COMMITTEE ON FINANCE, AUDIT AND BUDGET

IN RE THE MATTER:
REGULAR MEETING
OF APRIL 14TH, 2021

Report of proceedings at the meeting of
the above-entitled cause, before Tabitha Watson, an
Illinois Shorthand Reporter, on the 14th day of
April, 2021, at the hour of 9:31 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

JEREMY FINE

ELLEN MCCORMACK

BILL MOONEY

JUAN PABLO PRIETO
(Whereupon, the following proceedings were had via videoconference.)

SECRETARY LONGHINI: Good morning. I'm Gregory Longhini, the Secretary to the Board of the Chicago Transit Authority.

On April 5th, 2021, the Board Office issued a notice of changed format of the meeting of the Committee on Finance, Audit & Budget and the Transit Board meeting scheduled for April 14th, 2021 due to the COVID-19 pandemic.

On April 2nd, 2021, Illinois Governor J.B. Pritzker issued Executive Order 2021-06 renewing the disaster proclamation in effect to address the COVID-19 pandemic in Illinois. Section 6 of the executive order continues Executive Order 2020-07 as amended by Executive Orders 2020-33 and 2020-44, allowing public meetings to proceed virtually and dispensing with the requirement in the Illinois Open Meetings Act for a physical quorum.

This means that the Chicago Transit Authority public meetings occurring on April 14th, 2021 will take place only virtually. Because the Governor's disaster proclamation remains in effect...
in the State of Illinois, the meeting on
April 14th, 2021 -- the meetings on this date are
being held electronically or virtually pursuant to
the amended provision of the Open Meetings Act
Section 7(e), which allows for virtual public
meetings while the disaster proclamation remains in
effect.

Chairman Silva, we may begin the meeting.

CHAIRPERSON SILVA: Good morning.
SECRETARY LONGHINI: Good morning.
CHAIRPERSON SILVA: I would like to call to
order the meeting of the April 14th, 2021 meeting
of the Committee on Finance, Audit & Budget.
Will the secretary call the roll?
SECRETARY LONGHINI: Yes.

Director Irvine?
DIRECTOR IRVINE: Here.
SECRETARY LONGHINI: Director Jakes?
DIRECTOR JAKES: Here.
SECRETARY LONGHINI: Director Miller?
DIRECTOR MILLER: Here.
SECRETARY LONGHINI: Director Alva Rosales?
DIRECTOR ALVA ROSALES: Here.
SECRETARY LONGHINI: Chairman Silva?
CHAIRPERSON SILVA: Here.

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

Let the record show that President Carter and General Counsel Seimetz are also in attendance at this meeting and Ms. Seimetz and myself are physically in the building at 567 West Lake Street.

We may proceed to Number 2, Director Silva.

CHAIRPERSON SILVA: Our first order of business is the approval of the meeting minutes of March 10th, 2021. May I have a motion to approve?

DIRECTOR JAKES: So moved.

DIRECTOR MILLER: Second.

SECRETARY LONGHINI: Moved and seconded by Directors Jakes and Miller. I will now take a rollcall vote.

Direction Irvine?

DIRECTOR IRVINE: Yes.

SECRETARY LONGHINI: Director Jakes?

DIRECTOR JAKES: Yes.

SECRETARY LONGHINI: Director Miller?

DIRECTOR MILLER: Yes.

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

SECRETARY LONGHINI: Chairman Silva? Chairman Silva?

CHAIRPERSON SILVA: Yes.

SECRETARY LONGHINI: Yes. The minutes have been approved with five yes votes. We may proceed to 3.

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 year-to-date numbers as well as those for the month of February.

On the next page, we can see the February revenue numbers coming in a little bit better than expected with regard to farebox and passes. We see, you know, about $2 million of positive variance between those two lines on a 2020 budgetary basis. You know, to note though, again, this is dramatically lower than what we saw in 2019. We're still about 70 percent down, but you know, again, we're doing very well vis-a-vis the '21 budget.

The reduced-fare subsidy is coming in at
budget. Again, to point out, that budgetary line was reduced from 28 million down to 14 million as part of the '21 budget and, in addition, you know, we give out, you know, about a hundred million or more of free reduced-fare rides a year. So even up to 28 million, it was a reduced level. But, again, we're meeting the budgetary expectations, but that has been reduced from 28 to 14.

Nonfarebox totals are coming in a little bit lower than expected due to three primary factors. Reduction in the ground transportation tax funding that we received from the City, as well as noncapital grant revenues and some lower advertising dollars than expected.

But overall for the month of February, we see net-net about a hundred thousand dollars below budgetary expectations relatively flat for the month of February and, you know, on a year-to-date basis on the next page, we see similar trends on the various line items.

Fare and pass totals doing better than expected by about $3.6 million on a year-to-date basis. Again, reduced-fare subsidy coming in as expected and nonfarebox totals coming in about
4 million below expectations for the same factors as I outlined. So overall, we're essentially flat, slightly down by about $400,000 on a revenue basis for the first two months of the year.

With regard to our expenses, we continue to do a great job of holding the line on our expenses. As you may recall, February was a very bad weather month and I'll walk through how that impacted some of the various line items here.

Labor, we were able to maintain a little bit of favorability there. Materials though, because we were buying additional supplies for the bad weather, you know, we saw a slight unfavorable balance.

On our material line, fuel continues to be a very strong performer for us. Power, because of the additional power draws because of the bad weather, we still saw some favorability, but not as much as we've seen in prior months.

Injuries and damages coming in as expected. Security services, slightly favorable and other expenses is slightly unfavorable, but that's, again, due to kind of typical closeouts of the 2020 budget. Every year in January and
February, we're doing accounting adjustments and you often see some fluctuations here. Again, relatively flat, but slightly down. It leaves us for the month positive by about $670,000. So, again, we've been able to, you know, hit along the '21 budgeted expectations.

And you see on the next page, with regard to year-to-date numbers, again, good favorable results on labor. Materials slightly unfavorable. Fuel and power continue to be very strong performers for us in '21.

Injuries and damages coming in as expected. Security services slightly favorable and other expenses coming in slightly unfavorable, which leaves us in a position of about $4.3 million to the positive on our expenses. When you net this against our system-generated revenues where we had a slight unfavorability, we're still favorable by about $3.8 million for the first two months of the year.

So, again, you know, a much different story than what we saw in 2020, but, again, you know, the budget had to accommodate some of those changes due to the COVID pandemic. But, again,
we've been able to hit the benchmarks, you know, pretty closely, both on the revenue side and on the expense side. So we're ending up the first two months of the year positive by about $3.8 million.

Next page, please.

With regard to public funding, we see here the final collection of sales tax for calendar year 2020. This is related to the December collections. We see these unfavorable to budget by about $14 million. However, PTF, which is related to March of 2021, and RETT, which is related to February of 2021, as well as PTF on RETT and ICE funding coming in on a net basis about $9.5 million unfavorable. So, again, we're seeing some positive trajectory here in '21, as outlined by the PTF and RETT numbers.

If we flip to the next page, we see here the aggregate number of how 2020 ended up. Now that we have the sales tax numbers through December, we see that that total came in about $76 million below budget. PTF came in about 37 million. RETT came in a little less than 18 million and PTF and RETT -- on RETT and ICE funding came in about $4 million. So in aggregate, about
$135 million below budget on public funding for calendar year 20 -- calendar year and budget year 2020.

Again, that $135 million was offset by CARES funding. We'll talk more about that in a moment. But, again, that has been a critical lifeline for us to offset shortfalls as outlined here in public funding, as well as the shortfalls that we outlined previously in previous months with regard to revenues from ridership. Next page, please.

You see here, on this page, an outline of the collections versus the '21 budget. So sales tax, we've not yet received collections for January of 2021, but we have started to receive PTF and RETT. For PTF, we're positive by $11 million and RETT, almost $3 million. PTF on the RETT by another half a million.

So, so far for the first couple months of the year here on our public funding, you know, we're about $14 million, a little bit over, versus the budget. So, again, you know, a nice trajectory change here in '21 versus our budget. So, again, you know, hopefully we'll continue to see this type
of trend continue as the economy continues to rebound. Next page, please.

Our CARES Act draws, again, as I mentioned, the Federal stimulus funding, the first tranche here outlined as CARES, you know, has been a critical lifeline for us through 2020 and into 2021. We expect to draw down about $60 million for the current month's needs. That means that we've drawn down about $566 million of the total 817 awarded through that first tranche of Federal stimulus called CARES. That's about 70 percent of the overall allocations of CARES funds.

So, again, we've done a very good job with the assistance of the departments stretching those critical CARES dollars as far as we can. This allows us to carry over -- as we're evidencing here, you know, carry over a portion of about $330 million into the '21 budget and that will allow us to offset shortfalls that we continue to see here in the early part of '21 and then the additional funds, which we'll talk about more in future months.

With regard to CRRSA funding, the second tranche of funding from the Federal Government
where we were awarded $361 million of those funds and then the third tranche of funding that has been awarded but not been allocated to the service boards, the ARP funding, we'll talk about more in depth as those discussions with the RTA continue with regard to the allocation process there.

But, again, the Federal funding has been critical for us to offset shortfalls on, you know, both the ridership-related side as well as the public-funding side and allows time to recover on both of those factors. Next page, please.

With regard to the three commodities that we purchase, we're finalizing the RFP process for both fuel and natural gas. Fuel, we continue to benefit -- while prices at the retail pump have kind of fluctuated around, with regard to the diesel blends that we purchase, it's still a very advantageous time for us to continue to purchase both on the spot market and on the futures -- future year needs. So we'll continue to make selective purchases there as we wrap up that RFP process in the coming months.

Power, we're pretty much locked in where we need to be for the coming years. And then
natural gas, within the next couple of weeks, we'll look at, you know, additional purchases for that commodity and outer years as well. You know, it's kind of a sweet spot to purchase because, you know, we've seen, you know, the weather improve through the winter, but not yet spike for the summer. So, again, we're in a great position to make some selective purchases in natural gas.

That concludes my report for February.

Glad to answer any questions.

CHAIRPERSON SILVA: Yes. The allocation to CTA of the CARES draw, how much was it?

JEREMY FINE: So the total allocation to CTA was 817 million of the total 1.4 billion. So of CARES, we were allocated about 58 percent of the total.

For CRRSA, which was the second tranche of funding, we received 361 million of the total 486, which was about 75, a little bit over, of the total allocation there of that second tranche. And as I mentioned, the ARP funding, we're still in, you know, discussions. We'll be kicking those off after a discussion about capital funding with RTA. So those will be several months of discussions with
regard to that. We'll continue to keep you apprised as those continue.

CHAIRPERSON SILVA: Who is taking care of that money? Is RTA?

JEREMY FINE: So the RTA is kind of the gatekeeper so to speak with regard to the allocation of the funding. We draw the funds from the Federal Government when we need to make the actual draw allocations. But, you know, again, the RTA is the gatekeeper and the -- of the allocation split between the three service boards.

CHAIRPERSON SILVA: What process do you go through, okay, to get the money?

JEREMY FINE: So we go through kind of a typical process that we do with other -- other Federal funds where we make a draw request to the Federal Government for the draw of the funds, whether it be for CARES, CRRSA, or the future ARP funds as well. So --

PRESIDENT CARTER: Director Silva, just to clarify, once RTA makes the allocations to service boards, then we apply directly for a grant to the Federal Government that then we draw off against. That is what Jeremy is talking about. So we can't
apply for the grant until RTA allocates the funds to us, but once that happens, then we can apply for the grant and we get a grant from the Federal Government and we are allowed to draw down that money as we incur expenses against it.

CHAIRPERSON SILVA: Do you have to pay interest?

PRESIDENT CARTER: No. No. It's a grant. So there's no interest involved in it. It works like other grant programs in that we can draw down the money once we incur the expenses that are eligible under the grant.

CHAIRPERSON SILVA: Okay. Thank you.

SECRETARY LONGHINI: Director Jakes, any questions?

DIRECTOR JAKES: No. Just commendations for Jeremy and his team for the great work they've been doing, especially in the midst of the pandemic. So kudos to you, Jeremy.

JEREMY FINE: I'll pass those thoughts along. Thank you.

SECRETARY LONGHINI: Director Miller, any questions?

DIRECTOR MILLER: Ditto to what Pastor Jakes
just said and I know Jeremy said in the meeting the other day that CTA is -- really has been the backbone of the group. So we just say ditto and keep up the good work.

SECRETARY LONGHINI: Thank you.

Director Alva Rosales, do you have any questions?

DIRECTOR ALVA ROSALES: Well, questions and comments. So just to comment, just to reiterate what the other directors said, because I think initially we had thought that the Federal money we had gotten, the 817 million, that we by this point would have utilized all of those funds and it's great to see that we still have about a third left of that funding. So thank you to the whole team, Jeremy, for managing it and on the estimations even for this year. It's great to see that.

I do want to ask, and I know it's a little bit early in the game, but President Biden recently announced the American Jobs Plan, which proposes funding of modernization of the public transit, it's included in there. So what are we doing to position ourselves for some of that? And, again, I know it's early in the game, but I'd love to hear
what we're doing.

   JEREMY FINE: So I don't know if, President
   Carter, did you want to --
   
   PRESIDENT CARTER: Yeah, I can speak to that,
   Jeremy.

   Obviously we're very excited about the
   American Jobs Act and the potential for a major
   infusion of infrastructure funding to come into
   transportation and transit in particular.

   You're absolutely right, it is still very
   early for us to really understand what the bill is
   going to look like. This is -- all this in front
   of everyone right now is the administration's
   proposal that then needs to be, you know, prepared
   into a Congressional bill by the House and then
   ultimately by the Senate. Neither of those have
   actually started yet. But having said that, we
   have been working around reauthorization, which is
   really a portion of what we're talking about here
   and what we need in terms of infrastructure funding
   for CTA for the past couple of years. And the
   amount of money being proposed in this bill is even
   more than the proposals that we've been working on
   with the industry for the funding levels we were
hoping to get out of this bill.

In addition, there is an equity focus that has been discussed in the administration's proposal itself that aligns very nicely with a lot of the work that we've been doing around equity and inclusivity. We have been highlighting to the new administration projects like the Red Line extension, which we know has the potential to fill an equity need on the far south side of the city, as well as our ASAP program, which is our vertical accessibility program for people with disabilities. And I can tell you, we've got a favorable response from the administration and from the Illinois delegation, which I've been meeting with over the course of the past several weeks, about -- you know, about our projects and about the way they should fit in to where they believe the bill is going to go.

So I'm not only optimistic that CTA is going to see a nice boost in funding for our regular formula programs that fund our state-of-good-repair needs, I'm also excited about the possibility to pursue discretionary grants under the various programs that come out of this
bill that will directly focus on projects like ASAP and RLE, along with -- I didn't mention this, but just to fill out the portfolio here, along with our electric bus program. I think all of those are resonating on a number of fronts, there are a number of specially designed programs that the administration is proposing that would support those types of projects.

So I'm feeling really good about where we are. We're going to continue to work to, obviously, get our messages across to the stakeholders on the Hill who are going to ultimately decide what the bill is going to look like. But having said that, we still have a little way's to go. From what I have been told, the House is trying to get their version of the bill passed by July 4th, then the Senate will still have to take up, you know, their version of the bill. So, you know, I don't anticipate us having this sort of wrapped up until later this year, you know, fall, you know, late fall before there's an actual bill on the president's desk that we'll be able to see funding from.

But there's no question that there is
really good news for CTA and for the region. And I think that it's going to go a long way towards making a dent into our state-of-good-repair needs going forward.

DIRECTOR ALVA ROSALES: That's great to hear. And I know that the electric buses, we're also leaders in that area. I'm so glad to see that people are responding -- that the public is responding really well to that and hopefully it will motivate more of those types of projects across the board.

One other question for, I guess, Jeremy or President Dorval. With regards to marketing -- because I know we're trying to attract and open the doors to as many of our passengers that can come back and utilize the system and I know we've talked about the marketing and outreach plan. I know we've been working on it for a while. Can you share with us when you think we'll be able to, you know, hear that in more detail?

PRESIDENT CARTER: Yeah. I was making a note as we were going through this board meeting that I would like to give a presentation to the Board by the next board meeting on our marketing plan and
our overall strategy for reopening.

We've been working very closely with the City and sort of mirroring their thoughts on what they're going to do with reopening. I'm on a number of task force -- task forces with the City that are developing similar plans. So over the course of the past month or so, we've gotten a better understanding of sort of what the City's plans are going to be for reopening and we've been looking to see how CTA can align our marketing efforts to align with the City's efforts so that we have sort of a regional approach to all of this.

I've also been having conversations with RTA about really starting to get them to put some weight behind a regional marketing plan that would support the reopening of the entire region, including Metra and Pace, as an opportunity for us to really start to hammer home the benefits of starting to take public transit again and the importance of public transit to the overall region as we try to, you know, reestablish our economy and start to get back on the road to recovery.

So there is work that my staff has been doing on this. We've been working diligently and
I'm happy to give the Board a presentation on what our thoughts are and what we're planning to launch as we go into the spring and summer.

DIRECTOR ALVA ROSALES: Thank you. Those are all my questions.

SECRETARY LONGHINI: All right then. We have no further questions on the finance report. Thank you, all.

Chairman Silva, we may proceed to Agenda Item Number 4.

CHAIRPERSON SILVA: Our next order of business is the review of an ordinance authorizing a co-promotional trade agreement with the City of Chicago through its Department of Cultural Affairs and Special Events. Jeremy.

JEREMY FINE: Good morning. I'm Jeremy Fine, your Chief Financial Officer and today I will present for your consideration a co-promotional trade agreement with the City of Chicago's Department of Cultural Affairs and Special Events, known as DCASE.

We've been doing a co-promotion with DCASE and its predecessor since 1992. The total trade value of this year's is about $400,000. This is
about half of what prior years have been due to COVID restrictions.

This co-promotional agreement covers DCASE programs and events taking place in 2021. Should the schedule of events expand, we can come back to the Board with additional authority.

The DCASE will promote CTA at each of these programs and events in various ways, including signage at events and e-mail newsletters and with travel information on the event websites. In exchange, the CTA will provide interior car card space on the bus and rail for DCASE to promote its programs and events.

I'm happy to answer any questions that you may have.

CHAIRPERSON SILVA: Is -- does that mean, okay, that we're going to get off, okay, of the order, okay, of the corona?

JEREMY FINE: So the City will continue to work with, you know, the CDC and the State to ensure that -- you know, that the events are complying with current regulations and, you know, suggested, you know, health protocols. So, again, this kind of all goes hand in glove with the larger efforts
to reopen the economy.

CHAIRPERSON SILVA: Thank you.

SECRETARY LONGHINI: Director Irvine, any questions?

DIRECTOR IRVINE: No questions. Thanks.

SECRETARY LONGHINI: Director Jakes?

DIRECTOR JAKES: No questions, Greg.

SECRETARY LONGHINI: Director Miller?

DIRECTOR MILLER: No questions.

SECRETARY LONGHINI: Director Alva Rosales?

DIRECTOR ALVA ROSALES: No questions. Just excited about seeing some events back in place. No questions.

SECRETARY LONGHINI: Aren't we all?

Thank you, Directors.

There are no further questions on this agenda item, Chairman Silva.

CHAIRPERSON SILVA: So our next order of business --

SECRETARY LONGHINI: Chairman, we need to put this on the omnibus.

CHAIRPERSON SILVA: If there are no further questions, may I have leave to place this on the omnibus for board approval?
DIRECTOR JAKES: So moved.

DIRECTOR MILLER: Second.

SECRETARY LONGHINI: Moved and seconded by Directors Jakes and Miller.

Now, Chairman, we may move to Item Number 5.

CHAIRPERSON SILVA: Our next order of business is the review of an ordinance authorizing a facilities use license agreement with City Colleges of Chicago for instruction space at Truman College, Chicago, Illinois. Bill Mooney.

BILL MOONEY: Good morning. Bill Mooney, your Chief Infrastructure Officer.

Real estate staff is recommending approval of an ordinance authorizing a facilities use license agreement with the City Colleges of Chicago for instruction space at Truman College.

Due to the COVID-19 pandemic, the CTA requires the immediate need for indoor, socially-distanced space on the interim basis for training purposes. The City Colleges of Chicago has made space available at Truman College that meets this need and is directly adjacent to CTA's Wilson station.
Space includes an overhaul of five classrooms and a cafeteria. The proposed agreement is retroactive from March 30th, 2021 and runs through June 30th, 2021 at a maximum cost of $100,800.

I'll be happy to take any questions.

CHAIRPERSON SILVA: What -- which one was the school, okay, that we were doing the training before this?

BILL MOONEY: We historically have done training on our sites within CTA facilities and the maximum classroom size that we've done it with is typically a class of up to 25 to 30 persons. When we had to start socially distancing those classrooms during the pandemic, it reduced the amount of people we can train in our facility to around 10 to 12. By being able to take on this license agreement, we're actually going to get space -- it's a large auditorium that pre-pandemic sat over 70 people, but with the socially distancing requirement, it allows us to sit the full class of 25 we typically train.

CHAIRPERSON SILVA: But all the training is done by CTA, okay, in the facility?
BILL MOONEY: Yes. These are done by CTA's instructors. We're just using the facility to allow us the space to do the training in.

CHAIRPERSON SILVA: Okay. Thank you.

SECRETARY LONGHINI: Director Irvine?

DIRECTOR IRVINE: No questions. Thanks, Bill.

SECRETARY LONGHINI: Director Jakes?

DIRECTOR JAKES: No questions, Greg.

SECRETARY LONGHINI: Director Miller?

DIRECTOR MILLER: No questions.

SECRETARY LONGHINI: Director Alva Rosales?

DIRECTOR ALVA ROSALES: Could you just describe some of the types of training that we'll be doing there? Can you just share that with us?

BILL MOONEY: Sure. There's a couple of levels of training. It's a lot of flexibility space. We pay per the usage of the space. It covers some of the bus operator classroom training. So we typically do class -- classes of 25 for bus operators for the in-class work. So it gives us space to do that full-size class.

It also allows for the classroom work for customer service assistants, as well as the in-house classroom work for our flaggers that do
the right-of-way protection safety training.
There's still field classes and field components of
those trainings, but it's really the classroom
we've been restricted on the size due to the
social-distance requirements.

DIRECTOR ALVA ROSALES: So definitely these are
needed?

BILL MOONEY: Yes. It's really a dire need.
It's kind of created a pinch in our hiring pipeline
not being able to turn over the training as we
historically have.

DIRECTOR ALVA ROSALES: Great. Thank you,
Bill.

SECRETARY LONGHINI: Thank you, Board.

So there are no further questions,
Chairman Silva, on this item.

CHAIRPERSON SILVA: Our next order of
business --

SECRETARY LONGHINI: Chairman, remember, the
omnibus.

CHAIRPERSON SILVA: I'm sorry.

SECRETARY LONGHINI: That's okay.

CHAIRPERSON SILVA: If there are no further
question, may I have leave to place this item on
the omnibus for board approval?

DIRECTOR JAKES: So moved.

DIRECTOR MILLER: Seconded.

SECRETARY LONGHINI: Moved and seconded by Directors Jakes and Miller.

Now, Chairman, we can move to Number 6.

CHAIRPERSON SILVA: Our next order of business is a review of an ordinance authorizing an intergovernmental agreement with the City of Chicago through its Department of Police for Federal fiscal year 2020 transit security grant funds. Kevin Reyes -- Ryan.

KEVIN RYAN: My name is Kevin Ryan. I am vice-president of security for the CTA.

The transit security grant program is part of a comprehensive set of measures authorized by Congress to help strengthen the nation's critical infrastructure against risks associated with potential terrorist attacks.

In Federal fiscal year 2020, the transit safety security grid program allocated $88 million to the nation's key high-threat urban areas to enhance security measures for critical transit infrastructure, including bus, rail, and ferry
systems.

The CTA received grant money under the program every year since it was enacted in 2007. The CTA applied for and was awarded fiscal year 2020 transit security grant program funds in the amount of $14,857,567, which were allocated to the CTA and the Chicago Police Department in the amounts of $6,627,800 and $8,229,767 respectively. The grant awarded $6,627,800 for the CTA's cyber security hardening and upgrade of secure fiberoptic network initiative. $7,975,118 for the Chicago Police Department's transit operational package, team sustainment project, and $254,649 for the Chicago Police Department's sweat torch team summer surge initiatives.

Staff recommends CTA enter into an intergovernmental agreement with the CPD to pass through the fiscal year 2020 Department of Homeland Security funds to the Chicago Police Department for transit-related antiterrorism operations. The Chicago Police Department is the primary transit security provider for the CTA and, therefore, eligible for reimbursement of operational costs that apply to counterterrorism.
I'll be happy to answer any questions at this point.

CHAIRPERSON SILVA: For how many years have we been transferring the money, okay, to the police department?

KEVIN RYAN: Since 2007. I believe the IGI became effective in 2010.

CHAIRPERSON SILVA: And is it going --

SECRETARY LONGHINI: Any further questions?

CHAIRPERSON SILVA: -- okay, to come through us through CTA, okay, going to the police department? Could it go direct, okay, to the police department?

PRESIDENT CARTER: No. No, Director Silva. Under the Federal program, we -- only we are allowed to apply for the funds. So the only way that they can get the money is through CTA applying for a grant on their behalf.

CHAIRPERSON SILVA: Okay. Thank you.

SECRETARY LONGHINI: Director Irvine, any questions?

DIRECTOR IRVINE: No questions.

SECRETARY LONGHINI: Director Jakes?

DIRECTOR JAKES: No questions.

SECRETARY LONGHINI: Director Miller?
DIRECTOR MILLER: No questions.

SECRETARY LONGHINI: Director Alva Rosales?

DIRECTOR ALVA ROSALES: No questions.

SECRETARY LONGHINI: All right. Then we are finished with questions, Director Silva, on that item.

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, we may now proceed to the contracts. Starting with Number A1.

CHAIRPERSON SILVA: Our next order of business is Contract A1, a change order to a video recording contract.

SECRETARY LONGHINI: Any questions, Chairman?

CHAIRPERSON SILVA: No questions.

SECRETARY LONGHINI: Director Irvine?

DIRECTOR IRVINE: No questions.

SECRETARY LONGHINI: Director Miller?

DIRECTOR MILLER: No questions.
SECRETARY LONGHINI: Director Alva Rosales?
DIRECTOR ALVA ROSALES: No questions.
SECRETARY LONGHINI: We have no questions on this item, Chairman. So we may move to Contract B, as in boy, 1.
CHAIRPERSON SILVA: Our next order of business is Contract Number B1, an amendment to a consultant contract. I don't have any questions.
SECRETARY LONGHINI: Okay. Director Irvine?
DIRECTOR IRVINE: No questions.
SECRETARY LONGHINI: Director Jakes?
DIRECTOR JAKES: No questions.
SECRETARY LONGHINI: Director Miller?
DIRECTOR MILLER: No questions.
SECRETARY LONGHINI: Director Alva Rosales?
DIRECTOR ALVA ROSALES: No questions.
SECRETARY LONGHINI: All right. Then let's proceed to Contract B2, sir.
CHAIRPERSON SILVA: Our next order of business is Contract Number B2, a landscape maintenance service contract.
SECRETARY LONGHINI: Any questions, Chairman?
CHAIRPERSON SILVA: What is the DBE participation in this contract?
J.P. PRIETO: Chairman, the contract was set aside under our small business program and all -- both -- both primes are DBEs. So it will be 100 percent DBE participation as well.

CHAIRPERSON SILVA: Okay. Thank you.

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: Director Alva Rosales?

DIRECTOR ALVA ROSALES: Just comment. Good to hear the small business efforts are working out. I do have a question though. Are these new to CTA, these films, are they brand new?

ELLEN MCCORMACK: No, neither of them are. We've worked with both firms and have been very happy with the results.

DIRECTOR ALVA ROSALES: Oh, great. Great to hear that. Thank you.

SECRETARY LONGHINI: Chairman -- Okay. Then, Chairman Silva, let's move to Contract Number F1.

CHAIRPERSON SILVA: Our next order of business
is Contract Number F1, a parts supplies contract.
I don't have any questions.
SECRETARY LONGHINI: All right. Director Irvine?
DIRECTOR IRVINE: No questions.
SECRETARY LONGHINI: Director Jakes?
DIRECTOR JAKES: No questions.
SECRETARY LONGHINI: Director Miller?
DIRECTOR MILLER: No questions.
SECRETARY LONGHINI: Director Alva Rosales?
DIRECTOR ALVA ROSALES: No questions.
SECRETARY LONGHINI: All right. Let's move on to F2.
CHAIRPERSON SILVA: Our next order of business is Contract Number F2, a change order for investment management services. I don't have questions.
SECRETARY LONGHINI: All right. Director Irvine?
DIRECTOR IRVINE: No questions.
SECRETARY LONGHINI: Director Jakes?
DIRECTOR JAKES: No questions.
SECRETARY LONGHINI: Director Miller?
DIRECTOR MILLER: No questions.
SECRETARY LONGHINI: Director Alva Rosales?

DIRECTOR ALVA ROSALES: No questions.

SECRETARY LONGHINI: All right. Let's move to Number G, as in girl, 1.

CHAIRPERSON SILVA: Our final order of business is Contract Number G1, an iManage software contract. 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: Director Alva Rosales?

DIRECTOR ALVA ROSALES: No questions.

SECRETARY LONGHINI: All right. Now we're finished with the contracts, so Chairman, we may proceed to Number 7A.

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

DIRECTOR JAKES: So moved.

DIRECTOR MILLER: Second.

SECRETARY LONGHINI: Moved by Director Jakes
and seconded by Director Miller. So, Chairman, we may now move to 7B.

CHAIRPERSON SILVA: If 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: The motion to approve the omnibus, which has every agenda item on it, is moved by Director Jakes and seconded by Director Miller. I will now take a rollcall vote.

Director Irvine?

DIRECTOR IRVINE: Yes.

SECRETARY LONGHINI: Director Jakes?

DIRECTOR JAKES: Yes.

SECRETARY LONGHINI: Director Miller?

DIRECTOR MILLER: Yes.

SECRETARY LONGHINI: Director Alva Rosales?

DIRECTOR ALVA ROSALES: Yes.

SECRETARY LONGHINI: Chairman Silva?

CHAIRPERSON SILVA: Yes.

SECRETARY LONGHINI: That motion is approved with all five members of the Committee voting yes.
We may now proceed to Item Number 8.

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. I'll take a rollcall vote on a motion to adjourn.

Director Irvine?

DIRECTOR IRVINE: Yes.

SECRETARY LONGHINI: Director Jakes?

DIRECTOR JAKES: Yes.

SECRETARY LONGHINI: Director Miller?

DIRECTOR MILLER: Yes.

SECRETARY LONGHINI: Director Alva Rosales?

DIRECTOR ALVA ROSALES: Yes.

SECRETARY LONGHINI: Chairman Silva?

CHAIRPERSON SILVA: Yes.

SECRETARY LONGHINI: Motion to adjourn passes with five yes votes and we'll take a five or ten-minute break before the beginning of the regular board meeting. Thank you.

(Meeting adjourned at 10:11 a.m.)
STATE OF ILLINOIS  

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) 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 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.

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