

**MINUTES OF THE VIRTUAL MEETING OF THE BOARD OF DIRECTORS  
OF THE REGIONAL TRANSPORTATION AUTHORITY**

The Board of Directors of the Regional Transportation Authority met in virtual session on Thursday, April 26, 2020 pursuant to notice.

Chairman Dillard called the meeting to order at 9:05 a.m.

**ROLL CALL**

**Board members present (16):** Andalcio, Carey, Coulson, Frega, Fuentes, Groven, Higgins, Holt, Kotel, Lewis, Melvin, Pang, Ross, Sager, Troiani, Chairman Dillard

**Approval of minutes from the meeting held on February 20, 2020**

Director Kotel moved, and Director Higgins seconded that the minutes from the meeting held on February 20, 2020 be approved as submitted. The motion carried on the following roll call vote:

**16 Ayes:** Andalcio, Carey, Coulson, Frega, Fuentes, Groven, Higgins, Holt, Kotel, Lewis, Melvin, Pang, Ross, Sager, Troiani, Chairman Dillard

**Executive Director's Report**

Ms. Leanne Redden began by outlining the state's delinquency figures tied to regional transit funding.

She then discussed the actions the RTA has taken to cease or largely interrupt the customer services the agency provides due to COVID-19 and the collaborative work the agency has undertaken with the Service Boards and the Governor's office during the pandemic.

Ms. Redden next covered the CARES stimulus package and its impact on the RTA region. Her report outlined of the split of \$2 trillion Act, with \$25 billion of COVID-19 related funding for transit nationwide. After apportionments and allocations, this results in over \$1.4 billion in supplemental funding for the RTA region. Unlike traditional federal formula funds, the CARES Act funding is to remain available until expended. Funding under the CARES Act can go toward reimbursement for operating costs to maintain service and lost revenue due to coronavirus. Ms. Redden explained that, focusing on our region's portion of this emergency relief funding, the RTA discussed with the Service Boards the allocation of the Northeastern Illinois funding based on the following principles:

- At this time, the CARES Act funding is the only known source of supplemental operating funding for transit to alleviate the long-term financial impact of COVID-19.
- The funding should be allocated by a data-driven approach.

**APPROVED BY THE BOARD OF DIRETORS  
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- More funding and operation changes will likely be needed and those discussions should continue as we plan the 2021 budget.

Ms. Redden went on to state that the region’s transit funding allocations will be based on anticipated revenue shortages of the current 2020 regional budget, that have been projected and agreed to by the RTA and the Service Boards based on ridership and public funding shortfalls. The Report outlined the following proposed funding for the region’s share of the CARES Act:

<b>Funding</b>	
Total Illinois Funding	\$ 1,438,225,458.65
RTA	28,764,509.17
<b>Service Board Funding</b>	<b>\$ 1,409,460,949.47</b>

<b>Service Board</b>	<b>Funding</b>
CTA	\$ 817,487,350.69
Metra	479,216,722.82
Pace	112,756,875.96
<b>Total</b>	<b>\$ 1,409,460,949.47</b>

She explained that while the impact of Governor Pritzker’s “Stay at Home” order on ridership could be observed and measured since mid-March, the RTA will not know the impact of COVID-19 on March sales tax receipts until June due to the delay in disbursement. Therefore, given the unprecedented nature of the COVID-19 pandemic, these estimates are the best “data” available. It was stated that combined, the projected losses of Service Board funding and fare revenue for mainline service total more than \$900 million for this fiscal year and that it is very likely that any impact will be felt beyond this immediate fiscal year.

She concluded her remarks with the explanation that the Board was now being asked to approve the funding allocations to Northwestern Indiana, Southeastern and the RTA’s region’s share, so the RTA could initiate the process for accessing the funds from the FTA as soon as possible. She then stated that at a future meeting, the RTA Board would consider actions that reflect the agreed upon projected revenue shortages for the remainder of the fiscal year, as well as the new supplemental federal operational funding made available through the CARES Act.

**Public Comment**

The Board Secretary read a statement from a coalition of civic and business organizations (Active Transportation Alliance, Center for Neighborhood Technology, Elevated Chicago, Illinois Environmental Council, Metropolitan Planning Council, Respiratory Health Association, Shared-Use Mobility Center, Sierra Club Illinois.) The following is a summary of the statement:

As representatives of Chicagoland's business, civic, and academic communities, they are committed to advocating for public transit during and after the COVID-19 pandemic. This includes 1) advocating for emergency assistance funding and reform in Springfield and Washington; 2) addressing the needs of essential workers riding and operating public transit to sustain our regional economy under extraordinary circumstances; and 3) preparing our transit system to be a driver of health and economic resilience during our region's recovery from the pandemic and its fallout.

They recognize many of the current funding sources and formulas for transit are linked to ridership and colorblind beyond federal civil rights obligations, but now is the time to begin to change that at the local, state, and federal level. Access to jobs and services, with a focus on people of color and low-income residents, is a better way to measure transit's effectiveness.

Their statement called on RTA, CTA, Metra, and Pace to establish an equitable, clear and transparent process to engage stakeholders and the public in the planning process for the regional transit system's response to COVID-19. This includes spending decisions associated with the recent federal CARES Act and any future stimulus and transportation funding bills. It also involves developing a shared legislative agenda to advocate for Chicagoland public transit in Springfield and Washington.

Following is a list of some immediate, near-term, and mid-term strategies for discussion and cooperation.

**Immediate:**

- *Maintain critical mass transit routes*
- *Protect frontline transit workers, many of whom are people of color and being hit hard by COVID-19*
- *Prioritize safety of riders*
- *Evaluate and enhance accessibility for riders with disabilities*
- *Develop unified fare policy*
- *Share relevant data publicly*
- *Improve rider communications*
- *Apply a racial equity lens and provide transparency on stimulus spending*
- *Optimize debt policies across agencies*

**Near-Term (next few months):**

- *Pursue state legislative changes*
- *Consistently evaluate service*
- *Promote cross-agency coordination*

- *Strengthen collaboration with local government agencies (especially those involved in planning and public health), developers, and community-based groups to reinforce current transit-oriented development efforts*
- *Transparently identify needs*
- *Establish robust community engagement principles and processes*
- *Formulate policies/response to likely contact tracing protocols put in place to limit spread of COVID-19*
- *Formulate federal transportation policy*
- *Communicate clearly and accurately in a timely manner*
- *Review capital project plans*

**Mid-Term (within one year):**

- *Conduct public awareness campaigns with a focus on communities of color*
- *Research transit's impact on COVID-19 spread and its role in promoting public health recovery*
- *Pursue coordinated pilot programs*
- *Update long-term capital program*
- *Strengthen emissions reductions efforts*
- *Review and enhance plans for transit-oriented development with a focus on racial equity and public health*
- *Revise regional transit goals*

**Information Item**

**Report on Monthly Financial Results for February 2020**

Ms. Bea Reyna-Hickey, Chief Financial Officer, presented the year-to-date financial results using the summary page of the dashboard only. She stated that the Service Boards started the year with two very solid months before the onset of COVID-19 impacts. Ridership was 2.4% higher than budgeted, with each Service Board reporting favorable results. This in turn kept operating revenue results close to budget.

Ms. Reyna-Hickey noted that while January 2020 sales tax results will show strong growth of 8% due to the severe cold last year, the RETT is off to a poor start and contributed to a 5% shortfall in CTA's public funding. Operating expense performance was good, aided by virtually snow-free weather, with Metra and Pace Suburban Service reporting the largest favorable expense variances. Net results were mixed, with CTA and ADA Paratransit reporting unfavorable variances, while Metra and Pace were favorable to budget. The regional recovery ratio was more than one percentage point favorable to budget, primarily due to Metra's results.

Ms. Reyna-Hickey spoke briefly about the Service Boards' ridership and fare revenue losses in March and reported that the RTA would be providing advance PTF payments of \$35.4 million on April 17<sup>th</sup> to offset those losses until CARES Act funding becomes available. She said that when the March financial results are presented next month, they are expected to show the Service Board and regional recovery ratios on a downward trajectory due to COVID-19 mitigation efforts, and that some form of recovery ratio relief will be needed to navigate through the difficult months ahead. She closed by stating that the RTA and Service Board finance teams continue to work together closely to solve the many problems our transit system suddenly faces.

### **Action Items**

#### **Ordinance authorizing the execution of 2020 Federal Funding Allocation Agreements between NE-IL, NW-IN, SW-WI, amending the 2020-2024 Capital Program and amending and extending ICE-funded projects**

Ms. Jill Leary presented three ordinances related to the region's five-year transit capital program.

The first is authorization to execute the full 2020 federal formula allocation attachments to the Letter of Understanding between Northeastern Illinois, Northwestern Indiana and Southeastern Wisconsin. The following are changes recommended in the first ordinance. On February 9, 2020, the FTA published the 2020 full Federal Fiscal Year allocations for the four federal formula programs (5307, 5337, 5339, and 5310). The first three formula programs are funding capital projects. As you know, the RTA is the designated recipient of these funds and charged with the calculations of apportionments between Northeastern Illinois, Southeastern Wisconsin and Northwestern Indiana. The Illinois portion of the capital funding is split between the service boards in accordance with historically established shares. The Section 5310 funds go directly to the RTA for competitive distribution within the region. Overall, the 2020 appropriations are a little over \$524 million, a three percent decrease compared to the previous year or \$16.8 million less than the 2019 federal appropriations. The federal funding allocations were approved by the CMAP Policy Committee on March 12. Today, we are asking for your approval of the ordinance and to execute the agreements with Indiana and Wisconsin Regional Planning Commissions stating these funding allocations.

The second is an amendment of the 2020-2024 Capital program incorporating changes in program revenues and expenses for CTA, Metra and Pace. This quarter we are asking you to approve a total net funding increase to the five-year Capital Program of \$62.78M that affects both current and out-years. The total net increase for CTA is \$63.67M, for Metra \$1.1M and a decrease for Pace of \$2M. The total regional net increase includes about \$86M of additional federal discretionary funding, nearly \$2M in reprogrammed/carry-over and service board/local funds and a decrease of nearly \$25M stemming from the FTA 2020 Federal Fiscal Year allocations mentioned for the first ordinance.

And finally, the third is a time extension for implementation of CTA, Metra and Pace's Innovation, Coordination, and Enhancement (ICE) funded projects. This ordinance requests approval of the twelve-month extension for four CTA, two Metra and two Pace projects that were outlined in the Board memo.

RTA staff has reviewed these requests and found them to be justified as outlined.

Director Holt moved, and Director Troiani seconded the adoption of the following ordinances:

- 2020-08 This ordinance authorizes the execution of federal formula funding allocations based on the Letter of Understanding (LOU) agreements between Northeastern Illinois and Northwestern
- 2020-09 This ordinance approves an amendment to the 2020-2024 Capital Program and incorporates changes in program revenue and expenses for CTA, Metra, and Pace.
- 2020-10 This ordinance approves time extensions of CTA's, Metra's and Pace's Innovation, Coordination, and Enhancement (ICE) funded projects.

The motion carried on the following leave for last unanimous rolls call vote:

**16 Ayes:** Andalcio, Carey, Coulson, Frega, Fuentes, Groven, Higgins, Holt, Kotel, Lewis, Melvin, Pang, Ross, Sager, Troiani, Chairman Dillard

**Ordinance authorizing the allocation of CARES Act funding**

Ms. Jill Leary explained that the proposed ordinance authorizes the execution of federal formula funding allocations based on the Letter of Understanding (LOU) agreements between our region and Northwestern Indiana and between our region and Southeastern Wisconsin. The agreements reflect the share of the region's CARES Act funding allocations for the following federal transit formula programs: Federal §5307 Urbanized Area including §5340 Growing and High Density State formula programs, and §5337 State of Good Repair.

The Fixing America's Surface Transportation (FAST) Act authorizes federal transportation funding to the regional Urbanized Areas (UZAs) and the CARES Act allocates funding through the same funding mechanism. The RTA, as the designated recipient of these federal formula programs, first sub-allocates the funding to Northeastern Illinois, Northwestern Indiana and Southeastern Wisconsin based on the U.S. Census and operating data for each region.

The ordinance was amended and distributed to the Board to include the funding allocations for our region, northeastern Illinois, as outlined in the Executive Director report.

The regional planning commissions of Northwestern Indiana and Southeastern Wisconsin have approved RTA’s recommended CARES Act federal formula funding apportionment sub-allocations. The Chicago Metropolitan Agency for Planning’s (CMAP) Transportation Committee and MPO Policy Committee will also endorse the recommended allocations, following RTA Board approval and we will also provide written notification to the Federal Transit Administration (FTA) of the allocated capital federal funding to all recipients in the region.

<b>Region</b>	<b>CARES Act Apportionment</b>
Illinois (RTA)	\$ 1,438,225,458.65
Indiana (NIRPC/NICTD)	75,483,911.75
Wisconsin (SEWRPC)	741,648.61
<b>Total</b>	<b>\$ 1,514,451,019.00</b>

Director Sager moved, and Director Kotel seconded the adoption of the following ordinance:

2020-11 This ordinance authorizes the execution of federal formula funding allocations based on the Letter of Understanding (LOU) agreements between Northeastern Illinois and Northwestern Indiana and between Northeastern Illinois and Southeastern Wisconsin. The agreements reflect the share of the region’s CARES Act funding allocations for the following federal transit formula programs: Federal §5307 Urbanized Area including §5340 Growing and High Density State formula programs, and §5337 State of Good Repair.

The motion carried on the following leave for last unanimous rolls call vote:

**16 Ayes:** Andalcio, Carey, Coulson, Frega, Fuentes, Groven, Higgins, Holt, Kotel, Lewis, Melvin, Pang, Ross, Sager, Troiani, Chairman Dillard

**Ordinance authorizing the issuance of \$250 million in RTA Working Cash Notes**

Ms. Reyna-Hickey explained that the proposed ordinance authorizes the RTA to issue up to \$250 million of working cash notes through a direct placement with a drawdown revolving feature and repayment over two years. The RTA series 2020A will retire the existing series 2018A working cash notes of \$150 million. Staff followed a competitive process, sent out a request for terms sheets to 39 firms, and received five responses. The RTA began this process early in the year as part of the RTA’s role to buffer the Service Boards against delays in Public Transportation Fund receipts.

Staff began negotiations with the five responding firms and elected to move forward with JP Morgan Chase. We were originally going to borrow \$150 million but given the COVID-19 pandemic we decided to add another \$100 million. Ms. Reyna-Hickey indicated in her earlier presentation about the Service Board financial results, our plan is to provide an advance payment of PTF to the Service Boards tomorrow to help with cash flow until CARES Act funds begin to flow.

Director Andalcio moved, and Director Kotel seconded the adoption of the following ordinance:

2020-12 This ordinance, authorizes the RTA to issue up to \$250 million of working cash notes ("Notes") through a direct placement facility with a draw down revolving feature so that repayment is on an ongoing basis over a 2-year period, as permitted by Section 4.04 of the RTA Act. The notes will help retire existing notes in the amount of \$150 million, as well as provide the opportunity to address cash flow interruptions related to the State's late payments and the impact of the COVID-19 pandemic on public transit funding in the RTA region.

The motion carried on the following leave for last unanimous rolls call vote:

**16 Ayes:** Andalcio, Carey, Coulson, Frega, Fuentes, Groven, Higgins, Holt, Kotel, Lewis, Melvin, Pang, Ross, Sager, Troiani, Chairman Dillard

**Ordinance authorizing a contract amendment with Granicus LLC for Board meeting services**

Director Kotel moved, and Director Frega seconded the adoption of the following ordinance:

2020-13 This ordinance authorizes the execution of a contract amendment with Granicus, LLC to continue providing the RTA with a platform for the management and online delivery of Board meeting documents and audio/video streams. The proposed contract amendment will increase the contract value by \$35,542.28, from \$157,849.08 to \$193,391.36.

The motion carried on the following leave for last unanimous rolls call vote:

**16 Ayes:** Andalcio, Carey, Coulson, Frega, Fuentes, Groven, Higgins, Holt, Kotel, Lewis, Melvin, Pang, Ross, Sager, Troiani, Chairman Dillard



**Ordinance authorizing an amendment to Project Management Services Task Order #3 for support for the RTA's ERP Implementation Project**

Director Troiani moved, and Director Andalcio seconded the adoption of the following ordinance:

2020-14 This ordinance authorizes an amendment to the contract with Brisk Business, Inc. (PO 1807) for project management services. The amendment would amend the previously awarded Task Order for support of the RTA's ERP Implementation Project from \$480,000 to a value not to exceed \$680,000.

The motion carried on the following leave for last unanimous rolls call vote:

**16 Ayes:** Andalcio, Carey, Coulson, Frega, Fuentes, Groven, Higgins, Holt, Kotel, Lewis, Melvin, Pang, Ross, Sager, Troiani, Chairman Dillard

**Travel Expenditures**

Director Higgins moved, and Director Frega seconded the approval of the expenditures as submitted. The motion carried on the following leave for last unanimous roll call vote:

**16 Ayes:** Andalcio, Carey, Coulson, Frega, Fuentes, Groven, Higgins, Holt, Kotel, Lewis, Melvin, Pang, Ross, Sager, Troiani, Chairman Dillard

**ADJOURNMENT**

There being no further business to come before the Board of Directors, Director Pang moved and Director Higgins seconded that the meeting adjourn. The motion carried on the following leave for last unanimous roll call vote:

**16 Ayes:** Andalcio, Carey, Coulson, Frega, Fuentes, Groven, Higgins, Holt, Kotel, Lewis, Melvin, Pang, Ross, Sager, Troiani, Chairman Dillard

The Board meeting concluded at 10:15 a.m.

*Audrey MacLennan*

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AUDREY MACLENNAN  
Secretary of the Authority