

## Minutes

### RTA Board of Trustees Meeting

9:50 a.m., November 17, 2020

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

**Not present:** None

**Also Present:** Becker, Benford, Birdsong, Bitto, Burney, Caver, Cottrell, Dangelo, Davidson, Fields, Freilich, Garofoli, Gautam, Ghanem, Harris, Howse, Kirkland, Laule, Mothes, Orlando, Penning, Rusnov, Schipper, Sutula, Tarka, Upchurch

Mayor Clough called the meeting to order at 9:50 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](http://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 October 27, 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.

### Rep. Stephanie Howse – House District 11

Rep. Howse said there are companion pieces of legislation that are going on. One being House Bill 754 and Senate Bill 352. They've been changing the way local municipalities receive the payroll taxes. Now that we have shifted to a virtual world due to COVID-19, there are proposals going on that basically decimate local budgets. The taxes where the people are working remotely will go to that remote location and not the area where the company is located. In Cuyahoga County, this can have a significant negative impact on budgets. They have not been formally introduced or assigned to committee. If RTA have not begun to have those conversations at the Board level, it may be something to look at since it may affect the funding. Looking at service in the community and future development, this legislation will negatively impact the community. Moving into the next General Assembly, the biggest thing is protecting the increased investment in public transportation. They increased it to \$70 million per year for public transit in Ohio. As a result of COVID, they project there will be a decrease in revenue. It will be in their best interest to put together a statewide initiative to protect those increased investments in public transit, which has been devastated by the Pandemic.

Mayor Clough said the income tax issue will impact cities, not so much RTA because RTA receives sales tax revenue. He appreciates her support of public transit. It's important that RTA continues to receive funds from the State to improve or maintain the quality of service. She said that as RTA develops its strategy going into the next budget cycle, that she is a willing partner.

Rev. Terrence Upchurch – House District 10

Rep. Upchurch echoed the sentiments of Rep. Howse regarding the two bills. This is another step to cripple the ability of local governments to fund themselves. Protecting the investments that we are able to gain this next General Assembly, to the transportation budget will be vital. They expect a budget shortfall because of the Pandemic. There may not be any increases to the budget. However, he would like the \$70 million budget not be decreased. Mayor Clough thanked him for his support and offered assistance. Ms. Birdsong asked if there are any recommendations for RTA to help support the effort for funding for public transit. He said as they move closer to the next General Assembly, he urged RTA to do the work they did last cycle meeting with the representatives and expressed the importance of funding and how vital public transit is as an economic development issue, educational issue and health issue. And that public transit is vitally important to local government in large urban areas.

Public Comments – Agenda Items

1. Ken Pendergast – Lakewood, OH – Hi, I'm public affairs director of All Aboard Ohio, founded in 1973 to improve passenger rail and public transit. On AAO's behalf, I'm asking RTA board and staff to answer with its ongoing Service Plan this question -- what to do with the Waterfront Line extension of the Blue/Green light-rail lines. With the rail line shut down until spring 2021, we believe this line is at a crossroads. The status quo with this line is not working. Abandonment is no option as it may force RTA to reimburse the FTA much of the roughly \$10 million it has spent since 2010 to keep this line in a state of good repair.

AAO believes a good answer is expansion and should be part of RTA's Service Plan. When it began in 1996, the Waterfront Line wasn't intended to end in a parking lot. In 2000, when the FTA considered a New Start with a cost per new rider below \$20 as favorable, extending the Waterfront Line as a Downtown Loop was projected by RTA to have a cost per new rider below \$14 while generating enough new tax revenues to support the expansion with a TIF. With downtown population more than double that of 20 years ago, with more than 2,000 housing units and a new CountryWide Mortgage HQ planned along the proposed Loop route, plus an upcoming CSU Campus Master Plan and possibly a unified rail fleet allowing all rail routes to use a Downtown Loop, we believe this is a timely question for the Service Plan to answer. We hope you agree and look forward to talking with you about it. Best regards.

Committee Reports

There were no committee reports.

Community Advisory Committee (CAC)

There was no CAC report.

Ad Hoc Committee Reports

There was no Ad Hoc Committee report.

Introduction of New Employees/Promotions

New Hires:

1. Shalena Mitchell – Occupational Health Specialist
2. Jacob Chabowski – Marketing Specialist
3. Wendy Talley – Director of Training and Employee Development
4. Brian Fife – Supervisor, Rail Station Facilities

Promotions:

1. Sharon Rudolph – Service Quality Coordinator
2. David Pfeiffer – Manager of General Accounting

Mayor Clough and Ms. Birdsong congratulated the new hires and promotions.

Introduction of Resolutions

- A. 2020-83 – Authorizing Contract No. 2020-091 with Norfleet Distributors, LLC for the furnishing of Personal Protective Equipment (PPE), as specified and as required, for a period of one year not to exceed \$110,160.00 (General Fund, Fleet Management Department budget), the adoption of which was moved by Mr. Serrano, seconded by Mayor Byrne and approved by unanimous vote.

Ms. Dangelo said this is a new procurement related to COVID. This past year, they took advantage of encasing both gloves and masks into a procurement to get a better quantity discount. They received over 230 interested people and 21 responded. Fifteen of the 21 did not meet the minimum requirements of the IFB related to the DBE goal. However, after a compliance review by OBD, they had four responsible bidders. The recommended vendor met the requirements of the bid. They came in under the estimate.

- B. 2020-84 – Authorizing Contract No. 2020-100 with MWL Brasil Rodas & Eixos LTDA. for the furnishing of up to 400 28-inch steel wheels for Tokyu Heavy Rail vehicles, as specified and as required, for a period of one year in an amount not to exceed \$335,944.00 (General Fund, Fleet Management Department budget), the adoption of which was moved by Mr. Joyce, seconded by Rev. Lucas and approved by unanimous vote.
- C. 2020-85 – Authorizing Contract No. 2020-125 with Hatzel & Buehler, Inc. for Project 60F – West 30<sup>th</sup> Street Substation Rehabilitation, in an amount not to exceed \$1,557,327.00 (RTA Development Fund, Engineering & Project Development Department budget), the adoption of which was moved by Mr. Serrano, seconded by Mr. Bibb and approved by unanimous vote.
- D. 2020-86 – Authorizing Contract No. 2020-129 with Electronic Data Magnetics, Inc. for the purchase of magnetic fare media, as required, for a period of three years, with two additional one-year options, in an amount not to exceed \$552,987.00 for the base term and in an amount not to exceed \$184,329.00 for each option year, for a total contract amount not to exceed \$921,645.00 (General Fund, Revenue Department budget), the adoption of which was moved by Mr. Joyce, seconded by Ms. Pellot and approved by unanimous vote.

Ms. Moss said that Ms. Dangelo and Ms. Birdsong provided the Board with a good explanation for this being a single bid. A former vendor dropped out of the business. After reading the memo, she feels comfortable voting for this resolution.

- E. 2020-87 – Authorizing Contract No. 2020-148 with CBTS, LLC, DBA CBTS Technology Solutions, LLC to provide Next Generation Telephone Service for one year through the State of Ohio, Department of Administrative Services, Cooperative Purchasing Program, for a price not to exceed \$204,602.16 (General Fund, Information Technology Department budget), the adoption of which was moved by Mayor Byrne, seconded by Ms. Moss and approved by unanimous vote.
- F. 2020-88 – Authorizing an increase to Contract No. 2018-090 with Cintas Corporation No. 2 to revise the scope of services for rental and maintenance of shop uniforms in an amount NTE \$300,837.20 for the remaining base contract and in an amount NTE \$150,418.60 for each of two option years, for a new total contract amount NTE \$1,589,105.46 (General Fund, Fleet Management Department budget), the adoption of which was moved by Mr. Joyce, seconded by Mr. Serrano and approved by unanimous vote.

Mayor Clough asked why there was a need to increase this. Ms. Birdsong commended the staff for working on this. There was a discussion about contract management being transparent and audited by Internal Audit. Dr. Caver added that this resolution included a memo with additional information. Prior to this contract, RTA was in contract with another vendor for over 10 years. When the contract came out, it was a new contract with several items that were discovered that were new to staff. One was the number of workers. The other was that the new vendors charged for insurance. One of the benefits of going to another vendor was new uniforms and new types of uniforms at a different price. The combination of those two revealed that they would be over budget in the new process. They took it to the change order committee, which gave them the opportunity to have the appropriation necessary to take the contract through its end and to provide everyone with the correct uniforms moving forward.

Ms. Moss asked if staff looks at whether this was a good contract given the situation or if we had been better staying with the former contractor. Dr. Caver said even with the issues, this contract was still advantageous for the GCRTA.

- G. 2020-89 – Repealing Chapters 1084, 1085 and 1086 and enacting a new Chapter 1086 of the Codified Rules and Regulations of the Greater Cleveland Regional Transit Authority, the adoption of which was moved by Mr. Joyce, seconded by Ms. Moss and approved by unanimous vote.

She thanked the Paratransit team led by Nick Davidson under the leadership of Dr. Caver. They did a great job on the handbook. The handbook will be reviewed by a few committees and advocacy groups and then move forward to the larger Paratransit community hopefully before Christmas.

- H. 2020-90 – Authorizing the Greater Cleveland Regional Transit Authority to grant to the Northeast Ohio Regional Sewer District ("NEORS") a permanent subterranean right-of-way and easement to access and maintain the shoreline storage tunnel on parcel known as Cuyahoga County Permanent Parcel Number 108-16-019, located at the Dupont Bus Loop on Dupont Avenue, Cleveland, Ohio, for the price of \$28,800.00, the adoption of

which was moved by Ms. Moss, seconded by Mr. Serrano. Mr. Joyce asked to abstain. The roll was called. There was nine (9) ayes and one abstain from Mr. Joyce. It passed.

#### Interim Secretary-Treasurer's Report

Dr. Caver gave the report. The foundation of RTA's economic reliability is the strength of the local economy. The local employment rate plays a large role in the revenue sources. The unemployment rate for the nation has improved. The State of Ohio and Cuyahoga County is starting to level off. An 11.2% unemployment rate is still high for the region. We're still in a recession. As there are more infections, the recovery is becoming weaker. The current surge and what it is doing to the nation depresses the recovery. Moody's analytics said there are some winners like online retail. This helps with tax collection. Stock prices are also winning. The losers are renters, small businesses, box office sales, air travel and hotel. Moody's also looked at how the economy is recovering. Ohio is approximately 86% of it's pre-COVID levels. Economists do not expect a full recovery to the pre-COVID levels until 2022. The next few years will have to be done in a depressed economy. Households are still depended on the stimulus funding and finances are strained.

One third of workers are concerned over losing money, losing their jobs or being laid off. Economic sentiment is what allows us to spend money. If people believe their job is in peril, they will not spend money and that affects sales tax. Locally, the two major revenue sources are ridership and fare collection. Ridership drives fare collection. YTD we are at 37% of ridership. In October, we were at 56% of normal expected ridership in 2019. Since COVID, we have been at 54%. This has a direct impact on passenger fares. In October, we were at 51% of 2019 revenue. November has a -6.4% decline compared to 2019. The November collections are for the August activity. The August activity was when the stimulus payments ended. The longer the government takes to consider a second stimulus package, the more negative affect it will have on the community.

We received \$100 million more revenue than expected, largely driven by the CARES funding act. Passenger fares and sales tax were down a combined \$18 million. Expenses can be controlled. We spent \$36 million less. Total operating expenditures were \$15 million less or the budget is at 7.8% below its budgeted levels. Savings that occurred when we had a reduced service level drove a lot of this. Looking at the Board policy goals and financial goals, the Passenger Fare Ratio is depressed due to low fares. The Operating Ratio is low due to low fares. Because of the CARES Act funds, we have a healthy Operating Reserve of 10 months. We have a healthy debt service coverage. These are key components of a strong business. The federal government money has assisted RTA in being a stable organization.

Rev. Lucas asked where would RTA fit in for a second stimulus bill. Dr. Caver said the national rhetoric is stalled. He would not expect anything to occur prior to a beginning of a new administration. There is a gap between the Democrat and Republican amount of money that they want to spend. He expects that infrastructure will be a priority under the new administration. As a result, the 2021 does not include any additional federal funds for RTA. Mr. Bibb asked where we are with CMSD and what the potential contract will look like given that we do not know when schools will resume in person and how much sensitivity analysis is built into next year's budget. Mr. Gautam said for 2021, they project a slight increase, but it is depended on what the schools and universities decide. Some had returned to campus, but may be going back to 100% remote after Thanksgiving. They continue to make sure the schools are taken care of. The sensitivity analysis will be depressed, at least 50% lower than what we have received historically pre-COVID. It is incorporated in the 2021 budget.

Mayor Clough said when he joined the Board, RTA was lucky to have a 30-day operating reserve. So a 10-month reserve is positive and staff is doing well controlling cost and increasing revenues.

General Manager, Chief Executive Officer Report

India Birdsong gave the presentation. RTA is committed to safety. RTA signed a pledge on September 15. It was developed by APTA. It solidified what passengers want and expect as far as public health guidelines and how we operate within those recommendations. A seal on the front door at the Main Office and around the entire Authority reiterates to our customers and employees RTA's commitment to safety, disinfecting and allowing employees to stay home if they are sick and reducing our exposure to COVID-19. We've been working with Marketing to advertise this on social media, website and digital print. RTA has reported 53 reported COVID cases. A majority of these cases have returned to work and the rest remain in quarantine. A lot of the reported exposure have occurred outside of work. The Return to Work process is in Phase II. The plan was to return to the office 100% by January 2021, but with the Governor's update, they have decided to stay at Phase II, which is a three to two day on schedule depending on the department. They are vigilant to maintain safety and continue to evaluate weekly to determine what to do day to day.

The Waterfront Line rail service is temporarily suspended until Spring 2021 due to a new phase in the ongoing track rehabilitation project at Tower City. Because the ridership is relatively low, there will not be replacement bus service for this service. The free fare day in partnership with the Cleveland Foundation, November 3 had ridership of 55,900 or 11% higher than a typical Tuesday. There was coverage from several media outlets. The Cleveland Foundation said this was the second highest media covered event for them. Next Gen RTA public meetings continue with Facebook live meetings. Check the website for more information. We are in the feedback portion of the process. We have not committed to eliminating anything or modification of any routes. They have been given a recommendation by different consultants, but it is the intent as staff see fits. They will take all of the public comment into considerations before a final recommendation.

Public comments on non-agenda items

Comments were received via email and by dial in.

1. Sabrina Robinson – Lakewood, OH - RTA paratransit three seater minivans do not allow for social distancing. There is always another passenger on this small van. We are only 2 ft. apart from one another. Some of the vans do not have partitions for the driver. These vans should not be on the road. Social distancing play a major role in protecting yourself from Covid-19.
2. Dana Beveridge – Cleveland, OH - Regarding Resolution 2020-83: Will the procurement of PPE be solely for GCRTA employees or for passengers? Since GCRTA has used its CARES Act funds quite carefully at the beginning of the pandemic and the State of Ohio seems to be heading back into stricter COVID restrictions, the authority should now start to implement PPE distribution on all vehicles (Something that Detroit started doing in April). I implore GCRTA to seek grant funding through local foundations such as the Cleveland Foundation if more funding is needed to make this happen. Making masks available at customer service desks which many riders do not frequent is not enough. Operators are currently put in a difficult spot when they cannot enforce the state and county mask mandates. Making masks available onboard each vehicle would be an easy solution for many riders who board without a mask. Additionally, I applaud Mr. Bibb's proposal to shift towards Fare Free for All. CEO Birdsong's concern about fare enforcement employees is valid and I propose that such employees could shift into roles as Transit Ambassadors.
3. Rev. Pamela Pinkney-Butts – Cleveland, OH – She asked Ms. Birdsong to resign. She doesn't like what she does for the transportation system. The shelters are operators are mean and rude. She asked why Mr. Dixon and Mr. Calabrese was released. She requested a

meeting with her. She said she was muted during the meeting. She doesn't like how she is treated. She plans to complain to the Civil Rights Commission.

Ms. Birdsong asked that all callers be respectful and comments will be cut at two minutes.

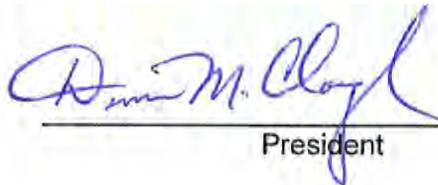
Old Business

Rev. Lucas had a question for the property manager. He will leave his question with Ms. Birdsong.

Upcoming Meetings

The next regular Board meeting is scheduled for Tuesday, December 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 at [www.facebook.com/riderta](http://www.facebook.com/riderta) Only Board members and required RTA staff will be allowed in the Board Room.

This meeting was adjourned at 10:45 a.m.



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President

Attest:  \_\_\_\_\_  
Interim Secretary-Treasurer

