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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
October 18, 2023**

The Board of Directors of Pace, the Suburban Bus Division of the Regional Transportation Authority, met in open session on Wednesday, October 18, 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 9:30 a.m.

Roll Call

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

Directors absent: Hastings.

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

SBD #23-73 – Resolution approving the open session meeting minutes of September 20, 2023.

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

Public Comment

None.

Chairman's Report

Chairman Kwasneski reported that he and Melinda attended the APTA conference where they discussed electric bus supply chain issues affecting all transit agencies across the country. He said the situation is dire. In 2004, there were 10 bus manufacturers in the country. Today, there

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*

are three and one of them, Proterra, filed for bankruptcy. Pace ordered 20 buses from Proterra via a contract with the State of Georgia and we do not know what will happen to that order. Proterra is seeking a buyer. Layoffs, job shortages, and backorders caused by Covid also affected the companies that supply parts to electric vehicle manufacturers. Dorval Carter, President of CTA, stepped down as APTA Chair to lead an APTA task force that will work with electric vehicle manufacturers to speed up processes. FTA is eager to assist too. Chairman Kwasneski praised Dorval Carter's leadership.

Chairman Kwasneski reported that he was reappointed to the APTA Board of Directors. He said Illinois is well-represented at APTA with Dorval Carter from CTA, Jim Derwinski from Metra, and Jeff Nelson from MetroLINK in Rock Island.

Directors' Reports

Director Arfa congratulated Chairman Kwasneski on his appointment to the APTA Board. She thanked Melinda for the pink ribbons for Breast Cancer Awareness Month, saying they serve as an important reminder to stay on top of medical appointments. She reported that October is National Disability Employment Awareness Month. She praised Pace for helping so many people succeed in the workplace by getting people to and from their jobs.

Director Hastings joined the meeting at 9:37 a.m.

Director McLeod congratulated Chairman Kwasneski on his appointment to the APTA Board. He reported on attending the Round Lake Area On Demand Expansion event and praised Director Soto's work representing Lake County.

Director Noak congratulated Chairman Kwasneski on his appointment to the APTA Board.

Director Smith congratulated Chairman Kwasneski on his appointment to the APTA Board and thanked him for his time.

Director Soto congratulated Chairman Kwasneski on his appointment to the APTA Board. Director Soto reported on how the Round Lake Area On Demand Expansion ceremony was well-attended. The event brought together several local officials who are excited to have their area now covered by On Demand service. Fox Lake Mayor Donny Schmit, Round Lake Heights Trustee Jeff Nehila, Hainesville Trustee Mary Koval, Round Lake Beach Trustee Martha Ibarra, and Round Lake Beach Mayor Scott Nickles were in attendance, as well as Lake County Chair Sandy Hart and Lake County Board Members Esiah Campos, Kevin Hunter, John Wasik, and Adam Schlick. Director Soto thanked Director McLeod for attending and Melinda Metzger, Maggie Daly Skogsbakken, and Ed Gallagher for their work on the event.

Director Soto reported that she was a guest on WRLR community radio show, which a lot of residents tune in to, to talk about the On Demand Expansion. Director Soto also promoted the

service at the Round Lake Beach Fall Festival, at which Pace participated in the Touch a Truck part of the event by bringing a bus for attendees to see and board.

Chairman Kwasneski added to his report, saying that he attended the CMAP joint MPO Policy Committee and CMAP Board of Directors meeting last week where they voted to forward the PART report to the Illinois Legislature. It was not unanimous; PART had one dissenting vote from the Will County executive. The Chairman believes that throughout the process, too much time was spent discussing governance and not enough on the proposed new sources of revenue and on the service improvements and expansions that could be implemented if funding was available. He reported that there was a lot of disagreement on the recommendations in the study, particularly that the collar counties were not in favor of combining the service boards into one mega-agency. After 25 minutes of discussion, the term “recommendations” was changed to “options” before voting members felt comfortable voting on the PART study. Pace will continue to communicate with legislators about Pace’s needs and will continue to demonstrate that Pace uses funds responsibly. Melinda Metzger is working with our sister agencies to detail all the ways the service boards collaborate.

Director Schielke commended Chairman Kwasneski, Melinda Metzger, Director Noak, and Mayor Darch of Barrington for advocating for suburban interests during PART discussions. He believes the process was very political. As Chairman of CMAP’s Council of Mayors, Director Schielke cast a vote on PART, but said that he would not have supported it if the word “recommendations” had not been changed to “options” because there are a lot of politics built into that word. He encouraged fellow board members to keep their eyes and ears open and be ready to discuss concepts entertained by the legislature going forward.

Executive Director’s Report

Melinda Metzger said that Pace takes National Disability Employment Month seriously and supports people with disabilities getting jobs, keeping jobs, and having good transportation to get there. Pace’s 2024 budget provides free fares on fixed routes buses for people who are ADA certified.

Melinda praised Pace IT staff and Jim Franke for the improvements resulting from the installation of a new AV system in the board room.

Melinda congratulated Chairman Kwasneski on his reappointment to the APTA Board, saying having him represent our region is particularly important during this transformative period in public transportation.

Melinda reported on attending the APTA Conference with Chairman Kwasneski, where they learned about the latest electric vehicle technology and viewed electric paratransit vehicles. Staff explored new EV training simulators. Melinda talked to Proterra, who indicated that they have several potential buyers for the bus company portion of their business (the battery production and infrastructure installation portions of their business have separate buyers).

Melinda reported on the Round Lake Area On Demand Expansion ribbon-cutting event. She said the new service reflects Pace's commitment to finding innovative solutions that help build a more comprehensive public transit system for our region. Pace will continue to work on On Demand services in different areas.

Melinda provided the Board of Directors with copies of the Plan of Action for Regional Transit (PART) study that CMAP voted to release to the Illinois Legislature, along with the comments submitted by counties and municipal officials. She thanked Director Noak, Director Schielke, and Chairman Kwasneski for representing Pace on CMAP boards/committees. She thanked all Directors for sharing their viewpoint on the study with county and local municipal officials and getting information out about what Pace does and why it's important for the region.

Melinda reported that Pulse Dempster will begin full operations on October 29. It will run every 15 minutes and connect riders to major regional destinations from Evanston to O'Hare for a \$2 fare. Melinda thanked the Capital Infrastructure, Procurement, Grants, Human Resources, Planning, PPMO, Marketing, Communications, Community Relations, Operations, and Maintenance departments. She particularly thanked the bus operators running the service and greeting passengers every day, and the transit ambassadors talking to riders on route 250 explaining the changes that will be occurring. Not all stations and vertical markers will be completed by the launch, but the heated shelters are ready.

Melinda reported on the soft launch of integrating On Demand services into the Transit App, which is Pace's Mobility as a Service (MaaS) platform. Having information on all Pace services in one place makes it easier for customers to learn where our services are and how to use them.

Melinda reported on Pace Connect, the late night first mile/last mile service in Rosemont and Harvey. Since its launch, 2000 Pace Connect accounts have been created and over 1400 rides have been provided. Most of the rides are between the CTA Rosemont Transit Center to the O'Hare cargo area. Harvey has less usage; Pace will look at ways to increase that ridership.

Melinda reported on recruitment. Since the last board meeting, Pace extended offers to 52 candidates at weekly hire on the spot events. This year, Pace hired 403 operators with 159 currently in service and 126 currently in training. Eight additional events are planned at area colleges through March 2024.

Melinda reported on the year-to-date budget through August. Suburban service is \$26 million favorable to budget due to continued positive performance in both operating revenue and expenses. ADA service is \$8 million favorable due to continued positive performance in operating expenses. September 2023 ridership is up 7.2% over September 2022, carrying 1.8 million riders. Pace carried 6700 trips through TNC's like Uber, UZURV, and Via.

Items removed from the Consent Agenda

None.

Approval of Consent Agenda

SBD #23-74 – Ordinance adopting Pace’s Regulations Governing Public Bidding.

SBD #23-75 – Ordinance authorizing the award of a contract to Empower Annuity Insurance Company of America for Regional Transportation Authority (RTA) 401(k) Plan & Trust recordkeeping services in an amount not to exceed \$560,000.00.

SBD #23-76 – Ordinance authorizing the award of a contract to Petroleum Traders Corporation for the purchase and delivery of diesel fuel and unleaded gasoline to Pace facilities and contract carriers in an amount not to exceed \$31,629,274.52.

SBD #23-77 – Ordinance authorizing the award of contract to Chandler Services, Inc., Cummins, Inc., and Interstate Power Systems, Inc. for the repair of Cummins engines and Allison transmissions not covered by warranties in an amount not to exceed \$3,831,024.00.

SBD #23-78 – Ordinance authorizing the award of a contract to First Student, Inc. for fixed route bus service on Pace Route 905, the Schaumburg Trolley, in an amount not to exceed \$3,009,508.73.

SBD #23-79 – Ordinance authorizing the award of a sole source contract to Trapeze Software Group, Inc. for hardware, software, licenses, equipment, training, maintenance, and support for projects using Trapeze software in an amount not to exceed \$15,260,328.05.

Director Soto moved, and Director Guerin 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 #23-80 – Ordinance authorizing the release of the proposed 2024 Operating Budget and Two-Year Financial Plan for Suburban Service and Regional ADA Paratransit Service, the 2024-2028 Five-Year Capital Program for public hearings.

Director Wells moved, and Director Smith 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 #23-82 – Ordinance approving an IGA with CTA for Subsidizing Rides at Certain Stops Along Pace Routes for Riders Affected by Phase 1 of the Forest Park Branch Rebuild.

Erik Llewellyn, Chief Planning Officer, presented. Chairman Kwasneski and Director Marcucci led a brief discussion on how this agreement demonstrates that Pace and CTA work cooperatively together and are in regular communication.

Director Schielke moved, and Director Guerin 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.

SBD #23-83 – Ordinance approving an IGA with Cook County for Pace’s receipt of up to \$500,000 of Invest in Cook grant funding to support the architectural and engineering services for the Pulse Halsted Line project.

Charlotte Obodzinski, Department Manager of PPMO, presented. Chairman Kwasneski confirmed that the Pace Board is available to help work with IDOT if needed.

Director McLeod moved, and Director Guerin 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.

SBD #23-81 – Ordinance establishing the 2024 Board Meeting Schedule.

Director Soto 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 #23-84 – Ordinance authorizing Change Order No. 8 to Contract No. 232351 with Path Construction Company, Inc. for the resolution of cost, labor, and supply escalation claims for the Pace South Campus Acceptance Facility and Office Building. This change order increases the contract total from \$32,742,230.86 to \$35,671,642.36, an increase of \$2,929,411.50.

Josh Berger, Department Manager of Capital Infrastructure, presented. Director Canning and Chairman Kwasneski led a discussion on what factors contributed to project delays and wanted to ensure that another change order to this contract will not occur.

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, Smtih, Soto, Wells, and Chairman Kwasneski. All directors voted aye.

Issues/Discussion/Reports

Chairman Kwasneski encouraged Directors to review the August 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 Employment Matters (2-C-1). Director Soto moved, and Director Guerin seconded the motion. The motion passed with a unanimous vote. All directors voted aye.

The meeting adjourned at 10:34 a.m.

Reconvene

Chairman Kwasneski reconvened the open session of the Pace Board of Directors meeting at 10:58 a.m.

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

Directors telephonically present: Noak and Schielke.

SBD #23-85 – Resolution approving the closed session meeting minutes of September 20, 2023.

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

SBD #23-86 – Resolution approving a merit increase for the Executive Director for the year 2022.

Director Noak moved, and Director McLeod 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. Director Hastings abstained. All other directors voted aye.

SBD #23-87 – Resolution approving a First Amended Employment Agreement with the Executive Director.

Director Soto moved, and Director Wells seconded a motion to approve the Resolution. 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 Soto moved, and Director Smith seconded a motion to adjourn the meeting. The motion passed with a unanimous vote. The meeting adjourned at 11:00 a.m.

The next regular meeting of the Pace Board of Directors will be held on Wednesday, November 8, 2023 at 9:30 a.m. at Pace Corporate Headquarters, 550 West Algonquin Road, Arlington Heights, Illinois.

Elissa Ledvort
Board Secretary, Board of Directors