



Record of Meeting | March 16, 2022

The Illinois State Toll Highway Authority (“Tollway”) held the regularly scheduled Finance, Administration and Operations (“FAO”) Committee meeting on Wednesday, March 16, 2022 in the Boardroom of the Tollway headquarters in Downers Grove, IL. The meeting was held pursuant to the By-Laws of the Tollway upon call and notice of the meeting executed by Chair Dorothy Abreu and posted in accordance with the requirements of the Open Meetings Act, 5 ILCS 120/1, et seq. The meeting was open to the public.

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

Call to Order / Roll Call

Committee Chair McConnaughay called the meeting to order at approximately 9:50 a.m. She then asked the Board Secretary to call the roll, those Directors present and absent being as follows:

Committee Members Present:
Committee Chair Karen McConnaughay
Director Alice Gallagher
Director Scott Paddock
Other Directors Present:
Director James Connolly
Director Jacqueline Gomez
Director Stephen Davis

Committee Members Not Present:
Director Gary Perinar
Director James Sweeney

The Board Secretary declared a quorum present.

Public Comment

Committee Chair McConnaughay opened the floor for public comment. No comment was offered.

Committee Chair’s Items

Committee Chair McConnaughay entertained a motion to approve **Committee Chair’s Item 1**, the Minutes of the regular FAO Committee meeting held on February 17, 2022, as presented.



Director Gallagher made a motion to approve the Minutes, seconded by Director Paddock. Chair McConnaughay asked that the roll be called on the motion, the vote of yeas and nays being as follows:

Yeas: Director Gallagher, Director Paddock, Committee Chair McConnaughay (3)

Nays: (0)

The motion PASSED.

Committee Chair McConnaughay called on Cathy Williams, Chief Financial Officer, to present for the Committee the 2021 Year End Budget to Actual financial report. [See attached presentation.](#)

Committee Chair McConnaughay next called on Dave Donovan, Chief of Facilities, and Manar Nashif, Acting Chief Engineering Officer, to present for the Committee an update on current building projects at the Central Administration building. [See attached presentation.](#)

Director Gallagher requested that the Board be invited to the dedication ceremony for the Illinois State Police (“ISP”) Memorial being constructed to commemorate the fallen Tollway and ISP personnel who died in the line of duty.

Items for Consideration

Committee Chair McConnaughay next stated that the meeting agenda contains 22 items for the Committee’s consideration and called on Ms. Williams to present the following item:

Finance

Item 1: Award of Contract 21-0204 to RSUI Indemnity Company, Westchester Fire Insurance Company, Lloyd’s of London, Westchester Surplus Lines Insurance Company, Berkley National Insurance Company, and Federal Insurance Company for the purchase of a Property Insurance Program through the insurance broker, Mesirow Insurance Services, Inc. for the combined annual premium of \$1,921,907.00 for a one-year term (Order Against CMS Master Contract).

Upon conclusion of the item presentation, Committee Chair McConnaughay entertained a motion to approve placement of **Finance Item 1** on the March Board of Directors meeting agenda with the Committee’s recommendation for approval by the Board. Director Gallagher made a motion to approve this item, seconded by Director Paddock. Chair McConnaughay asked that the roll be called on the motion, the vote of yeas and nays being as follows:

Yeas: Director Gallagher, Director Paddock, Committee Chair McConnaughay (3)



Nays: (0)

The motion PASSED.

Toll Operations

Committee Chair McConnaughay called on Pat Taylor, Chief of Toll Operations, to present the following items:

Item 1: Renewal of Contract 17-0127 with Transitions, N.F.P. (d.b.a. The Printer's Mark) for the purchase of Printing and Mailing Services in an amount not to exceed \$18,000,000.00 (State Use Program).

Item 2: Award of Contract 22-0019 to Bridgeway Inc. for the purchase of Image Review Services in an amount not to exceed \$25,000,000.00 (State Use Program).

Upon conclusion of the presentation of items, Committee Chair McConnaughay entertained a motion to approve placement of **Toll Operations Item 1** on the March Board of Directors meeting agenda with the Committee's recommendation for approval by the Board. Director Gallagher made a motion to approve this item, seconded by Director Paddock. Chair McConnaughay asked that the roll be called on the motion, the vote of yeas and nays being as follows:

Yeas: Director Gallagher, Director Paddock, Committee Chair McConnaughay (3)

Nays: (0)

The motion PASSED.

Committee Chair McConnaughay entertained a motion to approve placement of **Toll Operations Item 2** on the March Board of Directors meeting agenda with the Committee's recommendation for approval by the Board. Director Gallagher made a motion to approve this item, seconded by Director Paddock. Chair McConnaughay asked that the roll be called on the motion, the vote of yeas and nays being as follows:

Yeas: Director Gallagher, Director Paddock, Committee Chair McConnaughay (3)

Nays: (0)

The motion PASSED.

Engineering

Committee Chair McConnaughay called on Manar Nashif, Acting Chief Engineering Officer, to present the following items:



Item 1: Award of Contract I-19-4714 to Dunnet Bay Construction Co. for Roadway and Bridge Construction of the I-490 and IL Route 390 Interchange on the Elgin O'Hare Western Access Tollway (I-490) and Illinois Route 390 from Mile Post 16.3 to Mile Post 17 in the amount of \$23,241,093.24.

Item 2: Award of Contract RR-21-4824R to Fence Masters, Inc. for Roadway Appurtenance Repairs, Systemwide in the amount of \$3,839,207.00.

Item 3: Award of Contract RR-21-9247 to Drive Construction, Inc. for Traffic Operations Center and Dispatch Center Renovation General Construction, on the Veterans Memorial Tollway (I-355) at Mile Post 19.8 (Central Administration Building) in the amount of \$4,189,000.00.

Item 4: Award of Contract RR-21-4583R to Foundation Mechanics, LLC for Weigh-In-Motion Replacement on the Veterans Memorial Tollway (I-355) at Mile Post 2.2 (Bruce Road) in the amount of \$1,844,255.56.

Item 5: Award of Contract RR-21-4589 to Aldridge Electric, Inc. for Weigh-In-Motion Replacement on the Tri-State Tollway (I-94) at Mile Post 3.1 (IL 173) in the amount of \$2,357,677.10.

Item 6: Change Order / Extra Work Order on I-17-4339 to Judlau Contracting, Inc. for Roadway and Bridge Widening and Reconstruction on the Tri-State Tollway (I-294) between Mile Post 35.04 (South of Grand Avenue) and Mile Post 36.70 (Wolf Road) and on I-490 Ramp S1 and Ramp S2 in the amount of \$400,000.00, increasing the contract amount from \$156,039,761.15 to \$156,439,761.15.

Item 7: Extra Work Order on I-20-4519 to F.H. Paschen, S.N. Nielsen & Associates, LLC for Roadway & Bridge Reconstruction on the Tri-State Tollway (I-294) Tollway between Mile Post 22.3 (75th Street) and Mile Post 24.1 (I-55 Ramps) in the amount of \$720,000.00, increasing the contract amount from \$127,194,376.65 to \$127,914,376.65.

Item 8: Change Order / Extra Work Order on I-19-4476 to Plote Construction, Inc. / Dunnet Bay Construction Co., (JV) for Roadway and Bridge Widening and Reconstruction on the Tri-State Tollway (I-294) at (Eisenhower Expressway I-290) and St. Charles Road, in the amount of \$450,000.00, increasing the contract amount from \$32,965,466.50 to \$33,415,466.50.

Item 9: Acceptance of Proposal from Stanley Consultants, Inc. on Contract I-21-4572 for Construction Management Services Upon Request, Systemwide in an amount not to exceed \$3,000,000.00.



Item 10: Acceptance of Proposal from SQN Associates, LLC on Contract I-21-4810 for Construction Management Services Upon Request, Systemwide in an amount not to exceed \$3,000,000.00.

Item 11: Acceptance of Proposal from 4HD, Inc. on Contract RR-21-9243 for Construction Management Services Upon Request, Systemwide in an amount not to exceed \$2,000,000.00.

Item 12: Acceptance of Proposal from HDR Engineering, Inc. on Contract RR-21-4801 for Design Services Upon Request, Systemwide in an amount not to exceed \$5,000,000.00.

Item 13: Acceptance of Proposal from Muller & Muller Ltd. on Contract RR-21-9240 for Facilities Design Services Upon Request, Systemwide in an amount not to exceed \$3,000,000.00.

Item 14: Acceptance of Proposal from Orion Engineers, PLLC on Contract RR-21-9241 for Design Services Upon Request, Systemwide in an amount not to exceed \$3,000,000.00.

Item 15: Acceptance of Proposal from Horner & Shifrin, Inc. on Contract RR-21-9242 for Design Services Upon Request, Systemwide in an amount not to exceed \$1,500,000.00.

Item 16: Acceptance of Proposal from Quigg Engineering, Inc. on Contract I-17-4299 for Supplemental Design Services on the Tri-State Tollway (I-294) from Mile Post 29.1 (East West Connector) to Mile Post 30.5 (Roosevelt Road) in an amount of \$475,000.00, increasing the contract amount from \$2,850,000.00 to \$3,325,000.00

Upon conclusion of the presentation of items, Committee Chair McConnaughay entertained a motion to consolidate for consideration and action Engineering Items 1 thru 16. Director Gallagher made a motion to consolidate these items, seconded by Director Paddock. Committee Chair McConnaughay asked that the roll be called on the motion, the vote of yeas and nays being as follows:

Yeas: Director Gallagher, Director Paddock, Committee Chair McConnaughay (3)

Nays: (0)

The motion PASSED.

The motion to consolidate these items having carried, Committee Chair McConnaughay entertained a motion to approve placement of **Engineering Items 1 thru 16** on the March Board of Directors meeting agenda with the Committee's recommendation for approval by the Board. Director Gallagher made a motion to approve these items, seconded by Director Paddock. Chair McConnaughay asked that the roll be called on the motion, the vote of yeas and nays being as follows:



Yeas: Director Gallagher, Director Paddock, Committee Chair McConnaughay (3)

Nays: (0)

The motion PASSED.

Legal

Committee Chair McConnaughay stated that without objection, Legal Item 2 will be deferred until after consideration in executive session at the full Board meeting. She then called on Kathleen R. Pasulka-Brown, General Counsel, to present Legal Item 1:

Item 1: Approval of an Intergovernmental Agreement with Cook County and the Village of Justice for work associated with the proposed interchange on I-294 at 88th/Cork Avenue. Estimated cost to the Tollway: \$18,083,692.50.

Item 2: Approval of Settlement Agreement. Cost to the Tollway: As discussed in Executive Session.

Upon conclusion of the item presentation, Committee Chair McConnaughay entertained a motion to approve placement of **Legal Item 1** on the March Board of Directors meeting agenda with the Committee's recommendation for approval by the Board. Director Gallagher made a motion to approve this item, seconded by Director Paddock. Chair McConnaughay asked that the roll be called on the motion, the vote of yeas and nays being as follows:

Yeas: Director Gallagher, Director Paddock, Committee Chair McConnaughay (3)

Nays: (0)

The motion PASSED.

Illinois State Police

Committee Chair McConnaughay called on Captain Jason Bradley, District 15 Illinois State Police, to present the following item:

Item 1: Award of Contract 21-0173 to Ray O'Herron Company, Inc. for the purchase of Ballistic Shields in an amount not to exceed \$136,950.00 (Tollway Invitation for Bid).

Upon conclusion of the item presentation, Committee Chair McConnaughay entertained a motion to approve placement of **ISP Item 1** on the March Board of Directors meeting agenda with the Committee's recommendation for approval by the Board. Director Gallagher made a motion to



approve these items, seconded by Director Paddock. Chair McConnaughay asked that the roll be called on the motion, the vote of yeas and nays being as follows:

Yeas: Director Gallagher, Director Paddock, Committee Chair McConnaughay (3)

Nays: (0)

The motion PASSED.

Adjournment

There being no further Committee business, Committee Chair McConnaughay entertained a motion to adjourn. Director Gallagher made a motion to adjourn, seconded by Director Paddock. Chair McConnaughay asked that the roll be called on the motion, the vote of yeas and nays being as follows:

Yeas: Director Gallagher, Director Paddock, Committee Chair McConnaughay (3)

Nays: (0)

The motion PASSED.

The Meeting was adjourned at approximately 11:50 a.m.

Minutes taken by: _____

Christi Regnery
Board Secretary
Illinois State Toll Highway Authority

A long-exposure photograph of a multi-lane highway at night. The sky is a deep blue with some clouds. In the foreground, a streetlight pole with two bright lights is visible on the left. The highway lanes are filled with light trails from cars, with white and yellow trails on the left and red trails on the right. In the background, there are some buildings and trees, including one with a 'Presidio' sign.

2021 Year End Budget to Actual

(Preliminary and Unaudited)

Cathy Williams
March 16, 2022

2021 Year End - Forecast vs. Actual

CATEGORY	ORIGINAL BUDGET	(\$ millions)			% CHANGE
		FORECAST ¹	ACTUAL	\$ CHANGE	
Revenue	\$1,415	\$1,459	\$1,464	\$5	0.3%
M&O Expenditures	\$380	\$373	\$370	(\$3)	(0.8%)
Debt Service Transfers	\$468	\$457	\$456	(\$1)	(0.2%)
Capital Expenditures	\$1,534	\$1,327	\$1,236	(\$91)	(6.8%)

Key Drivers

Revenue

- Revenue 0.3 percent higher than forecast and evasion recovery lower than expected
- Investment income below budget due to short term interest rate remaining close to zero percent

Capital Expenditures

- Primarily due to impact on construction, utility relocation associated with delays in right-of-way acquisition

Note: ¹ A 2021 forecast was prepared as part of the 2022 Budget process. Numbers may not add to totals due to rounding.



REVENUE



2021 Year End - Revenue

CATEGORY	ORIGINAL BUDGET	(\$ millions)			% CHANGE
		FORECAST	ACTUAL	\$ CHANGE	
Total Revenue	\$1,415.0	\$1,459.2	\$1,463.8	\$4.6	0.3%
Toll Revenue ¹ and Evasion Recovery	\$1,395.0	\$1,446.8	\$1,439.4	(\$7.4)	(0.5%)
Concessions	\$2.0	\$2.0	\$1.4	(\$0.6)	(28.6%)
Investments	\$10.0	\$2.4	\$2.4	(\$0.0)	(0.1%)
Miscellaneous	\$8.0	\$8.0	\$20.6 ²	\$12.6	157.2%

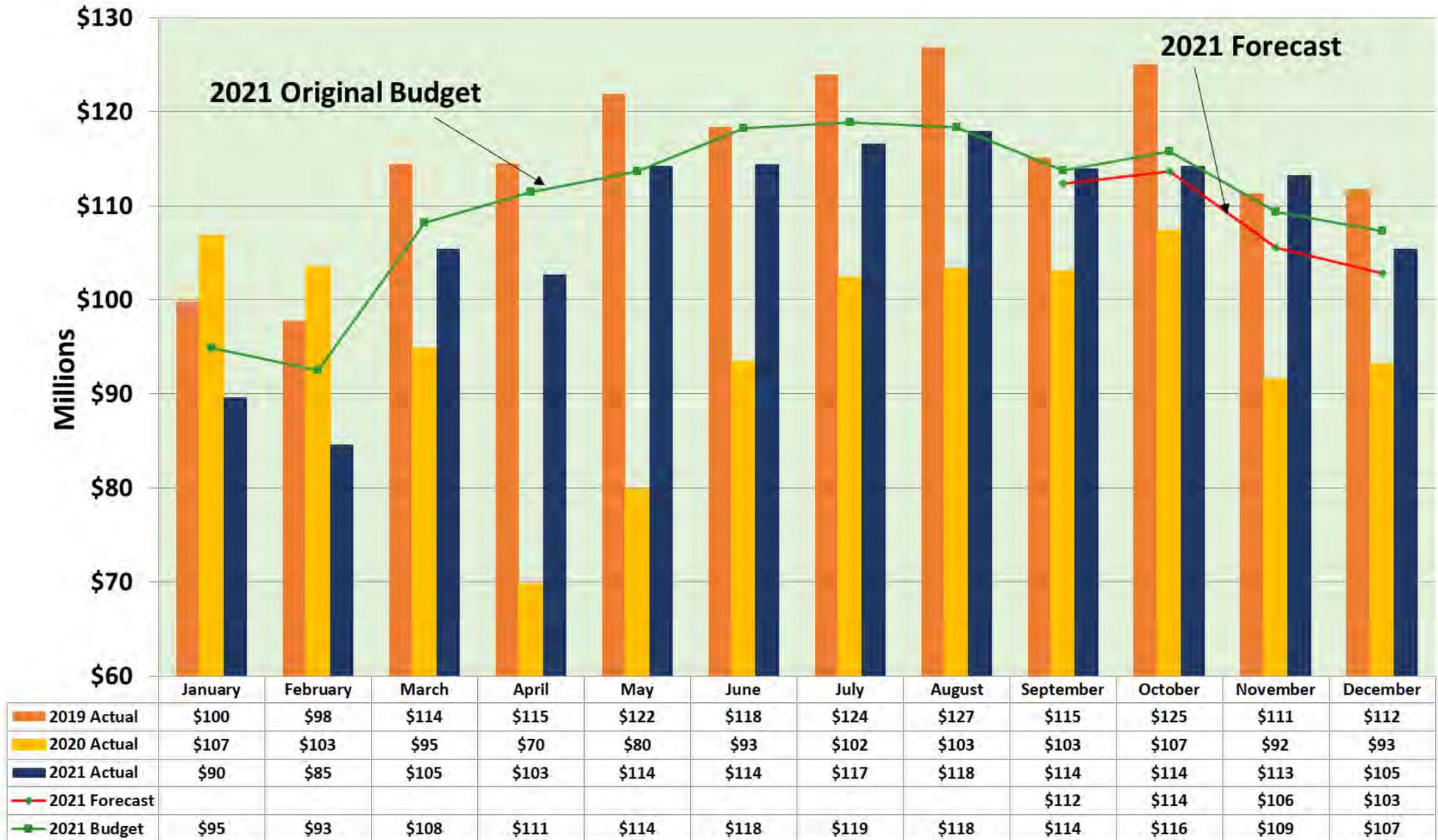
Notes: ¹ Original Budget and Forecast Toll Revenue is based on expected toll revenue estimates from CDM Smith, Traffic Engineer

² Includes proceeds from the sale of property of \$16 million in September 2021.

Numbers may not add due to rounding.



Monthly Toll Revenue 2019 – 2021



2021 Year End – Maintenance and Operations

CATEGORY	BUDGET	(\$ millions)		% CHANGE
		ACTUAL	\$ CHANGE	
Total M&O	\$379.5	\$370.0	(\$9.6)	(2.5%)
Payroll and Related Costs	\$181.9	\$176.2	(\$5.7)	(3.1%)
Contractual Services	\$100.0	\$91.3	(\$8.7)	(8.7%)
Group Insurance	\$28.8	\$34.9	\$6.1	21.2%
Other Post Employment Benefits	\$4.0	\$7.2	\$3.2	80.0%
Equipment Maintenance	\$32.9	\$29.3	(\$3.6)	(11.1%)
All Other Insurance	\$11.1	\$10.9	(\$0.2)	(1.7%)
Materials/Operational Supplies/Other Expenses	\$7.6	\$5.9	(\$1.7)	(22.9%)
Utilities	\$8.1	\$6.8	(\$1.3)	(16.6%)
Parts and Fuel	\$5.9	\$8.7	\$2.8	46.5%
Other Miscellaneous Expenses	(\$0.7)	(\$1.1)	(\$0.4)	(50.8%)

Numbers may not add to totals due to rounding

Key Drivers

Payroll and Related Costs

- Voluntary reduction in headcount
- Unfilled positions offset by overtime

Contractual Services

- Amnesty-related reduction in collection costs
- Reduction in outsourced customer service costs
- Timing of execution of contracts

Group Insurance

- Larger and higher percentage of claims than anticipated

Equipment Maintenance

- Reduced monthly lane maintenance

Materials/Operational Supplies

- Timing of execution of contracts
- Lower usage of office supplies with remote workforce

Utilities

- ComEd rebate

Parts and Fuel

- Higher repair cost for maintaining older fleet
- Supply chain issues
- Increase in price and fuel usage



CAPITAL PROGRAM



2021 Year End - Capital Program

CATEGORY	ORIGINAL BUDGET	(\$ millions)			% CHANGE
		FORECAST ¹	ACTUAL	\$ CHANGE	
Tri-State (I-94/I-294/I-80)	\$690.4	\$713.3	\$698.6	(\$14.7)	(2.1%)
Reagan Memorial (I-88)	\$24.9	\$18.8	\$18.6	(\$0.2)	(1.1%)
Jane Addams Memorial (I-90)	\$0.7	\$2.4	\$2.2	(\$0.2)	(7.7%)
Veterans Memorial (I-355)	\$1.3	\$10.0	\$7.1	(\$2.9)	(29.0%)
Systemwide Improvements	\$285.3	\$239.2	\$221.9	(\$17.3)	(7.2%)
Tri-State (I-294)/I-57 Interchange	\$78.0	\$75.7	\$80.2	\$4.5	5.9%
Elgin O'Hare Western Access	\$451.4	\$275.0	\$228.5	(\$46.5)	(16.9%)
Total Capital Expenditures	\$1,534.6	\$1,337.2	\$1,258.6	(\$78.5)	(5.9%)
Agreement Reimbursements and Other Adjustments	\$0.0	(\$10.4)	(\$22.7)	(\$12.3)	NA
Total Capital with Reimbursements	\$1,534.1	\$1,326.8	\$1,235.9	(\$90.8)	(6.8%)

Note: ¹ A 2021 forecast was prepared as part of the 2022 Budget process. Numbers may not add to totals due to rounding.

Key Drivers

EOWA

- Timing of pending right-of-way payments and effect on utility relocations and construction

Central Tri-State Tollway

- Utility relocations done earlier than planned and timing of right-of-entry agreements resulted in slightly less spending than planned

Systemwide

- Less than planned spending on bridge, pavement, ramp repairs, interchange improvements as well as technology projects and fleet





THANK YOU



APPENDIX

2021 vs 2020 Results



Year End - Maintenance and Operations - 2021 vs 2020

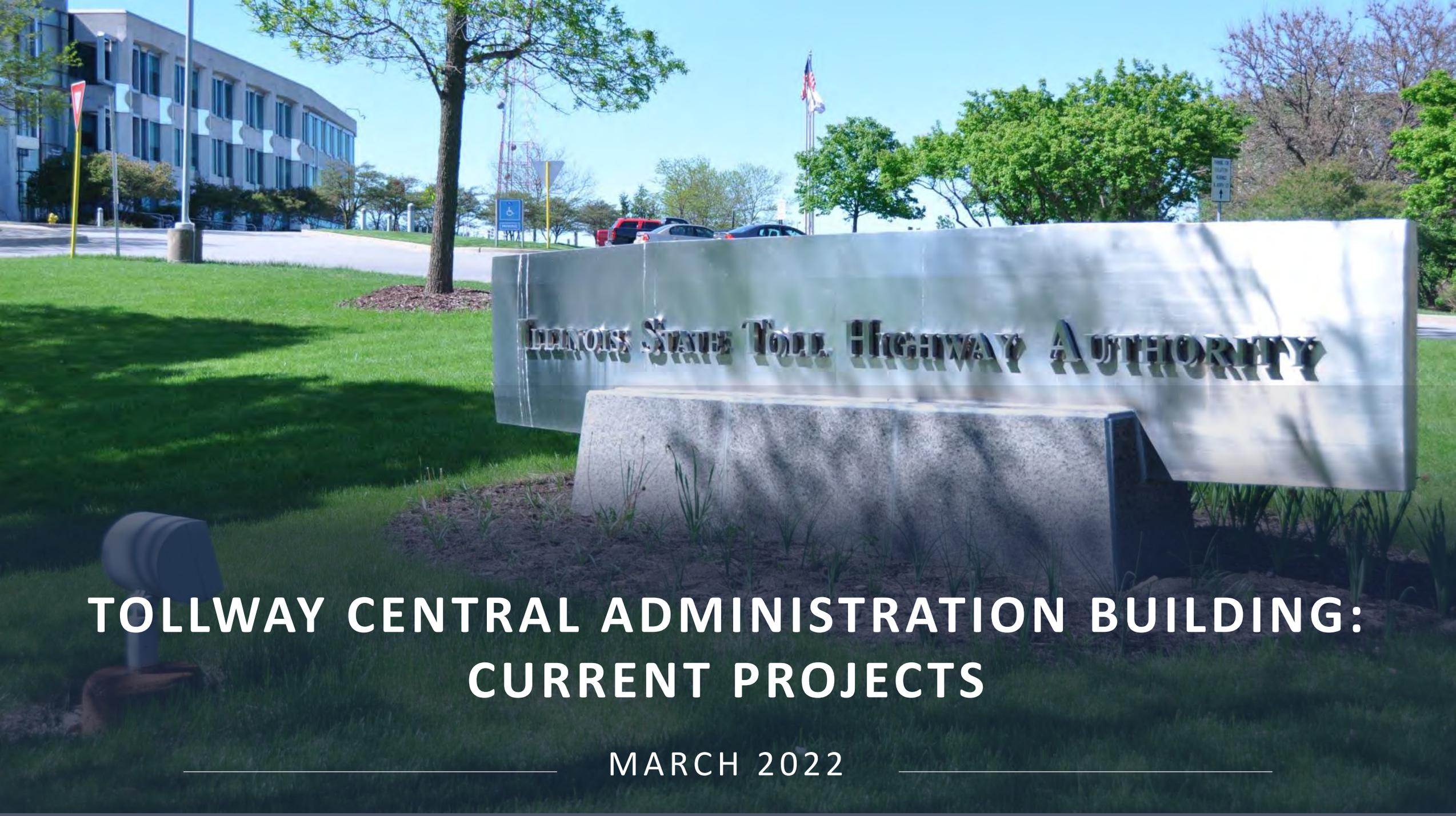
CATEGORY	(\$ millions)					
	2020		2021		2021 ACTUAL/ 2020 ACTUAL CHANGE	
	BUDGET	ACTUAL	BUDGET	ACTUAL	\$ CHANGE	% CHANGE
Payroll and Related Costs	\$175.6	\$177.3	\$181.9	\$176.2	(\$1.2)	(0.7%)
Contractual Services	\$100.7	\$82.1	\$100.0	\$91.3	\$9.3	11.3%
Group Insurance	\$31.8	\$27.9	\$28.8	\$34.9	\$7.0	25.1%
Other Post Employment Benefits	\$4.0	\$4.1	\$4.0	\$7.2	\$3.1	75.6%
Equipment Maintenance	\$31.2	\$28.2	\$32.9	\$29.3	\$1.1	3.9%
All Other Insurance	\$11.6	\$10.9	\$11.1	\$10.9	\$0.0	0.4%
Materials/Operational Supplies/Other Expenses	\$10.7	\$6.5	\$7.6	\$5.9	(\$0.7)	(10.5%)
Utilities	\$8.7	\$7.6	\$8.1	\$6.8	(\$0.8)	(10.7%)
Parts and Fuel	\$6.6	\$6.0	\$5.9	\$8.7	\$2.8	46.2%
Other Miscellaneous Expenses	(\$0.6)	(\$1.0)	(\$0.7)	(\$1.1)	(\$0.1)	(10.0%)
Total Maintenance and Operations Expenditures	\$380.2	\$349.5	\$379.5	\$370.0	\$20.5	5.9%

Numbers may not add to totals due to rounding.

Year End - Capital Program 2021 vs 2020

CATEGORY	(\$ millions)					
	2020		2021		2021 ACTUAL/ 2020 ACTUAL CHANGE	
	FORECAST	ACTUAL	FORECAST	ACTUAL	\$ CHANGE	% CHANGE
Tri-State (I-94/I-294/I-80)	\$485.0	\$519.3	\$713.3	\$698.6	\$179.3	34.5%
Reagan Memorial (I-88)	\$27.3	\$39.0	\$18.8	\$18.6	(\$20.4)	(52.3%)
Jane Addams Memorial (I-90)	\$5.4	\$3.4	\$2.4	\$2.2	(\$1.1)	(33.5%)
Veterans Memorial (I-355)	\$19.3	\$12.9	\$10.0	\$7.1	(\$5.9)	(45.3%)
Systemwide Improvements	\$238.1	\$230.1	\$239.2	\$221.9	(\$8.3)	(3.6%)
Tri-State (I-294)/I-57 Interchange	\$45.4	\$50.2	\$75.7	\$80.2	\$30.1	60.0%
Elgin O'Hare Western Access	\$338.8	\$317.0	\$275.0	\$228.5	(\$88.5)	(27.9%)
Total Capital Expenditures	\$1,161.4	\$1,172.5	\$1,337.2	\$1,258.6	\$86.1	7.3%
Agreement Reimbursements and Other Adjustments	(\$67.0)	(\$71.2)	(\$10.4)	(\$22.7)	\$48.6	68.2%
Total Capital with Reimbursements	\$1,094.4	\$1,101.3	\$1,326.8	\$1,235.9	\$134.7	12.2%

Numbers may not add to totals due to rounding



ILLINOIS STATE Toll Highway AUTHORITY

TOLLWAY CENTRAL ADMINISTRATION BUILDING: CURRENT PROJECTS

MARCH 2022

ISP MEMORIAL – SOUTH CA

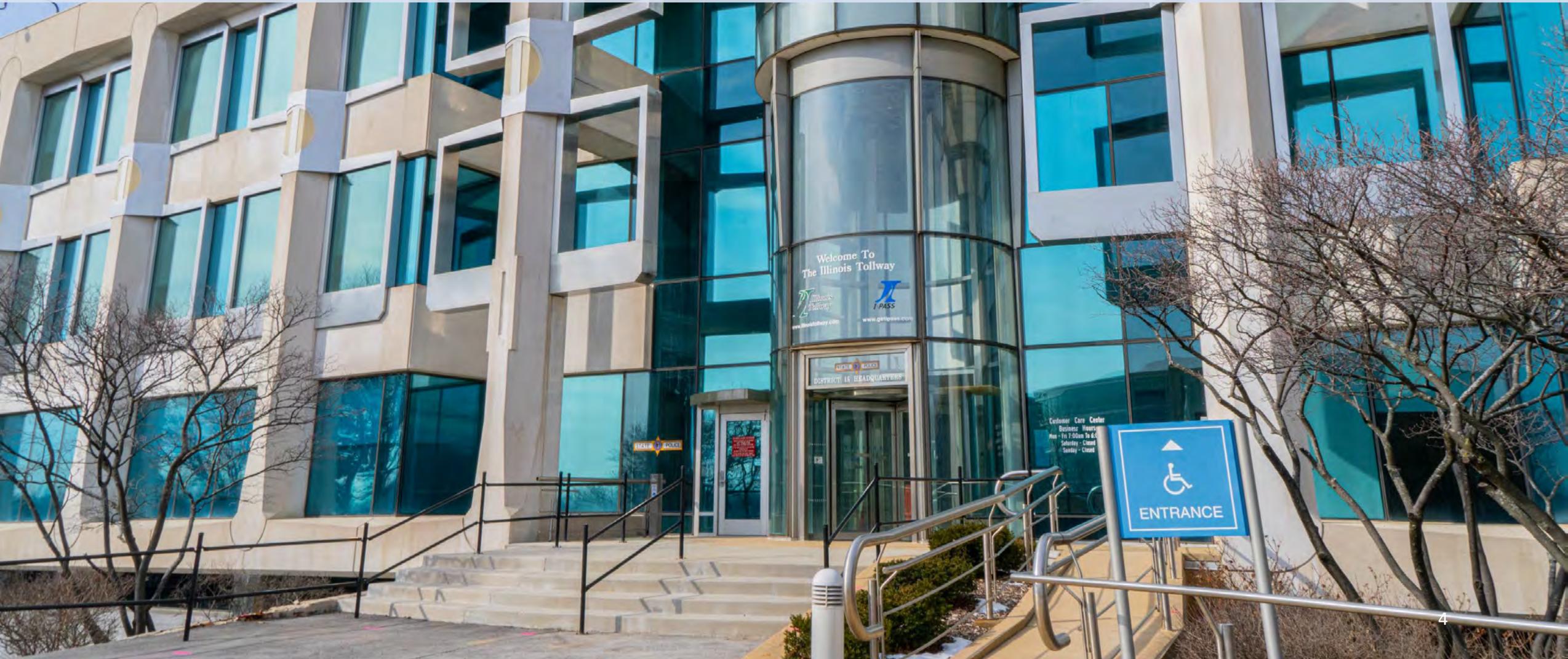
Memorial to commemorate the fallen Tollway and ISP personnel who died in the line of duty



**CURRENT
ILLINOIS STATE
POLICE DISTRICT 15
MEMORIAL**



CENTRAL ADMINISTRATION BUILDING – EAST ENTRANCE



EMERGENCY REPAIRS/CONSTRUCTION (2021-2022)

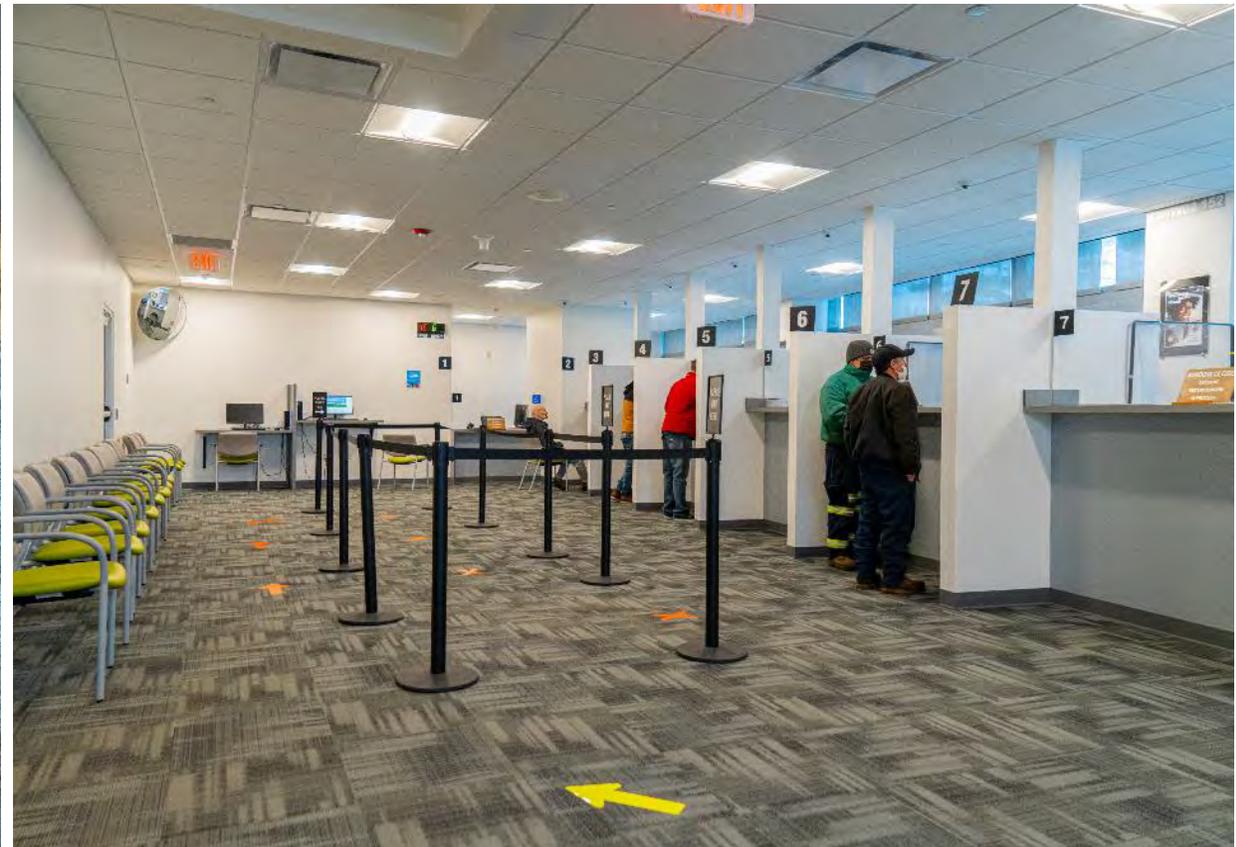
MAIN EAST ENTRANCE RECONSTRUCTION

Reconstruction of east building entrance to repair severe structural issues



TEMPORARY I-PASS CENTER

Temporary I-Pass Customer Service Center constructed on the north end during entrance construction



TRAFFIC OPERATIONS CENTER (2022)

Replace the Traffic Operations and Dispatch centers with a combined center to add critical capacity to meet the current and future needs of our higher capacity roadways and SmartRoad systems





ILLINOIS STATE Toll Highway Authority

THANK YOU