



Record of Meeting | November 17, 2016

The Illinois State Toll Highway Authority (the “Tollway”) Board of Directors met in regular session on Thursday, November 17, 2016 in the Boardroom of Tollway Headquarters in Downers Grove, Illinois. The Meeting was held pursuant to By-Laws of the Tollway upon call and notice of the Meeting executed by Chairman Robert J. Schillerstrom and posted in accordance with the requirements of the Illinois *Open Meetings Act*. The Meeting was open to the public.

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

Call to Order / Pledge of Allegiance / Roll Call

Chairman Bob Schillerstrom called the Meeting to order at approximately 9:01 a.m., stating that this is the regularly scheduled meeting of the Board of Directors of the Tollway. He invited attendees to rise and join in the Pledge of Allegiance. He then asked the Board Secretary to call the roll, those Directors present and absent being as follows:

Board Members Present:
Chairman Bob Schillerstrom
Director Jim Banks
Director Earl Dotson, Jr. <i>(entered at 9:04 a.m.)</i>
Director Joe Gomez
Director David Gonzalez
Director Craig Johnson
Director Neli Vazquez Rowland

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

The Board Secretary declared a quorum present.

Public Comment

Chairman Schillerstrom opened the floor for public comment. No public comment was offered.

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

Chairman’s Items



Item 1: Approval of the Minutes of the regular Board of Directors meeting held October 27, 2016.

Chairman Schillerstrom called for a motion to approve **Chairman's Item 1**, the Minutes of the regular Board of Directors meeting held on October 27, 2016, as presented. Director Banks made a motion for approval; seconded by Director Johnson. Chairman Schillerstrom asked if there are any questions, concerns or requests for amendment. Hearing nothing, Chairman Schillerstrom called for a vote. The motion was PASSED unanimously.

Chairman Schillerstrom stated that without objection, action on Chairman's Item 2, the Minutes of the Executive Session of the Board of Directors meeting held on October 27, 2016, will be deferred until after consideration in the Executive Session.

COMMITTEE REPORTS

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

Finance, Administration & Operations Committee

Chairman Schillerstrom reported that the scheduled November meeting of the Finance, Administration and Operations Committee ("FAO Committee") was not held due to lack of a quorum at the meeting time. Observing that items on the Meeting agenda therefore have not benefited from committee review, he encouraged Directors to question these items to their full satisfaction.

Customer Service & Planning Committee

Chairman Schillerstrom updated the Board on the Customer Service & Planning Committee meeting held Monday, November 14, 2016, providing the following highlights:

The Customer Service and Planning Committee heard a presentation from staff regarding video tolling and potential changes to collection policies. It is the second such presentation addressing these issues.

Shana Whitehead, Chief of Business Systems, presented an overview of video tolling costs and the possibility of charging higher tolls for video toll transactions. The Committee discussed strategy and policies on video tolling, collections, and the option to reduce or eliminate the deposit for transponder usage. Staff and the Committee will continue to develop a comprehensive approach and philosophy, which includes updated collection and video tolling policies, for planned presentation to the Board in the near future.



[End of Committee Reports]

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

Executive Director's Items

Map Cover Art Contest: Executive Director Bedalov welcomed the finalists, and their guests, of the Tollway's Student 2017 Illinois Tollway Map Cover Art Contest. Mr. Bedalov stated that participants in this year's contest were asked to use their talents to envision the Tollway's efforts in "Enhancing Drivers Experience via Innovation and Technology". Mr. Bedalov further stated that finalists will receive gift certificates from Blick Art Materials and oases tenants and the grand prize winner's artwork will be featured on the cover of the 2017 Tollway map, which is distributed to more than 75,000 customers. Executive Director Bedalov thanked the high school art students for their time, talents, and creativity. He additionally thanked the sponsors of the 2017 Illinois Tollway Map Cover Contest – Blick Art Materials and MB Real Estate (MBRE) – and introduced Richard Jacobsohn, of Blick Art Materials, and Alma Becerra, of MBRE.

Highlighting that each of the finalists are students at Bolingbrook High School, Executive Director Bedalov then announced the third runner-up, Manuella Rodela; the second runner-up, Vanessa Arenas; the first runner-up, Alyssa Elborne; and the contest winner, Luis Chavez. The finalists and their art teachers were then congratulated by Executive Director Bedalov and Chairman Schillerstrom.

[At approximately 9:10 a.m., the meeting was recessed to allow for photographs with the contest finalists and their guests. The meeting resumed at approximately 9:20 a.m.]

2017 Budget Hearing Wrap-Up: Executive Director Bedalov thanked Directors for their participation at the three public hearings which were held to gather public input on the 2017 tentative budget. He noted that transcripts of each hearing along with any public comments received will be provided to Directors in advance of their consideration at next month's Board meeting of the final 2017 Budget.

USMCA Award: Executive Director Bedalov congratulated Chairman Schillerstrom who was recently presented with the "Public Administrator of the Year Award" by the U.S. Minority Contractors Association in recognition of his leadership in advancing new, innovative and bold diversity, procurement and job readiness initiatives at the Illinois Tollway for disadvantaged, minority- and women-owned firms.



Jane Addams Memorial Tollway (I-90) Event: Executive Director Bedalov invited Directors to attend the Media and Partners Open House on November 18 at the Schaumburg Convention Center to recognize the significant improvements that will wrap up by the end of the year on the Jane Addams Memorial Tollway (I-90) Rebuilding and Widening Project. He highlighted that the new I-90 ramps at Roselle Road and Meacham Road will open on Friday, November 18.

Quarterly Financial Review: Executive Director Bedalov introduced Mike Colsch, Chief of Finance, to present the Quarterly Financial Review (“QFR”), comparing the budget to actual (preliminary) results for the third quarter ending September 30, 2016. [See attached presentation.](#)

Director Johnson inquired about the increase to investment income experienced in the third quarter. Mr. Colsch, noting that the Tollway’s portfolio consists of short-term U.S. government debt securities, explained that the Tollway’s investment income benefited from an increase by the Federal Reserve to its target fed funds rate.

2017 Diversity Program Overview: Executive Director Bedalov introduced Gustavo Giraldo, Chief of Diversity and Strategic Development, to present details of the 2017 Diversity Department budget request. [See attached presentation.](#)

Director Gomez asked the cost of the technical assistance program (for small businesses) which is to be offered in the Rockford area. Mr. Giraldo responded that the procurement for these services is still in process and the contract amount has yet to be determined.

November 2016 Diversity Statistics: Executive Director Bedalov provided the following diversity statistics for Tollway procurements to be presented in the current month:

ENGINEERING has one construction contract totaling \$5.3 million and one professional engineering services contract totaling \$35.8 million, which include:

- One firm doing business with the Tollway for the first time; and
- Five “Partnering for Growth” mentoring commitments.

Of the \$41.1 million in recommended Engineering contract awards, nearly \$17.4 million, or 42 percent, is committed to veteran-owned or disadvantaged firms.

One contract includes a 50 percent commitment for disadvantaged, minority- and women-owned business enterprise (D/M/WBE) firm participation and a one percent commitment for veteran firm participation.



- One prime consultant is certified as a D/M/WBE.
- Eight subconsultants are certified as D/M/WBEs.
- One subconsultant is a certified veteran-owned firm.
- One subcontractor is certified as a D/M/WBE.

PROCUREMENT has one goods and services contract totaling \$1.5 million, which includes:

- One firm meeting a BEP goal.

Items for Consideration

Finance

Chairman Schillerstrom called on Mike Colsch, Chief of Finance, to present to the Board the following Finance item:

Item 1: Renewal/Replacement of Liquidity Facilities for Series 2007A/2008A Variable Rate Bonds.

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

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

Nays: None (0)

The motion was PASSED.

Procurement

*Item 1: Award of Contract 15-0170 to Marketing Alternatives, Inc. for the purchase of *999 Cellular Express Line Call Center Services in an amount not to exceed \$1,532,662.20 (Tollway Request for Proposal).*

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



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

Nays: None (0)

The motion was PASSED.

Business Systems

Item 1: Award of Contract 16-0136 to Electronic Transaction Consultants Corporation (ETCC) for Toll Revenue Management and Maintenance Program Services in an amount not to exceed \$20,600,000.00 (Tollway Sole Source).

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

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

Nays: None (0)

The motion was PASSED.

Item 2: Award of Contract 16-0138 to Kapsch TrafficCom IVHS Inc. for Transponder and Equipment Purchases in an amount not to exceed \$43,000,000.00 (Tollway Sole Source).

Chairman Schillerstrom called for a motion to approve **Business Systems Item 2**. Director Johnson made a motion for approval; seconded by Director Banks. Chairman Schillerstrom asked if there are any questions, concerns or requests for discussion.

Director Johnson inquired about anticipated increases in the contract's outlying years which necessitate a \$43 million award amount, rather than the approximately \$29 million which could be surmised if one were to multiply the 2017 budget request for transponders of \$7.3 million by the four year contract term. Ms. Whitehead responded that growth in transponder usage is anticipated over the term of the contract. She further responded that the contract additionally provides a source for purchase of related equipment, including antennas and readers (subject to degradation from winter conditions), for which a need is anticipated during later contract years.



Director Gomez asked how long the Tollway has been doing business with Kapsch TrafficCom, the vendor selected for award. Mr. Whitehead responded that the Kapsch TrafficCom contract was initiated with the E-ZPass Group in 2011, following a competitive selection process.

Director Gomez asked the vendor for this equipment prior to Kapsch TrafficCom. Ms. Whitehead responded that the previous vendor was MARK IV IVHS, which was acquired by Kapsch TrafficCom.

Director Vazquez Rowland suggested that the agency may wish to consider workforce makeup and indirect contracts when reviewing sole source procurements for diversity goal-setting opportunities.

Hearing nothing further, Chairman Schillerstrom called for a roll call on the pending motion, the vote of yeas and nays being as follows:

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

Nays: None (0)

The motion was PASSED.

Engineering

Item 1: Award of Contract I-14-4638 to Aldridge Electric, Inc. for Intelligent Transportation Systems, on Illinois Route 390 Tollway, from Milepost 6.5 (east of Lake Street / US 20) to Milepost 15.9 (east of IL-83), in the amount of \$5,325,571.07.

Chairman Schillerstrom called for a motion to approve **Engineering Item 1**. Director Johnson made a motion for approval; seconded by Director Dotson. Chairman Schillerstrom asked if there are any questions, concerns or requests for discussion.

Director Dotson inquired about the designation in the Diversity Detail of this item as a “control contract” without goals. Paul Kovacs, Chief Engineer, responded that pursuant to recommendation of the 2015 Disparity Study, an occasional construction contract is let without goals, which is consistent with best practice in operating a DBE program.

Hearing nothing further, Chairman Schillerstrom called for a roll call on the pending motion, the vote of yeas and nays being as follows:



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

Nays: None (0)

The motion was PASSED.

Item 2: Acceptance of Proposal from Stantec Consulting Services, Inc. / Terra Engineering, Ltd. (TM), on Contract I-15-4658 for Interchange Design, on the Elgin O'Hare Western Access (I-490) from south of Irving Park Road to west of County Line Road and Mount Prospect Road, in an amount not to exceed \$35,803,003.19.

Chairman Schillerstrom called for a motion to approve **Engineering Item 2**. Director Banks made a motion for approval; seconded by Director Dotson. Chairman Schillerstrom asked if there are any questions, concerns or requests for discussion.

Director Johnson inquired as to the status of the Intergovernmental Agreement ("IGA") approved by the Board in September to acquire various real estate interests in more than 500 acres from the City of Chicago (Chicago Department of Aviation). David Goldberg, General Counsel, responded that the IGA must be advanced through the Chicago City Council Committee on Aviation before being considered by the Chicago City Council, a process expected to complete within a few months.

Chairman Schillerstrom inquired about the calendar of the Committee on Aviation, as it relates to the IGA. **Mr. Goldberg responded that information on the Committee schedule will be provided to Directors post-meeting.**

Hearing nothing further, Chairman Schillerstrom called for a roll call on the pending motion, the vote of yeas and nays being as follows:

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

Nays: None (0)

The motion was PASSED.

Item 3: Acceptance of Proposal from Parsons Brinkerhoff, Inc. / GSG Consultants Inc. / GSG Materials Testing Inc. (JV) on Contract I-14-4187 for Supplemental Construction Management Services for Roadway, Retaining Wall and Bridge Reconstruction and Widening, on the Jane Addams Memorial Tollway (I-90), from Milepost 70.7 (Arlington Heights Road) to Milepost 73.3 (Oakton Street), in the amount of \$490,064.33 from \$7,239,470.82 to \$7,729,535.15.



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

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

Nays: None (0)

The motion was PASSED.

Item 4: Extra Work Order on Contract I-15-4236 to F.H. Paschen, S.N. Nielsen & Associates, LLC for Inside Roadway and Bridge Reconstruction on the Jane Addams Memorial Tollway (I-90) from Milepost 70.7 (Arlington Heights Road) to Milepost 73.3 (Oakton Street), in the amount of \$250,000.00.

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

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

Nays: None (0)

The motion was PASSED.

Chairman Schillerstrom stated that without objection, action on Engineering Item 5, related to land acquisition, will be deferred until after consideration in the Executive Session.

Legal

Item 1: Approval of a General Utility Relocation Agreement with Equilon Enterprise L.L.C. d/b/a Shell Oil Products U.S. Cost to the Tollway: No specific costs associated with Agreement.

Chairman Schillerstrom called for a motion to approve **Legal Item 1**. Director Gomez made a motion for approval; seconded by Director Dotson. Chairman Schillerstrom asked if there are any questions, concerns or requests for discussion.

Chairman Schillerstrom asked why the pipeline relocation was not executed at an earlier project stage. Mr. Kovacs explained that design detail is enhanced as the project progresses and utilities



are not identified for relocation until a point when it has been clearly determined that such efforts are unavoidable.

Hearing nothing further, Chairman Schillerstrom called for a roll call on the pending motion, the vote of yeas and nays being as follows:

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

Nays: None (0)

The motion was PASSED.

Item 2: Approval of an Intergovernmental Agreement with the County of Cook, the Illinois Department of Transportation, the City of Northlake, and the City of Elmhurst regarding Illinois Route 390 Tollway project improvements at County Line Road from I-294 to North Avenue. Cost to the Tollway: Estimated at \$7,593,586.46.

Chairman Schillerstrom called for a motion to approve **Legal Item 2**. Director Dotson made a motion for approval; seconded by Director Johnson. Chairman Schillerstrom asked if there are any questions, concerns or requests for discussion.

Chairman Schillerstrom then called on Rocco Zuccherro, Chief Planning Officer, to provide background on the item for benefit of the Board.

Upon conclusion of the presentation of the item by Mr. Zuccherro, Chairman Schillerstrom called for a roll call on the pending motion, the vote of yeas and nays being as follows:

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

Nays: None (0)

The motion was PASSED.

Item 3: Approval of an Intergovernmental Agreement with the Township of Schaumburg Road District and the Village of Schaumburg. Cost to the Tollway: \$0.

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



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

Nays: None (0)

The motion was PASSED.

Item 4: Assignment of Bond Counsel.

Chairman Schillerstrom called for a motion to approve **Legal Item 3**. Director Neli Vazquez Rowland made a motion for approval; seconded by Director Johnson. Chairman Schillerstrom asked if there are any questions, concerns or requests for discussion.

Chairman Schillerstrom requested confirmation that bond counsel assignments are rotated within a pool of outside legal counsels previously approved by the Board to assist with bond transactions. Mr. Goldberg confirmed.

Hearing nothing further, Chairman Schillerstrom called for a roll call, the vote of yeas and nays being as follows:

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

Nays: None (0)

The motion was PASSED.

Executive Session

Chairman Schillerstrom called for a motion to enter Executive Session pursuant to exceptions provided in Sections 2(c)5, 2(c)11, and 2(c)21 of the Illinois *Open Meetings Act* to consider Tollway matters related to the purchase of real property, potential or pending litigation, and the minutes of closed meetings. Director Johnson made a motion, pursuant to the sections specified, to enter Executive Session; seconded by Director Banks. Chairman Schillerstrom asked if there are any questions, concerns or requests for discussion. Hearing nothing, Chairman Schillerstrom called for a roll call, the vote of yeas and nays being as follows:

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

Nays: None (0)

The motion was PASSED.



At approximately 9:55 a.m., the Board entered into Executive Session.

Return from Executive Session and Action (if any)

At approximately 10:38 a.m., the Board re-entered the public session of the Meeting.

Chairman's Item 2: Approval of the Minutes of the Executive Session of the Board of Directors meeting held October 27, 2016.

Chairman Schillerstrom called for a motion to approve **Chairman's Item 2**, the Minutes of the Executive Session of the Board of Directors meeting held on October 27, 2016, as presented. Director Banks made a motion for approval; seconded by Director Johnson. Chairman Schillerstrom asked if there are any questions, concerns or requests for amendment. Hearing nothing, Chairman Schillerstrom called for a vote. The motion was PASSED unanimously.

Engineering Item 5: Land Acquisition (Identification of Real Estate Parcels associated with the Elgin O'Hare Western Access Project). Cost to the Tollway: N/A.

Chairman Schillerstrom called for a motion to approve Engineering Item 5, which amends a prior resolution to identify three additional parcels needed for the Elgin O'Hare Western Access ("EOWA") Project that may need to be acquired by condemnation.

Director Johnson requested that distinct motions be made so that Parcel WA-3D-12-900 may be considered separately, and so that he may recuse himself from participating in the decision regarding this parcel.

Without objection, Chairman Schillerstrom called for a motion to approve **Engineering Item 5 (Part 1)**, which amends a prior resolution to identify Parcels WA-1D-15-002 and WA-3D-12-012 needed for the EOWA Project that may need to be acquired by condemnation. Director Johnson made a motion for approval; seconded by Director Gomez. Chairman Schillerstrom asked if there are any questions, concerns or requests for discussion. Hearing nothing, Chairman Schillerstrom called for a roll call, the vote of yeas and nays being as follows:

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

Nays: None (0)

The motion was PASSED.



Chairman Schillerstrom then called for a motion to approve **Engineering Item 5 (Part 2)**, which amends a prior resolution to identify Parcel WA-3D-12-900 needed for the EOWA Project that may need to be acquired by condemnation. Director Gomez made a motion for approval; seconded by Director Vazquez Rowland. Chairman Schillerstrom asked if there are any questions, concerns or requests for discussion. Hearing nothing, Chairman Schillerstrom called for a roll call, the vote of yeas and nays being as follows:

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

Nays: None (0)

Recusals: Director Johnson (1)

The motion was PASSED.

Adjournment

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

The Meeting was adjourned at approximately 10:42 a.m.

Minutes taken by: _____

Christi Regnery
Board Secretary
Illinois State Toll Highway Authority



2016 Third Quarter Budget to Actual Review

(Preliminary and Unaudited)

November 17, 2016

Mike Colsch



2016 Revenue – Third Quarter

Total revenue was **\$2.4 million more than budget**

<i>(\$ millions)</i>	<u>Budget</u>	<u>Actual</u>	<u>\$ Var.</u>	<u>% Var.</u>
Toll and Evasion Recovery	\$342.4	\$342.9	\$0.5	
Concessions	0.6	0.6	0.0	
Investment Income	0.5	1.2	0.7	
Miscellaneous	1.5	2.6	1.2	
Total Revenue	\$345.0	\$347.3	\$2.4	0.7%

Third Quarter Transactions

- **Commercial vehicles**
 - Grew 4.9 percent year-over-year
 - 2.0 percent more than projected for the quarter
- **Passenger cars**
 - Grew 6.9 percent year-over-year
 - 4.4 percent more than projected for the quarter

Note: Numbers may not add to totals due to rounding

Presented by Mike Colsch on November 17, 2016



2016 Maintenance and Operations - Third Quarter

M and O actual expenses were in line with budget

(\$ millions)	Budget	Actual	\$ Var.	% Var.
Payroll and Related Costs	\$41.8	\$39.2	(\$2.6)	
Group Insurance	9.2	8.4	(0.8)	
Contractual Services	17.0	18.5	1.5	
Materials/Oper.Supplies	1.2	1.1	(0.1)	
Utilities	2.0	1.8	(0.2)	
All Other Insurance	3.0	(1.3)	(4.3)	
Parts and Fuel	2.0	2.0	0.0	
Equip.Rental/Maintenance	4.8	5.6	0.8	
Other Misc. Expenses	0.2	0.2	(0.0)	
Recovery of Expenses	(0.6)	(0.7)	(0.1)	
Total	\$80.8	\$74.8	(\$5.9)	(7.3%)

Key drivers

- Payroll and related costs
- All other insurance
- Group insurance
- Contractual services

Note: Numbers may not add to totals due to rounding

Presented by Mike Colsch on November 17, 2016



2016 Capital Program – Third Quarter

Capital Program expenses were more than projected primarily due to schedule changes

<i>(\$ millions)</i>	<u>Projection</u>	<u>Act.</u>	<u>\$ Var.</u>	<u>% Var.</u>
Tri-State Tollway (I-94/I-294/I-80)	\$17.3	\$12.3	(\$5.0)	
Reagan Memorial Tollway (I-88)	19.6	38.5	18.9	
Jane Addams Memorial Tollway (I-90)	123.8	198.4	74.6	
Veterans Memorial Tollway (I-355)	2.6	3.1	0.5	
Open Road Tolling (ORT)	1.3	0.7	(0.6)	
Systemwide Improvements	43.1	32.2	(10.9)	
Tri-State Tollway (I-294)/I-57 Interchange	0.4	0.4	0.1	
Elgin O'Hare Western Access	135.5	91.9	(43.6)	
Other Emerging Projects	1.5	0.2	(1.3)	
Move Illinois and CRP	\$345.0	\$377.7	\$32.7	9.5%
Other Capital Projects	18.2	14.2	(4.0)	-22%
Capital Program Subtotal	\$363.3	\$391.9	\$28.7	7.9%
IGA Reim. And Other Adjust.		(3.2)	(3.2)	N/A
Total Capital Program Expenditures	\$363.3	\$388.7	\$25.4	7.0%

Note: Numbers may not add to totals due to rounding

Presented by Mike Colsch on November 17, 2016



2016 Third Quarter Summary

- Revenue was \$2.4 million more than budget
- Revenue increased \$21.2 million, or 6.5 percent, over 2015
- Maintenance and Operations expenditures were \$5.9 million less than budget
- Debt service transfers were \$20.2 million less than projection
 - \$18 million Series 1998B third quarter debt service was not realized due to early (April 2016) Series 1998B bond redemption
- Capital Program expenditures were \$25.4 million more than projection



2016 Year-to-Date Summary

- Revenue was \$1.8 million less than budget
- Revenue increased \$63.1 million, or 6.9 percent, over 2015
- Maintenance and Operations expenditures were \$12.2 million less than budget
- Debt service transfers were \$8.0 million more than projection
 - 1998B debt service originally budgeted for the fourth quarter was moved up due to early (April 2016) Series 1998B bond redemption
- Capital Program expenditures were \$194.2 million less than projection

Appendix



2016 Revenue – Year-to-Date

(\$ thousands)

	YTD		Variance	
	Budget	Actual	\$	%
Toll Revenue and Evasion Recovery	\$969,391	\$965,034	(\$4,357)	-0.4%
Concessions	1,660	1,691	31	1.9%
Investment Income	1,500	3,551	2,051	136.7%
Miscellaneous	4,141	4,573	432	10.4%
Total Revenue	\$976,692	\$974,848	(\$1,844)	-0.2%

Note: Numbers may not add to totals due to rounding

Presented by Mike Colsch on November 17, 2016



2016 Maintenance and Operations – Year-to-Date

(\$ thousands)

	YTD		Variance	
	Budget	Actual	\$	%
Payroll and Related Costs	\$124,963	\$119,797	(\$5,166)	-4.1%
Group Insurance	27,226	25,242	(1,983)	-7.3%
Contractual Services	49,514	49,365	(149)	-0.3%
Materials/Operational Supplies/Other Expenses	4,346	3,775	(571)	-13.1%
Utilities	6,026	5,442	(584)	-9.7%
All Other Insurance	8,925	4,080	(4,845)	-54.3%
Parts and Fuel	4,479	3,659	(820)	-18.3%
Equipment/Office Rental and Maintenance	12,951	15,265	2,314	17.9%
Other Miscellaneous Expenses	737	650	(87)	-11.8%
Recovery of Expenses	(1,706)	(2,022)	(315)	-18.5%
Total Maintenance and Operations Expenditures	\$237,460	\$225,253	(\$12,206)	-5.1%

Note: Numbers may not add to totals due to rounding

Presented by Mike Colsch on November 17, 2016



2016 Capital Program – Year-to-Date

(\$ thousands)

	YTD		Variance	
	Projection	Actual ⁽¹⁾	\$	%
Tri-State Tollway (I-94/I-294/I-80)	\$53,887	\$34,072	(\$19,815)	-36.8%
Reagan Memorial Tollway (I-88)	86,866	62,227	(\$24,639)	-28.4%
Jane Addams Memorial Tollway (I-90)	465,085	457,367	(\$7,718)	-1.7%
Veterans Memorial Tollway (I-355)	2,600	3,127	\$527	20.3%
Open Road Tolling (ORT)	3,806	1,596	(\$2,210)	-58.1%
Systemwide Improvements	129,685	85,202	(\$44,483)	-34.3%
Tri-State Tollway (I-294)/I-57 Interchange	1,159	1,606	\$447	38.5%
Elgin O'Hare Western Access	290,082	222,022	(\$68,060)	-23.5%
Other Emerging Projects	1,866	443	(\$1,422)	-76.2%
Move Illinois and CRP Subtotal	\$1,035,036	\$867,662	(\$167,375)	-16.2%
"Other" Capital Projects	35,570	38,378	\$2,808	7.9%
Capital Program Subtotal	\$1,070,606	\$906,039	(\$164,567)	-15.4%
Agreement Reimbursements and Other Adjustments ⁽²⁾	-	(29,677)	(\$29,359)	N/A
Total Capital Program Expenditures	\$1,070,606	\$876,362	(\$194,244)	-18.1%

⁽¹⁾ Capital Program expenses are financed by funds available in the Renewal/ Replacement and Improvement accounts.

⁽²⁾ Capital Program Actual included accrued expenses for which payments have not been made as of September 30, 2016.

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

Note: Numbers may not add to totals due to rounding

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2016 Revenue – Budget Realized

(\$ thousands)

	2016 Budget	YTD Actual	% Budget Realized
Toll Revenue and Evasion Recovery	\$1,290,000	\$965,034	74.8%
Concessions	2,200	1,691	76.9%
Investment Income	2,000	3,551	177.5%
Miscellaneous	5,800	4,573	78.8%
Total Revenue	\$1,300,000	\$974,848	75.0%

Note: Numbers may not add to totals due to rounding

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2016 Maintenance and Operations – Budget Realized

(\$ thousands)

	2016 Budget	YTD Actual	% Budget Realized
Payroll and Related Costs	\$166,686	\$119,797	71.9%
Group Insurance	36,442	25,242	69.3%
Contractual Services	67,032	49,365	73.6%
Materials/Operational Supplies/Other Expenses	7,778	3,775	48.5%
Utilities	8,091	5,442	67.3%
All Other Insurance	12,065	4,080	33.8%
Parts and Fuel	7,304	3,659	50.1%
Equipment/Office Rental and Maintenance	17,763	15,265	85.9%
Other Miscellaneous Expenses	970	650	67.0%
Recovery of Expenses	(2,325)	(2,022)	87.0%
Total Maintenance and Operations Expenditures	\$321,807	\$225,253	70.0%

Note: Numbers may not add to totals due to rounding

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2016 Capital Program–Projection Realized

(\$ thousands)

	2016 Projection	YTD Actual ⁽¹⁾	% Projection Realized
Tri-State Tollway (I-94/I-294/I-80)	\$68,047	\$34,072	50.1%
Reagan Memorial Tollway (I-88)	105,263	62,227	59.1%
Jane Addams Memorial Tollway (I-90)	577,396	457,367	79.2%
Veterans Memorial Tollway (I-355)	7,727	3,127	40.5%
Open Road Tolling (ORT)	5,166	1,596	30.9%
Systemwide Improvements	189,662	85,202	44.9%
Tri-State Tollway (I-294)/I-57 Interchange	1,523	1,606	105.5%
Elgin O'Hare Western Access	383,558	222,022	57.9%
Other Emerging Projects	5,822	443	7.6%
Move Illinois and CRP Subtotal	\$1,344,163	\$867,662	64.6%
"Other" Capital Projects ⁽²⁾	59,684	38,378	64.3%
Capital Program Subtotal	\$1,403,847	\$906,039	64.5%
Agreement Reimbursements and Other Adjustments ⁽³⁾	-	(29,677)	N/A
Total Capital Program Expenditures	\$1,403,847	\$876,362	62.4%

⁽¹⁾ Capital Program Actual included accrued expenses or which payments have not been made as of Septemebr 30, 2016.

⁽²⁾ The Other Projects portion of the Capital Program Budget for 2016 totaled \$101 million, of which \$60 million is projected to be spent.

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



2016 Capital Program–Third Quarter

Jane Addams Memorial Tollway (I-90)

- Schedule changes due to acceleration of road and bridge work as well as completion of outside lane work \$78.5 million

Reagan Memorial Tollway (I-88)

- Schedule changes \$17.1

Elgin O’Hare Western Access

- Schedule changes and ROW impacts (\$44.0)

Systemwide

- Slower than planned spending (\$10.1)

Tri-State Tollway

- Slight delay due to geotechnical work (\$5.0)



Third Quarter Revenue—2016 vs. 2015

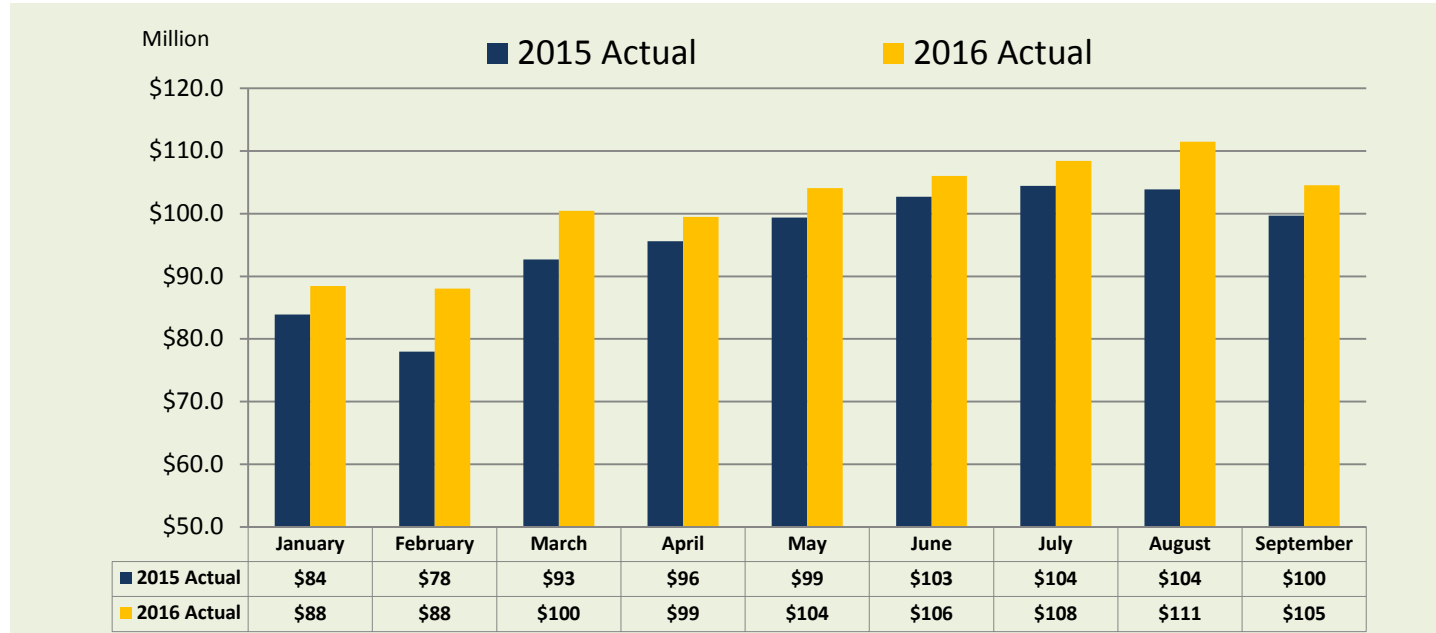
(\$ thousands)

	2015	2016	Variance	
			\$	%
Toll Revenue and Evasion Recovery	\$324,335	\$342,921	\$18,587	5.7%
Concessions	564	609	45	8.1%
Investment Income	477	1,157	680	142.7%
Miscellaneous	786	2,642	1,856	236.0%
Total Revenue	\$326,161	\$347,329	\$21,168	6.5%

Note: Numbers may not add to totals due to rounding



Revenue (monthly) 2016 vs. 2015



Note: Numbers may not add to totals due to rounding

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Third Quarter Maintenance and Operations –2016 vs. 2015

(\$ thousands)

	Third Quarter		Variance	
	2015	2016	\$	%
Payroll and Related Costs	\$40,473	\$39,184	(1,289)	
Group Insurance	8,284	8,438	155	
Contractual Services	16,956	18,505	1,549	
Materials/Operational Supplies/Other Expenses	1,194	1,056	(138)	
Utilities	2,181	1,801	(380)	
All Other Insurance	(14)	(1,275)	(1,261)	
Parts and Fuel	1,188	2,025	836	
Equipment/Office Rental and Maintenance	4,507	5,557	1,050	
Other Miscellaneous Expenses	176	232	57	
Recovery of Expenses	(508)	(698)	(190)	
Total Maintenance and Operations Expenditures	\$74,437	\$74,825	\$388	0.5%

Note: Numbers may not add to totals due to rounding

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Third Quarter Capital Program—2016 vs. 2015

(\$ thousands)

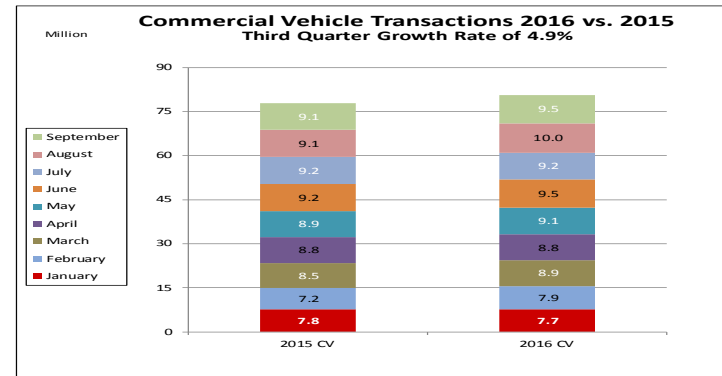
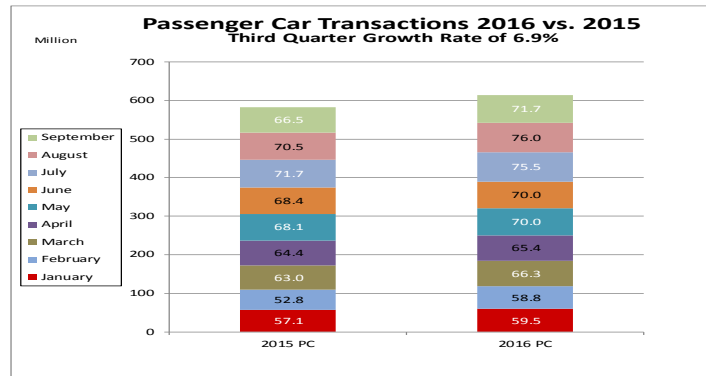
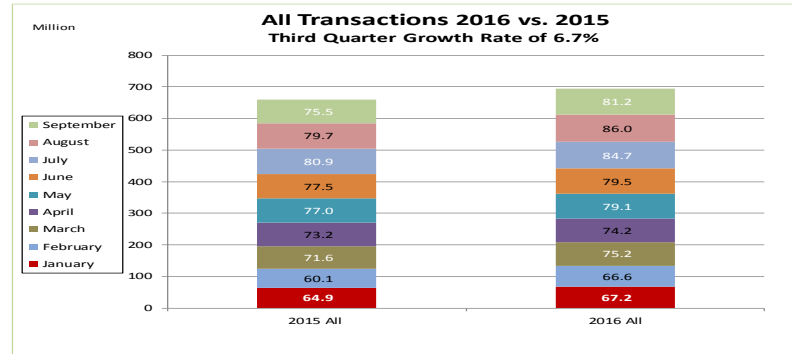
	Third Quarter		Variance	
	2015	2016	\$	%
Tri-State Tollway (I-94/I-294/I-80)	\$734	\$12,302	\$11,568	
Reagan Memorial Tollway (I-88)	39,681	38,456	(1,226)	
Jane Addams Memorial Tollway (I-90)	246,865	198,431	(48,434)	
Veterans Memorial Tollway (I-355)	37	3,053	3,016	
Open Road Tolling (ORT)	40	712	671	
Systemwide Improvements	47,635	32,201	(15,433)	
Tri-State Tollway (I-294)/I-57 Interchange	1,856	442	(1,414)	
Elgin O'Hare Western Access	102,058	91,933	(10,125)	
Other Emerging Projects	332	191	(141)	
Move Illinois and CRP Subtotal	\$439,239	\$377,721	(\$61,517)	-14%
"Other" Capital Projects	11,400	14,208	2,808	25%
Capital Program Subtotal	\$450,639	\$391,929	(\$58,709)	-13%
Agreement Reimbursements and Other Adjustments	(\$2,569)	(\$3,246)	(\$676)	NA
Total Capital Program Expenditures	\$448,069	\$388,684	(\$59,386)	-13%

Note: Numbers may not add to totals due to rounding

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2016 vs. 2015 Transactions—Year over Year



Note: Numbers may not add to totals due to rounding



THANK YOU



STUDENT ART CONTEST

ENHANCING DRIVERS EXPERIENCE VIA INNOVATION AND TECHNOLOGY



BLICK
art materials

MB Real
Estate

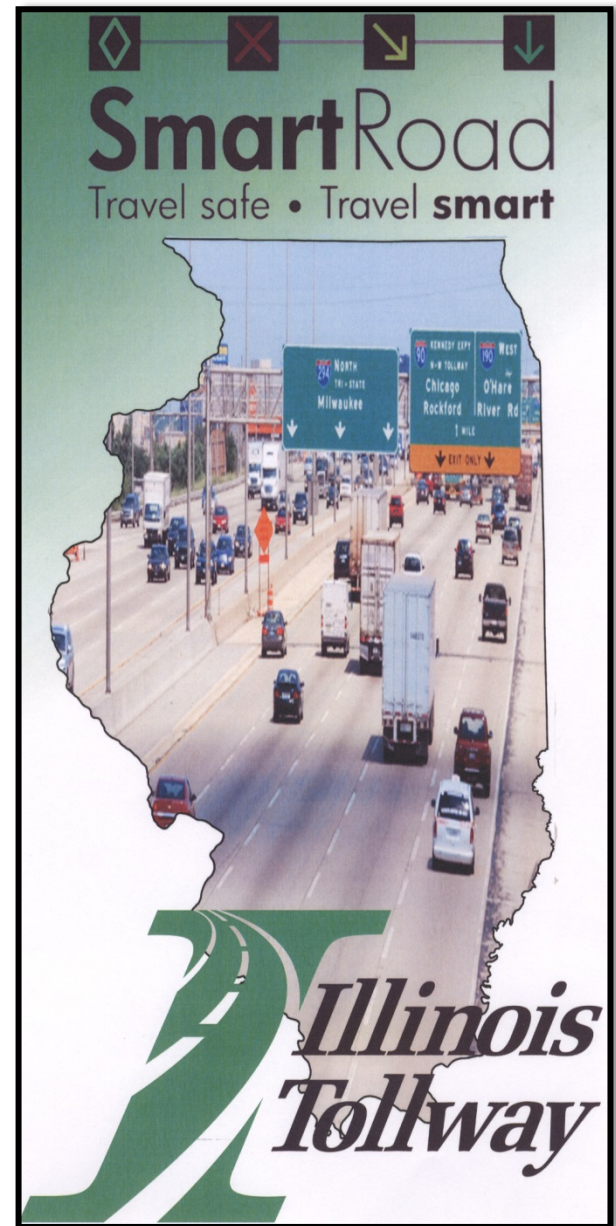
**STUDENT
ART
CONTEST**

Third Runner-Up

Manuella Rodela

Bolingbrook High School

Bolingbrook, Illinois



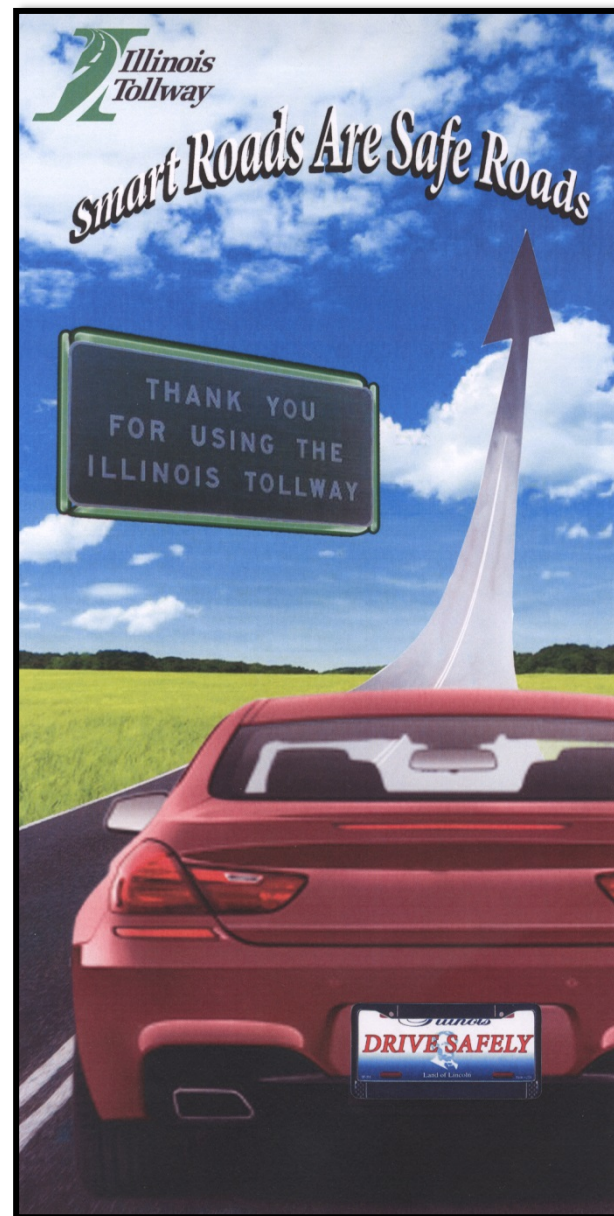
**STUDENT
ART
CONTEST**

Second Runner-Up

Vanessa Arenas

Bolingbrook High School

Bolingbrook, Illinois

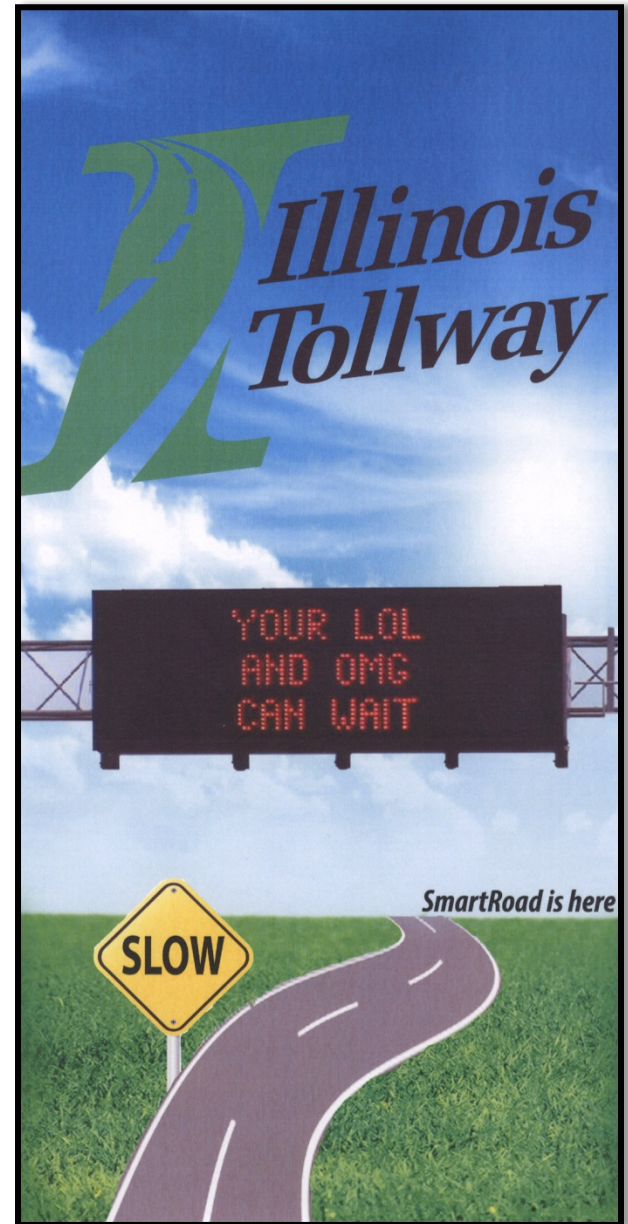


**STUDENT
ART
CONTEST**

First Runner-Up

Alyssa Elborne

Bolingbrook High School
Bolingbrook, Illinois

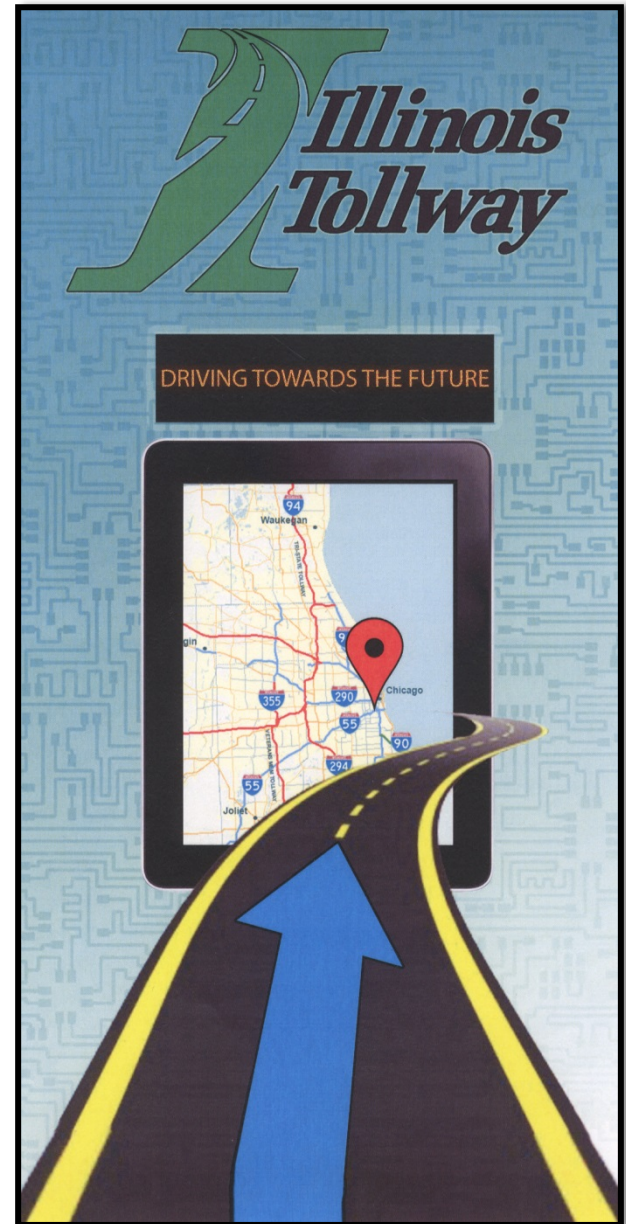


**STUDENT
ART
CONTEST**

Grand Prize Winner

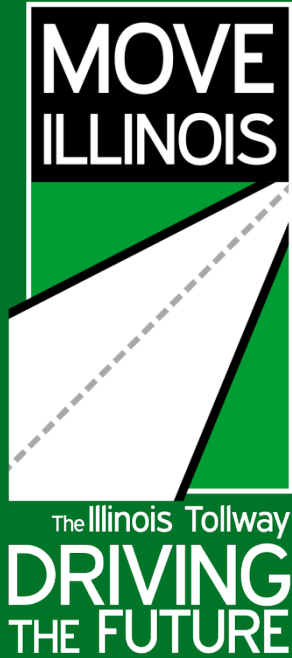
Luis Chavez

Bolingbrook High School
Bolingbrook, Illinois



STUDENT ART CONTEST

Thank you
to all participants



Illinois Tollway 2017 Business Diversity Program

Gustavo Giraldo, *Chief of the Department of Diversity and
Strategic Development*
November 17, 2016

Agenda

Diversity Budget Detail

- Program development and management
- Program support
- Other activities
- Technical Assistance (TA) programs

Technical Assistance Programs

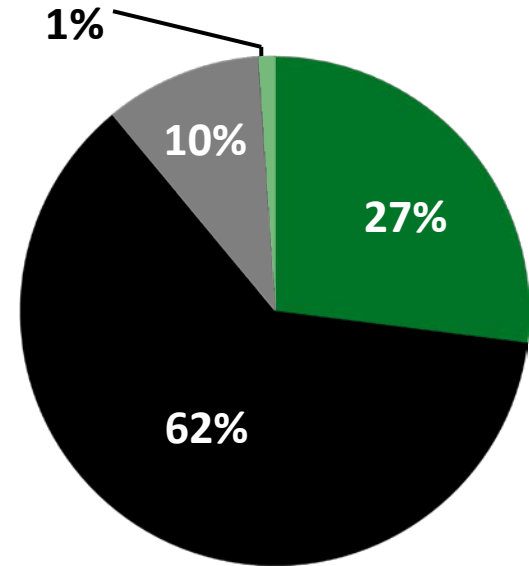
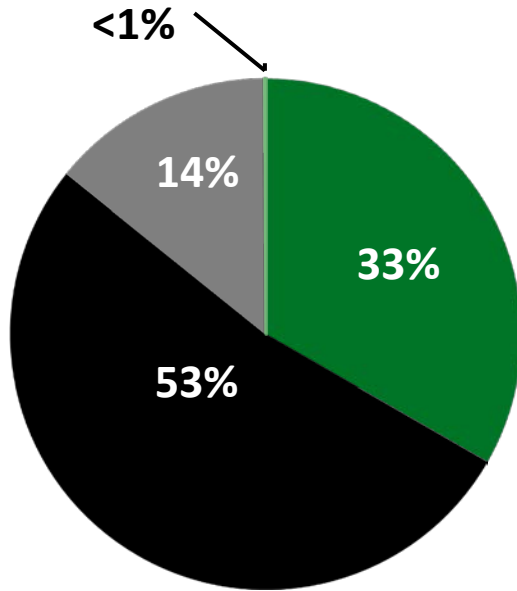
- Technical Assistance for small businesses overview
- Workforce Development Technical Assistance Center (WDTAC) overview

2017 Diversity Budget

2016 Budget: \$2,577,200

2017 Request: \$3,827,587

Change from 2016: + \$1,250,387
48.5% increase



- Salary and Benefits
- Program Support
- Technical Assistance
- Other Activities

Diversity Budget Detail

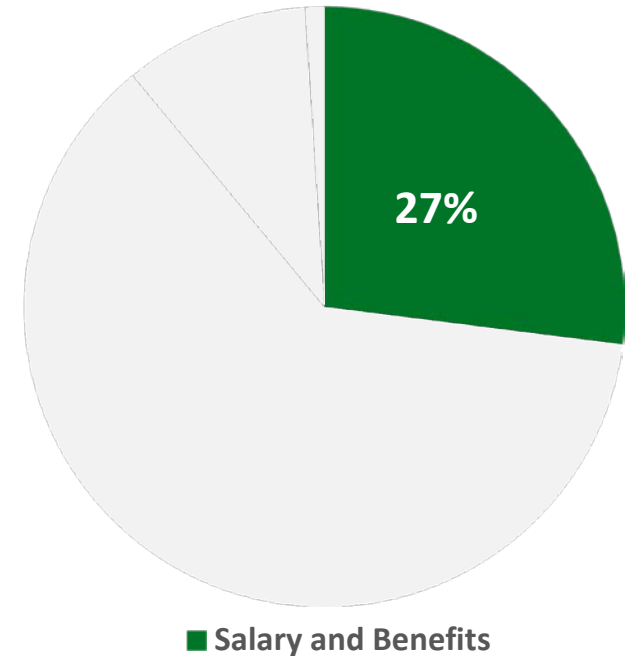
Program Development and Management

2017 Request: \$1,032,387

Change from 2016: + \$190,087

Main activities include:

- Determine DBE, BEP, veteran and small business goals and monitor contractor plans
 - Review Professional Service Bulletin Statements of Interest
- Contract management of Technical Assistance (TA) services
- Contract management of compliance functions
- Organize outreach meetings and events
- Development and execution of new policies and initiatives
- ECP and EEO Program management and other Workforce Development initiatives
- Work with contractors and professional service firms to expand capacity and create new opportunities



Diversity Budget Detail

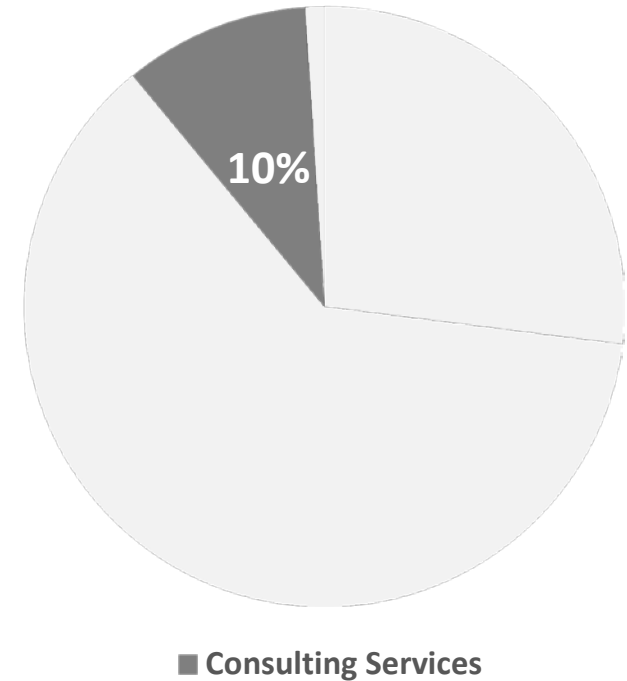
Program Support

2017 Request: \$400,000

Change from 2016: + \$50,000

Activity includes:

- Purchase and implementation of Diversity Management cloud-based solution
- Addresses Disparity Study recommendation to improve data collection



Diversity Budget Detail

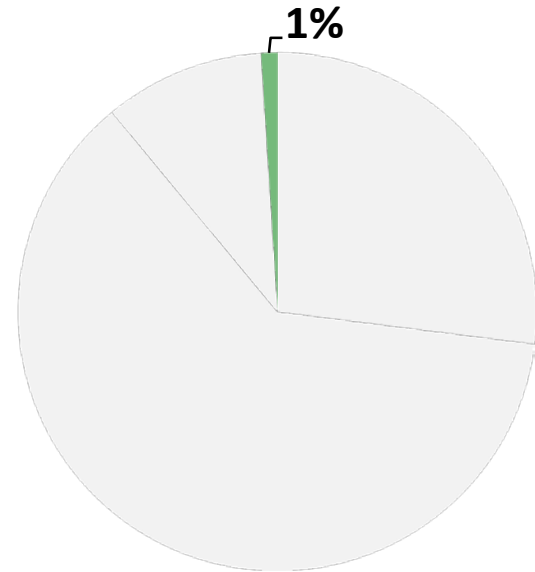
Other Activities

2017 Request: \$34,100

Change from 2016: + \$10,300

Activities include:

- Employee training
- Marketing and advertising of Tollway sponsored outreach meetings and events
- Other operational expenses



■ Other Activities



Diversity Budget Detail

Technical Assistance (TA) Programs

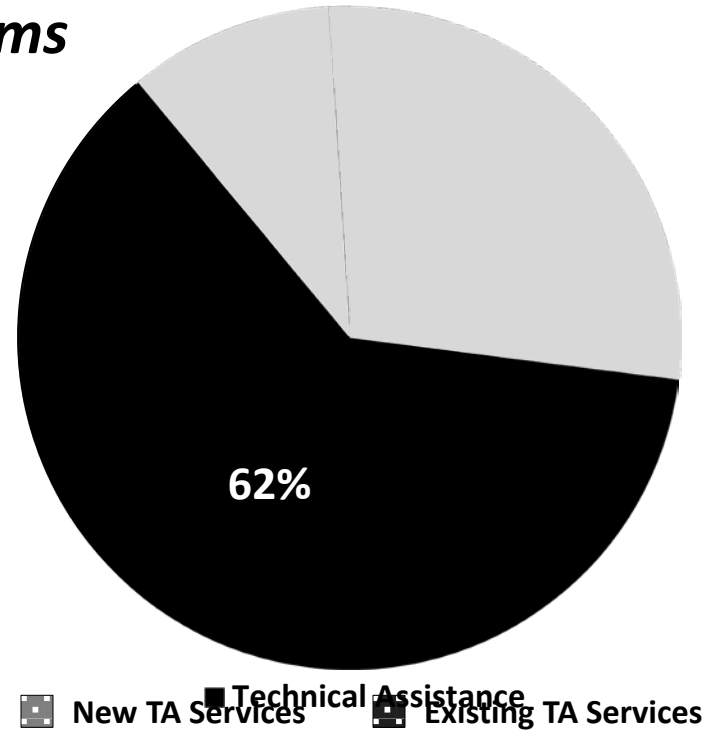
2017 Request: \$2,361,100

Change from 2016: + \$1,000,000

73.5% increase

Activities include:

- 12 months of funding for existing TA services for small businesses (\$692,386)
- Balance of TA funding (\$1,668,714) allocated to new TA services:
 - 12 months of anticipated TA services for small businesses – cost TBD
 - New funding for Workforce Development Technical Assistance Center (WDTAC) – cost TBD



The Illinois Tollway
**DRIVING
THE FUTURE**

Technical Assistance (TA) Programs

Technical Assistance for Small Businesses Overview

Prepares established firms to participate as prime and subcontractors

- Participants receive comprehensive business development assistance
- Training is customized to the assessed strengths, challenges and needs of participating firms
- Training is provided at no cost to businesses

TA services are currently being provided by three vendors

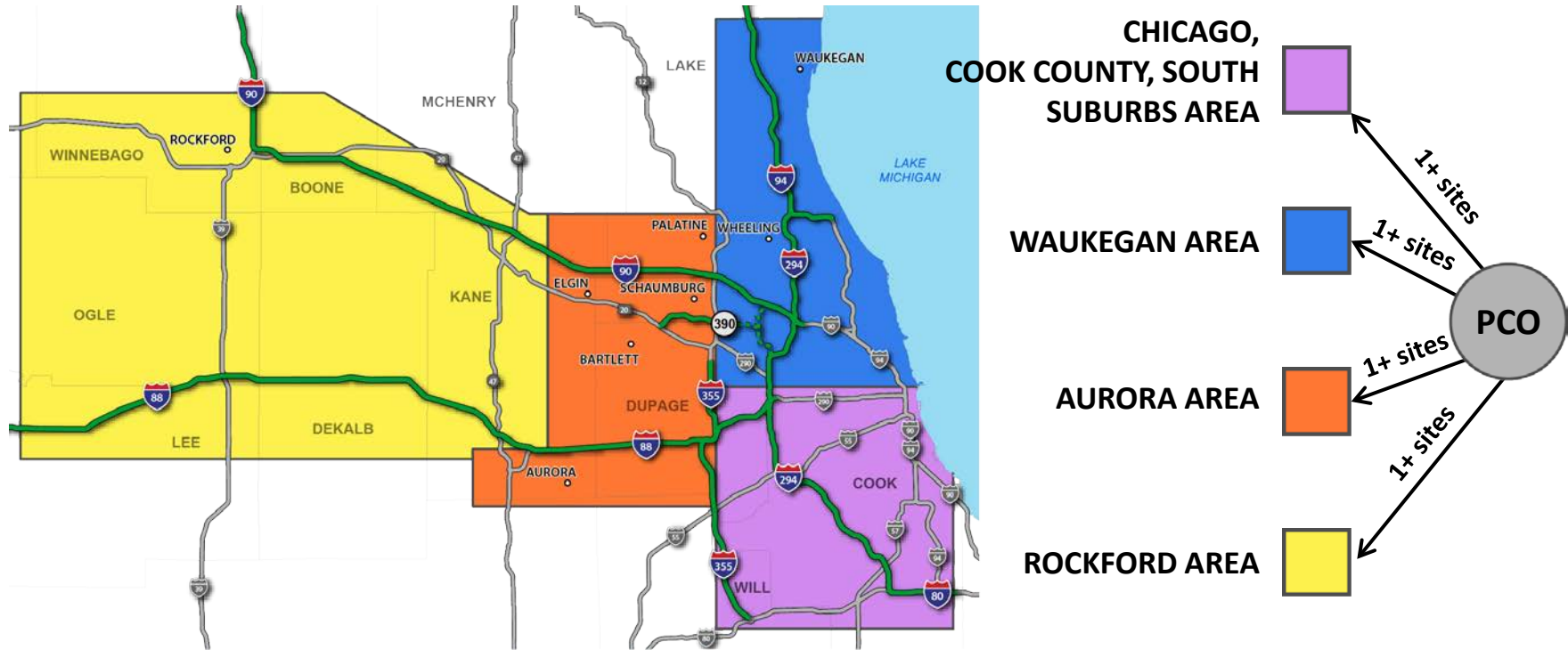
- Illinois Black Chamber of Commerce (ILBCC) – Waukegan area
- Hispanic American Construction Industry Association (HACIA) – Aurora area
- Construction Business Development Center (CDBC) – Chicago/Cook County/South Suburbs

Tollway currently reviewing RFP responses for TA services in Chicago/Cook County/South Suburbs and Rockford areas



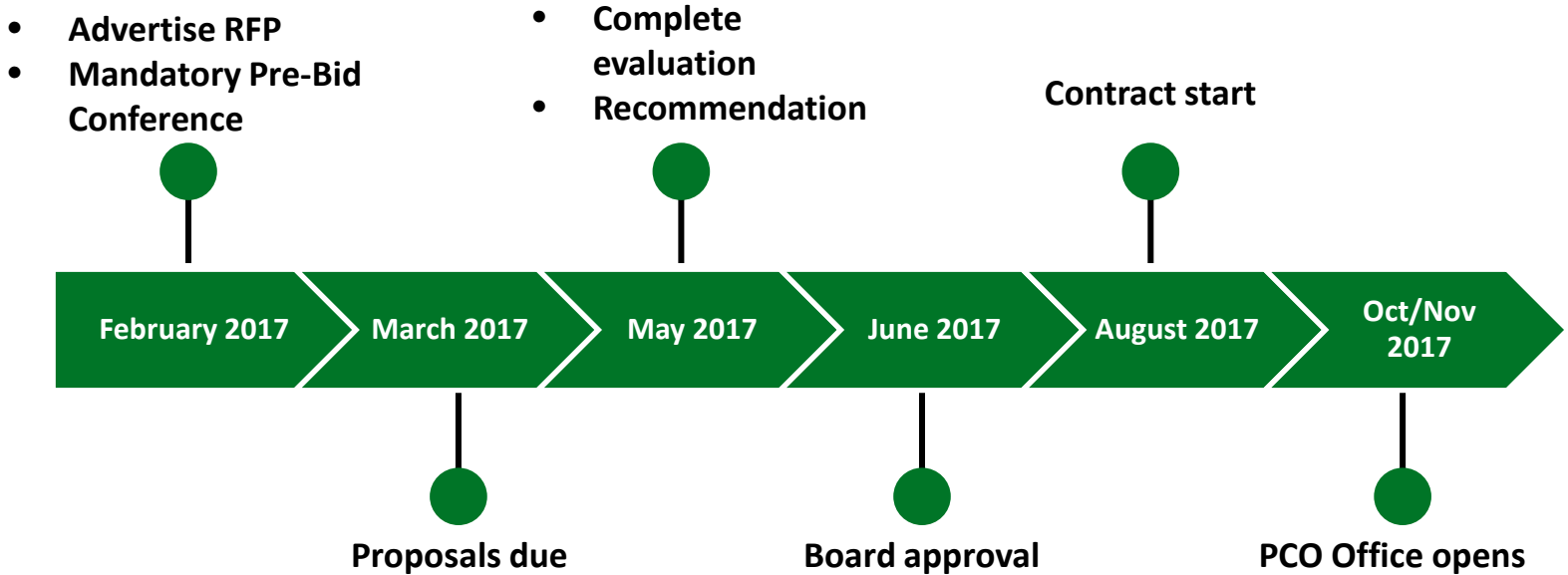
Technical Assistance Program

Prime Center Operator (PCO) and Satellite Service Providers (SSP)



Technical Assistance Program

WDTAC Contract Award Timeline



THANK YOU

APPENDIX

Technical Assistance Program

Workforce Development Technical Assistance Center Overview

PCO to be located within Chicago/Cook County/South Suburbs area, accessible to large concentration of historically under-represented groups

The successful vendor must demonstrate capability to:

- Develop training curriculum and materials
- Implement Workforce Development programs
- Provide direct training to both groups and individuals
- Successfully place individuals into U.S. DOL approved apprenticeships
- Foster and engage partnerships with labor and industry stakeholders (e.g. construction contractors) to provide employment and career opportunities

Vendors will be encouraged to propose measurable and innovative solutions to sustain long term employment opportunities for participants

Selected vendor will be evaluated on success with:

- Recruitment and training of individuals to pass pre-apprenticeship tests
- Assisting individuals to enter apprenticeship programs and achievement of high percentages of training completion
- Placing individuals in construction trade employment opportunities
- Working with contractors to employ individuals on Tollway projects
- Ensuring trainees remain employed beyond one year