

**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
November 12, 2025**

The Board of Directors of Pace, the Suburban Bus Division of the Regional Transportation Authority (“Pace”), met in open session on Wednesday, November 12, 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 9:30 a.m.

Roll Call

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

Director Soto moved, and Director McLeod seconded a motion, to allow Directors Carr, Hastings, Noak, and Smith to attend via Zoom. The motion passed with a unanimous vote. Directors Carr, Hastings, Noak, and Smith joined the meeting via Zoom immediately following the vote.

Directors absent: Schielke.

SBD #25-81 – Resolution approving the open session meeting minutes of October 15, 2025.

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

Public Comment

None.

Chairman's Report

Chairman Kwasneski recognized key individuals and organizations who were critical to passing the Northern Illinois Transportation Authority Act ("NITA Act") SB 2111 on October 31, 2025. He thanked Executive Director Melinda Metzger and Manager of External Relations Doug Sullivan for their years spent advocating for Pace in Springfield regarding the fiscal cliff, including these last two weeks of veto session. Chairman Kwasneski reached out to several members of the legislature on Pace's behalf to thank them for their efforts, especially Senator Villivalam, Representative Delgado, and Representative Buckner for leading negotiations to finalize the bill. Chairman Kwasneski appreciated the assistance of paratransit advocacy groups like Access Living for understanding the importance of keeping RAP and TAP funded. Chairman Kwasneski thanked the unions for playing a huge role in developing and passing the legislation.

Chairman Kwasneski reported that SB 2111 is complex legislation that is over 1000 pages long. He thanked Pace for providing Board members with a synopsis on how the legislation will change the structure and operation of the service boards, including changes to board composition and capital funding. The legislation is different than the transit bill introduced in May 2025 that passed the Illinois Senate. The last five months allowed some details to get ironed out, though more clarification and fine tuning are expected. Internally, the service boards need to figure out how everything will work going forward. However, riders and employees understand that transit is funded and here to stay. Pace will look at enacting some of our network revitalization ReVision plans now that we know we are funded. Pace looks forward to working alongside the Governor's office, the Illinois legislature, and RTA on how to move forward with the ten-month transition from the RTA Act to the NITA Act.

Directors' Reports

Director Arfa thanked Melinda and Doug for never giving up their advocacy for Pace service and said that there is a lot of potential for the region's future as a result of the new transit legislation. She thanked advocacy groups, labor, cities, counties, and the state for their leadership, hard work and support. It became clear that everyone cares about public transit in all the communities that Pace represents. Director Arfa reported on serving as a hearing officer for Pace's 2026 budget at the Austin Public Library, attended by Director Guerin, Director Carr, Melinda, and staff. It was clear that RAP and TAP continue to be a big concern for riders. Pace should continue to make RAP and TAP priorities, and she is optimistic that Pace can support the programs. Providing a variety of transit options that meet riders' needs is what public transit is all about. Lastly, Director Arfa reported on attending Pace's 2026 budget presentation to the Cook County Board. She complimented Director Canning on his presentation and ability to answer every question. She observed a lot of support and interest from the Cook County Board in what Pace does.

Director Schielke arrived at the meeting in person at 9:37 a.m.

Director Canning thanked Melinda, Doug, the Chairman, and legislators for their long work in Springfield and the success for transit in northeastern Illinois. He also recognized Governor

Pritzker's impact in getting the transit bill passed; the bill seemed unlikely to pass when it was introduced during veto session, but 72 hours later, it was accomplished. He reported on serving as a hearing officer for Pace's 2026 budget in Lincolnwood where most comments received related to RAP and TAP. He was impressed that so many parents of young adults who use RAP and TAP to get to work attended the hearing to explain the impact that RAP and TAP have had on their lives. Also in attendance was a blind person who runs a business and has deaf employees, who shared how his business has been successful in part because of his and his employees' ability to use RAP. Success stories like this illustrate the importance of maintaining RAP and TAP for the people that live in our region, which has been made clear to the General Assembly and the Governor and could have factored into increased funding in the transit bill. He thanked Director Wells, Director Arfa, and Melinda for attending and helping him prepare for his presentation of Pace's 2026 budget to the Cook County Board. He observed less questions than in prior years, perhaps because funding increases improve service and solve problems.

Director Carr thanked Doug, Melinda, and all Pace staff for their unbelievable effort in getting the transit bill passed. He reported on attending the groundbreaking for a new ADA paratransit transfer facility in Calumet City. Calumet City was instrumental in making the ADA paratransit transfer facility happen by providing Pace with a location to build. Lastly, he reported on attending Pace's 2026 budget public hearing and complimented Director Arfa on chairing the meeting. Most comments were concerns about RAP and TAP, but he thinks riders were left satisfied by the answers provided by staff.

Chairman Kwasneski thanked Director Carr and Director Arfa for attending the Calumet City ADA transfer facility groundbreaking, which was well-attended by legislators and the Mayor of Calumet City. This is another way that shows how Pace works alongside local governments in a fiscally responsible way, using the funding allotted to Pace to provide amenities to riders and to improve the rider experience. Calumet City provided the piece of property and will maintain the facility. The location is ideal, being next to two senior living buildings and a mall.

Director Guerin complimented Director Arfa on chairing Pace's 2026 budget public hearing and thanked Pace staff for answering questions. He complimented Director Canning on presenting Pace's 2026 budget to the Cook County Board. He thanked all veterans for their service.

Director Marcucci thanked Melinda, Doug, and Pace staff for going above and beyond the daily operation of the complex Pace organization to make sure that the needs of Pace's constituents were heard during the transit fiscal cliff issue. He complimented Illinois Senator Seth Lewis for his well-founded remarks during debate on the bill. Illinois Senator Lewis articulated why he thought the bill was not good for the suburbs that he represents, but that he will vote for the bill anyway because negotiations will not get better and he needs to get the best deal possible for the people he represents. In light of the federal government shutdown and partisan budget disagreements, Director Marcucci commented on how there is not enough compromise in government today and politicians are too entrenched in their positions. Director Marcucci is still concerned about RAP and TAP because it was not addressed specifically in the transit legislation and is happy other Pace directors still recognize RAP and TAP as an issue. Although the transit

legislation will bring in revenue to fund RAP and TAP for the entirety of 2026, he wants Pace to continue advocating for an increase in the 30 rides per month limit. He commended the passing of transit legislation, complimented Governor Pritzker for his involvement, and approves funding transit in a way that better links the transit services provided and the taxes being raised to fund it, instead of revenue sources that theoretically have nothing to do with transportation, such as real estate property transfer taxes.

Director McLeod thanked everyone at Pace who worked so hard on the transit bill that was passed, which is certainly better than previous versions. He reported on chairing a virtual public hearing on Pace's 2026 budget, where almost all the comments were concerns about RAP and TAP. He thinks the riders' message got across to the legislature and RTA. Let us see if they deliver on resolving RAP and TAP issues, as they should. We made a commitment to riders years ago by offering these services, now let us keep that commitment.

Director Noak thanked everybody for their great work in Springfield, saying it was great to see the Pace team so engaged. He thanked Senator Villivalam, Representative Delgado, Representative Buckner, and their teams for all the time they gave in the end working out details with various organizations. He thanked and credited the Governor's office for getting the bill over the finish line. Chairman Kwasneski thanked Director Noak for leading the charge on negotiating municipal impacts in the transit legislation.

Director Schielke appreciated the accomplishments of Pace staff in Springfield. He reported that growth throughout Kane County is posing challenges. That includes 900 new residences in Batavia between 2022 and 2026, similar increases in Geneva and St. Charles, 2800 new single-family homes in Hampshire, and a population increase by a few thousand people in Huntley. He reported that there are increased requests for Dial-a-Ride service from new senior living communities in Kane County.

Director Smith thanked Melinda, Doug, and Pace staff for the incredible amount of work over the years to get us to this outcome with the transit bill passed. She thanked the Chairman, Director Noak, Director Canning, and the other Directors who have advocated for transit reform outside of their regular obligations to Pace, their counties and municipalities, and respective organizations.

Director Soto thanked the Chairman, Melinda, Doug, and Pace staff for an unbelievable year dedicated to passing the transit bill. She thanked legislators for their work and Governor Pritzker for his intervention. She looks forward to the future because our legislators and Governor have repeatedly stated that the goal of this legislation is to create a state-of-the-art transit system for the region. We should make sure that the legislature understands the rising importance of RAP and TAP and use the increased funds to implement ReVision network revitalization plans. Let us keep in mind that Pace has so much more to offer. This is only the beginning.

Director Wells reported on attending Pace's 2026 budget presentation to the Cook County Board along with Director Arfa and Director Carr. He thanked Director Canning for his excellent

presentation, and Melinda and Doug for preparing Board members well. He observed that the recent snowstorm illustrated the importance of having a solid transit network, as most of the people attending that meeting would not have been able to get there if it had not been for an effective transportation system, which was the whole purpose of passing the transit bill. He appreciated what the Governor and the General Assembly were able to do, because it was not an easy process trying to make everyone happy and there was a lot of compromise. The bottom line for Pace is that there are no Pace staff cuts, no Pace service cuts, and Pace will be able to expand into areas that we have not served before. At the end of the day, that is what is most important.

Executive Director's Report

Melinda reported on a historic month of activity with the passing of the NITA Act transit legislation. She thanked:

- The Pace Board and Doug Sullivan, Manager of External Relations, for their efforts talking to legislators and for their guidance and leadership, particularly Chairman Kwasneski, Director Noak, and Director Canning.
- The Illinois General Assembly, especially Representative Buckner, Senator Villivalam, and Representative Delgado.
- Transit labor unions, who were so involved in discussions on transit reform and whose advocacy was instrumental. She particularly thanked ATU #241 President Keith Hill, who represents many Pace divisions, who advocated for the importance of public transportation and safety on public transit, and ATU #400 President DeCarlo Greer, who represents Pace North Division, and advocated for the need for more funding for public transit. This is a good example of how unions and management work well together.

Melinda thanked Andrew Mueller, General Counsel, and Lindsey Umek, Chief Operating Officer, for compiling a synopsis of the 1,000 pages of legislation. Pace continues to review the bill. There will be a subsequent bill to clean up the language because it was put together quickly.

Under the new NITA Act legislation, approximately \$1.2 billion in new annual operating revenue for transit in the Chicagoland region is expected. This includes \$731 million from motor fuel sales tax and \$478 million from the RTA sales tax increase of 0.25% in Cook County and the collar counties, which needs to be approved by the RTA Board within 60 days of June 1, 2026. The money is not coming in all at once, it will flow in slowly. Of the \$564.7 million in additional funding to the regional transit system in 2026, RTA has allocated \$18.9 million to suburban service and \$56.7 million to the regional ADA paratransit program.

This new funding will fund the entire regional ADA program in 2026, including the TAP and RAP program. Pace is working with RTA to determine if the TAP and RAP 30-ride monthly limit can be increased to 40 or 50 rides per month. The 30-ride cap was put in place on October 1, 2025, and Pace does not have enough data on the change yet; however, Pace has generally observed a shift back to traditional ADA paratransit service after the cap was put in place.

The legislation prohibits any fare increases for the first year to allow the system to stabilize. Pace will maintain the current fixed route fare of \$2.25, and the current ADA fare of \$3.25 in 2026.

The legislation will allow Pace to add approximately 10% more suburban bus service. There is a big demand in outlying suburbs to expand On Demand services for additional first mile, last mile connectivity. However, the new legislation implements new service measures, one of which relates to unlinked passenger trips, which determine the amount of funding a service board receives. The new service measures will affect Pace because there are more riders on CTA. Pace's ReVision project will have to look at that new metric and determine how Pace can best expand service with the money we have so that new funding does not all go to the other service boards.

The new legislation maintains current staffing levels but changes the board compositions of the service boards. It is a complex system with certain board appointees required to serve on multiple service boards. The NITA Act increases the number of Board members on NITA (formerly RTA) from 16 to 20 and decreases the number of Pace Board members from 13 to 11.

The new legislation waives the farebox recovery ratio for 2026, but in 2027 and 2028, institutes a regional farebox recovery ratio of 25% for Pace, Metra, and CTA, and a 5% farebox recovery ratio for ADA paratransit. Beginning in 2029, if the authority system generated revenue falls below 20% for two consecutive years, then the NITA Board shall report back to the General Assembly and the Governor and provide a summary of fare adjustments and/or service changes.

Melinda reported on Pace's annual Million Miler breakfast, which was held on November 1, the day after the NITA Act was passed, honoring Pace's 350 one Million Milers, 89 two Million Milers, and 8 three Million Miler bus operators who have driven that respective distance without a preventable accident. Collectively, that represents 552 million miles of safe driving. Melinda showed a video of all the 2025 Million Miler recipients who shared what working for Pace means to them. Melinda reported on the Million Miler version of the Ride Kind advertising campaign, coming soon.

Melinda reported that Pace received its first hybrid electric fixed route bus. It has the same features as the other fixed route buses in the fleet; however, it is programmed to run in electric mode when going through neighborhoods. Hybrid buses will be spread throughout the region.

Melinda recognized the substantial number of Pace employees who are veterans and thanked Native Americans for their contributions to American life and to transportation.

Melinda thanked Board members for serving as hearing officers for the 2026 budget public hearings, and for presenting Pace's 2026 budget to county authorities. She thanked Director Canning for an outstanding job on the 2026 budget presentation to Cook County.

Melinda reported on ridership. The system provided approximately 2.17 million rides in October 2025, which represents about 71% of Pace's 2019 ridership levels. Pace has provided 20.3

million systemwide rides so far this year, which represents a 5.1% increase over last year. A ride cap for TAP and RAP was just instituted on October 1, but so far traditional ADA paratransit ridership is up 11%. Pace fixed routes carry about 500 ADA certified riders per month who can ride the fixed route system for free. Chairman Kwasneski confirmed that ADA paratransit ridership on fixed routes is monitored through the Ventra system. ADA riders tap their “P” card, which is programmed with the ride free entitlement, and the information gets downloaded and tracked through the Ventra system.

Melinda reported on recruitment. Pace hosted 85 prospective candidates at Hire-on-the-Spot events and made offers to 20 people. Now that Pace has new funding, we are excited to hire beyond the staffing we need now to prepare for future expansion. Starting in December, Pace will increase frequency and service hours on Routes 208, 215, 223, 290, 350, and 606. Pace will introduce more service expansions with each run pick every four months with consultation from the Planning & Infrastructure Committee and ReVision consultants.

Melinda reported that suburban service and ADA paratransit service are favorable to budget through September. ADA paratransit is now favorable because RTA transferred ICE discretionary funding and Pace transferred some suburban service funding to ADA paratransit.

Melinda Metzger and Andrew Mueller reported on an interim final rule issued in early October by the United States Department of Transportation regarding DBE certification regulations that changes the way that DBE programs are to be administered. The presumptions for disadvantaged individuals based upon race or sex were removed. Any individual seeking to demonstrate that he or she is a socially and economically disadvantaged individual will be required to make the same showing of disadvantage, regardless of the individual’s race or sex. Per the interim final rule, the recertification process is to be completed as quickly as practicable, however a deadline for recertification was not set. Until the recertification process is completed, no DBE contract goals can be set. Pace is moving forward with procurements and bids are issuing without DBE goals. Pace is sending notice to all potential DBEs (approximately 750 vendors) to make sure that they have notice of the program changes and can still bid on Pace procurements if they choose. Pace’s approach is consistent with CTA and Metra. Director Wells asked questions about the recertification deadline.

Items removed from the Consent Agenda

None.

Approval of Consent Agenda

SBD #25-82 – Ordinance authorizing the Executive Director to execute the updated Safety Plan which meets the requirements of the Federal Transit Administration’s 49 CFR Part 673.

SBD #25-83 – Ordinance authorizing Change Order No. 3 to Contract No. 233744 with Davis Bancorp, Inc. for revenue counting services and armored car services for the transportation of revenue collection equipment for all Pace locations and contract carriers. The change order

extends the contract for six months and increases the contract total from \$1,582,510.00 to \$1,818,643.00, an increase of \$236,133.00.

SBD #25-84 – Ordinance authorizing Change Order No. 3 to Contract No. 233687 with John Burns Construction Company for the construction of the Northwest Transportation Center ADA transfer facility. The change order extends the contract for seven months and increases the contract total from \$6,514,760.39 to \$6,644,011.63, an increase of \$129,251.24.

SBD #25-85 – Ordinance adopting Pace’s Regulations Governing Public Bidding. The RTA Act establishes regulations governing public bidding for RTA and the service boards. The Federal Transit Administration requires Pace to adopt regulations governing public bidding. Pace’s Regulations Governing Public Bidding, which were last revised and adopted by the Pace Board of Directors in 2023, require revisions.

Director Canning moved, and Director Schielke 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 #25-86 – Ordinance authorizing Board Member travel and business expenses for October 2025 pursuant to Public Act 099-0604 Local Government Travel Expense Control Act – Richard A. Kwasneski.

Director Schielke moved, and Director Soto 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 #25-87 – Ordinance adopting the 2026 Operating Budget and 2027-2028 Two-Year Financial Plan for Suburban Service and Regional ADA Paratransit Service, the 2026-2030 Five-Year Capital Program, and 2026 appropriation of funds in accordance with the Operating Budget and Capital Program. This ordinance also authorizes the Operating Budget and Capital Program to be submitted to RTA upon adoption by the Pace Board.

Maggie Schilling, Chief Financial Officer, presented.

Director Schielke 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. All directors voted aye.

SBD #25-88 – Ordinance amending the 2025 Suburban Capital Budget (2025 Budget

Amendment #5). This amendment removes Pace PBV funding of \$36,000,000 for the River Division construction; \$31,300,000 for the NW Wheeling Division construction; \$7,600,000 for the purchase of Paratransit vehicles; and \$6,633,793 for the Ventra 3.0 project. This amendment results in a decrease of \$81,533,793 to the 2025 Suburban Capital Budget, from \$194,838,342 to \$113,304,549.

Maggie Schilling, Chief Financial Officer, presented.

Director Schielke 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. All directors voted aye.

SBD #25-89 – Ordinance authorizing the award of a contract to CDW Government LLC for Microsoft Enterprise licenses in an amount not to exceed \$2,798,054.73.

Scott Kinsella, Chief Information Officer, presented.

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 #25-90 – Ordinance authorizing Change Order No. 2 to Contract No. 234829 with Oracle America, Inc., a subsidiary of Oracle Corporation for Oracle Market Driven Support services for Enterprise Business Suite (EBS) software. The change order extends the Contract term for one year and increases the Contract total from \$270,000.00 to \$375,000.00, an increase of \$105,000.00.

Scott Kinsella, Chief Information Officer, presented.

Director Schielke 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. All directors voted aye.

SBD #25-91 – Ordinance authorizing the award of a contract to Mansfield Power and Gas, LLC for the purchase of natural gas and related broker management services in an amount not to exceed \$2,269,072.38.

Vic Paniagua, Section Manager of Materials Management, presented.

Director Schielke 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.
All directors voted aye.

SBD #25-92 – Ordinance authorizing Pace Procurement to competitively solicit and award one or more contracts in 2026 for the purchase of diesel fuel and unleaded gasoline in a total amount not to exceed \$31,900,296.86.

Vic Paniagua, Section Manager of Materials Management, presented.

Director Schielke 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. All directors voted aye.

Issues/Discussion/Reports

Doug Sullivan, External Relations Department Manager, presented the results of the 2025 Fixed Route Customer Survey conducted this summer by Richard Yao, Senior Market Research Analyst, and a contractor.

Director Arfa left the meeting at 11:02 a.m. She returned to the meeting at 11:04 a.m.
Chairman Kwasneski left the meeting at 11:03 a.m. He returned to the meeting at 11:05 a.m.
Director Canning left the meeting at 11:07 a.m. He returned to the meeting at 11:08 a.m.
Director Schielke left the meeting at 11:09 a.m. He returned to the meeting at 11:12 a.m.

Adjournment

Chairman Kwasneski asked for a motion to adjourn into closed session for the purposes of discussing closed session minutes (2-C-21), pending litigation (2-C-11), and employment matters (2-C-1). Director Schielke moved, and Director Soto seconded the motion. The motion passed with a unanimous vote. All directors voted aye.

The meeting was adjourned at 11:21 a.m.

Reconvene

Chairman Kwasneski reconvened the open session of the Pace Board of Directors meeting at 11:49 a.m.

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

Directors virtually present: Carr, Hastings, and Noak.

Directors absent: Schielke and Smith.

SBD #25-93 – Resolution approving the closed session meeting minutes of September 17, 2025.

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

SBD #25-94 – Ordinance approving action on Pace vs. Advertising Vehicles, Inc. d/b/a Adspasure; DuPage County Case No. 2022 CH 142.

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

SBD #25-95 – Resolution approving a merit increase for the Executive Director for the year 2024.

Director Guerin moved, and Director Soto seconded a motion, to approve the Resolution. Director Hastings abstained. All other directors voted aye.

Adjournment

There being no further business, Chairman Kwasneski asked for a motion and second to adjourn the meeting. Director Wells moved, and Director Soto seconded the motion. The motion passed with a unanimous vote; all Directors voted aye. The meeting adjourned at 11:50 a.m.

The next regular meeting of the Pace Board of Directors will be held on Wednesday, December 10, 2025 at 9:30 a.m. at Pace corporate headquarters, 550 West Algonquin Road, Arlington Heights, Illinois.

Elissa Ledvort
Board Secretary, Board of Directors