



**Pace, the Suburban Bus Division of the Regional Transportation Authority
550 West Algonquin Road
Arlington Heights, Illinois
Minutes of the Open Session Meeting of the Pace Board of Directors
May 17, 2023**

The Board of Directors of Pace, the Suburban Bus Division of the Regional Transportation Authority, met in open session on Wednesday, May 17, 2023 at 9:30 a.m. at Pace corporate headquarters, 550 West Algonquin Road, Arlington Heights, Illinois, pursuant to notice.

Chairman Kwasneski led the assembly in the Pledge of Allegiance.

Chairman Kwasneski called the meeting to order at 9:32 a.m.

Roll Call

Directors physically present: Arfa, Canning, Carr, Guerin, Hastings, Marcucci, Schielke, Smith, Soto, Wells, and Chairman Kwasneski.

Directors absent: Noak.

Director Hastings moved, and Director Schielke seconded a motion to allow Director McLeod to attend via Zoom. The motion passed with a unanimous vote.

Director McLeod joined the meeting via Zoom immediately following the vote.

SBD #23-32 – Resolution approving the open session meeting minutes of April 19, 2023.

Director Schielke moved, and Director Soto seconded a motion to approve the Resolution. The motion passed with a unanimous vote.

Public Comment

None.

Director Noak joined the meeting at 9:34 a.m.

Chairman's Report

Chairman Kwasneski reported that Pace is hosting an event this Friday at the Pace Old Chicago Park-n-ride in Bolingbrook with Congressman Bill Foster, who provided Pace funding for a new Park-n-ride facility to support I-55 Bus on shoulder service.

Chairman Kwasneski reported on bills that he monitored while he was in Springfield with Doug Sullivan, Manager of External Relations. Proposed Illinois Senate Bill 17-69 requires that certain state entities with fleets having 10 or fewer occupants must be all-electric. Pace raised concerns about the Vanpool program, as most riders do not have electric chargers in their homes and manufacturers for small electric vans are scarce. Pace, along with the Illinois Municipal League, successfully lobbied to exempt municipal corporations like Pace from the bill.

Chairman Kwasneski reported on a proposed House bill that establishes new requirements for the service boards. The bill permits the confiscation of the passes of unruly passengers. The Senate added provisions providing funding relief for the recovery ratio through 2025, reducing fares for students and veterans, and setting forth more reporting requirements. Pace raised concerns to the bill sponsor and the chairman of the transportation committee about a requirement that all vehicles purchased beyond 2026 be electric. In partnership with RTA and CTA, Pace proposed covenant language that would prevent violations should there be issues with the market supply and electric grid conversion. There may be provisions added requiring ComEd to make improvements to the grid to support the electric bus purchases mandated by the bill.

Directors' Reports

As discussed at the last meeting, Director Carr reported that he, Melinda, and Colette T. Gordon, Pace's Chief Internal Auditor, were interviewed by an external agency. In May, the Association of Local Government Auditors ("ALGA"), as part of their Peer Review Program, conducted a Quality Assessment of Pace Internal Audit for the past five years.

Director Schielke reported on the groundbreaking for Fermilab's new particle accelerator - a \$3.5 billion project which, when completed in 3-5 years, will bring 2200 jobs to the region. Fermilab staff stressed the need for public transit connections/Dial-a-Ride service to Metra lines in Aurora and Geneva. Director Schielke wants to make sure Pace is prepared. Similarly, Director Schielke reported on a meeting with Madam Chair Pierog of Kane County about town annexations in Huntley, Hampshire, Pingree Grove, Burlington, and Marengo near the Kane-McHenry County border. Director Schielke is concerned that the CMAP PART committee is not aware that housing inventory is low, and new housing developments in the far west suburbs could bring 100,000 people to that area and a heavy demand for public transit.

Director Soto reported on the one-year anniversary of Ride Lake County, a county paratransit program. She commended Pace staff for their hard work and the smooth rollout. Director Soto

reported that she and Melinda will meet with Lake County Chair Hart and her transportation staff to answer questions about the electrification of the North Garage.

Director Wells reported on attending the groundbreaking of the Homewood Metra facility with Melinda Metzger, Pace CFO Lorri Newson, and staffers of Cook County President Preckwinkle and U.S. Rep. Robin Kelly. Speakers at the event discussed the Invest in Cook grant, praised the collaboration between Pace and Metra, and said great things can happen when county, local, state, and federal entities work together. Director Wells said he is excited for the future as Pace moves out of the pandemic with multiple capital projects underway. Chairman Kwasneski said there is a misperception that the sister agencies do not work together and that a list of collaborative projects and programs should be prepared for the CMAP PART committee.

Director McLeod reported that he and Melinda met with Maggie Trevor, Cook County Board Commissioner of the 9th district, over concerns about transportation for people with disabilities in the Rolling Meadows area. Commissioner Trevor complimented Director Guerin.

Chairman Kwasneski concluded by congratulating Chicago Mayor Brandon Johnson on his election victory. He said Pace is looking forward to working with him and meeting about ADA paratransit services in the City of Chicago.

Executive Director's Report

Melinda Metzger began by recognizing Asian American and Pacific Islander Heritage Month.

Melinda reported that Pace was awarded the 2023 Bus Safety Gold Standard Award at APTA's Mobility Conference in April for leveraging technology, like the pedestrian avoidance system, to enhance training programs. This is the highest award a transit agency can receive for safety. Melinda thanked all bus operators for their excellent work every day.

Melinda commented on several reports made by Directors earlier. Melinda thanked Chairman Kwasneski and Doug Sullivan for monitoring active bills in Springfield. Melinda met with Cook County Commissioner Trevor to evaluate service needed in that district, to discuss the fiscal cliff and to discuss how more money is needed in the suburbs for public transportation. Melinda said the Homewood Station Project mentioned by Director Wells is a great example of how ongoing collaborations between Pace and sister agencies enhance the region's network of transportation. The project will upgrade the Metra station, add a bus turnout, and enhance the waiting area to support current service and accommodate future service.

Melinda reported that in mid-June, Pace will launch its first late night TNC pilot called Pace Connect. The pilot will operate from the CTA blue line in Rosemont to the cargo areas at the south end of O'Hare Airport. It will also operate in the seven communities surrounding the Harvey Transportation Center, connecting with Pace's 24/hr. Route 352. The pilot is funded by

RTA and Cook County with the goal of providing flexible first mile and last mile options for third shift workers.

Melinda reported on community project funding grants. On May 2, Pace celebrated the \$840,000 in community project funding secured by Congressman Garcia for the deployment the deployment of TSP on Harlem and Cermak Avenues for future Pulse lines, showing how Pace continues to leverage technology to enhance service. On May 19, Pace will celebrate \$1.2 million in community project grant funding secured by Congressman Foster for enhancements to the Old Chicago PNR facility. On today's agenda, Pace is proposing an amendment to the capital budget, in part to incorporate the approximately \$5 million in total in community project funding grants secured. The next federal appropriations bill will potentially contain other Pace community funding grants funded by 5 members of our congressional district. Pace looks forward to final funding determinations and is very grateful for the support.

Melinda reported that the project to construct a new ADA paratransit transfer facility at the Northwest Transportation Center will break ground this summer. She also reported that during the Kennedy Expressway I-90 construction project, Pace will deploy ads and wrap buses along Pace I-90 routes to let people know that there are transit alternatives.

Melinda provided an update on recruitment. This month, Pace held 5 weekly drop-in "Hire on the Spot" events at Pace headquarters. Recruiting events will also be held at Harper College, Joliet Junior College, and the Universal Training Institute. Pace currently has 45 candidates in the hiring process and 97 candidates in training because of these efforts. Pace needs 200 more new operators to be fully staffed up.

Melinda reported that Pace is \$10.4 million favorable to budget for suburban service, mostly due to the fact that we need more bus operators to put more service on the street (no drivers, no gas or salary expenditures). ADA service is \$3.8 million favorable to budget. Melinda reported that systemwide, Pace carried 1.5 million riders in April 2023, which is a 3.3% increase over April 2022 ridership. The increase is understated because there is one less weekday in 2023. April 2023 ridership on I-90 routes has increased over April 2022. ADA paratransit ridership is at 100% of pre-pandemic levels while fixed route ridership is at 70% of pre-pandemic levels.

Director Marcucci asked for more details on how the need for 200 more bus operators has impacted service and if 200 buses are not out on the street that should be. Melinda explained that Pace is trying to hire for Pulse Dempster service, which has not debuted yet, in addition to filling existing vacancies. Occasionally Pace has reduced service to cope with staff shortages. Melinda directed passengers to use Pace's online bus tracker and the new MaaS app to stay up-to-date on schedule changes. Last year, Pace eliminated routes with significantly low ridership. Pace is working through staffing issues like other transit systems, but our goal is to hire up so we can keep all service out on the street. Director Marcucci praised the MaaS app.

Director Arfa asked if Pace has enough operators for ADA paratransit now that ADA ridership has returned to pre-pandemic levels. Melinda said Pace needs more operators but has formed partnerships with taxi companies and TNCs to augment paratransit service. Chairman Kwasneski mentioned that there is a bill in Springfield that would require TNCs to obtain common carrier status, and Uber indicates they would rather not operate in Illinois than comply. Melinda said that scenario would impact Pace's TNC partnership with the DuPage Uber Access program. It would not impact TNC partnerships with UZURV and VIA, whose drivers follow federal regulations for drug and alcohol tests, background checks, and physicals and partnerships with taxi companies. Additional service could still be provided.

RTA Strategic Plan Presentation

RTA staff Leanne Redden, Executive Director, and Peter Kersten, Program Manager of the Strategic Plan Initiative, presented on the plan and how RTA evaluated potential funding solutions to address the looming fiscal cliff.

Chairman Kwasneski praised the extensive involvement of stakeholders in the process. He raised concerns that RTA's strategic plan is more in-depth than the work of CMAP's PART Committee, which has been tasked by the Illinois legislature to provide final recommendations on reforms to funding distribution mechanisms and governance structures of the transit boards. He will be disappointed if the RTA's information is not incorporated into CMAP's report.

Leanne Redden clarified that the service boards have voices in the conversations taking place through PART and that PART's work can advocate for the importance of a regional transit system. The final recommendation must be approved by the MPO Policy Committee comprised of representatives from municipal, county, and federal government and the service boards.

Director Noak believes that PART will incorporate ideas from the RTA strategic plan, but that the PART committee also has their own ideas and competing interests. He commended the work of the RTA and reminded everyone that we need to be unified in addressing the funding shortfall. Anything else is a distraction right now. He said creating a vastly new system may result in more problems, costs, and delays and ultimately be a worse alternative.

Director Soto commented that in the past, the transit boards have not worked together as well as they do now. She said negative information is hard to shake off and a lot of elected state and county officials are relying on old information. She said Covid has distracted everyone and we need to advocate at the state level by reinforcing what we have accomplished together.

Director Schielke questioned the legalities of reforming the RTA and service boards, which were created by a referendum, without citizens of the service area voting upon it. Director McLeod agreed.

Director Canning commented on the conversion to an electric fleet, saying a lot of factors like the ability to manufacture buses and to ready the electric grid, are out of our hands. He asked if RTA involved ComEd in the strategic plan process. A discussion ensued.

Chairman Kwasneski stated that the service boards need to work with ComEd and everyone's responsibilities need to be clear. We need to account for how this massive infrastructure project is going to be funded, perhaps by taxes on all who use electricity; buying the bus is not the issue.

Director Noak added that the infrastructure issues are very real. ComEd cannot deal with the growth today and demands on the system will only continue to grow. He said everyone wants to achieve electric grid conversion, but we need to deal with the realities. We also need plans and facilities to deal with the long-term implications of the technologies (i.e. battery disposal).

Items removed from the Consent Agenda

None.

Approval of Consent Agenda

SBD #23-33 – Ordinance authorizing the award of a sole source contract to Giro, Inc. for HASTUS software maintenance and support services in an amount not to exceed \$344,161.00.

SBD #23-34 – Ordinance authorizing the award of a contract to BlueApple Health, LLC for on-site health screenings and flu shots in an amount not to exceed \$602,680.05.

SBD #23-35 – Ordinance authorizing the award of a contract to Clean Energy (Inc.) for preventive maintenance and repair service for the compressed natural gas (CNG) fueling station at Pace South Division in an amount not to exceed \$836,244.30.

SBD #23-36 – Ordinance authorizing the award of a contract to W.W. Grainger, Inc. for various maintenance, repair, and operation (MRO) products in an amount not to exceed \$791,148.60.

SBD #23-37 – Ordinance authorizing Change Order No. 1 to Contract No. 227391 with MV Transportation, Inc. for fixed route bus service on Pace Routes 711 and 715. This change order extends the contract for one year, and increases the contract total from \$7,760,206.21 to \$9,513,391.72, an increase of \$1,753,185.51.

Director Guerin moved, and Director Soto seconded a motion to approve the Consent Agenda. The motion passed with the following roll call vote: Directors Arfa, Canning, Carr, Guerin, Hastings, Marcucci, McLeod, Noak, Schielke, Smith, Soto, Wells, and Chairman Kwasneski. All directors voted aye.

Action Items

SBD #23-38 – Ordinance amending the 2023 Operating and Capital Program Budget (Amendment #1).

Kris Skogsbakken, Department Manager of Capital Grants, presented an amendment to the capital budget incorporating new community project funding grants.

Director Noak moved, and Director Soto seconded a motion to approve the Ordinance. The motion passed with the following roll call vote: Directors Arfa, Canning, Carr, Guerin, Hastings, Marcucci, McLeod, Noak, Schielke, Smith, Soto, Wells, and Chairman Kwasneski. All directors voted aye.

Issues/Discussion/Reports

Chairman Kwasneski encouraged Directors to review the March 2023 budget reports and financial statements contained in their packets.

Adjournment

Chairman Kwasneski asked for a motion to adjourn into closed session for the purposes of discussing Closed Session Minutes (2-C-21) and Pending Litigation (2-C-11). Director Guerin moved, and Director Smith seconded the motion. The motion passed with a unanimous vote. All directors voted aye.

The meeting adjourned at 10:55 a.m.

Reconvene

Chairman Kwasneski reconvened the open session of the Pace Board of Directors meeting at 11:03 a.m.

Directors physically present: Arfa, Canning, Carr, Guerin, Marcucci, Noak, Schielke, Smith, Soto, Wells, and Chairman Kwasneski.

Directors virtually or telephonically present: McLeod.

Directors absent: Hastings.

SBD #23-39 – Resolution approving the closed session meeting minutes of April 19, 2023.

Director Schielke moved, and Director Canning seconded a motion to approve the Resolution.

The motion passed with the following roll call vote: Directors Arfa, Canning, Carr, Guerin, Marcucci, McLeod, Noak, Schielke, Smith, Soto, Wells, and Chairman Kwasneski. All directors voted aye.

Adjournment

There being no further business, Chairman Kwasneski asked for a motion and second to adjourn the Pace Board of Directors meeting.

Director Wells moved, and Director Guerin seconded a motion to adjourn the meeting. The motion passed with a unanimous vote. The meeting adjourned at 11:04 a.m.

The next regular meeting of the Pace Board of Directors will be held on Wednesday, June 21, 2023 at 9:30 a.m. at Pace Corporate Headquarters, 550 West Algonquin Road, Arlington Heights, Illinois.

Elissa Ledvort
Board Secretary, Board of Directors