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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
August 20, 2025**

The Board of Directors of Pace, the Suburban Bus Division of the Regional Transportation Authority (“Pace”), met in open session on Wednesday, August 20, 2025 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: Canning, Carr, Guerin, Hastings, Marcucci, McLeod, Schielke, Smith, Soto, and Chairman Kwasneski.

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

Directors absent: Noak and Wells.

SBD #25-59 – Resolution approving the open session meeting minutes of July 16, 2025.

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

Public Comment

None. Chairman Kwasneski opened the meeting for public comment again later in the meeting.

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's Report

Chairman Kwasneski thanked Director Canning for attending the RTA Ad Hoc Committee meetings on transit funding with him and Executive Director Melinda Metzger. They discussed ridership on the Taxi Access Program ("TAP") and the Rideshare Access Program ("RAP"), the ADA paratransit shortfall in 2025, and ways to fund the gap through 2025 by using Innovative Coordination and Enhancement ("ICE") funds from all service boards and a contribution from Pace. The challenge is now balancing the budget in 2026 while sustainably funding TAP and RAP in a way that meets the high demand. Those programs have been very successful and well-received. Individuals in the disability community deserve the ability to travel when they want like any other person. The RTA ultimately determines how the programs can be run effectively with the finances available. Pace as the operator of service will operate the ADA programs as the RTA sees fit. The RTA will discuss the 2025 and 2026 ADA budgets at its board meeting tomorrow.

Chairman Kwasneski reported on the RTA Ad Hoc Committee discussion about each service board hitting the fiscal cliff at different times. Pace is in better financial shape than Metra and CTA in terms of how long the federal Covid relief money will last. A lot of that has to do with the strategic way that Pace reduced service during Covid to save dollars and preserve our existence as long as we could until ridership came back. Metra cut service as well and CTA cut service minimally during the pandemic. The RTA suggested using suburban federal Covid relief funds earmarked for the continued operation of suburban service and the suburban agencies (Pace and Metra) to assist CTA so that all three service boards fall off the fiscal cliff at the same time and so the RTA can provide the legislature with a date that the region as a whole falls off the cliff. Chairman Kwasneski told the RTA Ad Hoc Committee that he is not sure that the Pace Board would entertain that idea. Pace strives to be a good steward of its dollars and has a fiduciary duty to use its dollars in a way that benefits Pace riders. Any dollars that Pace would give away would take away from service in suburban areas that the Pace Board represents. He suggested that Pace could loan the money to the RTA and get that funding back as the legislature enacts transit changes and new tax revenue is received. The suggestion of a loan was met with mixed reactions from the RTA board. Pace will continue to strive to be a team player as a region but will also protect the interests of its riders in suburban Cook County and the collar counties.

Chairman Kwasneski discussed how the service boards are trying to stay operational while funding gets negotiated amidst the uncertainty of when the legislature will ultimately pass a transit funding bill. Though the legislature understands the urgency, it is not certain that a bill will pass during the veto session. Hopefully a bill will be passed in January. Representative Delgado is putting in a lot of effort to reach out to people throughout the suburban area to get this legislation right. There are a lot of dynamics in this legislation. Right now, legislators are filtering out what is necessary and what can be enhanced, and there is opposition to a number of items.

Chairman Kwasneski invited all to attend a ribbon cutting for the completion of Pace's ADA Paratransit Transfer Facility at the Northwest Transportation Center in Schaumburg on September 10. He thanked the State of Illinois for providing the capital funding to make this

capital project possible. He applauded Pace staff for continuing to accomplish all the state-funded capital projects to which Pace committed.

Directors' Reports

Director Arfa reported on serving as a hearing officer for the TAP and RAP public hearings and thanked Pace staff for managing it. The hearing had 124 attendees and 48 comments. Hundreds more comments were mailed, emailed, and phoned in, which have been provided to the Pace Board. She said there is overwhelming alarm and concern about the RTA moving forward with a monthly limit of 30 rides on TAP and RAP. That limit would impact people with disabilities and their ability to live, work, access healthcare, be with family and friends, and enjoy all that life offers. It would put a strain on the disability community at the worst possible time during federal cuts to Medicaid and during a shortage of personal care attendants. People with disabilities would be restricted and have difficult choices to make about what tasks they can do, as 30 trips is 15 round trips per month to leave the house and go somewhere. It is important to remember that TAP and RAP are less expensive to operate and are an important solution that should exist alongside traditional ADA paratransit carrier service. We need to revisit the monthly cap and find a way to increase it. One comment that struck Director Arfa was from a cancer patient who has 15 medical appointments per month, which means that person would not be able to do anything other than go to the doctor. She thanked the disability community for its input and advocacy.

Chairman Kwasneski assured that input from the disability community has been heard and that all public comments will be forwarded to the RTA to consider along with the additional 100 public comments received for today's Pace Board meeting. He said that the RTA will promote free fares on mainline service, which Pace is already doing and which CTA and Metra are working through on their systems, as a no cost transit option for people with disabilities if they are able to use it.

Director Noak joined the meeting in person at 9:47 a.m.

Director Canning reported on attending RTA's Ad Hoc Committee meetings and the discussion on RAP and TAP. He complimented the Chairman for representing Pace well and for explaining the policy issues that the Pace Board considers. He praised Melinda for expertly answering questions from the RTA Board about how the programs work and their nuances. It was clear that some RTA board members do not understand RAP and TAP and are just looking at dollars and cents. He wishes the Ad Hoc Committee had the 58 pages of comments from the public hearings, because they represent living breathing riders testifying that RAP and TAP have changed lives. Reading the emotion on the pages of comments is amazing. He highlighted all the people who submitted comments about using RAP and TAP to get to work. It is simple – you need more than 30 trips per month to get to and from work. The Pace Board understands the value the programs bring, hears from the communities that use them, and must continue to advocate for the programs. The RTA board needs to think about how RAP and TAP work and see if there is a better way to be fiscally responsible and still meet the needs of the people who use the programs. The RTA also has to make sure that the people who were approved to use RAP and TAP are the

ones actually using it; there was a sense that some people were taking advantage of the programs. If that is the case, people taking advantage of the programs need to be cut out to make sure the programs work for the people they are supposed to work for.

Director Marcucci thanked the Chairman, Director Arfa, and Director Canning for their well-done reports addressing the issue with the 30-ride monthly limit on TAP and RAP. He discussed the complexity of the fiscal cliff, saying it is time for the legislature, councils of government, and the general public to really focus on this issue because it is not getting the level of attention it deserves. CMAP's 2023 PART study and Pace's ongoing ReVision systemwide restructuring study determined that public transit in northeastern Illinois is chronically underfunded compared to peers around the country and that is a foundational part of the fiscal cliff. If the region was funded to continue operating at the level of service we have today, while the buses would run, are we really providing the level of service that people expect and that people need? We need more money in the system to adequately fund popular programs that meet the needs of riders like TAP and RAP. He also pointed out that if the fiscal cliff is not resolved, then the ADA service area will shrink considerably. He did not initially understand the implication of the 30-rides-per-month cap but heard the issue loud and clear while serving as a public hearing officer. You cannot hold a job with 30 monthly rides and have rides left to go grocery shopping or to the doctor. He observed that most of the hundreds of public comments received protested the 30-ride monthly cap but not the fare increase from \$2 to \$3.25. He thanked Melinda for advocating for TAP and RAP. He hopes that the RTA realizes the problem with the proposed program changes once the RTA reads the public comments. He said the Americans with Disability Act at its heart is designed to bring the ADA community into the larger community so that individuals with disabilities can experience all the benefits everyone else experiences, including transportation to work, family, and medical appointments, and 30 rides per month does not cut it.

Director McLeod complimented the Chairman and Director Canning for eloquently making the case for Pace at the RTA Ad Hoc Committee meeting and commented on the RTA proposing to take away Pace's remaining Covid relief funding despite efforts to be responsible and frugal. He reported on serving on the Metropolitan Mayors Caucus task force along with Directors Noak and Schielke and the Caucus's opposition to the transit bill taking away zoning authority from local officials on bus stops, train stations, and bike paths and forbidding mayors to serve on local service boards. He complimented Directors Arfa, Canning, and Marcucci for explaining the issue of limiting the RAP and TAP programs to 30 rides per month. He said the Americans with Disabilities Act was some of the best legislation ever passed. It always seems like the first thing to be cut is services for the disabled, but we made a commitment and a promise and are legally bound by those contracts. He said that we have to make sure that everybody can be included in American life. It is unconscionable to give people with disabilities a program that really helps them and then rip it away.

Director Noak commented that the reports today are a testament to the quality of people who serve on the Pace Board of Directors and demonstrate their diversity, knowledge, and talents. Different members are taking on different aspects of what is happening in transit as a whole, and all are committed to the various issues on the forefront today. He complimented the municipal

leaders serving on the Metropolitan Mayors Caucus and various councils of government for also being well versed on transit issues and bringing a lot of diverse voices to the table. He reported on speaking with the transit bill House sponsor Representative Delgado and members of the House transit working group. He is grateful for the time that the legislators gave to Pace and hopes they continue to receive the input that Pace's expertise brings to the table. He brought to their attention that when it comes to day-to-day operations, it is the transit employees who work on these issues and do the real work. We are fortunate to have amazing people working in transit and their input into this legislation is vital to getting it right. He believes there is room to discuss removing some barriers and hurdles from the current bill, which may have been inadvertently kept in the bill from previous drafts of legislation. He commented that all municipalities embrace transit-oriented development and are committed to it, but it is nuanced within each community. That is why municipalities feel that such development is best continued to be led at the local level by municipalities. The inclusion of transit-oriented development into this bill only takes away from what the transit agencies should be doing, which is providing better service. Many would like to see separate legislation for transit-oriented development.

Director Schielke complimented Highland Park Mayor Rotering as chair of the Metropolitan Mayors Caucus and her efforts to identify what the suburban mayors want to change in the current transit bill being discussed. The Caucus and the state are not in agreement. The Caucus is rewriting the bill from its viewpoint and will publicly release it. He does not believe that transit funding will be resolved in the fall veto session or any time soon because of those disagreements and disagreements among legislators. He believes that many legislators across both parties are afraid of this bill and do not know whether to vote for or against it. He believes that the Pace Board is doing a good job of serving its constituents and needs to continue doing so. He thinks that the entire transit system could be derailed if this is not handled in the right way.

Director Smith agreed with previous reports regarding the impact of the monthly 30-ride limit on TAP and RAP. She said that if we fail collectively as a region encompassing this Board, all of the regional boards, and legislators, then we fail to provide equal access to transportation for the disability community. We would not only fail the spirit of the Americans with Disabilities Act but really fail to fulfill a fundamental reason for public transportation. She hopes that the RTA board recognizes that when making changes to the TAP and RAP programs.

Director Soto commented that when the proposal was first made to cap RAP and TAP rides to 30 per month, she had many questions about how the RTA decided on that number. It is clear that 30 is a mathematical number that the RTA came up with as a funding solution without recognizing the larger impact of the cap. She commented on serving as a hearing officer where all concerns were about the 30-ride limit. She observed that this has been a life-changing service for people to find work. One gentleman was blind and had used Pace ADA paratransit, but the RAP program enabled him to get better employment opportunities, have more flexibility when travelling, and attend his son's sporting events. She encouraged Directors to talk to their representatives on the RTA board. After asking questions of riders at the hearing, she suggested that a 45-60 ride monthly cap would be more appropriate. With any new service that is successful, there are things to work out. There are other solutions readily available through

simple discussion that could keep the ride cap above 30. She is anxious to hear the RTA discussion at its board meeting tomorrow.

Public Comment

Claudia Glenn of Grayslake commented on the difficulty of accessing rides through Ride Lake County and tried out RAP. She had trouble booking RAP due to insufficient funds despite loading her credit card and Uber cash. Uber ended up cancelling her ride that day, leaving her stranded at church. She contacted Pace, who told her that her church was in the ADA service area but that her home was not. She asked if Pace and the RTA could modify their process and look up if home addresses are in the service area before certifying people to use programs. She said that she would not have applied for RAP and that would have saved time and money for the employees processing her application. She was also surprised that her retirement community was not in the ADA service area because so many people in her subdivision need ADA service.

Chairman Kwasneski said that Pace would look up the address and see what service options are available from Pace or within her own community. Pace is only obliged to provide ADA services within three quarters of a mile of a fixed route. Perhaps Lake County would be interested in providing a service or partnering with Pace, as that should be Lake County's responsibility. Chairman Kwasneski reminded that RAP may be modified based on the outcome of tomorrow's RTA board meeting. Pace will have to look seriously at funding partnerships moving forward.

Director Soto shared that Pace has approached Lake County about a RAP agreement. She encouraged Ms. Glenn to contact her representative on the Lake County board or the Lake County Board Chair by visiting the county office. Lake County DOT staff need to hear this and should consider supporting RAP.

Director Noak added that Ms. Glenn's situation is a great example of the type of service that Pace would like to be able to provide if the suburban region had more funding. The suburban region needs more service and funding. A majority of mayors support more funding for transit. The need for service in senior communities will continue to grow and expand throughout our region. We will continue to run into this situation, and we need to find ways to provide this service. A lot of collar county retirees come from areas in Cook County that have larger service coverage, and they have an expectation of service. He hopes the legislature understands the need for expanded service investment in the collar counties as we discuss legislation and funding.

Executive Director's Report

Melinda reported that Pace was proud to partner with CTA and Metra to offer free rides to students on the first day of school. This program introduces students to public transportation and teaches them about the independence that mobility can provide.

Melinda thanked the Pace staff who participated in the Chicago Disability Pride Parade on July 26 to show our agency's support for riders with disabilities. Pace is the second largest paratransit

system in the country, and we take pride in delivering accessible public transportation services for all. Pace was proud to honor Director Arfa as this year's grand marshal.

Melinda reported that she and Director Wells were honored to accept two Invest in Cook grant awards from Cook County President Toni Preckwinkle and Cook County Commissioners at a news conference on August 14. Those important investments will help Pace continue innovative efforts to improve mobility, equity, and economic opportunities for riders; they not only help move people but also support job creation and regional economic development. One grant for up to \$176,000 will support the development of a business access and transit lane ("BAT lane") to improve travel times for buses along Cermak Road as a precursor to Pulse Cermak service. Construction on the BAT lane will start in the third quarter of 2026. A second grant for up to \$180,000 will fund the expansion of Pace's Arlington Heights – Rollings Meadows On Demand service by year end, and will add a second vehicle, increase service hours, and double the size of the current zone to encompass major destinations such as the Palatine Metra station and Harper College. Pace will match each grant.

Melinda reported on an August 29 public hearing to permanently adopt the Lansing On Demand pilot in the south suburbs. This is Pace's 11th reservation-based curb-to-curb shared ride service.

Melinda reported on an upcoming ribbon cutting to celebrate the completion of the Northwest Transportation Center ADA Transfer Facility on September 10. That project builds upon many efforts to enhance ADA paratransit service and our customers' experience riding our system. We are pleased to complete this construction project in under one year.

Melinda reported on attending the RTA Ad Hoc Committee meetings with the Chairman and Director Canning. At the last meeting on August 11, regional funding issues, ADA program funding issues, and funding marks for both operating and capital budgets were discussed. The RTA will provide Pace 2026 operational funding marks at its board meeting tomorrow. There are two budget items that Pace needs to address: the overbudget condition on ADA paratransit service in 2025 and the overbudget condition on ADA paratransit continuing into 2026.

Melinda reported on July ridership. The Pace system provided over two million rides, which is a 5.4% increase. Over two million rides in July is a good mark for Pace. Ridership on the fixed route system was stagnant, but Pace expects an increase next month with school back in session.

Melinda provided a recruitment update. Since the last board meeting, Pace hosted 258 prospective candidates, extended 54 offers, and did 10 Hire-on-the-Spot events at Pace headquarters and South Campus in Markham. As part of the 2025 budget, Pace started a new recruitment marketing campaign to attract job seekers. The campaign advertises the qualifications that Pace is seeking, such as optimism and dependability, and can be seen on expressway billboards, cards inside buses, bus wraps, and ad shelters. Melinda thanked Director Marcucci for his support as the Board Marketing Liaison. Pace is 5% below, or 60 drivers short of, full staffing levels, which is the lowest mark since Covid hit. Pace has 133 candidates in training right now.

Melinda reported that suburban service is favorable to budget through June 2025, and ADA paratransit service is \$15 million unfavorable to budget through June 2025.

Items removed from the Consent Agenda

None.

Approval of Consent Agenda

SBD #25-60 – Ordinance authorizing an update Administrative Operating Procedure FI-18, Investment Policy. The updated policy reiterates our investment objectives, clarifies and formalizes the process for obtaining the services of financial institutions and investment providers, elaborates on collateralization methods, and formally approves the use of Intrafi when investing in certificates of deposits. In addition, the policy sets limits on the maximum percentage of Pace's portfolio that can be allocated to specific types of investments.

SBD #25-61 – Ordinance authorizing Change Order No. 2 to Contract No. 227756 with Mercer Investments LLC for investment consulting services for the RTA 401(k) plan. The change order extends the Contract for six months and increases the Contract total from \$368,000.00 to \$395,000.00, an increase of \$27,000.00.

Director Noak moved, and Director Guerin seconded, a motion to approve the Consent Agenda. The motion passed with the following roll call vote: Directors Canning, Carr, Guerin, Hastings, Marcucci, McLeod, Noak, Schielke, Smith, Soto, Wells, and Chairman Kwasneski. All directors voted aye.

Action Items

SBD #25-62 – Ordinance authorizing the award of a contract to First Transit, Inc. for dedicated paratransit services in Will County in an amount not to exceed \$37,246,409.57.

Sally Williams, Regional Manager of Paratransit and Vanpool, presented.

Director Noak moved, and Director Marcucci seconded, a motion to approve the Ordinance. The motion passed with the following roll call vote: Directors Canning, Carr, Guerin, Hastings, Marcucci, McLeod, Noak, Schielke, Smith, Soto, Wells, and Chairman Kwasneski. All directors voted aye.

SBD #25-63 – Ordinance authorizing the award of contracts to Winter Services LLC; Mark 1 Landscape, Inc.; and Polar Group, LLC for snow and ice removal services at multiple Pace facilities in amounts not to exceed \$625,800.00, \$840,090.00, and \$1,174,682.94, respectively.

C.J. Mikucki, Department Manager of Bus Operations, presented.

Director Smith moved, and Director McLeod seconded, a motion to approve the Ordinance. The motion passed with the following roll call vote: Directors Canning, Carr, Guerin, Hastings, Marcucci, McLeod, Noak, Schielke, Smith, Soto, Wells, and Chairman Kwasneski. All directors voted aye.

Issues/Discussion/Reports

Melinda provided a recap of the public hearings held on TAP and RAP program changes with respect to the RTA ADA Action Plan and an update on the overbudget condition on ADA paratransit.

Melinda reported that Pace's ADA paratransit program includes traditional ADA paratransit service and two user-side subsidy programs: TAP and RAP. With RAP, the goal was always to implement a user side subsidy program in the suburbs to provide an additional mobility option similar to what the City of Chicago had through TAP, but the suburbs did not have the taxi network to support that type of program. In 2021, Pace partnered with the RTA to complete an ADA paratransit innovation study to identify potential mobility options that could be integrated in the ADA paratransit program to meet the increased demand for service as the population continues to age. As a result of the study on growing demand and in response to the pandemic, Pace launched the RAP program in March 2024. Both TAP and RAP subsidy programs have provided tremendous flexible access and mobility to people with disabilities and have provided a cost-effective transportation option that frees up capacity on traditional ADA paratransit.

In June 2025, the RTA presented to its board an action plan that included the implementation of immediate programmatic changes to both TAP and RAP as a result of the continued increased demand for paratransit service. Those changes included capping the number of trips to 30 per month, increasing the fare from \$2 to \$3.25, implementing free fares on fixed route for ADA certified riders on all service boards by fall 2025 (which Pace has already implemented on our fixed route system since February 2024), and a review of the RTA's rider certification process. Riders are certified by the RTA before they ride on Pace paratransit.

Because the changes included a fare increase, six public hearings were held in the last week of July. Melinda presented the 347 public hearing comments that were received. Pace received an additional 100 comments since the public hearings concluded. The major concern from riders was the impact that the 30-rides-per-month cap would have on them. Many people provided feedback on how the RAP program has opened up access to opportunity. Melinda thanked Directors Arfa, Marcucci, and Soto for serving as hearing officers and thanked Pace government relations staff led by Steve Andrews for coordinating the hearings.

To fund the \$53 million fiscal year 2025 shortfall that is expected for ADA paratransit service, first the RTA will apply \$8.3 million from the ADA paratransit reserve and \$17.5 million from the incremental RTA 15% sales tax 1, which totals to \$25.8 million. There are two options to fund the remaining \$19.4 million that needs to be identified, as will be presented at the RTA board meeting tomorrow. The first option, which is preferred by Pace, is utilizing 2023 ICE

funding remaining from Pace, CTA, and Metra in the amount of \$16.6 million for the Pace ADA program. Pace would be responsible for covering the remaining \$2.8 million from our suburban mobility fund on a one-time basis. The other option identified in the RTA Action Plan ordinance is for Pace to cover the whole \$19.4 million for which there is no funding. Based on the RTA Act, Pace believes it is the RTA's obligation to fund the ADA paratransit program. Pace is hopeful that the RTA will approve the use of 2023 ICE funding to cover the 2025 ADA paratransit shortfall.

The next steps will be to officially share all of the public hearing feedback received with the RTA following this Pace Board meeting (public comments have already been forwarded in draft form). Pace stands ready to implement what the RTA directs in the ADA action plan. Pace anticipates that the RTA will state that Pace is not in substantial compliance with budget and will require Pace to provide a revised budget by September 20. That will be discussed at Pace's September board meeting.

Director Canning requested more information on the 2023 ICE funding. Melinda explained that ICE is capital grant funding that the RTA gave each service board for innovative projects, but they are not always easy to get off the ground. For example, Pace proposed a hydrogen fuel cell bus, but that has become difficult to implement. RAP is a fitting example of an innovation and is therefore an eligible ICE expenditure.

Director Canning asked how Pace would theoretically pay the \$19.4 million if directed by the RTA. Melinda explained that it would come from Pace's suburban bus money that Pace was planning to utilize to carry us through 2026. That means that Pace would start 2026 already \$19 million down. Melinda acknowledged the discussion at the RTA Ad Hoc Committee meeting about taking even more funds from Pace and redistributing so that the service boards hit the fiscal cliff at the same time. It is not clear what benefit that brings. In order to make whole on Pace's promise to improve suburban bus service, Pace can take money out of our budget for the RTA to redistribute to CTA as a loan that can be paid back once new money comes in under new legislation. Pace remains optimistic that the legislature will pass new funding sources.

Chairman Kwasneski added that he told the Ad Hoc Committee that he has great concerns about redistributing Pace's Covid relief money and that it is something the Pace Board would have to seriously consider. Pace would not be supportive of the RTA taking the funds if there were other options available. The RTA has brought up good alternative suggestions. We will see what happens tomorrow at the RTA board meeting.

Adjournment

There being no further business, Chairman Kwasneski asked for a motion and second to adjourn the meeting. Director Soto moved, and Director Schielke seconded, the motion. The motion passed with a unanimous vote; all Directors voted aye. The meeting adjourned at 10:44 a.m.

The next regular meeting of the Pace Board of Directors will be held on Wednesday, September 17, 2025 at 9:30 a.m. at Pace corporate headquarters, 550 West Algonquin Road, Arlington Heights, Illinois.

Elissa Ledvort

Board Secretary, Board of Directors