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**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**  
**September 20, 2023**

The Board of Directors of Pace, the Suburban Bus Division of the Regional Transportation Authority, met in open session on Wednesday, September 20, 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, Marcucci, McLeod, Schielke, Smith, Soto, Wells, and Chairman Kwasneski.

Directors absent: None.

Director McLeod moved and Director Guerin seconded a motion to allow Directors Hastings and Noak to attend via telephone. The motion passed with a unanimous vote. Directors Hastings and Noak joined the meeting via telephone immediately following the vote.

**SBD #23-65 – Resolution** approving the open session meeting minutes of August 16, 2023.

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

### **Public Comment**

None.

Director Wells left the meeting at 9:34 a.m. Director Wells returned to the meeting at 9:35 a.m.

### **Chairman's Report**

Richard A. Kwasneski, *Chairman*

Rachel Arfa   Christopher S. Canning   Terrance M. Carr   David B. Guerin   Kyle R. Hastings   Thomas D. Marcucci  
William D. McLeod   John D. Noak   Jeffery D. Schielke   Erin Smith   Linda Soto   Terry R. Wells

*Board of Directors*

Melinda J. Metzger, *Executive Director*

Chairman Kwasneski reported that he, Melinda, and several Pace board members held meetings with the collar county chairs to talk about the CMAP PART study. The meetings went well. He believes that the counties understand the importance of Pace services and that communication and collaboration with the counties help Pace respond to the needs of the region.

Chairman Kwasneski reported on CMAP's joint MPO Policy Committee and Board of Directors meeting held on September 13 in which a robust discussion about PART funding and governance occurred. He encouraged everyone to listen to the comments shared by the CMAP board and MPO committee members. Public comments need to be submitted by Friday, September 22 to be included in the next PART draft, which will be presented at another joint meeting on October 11. Pace is preparing a response. Chairman Kwasneski reported that collar county chairs also voiced their input. Pace had encouraged the counties to comment, not on behalf of the service boards, but based on what they feel is important for their areas.

### **Directors' Reports**

Director Arfa reported on the passing of disability rights activist Jack Cannon, who helped shape accessibility in the region.

Director Marcucci thanked Melinda Metzger and Chairman Kwasneski for a productive meeting with Deborah Conroy, the new Chair of DuPage County. Her staff was impressed by the DuPage Uber Access program, which is one of the first examples of Uber providing rides supported by local tax dollars in the country. Pace received feedback on how Uber is compensated. They also discussed the PART study and the effect it would have on DuPage County. Director Marcucci believes that most counties are interested in retaining as much local control as possible.

Director McLeod reported that he attended CMAP's joint MPO Policy Committee and Board of Directors meeting via Zoom. He appreciated Chairman Kwasneski's articulate and concise remarks on the effect of the proposed changes outlined in PART on the region.

Director Noak apologized for not being at today's meeting in-person while he addresses an emergency in his community. He encouraged Directors to communicate with their appointing authorities on PART and to make sure that their input is being considered in the PART process.

Director Schielke reported that as Chairman of CMAP's Council of Mayors, he cast a vote on the PART study at CMAP's joint MPO Policy Committee and Board of Directors meeting. He said it is imperative that every county talks to their state legislators, as they are the ones who will decide if the PART recommendations will become legislation. He said it was distressing that PART proposes combining the service boards into one entity but does not say if the new board will have equal representation between the city and the suburbs. He does not know if state legislators are aware that the collar counties are currently represented on the Pace board, the Metra board, and the RTA board, and may not have that representation in the future. He believes the City of Chicago wants more than its fair share of power and funding. He praised Pace staff for making a compelling case that Pace has done a good job running and updating the bus

system. He concluded by saying that no one is considering the collar counties that want RTA transit service but are not currently part of the RTA. For example, Kendall County wants a Metra train and Pace service, but Kendall County Board candidates openly campaign against the RTA tax.

Chairman Kwasneski pointed out that the fiscal cliff is an effect of the lower ridership caused by the Covid-19 pandemic. Other transit systems across the country have been similarly affected. He believes some Illinois leaders are trying to take advantage of the situation to restructure the RTA. The PART study itself says that the service boards have performed well compared to peer agencies across the country. He believes we do not need to restructure the whole RTA system if it is not broken and that it is the farthest thing from the truth that the service boards do not work together. He believes that PART conversations have focused on the restructuring process more than finding ways to fund current and future service, which is the most important priority.

Director Noak commented that as a member of the CMAP PART committee, there was a multitude of discussion points that did not make it into the draft report. He said that it was heavily discussed who should be appointed to board(s) and how and wanted to note that there is more context than what is being presented in this draft report.

Director Smith thanked Chairman Kwasneski, Melinda Metzger, and Ed Gallagher for meeting with Scott Hennings, Pam Althoff, and other McHenry County officials to discuss ways to make the Pace services used by seniors more efficient. They also discussed the PART study, particularly the CTA pension liability and the guiding principle that representation should follow ridership. Director Smith said that sounds good in theory, but McHenry fears that they will return to a state where insufficient dollars flow to their transit programs. She said all the suburbs are concerned and we need to pay attention if we want public transportation in the suburbs.

Director Soto reported that she attended CMAP's joint MPO Policy Committee and Board of Directors meeting via Zoom. She thanked Chairman Kwasneski and Director Noak for their well-stated comments. She urged everyone to watch the comments shared at that meeting, and the comments shared at the RTA Board of Directors meeting held on September 14 where CMAP presented on PART. She complimented Pat Carey, Lake County's representative on RTA's board, for articulating that funding and governance changes cannot be done at the same time, and for illustrating the long difficult process of changing governance structure during a funding crisis. She believes we should take our time on governance, and address funding first. Director Soto reported that she attended a Lake County Partners event with Ed Gallagher where she discussed PART with county officials. She encouraged everyone to keep spreading the word on PART, paying attention, and reaching out to legislators on the State of Illinois Transportation Committee, because they will probably be the ones to draft legislation based on the PART report.

Chairman Kwasneski added that he and Melinda have reached out to Cook County Board President Toni Preckwinkle, Cook County Board Superintendent of Transportation and Highways Jennifer Sis Killen, and other county officials to make them aware of the next CMAP PART meeting on October 11. Chairman Kwasneski thanked Directors for their comments.

## **Executive Director's Report**

Melinda Metzger thanked Directors for meeting with county chairs about the 2024 budget and PART.

Melinda reported that Congressman Sean Casten visited Southwest Division after he helped secure \$1 million for Pace to purchase new electric-powered ADA paratransit vehicles.

Melinda reported that Pace received an award from the Center of Digital Government, national research institute on IT best practices in state and local government, for Pace's self-service customer feedback portal. This allows customers to provide feedback at any hour without needing to speak to a Pace representative.

Melinda reported that Pace completed an FTA Triennial Review. Pace had one minor finding on reporting vehicle purchases using the platform Survey Monkey. Pace corrected that and now has no deficits. Melinda thanked Chief Internal Auditor, Colette Thomas Gordon and audit staff.

Melinda reported that Pace is proposing a balanced budget for 2024, which includes 200,000 revenue hours of new service focused on improving frequency. Pace will continue to provide dial-a-ride partners an additional 15% subsidy and is proposing free fares for ADA paratransit riders on fixed route. Melinda thanked Pace's CFO, Lorri Newson, the budget staff, and the agency for their work. She said with the unknowns that still remain from the pandemic and with the incorporation of electrification and new and innovative services, pulling together a budget with no fare increases was not an easy task.

Melinda reported that the full Pulse Dempster daily service will launch on October 29. Pace already launched Sunday service in August and has seen a 12% increase in Sunday ridership compared to pre-pandemic levels in 2019. This reinforces that when you provide frequent and reliable service, people will use it.

Melinda reported that Pace will hold a ribbon-cutting ceremony for the expansion of the Round Lake Area On Demand on October 5<sup>th</sup>. The service zone in northwestern Lake County has doubled to include portions of Fox Lake, Long Lake, Ingleside, and Round Lake Heights, providing riders first mile/last mile connection to Metra stations. Melinda said this reinforces the Chairman's comments that Pace works well with the other service boards.

Melinda reported on Pace Connect. The first mile/last mile service in Rosemont and Harvey continues to grow daily. As of today, 1,600 accounts were created and 979 rides were provided.

Melinda reported on Pace's ongoing effort to combat the nationwide bus operator shortage. Since August, Pace extended 54 offers at Hire on the Spot events held at Pace divisions and colleges.

Melinda reported on the year-to-date budget through July. Suburban service is \$21.3 million favorable to budget due to continued positive performance in both operating revenue and expenses. ADA service is \$7.6 million favorable to budget due to continued positive performance in operating expenses. August 2023 ridership is up 9.2% over August 2022, carrying approximately 1.8 million riders. In August 2023, Pace provided 7000 trips on TNCs.

### **Items removed from the Consent Agenda**

None.

### **Approval of Consent Agenda**

**SBD #23-66 – Ordinance** authorizing the award of a contract to Motorola Solutions, Inc. for software and equipment maintenance, and radio airtime for the STARCOM21 System in an amount not to exceed \$1,330,545.96.

**SBD #23-67 – Ordinance** authorizing Change Order No. 2 to Contract No. 233744 with Davis Bancorp, Incorporated for armored car services for the transportation of revenue collection equipment and revenue counting services for all Pace locations and contract carriers.

Director Schielke moved, and Director Smith 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 #23-68 – Ordinance** amending the 2023 Operating and Capital Program Budget (Amendment #2).

Kris Skogsbakken, Manager of Capital Grants, presented.

Director Noak left the meeting at 10:05 a.m.

Director McLeod moved, and Director Schielke seconded a motion to approve the Ordinance. The motion passed with the following roll call vote: Directors Arfa, Canning, Guerin, Hastings, Marcucci, McLeod, Schielke, Smith, Soto, and Wells.

Director Noak was not present for the vote. All other directors voted aye.

Director Noak returned to the meeting at 10:07 a.m.

**SBD #23-69 – Ordinance** authorizing the award of a contract to Mythics, LLC for Oracle hardware and software maintenance in an amount not to exceed \$2,460,405.84.

Scott Kinsella, Chief Information Officer, presented.

Director McLeod moved, and Director Wells 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.

**SBD #23-70 – Ordinance** authorizing the award of a contract to Gordian Group, Inc. for Job Order Contracting (JOC) Catalog Services in an amount not to exceed \$700,000.00.

Jane Swider, Deputy Chief Procurement Officer, presented.

Director Canning left the meeting at 10:25 a.m. Director Canning returned to the meeting at 10:27 a.m.

Director Schielke moved, and Director McLeod 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, Smtih, Soto, Wells, and Chairman Kwasneski. All directors voted aye.

### **Issues/Discussion/Reports**

Melinda began the 2024 budget presentation by summarizing Pace's efforts in 2023. As Pace rebounds from the pandemic and accommodates the changing mobility needs of riders, the focus has been the implementation of new and innovative service options like the launch of Pace Connect and Pulse Dempster, the expansion On Demand and VanGo, and the utilization of TNCs. Most recently, Pace launched a regional ADA rideshare program modeled after TAP in Chicago. Pace continues to improve technology for ADA paratransit riders through enhancements to the trip management portal and the deployment of departure boards. Pace launched the MaaS app with partner Transit to make trip planning easier. Pace continues progress on capital projects with the groundbreaking of an ADA transfer facility adjacent to the Northwest Transportation Center, construction of South Campus, and the reconstruction of the Harvey Transportation Center. Pace continues progress on our zero emissions initiative with the infrastructure underway at Southwest Division, to deploy an electric Gillig bus on 95<sup>th</sup> Street. Pace continues to move the agency forward through collaboration and partnerships with Metra and CTA on fares, service planning, and capital projects. Pace continues working with local community colleges to enhance recruiting efforts.

Melinda reported that in 2024, Pace will continue efforts on Project Zero by deploying 22 electric vehicles in the fixed route fleet. Pace will continue to make progress on the fleet and facilities transition plan. Staff will continue to explore funding opportunities for electric vehicles and the infrastructure needed to support them. Pace will continue to enhance and update garages and passenger facilities and will leverage technology to upgrade the service we provide to customers. Pace will embark on ReVision, a network revitalization and system restructuring

effort, which will examine the services Pace provides throughout the region. Pace strongly believes that the outcome of this study will be requests for additional service.

Chairman Kwasneski praised Melinda's report and asked her to share this information with CMAP.

Lorri Newson, Chief Financial Officer, presented the suburban and ADA 2024 budgets. Kris Skogsbakken, Manager of Capital Grants, presented the capital 2024 budget. Director Arfa applauded Pace's investment in increasing services for people with disabilities, appreciating the free rides for ADA riders taking fixed routes. Director Schielke reported on a meeting with Mayor Brandon Johnson in which the Mayor was concerned about the 15,000 Venezuelan migrants that arrived in Chicago this summer, and a discussion ensued on how the budget and Pace may be affected.

Director Marcucci believes the world would be a better place with electric vehicles but expressed a lot of concerns on the long-term costs of the vehicles, support facilities, and infrastructure. Chairman Kwasneski commented that Pace needs to work with the legislature on electric vehicle legislation keeping in mind the availability of electric buses, the construction of charging facilities, and execution of third-party agreements with ComEd or industries who Pace might be sharing power with. Director Wells asked about Proterra filing for bankruptcy. Melinda stated that there were five manufacturers of electric vehicles, but Nova Bus is moving out of the United States market and Proterra went bankrupt (El Dorado buys batteries from Proterra). That leaves El Dorado, New Flyer, and Gillig. There is a timing issue because every transit company wants to buy electric buses, but production takes about a year and the manufacturers do not have the platform to build thousands of buses at once.

### **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 Smith moved, and Director Guerin seconded the motion. The motion passed with a unanimous vote. All directors voted aye.

The meeting adjourned at 10:37 a.m.

### **Reconvene**

Chairman Kwasneski reconvened the open session of the Pace Board of Directors meeting at 10:56 a.m.

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

Directors telephonically present: Hastings and Noak.

**SBD #23-71 – Resolution** approving the closed session meeting minutes of August 16, 2023.

Director Schielke moved, and Director Smith seconded a motion to approve the Resolution. The motion passed with a unanimous vote. All directors voted aye.

**SBD #23-72 – Ordinance** approving action on Maurice Nelson and Christi Marshall v. Pace Suburban Bus and Margaret Murry, in her Individual Capacity and in her Official Capacity of Division Manager of Pace Suburban Bus—Heritage Division, U.S. District Court, Northern District of IL, Eastern Division, Case No. 17 C 7697.

Director Canning moved, and Director McLeod 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.

### **Adjournment**

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

Director Schielke moved, and Director Soto seconded a motion to adjourn the meeting. The motion passed with a unanimous vote. The meeting adjourned at 11:05 a.m.

The next regular meeting of the Pace Board of Directors will be held on Wednesday, October 18, 2023 at 9:30 a.m. at Pace Corporate Headquarters, 550 West Algonquin Road, Arlington Heights, Illinois.

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Elissa Ledvort  
Board Secretary, Board of Directors