



CITY OF CHICAGO

COMMITTEE ON THE BUDGET AND GOVERNMENT OPERATIONS
CITY COUNCIL
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ALDERMAN JASON C. ERVIN
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COMMITTEE ON THE BUDGET AND GOVERNMENT OPERATIONS
MONTHLY RULE 45 REPORT
JULY 2024

Pursuant to Rule 45 of the City Council Rules of Order, the Committee on the Budget and Government Operations (CBGO) submits the following Monthly Rule 45 Report for JULY 2024 Meeting.

Date, Time & Location of Meeting: On July 15, 2024 at 11:00 A.M., the Committee on the Budget and Government Operations held a Meeting in City Hall, Council Chamber, 121 N. LaSalle Street, 2nd Floor.

Attendance: The following members were present: Chairman Ervin (28), Vice-Chairman Lee (11), La Spata (1), Yancy (5), Mitchell (7), Harris (8), Ramirez (12), Quinn (13), O'Shea (19), Moore (17), O'Shea (19), Scott (24), Sigcho-Lopez (25), Taliaferro (29), Cardona (31), Rodriguez-Sanchez (33), Mitts (37), Sposato (38), Nugent (39), Vasquez (40), Napolitano (41), Knudsen (43), Martin (47) and Hadden (49).

The following members attended virtually: Robinson (4), Mosley (21) and Burnett (27).

The following members were absent: Dowell (3), Lopez (15), Rodriguez (22), Conway (34), Ramirez-Rosa (35), Villegas (36) and Reilly (42).

Internal witnesses present: **Office of Budget Management (OBM):** Budget Director Annette Guzman, Deputy Budget Director Kevin Schuster; **Department of Law:** Chief Assistant Corporation Counsel Redeatu Kassa; **Chicago Department of Public Health (DPH):** Assistant Commissioner Regina Meza Jimenez, Finance Officer Mary Townsend-Baldwin; **Department of Cultural Affairs and Special Events (DCASE):** Deputy Commissioner Tahira Baig; **Department of Family and Support Services (DFSS):** Deputy Commissioner Daniel Castaneda; **Chicago Department of Transportation (CDOT):** Director of Grants Management Grant Davis.

The Committee on the Budget and Government Operations addressed the following items:

- **Approval of the Monthly Rule 45 Report of June 2024**

➤ **July 2024 ARPA Road to Recovery Report**

- 1. Annual Appropriation Ordinance Year 2024 amendment within Fund 925.
(O2024-0010096)**
- 2. Discussion of a proposed ordinance amending Municipal Code Chapter 2-92 by modifying Section 2-92-010 regarding establishment, composition Chief Procurement Officer.
DISCUSSION PURPOSES ONLY! NO VOTE WILL BE TAKEN!**
- 3. Transfer of funds within Committee on Health and Human Relations for Year 2024.
(O2024-0009798)**
- 4. Transfer of funds within 15th and 49th Wards Wage Allowance/Aldermanic Expense Account for Year 2024.
(O2024-0009174)**

Chairman Ervin called the meeting to order, took roll call, and recognized a quorum was present. The Chair then made a motion to allow Committee Members, Aldermen Robinson, Mosley and Burnett to join virtually pursuant to Rule 59, so moved by Vice Chairman Lee, hearing no objections, the Aldermen were added to the roll.

The Chairman proceeded to read the Rules of Conduct for Public Meetings, then opened the floor for public comment. The following speakers were present and given three minutes each for public comment:

- Mrs. Lawrence
- George Blakemore
- Jessica Jackson
- Doris Lewis
- Tiwon Sims
- Theresa “TJ” Hughes
- Zoe Leigh
- Michael Young-Bey

The Chair concluded the public comment period then proceeded to the approval of the Monthly Rule 45 Report of June 2024, which report was transmitted electronically to the Membership. The Chair asked if there were any requests for discussion. Hearing no such requests, Alderman La Spata moved to approve the report. A vote was taken, and the report was approved.

Chairman Ervin continued to Item# 1, an Annual Appropriation Ordinance Year 2024 amendment within Fund 925. The Chair made a motion to accept a substitute ordinance on Item #1, Alderman La Spata so moved, hearing no objection, the item was adopted. Kevin Schuster, Deputy Budget Director was acknowledged and provided a narrative on the ordinance amending the 925 Fund Appropriation, an additional \$91,842,000 in federal and state grant funds for the Office of Budget and Management Department of Cultural Affairs and Special Events, Chicago Department of Public Health, Department of Family and Support Services and the Chicago Department of Transportation. The Chairman opened the floor for questions and comments then recognized Alderman La Spata.

Alderman La Spata asked for someone to elaborate on the plans for the CDOT funding and the work that's happening on the station. Grant Davis, CDOT, replied that the funds will be used for station reconstruction, the current is not ADA accessible for riders with wheelchairs or with limited mobility. This project will provide wider platforms, a full coverage canopy to protect riders from rain and snow, installation of 4 elevators at each corner of the elevated station for ADA accessibility as well as an elevator connection to the red line Lake Street Station and platform. Alderman La Spata concluded. The Chairman then queried the Body if there were any additional questions on the 925. Seeing none, then asked if there was a motion to pass. Acknowledged Alderman Hadden moves to pass, asking all in favor signify by saying aye, any opposed? In the opinion of the Chair the ayes have it, recognized the ordinance passes and will be reported out at our next City Council meeting on July 17, 2024.

Chairman Ervin changed the agenda order, calling Item #3 next, a Transfer of funds within Committee on Health and Human Relations for Year 2024. The Chair asked if there were any questions or comments, seeing there were none, Alderman Yancy moved to pass Item #3, a voice vote observed, hearing no objections, the item was approved and will be reported out at the next City Council Meeting on July 17, 2024.

The Chairman continued to Item #4, a Transfer of Funds within the 15th and 49th Ward Wage Allowance/Aldermanic Expense Account for Year 2024. He then made a motion to accept a substitute ordinance on Item #4. Alderman Hadden moved to accept, hearing no objections, the substitute ordinance was approved. The Chair asked if there were any questions or comments, seeing there were none, Alderman Taliaferro moved to pass on Item #4, a voice vote observed, hearing no objections, the item was approved and will be reported out at the next City Council Meeting on July 17, 2024.

Chairman Ervin next moved to address the July 2024 ARPA Road to Recovery Report, which was transmitted electronically to the Membership. He then acknowledged Budget Director Annette Guzman who gave an overview of the monthly report for the ARPA Grant, which included ARPA Fund Level Summaries, Obligation Reporting: Tracking & Progress by Policy Pillar and by Departments, Federal & State Grant Pursuits Updates and State and Fiscal Recovery Funding (SLFRF) by Program. The Director concluded and the Chairman opened the floor to questions from the Members. The Chair inquired about the 83% of the funds mentioned that have been expended to date then asked if we are still on target to meet the threshold and not having to send anything back at the current trajectory that we are facing. Budget Director Guzman, replied that we are at 90% obligated which is pretty significant given we have 6 months left in the year, referencing pages 12 and 13 of the report, which shows where the remaining funding exists that needs to be obligated both by policy pillar and by department, so we are on track and anticipate having all of the funding obligated by the end of the year. We are using this budget cycle to refocus all of our programs to make sure that they are on track to spend according to their plans by the end of 2026. This year's budget as well as next year's budget will be able to reforecast any salvage that we have accrued within any programs will be able to shift to other obligated programs to ensure that every single dollar gets spent down. The first most pressing goal right now is the obligation deadline, we are on track to meet 100% by the end of this year. The Chair made a point of clarification, stating that if we do the obligation, we can still move funds around in the existing obligated programs, but no new programs. Budget Director Guzman responded, exactly. The Chair then asked how is a new program defined in that respect? Budget Director Guzman answered, a new program would be one that hasn't had any dollars from this funding source obligated to it, either through personnel, through a contract, a subrecipient or delegate agency agreement, or a beneficiary agreement, or by the treasury definition by a memorandum of understanding between my office and that department. The Chair asked, if we are

currently dealing with an organization, could we add responsibilities to their existing contract or is it that you could just add funds to what is existing without any new responsibilities. Budget Director Guzman replied, that's exactly right, we wouldn't be able to create new obligations for an existing vendor, but we could add dollars to what they're currently doing.

The Chairman concluded questioning and proceeded to Item #2, discussion of a proposed ordinance amending Municipal Code Chapter 2-92 by modifying Section 2-92-010 regarding establishment, composition Chief Procurement Officer. Chairman Ervin acknowledged Alderman Mitts who went on the record to state that someone should have shared information pertaining to this ordinance with her seeing that she is the Chairman for the Committee on Contracting, Oversight and Equity. The Chair further explained that the original ordinance was initially introduced into the Committee on Budget and Government Operations and that there was no intent to disrespect any committee or chairperson. The Chairman then called Chief Assistant Corporation Counsel Redeatu Kassa to give a synopsis on the ordinance. Chief Assistant Corporation Counsel Kassa made clear that the ordinance was up for discussion purposes only, he then continued to explain that the ordinance does two things; align the tenor of the CPO with other city department heads and authorize the Corporation Counsel to execute a severance agreement with the current CPO which would enable the city to move forward with the appointment of a new CPO. The Chair then opened the floor to questions/comments from the members. Alderman Hadden was acknowledged, who asked if there was a reason why we were discussing this in committee today versus voting on it? Chief Assistant Corporation Counsel Kassa responded that the notice has been issued for 8 hours ahead of the city council meeting for purposes of the opens meeting act, this item will be directly considered at city council for purposes of expediting the process. Alderman Hadden referenced Section 3 of the ordinance asking if this is the new section that will authorize the execution of the severance agreement. Also, when was the last time city council set the structure/revised for this office? Chief Assistant Corporation Counsel Kassa commented that he did not have the timeline with him, possibly 8-10 years ago. There is a section in the Municipal Code 2-92-015, which states the term of the CPO is 4 years until the successor is appointed, but there is a provision that states the CPO can only be removed for cause after a hearing and this is unlike any department head. Alderman Hadden then inquired on the reasoning/purpose behind Section 2-92-015 being written in this manner, are other cities CPOs similarly termed? Chief Assistant Corporation Counsel Kassa replied that the provision was probably inserted because of a state law, the state procurement act which has a similar provision, but the city has home rule authority to regulate its affairs in government so we are not required to follow the state's purchasing act, so this would be an action pursuant to the city's home rule authority. Alderman La Spata was recognized and asked for clarification as to why this ordinance was passed as a direct introduction to budget before bringing it to the full city council. Chief Assistant Corporation Counsel Kassa stated that the decision was to expediate the process, otherwise there would be a delay for this item to be considered at committee level and then go to city council for voting, which could have taken us to September. Alderman La Spata stated that he would follow up with the Chairman offline.

The Chair took a moment to recognize Aldermen Mitchell, Harris, Dowell, Reilly and Conway for the purpose of quorum. He then made a point of clarification regarding Item #2, stating that he wanted to discuss the ordinance so members could have a better understanding of what it does and does not do, create a level of closure with the former CPO and move forward with the appointment of a new CPO given the challenges of everything that is faced in that department and lack of leadership. Further, he acknowledged the current Acting CPO Hinton but expressing the need to find a stabilized leadership and its importance to the livelihood of a number of individuals/people for this City of Chicago. The Chairman concluded questions/comments.

The Committee on the Budget and Government Operations having no further business, on motion made by Alderman Yancy for adjournment, acknowledging all ayes and no nays, the meeting was adjourned.

(A video recording of the full meetings with committee members, internal and external experts, as well as any/all public speaking content can be reviewed on the Chicago City Clerk website under Committee Meeting Web Stream Archive dated July 15th, respectively.)

Respectfully submitted by:

A handwritten signature in black ink, appearing to read 'J. Ervin', written over a horizontal line.

Jason C. Ervin, Chairman
Committee on the Budget and Government Operations