



Greater Cleveland Regional Transit Authority  
Third Quarter 2017  
November 2017

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## From the CEO



During the third quarter of 2017, RTA maintained the momentum and activity that was exhibited in the second quarter. First, two HealthLine stations near the museums in University Circle were branded “Museum Stops.” The stations, located on Euclid Avenue at Stearns Road and Stokes Boulevard, are embellished with colorful artwork and depictions of area museums to make it easier for both Cleveland-area residents and tourists to identify which stops to use when they want to visit the museums, gardens, and other institutions surrounding University Circle.

Second, Because of high demand and ridership, Green Line service was extended from 9 p.m. to midnight. Starting on September 25, the service expansion aimed to serve not only the numerous customers who depend on the Green Line in the evenings, but also those attending sporting events. The extension provided trips for the Indians’ post-season playoff games in October and will be utilized during the Cavaliers’ basketball season.

Third, RTA has been approved to provide the HCBS Waiver and Supported Living service(s) by the Ohio Department of Developmental Disabilities (DODD). HCBS is a term used by DODD that stands for Home and Community Based Services, and the waiver pertains to non-medical transportation of clients of the DODD who qualify for Paratransit services. As a certified provider, we can bill Ohio Medicaid at a higher rate than what is currently being collected for Paratransit services. Certification is good for three years and will expire on December 31, 2019.

Lastly, partnering with MetroHealth, RTA announced that the number 51 bus route will be rebranded as the MetroHealth Line. Second only to the HealthLine in ridership, the number 51 family of routes serves the West 25<sup>th</sup> Street Corridor and operates more than 200 bus trips per day, serving 2.1 million customers each year. In addition to MetroHealth’s five health care facilities along the route, the number 51 also links the MetroHealth campus with both Downtown Cleveland to the north and the neighborhoods and suburbs to the south. The MetroHealth logo will be displayed on newly branded, specifically designed buses, bus stops, and shelters throughout Greater Cleveland.

At the close of the third quarter, RTA received funding for two critical projects: West Red Line track upgrade and updates to the radio communication system. The Ohio Transit Preservation Partnership Program of the Ohio Department of Transportation awarded RTA \$5.288 million to upgrade 1.84 miles of track between the West 117<sup>th</sup> Street and West Park stations. The reconstruction, happening between May and November 2018, will replace track that has exceeded its useful life. RTA will provide a local 20 percent match of \$1.322 million. This is the seventh of 10 total projects to upgrade the original Red Line West from Tower City Center to Cleveland Hopkins International Airport.

RTA can also expect to receive \$5.8 million in new federal funding to replace the obsolete radio communications system that connects our entire bus and rail fleet of more than 500 bus, bus rapid transit and paratransit vehicles, and 75 heavy and light rail trains. The funding will allow us to replace a DOS-based communication system with 21<sup>st</sup> century technology to improve the quality of our service and the safety of our customer. With the new communication system,

customers can expect reliable, real time information with live tracking and departure data from specific stop locations on bus and rail. Updates will occur every 15 seconds instead of the current three minutes.

In terms of awards, the Authority had another remarkable quarter. For the 29<sup>th</sup> consecutive year, RTA received a Distinguished Budget Presentation Award from Government Finance Officers Association, which is the highest form of recognition in governmental budgeting. Also, because of our Fiber Sharing Agreement with the City of Cleveland, Cuyahoga County, The Cleveland Metroparks, the Ohio Department of Transportation, and the Ohio Department of Administrative Services, RTA earned the Technology Innovation Award from Government Technology and the AT&T Special districts Program. The joint initiative provides for the sharing of high speed fiber connection capabilities, which allows all partners to take advantage of increased speeds without incurring the additional infrastructure costs. Additionally, we were selected as an honoree for Smart Business's 2017 Customer Service Awards. The judges were impressed with both our nomination and our commitment in delivering exceptional customer service.

The end of the third quarter also marked the end of Michael York's 50 year career in the transit industry. Mike joined GCRTA in 1990 as the Director of Operations Planning and was named Deputy General Manager, Operations in 1998. Without a doubt, he has had a crucial role in many of RTA's accomplishments in the past 27 years and will be missed.


His replacement is RTA's own Dr. Floun'say Caver, Ph.D. After an extensive national search, Dr. Caver, formerly the Director of RTA's Hayden District, was promoted from the Interim Director of Service Quality to the Deputy General Manager, Operations. This decision not only puts someone well versed in RTA culture in an executive position, but it also illustrates the benefit of a focus on succession planning, one of our Vital Few Objectives Initiatives.

Although there has been no final decision out of Columbus, optimism is fading regarding a resolution for the loss of revenue from the MCO sales tax change. If not resolved in a way to hold RTA harmless, a \$20 million annual loss in sales tax revenue will be realized beginning in the 4<sup>th</sup> quarter of 2018. This will represent an approximate 7% reduction in total operating revenue, which will necessitate an adjustment in the quantity of service RTA can provide.

The enclosed report details the activity and operating results of RTA through the third quarter of 2017. The eight TEAM performance measures continue to be at the core of our operating philosophy. Additional quarterly updates are included for DBE participation, Affirmative Action, and a status update on our Engineering and Construction activities.

The intent of the Quarterly Management Report is to provide information to assist you in carrying out your oversight role and statutory responsibilities as the Governing Board of the Authority.

Sincerely,



Joseph A. Calabrese, CEO  
General Manager/Secretary-Treasurer



## Financial Analysis

### Financial Vision

In the 2016-2018 Strategic Planning cycle, the 5-Year Strategy and 10-Year Vision were updated and framed in a Balanced Scorecard (BSC) with Financial Vision being a BSC Focus Area. One Vital Few Objective (VFO) within this category, Fiscal Responsibility, yields two Initiatives: to Increase Revenue and Reduce Expenses, and to Enhance Fiscal Responsibility. The core drivers of Fiscal Responsibility are outlined in Figure 1.

Initiative: Increase Revenue, Reduce Expenses	Performance Target	Third Quarter Performance
General Fund Revenue	≥ 1% Growth	1.1%
Capital Revenue	≥ \$30 M Competitive	\$42.5 M
General Fund Expenses	≤ General Fund Revenue	0.4%
Overtime Percentage of Labor	≤ 7% Share	10.6%

Figure 1: 2016- 18 Strategic Plan, Financial Vision Balanced Scorecard Focus

#### General Fund Revenues

The Authority’s top 4 sources of Revenues are Sales & Use Tax, Passenger Fares, Advertising & Concessions, and Reimbursed Expenditures. Other nominal contributors are the Investment Income and periodic one-time reimbursements from the Northeast Ohio Areawide Coordinating Agency (NOACA), the State of Ohio, or the Federal Transit Administration.

Sales & Use Tax receipts are the largest source of revenue for the Authority, representing 72.9 percent of total revenues. For the Third Quarter of 2017, Sales & Use Tax receipts were 1.7 percent lower than budget, but only 0.4 percent lower than the Third Quarter of 2016. This is due to a slowing economy and for September, the removal of Medicaid managed care from the sales tax base.

Passenger Fares are the second largest source of revenue and through the Third Quarter 2017, represents 16.1 percent of total revenues. Passenger Fares were 4.0 percent higher than budget and \$2.2 million higher than the Third Quarter 2016. This is due to the annualization of the fare increase, which was implemented in August 2016.

Reimbursed Expenditures received through September 2017 were 19.7 percent higher than budget and represent 7.6 percent of total revenues received through the Third Quarter. Reimbursed Expenditures includes reimbursements for preventive maintenance, force account labor, fuel tax refunds, and other federal and state reimbursements.

The other revenue sources, which includes Advertising and Concessions, Investment Income, and other miscellaneous revenues, represents 1.1 percent of total revenues received through the Third Quarter and 22.8 percent higher than budget. These revenues are projected to end the year just above budgeted levels. The key revenue sources for 2017 are outlined in Figure 2.

General Fund Revenue Item	3rd Quarter Revenues	Percentage of Total Revenue	Percentage Change Compared to Budget
Sales & Use Tax	\$164,042,906	72.9%	-1.7%
Passenger Fares	\$36,173,255	16.1%	4.0%
Advertising & Concessions, Investment Income and Other Revenue	\$2,626,545	1.1%	22.8%
Reimbursements and Operating Assistance	\$22,201,800	9.9%	16.6%

Figure 2: General Fund Revenue Highlights

**Capital Revenues**

The Strategic Plan initiative for Capital revenue is to receive at least \$30 million of competitive awards each year, enabling the Authority to focus on the state of good repair (SOGR) projects. Inception-to-date competitive awards total \$40.05 million, of which only \$909,418 remains. The majority of projects using these competitive awards are near completion. These include Little Italy – University Circle Station, Cedar-University, and the Clifton Transit Enhancement program. Other projects that are still on-going include Career Pathways Program and Senior Transportation Connection. These projects, and other Capital projects are explained in further detail in the Capital section.

Funding Source	Appropriated Funds	Funds Committed	Funds Available	Percentage of Funds Remaining
Formula Funds	\$153,335,133	\$128,218,465	\$25,116,668	54.61%
Local Funds	\$71,192,320	\$57,657,997	\$19,634,920	42.69%
Competitive Funds	\$40,054,722	\$39,145,303	\$909,418	1.98%
State Funds	\$1,200,000	\$1,200,000	\$0	0.00%
Other Funds	\$2,018,460	\$1,687,329	\$331,131.13	0.83%
Grand Total	\$267,800,635	\$227,909,094	\$45,992,138	100.00%

Figure 3: Funding Sources Highlights

**General Fund Expenses**

There are a wide range of operating expense categories. The four most critical items are the Salaries & Overtime, Fringe Benefits, Fuel (including Diesel and Natural Gas) and Other Expenditures (which includes services, inventory, utilities, liabilities and damages, and other expenses). Salaries and Overtime is projected to end the year 4.9 percent under budget and Fringe Benefits 4.3 percent below budgeted levels. The Fuel, including diesel and natural gas, are managed by the Energy Manager through the Energy Price Risk Management Program and is projected to end the year 14.4 percent below budget.

Other Expenses includes services, inventory, utilities, liabilities and damages, and other, which are mainly driven by the Operations division. As a whole, Other Expenses are projected to be 15.9 percent below budget by year-end, led by lower maintenance contracts, insurance costs, and other miscellaneous costs. Service contracts are projected to end the year 4.3 percent under budgeted levels. Materials and Supplies includes the Inventory category. Inventory

includes preventive and corrective maintenance parts for buses, trains, facilities, and equipment; as well as kits for the predictive maintenance program. Inventory is projected to be \$1.2 million over budgeted levels by year-end, mainly due to expensing commitments from the prior year. Other Materials and Supplies will be under budget by nearly \$0.6 million.

Other Fuel and Utilities expenses includes gasoline, propane fuel, propulsion power, water, sewer, electricity, telephone, and taxes. Year-end commitments are projected to end the year near budgeted levels. Other Expenses also includes liability claims and insurance premiums. Over the past several years, RTA has implemented safety programs, executed safety drills, implemented training programs, and received several safety awards. Some of these include DriveCam, Rail Protrackers on rail vehicles, Operation Lifesaver, Safe Place, human trafficking training, Airport Tunnel drill, suspicious package drill, ESMS/ISO 14001, and TSSP Certification for Rail. These programs have helped to decrease preventable accidents, increase awareness, and help keep customers safe.

Transfers to Other funds includes transfers to the Reserve Fund, Pension Fund, Capital Funds, Bond Retirement Fund, and Insurance Fund. A \$30 million debt service was budgeted for 2017 but is scheduled to be deferred to 2018, which saved \$2.2 million in transfers to the Bond Retirement Fund. Additional transfers of \$8.4 million are scheduled in the 4<sup>th</sup> Quarter to the Reserve Fund for fuel, compensated absences, hospitalization, rolling stock rail replacement, and 27<sup>th</sup> pay. By year-end, total transfers are projected to be 6.2 percent over budgeted levels, mainly due to additional transfers to the Reserve Fund resulting from savings in the Operating Expenses.

Operating Expense Item	3rd Quarter Projected Expenses	Share of Total Projected Operating Expenses	Percentage Compared to 2017 Budget
Salaries & Overtime	\$136,237,188	46.4%	- 4.9%
Fringe Benefits	\$50,876,550	17.3%	- 4.4%
Fuel (Diesel & Natural Gas)	\$8,553,532	2.9%	- 14.4%
Services and Contracts	\$11,668,647	4.0%	-4.3%
Inventory	\$13,482,980	4.6%	7.9%
Other Fuel and Utilities	\$7,737,445	2.6%	2.6%
Liabilities & Damages	\$4,410,975	1.5%	-1.5%
Materials & Supplies	\$3,842,303	1.3%	-1.3%
Other	\$1,661,088	0.6%	- 0.6%
Transfers to Other Funds	\$46,999,739		6.2%

Figure 4: Key General Fund Expense Highlights

**Overtime**

An important focus of managing expenses includes Total Overtime as compared to the Total Salaries. Key factors that impact this ratio include employee vacancy rates, absenteeism, vacations, and scheduled service delivery levels, as well as bus bridges needed during rail infrastructure work on the right-of-way. The current goal for this measure is 7 percent across Authority-wide positions. After the Third Quarter 2017, total Overtime is 10.6 percent of total labor. Operator Overtime was budgeted at 18.1 percent, as a percentage of Operator Labor. Through the Third Quarter, Operator Overtime was 18.4 percent, a slight increase from budgeted estimates. Through the Third Quarter, bus bridges were needed during construction on the west side (Heavy Rail) and east side (Light Rail), which increased bus Operator Overtime. Hourly Overtime was budgeted at 7.6 percent and ended the Third Quarter at 7.9 percent. Figure 5 summarizes the Authority-wide 2017 Third Quarter Overtime expenditures by these workforce segments.

Workforce Segment	3 <sup>rd</sup> Quarter Labor Expense	3 <sup>rd</sup> Quarter Overtime Expense	% Overtime
Operator	\$45,772,895	\$8,426,870	18.4%
Hourly	\$42,636,338	\$3,388,591	7.9%
Salary	\$34,782,624	\$1,229,870	3.5%

**Figure 5: Overtime Performance Highlights.**

**Capital Expenses**

Capital expenditures at third quarter decreased to \$48.01 million, lower in comparison to the prior two years. The decrease in expenditures are mainly due to pending bus delivery underway for 29 40-Ft Diesel Buses totaling \$12.45 million and delays in grant awards and construction startup. Capital expenditures are expected increase by year end in Rail Projects, and Bus Improvement Program as the Authority continues to focus on achieving a state of good repair (SOGR) in its capital assets. The Capital Expenses are explained in further detail in the Capital section.

**Financial Indicators**

Additional measures of budget performance include six financial policy objectives as approved by the Board of Trustees. The indicators are listed in Figure 6, and include the third Quarter Performance.

**Operating Efficiency**

The policy goal is to maintain an **Operating Ratio** of at least 25 percent. The third Quarter had a performance rate of 19.9 percent, an improvement from the 19.4 percent at the end of the Second Quarter. Key influencers of this indicator were the 25-cent base fare increase executed in August 2016 and the annualized 3 percent service reduction executed in September 2016. Total Passenger Fares increased by \$2.2 million, compared to Third Quarter 2016.

The target of the **Cost per Hour of Service** measure is to be maintained at or below the budgeted rate of inflation, which is 2 percent. Factors that impact this indicator include the change of Total Operating Expenses relative to the prior year, annual service levels, and the



rate of inflation as calculated by the Federal Reserve. The year-end projected Cost per Hour of Service is \$125.5, a decrease of 7.1 percent compared to 2016.

**Operating Reserve is targeted for a period of 30 Days or 1 Month (1.0)**, meaning the available cash equivalent of one month's operating expenses, with a stretch goal of 45 Days (1.5 months). Key factors that influence this indicator are Operating Revenues and Expenses, and General Fund Transfers to the other Funds of the Authority. At the end of the Third Quarter, the projected reserve is 1.8 months.

### **Capital Efficiency**

The **Debt Service Coverage** ratio goal is 1.5 or above and compares total operating resources, (net of operating costs and transfers to the Insurance, Capital, and Pension Funds), with the Authority's debt service needs. For Third Quarter 2017, this indicator is estimated to end the year at 4.20, higher than the budgeted amount of 2.06 due to projected improvements in the Operating Budget Revenues, which in turn will increase total operating resource available for debt service coverage.

The **Sales Tax Contribution to Capital** includes direct support for capital projects, transfers to fund the Authority's bond retirement payments, and has a Board policy goal of 10–15 percent. For the Third Quarter, this indicator is projected to be 12.3 percent, within the policy goal. The decrease in this measure, relative to budget of 15.0 percent is due to a reduction in the transfer to the Bond Retirement Fund as the \$30 million debt service scheduled for 2017 was pushed back to 2018. The Capital program is aimed at and committed to achieving a State of Good Repair (SOGR).

At 97.7 percent, the **Capital Maintenance Outlay to Capital Expansion Outlay** ratio remains outside of the 75-90 percent range outlined in the Board Policy goal, though close to the FY 2017 budgeted level of 94.1 percent. This measure continues to show the Authority's focus remains first on the maintenance or SOGR of its current assets rather than on the expansion of service levels. Given the financial constraints of recent years, this continues to remain the best course available as the Authority continues on its five-year bus replacement program, equipment upgrades and infrastructure improvements.

In summary, four of the six efficiency financial indicators meet the Board Policy Goals and one, the Operating Ratio, projected better than budget. In recent years, RTA has generally met three of the goals. Once again, the hard work put forth through the Third Quarter has helped to maintain a strong financial position and sustainable budget.

2017 3rd Quarter						
Financial Policy Objectives						
	Goal	2015 Actual	2016 Actual	2017 Amended Budget	2017 Estimate	
Operating Efficiency	Operating Ratio	> 25%	19.9%	20.1%	18.2%	19.9%
	Cost/Hour of Service		\$140.0	\$135.1	\$150.1	\$125.5
	Growth per Year	< Rate of Inflation [2%]	13.1%	-3.5%	11.0%	-7.1%
	Operating Reserve (Months)	≥ 1 month	0.8	1.6	0.5	1.8
Capital Efficiency	Debt Service Coverage	≥ 1.5	1.78	2.50	2.06	4.20
	Sales Tax Contribution to Capital	10%- 15%	18.5%	14.3%	15.0%	12.3%
	Capital Maintenance to Expansion	75%- 90%	98.9%	96.3%	94.1%	97.7%
Reserved Funds	Fuel Reserve Funds	Fuel Budget less Annual Expenditures	\$0	\$0	\$1,656,966	\$2,454,922
	Compensated Absences Reserve Funds	< 25% of Accrued Liability	\$0	\$0	\$944,484	\$1,900,000
	Hospitalization Reserve Funds	< 10% of Annual Hospitalization Costs	\$0	\$0	\$906,617	\$1,800,000
	Rolling Stock Replacement Fund	≥ \$5,000,000 / yr	\$0	\$0	\$5,000,000	\$10,000,000
	27th Pay	Equal to about 1/12 of 27th Pay Period	\$0	\$0	\$694,848	\$1,400,000

Figure 6: GCRTA Financial Policy Performance Indicators, Performance thru Third Qtr. 2017

**General Fund Balance Analysis**

	2014 Actual	2015 Actual	2016 Actual	Amended 2017 Budget	2017 Estimate	Variance
<b>Beginning Balance</b>	<b>38,394,322</b>	<b>27,116,140</b>	<b>16,822,906</b>	<b>33,046,193</b>	<b>33,324,814</b>	<b>278,621</b>
<b>Revenue</b>						
Passenger Fares	49,085,267	48,419,211	46,279,344	46,872,000	47,103,978	231,978
Advertising & Concessions	1,488,870	1,442,677	2,860,267	1,552,000	1,660,000	108,000
Sales & Use Tax	197,118,146	205,843,321	218,749,851	217,100,000	213,693,355	(3,406,645)
State Aid for MCO Loss	0	0	0	0	10,034,083	10,034,083
CMAQ Reimbursement for 2012 Trolleys	704,063	533,478	0	0	0	0
Operating Assistance - Paratransit Operations	4,057,815	3,125,000	0	0	0	0
Operating Assistance - Trolley Operations	0	0	0	640,000	640,000	0
Access to Jobs Program	2,470,656	920,570	0	0	0	0
Investment Income	169,211	153,534	42,156	70,000	217,987	147,987
Other Revenue	1,470,683	1,254,771	1,888,060	1,200,000	2,100,000	900,000
Reimbursed Expenditures	17,570,406	19,720,588	24,560,024	22,075,000	22,201,800	126,800
<b>Total Revenue</b>	<b>274,135,117</b>	<b>281,413,150</b>	<b>294,379,702</b>	<b>289,509,000</b>	<b>297,651,203</b>	<b>8,142,203</b>
<b>Total Resources</b>	<b>312,529,439</b>	<b>308,529,289</b>	<b>311,202,608</b>	<b>322,555,193</b>	<b>330,976,017</b>	<b>8,420,824</b>
<b>Operating Expenditures</b>						
Salaries and Overtime	132,536,216	134,377,598	134,370,484	143,299,426	136,237,188	(7,062,238)
Fringe Benefits	48,769,442	52,231,192	48,074,083	53,207,855	50,876,550	(2,331,305)
Diesel Fuel	14,335,896	10,804,133	8,627,383	7,742,000	6,596,987	(1,145,013)
Natural Gas	957,626	1,124,699	1,246,088	2,245,000	1,956,545	(288,455)
Other Expenditures	51,458,576	53,443,532	53,600,135	61,001,133	51,274,126	(9,727,007)
<b>Total Operating Expenditures</b>	<b>248,057,756</b>	<b>251,981,154</b>	<b>245,918,172</b>	<b>267,495,414</b>	<b>246,941,395</b>	<b>(20,554,019)</b>
<b>Transfer to the Insurance Fund</b>	<b>900,000</b>	<b>1,500,000</b>	<b>500,000</b>	<b>2,400,000</b>	<b>2,400,000</b>	<b>0</b>
<b>Transfer to the Pension Fund</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>	<b>75,000</b>	<b>75,000</b>	<b>0</b>
<b>Transfers to Capital</b>						
Bond Retirement Fund	20,480,914	22,615,956	21,887,562	19,284,420	17,045,783	(2,238,637)
Capital Improvement Fund	15,874,629	15,509,273	9,472,060	13,276,394	10,571,331	(2,705,063)
<b>Total Transfers to Capital</b>	<b>36,355,543</b>	<b>38,125,229</b>	<b>31,359,622</b>	<b>32,560,814</b>	<b>27,617,114</b>	<b>(4,943,700)</b>
<b>Transfer to Reserve Fund</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>9,202,915</b>	<b>17,554,922</b>	<b>8,352,007</b>
<b>Total Expenditures</b>	<b>285,413,299</b>	<b>291,706,383</b>	<b>277,877,794</b>	<b>311,734,143</b>	<b>294,588,431</b>	<b>(17,145,712)</b>
<b>Ending Balance</b>	<b>27,116,140</b>	<b>16,822,906</b>	<b>33,324,814</b>	<b>10,821,050</b>	<b>36,387,586</b>	<b>25,566,536</b>
<b>Reserved Funds</b>	<b>6,900,000</b>	<b>0</b>	<b>8,776,432</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Available Ending Balance</b>	<b>20,216,140</b>	<b>16,822,906</b>	<b>24,548,382</b>	<b>10,821,050</b>	<b>36,387,586</b>	<b>25,566,536</b>

Figure 7: GCRTA General Fund Balance Analysis

**Capital Commitments and Expenditures**

**Commitments by Capital Category**

Due to the multi-year nature of capital projects, the budget for the Authority’s capital program is Inception-to-Date (ITD) based. The current combined capital budget appropriation within the Authority’s 2017 capital program of \$281.23 million includes the approved Fiscal Year (FY) 2017 Capital Budget of \$64.10 million and \$217.13 million of carryover capital budget appropriations from prior years.

Projects within the capital program are placed within one of the eight categories included in the chart below. The chart presents the categories of the Authority’s capital program including their total commitments (expenditures plus current encumbrances) at the end of third quarter and compares year-end projected commitments to current category budgets.

At the end of third quarter, combined capital commitments of \$227.91 million included \$170.70 million of ITD expenditures and \$57.20 million of encumbrances resulting in a positive variance of \$53.32 million, or 19.0%, relative to the combined capital budgets at the end of third quarter

Projected activities within the RTA Capital and RTA Development Funds during the remainder of 2017 will result in estimated total commitments of \$249.37 million and a positive year-end variance of \$31.86 million, or 11.3% versus the combined budgets of the RTA Capital and RTA Development Funds. The projected positive variance within the Authority’s capital programs is due to a number of factors that include delays in full execution of grant awards, delays in budgeted project timelines, unanticipated cost increases in construction projects, and the expected closeout of remaining budget appropriation in projects that are completed under budget.

These capital projects will be discussed in greater detail within the various category explanation.

**PROJECTED YEAR END CAPITAL COMMITMENTS BY CATEGORY**

Category	Current Budget	Current Commitments	Projected Year-End	Proj. Variance vs. Current Budget	
Bus Garages	\$6,285,756	\$6,113,370	\$6,113,370	\$172,386	2.7%
Bus Improvement Program	\$53,604,018	\$40,105,768	\$51,617,130	\$1,986,888	3.7%
Equipment & Vehicles	\$16,418,884	\$14,324,581	\$15,263,521	\$1,155,363	7.0%
Facilities Improvements	\$22,446,575	\$16,698,389	\$18,323,303	\$4,123,272	18.4%
Other Projects	\$6,653,834	\$2,507,480	\$2,595,478	\$4,058,356	61.0%
Preventive Maint./Op. Reimb.	\$22,615,774	\$21,812,180	\$21,937,180	\$678,594	3.0%
Rail Projects	\$134,372,202	\$107,854,366	\$115,061,837	\$19,310,365	14.4%
Transit Centers	\$18,834,243	\$18,492,961	\$18,462,961	\$371,282	2.0%
<b>Grand Total</b>	<b>\$281,231,285</b>	<b>\$227,909,095</b>	<b>\$249,374,780</b>	<b>\$31,856,505</b>	<b>11.3%</b>

**Current Year Expenditures by Capital Category**

The chart below lists year-to-date (YTD) category expenditures and their related percentage of total capital expenditures for the current year through the end of the third quarter and compares them with the two previous years at the same point in time. During the third quarter of the current year, expenditures have decrease compared to the two prior years, this is due to many of the projects being a continuation from prior year, delays in construction startup due to increase in construction bids, environmental testing, and award delays for bus replacement orders.

The majority of the \$48.01 million expended on the Authority’s capital projects through third quarter were in three capital categories. These included Preventive Maintenance and other grant funded reimbursements to the Operating Budget at \$20.25 million or 42.2% of YTD capital expenditures, the Rail Projects category at \$12.15 million or 25.3%, and the Bus Improvement Program generating \$7.9 million or 16.5% of the total. The balance of capital expenditures occurred in smaller amounts within the five remaining categories.

Some of the larger capital expenditures during the current year include \$7.7 million for the delivery of 16 40-Ft CNG, \$1.05 million on construction activities for LR Retaining Wall at Buckeye/Woodhill, \$1.47 million for completion of Phase 3 - Nine Light Rail Crossings at Courtland Blvd., Kenmore Rd. and Onaway Road, and a combined \$6.17 million for station/track rehabilitation projects at Little Italy, Brookpark Station, Lee-Shaker Green Line ADA upgrades and completion of Track 8 at Tower City Center.

**CAPITAL EXPENDITURES BY CATEGORY THROUGH THIRD QUARTER**

Category	2017	%	2016	%	2015	%
Bus Garages	\$879,446	1.8%	\$3,495,631	6.2%	\$3,580,623	5.3%
Bus Improvement Program	\$7,903,436	16.5%	\$7,658,483	13.7%	\$28,092,668	41.7%
Equipment and Vehicles	\$2,419,837	5.0%	\$2,417,071	4.3%	\$1,704,308	2.5%
Facilities Improvements	\$3,447,952	7.2%	\$3,750,228	6.7%	\$3,746,207	5.6%
Other Projects	\$943,105	2.0%	\$352,767	0.6%	\$1,830,253	2.7%
Preventive Maint/Op. Reimb.	\$20,245,502	42.2%	\$21,314,594	38.0%	\$16,219,854	24.1%
Rail Projects	\$12,145,485	25.3%	\$15,962,027	28.5%	\$11,571,719	17.2%
Transit Centers	\$21,580	0.0%	\$1,075,585	1.9%	\$622,417	0.9%
<b>Grand Total</b>	<b>\$48,006,342</b>	<b>100.0%</b>	<b>\$56,026,385</b>	<b>100.0%</b>	<b>\$67,368,050</b>	<b>100.0%</b>

Other capital projects with significant expenditures will be covered in the following discussion on the capital categories.

The following is a brief explanation of each capital category included in the capital commitments and capital expenditure tables on previous pages.

**Bus Garages**

There are three projects within this category including the soon to be completed Hayden/CBM CNG Building Compliance project, a project to construct an outdoor bus storage area at the Triskett District, and the beginning of a multi-year capital project to prepare the Triskett Garage for CNG buses in the future.

At the end of the third quarter, \$6.11 million of the current \$6.29 million category budget was committed leaving a positive variance of \$172,386 or 2.7%. Total category commitments include \$5.42 million of ITD expenditures and \$691,708 of current encumbrances. At third quarter, 99.01% of the expenditures were generated in facility improvements at Hayden/CBM addressing building compliance upgrades to serve the CNG fueling stations.

The positive projected variance of \$172,386 or 2.7% at the end of the year in this category is due to project savings and expected closeout of remaining funds within completed projects.

**Bus Improvement Program**

The Authority’s capital program in FY 2017 includes the fourth year of a funded five-year bus and Paratransit bus replacement program. Through the end of September, category commitments total a combined \$40.11 million out of a total budget appropriation of \$53.60 million leaving a positive variance of \$13.50 million, or 25.2 percent.



Year-to-Date expenditures of \$7.9 million within this category includes \$7.75 million for delivery of 16 replacement 40-Ft CNG buses and a small amount of expenditures for various bus spare parts purchased to help maintain the Authority existing bus fleet.

The projected commitment of an additional \$11.51 million in the remainder of the year includes 27 replacement 40-Ft CNG buses. The positive projected variance of \$1.98 million, or 3.7% is due to the timing of grant awards and commitments within the two budgeted bus spare parts projects.

### **Equipment & Vehicles**

At the end of third quarter, total commitments of \$14.32 million within this category included \$7.67 million of ITD expenditures and \$6.66 million of current encumbrances resulting in a positive variance of \$2.09 million, or 12.8%. The majority of the current encumbrances, \$4.65 million or nearly 70%, remain within the on-going Fare Collection Equipment project. There has been limited progress in the current year towards completion of outstanding items left on the contracts within this project and completion remains an open-ended issue. Remaining commitments within this category are concentrated within various SOGR equipment & vehicle upgrade projects throughout the Authority.

Current year expenditures within this category totaled \$2.42 million led by \$1.38 million within various Information Technology upgrade projects, \$745,468 for various replacement equipment or upgrades throughout the Authority, and \$293,201 expensed for non-revenue vehicle replacements or leases.

The projected year-end positive variance of \$1.15 million or 7.0%, results from projected savings in on-going projects nearing completion and to project activities within multi-year programmed IT projects.

### **Facilities Improvements**

At the end of third quarter, combined commitments of \$16.69 million in this category included \$12.69 million of ITD expenditures and \$4.0 million of current encumbrances resulting in a positive variance of \$5.75 million, or 25.6%, versus the current category budget of \$22.45 million. During the third quarter, \$3.45 million was expended within the current year for various facility improvements and track bridge rehabilitation.

Projected commitments of \$1.62 million during the remainder of FY 2017 continue to focus on various SOGR projects throughout the Authority's maintenance pool, facilities and bridges. The commitments during the remainder of the year include \$704,701 for additional Asset Maintenance projects throughout the Authority, a combined \$920,213 for construction and repairs of the Viaduct, Tower City East Portal, Bridge Inspections, Tower City Customer Service Center and the beginning of restoration work at various facilities throughout the Authority.

The projected positive year-end variance of \$4.12 million, or 18.4%, for this category is primarily attributable to the planned closeout of prior year's budget authority remaining within completed projects, construction delays for the Viaduct Rehabilitation Phase I and Demolition of the WB Access Road due to pending approval of demolition plans by Northfolk Southern Rail System.

**Other Projects**

The Other Projects category includes capital projects for pass-thru grants to other entities and other miscellaneous capital projects that don't fit into the seven remaining capital categories. At the close of the third quarter, this category has combined project commitments of \$2.50 million out of the category budget of \$6.65 million resulting in a positive variance of \$4.15 million or 62.3%.

During the third quarter of the year, a combined \$943,103 of expenditures was generated by projects within this category with \$319,789 or 33.91% for TSA Canine Security Team. The remaining expenditures to date were generated in smaller amounts throughout other projects within this category including \$387,038 Career Pathways, \$113,383 for Senior Transportation Pass-Thru, \$34,843 NOACA Dues, \$63,050 legal services, and \$25,000 for Greater Cleveland Civic Connections.

Projected commitments of \$88,000 during the remainder of the year include \$13,000 for the Career Pathway Program, \$25,000 from the pass-thru award for the Senior Transportation Connection, \$50,000 for TSA Anti-Terrorism Team and Emergency Preparedness and other smaller amounts scattered throughout this category.

The positive year-end variance of \$4.06 million, or 61.0%, versus the current category budget results from several factors including the closeout of remaining unfunded budget appropriation left from completed projects throughout the RTA Development Fund, to multi-year budgeted projects compared with the annual draws for project activities during the year, to the inclusion of the contingency budget for the RTA Development Fund within this category, and to the timing of commitments in the project to track the pass-thru award for the Senior Transportation Connection (STC).

**Preventive Maintenance/Operating Expense Reimbursements**

This category includes formula and non-formula grant funded reimbursements to the General Fund for various eligible activities. These include formula grant funded preventive maintenance activities within the General Fund, and non-formula grant funded reimbursements for the delivery of ADA services.

Total commitments through the end of third quarter within this category were \$21.81 million including \$20.0 million of Preventive Maintenance reimbursements and \$1.81 million for the multi-year project for ADA Supplemental Trips and Travel Trainer Services. The year-end projected commitment of \$21.93 million against a category budget of \$22.61 million will create positive variance of \$678,594, or 3.0% percent.

Projected commitments of \$125,000 during the remainder of the year include additional draws to reimburse the Operating Budget for the cost of providing ADA Supplemental Trips and Travel Trainer services. The projected positive variance at the end of the year of \$678,594 is entirely due to the multi-year budgeted project for the New Freedom & Travel Trainer program.

**Rail Projects**

At the end of September, \$107.85 million of the \$134.37 million budget for the Rail Projects category was committed creating a positive variance of \$26.52 million or 19.7%. Total

commitments within this category consisted of \$78.82 million of ITD expenditures along with \$29.03 million of current encumbrances.

During the third quarter of the year, \$12.15 million was expended on various Rail system projects. This included a combined \$10.15 million or, 84% of category expenditures on the rehabilitation of Nine Light Rail Crossings, LR Retaining Wall at Buckeye/Woodhill to Shaker Square, finalizing Little Italy Station and pedestrian access walkway, construction at Brookpark Station, Lee-Shaker Green Line, E. 34<sup>th</sup> St. LR/HR Station design and completion of the Track 8 reconstruction project at Tower City. The remainder of the expenditures during the quarter occurred in smaller amounts in other budgeted projects within this category.

The focus of nearly all of the capital projects within this category is on achieving a SOGR throughout the Rail System. Projected commitments of \$7.21 million during the remainder of the year include \$5.31 million for reconstruction work on E. 116<sup>th</sup> Street Station, and other smaller amounts scattered throughout projects within this category.

The projected positive variance of \$19.31 million, or 14.4%, versus the current category budget at the end of third quarter is due to delays pending grant amendments for programmed projects, setbacks in expected project timelines, and unanticipated increases in vendor bids for construction projects. These delays will likely push some programmed capital projects into 2018, impacting annual draws for project activities during the year.

**Transit Centers**

Including ITD expenditures of \$18.02 million and \$471,000 of current encumbrances, project commitments total \$18.49 million out of the approved current budget of \$18.83 million resulting in a positive variance of \$341,282, or 1.8% at the end of third quarter.

At third quarter, \$21,580 was expended on capital projects within this category with most of the expense generated towards completion of outstanding items on the Clifton Blvd. Enhancement project which opened in FY 2014.

The positive variance is due to the remaining balance of pass-thru grant funds for the Cleveland Museum of Art (CMA) project that remain to be drawn and to nearly \$70,000 of uncommitted grant funds for enhancement projects which, at present, do not have an identified and appropriate use.

Performance Measures

PERFORMANCE MEASURE		2017 Target	Q 1	Q 2	Q 3	Q 4	Year to Date
Passengers per bus/train hour:							
	Bus	26	25	25	23	-	25
	Rail	64	63	70	65	-	67
	Total	30	29	29	27	-	29
Revenue Vehicle Cost Per Mile (Maintenance & Fuel)		\$2.30	\$2.35	\$2.50	\$2.31	-	\$2.39
% Of Scheduled Maintenance Completed (Revenue Vehicles)	Bus	100%	97%	91%	89%	-	92%
	Rail	100%	100%	98%	97%	-	98%
	Paratransit	100%	100%	98%	97%	-	98%

## Critical Success Factors

<b>Passenger Fare Revenue</b>	The Passenger Fare Revenue performance measure is discussed in detail in the Financial Analysis Section of the report.
<b>Preventable Accidents</b>	The GCRTA <u>Preventable Collision Rate (PCR)</u> TEAM goal for 2017 is 1.40. The 2017 YTD 3rd Quarter PCR is 1.37, which is 2.1% lower than the TEAM goal and 10.5% lower than the 1.53 PCR for the same period in 2016. Total preventable collisions decreased 14.6% to 246 from 288. Mileage decreased 4.5%.
<b>Total Collision Rate</b>	The GCRTA <u>Total Collision Rate (TCR)</u> for the 2017 YTD 3rd Quarter is 3.46, which is 10.4% lower than the 3.86 TCR for the same period in 2016. Total collisions decreased 14.5% from 726 to 621.
<b>On the Job Injury Rate</b>	The GCRTA 2017 TEAM Injury Rate Goal is 10.0. The 2017 YTD 3rd Quarter Injury Rate of 8.53 is 14.7% below the TEAM Goal and 14.6% below the 9.99 Injury Rate for the same period in 2016. Total injuries decreased by twenty-five from 140 in 2016 to 115 in 2017.
<b>Number of Miles between Service Interruption</b>	The Number of Miles Between Service Interruption (Reliability) is defined as mechanical failure that results in the inability of the bus/train to operate in revenue service. For the third quarter of 2017, the YTD figure for No. of Miles Between Service Interruption was 14,576 miles, as compared to 12,567 miles for 2016, which represents a 15.99% improvement in this indicator.
<b>On-Time Performance</b>	On-Time Performance is defined as a bus or train arriving from 0-5 minutes after its scheduled time. Composite On-Time Performance for the third quarter of 2017 for bus, light rail, and heavy rail was approximately 76%, as compared to 67% for 2016, representing a 13.43% improvement in this TEAM measure.
<b>Ridership</b>	We ended the quarter with a total of 9.8 million; a decrease of 8.29%, or 891,000 less rides compared to 2016. Average weekday ridership decreased 7.5%, or approximately 11,000 less daily trips taken. Ridership decrease is consistent with a national trend resulting from continue low gas prices. In Cleveland, that national trend was amplified by a reduction in service and a fare increase in 2016.
<b>Ridership Cont'd</b>	Bus ridership decreased approximately 10% by the end of the second quarter. HealthLine monthly ridership remained steady and experienced a 6.6% increase for the quarter. Rail ridership decreased by 1.6%. During the second quarter, the Red Line ridership increased nearly 5%, or 75,000 more rides. Blue and Green Line ridership decreased by 17.6%, or 110,000less rides. Rail ridership was impacted by scheduled shut downs to allow for



**Customer Satisfaction/Ride Happy or Ride Free**

work on a number of asset maintenance projects including a two week track project on the Blue and Green Lines east of Tower City, two days on the Red Line east of Tower City to work on Opportunity Corridor, and two days on the Red Line west of Tower City to fix signal issues near Brookpark station.

Ride Happy or Ride Free is the comprehensive customer satisfaction measure for RTA. The *Ride Happy or Ride Free* card begins by asking the passenger to indicate what they liked about their RTA “ride,” followed by space to communicate if they were dissatisfied. Qualifying passengers received a free ride card to help offset their negative experience.

The Ride Happy or Ride Free performance measure is the ratio of free ride cards requested in comparison to ridership for the same period. One card for every 33,965 customers was received for the third quarter of 2017, as compared to one request for approximately every 43,200 customers received for the same period in 2016, representing a 21.38% decline in customer satisfaction, as measured by the percentage of people requesting Ride Happy or Ride Free Cards.

**Attendance**

The Attendance performance measure is the percentage of employee absences from work that are unscheduled and includes absences due to Worker’s Compensation as unscheduled. An absence is considered unscheduled when it is charged to any category other than vacation, personal days, birthdays, holidays, training/seminars, and use of compensatory leave.

Reducing unscheduled absences increases agency reliability, improves productivity and reduces overtime expenses. In the third quarter of 2017, the unscheduled absence percentage was 5.89% which, when compared to 5.83% for 2016, shows a 1.03% decline in attendance.

**Quarter Initiatives and Special Promotions to Increase Ridership**

During the third quarter, several new clients signed up for the Commuter Advantage Program, including: Document Technologies LLC, Ameriprise Financial Inc., Advance Digital Inc., Stifel, Carvana, Veritext Legal Solutions, Athens Food, Schwebel Baking Col, and Justworks Employment Group LLC.

Rider Reward Program continues with over 30 local organizations partnering with RTA to offer riders discounts simply by showing their RTA farecards. Partner locations include many of the Museums in University Circle, local restaurants, and downtown shops. This promotion provides exposure to new locations along the system to RTA riders, with the hopes that they become repeat customers.

Summer Jam Sessions continued into the third quarter. A few times a month, a pop up concert will be performed on or near RTA services. This has been a great way to get organic social media content with many people sharing their experiences at the pop up shows on Facebook and Twitter. RTA is partnering with University Circle Inc. to find the talent to perform. Random acts of music continue to happen on RTA throughout the summer.

RTA has again partnered with University Circle, Inc. on events throughout the summer. Our street team continues to represent RTA at Wade Oval Wednesdays and Edgewater Live, to pass out t-shirts and other promotional materials on Kids Ride Free, the RTA CLE mobile fare payment app, and Transitapp.

RTA's Rail, Training, and Safety departments came together to assist riders with education on safety evacuation procedures. Demonstrations were performed on Heavy Rail and Light Rail trains at Tower City. This training was offered in July, and again in September for Rail Safety Week.

The ribbon was officially cut at the new Brookpark Red Line station. Representatives from City of Cleveland, City of Brook Park, and the Federal Transit Administration spoke to a crowd of approximately 100 about the effects of the new station to their communities.

MetroHealth and RTA came together to announce the partnership between the two institutions on the new MetroHealth Line (51 family of routes). The line will be fully branded as MetroHealth Line and will include wrapped Gillig buses, special stop signs, and decaled shelters along the trunk line of West 25<sup>th</sup> Street.

During the third quarter, RTA participated in several community events throughout the Greater Cleveland area including speaking engagements and informational sessions at the Ernfelt Senior Center, Foster Point Apartments, Owl's Nest Apartments, Skyline Towers, Forrest Hills Terrace, Rainbow Terrace, Koinonia Village Apartments, Mother Theresa Commons, Mother Theresa Manor, Alexia Lourexis Open House and Resource Fair, Gates Mills Villa, Caresource Community Agency Meeting, Case Western Reserve Sustainability Transportation Fair, Cleveland State University Earthfest, Ready to Ride presentations at NEORSD, and the Ward 5 Community Festival. RTA also attended collaborative meetings in the following communities: East Cleveland, Harvard/Union-Miles, Central-to-Central, and Glenville. By design, these events increase RTA's presence within the Greater Cleveland community and enhance public transit awareness.

## DBE Participation/Affirmative Action

The DBE program is administered on a federal fiscal year (FFY) that runs from October 1 – September 30. The performance period of July 1, 2017 – September, 30, 2017 represents the fourth quarter of FFY 2017. The overall DBE participation goal on federally assisted contracts of \$25,000 and above is 21.3% for FFYs 2016 - 2018. Per federal regulations, the calculation of Overall DBE participation excludes real estate transactions and the procurement of Transit Vehicle Manufacturers (typically buses and Paratransit vehicles).

To conform the Quarterly Performance Report to the Federal Semi-Annual Report, DBE participation is calculated on the “federally assisted” portion of contracts only. DBE dollars awarded during the quarter totaled **\$1,087,311 or 16.0%** on total contracts of \$6,811,253. Year-to-date DBE dollar and percent participation for FFY 2017 totals **\$2,825,611 or 15.0%** on total contracts of \$18,819,336.

### QUARTERLY - PARTICIPATION OF DBE FIRMS BY CLASSIFICATION (October 1, 2016 – September 30, 2017)

Classification	1st. Quarter Oct. 1 – Dec. 31		2 <sup>nd</sup> Quarter Jan. 1 –March 31		3 <sup>rd</sup> Quarter April 1 – June 30		4 <sup>th</sup> Quarter July 1 – Sept. 30	
	African American	\$268,096	85.2%	\$285,395	79.8%	\$410,471	38.5%	\$436,760
Caucasian Female	0	0	\$25,000	7.0%	\$426,920	40.0%	\$412,958	38.0%
Asian	0	0	\$47,090	13.2%	\$23,389	2.2%	\$195,353	18.0%
Hispanic	\$46,740	14.8%	0	0	\$205,199	19.3%	\$42,240	4.0%
<b>TOTAL</b>	<b>\$314,836</b>	<b>100.0%</b>	<b>\$357,485</b>	<b>100.0%</b>	<b>\$1,065,979</b>	<b>100.0%</b>	<b>\$1,087,311</b>	<b>100.0%</b>

### CURRENT QUARTER - DBE PERFORMANCE BY CONTRACT CATEGORY (July 1, 2017 – September 30, 2017)

	Construction	Professional Services	Equipment & Supply	Total
<b>DBE Dollars</b>	\$873,526	\$249,785	0	\$1,087,311
<b>All Dollars</b>	\$5,872,958	\$938,295	0	\$6,811,253
<b>% DBE Participation</b>	<b>13.6%</b>	<b>26.6%</b>	<b>0.0%</b>	<b>16.0%</b>

YEAR TO DATE  
 DBE PERFORMANCE BY QUARTER  
 (October 1, 2016 – September 30, 2017)

	Total Contracts	DBE Participation	% DBE Participation
1st Qtr.	\$3,493,730	\$314,836	9.0%
2 <sup>nd</sup> Qtr.	\$2,054,976	\$357,485	17.4%
3rd Qtr.	\$6,459,377	\$1,065,979	16.5%
4th Qtr.	\$6,811,253	\$1,087,311	16.0%
<b>TOTAL</b>	<b>\$18,819,336</b>	<b>\$2,825,611</b>	<b>15.0%</b>

**Office of Business Development Activities**

Outlined below are selected efforts undertaken during the fourth quarter of FFY 2017

**Selected Certification Activities during the quarter include:**

- New Certifications: 0
- Re-Certification: 11
- On-Site Visit: 1

**Selected Contract Compliance Activities during the quarter include:**

- Completed 10 Goal Settings
- Conducted 3 Field site monitoring reviews
- Reviewed 17 Certified Payrolls

**Selected Outreach Efforts during the quarter include:**

- Participated on DBE Appeal Process conference call with ODOT
- Participated on American Contract Compliance Association Training
- Attended DBE Civil Rights Symposium in Columbus
- Participated in Cleveland Business to Business Matchmaker at Progressive Field
- Attended DBE Training in Columbus
- Attended the Commission on Economic Inclusion meeting

**Affirmative Action**

The Affirmative Action Goals for the employment of women in all categories except for administrative support for the overall three years (2015-2017).

**Key Performance Measures**

Performance Measure	2015-2017 Target		2015 Total		2016 Total		First Quarter		Second Quarter		Third Quarter		3 – Year Total Target to Date	
	Minority	Female	Minority	Female	Minority	Female	Minority	Female	Minority	Female	Minority	Female	Minority	Female
<b>Affirmative Action:</b>														
<b>Officials/ Administrators</b>	N/A	4	N/A	3	N/A	4	N/A	0	N/A	0	N/A	0	N/A	7
<b>Professionals</b>	N/A	28	N/A	22	N/A	33	N/A	4	N/A	1	N/A	3	N/A	63
<b>Technicians</b>	N/A	29	N/A	7	N/A	8	N/A	1	N/A	0	N/A	0	N/A	16
<b>Protective Services</b>	N/A	4	N/A	4	N/A	4	N/A	1	N/A	0	N/A	1	N/A	10
<b>Administrative Support</b>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Semi &amp; Skilled Craft</b>	N/A	20	N/A	1	N/A	1	N/A	1	N/A	0	N/A	0	N/A	3
<b>Service Maintenance</b>	N/A	106	N/A	201	N/A	292	N/A	17	N/A	27	N/A	25	N/A	562
<b>Total</b>	N/A	191	N/A	238	N/A	342	N/A	24	N/A	28	N/A	29	N/A	661

The numbers reported for the 3<sup>rd</sup> Quarter include new hires, rehires, and promotions in each of the designated categories.



## Engineering/Construction Program

This section provides information on the status of the Authority’s engineering and construction activities. Projects are reported on by major program categories as follows:

- Bridges
- Track & Signal
- Passenger Facilities
- System Expansions
- Maintenance Facilities
- Planning

Other categories may be added on occasion depending upon activity in the Authority’s capital program.

Project	Description	Status
<b><u>Bridges</u></b>		
CSX/E. 92 <sup>nd</sup> Track Bridge Rehabilitation Design (27W)	Design for truss bridge rehabilitation; timbers and track previously replaced  Consultant: TranSystems Design Cost: \$281,221	Board awarded contract on October 21, 2014. Construction Notice to Proceed issued June 22, 2016. Consultant provided construction administration services. Construction completed. Project in close-out.
CSX/E. 92 <sup>nd</sup> Track Bridge Rehabilitation Construction (27W)	Contractor: Suburban Maintenance & Construction  Construction Cost: \$2,070,223	Board awarded contract on May 10, 2016. Notice to Proceed issued June 22, 2016. Construction completed. Project closed. This is last report.
Trunk Line Retaining Walls (14.97)	Rehabilitate guard walls along Shaker Blvd. between Buckeye-Woodhill & Shaker Square  Consultant: ms consultants Design: \$259,261	Board awarded contract on October 21, 2014. A/E authorized May 12, 2016 to proceed with Phase II plans. Phase I construction Notice to Proceed issued December 7, 2016. Consultant is providing construction administration services.

Trunk Line Retaining Walls  
(14.97)

Rehabilitate guard walls  
along Shaker Blvd.

Contractor: EnviroCom  
Construction

Construction Cost:  
\$1,081,948

Notice to Proceed issued on  
December 7, 2016.  
Construction completed.  
Awaiting final paperwork.  
Project in close-out.

**Track & Signal**

Trunk Line Signaling  
(12D)

Design for Trunk Line (E. 79  
to Shaker Sq. Station)  
Signal System  
Replacement

Estimate: \$8,000,000

Design pending hire of new  
Signal Engineer. Vacant  
position is advertised. Sole  
viable candidate to date was  
not hired.

Nine Light Rail Grade  
Crossings  
Design  
(23V5)

Engineering services for  
reconstruction of nine Light  
Rail grade crossings

Consultant: TranSystems

Design Cost: \$546,394

Request for proposal issued.  
Proposals received January  
7, 2014. Board awarded  
project March 18, 2014.  
Notice to Proceed issued  
April 4, 2014.  
Recommendations report  
received June 2014. Designer  
completed 3 construction  
packages of 3 crossings per  
package. The first package  
construction has been  
completed. The second  
package has been completed.  
The third package has been  
completed. Project in close-  
out.

Nine Light Rail Grade  
Crossings Construction (23V5  
Phase 3)

Reconstruction of Final  
Three of Nine Grade  
Crossings

Contractor: Delta RR  
Construction

Cost: \$2,146,650

Project was awarded to Delta  
RR at February 21, 2017  
Board Meeting. Notice to  
Proceed issued March 10,  
2017. The three grade  
crossing are: Green Line-  
Courland Blvd., Blue Line-  
Onaway Rd., and Kenmore  
Rd. Construction completed.  
Project in close-out.

West 65 Substation  
Replacement  
(23Z)

Substation  
Reconstruction

Estimate: \$2,602,497

Design completed in-house.  
Bids are due on  
November 1, 2017.

<p>Puritas Substation Replacement Design (60A)</p>	<p>Furnish and Install Modular Substation Or Rebuild in Existing Building</p>	<p>Project being designed in-house.</p>
	<p>Estimate: \$2,888,133</p>	
<p>Warrensville/Van Aken Substation Replacement (16.36)</p>	<p>Furnish and Install Modular Warrensville/ Van Aken Substation</p>	<p>Working with The Illuminating Company for service to new site. Demolition of existing substation approved at October 17, 2017 Board Meeting. Modular Substation to be built at new location. Comfort station to be built near existing site.</p>
	<p>Estimate: \$3,014,273</p>	

**Passenger Facilities**

*Rapid Stations*

<p>Brookpark Rapid Transit Station Design (24J(c)) ARRA</p>	<p>A/E services for design of Brookpark Station</p>	<p>Contract awarded June 30, 2009 and Notice to Proceed issued September 30, 2009. Brook Park Planning Commission approved design and project presented to Cleveland's local design committee. 90% design received on March 20, 2013, including value engineering. Change order for separate parking lot plans approved in 2013. NEPA documentation completed. Phase I East Parking Lot completed. Station opened. Project in close-out.</p>
	<p>Consultant: Bialosky + Partners</p>	
	<p>Cost: \$1,337,317</p>	
<p>Brookpark Rapid Transit Station Construction (24J(c))</p>	<p>Reconstruction of the Brookpark Station</p>	<p>NTP issued May 11, 2015. Contractor did not meet the substantial completion date of March 26, 2017. Substantial completion was reached June 9, 2017. Workforce has been inadequate to maintain schedule. Meetings with contractor/broker ongoing. East Building opened on April 10, 2017. West Building still not open pending parking lot</p>
	<p>Contractor: Mid-American Construction, LLC</p>	
	<p>Cost: \$12,385,414</p>	

		repairs. Surety representative called in to assist broker in closing project. Punch list still incomplete.
Cedar-University Station Reconstruction (24K)	<p>Reconstruction of Red Line rapid station</p> <p>Contractor: McTech Corporation</p> <p>Cost: \$15,929,049</p>	<p>Contract awarded June 18, 2012 and Notice to Proceed issued July 10, 2012. Groundbreaking ceremony September 19, 2012. Ribbon cutting ceremony held on August 28, 2014 and the rail and Bus Stations completed and opened for service. Contractor missed the final completion date of December 16, 2014. Work finally completed May 29, 2015. Contractor lien resolution completed in September 2017. Contractor/broker has finally submitted close-out paperwork over 2 years after completion. Project closed. This is last report.</p>
E. 34 <sup>th</sup> St. Station Reconstruction Design (24M)	<p>Reconstruction of the E. 34<sup>th</sup> Station</p> <p>Consultant: WSP/PB</p> <p>Cost: \$687,837</p>	<p>Notice to Proceed issued October 27, 2015. Project successfully bid March 9, 2016. Construction Notice to Proceed issued June 14, 2017. Consultant is providing construction administration services.</p>
E. 34 <sup>th</sup> St. Station Reconstruction Construction (24M)	<p>Reconstruction of E. 34<sup>th</sup> Station</p> <p>Contractor: Panzica Construction</p> <p>Cost: \$6,030,433</p>	<p>Project awarded at April 25, 2017 Board Meeting. Notice to Proceed issued June 14, 2017. Contractor is well underway with sitework, foundations and utilities.</p>

Little Italy -University Circle  
Station  
Design  
(24P)

ADA rehabilitation of station  
and transit track bridge  
reconstruction

Consultant: City  
Architecture

Design Cost: \$1,808,083

Contract awarded July 15, 2008 and Notice to Proceed issued August 22, 2008. Project at 60% design when Norfolk Southern review resulted in decision to go to center platform design. FONSI received from FTA April 4, 2013. Tiger III (\$12.5M) funding obtained and grant agreement executed on May 31, 2013. Property acquisition agreement signed and approved by Board April 16, 2013 and FTA concurrence on May 21, 2013. Consultant has submitted 100% construction documents for Mayfield Road sidewalk improvements. Project 24P-2 awarded at June 14, 2016 Board Meeting. Construction completed. Project in close-out.

Little Italy -University Circle  
Station  
Construction  
(24P)

ADA rehabilitation of station  
and transit track bridge  
reconstruction

Contractor: McTech  
Corporation

Cost: \$11,555,471

Contract awarded September 17, 2013. Notice to proceed issued October 14, 2013. Held groundbreaking October 22, 2013. Track outage began on June 7, 2014 and ended August 28, 2014 with return to service on August 29, 2014. Station opened on August 11, 2015 and substantial completion reached on August 13, 2015. Contractor liens resolved in September 2017. GCRTA has resolved warranty items. Final payment made. Project closed. This is last report.

Mayfield Road Pedestrian  
Enhancements  
(24P-2)

Lighting, railing, signage  
and sidewalk improvements

Contractor: EnviroCom

Cost: \$1,472,817

Project awarded at June 14, 2016 Board Meeting. Notice to Proceed issued August 11, 2016. Construction completed. Project in close-out.



<p>Mayfield Road Art Lighting (24P-PA)</p>	<p>Design &amp; Programming of Remaining Lighting under Bridge  Contractor: UPLight  \$25,120 (+\$6,000 Travel)</p>	<p>Public Art Contract to be awarded to UPLight for completion of Public Art lighting under the bridge. Presently, working with UPLight on the final scope of work given the adjacent development.</p>
<p>E. 116 Station Design (24R)</p>	<p>ADA reconstruction of E. 116 Light Rail station  Consultant: City Architecture  Design Cost: \$537,490</p>	<p>Request for Proposals received January 3, 2014. Board awarded contract to City Architecture March 18, 2014. Notice to Proceed issued April 24, 2014. Project bid a second time and over budget. A/E and GCRTA staff revising the design and project will be re-advertised in late 2017.</p>
<p>Lee-Shaker Station ADA Design (24T)</p>	<p>ADA Rehab. of Lee-Shaker Station  Consultant: CHA  Cost: \$166,719</p>	<p>Make station accessible under the ADA, restore platform and track, and update signage and lighting. Consultant contract approved at January 20, 2015 Board meeting. Project Notice to Proceed October 18, 2016. Construction completed. Project closed. This is last report.</p>
<p>Lee-Shaker Station ADA Construction (24T)</p>	<p>ADA Rehab of Lee-Shaker Station  Contractor: Schirmer Construction  Cost: \$1,490,046</p>	<p>Notice to Proceed issued October 18, 2016. Construction completed. Project in close-out</p>
<p>Red Line West Track Work West 30<sup>th</sup> to W. 98<sup>th</sup> (52I)</p>	<p>Contractor: Railworks  Construction Cost: \$6,838,402</p>	<p>Board awarded contract on July 18, 2017. 28-Day shutdown to begin November 5, 2017. Tracks scheduled to be reopened December 2, 2017</p>
<p>Buckeye-Woodhill Track Replacement (52L)</p>	<p>Contractor: Railworks  Construction Cost: \$899,310</p>	<p>Notice to Proceed issued June 12, 2017. Construction completed. Project in close-out.</p>

**Planning**

Clifton Blvd. Transit Enhancement Public Art (51-PA)

Solicitation for decorative poles and gateway elements

Artist: John Bannon

Estimate: \$75,000

Public art call advertised February 14, 2014. Fifteen responses received for evaluation. Committee selected artist but concept was not viable. Artwork was re-solicited with responses received on April 13, 2015. Third call for artists was limited to lighting professionals. Have accepted the design concept of the artist. Cudell Design withdrew its approval. Lakewood withdrew its support as well. RTA is working with the artist to finalize invoices for project closure. Project to be canceled.

Opportunity Corridor Improvements (15.97)

Opportunity Corridor TWE Improvements on E. 105<sup>th</sup>

Budget: \$420,000

Project funded by ODOT to improve E. 105<sup>th</sup> bus stop areas at Cedar, Carnegie, Euclid & Chester. Working with City, ODOT & Clinic to determine project requirements for bidding. Station elements have essentially been finalized. Preparing renderings for submission to the Clinic. Renderings were submitted to the Clinic. RFPs for both the kiosk and bus stations have been sent to Procurement.

LEED Commissioning for Station Projects (13.33)

Review station design drawings and materials for environmental impact to meet LEEDS certification

Consultant: Karpinski Engineering Co.

Cost: \$48,560

Task orders have been issued for design enhanced commissioning for University-Cedar station \$10,560 and construction commissioning \$10,000. Lee-Van Aken station design fundamental commissioning \$4,360 and construction commissioning \$5,000. Brookpark station design enhanced commissioning \$6,500 is underway.

E. 34 <sup>th</sup> Public Art (17.15)	Solicitation of Public Art for E. 34 <sup>th</sup> Street Station Budget	Initial meeting with committee being scheduled in November. First Art call solicitations received on February 3, 2017 with only 4 received. Have resolicited with additional outreach. Proposals received on May 8, 2017. Artist was selected, awaiting funding finalization before entering into contract with the Artist.
	Cost: \$75,000	
E. 116 <sup>th</sup> Street Public Art (16.95)	Public Art Solicitation  Artist: Beatrice Coron and Land Studio	Public art installation at E. 116 <sup>th</sup> Street in concert with Neighborhood Progress & Land Studio. Tri-party contract between artist, Land Studio, and RTA has been developed. The scope has been modified. It now requires additional legal review.
	Cost: \$34,000	
Transit Alternative Development for W. 25 <sup>th</sup> Street Corridor (17.49)	Transit Planning for BRT on W. 25 <sup>th</sup> Street  Contractor: Cleveland Neighborhood Progress	Project provides additional design data, cost, and analysis for a BRT on W. 25 <sup>th</sup> street. The consultant will deliver information required by FTA for New Starts submission.
	Cost: \$30,000	

**Maintenance Facilities**

Infrastructure Upgrades @ Hayden & CBMF for CNG (61B)	Upgrade facilities for CNG fueling at Hayden, CBMF and Triskett  Consultant: Wendel	Board awarded contract on October 21, 2014. Design completed. Support for Construction of improvements continuing. Triskett plans and specifications received.
	Cost: \$553,023	
CNG Heavy Maintenance Infrastructure Upgrades at Hayden & CBMF (61B-c)	Contractor: EnviroCom Constr., Inc.  Construction Cost: \$2,521,305	Board awarded contract on November 17, 2015. Notice to proceed was issued on December 22, 2015. Ductwork wiring completed. Work at CBMF 98% complete and at Hayden 98% complete. Gas detection system installation completed at both garages.

CNG Backup Generator at  
CBMF  
(61B-f)

Contractor: Einheit Electric  
Construction Co.

Construction Cost:  
\$695,507

Awaiting respective occupancy  
permits.

Board awarded contract June  
14, 2016. Notice to proceed  
July 25, 2016. Generator on  
site and working. Problem with  
generator belt pulley.  
Retainage being held until  
problem corrected.

Greater Cleveland Regional Transit Authority

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