

**MINUTES OF A PUBLIC MEETING OF THE
PLANNING & ADMINISTRATION COMMITTEE OF THE BOARD OF DIRECTORS
OF THE REGIONAL TRANSPORTATION AUTHORITY**

The **Planning & Administration Committee** of the Board of Directors of the Regional Transportation Authority met in public session on **Thursday, October 15, 2015**, at 8:35 a.m., in Suite 1650, 175 West Jackson Blvd., Chicago, Illinois, pursuant to notice.

Committee Chairman Fuentes presided.

ROLL CALL

Committee members present (6): Durante, Frega, Hobson, Pang, Ross, and Totten

Committee members present (7): Fuentes

Other Board members present: Coulson, DeWitte, Lewis, Magalis, Melvin, Troiani, and Chairman Dillard

Approval of minutes from the meeting held on September 10, 2015

Director Pang moved, and Director Durante seconded that the minutes from the meeting held on September 10, 2015 be approved as submitted. The motion carried on the following roll call vote:

6 Yeas: Directors Durante, Frega, Hobson, Pang, Ross, and Totten

1 Absent: Director Fuentes

Ordinance approving an IGA with the City of Chicago to co-locate RTA Customer Service functions at four City sites

Mr. Michael VanDeKreke explained that the IGA would allow the RTA to co-locate the services offered at the RTA's current Customer Service Center (CSC), located in the pedway of the Cook County Building at 69 West Washington, with services offered at four Chicago DFSS sites. Mr. VanDeKreke indicated that the rental cost for the RTA would be \$250 per month, per location, for a total of \$1000 per month for a period of 24 months with an option to extend the lease agreement for an additional two years at the end of the original lease term. The cost includes the use of the City's IT infrastructure, IT equipment, office furniture, approximately 100 square feet of space at each location and the use of the City's security. Mr. VanDeKreke indicated that the current Customer Service office at 69 West Washington Street in Chicago would close on December 3rd and the RTA would begin operating out of the four city sites on December 4th, utilizing existing 69 West Washington staff. The advertising plan for this move was also discussed.

Director Pang moved, and Director Durante seconded that the proposed ordinance be approved as submitted. The motion carried on the following roll call vote:

6 Yeas: Directors Durante, Frega, Hobson, Pang, Ross, and Totten

**APPROVED BY THE PLANNING & ADMINISTRATION COMMITTEE
JANUARY 21, 2016**

1 Absent: Director Fuentes

2014 Regional Performance Measures report

Ms. Donna Anderson presented the 2014 Regional Report Card and Sub-Regional Report, which provide performance results for the region's transit providers, both on an aggregated basis as well as by agency and mode. Each report covers the five-year time period 2010-2014, with performance measures to describe five areas of service: coverage, efficiency and effectiveness, delivery, maintenance and capital investment, and solvency.

The timeline of the data for the reports starts in 2010, as the region's unemployment levels were at their highest, sales tax revenues were declining, and CTA and Pace were implementing significant service cuts in efforts to curb operating expenses. The following four years saw a rebound in service supply and consumption as the economic outlook improved. Throughout this time, however, capital investment has remained a critical issue for each Service Board, as insufficient and inconsistent funding streams hamper the ability to design long-range capital programs.

Ms. Anderson gave an overview of 2014, which was a challenging year for the Service Boards. The year began with the polar vortex events that made provision of service difficult and negatively impacted ridership and operating expenses to an extent that could not be fully recovered by the end of the year. Ridership declined for the past two years, but over the five-year period has shown modest growth. The region's capital needs continued to grow. The most recent capital needs assessment reported \$36.1 billion in capital needs, with \$19.5 billion in a backlog of already-overdue projects. The second regional customer satisfaction survey was implemented in late 2013 and spring 2014, with ratings that were lower than 2011 results for each of our three key indicators: loyalty, value of service for fare paid, and overall general satisfaction. The transition to Ventra as well as the winter weather influenced these results. Despite these challenges, fare revenues improved for each Service Board in 2014, although none implemented a fare increase. The average fare has tended to rise with the implementation of Ventra as riders are choosing to take more pay-per-ride trips rather than using discounted monthly and weekly passes.

Regional service coverage performance results were quite mixed. The amount of service made available to the public improved for 2014 as well as for the 5-year trend. Significant service cuts were made in 2010 following the financial crisis; since then as can be seen there has been some growth back in service levels. Other service coverage measures all include ridership as a component and, therefore, show declines in performance in 2014 as ridership decreased 2.4%. However, over the five-year period, ridership is 0.8% higher than 2010. Average trip length has also increased 5.0% over the past 5 years, which together with the ridership increase had a positive impact on passenger miles traveled.

Although ridership was down for CTA and the region as a whole, 2014 was the seventh consecutive year in which CTA ridership exceeded 500 million passenger trips annually. CTA bus ridership has trended downward while rail ridership has trended upward over the past ten years. In 2014, CTA bus ridership was at its lowest point over the past 10 years. The share of

bus trips has fallen from 62% to 54%. Conversely, 2014 CTA rail ridership of 238 million was its highest ridership in 50 years. Rail now comprises 46% of CTA trips, up from 38% in 2005. An upward trend in rail ridership has also been reported in other major transit systems across the U.S.

Regional service efficiency and effectiveness measures also show mixed results. The amount of service provided was up in 2014 and in comparison to 2010. After adjusting for inflation, we can see that 2014 was a good year, with cost per unit of transit capacity staying level and cost per vehicle revenue mile actually lower. This shows that service was able to be added efficiently. Operating cost per passenger trip and per passenger mile results are affected by ridership, which was down in 2014 and only 0.8% higher compared to 2010. Now we can see the effect of higher operating costs spread over fewer or roughly the same passenger trips and miles, with unfavorable results for the one and five-year time frames. Donna provided a closer look at Pace ADA's cost effectiveness as shown by operating cost per passenger trip. On an inflation-adjusted basis, Pace spent 0.3% less per passenger trip in 2014 versus 2011. This is an encouraging result considering the higher cost per trip of providing ADA service.

Service delivery measures were mostly unfavorable. Each Service Board reported negative results for on-time performance for 2014. The polar vortex weather events of the first two months of the year impacted results for the whole year; as a matter of fact, 2014 had the lowest on-time performance of the five years under review. The number of reportable incidents were down in 2014 but higher compared to 2010. In late 2013/and 2014 we administered a customer satisfaction survey at each Service Board. For the three overall questions regarding customer loyalty, value of service for fare paid, and overall satisfaction, three-quarters or more of customers surveyed were satisfied. Scores were lower for each of these categories when compared to the 2011 survey. The results of the 2014 surveys were affected by the polar vortex extreme weather, as well as the challenging implementation of the Ventra fare payment system. However, 87% of respondents would recommend our transit services to others. A closer look at Metra's on-time performance was given. In 2011, Metra implemented a stricter on-time performance definition than had been previously used, which resulted in a drop in performance for that year. In each subsequent year, though, Metra has maintained higher on-time performance than 2011, despite the extreme weather events of early 2014.

Regional maintenance and capital investment results were mostly unfavorable. Although there is some favorable results shown for the capital program, this reflects increases in programming from the State Jump Start bond program which the state has not fully funded. The 10-year capital funding need grew to a total of \$36.1 billion needed to achieve and maintain a state of good repair for the region's infrastructure. About \$20 billion of that is comprised of already past-due projects, known as backlog. The region would need about \$1.6 billion a year of we were just to focus on what is needed annually for normal maintenance and replacement; this is what would be needed to keep the backlog from growing. The number of major mechanical failures grew by 21% in 2014, the result of extreme weather events as well as an aging fleet. In 2014, the percent of vehicles beyond useful life grew to 30.7%, the highest percentage since 2006. Rolling stock constitutes about 35% of the 10-year capital needs and totals \$12.6 billion.

Ms. Anderson presented a chart showing the capital program for each of the past five years. Separate indicators showed anticipated funding, actual expenditures on capital projects, and what would be needed annually to achieve and maintain a state of good repair, which includes addressing the backlog and on-going maintenance needs, in 20 years' time. The chart clearly showed significant differences between these three amounts; it also showed the growth in capital needs as we continue to defer needed investments in infrastructure.

In the area of solvency, each Service Board had some good news in 2014 as fare revenues were up across the board without any fare increases. Regionally, fare revenues were 1.7% higher in 2014 and 20.5% higher compared to 2010, with five-year growth due to fare increases at CTA and Metra. However, with operating cost increases that exceed the rate of inflation, the fare revenue shortfall per passenger trip has increased by \$0.25 since 2010. This amount must be covered through other means, such as via system-generated revenue or by operating subsidies. Donna gave a closer look at Pace bus ridership over the past five years, which has increased by 8.2% but its fare revenue has increased by 23.8%, which occurred although Pace didn't have a fare increase during this time. Several factors have contributed to the jump in revenue experienced in 2014:

- One was related to an improved revenue sharing agreement with CTA for passengers that transfer between the two services, based on more accurate ridership data now available through the Ventra system.
- The second is the increase in use of pay as you go fares with Ventra rather than discounted passes, contributing to a higher average fare, which can be seen on chart on right.
- Finally, Pace eliminated reduced price transfers for cash-paying customers in July 2014, which increased fares for that segment of riders

Looking ahead to 2016, the Performance Analysis group will be working on the peer performance reports as well as planning for the next customer satisfaction survey, which is tentatively scheduled for fall.

Director Totten asked if we can observe decreases in shorter bus trips and thought it would be interesting to see Divvy ridership results. Director Hobson referred to the decrease in on-time performance and asked what can the Board do to encourage the Service Boards to improve service delivery metrics? Ms. Anderson responded that the Service Boards do look at performance, the results are made public on their websites. Leanne added that the service delivery results are still high.

Director Hobson stated that the customer satisfaction results are low. Ms. Anderson expects improvements in 2016; the 2014 results were negatively impacted by the construction delays on the BNSF and polar vortex events. The 2016 customer satisfaction survey results will be presented in 2017.

Director Magalis would like the presentation charts to show numbers in addition to the arrows so they provide a better understanding of results.

Director Ross stated there are issues besides on-time performance, what can we garner from peers about customer satisfaction? Donna responded that speed and comfort are consistently two major issues of customer concern.

Director Lewis asked about WiFi, were there questions on the survey about that? Donna responded that yes, but WiFi was not as important to customers as was expected, as most of them have smartphones already. Leanne offered to verify the Metra WiFi demonstration information.

ADJOURNMENT

There being no further business to come before the meeting of the Planning & Administration Committee, Director PAng moved and Director Durante seconded that the meeting adjourn. The motion carried on the following voice vote:

6 Yeas: Directors Durante, Frega, Hobson, Pang, Ross, and Totten

1 Absent: Director Fuentes

The meeting ended at 9:10 a.m.

Audrey MacLennan

AUDREY MACLENNAN

Secretary of the Authority