

RTAChicago.org

MEETING OF THE RTA BOARD OF DIRECTORS JULY 15, 2021

Welcome!

Meeting Starts at 9 a.m.

Meeting Agenda

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



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RTA BOARD OF DIRECTORS MEETING

1. CALL TO ORDER

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

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

PLEDGE OF ALLEGIANCE



RTA BOARD OF DIRECTORS MEETING

2. ROLL CALL

3. APPROVAL OF MINUTES

4. PUBLIC COMMENT

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5. EXECUTIVE DIRECTOR'S REPORT

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UPDATE ON THE THREE-STEP RECOVERY STRATEGY



Engage in strategic recovery planning and consider how to reinvent transit in the region, with an outlook of 2023 and beyond.

GOVERNMENT AFFAIRS UPDATES



STATE DELINQUENCY FIGURES

| Month | Amount Delinquent |
|---------------------------------------|-------------------|
| June | \$162.7 million |
| May | \$141.3 million |
| 2021 Cost of Short-Term Borrowing YTD | \$1.6 million |
| 2020 Cost of Short-Term Borrowing | \$5.1 million |
| Short-Term Borrowing Authority | \$400 million |
| Outstanding Short-Term Borrowing | \$55 million |

6. INFORMATION ITEMS



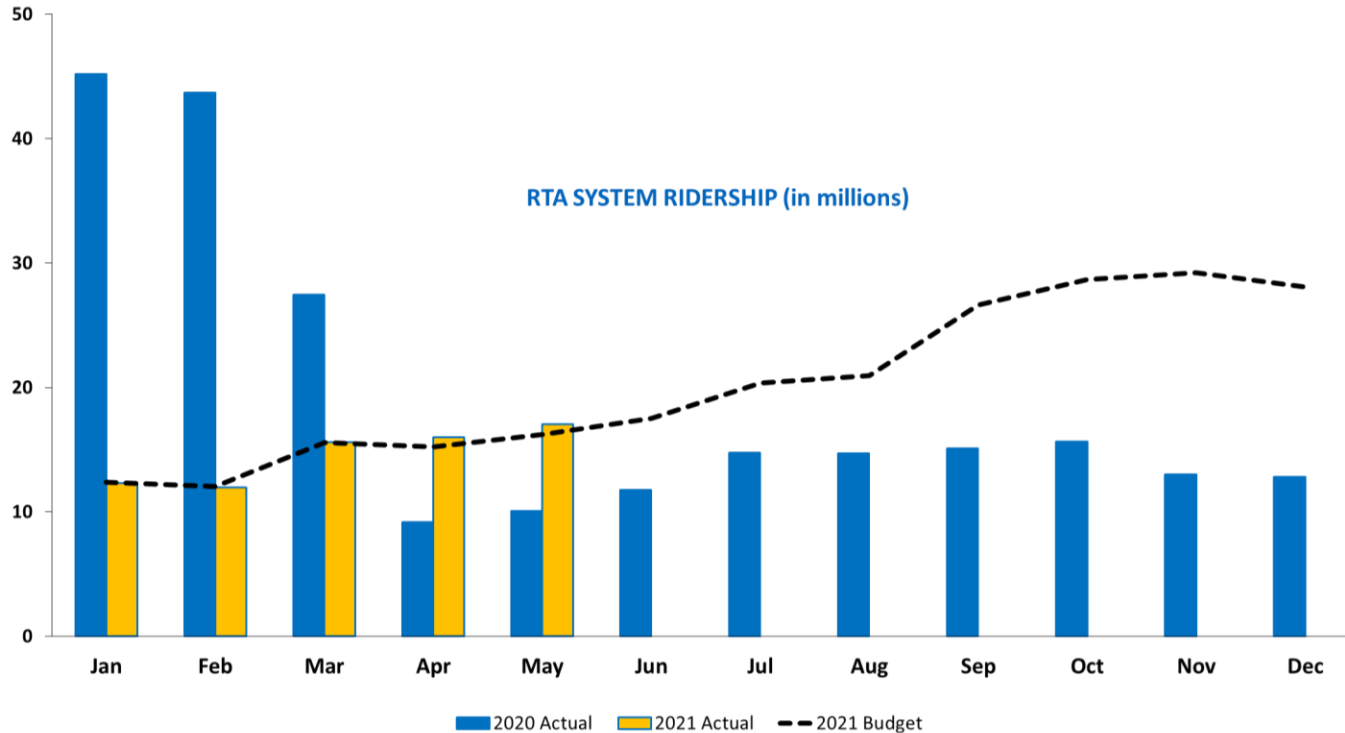
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6a. REPORT ON MONTHLY FINANCIAL RESULTS – MAY 2021



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RIDERSHIP IMPROVING, SLOWLY BUT STEADILY



SALES TAX IS RECOVERING

| PUBLIC FUNDING (IN MILLIONS) | | | | |
|------------------------------|----------------|----------------|-----------------|-------------------|
| | <u>Actual</u> | <u>Budget</u> | <u>Variance</u> | <u>% Variance</u> |
| CTA | \$414.3 | \$383.8 | \$30.5 | 7.9% |
| Metra | \$152.9 | \$124.6 | \$28.2 | 22.6% |
| Pace | \$69.5 | \$62.9 | \$6.6 | 10.5% |
| <u>Pace ADA</u> | <u>\$69.0</u> | <u>\$76.1</u> | <u>(\$7.0)</u> | <u>(9.3%)</u> |
| Total | \$705.7 | \$647.4 | \$58.2 | 9.0% |

EXPENSE PERFORMANCE

| OPERATING EXPENSES (IN MILLIONS) | | | | |
|----------------------------------|------------------|------------------|-----------------|-------------------|
| | <u>Actual</u> | <u>Budget</u> | <u>Variance</u> | <u>% Variance</u> |
| CTA | \$667.7 | \$682.7 | \$15.0 | 2.2% |
| Metra | \$303.6 | \$306.1 | \$2.5 | 0.8% |
| Pace | \$88.5 | \$99.9 | \$11.4 | 11.4% |
| <u>Pace ADA</u> | <u>\$73.3</u> | <u>\$80.0</u> | <u>\$6.7</u> | <u>8.4%</u> |
| Total | \$1,133.1 | \$1,168.7 | \$35.6 | 3.0% |

OPERATING REVENUE RESULTS

| OPERATING REVENUE (IN MILLIONS) | | | | |
|---------------------------------|----------------|----------------|-----------------|-------------------|
| | <u>Actual</u> | <u>Budget</u> | <u>Variance</u> | <u>% Variance</u> |
| CTA | \$282.3 | \$298.9 | (\$16.6) | (5.6%) |
| Metra | \$152.9 | \$182.5 | (\$29.6) | (16.2%) |
| Pace | \$23.8 | \$23.4 | \$0.3 | 1.3% |
| <u>Pace ADA</u> | <u>\$4.1</u> | <u>\$4.6</u> | <u>(\$0.5)</u> | <u>(10.2%)</u> |
| Total | \$463.0 | \$509.4 | (\$46.4) | (9.1%) |

RECOVERY RATIOS

| RECOVERY RATIOS | | | | | |
|-----------------|------------------|------------------|------------------|---------------|-----------------|
| | <u>Without</u> | <u>Federal</u> | <u>With</u> | <u>Budget</u> | <u>Variance</u> |
| | <u>Relief \$</u> | <u>Relief \$</u> | <u>Relief \$</u> | | |
| CTA | 15.9% | \$206.1 | 56.3% | 55.3% | 1.0 |
| Metra | 15.9% | \$109.0 | 54.9% | 65.0% | (10.1) |
| Pace | 17.2% | \$12.2 | 31.1% | 29.8% | 1.3 |
| <u>Pace ADA</u> | <u>14.2%</u> | <u>\$1.7</u> | <u>14.2%</u> | <u>10.1%</u> | <u>4.1</u> |
| Total | 18.3% | \$329.0 | 52.5% | 54.5% | (1.9) |



7. ACTION ITEMS



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7a. ORDINANCE AUTHORIZING THE PERFORMANCE-BASED CAPITAL ALLOCATION PROCESS



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BACKGROUND

- Dec 2019 – RTA Board approves Principles for Programming Rebuild Illinois Funds
- Jan 2020 – RTA and Service Board committee begins meeting
- July 2020 – Framework for Transit Capital Investment released for public comment
- Sep 2020 – RTA Board defers action based on comments
- Nov 2020 – Regional capital program includes new analysis
- June 2021 – Performance-Based Capital Allocation structure presented to RTA Board



SUMMARY OF PROPOSED ALLOCATION STRUCTURE

- Allocation of funding based on Capital Need defined as annual amount needed to achieve SGR in 20 years
- 50% of funds would have Capital Expenditure Performance Measures applied
- Require and promote 20% spending on projects that satisfy accessibility and equity focus

PUBLIC COMMENT

- Proposal was available for comment 6/17 - 7/1
- Promoted via:
 - Stakeholder email
 - Blog post
 - Social media
- 3 letters received

PUBLIC COMMENT RECEIVED

- Letter from consortium of civic organizations:
 - Active Transportation Alliance, Center for Neighborhood Technology, Chaddick Institute at DePaul University, Chicagoland Chamber of Commerce, Civic Committee of the Commercial Club of Chicago, Environmental Defense Fund, Environmental Law and Policy Center, High Speed Rail Alliance, Illinois Chapter of the Sierra Club, Illinois Environmental Council, Metropolitan Planning Council, Respiratory Health Association, and Shared-Use Mobility Center.
- Letter from Cook County Board President
- Letter from Metropolitan Mayors Caucus (7/12)

WHAT'S NEW IN THE CAPITAL ALLOCATION STRUCTURE?

Replacing its historically complex formula, the RTA is proposing a data-driven process to allocate current Federal and state PAYGO capital funds with three parts.

- 1 | Base funding allocation on each Service Board's proportion of the regional annual capital need to achieve a State of Good Repair in 20 years. (CTA: 59.7%, Metra: 32.8%, Pace: 7.5%)
- 2 | Apply capital expenditure performance metrics to half of the allocation, withholding up to 20 percent of total funds where targets are not achieved.
- 3 | Each Service Board will be required to program 20 percent of its of annual allocation on projects that advance regional policy priorities, specifically accessibility or equity.

SUMMARY OF ACTION REQUESTED

- Append 2022 Budget Call approved in May to include the Performance-Based Capital Allocation Structure as Exhibit L.
- Use process to allocate all state PAYGO and 5307/5340, 5337, 5339 federal formula funding apportioned to RTA for 2025 and beyond.
- Apply capital expenditure performance metrics to 2026 and beyond only.
 - Direct RTA staff to develop a method, in collaboration with the Service Boards, to distribute funds withheld for Board consideration in December.
 - If no distribution method is adopted, funds will not be withheld until one is.

7b. ORDINANCE AUTHORIZING A CONTRACT WITH ADP FOR PAYROLL SERVICES



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7c. APPROVAL OF TRAVEL EXPENSE REIMBURSEMENT(S)

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8. NEW BUSINESS



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NEXT MEETING AND ADJOURNMENT

The next meeting of the RTA Board of Directors is scheduled for Thursday, August 19.

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