COMMITTEE ON FINANCE, AUDIT AND BUDGET

IN RE THE MATTER:  
REGULAR MEETING

Report of proceedings at the meeting of the above-entitled cause, before Tabitha Watson, an Illinois Shorthand Reporter, on the 10th day of February, 2021, at the hour of 9:32 a.m., via videoconference.

Reported by: Tabitha Watson, CSR, RPR
License No.: 084-004824
BOARD MEMBERS PRESENT:

ALEJANDRO SILVA, Chairperson
ARABEL ALVA ROSALES
KEVIN IRVINE
BERNARD JAKES
JOHNNY MILLER

ALSO PRESENT:

DORVAL R. CARTER, JR., President
GREGORY LONGHINI, Secretary
KAREN SEIMETZ, General Counsel
MIKE CONNELLY
JEREMY FINE
ELLEN MCCORMACK
BILL MOONEY
JUAN PABLO PRIETO
SECRETARY LONGHINI:  Good morning.  My name is Gregory Longhini.  I am the Secretary to the Chicago Transit Board.  On February the 3rd of 2021, this office issued a notice of changed format of the meeting of the Committee on Finance, Audit and Budget and the Transit Board -- the regular Transit Board meeting scheduled for February 10th, 2021 due to the COVID-19 pandemic.

Due to the COVID-19 pandemic, on February the 5th, 2021, Illinois Governor JB Pritzker renewed the proclamation in effect in Illinois to address this emergency.  One second, please.

Because the disaster proclamation is still in effect in the state of Illinois, this meeting is being held pursuant to the amended provision of the Open Meetings Act that is Section 7(e), which allows for virtual public meetings as long as a disaster proclamation is in effect.

With that, Chairman Silva, we may begin the meeting of the Finance, Audit and Budget Committee.

CHAIRPERSON SILVA:  Good morning.  I would like to call to order the February 10, 2021 meeting of the Committee on Finance, Audit and Budget.  Will
the secretary call the roll.

SECRETARY LONGHINI: Yes. Director Miller?

DIRECTOR MILLER: Here.

SECRETARY LONGHINI: Director Jakes?

DIRECTOR JAKES: Here.

SECRETARY LONGHINI: Director Irvine?

DIRECTOR IRVINE: Here.

SECRETARY LONGHINI: Director Alva Rosales?

DIRECTOR ALVA ROSALES: Here.

SECRETARY LONGHINI: And Chairman Silva?

CHAIRPERSON SILVA: Here.

SECRETARY LONGHINI: We have a quorum with all five members of the committee present, sir.

CHAIRPERSON SILVA: Our first order of business is the approval of the committee minutes of January 13, 2021. May I have a motion to approve?

DIRECTOR JAKES: So moved.

DIRECTOR MILLER: Second.

SECRETARY LONGHINI: Moved by Director Jakes, seconded by Director Miller. I will now take a roll on that.

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 ALVA ROSALES: Yes.
SECRETARY LONGHINI: Chairman Silva?
CHAIRPERSON SILVA: Yes.
SECRETARY LONGHINI: That motion is approved with three -- five yes votes, sir. We may proceed on the agenda.
CHAIRPERSON SILVA: Our next order of business is the finance report. Jeremy Fine.
JEREMY FINE: Good morning. I'm Jeremy Fine, your Chief Financial officer and I'll review the December results. Next slide, please.

With regard to December revenues, we see farebox and pass totals coming in approximately where they have been over the last several months. We see fare and pass totals down about $32 million to budget. We see the reduced fare subsidy coming in at budget. We see nonfarebox totals coming in similar to what we've seen over the last few months as well, down about $4 million.

We do continue to make aggressive efforts
to continue to bolster revenues, particularly on
this line and we're excited about, you know,
continuing to expand the number of advertisers,
particularly some new advertisers that we'll be
rolling out onto the system imminently. So, again,
we'll be looking to carve into the shortfalls that
we've seen there with some new advertising dollars
in the future.

But overall for the month of December, we
see total revenues down about $36 million to
budget. The critical component here has been CARES
funding and we'll talk about that more in a moment.
Next slide, please.

With regard to year-to-date revenues, we
see a similar trend on the various line items. We
see fare and pass totals down about $350 million.
The reduced fare subsidy coming in at budget.
Nonfarebox totals down about $30 million. So
overall on a year-to-date basis, we see
system-generated revenues down about $380 million
to budget.

On the next slides we talk about our
expenses and how we've done a great job of
continuing to control expenses throughout the
pandemic. We see labor here slightly unfavorable on a monthly basis, you know, due to some end of year adjustments that we always do. So, again, we see unfavorability to the tune of 4.4 million.

We see materials coming in essentially at budget. Fuel and power have been a great performer for us throughout the year, including this month. We see about a half a million dollars of positive variance for fuel and a little under a million dollars, about 800,000, for power.

Injuries and damages and security services coming in essentially at budget and then other expenses was favorable by about $4.3 million for the month. So overall for the month of December, we end up positive to budget by about $1.2 million.

If you flip to the next slide, you see how we've been able to continue this trend throughout the year. We see labor coming in essentially at budget, slightly down. Same with materials. Fuel and power have been very strong performers throughout the year where we've been able to garner over 7, $8 million on each of those line items throughout the year.

IND and security services coming in
essentially at budget. And the other expenses coming in at a little less than $20 million, about $19 million of favorability on that line item.

So overall for the year, we are favorable by about 32, $33 million. So, again, a great effort by the various departments at CTA to continue to control expenses in a very, you know, trying time, but this has allowed us to stretch the CARES dollars, which I'll talk about more in a moment, as far as we can. Next slide, please.

With regard to our public funding, again, we see the trends continuing that we've seen over the last several months. We've seen sales tax -- you know, just as a reminder, we receive sales tax three months in arrears. So we'll -- it will still take a couple more months for us to finalize the results for public funding for 2020. But, you know, here in October results, we see those unfavorable down about $7 million.

PTF, which attributed to January of 2021 is positive by about $3 million and the RETT, the cumulative RETT, is down about $2 million. So, overall, we're down about $6 million, 5.7 million. Again, in line with what we've seen in the last
several months, but if you flip to the next page, that trend -- that recent trend is better than what we saw at the earlier part of the pandemic where we saw a more unfavorable stance on our public funding.

As you see here, sales tax through October is down a little over 50 million, PTF down about 37 million, and then RETT down about 20 million in aggregate. So, overall, we're down in public funding about $112 million on a year-to-date basis. Again, CARES funding is the critical component here to stop the bleeding on both the system-generated revenue as well as public funding.

We'll turn the page to the CARES Act draws. For the month, we're doing about $45 million. Again, that's been the trend here recently. Overall for the year, we will have drawn $450 million, which equates to about 55 percent of the total CARES One Act allocation of $817 million. So, again, that effort to control our expenses allowed us to carry over funds into 2021.

In addition to that, you know, there was a CARES Two package that was passed at the end of 2020, beginning of 2021. We're still working with
the RTA for the allocation of those funds. But, again, we will have carryover funds from 20 -- from the original $817 million and, again, that was bolstered by the fact that we were able to, you know, control our expenses in a very meaningful way.

On the next slide, we talk about our commodities. We continue with the RFP process for fuel and natural gas. We've been able to lock in at very favorable rates on fuel, power, and natural gas. You know, fuel has come up a little bit, you know, but we're currently -- and it dipped back down slightly. We're currently at about $2.05 a gallon to kind of put that in perspective. You know, we locked in 2021, you know, at $2.25. We locked in 2020 at $2.67. So even with a slight, you know, increase recently that has added a little bit, we're still at very historically low rates. So, again, we'll look for selective opportunities to continue to buy fuel, power, and natural gas as those opportunities afford themselves.

That concludes my prepared remarks. Glad to answer any questions.

CHAIRPERSON SILVA: In the last weeks, we have
been seeing, okay, that some -- the government is focusing more, okay, on the vaccination than restrictions. Do we see that, okay, ourselves, okay, that -- that -- that we are getting close, okay, to lift some of the restrictions that we have been having?

JEREMY FINE: So with regard to, you know, the ridership or ...

CHAIRPERSON SILVA: That will increase ridership, okay, if --

PRESIDENT CARTER: Director Silva, let me try to answer that. We haven't gotten any indication from the City that we are, you know, on the edge of, you know, reopening or removing restrictions that are currently in place around our ridership or our capacity limits.

There is a lot of work being done right any to prepare for reopening. CTA is doing a lot of work in that arena as well in terms of preparing to welcome customers back onto CTA when the city reopens. But I think that we're still a little ways away, just given what I understand to be the path for the vaccination process and the amount of time it's going to take to get through both 1B,
which we're in now, and then 1C. So we are not
anticipating in the immediate future any
significant change in the restrictions that are in
place with CTA.

CHAIRPERSON SILVA: Thank you.

SECRETARY LONGHINI: Any further questions,
Chairman Silva?

CHAIRPERSON SILVA: No, no more questions from
me.

SECRETARY LONGHINI: Thank you.

Director Alva Rosales?

DIRECTOR ALVA ROSALES: No, I guess it's almost
the opposite side of what Director Silva asked, but
in line with that. Because we still have to
promote masks and, you know, washing hands and
everything amongst our employees and the public, so
will that -- do you anticipate that incurring any
additional expenses, I guess that's more my
question, or do we stay status quo until we get
through this?

PRESIDENT CARTER: Well, we've already sort of
factored into our budget for this year the PPE and
other equipment we're going to need as the pandemic
continues. As you all are aware, the Federal
Government recently imposed a Federal mandate requiring people who are using public transit to wear masks. That's consistent with the policies and the code of conduct that this board approved, you know, almost a year ago with regards to masks. So while we're updating some of our customer information to inform of the Federal mandates and the potential fines that are associated with that, there's no additional direct expense that we believe is going to come out of that process that will add to the expenditures that we're already making in terms of both the masks we provide to our employees as well as the masks that we're providing to customers through our pilot program and through our healthy safety kits.

So at this point, no, I don't see anything that should significantly impact our budget around this one particular issue.

DIRECTOR ALVA ROSALES: Okay. I guess my only other comment then, again, Jeremy and the whole team, you know, thanks on the work done on controlling the expenses and extending the CARES Act money as much as possible. That's really great to see that. That's all. Thank you.
PRESIDENT CARTER: I would point out to the Board as Jeremy mentioned, we are expecting another tranche of money for CTA under the ERISA Act, which was the second emergency relief fund that Congress passed about a month or two ago. We're still waiting for RTA to determine how those funds will be divided up. We expect to know that between now and March. But at that point in time, you know, we will be able to significantly address the budget deficit that I know we're carrying right now in anticipation of the receipt of those funds.

So we'll continue to keep the Board updated as to the progress on that conversation with RTA and, obviously, when we get -- when we get final, you know, determination on what the numbers will be for CTA, we will inform the Board of what that means in terms of the deficit that we're currently identifying in our budget, which hopefully will no longer be an issue going forward. I'm very optimistic that that's where we're going to end up, but we still have to wait for RTA to make the final decisions on how the funds should be allocated.

CHAIRPERSON SILVA: Is RTA the one in charge,
okay, to make the decision --

PRESIDENT CARTER: Yes. Yes. Because the funds are allocated to the entire region and not to CTA directly, RTA has to then decide how the funds get redistributed through CTA, Metra, and Pace.

CHAIRPERSON SILVA: Thank you.

SECRETARY LONGHINI: Any questions, Director Miller?

DIRECTOR MILLER: No questions.

SECRETARY LONGHINI: Director Jakes?

DIRECTOR JAKES: President Carter, as far as vaccination is concerned -- this is not dealing with finances, but as far as vaccination is concerned, is there any conversation regarding rail and bus operators being put into that essential list to move them ahead?

PRESIDENT CARTER: Yes. The public transportation workers are actually in the 1B category, which is the group that we are in right now. We are in the process of working collaboratively with the City of Chicago and the Chicago Department of Public Health to put in place the vaccination program for our employees, which we anticipate that program starting up in the next
couple of weeks. Obviously given the size of our workforce, it's going to take some time for us to get through getting all the employees vaccinated themselves, but I am very excited that we are really on the brink of being able to get the vaccination to our employees directly and start to address the concern about the coronavirus and its impact on our workforce. I expect that we'll have more news on that in the upcoming days.

CHAIRPERSON SILVA: Does this include office people?

PRESIDENT CARTER: It does, but we are prioritizing, initially, those customer-facing employees who are most at risk for contracting the virus. So that will be our primary focus for, you know, several weeks into the program, if not longer, before we focus on the administrative employees who are really all, as you know, basically working from home right now and are in a much safer situation in terms of risk of exposure to virus than our frontline employees.

DIRECTOR JAKES: Thank you.

CHAIRPERSON SILVA: Thank you.

SECRETARY LONGHINI: Director Irvine, any
questions for Jeremy or Dorval?

DIRECTOR IRVINE: No questions. Thanks.

SECRETARY LONGHINI: All right. Thank you.

Chairman Silva, there are no further questions on the finance report, so you may proceed to Agenda Item Number 4.

CHAIRPERSON SILVA: Our next order of business is the review of an ordinance authorizing an intergovernmental agreement with the City of Chicago through its Department of Assets, Information, and Services for the fuel services and maintenance and repair of Authority non-revenue vehicles and equipment.

BILL MOONEY: Bill Mooney, your Chief Infrastructure Officer. Staff recommends approval of an ordinance authorizing an intergovernmental agreement with the City of Chicago through its Department of Assets, Information, and Services. The IGA will provide the CTA's non-revenue fleet with fuel supplies and maintenance and repair service.

The CTA entered into an initial fuel supply service IGA with the City of Chicago in 2004 and entered into a separate agreement for repair
services in 2018. This intergovernmental agreement will consolidate the two prior IGAs into one agreement.

The fuel surcharge and hourly maintenance rates stay the same as under the prior agreement. A provision allowing the City to lease space at CTA's Beverly garage has been removed in this agreement, as the City no longer uses this location.

Both parties have the option to terminate the IGA in whole or in part within 180-days' notice. I'll be happy to take any questions.

CHAIRPERSON SILVA: The rate is $115 per hour?

BILL MOONEY: That's the labor rate for the City mechanics who do the work on the vehicle.

CHAIRPERSON SILVA: Is that the same rate that we were having before?

BILL MOONEY: That's the same rate we had under the prior IGA.

CHAIRPERSON SILVA: So you're comfortable with the ...

BILL MOONEY: Yes, sir.

CHAIRPERSON SILVA: Thank you.

SECRETARY LONGHINI: Director Alva Rosales?
DIRECTOR ALVA ROSALES: No questions. I mean, this is really just a combination of the two that we previously had, correct?

BILL MOONEY: That's -- that's correct.

DIRECTOR ALVA ROSALES: Thank you.

SECRETARY LONGHINI: Director Miller?

DIRECTOR MILLER: No questions.

SECRETARY LONGHINI: Director Jakes?

DIRECTOR JAKES: No questions, Greg.

SECRETARY LONGHINI: Director Irvine?

DIRECTOR IRVINE: No questions.

SECRETARY LONGHINI: Chairman Silva, there are no further questions on this matter.

CHAIRPERSON SILVA: Okay. So we continue.

Item Number 5.

SECRETARY LONGHINI: Chairman Silva, we will need leave to place this item on the omnibus, Agenda Item Number 4.

CHAIRPERSON SILVA: If 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
Directors Jakes and Miller. Chairman Silva, we may proceed now to Item Number 5.

CHAIRPERSON SILVA: Our next order of business is a review of an ordinance authorizing a subsidized agreement with Civic Staffing L3C for Bus Route Number X98 Avon Express. Mike Connelly.

MIKE CONNELLY: Good morning, Directors, Vice Chair Rosales, and Chairman Silva. I'm Mike Connelly, your Chief Planning Officer.

The item before you this morning would authorize a new three-year contract between CTA and Civic Staffing L3C in support of the X98 Avon Express bus route. This route operates between the Jefferson Park Blue Line station and the Avon manufacturing facility in Morton Grove. CTA has had a contract to support this necessary first-mile-last-mile service, which carries production workers between a suburban job center and our bus and rail terminal here in Chicago since 2002.

Upon approval by the Board, this contract would be effective for three years from April 1st, 2021 through March 31st, 2024. The contract is structured so that Civic Staffing L3C pays for the
hourly operating cost for the route, net any fare revenues collected from customers. The hourly rate is set to fully cover CTA's actual operating costs and include a 2 percent annual increase in 2022 and 2023 to cover cost escalations.

I'll be happy to answer any questions you could have about this ongoing public-private partnership, which increases mobility for our vital manufacturing sector here in the Chicagoland.

CHAIRPERSON SILVA: Do we make money with this?
MIKE CONNELLY: Yes, we do.
SECRETARY LONGHINI: Thank you.

Director Alva Rosales?
DIRECTOR ALVA ROSALES: Good idea. No questions.
SECRETARY LONGHINI: Thank you.

Director Miller?
DIRECTOR MILLER: No questions.
SECRETARY LONGHINI: Director Jakes?
DIRECTOR JAKES: No questions.
SECRETARY LONGHINI: Director Irvine?
DIRECTOR IRVINE: No questions.
SECRETARY LONGHINI: There are no further questions, Chairman Silva.
CHAIRPERSON SILVA: If 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 may now proceed to the contracts starting with Number A1.

CHAIRPERSON SILVA: Next order of business is Contract A1, bus purchase contract.

SECRETARY LONGHINI: And, Chairman, we're going to have a presentation on this, correct?

CHAIRPERSON SILVA: Yes. We're going to have a presentation.

SECRETARY LONGHINI: By Chief Operating Officer Donald Bonds.

DONALD BONDS: Good morning, Directors. This is Donald Bonds. I'm the Chief Transit Officer here at CTA. I'm going to go over some of the customer-facing improvements that these buses will have once they're delivered to CTA. Next slide.

First up is the infotainment system. Buses will be equipped with the latest infotainment
screens which can be displayed to show realtime route information, stop requests, advertisement, and passenger updates.

As you can see in the picture here, there will be a sign near the driver's area and also one will be placed rear -- near the rear doors of the bus. Next slide.

Okay. These buses will also be equipped with ramps manufactured by Fedco. The new ramps increase the flat area to 31 inches to prevent mobile devices from rolling back. Ramps also feature an improvement of 1.6 ramp angle, which have an entrance angle of about 9.5 angles. And you can see in the pictures here of how that would be installed on the bus. This is an improvement to help prevent some of the issues that we've had with our customers that are in mobile devices from rolling back when they're trying to board the bus. Next slide.

Also, these buses also feature a high buoy function, which allows a bus not only to kneel, but also to raise above normal ride height to allow the ramp to sit flat when the curbs are elevated, such as where we have buses that are in the Loop Link
area to allow the bus to raise up so the ramp is
flat when it comes out, which will give the
customer in the wheelchair better access to the
bus. Next slide.

Also, the buses will be equipped with
enhanced safety systems. The pedestrian detection
system. This system provides both operator and
pedestrians alerts, visual strobe, alarm when
pedestrian, vehicles, cyclists are in the danger
zones of the buses.

As you can see on the picture to the left
there, these various things the operator would see
from the driver's seat as they're operating, which
will give them the alert of someone in the danger
zone of the bus. And, also, you'll see in the
other picture at the bottom, it will show the
various blind spots the system will pick up, which
will alert the operator also.

Now, there's a speaker that will be placed
at the front door area, which will give the audible
alarm and, also, you have visual strobes on both
sides of the bus near the mirror areas that will
also send out signals to anyone in the danger zone.

Next slide.
These buses will be equipped with the latest HD high-definition cameras systems with improved video quality and retention. The hard drive capacity has been enlarged to 8 terabytes, which is an improvement from what we currently have, which is a 2-terabyte on our camera systems.

It will also include the latest on HD cameras, which will include ten cameras, as you can see inside the picture to your right. It gives kind of the areas that will be covered by these cameras. With the 8-terabyte hard drive, it will allow us to potentially save video for an incident for up to 30 days on the bus. Each terabyte -- the 8-terabyte system will give us a lot more capacity in terms of saving events that may have occurred after they have been reported to us. Next slide.

Also, we will be making some improvements with our vinyl -- with our seats. Based on some of the customer feedback that we had received on our previous fleet where we had some hard shell seats that were installed, customers had some feedback where they felt that they were not fully secured when they sat in the seats. So we are now installing vinyl cover seating, which they give
them more traction when they sit in their seat of
the bus. So this is definitely something that the
customers gave us a lot of feedback on and we made
some changes here on this new procurement.
And I believe that's our last slide on the
presentation. Thank you.

PRESIDENT CARTER: Mr. Chairman, before you go
forward, let me just say a few words about this
particular contract.

As you know, as we just got finished
talking about, the pandemic has obviously had a
major impact on CTA's operations over the course of
the past year. However, in spite of that, we
recognize the importance of continuing to make the
necessary investments into our fleet to modernize
it, which not only will save us money in the long
run, but will also add, as Mr. Bonds just went
through in his presentation, a number of customer
improvements, which we hope will be beneficial to
retaining and bringing new customers onto CTA.

The buses that we'll be replacing here are
the oldest buses in our fleet and are way beyond --
way, way beyond their useful life. So this is
something that we have to do, you know, no matter
what the future holds for CTA. It's something that will be a vast improvement over the buses that they're going to replace. I'm excited about this. This is certainly in sync with what we're doing with the rail side of our system with our new railcars. We're doing some of the same things as we're talking about here on the bus side.

And I think it certainly shows our continued commitment to improving the quality of service that we provide to our customers and another example of how we are basically looking forward to getting our customers back on CTA when this pandemic is over and we're in a position to see our ridership continue to return and our revenues continue to increase over time.

CHAIRPERSON SILVA: Our long goal was electric buses. Is there -- is there a way we can change some of these ones we're receiving right now for electric ones?

PRESIDENT CARTER: Not these buses. This was a bus procurement for diesel engine buses, but we are obviously on the way towards transitioning to a zero-emissions all-electric bus fleet. These buses -- these buses will have been purchased,
used, and retired before we get to the goal that
we've established for going to an all-electric bus
fleet.

Before we start making substantial
investments in our electric fleet, we need to, one,
complete a plan that we are already developing on
how we'll transition our system from the current
diesel fuel fleet to an electric fleet. We also
need for the bus manufacturers to develop the
capacity to meet the size of orders that we're
going to need to place in order to do that.

Currently, that capacity is way below even
what this contract would be able to accommodate.
We just don't -- the bus manufacturers themselves
just haven't gotten to the point yet where they're
able to meet a demand of a major transit system
like CTA.

Having said that, we are continuing to buy
electric buses and expand our small fleet of
electric buses. We have an order on the way right
now for a delivery of buses. We have plans over
the course of the next several years to buy more
buses along with putting in place the
infrastructure for charging stations that will
allow us to utilize those buses in a greater area of our service.

As you've seen from Bill Mooney's construction reports, the building of charging stations is a project in and of itself. So not only do we have to deal with the reality of buying the vehicles, we also have to deal with the reality of the cost of putting in place the infrastructure to support those vehicles. So, you know, we still have a ways to go before we get to that point.

But these buses will not in any way impact our goal or our deadline for going to a zero-emissions all-electric bus fleet under our current stated plans.

CHAIRPERSON SILVA: So the problem is that they don't have the capacity to build them?

PRESIDENT CARTER: Yeah. That's one of the problems. The other problem, of course, is we don't have the infrastructure to support them. You know, we don't have enough charging stations yet to even utilize these buses in any great number. The stations we're putting in place are going to support the small -- you know, an increasing number of electric buses that we're buying. So compared
to our overall bus fleet, we're talking about electric buses that are in the neighborhood of 20 or 30 buses and that -- you know, that will start to grow exponentially in the upcoming years. But we're not ready to start doing that yet.

In the meantime, I have to continue replacing my bus fleet for all the reasons that we just discussed, both in terms of the cost and efficiencies we get from newer buses. And I will point out, these diesel buses are much more efficient and cleaner than the buses we're replacing, so we are getting some benefit, environmental benefit, for what we're doing, but also just recognizing the fact that we can't continue to run these buses too much longer. So in order to maintain the reliability of our fleet, which is something Don, you know, views as his big challenge as our fleet gets older, it's necessary for us to buy these buses at this point in time.

CHAIRPERSON SILVA: Thank you.

SECRETARY LONGHINI: Director Alva Rosales?

DIRECTOR ALVA ROSALES: No, just great job on the purchase of these buses. I mean, it's -- the safety, the visual, audible, that's great on the
security side, the accessibility.

Question on the cameras, the visual -- the video cameras that are inside, are the police able to access them from outside if they need to?

DONALD BONDS: No. We're not set up for that yet. You said to be able to tap into the system itself?

DIRECTOR ALVA ROSALES: Yeah.

DONALD BONDS: No. The only thing we have is currently we can do that at our control server, be able to tap into a bus and see live what may be happening in an incident.

DIRECTOR ALVA ROSALES: But we're able to access it from the control center?

DONALD BONDS: Yes.

DIRECTOR ALVA ROSALES: Okay. If they need access, they could do that. Okay. And then the seats are great. They're easy to clean and to keep clean, which is fantastic I think. That's one of the big -- and I know that you mentioned before in the briefing that as we're going through this, we're showing it to the -- you know, individual pilots just to make sure we're on the right track.

DONALD BONDS: Yes. Yes, we are.
DIRECTOR ALVA ROSALES: Great. Thank you.
Those are my comments.
DONALD BONDS: Thank you.
SECRETARY LONGHINI: Director Miller, any questions?
DIRECTOR MILLER: Yes. With these new buses, the opportunity for -- you know, in case of another pandemic as far as the cleaning, does it have opportunity with that already or we would be doing the same type of cleaning that we're doing on the old buses? And then, lastly, are we using the old buses as we've done in the past for any particular programs?
DONALD BONDS: Well, I can tell you the cleaning process will remain the same because we have a pretty standard cleaning process that we use for all our buses and trains right now. So that will not change.
As far as your other question, as far as what we'll do with the old buses as they're retired, well, they have reached the end of life, which we cannot go and sell them or, you know, use them for other purposes other than maybe to -- as far as parts or things like that. But there's
no -- no way to put it back into service somewhere else for another purpose, no.

DIRECTOR MILLER: Okay. Thank you.

SECRETARY LONGHINI: Director Jakes, any questions?

PRESIDENT CARTER: Director Miller, just to clarify Mr. Bonds' report. Usually what we do with those buses is scrap them. CTA will strip them for parts that we think are helpful for the rest of the fleet and then we will sell it for scrap, basically collect some money back from the buses at that point in time. We don't usually keep old buses around for any other purpose at that point. We basically feel that it's better to get them off the property. We don't have any place to store them, but we get what little bit of revenue we can by scrapping the metal parts at that point.

DIRECTOR MILLER: Okay. Thank you.

SECRETARY LONGHINI: Thank you, President Carter.

Director Jakes, any questions?

DIRECTOR JAKES: No questions. As I said to Mr. Bonds and I'll now say to our president, great job. I think that it's very important that we
continue to progress. You know, we talk about being a world class city, we need world class buses and make sure we are environmentally friendly. So kudos to you.

DON BONDS: Thank you.

SECRETARY LONGHINI: Director Irvine?

DIRECTOR IRVINE: Yeah. First, I love the new buses. I love all the new features. I'm really excited to see the ADA Advisory Committee members get a chance to, you know, kick the tires and check out all the features when we get a prototype. I know it's a little ways down the road, but ...

One question I had, that high buoy feature, is that something that's already pretty common on buses that Nova has made?

DONALD BONDS: Yes. Yes, it is. And also, we already are using the high buoy on the current new Nova buses that we have that we bought, the 450. We have updated those to be able to use the high buoy feature on those. So it's just a matter of programming the bus to be able to do it because it just kneels -- it brings it all the way up higher than what it normally is. So it's all programmed into the bus.
DIRECTOR IRVINE: Okay. That's great. Thank you. No other questions.

SECRETARY LONGHINI: Thank you, Directors.

Chairman Silva, there are no further questions on A1. So we may proceed to the next item, which is A2.

CHAIRPERSON SILVA: Our next order of business is Contract Number A2, a cleaning services contract.

SECRETARY LONGHINI: Any questions, Chairman Silva?

CHAIRPERSON SILVA: Can you tell us, okay, about the DBE ...

J.P. PRIETO: Yes --

CHAIRPERSON SILVA: (Indiscernible.)

J.P. PRIETO: Yes. Good morning, Director Silva. The proposed DBE had several prime and subcontracts with CTA, so they do have a history performing on our contracts.

CHAIRPERSON SILVA: What percentage is it? Can you repeat?

J.P. PRIETO: Yeah. 30 percent is the commitment.

CHAIRPERSON SILVA: 30 percent.
J.P. PRIETO: Yes.

CHAIRPERSON SILVA: Thank you. And they have been complying with that, right?

J.P. PRIETO: This is a new contract. So they have committed to the 30 percent.

CHAIRPERSON SILVA: Okay. Thank you.

SECRETARY LONGHINI: Thank you.

Director Alva Rosales?

DIRECTOR ALVA ROSALES: No. I guess my only question is, I'm assuming a lot of the workers are located in Chicago, even for the prime? Not absolutely, but just double checking.

ELLEN MCCORMACK: Yes. That is our assumption. The employees that they're using had currently been working on a project located in the Chicagoland area. They're no longer needed for that contract, so they were furloughed from there. So we -- so they're going to be now transitioned to this contract. We did ask them, since you're out east, are you going to be bringing people in and they said no, they will definitely be people from the local area.

DIRECTOR ALVA ROSALES: Great. Thank you, Ellen.
SECRETARY LONGHINI: Director Miller, anything?

DIRECTOR MILLER: No questions.

SECRETARY LONGHINI: Director Jakes?

DIRECTOR JAKES: No questions, Greg.

SECRETARY LONGHINI: Thank you.

Director Irvine?

DIRECTOR IRVINE: No questions.

SECRETARY LONGHINI: All right. Then all the questions are finished, Chairman Silva. So we may proceed to Contract B, as in boy, 1.

CHAIRPERSON SILVA: Our next order of business is Contract Number B1, a change order to an electric transit bus contract.

SECRETARY LONGHINI: Chairman Silva, any questions?

CHAIRPERSON SILVA: No, I don't have questions on this.

SECRETARY LONGHINI: Not on this one?

Director Alva Rosales?

DIRECTOR ALVA ROSALES: No questions.

SECRETARY LONGHINI: Director Miller?

DIRECTOR MILLER: No questions.

SECRETARY LONGHINI: Director Jakes?

DIRECTOR JAKES: No questions.
SECRETARY LONGHINI: No questions?

Director Irvine?

DIRECTOR IRVINE: No questions.

SECRETARY LONGHINI: Thank you.

Chairman Silva, we're finished with this item, so we may proceed to B2.

CHAIRPERSON SILVA: Our next order of business is Contract Number B2, a change order to a sanitation contract.

SECRETARY LONGHINI: Chairman Silva?

CHAIRPERSON SILVA: Is this and the Contract A2, okay, are they similar contracts?

ELLEN MCCORMACK: So this contract is for portable restrooms and we are just extending it -- we're adding additional funds. We went out for solicitation and we only got one contractor to respond. So we contacted some of the other contractors and they told us they hadn't seen it, so we're going back out again. But this is for portable restrooms -- I'm sorry. B2?

CHAIRPERSON SILVA: Yes.

ELLEN MCCORMACK: Yes. This is for portable restrooms.

PRESIDENT CARTER: There is no connection --
CHAIRPERSON SILVA: That --

(Indiscernible cross-talk.)

PRESIDENT CARTER: They're not connected in any way.

SECRETARY LONGHINI: Any more questions, Chairman Silva?

CHAIRPERSON SILVA: Yeah, is -- Contract B2 doesn't have a supplier right now or we do?

ELLEN MCCORMACK: We do have a supplier. It's the Service Station, Inc. and that contract is coming to an end. So we did go out for a procurement, as I said. We are having to rebid it. So what we're asking for now is for additional funds so we can keep this contractor on until we're able to procure a new vendor.

CHAIRPERSON SILVA: Okay. Thank you.

SECRETARY LONGHINI: Thank you, Ellen.

Director Alva Rosales?

DIRECTOR ALVA ROSALES: No questions.

SECRETARY LONGHINI: Director Miller?

DIRECTOR MILLER: No questions.

SECRETARY LONGHINI: Director Jakes?

DIRECTOR JAKES: No questions.

SECRETARY LONGHINI: Director Irvine?
DIRECTOR IRVINE: No questions.

SECRETARY LONGHINI: We're finished with B2, Chairman Silva, so we may proceed to B3.

CHAIRPERSON SILVA: Our final order of business today is Contract Number B3, a change order to a fire prevention contract.

SECRETARY LONGHINI: Chairman Silva?

CHAIRPERSON SILVA: No. No questions.

SECRETARY LONGHINI: Director Alva Rosales?

DIRECTOR ALVA ROSALES: No questions.

SECRETARY LONGHINI: Director Miller?

DIRECTOR MILLER: No questions.

SECRETARY LONGHINI: Director Jakes?

DIRECTOR JAKES: No questions.

SECRETARY LONGHINI: Director Irvine?

DIRECTOR IRVINE: No questions.

SECRETARY LONGHINI: Finished with the contracts then. Chairman Silva, we may proceed to 6A.

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

DIRECTOR JAKES: So moved.

DIRECTOR MILLER: Second.
SECRETARY LONGHINI: Moved and seconded by Directors Jakes and Miller. Chairman, you may proceed to Number 6B.

CHAIRPERSON 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: Motion was moved by Director Miller, seconded by Director Jakes. I will now take a roll --

DIRECTOR MILLER: Reverse it.

DIRECTOR JAKES: Greg, reverse is it.

SECRETARY LONGHINI: Oh, reverse it. It was Director Jakes moved it and Director Miller seconded it, correct?

DIRECTOR MILLER: Yes.

SECRETARY LONGHINI: Okay. Thank you. Let's see if I can get the five of you correct here. 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 ALVA ROSALES: Yes.
SECRETARY LONGHINI: Chairman Silva?
CHAIRPERSON SILVA: Yes.
SECRETARY LONGHINI: All right. That motion is approved with five yes votes, sir. So we may proceed to Number 7 of the agenda.
CHAIRPERSON SILVA: Finally, may I have a motion to adjourn?
DIRECTOR JAKES: So moved.
DIRECTOR MILLER: Second.
SECRETARY LONGHINI: Moved by Director Jakes, seconded by Director Miller. Let's take the 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 ALVA ROSALES: Yes.
SECRETARY LONGHINI: Chairman Silva?
CHAIRPERSON SILVA: Yes.

SECRETARY LONGHINI: That motion is approved with five yes votes. So we are adjourned.

(Meeting adjourned at 10:16 a.m.)
STATE OF ILLINOIS )

) SS:

COUNTY OF COOK )

Tabitha Watson, being first duly sworn, on oath says that she is a court reporter doing business in the State of Illinois and that she reported in shorthand the proceedings of said meeting via videoconference 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 on said date via videoconference.

Jalithea Watson

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