

MEETING OF THE RTA BOARD OF DIRECTORS AUGUST 18, 2022

Welcome!

Meeting Starts at 9 a.m.

Meeting Agenda

@ RTAChicago.org/about-us/board-meetings



MOVING YOU

RTA BOARD OF DIRECTORS MEETING

1. CALL TO ORDER

Please feel free to listen to the meeting and view slides related to it here.

*The meeting agenda can be found at
www.rtachicago.org/about-us/board-meetings*

PLEDGE OF ALLEGIANCE



RTA BOARD OF DIRECTORS MEETING

2. ROLL CALL

3. APPROVAL OF MINUTES

4. PUBLIC COMMENT

MOVING YOU

5. EXECUTIVE DIRECTOR'S REPORT



MOVING YOU



GOVERNMENT AFFAIRS UPDATES

A photograph of the Illinois State Capitol building, a large, ornate, light-colored stone structure with a prominent central dome and classical columns. In the foreground, a bronze statue of a man in a suit stands on a tiered stone pedestal. The building is flanked by large, leafy green trees, and the sky is a clear, pale blue.

ACCESS TO TRANSIT PROGRAM

- 16 applications from 14 municipalities
- 10 projects chosen:
- 4 projects funding Phase I Engineering for future access improvements
- 6 projects funding Phase II Engineering and Construction of pedestrian & bike facilities
- Next steps: Municipalities begin Phase I Engineering. CMAQ application next winter to secure 80% federal funding for projects



TODAY'S AGENDA



6. INFORMATION ITEMS

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6a. UPDATE ON THE ACTIVITIES OF THE RTA TRANSIT ACCESS CITIZENS' ADVISORY BOARD

A large, stylized graphic on the right side of the slide. It features a blue-tinted image of the Chicago skyline, including the Willis Tower and the Chicago Board of Trade Building. Below the skyline, there are images of transit vehicles: a Metra train, a CTA bus, and a CTA rapid transit car. The entire graphic is set against a background of a light blue grid pattern. The text 'MOVING YOU' is overlaid in large, white, sans-serif capital letters, with a reflection effect below it.

MOVING YOU

6b. STRATEGIC PLAN UPDATE

A composite graphic on the right side of the slide. It features a blue-tinted image of the Chicago skyline, including the Willis Tower and the Chicago Board of Trade Building. Below the skyline, there are images of transit vehicles: a Metra train, a CTA bus, and a CTA rapid transit car. The entire graphic is set against a background of a faint grid and a large, stylized number '6' that frames the text.

MOVING YOU



conduct research like Metro Los Angeles' Understanding How Women Travel report to understand the many dimensions of what makes transit attractive.
KATHY CORNE

new and tested data to understand the impact of the transit system.
TOM KOTRAC

actively evaluate progress toward racializing equity and all related public.
CLAUDIA GORDON

A should projects reach other equity to find the best solutions are the best.
TOM KOTRAC

the pursuing expansion of the system that relies on other than which the most riders I think for us. I think is so important.
JILL BONE

Share publicly the transportation related outcomes targeted for improvement.
CLAUDIA GORDON

Measures of equitable access and operations
DAVID ANDRUSCO

Ridership is not the most important metric in the transit system
JILL BONE

conduct research like Metro Los Angeles' Understanding How Women Travel report to understand the many dimensions of what makes transit attractive.
KATHY CORNE

Unfortunately, most Americans look at what is immediately in front of them: the price of their next ride. Most still do not see the comparison between the annual cost of auto ownership and the cost of an annual transit fare.
KATHY CORNE

In the region, there is a large time gap—on average—between commuting by car and transit.
KATHY CORNE

In our current system we focus on ridership, with no focus on if a given line is the only means of transportation for riders, or if it's a discretionary means of getting to work or to the doctor.
JILL BONE

Instead of looking at bottom line ridership, we are looking at passenger revenue per vehicle hour, pounds of CO2 per passenger mile traveled, customer engagement score, how much service we are providing to essential workers, average transfer wait time.
KATHY CORNE

establishing goals and performance
JILL BONE

We need to collect performance measures. For example, how transit affects ROI for health care providers.
KATHY CORNE

How can we measure and quantify the successes of the system?
DAVID ANDRUSCO

Maybe we could pick 3 or 4 SDGs (sustainable development goals) and really quantify and maximize how we are moving towards them.
DAVID ANDRUSCO

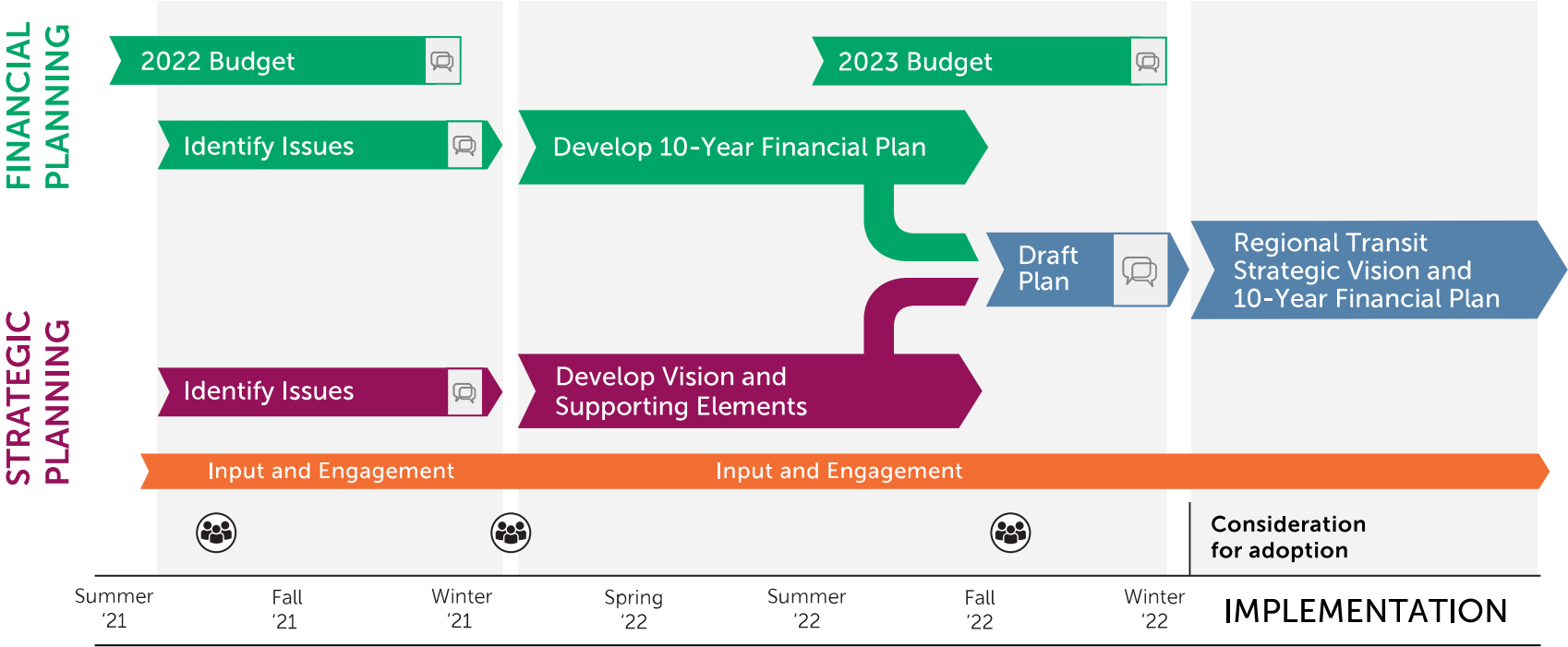
How do we measure the success of the RTA and the various service boards and then how do we fund that?
KATHY CORNE

Frequent and useful sharing of information
KATHY CORNE



Regional Transit Strategic Plan Timeline

Collaborative development of a new strategic direction for the region's transit system will occur along three tracks and consist of multiple overlapping activities.

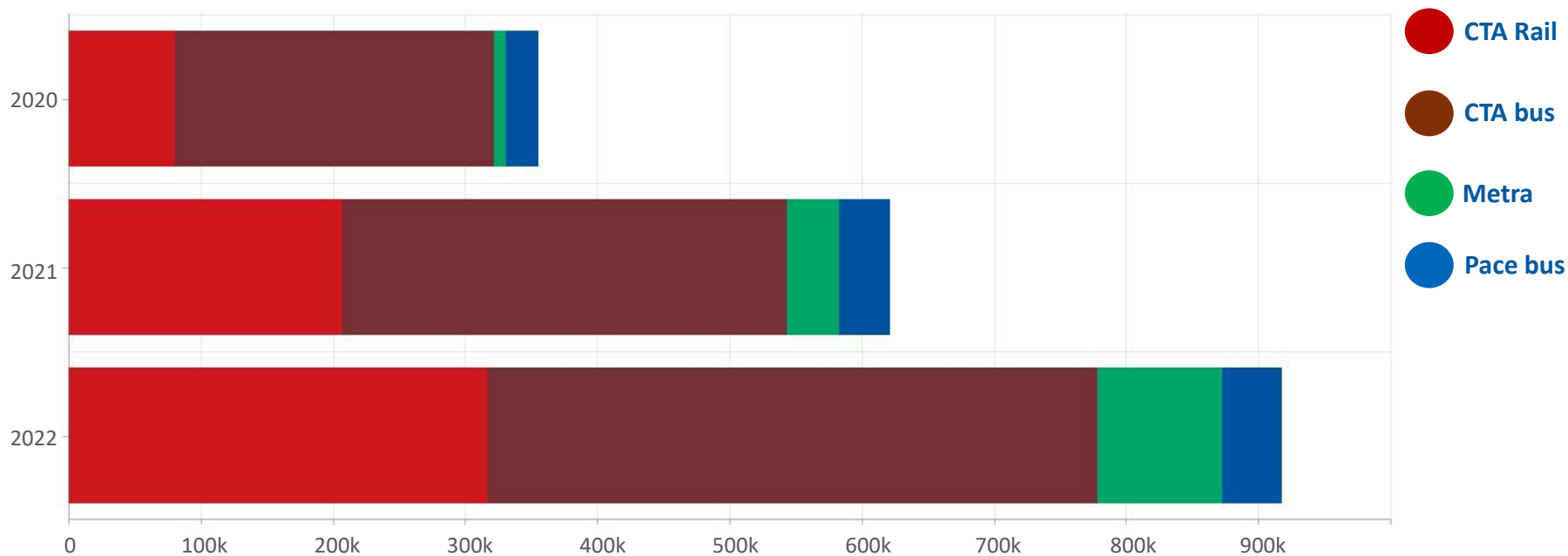


Transit System supported by

- **Public Funding** – sales tax receipts have been very strong
- **Operating Revenue** – total fare revenue paid by riders is down due to lower ridership

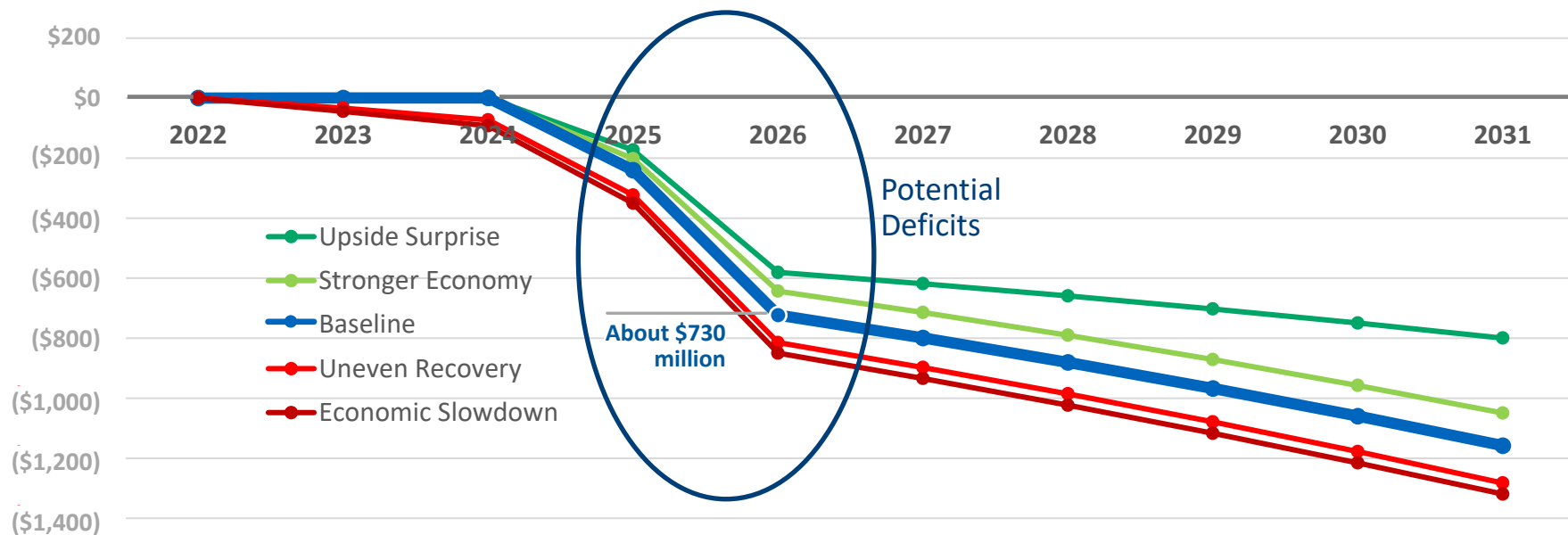


Ridership recovery is strong but persists at levels lower than 2019



Source: CTA, Metra, and Pace

Potential 2026 Budget Deficits in Current Scenarios (dollars in millions)



Vision

Safe, reliable, accessible
public transportation that connects
people to opportunity, advances equity,
and combats climate change.

Principles

Committed to Change

Equity

Stewardship

Outcomes

Our transit system will be...

- Safe, accessible, reliable, and useful for riders
- In a state of good repair
- Financially stable

Our region will be...

- Connected
- Winning the fight against climate change
- Thriving

Working groups

- **Stakeholder Groups** (April – June 2022)

- Transit Service
- Infrastructure Investment
- Financial Responsibility

- **Technical Groups** (May – Sep 2022)

- 10-Year Financial Plan
- Priority Projects



Priority Project Technical Group progress

- Experts from RTA, Service Boards, CMAP
- Meetings complete, memo underway
- Recommendations:
 - Continue Priority Project process during annual budget
 - 12 new evaluation themes and metrics to assess projects in the regional 5-year capital program
 - Improve in transparency through more information sharing

10-year Financial Plan

Technical Group progress

- RTA, Service Board Finance and Planning, CMAP
- 2 meetings remaining, memo underway
- Products:
 - Transit Funding Model
 - Scenario Analysis
 - Policy Solutions
 - Recovery Ratio reform

Stakeholder Group progress

- RTA, Service Board, CMAP staff and over 100 stakeholders
- Work is complete
- Memos that document work and group recommendations
- Movers Workshop held on 8/9 to share results and discuss next steps

Movers Workshop

- Movers Workshop held on 8/9 to share results and discuss next steps
- Moderated panel on working group process
- Workshop discussion

Movers Panel

"Evanston Latinos was founded in May 2020. So we are very new to this, and I was actually pretty impressed that RTA was able to find us.... I did think our voice was very important because of the time that we were formed and the particular group we work with. We work with immigrant, undocumented, mixed-status, and primarily Spanish-speaking community members in Evanston. They were part of the group that was essential workers... It was a pleasure to be included to share a little bit about their experiences as part of this process"

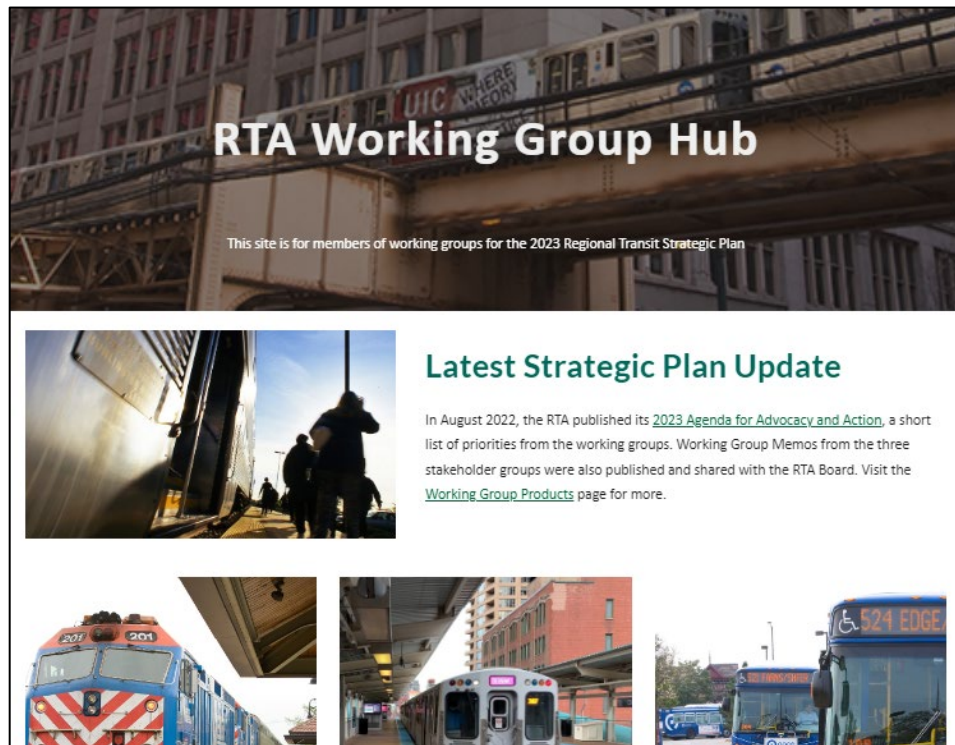
- Rebeca Mendoza, President, Evanston Latinos

Movers Panel

"One of the reasons I got involved in this plan is simply because I think we are stronger as a region when we work together, instead of our own unique siloes. It is important too that the outcomes of this plan are representative of all corners of the region. Not just the City of Chicago, not just Cook County, but including all the collar counties as well, which have very different transit needs than the more dense parts of the region."

- **Scott Hennings, Assistant Director of Transportation McHenry County DOT**

Working Group Hub



Visit the hub:

<https://sites.google.com/view/rtaworkinggrouphub/home>

Working groups generated...

28 Goals & 131 Strategies



2023
Regional Transit
Strategic Plan

Committed to Change

Equity

Stewardship

RTA is identifying items for action in 2023 based on...

- Practical considerations
- Urgency
- Collective energy from multiple organizations and actors

2023 Action and Advocacy Agenda

Advocacy

- RTA and Service Boards can advocate but regional partners need to act in order to advance
- Critical component to accomplishing actions
- May be longer-term
- Substantive policy & partnership changes
- 7 areas

Action

- RTA and Service Boards can take action to implement with the support of regional partners
- Areas where agencies can focus to act on feedback from stakeholders
- More immediate
- Address changing and unmet needs
- 7 areas

Advocacy Areas

- A. **Secure increased funding** for transit operations
- B. **Develop a budget less reliant on rider fares**, but instead focused on expanding access to opportunity.
- C. **Build a coalition** around the value transit brings to the Chicago region.
- D. **Support communities' efforts** to improve the area around their transit stations and stops and pursue equitable transit-oriented development.
- E. **Engage with communities in an inclusive and transparent way** about how transit dollars are spent in the Chicago region.
- F. **Secure increased funding** for transit infrastructure.
- G. **Partner with roadway agencies** to build more transit-friendly streets and advance bus rapid transit.

Action Areas

1. Make the transit system **safer and more secure** for everyone.
2. Use new funding as a catalyst to create a **fully accessible transit system**.
3. Provide **more accurate, real-time travel information** for riders.
4. Make paying for transit **more seamless and more affordable**.
5. Accelerate the transition to a **near-zero emission regional transit system** and prioritize communities burdened by poor air quality.
6. Assess the **regional capital program** in a new way including considerations for racial equity and mobility justice.
7. Adapt bus and rail service to **meet the changing needs of riders**.

Upcoming engagement

- **Public Input Survey:** Late Summer
- **Transit Rider Interviews:** Aug - Oct
- **RTA Board** updates throughout fall
- **Draft strategic plan open for public comment:**
Early Dec



Partnership opportunities

- Promote future engagement opportunities and products of the plan
- Volunteer to partner on advocacy and action items
- Contact us to schedule a follow-up conversation or learn more about the plan and implementation



6c. PRESENTATION OF THE RTA'S 2023-2025 FTA TRIENNIAL DBE GOAL



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OVERVIEW OF THE DBE PROGRAM

- USDOT requires recipients to administer a DBE program for federal aid contracts
- DBE program objectives
 - Ensure non-discrimination in USDOT assisted contracts
 - Create a level playing field for DBEs
 - Ensure the program remains narrowly tailored
 - Help to remove barriers to DBE participation
 - Assist DBEs to compete outside the program
 - Provide flexibility to recipients
- Program must be flexible
 - No quotas or set-asides
 - Race-neutral measures must be used to the maximum feasible extent

OVERVIEW OF THE DBE PROGRAM CONT'D

- Only firms owned by socially and economically disadvantaged individuals can be DBE certified
 - Enumerated racial and ethnic groups are presumptively socially disadvantaged
 - Firm's gross receipts for employee number must be under SBA size limits, averaged over five years
 - Applicant owner must be economically disadvantaged defined by limit on personal net worth
 - Currently \$1.32M but proposed pending rule raises this to \$1.6M
 - Excludes equity in the applicant firm and primary residence

DBE PROGRAM REQUIREMENTS

RTA's Responsibilities:

- Establish a triennial goal for FTA assisted contracts and submit it for review and approval to the FTA
 - Follow two-step goal-setting process
 - Develop an overall goal that reflects the level of participation it would expect absent discrimination in the relevant market area
- RTA must set narrowly tailored contract goals to achieve the triennial goal
 - Based on the scopes of work of the contract
 - Bidders who make good faith efforts to meet the goal but fall short must be considered for award

PUBLIC CONSULTATION REQUIREMENT

- 49 C.F.R. §26.45(g)(1) requires direct, interactive public consultation about RTA's proposed DBE triennial goal
- Information solicited
 - Availability of disadvantaged and non-disadvantaged businesses
 - Any ongoing effects of discrimination in RTA's contracting environment
 - Efforts to level playing field for participation of DBEs

RTA'S PROPOSED OVERALL GOAL

Proposed overall goal is 18.5% for FFYs 2023-2025

- 4.0% to be achieved through race-neutral (“RN”) and 14.5% through race-conscious (“RC”) measures
 - RC measures are focused specifically on assisting only DBEs
 - RN measures can be used to assist all small businesses, not just DBEs
 - “Race” includes gender

RTA'S GOAL SETTING METHODOLOGY

Two Step Process:

- Step One
 - RTA must calculate the DBE availability for its federally assisted contracts
 - Base Figure = Ready, willing and able DBEs
All firms ready, willing and able
(including DBEs and non-DBEs)
- Step Two
 - Examine all relevant evidence for consideration of a possible adjustment to the base figure to reflect “effects of the DBE program and the level of participation that would be expected but for discrimination”

STEP ONE: BASE FIGURE CALCULATION

- Unweighted availability of DBEs in RTA's market
 - Illinois Unified Certification Directory
 - Census Bureau's County Business Pattern Data
- Base figure DBE availability weighted by industry codes of projected spending = 22.0%

STEP TWO: ADJUSTMENTS TO BASE FIGURE CALCULATIONS

- Examine all types of demonstrable evidence
 - Current capacity as measured by median volume of work performed by DBEs in recent years
 - Other agencies' disparity studies
 - Statistical data from related fields such as financing, bonding and insurance
 - Relevant data on employment, self-employment, education, training and union membership

STEP TWO: ADJUSTMENTS TO BASE FIGURE CALCULATIONS CONT'D

- Current DBE capacity to perform work on FTA assisted projects for the past five years
 - DBE participation FFY 2017: 15%
 - DBE participation FFY 2018: 15%
 - DBE participation FFY 2019: 12%
 - DBE participation FFY 2020: 32%
 - DBE participation FFY 2021: 26%
- Median DBE participation for FFY 2017-2021 was 15%

STEP TWO: FINAL ADJUSTMENT TO BASE FIGURE CALCULATIONS CONT'D

- Adjustment calculation:
 - Step One base figure: 22%
 - Median past DBE participation: 15%
 - Average = 18.5%
- **Proposed RTA triennial DBE goal for FTA funded contracts is 18.5%**

RACE-NEUTRAL AND RACE-CONSCIOUS PROJECTION

- RTA must meet the maximum feasible portion of its overall goal using race-neutral measures
- To calculate the use of RN measures to achieve its overall goal, RTA used the median RN achievement of 4.0%

Fiscal Year	Overall DBE Utilization	RN Utilization	RC Calculation
2017	15%	4%	11%
2018	15%	1%	14%
2019	12%	0%	12%
2020	32%	20%	12%
2021	26%	16%	10%

RACE-NEUTRAL AND RACE-CONSCIOUS PROJECTION CONT'D

- Other factors taken into account
 - Amount by which past goals were exceeded
 - Past history of RTA's inability to achieve the triennial goal
- Based on this analysis, RTA plans to achieve its goal using 4.0% race-neutral measures and a remainder of 14.5% using race-conscious measures

PUBLIC PARTICIPATION: REVIEW & COMMENT

- Published Notice
 - The proposed overall goal and methodology are available on RTA's website
 - Public comment period was extended to July 21, 2022
- RTA held virtual public consultation meetings on June 24 and July 21 2022
 - 53 stakeholder and community groups were invited
 - DBEs in relevant industries were invited
 - Notices were placed in various publications
 - Three comments received

PUBLIC PARTICIPATION: REVIEW & COMMENT

- No changes were made based upon the comments
- RTA submitted the final goal document to FTA on July 30, 2022 with a summary of comments received
- FTA approval is pending.

6d. QUARTERLY PERFORMANCE REPORT – SECOND QUARTER 2022



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An aerial photograph of Chicago, showing the city skyline in the background with numerous skyscrapers. In the foreground, there are elevated train tracks with several trains, including a silver commuter train and a red and blue freight train. The scene is set during the day with some clouds in the sky.

INVEST IN TRANSIT

The 2018-2023 Regional Transit Strategic Plan
for Chicago and Northeastern Illinois

An aerial photograph of an industrial area, likely a city's rail yard. Numerous parallel train tracks run diagonally across the frame. To the right of the tracks are several large, multi-story industrial buildings with flat roofs. In the background, more tracks and distant city buildings are visible under a clear blue sky. A large, semi-transparent purple circle is overlaid on the left side of the image, containing the number '1'.

1

DELIVER
VALUE
ON OUR
INVESTMENT

Q2 2022 REGIONAL PERFORMANCE

Indicator/Measure	2022 Value	% Change	Trend
Annual Capital Funding	\$1,576,087,476	-28%	↓
Capital Expenditures	\$553,616,936	+8.3%	↑
Operating Cost per Passenger Trip	\$10.21	-31.3%	↓
Fare Revenue per Passenger Trip	\$1.54	+8.4%	↑

SPOTLIGHT: RTA BONDS

Percent of RTA Bond Funds Spent by Service Board

	Funds Granted	Funds Expended	% Expended
CTA	\$175,000,000	\$151,969,988	87%
Metra	\$157,500,000	\$131,449,422	83%
Pace	\$17,500,000	\$11,523,264	66%
Total	\$350,000,000	\$294,942,673	84%

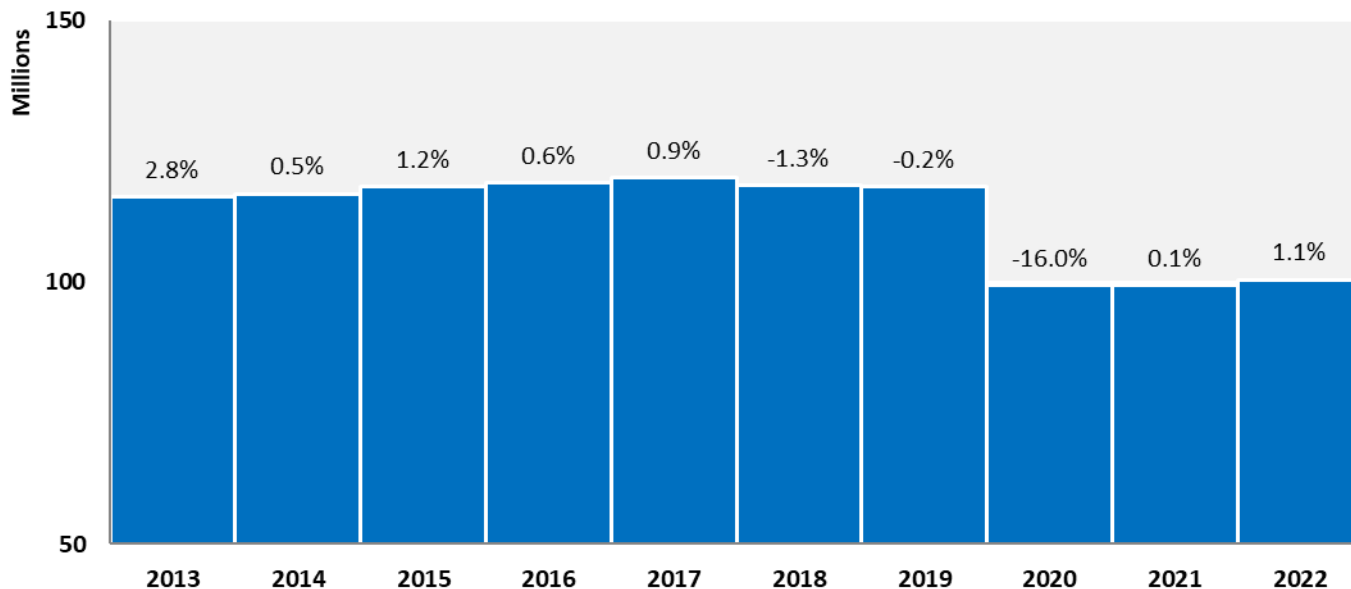
An aerial photograph of a transit hub at dusk. A large green circular overlay is positioned on the left side of the image, containing the number '2' and the text 'BUILD ON THE STRENGTHS OF OUR NETWORK'. The background shows a train station with a white train, a blue and white bus, and a large white canopy structure. The scene is illuminated by streetlights and the lights of the vehicles.

2

BUILD ON THE
STRENGTHS
OF OUR
NETWORK

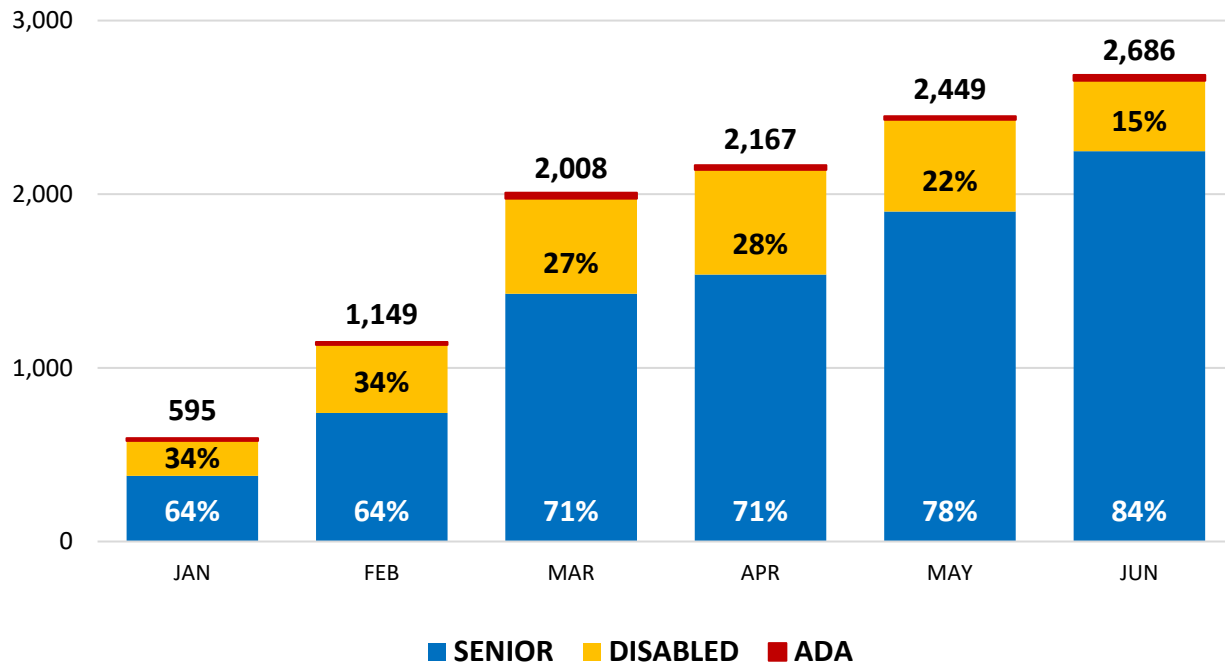
Q2 2022 REGIONAL PERFORMANCE

Q2 Year-to-Date Regional Vehicle Revenue Miles
(2013 - 2022)



SPOTLIGHT: FARE PROGRAMS ONLINE

Use of Online Fare Program Portal



An aerial night photograph of a city. A large, semi-transparent purple circle is overlaid on the left side of the image. Inside this circle, the number '3' is positioned above the words 'STAY COMPETITIVE'. The background shows a highway with light trails from cars, a train passing through a station, and various city buildings and streets illuminated at night.

3

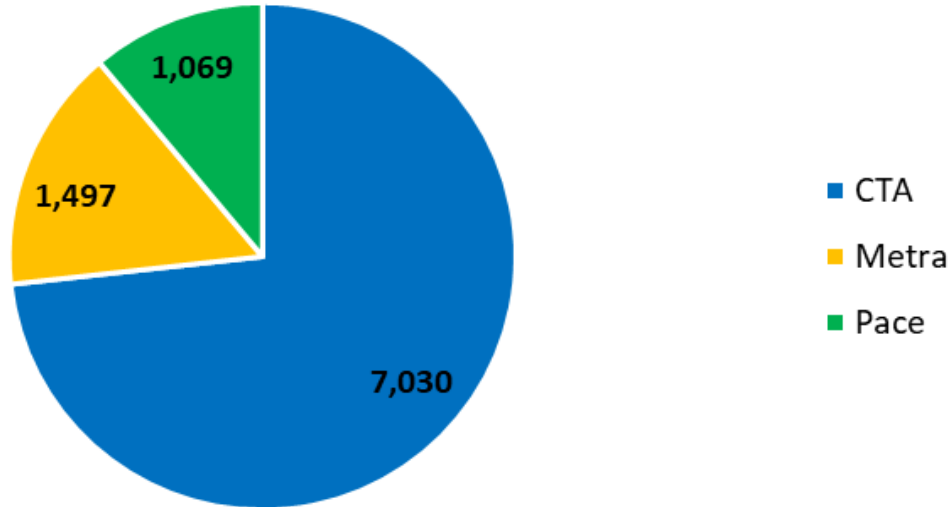
STAY
COMPETITIVE

Q2 2022 REGIONAL PERFORMANCE

Indicator/Measure		Value	Trend
Ridership		131,929,030	↑
Average speed		15.1 mph	↑
On-Time Performance	CTA Bus	82.0%	↑
	CTA Rail	53.1%	↓
	Metra	95.7%	↔
	Pace bus	N/A	

SPOTLIGHT: CUSTOMER SATISFACTION

VOLUNTEERS FOR FUTURE SURVEYS



SUMMARY

- RTA bond bunds being used for capital projects
- Online Fare Programs application process is thriving
- Customer satisfaction survey effort is winding down and has positive results for increasing panel participation

7. ACTION ITEMS



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7a. RESOLUTIONS CERTIFYING FINANCIAL RESULTS – SECOND QUARTER 2022



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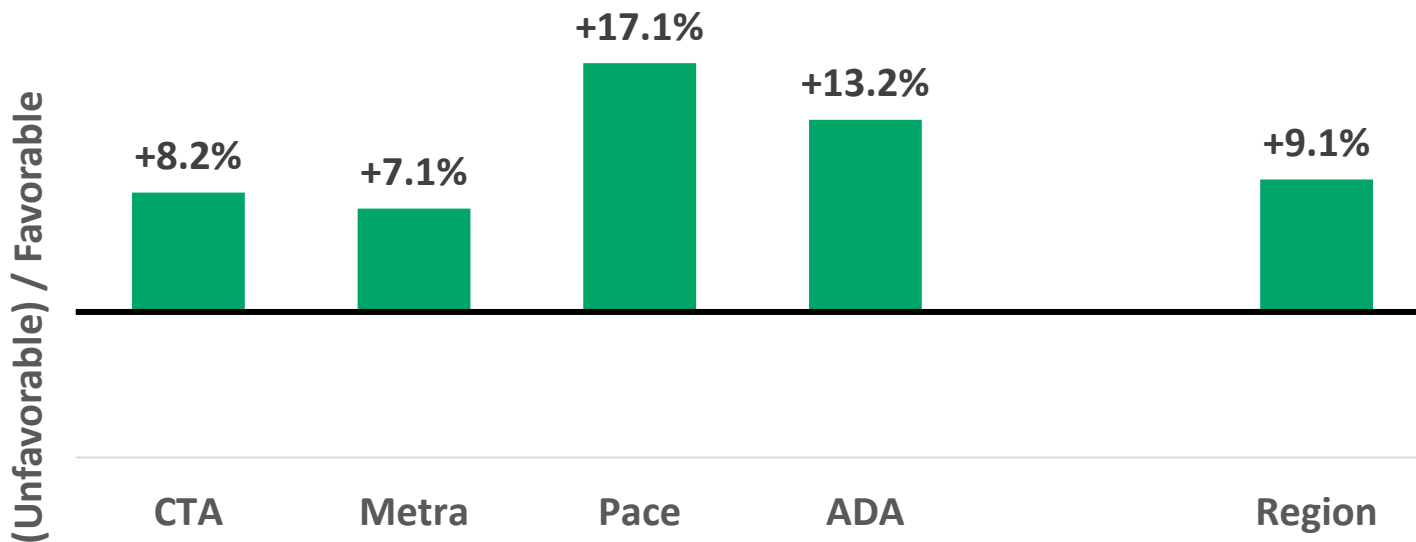


CALCULATION OF OPERATING DEFICIT (METRA YTD THROUGH 2Q)

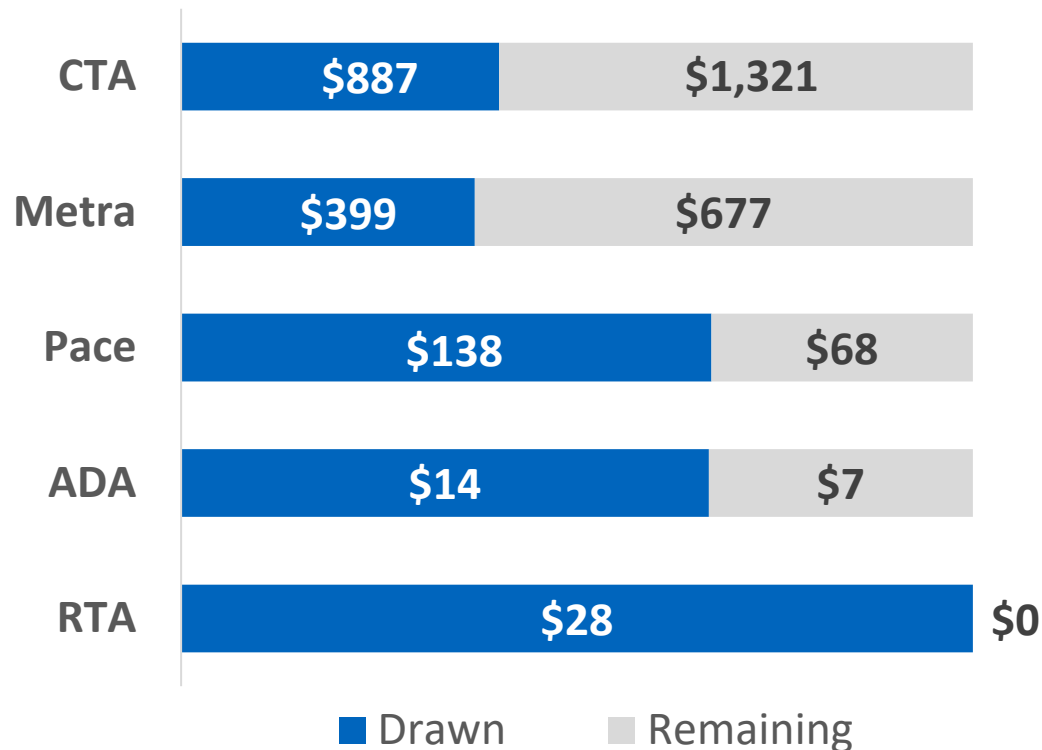
	<u>Operating Revenue</u>	—	<u>Operating Expense</u>	=	<u>Operating Deficit</u>
Budgeted	\$66.8M	—	\$448.8M	=	(\$382.0M)
Actual	\$75.3M	—	\$430.2M	=	<u>(\$355.0M)</u>

Operating Deficit Variance From Budget: +\$27.1M or +7.1%

OPERATING DEFICIT VARIANCES FROM BUDGET – YTD THROUGH 2Q



RELIEF FUNDING DRAWN (IN MILLIONS)



**Region Total
Drawn = 41.5%**

**\$1.468B
of
\$3.540B**

RTA SALES TAX RATES

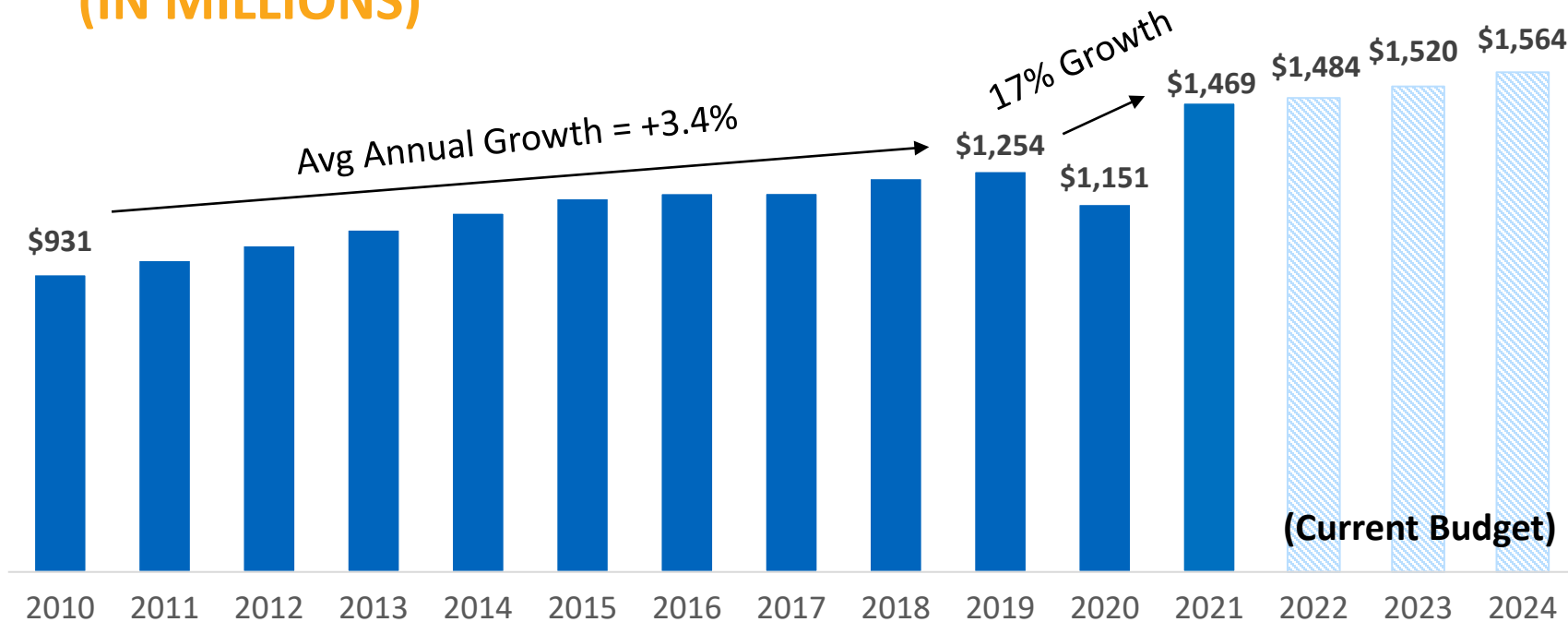
	1983 Formula		2008 Legislation		
In Chicago	1.0%	+	0.25%	=	1.25%
In Suburban Cook	1.0%	+	0.25%	=	1.25%
In Collar Counties	0.25%	+	0.25%*	=	0.50%

*+0.25% to Collar County gov't

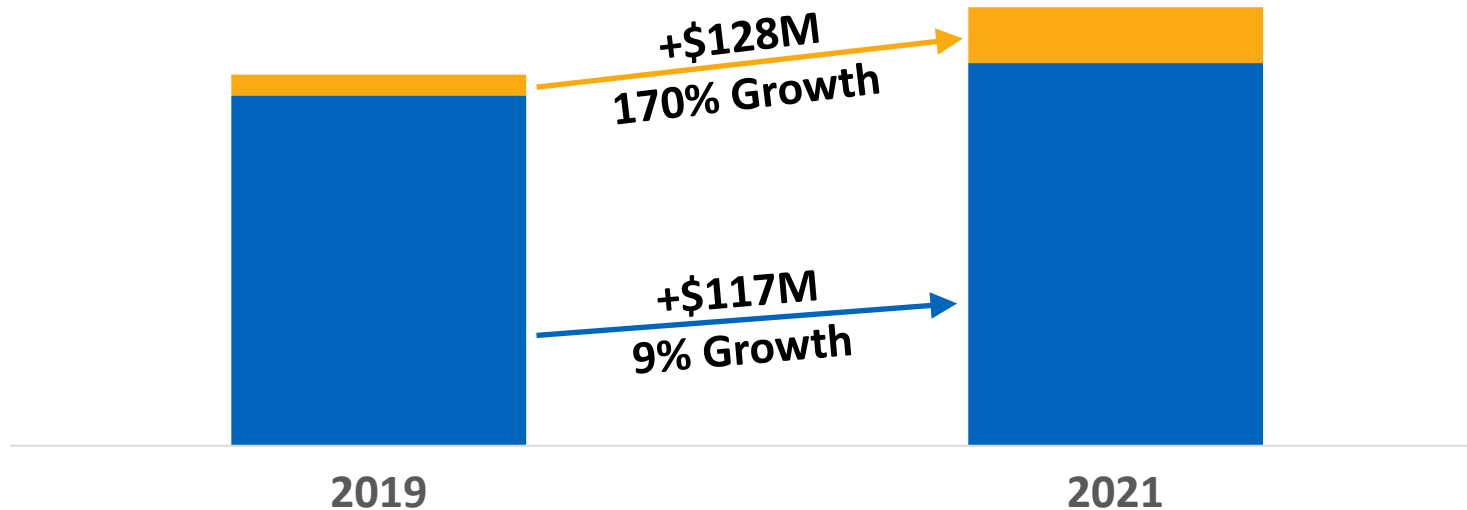
RTA Tax on a \$100 purchase = \$1.25 in Cook, \$0.50 in Collar Counties

RTA SALES TAX TOTALS 2010-2024

(IN MILLIONS)



IMPACT OF ONLINE SALES TAX CHANGE

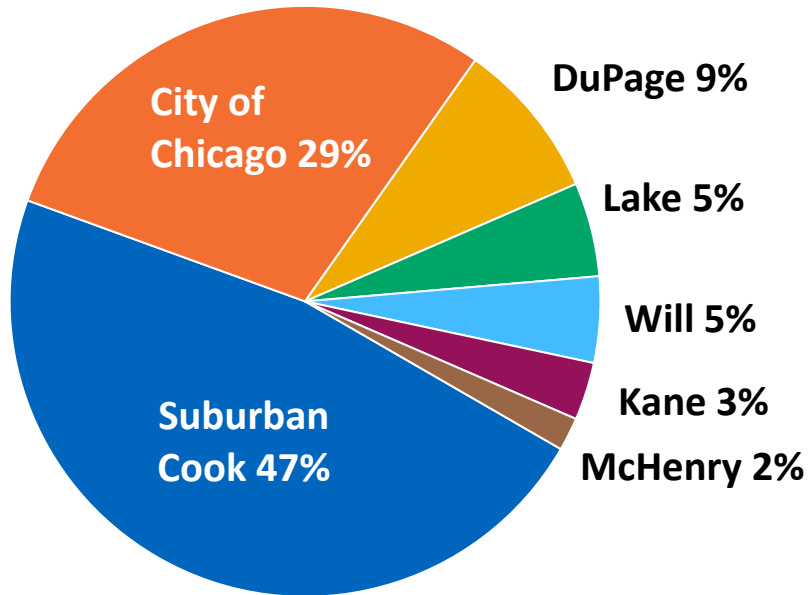


■ SIC Codes 5961 (Catalog and Mail Order), 5999 (Miscellaneous Retail), and 9999 (Non-Classifiable)

■ All Other SIC Codes

2021 RTA SALES TAX BY SOURCE

By County



By Purchase Type, Ranked from Highest Contribution to Lowest

1. Drugs and Miscellaneous
2. Automotive and Filling Stations
3. Drinking and Eating Places
4. Food (Groceries)
5. Agriculture
6. General Merchandise
7. Lumber and Hardware
8. Furniture and Household Goods
9. Apparel
10. Manufacturers

FINANCE TERMS AND EQUATIONS

Operating Deficit = Operating Revenue – Operating Expense

- Also known as “Funding Requirement”
- Primary metric for quarterly certifications

Recovery Ratio = Operating Revenue / Operating Expense

- Types include “Farebox Recovery Ratio” and “Statutory Recovery Ratio”

Net Result = Operating Revenue + Operating Funding – Operating Expense

- Also known as “Surplus / (Deficit)”

7b. ORDINANCE APPOINTING PENSION TRUSTEE REPRESENTING METRA



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7c. ORDINANCE AUTHORIZING STATE LEGISLATIVE CONSULTING CONTRACTS

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7d. ORDINANCE AUTHORIZING CONTRACT FOR TRANSIT ADVOCACY CAMPAIGN AND ON- DEMAND PUBLIC RELATIONS



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7e. ORDINANCE AMENDING THE CONTRACT FOR STRATEGIC PLAN CONSULTANT SUPPORT SERVICES



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7f. APPROVAL OF TRAVEL EXPENSES REIMBURSEMENT(S)



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8. NEW BUSINESS



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NEXT MEETING AND ADJOURNMENT

The next meeting of the RTA Board of Directors is scheduled for Thursday, September 15, 2022. We will advise you of the location or virtual nature of this meeting as the date approaches and the status of the COVID-19 situation is updated.

STAY CONNECTED



RTAChicago.org



Connections blog – Blog.RTAChicago.org



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