CHICAGO TRANSIT AUTHORITY

DECEMBER 2020 FINANCE, AUDIT & BUDGET COMMITTEE

BOARD MEETING

Held Via Videoconference

On

December, 16th, 2020

at

9:30

at

567 West Lake Street, 2nd Floor,

Chicago, Illinois  60661

STENOGRAPHIC REPORT OF PROCEEDINGS via

videoconference had in the above-entitled cause

held at the Chicago Transit Authority Headquarters,

567 West Lake Street, 2nd Floor, Chicago, Illinois,

Chairman Alejandro Silva, presiding.

REPORTED BY:  Margaret E. Mecklenborg, CSR

LICENSE NO.:  084-004495
APPEARANCES:

MS. ARABEL ALVA ROSALES, Vice Chair;
MR. GREGORY LONGHINI, Secretary;
MR. DORVAL R. CARTER, JR., President;
MS. KAREN SEIMETZ, General Counsel;
MR. ALEJANDRO SILVA, Chairman;
MR. KEVIN IRVINE, Director;
DR. L. BERNARD JAKES, Director;
REV. JOHNNY L. MILLER, Director;

ALSO PRESENT:

MR. JEREMY FINE, Chief Financial Officer;
MS. CAROLINE GALLAGHER,
Chief Strategy, Data and Technology Officer;
MS. ELLEN MCCORMACK, Vice President
of Purchasing and Supply Chain;
MR. WILLIAM MOONEY,
Chief Infrastructure Officer;
MR. HERB NITZ,
Director, Technology Engineering;
MR. JUANPABLO PRIETO,
Director of Diversity Programs and
Disadvantaged Business Enterprise Liaison
Officer.
(Whereupon, the following proceedings commenced via Zoom at 9:30 a.m.)

SECRETARY LONGHINI: Good morning. My name is Gregory Longhini. I'm the Board Secretary of the Chicago Transit Authority. On December 9th, 2020, the Chicago Transit Board, Office of the Secretary, issued a notice of changed format of meetings of the Committee on Finance, Audit and Budget and the Chicago Transit Board meeting, both scheduled for December 16th, 2020, due to the Covid-19 pandemic. The Illinois Governor J.B. Pritzker issued a disaster proclamation on November 13th, 2020 to address this emergency. Section 12 of the proclamation declared that in-person attendance of more than fifty people is not feasible in light of public health concerns. This means that the Chicago Transit Authority public meetings occurring on December 16th, 2020 will take place only virtually. Illinois Governor J.B. Pritzker's Executive Order 2020-07 was extended by his executive order through 20-37, as well as Illinois Attorney General guidance of public bodies, of the Opening Meetings Act and the Freedom of Information
Act for the Covid-19 pandemic. It allows for public bodies for the public meeting electronically and prevents transmission of Covid 19. Chairman Silva, we are ready to begin the Finance, Audit and Budget Committee meeting.

CHAIRMAN SILVA: Good morning.

SECRETARY LONGHINI: Good morning.

CHAIRMAN SILVA: I'd like to call to order the December 16th, 2020 meeting of the Committee of Finance, Audit and Budget. Will the secretary call the roll?

SECRETARY LONGHINI: Yes. Director Miller?

MR. MILLER: Yes.

SECRETARY LONGHINI: Director Jakes?

DIRECTOR JAKES: Here.

SECRETARY LONGHINI: Director Irvine?

DIRECTOR IRVINE: Here.

SECRETARY LONGHINI: Director Alva Rosales?

DIRECTOR ROSALES: Present.

SECRETARY LONGHINI: Director -- or Chairman Silva?

CHAIRMAN SILVA: Here.

SECRETARY LONGHINI: Chairman, we have a quorum with five members of the Committee present. And
let the record show that myself and General Counsel Karen Seimetz are in the CTA headquarters here at 567 West Lake Street. You may proceed, Chairman.

CHAIRMAN SILVA: Our first order of business is the approval of the Committee minutes of November 18th, 2020. May I have a motion to approve?

DIRECTOR JAKES: So moved.

DIRECTOR MILLER: Second.

SECRETARY LONGHINI: Move and seconded by Directors Jakes and Miller of the motion on the minutes. Director Miller?

DIRECTOR MILLER: Yes.

SECRETARY LONGHINI: Director Jakes?

DIRECTOR JAKES: Yes.

SECRETARY LONGHINI: Director Irvine?

DIRECTOR IRVINE: Yes.

SECRETARY LONGHINI: Director Alva Rosales?

DIRECTOR ROSALES: Yes.

SECRETARY LONGHINI: Chairman Silva?

CHAIRMAN SILVA: Yes.

SECRETARY LONGHINI: The motion is approved. Sir, you may proceed.

CHAIRMAN SILVA: The next order of business is
OFFICER FINE: Good morning. Jeremy Fine, your Chief Financial Officer, and I'll be giving an overview for October. On the next page we see system-generated revenues. We see farebox and pass totals down about 37 million dollars. This tracks approximately what we've seen over the last several months but slightly down to that due to the second wave of Covid starting to take effect in October. The non-farebox totals are down about 3 million so overall down about 40 million for the month of October to our budget. On the next page you see the year-to-date numbers. A similar trajectory on the various lines. We see fare and pass total is down about 288 million. The reduced fare subsidy coming in on budget and the non-farebox totals down about 22 million. So overall the total revenues are down about 310 million dollars on a year-to-date budgetary basis. But again the story is we'll talk about in a moment is CARES funding. CARES funding has been the critical component for us to be able to bridge the gaps that are created both here as outlined on system-generated revenues as well as what we'll talk about in a moment on
On the next page we outline our expenses. Again for the month of October we've done a good job of continuing to control our expenses as best we can. This is allowing us to stretch those critical CARES dollars as far as we can into 2021. You see here for October we see labor expenses slightly favorable to the budget as well as materials. Fuel and power continue to be a strong performer for us throughout the year. And other expenses come in favorable as well. So we end up the month of October about six and a half, slightly less. A million dollars favorable to budget. You see this carrying over on the year-to-date slide as well. Year-to-date expenses we see slight unfavorability on a year-to-date basis on labor and materials but essentially flat. Fuel and power, as I mentioned, have been very strong performers throughout the year as is other expenses. So overall we've saved to budget about 25 million dollars. But if you -- this helps us offset a portion of the shortfall that we saw on the revenue side so on a net-net basis, on a year-to-date basis we're negative about 285 instead of the 310 that
were shortfall on revenues alone. So again this has been a concerted effort throughout the department here at CTA to control expenses as best we can allowing us to stretch those critical CARES dollars as far as we can into 2021.

On the next page we outline our public funding. As you can see here, we are slightly unfavorable but it has regained a little bit of a foothold over -- over the months since the outbreak of Covid. So we see sales tax down about 4 million dollars as is PTF. The real estate transfer tax is down a little over a million. So we end up the month at about nine and a half million dollars, 9.4 million dollars down on the budget. On a year-to-date basis we see a similar trajectory on the lines and we have an unfavorable balance on a year-to-date basis of slightly under 100 million dollars. Again CARES funding has been the critical component to help us bridge the gap for the shortfalls that we're seeing both on system-generated revenues as well as public funding.

On the next page we talk about CARES Act draws. As you may recall, we received 817 million
dollars of total CARES funding. We've drawn down a little over 350 million dollars total on a year-to-date basis or about 45 percent. So again we talked about last month as part of our budget in an expectation to be able to have some of the CARES funding, you know, carry over into 2021. We're still on track for that. So again, you know, we've been able to control expenses allowing us to drag these CARES dollars out as far as we can and will continue to do that through the remaining portion of the year as we close out November and December.

On the next page we talked about the three commodities that we purchase: Fuel, power and natural gas. We're in the process of doing RFPs for both fuel and natural gas. So once we complete those processes, we'll be able to lock in future years beyond 2022 for each of those commodities. You know, with regard to power, we're already locked in through 2024 but again we will look for opportunistic buys particularly on fuel and natural gas as we move forward as we get those RFPs set up and allow us to start purchasing in those outer years. That concludes my report for the month of October. I'm glad to answer any questions.
CHAIRMAN SILVA: I mean the way it looks, okay, it looks okay that we're going to make it okay this year. Do you feel comfortable also that we can make it?

OFFICER FINE: Yes. You know, we will continue to have CARES funding to staunch any of the shortfalls that we see with regard to system-generated revenues or public funding. It will be critical though for 2021 to receive additional CARES funding as we move into budget year 2021. But yes. We will -- we will be able to, you know, bridge with the CARES funding that we have received to date through budget year, calendar year 2020.

CHAIRMAN SILVA: Thank you.

SECRETARY LONGHINI: Director Rosales, any questions?

DIRECTOR ROSALES: No questions. Just a comment. Again just really great on what is being done on the side of expenses. You know, to be 25 million in the positive that's a great feat. Especially during these very difficult times. And then to contain with regards to the public funding so that we're not -- we're spending as little as we
can and then extending it as much as possible. I have a quick question though. With regard to power, those numbers that we've already looked at power with regard to the electrical buses that's all included in -- in that in what we're going to be doing? That spend includes that because I know that's a couple of years out. We're already set there.

OFFICER FINE: Yes. So anything with regard to, you know, novation from diesel to, you know, battery power, you know, electric buses, we would be novating, you know, the cost accordingly between the budget lines.


OFFICER FINE: Thank you.

SECRETARY LONGHINI: Director Irvine, any questions?

DIRECTOR IRVINE: No questions. Thanks, Greg.

SECRETARY LONGHINI: Sure. Director Jakes?

DIRECTOR JAKES: No questions.

SECRETARY LONGHINI: Director Miller?

DIRECTOR MILLER: No questions.

SECRETARY LONGHINI: There are no further
questions on this matter, Chairman Silva, so we may proceed to agenda item number four.

CHAIRMAN SILVA: The next order of business since -- since there are no further questions, may I ask to place this item on the omnibus for Board approval?

SECRETARY LONGHINI: No. Chairman Silva, we -- we don't need to place the finance report. It's already been accepted by the Board so we can just move on to number four, the first ordinance.

CHAIRMAN SILVA: The next order of business is the review of an experimental University Pass, U-Pass, Program agreement with the University of Illinois and Chicago UIC for certain part-time students for the spring 2021 term. Jeremy and chair approval.

OFFICER FINE: Thank you. I'm Jeremy Fine, Chief Financial Officer. And good morning. Today for your consideration I present an ordinance for an extension of the University of Illinois at Chicago UIC part-time U-Pass pilot program for the spring 2021 term. Per the pilot program graduate, undergraduate and part-time students taking between eight and eleven credit hours are eligible to
receive a U-Pass. UIC participated in the U-Pass pilot during the fall of the 2020 term which was successful and UIC expressed interest in continuing the pilot for an additional semester. Over 1100 part-time students were issued U-Passes during the fall 2020 term and expect -- and we expect a similar number in the spring. Consistent with the entire U-Pass program and due to Covid-19, U-Pass schools are allowed to selectively enroll students that want a U-Pass and not the entire student population. (Inaudible) pilot is consistent with the full-time program and will continue at $1.25 a day. I'm glad to answer any questions you may have.

CHAIRMAN SILVA: How do you account for the remote classes?

OFFICER FINE: So how have we -- how have we accounted for those?

CHAIRMAN SILVA: I mean you are giving the pass for people -- for people that is taking remote classes?

OFFICER FINE: Yeah. So if students want to opt in to the U-Pass program whether it's as part of this pilot for part-time students or full-time
students because of the pandemic we've allowed folks to opt in. There still is a fair number of participants both on the full-time program as well as this part-time pilot. Because students -- you know, because classes have, you know, kind of evolved throughout the period sometimes depending on which school you're talking about, you know, students have still had some classes on site from time to time. They also have laboratory work as well as being able to access the libraries. So there is a need for students to be able to traverse back and forth, you know, throughout the -- throughout the city to get to their schools on a regular basis. And again we've seen tremendous support in participation in the part-time program here at UIC, you know, which is kind of evidence of the fact that students still are needing to get back and forth to -- to their respective university, in this case UIC, throughout the pandemic. So we expect that to continue through the spring semester and, you know, again I think that's bolstered by the fact that UIC and the students that have been participating found this a very successful program and one that they wanted to
continue into that spring semester.

CHAIRMAN SILVA: Do we have many, many other universities, okay, or we don't have a plan yet?

OFFICER FINE: So yes. You know, we have a large cadre, you know, of participants on the full-time program. We're running two pilots currently, you know, on the part-time program. One with City Colleges of Chicago and one here with UIC. Because of the success of both of those programs, those part-time programs, other schools are starting to notice and are inquiring about running a pilot with them as well. So I think we'll be back to the Board in relatively short order hopefully with some additional schools that want to participate in this program as well. You know, obviously with the Covid situation a lot of schools are still evaluating, you know, things but, you know, again we expect to come back to the Board in relatively short order with some additional schools that have expressed interest in the program.

CHAIRMAN SILVA: Thank you.

SECRETARY LONGHINI: Director Alva Rosales?

DIRECTOR ROSALES: No questions. Just 1100 is
quite a few. That's a good number.

OFFICER FINE: You know, we were -- we were very excited about that number as was the -- as was the school. So, you know, again that's been a very successful program even in the -- even in light of the current pandemic. It's been very successful and it's been a big assistance to the students that need to get back and forth as well as just providing an additional service here at CTA. So we're very excited about it.

DIRECTOR ROSALES: Thank you.

SECRETARY LONGHINI: Director Irvine?

DIRECTOR IRVINE: No questions.

SECRETARY LONGHINI: Director Jakes?

DIRECTOR JAKES: Jeremy, this -- so this program will be revisited every semester?

OFFICER FINE: Yes.

DIRECTOR JAKES: That becomes contractual?

OFFICER FINE: Yeah. And eventually we will morph it into something that's longer term but again we're trying to, you know, feed the need of the various schools that are participating in the pilot, understand ridership trends and things like that and then once everything kind of settles down
we'll be working on developing a longer term solution. But again right now the pilot is working well for both the schools as well as CTA. So again it's -- this will be extended for the spring. You know, again once things settle down post-Covid we'll be evaluating it longer term.

DIRECTOR JAKES: Great job. Thank you, Jeremy.

SECRETARY LONGHINI: Director Miller, any questions?

DIRECTOR MILLER: No questions.

SECRETARY LONGHINI: All right. Chairman Silva, since there are no further questions -- I'm sorry. That concludes the questions, Chairman Silva, for this matter.

CHAIRMAN SILVA: So since there are no further questions, can I place item on the omnibus for Board approval?

DIRECTOR JAKES: So moved.

DIRECTOR MILLER: Second.

SECRETARY LONGHINI: Moved and seconded by Directors Miller -- or Directors Jakes and Miller. So, Chairman Silva, can we now proceed to agenda item five?

CHAIRMAN SILVA: Our next order of business is
the review of an ordinance authorizing an amendment
to a sublease between Sterling Racine, LLC and
Shipbob, Inc. for property located at 120 North
Racine Avenue, Chicago, Illinois. Bill Mooney.

MR. MOONEY: Bill Mooney, Chief Infrastructure.
Good morning. Staff recommends approval of an
ordinance authorizing an amendment to a sublease
between Sterling Racine, LLC and Farpoint
Development, LLC for property located at 120 North
Racine Avenue. On August 12th, 2015, the Transit
Board approved a ten-year lease with Sterling
Racine, LLC for 84,879 square feet on the first and
second floors of the city-owned building --
CTA-owned building at 120 North Racine. On
February 14th, 2018, the Board approved a two-year
sublease between Sterling Racine, LLC and
Shipbob, Inc. with the sublease being amended
multiple times with the latest per ordinance number
19-107 to November of 2019. Sterling Racine has
requested CTA's consent to amend the current
sublease with Shipbob reducing the sublease to
11,775 square feet and extending the terms of the
sublease to January 31st, 2022. Sterling Racine
will continue to be responsible for all rent and
expenses as set forth in the lease agreement
including its proportionate share for building
operating expenses and all applicable taxes and
utility fees. Sterling Racine is required to
obtain the CTA's consent prior to subleasing which
cannot be unreasonably withheld. I'll be happy to
be take any questions at this time.

CHAIRMAN SILVA: I don't have any questions.
SECRETARY LONGHINI: Director Rosales?
DIRECTOR ROSALES: No questions.
SECRETARY LONGHINI: Director Irvine?
DIRECTOR IRVINE: No questions.
SECRETARY LONGHINI: Director Jakes?
DIRECTOR JAKES: No questions.
SECRETARY LONGHINI: Director Miller?
DIRECTOR MILLER: No questions.
SECRETARY LONGHINI: Chairman Silva, there are
no further questions on this matter.
CHAIRMAN SILVA: Seeing there are no further
questions, may I place this item on the omnibus for
Board approval?
DIRECTOR JAKES: So moved.
DIRECTOR MILLER: Second.
SECRETARY LONGHINI: Moved and seconded.
Chairman Silva, you may proceed to agenda item five. I'm sorry. To number six. Number six.

CHAIRMAN SILVA: Our next order of business is the review of an ordinance authorizing an amendment to the Small Business Enterprise, SBE, Program within the Authority's Disadvantaged Business Enterprise, DBE, Program. Tom McKone and Juanpablo Prieto.

MR. PRIETO: Good morning, Directors. Juanpablo Prieto, Director of Diversity Programs. I present for your consideration today a recommendation to adopt an amendment to the CTA small business program. As a recipient of federal funds, CTA is required to operate a disadvantaged business enterprise or DBE program. The DBE regulations also require each agency to include a race and gender neutral element to facilitate competition by small businesses. In 2012, CTA amended its DBE program to include a mechanism to foster small business participation. And in 2013 established a small business enterprise Program to provide contracting opportunities for small businesses by setting aside certain contracts only for small businesses to bid as primes and by having
prime contractors on large construction contracts identify portions of the contract that will be subcontracted only to small businesses. CTA verifies small business enterprises or SBEs using the DBE criteria and size standard and accept the owner's social disadvantage. All DBE firms are by definition small businesses and are automatically qualified as SBE firms. CTA also accepts SBE firms for Metra and PACE which use the same SBE certification standards. Since 2013, CTA has awarded seventy-six SBE set-aside contracts for over 26 million dollars and, in addition, awarded a 20 million dollar task order-based engineering contract to aid SBE firms. Staff recommends amending the small business program to, one, create two limit categories, one for blanket contracts and another for definite-quantity contracts and, two, increase the limits to 5 million dollars per year for blanket contracts and 5 million dollars per contract for definite-quality contracts. This will allow staff to identify and recommended more contracts for the inclusion of the Small Business Enterprise Program as we also continue to reach out to small businesses to encourage them to
participate. I'm happy to answer any questions.

CHAIRMAN SILVA: The DBEs that become SBEs are allowed to take loans, okay, from the government?

MR. PRIETO: Yes. And, in fact, we have a program called building small businesses that helps firms find capital, access to capital and has helped firms complete the paperwork and find resources during -- during Covid as well.

CHAIRMAN SILVA: So -- so -- so they -- they are getting, okay, I mean big advantage, okay, for them, okay, to become SBE certified?

MR. PRIETO: Yes. We -- we encourage all small businesses to seek certification. You know, through our small business program we're able to set-aside contracts for only small businesses to compete which gives them a chance to become a prime contractor with CTA which helps them increase their capability and capacity.

CHAIRMAN SILVA: Thank you.

MR. PRIETO: Thank you.

SECRETARY LONGHINI: Director Alva Rosales?

DIRECTOR ROSALES: If this increase goes into place, how are you going to communicate it? What are some of the outreach work that you're going to
do?

MR. PRIETO: We'll continue our outreach program to let firms know that we have this program and that we've made the increase. We also communicate regularly with our small businesses through our diversity management system. So once this is -- if it's approved, we will communicate that out to our small businesses through that as well.

DIRECTOR ROSALES: Do you think this will help more -- more businesses -- will attract then more businesses because opportunities are better?

MR. PRIETO: Yes. By increasing the limit, we're able to set aside more contracts which gives firms opportunity to prime on these contracts and brings more firms into -- into our small business program.

DIRECTOR ROSALES: I think the other thing, Juanpablo, is that a huge deal and I know this as a business owner that having on your -- it's not your resume but your capabilities statement that you have been a prime of something really goes a long way to open the doors to get you other business apart from CTA. That it really is a feather in
your cap as a business owner and it opens up all kinds of other opportunities then because you've been a prime so that's a huge thing.

MR. PRIETO: Yeah. It tends to be a chicken and an egg. Right. You can't get the opportunity because you don't have the experience. This program allows firms to get that kind of experience so that they can apply for larger -- larger contracts either with us or other entities.

DIRECTOR ROSALES: Great. Thank you.

SECRETARY LONGHINI: Director Irvine?

PRESIDENT CARTER: Greg?

SECRETARY LONGHINI: President Carter?

PRESIDENT CARTER: A couple of points I want to make to -- to questions you're asking and also to JP's presentation. Obviously this will marry nicely with our business development program that we have in place currently and that will be another opportunity for us to get the word out about the program and the fact that part of the perks of the business some of the programs prepare people to take on CTA, you know, public contracts and obviously not just a sub but also a prime. The other thing is in light of your comment I also want
to talk to our comps team about whether we can do some targeted advertising or announcements. Particularly in minority-owned newspapers and others that let people know about the program in general but also about our desire for them to do business with CTA. I think that may also help to your point of getting it out in the community more. And I also think it helps us with the broader messaging about CTA it wants to welcome minority DBEs, small-owned businesses to basically do business with us and can create an avenue for JP and his team to engage businesses in this -- in this program and other programs going forward.

DIRECTOR ROSALES: That would be great. I mean because if we're doing this type of expansion and giving more opportunities, the more people know about it, the more they can take advantage of it.

So that's great.

PRESIDENT CARTER: Yeah. As our former chairman used to say, bad news travels everywhere and good news travels nowhere. This is definitely good news.

DIRECTOR ROSALES: Uh-huh.

PRESIDENT CARTER: So I want to make sure it
travels to as many places as possible to get the
word out about what we're doing.

DIRECTOR ROSALES: Great. Thank you.

SECRETARY LONGHINI: Thank you, President Carter. Director Irvine, any questions?

DIRECTOR IRVINE: No questions. Good work.

MR. PRIETO: Thank you.

SECRETARY LONGHINI: Director Jakes?

DIRECTOR JAKES: No questions. Ditto to what Director Irvine said.

SECRETARY LONGHINI: And Director Miller?

DIRECTOR MILLER: No questions. Good job.

Good job. President Carter had really just answered my questions about it. Thanks.

SECRETARY LONGHINI: Chairman Silva, there is no further questions.

CHAIRMAN SILVA: Seeing that there are no further questions, may I have leave to place this item on the omnibus for Board approval?

DIRECTOR JAKES: So moved.

DIRECTOR MILLER: Second.

SECRETARY LONGHINI: Moved and seconded by Director Jakes and Miller. Chairman Silva, we're finished now with the ordinances so we may proceed
to contract number A1.

CHAIRMAN SILVA: Our next order of business is contract A1, labor, materials and equipment contract.

SECRETARY LONGHINI: Any questions, Chairman Silva?

CHAIRMAN SILVA: No. I don't have any kind of questions.

SECRETARY LONGHINI: Director Alva Rosales?

DIRECTOR ROSALES: No questions.

SECRETARY LONGHINI: Director Irvine?

DIRECTOR IRVINE: No questions.

SECRETARY LONGHINI: Director Jakes?

DIRECTOR JAKES: No questions.

SECRETARY LONGHINI: Director Miller?

DIRECTOR MILLER: No questions.

SECRETARY LONGHINI: Since there is no further question, Chairman, you may proceed to contract A2.

CHAIRMAN SILVA: Our next order of business is contract A2, contract for transmission rebuilding. I don't have questions.

SECRETARY LONGHINI: Thank you. Director Alva Rosales?

DIRECTOR ROSALES: No. Just a thanks to -- is
it Z4 Ecomat Transmission for -- they were at 0 DB requirement and they found a two percent so thanks to them. Kudos to them for doing that. That's all.

PRESIDENT CARTER: Yeah. We did a little bit of pushing on that one.

CHAIRMAN SILVA: Thanks for that.

PRESIDENT CARTER: Yeah.

DIRECTOR ROSALES: Sparks some creativity there so that's always good. Thank you.

SECRETARY LONGHINI: Director Irvine?

DIRECTOR IRVINE: No questions.

SECRETARY LONGHINI: Director Jakes?

DIRECTOR JAKES: No questions, Greg.

SECRETARY LONGHINI: All right. Director Miller?

DIRECTOR MILLER: No questions.

SECRETARY LONGHINI: All right. Since there are no further questions, Chairman Silva, we may proceed to contract B, as in boy, one.

CHAIRMAN SILVA: The next order of business is contract number B1, a construction services contract. I don't have a question.

SECRETARY LONGHINI: Director Alva Rosales, do
you have questions?

DIRECTOR ROSALES: No questions.

SECRETARY LONGHINI: Director Irvine?

DIRECTOR IRVINE: No questions.

SECRETARY LONGHINI: Director Jakes?

DIRECTOR JAKES: No questions.

SECRETARY LONGHINI: Director Miller?

DIRECTOR MILLER: No questions.

SECRETARY LONGHINI: There are no further questions on this matter, Chairman Silva, so we may proceed to contract D, as in dog, one.

CHAIRMAN SILVA: Our next order of business is contract number D1, a planning consulting service contract. No questions.

SECRETARY LONGHINI: Director Alva Rosales?

DIRECTOR ROSALES: What is the DBE participation on this contract?

MR. PRIETO: The current participation is at 23 percent. This is an extension to while we get through the procurement of the newer -- of the newer contract and we're going to be placing task order-based goals on the new contract. This is one of the last contracts that still has an overall goal on the contract.
DIRECTOR ROSALES: Okay. And also just a comment. I let it go by but our contract B1 with the MID-CON, you know, all of those, so the average goal is normally 22.73 and you achieved -- we've achieve 42.68 so great job there too.

MR. PRIETO: Thank you.

SECRETARY LONGHINI: Any more questions?

PRESIDENT CARTER: Director -- Director Rosales, that -- that goal achievement is also part of our efforts to try to really focus on original task order and set goals relative to that task order. You may recall that's a change that we made to our policy when you put the MID-CON contract in place and intended to achieve exactly the result that you're seeing here. It allows us to tailor the DBE expectation to each individual task order when we award to the company in the MID-CON program.

DIRECTOR ROSALES: It's obviously effective and if there's anything that we can duplicate I'm sure you'll be doing that on other contracts so.

PRESIDENT CARTER: Yes. JP will certainly let you know we're planning to duplicate this in all similar type of contracts going forward. In fact,
we've already done it in a number of them. So the
more of these contracts come before the Board you
will see similar provisions in them to allow us to
do the same approach.

DIRECTOR ROSALES: That's great. That's great.
Thanks.

SECRETARY LONGHINI: Director Irvine, any
questions?

DIRECTOR IRVINE: No questions.

SECRETARY LONGHINI: Director Jakes?

DIRECTOR JAKES: No questions, Greg.

SECRETARY LONGHINI: Director Miller?

DIRECTOR MILLER: No questions.

SECRETARY LONGHINI: There are no further
questions on that matter but hold on one second.
Nevermind. Nevermind. I thought it was something
that was urgent for this. There's no more
questions on D1, consulting contract. So,
Chairman Silva, we may now proceed to contract
number G, as in girl, one.

CHAIRMAN SILVA: That's great. Our final order
of business today is contract number G1, a software
licensing, maintenance and support contract. What
is the participation of DBEs in this one?
MR. PRIETO: This contract is for licensing of software so there are no subcontracting opportunities here. So we did not -- we were not able to place a DBE goal on this.

CHAIRMAN SILVA: Okay. Thank you. Thank you.

SECRETARY LONGHINI: Alva Rosales?

DIRECTOR ROSALES: No questions.

SECRETARY LONGHINI: Director Irvine?

DIRECTOR IRVINE: No questions.

SECRETARY LONGHINI: Director Jakes?

DIRECTOR JAKES: No questions.

SECRETARY LONGHINI: Director Miller?

DIRECTOR MILLER: No questions.

SECRETARY LONGHINI: There are no further questions, Chairman Silva. You may proceed to number 7A.

CHAIRMAN SILVA: Seeing there are no further questions on the contracts, may I have leave to place all five contracts in the omnibus?

DIRECTOR JAKES: So moved.

DIRECTOR MILLER: Second.

SECRETARY LONGHINI: Moved by Director Jakes and seconded by Director Miller. Chairman Silva, you may proceed to number 7B.
CHAIRMAN SILVA: Since there is no further business to come before the Committee, may I have a motion to approve the omnibus and recommend the omnibus for Board approval?

DIRECTOR JAKES: So moved.

DIRECTOR MILLER: Second.

SECRETARY LONGHINI: That motion is moved by Director Jakes and seconded by Director Miller. And now I'll take a roll call vote. Director Miller?

DIRECTOR MILLER: Yes.

SECRETARY LONGHINI: Director Jakes?

DIRECTOR JAKES: Yes.

SECRETARY LONGHINI: Director Irvine?

DIRECTOR IRVINE: Yes.

SECRETARY LONGHINI: Director Alva Rosales?

DIRECTOR ROSALES: Yes.

SECRETARY LONGHINI: Chairman Silva?

CHAIRMAN SILVA: May I have a motion to adjourn?

SECRETARY LONGHINI: Chairman Silva, you need to vote on the motion.

CHAIRMAN SILVA: Sorry. Since there is no further business to come before the committee --
SECRETARY LONGHINI: Chairman -- Chairman Silva?

CHAIRMAN SILVA: Yes.

SECRETARY LONGHINI: You vote yes on that motion to approve the omnibus? I didn't catch it. Yes? Chairman Silva, just say yes.

CHAIRMAN SILVA: Yes.

SECRETARY LONGHINI: Yes. Okay. We've now got. We've now got the vote -- the vote done and the motion is approved with five yes votes. Chairman, so we may proceed now to agenda number eight.

CHAIRMAN SILVA: Finally, may I have a motion to adjourn?

DIRECTOR JAKES: So moved.

DIRECTOR MILLER: Second.

SECRETARY LONGHINI: Moved and seconded the motion to adjourn. Director Miller?

DIRECTOR MILLER: Yes.

SECRETARY LONGHINI: Director Jakes?

DIRECTOR JAKES: Yes.

SECRETARY LONGHINI: Director Irvine?

DIRECTOR IRVINE: Yes.

SECRETARY LONGHINI: Director Alva Rosales?
DIRECTOR ROSALES: Yes.

SECRETARY LONGHINI: Chairman Silva?

CHAIRMAN SILVA: Yes.

SECRETARY LONGHINI: The motion to adjourn passes with five yes votes. We will take a five-minute break until the start of the December 16th CTA Board meeting. Thank you.

CHAIRMAN SILVA: Thank you.

(Which were all proceedings had in the above-entitled cause at this time.)

(Whereupon, the Finance, Audit and Budget Committee Meeting adjourned at 10:05 a.m.)
STATE OF ILLINOIS

COUNTY OF COOK

MARGARET E. MECKLENBORG, as an Officer of the Court, says that she is a Certified Shorthand Reporter doing business in the State of Illinois; that she reported in shorthand the proceedings of said meeting, and that the foregoing is a true and correct transcript of her shorthand notes so taken as aforesaid, and contains the proceedings given at said meeting via videoconference.

IN TESTIMONY WHEREOF: I have hereunto set my verified digital signature this 17th day of December, 2020.

Margaret E. Mecklenborg

Illinois Certified Shorthand Reporter