



**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 15, 2024**

The Board of Directors of Pace, the Suburban Bus Division of the Regional Transportation Authority, met in open session on Wednesday, May 15, 2024 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, Noak, Soto, and Chairman Kwasneski.

Director McLeod moved and Director Guerin seconded a motion to allow Directors Hastings and Wells to attend via phone. The motion passed with a unanimous vote.

Director Wells joined the meeting via phone immediately following the vote.

Directors absent: Hastings and Schielke.

SBD #24-27 – Resolution approving the open session meeting minutes of April 17, 2024.

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

Public Comment

None.

Director Schielke joined the meeting in-person at 9:32 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 on his trip to Springfield in April where he responded to legislation that proposes consolidating Pace with the CTA, Metra, and the RTA. He communicated to legislators how well Pace works with local governments to meet service needs throughout the region. He also went to Springfield last week with members of the West Central Municipal Conference (“WCMC”). Many municipal leaders and the Chairman believe that we should find solutions for funding transit and discuss services rather than spend so much time on how to consolidate agencies. He believes a lot of legislators are listening to Pace’s concerns. Three bills related to Pace (two about consolidation and one about EVs in municipal fleets) are not moving forward this session. Meetings will be held this summer to refine the bills for a future session. He asked Directors to attend meetings this summer with legislators in their areas.

Chairman Kwasneski thanked Melinda for providing him and lobbyists a lot of support and information. He thanked Doug Sullivan, Manager of External Relations for making weekly trips to Springfield to talk to legislators on Pace’s behalf.

Directors’ Reports

Director Arfa reported on Global Accessibility Awareness Day. She applauded Pace for making technology advancements to ensure that people with disabilities can access services.

Director Guerin reported on accompanying the Chairman to Springfield and complimented him on being a great advocate for Pace, keeping issues in front of legislators. Chairman Kwasneski thanked the WCMC Executive Director, Rick Pellegrino, a former Pace board member, for asking its members to weigh in on consolidation. The WCMC has sent letters to leaders, the Governor, and consolidation bill sponsors.

Director Noak thanked the Chairman for his efforts in Springfield. He is surprised how far the legislation goes beyond the operation of public transit – for example, giving the new consolidated agency some jurisdiction over housing development. He encouraged everyone to keep an eye on what is happening and give their input.

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

Director Smith reported on attending a ReVision workshop. She also reported joining Director Soto at the Lake County Partners “Big Event” where they presented on AI. She said it will be interesting to see how Pace incorporates AI, in a responsible way, into operations.

Director Soto reported on attending the “The Big Event” with Director Smith, Melinda, and Ed Gallagher and praised the AI presentation. She said the event was a good opportunity to talk with business and civic leaders on service board consolidation. Many were not aware and asking questions now that more articles have been written.

Director Wells joined the meeting in-person at 9:39 a.m.

Executive Director's Report

Melinda commended staff for serving our passengers at the highest level. While consolidation is discussed in Springfield, it is important for staff to stay focused on their jobs and everyone has done that. Melinda thanked those who support Pace, recognize our good work, and want to help create the sustainable transit network that the region deserves.

Melinda recognized Asian-American and Pacific Islander heritage month. She also recognized Global Accessibility Awareness Day, announcing that Pace is working with our contractor on giving customers the ability to book rides on TripCheck, without having to call the call center.

Melinda reported on this month's launch of the Ride Kind social media campaign, which shines a light on different Pace operators and how each one contributes to their community. She thanked Marketing Chair Director Marcucci, Pace's marketing firm, Gatesman, and Pace divisions. Each garage has an employee who is part of the campaign.

Melinda reported that Pace hosted two public engagement workshops for ReVision with key stakeholders and constituents about service improvements they would like to see. She thanked Directors Smith and Soto for participating. Next steps are internal focus groups in May, targeted engagement with external stakeholders in May and June, and public engagement in September through early December via a public survey and workshops. Feedback at every stage will help refine service concepts and finalize the plan for public outreach in 2025. Pace's goal is to have the final ReVision plan ready when the fiscal cliff hits in 2026, to show this is what Pace needs to make service better for our riders.

Melinda reported on the second quarterly advisory group meeting for Pulse Cermak. It was well-attended by stakeholders who provided feedback on preliminary station designs and locations.

Melinda reported on Pace's 40th Anniversary on July 1 and activities commemorating four decades of public service. Pace is thanking passengers by partnering with Metra to provide free rides on June 8 and 9. Pace is recruiting local artists to design and decorate 40 public benches at bus stops throughout the region. Children of employees can decorate car cards. Pace consolidated 10 predecessor companies, updated fleet and equipment, and added new types of services over the years like Vanpool, Bus on Shoulder, and Pulse. Melinda showed a video developed for the 40th anniversary and thanked the marketing team and Director Marcucci.

Chairman Kwasneski commented that Pace always reacts to the needs of the region. For over 40 years, Pace has worked with partners to be innovative and expand service beyond fixed route. He thanked staff and board members for all the efforts that got us to where we are today.

Melinda reported how Pace will be celebrating Juneteenth at the DuSable Museum of African American History by displaying our 1949 GMC bus and having a Rosa Parks storyteller. Pace staff will be at the event to recruit and promote Pace careers.

Melinda reported on recruitment and the YTD budget through March. Ridership trends continue in a positive direction; April 2024 weekday ridership is at 78% of April 2019 ridership. Chairman Kwasneski asked for information on ridership growth from transit agencies across the

country, to see where Pace and the service boards are in comparison. He speculates that we may never return to 100% of pre-Covid ridership due to people working from home. Melinda reported that the RTA projected that ridership in the region will return to pre-Covid numbers in 2030.

Items removed from the Consent Agenda

None.

Approval of Consent Agenda

SBD #24-28 – Ordinance authorizing Change Order No. 9 to Contract No. 219823 with DemandTrans Solutions, Inc. for Pace On Demand program software and services. This change order extends the contract for three months and increases the contract total from \$308,400.00 to \$340,400.00, an increase of \$32,000.00.

SBD #24-29 – Ordinance amending the 2024 Operating and Capital Program Budget (Amendment #2).

SBD #24-30 – Ordinance authorizing the award of a sole source contract to Luminator Technology Group Global, LLC for the software license renewal for Cradlepoint NetCloud subscriptions and 52 additional MSet licenses for the on-board video equipment system in an amount not to exceed \$383,783.00.

Director Smith moved, and Director Noak 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 #24-31 – Ordinance authorizing Board Member travel and business expenses for April 2024 pursuant to Public Act 099-0604 Local Government Travel Expense Control Act – Richard Kwasneski.

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, Smith, Soto, Wells, and Chairman Kwasneski. Chairman Kwasneski abstained. All other directors voted aye.

SBD #24-32 – Ordinance authorizing Pace's Executive Director to execute an Intergovernmental Agreement for the design and construction of the new Metra & Pace Harvey Intermodal Transportation Center in an amount not to exceed \$43,150,000.00.

Joshua Berger, Manager of Capital Infrastructure, presented. Chairman Kwasneski discussed the complexity of the project: securing a competitive federal RAISE grant with the help of Senator

Duckworth, working with IDOT to relocate a roadway, trading properties with the City of Harvey, and responsibly spending State of Illinois Rebuild money. He said the project is a pure example of agencies working together. Director Schielke praised the location, saying the infusion of new development will attract businesses.

Director Noak moved, and Director Schielke 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 #24-33 – Ordinance authorizing Change Order No. 11 to Contract No. 232351 with Path Construction Company, Inc. for fire protection and suppression-related materials, equipment, and utilities and for electric vehicle charging associated with the construction of the Pace South Campus Acceptance Facility and Office Building. This change order increases the contract amount from \$36,229,917.57 to \$38,643,602.18, an increase of \$2,413,684.61 and extends the contract for five months (to March 31, 2025) to complete the added fire suppression and vehicle charging work.

Joshua Berger presented. Discussion ensued:

- Referencing his background in the fire service, Director Schielke supports the ordinance, saying Pace should invite local fire departments to view Pace's fire suppression systems.
- Director Marcucci clarified that the approximately \$500,000 budgeted for charging infrastructure will support three full-sized buses at the acceptance facility, that is not the cost of electrifying a full garage, which is astronomically higher.
- Director Smith appreciated Director Marcucci's comments, saying taxpayers who care about the environment should know electrification is an important but expensive transition. Pace needs helping advocating for additional funding.
- Director Marcucci said electrification is in the best interest of all, but the reality is electrification is not going to happen without major funding and major support from federal, state, and local leaders across party lines.
- Director Noak discussed the hidden costs of electrification not factored into original estimates, like fire suppression. Everybody wants to do this, but electrification is a substantial investment and is still an emerging technology. There may be even more costs associated with it as facilities operate over time.
- Director Wells praised Pace's investment in the new Harvey Transportation Center and the South Campus training facility, which shows they care about the south suburbs.

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, Carr, Guerin, Hastings, Marcucci, McLeod, Noak, Schielke, Smith, Soto, Wells, and Chairman Kwasneski. All directors voted aye.

SBD #24-34 – Ordinance authorizing Change Order No. 5 to Contract No. 232126 with Landmark Contractors, Inc. to incorporate multiple change order proposals for the Dempster Street Pulse Line Stations project. This change order extends the contract for 10 months and

increases the contract total from \$6,137,364.54 to \$6,527,486.32, an increase of \$390,121.78.

Director Schielke left the meeting at 10:33 a.m.

Joshua Berger presented. Chairman Kwasneski commented on the need to better develop contingency plans for when surprises come up while digging underground utilities, and to make sure Pace vendors understand that they are expected to perform work in a timely fashion. Director Canning and Josh discussed delays due to permit coordination, including IDOT re-reviewing permits if the design changes significantly after digging, and the importance of working closely with IDOT and municipalities on complex projects. Melinda added that once Pace recognized delays in the stations, Pace shifted and made operations the priority to ensure service debuted on time.

Director McLeod moved, and Director Noak 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. Director Schielke was not present during the roll call vote. All other directors voted aye.

SBD #24-35 – Ordinance authorizing the award of a contract to Mythics, LLC for Oracle Exadata Cloud@Customer to replace Exadata hardware and software in an amount not to exceed \$4,022,851.10.

Scott Kinsella, Chief Information Officer, presented on how this contract will replace Pace's current Oracle database platform and is a necessary step in Pace's modernization and migration of applications to the cloud. Chairman Kwasneski asked Scott to provide an update on that migration at a future board meeting.

Director Noak 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. Director Smith abstained and Director Schielke was not present during the roll call vote. All other directors voted aye.

Issues/Discussion/Reports

Erik Llewellyn, Chief Planning Officer, presented on June 2024 Service Changes and Pilots. Pace will implement minor service changes now and major service changes on a pilot basis. If pilots are successful, Pace will seek board approval to make major service changes permanent.

As part of Pace's 2024 operating budget, funding was included to improve fixed route service in the highest demand markets. The existing routes on future Pulse corridors, North Ave. and 95th St., do not operate at the level of service on weekends to support future Pulse service. Given the recent success of improved weekend service on Pulse Dempster, Pace is proposing:

- **Route 318** (operates along North Ave. between the CTA Blue Line - Forest Park Station and Northlake Commons) – increased hours and frequency of Sunday service, on a pilot basis.
- **Route 381** (operates along 95th St. between the CTA Red Line - Dan Ryan Station and Moraine Valley Community College) – increased hours and frequency of weekend service on a pilot basis. Also increased weekday evening service.

Erik reviewed Pace Connect ridership and compared the passengers per revenue hour and farebox recovery ratio to a similar service, Pace On Demand. Planning has determined that the continuation of the Pace Connect pilot is not warranted beyond the pilot period end in June. The purpose of the pilot was to test how cost-effective it would be to have a TNC provide shared ride service overnight for third shift workers. In the future, Pace will pivot towards a daytime On Demand service in another area of South Cook where there is greater service potential. To continue to serve of majority of riders that used Pace Connect, Pace is proposing:

- **Route 332** (connects the O'Hare south cargo area to the CTA Blue Line – Rosemont Station) – four additional overnight trips on weekdays, Saturdays, and Sunday to provide service during the time periods when 75% of Pace Connect O'Hare riders used the Pace Connect service.

Director Guerin thanked Pace for the needed expansion of routes on North Ave. to serve the hard-working people of North Lake, River Grove, Elmwood Park, and River Forest.

Chairman Kwasneski asked for statistics on how many Pace riders transfer to CTA stations, saying some critics believe transfers are a mark of poor routing.

Director Arfa asked why ridership for all services has increased except Suburban paratransit. Melinda attributed non-growth to using taxis and TNCs. Federal regulations require ADA paratransit be provided within $\frac{3}{4}$ of a mile of a fixed route during the same days and hours as fixed route; suburban service overall is more limited for this reason. Pace hopes to address this with ReVision and get funding for more service. Director Arfa praised Pace for an incredible recovery retaining ridership despite changing work norms, showing how Pace is essential.

Adjournment

There being no further business, Chairman Kwasneski asked for a motion and second to adjourn the meeting. Director Marcucci moved, and Director Smith seconded a motion. The motion passed with a unanimous vote; all Directors voted aye. The meeting adjourned at 10:52 a.m.

The next regular meeting of the Pace Board of Directors will be held on Wednesday, June 26, 2024 at 9:30 a.m. at Pace Corporate Headquarters, 550 West Algonquin Road, Arlington Heights, Illinois.

Elissa Ledvort
Board Secretary, Board of Directors