

Minutes

RTA Board of Trustees Meeting

9:38 a.m., August 25, 2020

Present: Clough (Chair), Lucas (Vice Chair), Bibb, Byrne, Joyce, McCall, Moss, Pellot, Serrano, Weiss

Not present: None

Also Present: Anderson, Benford, Birdsong, Bober, Burney, Caver, Cottrell, Cox, Dangelo, Davidson, Davis, Dietrich, Fields, Garofoli, Gautam, Kirkland, Manning, Montgomery, Moore, Pickett, Schipper, Sutula, Woodford

Mayor Clough said that Senator Dolan is on the line. He will update the Board on what is going on with the State. He has been a strong advocate for transit to ensure we received funding over the last few years.

Senator Dolan

Senator Dolan called in. He thanked RTA for how they have stepped up to serve the public. In the last budget, they were able to move public transportation from the transportation budget, which is solely funded by the Gas Tax, to the General Revenue (GR) budget, which is paid for by the other state taxes. They were able to increase the allocation for public transit to \$70 million a year. When they did that, they had revenue projections for the remaining two years that would easily meet the \$70 million a year, but when the Pandemic hit in March, it changed the budget. The issues with the budget would be the same even if transportation had not moved to the GR budget because gas tax revenue is down. They want to help RTA get through the rest of year. Hopefully the CARES dollars received has allowed for addressing emergency issues at the Authority.

The current budget goes through June 30, 2021. They are setting the revenues for fiscal year 2021. The first two months suggest a good pace. He believes that is a result of the Stimulus checks, unemployment checks and pent up consumer frustration. With all of these slightly diminishing, there may be a dip in State revenues in December. They have a Rainy Day (RD) fund, but it is also the Budget Stabilization Fund. There is dialogue going on as to how to use those dollars. He believes the RD fund is designed to meet promises to entities like the RTA who made decisions based on what it thought the revenues would be. He wants to use the money to fill those obligations and not to use the RD fund as one-time monies to build next year's budget. It is his hope to meet RTA's expected revenues in the fiscal year 2021 and whatever the next budget cycle proves to be, they will argue that next spring. It is not built on one-time money and RTA can make decisions going forward.

RTA has a compelling story, but it needs to be broadened. He believes the NE Ohio legislatures are comfortable that RTA is providing a great service. He is grateful for the RTA staff, which has been responsive to the idea of the system redesign to match up with the needs. He has communicated to his members that public transportation is essential to the education, healthcare and the economy of mainly urban areas and also suburban and urban areas and that a failure to continue to invest in that is a failure to invest in the earlier mentioned areas. As they prepare for the budget, he suggest RTA staff visit Columbus to tell the story of public transportation. The efforts made in Cleveland can be duplicated throughout the State. Education of members is essential. The suburban and urban legislators get it, but there are a lot of rural legislators that need to hear RTA's story. The work RTA is doing is set up beautifully. He and Rep. Skindell argued to tell the story of the flexibility to change the system routes. Terence O'Donnell does a great job. Having Board members present with the advocacy agency to tell the story makes a difference.

Mayor Clough thanked him for the advice. Mr. Bibb asked if there were other members from the legislatures from the rural parts of the State who would like a tour of NE Ohio and the work RTA is doing. Rep. Dolan suggested Sen. Matt Huffman of the Allen County, Lima area. He represents a rural area and the rural legislatures look to him.

Mayor Clough called the meeting to order at 9:38 a.m. The secretary called the roll and reported that ten (10) board members were present. This meeting was conducted by teleconference for members of the Board in accordance with House Bill 197 of the 133rd General Assembly, signed by the Governor of the State of Ohio on March 27, 2020, the March 9, 2020 order of the Governor of the State of Ohio declaring a public health emergency and the April 30, 2020 order of the Director of the Ohio Department of Public Health prohibiting any gathering of ten (10) or more people. This meeting was live-streamed on RTA's Facebook page (www.facebook.com/rideRTA) for staff and members of the public.

The Secretary advised that notice of this meeting have been posted more than twenty-four hours in advance of the meeting, that the usual notification has been given the news media and other interested persons, and that all requirements of the Ohio Revised Code and Rules and Bylaws of this Board regarding notice of meeting have been complied with.

Minutes

Mayor Clough stated that the minutes from the July 28, 2020 Board Meeting had been previously distributed and reviewed and asked whether there were any additions and/or corrections. There were no corrections. The minutes were approved.

Public Comments – Agenda Items

1. Joshua Jones – Concerning agenda item: Resolution 2020-68 to amend “Commissions and Fare Structure” of Codified Rules and Regulations
 - I ask the RTA Board not to increase fares in 2021 and 2022. Our fares are too expensive when compared to residents' incomes in Cleveland and the transit service we receive.
 - I ask the RTA Board not to continue the pending fare increase that has been suspended since 2018. Instead, RTA should reduce fares further to bring back riders, avoiding the transit death spiral pattern.Agenda item regarding the Audit, Safety Compliance and Real Estate Committee report:
 - I ask the RTA to implement transit ambassadors instead of transit police. This is safer, less expensive, compliant with civil rights, and would address the proof-of-payment service that has lapsed on the HealthLine for years now. Transit ambassadors are proven effective in other cities and would make me feel safer than police do when I ride.

Mr. Bibb asked if the CAC could be used to test out the issues with the dial-in process for public comments. Mayor Clough mention that it worked at the last few meetings.

Committee Reports

The Governance Committee met earlier this month. The agenda involved compensation of an employee. It will be discussed later today.

Community Advisory Committee (CAC)

Mr. Bibb thanked Maribeth Feke for engaging the CAC with the consultant on the 25 Connects West TOD project. He thanked Rev. Lucas's CAC ADA members who piloting the new paratransit coaches and gave good feedback. Members of the CAC have been actively involved with RTA on assembling mask for riders.

Ad Hoc Committee Reports

Mr. Bibb is pleased with the great work of the Ad Hoc Technology team (Pete Anderson, Dr. Caver and Mike Lively) on the efforts around data, transparency and analytics. The Tech committee will meet this week to discuss the pilot open data transparency portal. Secondly, his committee will work with Dr. Caver to look at body cams and a Transit Police civilian review board.

Introduction of New Employees/Promotions

Promotions

1. Justin Krehel - Equipment Repair Leader - Operations
2. Robin Dietz - Transit Police Sergeant - Operations
3. Daveda Bencs - Manager – Transportation - Operations
4. Lisa Townes - Manager – Transportation - Operations
5. Maurice Hudson - Transit Police Sergeant – Operations
6. Mabry Harris – Procurement Team Leader – Finance & Administration

New Employees

1. Thomas Rafferty III - Manager of Payroll
2. Patrick Coffey - User Support Specialist

Mayor Clough congratulated the promotions and welcomed the new employees.

Introduction of Resolutions

- A. 2020-60 – Expressing congratulations to Chief John P. Joyce upon his retirement from the Greater Cleveland Regional Transit Authority, expressing appreciation for his years of dedicated and loyal service, and extending best wishes for his future endeavors, the adoption of which was moved by Mr. Serrano, seconded by Mr. Bibb and approved by unanimous vote.

Chief Joyce said it has always been a challenge, exhilarating and a honor to protect and serve. Mayor Clough expressed his appreciation for Chief Joyce' retirement. Ms. Birdsong thanked him for his service and guidance over the years.

- B. 2020-61 – Authorizing Contract No. 2020-046 with New Flyer of America Inc. for the manufacture and delivery of up to seven (7) five (5) door 60-ft. articulated BRT coaches, spare parts, tooling and training in an amount not to exceed \$7,154,341.63 with options to procure up to twenty-one (21) additional coaches, spare parts, tooling and training, to be delivered over the five (5) year term of the contract (RTA Development Fund, Fleet Management Department budget), the adoption of which was moved by Mr. Serrano, seconded by Mr. Joyce and approved by unanimous vote.
- B. 2020-62 – Authorizing Contract No. 2020-079 with K&J Safety and Security Consulting Services, Inc. for Project 66A2 – consultant services for safety and security certification – new railcar fleet in an amount not to exceed \$398,480.00 (RTA Development Fund, Engineering & Project Development Department budget), the adoption of which was moved by Mr. Serrano, seconded by Chief McCall and approved by unanimous vote.

Ms. Moss asked for a brief overview. Dr. Caver said this will allow for a consultant for the purchase of railcars to do safety sign offs on the safety critical aspects. This is required by the FTA to purchase and accept the rail cars. This contractor has done similar duties in other aspects for rail.

- C. 2020-63 – Authorizing Contract No. 2020-086 with Relam Inc. for the furnishing of a rail spiker machine, as specified and as required, in an amount not to exceed \$398,740.00 (RTA Development Fund, Power & Way Department budget), the adoption of which was moved by Mr. Serrano, seconded by Mr. Bibb and approved by unanimous vote.
- E. 2020-64 – Authorizing Contract No. 2020-090 with the W.W. Williams Co., LLC, for the furnishing of dual power inverter module(s), as specified and as may be required, for a period of two (2) years in an amount not to exceed \$188,428.00 (General Fund, Fleet Management

Department budget), the adoption of which was moved by Mr. Joyce, seconded by Ms. Moss and approved by unanimous vote.

This equipment is on the HealthLine vehicles. It takes the DC Power from the battery pack and changes it to AC power to run the AC motors.

- F. 2020-65 – Authorizing Contract No. 2020-093 with Swiger Coil Systems, a Wabtec Co. for the furnishing of track brake coil rewind services, as specified and as required, for a period of two (2) years in an amount not to exceed \$192,720.00 (General Fund, Rail District Department budget), the adoption of which was moved by Chief McCall, seconded by Mayor Weiss and approved by unanimous vote.
- G. 2020-66 – Authorizing Contract No. 2020-110 with Oracle America, Inc. for Oracle Cloud software as a service in an amount not to exceed \$610,647.60 for the base one-year term and option years one and two, and in an amount not to exceed \$622,860.55 for option years three and four, for a total five-year contract price not to exceed \$3,077,663.90 (RTA Development Fund, Information Technology Department budget), the adoption of which was moved by Mr. Serrano, seconded by Ms. Pellot and approved by unanimous vote.

This resolution and a number of others went through committee.

- H. 2020-67 – Authorizing Contract No. 2020-012 with Diversified Systems, Inc. to provide Oracle SaaS Implementation Services in the Cloud, as specified, for a total contract amount not to exceed \$2,997,800.00 (RTA Development Fund, Information Technology Department budget), the adoption of which was moved by Mr. Joyce, seconded by Mayor Weiss and approved by unanimous vote.
- I. 2020-68 – Amending Chapter 840 “Commissions and Fare Structure” of the Codified Rules and Regulations of the Greater Cleveland Regional Transit Authority, the adoption of which was moved by Mr. Serrano, seconded by Mr. Joyce.

Mr. Bibb said that immediate fare relief is good, but noticed that there will be an increase in 2021. Until the data is in on the impact on ridership and how the immediate fare relief will impact the volume on service, he does not think it beneficial to premature a potential increase. Dr. Caver said this resolution would attempt to preserve the Board’s former process and policy whereby there was a two-step fare increase. The last fare increase was scheduled for 2018. This resolution allows that to occur with the Board’s approval. But as in the last two years, it would be brought back to the Board three months prior to. In the current budget process from the Tax Budget and what will be a part of the 2021 Budget process, there is no expectation that the Board would need to invoke to increase the fares. This process allows for an immediate fare relief that is more equitable, de-penalizing the transferring and cash payment. If the Board chooses, they will bring it back so they can opine, but they recommendation is that there would not have a 2021 fare increase. The Tax Budget statement of revenues does not have a fare increase. Mr. Bibb said there should be a statement to the public on why we are providing immediate fare relief and that the Board will weigh any potential future increases based on the economic and ridership data.

Chief McCall agrees that it reads as if there will be fare increase. Her committee talked about combining fares associated with All-Day trips, but not an increase. If this is passed as is, it is not reassuring the public that we are not talking about fare increases. She said it should either be tabled or amend it today. Ms. Benford said it could be tabled and brought back reflecting the changes. Ms. Birdsong supports the recommendation to ensure the sentiments of the Board are included and to discuss a media strategy in the event it is mis-interpreted by the general public.

It was moved by Chief McCall, seconded by Mr. Serrano to table Resolution 2020-68. Mr. Bibb asked if tabling this would affect the fare relief. Dr. Caver said it would take one month after the time it is approved. The current process will allow the fare relief to occur October 4. If the resolution is not approved until late September, it will push it out. Mr. Bibb asked if there could be an emergency Board Meeting once the resolution is updated. Mayor Clough suggested it be after the committee meetings next week. The roll was called. There was ten (10) ayes and none opposed.

- J. 2020-69 – Authorizing the purchase of casualty insurance from various insurance underwriters through USI Insurance Services National, Inc. and Price Forbes & Partners Limited, or their successors, for a period of 12 months in a total amount not to exceed \$1,892,599.00 (GCRTA Insurance Fund, Risk Management Department budget), the adoption of which was moved by Mr. Serrano, seconded by Ms. Moss and approved by unanimous vote.

In committees, there was a discussion on the insurance market. Since then, they have finalized the majority of the program. This is an aggregate increase of 34%. This is a good number given that other transit systems have received close to 100% increases. Ms. Moss spoke to Judy and learned that some of the ranges for increases for lower ones with higher amounts of payments, first by the Authorities and there were other agencies as high at 112%. She has never felt comfortable with voting on this before the numbers come in, but because of the nature of the way the market is set, she feels confident that the team and the broker did a good job keeping it as low as possible. Mayor Clough concurred. Ms. Benford added that the NTE amount in the resolution is the final number.

Executive Session

10:10 a.m. - Mayor Clough asked for a motion to go into executive session to consider the appointment, employment, dismissal, discipline, promotion, demotion, or compensation of a public employee or official. They will look at an employee to consider a salary increase. The employee will be named if the resolution is presented. They will add that to the agenda if it is decided to provide the increase. It was moved by Mr. Joyce, seconded by Rev. Lucas. There was a roll call. There was ten (10) ayes and none opposed.

10:53 a.m. – It was moved by Mr. Bibb, seconded by Mr. Serrano to come out of executive session. There was ten (10) ayes and none opposed. The following resolution was added the agenda and was read in its entirety.

- K 2020-70 - Authorizing a salary adjustment for Anthony A. Garofoli, executive director of Internal Audit, the adoption of which was moved by Mr. Joyce, seconded by Rev. Lucas and approved by unanimous vote.

Interim Secretary-Treasurer's Report and Acting General Manager, Chief Executive Officer Report

Dr. Caver gave the report. There has been some rebound since the March-April unemployment spikes. As of July 2020, the US rate was 10.2%. The state was lower. The Cuyahoga number is not in yet, but is typically higher, but is not as drastic as seen at the height of COVID-19.. The NE Ohio area is the 15th largest market in the US and it makes up 40% of Ohio's economy. Team NEO projected that we will recover from the Pandemic in approximately in 2022. They also predict that the economy will come back to its pre COVID levels by 2025 and there will be a 9.1% drop in manufacturing, 13% drop in administrative support, 7.7% drop in transportation and 2.4% drop in healthcare.

We have sustained a 52% reduction in ridership. In May, revenue hit a height in passenger fares of 61% and 50% and 41% in June and July. Sales tax is currently moving well. August sales tax for the May activity has a 2.2% reduction. We have drawn down \$91.1 million to date of the \$112 million. Total revenues was up 45% as compared to budget given that we received CARES funding of \$56 million in the

seconded. Total operating expenditures for the 2nd quarter was down 7.4%. The other items below operating expenses are transfers, which is not a major importance because of timing issues, but the transfers will be made later in the year. The increase in General Fund revenue compared to the prior year is 44% given the CARES money. Without the CARES money, revenue would have been up 4.3% and operating expenses compared to revenue would have been 16% of the total operating expenses.

There will be a presentation on Socially Oriented Mobility at the next Ad Hoc Tech Committee Meeting. This is using RTA assets to assist the community in social and societal ways. Students will be learning remotely for at least the first nine weeks of school. RTA will have free WiFi locations on its property. Marketing is working on a campaign to get the message out. They will communicate that there will be places they can use the Wifi free of charge to do their work. One hundred and eighty buses (180), which is the entire bus fleet and most rail cars have fee Wifi. Ms. Birdsong added that the WiFi connection is important to students and the community. She asked if any Board member had any ideas as far as offering this service so we can come up with real numbers as far as the usage. Mr. Bibb said to connect with Eric Gordon of CMSD and agencies like Breakthrough to let them know that this service is available. Ms. Birdsong said this would show the community that RTA's value is more than just buses and trains.

Public comments on non-agenda items

Comments were received via email.

1. Steven Norris - Please do not increase fares. Since fares are already high, look to reduce them instead of increasing them. Fares are not the majority of revenue and reducing fares should help with declining ridership. Also, please use transit ambassadors to address fare issues instead of transit police. The court system is already stressed due to over policing.
2. Christopher Stocking – Cleveland, OH – He sent the Board a flyer to an event sponsored by TransitCenters called "Women's Safety on Transit: Alternative Models to Policing" on Tues, Sept 1 at 4 p.m. A link to register was included. It will feature women that work at transit agencies around the country. You can find more information and RSVP at www.transitcenter.org or by the link he provided.
3. LaQuita Worley-Bell – I am not in agreement of doing a FARE increase!!! Please don't go up on our fare !!! We are in a good spot in the economy. This is a terrible time!! The cost of living is going up!, but our income is not !!!! I can assure you at RTA, everything will continue to down spiral. This is not good news.
4. Bob Ross – Fair fares are a great thing. Why for one year only? Fares are projected to increase in 2021. This is a past practice and needs to stop. Make the decrease permanent, Work on further lowering fares even more. Safety for operators and riders is important. A redistribution of cost might be in order. Consideration of a Transit Captains program would be a benefit. The redesign system needs to be implemented. The Jarrett Walker redesign was finalized almost a year ago. GCRTA needs to increase service to areas that have the most need and further reductions in fares as ridership increases could be achieved. Congratulations to Senator Dolan for increased funding through a redistribution of the gas tax.
5. Chris Martin, Cleveland, OH – Board members, thank you for tabling the fare increase resolution. Take this time, now, to commit to decreasing fares immediately and keeping them that way.

Dr. Caver clarified that the fare resolution was a decrease not an increase.

6. Robert Winn - I am writing today to provide comments regarding the public comment system currently implemented for RTA board meetings and the proposed fare changes that have been tabled. Putting these meetings online has increased accessibility and transparency, but there needs to be a more consistently reliable method of allowing members of the public to submit public

comments that is accessible to members of the public whether they have the ability to dial in or to make scheduled meeting times. The ever changing and sometimes functioning public comment system that RTA has been using has been unreliable and incredibly frustrating. Please consider allowing comments to be submitted via both email and phone comments by default for all future board meetings.

Secondly, in the future, when considering fare increases it would be helpful to only propose fare modifications that are intended to be implemented. In this case, the \$5 day pass reduction -- if the other changes are problematic or unlikely to be approved in future years, it would make sense to come back to the board (and the public) with what is being proposed.

The 2016 fare increase appears to have been essentially revenue neutral -- those who have continued to ride and support RTA have paid the price, both in terms of increased fares and decreased mobility as RTA has continued to reduce service. In it's current form, RTA riders could be paying as much for a monthly pass as Chicago transit riders in 2021 -- but there is a big difference between the frequency and level of service being offered by an agency like CTA and RTA, which includes many infrequent routes such as the 55 -- a "bus rapid transit" route that offers only hourly mid-day weekday service.

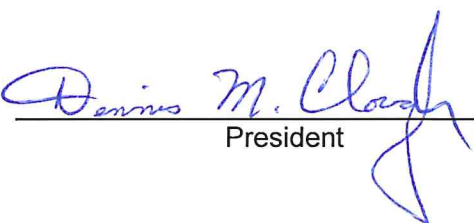
I am also troubled that there doesn't appear to have been any attempt to seek input from RTA's Community Advisory Committee regarding this proposal. One of the CAC's purposes includes making recommendations to the Board of Trustees "on fare changes, Long-Range Plan updates, and major or new projects" but that doesn't appear to have happened here. Please consider not only tabling this resolution, but asking RTA staff to create a new proposal that includes only the October 2020 changes, but postponing any fare increases until appropriate analysis can be performed and the public and CAC can be better engaged.

Upcoming Meetings

The next regular Board meeting is scheduled for Tuesday, September 15, 2020 in the Board Room of the Authority, Root-McBride Building, and 1240 West Sixth Street, Cleveland, Ohio 44113. This meeting will be live streamed on RTA's Facebook page for staff and members of the public. Only Board members and required RTA staff will be allowed in the Board Room.

This meeting was adjourned at 10:23 a.m.

Attest: 
Interim Secretary-Treasurer


President