



U.S. Department
of Transportation
**Federal Transit
Administration**

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August 14, 2007

Mr. Ron Huberman
President
Chicago Transit Authority
P. O. Box 7568
Chicago, IL 60680

Re: FY 2007 Triennial Review - Final Report

Dear Mr. Huberman

This report documents the Federal Transit Administration's (FTA) triennial review of the of the Chicago Transit Authority (CTA), Chicago, IL, as required by Chapter 53 of Title 49, United States Code, Section 5307. Although less exacting than an audit, the triennial review is the FTA's assessment of grantee compliance with Federal requirements determined by the examination of grant management practices and program implementation.

The report documents the 23 areas that were reviewed. There were no deficiencies in 17 areas. Deficiencies were identified in four areas, Technical, Maintenance, Half Fare and Drug-free Workplace. Following the site visit CTA implemented the corrective actions in three areas and provided the documentation to the Regional Office. Therefore, findings in Technical, Half-Fare and Drug-Free Workplace were closed on July 26, 2007. The DBE area was not reviewed due to a compliance review that was completed during the review period. The Drug and Alcohol area was not reviewed due to an audit scheduled for the current fiscal year. Contingent upon our receipt of a satisfactory response to the corrective actions, the CTA remains eligible for Federal assistance. The deficiencies and corrective actions that must be taken to attain full compliance are detailed in the report.

We greatly appreciate your continued commitment to making public transportation America's mode of choice. Thank you for your personal contribution, cooperation and assistance during this Triennial Review since we realize that the review has involved effort, time and planning. If you need any technical assistance or have any questions, please do not hesitate to contact Melody Hopson or me.

Sincerely,

Dominick J. Gatto, P.E.

Director, Office of Program Management and Oversight

Enclosure

OFFICE OF THE PRESIDENT

AUG 16 2007

FINAL REPORT

FY2007 TRIENNIAL REVIEW

of the

**Chicago Transit Authority
Chicago, IL**

**Desk Review: March 6, 2007
Site Visit: July 17 – 19, 2007**

August 2007

**Prepared for the
Federal Transit Administration
Region 5
Chicago, IL**

by

**Mundle & Associates, Inc.
under subcontract to
Milligan & Co., LLC**

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I. TRIENNIAL REVIEW BACKGROUND

The United States Code, chapter 53 of title 49, requires the Federal Transit Administration (FTA) of the United States Department of Transportation (USDOT) to perform reviews and evaluations of Urbanized Area Formula Grant activities at least every three years. This requirement is contained in 49 U.S.C. 5307(i).

- (2) At least once every 3 years, the Secretary shall review and evaluate completely the performance of a recipient in carrying out the recipient's program, specifically referring to compliance with statutory and administrative requirements and the extent to which actual program activities are consistent with the activities proposed under subsection (d) of this section and the planning process required under sections 5303-5306 of this title.
- (3) The Secretary may take appropriate action consistent with the review, audit and evaluation under this subsection, including making an appropriate adjustment in the amount of a grant or withdrawing the grant.

The Triennial Review includes a review of the grantee's compliance in 23 different areas. The basic requirements for each of these areas are summarized below.

This report presents the findings from the Triennial Review of the Chicago Transit Authority (CTA), Chicago, IL. This review was performed in accordance with FTA procedures (published in FTA Order 9010.1B, April 5, 1993) and included preliminary reviews of documents on file at the Region 5 Office in Chicago and on-site discussions and review of the procedures, practices, and records of CTA as deemed necessary. The review concentrated primarily on procedures and practices employed during the past three years; however, coverage was extended to earlier periods as needed to assess the policies in place and the management of grants. During the visit, administrative and statutory requirements were discussed, documents were reviewed, and facilities were toured. Specific documents examined during the Triennial Review are available in FTA's and CTA's files.

II. REVIEW PROCESS

The desk review was conducted in the Region 5 Office on March 6, 2007. Following the desk review, an agenda package was sent to CTA advising it of the site visit and indicating additional information that would be needed and issues that would be discussed.

The site visit to CTA occurred on July 17 – 19, 2007. The individuals participating in the review are listed in Section VII of this report.

At the entrance conference, the purpose of the Triennial Review and the review process were discussed. During the site visit, urbanized area formula grant program administrative and

statutory requirements were discussed and documents were reviewed. Several of CTA's transit facilities were toured to provide an overview of activities related to FTA-funded projects. The facilities included:

- Howard Rail Yard;
- Midway Rail Yard;
- West Shops (facilities and equipment maintenance);
- North Park Bus Garage; and
- 77th Street Bus Garage.

A sample of FTA-funded bus and rail vehicles, facilities and equipment was inspected during the site visit and preventive maintenance inspection records were examined.

On completion of the review, an exit conference was held with CTA staff to discuss findings, corrective actions and schedules. This information is summarized in the table in Section V of this report. A draft copy of this report was provided to CTA at the exit conference.

III. DESCRIPTION OF THE GRANTEE

The Chicago Transit Authority (CTA) was created in 1945 pursuant to the Metropolitan Transportation Authority Act passed by the Illinois State Legislature. CTA provides bus and rail service in the City of Chicago and 40 adjoining suburban communities. A seven-member board governs the CTA. The Mayor of the City of Chicago appoints four members with the advice and consent of the Chicago City Council. The Governor of the State of Illinois appoints the remaining three board members with advice and consent of the State Senate. CTA is one of the three service boards of the Regional Transportation Authority (RTA). RTA was created in 1973 to provide funding for transit operators in the Chicago area. The population of CTA's service area is 3.9 million persons.

CTA operates a network of 154 bus routes. It operates rail service on eight lines, Blue, Purple, Red, Brown, Yellow, Green, Orange and Pink, with 223 route miles of track, and 144 stations. Service is provided 24 hours a day, seven days a week. The complementary paratransit service operates during the same days and hours of service as the fixed route bus and rail service. In FY2006, Pace Suburban Bus assumed the operation of CTA's complementary paratransit service.

The full fare for CTA bus and rail is \$2.00. Children 7 through 11 years, senior citizens, persons with disabilities and Medicare card holders pay a reduced fare of \$1.00. CTA offers a number of payment options for both bus and rail. These include stored value media that offer a per trip discount and transfer privileges (e.g., Chicago Card®, Chicago Card Plus™, and Transit Cards), time-based unlimited ride passes (e.g., 1-day, 7-day and 30-day).

CTA operates a fleet of 2,200 buses for fixed-route service from eight bus garages located through out the City. CTA provides rail service with 1,190 rapid transit cars from 11 operations

and maintenance facilities. All major rail car repair, rehabilitation and unit rebuilding work are performed at the heavy rail maintenance facility, Skokie Shops.

CTA's National Transit Database Report for FY2006 provided the following financial and operating statistics for its fixed-route and paratransit service:

	Fixed-Route Bus Service	Heavy Rail Service	Paratransit Service
Unlinked Passengers	298,433,228	195,169,310	1,126,599
Revenue Hours	6,723,365	3,697,574	600,335
Operating Expenses	\$828,100,714	\$483,175,170	\$29,989,773

Over the past three years, CTA completed the following projects:

- Replacement of 450 buses
- Installation of Automated Bus Announcements
- Implementation of Automated Fare Control (AFC) Projects
- Design of Reconstruction of Rail Station at Howard Street – Red Line
- Renewal of Structure, Logan Square Connector – O’Hare / Blue Line
- Office Relocation
- Reconfiguration of Harrison Curve
- Design of bus stop callouts
- Replacement of Signal System and Rail – Congress & Dearborn Subway
- Rehabilitation of Douglas Branch of Blue Line/New Start

The following projects are currently on-going:

- Purchase 226 Articulated Buses
- Communications Improvements – Systemwide
- Improve Power Distribution – Systemwide
- Design of Rail Station at Wilson Avenue – Red Line
- Replacement of Escalators – Subways / Loop
- Upgrade Rail Stations and Facilities – Systemwide
- Improve Security – Systemwide
- Renew Right-Of-Way – Systemwide
- Ravenswood Line – Brown Line / New Start
- Rehabilitation of Dan Ryan Branch – Red Line

CTA expects to undertake the following projects in the next three to five years:

- Mid-Life Bus Overhaul – 6400 Nova
- Mid-Life Rehabilitation (257) – 3200 Series Rail Cars
- Reconstruct 77th Street Bus Garage
- Improve Bus / Rail Facilities (TC)

- Replace Signal System – Congress, Dearborn, Kennedy (Subways)
- Loop Signals and Interlockings (Tower 18)
- Purchase Up To 706 Rail Cars
- Reconstruct Rail Stations / Wilson & Lawrence – Red Line
- Reconstruct Rail Station – Washington Street
- Expand Capacity – Brown Line

IV. RESULTS OF THE REVIEW

The Triennial Review focused on CTA’s compliance in 23 different areas. This section provides a discussion of the basic requirements and findings in each area. No deficiencies were found with the FTA requirements in 17 of the 23 areas. Deficiencies were found in four areas, Technical, Maintenance, Half-Fare and Drug-Free Workplace. Following the site visit CTA implemented the corrective actions in three areas and provided the documentation to the Regional Office. Therefore, findings in Technical, Half-Fare and Drug-Free Workplace were closed on July 26, 2007. Two areas, DBE and Drug and Alcohol Program, were not reviewed due to specialty reviews that either were conducted during the previous two fiscal years or are scheduled for the current fiscal year.

1. Legal

Basic Requirement: The grantee must be eligible and authorized under state and local law to request, receive, and dispense FTA funds and to execute and administer FTA funded projects. The authority to take all necessary action and responsibility on behalf of the grantee must be properly delegated and executed.

Findings: During this Triennial Review of CTA, no deficiencies were found with the FTA requirements for legal.

2. Financial

Basic Requirement: The grantee must demonstrate the ability to match and manage FTA grant funds, to cover cost overruns, to cover operating deficits through long-term stable and reliable sources of revenue, to maintain and operate federally funded facilities and equipment, and to conduct an annual independent organization-wide audit in accordance with the provisions of OMB C A-133.

Findings: During this Triennial Review of CTA, no deficiencies were found with the FTA requirements for financial.

3. Technical

Basic Requirement: The grantee must be able to implement the Urbanized Area Formula Grant Program of Projects in accordance with the grant application, Master Agreement, and all applicable laws and regulations, using sound management practices.

Findings: During this Triennial Review of CTA, deficiencies were found with the FTA requirements for technical.

CTA submitted a request to closeout grant IL-90-X100 on October 31, 2003. However, the financial status report (FSR) for this grant still shows unliquidated obligations. As such, the grant cannot be closed until the FSR shows no unliquidated obligations against the grant. Furthermore, on June 22, 2004 a credit was charged against the grant.

Corrective Actions and Schedule: No later than August 31, 2007, CTA must submit a final milestone/progress report and financial status report for IL-90-X100 that shows no unliquidated obligations against the grant and request that FTA closeout the grant and deobligate any remaining funds. Following the site visit CTA implemented the corrective actions and provided the documentation to the Regional Office. Therefore, this finding was closed on July 26, 2007

4. Satisfactory Continuing Control

Basic Requirement: The grantee must maintain control over real property, facilities and equipment and ensure that they are used in transit service.

Findings: During this Triennial Review of CTA, no deficiencies were found with the FTA requirements for satisfactory continuing control.

5. Maintenance

Basic Requirement: The grantee must keep federally funded equipment and facilities in good operating order.

Findings: During this Triennial Review of CTA, deficiencies were found with the FTA requirements for maintenance.

During the triennial review site visit, the preventive maintenance records for a sample of 22 vehicles were examined for two bus garages – North Park and 77th Street. The inspection intervals for the North Park garage were 35 percent on-time and for the 77th Street garage were 72 percent on-time. The performance at both of these garages was below FTA's 80 percent guideline.

During the triennial review site visit, CTA's facility and equipment maintenance conducted from the West Shops was examined. Based on the examination, it appears that CTA does not have a comprehensive facility and equipment maintenance plan. Rather, the Authority appears to manage facility and equipment maintenance through a series of checklists for the various facilities and equipment items.

A sample of facility and equipment preventive maintenance records was also examined during the site visit. The sample included the preventive maintenance records for the Skokie Yard (building, HVAC, cranes and signal systems), Midway Station (elevators), and 74th Street Garage (HVAC and hoists). The examination found that the records were incomplete for Midway Station and the records for the Skokie Yard and 74th Street Garage were not available.

Observations made of vehicles at the North Park and 77th Street garages, as well as observations made of in-service vehicles indicated that the general condition of many of the buses in revenue service was poor. Vehicles were generally dirty and showed signs of unrepaired body damage.

Corrective Actions and Schedule: No later than November 16, 2007 CTA must provide FTA with a plan and schedule that describes how it intends to bring its vehicle preventive maintenance on-time performance up to an 80 percent level or greater and must report to FTA until inspections are at 80 percent or greater for three consecutive months.

No later than November 16, 2007 CTA must develop and submit to FTA a comprehensive facility and equipment maintenance plan that includes the following: organization and assignment of responsibility for facility and equipment maintenance, a series of inspections and routine maintenance actions designed to ensure the proper care and maximum useful service life of facilities and equipment, and a record-keeping system that maintains adequate permanent records of maintenance and inspection activity for buildings and equipment.

No later than November 16, 2007 CTA must provide FTA with a plan and schedule that describes how it intends to bring its facility and equipment preventive maintenance on-time performance up to an 80 percent level or greater and must report to FTA until inspections are at 80 percent or greater for three consecutive months.

No later than November 16, 2007 CTA must submit develop and submit a plan to bring the condition of the bus fleet to an acceptable level.

6. Procurement

Basic Requirement: FTA grantees will use their own procurement procedures that reflect applicable state and local laws and regulations, provided that the process ensures competitive procurement and that the procedures conform to applicable federal law including 49 CFR Part 18, specifically Section 18.36 and FTA C 4220.1E, "Third Party Contracting Requirements." Grantees will maintain a contract administration system that ensures that contractors perform in accordance with terms, conditions, and specifications of their contracts or purchase orders.

Findings: During this Triennial Review of CTA, no deficiencies were found with the FTA requirements for procurement.

7. Disadvantaged Business Enterprise (DBE)

Basic Requirement: The grantee must comply with the policy of USDOT that DBEs, as defined in 49 CFR Part 26, are ensured nondiscrimination in the award and administration of USDOT-assisted contracts. Grantees also must create a level playing field on which DBEs can compete fairly for USDOT-assisted contracts; ensure that only firms that fully meet eligibility standards are permitted to participate as DBEs; help remove barriers to the participation of DBEs; and assist the development of firms that can compete successfully in the marketplace outside the DBE program.

Findings: This area was not reviewed due to a DBE compliance review that was conducted by FTA during the review period.

8. Buy America

Basic Requirement: Per Buy America law, federal funds may not be obligated unless steel, iron, and manufactured products used in FTA-funded projects are produced in the United States, unless FTA has granted a waiver, or the product is subject to a general waiver. Rolling stock must have a 60 percent domestic content and final assembly must take place in the United States.

Findings: During this Triennial Review of CTA, no deficiencies were found with the FTA requirements for Buy America.

9. Suspension/Debarment

Basic Requirement: To prevent fraud, waste, and abuse in federal transactions, persons or entities, which by defined events or behavior, potentially threaten the integrity of federally administered programs are excluded from participating in FTA-assisted programs. FTA grantees are required to ensure to the best of their knowledge and belief that none of the grantee's "principals" (as defined in the governing regulation 49 CFR Part 29), subrecipients, and third-party contractors and subcontractors is debarred, suspended, ineligible or voluntarily excluded from participation in federally assisted transactions. Grantees are required to review the Excluded Parties Listing System (<http://epls.arnet.gov/>) before entering into any third party contracts.

Findings: During this Triennial Review of CTA, no deficiencies were found with the FTA requirements for suspension/debarment.

10. Lobbying

Basic Requirement: Recipients of federal grants and contracts exceeding \$100,000 must certify compliance with Restrictions on Lobbying before they can receive funds. In addition, grantees are required to impose the lobbying restriction provisions on their contractors.

Findings: During this Triennial Review of CTA, no deficiencies were found with the FTA requirements for lobbying.

11. Planning/Program of Projects

Basic Requirement: The grantee must participate in the transportation planning process in accordance with FTA requirements, Metropolitan Statewide Planning Final Rule, and Management Systems Interim Final Rule (Transportation Planning Regulations [TPR]), as revised.

Findings: During this Triennial Review of CTA, no deficiencies were found with the FTA requirements for planning/POP.

12. Title VI

Basic Requirement: The grantee must ensure that no person in the United States shall, on the ground of race, color, or national origin, be excluded from participating in, or denied the benefits of, or be subject to discrimination under any program or activity receiving federal financial assistance. The grantee must ensure that federally supported transit service and related benefits are distributed in an equitable manner.

Findings: During this Triennial Review of CTA, no deficiencies were found with the FTA requirements for Title VI.

13. Public Comment Process for Fare and Service Changes

Basic Requirement: The grantee must have a locally developed process to solicit and consider public comment before raising a fare or carrying out a major reduction of transportation.

Findings: During this Triennial Review of CTA, no deficiencies were found with the FTA requirements for public comment process for fare and service changes.

14. Half Fare

Basic Requirement: Grantees must ensure that elderly persons and persons with disabilities, or an individual presenting a Medicare card, will be charged during non-peak hours

for transportation using or involving a facility or equipment of a project financed under Section 5307 not more than 50 percent of the peak hour fare.

Findings: During this Triennial Review of CTA, deficiencies were found with the FTA requirements for half fare.

One of the pages on CTA's website that describes fare information does not indicate that Medicare card holders are eligible for reduced fares. In particular, the page on which this information is missing is: www.transitchicago.com/maps/riders.html.

Corrective Actions and Schedule: No later than November 16, 2007 CTA must revise its website to ensure that Medicare half-fare information is included wherever fare information appears and notify FTA when this corrective action is complete. Following the site visit CTA implemented the corrective actions and provided the documentation to the Regional Office. Therefore, this finding was closed on July 26, 2007.

15. ADA

Basic Requirement: Titles II and III of the Americans with Disabilities Act of 1990 provide that no entity shall discriminate against an individual with a disability in connection with the provision of transportation service. The law sets forth specific requirements for vehicle and facility accessibility and the provision of complementary paratransit service.

Findings: During this Triennial Review of CTA, no deficiencies were found with the FTA requirements for ADA.

16. Charter Bus

Basic Requirement: Grantees are prohibited from using federally funded equipment and facilities to provide charter service except on an incidental basis and when one or more of applicable exceptions for urban areas set forth in the charter service regulation at 49 CFR 604.9 (b) applies.

Findings: During this Triennial Review of CTA, no deficiencies were found with the FTA requirements for charter bus.

17. School Bus

Basic Requirement: Grantees are prohibited from providing exclusive school bus service unless the grantee qualifies under specified exceptions. In no case can federally funded equipment or facilities be used.

Findings: During this Triennial Review of CTA, no deficiencies were found with the FTA requirements for school bus.

18. National Transit Database (NTD)

Basic Requirement: The grantee must collect, record, and report financial and non-financial data in accordance with the Uniform System of Accounts (USOA) and updated with the *National Transit Database (NTD) Reporting Manual* as required by 49 USC 5335(a).

Findings: During this Triennial Review of CTA, no deficiencies were found with the FTA requirements for National Transit Database.

19. Safety and Security

Basic Requirement: Any recipient of Urbanized Area Formula Grant Program funds must annually certify that it is spending one percent of such funds for transit security projects or that such expenditures for security systems are not necessary.

Under the safety authority provisions in the federal transit laws, the Secretary has the authority to investigate the operations of the grantee for any conditions that appear to create a serious hazard of death or injury especially to patrons of the transit service. However, FTA has no specific requirements for transit safety. States are required to oversee the safety of rail fixed guideway systems through a designated oversight agency. Under security, FTA has adopted the "Top 20 Security Program Action Items for Transit Agencies." The action items are measures recommended by FTA for immediate consideration and implementation by transit agencies to improve both security and emergency preparedness.

Findings: A summary of CTA's expenditures of Section 5307 funds for security projects is provided in Section VI of this report.

During this Triennial Review of CTA, no deficiencies were found with the FTA requirements for safety and security.

20. Drug-Free Workplace

Basic Requirement: Grantees are required to maintain a drug-free workplace for all employees and to have an ongoing drug-free awareness program.

Findings: During this Triennial Review of CTA, deficiencies were found with the FTA requirements for drug-free workplace.

CTA's ongoing drug-free awareness program focuses on its operations and maintenance employees. CTA issues bulletins, which are posted at operating facilities, and provides training

for these employees. Similar activities are not performed for CTA's administrative employees as required by the Drug-free Workplace Act.

Corrective Actions and Schedule: No later than September 17, 2007, CTA must provide FTA with a plan and schedule for implementing a drug-free awareness program that informs all of its employees of the dangers of drug abuse and the availability of counseling, rehabilitation and employee assistance programs. Following the site visit CTA implemented the corrective actions and provided the documentation to the Regional Office. Therefore, this finding was closed on July 26, 2007.

21. Drug and Alcohol Program

Basic Requirement: Grantees receiving FTA funds under Capital Grant, Urbanized Area Formula Grant, or Non-Urbanized Area Formula Grant Programs must have a drug and alcohol testing program in place for all safety-sensitive employees.

Findings: This area was not reviewed due to a pending Drug and Alcohol Program audit.

22. Equal Employment Opportunity (EEO)

Basic Requirement: The grantee must ensure that no person in the United States shall, on the ground of race, color, creed, national origin, sex, age, or disability be excluded from participating in, denied the benefits of, or be subject to discrimination in employment under any project, program or activity receiving federal financial assistance from the federal transit laws.

Findings: During this Triennial Review of CTA, no deficiencies were found with the FTA requirements for EEO.

23. ITS Architecture

Basic Requirement: Intelligent Transportation Systems (ITS) projects funded by the Highway Trust Fund and the Mass Transit Account must conform to the National ITS Architecture, as well as to U. S. Department of Transportation (DOT) adopted ITS standards.

Findings: During this Triennial Review of CTA, no deficiencies were found with the FTA requirements for ITS architecture.

V. SUMMARY OF FINDINGS AND CORRECTIVE ACTIONS

Review Area	Finding	Deficiency	Corrective Action	Response Days/Date	Date Closed
1. Legal	ND				
2. Financial	ND				
3. Technical	D-04	Inactive grants/untimely closeouts	CTA must submit a final milestone/progress report and financial status report for IL-90-X100 that shows no unliquidated obligations against the grant and request that FTA closeout the grant and deobligate any remaining funds.	08/31/07	07/26/07
4. Satisfactory Continuing Control	ND				
5. Maintenance	D-04	Late vehicle preventive maintenance	CTA must provide FTA with a plan and schedule that describes how it intends to bring its preventive maintenance on-time performance up to an 80 percent level or greater and must report to FTA until inspections are at 80 percent or greater for three consecutive months.	11/16/07	
	D-06	Facility/equipment maintenance plan lacking or inadequate	CTA must submit to FTA a comprehensive facility and equipment maintenance plan that includes the following: organization and assignment of responsibility for facility and equipment maintenance, a series of inspections and routine maintenance actions designed to ensure the proper care and maximum useful service life of facilities and equipment, and a record-keeping system that maintains adequate permanent records of maintenance and inspection activity for buildings and equipment.	11/16/07	
	D-07	Late facility/equipment preventive maintenance	CTA must provide FTA with a plan and schedule that describes how it intends to bring its facility and equipment preventive maintenance on-time performance up to an 80 percent level or greater and must report to FTA until inspections are at 80 percent or greater for three consecutive months.	11/16/07	
	D-08	General condition of vehicles, facilities and/or equipment poor	CTA must submit develop and submit a plan to bring the condition of the bus fleet to an acceptable level.	11/16/07	

Review Area	Finding	Deficiency	Corrective Action	Response Days/Date	Date Closed
6. Procurement	ND				
7. Disadvantaged Business Enterprise	NR				
8. Buy America	ND				
9. Suspension/Debarment	ND				
10. Lobbying	ND				
11. Planning/POP	ND				
12. Title VI	ND				
13. Public Comment for Fare and Service Changes	ND				
14. Half Fare	D-06	Information incomplete regarding Medicare cardholders	CTA must revise its website to ensure that Medicare half-fare information is included wherever fare information appears and notify FTA when this corrective action is complete.	11/16/07	07/26/07
15. ADA	ND				
16. Charter Bus	ND				
17. School Bus	ND				
18. National Transit Database	ND				
19. Safety and Security	ND				
20. Drug-Free Workplace	D-05	Inadequate employee education program	CTA must provide FTA with a plan and schedule for implementing a drug-free awareness program that informs all of its employees of the dangers of drug abuse and the availability of counseling, rehabilitation and employee assistance programs.	09/17/07	07/26/07
21. Drug and Alcohol Program	NR				
22. Equal Employment Opportunity	ND				
23. ITS Architecture	ND				

Findings: ND = No Deficiencies; D = Deficient; AC = Advisory Comment; NA = Not Applicable; NR = Not Reviewed

VI. TRANSIT SECURITY EXPENDITURES

Does the grantee expend one percent or more of its Section 5307 Urbanized Area Formula Grant funds for transit security? Yes X No

If no, why does the grantee consider such expenditure unnecessary (check all that apply):

 No deficiency found from a threat and vulnerability assessment

 FTA Top 20 Security Action Items met or exceeded

 Other (please describe): _____

Security Funding	FTA Section 5307 Funds (in Dollars)		
	FY 2004	FY 2005	FY 2006
Total amount of 5307 Funds expended	\$136,029,075	\$118,041,220	\$261,454,280
Amount of 5307 Funds expended on security	\$6,275,897	\$11,696,894	\$23,728,768
Percent of 5307 Funds expended on security	4.6 %	9.9%	9.1%
Infrastructure/Capital Improvement Security Projects:			
Lighting, Fencing & Perimeter Control			\$2,425,516
CCTV and Surveillance Technology	\$370,908	\$4,726,909	\$3,863,401
Communications Systems	\$5,904,989	\$6,969,985	\$17,439,851
Security Planning*			
Drills & Tabletop Exercises*			
Employee Security Training*			
Other Security-Related Infrastructure & Capital Improvements (please list): _____			
Operating/Personnel Expenditures (can only be used by agencies in areas with populations UNDER 200,000):			
Contracted Security Force			
In-house Security Force			
Other Security-Related Operating Expenditures (please list): _____			

* SAFETEA-LU amended the definition of a capital project to include:
 - projects to refine and develop security and emergency response plans;
 - the conduct of emergency response drills with public transportation agencies and local first response agencies; and
 - security training for public transportation employees.

VII. ATTENDEES

Name	Title/Organization	Phone Number	e-mail address
<i>Grantee</i>			
Ron Huberman	President, CTA		
Paul Fish	VP Capital Investment	312-681-3450	pfish@transitchicago.com
Jim Richmond	Capital Investment	312-681-3459	jrichmond@transitchicago.com
David Simmons	GM Capital Investment	312-681-3460	dsimmons@transitchicago.com
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Edward Chorak	Manager, Grant Accounting	312-681-3556	echorak@transitchicago.com
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Lynn Saputa	VP Finance/Comptroller	312-681-3500	lsaputa@transitchicago.com
John Gandor	Manager II - Grant & Receivable Accounting	312-681-3570	jgandor@transitchicago.com
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Reginald Lovelace	VP Purchasing	312-681-2400	rlovelace@transitchicago.com
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