement with the Rosemont Park District, et al., consistent with terms discussed in the Executive Session. Director Johnson made a motion for approval; seconded by Director Gomez. Chairman Schillerstrom asked if there are any questions, concerns or requests for amendment. Hearing nothing, Chairman Schillerstrom called for a roll call, the vote of yeas and nays being as follows:

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

Nays: None (0)

Recusals: Director Banks (1)

The motion was PASSED.

Legal Item 6: Authorization to Enter into a Pre-Litigation Settlement – F.H. Paschen, S.N. Nielsen & Associates LLC. Cost to the Tollway: As discussed in Executive Session.

Chairman Schillerstrom called for a motion to approve **Legal Item 6**, authorizing staff to enter into a pre-litigation settlement with F.H. Paschen, S.N. Nielsen & Associates LLC, consistent with terms discussed in the Executive Session. Director Banks made a motion for approval; seconded by Director Gomez. Chairman Schillerstrom asked if there are any questions, concerns or requests for discussion. Hearing nothing, Chairman Schillerstrom called for a roll call, the vote of yeas and nays being as follows:

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

Nays: None (0)

Recusals: Director Sweeney (1)

The motion was PASSED.

Legal Item 7: Authorization to Enter into a Pre-Litigation Settlement – Dunnet Bay Construction Co. Cost to the Tollway: As discussed in Executive Session.



Chairman Schillerstrom called for a motion to approve **Legal Item 7**, authorizing staff to enter into a pre-litigation settlement with Dunnet Bay Construction Co., consistent with terms discussed in the Executive Session. Director Johnson made a motion for approval; seconded by Director Banks. Chairman Schillerstrom asked if there are any questions, concerns or requests for discussion. Hearing nothing, Chairman Schillerstrom called for a roll call, the vote of yeas and nays being as follows:

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

Nays: None (0)

Recusals: Director Sweeney (1)

The motion was PASSED.

Legal Item 8: Authorization to Enter into a Pre-Litigation Settlement – IHC Construction Companies Inc. Cost to the Tollway: As discussed in Executive Session.

Chairman Schillerstrom called for a motion to approve **Legal Item 8**, authorizing staff to enter into a pre-litigation settlement with IHC Construction Companies Inc., consistent with terms discussed in the Executive Session. Director Johnson made a motion for approval; seconded by Director Banks. Chairman Schillerstrom asked if there are any questions, concerns or requests for discussion. Hearing nothing, Chairman Schillerstrom called for a roll call, the vote of yeas and nays being as follows:

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

Nays: None (0)

Recusals: Director Sweeney (1)

The motion was PASSED.

Legal Item 9: Authorization to Enter into a Pre-Litigation Settlement – Lorig Construction Co./Lindhal JV. Cost to the Tollway: As discussed in Executive Session.

Chairman Schillerstrom called for a motion to approve **Legal Item 9**, authorizing staff to enter into a pre-litigation settlement with Lorig Construction Co. / Lindhal Joint Venture, consistent with terms discussed in the Executive Session. Director Johnson made a motion for approval; seconded by Director Gomez. Chairman Schillerstrom asked if there are any questions, concerns or requests for discussion. Hearing nothing, Chairman Schillerstrom called for a roll call, the vote of yeas and nays being as follows:



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

Nays: None (0)

Recusals: Director Sweeney (1)

The motion was PASSED.

Legal Item 10: Authorization to Enter into a Pre-Litigation Settlement – Lorig Construction Co. Cost to the Tollway: As discussed in Executive Session.

Chairman Schillerstrom called for a motion to approve **Legal Item 10**, authorizing staff to enter into a pre-litigation settlement with Lorig Construction Co., consistent with terms discussed in the Executive Session. Director Johnson made a motion for approval; seconded by Director Banks. Chairman Schillerstrom asked if there are any questions, concerns or requests for discussion. Hearing nothing, Chairman Schillerstrom called for a roll call, the vote of yeas and nays being as follows:

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

Nays: None (0)

Recusals: Director Sweeney (1)

The motion was PASSED.

Legal Item 11: Authorization to Enter into a Pre-Litigation Settlement – Plote Construction, Inc./Dunnet Bay Constr. Co. JV. Cost to the Tollway: As discussed in Executive Session.

Chairman Schillerstrom called for a motion to approve **Legal Item 11**, authorizing staff to enter into a pre-litigation settlement with Plote Construction, Inc. / Dunnet Bay Construction Co. Joint Venture., consistent with terms discussed in the Executive Session. Director Gomez made a motion for approval; seconded by Director Johnson. Chairman Schillerstrom asked if there are any questions, concerns or requests for discussion. Hearing nothing, Chairman Schillerstrom called for a roll call, the vote of yeas and nays being as follows:

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

Nays: None (0)

Recusals: Director Sweeney (1)



The motion was PASSED.

Legal Item 12: Authorization to Enter into a Pre-Litigation Settlement – Walsh Construction/K-Five Construction JV. Cost to the Tollway: As discussed in Executive Session.

Chairman Schillerstrom called for a motion to approve **Legal Item 12**, authorizing staff to enter into a pre-litigation settlement with Walsh Construction / K-Five Construction Joint Venture, consistent with terms discussed in the Executive Session. Director Johnson made a motion for approval; seconded by Director Banks. Chairman Schillerstrom asked if there are any questions, concerns or requests for discussion. Hearing nothing, Chairman Schillerstrom called for a roll call, the vote of yeas and nays being as follows:

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

Nays: None (0)

Recusals: Director Sweeney (1)

The motion was PASSED.

New Business

Director Johnson inquired about the impact to construction schedules of a recent incident reported involving the accidental cutting of an unmarked natural gas line. Executive Director Bedalov responded that construction schedules remain on track.

Director Gomez asked if there has been any implication to the agency of press stories involving a former Tollway employee who is currently connected to the recent United Airlines passenger dragging incident. Mr. Bedalov responded in the negative.

Adjournment

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

The Meeting was adjourned at approximately 12:40 p.m.



ILLINOIS STATE TOLL HIGHWAY AUTHORITY

Minutes of the
Regular Board of Directors Meeting

Meeting Date
April 27
2017



Christi Regnery

Minutes taken by: _____

Christi Regnery
Board Secretary
Illinois State Toll Highway Authority

Video Tolling and Collections

April 27, 2017



Toll Revenue Challenges

Two-thirds of leakage is not pursuable

- 40 percent represents aged transactions (violators must have three violations in one year to receive a notice)
- 19 percent represents rejected images (discarded because unreadable or because they are law enforcement and emergency vehicles)
- 6 percent represents transactions for which no violator information is available
- 1 percent represents manual lane transactions (no cameras in manual lanes)



One-third of leakage is unpaid violation notices

- Key approach
 - Violation notices issued
 - Unpaid notices placed with collection agencies
 - Vehicle registration suspensions for Illinois registered owners
 - Litigation of commercial registered owners for garnishment
- Key exceptions
 - Truck trailer license plates
 - Minnesota license plates



Toll Revenue Enhancement Initiatives

Reduce “lost” transactions

✓ Change rules so violators must have only two violations in one year to receive a notice	\$7.0 million
✓ Replace outdated violation cameras on roadway	\$4.0 million
✓ Improve license plate system management	\$0.5 million
Anticipated revenue gain	\$11.5 million

Increase violation recovery

✓ Enhance toll capture of commercial vehicles	\$12.0 million
✓ Pursue Minnesota license plates	\$1.8 million
✓ Cap number of violations on an initial notice to encourage better violator response	\$1.0 million
✓ Improve account maintenance reminders to I-PASS customers	\$0.5 million
Anticipated revenue gain	\$15.3 million

Additional key improvements

✓ Charge cash rate for excessive video tolls	\$18.0 million
✓ Improve collection agency rules	\$0.5 million
Anticipated revenue gain	\$18.5 million

TOTAL anticipated revenue gain: \$45.3 million



Toll Revenue Enhancement Option

Test behavior for revised transponder deposit

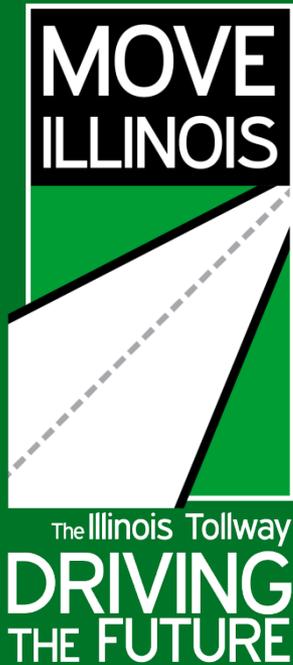
- Identify I-PASS customers with excessive video tolls
- Provide one sub-group free transponders, explaining anticipated future cash rate charges for video tolls
- Provide another sub-group with typical \$10-deposit transponders, explaining anticipated future cash rate charges for video tolls
- Monitor customer response and behavior to determine best approach for introducing a video tolling charge





THANK YOU





Reduce Congestion and Repair Central Tri-State Tollway (I-294)

April 27, 2017

Tri-State Tollway (I-294) Corridor Overview

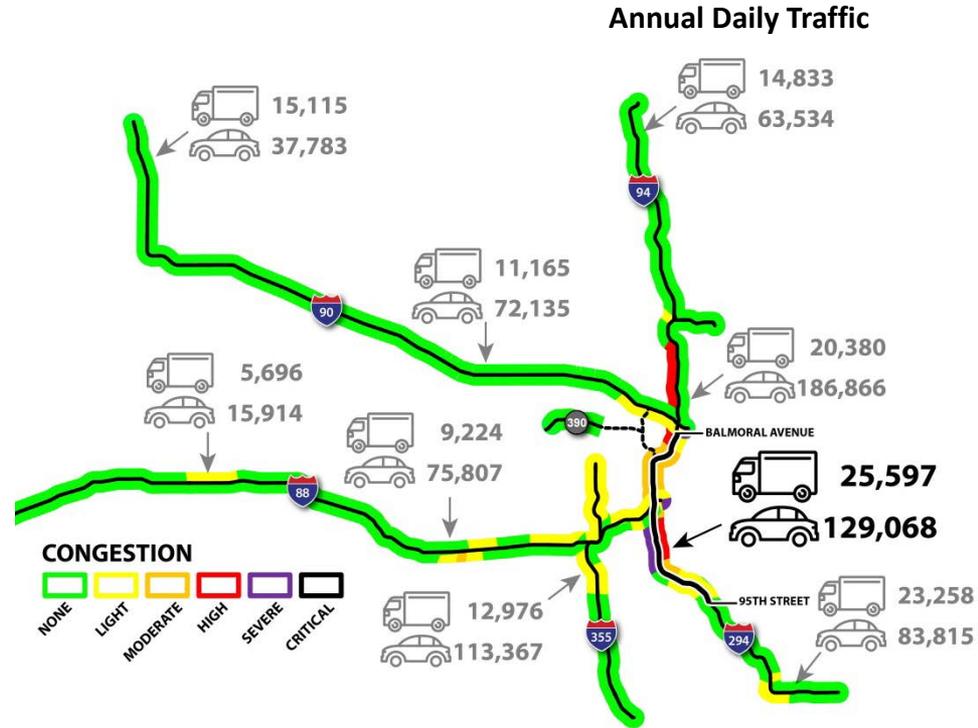
Workhorse of Tollway system

Integral to state and region's economy

Central to transportation network

Major freight corridor

Worst congestion delays on 292-mile Tollway system



Source: CDM Smith

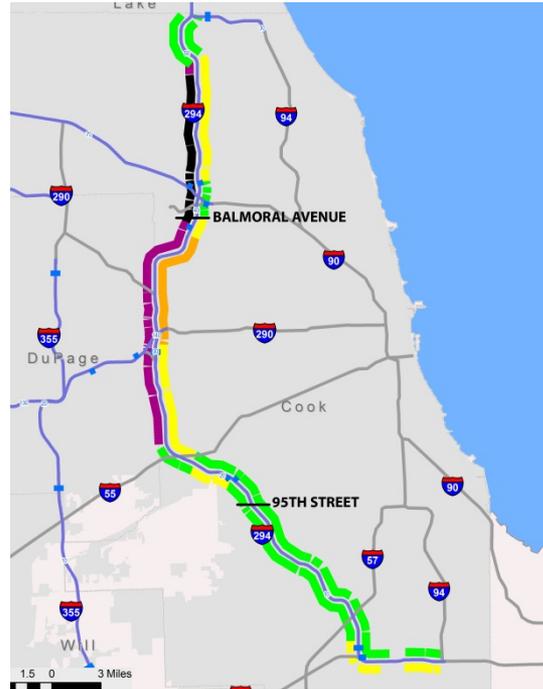


Current Central Tri-State Congestion

A.M. Peak



P.M. Peak



CONGESTION



Source: CDM Smith



The Illinois Tollway
**DRIVING
THE FUTURE**

Central Tri-State Tollway (I-294) Corridor

95th Street to Balmoral Avenue
22 miles

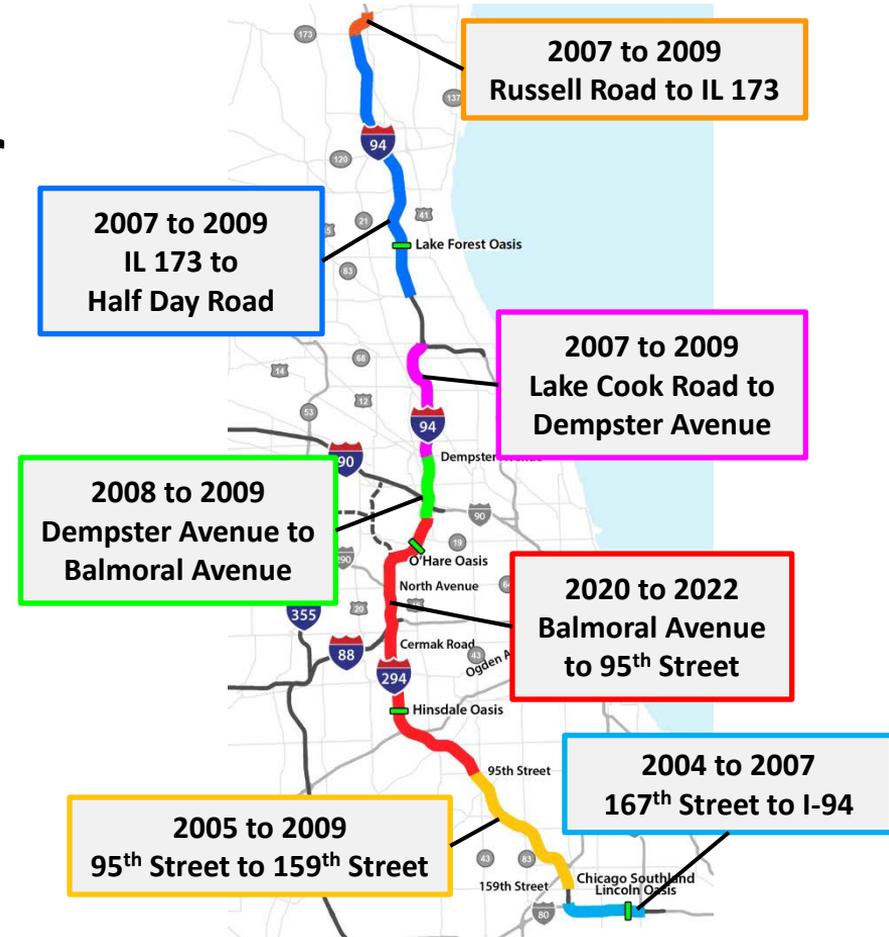
Originally constructed in 1958

Segments of original pavement and
structures

Patchwork pavement repairs

Currently 4 lanes, 13 interchanges,
2 oases and 5 toll plazas

Original \$1.9 billion reconstruction
project part of *Move Illinois* Program,
anticipated for 2020 to 2022



Current Central Tri-State Plan

Move Illinois Program

2 years and \$1.9 billion

Bring the corridor to a state of good repair

22 miles of removal and replacement of old pavement

Improve Mile Long Bridge and BNSF Bridge

Congestion relief unresolved

Choke points, bottlenecks and daily backups remain

Reconstruction insufficient for current and future travel needs

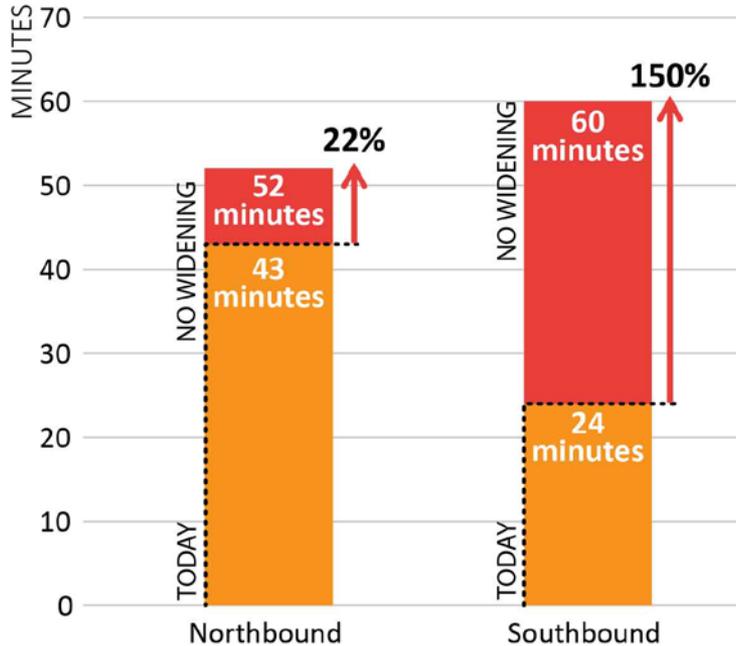
Unaddressed needs of adjacent communities

Unable to achieve long-term value from \$1.9 billion investment

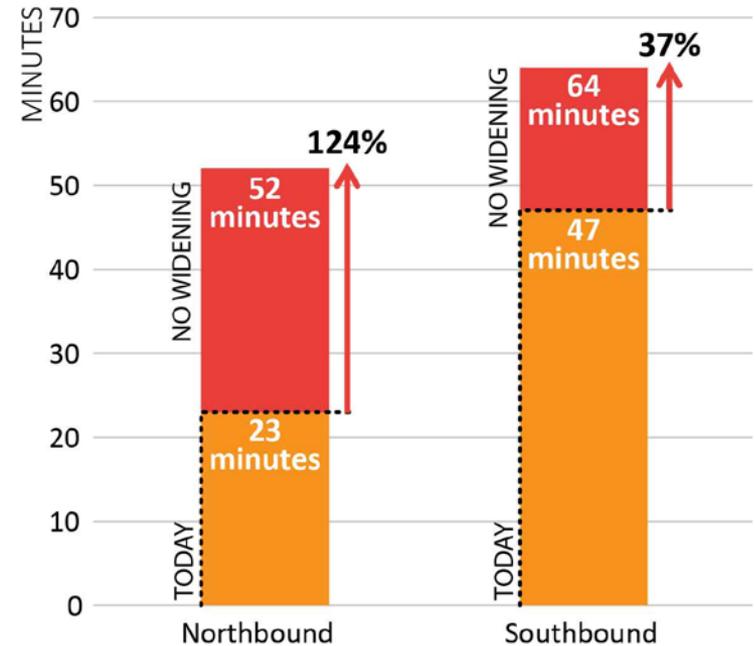


Congestion Only Gets Worse

A.M. PEAK TRIP



P.M. PEAK TRIP



Travel times are related to traveling the full length between Balmoral Avenue and 95th Street. Travel times related to no widening are projected to 2040.

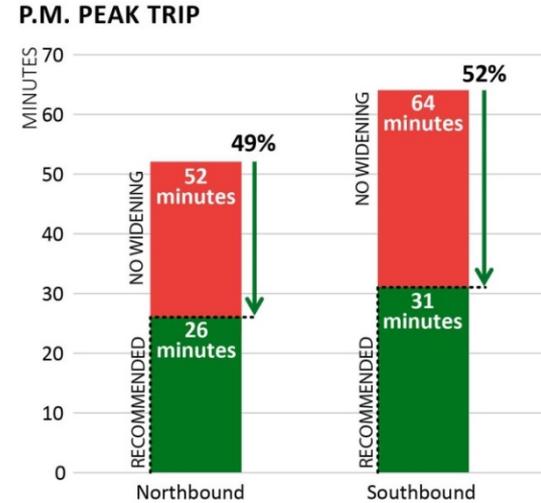
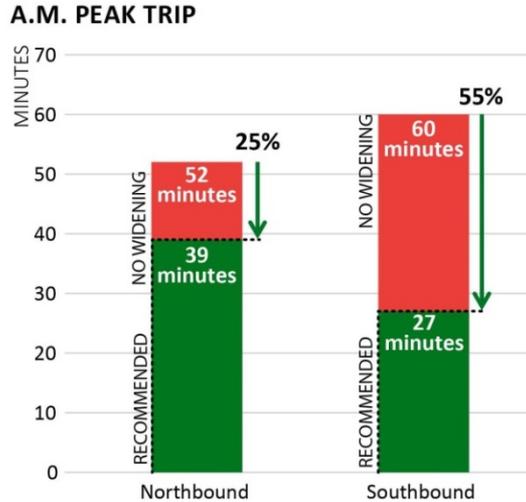
Source: Draft Central Tri-State Master Plan

Presented by Aimee Lee on April 27, 2017



The Illinois Tollway
**DRIVING
THE FUTURE**

Saves Time, Reduce Congestion



Source: Draft Central Tri-State Master Plan

DAILY COMMUTER - TOTAL HOURS (A.M. Northbound and P.M. Southbound)



Travel times are related to traveling the full length between Balmoral Avenue and 95th Street. Travel times related to no widening are projected to 2040.

Presented by Aimee Lee on April 27, 2017



The Illinois Tollway
DRIVING THE FUTURE

Benefits of Recommended Alternative

25% - 55% shorter peak travel times

Travel speed increases from 24 mph to 45 mph during peak periods

Increase safety and reliability

Flex Lane to improve operations and safety

Provide for transit option

Robust power and data to support future technology



Regional Benefits of Recommended Alternative

\$330 million annual savings from reduced travel delays

Create or sustain as many as 43,000 jobs

Support regional transportation solutions

Opportunities for economic development throughout the corridor

Partnership opportunities with local agencies and communities

Provide local road congestion relief

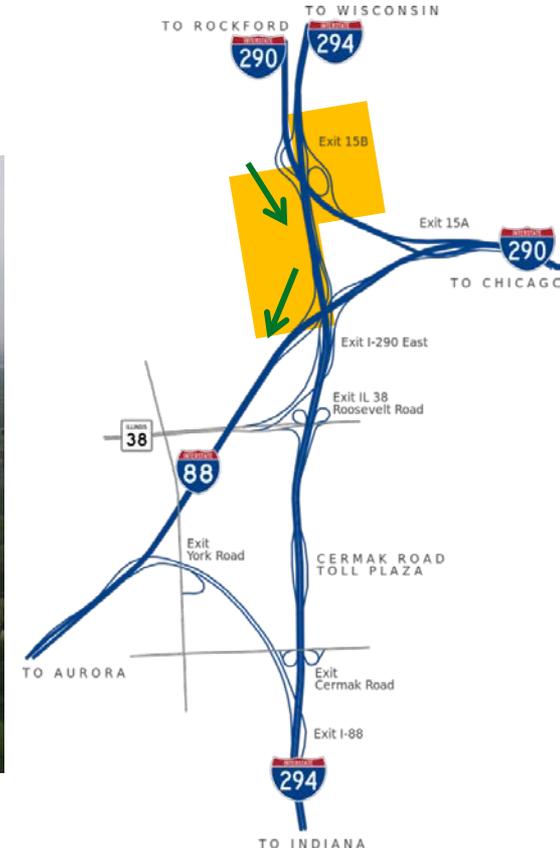
Freight solutions for industry growing needs

Reduced delays in freight movements and increased reliability

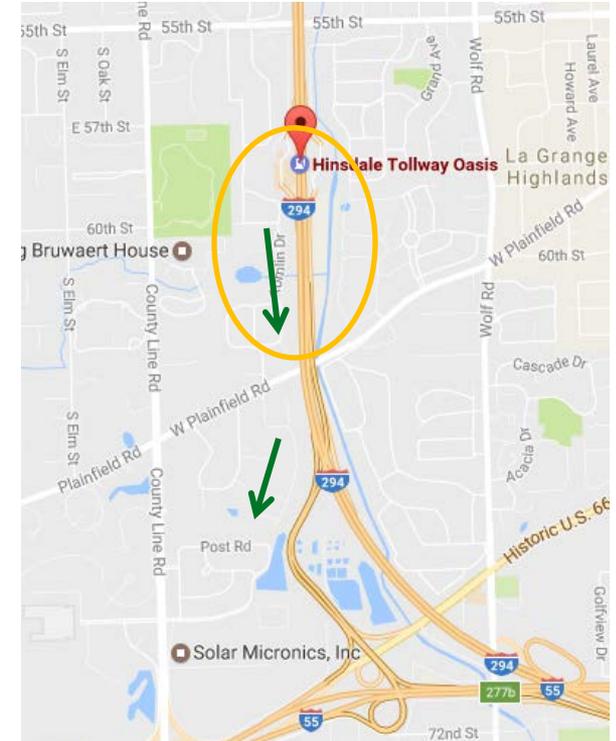
Regional stormwater solutions for economic development



Major System Interchange Improvements



Major System Interchange Improvements



The Illinois Tollway
**DRIVING
THE FUTURE**

Presented by Aimee Lee on April 27, 2017

Project Financing

Amount	Source
\$1.9 billion	Original allocated amount in <i>Move Illinois</i> Program
\$0.16 billion	Revenue in excess of what was expected for 2013 through 2016.
\$0.24 billion	Additional revenue provided based on current projections from 2017 through 2025 relative to estimates made at the start of <i>Move Illinois</i> .
\$0.28 billion	Less debt service costs for <i>Move Illinois</i> for 2012 through 2023 than planned in 2013.
\$0.12 billion	Revenue expected to be generated between 2018 and 2025 via a new v-toll fee which will encourage transponder use and improve toll collection efficiency.
\$1.3 billion	Additional bonding between 2023 and 2025 allowed because of incremental revenue from additional lanes on the Central Tri-State, v-toll fee and lower debt service for bonds already issued. Tollway debt service coverage will remain above 2.0 for all years.
\$4 billion	<i>(with no toll increase)</i>



Next Steps

- Board discussion and approval
- Procure design contracts
- Establish community and stakeholder working groups
- Continue individual community briefings and coordination and public outreach
- Coordinate with railroads, utilities, businesses and other agencies
- Continue to collaborate with partners on major system Interchanges
- Advance work to begin as early as 2018



The Illinois Tollway

DRIVING
THE FUTURE

THANK YOU