



**IMPROVING LIVES.
DRIVING INNOVATION.**



Annual Report 2017



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Executive Director

INTRODUCING THE PACE BOARD OF DIRECTORS

Pace, the suburban bus division of northeastern Illinois' Regional Transportation Authority, provides bus, paratransit, and vanpool services in Chicago's six-county metropolitan area. Pace is governed by a Board of Directors, most of whom are mayors or former mayors from the suburbs, as set by state law. Pace's chairman is elected by the chairmen of the collar counties and the suburban members of the Cook County Board. The Pace Board's Chicago member is the City's Commissioner for the Mayor's Office of People with Disabilities.





WELCOME

On behalf of Pace, I am pleased to present this report, which highlights a number of our activities over the past year. As you can see, Pace has been busy implementing several projects that provide better service to our customers, make the agency a more efficient steward of taxpayer dollars, and encourage additional commuters to make the switch to public transit.

While Pace has been nationally recognized for its performance over many years, we know there is still much work to do to offer northeastern Illinois residents an attractive alternative to the private automobile. In partnership with our local communities, spread across six counties, we look forward to achieving our goals and meeting your expectations.

Sincerely,



Richard Kwasneski

Pace Chairman of the Board



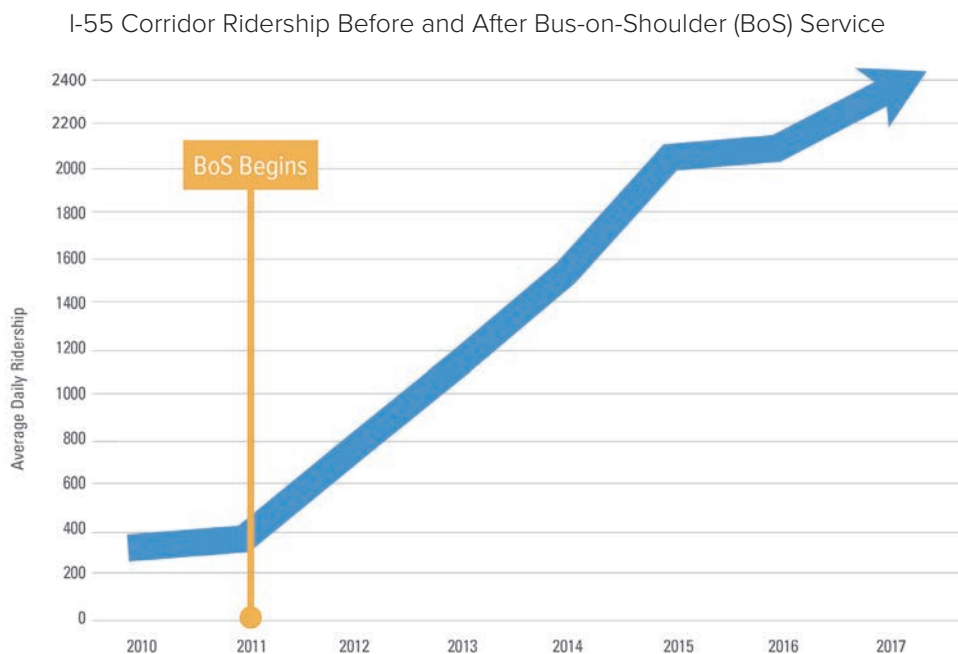
Pace Ridership Continues to Grow in 2017

Pace's ridership growth in 2017 bucked a national and regional trend of lower bus ridership. While Pace provided nearly 1% more rides in 2017 than in 2016, ridership in the Chicagoland region dropped 3.1% in 2017, and bus ridership declined 4.6% nation-wide.

Most notably from this year, ridership on Pace's express service on I-90 increased 45% since the service expansion in late 2016. Additional growth is expected in 2018 as a result of the ongoing advertising campaign and the opening of a third park-n-ride station along the I-90 corridor.

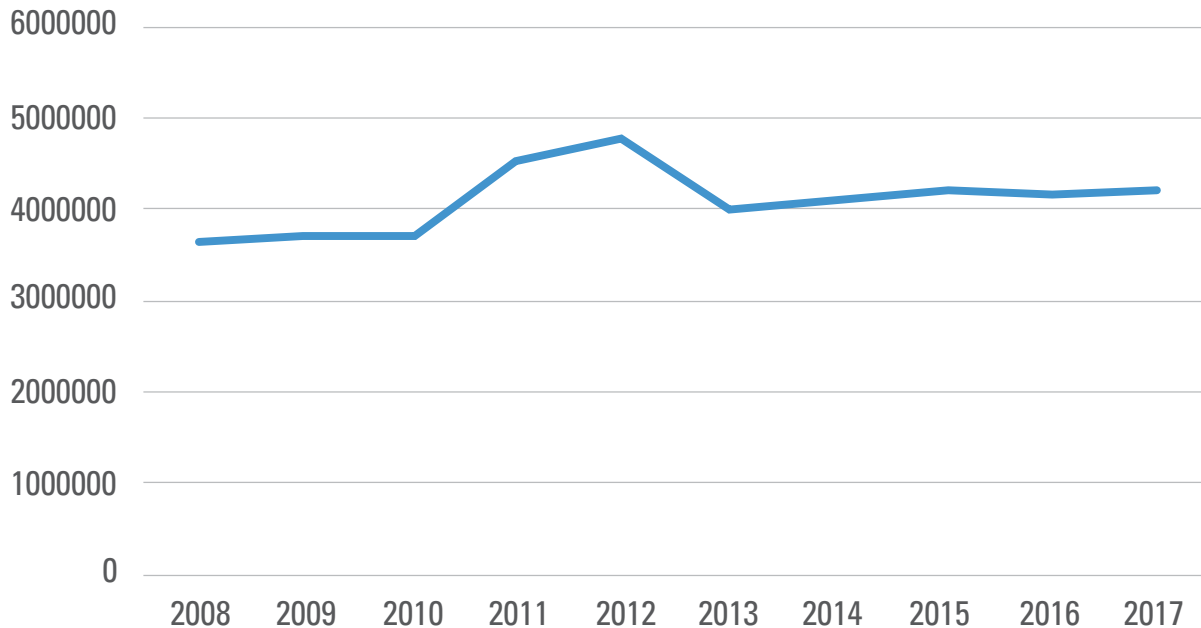
Did you know Pace handles more passengers each day than Midway Airport? In 2017, Pace carried 36 million passenger trips. The busiest route in the Pace system, Route 352 Halsted, carries nearly 6,000 trips per day—more than the Metra Heritage Corridor line or the CTA Yellow line. Pace carries more riders than any transit system in the nation that does not serve a central business district.

Pace's Bus-on-Shoulder routes in the I-55 corridor continue to show tremendous growth after a 2011 change in state law that permitted Pace buses to use the I-55 shoulder. The six routes that now utilize that shoulder have grown a combined 567% since the November 2011 legislation.



"To the moon, Alice!" In a single year, Pace riders cover a total of 258 million passenger miles of travel. An astronaut could go back and forth to the moon over 1,000 times and still not match the distance Pace carries its riders in a year. That represents a lot of people getting to work, school, medical appointments and entertainment, all of which boosts the local economy.

Pace Paratransit Ridership, by Year



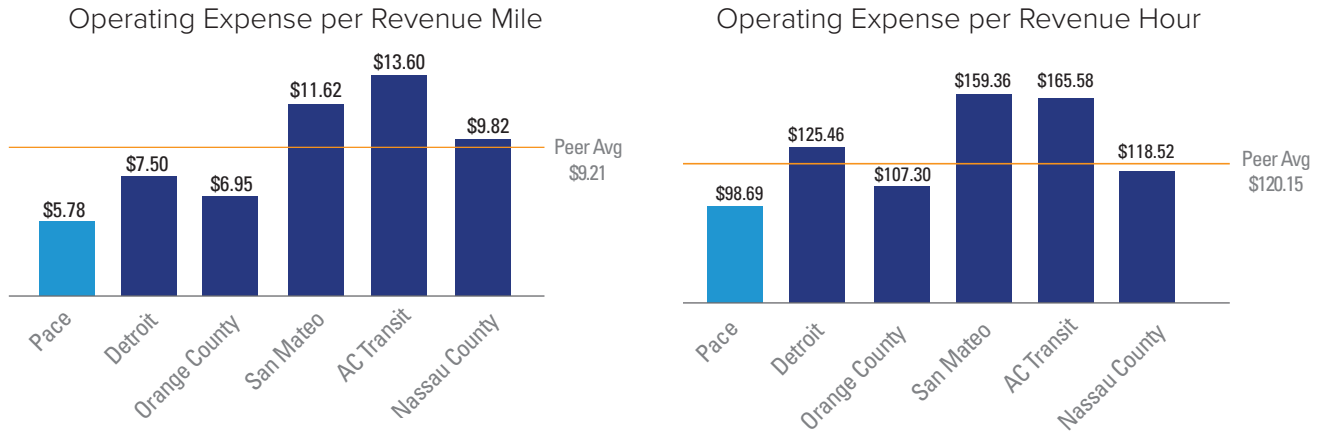
The improvements in paratransit service over the past 12 years, following the change in state law that consolidated the region's paratransit operations under Pace, has led to a 20% increase in ridership on ADA paratransit. More and more people with disabilities can now take advantage of employment, education and other opportunities in their communities. We project continued growth in the cost of and the number of trips provided by this federally mandated service.



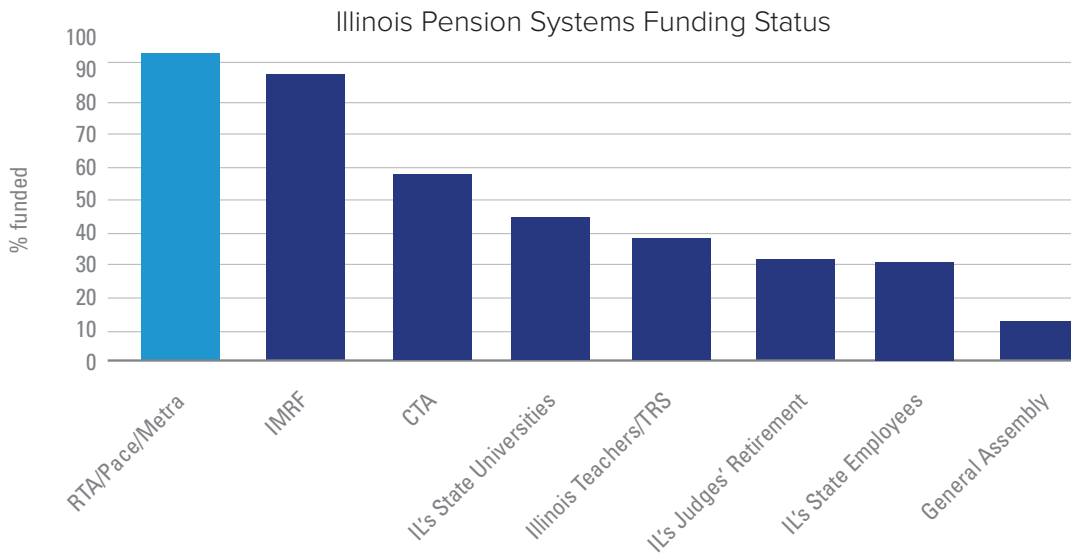
Pace Uses Tax Revenue Efficiently

The majority of Pace's operating budget comes from the local RTA sales tax, and our capital budget comes mostly from federal formula grants.

Among our peers, Pace is an incredibly efficient and productive organization. Pace's expense per hour of bus service is the lowest of any comparable American transit agency. Furthermore, for each mile a Pace bus travels in service, Pace's expense is lowest among the six peer agencies.



The RTA/Pace/Metra pension plan is well-funded, unlike many other public pension systems in Illinois.



Sources:
 RTA Pension Plan Actuarial Valuation Report, 2017
 2016 IMRF Comprehensive Annual Financial Report
 TRS Annual Financial Report Summary
 CTA President's Budget document
 State Employee Retirement System 2016 Audit report
 State University Retirement System 2016 Annual Report
 Judges' Retirement System of IL 2016 Annual Report
 General Assembly Retirement System of IL 2016 Annual Report

Pace is Underfunded Compared to its Siblings

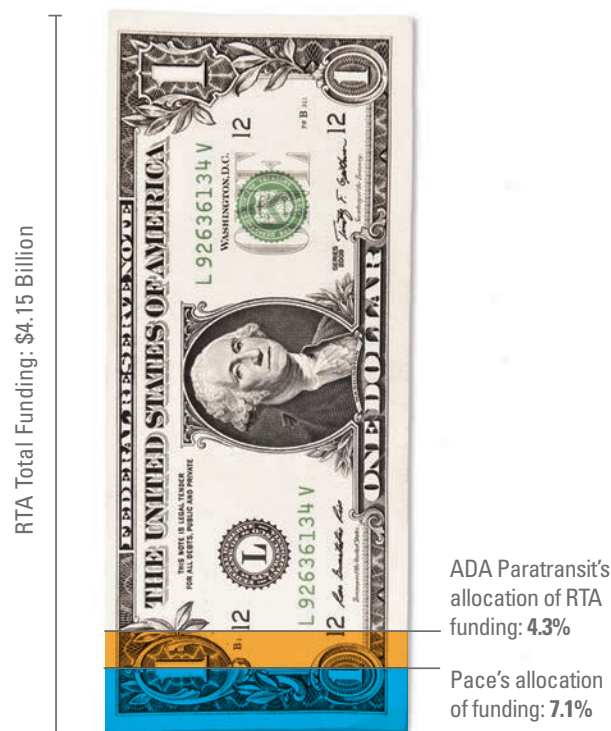
While you may already be aware that Pace has the smallest budget amongst the three RTA service boards in northeastern Illinois, you may not know how drastic the funding disparity is. Combining operating funds (which are distributed per a formula set by state law) and capital funds (which are distributed on a discretionary basis by the RTA Board), Pace's suburban transit service gets 7.1 cents of every regional transit dollar, and ADA paratransit gets another 4.3 cents. The graphic to the right shows how little funding Pace receives compared to its sister transit agencies:

2018 Total Operating + Capital Funding

Pace	\$293,955,000	7.1%
ADA	\$178,587,000	4.3%
RTA total	\$4,148,176,000	

On a per capita basis, the funding disparity is even more striking. With a population of over 5 million suburbanites to serve, and only \$37.29 per resident in operating funds to serve them, Pace is simply unable to offer the level of service requested by current riders and other stakeholders.

Since many residents and officials are clamoring for additional transit service in the suburbs, Pace continually looks to expand service to meet that demand. However, our capital funding shortfall prevents Pace from increasing the size of our bus fleet and facilities, which in turn limits how much transit service we can offer. Additionally, according to RTA's most recent Capital Asset Condition Assessment, Pace needs an additional \$755 million in capital funding to achieve a state of good repair of our existing assets.



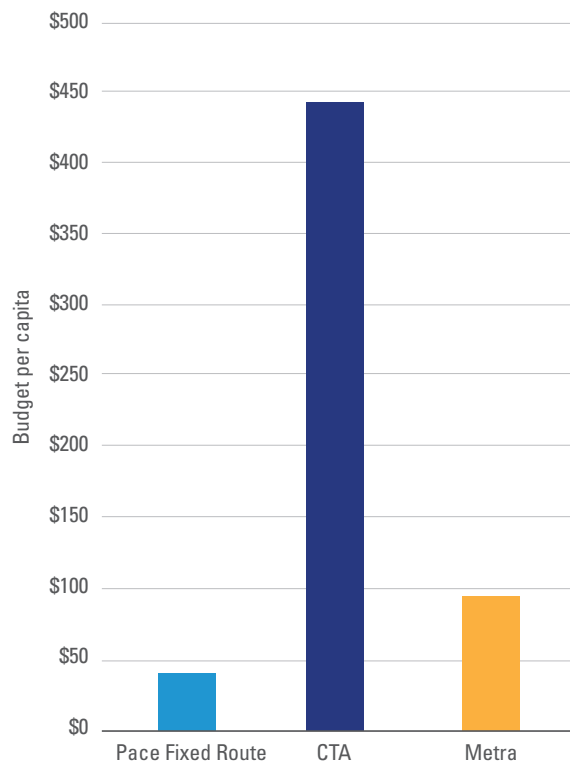
2014 Per Capita Operating Expenditures by Transit Agency

Agency	Operating Budget	Population Served	Expenditures Per Capita
Chicago Transit Authority	\$1,394,875,632	3,425,958	\$407.15
Champaign-Urbana MTD	\$31,725,246	141,471	\$224.25
MetroLink (Quad Cities)	\$20,208,688	120,378	\$167.88
CityLink (Peoria)	\$25,381,370	209,896	\$120.92
DPTS (Decatur)	\$6,143,471	81,337	\$75.53
RMTD (Rockford)	\$15,610,623	296,863	\$52.59
Pace (suburban fixed route only)	\$209,951,093	5,630,238	\$37.29

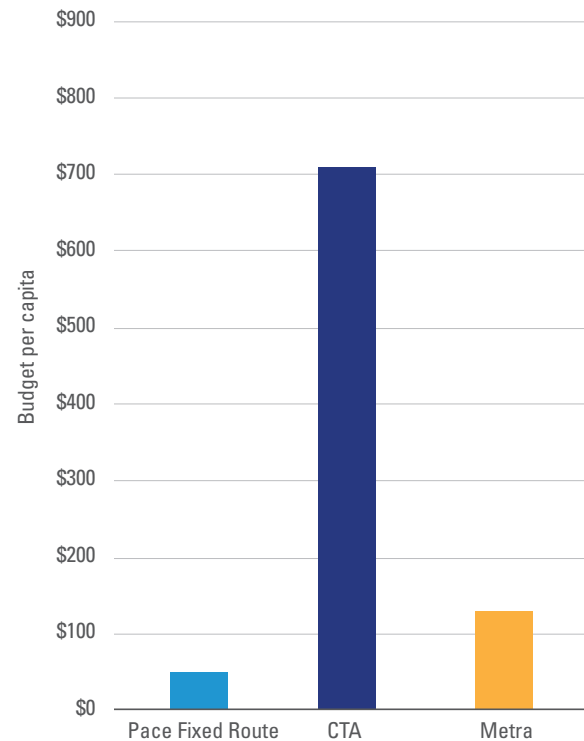
Pace has a larger service area population than many large U.S. transit operations, but with a fraction of the budget to serve that population.

Agency	Operating	Population of Area Served	Per Capita Operating Budget
Pace, Suburban Bus Division (Pace)	\$209,951,093	5,630,238	\$37.29
Massachusetts Bay Transportation Authority (MBTA)	\$1,708,481,087	4,181,019	\$408.63
Miami-Dade Transit Agency (MDT)	\$523,355,723	2,496,435	\$209.64
Dallas Area Rapid Transit (DART)	\$674,833,473	2,334,880	\$289.02
Maryland Transit Administration (MTA)	\$676,780,746	2,203,663	\$307.12
Metro Transit (Metro Transit), Minneapolis	\$358,512,123	1,843,207	\$194.50
Metropolitan Atlanta Rapid Transit Authority (MARTA)	\$562,653,212	1,697,633	\$331.43
Phoenix Public Transit Department (Valley Metro)	\$182,694,147	1,665,320	\$109.71
Alameda-Contra Costa Transit District (AC Transit)	\$342,569,331	1,425,275	\$240.35
Port Authority of Allegheny County	\$368,763,751	1,415,244	\$260.57
Greater Cleveland Regional Transit Authority (GCRTA)	\$256,630,381	1,412,140	\$181.73
San Francisco Municipal Railway (MUNI)	\$750,746,634	836,620	\$897.36

Operating Budget per Capita, NE Illinois Agencies

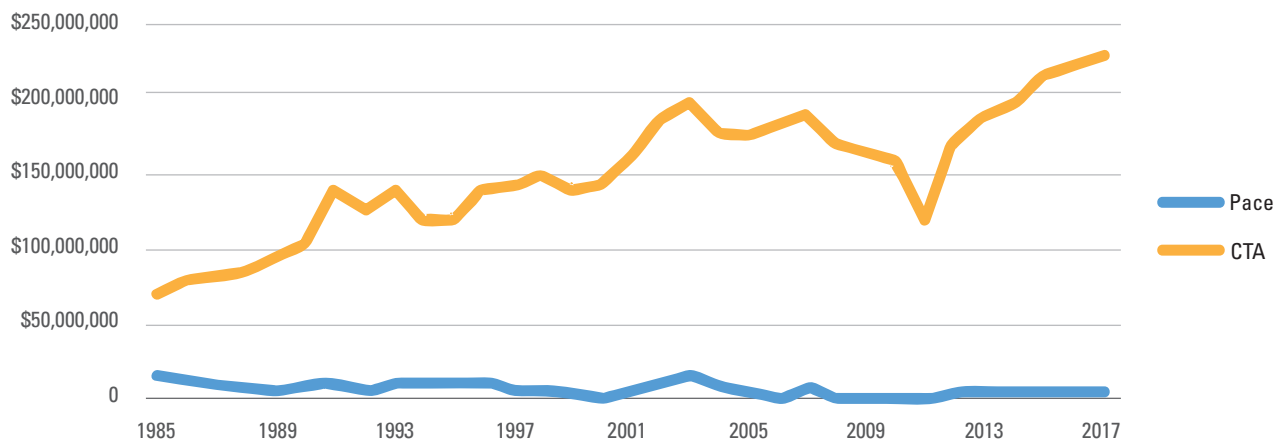


Per Capita Budgets of NE Illinois Agencies
(Including Capital and Operating)



When one considers the total public funding that a transit agency receives—capital AND operating funding—Pace’s lack of funding is even more pronounced. Furthermore, RTA has chosen to essentially give all discretionary operating money to CTA, year after year. While in 1985, Pace received more than 16% of the total PTF pie, that figure has dwindled to less than 2%.

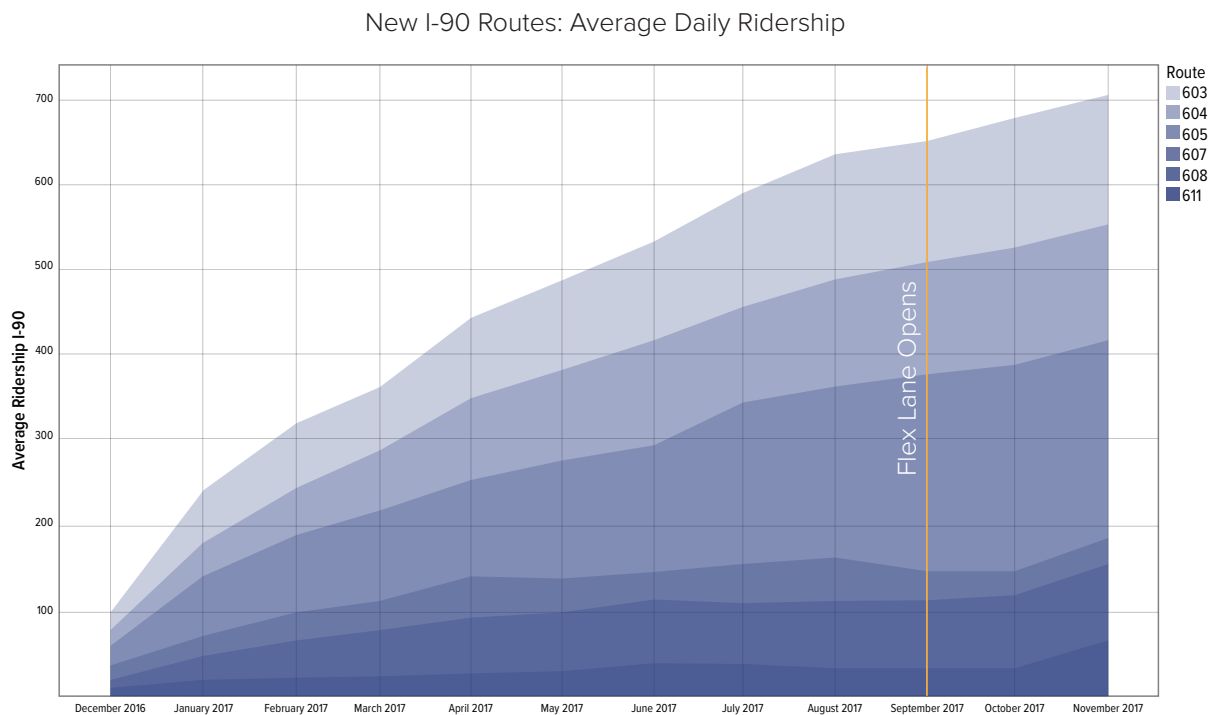
PTF Discretionary Funding, by Year



I-90 Flex Lane Opens, Ridership Grows

After the reconstruction and widening of the Jane Addams Tollway (I-90) in the northwest suburbs in late 2016, Pace launched several new express routes in the corridor. Ridership on those new routes has grown steadily over the course of 2017. Among all services in the corridor, ridership grew 45% since November 2016.

September saw one of the most exciting developments in suburban transit since Pace's inception. That month, the Tollway opened a Flex Lane on I-90 that can be used by Pace buses to bypass slowed traffic. That bus-only lane was modeled after the highly successful Bus on Shoulder service on I-55 in the southwest suburbs. Since the Flex Lane was made available to Pace buses, ridership has grown even more rapidly.



To support the growing demand for bus service along I-90, Pace built a new park-n-ride in Elgin at the junction of Dundee Road (IL 25) and I-90. That lot opened for business in December and has 199 spots at which bus riders can park for free and take one of three Pace express routes between Elgin, Schaumburg and Rosemont. This latest park-n-ride is the second of three new facilities Pace is building along I-90. The third, to debut in 2018, will be the region's first on-highway bus station at the Barrington Road interchange in Hoffman Estates.

By 2040, the 27-mile stretch of I-90 between Elgin and O'Hare Airport is projected to have as many jobs as the Chicago Loop. Until now, many of those suburban jobs weren't readily accessible by public transit. Since Pace expanded service in the I-90 corridor, more and more commuters are taking advantage of the cost savings and convenience that comes with riding Pace's express service to jobs along the Jane Addams Tollway. The connection to the CTA Blue Line at Rosemont allows riders to reach jobs or other destinations throughout Chicago as well.

In December 2017, Pace promoted the holiday shopping opportunities available to riders who use the express routes to reach transit centers in Schaumburg and Rosemont, including the free shuttles in both communities that take riders directly to large shopping malls. The only faster way to get your holiday shopping done is with Santa's sleigh!

The I-90 facilities and service improvements were planned and implemented in partnership with the Illinois Tollway, the Federal Transit Administration, Regional Transportation Authority, Chicago Metropolitan Agency for Planning, Chicago Transit Authority, Cook County, Kane County, the City of Elgin, the Village of Hoffman Estates, and IDOT.

A second Flex Lane for Chicagoland is already in the planning stages, as Pace has been working with the Illinois Tollway on a Flex Lane as part of the reconstruction of the Tri-State Tollway (I-294).



Pace Expands Availability of Bus Tracker Signage and Real-Time Information

Have you seen Pace's new BusTracker signs? Pace is in the process of installing dozens of electronic "countdown" signs that continually display bus arrival times (or departure times, if located at the beginning of a bus route). Using the same GPS tracking technology that powers Pace's online BusTracker and the text messaging services, these signs show in real time any arrivals or departures within the next 60 minutes and count down to the bus's predicted arrival or departure.

Thus far, 16 signs have been installed at locations with heavy passenger activity. Over the course of the next few years, more signs will be added at bus stop shelters and transit centers throughout Pace's six-county service area.

These signs are just the latest way in which Pace customers can get real-time information. Other sources include:



Pace added text messaging code numbers to thousands of bus stop signs over the course of 2017. Usage of the text messaging service to get real-time bus arrival information increased 600% over the course of 2017! Pace will build on the success of this initiative by deploying more and more bus stop codes in 2018 and beyond.



Ventra App

The Ventra app, available for Apple or Android phones, provides real-time transit information for Pace, CTA and Metra services. Download it to your phone to track your buses and trains, as well as ensure your Ventra Card always has a pass or adequate transit value loaded. See VentraChicago.com for more information.



Real-Time Bus Arrival Text Messaging Service

Pace customers can get real-time information about when the next bus is arriving at their stop by simply sending a text message (or "SMS") with a mobile phone. Type "41411" as the phone number to which you are sending a text message. Then, in the body of the message, type "Pace", then a space, then the code number you see on the bus stop sign. When you send that text message, a bounceback message should come to your phone in a matter of seconds.



Bus Tracker

Since 2002, PaceBus.com has displayed real-time bus arrival predictions at thousands of locations along nearly every bus route. Visit the BusTracker page at PaceBus.com, select your bus route, direction of travel, and your chosen bus stop, and the web page will display the next three predicted times for a bus to arrive at that location.



Bus Tracker Live Map

Pace's Bus Tracker also displays a "Live Map" on which you can see where buses are located in real time. To use this feature, choose Google or Bing from the "Maps" drop-down menu, and then select a Pace route. Then, you can choose to display the vehicles, the major stops, and/or the minor stops using the "on"/"off" buttons above the map. If you click on one of the pins (which

correspond to each bus stop), the system displays the next three arrival times of buses in each direction.



Email

Within the Bus Tracker section of PaceBus.com, create an account to manage what type of information you want to receive. Once you have created an account or logged in to your existing account, you can subscribe to an email which alerts you to the arrival time of your chosen bus route at your chosen stop on that particular day. For instance, if you leave work around 5:00 p.m. every day and ride Route 711 to your home, you can subscribe to an email that is sent to you every day at 4:55 p.m., detailing the predicted arrival times of (for instance) the southbound Route 711 bus at Gary Avenue and Elk Trail. The arrival times in the email are based on what the bus is doing at that exact moment the email is sent to you. Your subscription can be configured to only send the emails on certain days of the week and only at certain times of day.



QR Code


Many Pace shelters contain a "quick response" (QR) code posted on the wall of the shelter. If you have a web-enabled phone and you have downloaded a QR code scanning app (which are free to download), you can scan the QR code to be taken to the Bus Tracker page on PaceBus.com, which displays the real-time bus arrival data for that particular bus stop at that time. By scanning this QR code, you save the time and hassle of having to click through multiple web pages on your smartphone to select your bus route, your direction of travel, and your current location. The code posted in that shelter has all that information in it, so all you do is scan the code to see the correct information for the bus you are intending to ride.

Pace Streamlines Purchasing Procedures to Lower Costs, Enhance Competitive Bidding





Because Pace spends tens of millions of dollars each year on products and services purchased through the competitive bidding process, it is critical for Pace to ensure that our process encourages lots of interest from bidders. The taxpayer saves money when Pace can get a better price for a product or service. To that end, Pace worked diligently in 2017 to create an online portal for our procurement activity, making it easier for prospective vendors to bid and ensuring fewer bids are rejected due to technicalities.

This year saw the implementation of Oracle iSupplier, the enterprise application that funnels all communication between Pace and vendors through a secure web-based portal. While Pace's procurement process can be complicated by state and federal rules, this application integrates and streamlines those processes to save staff time and prevent confusion among bidders. The Oracle iSupplier is a platform for online e-bidding and collaboration, enabling Pace and our suppliers to become more efficient. Suppliers have access to the latest information, including solicitations, awarded contracts, and purchase orders. The two-way communication portal enables suppliers to submit change requests, update their profile data, and manage bidding responses. At the same time, Pace will see reduced processing errors and less administrative time spent on the process.

In general, this portal offers transparency, visibility (to internal and external customers), and accountability. The new application also reduces paper usage and distribution, since all documents and the history of every purchase will be digital. At the end of the day, these efficiencies allow Pace staff to focus on what really matters—achieving more savings. Vendors can begin using the new online portal in February 2018.

 **Supplier Portal**

Coming to Pace in Early 2018:

-  Electronic bid submittal
-  Viewable agreements, orders, and results
-  Instant notifications
-  Performance reports

Bus-on-Shoulder Service Continues to Expand

Not a year goes by that Pace's tremendously successful bus-on-shoulder service isn't expanded or improved. The huge increase in demand for the service in Will County led to Pace leasing a new parking lot in Plainfield in 2016 and expanding others in Bolingbrook. In 2017, Pace broke ground on a new park-n-ride lot in Plainfield. The new lot will have 600 parking spots.

After a 2011 change in state law allowing bus-on-shoulder service on I-55, ridership on Pace's express routes in that corridor has grown an astonishing 567%. Transit riders have long known that using public transit is less expensive than driving and allows for a more productive use of time. But transit becomes even more attractive when it is faster than driving your own car. Every day, motorists on the gridlocked Stevenson Expressway see a bus full of people pass them by, enjoying a ride to the Chicago Loop without the costs of driving and parking. The Pace express bus is the easy choice.

Pace and IDOT also partnered in 2017 on the second bus-on-shoulder project in this region—on the Edens Expressway(I-94). IDOT completed its construction work in late 2017, and Pace will begin operating two bus routes, serving large employers in the north shore, on that shoulder in April. Also in the coming year, Pace plans to open the new Plainfield Park-n-Ride to serve the rapid increase in demand on the I-55 bus-on-shoulder service.



Pace Plans for the Future with Route Network Modernization Efforts

Pace completed in 2017 three different studies of particular subsections of our region, with the goal of modernizing our bus service to meet the needs of today's commuters.

Most notably, a major study undertaken in partnership with the Chicago Transit Authority evaluated bus service in the busy North Shore area—focused on Evanston, Lincolnwood, Skokie, Wilmette and bordering Chicago neighborhoods, in addition to surrounding communities. The project team conducted an extensive market analysis, which included a variety of public and community stakeholder engagement activities. The results of this effort helped to inform decisions on how to restructure fixed route bus service in the area. The outcome is a comprehensive plan which will improve the frequency and span of service and enhance connections in high demand areas. Service additions in certain areas will largely be offset by elimination of unproductive route segments in other areas. The first phase of the route changes will take effect in 2018.

Also in 2017, the Pace North Avenue Corridor Study focused on improving public transit efficiency and connectivity along North Avenue in western Cook and eastern DuPage County. Funded by the Regional Transportation Authority (RTA), this effort included collaboration with nine municipalities along the corridor between Harlem Avenue and York Road. The study addressed pedestrian access issues, transit connections, traffic conditions

and economic development opportunities. Already underway in this corridor is the implementation of transit signal priority for buses—to keep Pace service on schedule—and the addition and/or modification of bus stop shelters to take advantage of new pedestrian infrastructure in the area.

Finally, Pace's Illinois Route 390 Tollway Corridor Service Study evaluated public transit service options in response to the newly completed construction of the new toll road as part of the Illinois Tollway's Elgin-O'Hare Western Access project. This study provided preliminary steps towards identifying opportunities for Pace to expand its services in response to the new Tollway project along with projected development and growth in the surrounding area. The study included analysis of bus service along IL 390 as well as other services in the general area. Once again, Pace convened committees of local stakeholders to help guide the study and to ensure recommendations included in the Corridor Service Study are feasible and successful.

Changes to Ventra Fare Payment System Announced

Now that the overwhelming majority of Pace and CTA riders use a Ventra Card to pay their fares on buses and trains, and the service boards have four years of data to evaluate how the Ventra program could be improved, several changes were announced in late 2017.

First, the oldest Ventra Cards are now expiring and continue to expire on a rolling basis between now and 2022. (The expiration date can be found on the front of the Ventra Card.) Customers with a registered Ventra Card are mailed a free, new replacement Card prior to the Card's expiration. Once the rider activates the new Card, any passes or transit value will be automatically transferred. In the months leading up to each Card's expiration, cardholders will receive emails reminding them to update and confirm their mailing addresses, ensuring new Cards will arrive when needed.

Customers who have chosen to not register a Ventra Card need to spend down the transit value balance before the Card expires to avoid losing transit funds. They will also need to purchase a new Ventra Card and add passes or value to continue riding transit.

Second, a new type of Ventra Card has been launched, with a new look. The new Card is sold at Ventra vending machines, more than 1,000 local retailers, and online. The new Ventra Cards are good for transit only and no longer include prepaid debit card functionality. Since Ventra launched four years ago, Pace and our partners have had the opportunity to analyze customer preferences and habits and have determined there wasn't significant demand for this underutilized debit card feature. Riders who have been using the prepaid debit option will be mailed a new, transit-only Ventra Card. They are also given options to transition to a new prepaid debit card, completely separate from Ventra, to which any funds in their accounts can be automatically transferred.

Third, Pace plans to integrate ADA paratransit service into the Ventra system by the close of 2018, giving paratransit riders—all of whom already have a Ventra Card—a new option for cashless fare payment. The Ventra app continues to be a regional transit success story, with more than two million users to date, and approximately 110,000 daily users performing Pace/CTA account management as well as tracking all buses and trains in the region with real-time data. A major rebuild and refresh of the mobile app in early 2018 will provide an integrated trip planner with real time information, Divvy bike share integration, and better account management.



System Improvements for Riders with Disabilities

As part of its 2018 budget-making process, Pace announced a great new benefit for Pace ADA paratransit riders. Every paratransit ride is scheduled in advance, and the rider is assigned a pickup time. Starting January 1, 2018, Pace is offering a fare reimbursement to riders when pickup is delayed 80 minutes or more. While each rider will still have to pay cash or use a ticket at the time of riding, Pace will tally all late pickups at the end of each quarter, and then send a free ticket to the rider for use at a later date. This process ensures riders are fully reimbursed for those late pick-ups.

A Pace paratransit pickup is considered “on time” if the pickup occurs within 20 minutes of the scheduled pickup time. Thus, the 80-minute threshold created for this new rule provides a reimbursement for all pickups occurring more than one hour after the end of that 20-minute window.

Additionally, the Pace Board of Directors is aware that the 25-cent paratransit fare increase (effective January 1, 2018) may be a hardship for some riders. However, there are several benefits that ADA paratransit riders can take advantage of in 2018 to help offset the extra cost of paratransit rides. One of those is the Taxi Access Program (TAP), available to ADA-registered riders in Chicago. The TAP fare remains at \$3.00 each way—meaning that TAP is a more affordable option for paratransit riders in 2018. TAP also allows riders more flexibility in their travel, since instead of scheduling a ride one day in advance, a rider can simply hail a taxi at any time and pay using the TAP card. Second, riding fixed route buses and trains is still much cheaper than paratransit (and free for many ADA-eligible riders), and all those vehicles are accessible to people with disabilities.



More Progress on Pulse Rapid Transit Service

In November 2017, Pace kicked off construction on our first Pulse project - the Milwaukee Line – by performing some preliminary roadwork, utility work, and pedestrian improvements at Pulse station sites before the winter weather settled in. Off-site construction activity continues in early 2018 with fabrication of the shelters, custom markers and real-time bus arrival signs. Full station construction in Spring 2018 will take place in stages to reduce impacts on current Pace riders and roadway traffic.

Pulse Milwaukee Line project milestones:

- Construction prep work begins
– Fall 2017
- Southbound Oakton, Southbound Main, Northbound Touhy, and Northbound Harlem road work portion completed
– Fall 2017
- Work resumes on all 17 stations
– Spring 2018
- Pulse Milwaukee Line in service
– Fall 2018

Another Pulse project milestone occurred in 2017: the Chicago Metropolitan Agency for Planning approved a \$10 million construction grant for construction of the Dempster Line. The Pulse Dempster Line will be Pace's second Pulse line, with an expected launch in 2020. That construction grant is funded through the Federal Congestion Mitigation Air Quality (CMAQ) 2018-2022 program. The federally-required environmental review process for Pulse Dempster is underway

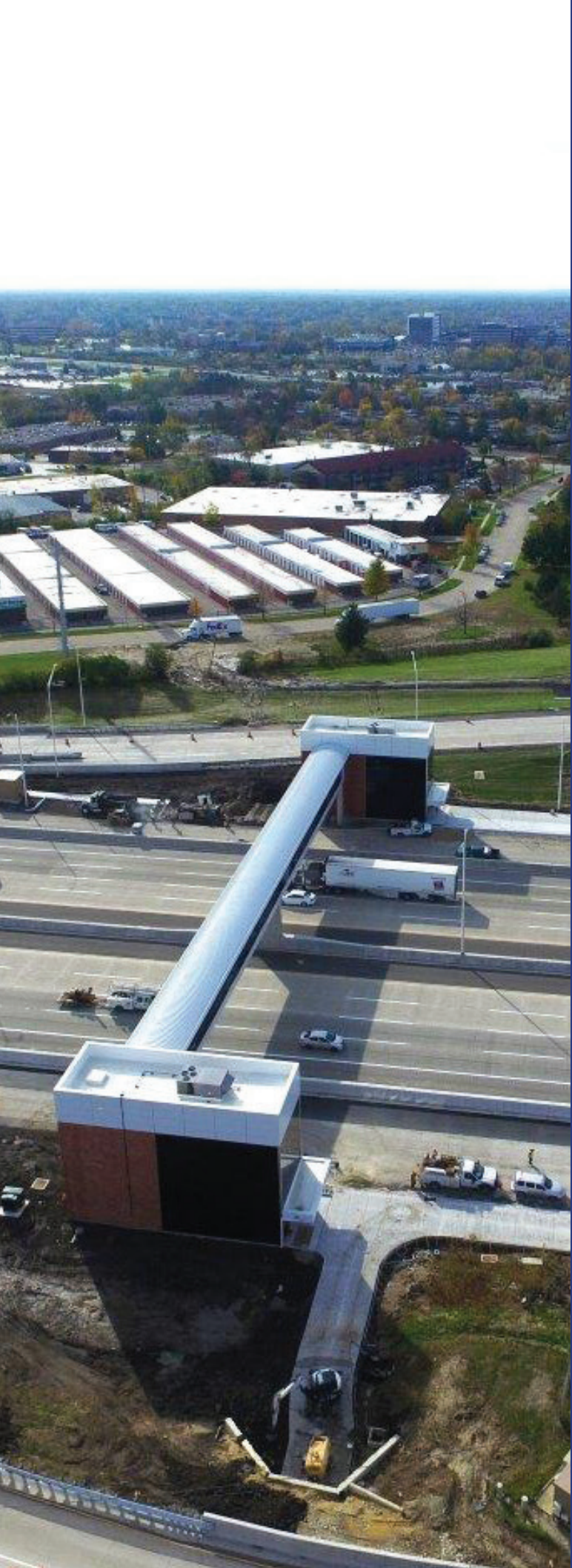
and will be completed in early 2018.

This analysis identifies station sites—as selected with local stakeholder input—and potential environmental impacts of the project, while developing advanced conceptual designs of stations.

Work on additional future Pulse Lines is also underway. Pace and CTA are collaborating on the South Halsted Line study, which evaluates transit service between the CTA Red Line 79th Street Station in Chicago and the Pace Harvey Transportation Center. This planning work includes studying the feasibility of dedicated running way on segments of the corridor and Pulse station placement. Following this study, Pace will be undertaking the environmental review phase of this project in 2018, thanks to a grant from Cook County's Invest in Cook program.

The public can keep up to date on the progress of these two Pulse Lines, and the program as a whole, by signing up at PaceBus.com/Pulse to receive updates.





Pace Approves Balanced Budget for 2018

Pace's 2018 budget, which is balanced and maintains the current level of bus service, was approved by the Pace Board of Directors in November and passed by the Regional Transportation Authority (RTA) Board of Directors on December 14, 2017. A \$0.25 fare increase on regular fixed route, a \$0.50 increase on premium routes, and a \$0.25 increase on ADA paratransit service fares are included as a budget balancing action to address an almost \$12 million shortfall caused by a reduction in state support and lagging sales tax revenue. Also included are a corporate hiring freeze and other administrative cost-containment measures that will not affect service operations.

"Since our last fare increase in 2009, Pace has boosted service to make it easier for current passengers to get where they need to go and to attract new riders. If we cut service, we'll lose that momentum," said Pace Board Chairman Richard Kwasneski. "Maintaining our current level of service is imperative and this modest fare increase makes that possible."

The fare increase went into effect on January 1, 2018. While the prices for Pace passes did not change, CTA did increase the cost of the joint Pace-CTA 30-Day pass to \$105. See the complete 2018 fare table at PaceBus.com.

◀ Pace's Barrington Road station in Hoffman Estates, opening in 2018, will be the region's first on-highway bus stop. Continued ridership growth is expected in the I-90 corridor.

FTA Releases Stellar Audit of Pace's Paratransit Operation

The Federal Transit Administration (FTA) released their report on the region's ADA paratransit compliance and found Pace's operational standards and overall service performance to be "very high" and that Pace's complaint investigation, tracking and resolution processes are considered "comprehensive and thorough." ADA paratransit service is required by federal law, and FTA has oversight responsibility to ensure every transit agency in the nation meets that obligation.

"No public transit system is perfect, but Pace provides exemplary paratransit service that performs better than our national peers in almost every category. This report reflects that," said Chairman Richard Kwasneski. "I commend the dedicated personnel who manage and operate this service. We'll continue to hold ourselves to high standards as we work each day to meet the needs of our passengers."

The FTA's compliance review was the most intensive audit undertaken by the FTA of the region's ADA paratransit service policies and procedures. The seven-day review, which occurred May 18 - 26, 2017, included an evaluation of over 50,000 trips, site visits, and interviews with Pace riders and local disability organizations. This week-long review follows a series of FTA Triennial Reviews (2010, 2013 and 2016) that found Pace to be completely compliant with ADA regulations, including an enhanced ADA review in 2013.

In the thirty areas of compliancy that were examined, Pace was found to have only one substantive and one administrative deficiency. The administrative deficiency concerned the need for the paratransit fare to be free in places where the fare for nearby fixed route service is community sponsored. The substantive deficiency concerned the high number of very early drop-offs for trips with appointment times. Pace is in the process of resolving these deficiencies.

The full report is available on FTA's website.



“We’ve made a significant investment in clean-burning compressed natural gas to improve our environmental sustainability and also achieve major cost savings. As we continue to benefit from these fuel cost savings, we will reinvest the resources into enhancing and expanding service for our customers.”

- Richard Kwasneski
Chairman of the Pace Board

Pace Helps Air Quality with New Compressed Natural Gas Buses

Pace has now taken delivery of 91 compressed natural gas (CNG) buses, meaning the entire fleet at South Division in Markham is powered by that environmentally friendly fuel. That division is responsible for the operation of 21 bus routes covering the south suburbs and the south side of Chicago. Converting that operation from diesel fuel to CNG saves Pace \$1 million annually.

Pace's overall fuel savings will rise even further as other garages are converted to CNG operations in the future.

These new environmentally friendly buses signal that Pace is going green—and expects to save some green at the same time—as the agency begins the process of replacing its fleet of diesel buses with models powered by compressed natural gas (CNG). The buses entered service in summer 2016, making Pace the first transit agency in the Chicago area and the third in Illinois to adopt CNG technology for its fleet.

Construction of the fueling facility and retrofitting the Markham garage is a combined \$12 million project, paid for by using Pace-issued bonds to be paid off over the next ten

years. The project created up to 300 direct and indirect jobs. Additionally, CNG is produced domestically, so Pace's use of this fuel reduces dependence on foreign oil and supports economic development in the U.S. energy sector.

Because CNG is a clean-burning fuel, Pace will be able to meet ever-tightening federal emissions guidelines without the need for costly equipment designed to trap particulate matter released into the air by diesel engines. Other environmental and financial benefits include a lack of carbon deposits left in engines by diesel fuel, meaning buses can operate on longer intervals between oil changes and will no longer need potentially expensive midlife engine overhauls.

The fueling facility in Markham opened in 2016 at a cost of approximately \$3 million. In 2017, Pace finished the overhaul of the bus garage itself—a \$9 million project that allows for maintenance on the new CNG-powered buses. Although the purchase price of Pace's new CNG buses is approximately \$50,000 higher per vehicle than a comparable diesel bus, the fuel cost savings offset the higher cost. Additionally, Pace may exercise an option to open its CNG fueling facility to other CNG vehicle fleets, so the sale of natural gas could generate additional revenue.



New Title VI Plan Highlights Pace's Commitment to Serving Minority and Low-Income Populations

Title VI of the Civil Rights Act of 1964 prohibits discrimination on the basis of race, color, or national origin in any program or activity that receives federal funds or other federal financial assistance. Pace is a recipient of federal funds, and therefore, must comply with Title VI. The Federal Transit Administration requires Pace to submit a Title VI Program, which details Pace's efforts to offer public transportation to the general public, every three years. In 2017, Pace updated its Title VI Program to comply with all federal requirements. After a series of eight public hearings in all parts of the service area, taking place in August 2017, Pace's Board of Directors approved the updated program, and the FTA is currently reviewing the program.

Pace's Title VI Program includes Pace's efforts to measure service and fare changes for adverse impact on low income and minority riders, its dedication to equitable distribution of facilities and vehicles, and its continued outreach to Limited English Proficiency (LEP) populations. In addition to the report disseminated to the FTA in 2017, Pace also placed signage on all its vehicles, in eight languages, notifying the public of their right to file complaints about Title VI issues. Pace hopes its dedication to Title VI results in increased ridership and customer satisfaction.





Keeping the Pace with Natural Gas

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353 RIVER OAKS



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