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Record of Closed Meeting | March 21, 2019

The Illinois State Toll Highway Authority (the "Tollway") Board of Directors met in Executive Session at approximately 9:50 a.m. on Thursday, March 21, 2019 to discuss Tollway matters related to the performance of specific employees, collective negotiating, purchase or lease of real property, potential or pending litigation, and the minutes of closed meetings pursuant to exceptions provided in Sections 2(c)1, 2(c)2, 2(c)5, 2(c)11, and 2(c)21 of the Illinois *Open Meetings Act*.

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

Executive Session Attendance

Board Members Present:	Staff Present for all or portions of the Meeting:
Chairman Will Evans	Kevin Artl (Chief Operating Officer)
Director James Connolly	Bob Lane (Acting General Counsel)
Director Stephen Davis	Christi Regnery (Board Secretary)
Director Alice Gallagher	Rocco Zuccherro (Chief of Planning)
Director Cesar Santoy	Mike Colsch (Chief Financial Officer)
Director Scott Paddock	Paul Kovacs (Chief Engineering Officer)
Director Gary Perinar	Bob Woodward (Land Acquisition Manager)
Director James Sweeney	Liz Oplawski (Assistant Attorney General)
Director McConnaughay (<i>via phone</i>)	Victor Azar (Senior Assistant Attorney General)
	Cassandra Rouse (Chief of Administration)
	T.J. Hengesbach (Inspector General)



Directors discussed the minutes of a closed session meeting

Chairman Evans raised for consideration the Minutes of the Executive Session of the December 20, 2018 Board of Directors meeting. He inquired of the Board if there are any questions, concerns or requests for amendment.

A Director, recognizing that no member of the current Board was present at the meeting subject of these minutes, asked staff to confirm the contents accurately summarize the meeting's activities and include nothing uncommon. The Board Secretary confirmed.

Hearing nothing further, Chairman Evans advised the Board that action on these Minutes will occur upon return to the regular session of the Meeting.

Directors discussed land acquisition activities

Identification of Real Estate Parcels (Engineering Item 17): Pursuant to Tollway obligation (arising from the eminent domain matter of *ISTHA v. DiBenedetto*) to identify real estate interests which may need to be acquired by condemnation, staff provided a summary table of the Central Tri-State (I-294) parcel identification report noting the addition of eleven (11) parcels, located within Cook County, in which various real estate interests are sought. Staff advised that only the newly identified parcels highlighted in yellow are subject of the amended resolution for which Board consideration is being requested at the Meeting. Staff clarified that the record owner information provided reflects the best known information to-date and is subject to change as the process advances and additional information is acquired.

Directors and staff briefly discussed the owner notification, appraisal and negotiation process for real estate interests that have been identified for acquisition. Staff emphasized that owner notification typically occurs in the projects initial stages, as needs are determined, and that agreement with property owners is typically reached during the price negotiation phase without the need to exercise the Tollway's condemnation authority. Staff confirmed that the vast majority of property owners potentially impacted by the Central Tri-State Tollway (I-294) Project have been contacted. Staff clarified, however, that because design changes can and do occur, land acquisition activity isn't final until the project is complete.

Identification of Real Estate Parcels (Engineering Item 18): Pursuant to Tollway obligation (arising from the eminent domain matter of *ISTHA v. DiBenedetto*) to identify real estate interests which may need to be acquired by condemnation, staff provided a summary table of the Elgin O'Hare Western Access ("EOWA") Project parcel identification report noting the addition of one (1) parcel, located within Cook County, in which partial taking is sought. Staff advised that only



the newly identified parcel highlighted in yellow is subject of the amended resolution for which Board consideration is being requested at the Meeting. Staff also clarified that the record owner information provided reflects the best known information to-date and is subject to change as the process advances and additional information is acquired.

A Director asked whether a pipeline is present on the parcel, and if so, whether relocation is required and at who's cost. Staff confirmed a pipeline exists and that the Tollway is responsible for the cost of its needed relocation.

Directors discussed potential or pending litigation

Final Settlement of Condemnation Litigation – Parcel EO-1B-12-102 (Legal Item 8):

Staff provided a summary of a condemnation action filed by the Tollway which seeks fee taking of 448,920 square feet of commercial property located in DuPage County, parcel EO-1B-12-102, needed in connection with the EOWA Project. Staff explained that order vesting title was previously obtained in July 2015 by ruling of a quick take condemnation hearing and upon the Tollway's deposit of preliminary just compensation ("PJC"), as determined by the court, in the amount of \$1,115,000. Staff reported that a lengthy settlement conference was held at which a significant aspect of the proceeding was the cost of needed environmental remediation. Staff highlighted that agreement was ultimately reached to fully settle this matter for the sum of \$1,086,000, an amount lower than the sum determined by the court as PJC. Staff advised the Board that the Tollway Legal Department and the Land Acquisition Manager are recommending approval of a final settlement in this amount.

Directors and staff discussed the quantity and costs of remedial action taken as well as the standards for environmental condition needed to achieve a No Further Remediation (NFR) letter from the Illinois EPA, releasing the Tollway from further responsibilities under the Illinois Environmental Protection Act. **Staff noted that details regarding the costs, quantities and standards of remedial action taken will be provided to Directors post-Meeting.**

Legal Settlement Des Plaines 7-Eleven Oasis Pavilion (Legal Item 9): Staff informed the Board that 7-Eleven previously agreed to build out its Des Plaines locations with improvements consisting of additional rest rooms necessary to accommodate Tollway customers that ordinarily would have stopped at the vacated pavilion. *[Discussions related to litigation and litigation strategy are redacted.]* Staff advised the Board that the Tollway requires the demolition of the Des Plaines Oasis 7-Eleven convenience and fuel stores, and accordingly, the facilities were closed at the end of 2018. Staff stated that as a result of the recent closing, the lessee is entitled to a refund of \$1,705,522.39 for the buildout and \$270,362.62 in R&R funds associated with the Des Plaines Oasis.



A Director inquired if the Tollway owns all of its oases and if all businesses operating at these locations are tenants. Staff confirmed, clarifying that the Des Plaines Oasis 7-Eleven had entered into a 25-year lease with the Tollway, originally due to expire in 2027.

[Mr. Zucchero, Mr. Woodward and Mr. Kovacs departed the meeting at this time.]

Directors discussed collective bargaining matters

[Discussions related to collective bargaining are redacted.]

AFSCME (Legal Item 10): Staff briefed the Board on a collective bargaining agreement recently reached with the American Federation of State County Municipal Employees (AFSCME) Local 3883, comprised of approximately 217 mostly professional employees working at Tollway Headquarters. Staff informed Directors that AFSCME membership ratified the agreement on December 18, 2018. Staff then provided a summary of key terms of the agreement that include a five-year contract term (to expire December 31, 2022) with a year-one lump sum adjustment of \$500 with \$500 added to the base wage for 2018. Staff continued that years two and three provide for a 2.5% increase, except for approximately forty-one employees making less than \$15/hour who will have their wages brought up to \$15/hour effective January 1, 2019. Staff added that year-five provides for a 3% increase in wages. Staff noted there is also an increase of 10 cents in longevity pay at 10 years, 20 years, and 25 years of service.

A Director asked why the initiation of negotiations did not occur until some months after the current contract had expired. Staff responded that the agency is obliged to wait for the union to initiate the request to begin negotiations.

A Director asked if the wage increases are retroactive. Staff responded that the 2018 increase consists of a lump sum adjustment and the current year increases are to be retroactive to January 1, 2019.

[Mr. Azar, Mr. Artl, Ms. Rouse, Mr. Hengesbach, and Mr. Colsch departed the meeting at this time.]

Directors discussed personnel matters

Chairman Evans informed the Board that, in the presence of legal counsel and with the prior knowledge and approval of the Governor's Office and Attorney General's Office, Executive Director Liz Gorman was asked by him on March 13 to resign. He explained that after some negotiations, it was his understanding that agreement was reached on terms of her separation,



which included a generous severance package. He noted it was therefore unexpected when Ms. Gorman ultimately refused to voluntarily resign, at which point on March 15th he terminated her employment and named Kevin Artl as Acting Executive Director.

Directors and staff then discussed the circumstances of Ms. Gorman’s termination and the Chairman’s authority as CEO of the agency to make such employment decisions based on broad supervisory powers provided in the *Toll Highway Act* and Tollway By-Laws.

[Discussions related to the employment of specific employees are redacted.]

Re-Enter Public Session

There being no further business requiring Executive Session, Chairman Evans called for a motion to re-enter the public session of the regular Board Meeting. Director Davis made such a motion; seconded by Director Sweeney. Chairman Evans called for a vote. The motion was PASSED unanimously.

The Executive Session concluded at approximately 10:43 a.m.

Minutes taken by: _____ /s/ on original

Christi Regnery
Board Secretary
Illinois State Toll Highway Authority



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Record of Closed Meeting | April 18, 2019

The Illinois State Toll Highway Authority (the "Tollway") Board of Directors met in Executive Session at approximately 10:16 a.m. on Thursday, April 18, 2019 to discuss Tollway matters related to personnel, collective negotiating, purchase or lease of real property, pending or probable litigation and the minutes of closed meetings pursuant to exceptions provided in Sections 2(c)1, 2, 5, 11 and 21 of the *Open Meetings Act*, 5 ICS 120/1 *et seq.*

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

Executive Session Attendance

Board Members Present:	Staff Present for all or portions of the Meeting:
Chairman Will Evans	Kevin Artl (Chief Operating Officer)
Director Stephen Davis	Kathleen R. Pasulka-Brown (General Counsel)
Director Alice Gallagher	Christi Regnery (Board Secretary)
Director McConnaughay	Mike Colsch (Chief Financial Officer)
Director Scott Paddock	Rocco Zuccherro (Chief Planning Officer)
Director Gary Perinar	Paul Kovacs (Chief Engineering Officer)
Director Cesar Santoy	Victor Azar (Senior Assistant Attorney General)
	Cassandra Rouse (Chief of Administration)
	T.J. Hengesbach (Inspector General)
	Caitlin Papadopolous (Asst. Attorney General)

Directors discussed the minutes of a closed session meeting

Chairman Evans raised for consideration the Minutes of the Executive Session of the March 21, 2019 Board of Directors meeting. He inquired of the Board if there are any questions, concerns



or requests for amendment. Director Santoy asked that the minutes be amended to correctly reflect his attendance at the meeting.

Hearing nothing further, Chairman Evans stated that the minutes will be amended as requested and advised the Board that action on these Minutes will occur upon return to the regular session of the Meeting.

Directors discussed pending or probable litigation

Real Estate Settlement (Legal Item 6): Staff provided background on a real estate settlement with Burlington Northern Santa Fe Railway Company (“BNSF”) to acquire real estate interests (temporary and permanent easements) in parcels TW-3B-16-005 and TW-3B-16-009 needed in conjunction with the Mile Long Bridge Project. Staff reported that the Tollway appraised the necessary interests at approximately \$1.2 million, and the property-owning railroad appraised the interests at approximately \$3.55 million, an amount which they insisted receiving. *[Discussions related to litigation and litigation strategy are redacted.]* Staff stated that the Tollway Legal Department and the Land Acquisition Manager recommended approval of a final settlement in the amount of \$3.55 million.

Directors discussed a workers’ compensation settlement

Worker’s Compensation Settlement (Legal Item 5): General Counsel provided a summary of the workers’ compensation matter involving Kenneth Nudo, who filed two claims for lower back injuries he sustained while performing his duties as an equipment operator/laborer. General Counsel reported that the parties agreed to settle all claims for \$150,000.00 - representing a 43% loss of the use of the person as a whole. She advised the Board that both the Legal Department and outside counsel recommended approval of the proposed global settlement, which would close the claims and eliminate any risk of future related medical treatment costs.

A Director asked whether the Petitioner has returned to work and to his previous position at the agency. Staff responded affirmatively.

Directors and staff briefly discussed Tollway practice concerning the publication of claimant’s names or settlement amounts in workers’ compensation matters.

[Mr. Zucchero, Mr. Woodward and Mr. Kovacs departed the meeting at this time.]

Directors discussed collective bargaining matters



Minutes of the
Executive Session of the Board of Directors Meeting

TEAMSTERS (Legal Item 7): General Counsel briefed the Board on a collective bargaining agreement (“CBA”) recently reached with Teamsters Local 700, comprised of approximately 437 employees, primarily equipment operator/laborers (“EOLs”) and roadway maintenance workers. She then provided a summary of key terms of the agreement including the five-year contract term (March 1, 2018 through February 28, 2023) with a year-one lump sum adjustment of \$750. She continued that contract language was amended to approve a \$2.50/hour increase in year two, 2.25% increase in year three, 2.5% increase in year four and 2.75% increase in year five. She added that a significant aspect of the agreement includes migration of members from the Teamsters Benefit Fund to the Tollway’s group health and insurance plan. *[Discussions related to collective bargaining are redacted.]*

[Mr. Azar, Ms. Papadopolous, Mr. Artl, Ms. Rouse, Mr. Hengesbach, and Mr. Colsch departed the meeting at this time.]

Directors discussed personnel matters

Directors then discussed the qualifications, skills and experience of José R. Alvarez, a candidate proposed and recommended by the Chairman and the Governor’s Office to serve in the position of Executive Director of the Tollway. Upon conclusion of the discussion, the Board expressed consensus in support of hiring Mr. Alvarez as the new Executive Director and authorizing the Chairman to finalize other employment details. Chairman Evans noted that a start date for Mr. Alvarez had not yet been established.

Re-Enter Public Session

There being no further business requiring Executive Session, Chairman Evans called for a motion to re-enter the public session of the regular Board Meeting. Director Davis made such a motion; seconded by Director Perinar. Chairman Evans called for a vote. The motion was PASSED unanimously.

The Executive Session concluded at approximately 11:07 a.m.

Minutes taken by: _____ /s/ on original

Christi Regnery
Board Secretary
Illinois State Toll Highway Authority



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Record of Closed Meeting | May 16, 2019

The Illinois State Toll Highway Authority ("Tollway") Board of Directors met in Executive Session at approximately 10:32 a.m. on Thursday, May 16, 2019 to discuss Tollway matters related to purchase or lease of real property, pending or probable litigation and the minutes of closed meetings pursuant to exceptions provided in Sections 2(c)5, 11 and 21 of the Open Meetings Act, 5 ICS 120/1, *et seq.*

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

Executive Session Attendance

Board Members Present:	Staff Present for all or portions of the Meeting:
Chairman Will Evans	José Alvarez (Executive Director)
Director Jim Connolly	Kevin Artl (Chief Operating Officer)
Director Steve Davis	Kathleen R. Pasulka-Brown (General Counsel)
Director Alice Gallagher	Christi Regnery (Board Secretary)
Director McConnaughay	Rocco Zuccherro (Chief Planning Officer)
Director Gary Perinar	Paul Kovacs (Chief Engineering Officer)
Director Cesar Santoy	Mike Woodward (Land Acquisition Manager)
Director Jim Sweeney	T.J. Hengesbach (Inspector General)

Directors discussed the minutes of a closed session meeting

Chairman Evans raised for consideration the Minutes of the Executive Session of the April 18, 2019 Board of Directors meeting. He inquired of the Board if there are any questions, concerns or requests for amendment. Hearing nothing, Chairman Evans advised the Board that action on these Minutes will occur upon return to the regular session of the Meeting.



Directors discussed land acquisition activities

Identification of Real Estate Parcels (Legal Item 6): Pursuant to Tollway obligation (arising from the eminent domain matter of *ISTHA v. DiBenedetto*) to identify real estate interests which may need to be acquired by condemnation, staff provided a summary table of the Central Tri-State (I-294) parcel identification report noting the addition of three (3) parcels, each located within Cook County, in which various real estate interests are sought. Staff advised the Board that only the newly identified parcels highlighted in yellow are the subject of the amended resolution for which Board consideration is being requested at the Meeting. Staff clarified that the record owner information provided reflects the best known information to-date and is subject to change as the process advances and additional information is acquired.

[Mr. Zuccherro, Mr. Woodward and Mr. Kovacs departed the meeting at this time.]

Directors discussed pending or probable litigation

Personal Injury and Property Damage Litigation Settlement (Legal Item 7): General Counsel briefed the Board on a lawsuit filed in Lake County by Serena Ali against the Tollway and its employee Petar Trbovic, a snow plow driver, arising from an automobile accident that occurred in January 2017. She reported that a settlement has been negotiated by the Tollway's outside defense counsel in the amount of \$1,750,000. She explained that the Tollway is self-insured for the first \$250,000 of any settlement amount (less legal fees) and the Tollway's excess insurance provider would pay the balance of the settlement. General Counsel advised the Board that the Legal Department and outside defense counsel recommend that settlement of this matter is in the best interest of the Tollway.

The Board and staff briefly discussed the nature of the Plaintiff's injuries and circumstances of the accident.

Re-Enter Public Session

There being no further business requiring Executive Session, Chairman Evans entertained a motion to re-enter the public session of the regular Board Meeting. Director Davis made such a motion, seconded by Director Perinar. The motion was PASSED unanimously.

The Executive Session concluded at approximately 10:37 a.m.



ILLINOIS STATE TOLL HIGHWAY AUTHORITY

Minutes of the
Executive Session of the Board of Directors Meeting

Meeting Date
May 16
2019



Minutes taken by: _____ /s/ on original

Christi Regnery
Board Secretary
Illinois State Toll Highway Authority



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Record of Closed Meeting | June 20, 2019

Pursuant to exceptions provided in Sections 2(c)5, 11 and 21 of the Open Meetings Act (5 ILCS 120/2(c)5, 11 and 21), on Thursday, June 20, 2019 at approximately 10:50 a.m., the Tollway Board of Directors met in Executive Session to discuss Tollway matters related to the purchase or lease of real property, pending or probable litigation and the minutes of closed meetings.

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

Executive Session Attendance

Board Members Present:	Staff Present for all or portions of the Meeting:
Chairman Will Evans	José Alvarez (Executive Director)
Director Jim Connolly	Kevin Artl (Chief Operating Officer)
Director Steve Davis	Kathleen R. Pasulka-Brown (General Counsel)
Director Alice Gallagher	Christi Regnery (Board Secretary)
Director McConnaughay	Rocco Zuccherro (Chief Planning Officer)
Director Scott Paddock	Paul Kovacs (Chief Engineering Officer)
Director Gary Perinar	Mike Woodward (Land Acquisition Manager)
Director Cesar Santoy	
Director Jim Sweeney	

Directors discussed the minutes of a closed session meeting

Chairman Evans raised for consideration the Minutes of the Executive Session of the May 16, 2019 Board of Directors meeting. He inquired of the Board if there are any questions, concerns



or requests for amendment. Hearing nothing, Chairman Evans advised the Board that action on these Minutes will occur upon return to the regular session of the Meeting.

[Secretary's note: Due to a technical issue at this time, the remaining approximately 10 minutes of the Executive Session were not recorded. Minutes were taken throughout by the Board Secretary. During such time, no action was taken by the Board with exception of a motion to re-enter the public meeting as noted below.]

Directors discussed land acquisition activities

Real Estate Settlement - Parcel No. TW-5-16-134 (Legal Item 3): Staff provided background on a real estate settlement with Burlington Northern Santa Fe Railway Company ("BNSF") to acquire real estate interests (temporary and permanent easements) in parcel TW-5-16-134 needed in conjunction with the Mile Long Bridge Project. Staff reported that the Tollway appraised the necessary interests at approximately \$652,000.00 and the property-owning railroad appraised the interests at approximately \$2.5 million, an amount which they insisted on receiving. Staff discussed with the Board a number of factors that support settling at the higher valuation asserted by BNSF, *[Discussions related to litigation and litigation strategy are redacted.]* Staff advised the Board that the Tollway Legal Department and the Land Acquisition Manager recommend approval of a final settlement in the amount of \$2.5 million.

A Director requested that Staff provide to the Board a presentation on the Tollway's land acquisition procedures. Staff responded that such a presentation will be developed.

Directors discussed pending or probable litigation

Final Settlement of Condemnation Litigation – Schiller Lodges, LLC (Legal Item 4): Staff provided a summary of a condemnation action filed by the Tollway that seeks both permanent and temporary easement rights relative to Parcels TW-7-15-002.P and TW-7-15-002.T. Staff noted that these real estate interests are needed in conjunction with the MSE Wall repair project for the Central Tri-State Project (I-294). Staff then discussed with the Board the differences in valuations asserted by the parties' respective appraisers. Staff clarified that to bridge these differences prior to the quick take hearing, the parties negotiated additional terms and conditions for the easements and entered a stipulation providing limitations on the scope and duration of the easements to be acquired. Staff noted that as a result, the parties entered into an agreed order setting preliminary just compensation ("PJC") at \$600,000.00. Staff reported that construction at the site is completed and in compliance with the agreed order. Staff advised the Board that both



the Legal Department and Land Acquisition Manager are recommending approval of a settlement agreement reached between the parties for \$600,000.00, the amount initially posted as PJC.

Re-Enter Public Session

There being no further Executive Session business, Chairman Evans entertained a motion to re-enter the public session of the regular Board Meeting. Director McConnaughay made such a motion, seconded by Director Perinar. The motion was PASSED unanimously.

The Executive Session concluded at approximately 10:58 a.m.

Minutes taken by: _____ /s/ on original

Christi Regnery
Board Secretary
Illinois State Toll Highway Authority



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Record of Closed Meeting | July 18, 2019

Pursuant to exceptions provided in Sections 2(c)2, 5 and 21 of the Open Meetings Act (5 ILCS 120/2(c)2, 5 and 21), on Thursday, July 18, 2019 at approximately 10:34 a.m., the Tollway Board of Directors met in Executive Session to discuss Tollway matters related to collective negotiations, the purchase or lease of real property and the minutes of closed meetings.

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

Executive Session Attendance

Board Members Present:	Staff Present for all or portions of the Meeting:
Chairman Will Evans	José Alvarez (Executive Director)
Director Jim Connolly	Kevin Artl (Chief Operating Officer)
Director Steve Davis	Kathleen R. Pasulka-Brown (General Counsel)
Director Alice Gallagher	Christi Regnery (Board Secretary)
Director McConnaughay	Rocco Zuccherro (Chief Planning Officer)
Director Scott Paddock	Paul Kovacs (Chief Engineering Officer)
Director Gary Perinar	Mike Woodward (Land Acquisition Manager)
Director Cesar Santoy	T.J. Hengesbach (Inspector General)
Director Jim Sweeney	Cassandra Rouse (Chief of Administration)
	Pat Taylor (Chief of Operations)
	Mike Colsch (Chief of Finance)

Directors discussed the minutes of a closed session meeting



Chairman Evans raised for consideration the Minutes of the Executive Session of the June 20, 2019 Board of Directors meeting. He inquired of the Board if there are any questions, concerns or requests for amendment. Hearing nothing, Chairman Evans advised the Board that action on these Minutes will occur upon return to the regular session of the Meeting.

Directors discussed land acquisition activities

Identification of Real Estate Parcels (Legal Item 2): Pursuant to the Tollway's obligation (arising from *ISTHA v. DiBenedetto*) to identify real estate interests it may need to acquire by condemnation, staff provided a summary table of the Systemwide parcel identification report, noting the addition of one (1) parcel, located within Cook County, in which various real estate interests are sought. Staff advised that only the newly identified parcels highlighted in yellow are subject of the amended resolution for which Board consideration was being requested. Staff also clarified that the record owner information reflects the best known information to date and is subject to change as the process advances and additional information is acquired.

A Director inquired about the land acquisition process for identified parcels and in what circumstances condemnation is used. Staff summarized the negotiation process for identified parcels, clarifying that condemnation is used only when all other means of acquiring necessary real estate interests are exhausted.

Identification of Real Estate Parcels (Legal Item 3): Pursuant to the Tollway's obligation (arising from *ISTHA v. DiBenedetto*) to identify real estate interests which may need to be acquired by condemnation, staff provided a summary table of the Central Tri-State (I-294) parcel identification report, noting the addition of twelve (12) parcels, located within Cook and DuPage Counties, in which various real estate interests are sought.

Identification of Real Estate Parcels (Legal Item 4): Pursuant to the Tollway's obligation (arising from *ISTHA v. DiBenedetto*) to identify real estate interests which may need to be acquired by condemnation, staff provided a summary table of the Elgin O'Hare Western Access (EOWA) parcel identification report noting the addition of three (3) parcels, each located within Cook County, in which various real estate interests are sought.

Directors and staff briefly discussed the progress and anticipated timeframes for completion of agreements with the railroads relative to the EOWA project, which agreements contemplate the purchase of various real estate interests.

[Mr. Zuccherro, Mr. Woodward, Mr. Kovacs and Mr. Hengesbach departed the meeting at this time.]



[Ms. Taylor, Ms. Rouse and Mr. Colsch entered the meeting at this time.]

Directors discussed collective bargaining matters

Service Employees International Union (Legal Item 5): General Counsel briefed the Board on a tentative collective bargaining agreement (“CBA”) recently reached with SEIU Local 73, comprised of approximately 440 employees, primarily toll collectors. She provided a summary of key terms of the agreement, including the four-year contract term (July 1, 2019 through June 30, 2023), wage increases of 2.25% in year one (retroactive to July 1, 2019), 2.75% in year two, 2.5% in year three and 2.5% in year four. General Counsel noted that to eliminate the current practice of toll reimbursements, the agreement additionally provides for use of transponders by SEIU members, which is consistent with terms of the Teamster’s CBA.

A Director asked what procedures are in place to prevent misuse of transponders. Staff outlined agreement terms, which allow for transponder use only to and from work, and the audit processes put into effect.

[Discussions related to collective bargaining are redacted.]

Re-Enter Public Session

There being no further Executive Session business, Chairman Evans entertained a motion to re-enter the public session of the regular Board Meeting. Director Davis made such a motion, seconded by Director Sweeney. The motion was PASSED unanimously.

The Executive Session concluded at approximately 10:51 a.m.

Minutes taken by: _____ /s/ on original

Christi Regnery
Board Secretary
Illinois State Toll Highway Authority



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Record of Closed Meeting | August 15, 2019

Pursuant to exceptions provided in Sections 2(c)1, 5, 11, 21 and 29 of the Open Meetings Act (5 ILCS 120/2(c)1, 5, 11, 21, 29), on Thursday, August 15, 2019 at approximately 11:17 a.m., the Tollway Board of Directors met in Executive Session to discuss Tollway matters related to personnel, the purchase or lease of real property, pending or probably litigation, the minutes of closed meetings, and meetings between internal or external auditors and governmental audit committee.

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

Executive Session Attendance

Board Members Present:	Staff Present for all or portions of the Meeting:
Chairman Will Evans	José Alvarez (Executive Director)
Director Jim Connolly	Kevin Artl (Executive Staff)
Director Steve Davis	Kathleen R. Pasulka-Brown (General Counsel)
Director Alice Gallagher	Christi Regnery (Board Secretary)
Director Scott Paddock	Derek Messier (Chief Operating Officer)
Director Gary Perinar	Shaun Farmer (Chief Internal Auditor)
Director Cesar Santoy	Rocco Zuccherro (Chief Planning Officer)
Director Jim Sweeney	Paul Kovacs (Chief Engineering Officer)
	T.J. Hengesbach (Inspector General)
	Mike Colsch (Chief Financial Officer)

Directors discussed the minutes of a closed session meeting



Chairman Evans raised for consideration the Minutes of the Executive Session of the July 18, 2019 Board of Directors meeting. He inquired of the Board if there are any questions, concerns or requests for amendment. Hearing nothing, Chairman Evans advised the Board that action on these Minutes will occur upon return to the public session of the meeting.

Chairman Evans noted that during earlier Board action on the Minutes of the public session of the July 18, 2019 Board of Directors meeting, the meeting date was incorrectly listed as July 15, 2019. He advised the Board that upon return to the public session, he would entertain a motion to amend the motion previously adopted to correct the record to reflect the correct date, July 18, 2019.

Directors discussed Audit activities

Chairman Evans inquired of the Board if there are questions related to the Financial Audit and Compliance Examination for the year ended December 31, 2018 performed by CliftonLarsonAllen LLP as Special Assistant Auditors for the Auditor General, State of Illinois.

A Director asked how the external auditor is selected. Staff explained that the Auditor General is required by the Illinois State Auditing Act to conduct a financial audit and/or compliance examination of every State agency and issues requests for proposals (RFPs) from qualified firms of certified public accountants to conduct these audits as Special Assistant Auditors.

Directors and staff briefly discussed staffing needs and opportunities to engage external audit consultants to supplement Internal Audit Department resources. Staff noted that the Tollway has plans to utilize the State's master contract with the firm of Baker Tilly for auditing services to assist on upcoming projects.

[Mr. Farmer and Mr. Colsch departed the meeting at this time]

Directors discussed the Inspector General's Summary Activity Report

Chairman Evans introduced T.J. Hengesbach, Tollway Inspector General, to provide a briefing for the Board on items likely to be included in the Office of Inspector General's ("OIG's") Summary Activity Report to be formally presented in September, which is conveyed semi-annually to the Tollway Board, the Office of the Governor and the Illinois General Assembly, pursuant to requirements of the Toll Highway Act. Mr. Hengesbach explained that a preview of the report for the period of March 1, 2019 to August 31, 2019 is being provided in Executive Session to allow Directors an opportunity to discuss personnel and security issues not appropriate for public session.



Mr. Hengesbach summarized a memo distributed to Board members detailing three OIG investigations that resulted in corrective or disciplinary personnel actions, ranging from employee discharge/termination to disciplinary action/management training. He noted that the OIG also identified potential improvements to the drug and alcohol testing training and procedures and the monitoring of Tollway vehicles and employees.

Directors and Mr. Hengesbach discussed retention periods for video surveillance to assist in investigations.

[Mr. Hengesbach departed, and Mr. Zuccherro and Mr. Kovacs entered the meeting at this time].

Directors discussed pending or probable litigation

Final Settlement of Condemnation Litigation – Larsen Enterprise, L.P. (Legal Item 4): General Counsel provided a summary of a condemnation action filed by the Tollway that seeks both permanent and temporary easement rights relative to Parcel EO-1B-12-064. She noted that these real estate interests are needed in conjunction with roadway right-of-way along the Elgin O’Hare Western Access (“EOWA”) corridor. General Counsel discussed with the Board the differences in valuations asserted by the parties. She clarified that to bridge these differences prior to the quick take hearing, the parties negotiated additional terms and conditions for the easements. Staff noted that as a result, the parties entered into an agreed order setting preliminary just compensation (“PJC”) at \$600,000.00. General Counsel reported that construction at the site is completed and in compliance with the agreed order, and the parties agreed to settle the litigation for \$600,000, *i.e.*, the amount of the Tollway’s PJC payment. She advised the Board that both the Legal Department and Land Acquisition Manager recommend that the Board approve the parties’ settlement agreement.

Directors discussed land acquisition activities

Identification of Real Estate Parcels (Legal Item 5): Pursuant to the Tollway’s obligation (arising from *ISTHA v. DiBenedetto*) to identify real estate interests it may need to acquire by condemnation. Staff provided a summary table of the Tri-State Tollway Project (I-294) parcel identification report noting the addition of five (5) parcels, each located within Cook and DuPage Counties, in which various real estate interests are sought. Staff advised that the parcels highlighted in yellow are the only parcels relevant to the amended resolution currently before the Board. Staff also clarified that the record owner information reflects the best known information to date and is subject to change as the process advances and additional information is acquired.



Re-Enter Public Session

There being no further Executive Session business, Chairman Evans entertained a motion to re-enter the public session of the regular Board Meeting. Director Davis made such a motion, seconded by Director Sweeney. The motion was PASSED unanimously.

The Executive Session concluded at approximately 11:32 a.m.

Minutes taken by: _____ /s/ on original

Christi Regnery
Board Secretary
Illinois State Toll Highway Authority



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Record of Closed Meeting | September 19, 2019

Pursuant to exceptions provided in Sections 2(c)1, 2, 5, 11, and 21 of the Open Meetings Act (5 ILCS 120/2(c)1, 2, 5, 11, 21), on Thursday, September 19, 2019 at approximately 10:38 a.m., the Tollway Board of Directors met in Executive Session to discuss Tollway matters related to personnel, collective bargaining, the purchase or lease of real property, pending or probable litigation, and the minutes of closed meetings.

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

Executive Session Attendance

Board Members Present:	Staff Present for all or portions of the Meeting:
Chairman Will Evans	José Alvarez (Executive Director)
Director Jim Connolly	Kathleen R. Pasulka-Brown (General Counsel)
Director Steve Davis	Christi Regnery (Board Secretary)
Director Alice Gallagher	Paul Kovacs (Chief Engineering Officer)
Director Karen McConaughay	T.J. Hengesbach (Inspector General)
Director Scott Paddock	
Director Gary Perinar	
Director Cesar Santoy	
Director Jim Sweeney	

Directors discussed the minutes of a closed session meeting

Chairman Evans raised for consideration the Minutes of the Executive Session of the August 15, 2019 Board of Directors meeting. He inquired of the Board if there are any questions, concerns



or requests for amendment. Hearing nothing, Chairman Evans advised the Board that action on these Minutes will occur upon return to the public session of the meeting.

Directors discussed the Inspector General's Summary Activity Report

Chairman Evans asked Directors if there were any questions for T.J. Hengesbach, Tollway Inspector General, with regard to the Office of Inspector General's ("OIG's") Summary Activity Report presented in open session. A Director inquired if follow up is conducted by the OIG to review management implementation of report recommendations. Mr. Hengesbach responded affirmatively, providing an overview of the Illinois Administrative Code process for OIG recommendations and management response.

[Mr. Hengesbach departed, and Mr. Kovacs entered the meeting at this time].

Directors discussed land acquisition activities

Identification of Real Estate Parcels (Legal Item 3): Pursuant to the Tollway's obligation (arising from *ISTHA v. DiBenedetto*) to identify real estate interests it may need to acquire by condemnation, Staff provided a summary table of the Tri-State Tollway Project (I-294) parcel identification report, noting the addition of fifteen (15) parcels, located within Cook County, in which various real estate interests are sought. Staff advised that the parcels highlighted in yellow are the only parcels relevant to the amended resolution currently before the Board. Staff also clarified that the record owner information reflects the best known information to date and is subject to change as the process advances and additional information is acquired.

[Mr. Kovacs departed the meeting at this time].

Directors discussed collective bargaining matters

Metropolitan Alliance of Police, Local 336 (Legal Item 2): General Counsel briefed the Board on a tentative collective bargaining agreement ("CBA") recently reached with MAP Local 336, comprised of approximately 7 employees, all Call Takers. She provided a summary of key terms of the agreement, including the four-year contract term (November 1, 2018 through October 31, 2022), wage increases of 3% in year one (retroactive to November 1, 2018), 2.75% in year two, 2.5% in year three and 2.5% in year four. She also noted that a "Lead Agency Coordinator" designation was created compensating employees with a \$1,000.00 annual stipend and that the agreement additionally provides for use of transponders by MAP members, which is consistent with the terms of the Teamster's CBA. She reported that MAP Local 336 ratified the CBA on August 16, 2019.



Re-Enter Public Session

There being no further Executive Session business, Chairman Evans entertained a motion to re-enter the public session of the regular Board Meeting. Director Davis made such a motion, seconded by Director Perinar. The motion was PASSED unanimously.

The Executive Session concluded at approximately 10:51 a.m.

Minutes taken by: _____ /s/ on original

Christi Regnery
Board Secretary
Illinois State Toll Highway Authority



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Record of Closed Meeting | October 17, 2019

Pursuant to exceptions provided in Sections 2(c)1, 5, 11, and 21 of the Open Meetings Act (5 ILCS 120/2(c)1, 5, 11, 21), on Thursday, October 17, 2019 at approximately 11:06 a.m., the Tollway Board of Directors met in Executive Session to discuss Tollway matters related to personnel, the purchase or lease of real property, pending or probable litigation and the minutes of closed meetings.

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

Executive Session Attendance

Board Members Present:
Chairman Will Evans
Director Jim Connolly
Director Steve Davis
Director Alice Gallagher
Director Scott Paddock
Director Gary Perinar <i>(by phone)</i>
Director Jim Sweeney

Staff Present for all or portions of the Meeting:
José Alvarez (Executive Director)
Kathleen R. Pasulka-Brown (General Counsel)
Derek Messier (Chief Operating Officer)
Christi Regnery (Board Secretary)
Brian Bottomley (outside consultant)

Directors discussed the minutes of a closed session meeting

Chairman Evans raised for consideration the Minutes of the Executive Session of the September 19, 2019 Board of Directors meeting. He inquired of the Board if there are any questions, concerns or requests for amendment. Hearing nothing, Chairman Evans advised the Board that action on these Minutes will occur upon return to the public session of the meeting.



Directors discussed pending or probable litigation

Administrative Real Estate Settlement – Groot Industries (Legal Item 6): General Counsel provided a summary of an Administrative Real Estate Settlement relative to Parcel WA-3D-12-006, which includes a waste transfer and material recovery facility located in Elk Grove Village, IL. She stated that these real estate interests are needed in conjunction with the Elgin O’Hare Western Access (“EOWA”) Project. General Counsel noted that the Tollway originally appraised the property as an industrial facility at a value of \$4,595,000.00 (not accounting for any Special Purpose classification) and that the property owner’s appraiser valued the property at \$29,729,000.00. She explained that the Tollway subsequently developed a revised appraised value, based on a Special Purpose classification of approximately \$18,834,034.00, an amount near which it is hoped the parties can reach agreement. She further explained that an aspect of the transaction includes relocation and reconstruction of a waste management facility, with significant necessary improvements (pursuant to Federal regulation), onto adjacent Tollway property. *[Discussions related to litigation and litigation strategy are redacted.]* Directors, Staff and Mr. Bottomley discussed logistics and agreement provisions related to the facility relocation and reconstruction.

[Director Perinar concluded his participation by audio conference at this time.]

[Mr. Bottomley departed the meeting at this time]

Directors discussed workers’ compensation settlements

Worker’s Compensation Settlement (Legal Item 1): General Counsel provided a summary of the workers’ compensation matter involving Lisa Walker, who filed a claim for a right shoulder injury sustained while performing her duties as an equipment operator/laborer. General Counsel noted that as a result of physical restrictions following surgery, the claimant was unable to return to her Tollway job and took a lower paying driving position with another employer. General Counsel reported that the parties agreed to settle all claims for \$112,500.00, based on a present cash value wage differential calculation. She advised the Board that both the Legal Department and outside counsel recommend approval of the proposed global settlement, which would close the claims and eliminate any risk of future related medical treatment costs.

Worker’s Compensation Settlement (Legal Item 2): General Counsel provided a summary of the workers’ compensation matter involving Michael Gebien, who filed a claim for multiple injuries to his left hip and left shoulder, which he sustained when his vehicle was struck from behind while performing his duties as an equipment operator/laborer (“EOL”). *[Discussions related to pending litigation and personnel matters are redacted.]* General Counsel reported that



the parties have agreed to settle all claims for \$111,120.00, representing a 40% loss of the use of the person as a whole. She advised the Board that both the Legal Department and outside counsel recommend approval of the proposed global settlement, which would close the claims and eliminate any risk of future related medical treatment costs.

A Director asked the upper age used in wage-loss calculations. General Counsel responded that the normal Social Security Retirement Age is used, which for this claimant is 67.

Directors discussed land acquisition activities

Identification of Real Estate Parcels (Legal Item 3): Pursuant to the Tollway's obligation (arising from *ISTHA v. DiBenedetto*) to identify real estate interests it may need to acquire by condemnation, Staff provided a summary table of the Tri-State Tollway Project (I-294) parcel identification report, noting the addition of two (2) parcels, located within Cook County, in which various real estate interests are sought.

Identification of Real Estate Parcels (Legal Item 4): Pursuant to the Tollway's obligation (arising from *ISTHA v. DiBenedetto*) to identify real estate interests it may need to acquire by condemnation, Staff provided a summary table of the I-57/I-294 Interchange Phase II Project parcel identification report, noting the addition of eight (8) parcels, located within Cook County, in which various real estate interests are sought.

Directors discussed pending or probable litigation

Condemnation Litigation – ISTHA v. Sun Family Limited Partnership (Legal Item 5): General Counsel provided a summary of a condemnation action filed by the Tollway that seeks partial fee acquisition relative to Parcel NW-4C-12-002. She noted that these real estate interests are needed in conjunction with stormwater management along the Jane Addams Memorial Highway (I-90 West) corridor. She then discussed with the Board the differences in valuations asserted by the parties' respective appraisers. General Counsel explained that additional negotiations were undertaken prior to the quick hearing (with the participation of the judge), and as a result, the parties agreed to settle for the amount posted as preliminary just compensation ("PJC") - \$635,000.00.

General Counsel advised the Board that both the Legal Department and Land Acquisition Manager recommend approval of the \$635,000.00 settlement agreement reached by the parties.

Re-Enter Public Session



There being no further Executive Session business, Chairman Evans entertained a motion to re-enter the public session of the regular Board Meeting. Director Davis made such a motion, seconded by Director Sweeney. The motion was PASSED unanimously.

The Executive Session concluded at approximately 11:22 a.m.

Minutes taken by: _____ /s/ on original

Christi Regnery
Board Secretary
Illinois State Toll Highway Authority