



Minutes of the
Executive Session of the Board of Directors Meeting

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Record of Closed Meeting | December 5, 2019

Pursuant to exceptions provided in Sections 2(c)5, 21 and 29 of the Open Meetings Act (5 ILCS 120/2(c) 5, 21 and 29), on Thursday, December 5, 2019 at approximately 3:20 p.m., the Tollway Board of Directors met in Executive Session to discuss Tollway matters related to the purchase or lease of real property, the minutes of closed meetings and internal audit controls.

[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 <i>(by phone)</i> |
| Director Gary Perinar |
| 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) |
| Shaun Farmer (Chief Internal Auditor) |

Directors discussed the minutes of a closed session meeting

Chairman Evans raised for consideration the Minutes of the Executive Session of the October 17, 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 2-Year Audit Plan

[Discussions related to internal audit controls are redacted.]

A Director observed that a number of vacant positions remain in the Internal Audit Department and asked Mr. Farmer whether his department has sufficient resources to execute the Two-Year Internal Audit Plan. Mr. Farmer responded affirmatively, noting that internal audit functions are currently being supplemented with outsourced audit consultancy services and that he is working diligently with management to fill the vacant positions.

[Mr. Farmer departed the meeting at this time]

Directors discussed land acquisition activities

[Discussions related to land acquisition 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 Sweeney made such a motion, seconded by Director Perinar. The motion was PASSED unanimously.

The Executive Session concluded at approximately 3:26 p.m.

Minutes taken by: _____/s/ on original

Christi Regnery
Board Secretary
Illinois State Toll Highway Authority



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Record of Closed Meeting | January 16, 2020

Pursuant to exceptions provided in Sections 2(c)(5) and (21) of the Open Meetings Act (5 ILCS 120/2(c)(5) and (21)), on Thursday, January 16, 2020 at approximately 10:38 a.m., the Tollway Board of Directors met in Executive Session to discuss Tollway matters related to 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: |
|-----------------------------|
| Chairman Will Evans |
| Director Jim Connolly |
| Director Steve Davis |
| Director Alice Gallagher |
| Director Karen McConnaughay |
| Director Scott Paddock |
| Director Gary Perinar |

| 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) |

Directors discussed the minutes of a closed session meeting

Chairman Evans raised for consideration the Minutes of the Executive Session of the December 5, 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 land acquisition activities

[Discussions related to land acquisition 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 Perinar. The motion was PASSED unanimously.

The Executive Session concluded at approximately 10:44 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 | February 11, 2020

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 and 21), on Thursday, February 11, 2020 at approximately 10:38 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: | 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 | Derek Messier (Chief Operating Officer) |
| Director Alice Gallagher | Christi Regnery (Board Secretary) |
| Director Karen McConaughay | T.J. Hengesbach (Inspector General) |
| Director Scott Paddock | Joe Kambich (Chief of Information Technology) |
| Director Gary Perinar | |
| 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 January 16, 2020 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 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, which is conveyed semi-annually to the Tollway Board of Directors, 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 September 1, 2019 to March 31, 2020 is being provided in Executive Session to allow Directors an opportunity to discuss issues not appropriate for public session. He noted that the Summary Activity Report will be filed at the end of March and formally presented to Directors at the April meeting.

[Discussions related to the discipline or performance of specific employees are redacted.]

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

Directors discussed pending or probable litigation

Addendum Agreement Relating to Support Services (Legal Item 5): General Counsel provided a summary of an ongoing dispute between the Tollway and Oracle reseller, Mythics, Inc., concerning support service fees for Oracle products. General Counsel advised the Board that under the current extension agreement, the Tollway's right to support services will expire on February 29, 2020, and because the Tollway cannot prudently forego support services (even temporarily), the Tollway is seeking authority to negotiate and enter into another extension agreement with Mythics, providing that the Tollway will receive support services throughout 2020. Further, she explained that if the parties are unable to resolve their dispute informally, the Tollway will review and/or exercise any legal remedies it may have.

Directors and staff discussed the specifics of the disputed fee issue, which amounts to approximately \$1.5 million annually.

Directors discussed pending or probable litigation

Final Settlement of Condemnation Litigation - ISTHA v. John W. Stueve and James W. Stueve (Legal Item 2): General Counsel provided a summary of a condemnation action pursuant to which the Tollway sought fee simple title to Parcel EO-1B-12-095. She noted that the real estate interest is needed for roadway widening along the Elgin O'Hare Western Access ("EOWA") corridor. She advised the Board that both the Legal Department and Land Acquisition



Manager recommend that the Board approve the parties' settlement agreement of \$1,000,000.00, which is the amount the Tollway previously posted with the court as preliminary just compensation.

Directors discussed land acquisition activities

[Discussions related to land acquisition are redacted.]

Directors discussed workers' compensation settlements

Worker's Compensation Settlement (Legal Item 4): *[Discussions related to litigation and litigation strategy are redacted.]* General Counsel reported that the parties agreed to settle all claims for \$149,000.00, plus a legally required Medicare Set-Aside, estimated at \$69,512.78. She explained that the settlement amount is 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 settlement, which would close all claims and eliminate any risk of future related medical treatment costs.

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 11:14 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 | March 26, 2020

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, March 26, 2020 at approximately 11:10 a.m., the Tollway Board of Directors met telephonically 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.

[Secretary’s note: Due to an oversight, the Executive Session was 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.]

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 | Derek Messier (Chief Operating Officer) |
| Director Alice Gallagher | Christi Regnery (Board Secretary) |
| Director Karen McConnaughay | |
| Director Scott Paddock | |
| Director Gary Perinar | |
| 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 February 11, 2020 Board of Directors meeting and inquired whether there are any questions, concerns or



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

Directors discussed land acquisition activities

[Discussions related to land acquisition are redacted.]

Directors discussed pending or probable litigation

Administrative Real Estate Settlement – Casey Capital Partners (Legal Item 4): *[Discussions related to litigation and litigation strategy are redacted.]* General Counsel advised the Board that the parties have agreed to settle the matter for the amount of \$9,000,000.00.

Directors discussed litigation settlements

Worker’s Compensation Settlement (Legal Item 5): *[Discussions related to litigation and litigation strategy are redacted.]* She reported that Tollway counsel negotiated a settlement for \$112,500.00, a substantial savings. She noted that in addition to realizing the above savings, settlement will save the Tollway further litigation expense and close Petitioner’ claim, eliminating any risk of future related medical treatment. General Counsel advised the Board that the Legal Department recommends settling this matter for \$112,500.

Litigation Settlement – Iwan Klowaty (Legal Item 6): *[Discussions related to litigation and litigation strategy are redacted.]* Tollway counsel negotiated a \$28,500.00 settlement with the Plaintiff, which would release the Tollway from any and all related claims. She advised the Board that the Legal Department recommends settling this matter for \$28,500.00.

[Discussions related to litigation and litigation strategy 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 Paddock made such a motion, seconded by Director Connolly. The motion PASSED unanimously.



The Executive Session concluded at approximately 11:25 a.m.

Minutes taken by: _____/s/ on original

Christi Regnery
Board Secretary
Illinois State Toll Highway Authority