

**ILLINOIS STATE TOLL HIGHWAY AUTHORITY  
MINUTES OF THE OASES WORKING GROUP MEETING  
May 23, 2011**

The Illinois State Toll Highway Authority held an Oases Working Group Committee Meeting on Monday, May 23, 2011 at approximately 2:00 p.m. at the Central Administration Building in Downers Grove, Illinois. Directors on the Committee in attendance were as follows:

Working Group Chair Tom Weisner  
Director Tom Canham  
Director George Pradel

Others in attendance:

Joelle McGinnis	Tom Bamonte
Mike Colsch	Rocco Zuccherro
Ed Flores	Mitch Matson- CBS Outdoor
Cynthia Tucker- SFI	Katie Scott - US Equities
Cindy O'Drobinak - US Equities	

Chairman Tom Weisner called the meeting to order.

Committee Chair Weisner asked Ed Flores to provide a general update on the status of the 7-Eleven transition at the Oases. Mr. Flores indicated the following:

The 13 Tollway Oases fuel stations were officially transferred from ExxonMobil to 7-Eleven Corporation on March 23<sup>rd</sup> and 24<sup>th</sup> of this year. To minimize the impact to motorists that use the fuel stations, the Tollway, Mobil, and 7-Eleven worked to develop a turn over schedule that would keep limited fuel service accommodations open on the Tollway. This was accomplished by ensuring that no two consecutive stations on the Tollway were closed at the same time. It is worth noting

that the Tollway received no negative comments during the turn over phase.

7-Eleven has been busy the last few weeks rebranding the fuel stations, replacing logos, and giving the convenience stores a new updated look in preparation for the grand opening events. The “Grand Opening Events”, which commenced at the Belvidere Oasis last Thursday, May 17<sup>t</sup>, will continue for the next two weeks with the last grand opening event scheduled at the Chicago Southland Lincoln Oasis on May 31<sup>s</sup>. The 7-Eleven Grand Opening Event schedule is posted on the Tollway website.

Mr. Flores also noted that all 13 convenience stores now display the 7-Eleven logo while the canopies over the fuel pumps still display the Mobil logo. This is because Mobil and 7-Eleven have entered into an agreement that allows 7-Eleven to offer and market Mobil petroleum products at the 13 fuel stations now owned by 7-Eleven.

Director Weisner asked a representative from US Equities, Katie Scott, to provide an update on the status of the pavilions. She indicated that US Equities has explored ways to actively engage the community through several programs. For instance, US Equities is sponsoring local farmers with a group called Community Supported Agriculture for the second consecutive year. Last year, fifty farmers participated in the program in which they grow crops from seed and deliver the boxes of vegetables to the Oases for distribution during the Summer and Fall months.

US Equities has hosted several community events at the Oases including Lincoln Oases – youth organizations such as Girl Scouts and Boy Scouts. The Girl Scouts sold-out their cookies in an hour at some Oases locations.

Seasonal sales include candy from Fannie Mae during the Christmas holiday and a fruit vendor from a store called Merry Berry in Lake Forest, which starts soon. US Equities continues to communicate with the Illinois Department of Tourism and the Department of Agriculture to seek additional opportunities to work together.

Ms. Scott indicated that sustainability continues to be a priority for US Equities, which is accomplished through operational initiatives – recycling programs, upgraded restrooms and energy conservation. Recycled waste has been increased by approximately 395 tons over the last eighteen months. US Equities has eliminated the use of 24 million paper towels and 35,500 plastic bin liners annually plus the associated energy, pollution and landfill of the materials. Phase 2 of their efforts includes water conservation. US Equities estimates the new program will conserve nearly 20 million gallons of water annually, which should translate into \$135,000 annual savings, a twenty-two month payback.

Ms. Scott also reported that US Equities has worked with the Tollway to promote various public safety programs including motorcycle inspections, child safety seat belt inspections, work zone safety, *Drive Now Text Later*, warming and cooling centers and various press conferences. The Tollway helped spread the word to other businesses by posting information on the Tollway website. Over the last 18 months, US Equities renewed leases for 23 stores and has added several new operators to the Oases: Dairy Queen in Lake Forest; Sbarro at 6 Oases locations; Ashby Sterling Ice Cream in Hinsdale and Joffra Bakery in Belvidere.

Director Weisner commented that the Oases locations are noticeably cleaner over the past few months since the elimination of paper towels in the restrooms.

Director Canham asked how the economy has affected traffic at the Oases. Ms. Scott replied that the traffic is up slightly across at all locations.

Director Weisner introduced Greg Stukel, Deputy Chief of Engineering, to give the Working Group background information on the electronic billboard discussions between the Tollway and SFI. Mr. Stukel provided a history of the Tollway's relationship with Wilton Partners and SFI as well as the history of electronic billboard discussions between Tollway staff, SFI and CBS Outdoors. This history is highlighted in the attached presentation. [\[insert link to presentation\]](#)

Director Weisner asked why IDOT did not grant permits for signage at Dekalb and Lincoln. Mr. Stukel replied that the Dekalb Oases is not an over-the-road structure and therefore cannot accommodate the electronic billboard signage and the Lincoln Oases is considered a rural location.

Director Weisner introduced Mitch Mason, Vice President of Real Estate for CBS Outdoor, to present an overview of CBS's proposal to place electronic billboards at five of the seven Oases locations. CBS was selected by SFI through a Request for Proposal process. In his attached presentation, [\[insert link to presentation\]](#) he highlighted CBS's experience in constructing and managing electronic message boards that are as close to the road at a number of roadways across the country as the billboard proposed at the Tollway.

Mr. Mason also indicated that the electronic billboards will allow for public safety announcements such as: amber alerts, traffic notices, roadway closures, and adverse weather warnings. The billboards will provide an opportunity for existing and new pavilion tenants to advertise their respective businesses. The Tollway will also have an opportunity to place marketing messages on the billboards such as an appeal for unpaid tolls to be paid or announcements about new services.

Mr. Mason also indicated that numerous public studies have been conducted about the impact of electronic billboards on traffic safety. Each of those studies has shown the impact of electronic billboards to be safety neutral.

Regarding economic development, Mr. Mason indicated that sixty percent of the advertisements are from local businesses and could generate economic benefit to those businesses.

Director Weisner asked whether installation of the electronic billboards yielded any direct or indirect financial benefits to the Tollway. Ms. Scott indicated that the Tollway is entitled to receive a minimum rent from SFI, as well as, a percentage of the sub-lessee's rent once it reaches a certain level. The Tollway currently only receives the minimum rent allocation because the sublease rent threshold has not been met. One hundred percent of the base rent received by SFI from CBS Outdoors can be applied toward the Tollway's sublease rent threshold.

Director Weisner asked Mr. Mason to define "safety neutral" status he referenced in the presentation. Mr. Mason responded that a number of studies have been conducted on the affect of static electronic billboards on the traffic safety. Based on those studies he indicated that there was no significant increase in traffic accidents due to the placement of the electronic billboards.

Director Weisner asked whether the length of time the image stays on the billboard is a safety consideration. Mr. Mason indicated that "dwell time" (the length of time each image stays on the billboard before changing) is typically regulated by the state. In Illinois, the dwell time minimum is ten seconds as indicated in the permit obtained by CBS.

Director Weisner noted that the CBS logo displayed on the billboard in Mr. Mason's presentation was very prominent. He asked whether the

CBS logo would appear on the electronic billboard at the Oases. Mr. Mason responded that there would likely be a CBS logo on the Oases billboard but it would be smaller in scale than the logo shown in the presentation.

Director asked whether CBS is willing to allow other media companies such as WGN or NBC to advertise themselves on CBS-run billboards. Mr. Mason responded that competitive advertising is allowed and commonly seen on electronic outdoor signage.

Director Weisner asked whether CBS has encountered complaints about advertisement content and if so how do they plan to address those issues. Mr. Scott indicated that they have only had a few such complaints. They have also included clauses in the contracts with advertisers which give CBS the right to remove content if it does not meet community standards upon request from the Tollway.

Director Pradel asked whether there would be Oases-specific advertisement at each Oases billboard. Mr. Mason and Ms. Scott indicated that there will be opportunities for Oases specific-advertisements both on the day of events and prior to the event, such as farmers market events.

Director Canham expressed concern about the proposed height of the CBS billboards and asked whether there is comparable sign placement on other tollway systems. Mr. Mason mentioned that there are existing signs along the Tollway affixed to the overpasses at similar heights. He acknowledged that he was not aware of electronic billboards with similar placement in other areas.

Ms. Scott indicated that between 2008 and 2010, Wilton spent only \$124,000 on the parking lots. Since SFI has taken over, it is on track to spend over \$1,000,000 on parking lot maintenance for 2011 – mostly on

the truck parking lots and approximately \$4,700,000 over the next five years.

A third party engineer hired by SFI examined each of the parking lots and exit/entrance ramps to determine the degree of repair needed. Director Weisner asked that a copy of that study be provided to Tollway staff. Ms. Scott replied that a confidentiality agreement would probably be needed prior to forwarding that information.

Director Weisner asked General Counsel what is required by staff to determine next steps for this project. Ms. Scott indicated that a five-year capital plan had already been shared with the Tollway engineering department. Paul Kovacs indicated that approximately \$5 million had been allocated in the five year plan provided by SFI. Director Weisner stated that you can only patch the lots so much before you will need to do replacement repairs.

General Counsel indicated that the next steps in the process would include SFI submitting their proposed sublease with CBS to the Tollway for approval. The Tollway will review the sublease and propose changes to the terms as needed.

There being no further business. Director Canham moved to adjourn the meeting; seconded by Director Pradel. The vote was approved unanimously.

Meeting adjourned at approximately 3:35p.m.

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

Tranece Artis  
Board Secretary  
Illinois State Toll Highway Authority