



Record of Meeting | March 26, 2015

The Illinois State Toll Highway Authority (the "Tollway") Board of Directors met in regular session on Thursday, March 26, 2015, in the Board Room of the Tollway's Central Administration Building in Downers Grove, Illinois. The Meeting was held pursuant to By-Laws of the Tollway upon call and notice of the Meeting executed by Chair Paula Wolff 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 / Roll Call

Chair Wolff called the Meeting to order at approximately 9:03 a.m. and stated that this is the regularly scheduled meeting of the Board of Directors of the Tollway. She then asked the Board Secretary to call the roll. Those Directors present and absent were as follows:

Board Members Present:
Chair Paula Wolff
Director Terrence D'Arcy
Director David Gonzalez
Director Mark Peterson
Director Jeff Redick
Director James Sweeney
Director Tom Weisner
Director Earl Dotson, Jr. <i>(Entered at 9:04 a.m.)</i>

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

The Board Secretary declared a quorum present.

Public Comment

Chair Wolff opened the floor for public comment.

[Director Dotson entered at 9:04 a.m.]



Mr. Steve Doner handed out supplemental materials to the Directors and then addressed the Board. Mr. Doner summarized the contents of the supplemental materials he provided, offering that the information contained within is corroborative of his view that setting speed limits on the Tollway system to less than 70 mph compromises the safety of Tollway customers. Mr. Doner thanked the Board for the opportunity to speak.

Chair Wolff asked Mr. Doner whether the report he provided, which he commented was generated using the United States Department of Transportation ("USDOT") USLIMIT2 web based tool, relies on input of the 85th percentile operating speed as the key metric. Mr. Doner responded that the 85th percentile operating speed is one data input in addition to others, including the 50th percentile speed and crash data information.

Chair Wolff asked Mr. Doner whether it is his understanding that the USLIMIT2 report provided uses the same or similar metrics as the Tollway's Traffic Engineer but results in a different recommendation for speed limit. Mr. Doner responded that data inputs used are not identical, specifying that some adjustment factors considered by the Tollway's Traffic Engineer are not input options on the USDOT web based tool. Chair Wolff thanked Mr. Doner for the informative report, observing that the different recommendations reached seem to be as a result of differing engineering methodologies, which rely on different factors or variables.

Chair Wolff, referencing materials Mr. Doner provided identifying thirty-five states that have posted urban speed limits of 65 or higher, asked Mr. Doner if there are states in the Midwest that have implemented urban speed limits in the 70-75 mph range. Mr. Doner responded that speed limits throughout the Detroit area have been established at 70 mph, adding that Atlanta, while not considered part of the Midwest region, is a large city that has implemented 70 mph urban speed limits.

Chair Wolff, addressing Mr. Doner's materials regarding the intent of Illinois Department of Transportation ("IDOT") policy, requested confirmation that any speed limit changes approved at the Meeting would then be presented to IDOT for concurrence, a process which will provide a first-hand interpretation of the application of IDOT policy adjustment factors and thus clarification for any concerns regarding the appropriateness of their current application by the Tollway. Paul Kovacs, Chief Engineer, confirmed, emphasizing that IDOT will not concur with any recommended changes if they find that IDOT policy has been misapplied.

Mr. Doner recommended the Board propose to IDOT higher limits than the Tollway's engineers have recommended. Chair Wolff responded that as a Board member, she feels she needs to rely



on the advice of Tollway engineers and that it would be then the role of IDOT in this process to reject recommendations should they find any to have failed to comply with IDOT policy.

Chair Wolff thanked Mr. Doner again, emphasizing the importance of his statement in assisting Board members in their consideration of policies impacting Tollway customer safety, a common interest shared by both him and the Board.

Ms. Gabriela Garcia, representing the Illinois Hispanic Chamber of Commerce ("IHCC"), then addressed the Board. After extending apologies to the Board on behalf of the IHCC's President and CEO, who was unable to attend, she described the IHCC's partnership with the Tollway in design and development of a custom program to assist small and diverse companies in increasing their capacity to successfully bid and hopefully do business with the Tollway. Ms. Garcia reported this partnership has had positive results demonstrated through increases in Tollway bids received from and contracts awarded to small and diverse companies, who were then able to successfully complete their work on Tollway projects. She concluded her statement by expressing the IHCC's gratitude to the Tollway and the Board for helping small businesses to increase their capacity to successfully bid and win jobs with the Tollway.

Chair Wolff thanked Ms. Garcia for her comments.

Ms. Beth Doria, Executive Director of the Federation of Women Contractors, then addressed the Board. Ms. Doria thanked Executive Director Lafleur and the Tollway Board for their efforts made in support of the diverse community that serves the construction work of the Tollway, identifying in particular proactive and aggressive responses made to diversity challenges presented by the monumental *Move Illinois* Capital Program. Ms. Doria additionally expressed support for the diversity initiative to be presented at the Meeting, suggesting this effort will assist in the development of smaller companies by increasing their capacity to compete for more and larger contracts, ultimately contributing to the common goal of more diverse projects on the Illinois Tollway.

Chair Wolff thanked Ms. Doria for her comments.

Mr. Bob Israel Baker, President of Save Our Community Coalition, then addressed the Board. Mr. Baker thanked Gustavo Giraldo, Chief of Diversity and Strategic Development, and expressed his support for implementation of the diversity initiative to be presented at the Meeting.



Chair Wolff thanked Mr. Baker for his remarks, clarifying that only presentation and discussion of the diversity initiative is planned for the Meeting and any resulting Board action would occur at a future meeting.

Clayton Pryor, Director of Workforce Development for the Chicago Urban League (“CUL”), then addressed the Board, specifying his remarks are offered on behalf of CUL President and CEO, Andrea Zopp. He first provided a brief history of the CUL and described its mission to promote economic, educational and social progress for African Americans in metropolitan Chicago. Mr. Pryor then expressed concern about the lower relative participation of African American firms on Tollway construction and professional services contracts and his support for Tollway efforts to diversify contracting through new programs that will allow better access to African American firms, stressing that ensuring the inclusion of African American owned business in the procurement process at the Tollway aligns with the goals of CUL.

Chair Wolff thanked Mr. Pryor for his statement.

Chair’s Items

Chair Wolff called for a motion to approve the minutes of both the regular Board of Directors meeting and Executive Session held on February 26, 2015. Director Peterson made a motion for approval; seconded by Director Gonzalez. The motion was approved unanimously.

STANDING COMMITTEE REPORTS

Chair Wolff asked the Chairs of the following standing committees to provide a report on the committees’ recent activities:

Finance, Administration and Operations Committee

Committee Chair Peterson updated the Board on the Finance, Administration and Operations Committee (“FAO Committee”) meeting held Wednesday, March 18, 2015, providing the following highlights:

Executive Director Lafleur invited customers to participate in a current Tollway contest by submitting safety messages for inclusion on the Tollway’s dynamic message signs. Messages warning against any of three unsafe practices: impaired driving, distracted driving and not wearing seatbelts can be submitted on the Tollway’s website until March 27th, with voting to begin on April 8th and winners to be announced the week of April 20.



FINANCE provided a presentation, given by Mike Colsch, Chief of Finance, on the preliminary 2014 Year-End Budget to Actual results. For 2014, revenues exceeded estimate by \$14.2 million, operating expenses were \$1 million less than budgeted, debt service costs were on budget and capital expenditures were less than budgeted and still represented the largest annual amount in the Tollway's history. Mr. Colsch will be providing an additional overview of these results for the benefit of the full Board of Directors at the Meeting.

Finance presented one item for consideration; the fourth and final renewal of the Tollway's liability insurance program through broker USI-Midwest, which was reviewed and approved by the FAO Committee for placement on the consent agenda. Coverage includes commercial general liability and business auto liability and provides the Tollway the same aggregate level of protection as the expiring renewal. The program provides a primary layer of coverage of \$20 million per occurrence for general liability and auto claims, subject to an aggregate limit of \$40 million for auto liability claims. The program also provides excess coverages totaling \$130 million. The renewal premium for the program totals \$997,338, a reduction of \$30,675.

PROCUREMENT presented six items which were reviewed by the FAO Committee and approved for placement on the consent agenda:

- One award of contract, an order against Illinois Department of Central Management Services ("CMS") master contract, for purchase of police pursuit vehicles for Illinois State Police District 15. This award would provide for purchase of 82 Ford Interceptors and 10 Dodge Chargers to replace existing units meeting thresholds of the Tollway's established replacement schedule.
- One award of contract for purchase of web-based plan room and on-call printing services allowing for the advertisement and distribution of contract and utility permit documents to current and prospective Tollway contractors. These services are provided through a web-based application where contractors are able to view Tollway project documentation and purchase plans online.
- One renewal of contract for email distribution services for the dissemination of newsletters and traffic/construction alerts via email to more than 3.7 million I-PASS users and other interested subscribers.
- One award of contract for the purchase Red Hat JBoss software, maintenance, and support. The software would be used for the Tollway's new back-office system which is anticipated to go live in the third quarter of 2015.



- One award of contract for miscellaneous electrical supplies. The contract would be utilized on an as-needed basis to enable Tollway personnel to maintain all areas of the Tollway's buildings and equipment.
- One renewal of contract, a Tollway sole source procurement, to purchase computer-aided dispatch ("CAD") system software maintenance and enhancements. The CAD system is used to track incidents that occur on the Tollway system. When an incident is reported by the public, *999 service or other public agency (including local police or fire departments), the dispatcher logs the incident in the CAD system and notifies the appropriate personnel or outside agency to respond. This is a proprietary system and the upgrades, maintenance, and support can only be provided by the current vendor.

ENGINEERING has 20 items on the Board agenda for consideration. Of these, 18 Engineering items were presented to the FAO Committee, reviewed and approved for placement on the consent agenda:

Ten of these items presented by Engineering and placed on the consent agenda are construction contract awards:

- Two construction contract solicitations advertised as part of the Tollway's Small Business Set-Aside Program:
 - One award to Voris Mechanical, Inc., for boiler replacements at four maintenance facilities.
 - One award to The Bowa Group, Inc., for replacement and modifications to the air handling unit at the Central Administration building.
- One award to John Burns Construction Company for the upgrade of the ramp queue detection system, CCTV cameras and a dynamic message sign on the northbound approach to Grand Avenue on the Tri-State Tollway (I-94).
- One award to William Charles Construction Company, LLC, for roadway repairs between Rockton Road and the Cherry Valley interchange on the Jane Addams Memorial Tollway (I-90).
- One award to William Charles Construction Company, LLC, for construction of the westbound Irene Road entrance ramp (Ramp A) and the eastbound Irene Road exit ramp (Ramp C) on the Jane Addams Memorial Tollway (I-90).
- One award to F.H. Paschen, S.N. Nielsen & Associates, LLC, for the reconstruction of the Garden Prairie Road and Anthony Road Crossroad Bridges over the Jane Addams Memorial Tollway (I-90).
- One award to Herlihy Mid-Continent Company for the reconstruction of the Mitchell Road Crossroad Bridge over the Reagan Memorial Tollway (I-88).



- One award to Western Utility, LLC, for fiber optic system relocations in support of Tollway construction contracts.
- One award to a joint venture of Dunnet Bay Construction Co./Plote Construction, Inc., for construction of the Wood Dale Road Crossroad Bridge over Illinois Route 390.
- One award to R.W. Dunteman Company for road and bridge rehabilitation between Lake Street and Meacham/Medinah Road on Illinois Route 390.

Two of these Engineering items presented are professional services contracts:

- One acceptance of proposal from Milhouse Engineering & Construction, Inc., for design upon request services associated with maintenance facilities site plans.
- One acceptance of proposal from Reynolds, Smith & Hills, Inc., for supplemental design services to repackage a previous construction contract for resurfacing, shoulder reconstruction and bridge rehabilitation on the far west section of the Reagan Memorial Tollway (I-88) between US Route 52 and US Route 30.

Two of these items presented by Engineering and approved for placement on the consent agenda are change orders/extra work orders:

- One extra work order to Lorig Construction Company for reconstruction of 820 feet of single face concrete barrier along the right edge of the shoulder west of the bridge carrying westbound Illinois Route 390 over Meacham/Medinah Road.
- One change order to F.H. Paschen, S.N. Nielsen & Assoc., LLC, to haul and place excess suitable materials at a proposed embankment location at the northeast corner of Thorndale Avenue and Arlington Heights Road.

One of these Engineering items presented is a partial release of retainage and three items presented are final releases of retainage for completed contracts. All completed work has been performed in accordance with Tollway contract requirements and has been accepted.

Lastly, the Chief Engineer will be presenting at the Meeting two additional items, deferred at Committee, for full Board for consideration and action:

- One construction contract award to National Power Rodding, Inc., listed as Engineering Item 4 on the Board agenda.
- One item pertaining to the identification of real estate parcels associated with the Elgin O'Hare Western Access Project ("EOWA") to be presented and considered in Executive Session, as per customary practice, prior to Board action.



LEGAL presented nine items to the Committee, including four Intergovernmental Agreements and two General Utility Agreements, each having been considered and approved for placement on the consent agenda:

- An Intergovernmental Agreement (“IGA”) with the Village of North Aurora and Aurora Township outlining the parties’ maintenance responsibilities, which are to be split by the Village and Township after the Tollway reconstructs the Mitchell Road Bridge over the Reagan Memorial Tollway (I-88).
- An IGA with the River Valley Metro, a Kankakee area public bus service. The Tollway will provide the public transit service with non-revenue transponders, a benefit estimated to be approximately \$6,000 annually. The Tollway will receive in-kind consideration which includes advertising space on the sides of a bus. The Tollway will reimburse for the cost of the design, production and installation of the bus advertising. This IGA has a five-year initial term.
- An IGA with Northern Illinois University (“NIU”) that facilitates the transfer of approximately 25 retired Tollway-owned Illinois State Police laptop computers to the NIU Police Department which does not presently have vehicle computers. In consideration, NIU will provide the Tollway with advertising space in its school newspaper.
- An IGA with the City of Lockport and the Lockport Township Park District establishing terms for transfer of approximately one acre of Tollway excess property to the City of Lockport for the planned incorporation into a public park. When the construction of the park is complete, the properties will then transfer to the Lockport Township Park District, at all times conveyed with a requirement to be used only for public purpose.
- A General Utility Agreement with BP Products North America Inc., an oil and gas company that has installed pipelines on or near the Tollway right of way which must be relocated, protected or otherwise modified as a result of Tollway improvements. This agreement defines the processes and procedures to be followed to identify, design, construct and make payments for the relocation, removal or protection of the pipelines.
- A General Utility Agreement with AT&T, Inc., a communications company that has installed communication cables on or near the Tollway right of way which must be relocated, protected or otherwise modified as a result of Tollway improvements. This agreement defines the processes and procedures to be followed to identify, design,



construct and make payments for the relocation, removal or protection of the communication facilities.

The four remaining Legal items presented to the Committee and approved for placement on the consent agenda; Legal Items 7, 8, 9 and 10, have been previously presented to Directors for consideration and additional discussion of these items at the Meeting is optional.

Customer Service & Planning Committee

Director Redick then updated the Board on the Customer Service & Planning Committee (“CSP Committee”) meeting held Thursday, March 12, 2015, providing the following highlights:

CSP Committee members were provided a presentation on proposed speed limit changes given by Jeff Hochmuth, CDM Smith, and John Benda, General Manager of Maintenance and Traffic, which outlined the engineering analysis performed in reaching the recommendations for speed limits. The Committee then discussed the relevant legislation and policies as well as the criteria used to develop these recommendations. A follow up presentation for the benefit of the full Board of Directors is planned for the Meeting.

The CSP Committee continued the discussion from January regarding the Tollway’s Sustainability Policy with focus, under the leadership of Director Weisner, on implementing within Tollway core operations and facilities the same level of commitment to sustainability that has been achieved in Tollway capital program construction.

Following the January meeting, the draft Sustainability Policy was posted online to seek public comment, resulting in comments being received from the Morton Arboretum, Forest Preserve District of DuPage County, North Central College, United States Environmental Protection Agency, Friends of the Forest Preserve and a private consultant. These comments along with those made by Committee members were then used to modify the draft policy to provide some additional clarity. At the conclusion of the discussion, the CSP Committee approved adoption of the final Sustainability Policy.

Discussion of land policies was initially introduced at the November CSP meeting, where staff was asked to prepare draft policies for excess real property and for approving annexation. In response, staff presented at the March CSP Committee meeting both a draft Excess Right-of-Way Policy and draft Annexation Policy.



The Committee discussed the draft Excess Right-of-Way Policy and considerations for evaluating best outcomes for excess property and the levels of public benefit achieved, including existing Tollway need, existing land use and proposed future land use, economic impact, tax benefit, and traffic and toll revenue assessment. A similar discussion ensued in relation to the Annexation Policy.

At the conclusion of the discussion, the Committee concurred with staff's recommendation to post online both the draft Annexation Policy and Excess Right-of-Way Policy and to perform outreach seeking public comment for a period that will continue for 60 days. Staff will return to the CSP Committee in May with a summary of comments and a proposed final version of both policies.

[End of Standing Committee Reports]

Chair Wolff thanked the Committee Chairs and the members of the Committees for their work.

Chair Wolff then invited those in attendance to view a recently framed 1958 map of the Illinois Tollway system, discovered at a flea market by Director Sweeney, which will hang in the Executive Offices of Tollway Headquarters. She thanked staff and Director Sweeney for their contributions.

Chair Wolff acknowledged Executive Director Lafleur, Mike Stone, Chief of Staff, and Mike Colsch, Chief of Finance, for their efforts to appear recently before the Illinois General Assembly House Appropriations Committee in Springfield on the Tollway's behalf.

Chair Wolff identified the development of a targeted plan and diversity presentation scheduled for the Meeting as another advancement of the agency's ongoing efforts to maximize the diversity of participation on Tollway contracts, emphasizing this is a goal towards which the Tollway has already achieved substantive progress in recent years, as was evidenced by public comments offered at the Meeting. She commended staff for their efforts on diversity.

Chair Wolff encouraged Board members to review the Governor's Executive Order on Ethics and addendum memo provided, additionally noting that Statements of Economic Interests are due to the Secretary of State's Office no later than May 1st.

Chair Wolff clarified for those in attendance that some of the items on the Office of Inspector General Summary Activity Report to be presented at the Meeting were previously reviewed and discussed by Directors during Executive Session under the *Open Meetings Act* exemptions for personnel and security matters.



Chair Wolff then called on Kristi Lafleur, Executive Director.

Executive Director

Executive Director Lafleur informed the Board that the Tollway will be hosting two open houses, making available Tollway staff and consultants to address questions from the public and elected representatives on the ongoing Jane Addams Memorial Tollway (I-90) Project. She specified that the first of these meetings is scheduled for March 26 from 4 p.m. to 8 p.m. at Hoffman Estates Village Hall and the second meeting is scheduled for April 8 from 4 p.m. – 7 p.m. at the Des Plaines Public Library. She thanked Rocco Zucchero, Deputy Chief for Planning and Engineering, and his team for organizing the open houses.

Executive Director Lafleur announced that the recently completed final report of the Illinois Route 53/120 Project Finance Committee has now been conveyed to the Board for consideration. She continued that the final report, also available on the Tollway's website, encompasses all of the work and deliberation of the Finance Committee and its working groups in development of a recommendation for how the Illinois Route 53/120 Project can be viably funded. Ms. Lafleur noted that discussion of the final report and the Illinois Route 53/120 Project will be planned for a future Board or committee of the Board meeting. She then thanked all of the Finance Committee members for their work, acknowledging specifically the efforts of the Finance Committee Co-Chairs (Chris Meister and Doug Whitley), as well as members Aaron Lawlor and George Ranney.

Chair Wolff requested clarification about whether the separate Illinois Route 53/120 Project Land Use Committee is still working. Executive Director Lafleur responded affirmatively, explaining that the Illinois Route 53/120 Blue Ribbon Advisory Council recommendations called for the creation of two committees, and that work continues on the corridor-wide land use plan led by Lake County and the Chicago Metropolitan Agency for Planning. Mr. Zucchero added that it is his understanding that the work of the Land Use Committee is anticipated to conclude in the 3rd quarter of 2015.

The Board and staff then briefly discussed the funding recommendation and whether there will be an opportunity for presentation of the final report to Directors by the Finance Committee leadership. **Staff noted that an invitation will be extended to the Illinois Route 53/120 Project Finance Committee to present their final report at an upcoming committee meeting.**



Quarterly Financial Review: Executive Director Lafleur then introduced Mike Colsch, Chief of Finance, to present an overview of the preliminary 2014 Year-End Budget to Actual results. [See attached presentation.](#)

At the conclusion of the presentation, Mr. Colsch informed the Board that current market conditions are supportive of executing the previously authorized refunding of Series 2008B Bonds. He specified that the Finance department's goal is to price this transaction in mid to late April.

Director Sweeney inquired about the potential impact on bond investor sentiment were there to be a delay in the Tollway's scheduled capital program construction. Mr. Colsch responded that he would not anticipate investor concern unless there was a significant construction delay, resulting in severe disruptions to traffic or in a project remaining incomplete for a substantial duration. Chair Wolff relayed her recollection that previous feedback from potential Tollway bond buyers indicated they examined the issuer's overall history of performance, rather than focusing on a particular project that may experience a delay, to assess its capacity to complete the work.

Tollway Speed Limits: Prior to introduction of the Tollway Speed Limits presentation and its safety implications, Executive Director Lafleur reminded everyone of Work Zone Safety Awareness Week. She encouraged drivers to slow down in work zones and stressed it is not only important for worker safety but a legal obligation to drive the posted speed at all times in work zones, whether or not workers are present. She then introduced John Benda, General Manager of Maintenance and Traffic, and Jeff Hochmuth, of CDM Smith, to provide a follow up presentation, for the benefit of the full Board of Directors, on Tollway Speed Limits. [See attached presentation.](#)

Chair Wolff inquired about the premise that variations in traffic flow, for instance, when some vehicles are traveling at 55 mph and others are traveling at 70 mph, are a more significant factor in crash rates than speed. Mr. Hochmuth responded that while large variations in speed do present dangers, for instance, traffic stopped in one lane attempting to merge into a lane with traffic moving at 70 mph, the vast majority of incidents on the Tollway occur when traffic is congested, not when traffic is moving freely at varying speeds between 55 mph and 70 mph.

Director Redick asked whether design speed is addressed in IDOT's policy on establishing and posting speed limits on the state highway system. Mr. Benda responded that the IDOT policy specifically recommends against posting legal speed limits in excess of the design speed of the roadway.



Director Redick asked for elaboration on the definition and significance of design speed. Mr. Benda responded that the design speed is a tool used to determine geometric features of a new roadway during design. He explained that the design speed initially chosen then is a major factor in determining engineering criteria such as the radii of curves, sight distance, elevation rates and vertical alignment. He specified, as an example, that a road with a design speed of 70 mph will incorporate gentler curves, more gradual elevation rates and have longer sight distance than a roadway with a design speed of 60 mph, providing motorists the ability to see and react to a situation over hills or around curves.

Director Dotson asked about the USDOT USLIMITS2 web based tool. Mr. Benda responded that prior to the introduction in 2014 of IDOT's new methodology, the Tollway used USLIMITS2 along with the previous IDOT methodology for some initial speed limit studies but were not satisfied, finding the tool had few objective criteria inputs beyond prevailing speed. Mr. Benda maintained that IDOT's new methodology provides for substantial input of objective criteria and is designed specifically for interstates. Mr. Hochmuth added that he is unaware of any state which exclusively uses USLIMITS2 to establish speed limits and that this tool is offered by USDOT for use by communities and agencies without access to engineers experienced in conducting speed studies, further suggesting the tool is more simplistic than Tollway requirements demand.

Director Dotson inquired about the mechanism through which any future review of posted legal speed limits would be triggered. Mr. Benda responded that the agency's practice, established by the Tollway's Traffic Operations Safety Committee, is to perform post-analysis after a year's time to determine whether speed limit adjustments were successful. He then reported that post-analysis was performed recently of speed increases to 65 mph made on the southern extension of the Veterans Memorial Tollway (I-355), finding that average speeds only increased by 2 mph and that crash rates were unaffected. Mr. Benda added that post-analysis of speed limit increases to 70 mph made last year on certain non-urban segments is to be performed in 2015.

Chair Wolff inquired if the speed limits on Illinois interstates that connect with the Tollway system, identified as a factor in Tollway analysis establishing speed limits, are anticipated to be increased as a result of recent legislation. Mr. Benda responded that IDOT has responsibility for review of the speed limits on their roadways. He further stated that while his understanding is that speed limits on the interstate segments that connect with the Tollway are to remain unchanged, he does not have information on the results of any review conducted by IDOT. Mr. Kovacs added that he has not been made aware of any pending changes but if any changes are planned to speed limits on these connecting segments, IDOT will have the opportunity to identify these changes when reviewing for concurrence the Tollway's proposed speed limit adjustments.



Diversity Update: Executive Director Lafleur reminded the Board that diversity functions existed within Tollway departments prior to the Diversity and Strategic Development Department creation in 2011, and its Chief at that time was made a direct report to the Executive Director in response to Board emphasis on the importance of diversity in all functions of the Tollway. She continued that the primary goal of the new department was to increase access of disadvantaged, minority- and woman-owned enterprises (“D/M/WBEs”) to contract opportunities made available through the Tollway’s *Move Illinois* Program. Since then, Ms. Lafleur reported, the agency has made significant progress in achieving that goal for D/M/WBE firms as well as for small businesses, veteran-owned and service-disabled veteran-owned businesses by more effectively reaching out to firms of all sizes and types to inform them of economic opportunities and technical assistance available to help them pursue those opportunities. She highlighted that the presentation planned will detail these accomplishments and outline the next steps for the Tollway’s ongoing diversity outreach. Executive Director Lafleur then introduced Gustavo Giraldo, Chief of Diversity and Strategic Development, to provide an update on Diversity and Strategic Development Department Construction Initiatives. [See attached presentation.](#)

Chair Wolff asked about the availability of vendors qualified to provide small, diverse and veteran-owned contractors with in-depth, long-term technical assistance (“TA”). Mr. Giraldo responded that there are numerous TA consulting firms that provide these services, adding that responses to the Tollway’s competitive request for proposal (“RFP”) could include teaming proposals, whereby TA consultants might combine with advocacy organizations with some level of expertise, engineering consultants, legal firms, or other specialized entity.

Chair Wolff asked whether data reflecting the vendor’s effectiveness is evaluated as part of the RFP selection process. Mr. Giraldo responded affirmatively, verifying that vendor track records are examined.

Chair Wolff asked if it will be possible to evaluate the experience and success of vendors with particular groups. Mr. Giraldo responded that it will be important that the Tollway select service providers with the experience and qualifications needed to assist companies that are in most need of tailored assistance and these criteria will be pertinent to the evaluation process.

Director Gonzalez asked whether the D/M/WBEs working as subcontractors on Tollway contracts are required to be union firms. Mr. Giraldo responded affirmatively, explaining that subcontractors are a signatory to the Tollway’s standing multi-project labor agreement (“MPLA”).

Director Gonzalez asked whether the agency has determined the number of qualified small businesses and D/M/WBEs available that are not union firms. Mr. Giraldo responded in the



negative, clarifying that he has been made aware of a few non-union firms that have expressed interest in competing for Tollway work, currently not possible under the MPLA.

Chair Wolff asked the advantages and disadvantages of developing project specific requirements on off-roadway work of \$5 million or less in lieu of IDOT prequalification. Mr. Kovacs responded that subcontractor registration is not burdensome; however, application requirements are substantial for IDOT prequalification in order to bid or serve as a prime contractor. He stated that the Engineering department is reluctant to modify prequalification requirements for roadway work, citing potential safety concerns. He suggested that Engineering is amenable to development of project specific requirements on facilities and other off-roadway work, noting that alternative prequalification requirements have been previously used by the Tollway when soliciting vertical construction work. He advised that foregoing the financial review component of IDOT prequalification will introduce risks; however, with the added security of a bid bond which would still be required pursuant to the Tollway's Trust Indenture, the agency will also be considering performance bonds for inclusion in any project specific requirements developed.

Director Redick asked to what extent amending the prequalification requirements would grow the pool of small and D/M/WBE firms available to serve as primes on off-roadway work. Chair Wolff added that determining the portion and type of Tollway work which is considered off-roadway will be pertinent to determining which firms will be eligible to compete. **Executive Director Lafleur observed that quantifying the impact on the pool of available firms may present challenges, but information will be compiled to provide a better understanding of the pool of firms affected and the proportion and types of work considered off-roadway.**

Executive Director Lafleur proposed that addressing Tollway prequalification for off-roadway work of \$5 million or less will increase opportunities for small and D/M/WBE firms to gain experience serving as primes, hopefully increasing their capacity to then compete for larger contracts.

Director Peterson inquired whether the state or Tollway has examined the possibility of pool bonding that might assist small and D/M/WBE firms with procuring bid bonds. **Executive Director Lafleur responded that an owner-controlled insurance program has been previously discussed and can be reexamined.** She noted, however, that when defining challenges, respondents have identified IDOT prequalification as a primary obstacle, rather than the ability to be bonded. Directory Sweeney relayed that a city contractor, to whom he provided assistance, identified Tollway bond requirements as a challenge.

Referring to the successful partnerships formed to create the Construction Business Development Center and the Construction Coaching for Growth Program, Director Peterson inquired whether



there were additional entities with which the Tollway might partner. Mr. Giraldo responded that at a recent outreach event held jointly with the Chicago Department of Transportation (“CDOT”) he encountered many small and D/W/MBE firms currently doing business with CDOT that would be candidates to compete for Tollway work with some additional assistance. Mr. Giraldo added that the Tollway is currently part of an effort to create a loose coalition of government agencies which would cooperate in addressing barriers to participation.

Chair Wolff, making reference to the “Sunshine” initiative, asked whether there are other entities that require prime bidders to submit records identifying which subcontractors were contacted for bids and which provided estimates. Executive Director Lafleur responded that she is not aware of other entities with these requirements, explaining this initiative was developed to allow Tollway insight into issues that may be impeding greater DBE utilization. She continued that current examination of these issues has resulted in contradiction, with prime contractors reporting low response from solicitations of disadvantaged business enterprises (“DBEs”) and, conversely, the DBE community reporting a lack of solicitation and award by prime contractors.

The Board and staff then discussed the structure for a potential Tollway mentor/protégé program for construction, the mechanics of how it might operate and the level of expressed interest in participation. At the conclusion of discussion, Chair Wolff inquired of the Board whether there is objection to exploring a Tollway mentor/protégé program for construction. Hearing none, **she proposed it would be of benefit to receive feedback and recommendations from prime contractors and groups targeted for participation on concepts for structure, monitoring/compliance and incentivizing as well as on their experiences with the mentor/protégé programs of other entities.**

The Board and staff then discussed the need and structure of a potential rewards initiative to promote greater diversity by incentivizing utilization on construction contracts of D/M/WBEs from a broader range of categories. At the conclusion of the discussion, **Executive Director Lafleur stated that staff will incorporate Board feedback, including potentially targeting incentives to a defined subset of construction contracts, into the development of a draft Policy on which public comment will be sought, after which time the Policy will be reviewed for modification and presented to Directors for consideration.**

Director Dotson commented favorably on management’s leadership on diversity, asserting that the correct issues have been identified. He further suggested the issues are complex and while the agency has made significant progress, it takes time to realize results.



Director Weisner suggested that achieving greater diversity of ownership of firms with which the Tollway conducts business does not necessarily correspond to greater diversity of workforce. He inquired whether methods have been explored to directly incentivize greater workforce diversity. Executive Director Lafleur responded that workforce diversity is an important issue and an area on which Tollway initiatives have focused. Observing this area would benefit by a reexamination, **she requested that staff develop materials for discussion of workforce diversity at a future meeting, including performing post-analysis of previous initiatives and exploring potential enhancements to current strategy.**

Director Sweeney suggested the Chicago Urban League Transportation Construction Apprenticeship Readiness Training Program could serve as a useful resource or model when developing enhancements to workforce diversity strategy.

Inspector General's Report: Executive Director Lafleur highlighted that the investigations to be presented by the Tollway's Inspector General are good examples of how the agency works collaboratively with the Office of Inspector General to enhance the quality of Tollway operations. She then introduced Jim Wagner, Tollway Inspector General, to present the Office of Inspector General ("OIG") Summary Activity Report, conveyed semi-annually pursuant to requirements of the Toll Highway Act, for the period of October 1, 2014 to March 31, 2015. [See attached report.](#)

Chair Wolff asked if Mr. Wagner was satisfied with management's response to the OIG recommendations proposed on the first investigation listed in the Summary Activity Report. Mr. Wagner responded affirmatively, specifying that all identified issues have been addressed.

Chair Wolff thanked Mr. Wagner and reiterated that some of the items on the OIG's Summary Activity Report were previously reviewed and discussed in detail by Directors.

Consent Agenda

Chair Wolff reminded the Board and guests that items on the consent agenda were previously reviewed in detail in Committee.

Finance: Chair Wolff then began the consent agenda by calling for a motion to approve the following Finance resolution:

Item 1: Renewal of Contract 11-0017 for the Liability Insurance Program including commercial, general, business automobile and excess liability through USI-Midwest as insurance broker for a



period of one-year commencing June 1, 2015 through May 31, 2016 in an amount not to exceed \$997,338.00. [Recusal: Director Redick]

Director D'Arcy made a motion for approval of **Finance Item 1**; seconded by Director Dotson. The motion was approved unanimously by all voting Directors with Director Redick recusing himself.

Procurement: Chair Wolff called for a motion to approve the following Procurement resolutions:

Item 1: Award of Contract 15-0036 to Morrow Brothers Ford, Inc. and Wright Automotive, Inc. for the purchase of Police Pursuit Vehicles in an aggregate amount not to exceed \$2,520,129.00 (Order Against CMS Master Contract).

Item 2: Award of Contract 13-0187R to BHFX, LLC for the purchase of Web-Based Plan Room and On-Call Printing Services in an amount not to exceed \$501,776.08 (Tollway Request for Proposals).

Item 3: Renewal of Contract 12-0051 to Harland Clarke Corp. (d.b.a. Harland Clarke Digital, SubscriberMail) for the purchase of Email Distribution Services in an amount not to exceed \$70,999.92 (Tollway Request for Proposals).

Item 4: Award of Contract 15-0001 to National Tek Services, Inc. for the purchase of Red Hat JBoss Software, Maintenance, and Support in an amount not to exceed \$211,679.00 (Tollway Invitation for Bids).

Item 5: Award of Contract 12-0259R to J.P. Simons & Co. for the purchase of Miscellaneous Electrical Supplies in an amount not to exceed \$66,244.25 (Tollway Invitation for Bids).

Item 6: Renewal of Contract 09-0015 to Infor Public Sector, Inc. for the purchase of Computer-Aided Dispatch ("CAD") System Software Maintenance and Enhancements in an amount not to exceed \$148,540.71 (Tollway Sole Source).

Director Redick made a motion for approval of **Procurement Items 1 through 6**; seconded by Director Weisner. The motion was approved unanimously.

Engineering: Chair Wolff then called for a motion to approve the following Engineering resolutions:



Item 1: Award of Contract RR-14-4203 to Voris Mechanical, Inc. for Boiler Replacements at Maintenance Sites at Tri-State Tollway (I-294) at Maintenance Facility M-2 (Hillside); Tri-State Tollway (I-94) at Maintenance Facility M-4 (Gurnee); Jane Addams Memorial Tollway (I-90) at Maintenance Facility M-5 (Arlington Heights) and at Reagan Memorial Tollway (I-88) Maintenance Facility M-8 (Naperville), in the amount of \$238,343.00.

Item 2: Award of Contract RR-15-9174 to The Bowa Group, Inc. for Central Administration Air Handling Unit Replacement at the Tollway Central Administration Building, in the amount of \$326,799.55.

Item 3: Award of Contract RR-15-9175 to John Burns Construction Company for Dynamic Message Sign and Ramp Queue Detection System on the Tri-State Tollway (I-94) from Milepost 8.4 (Grand Avenue) to Milepost 13.6 (IL 137), in the amount of \$1,739,243.29. [Recusal: Director Sweeney]

Item 4: Award of Contract RR-14-5702 to National Power Rodding Inc. for Drainage Structures Cleaning along the Tri-State Tollway (I-294) from Milepost 0.0 (I-394) to Milepost 6.4 (159th Street), in the amount of \$2,901,740.00.

Paul Kovacs, Chief Engineer, presented for Board consideration this item, which was deferred at Committee and not included on the consent agenda.

Director Peterson inquired about the disparity between the two bid responses on this invitation for bid as well as between the low bid and the Engineer's Estimate. Mr. Kovacs responded that follow up with the higher bidder was not performed. He expressed satisfaction that the low bid amount was 13% below the Engineer's Estimate, noting that selected bids since 2010 have been lower than the Engineer's Estimates by an average of 9%, suggesting this bid is within normal range of the Engineer's Estimate.

Director Weisner asked how frequently the cleaning and inspection via camera of drainage structures is performed. Bridget Malinowski, AECOM Consultant, responded this would be the first time this cleaning has been conducted, explaining this is being performed as preventative maintenance and to examine the enclosed drainage structures in preparation for future projects. She added that any issues identified would be addressed and that similar inspection may not be required for as much as ten years or longer.



Director Sweeney requested confirmation that silt buildup would be removed as part of the cleaning process. Mr. Kovacs confirmed, clarifying that the structures will need to be cleaned in order to conduct the closed-circuit camera inspection.

Director Peterson requested confirmation that a recording is maintained of the closed-circuit camera inspection and that the vendor is responsible for waste cleanup and disposal. Ms. Malinowski confirmed.

Item 5: Award of Contract RR-14-4175R to William Charles Construction Company, LLC, for Roadway Repairs on the Jane Addams Memorial Tollway (I-90) from Milepost 2.6 (Rockton Road) to Milepost 17.8 (Cherry Valley Interchange), in the amount of \$3,324,363.16.

Item 6: Award of Contract I-14-4218 to William Charles Construction Company, LLC for Ramps A & C Construction on the Jane Addams Memorial Tollway (I-90) from Milepost 20.30 to Milepost 20.80 at Irene Road, in the amount of \$6,950,000.00.

Item 7: Award of Contract I-14-5697 to F.H. Paschen, S.N. Nielsen & Associates, LLC for Bridge Widening and Reconstruction on the Jane Addams Memorial Tollway (I-90) at Milepost 30.3 (Garden Prairie Road) and Milepost 33.3 (Anthony Road), in the amount of \$7,793,822.27.

Item 8: Award of Contract I-14-5699 to Herlihy Mid-Continent Company for Bridge Reconstruction and Miscellaneous Repairs on the Reagan Memorial Tollway (I-88) from Milepost 117.75 (Aurora Plaza 61) to Milepost 121.00 (Eola Road) and Veterans Memorial Tollway (I-355) at Milepost 22.75 (Butterfield Road), in the amount of \$3,835,500.85. [Recusal: Director Sweeney]

Item 9: Award of Contract RR-14-4219R to Western Utility, LLC for Fiber Optic System Relocation Systemwide, in the amount of \$3,798,986.50.

Item 10: Award of Contract I-14-4640 to Dunnet Bay Construction Co. / Plote Construction, Inc. (JV) for Bridge Construction and Mainline Advance Earthwork on the Illinois Route 390 from Milepost 14.0 (Prospect Avenue) to Milepost 15.3 (Lively Boulevard), in the amount of \$19,977,569.87.

Item 11: Award of Contract I-14-4647 to R.W. Dunteman Company for Roadway and Bridge Rehabilitation on the Illinois Route 390 from Milepost 6.0 (Lake Street U.S. 20) to Milepost 11.2 (Meacham/Medinah Road), in the amount of \$17,654,587.06.



Item 12: Acceptance of Proposal from Milhouse Engineering & Construction, Inc, on Contract RR-14-4199 for Design Services Upon Request for Maintenance Facilities at various locations, in an amount not to exceed \$600,000.00.

Item 13: Acceptance of Proposal from Reynolds, Smith & Hills, Inc. on Contract RR-13-5660 for Supplemental Design Services for Reagan Memorial Tollway (I-88), from Milepost 44.2 (US Route 30) to Milepost 55.1 (US 52), in the amount of \$599,688.74 from \$3,897,505.77 to \$4,497,194.51.

Item 14: Extra Work Order on Contract I-13-4601 to Lorig Construction Company for Roadway Reconstruction and Widening on Elgin O'Hare Expressway (IL 390) from Milepost 11.1 (Meacham Road/Medinah Road) to Milepost. 12.0 (Rohlwing Road), in the amount of \$229,049.80.

Item 15: Change Order on Contract I-13-4602 to F H Paschen, S.N. Nielsen & Assoc., LLC for Rehabilitation and Widening on the Elgin O'Hare Expressway (IL 390) from Milepost 7.6 (IL 19) to Milepost 10.1 (East of Roselle Road), in the amount of \$284,426.00. [Recusal: Director Sweeney]

Item 16: Partial Release of Retainage on Contract I-13-5686 to Plote Construction, Inc., for Retaining Wall and Noise Wall Construction, on the Jane Addams Memorial Tollway (I-90) from Milepost 56.8 (West of IL 25) to Milepost 59.1 (IL 59), by \$373,525.13 from \$655,183.73 to \$281,658.60.

Item 17: Final Release of Retainage on Contract I-12-4072 to William Charles Construction Company, LLC / Rock Road Companies, Inc., (JV) for Widening and Reconstruction on the Eastbound Jane Addams Memorial Tollway (I-90), from Milepost 17.7 (Mill Road) to Milepost 24.9 (Genoa Road).

Item 18: Final Release of Retainage on Contract I-13-4164 to Herlihy Mid-Continent Company for Bridge Widening and Reconstruction on the Jane Addams Memorial Tollway (I-90) at Milepost 31.3 (County Line Road) and at Milepost 35.2 (Harmony-Riley Road).

Item 19: Final Release of Retainage on Contract RR-13-4125 to Lorig Construction Company for Corridor Repairs / Bridge Rehabilitation on the Tri-State Tollway (I-294) from Milepost 0.0 (394) to Milepost 48.9 (Willow Road); Tri-State Tollway (I-94) from Milepost 10.5 (IL Route 21) to Milepost 30.0 (Edens Expressway).

Item 20: Amended DiBenedetto (Identification of Real Estate Parcels associated with the Elgin O'Hare Western Access Project (EOWA)). Cost to the Tollway: N/A.



Mr. Kovacs requested that action on this item, which is not included on the consent agenda, be deferred until after consideration by the Board in Executive Session.

Director D'Arcy made a motion for approval of **Engineering Items 1 and 2**; seconded by Director Dotson. The motion was approved unanimously.

Director D'Arcy made a motion for approval of **Engineering Item 3**; seconded by Director Weisner. The motion was approved unanimously by all voting Directors with Director Sweeney recusing himself

Director Peterson made a motion for approval of **Engineering Items 4 through 7**; seconded by Director Weisner. The motion was approved unanimously.

Director Redick made a motion for approval of **Engineering Item 8**; seconded by Director D'Arcy. The motion was approved unanimously by all voting Directors with Director Sweeney recusing himself

Director Weisner made a motion for approval of **Engineering Items 9 through 14**; seconded by Director D'Arcy. The motion was approved unanimously.

Director Redick made a motion for approval of **Engineering Item 15**; seconded by Director Dotson. The motion was approved unanimously by all voting Directors with Director Sweeney recusing himself

Director Peterson made a motion for approval of **Engineering Items 16 through 19**; seconded by Director D'Arcy. The motion was approved unanimously.

Chair Wolff stated that action on Engineering Item 20 will be deferred until after consideration in Executive Session.

Legal: Chair Wolff then called for a motion to approve the following Legal resolutions:

Item 1: An Intergovernmental Agreement with the Village of North Aurora and Aurora Township. Cost to the Tollway: \$ 0. [Recusal: Director Weisner].

Item 2: An Intergovernmental Agreement with the River Valley Metro. Cost to the Tollway: \$ 0.



Item 3: *An Intergovernmental Agreement with Northern Illinois University – ISP. Cost to the Tollway: \$ 0.*

Item 4: *An Intergovernmental Agreement with the City of Lockport. Cost to the Tollway: \$ 0.*

Item 5: *A Relocation Agreement – BP. Cost to the Tollway: \$ 0.*

Item 6: *A Utility Agreement – AT&T. Cost to the Tollway: \$ 0.*

Item 7: *A Litigation Settlement – Sabrina Carollo. Cost to the Tollway: As discussed in Executive Session.*

David Goldberg, General Counsel, requested that action on this item be deferred until after consideration by the Board in Executive Session.

Item 8: *Bond Counsel Assignment.*

Mr. Goldberg requested that action on this item be deferred until after consideration by the Board in Executive Session.

Item 9: *Collective Bargaining Agreement – MAP.*

Mr. Goldberg requested that action on this item be deferred until after consideration by the Board in Executive Session.

Item 10: *Amendment to Administrative Rules.*

Chair Wolff inquired whether Board members had additional questions regarding this item. Hearing none, she reviewed the process by which speed limit changes are implemented, specifying that Board approved speed limit recommendations would be submitted first to IDOT for concurrence, and then to the Joint Committee on Administrative Rules for approval, after which approved limits would be posted on the Tollway system. She then inquired when posting of new limits would be anticipated to occur. Mr. Kovacs responded that signage changes for any approved speed limit changes are currently anticipated for July.

Director Redick made a motion for approval of **Legal Item 1**; seconded by Director D’Arcy. The motion was approved unanimously by all voting Directors with Director Weisner recusing himself.



Director Peterson made a motion for approval of **Legal Items 2 through 6**; seconded by Director Gonzalez. The motion was approved unanimously.

Chair Wolff stated that action on Legal Items 7, 8 and 9 will be deferred until after consideration in Executive Session.

Director Dotson made a motion for approval of **Legal Item 10**; seconded by Director Sweeney. The motion was approved by a majority with one no recorded for Director Weisner and all other Directors voting in the affirmative.

Chair Wolff asked Director Weisner whether he wished to provide any comment with his vote. Director Weisner responded that he was not able to attend the CSP Committee meeting or benefit from the more detailed discussion held. He further stated materials received have given him pause on this issue and suggested the recommend changes will not likely impact motorist compliance with speed limits.

Executive Session

At approximately 12:00 p.m., David Goldberg, General Counsel, indicated the need to discuss Tollway matters related to performance of specific employees and the appointment of legal counsel, collective bargaining negotiations, acquisition of real property, and litigation involving the Tollway, pursuant to Sections 2(c)(1), 2(c)(2), 2(c)(5) and 2(c)(11) of the *Illinois Open Meetings Act*. Director Peterson made a motion to, pursuant to the sections noted, enter into Executive Session; seconded by Director Sweeney. The motion was approved unanimously.

Return from Executive Session and Action (if any)

At approximately 12:54 p.m., the Board re-entered the public session of the Meeting.

Chair Wolff called for a motion to approve **Engineering Item 20**. Director Peterson made a motion for approval; seconded by Director D'Arcy. The motion was approved unanimously.

Chair Wolff called for a motion to approve **Legal Items 7, 8 and 9**. Director D'Arcy made a motion for approval; seconded by Director Redick. The motion was approved unanimously.

Adjournment



There being no further business, Chair Wolff requested a motion to adjourn. Motion to adjourn was made by Director Peterson; seconded by Director D'Arcy. The motion was approved unanimously.

The Meeting was adjourned at approximately 12:56 p.m.

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

Minutes taken by: _____

Christi Regnery
Board Secretary
Illinois State Toll Highway Authority



Safety Message Contest Winners

April 23, 2015

An electronic overhead message sign with a black background and yellow LED text. The sign is mounted on a white metal structure against a blue sky background. The text on the sign reads "SOUND OFF ABOUT SAFETY" in two lines.

**SOUND OFF
ABOUT SAFETY**

- **Asked customers to suggest messages in three categories: impaired driving, distracted driving and not wearing seat belts.**
- **Winners in each category will see their message in lights on 37 electronic overhead message signs.**
- **Received 642 entries and the top five messages in each category were posted online for public voting.**
- **After more than 22,000 votes, the winners are...**





SOUND OFF
ABOUT SAFETY

Impaired Driving

WANT TO ARRIVE?
DON'T
DRINK AND DRIVE!

Caryl Whitney from Chicago





SOUND OFF
ABOUT SAFETY

Distracted Driving

LIVE TO SEE
ANOTHER DAY
PUT THE PHONE AWAY!

John Von Drasek from Countryside





SOUND OFF
ABOUT SAFETY

Not Wearing Seatbelts

BUCKLE UP
IT'S LIKE A
SAFETY HUG

Liz Byers from Carol Stream



**2014 Year-End
Budget to Actual Review**
(Preliminary and Unaudited)

March 26, 2015

2014 Highlights –

October Revised Estimate to Actual Comparisons*

☐ Revenue - \$1,036 million

- *\$14 million greater than the October revised estimate*

- ✓ Toll revenue and evasion recovery \$10.7 million or 1.1 percent greater
- ✓ Concession, investment and miscellaneous revenue \$3.4 million greater

☐ Maintenance and Operations

- *\$1 million less than the revised budget*

- ✓ 2014 revised M and O budget included a supplemental increase of \$3.5 million for winter-related payroll, materials and fuel

☐ Capital Program - \$1,119 million

- *\$67 million less than the October revised estimate*

- ✓ Project cost savings and schedule changes were key drivers
- ✓ Highest annual spending in Tollway history

** Revenue and Capital Program estimates for 2014 were revised in October and presented in the 2015 Budget. In addition, the 2014 M and O revised budget included a \$3.5 million supplement approved by the Tollway Board of Directors in October.*

2014 – Revenue

Total revenue was \$14.2 million greater than the October revised estimate

<i>(\$ millions)</i>	Rev.Est. (Oct.)	<u>Actual</u>	<u>\$ Var.</u>	<u>% Var.</u>
Toll and Evasion Recovery	\$1,012	\$1,022.7	\$10.7	1%
Concessions	2.0	2.1	0.1	5%
Investment Income	0.7	1.0	0.3	49%
<u>Miscellaneous</u>	<u>7.3</u>	<u>10.3</u>	<u>3.0</u>	<u>41%</u>
Total Revenue	\$1,022	\$1,036.2	\$14.2	1.4%

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

2014 Transactions

- ✓ **Commercial vehicles**
 - Grew 5.8 percent year-over-year
 - 0.6 percent greater than revised estimate
- ✓ **Passenger vehicles**
 - Grew 2.3 percent year-over-year
 - 0.6 percent greater than revised estimate

2014 – Maintenance and Operations

(\$ millions)	Rev.Budget (Oct.)	Act.	\$ Var.	% Var.
Payroll and Related Costs	\$161.4	\$161.3	\$(0.1)	-0.1%
Group Insurance	30.1	29.9	(0.1)	-0.5%
Contractual Services	60.0	55.0	(5.0)	-8.3%
Materials/Oper. Supplies	9.6	10.8	1.2	12.2%
Utilities	6.0	7.4	1.4	23.7%
All Other Insurance	10.5	11.3	0.8	8.0%
Parts and Fuel	7.0	8.3	1.3	17.8%
Equip. Rental/Maintenance	15.7	15.8	0.1	0.8%
Other Misc. Expenses	1.1	0.7	(0.4)	-36.5%
Recovery of Expenses	(2.4)	(2.7)	(0.3)	-11.6%
Total	\$299.0	\$297.8	(\$1.1)	-0.4%

Key Drivers

- ✓ **Timing of purchases/payments**
 - Contractual services
- ✓ **Parts and Fuel**
- ✓ **Materials/Oper. Supplies**
- ✓ **Utilities rates and new locations**

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

2014 – Capital Program

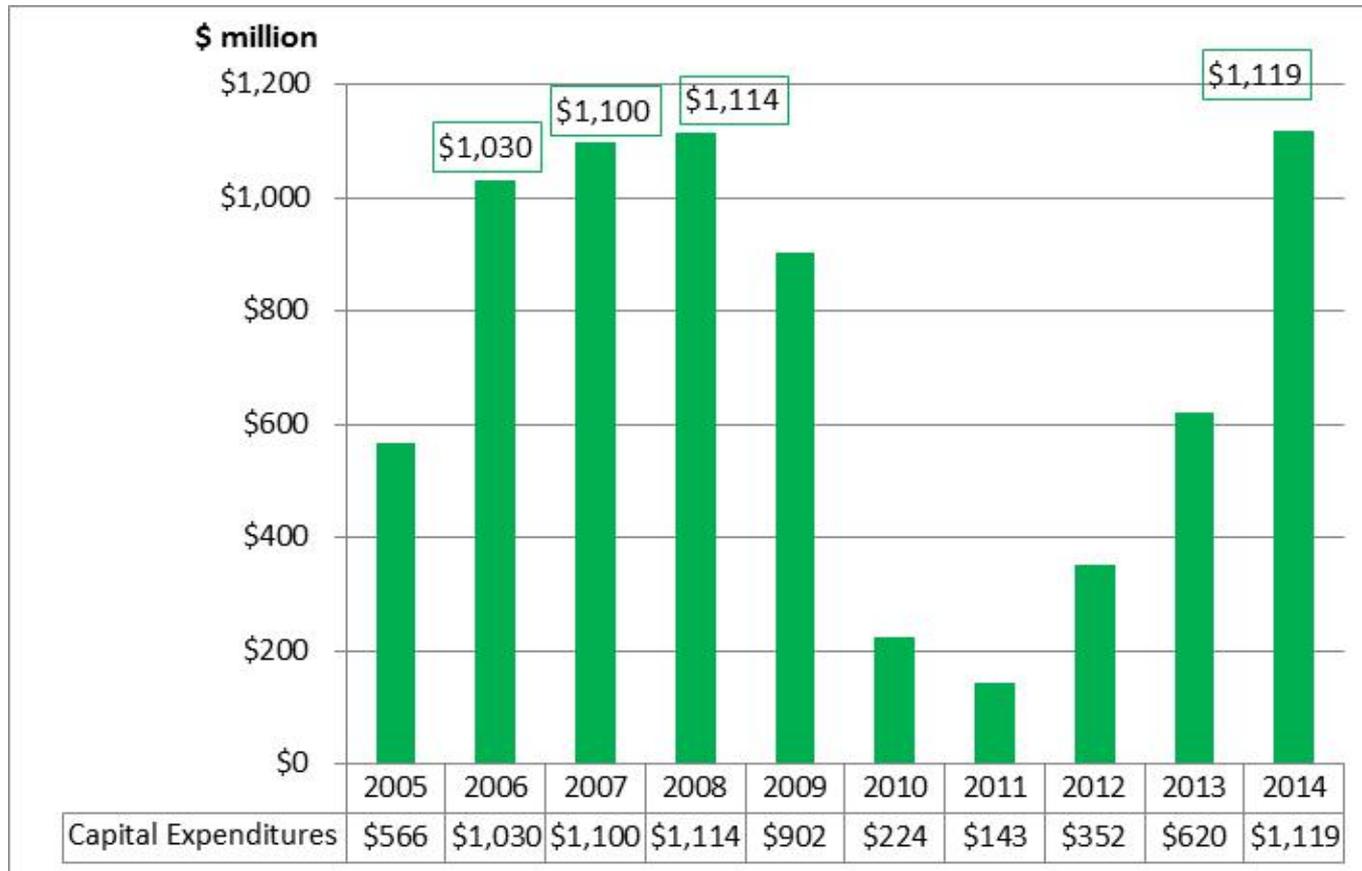
2014 Spending at record level

<i>(\$ millions)</i>	<u>Rev.Est.(Oct)</u>	<u>Act.</u>	<u>\$ Var.</u>	<u>% Var.</u>
Tri-State Tollway	\$9.3	\$3.0	(\$6.3)	-68%
Reagan Memorial Tollway	11.4	13.5	2.1	19%
Jane Adams Memorial Tollway	646.1	616.5	(29.5)	-5%
Veterans Memorial Tollway	5.0	2.2	(2.8)	-56%
Open Road Tolling	2.7	1.9	(0.8)	-31%
Systemwide Improvements	172.2	162.4	(9.9)	-6%
Tri-State Interchange I-294/I-57	46.4	40.9	(5.5)	-12%
Elgin O'Hare Western Access	235.5	241.7	6.2	3%
Illinois Route 53/120	2.7	1.5	(1.2)	-43%
Move Illinois and CRP	\$1,131.2	\$1,083.6	(\$47.6)	-4%
Other Capital Projects	55.4	50.6	(4.8)	-9%
Capital Program Subtotal	\$1,186.5	\$1,134.1	(\$52.4)	-4%
IGA Reim. and Other Adjust.	0	(14.8)	(14.8)	N/A
Total Capital Program	\$1,186.5	\$1,119.3	(\$67.2)	-6%

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

2014 – Capital Program

2014 Spending at record level



Note: Annual expenditures as presented are net of reimbursements associated with Intergovernmental agreements.

2014 – SUMMARY

- ❑ Revenue - \$14 million greater than the October revised estimate
- ❑ Maintenance and operations - \$1 million below the revised budget
- ❑ Debt service transfers - \$313 million and in line with the October revised estimate
- ❑ Capital Program spending totaled \$1,119 million
 - *Highest annual spending in Tollway history*

Appendix

Revenue – Fourth Quarter 2014

(\$ thousands)

	4th Qtr		Variance	
	October Estimate	Actual	\$	%
Toll Revenue and Evasion Recovery	\$253,575	\$260,017	\$6,442	2.5%
Concessions	425	495	70	16.4%
Investment Income	107	381	274	256.4%
Miscellaneous	775	2,173	1,398	180.4%
Total Revenue	\$254,882	\$263,066	\$8,184	3.2%

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

Maintenance and Operations - Fourth Quarter 2014

(\$ thousands)

	Revised Budget	4th Qtr		Variance	
		Actual	\$	%	
Payroll and Related Costs	\$42,370	\$41,506	(\$864)	-2.0%	
Group Insurance	7,960	7,661	(299)	-3.8%	
Contractual Services	17,412	15,288	(2,124)	-12.2%	
Materials/Operational Supplies/Other Expenses	5,281	6,834	1,554	29.4%	
Utilities	1,680	2,261	581	34.6%	
All Other Insurance	2,608	3,194	586	22.5%	
Parts and Fuel	2,539	2,496	(43)	-1.7%	
Equipment/Office Rental and Maintenance	3,726	4,385	659	17.7%	
Other Miscellaneous Expenses	268	187	(81)	-30.2%	
Recovery of Expenses	(490)	(647)	(158)	-32.2%	
Total Maintenance and Operations Expenditures	\$83,354	\$83,164	(\$190)	-0.2%	

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

Capital Program – Fourth Quarter 2014

(\$ thousands)

	4th Qtr		Variance	
	October Estimate	Actual ⁽¹⁾	\$	%
Tri-State Tollway (I-94/I-294/I-80)	\$3,647	(\$621)	(\$4,267)	-117.0%
Reagan Memorial Tollway (I-88)	2,779	4,005	1,226	44.1%
Jane Addams Memorial Tollway (I-90)	167,652	161,043	(6,610)	-3.9%
Veterans Memorial Tollway (I-355)	2,547	(73)	(2,620)	-102.9%
Open Road Tolling (ORT)	2,000	577	(1,423)	-71.1%
Systemwide Improvements	56,946	45,461	(11,485)	-20.2%
Tri-State Tollway (I-294)/I-57 Interchange	7,795	6,076	(1,719)	-22.1%
Elgin O'Hare Western Access	80,315	76,004	(4,311)	-5.4%
Illinois Route 53/120/Other Planning Studies	1,020	398	(622)	-61.0%
Move Illinois and CRP Subtotal	\$324,701	\$292,870	(\$31,830)	-9.8%
"Other" Capital Projects	16,791	12,058	(4,734)	-28.2%
Capital Program Subtotal	\$341,492	\$304,928	(\$36,564)	-10.7%
Intergovernmental Agreement Reimbursement and Other Adjustments ⁽²⁾	-	(2,017)	(2,017)	N/A
Total Capital Program Expenditures	\$341,492	\$302,911	(\$38,581)	-11.3%

⁽¹⁾ Capital Program Actual included accrued expenses for which payments have not been made as of December 31, 2014.

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

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

Capital Program – 2014 October Estimate vs. Actual

Key variance highlights

<input type="checkbox"/> Elgin O’Hare Western Access	
▪ schedule changes	\$6.2 million
<input type="checkbox"/> Reagan Memorial (I-88)	
▪ schedule changes	\$2.1
<input type="checkbox"/> Jane Addams Memorial Tollway (I-90)	
▪ schedule changes	(\$22.6)
▪ project cost savings	(\$ 6.9)
<input type="checkbox"/> Systemwide Improvements	
▪ schedule changes	(\$8.1)
▪ project cost savings	(\$1.7)

Capital Program – 2014 October Estimate vs. Actual

Key variance highlights

<input type="checkbox"/> Tri-State Tollway (I-94/I-294/I-80)	
▪ schedule changes	(\$6.0) million
▪ Project cost savings	(\$0.3)
<input type="checkbox"/> Tri-State Tollway (I-294)/I-57 Interchange	
▪ schedule changes	(\$5.5)
<input type="checkbox"/> Veterans Memorial (I-355)	
▪ schedule changes	(\$0.3)
▪ Project cost savings	(\$2.5)
<input type="checkbox"/> Illinois Route 53/120 Extension	
▪ schedule changes	(\$1.2)
<input type="checkbox"/> Open Road Tolling	
▪ schedule changes	(\$0.8)

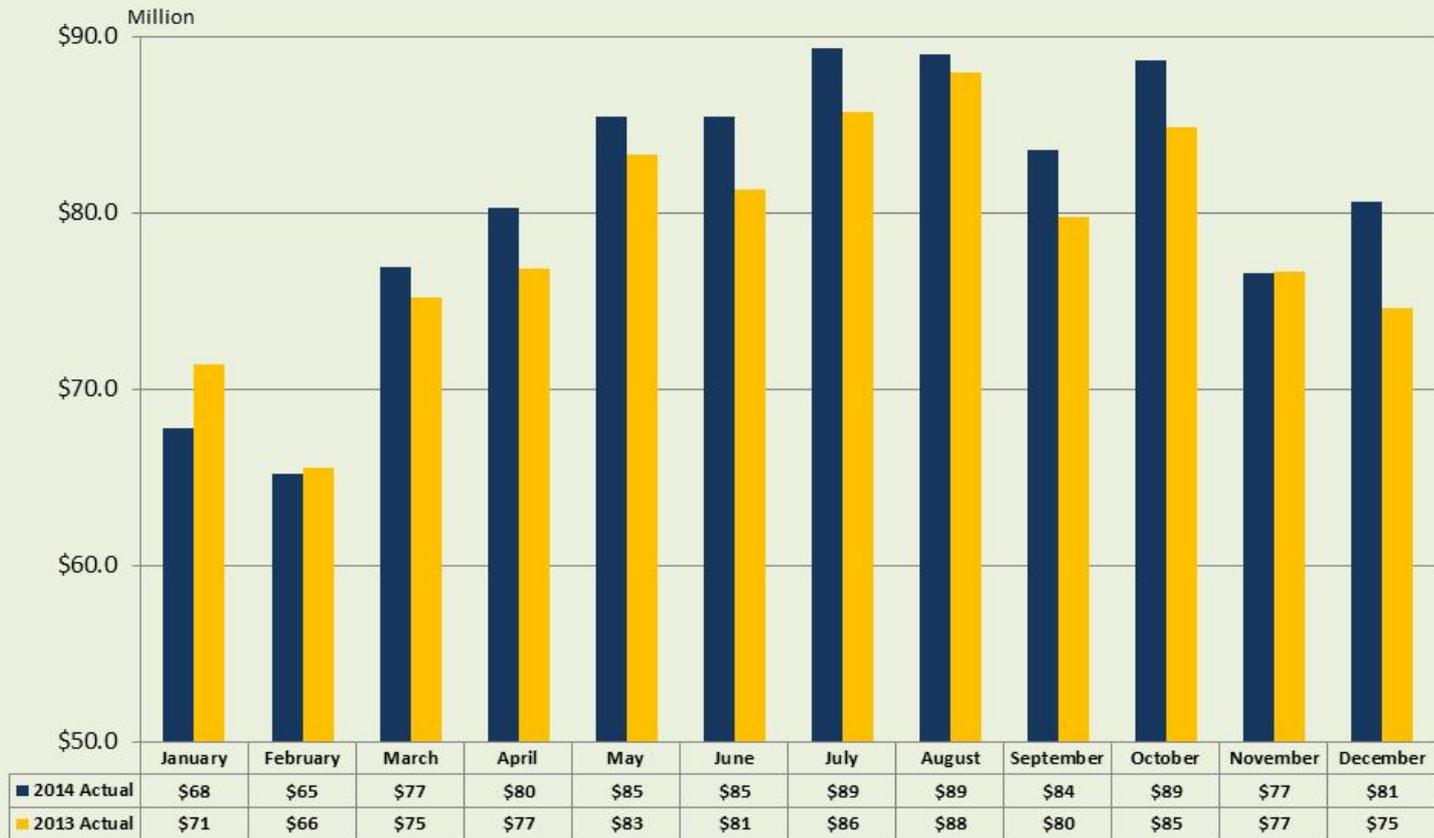
Revenue - 2014 vs. 2013 Actual

(\$ thousands)

	2013	2014	Variance	
			\$	%
Toll Revenue and Evasion Recovery	\$997,373	\$1,022,741	\$25,369	2.5%
Concessions	2,306	2,097	(209)	-9.1%
Investment Income	866	1,041	175	20.2%
Miscellaneous	9,232	10,276	1,045	11.3%
Total Revenue	\$1,009,776	\$1,036,156	\$26,380	2.6%

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

Monthly Toll Revenue – 2014 vs. 2013



Maintenance and Operations - 2014 vs. 2013 Actual

(\$ thousands)

	2013	2014	Variance	
			\$	%
Payroll and Related Costs	\$150,273	\$161,319	\$11,046	7.4%
Group Insurance	28,637	29,918	1,281	4.5%
Contractual Services	50,924	55,058	4,135	8.1%
Materials/Operational Supplies/Other Expenses	7,296	10,779	3,482	47.7%
Utilities	6,341	7,372	1,031	16.3%
All Other Insurance	12,664	11,318	(1,346)	-10.6%
Parts and Fuel	7,608	8,274	666	8.8%
Equipment/Office Rental and Maintenance	15,138	15,785	648	4.3%
Other Miscellaneous Expenses	890	690	(200)	-22.5%
Recovery of Expenses	(2,258)	(2,691)	(433)	-19.2%
Total Maintenance and Operations Expenditures	\$277,512	\$297,821	\$20,308	7.3%

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

Capital Program - 2014 vs. 2013 Actual

(\$ thousands)

	2013	2014	Variance	
			\$	%
Tri-State Tollway (I-94/I-294/I-80)	\$41,723	\$2,961	(\$38,762)	-92.9%
Reagan Memorial Tollway (I-88)	7,695	13,498	5,803	75.4%
Jane Addams Memorial Tollway (I-90)	298,919	616,545	317,626	106.3%
Veterans Memorial Tollway (I-355)	20,938	2,203	(18,735)	-89.5%
Open Road Tolling (ORT)	3,091	1,870	(1,221)	-39.5%
Systemwide Improvements	106,880	162,367	55,487	51.9%
Tri-State Tollway (I-294)/I-57 Interchange	55,353	40,946	(14,407)	-26.0%
Elgin O'Hare Western Access	53,109	241,652	188,543	355.0%
Illinois Route 53/120/Other Planning Studies	979	1,517	538	55.0%
Move Illinois & CRP Subtotal	\$588,686	\$1,083,558	\$494,872	84.1%
"Other" Capital Projects	43,111	50,551	7,441	17.3%
Capital Program Subtotal	\$631,797	\$1,134,110	\$502,313	79.5%
Intergovernmental Agreement Reimbursements and Other Adjustments	(\$11,820)	(14,784)	(\$2,964)	25.1%
Total Capital Program Expenditures	\$619,977	\$1,119,326	\$499,348	80.5%

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

2014 vs. 2013 Transactions

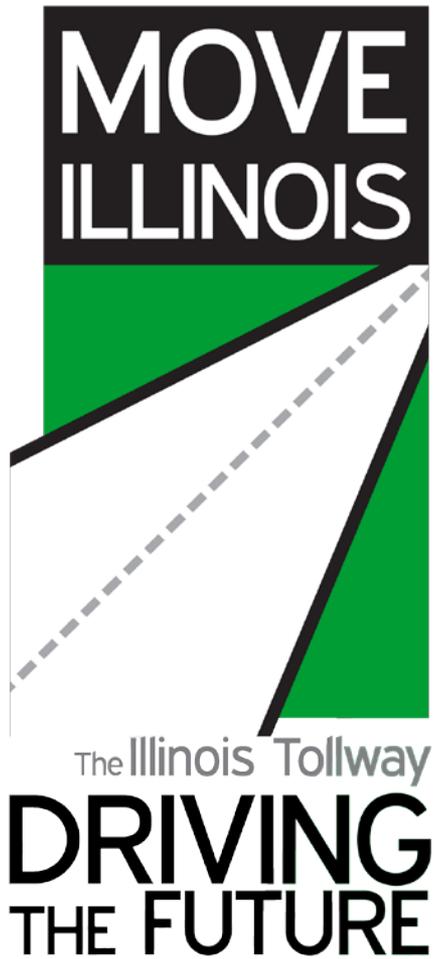
(millions)

	2014 Transactions	2013 Transactions	% Change 2014 to 2013	2014 Transactions	2013 Transactions	% Change 2014 to 2013
	PASSENGER VEHICLES (TIER 1)			LARGE COMMERCIAL VEHICLES (TIER 4)		
January	51.7	54.6	-5.2%	5.3	5.3	0.0%
February	50.6	50.3	0.6%	5.1	4.9	3.9%
March	59.4	58.3	2.0%	5.7	5.4	6.5%
April	61.0	58.8	3.8%	6.0	5.6	6.8%
May	65.4	63.7	2.8%	6.1	5.9	4.2%
June	64.7	62.3	4.0%	6.0	5.5	9.6%
July	67.5	65.2	3.5%	6.2	5.7	7.9%
August	67.1	66.8	0.5%	6.1	6.0	2.5%
September	62.5	60.5	3.2%	6.2	5.6	9.9%
October	65.6	63.4	3.5%	6.6	6.2	6.2%
November	59.7	58.6	1.8%	5.6	5.5	2.5%
December	61.9	58.1	6.6%	5.8	5.2	11.1%
	737.2	720.5	2.3%	70.8	66.8	5.9%
	ALL COMMERCIAL VEHICLES (TIER 2-4)			ALL VEHICLES		
January	7.4	7.3	1.2%	59.1	61.9	-4.5%
February	7.1	6.8	4.0%	57.7	57.1	1.0%
March	8.0	7.5	6.9%	67.4	65.7	2.5%
April	8.4	7.9	6.5%	69.5	66.7	4.1%
May	8.8	8.5	4.3%	74.3	72.2	2.9%
June	8.8	8.1	9.0%	73.5	70.3	4.5%
July	9.1	8.4	7.5%	76.6	73.6	4.0%
August	8.9	8.7	2.1%	76.1	75.5	0.7%
September	8.9	8.2	9.0%	71.4	68.7	3.9%
October	9.5	8.9	6.2%	75.1	72.3	3.8%
November	8.0	7.8	2.5%	67.6	66.4	1.9%
December	8.2	7.4	9.9%	70.1	65.5	7.0%
	101.0	95.5	5.8%	838.3	816.0	2.7%

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



THANK YOU



Tollway Speed Limits

March 26, 2015

Today's Agenda

- ▶ **Importance of safety**
- ▶ **Speed limit background**
- ▶ **Recent developments allow Tollway to increase speed limits**
 - ▶ Tollway performs studies using new IDOT policy
 - ▶ State of Illinois passes new legislation
- ▶ **Recommended speed limit increases**
- ▶ **Next steps**

Safety is “The Bottom Line”

Obligation to recommend speed limits safest for all motorists under the Professional Engineering Code of Ethics

- ▶ **Tollway initiatives foster safe roadways for customers and reduce crashes**
 - ▶ Increased capacity by rebuilding and widening lanes (reduced crashes by 11 percent)
 - ▶ Completed conversion to open road tolling (reduced crashes by 12 percent)
 - ▶ Implemented an integrated incident management program (reduced crashes by 12 percent)

- ▶ **Tollway has a proven track record for quick incident response**
 - ▶ Less than 4 percent secondary crash rate
 - ▶ 30 minute average crash response and clearance time

- ▶ **Tollway’s long-term commitment to safety**
 - ▶ Continued efforts to increase capacity
 - ▶ Moving toward all-electronic tolling on new roadways
 - ▶ Implementing active traffic management

Traffic Operations Safety Committee

- ▶ **Cross discipline committee represents all departments and operations at the Tollway**
- ▶ **Meets monthly to discuss wide range of system performance to ensure safe and efficient travel for customers**

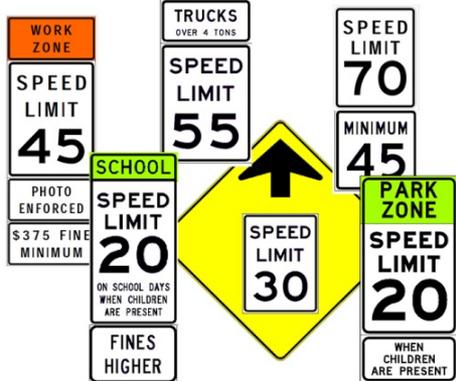


Speed Limit Background

- ▶ **Tollway Traffic Operations Safety Committee (TOSC) recommended review of speed limits in 2010**
 - ▶ Successful completion of open road tolling
 - ▶ Major segments of Congestion-Relief Program completed
 - ▶ Speed limit studies began in 2011
- ▶ **Illinois law raised maximum speed limit effective January 1, 2014**
 - ▶ Increased speed limits to 70 mph outside of urban districts for cars and outside of collar counties for buses and trucks.
- ▶ **Tollway raised speed limit for cars to 70 mph beginning January 2014**
 - ▶ I-90 west of I-39 Interchange (Cherry Valley)
 - ▶ I-88 west of Illinois Route 47
- ▶ **Tollway raised speed limit for trucks and buses to 70 mph beginning January 2014**
 - ▶ I-90 west of I-39 Interchange (Cherry Valley)
 - ▶ I-88 west of Kane County

Recent Developments

- ▶ IDOT adopts new “Policy on Establishing and Posting Speed Limits on the State Highway System” in January 2014
- ▶ TOSC directs review of all Tollway segments using the latest IDOT methodology
- ▶ Tollway’s Traffic Engineer completes speed limit studies across Tollway system (except I-90 due to construction and previous rural increases)



Policy on Establishing and Posting Speed Limits on the State Highway System

Effective January 1, 2014



Illinois Department of Transportation

Study Starts with 85th Percentile Speed

Speed at which 85 percent of the traffic is traveling at or below

- ▶ **Taken under optimal conditions**

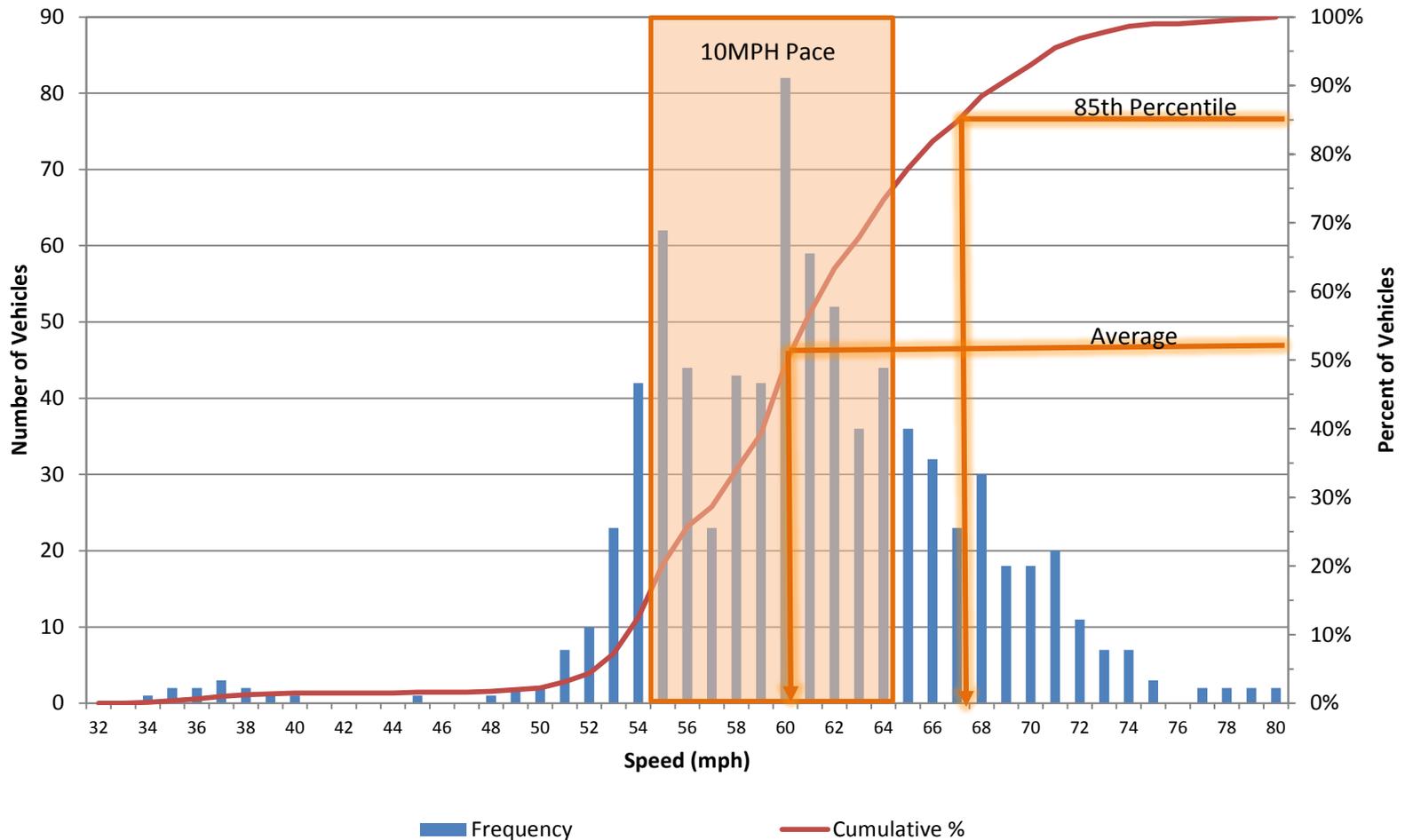
- ▶ Free-flow conditions outside of rush hour or noon hour
- ▶ Daylight hours
- ▶ Weather conditions clear, pavement dry

- ▶ **Ensure accurate measurements**

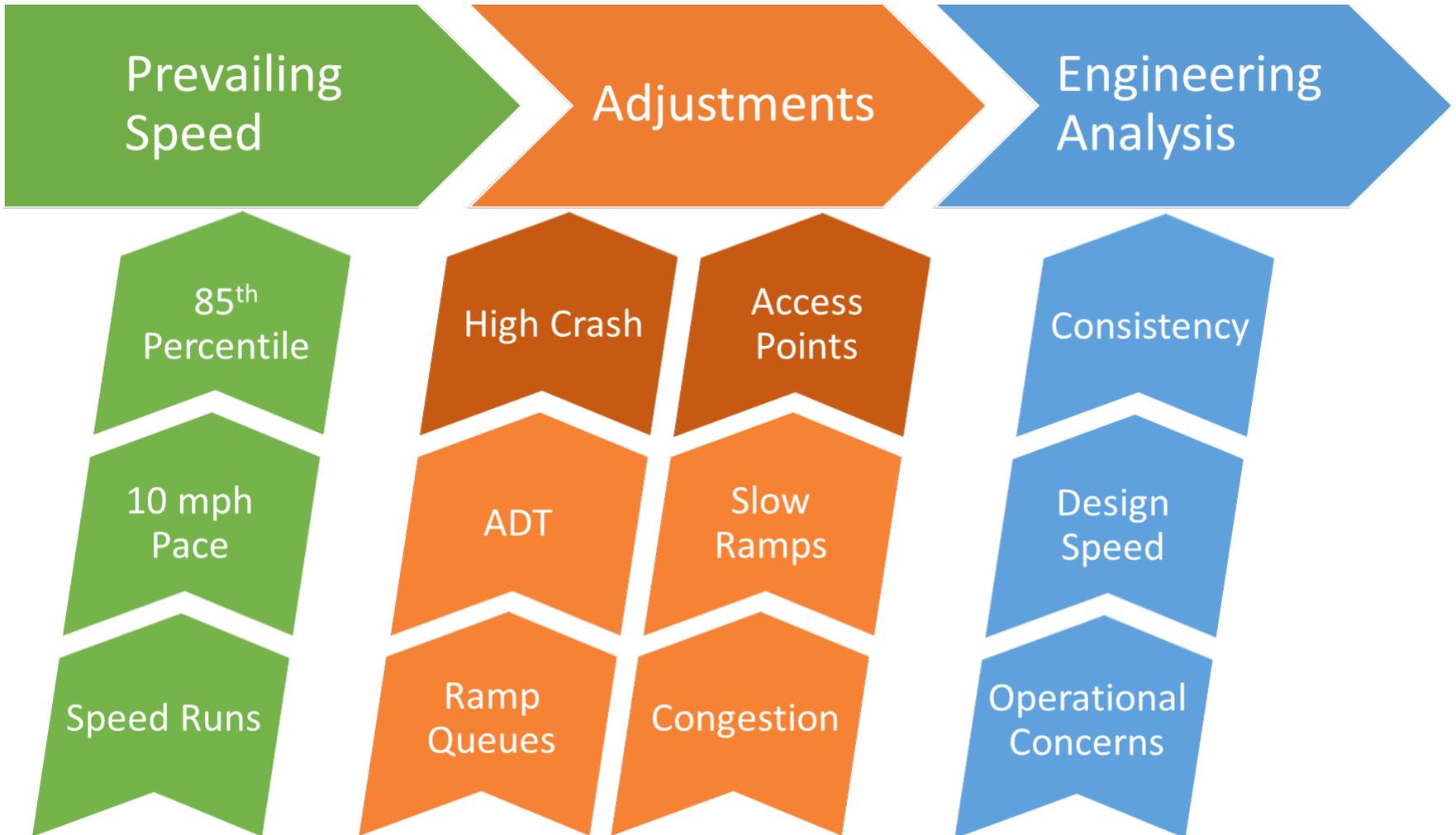
- ▶ Obtained discretely to avoid influencing speed of traffic
- ▶ 100 readings per lane ensure sample represents all traffic
- ▶ Spot speed typically measured in the center of the segment

Sample Lidar Speed Distribution

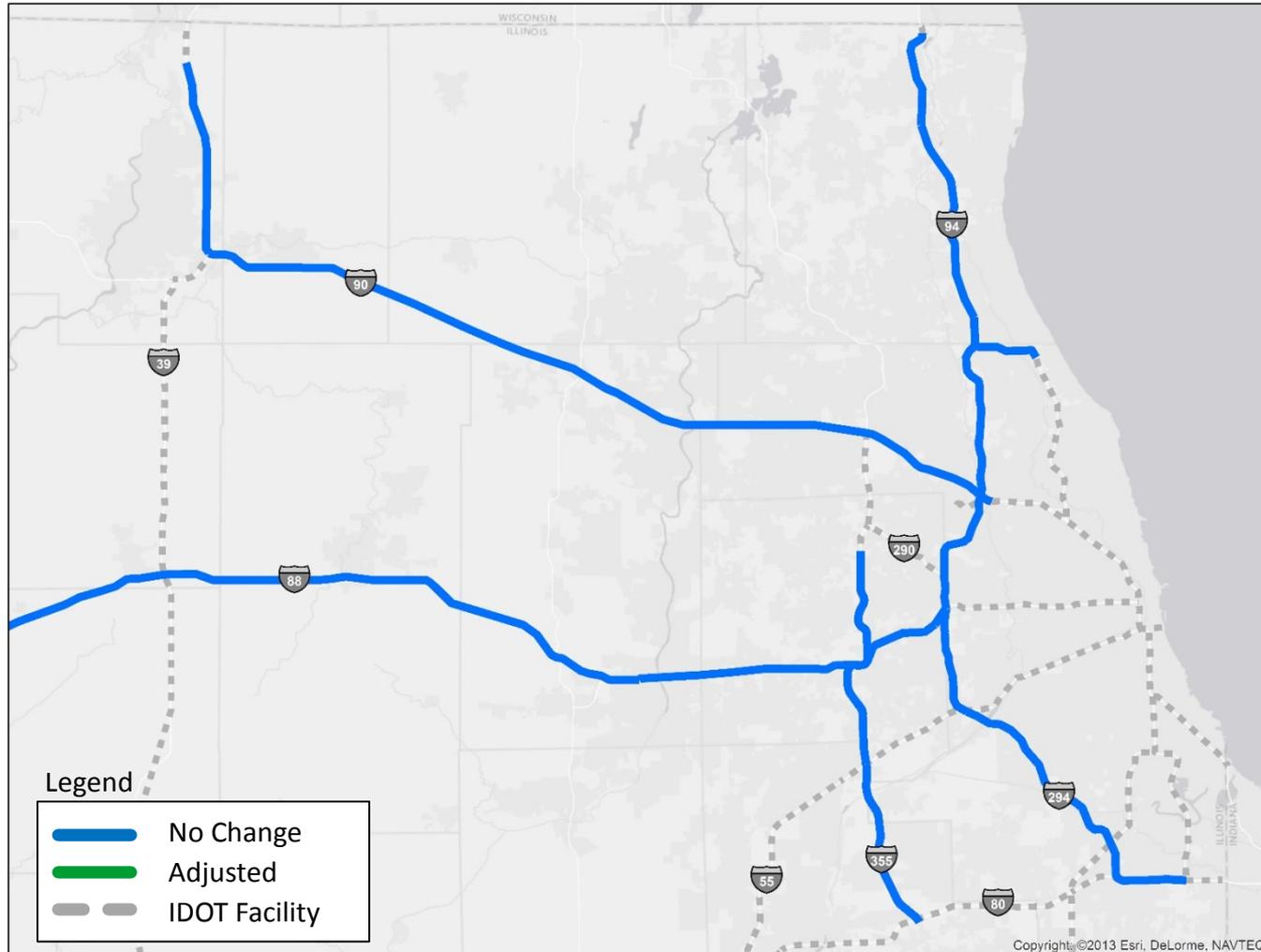
Tri-State Tollway (I-294) NB/SB (I-88 to I-55)



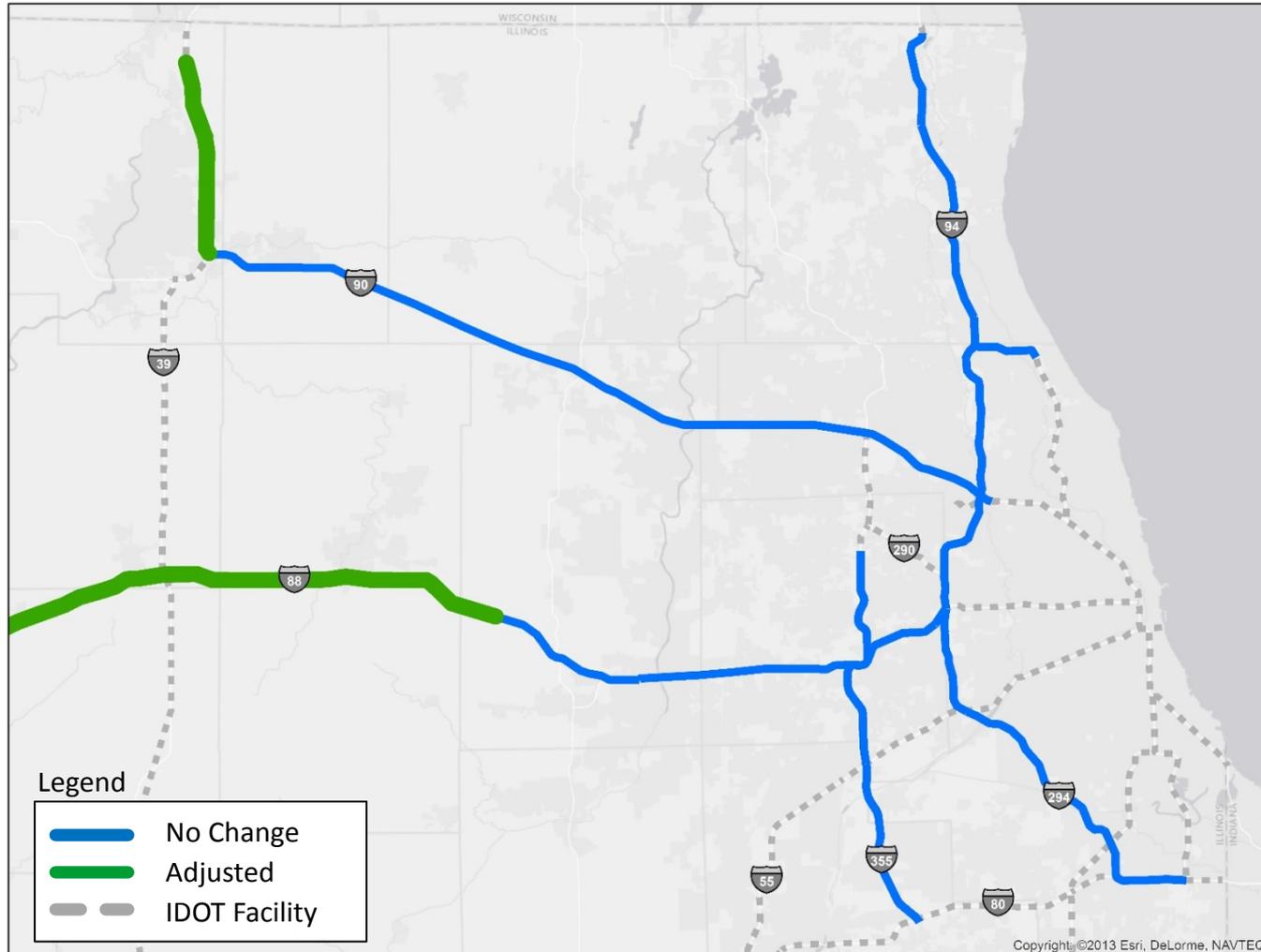
IDOT Methodology



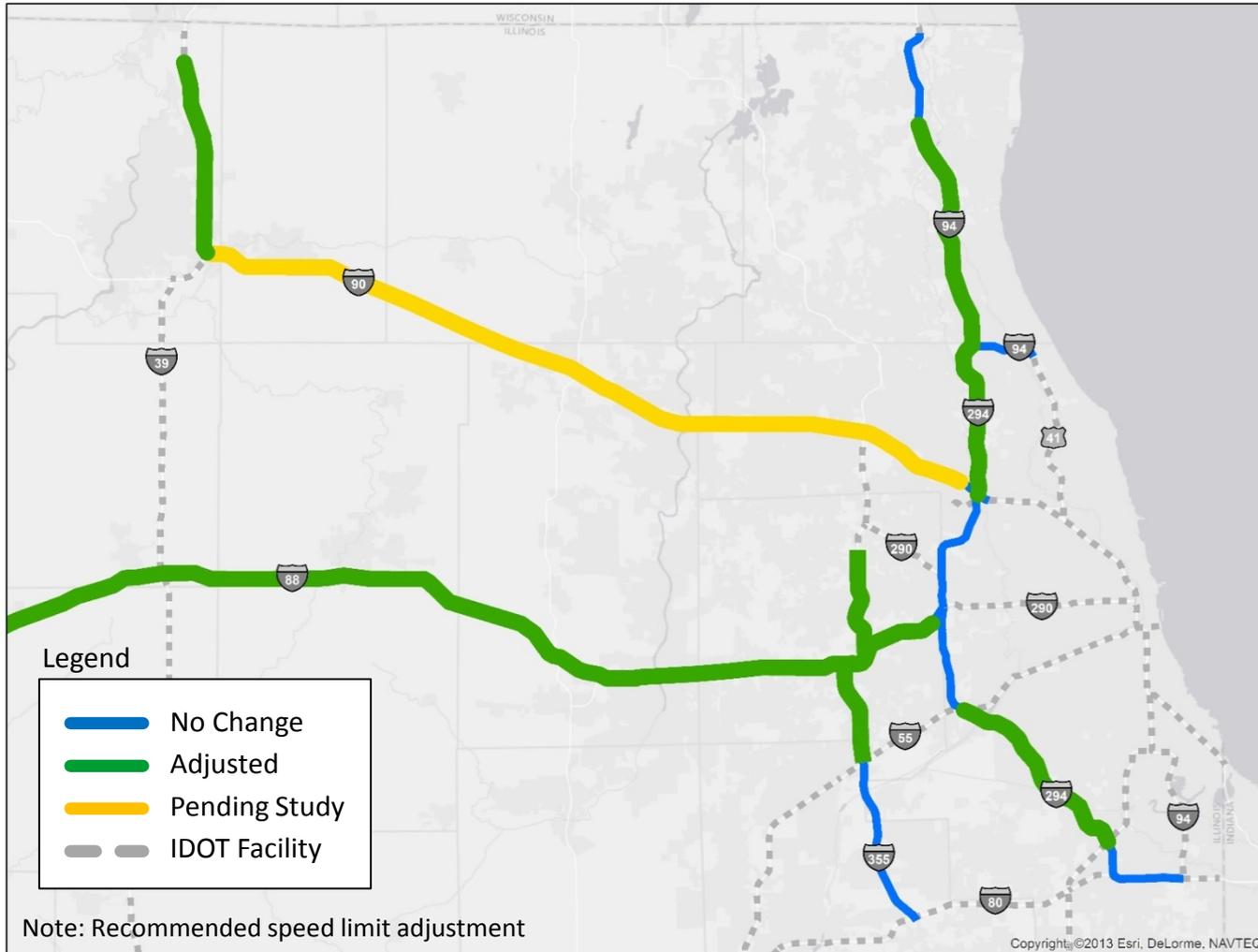
Tollway System – Prior to 2014



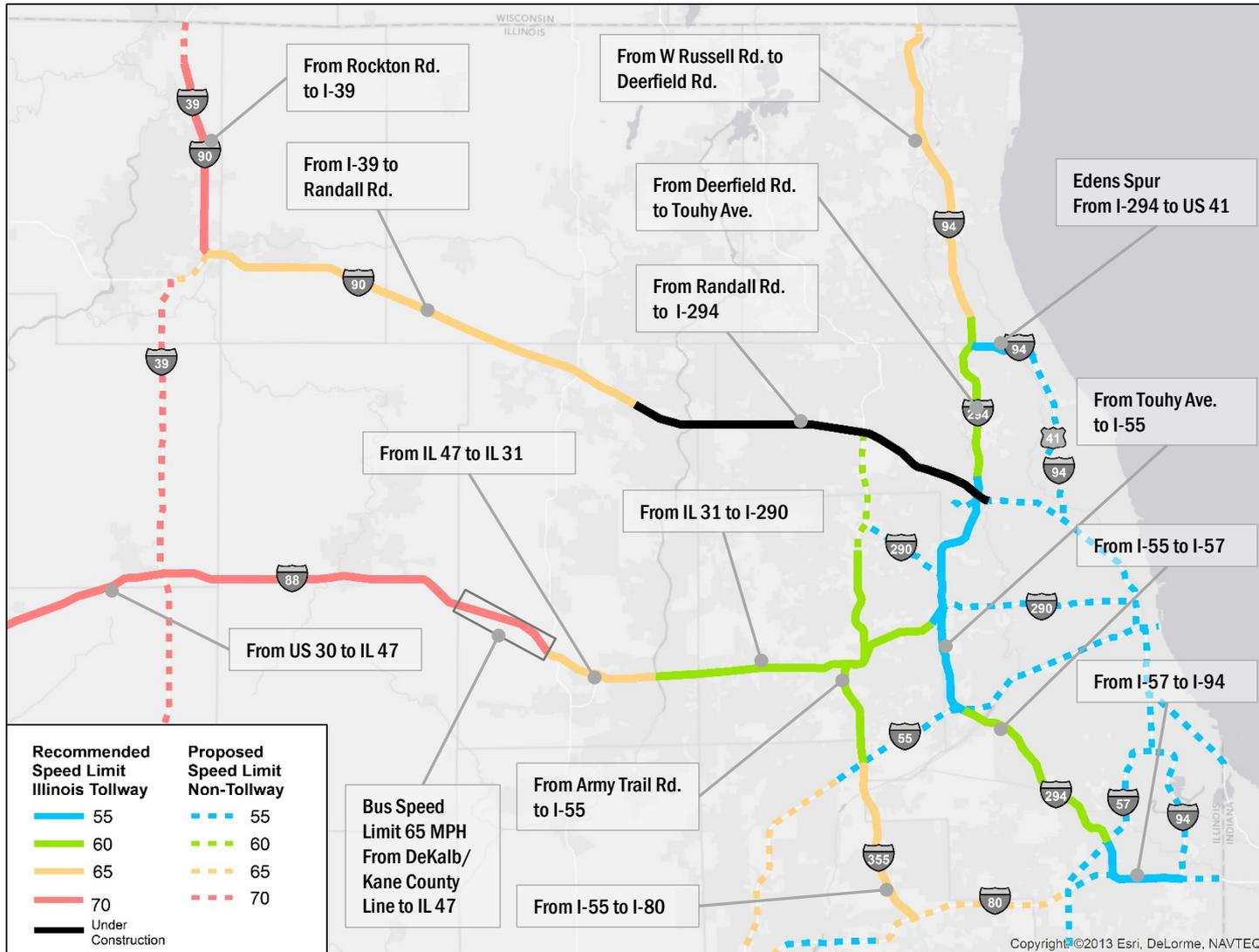
Increased Speed Limit Locations – 2014



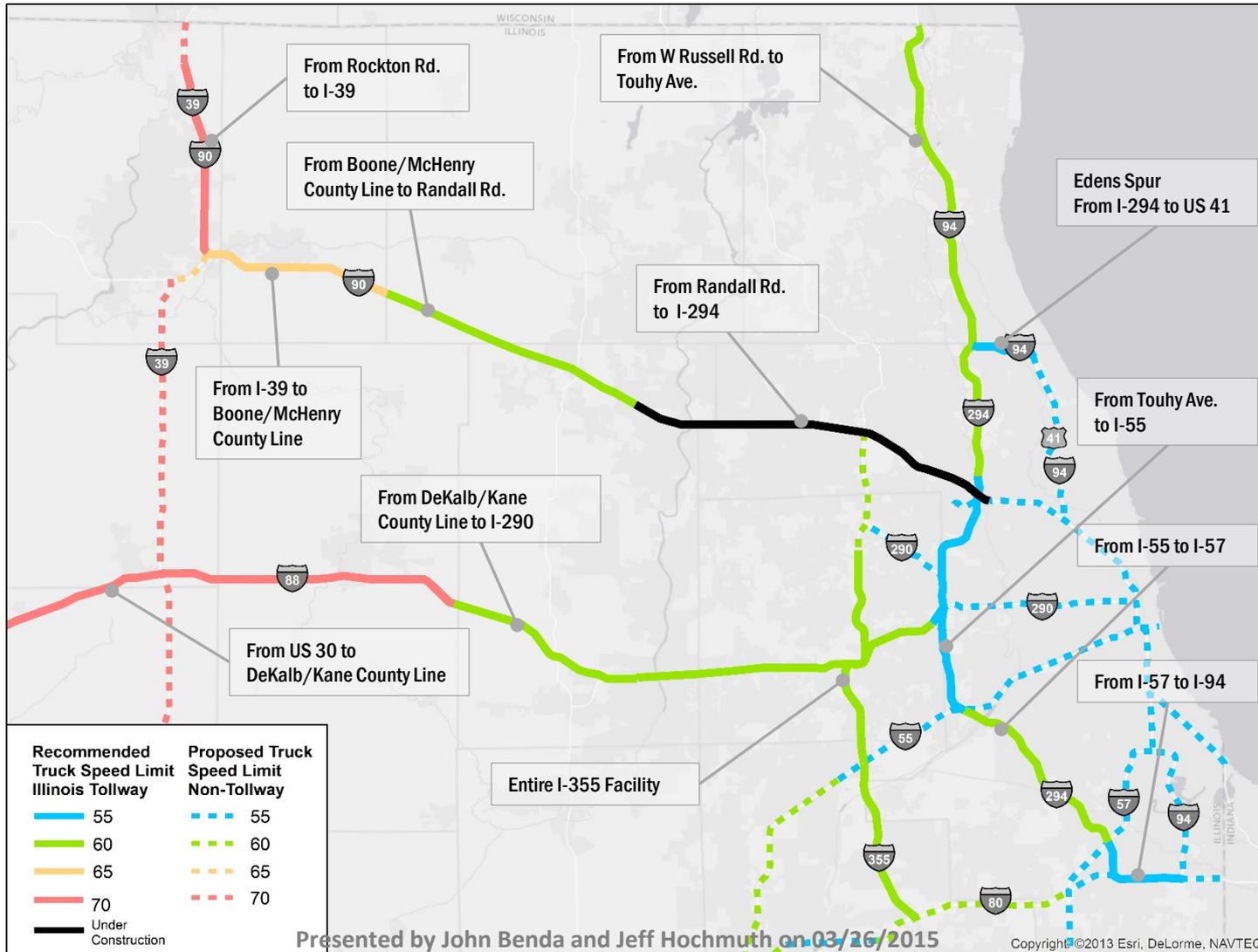
Overall Speed Limit Changes



Recommendations – Cars and Buses

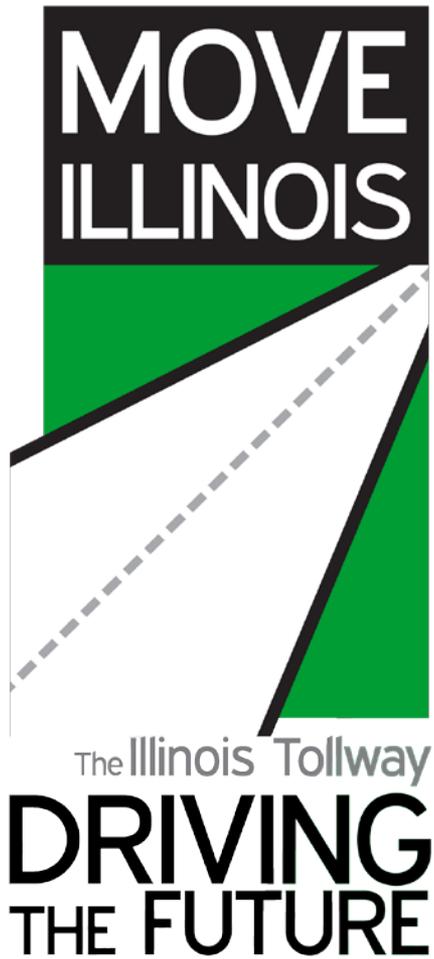


Recommendations – Trucks

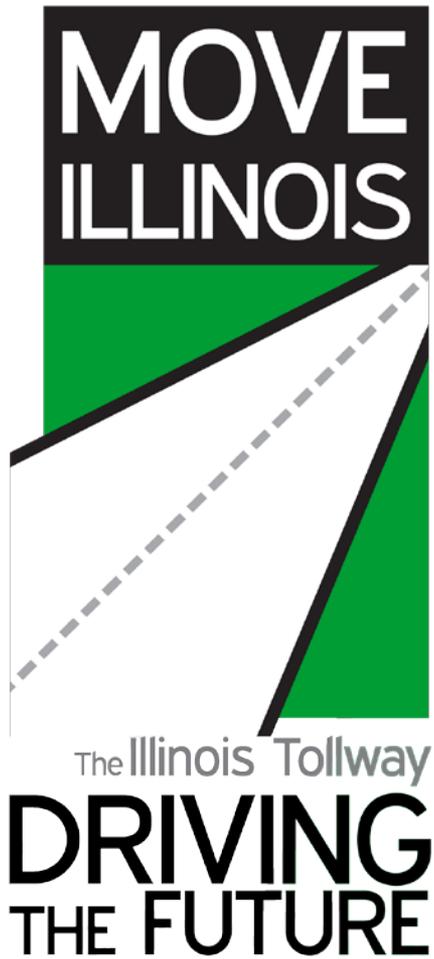


Next Steps

- ▶ **Board of Directors approve recommended speed limit increases**
- ▶ **Tollway sends recommendations to IDOT for concurrence and submits paperwork to the Joint Committee on Administrative Rules (JCAR)**
- ▶ **Tollway submits the rule change to the Secretary of State for publication**
- ▶ **Upon approval, the Tollway's sign shop installs new speed limit signs (anticipated summer 2015)**

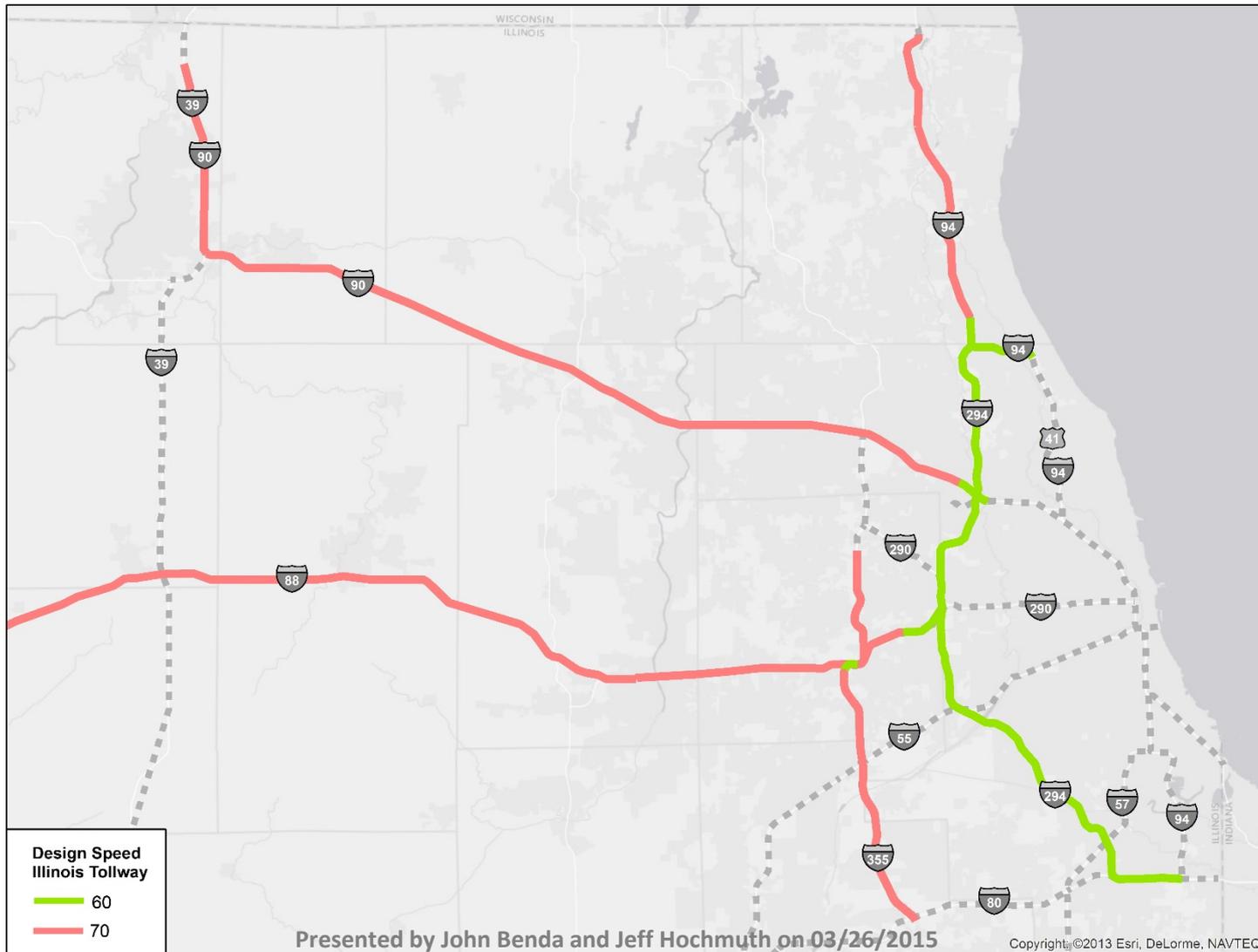


THANK YOU

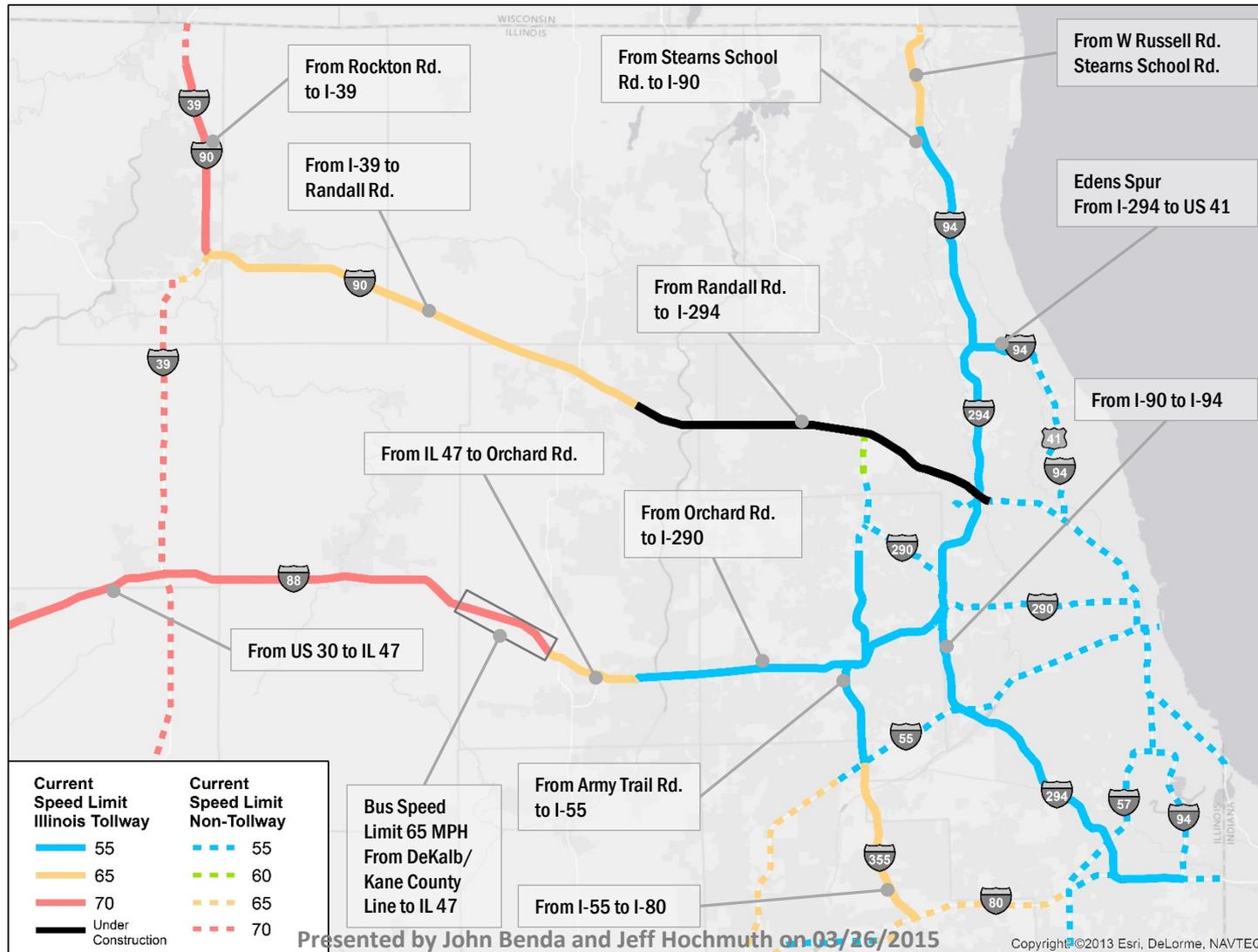


Appendix

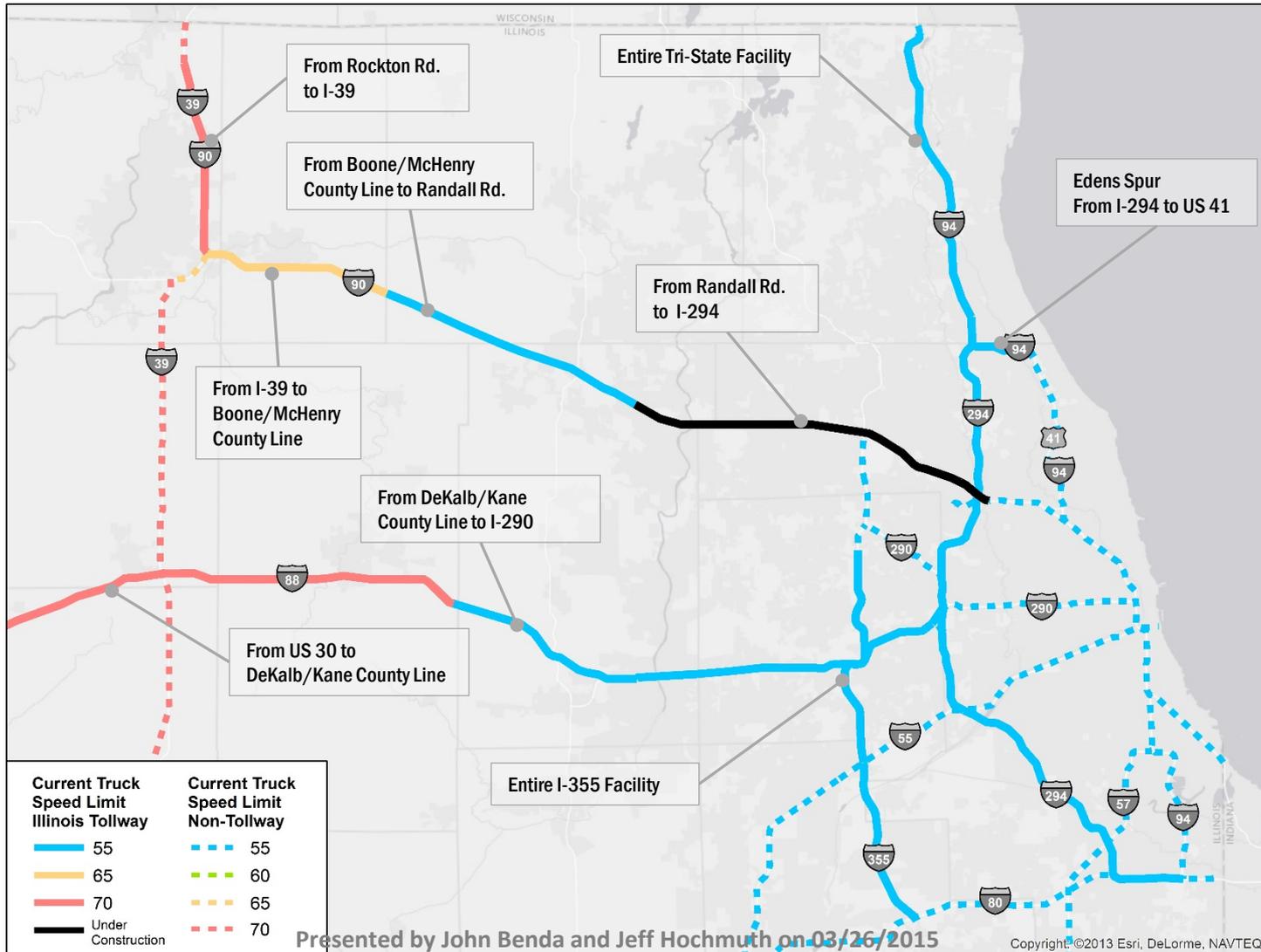
Design Speeds



Current Speed Limit – Cars and Buses



Current Speed Limit – Trucks





**Diversity and Strategic Development
Department Construction Initiatives Update**

March 26, 2015

Agenda

- ❑ **Overview**
 - Diversity statistics
- ❑ **Issues: what we have learned**
 - Barriers to participation
- ❑ **Actions: what we have done**
 - Programs, initiatives, results
- ❑ **Gaps that remain**
 - New initiatives
- ❑ **Next steps**



Overview

- From January 1, 2009 – December 31, 2014, Tollway paid \$3.1 billion on construction and professional services contracts:
 - Of \$2.3 billion paid on construction contracts, \$456.8 million (20.1 percent) went to D/M/WBE businesses
 - Of \$801.2 million paid on professional services, \$262.3 million (32.7 percent) went to D/M/WBE businesses
- D/M/WBE businesses were paid \$719 million, or 23.4 percent



Listening and Defining Challenges

■ Beginning in 2012

- ❑ Met with stakeholders from the industry and advocacy agencies to hear concerns and gather input
- ❑ Hosted construction and professional services outreach events and participated in numerous industry events to renew focus on contracting opportunities
- ❑ Administered small contractor survey to elicit feedback

■ ALL feedback has shaped Tollway initiatives



What We Have Learned

Defining issues and barriers to participation

- Focus on construction opportunities
- **Small contracts** (under \$5 million) are a must, but **even smaller contracts** (under \$1 million) are desired by potential primes
- Continue to offer subcontracting opportunities
- Many small and diverse construction firms are **not prepared** to pursue Tollway opportunities as primes or subs
- Need increased **communication and outreach** about upcoming opportunities



What We Have Done: **Unbundling**

Approach:

- **Increased the number of small (under \$5 million) construction contracts** when practical (management, safety, cost)
- **“Unbundled” some larger projects** into a range of contract sizes and types
- **Targeted small/unbundled contracts** to work types typically provided by diverse firms

Result:

- More than 60 percent increase in number of small contracts per year since 2012
- Awarded 81 small/unbundled contracts worth \$196.1 million since 2012
- Emerging pipeline of new prime firms pursuing Tollway work:
 - Nearly 40 percent of bidders on were new bidders
 - 15 companies awarded prime contracts for the first time



What We Have Done: **Small Business Set-Aside Program**

Approach:

- Developed a new **Small Business Set-Aside (SB/SA) Program** to offer construction contracts generally around \$1 million in value for registered small businesses

Result:

- Awarded 12 SB/SA contracts worth more than \$8.3 million
- Nearly half of the SB/SA contracts awarded went to certified D/M/WBE or veteran-owned firms
- Conducted extensive outreach through targeted emails, phone calls and training sessions
- Advertised and awarded more set-aside contracts
- Considering setting small business goals on larger contracts



What We Have Done: **Technical Assistance**

Approach:

- Formed **Construction Business Development Center (CBDC)** to provide one-on-one support to help businesses participate on Tollway contracts
- Launched **Construction Coaching for Growth Program (CC4G)** to provide targeted training and strategic business counseling
- Created **Small Contractor Bridge Program** to provide working capital loans to small contractors

Result:

- Nearly 60 firms assisted by CBDC to date
 - More than 40 percent submitted bids
- 25 firms participated in CC4G program
 - 18 firms graduated program
 - More than 50 prime and subcontractor submitted bids
- 133 contractors in Small Contractor Bridge Program application process
 - Four performance/bid bonds issued for Tollway work to date

What We Have Done: Targeted Outreach

Approach:

- **Increased outreach efforts** to alert small/diverse contractor community about bid opportunities and available resources to help them grow their businesses and participate on Tollway projects

Result:

- Hosted or co-hosted construction networking events
- Placed thousands of phone calls and sent dozens of targeted email blasts to alert businesses about upcoming opportunities
- Conducted more than 10 “Are You Ready To Bid?” sessions
- Hosted Tollway Construction Contracts 101 training webinar
- Provided “look-aheads” for Tollway bids



Despite Progress, Gaps Remain

- Small and D/M/WBE contractors need **additional hands-on, tailored assistance** over a longer duration
- The Tollway needs **additional bidders** from the pool of small and DBE firms
- Too many DBE firms remain **underutilized**
- New businesses may benefit from **meaningful instruction** from more experienced peers in the industry



Provide Additional Assistance

Gap:

Small contractors need **additional hands-on, tailored assistance**

Initiative:

Technical Assistance RFP

Enhance existing short-term CC4G and CBDC programs by providing small, diverse and veteran-owned contractors with in-depth, long-term technical assistance over two or more years



Expand the Pool of Bidders

Gap:

Tollway needs
additional bidders

Initiative:

Optional Contract Requirements

Address prequalification requirements that may limit small and D/M/WBE firms from competing on Tollway projects by developing project specific requirements on off-roadway work of \$5 million or less in lieu of IDOT prequalification



Track Prime Contractor DBE Outreach Efforts

Gap:

Too many DBE firms
remain underutilized

Initiative:

“Sunshine” Initiative

Require prime bidders to submit records regarding which subcontractors were contacted for bids and which subcontractors provided estimates to those prime bidders for Tollway contracts



Link To Mentors

Gap:

Veteran-owned businesses need **meaningful instruction**

Initiative:

Mentor/Protégé Program for Veterans Professional Services

Build upon existing Mentor/Protégé Program for professional services to include veterans



Link To Mentors

Gap:

New businesses need
meaningful instruction



Initiative:

New Mentor/Protégé Program for Construction

Develop new Mentor/Protégé
Program for construction that
allows firms to obtain new skills,
expand capacity and maximize
potential

Link to Mentors

■ How do we do it?

■ Program Benefits:

- Helps protégés expand capacity and obtain new skills
- Prepares firms to become prime contractors
- Builds relationships and enhances networking opportunities

■ Challenges:

- What is the best structure for the mentor/protégé relationship?
 - Contract specific or long-term partnership?
- How do we create monitoring/compliance mechanisms?
- What is the right incentive level for mentors?
- How do we measure success of the program?



Incentivize Greater Diversity

Gap:

Too many DBE firms
remain underutilized

Initiative:

Diverse DBE Plan

Achieve greater diversity within
existing DBE programs to include
underutilized D/M/WBE firms



Incentivize Greater Diversity

■ How do we do it?

- On 140 construction contracts awarded in the last two years:
 - More than 60 percent of construction contracts include one or two D/M/WBE categories
 - Nearly 40 percent of construction contracts include three or more D/M/WBE categories. Of those:
 - Only 7 (5 percent) contracts where D/M/WBEs exceed 15 percent each
 - Only 2 (1 percent) contracts where D/M/WBEs exceed 20 percent each



Incentivize Greater Diversity

- **Question:** Should we allow “Banking” of credits for D/M/WBE participation of three or more categories? If so:
 - How much should primes be allowed to bank?
 - Should the Tollway include a “floor” or minimum requirement to ensure meaningful participation by each of the categories?
 - Should the Tollway cap the use of banked credits toward DBE goal, and where?
 - Should the Tollway evaluate the program over time in order to make adjustments based on participation?

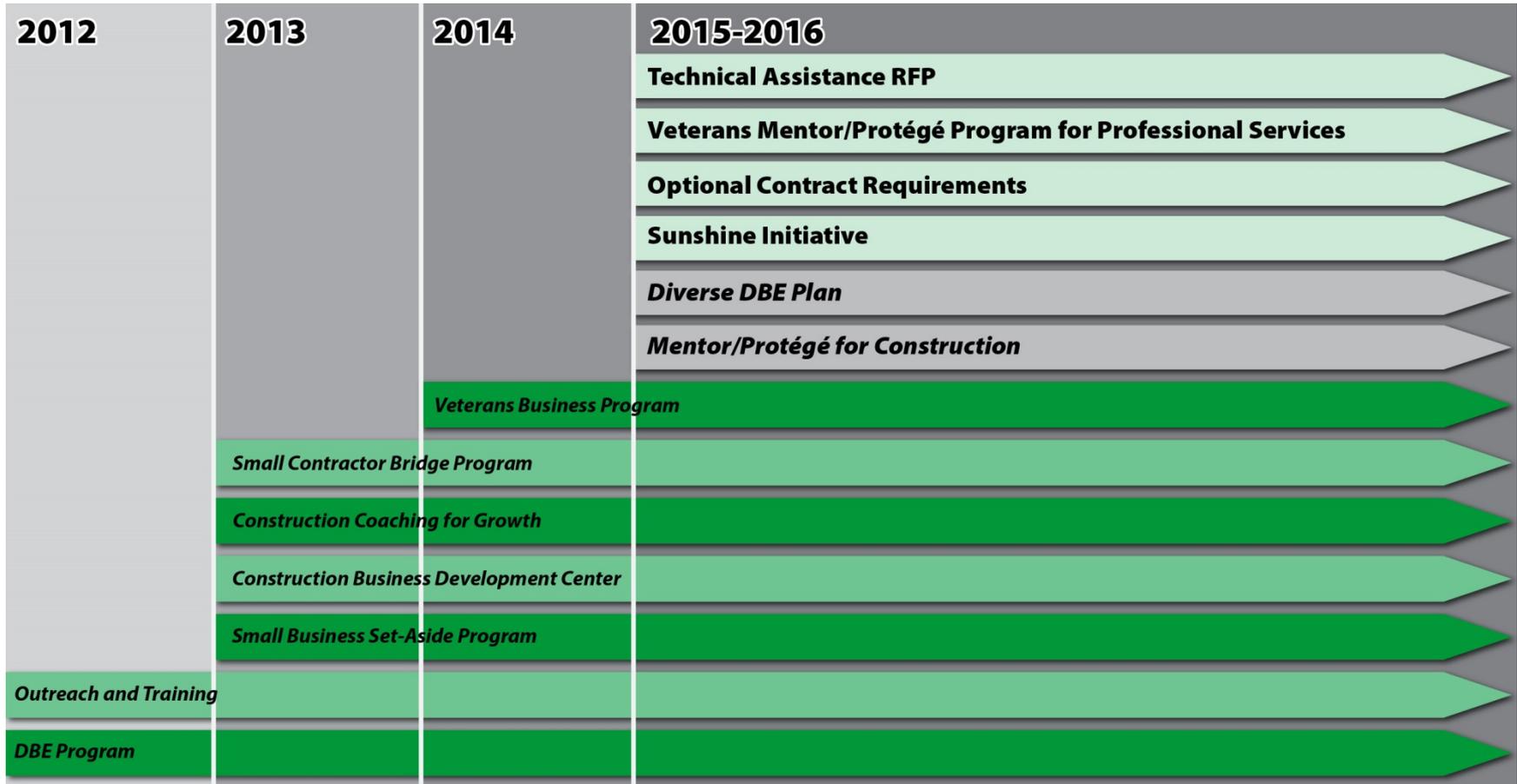


Incentivize Greater Diversity

- **Example:** On a \$5 million contract with an 18 percent DBE goal:
 - Tollway could allow primes to “bank” DBE credits up to half of the contract goal
 - On 18 percent goal, DBE goal would be \$900,000; prime contractor could bank up to half (\$450,000) in credits for use on future bids
 - Tollway could include a “floor” or minimum requirement to ensure meaningful participation
 - Could require minimum 15 percent participation by three categories
 - Tollway could limit use of banked credits to 25 percent of DBE goal on future bid
 - On a \$5 million bid, DBE credits would be capped at \$225,000



Continuing to Build Diversity Success





THANK YOU