



**Record of Meeting | August 18, 2022**

The Illinois State Toll Highway Authority (“Tollway”) held the regularly scheduled Finance, Administration and Operations (“FAO”) Committee meeting on Thursday, August 18, 2022. The meeting was held pursuant to the By-Laws of the Tollway upon call and notice of the meeting executed by Chair Dorothy Abreu and posted in accordance with the requirements of the Open Meetings Act, 5 ILCS 120/1, *et seq.*

Due to necessary precautions relating to COVID-19, in accordance with the Gubernatorial Disaster Proclamation and current conditions, and consistent with the Open Meetings Act, it was determined by Chair Abreu that an in-person meeting of the body was neither practical nor prudent. In compliance with all conditions of Section 7(e) of the Open Meetings Act, 5 ILCS 120/7(e), the Committee meeting was conducted by audio conference. A telephone access number was provided for members of the public to monitor and/or participate in the meeting.

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

**Call to Order / Roll Call**

Committee Chair McConnaughay called the meeting to order at approximately 9:48 a.m. She then asked the Board Secretary to call the roll, those Directors present and absent being as follows:

<b>Committee Members Present:</b>
Committee Chair Karen McConnaughay
Director Alice Gallagher
Director Scott Paddock
Director Gary Perinar
Director James Sweeney
<b>Other Directors Present:</b>
Director James Connolly
Chair Dorothy Abreu

<b>Committee Members Not Present:</b>
None

The Board Secretary declared a quorum present.



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## Public Comment

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

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## Committee Chair's Items

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Committee Chair McConnaughay entertained a motion to approve **Committee Chair's Item 1**, the Minutes of the regular FAO Committee meeting held on July 20, 2022, as presented. Director Gallagher made a motion to approve the Minutes, seconded by Director Paddock. Chair McConnaughay asked that the roll be called on the motion, the vote of yeas and nays being as follows:

Yeas: Director Gallagher, Director Paddock, Director Perinar, Director Sweeney, Committee Chair McConnaughay (5)

Nays: (0)

The motion PASSED.

Having no further items, Committee Chair McConnaughay called on Interim Executive Director Lanyea Griffin.

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## Executive Director's Items

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Interim Executive Director Griffin introduced Cathy Williams, Chief Financial Officer, to present the 2022 Second Quarter Budget to Actual financial report. [See attached presentation.](#)

Upon conclusion of the presentation and discussion, Committee Chair McConnaughay thanked Ms. Williams. Interim Executive Director Griffin noted that the meeting agenda contains 9 items for the Committee's consideration.

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## Items for Consideration

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### Facilities and Fleet Operations

Interim Executive Director Griffin called on Dave Donovan, Chief of Facilities and Fleet Operations, to present the following item:

*Item 1: Award of Contract 21-0217 to G. Cooper Oil Company, Inc., Gladieux Trading and Marketing Company, L.P., and Mansfield Oil Company of Gainesville, Inc. for the purchase of Bulk Fuel: E-10 Gasoline, E-85, Diesel, Biodiesel, and Performance-Enhancing Additives in an*



aggregate amount not to exceed \$20,162,389.17 for an initial two-year term and a possible two-year renewal term in an amount not to exceed \$20,168,175.60 (Tollway Invitation for Bid).

Upon conclusion of the item presentation, Committee Chair McConnaughay entertained a motion to approve placement of **Facilities and Fleet Operations Item 1** on the August Board of Directors meeting agenda with the Committee's recommendation for approval by the Board. Director Gallagher made a motion to approve this item, seconded by Director Paddock. Chair McConnaughay asked that the roll be called on the motion, the vote of yeas and nays being as follows:

Yeas: Director Gallagher, Director Paddock, Director Perinar, Director Sweeney, Committee Chair McConnaughay (5)

Nays: (0)

The motion PASSED.

## Engineering

Interim Executive Director Griffin asked Manar Nashif, Acting Chief Engineering Officer, to present the following items:

Item 1: Award of Contract RR-21-9256R to Drive Construction Inc. for Plumbing / Fire Protection Traffic Operation Center and Dispatch Center Renovation on the Veterans Memorial Tollway (I-355) at Mile Post 19.8 (Central Administration Building) in the amount of \$788,000.00.

Item 2: Award of Contract I-21-4835 to Walsh Construction Company II, LLC for Roadway and Bridge Reconstruction on the Tri-State Tollway (I-294) Northbound I-294/I-290/I-88 Interchange between Mile Post 30.5 (Roosevelt Road) and Mile Post 32.4 (St. Charles Road) in the amount of \$205,907,291.50.

Item 3: Award of Contract I-19-4485 to Schwartz Excavating, Inc. for Grading and Drainage Improvements, Tri-State Tollway (I-294) at the Elmhurst Quarry in the amount of \$2,305,239.73.

Item 4: Award of Contract I-21-4834 to Lorig Construction Company for Roadway and Bridge Reconstruction and Widening on the Tri State Tollway (I-294) between Mile Post 27.8 (Ogden Avenue) and Mile Post 29.5 (Cermak Road) in the amount of \$130,421,625.65.

Item 5: Change Order on I-20-4519 to F.H. Paschen, S.N. Nielsen & Assoc., LLC for Roadway & Bridge Reconstruction on the Tri State Tollway (I-294) Tollway between Mile Post 22.3 (75th Street) and Mile Post 24.1 (I-55 Ramps) in the amount of \$1,200,000.00, increasing the upper limit of compensation from \$128,123,998.99 to \$129,323,998.99.



*Item 6: Amendment to Resolution on I-18-4431 to Walsh Construction Company II, LLC for Roadway and Bridge Reconstruction on the Tri-State Tollway (I-294) from Mile Post 20.7 to Mile Post 22.7 (Mile Long Bridge) in the amount of \$628,500.00, increasing the upper limit of compensation from \$184,769,834.65 to \$185,398,334.65.*

*Item 7: Acceptance of Proposal from BLA, Inc. (dba Bollinger, Lach & Associates., Inc.) on Contract I-21-4748 for Construction Management Services on the Elgin O'Hare Western Access (I 490) between I-90 and I-294 at Franklin Avenue in an amount not to exceed \$6,549,003.38.*

*Item 8: Acceptance of Proposal from Applied Research Associates, Inc. on Contract MO-17-1238 for Supplemental Pavement Specialist Services for Pavement Roadway Management Services, Systemwide in an amount of \$7,769,179.00, increasing the upper limit of compensation from \$16,100,000.00 to \$23,869,179.00.*

Directors and staff discussed the use of cost adjustment provisions within Tollway contracts for certain commodities and the applicability to subcontractors. **Chair Abreu indicated that there will be an internal evaluation of cost adjustment provisions.**

Upon conclusion of the presentation of items, Committee Chair McConnaughay entertained a motion to consolidate for consideration and action Engineering Items 1 thru 7. Director Gallagher made a motion to consolidate these items, seconded by Director Paddock. Committee Chair McConnaughay asked that the roll be called on the motion, the vote of yeas and nays being as follows:

Yeas: Director Gallagher, Director Paddock, Director Perinar, Director Sweeney, Committee Chair McConnaughay (5)

Nays: (0)

The motion PASSED.

The motion to consolidate these items having carried, Committee Chair McConnaughay entertained a motion to approve placement of **Engineering Items 1 thru 7** on the August Board of Directors meeting agenda with the Committee's recommendation for approval by the Board. Director Gallagher made a motion to approve these items, seconded by Director Paddock. Committee Chair McConnaughay asked that the roll be called on the motion, the vote of yeas and nays being as follows:

Yeas: Director Gallagher, Director Paddock, Director Perinar, Director Sweeney, Committee Chair McConnaughay (5)

Nays: (0)



The motion PASSED.

Committee Chair McConnaughay entertained a motion to amend Engineering Item 8 to clarify that the contract amount of \$7,769,179.00 represents an upper limit of compensation (i.e., a “not to exceed” amount) rather than a fixed amount. Director Gallagher made a motion to amend the item as specified, seconded by Director Paddock. Committee Chair McConnaughay asked that the roll be called on the motion, the vote of yeas and nays being as follows:

Yeas: Director Gallagher, Director Paddock, Director Perinar, Director Sweeney, Committee Chair McConnaughay (5)

Nays: (0)

The motion PASSED.

The motion to amend this item having carried, Committee Chair McConnaughay entertained a motion to approve placement of **Engineering Item 8**, as amended, on the August Board of Directors meeting agenda with the Committee’s recommendation for approval by the Board. Director Gallagher made a motion to approve this item, seconded by Director Paddock. Committee Chair McConnaughay asked that the roll be called on the motion, the vote of yeas and nays being as follows:

Yeas: Director Gallagher, Director Paddock, Director Perinar, Director Sweeney, Committee Chair McConnaughay (5)

Nays: (0)

The motion PASSED.

## **Adjournment**

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There being no further Committee business, Committee Chair McConnaughay entertained a motion to adjourn. Director Gallagher made a motion to adjourn, seconded by Director Paddock. Chair McConnaughay asked that the roll be called on the motion, the vote of yeas and nays being as follows:

Committee Chair McConnaughay asked that the roll be called on the motion to amend, the vote of yeas and nays being as follows:

Yeas: Director Gallagher, Director Paddock, Director Perinar, Director Sweeney, Committee Chair McConnaughay (5)

Nays: (0)



The motion PASSED.

The Meeting was adjourned at approximately 10:25 a.m.

A handwritten signature in cursive script that reads "Christi Regnery".

Minutes taken by: \_\_\_\_\_

Christi Regnery  
Board Secretary  
Illinois State Toll Highway Authority



A long-exposure photograph of a multi-lane highway at night. The sky is a deep blue with some clouds. In the foreground, a streetlight pole with two glowing lamps is prominent on the left. The road surface is dark, and the lanes are marked with white and yellow lines. Long, horizontal light trails from cars stretch across the road, with white and yellow trails on the left side and red trails on the right side. In the background, there are some buildings and trees, some of which are lit up. The overall scene is a mix of artificial light and natural night sky.

# 2022 Second Quarter Budget to Actual

(Preliminary and Unaudited)

Cathy Williams  
August 18, 2022

# Second Quarter YTD 2022 – Budget vs. Actual

CATEGORY	BUDGET	(\$ millions)		% CHANGE
		ACTUAL	\$ CHANGE	
Revenue	\$723	\$761	\$39	5.3%
M&O Expenditures	\$204	\$187	(\$18)	(8.7%)
Debt Service Transfers	\$242.2	\$242.2	(\$0.0)	(0.0%)
Capital Expenditures	\$601	\$521	(\$79)	(13.2%)

## Key Drivers

### Revenue

- Revenue is 5.3 percent higher than the Budget due to higher than expected toll evasion recovery and \$18.7 million from sale of property

### M&O

- M&O is slightly below budget due to unfilled positions and lower customer service cost

### Capital expenditures

- Primarily due to timing of utility payments, bridge, ramp repairs, material delays and less than planned spending on fleet and IT projects

Numbers may not add to totals due to rounding.



# REVENUE



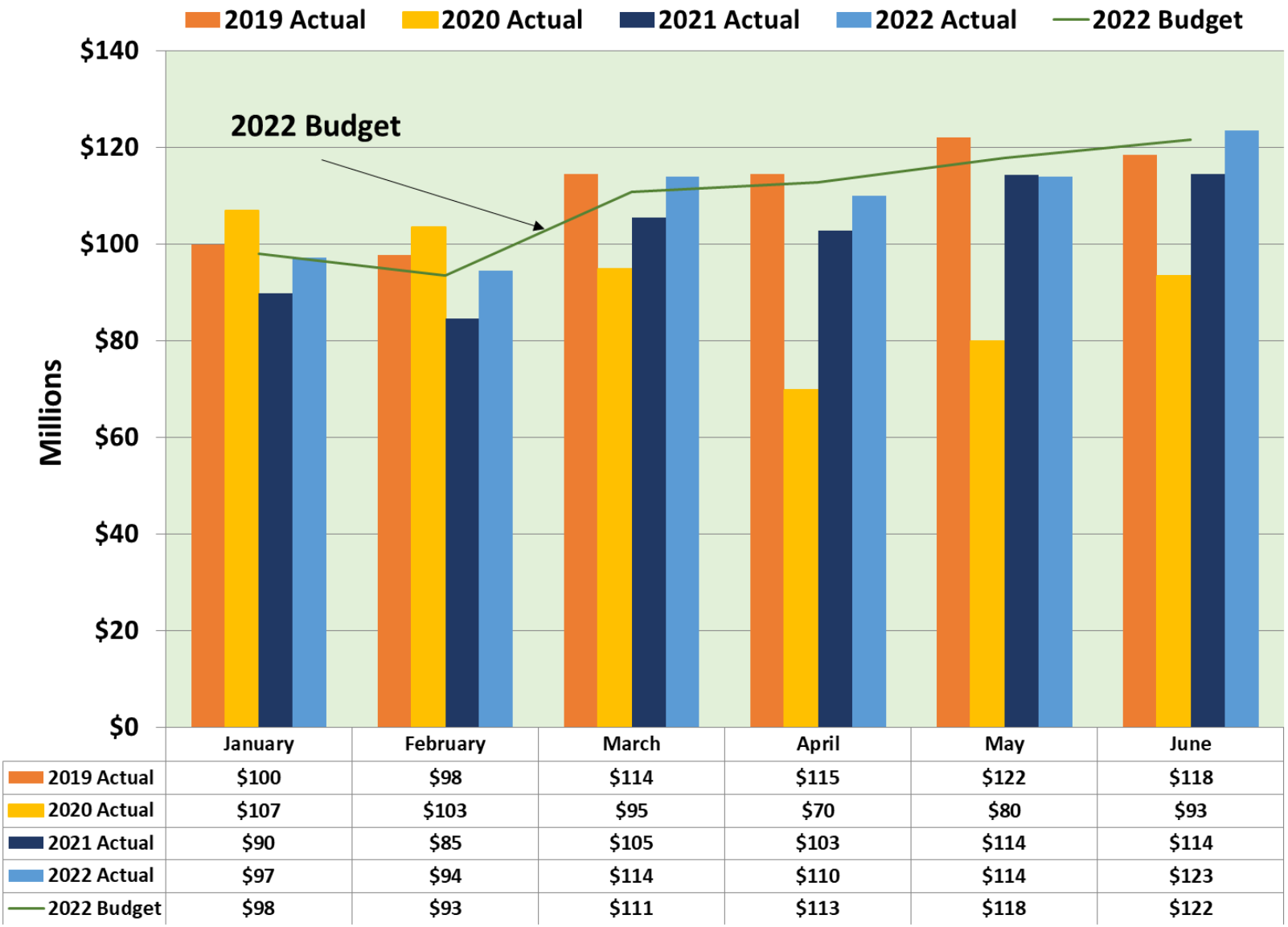
# Second Quarter YTD 2022 - Revenue

CATEGORY	BUDGET			
		ACTUAL	\$ CHANGE	% CHANGE
<b>Total Revenue</b>	<b>\$722.7</b>	<b>\$761.2</b>	<b>\$38.6</b>	<b>5.3%</b>
Toll Revenue and Evasion Recovery	\$715.7	\$730.7	\$15.0	2.1%
Concessions and Miscellaneous Income	\$5.5	\$26.6 <sup>1</sup>	\$21.1	NA
Investments	\$1.5	\$3.9	\$2.4	163.3%

Notes: <sup>1</sup> Includes proceeds from the sale of property of \$18.7 million in February 2022.

Numbers may not add due to rounding

# Monthly Toll Revenue 2019 – 2022



# Second Quarter YTD 2022 – Maintenance and Operations

CATEGORY	BUDGET	(\$ millions)		% CHANGE
		ACTUAL	\$ CHANGE	
<b>Total M&amp;O</b>	<b>\$204.4</b>	<b>\$186.6</b>	<b>(\$17.8)</b>	<b>(8.7%)</b>
Payroll and Related Costs	\$95.9	\$88.3	(\$7.6)	(7.9%)
Contractual Services	\$52.6	\$44.3	(\$8.3)	(15.7%)
Group Insurance	\$16.6	\$17.0	\$0.4	2.4%
Other Post Employment Benefits	\$4.1	\$0.7	(\$3.4)	(82.9%)
Equipment Maintenance	\$16.9	\$16.7	(\$0.2)	(1.4%)
All Other Insurance	\$6.9	\$6.8	(\$0.1)	(0.8%)
Materials/Operational Supplies/Other Expenses	\$4.9	\$4.1	(\$0.8)	(15.4%)
Utilities	\$3.5	\$4.3	\$0.9	25.9%
Parts and Fuel	\$3.3	\$5.0	\$1.7	50.9%
Other Miscellaneous Expenses	(\$0.1)	(\$0.6)	(\$0.5)	NA

Note: Numbers may not add to totals due to rounding

## Key Drivers

### Payroll and Related Costs

- Unfilled positions

### Contractual Services

- Customer service call minutes less than past years
- Timing due to contract delays

### Other Post Employment Benefit

- \$3.3 million credit adjustment approved by Board in December 2021 for retiree health insurance

### Parts and Fuel

- Increase in the price of fuel



# CAPITAL PROGRAM



# Second Quarter YTD 2022 - Capital Program

CATEGORY	(\$ millions)			% CHANGE
	BUDGET	ACTUAL	\$ CHANGE	
Tri-State (I-94/I-294/I-80)	\$295.1	\$252.7	(\$42.4)	(14.4%)
Reagan Memorial (I-88)	\$4.5	\$0.8	(\$3.7)	(82.6%)
Jane Addams Memorial (I-90)	\$1.5	\$0.1	(\$1.4)	(91.2%)
Veterans Memorial (I-355)	\$1.1	\$1.1	\$0.1	5.2%
Systemwide Improvements	\$113.1	\$75.5	(\$37.6)	(33.2%)
Tri-State (I-294)/I-57 Interchange	\$29.3	\$18.7	(\$10.6)	(36.2%)
Elgin O'Hare Western Access	\$154.0	\$177.5	\$23.6	15.3%
<b>Total Capital Expenditures</b>	<b>\$600.7</b>	<b>\$527.0</b>	<b>(\$73.6)</b>	<b>(12.3%)</b>
Agreement Reimbursements and Other Adjustments	\$0.0	(\$5.7)	(\$5.7)	NA
<b>Total Capital with Reimbursements</b>	<b>\$600.7</b>	<b>\$521.3</b>	<b>(\$79.3)</b>	<b>(13.2%)</b>

## Key Drivers

### Central Tri-State Project

- Construction spending below forecast due to the timing of access permits, utility payments and material delays

### Systemwide

- Underspend in various bridge, pavement and ramp repairs, technology projects, fleet and timing of right-of-way payments

### EOWA

- Timing of major right-of-way expenditures associated with railroad properties and more progress than anticipated with material procurement for the Union Pacific Railroad Bridge

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





# THANK YOU





# APPENDIX

## 2022 vs 2021 Results





# Second Quarter YTD 2022 – Maintenance and Operations – 2022 vs 2021

CATEGORY	(\$ millions)					
	2021		2022		2022 ACTUAL/ 2020 ACTUAL CHANGE	
	BUDGET	ACTUAL	BUDGET	ACTUAL	\$ CHANGE	% CHANGE
Payroll and Related Costs	\$91.5	\$90.5	\$95.9	\$88.3	(\$2.2)	(2.4%)
Contractual Services	\$48.4	\$45.5	\$52.6	\$44.3	(\$1.1)	(2.5%)
Group Insurance	\$14.4	\$17.8	\$16.6	\$17.0	(\$0.8)	(4.5%)
Other Post Employment Benefits	\$2.0	\$1.7	\$4.1	\$0.7	(\$1.0)	(58.8%)
Equipment Maintenance	\$17.6	\$16.1	\$16.9	\$16.7	\$0.5	3.2%
All Other Insurance	\$5.6	\$5.2	\$6.9	\$6.8	\$1.6	31.2%
Materials/Operational Supplies/Other Expenses	\$4.5	\$5.1	\$4.9	\$4.1	(\$1.0)	(19.3%)
Utilities	\$3.9	\$3.6	\$3.5	\$4.3	\$0.8	22.0%
Parts and Fuel	\$2.8	\$4.3	\$3.3	\$5.0	\$0.7	15.8%
Other Miscellaneous Expenses	(\$0.5)	(\$0.3)	(\$0.1)	(\$0.6)	(\$0.3)	NA
<b>Total Maintenance and Operations Expenditures</b>	<b>\$190.2</b>	<b>\$189.4</b>	<b>\$204.2</b>	<b>\$186.6</b>	<b>(\$2.8)</b>	<b>(1.5%)</b>

NOTE: Numbers may not add to totals due to rounding

# Second Quarter YTD - Capital Program 2022 vs 2021

CATEGORY	(\$ millions)					
	2021		2022		2022 ACTUAL/ 2021 ACTUAL CHANGE	
	BUDGET	ACTUAL	BUDGET	ACTUAL	\$ CHANGE	% CHANGE
Tri-State (I-94/I-294/I-80)	\$282.9	\$294.3	\$295.1	\$252.7	(\$41.6)	(14.1%)
Reagan Memorial (I-88)	\$11.6	\$7.6	\$4.5	\$0.8	(\$6.8)	(89.7%)
Jane Addams Memorial (I-90)	\$0.5	\$0.3	\$1.5	\$0.1	(\$0.2)	(61.4%)
Veterans Memorial (I-355)	\$1.1	\$2.5	\$1.1	\$1.1	(\$1.4)	(56.0%)
Systemwide Improvements	\$121.2	\$108.3	\$113.1	\$75.5	(\$32.8)	(30.3%)
Tri-State (I-294)/I-57 Interchange	\$29.5	\$36.8	\$29.3	\$18.7	(\$18.0)	(49.0%)
Elgin O'Hare Western Access	\$254.8	\$126.7	\$154.0	\$177.5	\$50.9	40.1%
<b>Total Capital Expenditures</b>	<b>\$702.8</b>	<b>\$577.2</b>	<b>\$600.7</b>	<b>\$527.0</b>	<b>(\$50.2)</b>	<b>(8.7%)</b>
Agreement Reimbursements and Other Adjustments	\$0.0	(\$10.1)	\$0.0	(\$5.7)	\$4.5	44.1%
<b>Total Capital with Reimbursements</b>	<b>\$702.8</b>	<b>\$567.0</b>	<b>\$600.7</b>	<b>\$521.3</b>	<b>(\$45.7)</b>	<b>(8.1%)</b>