

DRAFT Schedule – Northeastern Illinois Public Transit Task Force

Updated 11/20/13



Summary Schedule

ACTIVITY	TIMELINE	11/18	11/25	12/2	12/9	12/16	12/23	12/30	1/6	1/13	1/20	1/27
Working Group Deliberations	Now - 12/20	Blue	Blue	Blue	Blue	Blue						
Task Force Meetings	11/22, 12/12, 1/28		Dark Red		Dark Red							Dark Red
Develop WORKING DRAFT of Report	11/22 – 1/5		Blue	Blue	Blue	Blue	Blue	Blue				
Edit, review and finalize report	1/6-1/20								Blue	Blue	Blue	
Vote on Final Report	1/28											Blue

Schedule Details

Working Group Deliberations Now through 12/20	<ul style="list-style-type: none"> Review information and analysis, including: <ul style="list-style-type: none"> Data and testimony collected to date Responses from appointing authorities Summary of interviews with other transit agencies (provided at 11/22 meeting) Technical memorandum Provide input for WORKING DRAFT report
November	<ul style="list-style-type: none"> Staff work on technical memorandum and begin developing the WORKING DRAFT report November 22 Task Force Meeting <ul style="list-style-type: none"> Open, collaborative discussion of “world-class” facilitated by Mort Downey and including Steve Schlickman Discuss and adopt guiding principles Review <u>outline</u> of draft technical memorandum, ensure working group needs are addressed Discuss overall schedule and change as needed
December	<ul style="list-style-type: none"> Staff finalizes technical memorandum and provides to Task Force December 12 Task Force Meeting <ul style="list-style-type: none"> Discuss input from appointing authorities (invitations TBD) Open discussion with Tom Prendergast (MTA, NYC) and Mort Downey Discuss plans for preparing the final report Staff continues to develop the WORKING DRAFT report with input from Task Force Members
January	<ul style="list-style-type: none"> Edit, review and finalize report Task Force meeting on 1/28 to vote on report Report is forwarded to the Governor’s office and General Assembly

DRAFT Technical Memorandum Outline

The technical memorandum will provide background information and analysis for use by the Task Force in developing its recommendations and final report. IDOT, Metropolis Strategies and Delcan Corporation will be responsible for preparing various elements of the technical memorandum.

1. System Performance

- a. Summary of trends: trips, congestion, accessibility, service by peak versus off peak, urban versus suburban.
- b. Comparison: trends in Northeast Illinois with trends in other major metros.
- c. Condition: age of assets, state of good repair.
- d. Scan of present and future technical innovations that might have an impact on the northeastern Illinois transit system.
- e. Regional versus “world class” practices in setting performance goals and measuring performance: examples of best practices in management and system performance.

2. Finance and Funding

- a. Level of current investment
 - i. Summary of current operating and capital sources, including adequacy of funds and allocation issues.
 - ii. Analysis: funding trends, including federal dollars, state bonds, and sales tax revenues.
 - iii. Summary of state of good repair
 - iv. Comparison to other regions.
- b. How well are funds being spent
 - i. Summarize current method of allocation and its impacts.
 - ii. Identify best practices from other regions.
- c. Invest more in transit
 - i. Menu and analysis of financial options, drawing on examples from other places.

3. Governance and Organizational structures

- a. Summarize current structure.
- b. Functional analysis: compare roles for FTA, IDOT, CMAP, RTA, CTA, Metra, Pace.
- c. Assess current status of RTA’s responsibility versus roles, including implementation of the 2008 RTA Act.
- d. Summarize best practices in governance, including relevant case studies.
- e. Summarize how RTA region differs from other regions.
- f. Summarize governance options for northeastern Illinois.
- g. Identify costs and benefits of changing structure.

4. Ethics

- a. Review current transit system oversight powers.
- b. Feedback from appointing authorities.
- c. Best practices from other regions.

Overview

On August 15, 2013, Governor Quinn established the Northeastern Illinois Public Transit Task Force via Executive Order 13-06. Since that date and in accordance with the task force's end goal of formulating meaningful recommendations to repair the northeastern Illinois public transit system, the task force and task force support continue to meet, and review, analyze and organize data that has been collected. This includes, but is not limited to transit reports, letters from area leaders, as well as written testimony and supplemental documentation in response to requests for information from the RTA, CTA, Pace, Metra, and Appointing Authorities. The task force submitted an interim report on October 16, prior to the due date of October 18, and plans to submit the final report by the January 31, 2014 deadline. Information will continue to be collected, evaluated and analyzed to support the development of the final report.

Meetings

The full Task Force has held three public meetings and one public hearing. The working groups have held a combined seven meetings, including two public hearings. The following table includes a list of the meetings held by the full task force or working groups, including the three remaining scheduled meetings. For handouts, testimony, or documents received in accordance with the meetings below, please visit the NEIL PTF Webpage at <http://www.dot.il.gov/nepublictransit.html>.

DATE	GROUP	TYPE OF MEETING	NON-TASK FORCE PARTICIPANTS
September 3	Task Force	Kick-Off Meeting	Governor Quinn
September 13	System Performance	Organizational Meeting	
September 25	Governance	Working group meeting	
September 25	Task Force	Public hearing with RTA and Service boards	Forrest Claypool (CTA), Don Orseno (Metra), Norm Carlson (Metra), TJ Ross (Pace), John Gates and Joe Costello (RTA)
September 26	Task Force	Working groups reported on progress; discussion on public hearing	
October 2	Finance	Working group public hearing	Dominick Cuomo (Pace CFO), Bea Reyna-Hickey (RTA CFO), Ron DeNard (CTA CFO), Tom Farmer (Metra CFO)
October 2	System Performance	Working group public hearing	Leanne Redden and Donna Anderson (RTA), Randy Blankenhorn (CMAP), Mike Connelly (CTA), Lynnette Ciavarella (Metra) Michael Bolden (Pace)
October 4	Governance	Working group meeting	
October 16	Task Force	Approved Interim Report; conversation with Delcan	Dr. Richard Mudge (Delcan)
November 22	Task Force	Meet to discuss final report and progress; conversation with Mort Downey and Steve Schlickman	Mort Downey, Steve Schlickman
December 12	Task Force	Public meeting	
January 28	Task Force	Final Report Approval	

Testimony & Interviews

In order to ensure the task force understood the northeastern Illinois public transit system, including the four regional transportation boards (RTA, CTA, Pace, and Metra), the task force developed and distributed several requests for written and public testimony.

- Testimony was and continues to be received and posted online from the RTA, CTA, Pace, Metra, and the 16 appointing authorities of McHenry, Cook, Lake, Kane, DuPage, Will Counties, as well as Governor Pat Quinn and Mayor Rahm Emanuel.
- Peer transit system experts have been interviewed to collect information on common practices, processes, and procedures across the United States. These experts also provided their suggestions on best practices among the four core areas identified by the task force: ethics, finance, governance, and system performance. A summation of these interviews has been prepared.

Task Force Correspondence

The task force and Governor Quinn, since the task force's establishment, have received correspondence from several Illinois leaders as well as public comment acknowledging the challenges of the northeastern Illinois public transit system. Each of these letters and the public comment can be found on the task force's SharePoint Site under Reference Materials. Letters have been received from:

- Jack Schaffer, McHenry County Appointee, Metra Board
- Daniel Lipinski, Member of Congress
- Steve Schlickman
- Karen Y. Darch, Chair, Mayors Caucus Executive Board and President, Village of Barrington; and, Jeffery D. Schielke, Chair, Transit Improvement Working Group and Mayor, City of Batavia
- Elizabeth "Liz" Doody Gorman, Cook County Commissioner, 17th District
- Jordan Matyas, Chief of Staff, Regional Transportation Authority
- County Executives:
 - Toni Preckwinkle, Cook County Board President
 - Dan Cronin, DuPage County Board Chairman
 - Chris Lauzin, Kane County Board Chairman
 - Aaron Lawlor, Lake County Board Chairman
 - Tina Hill, McHenry County Board Chairman
 - Larry Walsh, Will County Executive

General Activities

A SharePoint Site and an external facing Webpage were established for the task force members as a centralized location for all meeting material, resources, and supplemental information. Data collection and research has been conducted which has resulted in the compilation of many resources being available for task force use. These resources include, but are not limited to reports developed by the Eno Transportation Foundation, the American Public Transportation Association, the Transit Cooperative Research Program and the Transportation Research Board. All of these supporting materials can be found on the task force's SharePoint Site.

KEY POINTS FROM INTERVIEWS WITH NATIONAL TRANSIT EXECUTIVES

Interview Process

Task Force support from the four working groups (Ethics, Finance, Governance, and System Performance) conducted one to two hour interviews with the following individuals:

- Steve Heminger, Executive Director, Metropolitan Transit Commission (Bay Area of California) – Nov. 7, 2013
- Robert “Buzz” Paaswell, City University of New York, consultant to Metropolitan Transit Authority – Nov. 13, 2013
- Beverly Scott, Massachusetts DOT and General Manager, Massachusetts Bay Transportation Authority – Nov. 15, 2013
- Joseph Casey, General Manager, Southeastern Pennsylvania Transit Authority – Nov. 15, 2013
- Thomas Prendergast, Chairman & CEO, New York Metropolitan Transportation Authority – Nov. 20, 2013

Each interviewee was sent the same set of questions, categorized by working group, several days in advance to help him/her prepare for the interview. As a supplement to this overview, a matrix of questions and noted responses can be found on the SharePoint site or by contacting IDOT support staff.

The notes below reflect a cumulative review of key responses from the interviews; points made below reflect interviewees’ assessments of conditions at their agencies, and also reflect a general consensus of at least three of the four interviewees, unless noted otherwise.

General Observations

- Regionalism is more advantageous for transit than dividing a service area into individual modes
- No “one size fits all” approach to the provision of regional public transportation service
- No “silver bullet” to addressing regional issues

1. ETHICS

1A-Ethics:

- A formal policy regarding Ethics is distributed to board members and employees.
- Board members and employees are trained and certified annually.
- Oversight is performed by outside legal entity-preferably an Inspector General who is familiar with transportation.
- An explicit gift policy is in place, with annual value not to exceed \$0-75 and include anything of monetary value, be it food, tickets, memberships or donations.

- An explicit whistleblower policy is in place, with an anonymous “Hot Line” number and independent oversight (such as Inspector General, Legal Counsel, Attorney General) to ensure anonymity, and the ability to investigate.

1B-Appointments:

- Should have general knowledge of public transportation and add value to the board through expertise in areas such as, legal, marketing, management, planning, finance, IT, operations, and railroads.
- Board members should represent the geographic diversity of the service area and selection models include: governor appointments; governor nominations; locally elected; and vetted by selection committee.
- Background checks are generally performed, with some including criminal background checks.

1C-Patronage Culture:

- General agreement on anti-patronage policy. All interviewees voiced surprise at level of patronage activity in NEIL.
- All agencies interviewed had some appointed positions.
- Most interviewees turned to their anti-discrimination, and inclusion of protected class policies and initiatives to address issues of patronage.
- None of the agencies interviewed had actual policies or procedures that specifically address issues of patronage.

1D-Conflict of Interest:

- Board members must annually disclose conflicts of interests, outside business interests, and any criminal or civil lawsuits in which they or their immediate family are participants.
- If “real” or “apparent” conflict of interest exists on a particular procurement issue/vote, board members are expected to recuse themselves. In some cases, vendors are removed from bidding if a conflict exists.

1E-Lobbying:

- There is no real consistent handling of policies regarding vendor’s lobbying the transit agency’s board or employees.
- Some agencies require lobbyists to formally register with Secretary of State, while others have policies that forbid lobbying during active procurements.

1F-Removal of Board Members

- The policies and procedures for removal varied amongst the agencies: Governor removal for “just cause” in cases where the appointment was made by the Governor; loss of elected office when the office is a requirement for appointment; and term limits.

2. FINANCE

- Fare box recovery ratio is generally in the 40-50 percent range with some commuter rail systems experiencing higher ratios. Some systems have mandated fare box recovery ratios, some do not.
- Revenue is a combination of federal, state, local resources. State and local resources are generated from more traditional sources such as sales tax, tolls,

parking, and Tax Increment Financing strategies. One innovative revenue strategy is New York's Payroll Mobility Tax.

- All agencies have bonding authority and use it for capital needs.
- A couple of agencies have periodic fare increases set in policy or statute, with some having increase percentages tied to cost-of-living increases.
- All agencies reported being severely underfunded, especially for capital needs.
- Passenger fares are a combination of flat fee and distance-based. All have discount programs for multi-ride or monthly pass purchases.
- None of the agencies interviewed had direct taxing authority.
- All reported that a multiyear funding strategy/revenue stream for capital is essential to developing a "world class" transit system.
- While funds are distributed to the various public transportation providers in a particular region, or to modal divisions within an overall regional transit agency, such distribution is competitively based on need, and not by formula or "gentleman's agreement" as in NEIL.

3. GOVERNANCE

- All large transit operators interviewed have an integrated board structure that develops and implements regional transit policy and coordinates planning and budgeting processes.
- Concentrating certain transit agency functions (i.e. planning, budgeting, procurement, real estate, marketing, human resources, legal, lobbying) under one roof can have measurable benefits (financial) and non-measurable benefits (accountability and improved communication). It is critical to ensure an adequate level of buy-in from stakeholders during reform implementation as legacy institutions may be resistant to change.
- Regional transit organizations maximize funding opportunities through unified lobbying efforts, i.e. "speaking with one voice." Independent advocacy can lead to unnecessary, and potentially detrimental, internal competition for resources.
- Regardless of organizational structure, balancing urban and suburban transit priorities is a constant struggle for boards and operators, especially if the suburban areas are contributing to the funding of the system.
- Most transit agencies do not utilize specific performance/effectiveness measures for board members, but most agencies have formal or informal measures for CEOs/Executive Directors.
- Some transit boards have qualification prerequisites for board member appointment. Most have residency requirements, and some also include professional expertise criteria.
- All transit experts emphasized transparency and accountability as the primary means to maximize public trust in transit agency decisions.
- Most transit experts identified professional integrity backed by institutional policies as the primary means to minimize inappropriate political influence. Some experts also highlighted northeastern Illinois's multiple transit board structure as inherently political.

- Compensation for board members either does not exist or is limited to reimbursement for direct expenses such as travel. Some agencies provide minor benefits, such as transit passes or small (\$100) per meeting stipends.

4. SYSTEM PERFORMANCE

- Even though several agencies interviewed have gone through consolidations of some kind, none has to date formally evaluated the effectiveness of the change from the perspective of transit operating statistics. However, through consolidation they have been able (because they have the authority) to institute best practices from one operator or peer group to their other service operators.
- System performance goals are updated annually during regional planning and budget development process.
- Modes meet on a continuous basis to discuss regional issues and priorities.
- On-street connectivity is handled more effectively by regional service planning of all modes than “stove piping” by individual modes; i.e., bus and train schedules are planned together so rider connectivity between modes is enhanced.
- Consolidated governance model leads to marketing of public transportation as a total system and not by mode.
- No one clear model for handling safety and security except that it is not handled by each mode separately.
- For most agencies, mobility management is administered regionally for all modes.
- Customer communications are centralized.
- While regional equity and changes in customer demands are studied and identified at the regional planning level, all the agencies interviewed stated it was difficult to adequately address these issues due to severe funding constraints.
- “Open fare” concept is generally seen as advantageous, but still too new to evaluate benefits (one interviewee said his agency is in the middle of a procurement for an “open fare” vendor but has delayed it to see how the NEIL/Ventra experience plays out, and another stated their electronic fare system needs updating to make it seamless to all modes and they are also looking at the NEIL/Ventra experience).
- All agencies have a good working relationship with their MPO, but MPO involvement in transit operations is focused on the federal transit improvement planning process requirements, rather than “on-street” service planning and delivery.
- Service planning priorities all focused on “maintenance of effort” and “state of good repair” activities. All agencies interviewed have similar unmet growth markets in suburb to suburb travel, reverse commuting, and new transit expectations by younger demographics, but all reported they are limited by lack of funding in their ability to address these needs.