

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 person for a Board Meeting on Wednesday, February 21, 2024, at 9:30 a.m. at Metra, 547 W. Jackson Blvd., Chicago, Illinois pursuant to notice.

ROLL CALL

PRESENT: Directors J. Becton, M. Bush, R. Craig, R. Estrada, K. Koehler, J. McMahon, D. Orseno, S. Palmer, M. Rodman, P. Ruffin, Madam Chair R. C. Brown

SAFETY BRIEFING

The Safety Briefing was given by Daisy Alvarado, Safety & Environmental Training Officer from the Safety & Environmental Office.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance followed.

PUBLIC COMMENT

1. Ryan Sinwelski – Harvey Historical Society – Advocating to have a classic Metra station design in Harvey that is in keeping with the historic downtown architecture.
2. Michael Metz – transit rider – Asked the Board to approve the all-electric trainset procurement. Commented on slightly sporadic ticket vending machine performance along with the recent non-functioning Ventra app causing congestion at Ogilvie Station during the morning rush. Gave an opinion that the 30-day Metra pass should not have a fixed start and end date to purchase; instead, the 30-day period should begin the day of ticket purchase. He is looking forward to bringing his bike on Metra trains in the future.

VENTRA/CUBIC REPORT

Madam Chair R.C. Brown gave some context into the recent failure of the Ventra app on February 1, 2024. Prior to this event, Metra planned to launch a series of significant changes to its operation and worked diligently with Cubic months in advance. Metra was praised for changing its bike policy to make Metra more inclusive, as well as being commended by the public and stakeholders for working in partnership with Cook County and the RTA for an opportunity for a low-income fare program. In addition, Metra saw positive recognition for thinking outside of the box to simplify its antiquated fare zone system. Unfortunately, the positivity was overshadowed by the outage of the Ventra app. Madam Chair R.C. Brown then asked for an explanation of how the outages happened.

Jeffrey Brantz, Director of Operations Technology, introduced Matt Newsome, Senior Vice President/General Manager NAM Western Region; Scott Koblenz, Senior Vice President – Engineering, Product and Operations; and Nicole Brown, Senior Program Director – Ventra to discuss the issues surrounding the failure of the Ventra app in order for the Board to understand what occurred, how it occurred, and how and how the issue is being addressed so our riders can be assured that their experience with the app is safe and reliable.

Matt Newsome responded that their team fully understands how critical that their platform continues operating as seamlessly as possible for riders who rely on it every day. The recent issue in the Ventra app was entirely a Cubic issue, and we regret deeply and apologize wholeheartedly for those affected. Despite preparing for these recent changes for months,

working closely with the Metra team and including multiple rounds of testing, on the morning of the fare change, the app was not able to perform the way it should have. Since April 2023 we've been working with the Metra team on Metra new structure and making changes to the mobile app to ensure all the products would be available on February 1st. When the new Metra fare structure went live on February 1st, it had been tested for months including the morning of February 1st. As the morning peak approached, and the volume of users increased, the app began to slow down to the point where it was unresponsive, and the user experience was significantly degraded. The change to the app centered around the new fare structure, which was incredibly complex. What we realized was that our load testing was not structured in a way to which we would have uncovered the issue. Since we have now improved and increased our ability to do load testing and will make additional improvements to our integration labs, our environments and our test plans. As soon as the issue was raised, our team worked quickly around the clock to achieve a solution, and changes were made to the app that have since stabilized its performance. We have also set up a hyper care team which monitors the app and its related systems during the morning and evening peak rush. We deeply value our relationship with Metra, CTA and Pace, and will continue doing everything in our power to ensure we are delivering the best possible platform for our partners and Chicago's transit system.

All board members commented on their disappointment in Cubic and the performance of the app on a very critical day for Metra.

MINUTES

A. Approval of the Summarized Minutes from January 17, 2024, Meeting of the Board

Director Ruffin moved, and Director Palmer seconded a motion to approve the Summarized Minutes from January 17, 2024, with a roll call vote. The motion carried with 10 ayes.

AYES: Directors M. Bush, R. Craig, R. Estrada, K. Koehler, J. McMahon, D. Orseno, S. Palmer, M. Rodman, P. Ruffin, Madam Chair R. C. Brown

ABSTAIN: Director J. Becton

RECESS TO CLOSED SESSION FOR MATTERS RELATING TO DISCUSSION OF MINUTES OF CLOSED MEETING AND THE SEMI-ANNUAL REVIEW OF MINUTES AND DESTRUCTION OF VERBATIM MINUTES; AND/OR DISCUSSION OF SECURITY PROCEDURES AND THE USE OF PERSONNEL AND EQUIPMENT TO RESPOND TO AN ACTUAL, A THREATENED, OR A REASONABLY POTENTIAL DANGER TO THE SAFETY OF EMPLOYEES, STAFF, THE PUBLIC OR PUBLIC PROPERTY, AND/OR DISCUSSION ON SELECTION, PERFORMANCE, OR DISCIPLINE OF SPECIFIC PERSONNEL OR LEGAL COUNSEL PURSUANT TO SECTIONS 2 (C) (21), (8) AND (1) OF THE OPEN MEETINGS ACT.

Madam Chair R.C. Brown asked for a motion to recess to closed session. Director Koehler moved, and Director Ruffin seconded the motion. Leave by prior roll call.

ROLL CALL

PRESENT: Directors J. Becton, M. Bush, R. Craig, R. Estrada, K. Koehler, J. McMahon, D. Orseno, S. Palmer, M. Rodman, P. Ruffin, Madam Chair R. C. Brown

DISCUSSION WITH POSSIBLE ACTION

- Resolution approving Release of Semi-Annual Review of Closed Session Minutes

Minya Coleman, Acting Director of Corporate Law, read the resolution into the record.

Director Craig moved to execute the resolution approving Release of Semi-Annual Review of Closed Session Minutes, and Director Koehler seconded the motion. The motion carried with 11 ayes.

AYES: Directors J. Becton, M. Bush, R. Craig, R. Estrada, K. Koehler, J. McMahon, D. Orseno, S. Palmer, M. Rodman, P. Ruffin, Madam Chair R. C. Brown

- Ordinance Approving CEO Compensation

Winn Buren, Chief Human Resources Officer, read the ordinance into the record.

Director McMahon moved to approve the Ordinance Approving CEO Compensation, and Director Ruffin seconded the motion. The motion carried with 10 ayes.

AYES: Directors J. Becton, M. Bush, R. Craig, R. Estrada, K. Koehler, J. McMahon, D. Orseno, M. Rodman, P. Ruffin, Madam Chair R. C. Brown

ABSTAIN: Director S. Palmer

Madam Chair R.C. Brown stated for the record that "The last time Jim received a salary adjustment was in January of 2022. He has worked hard and diligent through these changing times, he's been a strong leader, an innovator, and has always looked to modernize our system, as proven today with the finance committee on the zero emissions. Thank you, Jim, for all the hard work you do, you've done and continue to do on behalf of Metra."

Jim Derwinski thanked the Board for their support of him and of Metra.

FINANCE COMMITTEE REPORT

Finance Committee Chairman K. Koehler gave the Finance Committee report. Under the Consent Agenda, all items were approved to bring to the Board of Directors as presented.

December 2023 Operating Revenue was unfavorable to budget by \$2.2M, with year-to-date unfavorable by \$1.9M. Operating Expense for December was unfavorable by \$0.3M and year-to-date was favorable by \$69.9M. Sales Tax Funding has been favorable by \$2.1M, and year-to-date is favorable by \$25.2M. There was \$91.0M less drawdown of Federal COVID relief funds than budgeted year-to-date. Ridership for December was approximately 2.35M, which is approximately 820,000 below budget for the year. Ridership for the year is \$2.9M below budget.

January 2024 Operating Revenue was unfavorable by \$2.1M. Operating Expense for January was unfavorable by \$0.3M, with the net being favorable year-to-date by \$3.1M. Ridership for January was 2.7 million, which was below budget by 210,000 rides.

CONSENT AGENDA

A. Capital Procurements from January 17, 2024, through February 20, 2024

- A-1 Contract for Fiber Termination Equipment
- A-2 Change Order for Construction Services for a New Peterson/Ridge Station and Bridge Rehabilitation

A-3 Contract for Double Slip Switches and Turnouts

B. Operating Procurements from January 17, 2024, through February 20, 2024

B-1 Change Order for Bridge Repairs

C. Procurement Approving Zero Emissions Train Sets

D. Fiber-Optic License Agreement with the Cook County Bureau of Asset Management – Metra’s Electric Line (ME) – Homewood

E. Fiber-Optic License Agreement with MCI metro Access Transmission Services, LLC – Metra’s Electric Line, Blue Island Branch (ME-BI) - Chicago

Madam Chair R. C. Brown asked if members of the Board wished to discuss any items from the Consent Agenda. Hearing none, Director Craig moved, and Director Becton seconded the motion to approve the Consent Agenda. With a roll call vote, the motion carried with 11 ayes.

AYES: Directors J. Becton, M. Bush, R. Craig, R. Estrada, K. Koehler, J. McMahon, D. Orseno, S. Palmer, M. Rodman, P. Ruffin, Madam Chair R. C. Brown

RECEIVE AND FILE REPORTS

- A. State of Metra Operations
- B. Ridership Trends
- C. Office of Diversity and Business Enterprise
- D. Safety and Environmental Compliance
- E. Marketing
- F. Project Management Oversight
- G. IT Update

Receive and File reports were read into the record.

ROLLING STOCK UPDATE

Kevin Clifford and Sean Cronin gave the rolling stock overview presentation.

The rolling stock that the mechanical department maintains consists of 171 locomotives, 186 Highliners, 854 coach cars, 13 switchers and 126 freight cars for a total of 1,350 pieces of rolling stock. A total of 740 employees maintain the stock.

There are currently two large scale vehicle procurements – the new car procurement and the SD70 locomotive procurement.

New Car Procurement

- Total of 200 cars
- Built by Alstom in Hornell, New York
- We are currently continuing final design review for all the subsystems, to be completed by Q2 2024

- Car shell manufacturing should also begin Q2 2024, with delivery of the first car in August 2025, with full scale production and deliveries in mid-2026

SD70MACH Locomotives

- 13 of the base order locomotives in service
- There are 3 procurements on this contract, each option for 9 locomotives. Working on funding for the second and third procurements.
- Option #1 was executed and 9 locomotives will be delivered beginning in August of 2024 – April 2025

The third procurement is the all-electric battery trainset procurement, which was presented to the Finance Committee this morning.

The last procurement is the switcher procurement which consists of six Tier IV diesel switchers and one all-electric switcher. This procurement began in late 2023, and we are still in the process, so can't discuss it too much.

Rolling Stock Overhaul Projects:

F40 Locomotive Overhaul Program

- Located at the Rock Island 47th Street Diesel Shop
- Completed 7 of 18 locomotives, each locomotive taking 80 working days
- Work includes engine and truck rebuilds, replacement of all rotating components with rebuilt parts, body work and paint
- To be completed in August 2025

Nippon Sharyo Coach Overhaul Program

- Located at the Rock Island 49th Street Coach Shop
- Completed 223 of 302 cars, each car taking 24 working days
- Work includes replacement of floors, doors, windows, seats, and ADA lifts along with rebuilding trucks and HVAC units
- To be completed in June 2026

Nippon Sharyo HL1 EMU Overhaul Program

- Located at Metra Electric Kensington Yard Shop
- Completed 8 of 26 EMU, each EMU taking 60 working days
- Work includes replacement of doors, windows, seats, along with rebuilding trucks, pantographs, propulsion equipment and auxiliary power supplies
- To be completed in March 2025
- EMUs are being leased to NICTD following overhaul

Major Capital Modifications:

In-cab inward facing cameras

- To date, 83% of the fleet has been completed

- This modification effects all cab cars, EMUs and diesel locomotives
- In-cab video systems was mandated by the FRA in October 2023, with a four-year grace period
- To be completed well before the 2027 deadline

Passenger area cameras

- All cars going through overhaul will now have this modification
- To date 13% of the fleet has been completed
- Currently, the plan is not to complete this modification on Budd or Pullman cars which we plan to retire in a few years
- All new cars have a fully equipped passenger area camera system

ACORN (GPS System)

- Needs to be installed on all Highliners and coach cars
- To date, 46% of the designated cars has been completed
- All controlling cars are complete, so all trains currently have the needed automated announcements
- Work has begun on trailer cars to enhance that system for future improvements

CEO/EXECUTIVE DIRECTOR REPORT

Jim Derwinski, CEO/Executive Director, thanked everyone for all of the work that went into the new fares structure and how all employees stepped up to give phenomenal passenger assistance when our App failed on February 1st. He went on to discuss:

- **Zero Emissions Train Sets**
 - This allows Metra to lead the industry in the U.S. - the only railroad to have zero emissions trains sets in the U.S.
 - Will take a strategic approach to the service deployment plan to determine strategically where they'll go, how they will fit in and how it affects overall operating costs and customer experience, and the infrastructure that will be needed.
 - Lifecycle for the batteries are about eight years.
 - He thanked Congestion Mitigation and Air Quality (CMAQ) for the \$169.3M grant to make the zero emissions trains sets procurement possible.
- **February 1st Rollouts**
 - *Bikes on Trains* relaunch
 - Access Program – allows Supplemental Nutrition Assistance Program (SNAP) recipients in Cook County to receive a reduced fare. Over 1,500 people have applied for the program.
- **Reclaim 13**
 - Every year, tens of millions of people worldwide are involved in human trafficking and exploitation including the U.S.
 - Reclaim 13's mission is to end the cycle of sexual exploitation and abuse and give young women back what they have lost.

- In 2019, Metra partnered with Reclaim 13 to raise awareness to help combat child sexual abuse, exploitation, and human trafficking on Metra trains and in stations.
- On January 31 I attended the Reclaim 13th celebration luncheon, and they awarded Metra and me a certificate of appreciation for our partnership there.
- An employee of Reclaim 13 mentioned that Metra's onboard text number was used to stop some human trafficking. It's a very important mission that we've been involved in.

- **My Metra Honors Awards**

- On February 8th, we held the *My Metra Honors* Awards. This year, Numerous employees were given awards throughout the year, with the finalists including: Georgette Geha, Courtney Albrecht, Tony Blakemore, Mark Hawkins, Athena Taylor, and Kiowa Howery.
- This year, we presented two awards, one for operations and one for administration, with Tony Blakemore receiving the award in administration, and Kiowa Howery receiving the award in operations.

- **Will County Governmental League**

- On February 15th, Metra participated in the Will County Governmental League's Q1 2024 meeting at the PACE Plainfield Bus garage. Metra participants included Madam Chair R.C. Brown, Janice R. Thomas, Arsenio Pomales and Jim Derwinski.
- Mayors and senators discussed topics of importance in Will County.
- PACE will be leading the way in operating the first battery powered paratransit bus in the U.S.
- These busses have been around for a while, but due to supply chain issues, a bus that could be delivered in 18 months now takes 45 months, in addition to the cost of the bus being four times greater.
- He then thanked John Morris and his team for bringing the financials up to date, as well as Metra staff.

Madam Chair R.C. Brown remarked that after hearing Cubic's response to the Ventral app failure today, and expressing our concerns and questions, we will just have to monitor that to ensure that those types of failures in the future do not impact as greatly as they did on February 1st. She then gave recognition to Metra's hard-working men and women who were behind the scenes, fighting the cause for Metra. In 2023, the board explored ways to make Metra affordable, accessible and equitable for all riders, this has been accomplished through several initiatives: creating a fare that reduced the number zones 10 to 4; introduction of the five-ride pack; enhancement of the *bikes on trains* program; introduction of the interactive travel experience to the newly developed transit ambassador program on February 1, 2024. However, this change did not come without some challenges when the Ventra app crashed, but despite this, you and your team remain committed to resolve the issues within your control, while making sure our riders were impacted as little as possible. She congratulated Mr. Derwinski and staff for their continued commitment to excellence and a job well done.

ADJOURN

Madam Chair R.C. Brown asked for a motion to adjourn. Director Bush moved to adjourn, and Director Craig seconded. With leave by prior roll call, the meeting adjourned.

/S/ Karen M. Hullinger

Karen M. Hullinger
Assistant Secretary to the Board

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

/s/ Rodney S. Craig

Rodney S. Craig
Secretary

COMMUTER RAIL BOARD
Resolution MET 24-03
Semi-Annual Review of Closed Minutes and Audio Recordings
of the Commuter Rail Board and its Committees
Pursuant to the Open Meetings Act

RECITALS

In accordance with its obligations under Section 2.06 of the Open Meetings Act, the Board of Directors of the Commuter Rail Division of the Regional Transportation Authority (“Authority”), on behalf of itself and its Committees, has conducted a semi-annual review of the closed meeting minutes to determine whether the need to confidentiality still exists as to all or part of those minutes, all of which were previously approved in closed sessions. The Board also considered whether to retain the audio recordings of closed sessions. The Board also considered whether to retain the audio recordings of closed meetings.

NOW, THEREFORE BE IT ORDAINED as follows:

Pursuant to Section 2.06 of the Open Meetings Act, the Board finds that there remains the need to confidentiality of the closed session minutes and declines to release further minutes at this time, except for the following closed session minutes, which the Board finds that there is no further need for confidentiality, as and which are released for public inspection in their entirety:

November 9, 2018
December 12, 2018
January 16, 2019
December 16, 2020

The Board approves the destruction of the audio recordings of all closed meetings eighteen (18) months prior to the effective date of this Resolution, including all recordings of closed meetings that occurred up to and including August 17, 2022.

The Board directs the General Counsel to execute this resolution.

APPROVED: February 21, 2024

**COMMUTER RAIL BOARD
ORDINANCE NO. MET 24-04
CEO COMPENSATION FOR 2023**

WHEREAS the Commuter Rail Board (“Board”) of the Commuter Rail Division of the Regional Transportation Authority is committed to open and transparent operations at the Commuter Rail division and the Northeast Illinois Regional Commuter Rail Corporation, (collectively, “Metra”); and

WHEREAS Metra’s Board is dedicated to selecting and retaining high quality employees who are dedicated to the safe and efficient operation of its commuter trains; and

WHEREAS Metra’s Board believes that in order to continue providing high quality commuter rail service it must stay competitive with the rail industry for managers and executive salaries; and

WHEREAS Executive Director/CEO Jim Derwinski has not had a salary adjustment since 2022;

NOW, THEREFORE, BE IT ORDAINED THAT:

1. The Executive Director’s salary shall increase by 3.70% from \$314,200 to \$325,825.00 retroactive to January 1, 2023.
2. Commencing in 2024, and subject to the terms of Metra’s 401(k) Plan, by December 31 of each year with respect to employment during the calendar year, Metra shall contribute to the 401(k) Plan on behalf of the Executive Director an amount equal to the maximum amount (“401(k) Maximum Amount”) which would be permitted to be contributed by the Executive Director for that year as an elective deferral salary contribution (including catch-up contributions). Under the current terms of the 401(k) Plan. The parties acknowledge that under the current terms of the 457 Plan and applicable law, the Executive Director may not be eligible to make additional employee elective salary deferral contributions to the 401(k) Plan for such year.
3. Subject to the terms of the Metra 457b Plan, by December 31 of each year with respect to employment during that calendar year, Metra shall contribute to the 457b Plan on behalf of the Executive Director an amount equal to the maximum amount (“457 Maximum Amount”) which would be permitted to be contributed by the Executive Director for that year under Code section 457(b)(2), or, if applicable, Code section 457(b)(3). The parties acknowledge that under the current terms of the 457 Plan and applicable law, the Executive Director shall not be eligible to make additional employee elective salary deferral contributions to the 457 Plan for such year.
4. The Metra Chief Finance Officer and Chief Human Resources Officers are authorized and directed to take such action as they deem necessary or appropriate to implement, administer, and enforce this Ordinance.

APPROVED: February 21, 2024