SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY
SPECIAL AND REGULAR BOARD MEETING

- - -

July 22, 2021

- - -

2:59 P.M.

- - -

VERITEXT LEGAL SOLUTIONS, LLC
MID- ATLANTIC REGION
1801 Market Street - Suite 1800
Philadelphia, Pennsylvania 19103
APPEARANCES:

BOARD MEMBERS PRESENT IN BOARDROOM:
Honorable Kenneth Lawrence, Jr., Vice Chairman
Thomas Jay Ellis, Esquire
Kevin L. Johnson, P.E.
William J. Leonard, Esquire

BOARD MEMBERS PRESENT ON THE WEBEX:
Pasquale R. Deon, Sr., Chairman
Thomas E. Babcock
Joseph E. Brion, Esquire
Michael A. Carroll, P.E.
John F. Cordisco, Esquire
Mark H. Dambly
Robert D. Fox, Esquire
Deborah Mahler
Honorable Martina White

STAFF PRESENT IN THE BOARDROOM:
Leslie S. Richards, General Manager
Richard G. Burnfield, Deputy General Manager/Treasurer
Robert L. Lund, P.E., Deputy General Manager
Gino Benedetti, Esquire, General Counsel
Carol R. Looby, Secretary
Francis E. Kelly, AGM, Government & Public Affairs
Scott A. Sauer, AGM, Operations
William Webster, AGM, Communications
CHAIRMAN DEON: Let's get started. The Special Meeting of the Board will now come to order. Let me go over the attendance.

I see we have Vice Chairman Lawrence.

Tom Babcock, you're on the line?

MR. BABCOCK: Yes.

CHAIRMAN DEON: Skip Brion?

MR. BRION: Here.

CHAIRMAN DEON: Mike Carroll?

(No response.)

CHAIRMAN DEON: I saw him earlier.

John Cordisco?

MR. CORDISCO: Here.

CHAIRMAN DEON: Mark Dambly?

MR. DAMBLY: Here.

CHAIRMAN DEON: I see Tom Ellis.

Robb Fox?

MR. FOX: Here.

CHAIRMAN DEON: I see Kevin.

Obra Kernodle?

(No response.)
CHAIRMAN DEON: Obra?
(No response.)
CHAIRMAN DEON: All right. Bill Leonard? I see you.
Debbie Mahler? Debbie?
(No response.)
CHAIRMAN DEON: All right.
Esteban Vera?
(No response.)
CHAIRMAN DEON: And Representative White.
REPRESENTATIVE WHITE: Here.
CHAIRMAN DEON: All acknowledged.
Let's start off with the Pledge of Allegiance.
PLEDGE OF ALLEGIANCE
CHAIRMAN DEON: Okay. Good afternoon. Thank everyone for joining us for this month's Board Meeting. Please note the Board in Executive Session just prior to this meeting to discuss legal matters.
All written comments and voice
mail messages that have been received will be included into the Special Board Meeting transcript, which will be posted to the SEPTA website.

If a speaker who wishes to address items on today's agenda will be called on before today's vote. Please limit your remarks to two minutes.

Rich Burnfield will present the following Resolution. Rich?

MR. BURNFIELD: Thank you, Mr. Chairman.

At the June 24th, 2021, Pension Committee Meeting, New England Pension Consultant, SEPTA's pension plan consultant, provided the pension committee with performance data and manager information for investment in a potential real estate fund.

At the July 22nd, 2021 Pension Committee Meeting, representatives of three firms made presentations, and responded to questions from pension committee members, staff, and new England
Pension Consultants. Based upon those presentations and committee discussion, the committee agreed to recommend the appointment of Carlisle Property Investors as a real estate investment manager with respect to investment of SEPTA's Pension Plan.

CHAIRMAN DEON: Okay. Thank you, Rich.

Do we have any speakers who wish to address or comment?

MS. LOOBY: No.

CHAIRMAN DEON: All right. Hearing none, please note that a copy of the Revised Resolution has been provided to the Board. I'll entertain a motion, motion to adopt the Resolution.

MR. LEONARD: So moved.

MR. JOHNSON: Second.

CHAIRMAN DEON: Moved and second. Are there any questions or comments?

(No response.)

CHAIRMAN DEON: Hearing none,
I'll call the question. All in favor say, "aye."

   ALL:    Aye.
CHAIRMAN DEON:  Opposed?
   (No response.)
CHAIRMAN DEON:  Hearing none, the resolution is adopted.
   We can conclude this meeting, if I can have a motion?

   VICE CHAIRMAN LAWRENCE: Motion to adjourn.
   MR. ELLIS:    Second.
CHAIRMAN DEON:  All in favor say, "aye."

   ALL:    Aye.
CHAIRMAN DEON:  Board adjourns.
The Special Meeting is adjourned.
   (Special Meeting of the Board concluded at 3:02 p.m.)
CHAIRMAN DEON:  We'll move on to the Regular Meeting.
   All right. Let's see, I hope everyone is enjoying their summer, and getting ready for what should be an
exciting fall. The pandemic continues to present challenges for all of us, but we are seeing some very, very encouraging signs.

More riders are returning to SEPTA, and we are going to do everything possible to support this region's recovery.

There are major infrastructure, maintenance and cleaning efforts underway across the system this summer. These are all aimed at providing safe, efficient, and reliable service to our riders.

I would like to thank our workforce for their continued hard work and dedication. They have kept SEPTA, and this region moving throughout the pandemic.

I hope everyone finds time to relax and catch up with family and friends over the summer, and I look forward to seeing everyone again in person in September, in the boardroom.

So the first item on the agenda
is the approval of the Minutes of the June 24th Regular Board Meeting. These Minutes have been circulated.

I'll entertain a motion to approve the minutes.

VICE CHAIRMAN LAWRENCE: So moved.

MR. ELLIS: Second.

CHAIRMAN DEON: I'll call in the question. All in favor say, "aye."

ALL: Aye.

CHAIRMAN DEON: The Minutes are approved.

Moving on to the Financial Report, Mr. Burnfield. Rich?

MR. BURNFIELD: Thank you, Mr. Chairman.

June represents the end of Fiscal Year 2021. Revenue for the Fiscal Year was $328 million below budget, averaging a revenue shortfall of approximately $1 million per day.

During June, ridership growth was modest with transit ridership now at
47 percent of pre-COVID levels, and regional rail at 26 percent of pre-COVID levels.

Operating expenses were carefully managed throughout the Fiscal Year, and expenses were $156 million below budget.

With federal CARES relief funding providing operating assistance to offset budget shortfalls, SEPTA has been able to end the Fiscal Year with a balanced budget.

That concludes my report, Mr. Chairman.

CHAIRMAN DEON: Thank you, Rich. I'll entertain a motion that the Financial Report be received and filed?

VICE CHAIRMAN LAWRENCE: So moved.

MR. ELLIS: Second.

CHAIRMAN DEON: Moved and second. I'll call the question. All in favor say, "aye."

ALL: Aye.
CHAIRMAN DEON: The June
Financial Report has been received and filed.

Please note that all written comments and voice messages that have been received will be included in the official Board Meeting transcript, which will be then posted to the web site.

(No voicemail messages were received.)

CHAIRMAN DEON: I think we have -- are there any speakers, Carol? I don't see any on my list here.

MS. LOOBY: None.

CHAIRMAN DEON: None.

MR. CARROLL: This is Mike Carroll. For the record, I am present.

CHAIRMAN DEON: No issues, thank you.

I'll entertain a motion regarding the election not to hold a Regular Meeting of the Board in August 2021, and cancellation of the Regular and Special Meeting for the Board scheduled
August 26, 2021.

Is there a motion?

VICE CHAIRMAN LAWRENCE: So moved.

MR. ELLIS: Second.

CHAIRMAN DEON: Any question or comment?

(No response.)

CHAIRMAN DEON: Hearing none, all in favor say, "aye."

ALL: Aye.

CHAIRMAN DEON: The resolution is adopted.

Change to the September meeting.

I'll entertain a motion regarding election to move the Regular Meeting of the Board in the month of scheduled for September 23rd, after the holiday involved, so we're going to move it back.

I hear a resolution.

VICE CHAIRMAN LAWRENCE: So moved.

MR. ELLIS: Second.

CHAIRMAN DEON: Any questions?
(No response.)

CHAIRMAN DEON: Hearing none,
I'll call the question, everybody say, "aye."

ALL: Aye.

CHAIRMAN DEON: Opposed?

(No response.)

CHAIRMAN DEON: The resolution is adopted.

Next item on the calendar is the Consent Calendar, which consists of:

"Authorization to Purchase Stop Loss Insurance for Medical and Prescription Drug Benefits with Granular Insurance Company;"

"Award of Contract Pursuant to a Request for Proposal;"

"Lease by SEPTA to M&H1 LLC for portion of the Concourse of the 1234 Market Street Headquarters Building;"

"Authorization to Award Contracts for Various Procurements;"

"Award of Contract for Sole Source Procurements;" and
"Authorization to Execute Change Orders and Amendments."

All the items on the Consent Calendar have been reviewed by the appropriate Board committees in public session.

I'll entertain a motion to adopt these resolutions.

VICE CHAIRMAN LAWRENCE: So moved.

MR. ELLIS: Second.

CHAIRMAN DEON: Moved and second. Any comments or questions?

(No response.)

CHAIRMAN DEON: Any abstentions?

MR. ELLIS: Mr. Chairman, I abstain from item IV.D.8.

CHAIRMAN DEON: So noted, and I have one, I think IV.C.3. Is that what that means there, Carol?

MS. LOOBY: Correct.

CHAIRMAN DEON: Okay. Moved and second. Is there any question? Any further comments?
(No response.)

CHAIRMAN DEON: Hearing none, I’ll call the question. All in favor say, "aye."

ALL: Aye.

CHAIRMAN DEON: Opposed?

(No response.)

CHAIRMAN DEON: Hearing none, the Resolutions are adopted.

All right. Move on to the report of the general manager -- CEO/general manager. I keep forgetting that part.

MS. RICHARDS: Thank you, Chairman.

It's been an extremely busy month as SEPTA, as SEPTA continues to make sure our system is clean, safe, healthy, and reliable for those who continue to ride our system, and to prepare for those who are coming back. SEPTA forces are working around the clock tackling critical track and power maintenance, station upgrades, and
intensive tunnel, track area, and station cleaning as part of the 2021 Trolley Tunnel Blitz.

And following several successful station cleaning and maintenance blitzes in recent months, SEPTA will expand the initiative through August to additional locations on the Broad Street and Market-Frankford Lines.

We are continuing with our enhanced cleaning efforts on all of our vehicles and at all of our stations. We have upgraded air filters on our vehicles. It's interesting to note that the air on our vehicles recirculates every two to three minutes, this is more frequently than in operating rooms. I know that gives me confidence, and it's important for our riders to understand that their safety is a huge priority for all of us.

Our Southwest Connection Improvement Program, also known as SCIP, continues to rebuild the mainline
infrastructure on the Media/Elwyn Line. We appreciate everyone's patience as we work to improve service, safety, and travel reliability for our Regional Rail riders. We are trying to minimize the impact of this project for the greatest possible number of customers and residents by working on weekends.

And in addition to our efforts to make our system clean, safe, and healthy, we are working to make using SEPTA easier, and more convenient for those who ride with us.

In partnership with the School District of Philadelphia, we recently announced that this year, Philadelphia students will travel to school on a contactless, reusable SEPTA student fare card. This is a major upgrade from the TransPass. Students can tap up to eight times a day on any bus, trolley or subway on school days, and this includes up to 8:00 p.m. at night. This will enable them to participate in extracurricular
activities, and will also provide safety measures to protect against lost or stolen cards.

And beginning August 1st, SEPTA will take over operation of the Route A bus, which will now be called our Route 135 bus. This ensures continued quality service for our customers in Chester County.

All of us at SEPTA are working really hard to support the region's recovery. Our goal is to foster a resilient, prosperous, and equitable future. I'm really proud of all of our employees here who are working really hard to make that happen, and I do want to thank them.

In order to support our workforce, we need to make sure we have the right team in place, and that's why I'm happy to announce that we recently promoted Stephanie Deiger to Assistant General Manager of Human Resources, where she will be responsible for the
departments and staff that are currently part of the Employee Development and Relations Division, as well as all Human Resources functions. That includes labor relations, training, testing, Equal Employment Opportunity, Affirmative Action and employee relations.

These past 17 months have presented once-in-a-generation circumstances that have challenged our organization and our employees.

Under Stephanie's leadership, SEPTA met those challenges and set in motion new policies and programs that position us to continue to be a competitive and desirable workplace for the future. We are thrilled to have Stephanie in this new position, and also want to thank Jacob Aufschauer who also helped us to get through this very difficult time.

There are some other folks that I would like to make sure get credit for the great work they do too. And I just
want to highlight a few of our employees, there are so many, but today I would like to point out these employees to you.

First, SEPTA Transit Police Officers Samuel Lynch and Andrew Olchowecky who are here today in the back of our room. They deserve tremendous recognition for their bravery and selflessness in apprehending a murderer in our community.

Please come up to the front.

APPLAUSE

MS. RICHARDS: I briefly want to describe what they did. After a gun battle erupted across the street from our Frankford Transportation Center, which killed one person, these officers immediately ran after the gunman. After a chase, they caught the gunman and Officer Olchowecky, who is a transit police K9 officer, used his detective dog to locate the gun that had been fired by the suspect. I see we have our K9 partner with us today as well.
The courageous and heroic actions of Officers Lynch and Olchowecky is an example of the amazing work that the transit police do in protecting our employees and our customers, and might I add, making our entire region safer for all of us. We thank them for their professionalism, and their bravery. We are truly grateful.

Thank you so much again.

APPLAUSE

MS. RICHARDS: I'll say, Officer Olchowecky, while you're here, I do not have the name of our K9 officer if you could share that -- Sam. Sam is the name of our K9 officer.

APPLAUSE

MS. RICHARDS: Thank you. Okay. Thank you so much, officers. We truly appreciate it. And thanks for bringing Sam as well.

Okay. The next group of people we want to recognize also prioritize safety of all of our customers and
employees. This time, keeping everyone safe from COVID. In the summer of 2020, SEPTA joined with our peer transit and railroad agency in the northeast to promote safe and health travel during the pandemic by participating in a Mask Force program. Through Mask Force Philly, SEPTA expanded on our efforts to ensure mask compliance. We deployed social distancing coaches, employee-volunteers, who engaged customers about our face-mask requirement, and gave tips for social distancing at stations and our vehicles to promote safe and healthy travel habits, and I believe the employees that I'm about to mention are here too, if they would move to the front of the room.

I want to recognize Michael Spencer, our Customer Service Outreach Coordinator; Megan Schultz, Energy Data Analyst, who really spearheaded our Mask Force Philly initiative; and Chire Harden of our Sub/El, our Market-Frankford Line Cashier; as well as Rochelle Culbreath,
our Manager of Legislative Affairs. All of these employees took this initiative to a whole new level, and Rochelle really helped raise the bar I would have to say. They made the initiative fun, and set the tone for the rest of the volunteers.

From traveling throughout the region to spread the word; snapping pictures of legislators and government officials wearing their masks; to packaging 3,000 individual masks in sandwich bags on their personal time, these employees were thinking outside the box to push the initiative out and in a very fun way at the same time.

They made it a movement for all: Those in the field, and employees who were teleworking joined in the effort.

And I really want to applaud every single employee who was part of this incredible initiative. Their work has absolutely paid off. I am proud to report that today on average, 90 percent of all customers on our trains, buses and
trolleys are wearing masks properly every day. Thanks to this effort, and thanks to so many of your volunteer employees who worked on Mask Force Philly. I ask that we give them all a round of well-deserved applause.

APPLAUSE

MS. RICHARDS: And thank you all for really helping us keep everyone safe here in the Philadelphia region. You make us all proud.

And with that, that concludes my report, Mr. Chairman.

CHAIRMAN DEON: Again, the awesome employees that we have down there are just doing a great job. I would like to thank them. I couldn't clap 'cause I was trying to get my thing off of mute, but it's all great work.

So I think we have a couple of speakers:

Alex Davis.

MR. DAVIS: This is a general comment pertaining to SEPTA rider alert
system in the form of a song.

"I have only two minutes to tell you a tale about a time I tried to ride a Regional Rail, Google Maps showed the train, but the train just didn't show. So I checked on the app, said the train wasn't running, said a shuttle bus would come, but not when it was coming and I had to find a secret PDF or I would never know.

And sure enough I found the PDF and only took me 20 minutes, it was in the Line's Twitter, very deep down in it, and said that the shuttle bus was five minutes away.

So I ran down the road, but the bus didn't come, so I started getting nervous. I pulled out my phone and called customer service and they told me the track work was actually canceled that day.

I saw my train pull in and watched it roll away, and that's why I'm with you today, to say that I can't trust
SEPTA's app if it's always such a mess. And I can't trust Google Maps with faulty GTFS. Routes are gonna get delayed and tracks have gotta get re-laid and that's okay, as long as I don't have to guess. Oh, yes, my stress is less when you don't make me guess.

Thank you.

APPLAUSE

CHAIRMAN DEON: It's very timely and what we have been discussing, you know, over the last few days, so if Frank or Leslie, can you have that recorded so I can keep it in my office for this week when I talk.

MS. RICHARDS: Done.

CHAIRMAN DEON: All right.

Thank you. I think we have one more other speaker, Nat Lownes.

MR. LOWNES: Good afternoon.

How is everyone?

(Inaudible).

MR. LOWNES: I mean --

MS. RICHARDS: I don't know if
you could hear. We were all saying good, but I don't think anyone's microphone was on.

Thanks for asking.

MR. LOWNES: Awesome. That's good to hear.

Shout out to Alex. I don't think I have fucking ever heard anything like that before in the SEPTA Board Meeting.

It's definitely a first.

Philly Transit Riders Union and the following is an excerpt from the July 12th Philadelphia Inquirer with the headline "Between Trash Pickup and Library Closures, City Government is Far From Reopened." It reads, "Regional Rail ridership has been the most sluggish and is at about 20 percent of the usual volume. SEPTA officials fear it may never fully recover as employers offer more work-from-home options, potentially transforming the system from the commuter rail to the one that primarily serves,
quote unquote, discretionary travel.
SEPTA's spokesperson, Andrew Bush said,
such as suburbanites coming into the city
for a night out."

My question to SEPTA's general
manager, Leslie Richards is, why do you
believe that the best use of our massive
Regional Network is as a railroad is
exclusively for the pleasure use of
mostly white suburbanites?

UNIDENTIFIED PERSON: Shut up.

MR. LOWNES: Sounds about right,
mother fucker.

CHAIRMAN DEON: Is that the last
of our speakers, Carroll?

MS. LOOBY: Yes, it is.

CHAIRMAN DEON: Okay. If there
is no further comments or a crude
question, we'll entertain a motion that
the meeting be adjourned.

VICE CHAIRMAN LAWRENCE: So
moved.

MR. ELLIS: Second.

CHAIRMAN DEON: All right.
Thank you, guys. Have a good summer. We will see you in September in the Boardroom. Thanks.


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(Witness excused.)

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(Deposition concluded at 3:20 p.m.)
CERTIFICATE

COMMONWEALTH OF PENNSYLVANIA:
COUNTY OF PHILADELPHIA:

I do hereby certify that I am a Notary Public in good standing, that the aforesaid meeting was taken before me, pursuant to notice, at the time and place indicated; that the meeting was correctly recorded in machine shorthand by me and thereafter transcribed under my supervision with computer-aided transcription.

WITNESS my hand and official seal this 2nd day of August, 2021.

Paulette Cox, Court Reporter
Notary Public