

**MINUTES OF A PUBLIC MEETING OF THE BOARD OF DIRECTORS OF THE COMMUTER RAIL DIVISION OF THE REGIONAL TRANSPORTATION AUTHORITY**

The Board of Directors of the Commuter Rail Division of the Regional Transportation Authority met in a public session for a Board Meeting on Wednesday, December 13, 2017, at 9:00 a.m. in the Metra Board Room, 547 W. Jackson Boulevard, Chicago, Illinois, pursuant to notice.

**ROLL CALL**

Members Present: R. Brown, R. Craig, D. De Graff, A. Holt, K. Koehler, S. Messerli, S. Palmer, J. Plante, J. Zediker, and Chairman Carlson

Members Absent: None

**PUBLIC COMMENT**

Tim Crossin spoke about Operation North Pole Charity that takes terminally ill children to a fantasy North Pole. Tim thanked Metra for helping the organization. Chairman Carlson recognized others.

Garland Armstrong thanked Don Orseno for helping the disability community.

**MINUTES**

1. Approval of the Minutes from the Board Meeting of November 10, 2017

Director Messerli moved and Director Plante seconded the approval for the Board Meeting Minutes of November 10, 2017. With a roll call vote, the motion carried unanimously.

**CONSENT AGENDA**

2. **Capital Procurements from November 10, 2017, through December 12, 2017**

- A-1 Change order for ERP Data Conversion Services
- A-2 Change order for ERP Data Conversion Services
- A-3 Contract for Service Vehicles
- A-4 Change order for Overhaul of Air Conditioning Units
- A-5 Contract for Furnish and Install an Above Ground Diesel Fuel Pipeline

3. **Operating Procurements from November 10, 2017, through December 12, 2017**

- B-1 Contract for Air Filters
- B-2 Contract for Rail Grinding Services
- B-3 Contract for Alstom Signal Parts and Repairs
- B-4 Contract for Microsoft Enterprise Software Agreement
- B-5 Change Order for Incident Management System Services

**Real Estate and Contracts**

4. Bike Path Crossing Improvement Agreement with the Village of Fox Lake Milwaukee District North North Line (MD-N) – Fox Lake
5. Fiber Optic Easement Agreement with Comcast of Florida/Illinois/Michigan, Inc. Milwaukee District North Line (MD-N) – Chicago

Director Plante inquired about A-1 and A-2. Director De Graff asked for A-3 to be pulled.

A-1 & A-2: Director Plante stated A-1 and A-2 are both change orders and asked Cherie Kizer, Chief Information Officer to explain the necessity and financial impact of the change orders. These firms provided help with trouble shooting after the conversion and general clean-up is a necessity. One contract we have only spent \$10,000 where we have no current resources. We have a second contract where we have one resource who will continue to the end of the contract. That second contract is for \$100,000 and will top out at just under \$50,000. We are actually moving \$20,000 of the unspent money on the other two contracts and putting \$10,000 on each. The resources we have can continue until the end of March. We will come in at \$300,000 of the \$400,000 that we had planned.

A-3: A-3: Director De Graff asked if each category of service vehicle has a universal service limit and suggested a possibility of having different schedules according to the type of vehicle. Kevin McCann, Chief Mechanical Officer, explained there is a different criteria for police vehicles that is less. The rest of the vehicles are 725,000 miles, at 7 years. Director De Graff asked if the vehicles were tradeded in or salvaged. Kevin McCann said there is an on-line auction bid program.

After discussion of A-1, A-2 and A-3, Chairman Carlson requested a motion for the approval of the Consent Agenda. Director Plante moved to approve and Director Zediker seconded approval. With a roll call vote, the motion carried unanimously.

## **RECEIVE AND FILE REPORTS**

6. Corporate Website Activity Report for November 2017
7. Management Personnel Report for November 2017
8. Metra Capital Procurements of \$500,000 and Under for October 2017
9. Office of Diversity & Civil Rights Activity Report for November 2017
10. Real Estate Report for November 2017
11. Ridership Trends Report for October 2017
12. Commuter Rail System On-Time Performance Report for October 2017
13. Preliminary Revenues and Ridership Report for November 2017 – Not available at the time of the Board meeting.
14. Legislative Update for November 2017

No discussion ensued on the Receive and File Reports.

### **15. METRA/NICTD – A Strategic Partnership**

Chairman Carlson gave some historical background on the partnership with Metra Electric and South Shore Line before introducing Mark Yagelski, Chairman of the Board of NICTD. Mark Yagelski introduced the President/CEO, Mike Noland, who gave a presentation to Metra Board of Directors on the Metra/South Shore Line Strategic Partnership. Mike Noland stated South Shore and Metra have been working together for over 100 years and the importance to market together. Promoting transit oriented development will grow existing markets by reducing travel time, improving reliability, and increasing convenience helping both Metra and NICTD.

Director Messerli asked Mr. Noland several questions. How was the \$100,000 for PTC that was funded by bonds being repaid? Annual Capital investments received from Indiana tax put on leased railcars and the proceeds was used for capital projects. What is the rider response to the Wi-Fi on the train? Sometimes Wi-Fi will crash if many are downloading/streaming all at once. Overall, riders appreciate Wi-Fi. Bike racks were started on the weekends with high level boarding and we decided to put in fixed racks. The biking community is enjoying the racks because

they can stay with their bikes and keep the bike safe. Bike racks do take away seating but accommodations are made. Bike racks are taken out for winter. Director Messerli asked what the revenue is per rider. Per rider revenue is a little over \$6.20.

## **16. DEPUTY EXECUTIVE DIRECTOR – OPERATIONS, STATE OF METRA OPERATIONS REPORT**

Pete Zwolfer, Deputy Executive Director of Operations, reported that November 2017 on-time performance was 95.2%, the 33 consecutive month of reaching 95% or higher on time performance. There were 795 delays with 50% between 6-10 minutes delay and 20% between 11-15 minutes. Track construction, freight interference, and signal/switch failure topped the list. Unscheduled track work and freight was up due to the shopping season. There were 29 primary delays due to mechanical failures, 10 on coaches, 19 with locomotives.

## **17. MONTHLY FINANCIAL REPORT**

Tom Farmer, Chief Financial Officer reported Metra financials for year to date October results focusing on trends and high points. Year to date fare revenue is about \$1.9m or about 0.6% unfavorable to budget. Other revenue is over budget across the board because one time sales of rights and easements, advertising sales of space in the stations, and car wraps along with mild weather. Operating expenses are favorable in labor. There have been underruns in police and ticket agents – staffing and overtime - and we are a bit smarter about where the Class I railroads will end up settling their contract. All of the major operating areas had good news, basically due to labor. Transportation was under budget \$8.2m, largely labor. Engineering was \$1.6m unfavorable, favorable labor offset by unfavorable materials. Mechanical \$3.8m under budget, favorable labor, unfavorable materials. Administration was under budget \$5.0m FY, October unfavorable \$0.5m due to timing. Fuel, Electric power, Claims and Downtown Stations were all slightly under budget. So far, funding has fallen short \$14.8 m, through August (we collect our taxes on a lag). Last month that number was \$12.5m. It's going up at \$2-\$2.5 m per month. That suggests that our full year funding shortfall will be in the \$25 m range. Actions taken should ensure we are OK. In terms of state funding, the good news is that the state borrowed \$6.5 billion to pay bills and their unpaid backlog has gone from \$16 billion to about \$9 billion. The bad news is that the RTA still has a big backlog with the state. The state is still "into" the RTA for 9 months of payments on PTF and 17 months on ASA/AFA which is the payment for capital bonds the RTA floated with the state's promise to make the payments. If you run the list of the state's biggest creditors, the RTA is right up there with the biggest names on the list. Director Koehler suggested meeting in three months for financial review. Chairman Carlson asked for a Quarterly Review in April.

## **18. PTC QUARTERLY UPDATE**

Bruce Marcheschi, Chief Engineering Officer, gave a PTC Quarterly Update. For 2018 Metra is on target to meet all the milestones required to meet our extension in the year 2020 for Congress. Now 59% of our entire fleet is fully equipped with the necessary hardware with the intentions to have the remainder finished by October 2018. There is 91% of the 227 radio towers installed. The plan is to be finished by August 2018. The wayside components which go hand in hand with the towers is the same at 91% and will be finished by August 2018. The track segments installed are at 78% which is 7 of the 9 Metra track segments to be installed and finished by August 2017. The route miles in PTC Operation: The RID subdivision (40 route miles) will be in revenue service demonstration in Q3 2018. There is 31% (Corporate wide number) of personnel who will be completed with training by the end of 2017. Congress/FRA has changed their position as to what training should be done. The focus will be the segment that will be going in to revenue service demonstration. Rock Island will be first. The PTC safety plan is currently 60% complete and is the final process before final approval. The necessary spectrum has already been acquired through PTC 220 LLC.

**19. RESOLUTION – APPOINTMENT OF ASSISTANT SECRETARY**

Chairman Carlson read Ordinance No. MET 17 to appoint Anne Baird as an additional Assistant Secretary of the Board. Chairman Carlson requested a motion for approval of the Resolution. Director Koehler moved to approve and Director Plante seconded approval. With leave by the Board for the previous roll call, the motion carried unanimously.

**20. CEO/EXECUTIVE DIRECTOR REPORT**

Don Orseno, CEO/Executive Director and Jim Derwinski met on Thursday, November 16<sup>th</sup> with Carl Ice, Dave Freeman, DJ Mitchell and Pat Casler from BNSF.

On Friday, November 17<sup>th</sup> Don and Chairman Carlson, Directors Koehler, Messerli, Palmer, and Jim Derwinski, went to a groundbreaking event for the Z100 bridge project in Elgin with Senator Duckworth and Elgin Mayor Kaptain. The Senator has been a strong proponent of the project and was thanked for her support.

On November 29<sup>th</sup> Don and Jim attended the APTA Legislative Conference in Washington D.C. along with Sam Smith and Lynne Corrao.

On Thursday, December 7<sup>th</sup> Don and Jim met with Lance Fritz, Cameron Scott and Liisa Stark in Omaha, NE from the Union Pacific RR.

On December 19, 2017, at 10:00 a.m. there will be a Hearing in Chicago for the Transportation Committee on Infrastructure.

**21. RESOLUTION HONORING CEO/EXECUTIVE DIRECTOR**

Chairman Carlson read the Resolution No. MET 17-20 honoring CEO/Executive Director Donald Orseno. Director Carlson requested a motion for approval of the Resolution. Director Koehler moved to approve and Director Plante seconded approval. With leave by the Board for the previous roll call, the motion carried unanimously.

All Board members, Mike Nolan and Jim Derwinski, the incoming CEO/Executive Director, said a few words to Don. Jim Derwinski presented a power point covering Don's past work history at Metra. Director Plante and Garland presented Don with a top hat.

**22. NEW BUSINESS**

Director Plante mentioned the Capital Investment Grant Program has been left out of some of the funding bills in Congress.

Director Palmer asked Chief Perez to speak briefly about how Metra is trying to keep the public safe. Chief Perez said Metra is doing their best to protect the public. Police presence is very important and security is seen and unseen.

**23. RECESS TO CLOSED SESSION, PURSUANT TO THE OPEN MEETINGS ACT, FOR MATTERS RELATING TO DISCUSSION OF MINUTES OF CLOSED MEETINGS AND/OR SEMI-ANNUAL REVIEW OF THE MINUTES AND DESTRUCTION OF VERBATIM MINUTES AND/OR DISCUSSION ON SELECTION, PERFORMANCE OR DISCIPLINE OF SPECIFIC PERSONNEL PURSUANT TO THE OPEN MEETINGS ACT, SECTION 2.06 AND SECTIONS 2 (c) (1) AND (21).**

At 11:20 Director Carlson requested a leave with prior roll call.

**DISCUSSION WITH POSSIBLE ACTION**

**24.** Resolution Under 2.06 of the Open Meetings Act Regarding the Semi-Annual Review of Closed Meeting Minutes and the Consideration of Destruction of Audio Tapes of Closed Meetings.

**25. ADJOURN**

Director Koehler moved and Director Brown seconded to adjourn the Meeting. With leave by the Board for the previous roll call, the motion carried unanimously.

Board adjourned at 12:44p.m.

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Karen M. Hullinger  
Assistant Secretary to the Board

I, Rodney S. Craig, in my capacity as Board Secretary of the Commuter Rail Board of the Regional Transportation Authority do hereby attest that these minutes are a true and accurate reflection of the Board's meeting on the date so stated. In compliance with the Illinois Open Meetings Act, I hereby authorize their release and publication.

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Rodney S. Craig, Secretary

## **MINUTES OF A METRA BOARD OF DIRECTORS WORKSHOP TO DISCUSS THE METRA FARE STRUCTURE STUDY: DRAFT RECOMMENDATIONS FROM CONSULTANT FOUR NINES**

The Board of Directors of the Commuter Rail Division of the Regional Transportation Authority met in a public session for a Workshop on Wednesday, December 13, 2017 at 12:45 p.m. following a closed session of the December Board Meeting in the Metra Board Room, 547 W. Jackson Boulevard, Chicago, Illinois, pursuant to notice.

### **ROLL CALL**

Members Present: R. Brown, R. Craig, D. De Graff, A. Holt, K. Koehler, S. Messerli, S. Palmer, J. Plant, J. Zediker, and Chairman Carlson

### **1. WORKSHOP GOALS:**

Cyndy Pollan from Four Nines presented the study recommendations to the Metra Board for discussion and to obtain Board direction for Public Outreach. Eight topics were discussed.

### **2. STUDY RECOMMENDATIONS:**

#### **Redefine Zones**

**1. Inner Zones:** Zone A, which currently includes 15 stations, would be redefined as the 6 downtown stations that are within Chicago's Central Business District. The remaining 9 stations currently in Zone A would become part of Zone B. These changes would reduce the number of zones traveled for most trips to current Zone A stations outside of Chicago CBD. Travel between all 44 of the Zone B stations would be a one-zone trip. These changes will identify downtown stations as premium destinations, allow market-specific fare changes that will encourage customers to travel on off-peak trains to alleviate peak loads.

For discussion at the public open house meetings.

Poll: 9 Agree and 1 Disagree

**2. Outer Zones:** Zones J/K/L/M/ would be redefined, consolidating ten stations into a single zone (Round Lake Beach, Lake Villa, Long Lake, Ingleside, Fox Lake, Kenosha, Antioch, McHenry, Woodstock, and Harvard). These changes will cap fares for trips that exceed 45 miles, and potentially mitigate ridership declines for trips that are currently the most expensive for riders and for stations that have less service.

For discussion at the public open house meetings.

Poll: 10 Agree and 0 Disagree

**3. Station Reassignment:** Some stations would be reassigned to different zones to address perceived inconsistencies between lines where nearby stations are in different zones. These changes will provide more similar fares for riders that board at stations on different lines, but with similar distances to downtown, and may encourage more local use of these stations.

For discussion at the public open house meetings.

Poll: 10 Agree and 0 Disagree

**4. Local Zone Increment Charges:** The charge for each additional zone traveled should generally cost the same incremental amount and any differences from the standard charge should be logically determined. While the charge is \$0.50 for most zones, the prices range between \$0.25 and \$1.25. Initially, incremental zone charges could be on the order of \$0.50 to \$0.75. Pricing inconsistencies make it difficult to determine the fare between two stations since a rider must know both the number of zones between stations and the specific price increment for each zone. Current zone charges do not take into consideration either market demographics or the common 5-mile length of each of Metra's zones. Consistent zone pricing will make it easier for riders to understand and determine the fare for a trip.

For discussion at the public open house meetings.

Poll: 9 Agree and 1 Disagree

### **Market Segmentation**

**5. Off-Peak Pricing:** Off-peak pricing would allow Metra define and price peak and off-peak travel differently, making it possible to discount trips on off-peak trains to or from the downtown stations. Initially, discounts could be on the order of \$0.50 to \$1.00 less than the regular one-way fare. Two types of one-way and 10-ride tickets would be offered: a regular fare valid on all trains, and an off-peak discounted fare valid on trains designated on timetables as off-peak trains. Discounting non-rush hour fares will provide flexibility to offer lower fares for off-peak travel, allow market-specific fare changes, and encourage customers to ride off-peak to alleviate peak loads.

For discussion at the public open house meetings.

Poll: 10 Agree and 0 Disagree

**6. Reduced Fares:** The preliminary recommendations for reduced fares discussed with the Board at the September 2017 Board meeting included not allowing reduced fares for seniors and individuals with disabilities on morning peak trains (reduced fares would be allowed on evening peak trains), and eliminating the monthly reduced fare ticket. During the September Board Meeting, strong concerns regarding rider confusion and acceptance were expressed. Based on the concerns expressed, we recommend that changes to reduced fares be dropped from consideration.

For discussion at the public open house meetings.

Poll: 8 Agree and 2 Disagree

### **Passes to Encourage Travel**

**7. One-Day Pass:** A one-day pass would allow for unlimited travel between any two zones throughout the system and valid for a service day. Day passes would be priced at 2.0 times the one-way regular fare for all riders at all times and would be available only on the Ventra App. The day pass will simplify trip planning by offering a single unlimited ride ticket valid for an entire day; simplify fare payment, saving time for riders who would not need to buy a return ticket at a downtown station; and encourage the use of the Ventra App, which helps minimize tickets being shared by passengers.

For discussion at the public open house meetings.

Poll: 10 Agree and 0 Disagree

**8. Weekend Pass Validity:** Extend the validity of the Weekend Pass to include Friday evening. Pilot the validity change, making it available only on the Ventra App only and only for travel on designated trains and/or after a designated time. The changes will encourage Friday travel for riders who were planning to use a weekend pass that weekend, and encourage use of Ventra App, which helps minimize tickets being shared by passengers.

For discussion at the public open house meetings.

Poll: 4 Agree and 6 Disagree

### **3. NEXT STEPS:**

The next steps are to conduct Title VI and Environmental Justice analysis (Jan-Feb 2018), and obtain public input on preliminary recommendations through public meetings and on-line information dissemination and comments (Jan-Feb 2018). The results of the equity analysis and public input will be used to make adjustment to the fare structure, products, pricing, and phasing recommendations. Final recommendations and an action plan, including provisions for phasing the implementation of the fare changes, will be provided.

### **4. ADJOURN**

Board adjourned at 2:30p.m.

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Karen M. Hullinger  
Assistant Secretary to the Board

I, Rodney S. Craig, in my capacity as Board Secretary of the Commuter Rail Board of the Regional Transportation Authority do hereby attest that these minutes are a true and accurate reflection of the Board's meeting on the date so stated. In compliance with the Illinois Open Meetings Act, I hereby authorize their release and publication.

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Rodney S. Craig, Secretary