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**Suburban Bus Division of the Regional Transportation Authority
550 West Algonquin Road
Arlington Heights, Illinois
Open Session of the Board of Directors
April 11, 2018**

The Board of Directors of Pace, the Suburban Bus Division of the Regional Transportation Authority, met in public session on Wednesday, April 11, 2018 at 4:30 p.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 4:30 p.m.

Roll Call

Directors physically present: Canning, Carr, Claar, Hastings, Larson, Marcucci, Schielke, Shepley, Soto, Stephens, Wells, and Chairman Kwasneski.

Director attending by phone: Tamley.

Chairman Kwasneski asked for a motion, and a second to allow Director Tamley to attend the meeting via audio conference.

Director Shepley moved, and Director Stephens seconded the motion to allow Director Tamley to attend the meeting via teleconference. The motion passed with a unanimous vote.

Director Tamley joined the meeting via audio conference immediately after the vote was taken.

SBD #18-23 – Resolution approving the minutes of the Open Session meeting of March 14, 2018.

Director Soto moved, and Director Hastings seconded a motion to approve the minutes of the Open Session meeting of March 14, 2018. The motion passed with a unanimous vote.

Public Comment

No public comments were brought before the Board during the designated Public Comment portion of the meeting.

BOARD OF DIRECTORS

Richard A. Kwasneski, Chairman

Christopher S. Canning Terrance M. Carr Roger C. Claar Kyle R. Hastings Al Larson Thomas D. Marcucci

Jeffrey D. Schielke Aaron T. Shepley Linda Soto Bradley A. Stephens Karen Tamley Terry R. Wells

Thomas J. Ross

Executive Director

Report of Chairman

Chairman Kwasneski reported the opening event of the Edens Expressway Bus on Shoulder will be on Monday, April 16, 2018, at 10:00 a.m. along with IDOT and the Lake County TMA. This service will enhance service already in that corridor and give quicker transportation and increase ridership.

Directors' Reports

No Directors gave a report.

Report of Executive Director

T.J. Ross reported there was an MCI coach bus on premises to tour following the Board Meeting. The bus is a prototype that provides faster boarding for people who use mobility devices. This is a new design that MCI, an Illinois corporation, is moving to put into production.

T.J. Ross reported that on Monday at 10:00 a.m., Pace is holding its I-90 Bus on Shoulder event at the Riverwalk Company at 2150 E. Lake Road in Buffalo Grove. Service began on Monday, April 9, 2018 and feedback so far is that Pace used the shoulder seven times with an average time savings of three minutes. Buses run on the right-hand side aiding in bus operator's driving safety.

April 24, 2018 from 4:30 p.m. to 6:30 p.m. Pace will hold a joint public hearing with the CTA to receive public comments on the proposed service changes detailed in the North Shore Bus Coordination Plan. Director Canning will be the hearing officer at the public hearing that will be held at the Levy Center in Evanston.

Average daily ridership for March was down 1% believed to be due to the fare increase; however, Pace is fighting back and will give an update to its Vision 2020 plan later in this meeting. The Vision 2020 Plan is being updated to include additional efforts to increase ridership.

Pace will give an update to its Cybersecurity efforts later in this meeting.

Pace continues to operate within its 2018 Budget and Financial Plan. The 2017 financial results were finalized and the sales tax was essentially flat in November and December. As a net result, these numbers came in after the end of 2017 and Pace ended the year with a deficit of about \$2,000,000.00. This shortfall will be made up from previous years' positive budget variances. The shortfall is due to the changes in the State of Illinois budget, reduction in transit funding made mid-year, and failure of the state to fund the half-fare reimbursement. The 2019 budget process will begin in approximately one month.

T.J. Ross reported that the U.S. Supreme Court is scheduled to rule on the South Dakota case concerning on-line sales tax collections. If the ruling is positive, Pace can receive local sales tax from on-line sales.

Pace will soon hold individual conversations with board members explaining Pace's procurement process that follows the FTA rules.

Action Items

SBD #18-24 Ordinance authorizing the award of a contract to Mesirow Insurance Services, Inc. for Insurance Brokerage Services.

Director Claar moved, and Director Marcucci seconded a motion to approve the Ordinance. The motion passed with the following roll call vote: Directors Canning, Carr, Claar, Hastings, Larson, Marcucci, Schielke, Shepley, Soto, Stephens, Tamley, Wells, and Chairman Kwasneski. All Directors voted Aye.

SBD #18-25 Ordinance authorizing the award of a contract to Pacific Construction Services, Inc. for Construction of West Division Bus Garage Mid-Life Improvements.

Director Schielke moved, and Director Shepley seconded a motion to approve the Ordinance. The motion passed with the following roll call vote: Directors Canning, Carr, Claar, Hastings, Larson, Marcucci, Schielke, Shepley, Soto, Stephens, Tamley, Wells, and Chairman Kwasneski. All Directors voted Aye.

SBD #18-26 – Ordinance authorizing the award of a contract to Path Construction Company, Inc., for Construction of Heritage Division Bus Garage Mid-Life Improvements.

Director Schielke moved, and Director Hastings seconded a motion to approve the Ordinance. The motion passed with the following roll call vote: Directors Canning, Carr, Claar, Hastings, Larson, Marcucci, Schielke, Shepley, Soto, Stephens, Tamley, Wells, and Chairman Kwasneski. All Directors voted Aye.

SBD #18-27 – Ordinance authorizing the award of a contract to John Burns Construction for Construction of Toyota Park Transit Center Phase II Project.

Director Hastings moved, and Director Soto seconded a motion to approve the Ordinance. The motion passed with the following roll call vote: Directors Canning, Carr, Claar, Hastings, Larson, Marcucci, Schielke, Shepley, Soto, Stephens, Tamley, Wells, and Chairman Kwasneski. All Directors voted Aye.

SBD #18-28 – Ordinance authorizing a change order to Contract Number 223274 with Globetrotters Engineering Corporation for Architectural/Engineering Services for Northwest Transportation Center (NWTC) Phase II Mid-Life.

Director Claar moved, and Director Schielke seconded a motion to approve the Ordinance. The motion passed with the following roll call vote: Directors Canning, Carr, Claar, Hastings, Larson, Marcucci, Schielke, Shepley, Soto, Stephens, Tamley, Wells, and Chairman Kwasneski. All Directors voted Aye.

Issues/Discussions/Reports

Scott Kinsella, Chief Information Officer, and Phil Parisi, IT Security Administrator, presented an update on Pace's Cybersecurity Program.

Colette Thomas-Gordon, Chief Internal Auditor, reported there will not be a presentation on Pace's 2018 Internal Audit Plan; however, staff is available to answer questions regarding the report provided in the board packet.

Lorraine Snorden, Deputy Executive Director of Strategic Services, and Matt Stegeman, Sr. Service Planner, gave a presentation on Pace's Building on Vision 2020 plan.

Public Comment

William Crosby requested time to make a public comment. Chairman Kwasneski allowed Mr. Crosby to comment on paratransit on-time performance.

Chairman Kwasneski asked for a motion to adjourn into Closed Session for the purposes of discussing closed session minutes (2-C-21), collective bargaining (2-C-2), security procedures (2-C-8), pending litigation (2-C-11), and employment matters (2-C-1). Director Marcucci moved, and Director Schielke seconded the motion. The motion passed with a unanimous vote from the Board of Directors at 5:36 p.m.

Reconvene

Chairman Kwasneski reconvened the Open Session of the Pace Board of Directors meeting at 5:49 p.m.

Directors physically present: Canning, Carr, Claar, Hastings, Larson, Marcucci, Schielke, Shepley, Soto, Stephens, Wells, and Chairman Kwasneski.

Director absent: Tamley.

Action Items

SBD #18-29 – Resolution approving the minutes of the February 14, 2018 Board Meeting, Closed Session.

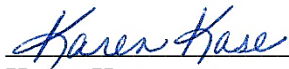
Director Stephens moved, and Director Schielke seconded a motion to approve the minutes of the Closed Session meeting of February 14, 2018. The motion passed with a unanimous vote.

Adjournment

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

Director Canning moved, and Director Claar seconded a motion to adjourn the Pace Board of Directors meeting. The motion passed with a unanimous vote. The meeting adjourned at 5:51 p.m.

The next regular meeting of the Pace Board of Directors will be held on Wednesday, May 9, 2018 at 4:30 p.m. at Pace Corporate Headquarters, 550 West Algonquin Road, Arlington Heights, Illinois.



Karen Kase
Acting Secretary, Board of Directors