

EXHIBIT 6d(ii)

Metra's Employment Practices Committee Materials

METRA BOARD OF DIRECTORS
MEETING OF THE EMPLOYMENT PRACTICES COMMITTEE
THURSDAY, MARCH 7, 2013
METRA GENERAL OFFICES - BOARD ROOM
547 WEST JACKSON BOULEVARD, CHICAGO, ILLINOIS
ANTICIPATED START TIME 10:15 A.M.
(Following the Audit & Finance Committee)

ROLL CALL

- 1. DISCUSSION WITH POSSIBLE ACTION - MANAGEMENT PERSONNEL OVERSIGHT ORDINANCE**
- 2. PRESENTATION ON METRA'S TEMPORARY EMPLOYEE PROGRAM**
- 3. DISCUSSION WITH POSSIBLE ACTION - EXECUTIVE DIRECTOR/CEO REVIEW AND 2013 GOALS**
- 4. ADJOURN**

Metra will provide reasonable auxiliary aids or services necessary to afford an individual with a disability an equal opportunity to participate. Persons requiring assistance are requested to notify Metra of their needs well in advance to provide sufficient time to make these accommodations. Requests for services should be made to (312) 322-6966.

**COMMUTER RAIL BOARD
ORDINANCE NO. MET 13-_____**

RECITALS:

WHEREAS, the Board (“Board”) of the Commuter Rail Division of the Regional Transportation Authority (“Metra”) enacted Ordinance No. MET 13-03 on January 17, 2003;

WHEREAS, Paragraph 10 of Ordinance No. MET 13-03 provides that paragraphs 1-7 and paragraph 9 of the ordinance will expire on April 17, 2013 unless, on or before that date, a subsequent ordinance (“Disclosure Ordinance”) is enacted, addressing the disclosure of external contracts to the Board regarding (a) hiring potential Metra employees or promoting, transferring or increasing the pay of existing Metra employees and (b) procurement;

WHEREAS, the Employment Practices Committee is in the process of drafting a proposed Disclosure Ordinance;

WHEREAS, the Employment Practices Committee has requested additional time for the drafting of a proposed Disclosure Ordinance;

BE IT ORDAINED THAT:

1. The Recitals are hereby incorporated herein.
2. Paragraph 10 of passed Ordinance No. MET 13-03 is hereby amended such that Ordinance No. MET 13-03 will not expire until June 22, 2013, unless an ordinance addressing the disclosure of external contacts is enacted prior to that date.

_____, 2013

**COMMUTER RAIL BOARD
ORDINANCE NO. MET 13-_____**

RECITALS:

WHEREAS, the Board (“Board”) of the Commuter Rail Division of the Regional Transportation Authority (“Metra”) seeks to further implement the recommendations of the Ernst & Young Executive Compensation Review of 2010 and the Blackman Kallick Risk Assessment of 2010;

WHEREAS, pursuant to the Regional Transportation Authority Act (“RTA Act”), 70 ILCS 1-1 *et seq.*, the Board has broad powers, including but not limited to, enacting ordinances consistent with the RTA Act, entering into contracts to provide for employee benefit arrangements, establishing policies; and controlling the finances of Metra;

WHEREAS, on January 17, 2013, the Board enacted MET 13-03, which requires Board approval of certain new hires and promotions;

WHEREAS, MET 13-03 contained a sundown provision in paragraph 10, which states that paragraphs 1-7 and 9 of MET 13-03 would expire unless, on or before April 17, 2013, a subsequent ordinance was enacted addressing the disclosure of certain external contacts; and

WHEREAS, the Board seeks to ensure further, continued and permanent transparency of the Metra hiring and compensation program;

BE IT ORDAINED THAT:

1. The Recitals are hereby incorporated herein;
2. When a Board Member or the Executive Director receives a written or oral communication that imparts or requests Material Information or makes a Material Argument regarding an Employment Matter, then the Board Member or the Executive Director shall report such communication to the Chief Audit and Compliance Officer within seven (7) days.
3. The report required by Paragraph 2 shall be in writing and shall contain the following information:
 - a) If known, the names of all parties to the communication;
 - b) The date on which the communication occurred;
 - c) The method (written, oral, etc.) of the communication;
 - d) The Employment Matter to which the communication related; and

- e) A reasonable summary of the substantive content of the communication.

The Chief Audit and Compliance Officer is authorized to develop, and to require the use of, standardized report forms to aid in the collection, categorization, and management of the reports required by Paragraph 2.

- 4. The requirements of Paragraph 2 do not apply to the following communications:
 - a) Communications by or with a person publicly made in a public forum;
 - b) Communication solely between Metra Board Members, officers, employees or agents, and without the presence of any other person;
 - c) Communications that are privileged, protected, or confidential under law;
 - d) Communications that are part of a formal employment process as set out by statute, rule, ordinance, or hiring guideline or procedure;
 - e) Communications regarding the Chief Executive Officer/Executive Director;
 - f) Communications initiated by a third party to a Board Member or the Executive Director, if the Board Member or the Executive Director informs the third party that they should contact Metra's Human Resources Department, and the Board Member or the Executive Director takes no further action and has no communication with Metra staff regarding the contact; or
 - g) Communications with an agency possessing law enforcement or oversight responsibilities over Metra, but only when such contact is made in the course of what the Board Member or the Executive Director reasonably believes is the agency's official business.
- 5. The Chief Audit and Compliance Officer shall make each report submitted pursuant to Paragraph 2 available for review to Board Members: a) upon request of a Board Member; and b) as part of the notice given to Board Members of an upcoming Board meeting pursuant to Metra's Bylaws if the agenda for that Board meeting includes proposed Board action relating to a specific Employment Matter, or, if including the report with such notice is impractical, as soon as practicable but in all events prior to such Board meeting. No trade secrets or other proprietary or confidential information shall be included in any communication reported to Board Members. Except as otherwise required, by this ordinance or by other applicable law, reports made to the Chief Audit and Compliance Officer pursuant to Paragraph 2 shall be kept confidential and not disclosed.

6. Failure by a Board Member or the Executive Director to make a report required by Paragraph 2, or by the Chief Audit and Compliance Officer to make a report available pursuant to Paragraph 5, shall not affect the validity of any decision taken by the Board regarding an Employment Matter.
7. For purposes of this Ordinance:
 - a. "Employment Matter" means the actual or potential hire, termination, transfer, pay increase, pay decrease, promotion, demotion, performance or evaluation of an employee or potential employee of Metra
 - b. "Material Argument" means a communication that a reasonable person would believe was made for the purpose of influencing a decision relating to an Employment Matter.
 - c. "Material Information" means information that a reasonable person would deem important in determining his or her course of action relating to an Employment Matter and pertains to significant issues, including, but not limited to, salary, benefits, title, or job responsibilities.
8. This Ordinance satisfies the requirement in paragraph 10 of MET 13-03 of a subsequent ordinance enacted to address the disclosure of external contacts, and paragraphs 1-7 and 9 of MET 13-03 shall not expire on April 17, 2013.

_____, 2013

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 Meeting of the Employment Practices Committee on Thursday, March 7, 2013, immediately following the Audit & Finance Committee. The meeting was held in the Metra Board Room at 547 West Jackson Boulevard, Chicago, Illinois, pursuant to notice.

The roll was then taken.

ROLL CALL

Present: Larry A. Huggins, Chairman
Paul C. Darley
Arlene J. Mulder
Jack Partelow
William A. Widmer, III

1. DISCUSSION WITH POSSIBLE ACTION - MANAGEMENT PERSONNEL OVERSIGHT ORDINANCE

Rick Capra, Chief Audit and Compliance Officer explained that if the members of the Committee recalls, back on January 17th, he brought to the full Board an ordinance to set up a mechanism in which if a Board Member felt pressured to get involved in the employment process, the Board Member could report that. A log would be kept and that information would be shared with the full Board. His sense was that the Board supported the concept, but there was some difficulty and many ideas were going back and forth as to what the language would be. The Board believed that a process should be put in place, but did not want to make it so restrictive that people had to worry about taking notes of who they talked with at conferences, or luncheons.

He continued that as that discussion was ensuing, Iain Johnston, Board Counsel, came up with a very good idea at the time that this be referred to the Employment Practice Committee and that a sunset clause be put in the ordinance so that if the committee did not take action on the disclosure ordinance, the ordinance would not sunset. He thinks that this was a way to prod the committee into action. What is being presented today is a draft of the disclosure ordinance. Board Counsel prepared the ordinance and he believes that they used the Illinois Procurement Act as guidance in putting together this draft. The ordinance was circulated among the Board Members, and he, as well as Board Counsel has heard back from various Board Members on different ideas with respect to how we should approach this.

He stated that based upon that, it would be his recommendation today that the committee members take the ordinance, digest it, and come back to the next committee meeting with ideas. Staff will then work to sort of incorporate all of those ideas into a consensus document that the full committee and full Board can enact. He said that because staff anticipated that the Board would need some more additional work based upon the comments that were coming in, they prepared a

**APPROVED BY THE
METRA BOARD EMPLOYMENT PRACTICES COMMITTEE
ON FRIDAY, APRIL 5, 2013**

second ordinance and this ordinance extends the sunset provision to June 22nd. This will give the committee more time to work on the language in hopes that next month, or the following month the members of the Committee can come to a consensus on the language that can be moved to the full Board and the prior ordinance that was passed on January 17th does sunset.

Director Widmer moved, and Director Partelow seconded to move the second ordinance to the full Metra Board for approval. The motion carried with five ayes.

AYES: Directors' Darley, Mulder, Partelow, Widmer, and Chairman Huggins

2. PRESENTATION ON METRA'S TEMPORARY EMPLOYEE PROGRAM

Alex Clifford, CEO, explained that he just wanted to remind the Board that following the adoption of the ordinance that was just talked about, he called to the Board's attention that we do have temporary employees that are hired and from time to time the temporary employees will exceed the \$75,000 threshold. He asked if it is the Board's intent that the temp employees also go through the same exact process. He said that he will ask Brenda Smith to give a brief presentation on the temp program and then he looks forward to the Committee providing guidance on how they should approach temp employees.

Brenda Smith, Acting Senior Corporate Director of Human Resources stated that she would be giving a very brief overview of the temporary employee classifications. She said that temps are hired to supplement existing positions for specific special work projects, such as PTC, that come up. Temps are not used to circumvent or to streamline the regular hiring process or to narrow the pool of qualified candidates or to convert existing regular full-time positions to meet employee requests. She explained that there are three classifications of temporary employees. All three classifications require the CEO approval to hire and for extensions. Temp one category employees work 40 hours per week on a regular basis for up to one year. These employees would have a specific special project that would have an end date related to that. They can be extended after one year with the CEO's approval. They are eligible for some company benefits, medical, limited vacation and some PTO. Temp two hires are 40 hours per week on a regular basis up to 12 weeks. The 12 weeks can be extended one additional 12 weeks for a maximum of 24 weeks. However, they are not eligible for any benefits at all. The last category is the temporary three classification. The temporary three employees work less than a 30 hour week, on an as-needed basis for up to 12 weeks, but they can also be extended an additional 12 weeks for maximum of 24 weeks. They are not eligible for benefits.

She said that her question to the Committee would be if this requires Board approval based on the ordinance passed in January.

Director Partelow asked how many people staff is talking about. Ms. Smith responded that overall in the last year, there were 28 temps. Right now there are about 12.

Director Widmer asked if any of these temporary employees are utilized in positions covered by collective bargaining agreements. Ms. Smith responded that all the positions are non-contract. Mr. Clifford added that they coordinate very carefully with Labor Relations. Director Widmer asked if

there has been any history of movement from temporary to full-time employment. Ms. Smith responded that Metra did hire two employees over the past year from a temporary position to a permanent position. Temporary employees are allowed to apply for posted positions.

Director Widmer remarked that he believes that on a trial basis these positions should be covered by the ordinance. He added that the Board can always let this go, but he thinks that the Members ought to see what is happening.

Director Huggins asked if this would require a vote. Mr. Greene, Board Counsel, asked if staff is asking for a vote. Mr. Clifford responded that whether it is voted on or not, staff would follow that policy. Director Widmer moved to allow employees classified as temps one through three or any additional temporary classifications be covered by the hiring ordinance adopted in January. Director Darley seconded the motion.

AYES: Directors' Darley, Mulder, Partelow, Widmer, and Chairman Huggins

3. DISCUSSION WITH POSSIBLE ACTION - EXECUTIVE DIRECTOR/CEO REVIEW AND 2013 EMPLOYEES

Chairman Huggins remarked that one thing that he can say about personnel evaluations is that they are difficult to do in a group. However, he believes that we have some suggestions here in a resolution that he would like to read. Following that he will ask for some discussion on this. Chairman Huggins then read the resolution. "Employee Practices Committee Resolution - Be it resolved that Former Acting Chairman Huggins, Chairman O'Halloran, Vice Chairman Partelow and Board Counsel, these individuals having had the closest working relationship with the Executive Director over the past two years are appointed to gather information to be used for the performance evaluation of the Executive Director. The foregoing individuals should work with other members of the committee to obtain any information from any source they believe is relevant and important to performance evaluation of the Executive Director. The foregoing individuals should report back their findings to the Employment Practice Committee at the April committee meeting. Based upon this information and its own analysis of the job performance of the Executive Director the Employment Practice Committee will issue a comprehensive performance evaluation of the Executive Director before the full Board at the May Board meeting."

Chairman Huggins asked if there were any questions. Director Partelow asked if this would be done in Executive Session. Chairman Huggins responded that it would. Director Darley commented that if this is the case, we would probably need to amend the ordinance.

Director Widmer stated that for point of clarification, he agrees with Director Partelow and he thinks that in paragraphs two and three, it should reflect that the reporting back and the discussions will be in Executive Session. Director Darley asked if Director Widmer was moving to amend. Director Widmer stated that he would move to amend. Director Darley seconded to amend the resolution. Mr. Greene, Board Counsel, explained that if there is no discussion the Committee can take a vote on amending the resolution to have all discussions in Executive Session.

Chairman Huggins asked for a vote. The motion carried with five ayes.

AYES: Directors' Darley, Mulder, Partelow, Widmer, and Chairman Huggins

Director Mulder remarked that the only thing that she would like to see reflected here, and feels very strongly about, is that the evaluation of such an important position should be done by all members of the Board. She can understand the gathering of the information might be designated to a smaller group, but she thinks that all the discussion or any written evaluation should have input from each and every one of the Board members, not just a small committee. Chairman Huggins responded that he thinks that this is the intent. It will be done by the full Board.

Director Mulder stated that when the Board went through the process of replacing and gaining an executive director all eleven of the members were engaged. The Board met, and all participated in the interviews. It was a full Board decision, because it was such an important decision, and she believes that there should be input by all the members of the Board. Chairman Huggins remarked that he is pretty sure that Chairman O'Halloran intended to make sure that this is exactly what happens.

Director Mulder asked Mr. Greene if some kind of language could be put into the resolution that the full Board would complete this. Director Widmer stated that there should be a paragraph for providing any decision, with respect to job performance by the executive director, will be made by the full Board. Chairman Huggins responded that this has always been the intent. Mr. Greene stated that he thinks that this is required by statute in any event. Certainly if Director Widmer and Director Mulder wish to make a motion to amend to add that paragraph, they could. Director Mulder stated that she does wish to amend the resolution by adding that paragraph to clearly state that there will be more than just voting at the end. She thinks that it should have the term engaged. All Board members should be engaged in that evaluation because each Board member will have a different perspective and that is what makes the process so much better. Director Huggins added that to clarify, he does not think that there has ever been any intent that this full Board would not be engaged in that evaluation.

Mr. Greene stated that perhaps he can try to phrase the motion that Director Mulder is making. He asked if the Director would like to amend the resolution further to add a paragraph that says all Board Members should be engaged. Director Widmer stated that it should say shall be engaged not should. Mr. Greene agreed, and stated that they shall be engaged in the performance evaluation and any decision with respect to the job performance of the executive director will be made by the full Board. Chairman Huggins agreed to the amendment.

Director Mulder moved, and Director Widmer seconded the motion to amend the resolution to add paragraph four. The motion carried with five ayes.

AYES: Directors' Darley, Mulder, Partelow, Widmer, and Chairman Huggins

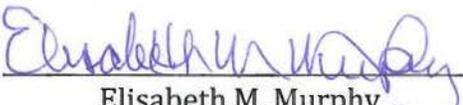
Mr. Greene asked the Committee to vote to adopt the resolution as amended. Director Widmer moved, and Director Darley seconded the motion to adopt the resolution as amended. The motion carried with five ayes.

AYES: Directors' Darley, Mulder, Partelow, Widmer, and Chairman Huggins

4. ADJOURN

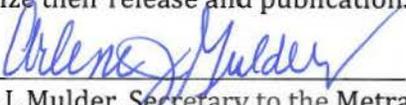
Director Widmer moved, and Director Mulder seconded to adjourn the meeting. The motion carried with five ayes.

AYES: Directors' Darley, Mulder, Partelow, Widmer, and Chairman Huggins



Elisabeth M. Murphy
Assistant Secretary to the Board

I, Arlene J. Mulder, in my capacity as Board Secretary of the Commuter Rail Board of the Regional Transportation Authority do hereby attest that the following 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 do hereby authorize their release and publication.



Arlene J. Mulder, Secretary to the Metra Board of Directors

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

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The roll was then taken.

ROLL CALL

Present: Larry A. Huggins, Chairman
Paul Darley (Teleconference)
Arlene J. Mulder
Jack Partelow
William A. Widmer, III

MINUTES

1. Approval of the Minutes from the Employment Practices Committee Meeting

Director Widmer stated that he would ask that the minutes be corrected as follows: With respect to the fourth line of the second paragraph under numeral one, the phrase reads "the ordinance would not sunset", and asked that the "not" be deleted. He said that the reason for the extension was because without the extension the ordinance would sunset. Director Widmer stated that with that correction he would move the adoption of the minutes. Director Mulder seconded the motion. The motion carried with five ayes.

AYES: Directors' Darley, Mulder, Partelow, Widmer and Chairman Huggins

2. DISCUSSION ON CLASS AND COMPENSATION PROGRAM

Chairman Huggins explained that when he first read the Class and Comp Study he was very disappointed in the fact that the senior members of this organization were either not compensated properly or received no compensation at all. He was disappointed in that fact because for the 15 years that he has been at this agency it has been the hard working men and women that have really and truly made this agency what it is. He stated that he could always say that he slept good at night knowing that the people that work for Metra would make sure that the trains were always 95% on time. There has been only one issue at Metra and even during that issue, employees came to work and really did their jobs, and they should be commended for that.

He continued that during the Pagano incident staff took a lot of beating by not only from some of the Board members, but others as well. This was just not right. He said that the fact of the matter is that staff did their jobs and he has always been proud of that and, because of this, he thinks that as a

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THURSDAY, MAY 2, 2013**

Board, they need to really and truly do the right thing. When the Board asked staff during the recessionary period to not take a raise, staff understood. The fact is, though, is that for three years staff did not receive a raise. When he sees a report that awards new employees that have not been here for a long period of time a larger raise than some of those long serving employees, he has an issue with that. He is not sure how this happened, but asked that perhaps Mr. Clifford could explain to the Committee the rationale of the Class and Comp study and why some of the newer employees got a bigger raise versus some of the longer serving employees.

Alex Clifford, CEO, responded that as the Committee is aware a firm was brought in to help with the Class and Comp study. He explained that, as he has always stated relative to Class and Comp, Class and Comp is not about finding ways to give people raises, that is done through a different process, or the annual compensation process. As the Chairman pointed out, this agency and its incredibly dedicated employees went through three years without any kind of pay increases, annual pay increases or general pay increases at a time in which the unions were still getting increases, which is a separate process. As he believes the Committee is aware, this year when the Board adopted the budget the Board also approved a 2% general increase for everyone, so everybody with very few exceptions, and those are just related to when they were hired or whether they are in a disciplinary process, everyone in the agency got a 2% increase. This was separate and apart from Class and Comp. It happened to be that it is coincidental that they all go back to January 1st, but that had to do with the timing of Class and Comp.

He continued that Class and Comp has always been intended and he has expressed this in writing as well as verbally that it is about trying to ensure that staff is being properly paid for the work that they do for Metra. This is not a random process, and is not a process that they just go in and say that so and so ought to be making so much. It also is not a process in which they talk to someone and say ask them what they should make and then try to rise to that occasion. It is a process in which the consultant came in and helped us decide what is the right way to structure the compensation to make sure that all of those relationships between positions actually, both vertically and horizontally, are done right and that we are paying people appropriately for the work they do for us. He explained that we have always said since day one that this is not a process that is intended to go out and try to find ways to pay people at top market, it has been a process to make sure that Metra is paying people appropriately for employee retention and that the proper salaries are being offered for attracting employees.

Mr. Clifford stated that with that explanation, the process is not heavily distinguished by whether somebody has only been here a short time or a longer period of time, it is about what they are doing for us and what the job that they are doing for us should be paid. The process did involve some adjustments for those folks that have been here for a while so that you could acknowledge and sort of distinguish them from the newer hires. Those employees did get some years of credit and moved up the scale a little bit based on that. He explained that in accordance to the chairman and his request to Board Counsel, where counsel issued a memo a little while back asking that he goes back and look one more time at those who received zero, he has made that commitment, and expressed that recently in an email to the Board. He will have staff go back and double-check that those job descriptions, first and foremost, are correct. Class and Comp is in many ways predicated on how well those job descriptions are done. He will have staff go back, double-check anybody who got a

zero raise and make sure that it is correct, and then they will look at whether there should be an increase, or if something has been missed.

He continued that also, along this process as he indicated in his email to the Board, staff discovered another unintended consequence, and that is there is a management-to-management compression that developed and this needs to be fixed. He said that they thought that they had fixed it, but had to pull it out at the last minute. This happens to be one of their highest priorities to go back and fix this. Most importantly whatever is done, they need to make sure that when they answer the question on how did we get to this number, that it is not answered with a I don't know, it was arbitrary. Everything that they do in this process needs to be documented, have some sort of formula or relationship about why this is done. With regards to the management-to-management compression they are going to go in there and take a look and see if they can come up with a reasonable sort of formula to drive them to a solution of management-to-management.

He explained that these are two things that are going to be done actually real soon because they have committed to do this immediately after they put in place the first round of Class and Comp adjustments, those that just took place at the end of the March paycheck. He continued that as the Chairman mentioned about senior leaders not getting anything, he is not sure where he would draw the line there as they may be in the management-to-management folks, or may be in the zeroes that the Chairman referenced. From day one, he has also indicated that from a certain level of the executive staff and above they would not be a part of the first process, and that they would come back and look at those folks. In the post April 1st environment they will look at the management-to-management and try to expedite that. They will look at anyone who got a zero, and will try to expedite that, but it takes a little while to refresh those job descriptions and make sure that they are right. This will take a little bit longer than management-to-management. He concluded that he will then have staff come back and take a look at all of the senior executive staff that were completely outside of the first phase of this process, and bring this back to the Committee down the road.

Chairman Huggins asked Mr. Clifford if a timeframe has been established to accomplish the things that he just explained. Mr. Clifford responded that he would like to do it in a week, so hopefully that conveys the sense of urgency to get those last two done. He would like to start on the senior leadership sometime this year too, and take a look at that.

Director Partelow said that he agrees with most of what Mr. Clifford has said, and believes that we have to have a program that is structured this way. There are also going to be people that fall through the cracks in this program. There are going to be some people that went three years and went another year, and he thinks there should be a prioritization on looking at those people. Mr. Clifford responded that he believes that the answer in part is found in the ordinance that the Board recently adopted. The Board has given him the authority to resolve those things within the budget constraints that the Board approves each year. The beauty of this process is that once we get through it, is that now we should be able to make smaller more incremental changes more regularly. When there is a disconnect he hopes to be able to fix it quicker. He continued that the agency has never gone through a major Class and Comp study, so this exercise took a very long two-year process to try to get it right. Now there is a foundation, and they can come back on a regular basis even throughout the year and fix some of these problems as they develop.

Director Partelow asked how big of a problem is this that needs to be fixed, and to hitchhike on the Chairman's remarks, how long is that going to take. Mr. Clifford responded that the first two, the zeroes and the management-to-management, he feels comfortable in committing that they will have that done before the end of the year, and hopefully sooner than that. The sooner that this can be resolved the sooner he can go on to the senior management. If the Committee feels that senior management should be done in parallel, staff would be happy to do that too, he is just concerned about stressing out the HR Department right now. There is a lot on their plate, and as the Committee is aware, Metra is recruiting for Gail Washington's replacement, so they may need a little bit of relief there.

Director Partelow remarked that end of the year seems like a long time. He asked how many people are they talking about. Mr. Clifford responded that in the zero category, he believes that it is somewhere around 150. Mr. Wiggins stated that it is 130. Mr. Clifford continued that in the management-to-management, he wants to say there are about 53. Again, management-to-management, he thinks if they can find the right formula to get away from any kind of arbitrary approach, and he thinks that this can be resolved quite quickly. He added that his intent is to get a whole bunch of folks in the room next week to see if they can figure this one out. He said that regarding those employees who got a zero, again this is going to be a little bit dependent on their directors and managers who have the obligation of going back and looking at those job descriptions, talking to their employees about whether the job description really is correct and then getting that resubmitted into the process so that the consultant can re-evaluate this one more time. Director Partelow stated that of course, there will be exceptions to that. He said that there will be people that perhaps the structure does not accommodate, but may want to do something for anyway. Mr. Clifford responded that it makes good business sense, as long as it is competitive and as long as there is not an arbitrary situation.

Director Mulder said that knowing that we are within a certain budget it is going to be challenging. However, she wants to echo both the prior comments about timeliness. Her perspective is that any organization is only as healthy as internal staff morale. If some personnel feel that they have been pushed into a corner or forgotten, their work product is not going to be the same as would be expected, or that they would have typically given. She too, thinks that this is a priority based on the fact that this organization is a great organization and it needs to stay that way. Any organization is truly a reflection on the success of staff morale, and it is from top to bottom, and has to be good. She continued that staff is their most important asset, and she thinks that if this can be moved up faster then it should be. Mr. Clifford responded that what he would like to propose is to make a commitment to bring back to the Committee a report in June providing a status on this with the understanding that when he comes back in June the Committee will be wanting to see some substantial progress. Chairman Huggins asked Ms. Smith if this would stress out her department by trying to expedite this. Ms. Smith responded that they already have the job descriptions out and the managers are going over the job descriptions with their employees and providing that feedback back to her area. Staff is working on it, and will do their best to get something back to the Committee in June.

Chairman Huggins thanked her for those comments, because based upon what the staff just heard, this is a priority for the Board to make sure that this is done right.

3. EXECUTIVE DIRECTOR/CEO REVIEW AND 2013 GOALS

Andy Greene, Board Counsel, explained that at the last Employment Practices meeting, the Committee passed a resolution appointing a working group of Chairman O'Halloran, Vice Chairman Partelow, and former Acting Chairman Huggins along with Board counsel to evaluate the performance of the Executive Director/CEO. He continued that the working group was asked to work with other members of the committee to obtain any information from any source they believe is relevant for the performance evaluation of the Executive Director and to report back to this committee in executive session in April. The Employment Practices Committee as a whole would then report to the full Board at the May meeting.

He continued that there was also quite a bit of discussion at the last meeting about making sure that the entire Board was involved in the process. This is a sentiment that was also echoed by other Board members who are not on this committee. What the working group did was to immediately decide to focus on process and procedure first, rather than to dive in and start gathering information. The thought, of course, is to make sure that there is fairness throughout this process, and to make sure that Board members concerns about involvement were addressed. Also, if this is done right, it is a process that can be used in future years and even for future CEOs.

Mr. Greene stated that they solicited other Government entities for processes and forms that they use, and he believes that the full Board received what his office circulated a few weeks ago, to show what type of things that are out there. A form was circulated that he believes Director Mulder uses, and his office has continued to solicit other Government entities to see what is out there. He pointed out that they also reached out to a number of HR consultants who regularly deal with assessments of high-level executives to see what they offer and what they propose. This is something that has been going on for several weeks, and has involved quite a bit of back and forth as they have gathered information.

He said that not surprisingly the working group is not prepared to report back anything substantively today. What he has been asked to do is to sort of give an outline of where we are in the process and maybe a rough outline of how that process might unfold, get feedback from the committee and, of course, the CEO, take that feedback and try to solidify that into something solid. Obviously he would ask the committee for more time to report back since today is the day that they were supposed to report back. He hopes to report back at the next meeting or if the committee wants them to move further, obviously if we need action, they can always try to have a special meeting in between.

He explained that he would like to outline a proposed process that is open for comment and suggestion. This process would envision several components, and the first few are in no order in particular. The first would be a self-evaluation by the CEO himself, in writing, so that he can tell the Board what he believes is important. The second component is a confidential online assessment to be completed by direct reports and other staff who deal with the CEO. The idea is that this assessment would be conducted by an outside consultant for purposes of quality to make sure it is done right, but also for purposes of confidentiality. He continued that during the talks with the consultants, they are sure that these assessments can be done where there is absolute confidentiality so that employees can be free to give their honest feedback. Some of the consultants

also say they can vet the feedback to make sure that people do not take it as an opportunity to make cheap shots. They are able to weed out what they believe are cheap shots.

Mr. Greene continued that the cost of these assessments, and they have been talking to consultant who they believe are used to dealing with Government entities and are cost conscious, the range has been from about \$4,800 on the low end to about \$11,500 on the high end. He knows that this might seem quite high, and their thought is that if they do go out and get formal proposals, they can probably get that cost down somewhat. However, he believes that there will be some back and forth. He said that they have written a self-evaluation, the confidential online review by staff, and the third component of this would be interviews of third-party stakeholders. This would include union officials, contracted carriers, community leaders, or anyone who Metra and the CEO interact with and whose opinion could be important to evaluate performance. The thought on how to do this would be that Board members themselves would conduct those interviews and could be done by two to three Board members at a time. The Board could rotate this objective, and he hopes to come up with a fair system for assigning Board members to go out and do the interviews so that all Board members can participate.

He stated that after all the feedback is obtained, the thought would be that each Board member would be able to provide feedback, and this can be in a form of some sort, which some Government agencies use. Then there would be discussion in Executive Session for the members to discuss the feedback. The last part of this would culminate with an Executive Session with the CEO himself to share the results, get the CEO's feedback and collectively decide the next steps. He concluded that if the committee is generally in agreement, he thinks the next steps would probably be to seek formal proposals from the consultants for the online assessment, which is the only piece that is needed to go outside. The committee is empowered to hire consultants, but with the consent of the Board, so they need to get approval for any contract. If there are any forms involved in this, they would further develop those, and start planning any interviews.

Director Widmer said that if he understood what Mr. Greene said on the third piece, the interviews with third-party stakeholders, this would be Board members doing the interviews in addition to or in lieu of the working group? Mr. Greene responded that it would be in lieu of. Director Widmer asked if it would be three or less members of the Board no matter who is involved. Mr. Greene responded that he has not heard it suggested that the interviews of third-party stakeholders would be done by the working group necessarily. In other words, members who are not in the working group would go out to do the interview. Also the committee could designate members of the Board to participate in the interviews.

Director Partelow stated that Mr. Greene mentioned going out for proposals. He asked how much time is Mr. Greene talking about, because he does not want to stretch this thing out any more than it has to. Mr. Greene responded that the consultants that they have talked to all could turn something around very quickly, and quite honestly he thinks that they could get a proposal inside of a few days to bring to the Board. He continued that the committee needs to keep in mind that this does not have the same breadth or depth as if they went through a normal procurement process through the Purchasing Department. This is a relatively small contract and the Board could waive any procurement requirements. For the sake of expediency, this could be done very quickly.

Director Mulder remarked that she thinks that they could hire another person for what the cost might be in this evaluation process. She said that she was just assuming that the evaluation initially would be from the Board and the relationship with the CEO. Now a lot of the personnel are going to be providing feedback through the online version. She asked what a consultant is going to do that could not be done in house. This seems to have mushroomed into something bigger than necessary. Mr. Greene responded that under this rough outline, the only piece that would be outsourced would be the online reviews by staff reporting to the CEO. The thinking behind farming that out to an outside group is so that people on staff can have some assurance that it is completely confidential. The other aspect, quite frankly, is could they or could someone on the board, do an online solicitation. He thinks so, but believes the idea is that there are people who do this as a profession, they have a process and that in fairness we should use someone who can impose some quality control, for the lack of a better word. However, again, this is the only piece that they are talking about outsourcing. Director Mulder remarked that she is the furthest person from technology, but someone told her once that if something is online, it can be accessed by a lot of people. She still likes paper and pencil.

Director Widmer asked Mr. Greene if he is suggesting that the committee authorize Mr. Greene to put out a request for proposal so that they can see what it is and then make a decision as to whether the committee goes down that road. Mr. Greene responded that his thought was that if the committee is in agreement, his team could seek formal proposals and then bring those to the committee for approval with no obligation to accept any one of them. So far, they have only been able to engage in some discussions, but have not been able to beat people down on price. Director Widmer remarked that his view is that he does not believe that by having Mr. Greene engage in this process might be helpful, and nothing would be lost. He would make the motion to proceed in this direction. Director Mulder seconded. The motion carried with five ayes.

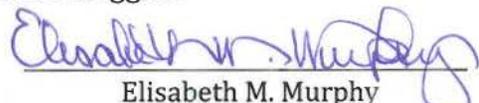
AYES: Directors' Darley, Mulder, Partelow, Widmer and Chairman Huggins

Mr. Greene asked if the committee is also authorizing the working group additional time to work on this. Director Widmer asked if they need a specific motion on this, rather than have it implied. Mr. Greene responded that they do not need a motion on this, as long as it is understood. Director Widmer said that it is implied.

4. ADJOURN

Director Mulder moved, and Director Widmer seconded to adjourn the meeting of the Employment Practices Committee. The motion carried with five ayes.

AYES: Directors' Darley, Mulder, Partelow, Widmer and Chairman Huggins


Elisabeth M. Murphy
Assistant Secretary to the Board

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 Meeting of the Employment Practices Committee on Thursday, May 2, 2013, at 8:30 a.m. The meeting was held in the Metra Board Room at 547 West Jackson Boulevard, Chicago, Illinois, pursuant to notice.

The roll was then taken.

ROLL CALL

Present: Larry A. Huggins, Chairman
Paul Darley
Arlene J. Mulder (Teleconference)
Jack Partelow
William A. Widmer, III

Chairman Huggins explained that pursuant to the Open Meetings Act and the Metra Board By-Laws, if a director is physically prevented from attending a meeting by employment purposes, that director is qualified to participate in the meeting by audio conference. In accordance with Metra By-Laws, Director Mulder has provided notice that she is physically prevented from attending this meeting due to employment purposes. Director Mulder will be deemed authorized to attend the meeting electronically unless a motion objecting to her electronic attendance is made, seconded and approved by two-thirds of the directors physically present at this meeting. If no such motion is made or seconded or if any such motion fails to achieve the required vote by the directors physically present at this meeting, then Director Mulder's request to attend the meeting electronically shall be deemed approved.

Chairman Huggins asked if there is a motion to object. He then asked for a motion to allow Director Mulder to attend the meeting. Director Darley moved, and Director Partelow seconded the motion. The motion carried with four ayes.

AYES: Directors' Darley, Partelow, Widmer and Chairman Huggins

PUBLIC COMMENT

Chairman Huggins asked if there were any signed registrants for Public Comment. No public comment was received.

MINUTES

1. Approval of the Minutes from the Employment Practices Committee Meeting on Friday, April 5, 2013

**APPROVED BY THE
EMPLOYMENT PRACTICES COMMITTEE
ON FRIDAY, JUNE 7, 2013**

Chairman Huggins requested approval of the minutes. Director Widmer moved, and Director Partelow seconded the motion. The motion carried with five ayes.

AYES: Directors' Darley, Mulder, Partelow, Widmer and Chairman Huggins

2. UPDATE ON CLASS AND COMPENSATION PROGRAM

Brenda Smith, Acting Senior Corporate Director of Human Resources explained that she would update the committee on some of the items that are outstanding relating to the Class and Comp study. The first item is the management to management compression. She continued that what this means is that the non-contract managers had a compression between them and their highest paid direct report. There have been multiple discussions over the last couple of weeks with the consultant regarding this. Compression occurs when a subordinate's salary exceeds the manager's salary. She said that what the consultant recommended originally, and still holds today, is that there be a 5% separation between manager and his highest paid direct subordinate. This will be a one-time 5% separation. This was something that was held back on when the Class and Comp increases were given out in March. Staff is now recommending to the Committee to go ahead with that today. She stated that the fiscal impact would be \$296,000, and this would be limited by the 9% cap that has been done for all of the class and comp increases. With the March 31st increases, the non-contract to union compression issues has been taken care of.

She continued that the other thing that the consultant originally recommended was to do an adjustment for 122 employees that were below minimum. The consultant's recommendation was to bring them up to minimum. She explained that there were 43 employees that did not reach that minimum because of the 9% cap. Management is making the recommendation to allow those employees to be placed at minimum of their range, even though it would be outside of the cap. This would be an exception to the 9% rule. The fiscal impact to move those 43 employees to the minimum of the pay grade would be \$144,000. The last item is those employees who did not get an increase. She stated that they have talked to the consultant, reviewed those employees that did not get an increase, and they fall within the methodology that was used for the recommendation for the Class and Comp Study. The consultant did not recommend an increase for them because they either had too short of time on the job, they exceeded the eight plus years, or were over the midpoint. The consultant looked to make sure that everyone was at least at market, and market was considered midpoint. She said that some of these people were over midpoint and based on the information the consultant received, he believed that they were placed properly in the study.

She stated that what staff is recommending is that outside of that recommendation, Metra would give them a 2.75 or 3% adjustment to that population of employees. In addition, there are 31 employees who received less than a 3% adjustment. They would also recommend that this group would be included in those who received zero in the Class and Comp Study. She concluded that the fiscal impact for those employees that received zero in Class and Comp would be a \$500,000 increase. For those 31 employees that did not get up to 3% increase, the fiscal impact would be \$42,000.

Director Darley asked for clarification on the last comment Ms. Smith made, and what the \$42,000 would be for. Ms. Smith responded that the \$42,000 was for those 31 employees who did not get up

to a 3% increase in the first wave of class and comp. For example, if some received a \$90 class and comp increase, this was not zero, but it was a very small percentage increase. If the \$90 equaled a one percent increase, then that person would receive a 3% to equal that out with those who received a zero increase.

Director Partelow asked if the total impact would be \$542,000. Ms. Smith responded that for those employees who received zero, the impact would be \$500,000. The \$42,000 is for those employees who did not receive up to a 3% increase in class and comp.

Director Widmer asked if all the employees received a 2% increase. Ms. Smith replied that they did. Director Widmer stated that subject to the Chairman's approval, he would like to suggest that the committee deal with each recommendation separately. Chairman Huggins agreed to the suggestion.

Chairman Huggins stated that just for the record, he believes the biggest issue that he personally has with the Class and Comp study is the fact that all of these long term employees received no rate increase. He said that based upon what the committee was just told he asked Ms. Smith if this increase would just about equal out to what those increases would be. Ms. Smith responded that some people received more than 9%, and some people received no percent at all. There was a cap set at 9%. Those who received more than 9% will receive a certain amount every year until it reaches that percentage they received. Chairman Huggins stated that there were three different figures that Ms. Smith mentioned. There was \$296,000, there was \$500,000 and \$144,000. Ms. Smith stated that there were employees that because of the 9% cap could not be brought up to minimum of their range. There was another recommendation to allow for an exception for those employees to bring them to the minimum of their range. That fiscal impact was a little more than \$144,000.

Director Mulder asked if this is going to be a monthly increase or an annual increase. She asked if this could be explained. Ms. Smith responded that it would be a one time payout, and would impact their annual salary this year. This is how it would affect the budget. Chairman Huggins added that if you add up all the numbers, the impact to the budget would be close to \$900,000.

Director Widmer stated that with respect to the first recommendation, the management to management compression, if he understands what she is saying, at present there are managers who are making either less than people they manage or their salary is less than 5% more than people they manage. Ms. Smith responded that this is correct. Director Widmer continued that to correct that imbalance, the proposal is that they establish, as a matter of policy, that there be a 5% differential between manager and those persons the manager manages. He asked Ms. Smith if this is the recommendation. Ms. Smith said that what she is asking from the Committee is a 5% increase, which is a one-time hit, and over time, this will correct itself through the normal process. Director Widmer stated that given that rationale, he would move that this recommendation be adopted. Director Darley seconded the motion.

The motion carried with four ayes.

AYES: Directors' Darley, Mulder, Partelow and Widmer

PRESENT: Chairman Huggins

Chairman Huggins stated that the reason that he is voting present is because he is still having an issue about not taking care of Metra's managers now instead of trying to wait until it happens. He is just not comfortable with that. He continued that he cannot vote on something that he is not comfortable with. He asked for Mr. Wiggins to comment.

Alex Wiggins, Deputy Executive Director of Administration explained that one of the options that the consultant recommended with the salary adjustments was to give a one time adjustment, which is still an option. Obviously to manage the budget over the years, these increases were capped at 9% per year.

Director Darley stated that he understands that the senior management issue still needs to be addressed. However, the Class and Comp study was never intended for upper management. He thinks that this is a whole separate issue that needs to be addressed at another time. He added that he knows that the Board will be happy to address this issue as well. Chairman Huggins remarked that with that statement, he is comfortable with this, as long as that issue is addressed at some point. He does not want to hold up the Class and Comp study, but in terms of making sure that the managers are properly compensated for their hard work, this is something that is important to him. This is about morale of the employees, and about people really and truly wanting to come to work and do their jobs and feel good about it. He added that because of its employees, Metra has always been considered one of the top transit agencies in the country.

The motion to move the management to management compression recommendation to the full Board was approved.

Director Widmer stated that for the second motion, he is not as clear on this as the first one. He asked Ms. Smith to explain. Ms. Smith stated that there were 122 employees who were below minimum. Of the 122 employees, 43 of them did not reach the minimum because of the 9% cap. Mr. Clifford added, to be clear on this recommendation, staff is asking the committee to waive the 9% cap in order to do this. Staff believes that this is really a fair issue that should be taken care of.

Director Widmer agreed, and moved that the recommendation go to the full Board. Director Partelow seconded. The motion carried with five ayes.

AYES: Directors' Darley, Mulder, Partelow, Widmer and Chairman Huggins

Mr. Clifford stated that the third recommendation is regarding those employees who received zero increases. Staff is proposing a couple of recommendations. The first is in dealing with those employees who received zero, or small amounts less than 3%. The first question would be if the committee wants to give those employees a 2.75% or a 3% raise. The 2.75% was based on an average over a number of years of what in fact has been given to the unions on an average basis. This is where that number comes from. The 3% is just a rounded number being proposed to the committee. The second question to the committee will be how to apply that. He would ask that for anyone who received 3% or less to be brought up to 3%. This would be in addition to the 2% increase received on the Class and Comp side. For example, if someone received \$500 or \$1,000, they would not be in that zero category. However, if he just addresses the zeros, he would be making a big mistake. What would happen is that if 3% is the number that is chosen, this would

ensure that even those employees who got \$1000 would get a total of 3% inclusive of that thousand. Not in addition, but inclusive.

Chairman Huggins stated that this is where his issue comes in. In terms of those zero dollar employees that have been with Metra a long time, whose salaries were also frozen, most of those people were in management. This is one issue that he would like the Board to go back and really address.

Director Widmer said that it would seem to him that the first issue that needs to be addressed is not how much but whether. As he understands it, the whole purpose of the Class and Comp study was to establish a rational wage structure that reflected what the market rates were and provided for movement within that, so that if you had employees who, if qualified, would be above the midpoint market rate would be moved up there. This study has been implemented. He thinks that you have to address something like the management to management compression, and those relatively small number of employees. However, when we are talking about throwing another \$542,000 into what is already a difficult budgetary situation, then it is contrary to what the Class and Comp study recommends. He thinks that before the Committee gets to how much, they have to get to whether.

Mr. Clifford responded that he would like to quickly clarify on Director Widmer's comment. He said that first of all, he believes in the Class and Comp Study. He believes that it is a good study and the outcomes are the outcomes. He pointed out that he has always warned from day one that there may be any number of employees getting zeros. He continued that he wants to go back and make sure that the record reflects clearly what Ms. Smith just said and that is, should the Committee take the recommendation up on its own outside of the Class and Comp study. This is not a recommendation coming from the Class and Comp Study. The company believes in their work, and believes that where there are recommended zeros, where they recommended a \$500 or \$1000 increase, he believes that those are legitimate as presented. He stated that this would be the Board taking an action outside of the Class and Comp Study.

Director Darley stated that he believes that they fully understand that. He thinks the point is that these employees have been properly compensated or, in some instances, overly compensated. Up to this point, the Board was trying to implement the recommendation of the Class and Comp study. He knows that he is not going to win any popularity votes here, but if Metra is giving salary increases to employees up to 40% because this is what the Class and Comp Study says, it also says that there are other employees who should not get an increase at all and should stick to the zero increase, remembering the fact that the employees received a 2% increase across the board. He knows that this may sound harsh, but it is a simple reality. He thinks that we have to go with the study or not go with the study and in this case, the Board is trying to implement all of the recommendations of the study and that is one of them. He added that he believes that Director McCoy said at the very onset that any type of study like this is going to open up Pandora's Box when it comes to salaries, and everybody automatically assumes that they are going to have an increase. However, this was made very clear at the onset that this was not going to be the case. He continued that he clearly cannot support an increase for this block of 122 employees, and if the Committee wants to evaluate individual employees where perhaps something with the study was done incorrectly or something he would be happy to look at this on a case by case basis. However, in his mind, and he knows that Chairman Huggins feels strongly on the opposite side on this, he does not

feel strongly with a 3% or any adjustment at this point just to pacify those employees, for lack of a better word.

Director Mulder remarked that she also has some concerns. She continued that one issue that has not come up yet is performance and she thinks increases within the departments should be evaluated including the performance level. There should be nothing automatic about an increase unless it is the entire staff or something. With everyone facing financial constraints we need to be very prudent here. She can understand the management to management compression. She is also a little bit concerned that she is not hearing anything about the ability for an employee who really puts in a lot of time, perhaps extra time, is doing excellent work, and just gets an automatic something that someone else who is minimum and doesn't have the same level of dedication to their job gets. This is the complaint about government that everything is just automatic and she thinks that we cannot lose sight of people who are really dedicated and want to make a contribution to the organization. They should be recognized and that would be an encouragement and is going to help. She believes that the Chairman mentioned that employee morale is really important. If an employee really works hard, you would hope that somebody notices.

Chairman Huggins agreed with everything that Director Mulder said, and at the same time she thinks that the department heads have done an excellent job and helped in running this organization. Director Mulder replied that she is talking about everyone, not just department heads. Chairman Huggins stated that really it was those department heads that basically mostly had zeros on their salaries. It was those department heads that during the toughest time that this organization has gone through are the ones that kept this organization afloat. For the Board to come back at this point and not compensate those employees, he believes, is a travesty. Again, this is just his opinion. We are all entitled to our opinions, and he respects what the other Board members have said. This is why there is a Board. He does not think that the members of the Board will always agree on any one particular issue. He is just expressing his opinion, and if the other members of the Board disagree, they have the right to do that.

Director Darley stated that with respect to senior management, he believes those employees will be addressed. Those employees were never part of the original Class and Comp study. Chairman Huggins replied that as long as that issue is addressed he will be fine with it.

Director Partelow asked what the number of people that is being talked about is. Ms. Smith responded that 156 employees did not get an increase. This 156 includes the senior managers. There are 127 if you do not include the senior managers. Director Partelow asked if that cost would be roughly \$550,000. Ms. Smith said that this is correct. Director Partelow asked how many of those employees would be department heads. Director Widmer stated that doing the math, he believes that 29 of those employees would be department heads. Director Partelow stated that he has to agree with Director Mulder. No one has mentioned the word performance and that is what should determine whether or not those people get an increase. He thinks that they need to be handled in a separate way from what they are doing right now. He would prefer to handle those on an individual basis.

Chairman Huggins remarked that he believes that this is one of the things that Alex Wiggins basically said that the committee can do that. As long as the committee is doing that, then he is very

comfortable with what has been discussed. Mr. Wiggins replied that one of the recommendations from the consultant was to actually build in moving forward to 2014 a pay for performance model. The Class and Comp Study was looking at a one time adjustment to bring those employees to market, but every salary adjustment moving forward would be based on a pay for performance model. He continued that this would incentivize those high performing employees to keep performing at a high rate, and for those employees who are performing at a marginal rate, they would not receive the same level of increase that the high performing employee would receive. This is the model that management hopes to implement moving forward.

Chairman Huggins stated that for the record, he was here when a lot of the members of the Committee were not. Metra has always had a 95% on-time performance and it is based upon the institutional knowledge that is here with this organization and he is very proud of that fact. He knows that he can always go to sleep at night knowing that Metra riders are going to get to work on time, in a safe manner. He believes that they have been very happy with Metra over the years, other than with some of the fare increases. There will always be some issues, as no system is that perfect. However he saw where those managers, when this agency was in turmoil, made sure that everything was running right and they stood by this agency. He just wants to make sure that they are compensated properly.

3. DISCUSSION ON METRA'S INTERNSHIP PROGRAM

Brenda Smith, Acting Senior Corporate Director of Human Resources explained that she would like to discuss some of the changes that staff is proposing to the internship program, formally called STEAM. The changes will help maximize some of the student's learning opportunities, will help keep budgetary controls, increases the length of time interns can participate in the program, and hopefully encourage graduating students to apply for full-time positions at Metra. She continued that the program first began in August of 2012 and at the September 2012 Board meeting 12 of the interns were introduced. As of today, there are 15 interns at Metra, and their sessions will end this month. Under the current program, college juniors, senior and graduate students are hired for temporary assignments. Those interns work a maximum of 25 hours per week depending on their class schedule. Originally three sessions were indentified; fall, spring and summer. The parameters were that interns could work two sessions and then they would come off the program. Also, interns are not given any benefits.

She stated that the changes that they are asking for is to change the hours per week up to a maximum of 20 hours a week. They are also asking to allow the interns to stay up to one year, with three breaks: May, August and December, at least one week each. After one year if the department has a need and there is budget funding for the position, they could stay another year with the CEO's approval. She said that they are trying to encourage some of the juniors to stay with Metra, learn more about the operations and then hopefully apply for a full-time position. Some of the benefits will be to provide the interns with the ability to work on a project throughout the year. She explained that what happened this year was that some of the projects that the interns were assigned to do had delays, so they started the project late and were into their second session. The interns then would have to leave and would not get to see the project to its end. Longer assignments provide interns with greater job experience. The 20 hours a week allows them to

balance their studies with the practical application and the revised schedule and breaks allows Metra to maintain budget controls and to make sure that we are in federal compliance.

She concluded that if the program is not changed, most of the students will leave this month. She added that managers who have the interns are knocking on Human Resources door every day asking if the interns can stay.

Chairman Huggins asked Ms. Smith how the interns are picked. Ms. Smith responded that there is an Internet site that talks about the intern program. Those interns then apply. Metra managers fill out a job requisition similar to what is done when regular employees apply. This goes out on the Internet for students to apply. She continued that they also outreach to the schools to see if there are any students that are interested in part-time employment while they are in school.

Chairman Huggins remarked that there was a time that Metra had a summer internship program where kids who were graduating from high school and going to college, or already in college, could apply for certain jobs at Metra. From what he understands, a lot of those people that served in the internship program end up coming back to work for Metra. He asked if there is a possibility that this program could come back. Ms. Smith responded that she thinks that this program would accommodate that, and this is one of the things that they were trying to eliminate, were the sessions. Some of the students are on semester, some are on trimester, and then some of them have different summer breaks from the other. This new plan will allow them to come into the program throughout the year as opposed to just at a specific time of the year. The program will also accommodate students that go to school outside of the state and may want to work just during the summer weeks, as well as the students who are in school locally that would like to work during the winter months and spring months. She added that they are trying to ease up on some of the parameters of when the interns would absolutely have to start and when they absolutely end so that they can get more students involved in the program.

Mr. Clifford stated that what is being proposed today is strictly a correction. He said that when he set this program up, he had always intended that interns have the ability to stay two years. In general, this is a program that ties into Metra's succession planning. This is why they set this program up and is why he originally wanted it to be a two year program, so that someone starting in their junior year in college could come here to work and start getting excited about transportation, especially passenger rail. They would come back in their senior year with the hope that Metra would be high on their list of choices when looking for an employer, especially some of the students that are coming to participate in the internship program from the engineering and signal programs from the different colleges. Metra wants to try to capture those students, as they tend to go over to the freight railroads. Staff believes that if we keep them for a year to two years in this internship program, we have a good possibility of having some succession planning now at that entry level. Ms. Smith also added that Metra has some excited students who are very bright, very helpful and she hopes that some of them would come to work at Metra full time.

Chairman Huggins asked how many of those students are involved in the Metra engineering program. Mr. Orseno stated that there are four students in the Engineering Department. He explained that there is a junior civil engineering form IIT, who is working in the Civil Structural group. There is another service civil engineer from IIT working in the stations and parking group.

There is a junior civil engineer from the University of Illinois working in the construction group, and the last student is actually a computer science major from the University of Chicago and is working in the budget group. This student is in the process of setting up a computerized program for daily work reports, which are done manually right now by the field forces. This way, if someone wants to find out how many hours were spent at a particular station or line, they would just go to the computer. This is a type of information that we have never had before.

Chairman Huggins stated that he is very excited about this program, because he thinks the fact that the agency is investing in your students and young people is a plus. If Metra is able to keep them here, that would be a major accomplishment. He believes that this was the purpose of having the internship program a few years back, but it went away because of budget reasons. He would like to commend staff for re-instituting that program.

Director Darley stated that the University of Illinois in Champaign also has a program with their engineers coming to work on specific projects. He believes that it may be a free program or almost free. He does not know if Metra has ever considered that, but they are always looking for projects, and he would be available to provide that information. He knows that a number of the companies that have used the U of I program have used it successfully. Mr. Clifford responded that they work with Chris Barkan from Champaign. However, because of their distance, they are primarily going to come to Metra in the summertime.

Director Widmer moved to recommend the amendments to the full Board. Mr. Greene, Board Counsel, responded that if he could explain, as far as the votes are concerned, the Committee's charter is to monitor and review programs such as this. In the past, this has not been something that the full Board has voted on. It has been within the province of the CEO. He continued that certainly the committee could decide that it is something that it wants the Board to vote on, make a formal motion and move it onto the Board, or the committee could choose just to receive reports like this and take action if necessary. He just wanted to point this out, as there is a motion pending to move it onto the full Board. Director Widmer remarked that the motion was pending before Mr. Greene's explanation.

Chairman Huggins stated that based upon what Mr. Greene just said, he always thought that this was a good program, and he does not want that decision to be left up to the CEO. He thinks that the Board needs to be able to help make that decision because if something is good, you just don't stop it and then start it back up. He believes that the internship program is something that Metra can use to encourage young men and young women to actually look at this agency and consider employment here. He pointed out that everybody is doing this across the country. He personally believes that this should not be a decision that should be left up to the CEO.

Director Widmer moved to recommend the adoption of the amendment to the internship program to the full Board. Director Darley seconded. The motion carried with five ayes.

AYES: Directors' Darley, Mulder, Partelow, Widmer and Chairman Huggins

4. DISCUSSION AND POSSIBLE ACTION ON CEO REVIEW

Andy Greene, Board Counsel, stated that at the last Board meeting and committee meeting, he provided a rather lengthy overview of the ongoing process that has been developed, so he will keep this rather short. At the last Board meeting, Board Counsel received authorization to spend up to \$4,000 on a vendor to do an upward online confidential evaluation. Pursuant to that, they have negotiated a contract with Workplace Solutions that has been circulated to the committee. The Board has authorized Board Counsel to enter into that, so unless there are any questions or objections, their intent was to go ahead and enter into that contract and begin that upward evaluation.

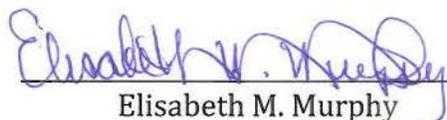
He continued that the second piece that he will report on today is the form that will ultimately be used by the Board members for the review. They circulated some changes based on the Arlington Heights form that Director Mulder provided, so they will be looking for feedback on that. He concluded that they will continue to move forward with that and report back to the committee.

Chairman Huggins remarked that for the record, this is a situation that has taken some time, and at some point he hopes that this can get done and hopefully will be the last meeting that this will be discussed.

5. ADJOURN

Director Widmer moved and Director Partelow seconded the adjournment of the committee meeting. The motion carried with five ayes.

AYES: Directors' Darley, Mulder, Partelow, Widmer and Chairman Huggins



Elisabeth M. Murphy
Assistant Secretary to the Board

METRA BOARD OF DIRECTORS
MEETING OF THE EMPLOYMENT PRACTICES COMMITTEE
FRIDAY, JUNE 7, 2013
METRA GENERAL OFFICES - BOARD ROOM
547 WEST JACKSON BOULEVARD, CHICAGO, ILLINOIS
8:15 A.M.

ROLL CALL

PUBLIC COMMENT

MINUTES

1. Approval of the Minutes from the Employment Practices Committee Meeting on Thursday, May 2, 2013
2. **DISCUSSION OF METRA'S TRAVEL & BUSINESS POLICY**
3. **DISCUSSION ON METRA'S SUPPORT VEHICLE POLICY**
4. **DISCUSSION WITH POSSIBLE ACTION - MANAGEMENT PERSONNEL ORDINANCE**
5. **ADJOURN**

Metra will provide reasonable auxiliary aids or services necessary to afford an individual with a disability an equal opportunity to participate. Persons requiring assistance are requested to notify Metra of their needs well in advance to provide sufficient time to make these accommodations. Requests for services should be made to (312) 322-6966.

**COMMUTER RAIL BOARD
ORDINANCE NO. MET 13-_____**

RECITALS:

WHEREAS, the Board (“Board”) of the Commuter Rail Division of the Regional Transportation Authority (“Metra”) enacted Ordinance No. MET 13-03 on January 17, 2003, and amended it on March 15, 2013 by Ordinance No. MET 13-09;

WHEREAS, Paragraph 10 of Ordinance No. MET 13-03, as amended, provides that paragraphs 1-7 and paragraph 9 of the ordinance will expire on June 22, 2013 unless, on or before that date, a subsequent ordinance (“Disclosure Ordinance”) is enacted, addressing the disclosure of external contracts to the Board regarding (a) hiring potential Metra employees or promoting, transferring or increasing the pay of existing Metra employees and (b) procurement;

WHEREAS, the Employment Practices Committee is in the process of drafting a proposed Disclosure Ordinance;

WHEREAS, the Employment Practices Committee has requested additional time for the drafting of a proposed Disclosure Ordinance;

BE IT ORDAINED THAT:

1. The Recitals are hereby incorporated herein.
2. Paragraph 10 of passed Ordinance No. MET 13-03 is hereby amended such that Ordinance No. MET 13-03 will not expire until September 17, 2013, unless an ordinance addressing the disclosure of external contacts is enacted prior to that date.

_____, 2013