

NORTHWEST MUNICIPAL CONFERENCE

1600 East Golf Road, Suite 0700
Des Plaines, Illinois 60016
(847) 296-9200 • Fax (847) 296-9207
www.nwmc-cog.org



*A Regional Association of Illinois
Municipalities and Townships
Representing a Population of Over One Million*

MEMBERS

- Antioch
- Arlington Heights
- Bannockburn
- Barrington
- Bartlett
- Buffalo Grove
- Carpentersville
- Cary
- Crystal Lake
- Deer Park
- Deerfield
- Des Plaines
- Elk Grove Village
- Evanston
- Glencoe
- Glenview
- Grayslake
- Hanover Park
- Highland Park
- Hoffman Estates
- Kenilworth
- Lake Forest
- Lake Zurich
- Libertyville
- Lincolnshire
- Lincolnwood
- Morton Grove
- Mount Prospect
- Niles
- Northbrook
- Northfield
- Northfield Twp.
- Palatine
- Park Ridge
- Prospect Heights
- Rolling Meadows
- Schaumburg
- Skokie
- Streamwood
- Vernon Hills
- Wheeling
- Wilmette
- Winnetka

- President*
Sandra E. Frum
Northbrook

- Vice-President*
Elizabeth B. Tisdahl
Evanston

- Secretary*
Tom Rooney
Rolling Meadows

- Treasurer*
Wally Bobkiewicz
Evanston

- Executive Director*
Mark L. Fowler

**Northwest Municipal Conference
Transportation Committee
Thursday, March 27, 2014
8:30 a.m.
NWMC Offices
1600 E. Golf Road, Suite 0700, Des Plaines**

AGENDA

- I. Call to Order – Chair Braiman**

- II. Approval of February 27, 2014 Meeting Minutes (Attachment A)**
Action requested: Approve Minutes

- III. Transit Governance Update (Attachment B, C & D)**
The Northeastern Illinois Public Transit Task Force will submit their final report to Governor Quinn. The report will call for integrating all regional transit under a single board, with the current operations of CTA, Metra, and Pace subsumed as operating units of the board. The report also recommends the identification of stable funding, breaking down traditional funding formulas, and ethical reforms for board appointments and operations. Staff will provide an update. For more information, please visit <http://www.dot.il.gov/nepublictransit.html>.
Action Requested: Discussion

- IV. Pace – Transit Supportive Guidelines.**
Staff from Pace Suburban Bus will present their recently released Transit Supportive Guidelines for municipalities. The guidelines will help municipal planners and elected officials work together with Pace and developers to eliminate barriers to transit usage. More information is available at: <http://pacebus.com/guidelines/index.asp>.
Action Requested: Informational

- V. Illinois Route 53/120 Update**
The Finance Committee and Land Use Committee of the Route 53/120 project met in Grayslake on March 18. Staff will provide an update.
Action Requested: Informational

- VI. CMAP Update**
An update on relevant activities from CMAP’s committees will be provided.
Action requested: Informational

- VII. Other Business**

VIII. Next Meeting

The next meeting is scheduled for 8:30 a.m. on April 24 at the NWMC Offices.

IX. Adjournment

TRANSPORTATION COMMITTEE
MEETING MINUTES
Thursday, February 27, 2014
8:30 a.m.
NWMC Offices
1600 E. Golf Road, Suite 0700
Des Plaines, IL

Members Present:

Jeff Braiman, President, Village of Buffalo Grove, Chair
Dean Argiris, President, Village of Wheeling
Peter Falcone, Trustee, Village of Morton Grove
Al Larson, President, Village of Schaumburg
Anne Marrin, Administrator, City of Prospect Heights
Bill McLeod, Mayor, Village of Hoffman Estates

Others Present:

Bunny Anderson, Illinois Tollway
Steve Andrews, Pace
Bill Baltutis, TMA of Lake-Cook
Jeff Ende, Village of Barrington
June Johnson, Village of Schaumburg
Mike Hankey, Village of Hoffman Estates
Rick Mack, Metra
Charlotte O'Donnell, Pace
Mike Pagones, Village of Arlington Heights
Andy Plummer, Regional Transportation Authority (RTA)
Chris Staron, Northwest Municipal Conference (NWMC)
Mike Walczak, NWMC

I. Call to Order

Chair Braiman called the meeting to order at 8:36 a.m.

II. Approval of January 30, 2014 Meeting Minutes

On a motion made by President Argiris, seconded by Ms. Marrin, the committee voted to approve the January 30, 2014 meeting minutes.

III. CMAP Go To 2040 Update – Financial Plan

Ms. Gershman reported that CMAP is currently in the midst of updating the Go To 2040 plan as required by federal law. She said that the update work starting in summer 2013 and the update is set to be adopted in October 2014. She said that CMAP is not planning on any major policy changes, but there will be updates to indicators, the financial plan and the major capital projects list. She explained to the committee that the financial plan includes revenue and expenditure projections for the entire transportation system in the CMAP region. She said that the overwhelming majority of expenditures are dedicated to maintenance projects and bringing the system into a state of good repair. She said that the current projections demonstrate that available revenues are insufficient to bring the current system up to a state of good repair, let alone look at system enhancements and

expansions. She detailed a list of reasonably expected revenues that CMAP could adopt to address the funding shortfall and attempt to pursue regional priorities. She reported that CMAP is considering an increase in the motor fuel tax, eventual replace of the tax, congestion pricing on the entire system, performance-based funding, a regional vehicle registration fee and variable parking pricing. She noted that a majority of these funding sources will require state or federal action and only the parking pricing is really the only revenue source under local control. She acknowledged that CMAP will have an advocacy and coalition building role to make these revenue sources a reality. She said that CMAP is working on revised cost estimates for major capital projects along with performance measures that will be presented to the CMAP Transportation Committee next week. She said that a proposed list should be available later in the spring.

IV. Barrington Road Interchange Expansion Project

Mayor McLeod introduced the project and said that making it a reality involved a lot of players from all levels of government and the private sector. Mr. Hankey reported that the project will provide full access to what is currently a partial interchange. He said that access to the hospital is one of the major components of the project. He also noted that the project will include transit, bicycle and pedestrian components, which are currently absent from the interchange. He reviewed the history of the project, which has been under study since the 1990s. He said that capacity improvements were done on Barrington Rd. and Higgins Rd. in the 2000s to accommodate the potential increase of traffic from the expanded interchange. He explained that Hoffman Estates conducted an interchange feasibility study and the Tollway began its I-90 Corridor Planning Study. With the Illinois Jobs Now! capital bill, Hoffman Estates embarked on a context sensitive solution design process that considered access, emergency vehicle response, transit, bicycle and pedestrian connectivity and area population growth. He reported that a single-point urban interchange was ultimately the preferred alternative. He outlined the components of the single point interchange and how bicycle, pedestrian and transit components were incorporated into the design. He outlined the construction schedule, which should see all components in place by the end of 2017.

Chair Braiman asked about the cost. Mr. Hankey reported that the interchange will cost \$68 million, with the village responsible for \$5 million and other funding coming from the state, Tollway and St. Alexius. Mr. Baltutis asked about the traffic impact. Mr. Hankey responded that the toll rate at the interchange will impact traffic patterns, but they believe there will be less traffic at the IL Route 59 interchange. He noted that Barrington Rd. and Higgins Rd. have already undergone capacity improvements to deal with increases in traffic. Mr. Walczak asked if the single-point interchange caused any concern from stakeholders. Mr. Hankey responded that with visualizations and good information about the benefits, the community has been pretty accepting.

V. Transit Governance Update

Mr. Staron reported that the Governor's Task Force is a month away from its deadline for a final report. He noted that the recommendations have not been too dramatic at this point, but he said that the governance recommendations are still pending at this point. He said that the Metropolitan Mayors Caucus has a work group that produced a statement that aligns closely with the principles adopted by the NWMC. He said that the Mayors Caucus emphasized that governance reform must go hand-in-hand with funding reforms. He said

that it remains unclear if anyone in Springfield wants to push dramatic changes to the transit system in this session.

VI. CMAP Update

Ms. Gershman reported on funding and training opportunities.

VII. Other Business

Mr. Walczak reported that the Route 53 Finance Committee's last meeting provided an overview of funding options to help fill the large funding gap between expected toll revenues and the full project cost. He said the meeting also covered the cost sharing policy for interchanges. He said that the next meeting will be held back-to-back with the Land Use Committee, which will be kicking off its corridor planning process.

Mr. Walczak reported that Cook County kicked off its first Transportation Plan in roughly sixty years. He said the first meeting focused on county priorities and goals.

Mr. Plummer said that the RTA is staying actively engaged in the rulemaking process following the Supreme Court ruling that said the Illinois Department of Revenue's current rules for sales tax sourcing do not conform to current statutes. He said that the Joint Committee on Administrative Rules (JCAR) will consider the rule change. He noted that JCAR members are already being lobbied by those in favor of the now-prohibited sales tax agreements.

VIII. Next Meeting

Chair Braiman reported that the next meeting of the Transportation Committee is scheduled for 8:30 a.m. on Thursday, March 27.

IX. Adjournment

On a motion by Mayor McLeod, seconded by President Argiris, the committee unanimously voted to adjourn the meeting.



Thomas Weisner
Mayor, City of Aurora
Executive Board Chairman

Rahm Emanuel
Mayor, City of Chicago
Executive Board Vice Chairman

Daniel J. McLaughlin
President, Village of Orland Park
Executive Board Secretary

Position Statement on Reform of the Chicago Region's Transit System

- **Oppose the Proposed Merger of CMAP and the RTA**

The Metropolitan Mayors Caucus was one of the first organizations to state that it opposed the merger of the Chicago Metropolitan Agency for Planning (CMAP) and the Regional Transportation Authority (RTA) when legislation was proposed in 2013. The Caucus remains unequivocally opposed to this proposal. It is not the right approach to remedy the Chicago region's mass transit issues.

Proponents of the proposal seem to think that merging the RTA with a more effective agency like CMAP will solve the RTA's problems. However, in the Caucus' view, they have yet to tangibly demonstrate how the merger will lead to a strengthened regional transit agency and an improved public transit system. The Caucus believes that the proposed merger will potentially overburden CMAP, undermine its goals and priorities, and make it a less effective regional planning organization.

The Chicago region is finally doing planning well. The Mayors Caucus is very concerned that transferring the financial oversight, bonding and service board coordination responsibilities which are currently vested with the RTA to CMAP will overshadow the important and effective work the planning agency is doing on behalf of the region's local governments.

- **Increase Investment in the Region's Transit System**

The Mayors Caucus believes that the primary reason the Chicago region's transit system has been on the decline in recent years is due to the fact that it has not been supported by adequate funding. In a report issued in December 2011, the RTA estimated that an additional \$14 billion was needed to address its "state of good repair" backlog of projects. This was on top of \$4.7 billion the agency had already included in a five-year capital plan. The same report also stated that an additional \$12.4 billion would be required to meet the region's service expansion needs.

Increased revenues are necessary if the Chicago region is to have a world class mass transit system to make it economically competitive with other major metropolitan areas. The Mayors Caucus believes that the region and the State of Illinois need to think beyond traditional sources in identifying funding options that are sustainable for maintaining the current system as well as for its future expansion. It also suggests that two good places to start would be to eliminate the practice of diverting sales tax revenues to communities outside the RTA service area and support taxation of e-commerce.

- **Governance and Fiscal Reform Must Be Done Concurrently and Equitably**

Proponents of the merger of the RTA and CMAP have consistently suggested that reform of the region's transit system should begin with its governance structure. They contend that a new governance model be established first so the resulting new board could develop a new financial plan for the retooled transit agency.

The Metropolitan Mayors Caucus disagrees with this notion. It believes that governance and finance are very much interrelated. The structure of a new governing body or bodies and agency operations as well as the agency's funding framework are inextricably linked and ought to be considered concurrently.

**City of Chicago · DuPage Mayors and Managers Conference · Lake County Municipal League · McHenry County Council of Governments
Metro West Council of Governments · Northwest Municipal Conference · South Suburban Mayors and Managers Association
Southwest Conference of Mayors · West Central Municipal Conference · Will County Governmental League**

233 South Wacker Drive, Suite 800, Chicago, Illinois 60606
Tel: 312.201.4505 Fax: 312.258.1851

www.mayorscaucus.org

*Transit System Reform
Position Statement
Page 2*

The Caucus also avers that fairness and equity guide discussions regarding a revised governance structure and funding framework. The makeup of the new governing body or bodies should be representative of and accountable to the entire region. Decisions on the allocation of the region's transit funds should be done fairly, equitably and consistently.

- **Revise the Boundaries of the RTA's Service Area**

Unlike CMAP, the boundaries of the RTA's service territory have not kept up with the growth of the Chicago region. Communities in the growth areas are increasingly interested in receiving transit service, but have been reluctant to petition to be added to RTA service area because they would then be subject to the RTA sales tax.

The Mayors Caucus believes there is a simple solution to this. It recommends that consideration be given to making the RTA's service area coterminous with the boundaries of CMAP's planning area. In other words, if there is value for growing communities to be part of the region's planning efforts, then there is also value in being part of its transit service territory as well.

- **Reforms Must Focus on the Needs of Transit Riders**

When discussions of systemic reforms of something like a regional transit system occur, they tend to focus on issues like governance, finance, ethics and system performance. While these are all important, what sometimes get lost are the needs of the users of the system, especially those that are most reliant on it.

Many riders in the Chicago region depend on public transportation as their only means of getting around. They count on the region's buses and trains to get them to and from their jobs, for shopping, to go to church or school, to visit family and friends, to travel to the doctor's office and many other trips that people with their own vehicles take for granted. The Metropolitan Mayors Caucus urges that any discussions of public transit system reforms be sensitive to the needs of the citizens who are most reliant on public transportation.

- **Restore Public Trust through Local Accountability**

Public confidence in the region's current transit system has been shaken by mismanagement and scandal in recent years. Local accountability is critical to restoring public trust in the transit governance structure. Local government leaders like Mayors are closest to the businesses and commuters served by the transit system. Its governance would greatly benefit from more direct input and leadership from local government leaders. The member Mayors of the Metropolitan Mayors Caucus are very willing to do their parts to help strengthen the region's transit system and restore the public's confidence.

Principles for an Integrated Governance Model

While details of the integrated model would need to be finalized by the legislature, the following principles should guide its design:

- **The authority to make transit board appointments should remain largely within the region and should ensure balanced representation from Chicago, Suburban Cook County, and the Collar Counties.** Appointments should be made by the Mayor of Chicago, the Cook County President, and the chief elected officials of the Collar Counties (DuPage, Kane, Lake, McHenry, and Will).
- **Reflect the state's vital interest in the success of transit in northeastern Illinois.** The state should continue to provide financial support to the system and the Governor should have representation on the transit board.
- **To promote a regional perspective,** any board action shall require the vote of a majority of the board and must include votes from each participating region: Chicago, Cook County, the Collar Counties, as well as the State.
- **Provide clear accountability for the CEO and operating divisions.** Board committees shall include members from each of the three regions and the state.
- **Provide near term stability with the ability to evolve.** Initially, the funding allocations to operating units should follow historical practice to ensure that current service and funding levels do not diminish. In response to a thorough, unified regional planning process, these should change over time to meet the changing needs of the region.
- **Reduce overhead and administrative costs and invest savings in transit operations.** As soon as practicable, consolidate back office functions and establish performance based management practices.

Summary of Proposed Recommendations and Issues for Consideration

This document summarizes recommendations and issues for consideration included in recent working group reports, and discussions during recent meetings of the Northeastern Illinois Public Transit Task Force. The issues for consideration under the ethics section should be viewed as a menu of alternatives. This document is provided to assist with task force deliberations during the meeting on Monday, March 17, 2014.

A. System Performance Working Group Proposed Recommendations

The System Performance Working Group proposes a new, broader mandate for the northeastern Illinois transit system. The system will:

- improve overall regional mobility for residents and visitors
- increase transit ridership
- increase transportation affordability
- expand access to jobs, labor markets, and other key destinations
- strengthen Northeastern Illinois' economic competitiveness.

We also recommend three specific actions:

1. **Create and implement a plan to improve regional mobility and increase transit ridership throughout the region.** The plan should be designed to achieve the targets set by CMAP in GO TO 2040: 13.5% of weekday trips be made via transit, 75% of the population and 80% of jobs be within walking distance of transit. This plan should address:
 - a. Increasing access to job centers and population centers underserved by transit
 - b. Improving system integration and connectivity and service levels and coordination
 - c. Effectively communicating transit information and benefits to current and potential riders
 - d. Identifying short-, medium-, and long-term expansion priorities
 - e. Increasing transit-oriented development and location efficiency and prioritizing development near transit
 - f. Integration of transit with new mobility options and last-mile services

DRAFT 3/13/2014 1:16pm

- g. Expanding accessibility and ADA paratransit through a commitment to the principles of universal design
 - h. Using public investment and incentives (transit and non-transit) to achieve plan goals
2. **Leverage existing transportation, housing, economic development, and financing resources at the state, regional, and municipal levels so that transit goals are integrated with land use and development.** Prioritizing state funds for housing and economic development in existing transit zones and areas for transit expansion and new transit investment will support the efficiency of the region and maximize the value of our existing and future infrastructure investments using current expenditures. In the San Francisco Bay Area, for example, MTC Resolution 3434 requires communities served by transit extensions to develop and implement housing and land use plans to manage the impact of development. MTC now targets transportation investments to these Priority Development Areas to implement its plans and augments these transportation investments with the \$50 million Transit-Oriented Affordable Housing fund to build and preserve affordable housing in TODs.
3. **Create regional performance measures that assess progress toward implementing the plan and achieving its goals.** How we measure the performance of transit matters. In a time of scarce public resources, transit needs to maximize economic benefits to the region. System efficiencies are important, for example, but efficiencies alone won't measure the local economic or quality of life benefits that transit brings. These regional performance measures should include:
- a. **Transit service and expansion:**
 - 1. Increased ridership
 - 2. Access to jobs and other destinations
 - 3. Transit mode choices and connectivity
 - 4. Percentage of stations accessible by the disabled
 - 5. Level of service, including hours of operation and frequency
 - 6. Cost-effective operation
 - 7. Progress toward achieving a state of good repair
 - 8. Public involvement in identifying and prioritizing transit service expansion
 - 9. Speed improvements

DRAFT 3/13/2014 1:16pm

b. Transit and economic development:

1. The degree to which regional development and investment is linked to transit
2. Transportation investments made around the system as opposed to away from it
3. How much riders save by not having to rely on private vehicle use
4. Reducing the share of share of income that is expended for transportation and housing
5. Location decisions made by businesses
6. Proportion of regional growth that is accessible to transit
7. Share of subsidized and public housing units in transit-served neighborhoods
8. Share of subsidies and incentives for businesses in transit-served neighborhoods

c. Transit and the environment:

1. Energy use and greenhouse gas emissions reduction
2. Reduction of # of cars owned, number of cars on the road, and traffic congestion

B. Finance Working Group Proposed Recommendations

- 1. Implement a regional financial planning process that supports the guiding principles and, in the most efficient manner possible, creates a framework for allocating operating and capital funds on a consistent and sustainable basis.**
 - a. Fund operations based on a multi-year integrated, regional strategic plan tied to short- and long-term goals and performance metrics.
 - b. Tie the distribution of PTF monies to competitive and performance-based programs for the Service Boards.

- 2. Develop a public outreach program.**
 - a. Ensure that equity considerations are applied to the funding of transit.
 - b. Create greater public advocacy for increased investment in transit through new funding sources.

- 3. Identify a new funding framework for transit operations that supports the guiding principles and, in the most effective manner possible, generates adequate resources to meet the investment needs of the system on a consistent and sustainable basis.**
 - a. Eliminate the current operating formula and allocate the existing operating funds according to a formula based on performance metrics. This revised formula should include the funds currently designated as discretionary and should initially be consistent with the recent historic funding split, to provide stability for the Service Boards, but would allow change over time.
 - b. Consider new funding options to expand resources for operations and capital.
 - c. Divide new funds between a competitive program and a performance-based program.
 - d. Distribute competitive funds based on criteria that address regional transit goals.
 - e. Distribute performance funds based on the performance of the Service Boards on specific measures against an established baseline.

- 4. Revise the Capital Funding Allocation to maintain a safe and reliable system while allowing for appropriate service improvements that are aligned with regional transit goals and performance measures.**
 - a. Stop using the historic formulas for capital.
 - b. Allocate the bulk of capital dollars from current sources through a formula based on the funding needed to reach a state of good repair.
 - c. Establish a pool of funds to be divided between a competitive program and a performance-based program.

DRAFT 3/13/2014 1:16pm

- d. Distribute competitive funds based on the ability of the Service Boards to reach regional transit goals.
 - e. Distribute performance funds based on criteria that address regional transit goals and performance of the Service Boards.
- 5. To mitigate limited public resources for funding, eliminate barriers to entry for the private sector.**
- a. Capitalize on new and innovative mobility solutions by allowing private transit providers to reach regional transit goals and compete for funds from the competitive programs.
 - b. Encourage private sector partnerships where practicable.
- 6. Establish performance-based management practices across the system.**
- a. Evaluate performance-based management practices across agencies that may generate savings for the system. These may include: joint procurements, maximizing the use and deployment of existing staff, and/or consolidating certain administrative functions.
 - b. Establish five-year milestones for achieving savings through these parameters.
- 7. Consider new revenues.**
- a. Use the public outreach program to create broad based buy-in for increased investment in transit.
 - b. To ensure the region has a consistent source of capital to better leverage increasingly competitive federal funds, designate new revenues as a funding source for capital.
 - c. Use new funding sources for long-term expansion.

C. Ethics Working Group Issues for Consideration

1. Appointment Process

- a. Elected officials appoint candidates first vetted by a panel including representatives of independent non-political entities, e.g. news media and good government groups.
- b. Elected officials acting independently to appoint qualified individuals based upon qualifications and requirements.

2. Removal Process

- a. Removal at the pleasure of the appointing authority.
- b. Removal by Governor based upon a recommendation of a supermajority of the board.
- c. Removal for cause by appointing authority, including official misconduct or conviction of a felony crime.
- d. Removal by appointing authority for inefficiency, neglect of duty, breach of duty, or misconduct in office after giving the member a copy of the charges against him or her, and an opportunity to be heard, in person or by counsel in the member's defense.
- e. Combination of the above options.

3. Employment Actions

- a. Complete firewall between elected officials or their representatives and agencies regarding matters of hiring, firing, promotion or demotion, as well as a mandatory public disclosure following policy violation.
- b. Allow contact by elected officials or their representatives, but only with public disclosure of contact and substance of communication.

4. Procurement and Business Dealings

- a. Complete firewall between board members, elected officials, or their respective representatives and agencies regarding matters of procurement, investment, or related business decisions, as well as a mandatory public disclosure following policy violation.
- b. Allow contact by board members, elected officials, or their respective representatives and agencies, but only with the public disclosure of contact and substance of communication.

5. Certifications regarding Employment Actions

- a. Implementation of classification of all offices, positions, and grades of employees, establishing certain exempt positions, the number of which should not exceed a limited percentage of total employees.
- b. Certification by senior management to the board of directors that exempt employees do not exceed the limited percentage, and that discrimination based upon race, color, sex, gender, national origin, disability, or religious affiliations played no role in the hiring, promotion, demotion, or firing of employees.

6. Certifications regarding Business Decisions

- a. Certification by senior management that political factor played no role in procurement or business decisions.
- b. Certification by board members to compliance with ethical requirements and duties of position.

7. Lobbying

- a. Agencies to adhere to Illinois Lobbyist Registration Act - lobbyists wishing to do business with agencies should be required to register with the state and report expenditures.
- b. Board members and senior management contacted by lobbyists should disclose publicly the date and substance of the contact.

8. Review of Prospective Board Members: Should include background checks, financial disclosure, and conflict of interest review prior to appointment.

9. Board Member Compensation: Members should not be compensated for their service, other than incidental expenses related to travel and meals.

10. Board Member Training: Members should receive training on ethics matters - including patronage hiring - on an annual basis, and should be required to certify receipt of ethics related policies and completion of training.