



Greater Cleveland Regional Transit Authority

Quarterly Management Report

4th Quarter 2019

Q4



Contents

From the General Manager.....	2
Financial Analysis	4
Financial Vision	4
Financial Goals.....	5
Capital Commitments and Expenditures.....	7
Performance Measures	11
Critical Success Factors.....	12
Quarterly Marketing Activities	13
Disadvantaged Business Enterprise (DBE) Participation/Affirmative Action	14
Office of Business Development Activities.....	15
Affirmative Action	16
Succession Planning.....	17
Engineering/Construction Program	19

From the General Manager



The 4th Quarter has meant both stability and progress at RTA, and I am pleased to review critical accomplishments during these first three months together. Thank you for your confidence and for working together as a team as we continue our momentum, embrace transition and implement improvements. Your hard work is setting up the organization for success in the coming year.

Appropriately, following are a few key highlights from the 4th Quarter.

One of the most pressing needs at RTA is a new rail fleet. Efforts to secure rail car funding at the state level met with marked success as we welcomed a \$5 million award from the Ohio Department of Transportation (ODOT). To date, we identified about half of the \$240 million needed to replace our entire rail fleet, and \$29.1 million already has been set aside in RTA's reserve fund to help meet the need.

We continued our lobbying efforts at the Federal level as well, and are pleased to report that we made significant advancements with our U.S. Senators and Representatives. They welcomed us warmly and offered their support as we seek solutions to upgrading our rail infrastructure.

Technology improvements at RTA are well underway, with two significant initiatives launched in the 4th Quarter. One, the full-scale fleet installation of RTA's new \$15 million radio system, which is improving communication, passenger counting and service performance. We completed Paratransit vehicle installations in November, and we have already seen on-time performance improved by 10%. Upgrades at both Hayden and Triskett are also coming on line, with rail to follow, and final installation on all modes expected by the end of 2020.

Thanks to the initiatives underway at Paratransit, staff introduced a complete revamping of scheduling processes by installing DriverMate technology, allowing both RTA and its contractors to optimize trips continuously throughout the day, creating a dynamic scheduling environment. Scheduling transitioned from paper to electronic manifests with the use of Samsung tablets. Previously drivers recorded mileage and times of pick-ups and drop-offs on multi-page paper manifests, which then required manual entry into the scheduling database the next day by the scheduling team, impacting call center performance. The scheduling software can now continuously optimize the service day's schedule by evaluating runs for efficiency and on-time performance. As cancellations or delays occur, the system moves trips between runs and providers to improve on-time performance, customer experience, and system efficiency.

Each of the five Pillar Studies is now complete, with the most recent, the System Redesign, finalized in December. As we move into 2020, management will review each study's recommendations and results, culminating in the development of RTA's 10-year Strategic Plan.

The safety of Transit Police K-9 officers was in the spotlight this quarter, thanks to the fundraising efforts of 10-year-old Brady Snakovsky of Strongsville, which resulted in the outfitting of a special K-9 officer named Kubo, who became the proud recipient of a custom designed protective vest. The young Snakovsky started [Brady's K-9 Fund](#) in 2018 with the mission to donate practical, mission ready vests to as many police K-9s as possible, and RTA is grateful for Brady's innovative efforts, which will help keep our K-9 safe.

An agreement package outlining the updated collective bargaining agreement between RTA and the ATU Local 268 was approved in December 2019. This contract will remain in effect through July 31, 2021. Fraternal Order of Police contract negotiations are currently underway.

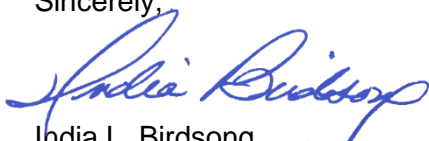
RTA held a Rail Rodeo this past fall to select the Operators and Equipment Maintainers who will represent TEAM RTA in San Francisco at the 2020 American Public Transit Association (APTA) International Rail Rodeo. Five contestants qualified to advance to the event.

Two new members were appointed to the Board of Trustees during the 4th Quarter. Shaker Heights Mayor David E. Weiss was elected by the Cuyahoga County Mayors and City Managers Association to fill the term currently held by Mayor Georgine Welo of South Euclid. Mayor Welo's Board position will end in February 2020. The City of Cleveland's appointment was Ms. Luz N. Pellet who is a Business System Analyst with Xerox. Ms. Pellet started her term in December 2019.

This report provides an update on RTA's finances, performance management initiatives, disadvantaged business enterprise (DBE) program, and other strategic objectives. In the upcoming quarters, the team will continue along our path of execution and strategic planning. We will do so with the community at-large as we look to re-imagine transit in Northeast Ohio.

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,



India L. Birdsong
General Manager, Chief Executive Officer

Financial Analysis

Financial Vision

Introduction

The Authority's current Strategic Plan addresses four areas of performance: Fiscal Responsibility, Voice of the Customer, Continual Process Improvement and Innovation, and Learning and Growth. In this section, Fiscal Responsibility is the focus. The Balanced Scorecard identifies two initiatives under Fiscal Responsibility: (1) Increase Revenue and Reduce Expenses, and (2) Enhance Fiscal Responsibility. The core drivers of Increase Revenue/Reduce Expenses are outlined in Figure 1.

Initiative: Increase Revenue; Reduce Expenses	Performance Target	Quarter Performance	Performance
General Fund Revenues	≥ 1% Growth	-3.3%	
Passenger Fare Ratio	≥ 20%	17.5%	
General Fund Expenses	≤ General Fund Revenue	-0.3%	
Personnel Cost vs. Budget	≤ Budget	-4.1%	

Figure 1: Strategic Plan, Financial Vision Balanced Scorecard Focus

Balanced Scorecard Overview

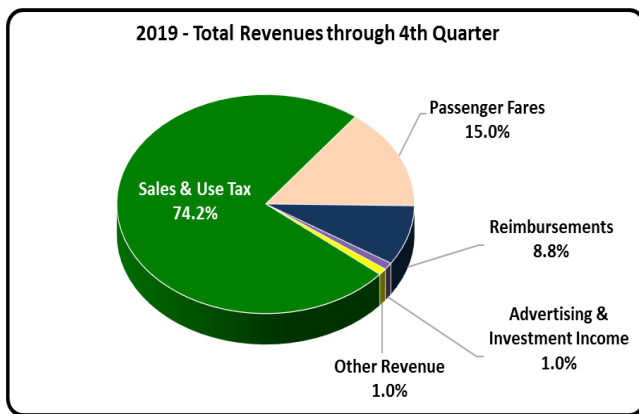


Figure 2: General Fund Revenues: 4th Qtr 2019

Total Revenues through year-end 2019 totaled approximately \$286.0 million which was \$5.2 million, or 1.8 percent above the 2019 Amended Budget.

Sales & Use Tax is the largest source of revenue, representing 74.2 percent of the total revenues, ended the year 2.3 percent above budget and 3.9 percent above 2018 actual receipts. Passenger Fares totaled \$42.8 million at year-end, 8.0 percent below budget and

8.2 percent below 2018 receipts. The Red Line west shutdown during the summer for the track rehabilitation and emergency repairs to the S-Curve wall greatly impacted ridership.

The Passenger Fare Ratio is an efficiency ratio indicating the percentage of operating expenses covered by passenger fares. At 17.7 percent, the passenger fare ratio falls short of the 20 percent goal due to the declines in ridership and passenger fare revenue. This ratio is different from the Operating Ratio under the Financial Policy Goals, which includes advertising and investments as

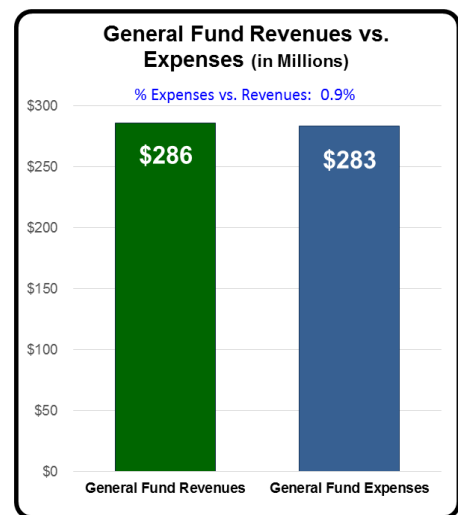


Figure 3: General Fund: Revenues vs. General Fund Expenses: 4th Qtr

operating revenues. Further comparisons of revenues and expenditures are seen in the General Fund Balance Analysis.

As a part of Fiscal Responsibility our goal is to maintain the General Fund Expenditures under General Fund Revenues. Total General Fund expenses were 0.9 percent lower than General Fund revenues. The Non-Bargaining employees and Fraternal Order of Police (FOP) employees received a 3 percent wage increase. The Amalgamated Transit Union (ATU) finalized negotiations in December with a new contract. A 3 percent wage increase was approved, retro-active to February 2019. An additional \$5 million transfer to the Reserve Fund for Rail Car Replacement was made in December, bringing the total transfer in 2019 for Rail Cars to \$11 million. Total Operating expenditures, which do not include transfers to other funds, were 4.8 percent below budgeted expenses and 0.8 percent below 2018 expenses. Personnel costs, which includes salaries and wages, overtime, payroll taxes and fringe benefits totaled \$184.5 million. This amount is 4.1 percent below budget and 0.8 percent lower than 2018 expenses.

The chart below compares the 2019 year-end expense categories against the budget and 2018.

General Fund Expenses	2018 Actual	2019 Budget	2019 Actual	2019 Actual vs. Budget	2019 Actual vs. 2018 Actual
Salaries and Overtime	\$134,480,231	\$138,563,985	\$134,891,187	-2.7%	0.3%
Payroll Taxes and Fringes	51,457,495	53,873,933	49,579,426	-8.0%	-3.6%
Fuel (Diesel, CNG, Prop Pwr., Propane, Gas)	9,351,736	10,304,550	8,950,522	-13.1%	-4.3%
Utilities	4,557,351	5,334,568	5,155,284	-3.4%	13.1%
Inventory	12,961,263	13,368,000	11,226,105	-16.0%	-13.4%
Services and Materials & Supplies	16,642,929	18,381,341	18,522,788	0.8%	11.3%
Purchased Transportation	9,934,312	8,434,045	9,177,877	8.8%	-7.6%
Other Expenditures	4,968,361	6,257,354	4,815,590	-23.0%	-3.1%
Total Operating Expenditures	\$244,353,679	\$254,517,776	\$242,318,780	-4.8%	-0.8%

Figure 4: Year-End 2019 Expenses vs. Budget and 2018

Financial Goals

Additional measures of budget performance include six financial policy goals as approved by the Board of Trustees. The goals are listed in Figure 5.

Operating Efficiency

The policy goal is to maintain an **Operating Ratio** of at least 25 percent. At year-end, the Operating Ratio of 19.0 percent. This ratio shows the efficiency of management by comparing operating expenses to operating revenues (Sales & Use Tax, Advertising & Concessions, and Investment Income). Passenger Fares were 8 percent below budget and 8.2 percent below 2018 receipts. Operating Expenses were 4.9 percent below budget and 0.9 percent below 2018 actual expenses.

The target of the **Cost per Hour of Service** measure is to be maintained at or below the rate of inflation. The Federal Reserve Bank of Cleveland projected the inflation rate at 2.1 percent in 2019. The Cost per Hour of Service is a measure of service efficiency, dividing total operating expenses by total service hours. The 2019 year-end Cost per Hour of Service is \$130.9, or a decrease of 2.5 percent when compared to 2018.

Operating Reserve is targeted for a period of 30 Days or 1 Month, which requires the available cash equivalent to one month’s operating expenses to cover any unforeseen or extraordinary fluctuations in revenues or expenses. With an ending available balance of \$41.6 million, the Operating Reserve is 2.1 months, which is in excess of the goal.

Capital Efficiency

The **Debt Service Coverage** ratio is the measure of the Authority’s ability to meet annual interest and principal payments on its outstanding debt. The 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. At year-end, the Debt Service Coverage is 4.50 exceeding the goal of 1.5 times.

The **Sales Tax Contribution to Capital** is a measure of the level of commitment to longer term capital needs by determining the percentage of the sales tax revenues that is to be allocated directly to the Capital Improvement Fund to support budgeted projects or to the Bond Retirement Fund to support debt service payments. At year-end, this indicator is 11.9 percent, above the policy goal of at least 10 percent.

The **Capital Maintenance Outlay to Capital Expansion Outlay** ratio shows the Authority’s focus is on the maintenance or State of Good Repair (SOGR) of its current assets rather than on the expansion of service levels. This continues to remain the best course available as the Authority continues its bus replacement program, equipment upgrades, and plans for rail vehicle replacement and rail infrastructure improvements.

In summary, four of the six financial goals meet the Board Policy Goals and a fifth goal is projected to be better than budget. .

2019 4th Quarter						
Financial Policy Goals						
		Goal	2017 Actual	2018 Actual	2019 Amended Budget	2019 Year-End
Operating Efficiency	Operating Ratio	≥ 25%	19.5%	19.9%	19.4%	19.0%
	Cost/Hour of Service		\$132.4	\$134.3	\$137.5	\$130.9
	Growth per Year	≤ Rate of Inflation [2%]	-2.0%	1.4%	2.4%	-2.5%
	Operating Reserve (Months)	≥ 1 month	1.7	1.9	1.1	2.1
Capital Efficiency	Debt Service Coverage	≥ 1.5	4.11	3.76	3.19	4.50
	Sales Tax Contribution to Capital	≥10%	12.2%	14.6%	13.1%	11.9%
	Capital Maintenance to Expansion	75% - 90%	97.3%	97.3%	100.0%	100.0%

Figure 5: Financial Policy Goals: 4th Quarter 2019

General Fund Balance Analysis

	2017 Actual	2018 Actual	2019 Amended Budget	2019 Year-End	Variance
Beginning Balance	33,324,812	34,869,397	38,959,995	38,959,995	0
Revenue					
Passenger Fares	45,436,326	46,611,350	46,497,104	42,785,750	(3,711,354)
Advertising & Concessions	2,389,856	786,836	2,162,000	2,069,726	(92,274)
Sales & Use Tax	213,718,145	204,331,707	207,396,683	212,192,079	4,795,396
State Aid for MCO Loss	10,034,083	18,271,169	0	0	0
Investment Income	260,016	733,668	600,000	910,634	310,634
Other Revenue	1,990,027	2,217,242	2,090,000	2,747,874	657,874
Reimbursed Expenditures	22,782,104	22,667,293	22,075,000	25,289,403	3,214,403
Total Revenue	296,610,557	295,619,265	280,820,787	285,995,466	5,174,679
Total Resources	329,935,369	330,488,662	319,780,782	324,955,461	5,174,679
Operating Expenditures					
Salaries and Overtime	135,514,105	134,480,231	138,563,985	134,891,187	(3,672,797)
Payroll Taxes and Fringes	51,553,465	51,457,495	53,873,933	49,579,426	(4,294,507)
Fuel (Diesel, CNG, Prop Pwr., Propane, Gas)	11,321,665	9,351,736	10,304,550	8,950,522	(1,354,028)
Utilities	4,871,411	4,557,351	5,334,568	5,155,284	(179,285)
Inventory	14,644,874	12,961,263	13,368,000	11,226,105	(2,141,895)
Services and Materials & Supplies	15,581,293	16,642,929	18,381,341	18,522,788	141,446
Purchased Transportation	8,828,341	9,934,312	8,434,045	9,177,877	743,832
Other Expenditures	5,403,783	4,968,361	6,257,354	4,815,590	(1,441,764)
Total Operating Expenditures	247,718,937	244,353,679	254,517,776	242,318,780	(12,198,996)
Transfer to the Insurance Fund	2,400,000	7,250,000	2,700,000	2,700,000	0
Transfer to the Pension Fund	75,000	60,000	50,000	50,000	0
Transfer to Reserve Fund	17,554,922	7,368,662	12,965,059	12,965,059	0
Transfers to Capital					
Bond Retirement Fund	17,045,783	17,236,407	15,228,052	13,339,003	(1,889,049)
Capital Improvement Fund	10,271,331	15,259,919	11,887,181	12,005,224	118,043
Total Transfers to Capital	27,317,114	32,496,326	27,115,233	25,344,227	(1,771,006)
Total Transfers to Other Funds	47,347,036	47,174,988	42,830,292	41,059,286	(1,771,006)
Total Expenditures	295,065,973	291,528,667	297,348,069	283,378,066	(13,970,002)
Available Ending Balance	34,869,397	38,959,995	22,432,714	41,577,395	19,144,681

Figure 6: General Fund Balance Analysis – 4th Quarter 2019

Capital Commitments and Expenditures

Capital Revenues

Under the Federal Grant Program there are 29 active grant awards of which 14 are within the Formula Grant awards category, and 15 that are either highly competitive or discretionary grants.

The Formula grants include the 5370-Urbanize Area Formula Grant, 5337-State of Good Repair (SOG) Grant, and 5339 Bus & Bus Facilities Grants totaling \$55.2 million. The major competitive grants that have been received in prior years and identified for Fiscal Year (FY) 2019 are UTP, OTP3, CMAQ, NOACA 5310 FWHA and DERG awards

The Strategic Plan initiative for Capital revenue is to apply for competitive grants and successfully be awarded at least \$20 million awards each year which would enable the Authority to focus on its State of

Good Repair (SOGR) projects. Competitive awards totaled \$44.7 million, of which a combined \$16.8 million has been appropriated for Red Line Track Rehabilitation projects at W.30th St. – W.98th St., Westpark Diamond Crossing Rebuild, W.117th St. to Westpark and Westpark to Airport Tunnel. A \$4.2 million appropriation remains open for the 16 40ft Compressed Natural Gas (CNG) bus purchase (pending an insurance claim). The remaining projects receiving competitive funds for FY2019 include \$3.1 million for Radio CAD/AVL communication upgrades, \$2.6 million to purchase 25 40-FT CNG buses, \$490,994 for 10 Paratransit vehicles and \$2.7 million for 9 commuter coaches. Other continuing projects nearing completion are Career Pathways Training Program, and Senior Transportation Connection. These projects and other Capital projects are explained in further detail in the Capital Commitment sections.

Funding Source	Appropriated Funds	Funds Committed	Funds Available	Percentage of Funds Remaining
Formula Funds	\$119,451,019	\$99,009,777	\$20,441,242	48.7%
Local Funds	\$92,832,442	\$75,720,840	\$17,115,602	40.8%
Competitive Funds	\$44,725,258	\$40,623,397	\$4,101,871	9.8%
State Funds	\$0	\$0	\$0	0.0%
Other Funds	\$2,447,857	\$2,121,680	\$326,176.85	0.78%
Grand Total	\$259,460,586	\$217,475,694	\$41,984,892	100.0%

Commitments by Capital Category

The capital program is based on a multi-year or an Inception-to-Date (ITD) approach. The total capital budget appropriations of \$285.6 million for FY 2019 include \$68.1 million current budgeted expenditures and \$217.5 million of prior year carryover budget appropriations. Projects within the capital program are placed in eight categories, as seen in the chart below. The chart compares the budget to the year-end commitments for each category.

At the end of the 4th Quarter, total project commitments equals \$217.5 million, including \$152.1 million of ITD expenditures and \$65.4 million of current encumbrances resulting in \$68.1 million, or 23.8%, of available funding.

Most of the projects began in prior fiscal years. Current year projects include expenditures for Preventive Maintenance (PM) reimbursements to the operating budget, pending vehicle acquisitions for 12 MCI's, 25 40ft CNG buses, bus parts, Radio CAD/AVL communication system upgrades, S-Curve Retaining Wall repairs, Rail Infrastructure, substation replacements, track rehabilitation of Tower City Track 10 & 13 and Red Line track rehabilitation from West Park to the Airport Tunnel.

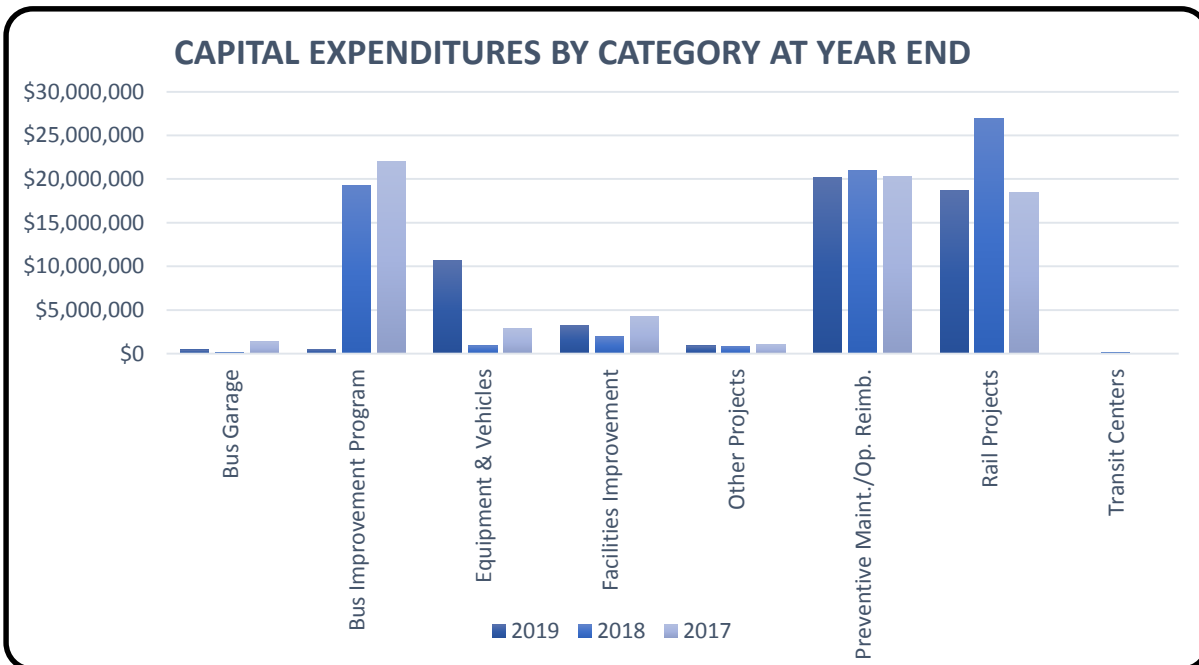
These capital projects will be discussed in greater detail within the various category explanations.

Category	EOY		EOY 'Variance vs.	
	EOY Budget	Commitments	Current Budget	
Bus Garages	\$ 19,321,925	\$ 11,466,287	\$ 7,855,638	40.7%
Bus Improvement Program	50,581,947	41,405,526	9,176,421	18.1%
Equipment and Vehicles	29,469,082	25,704,562	3,764,520	12.8%
Facilities Improvements	13,441,131	10,488,624	2,952,507	22.0%
Other Projects	6,608,367	4,154,510	2,453,857	37.1%
Preventive Maint./Op. Reimb.	22,612,215	22,416,383	195,832	0.9%
Rail Projects	142,536,335	101,405,338	41,130,997	28.9%
Transit Centers	1,008,843	434,465	574,378	56.9%
Grand Total	\$ 285,579,845	\$ 217,475,695	\$ 68,104,150	23.8%

Current Year Expenditures by Capital Category

The graph on the next page compares current expenditures for each category with the prior years at the same point in time. The majority of the capital expenditures were in the Rail projects, Preventive Maintenance, and Equipment & Vehicles categories, generating a combined \$49.5 million, or 90.6% of capital expenditures.

Major individual capital projects will be covered in the following discussion on the capital categories.



Bus Garages

The main focus for the capital projects within this category is to perform needed facilities upgrades at bus garages. There are currently three projects within this category, including the completed Hayden/Central Bus Maintenance (CBM) CNG Building Compliance, CBM Lift & Fall Protection, and Triskett CNG Building upgrades and building compliance that will house and maintain newly purchased CNG vehicles.

At year end, \$11.4 million of the current \$19.3 million budget was committed leaving available funding of \$7.9 million, or 40.7%. Such savings will be used for construction upgrades at the Triskett Garage in FY 2020.

Bus Improvement Program

The Authority continues to retire older fleets and purchasing more eco-friendly vehicles under its Bus Improvement Program. The category commitments include bus purchases for 12 MCI's (diesel vehicles) and 25 CNG 40 ft. buses, including bus spare parts to help maintain the Authority's existing bus fleet. At the end of 4th quarter, category commitments totaled \$41.4 million, out of a total budget appropriation of \$50.6 million, leaving \$9.2 million, or 18.1%, in available funding.

Equipment and Vehicles

Total commitments within this category totaled \$25.7 million, out of a total budget appropriation of \$29.5 million, resulting in \$3.8 million, or 12.8% of available funding. The majority of the open encumbrances within this category include \$4.08 million within the on-going Fare Collection Equipment project and \$4.5 million, for Radio CAD/AVL. Reimbursements from the Federal Highway Administration for the Radio CAD/AVL project are continuing based on task completion. Remaining commitments within this category are concentrated within various SOGR equipment and vehicle upgrade projects throughout the Authority.

Facilities Improvements

Year-end commitments of \$10.5 million include \$7.9 million of ITD expenditures and \$2.6 million of current encumbrances resulting in \$3.0 million, or 22.0%, of available funding. During the 4th quarter, \$3.3 million was expensed for various facility, track, and bridge rehabilitation projects.

Other Projects

The Other Projects category includes projects for pass-through grants to other entities and other miscellaneous capital projects that do not fit into the seven remaining capital categories. At the end of the year, this category has combined project commitments of \$4.2 million out of the category budget of \$6.6 million, resulting in available funding of \$2.5 million, or 37.1%.

During the year, a combined \$827,311 of expenditures were incurred for projects, including Transit Police Canine Security and Anti-Terrorism Team, Senior Transportation Connection Pass-Through, Career Pathways and Transit Oriented Studies.

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 and non-formula grant funded reimbursements for the delivery of ADA services.

Yearly activities resulted in total commitments of \$22.4 million to reimburse operating expenses. The category total expenses include \$20.0 million of Preventive Maintenance reimbursement, \$2.4 million for other capital labor and travel training expenses.

Rail Projects

At the close of 2019, \$101.4 million of the \$142.5 million budget for Rail projects were committed resulting in available funding of \$41.1 million, or 28.9%. Total commitments within this category consisted of \$69.0 million of ITD expenditures along with \$32.4 million of current encumbrances.

During FY 2019, \$18.6 million was expended on various Rail projects. A major portion of the expenses were incurred on the E. 116th Station reconstruction, West 65th St. and Puritas substation replacements, repairs to the S-Curve Retaining Wall and Red Line track rehabilitation between West Park and the Airport Tunnel.

Transit Centers

Project commitments totaled \$434,465 out of the approved current budget of \$1.0 million resulting in available funding of \$574,377, or 56.9% at the end of 4th quarter. During the year, \$28,911 was expended on capital projects along the Opportunity Corridor Phase I. The remaining funding at end of the year is due to remaining enhancement funds that are to be used for future eligible projects.

Performance Measures

PERFORMANCE MEASURE	2019 Target	Q 1	Q 2	Q 3	Q 4	Year to Date
<u>Passengers per bus/train hour:</u>						
Bus	21	20	20	22	21	21
Rail	62	64	68	61	58	63
*Total	24	24	24	25	24	24
*Calculated by dividing the quarter's total ridership by total system wide hours						
Revenue Vehicle Cost Per Mile: (Maintenance & Fuel)	\$2.50	\$2.35	\$2.49	\$2.18	\$2.74	\$2.44
% Of Scheduled Maintenance Completed (Revenue Vehicles)						
Bus	100%	100%	99%	99%	98%	99%
Rail	100%	99%	98%	97%	95%	97%
Paratransit (Revenue)	100%	100%	100%	100%	100%	100%
Paratransit (Non-Rev)	100%	100%	100%	100%	100%	100%

Critical Success Factors

<p>Passenger Fare Revenue</p>	<p>The Passenger Fare Revenue performance measure is discussed in detail in the Financial Analysis Section of the Report.</p>
<p>Preventable Accidents</p>	<p>The <u>Preventable Collision Rate (PCR)</u> TEAM goal for 2019 is 1.35. The 2019 YTD 4th Quarter PCR is 1.41, which is 4.4% higher than the TEAM goal and 7.6% higher than the 1.31 PCR for the same period in 2018. Total preventable collisions increased 4.7% to 315 from 301. Mileage decreased 2.7%.</p>
<p>Total Collision Rate</p>	<p>The <u>Total Collision Rate (TCR)</u> for the 2019 YTD 4th Quarter is 3.43, which is 1.2% lower than the 3.47 TCR for the same period in 2018. Total collisions decreased 3.9% to from 797 to 766.</p>
<p>On the Job Injury Rate</p>	<p>The 2019 TEAM Injury Rate Goal is 8.5. The 2019 YTD 4th Quarter Injury Rate of 7.83 is 7.9% below the TEAM Goal and 6.8% below the 8.40 Injury Rate for the same period in 2018. Total injuries decreased by 13 from 145 in 2018 to 132 in 2019.</p>
<p>Number of Miles between Service Interruption</p>	<p>The metric tracks total vehicle miles in between any mechanical failure that results in a delay greater than five minutes in the schedule. There were 8,432 Miles Between Service Interruptions for 4th quarter 2019, which is a 13.6% increase from 3rd quarter 2019. 2019 MBSI of 8,282 represents a 33.38% decrease from 2018.</p>
<p>On-Time Performance</p>	<p>On Time Performance tracks schedule adherence. Schedule adherence is measured by using recorded departure times) and uses the categories of Early (>1 minutes before), On Time (<1 minute before – 5 minutes after), and Late (>5 minutes).</p> <p>An On Time Performance rate of 82.33% for 4th quarter 2019 represents a 4.43% increase from 3rd quarter 2019 (78.84%). An On Time Performance rate of 81.79% for 2019 is a 2.24% increase from 2018 (80.00%).</p> <p>Every month in 2019 has seen a higher on time performance when compared to 2018 performance, continuing the trend from 2018 where most months saw an improvement over 2017. 20 of previous 24 months have had an increase when compared to previous year's performance in that month</p>
<p>Ridership</p>	<p>RTA had a total of 8.1 million rides in the 4th quarter; a decrease of 8%, or 680,000 fewer rides compared to the 4th quarter 2018. During the 4th quarter average weekday ridership decreased 9%; average weekend ridership decreased 6% when compared to 4th quarter 2018 weekend ridership.</p> <p>Bus ridership decreased by 7% in the 4th quarter of 2019 when compared to the 4th quarter of 2018. During the 4th quarter, average weekday bus</p>

Ridership Continued...

ridership decreased 6%, and average weekend bus ridership decreased 4% when compared to 4th quarter 2018.

HealthLine ridership decreased by 9% in the 4th quarter of 2019 when compared to the 4th quarter of 2018. During the 4th quarter average weekday HealthLine ridership decreased 8%, and average weekend HealthLine ridership decreased 13% when compared to 4th quarter 2018.

Rail ridership decreased by 8% in the 4th quarter of 2019 when compared to the 4th quarter of 2019. During this time, the Red Line ridership decreased by 8% and the Blue/Green Line ridership decreased by 7%. During the 4th quarter, average weekday Rail ridership decreased 9% and average weekend Rail ridership decreased 6% when compared to 4th quarter 2018.

Customer Satisfaction/Boardings Between Complaints

*Formerly Ride Happy or Ride Free. Reporting method has changed January 2019

Boardings between Complaints tracks the number of boardings in between customer complaints logged in the Trapeze COM system. The 9,771 Boardings Between Complaints for 4th quarter 2019 represents a 19.23% increase from 3rd quarter 2019 (8,195), and the YTD total of 10,338 Boardings Between Complaints for 2019 is a 30.60% decrease from 2018 (14,897)

Boardings between Complaints has seen upward trend since June. Each district has seen an increase in this metric when compared to June 2019.

Attendance

Unscheduled Absences tracks the proportion of total work hours that are unscheduled absences. An unscheduled absence is an absence that is charged to any category other than vacation, personal days, birthdays, holidays, training or seminars. The 4th quarter of 2019 had an unscheduled absence rate of 6.53%, which is an 8.11% increase from the previous quarter (6.04%). Overall, 2019 had an unscheduled absence rate of 6.18%, a 5.82% increase from 2018 (5.84%).

Quarterly Marketing Activities

Coordinated and facilitated 23 community meetings to gather customer input on the System Redesign and Fare Equity studies. These pillar studies wrapped up in December 2019 and recommendations from the findings were made to the Board of Trustees.

Along with Transit Police, completed training exercises for each floor of the Main Office Building to respond to active shooter situations. 68.47% of Main Office employees completed the training.

Marketing and Rail District coordinated to bring RTA the first holiday train. One heavy rail and one light rail train were decorated with festive lights and interior decor to delight passengers through the holiday season.

RTA's Adopt a Shelter program was reinvigorated in December 2019. The program allows members of the community to "adopt" shelters throughout the system by alerting us to additional cleaning or maintenance that is needed as well as beautifying the stop with plants if applicable. Those interested in adopting a shelter or shelters can apply online at www.rideRTA.com/adoptashelter.

Disadvantaged Business Enterprise (DBE) Participation/Affirmative Action

The DBE program is administered on a federal fiscal year (FFY) that runs from October 1 – September 30. The Overall DBE Participation Goal on federally assisted contracts of \$25,000 and above for FFY 2019 - 2021 is 22.5%. 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).

The performance period of October 1, 2019 – December 31, 2019 represents the first quarter of FFY 2020. DBE dollars awarded during the first quarter and FFY to-date on contracts greater than \$100,000 totaled **\$266,488 or 7.8%** on total contracts of **\$3,416,400**.

QUARTERLY - PARTICIPATION OF DBE FIRMS BY CLASSIFICATION (October 1, 2019 – December 31, 2019)

Classification	1st. Quarter Oct. 1 – Dec. 31	
African American	\$266,488	100.0%
Asian	0	0
Caucasian Female	0	0
Hispanic	0	0
TOTAL	\$266,488	100.0%

CURRENT QUARTER - DBE PERFORMANCE BY CONTRACT CATEGORY (October 1, 2019 – December 31, 2019)

	Construction	Professional Services	Equipment & Supply	Total
DBE Dollars	\$193,500	\$72,988	0	\$266,488
All Dollars	\$3,416,400	\$668,649	0	\$3,416,400
% DBE Participation	5.7%	11.0%	0.0%	7.8%

**YEAR TO DATE
DBE PERFORMANCE BY QUARTER**
(October 1, 2019 – September 30, 2020)

	Total Contracts	DBE Participation	% DBE Participation
1st Qtr.	\$3,416,400	\$266,488	7.8%
2 nd Qtr.			
3rd Qtr.			
4th Qtr.			
TOTAL	\$3,416,400	\$266,488	7.8%

Office of Business Development Activities

Outlined below are selected efforts undertaken during the First quarter of FFY 2020

Selected Certification Activities during the quarter include:

- New Certification: 2
- Re-Certification: 16
- On-Site: 1

Selected Contract Compliance Activities during the quarter include:

- Completed 18 Goal Settings
- Reviewed 13 Certified Payroll Reports

Selected Outreach Efforts during the quarter include:

- Attended Turner Construction Community Relations & Workforce Appreciation Luncheon
- Hosted meeting with B2GNow for DBE Management System

Selected Other Involvements

- Recognized by Summit magazine for support with the 5th Annual Greater Summit Business Conference & Expo
- Recognized at Cleveland Job Corp Workforce & Community Relations Luncheon
- Recognized by the Contractors Assistance Association for the Advancing Diversity Champions Award
- Participated in DBE/ACDBE Certification Training

Affirmative Action

The Affirmative Action Goals for the employment of women in all categories except for administrative support for the overall years (2015-2019).

Performance Measure	Fiscal Year Target		2015 – 2018 Total (07/15-06/18)		First Quarter 2019		Second Quarter 2019		Third Quarter 2019		Fourth Quarter 2019		Total 2019		Total Target to Date (2015-2019)	
	Minority	Female	Minority	Female	Minority	Female	Minority	Female	Minority	Female	Minority	Female	Minority	Female	Minority	Female
Affirmative Action: Officials/Administrators	N/A	4	N/A	9	N/A	0	N/A	0	N/A	1	N/A	1	N/A	2	N/A	11
Professionals	N/A	28	N/A	74	N/A	4	N/A	9	N/A	4	N/A	3	N/A	20	N/A	94
Technicians	N/A	29	N/A	18	N/A	0	N/A	0	N/A	0	N/A	0	N/A	0	N/A	18
Protective Services	N/A	4	N/A	13	N/A	0	N/A	0	N/A	0	N/A	1	N/A	1	N/A	14
Administrative Support	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	N/A	N/A
Semi & Skilled Craft	N/A	20	N/A	3	N/A	1	N/A	0	N/A	0	N/A	0	N/A	1	N/A	4
Service Maintenance	N/A	106	N/A	705	N/A	13	N/A	32	N/A	23	N/A	29	N/A	97	N/A	802
Total	N/A	191	N/A	822	N/A	18	N/A	41	N/A	28	N/A	34	N/A	121	N/A	943

The numbers reported for the 4th Quarter and Total Target include new hires, rehires, and promotions in each of the designated categories.

Succession Planning

We continue to advance our succession planning initiatives through our growing GCRTA People Strategy, which focuses on Culture & Engagement, Leadership Development & Talent Management, Innovation & Technology, Continuous Improvement, and Compliance. Strategic recruitment and selection, partnerships with key training resources, and multiple employee development opportunities across all work segments are key to our approach to Leadership Development & Talent Management.

4th Quarter Results

The following highlights our succession planning and employee development efforts during the 4th quarter, and year to date:

Frontline Supervisor & Training Development Program

The Frontline Supervisor & Training Development Program, started in 2017, is a partnership with Tri-C Corporate College, which continues to develop management and leadership capability and capacity for our new and tenured frontline supervisors. During the 4th quarter, our fifth cohort of 12 frontline supervisors completed training. A graduation ceremony was held January 21, 2020 to recognize and celebrate the frontline supervisor's achievements. Five cohorts of 64 frontline supervisors have completed training from 2017-2019.

Midwest Transit Leadership Exchange

The Midwest Transit Leadership Exchange (MTLE), is a partnership of seven transit agencies in OH, PA, NY started in 2016, which includes: Greater Dayton Regional Transit Authority, Central Ohio Transit Authority, Toledo Area Regional Transit Authority, Akron Metro, Port Authority of Allegheny County in Pittsburgh, and Niagara Frontier Transportation Authority. The MTLE holds professional development conferences twice a year to provide leadership development training and opportunities for sharing best practices for high potential employees who are targeted for operations succession planning. During the 4th quarter of 2019, RTA hosted the 7th MTLE Conference. Thirty-two attendees from multiple agencies, including high potential employees from our Operations Division, participated in a two-day conference that included training on coaching for employee development and sharing operations best practices.

We also continue to track progress for advancing our employee development efforts by measuring our percentage of promotions in relation to new hires (See Figure 1). The percentage of promotions for 2019 was 42%, which exceeded our goal of 40%. This metric, in part, shows RTA's commitment to developing employees for promotion opportunities within all work segments, and particularly for key leadership positions.

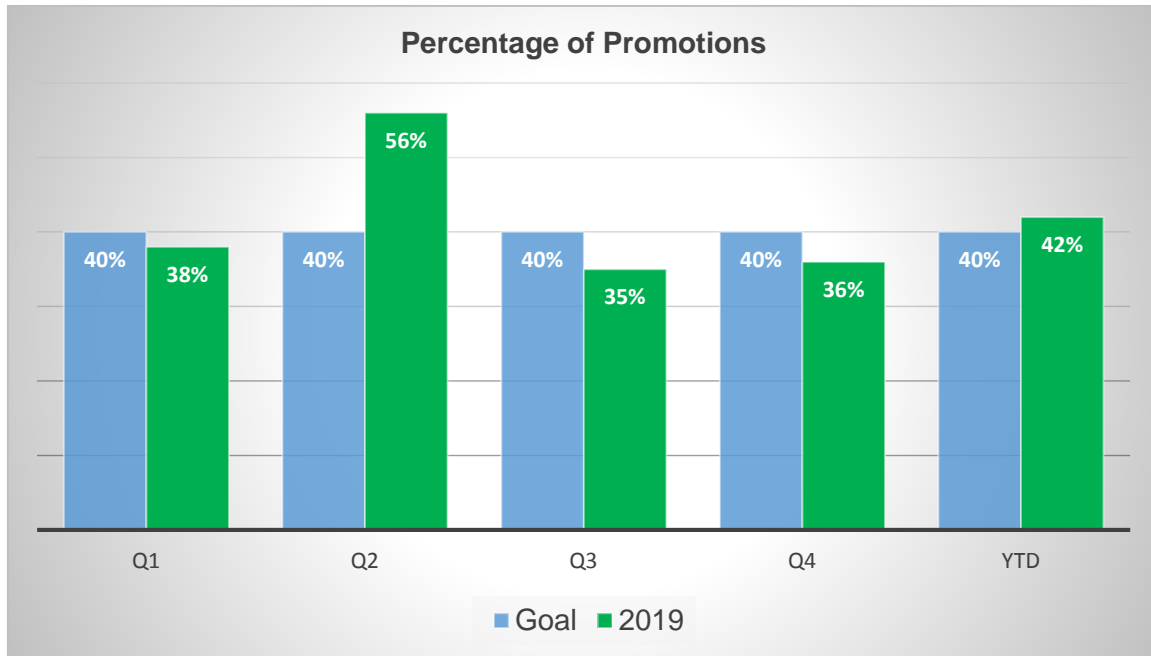


Figure 1

Listed below are notable promotions during the 4th quarter that highlight our succession planning and employee development efforts:

Management Succession

- Jarrett Davis, Management Development Program (MDP) graduate, promoted from MDP Business Analyst to Performance Leader in the Operations Division.
- Jeffrey Macko, Public Transit Management Academy graduate, promoted from Planner III to Planning Team Leader in the Operations Division.
- Jeff Adams promoted from Assistant Equipment Manager to Manager, Central Equipment in the Operations Division.
- Chris Coppock promoted from Resident Engineer to Engineering Project Manager-Track in the Engineering & Project Management Division.
- Michael So promoted from Financial Accountant to Budget Management Analyst in the Finance & Administration Division.

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
<u>Bridges</u>		
Rehabilitation of the Viaduct, Phase I (27Y)	RFP for design of repair elements Designer: Michael Baker International Cost: \$446,266	RFP was advertised January 21, 2019. Proposals received, consultant selected. NTP issued July 10, 2019. Preliminary report and alternatives received. Inspection completed September 14, 2019. Report review held December 2019.
Tower City East Portal Rehabilitation (52N)	RFP for design of repairs to Tower City East Portal including track, power and signal. Designer: E.L. Robinson Cost: \$1,011,402	Contract awarded by Board on February 19, 2019. Notice to Proceed issued on April 4, 2019. Field inspection, testing, survey and soil borings performed during September 28, 2019 weekend shutdown. Investigation and alternatives report received January 24, 2020.
Demolition of WB Access Road Bridge over Norfolk Southern (15.80)	Contractor: Bauman Enterprises, Inc. Construction Cost: \$568,977	Notice to Proceed issued June 13, 2016. Bridge demolished. Delay claim remains to be resolved. Legal Department has taken lead in resolving claim. NS involvement closed out.

Rehabilitation of E.
116th Bridge
(16.68)

Rehabilitation of bridge
deck over Trunk Line

Designer: Michael Baker,
Int.

Cost: \$219,285

Notice to Proceed issued April 21, 2017. Project completed, working on closeout with ODOT. Awaiting final Record Drawings from Baker.

Track & Signals

Trunk Line Signaling
Design
(12D)

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

Designer: Rio Grande
Pacific Technology

Cost: \$268,412

Contract awarded by Board on December 17, 2019. NTP to be issued February 13, 2020.

West 65 Substation
Replacement
(23Z)

Substation
Reconstruction

Contractor: The Fowler
Company

Construction
Cost: \$2,659,983

Design completed in-house. Project awarded at December 19, 2017 Board Meeting. Notice to Proceed issued Feb 13, 2018. Commissioning completed. Training completed. Closeout underway, station in service.

Tower City Tracks
10 & 13
(52M)

Design for Track
Replacement and Signal
System Upgrades

Consultant: TranSystems

Cost: \$1,172,869

Notice to Proceed issued on September 7, 2017. IFB package for construction to be advertised on January 21, 2019. Project construction NTP issued May 13, 2019 to RailWorks. A/E performing construction administration through Tom Taylor at WSP.

Tower City Tracks
10 & 13
(52M)

Track Replacement and
Signal System Upgrades

Contractor: RailWorks
Construction

Cost: \$11,996,137

IFB package was advertised on January 21, 2019. Project Notice to Proceed issued May 13, 2019 to RailWorks. Submittals being processed. Reconstruction of track 10E with Low Vibration Track (LVT) completed. GL1 outputs an ongoing issue.

<p>CRMF-Track 3 (52-O)</p>	<p>Track 3 and four Transfer Table Crossings Repair</p> <p>Contractor: TRAC Construction</p> <p>Cost: \$805,815</p>	<p>Notice to Proceed issued on August 21, 2018. New track and crossings in place. Transfer table operation over Track 3 still an issue. Problem is being investigated for resolution.</p>
<p>Red Line West Track, West Park to Airport Tunnel (52R)</p>	<p>Track Reconstruction</p> <p>Contractor: RailWorks Construction</p> <p>Cost: \$7,085,343</p>	<p>Contract awarded at March 5, 2019 Board Meeting. Notice to Proceed issued April 8, 2019. Construction completed. Closeout underway. This is last report.</p>
<p>Trunk Line Track Rehabilitation Section 1 (52S)</p>	<p>Construction</p> <p>Estimate: \$8,148,470</p>	<p>Kinsman to Buckeye-Woodhill Station track and ballast renewal. In-house design completed.</p>
<p>Puritas Substation Replacement Design (60A)</p>	<p>Furnish and Install Modular Substation</p> <p>Contractor: Hatzel & Buehler</p> <p>Construction</p> <p>Cost: \$2,637,633</p>	<p>Notice to Proceed issued December 12, 2018. Submittals processed. Factory Acceptance Test of transformer/rectifier completed June 13 & 14, 2019. Factory Acceptance Testing February 3-4, 2020. Substation delivery anticipated in March 2020.</p>
<p>Warrensville/Van Aken Substation Replacement (60B)</p>	<p>Furnish and Install Modular Warrensville/ Van Aken Substation</p> <p>Construction</p> <p>Contractor: Hatzel & Buehler</p> <p>Cost: \$2,849,000</p>	<p>Working with The Illuminating Company for service to new site. Demolition of existing substation completed. Modular substation to be built at new location. Project awarded by the Board on November 19, 2019 and Notice to Proceed issued January 16, 2020.</p>

Passenger Facilities

Rapid Stations

<p>Brookpark Rapid Transit Station Construction (24J(c))</p>	<p>Reconstruction of the Brookpark Station</p> <p>Contractor: Mid-American Construction, LLC</p> <p>Construction</p> <p>Cost: \$12,385,414</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. Arbitration settlement reached with one subcontractor. Liquidated damages assessed. Project reaching conclusion with distribution of funds to subcontractors.</p>
<p>E. 116th Station Design (24R)</p>	<p>ADA reconstruction of E. 116 Light Rail Station</p> <p>Consultant: City Architecture</p> <p>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 closed out. This is last report.</p>
<p>E. 116 Station Construction (24R)</p>	<p>Contractor: Panzica</p> <p>Construction</p> <p>Cost: \$5,474,878</p>	<p>Project awarded at January 16, 2018 Board Meeting. Notice to Proceed issued March 5, 2018. Project closed out. This is last report.</p>
<p>E. 79th Station (24U)</p>	<p>Reconstruction of E. 79th Red Line Station</p> <p>In-House Design</p>	<p>In-House design for new station includes ramp system for ADA access. Presentation to City of Cleveland Planning Commission on April 5, 2019. Signaling design performed by Mott MacDonald. Structural design performed by HWH. Project awarded by the Board on January 21, 2020 and contract preparation underway.</p> <p>In-house design saved approximately \$1 million.</p>
<p>E. 79th Station Signal (24U-Signal)</p>	<p>Signal Engineering for E. 79th Station</p> <p>Consultant: Mott MacDonald</p> <p>Design Cost: \$251,034</p>	<p>Project awarded by the Board on May 14, 2019 and Notice to Proceed issued on August 12, 2019. Completed design of signal modifications and pedestrian crossing gate installation for the East 79th St .Station</p>

E. 79 th Station (24U)	Reconstruction of E. 79 th Red Line Station Contractor: Panzica Construction Cost: \$\$6,399,000	Project successfully bid and awarded by the Board on January 21, 2020.
--------------------------------------	---	--

Planning

Opportunity Corridor Improvements (15.97)	Opportunity Corridor TWE Improvements on E. 105 th Contractor: Millstone Cost: \$396,000	Project funded by ODOT to improve E. 105 th bus stop areas at Cedar, Carnegie, Euclid & Chester. Worked with City, ODOT & Cleveland Clinic Foundation (CCF) to determine project requirements for bidding. Station elements have been finalized. RFP for the kiosk was canceled. Bus station contract was awarded at the May 15, 2018 Board Meeting. Came to resolution with Clinic and ODOT on design and locations. Shelter design has been approved by CCF. Change Order has been received. CCF withdrew funding from project. RTA proceeding with original design. CO to Millstone issued. Property easements were granted by CCF. Building permits issued and shelters have been ordered. Concrete pads have all been poured. Shelters are ordered and to be delivered in February 2020. Project expected to be completed in March 2020.
--	--	--

Strategic Plan 2020- 2030 (18.05)	Update of Strategic Plan Contractor: HDR Cost Estimate: \$249,285.90	Board awarded Contract to HDR in the amount of \$249,285.00 on February 19, 2019. Kick-off meeting held April 24, 2019. Stakeholder meetings were held in May 2019. Additional technology meeting completed in July. The consultants met with Ms. Birdsong on October 7, 2019. Consultants met w/Ms. Birdsong and Operating Division senior management on December 9, 2019. RTA employee survey conducted at operating districts on January 28, and 29, 2020. Public engagement is being scheduled for February and March at various locations in the county.
---	---	---

W. 25 th Street TOD Plan (18.42)	TOD Planning for W. 25 th Street Contractor: TBD Cost: \$336,000	FTA awarded RTA \$336,000.00 in competitive planning funds. Grant process is completed and RFP has issued responses, reviewed and evaluated. The contract is scheduled to be awarded by the Board in February.
---	--	--

<p>E. 79th Public Art Fence 24(U)</p>	<p>Public Art Fence for E. 79 Contractor: TBD Cost: \$24,000</p>	<p>Call for Artists received on October 11, 2019. Award being made to two local artists. Working with the artists to complete design for contracted work.</p>
--	--	---

Maintenance Facilities

<p>Infrastructure Upgrades @ Hayden & CBMF for CNG (61B)</p>	<p>Infrastructure upgrades for CNG fueling at Hayden, CBMF and Triskett Consultant: Wendel Cost: \$553,023</p>	<p>Board awarded contract on October 21, 2014. Design completed. Support for Construction of improvements continuing. Triskett plans and specifications received. Hayden portion of project closed-out. CBMF gas detection system approved by City. Certificate of Occupancy obtained from City of Cleveland and East Cleveland. CBMF and Hayden design closed. Triskett portion of work to continue under 61C. This is last report.</p>
--	--	--

<p>CNG Heavy Maintenance Infrastructure Upgrades at Hayden & CBMF (61B-c)</p>	<p>Contractor: EnviroCom Constr., Inc. Construction Cost: \$2,530,757</p>	<p>Board awarded contract on November 17, 2015. Notice to proceed was issued on December 22, 2015. Work at CBMF and Hayden 100% complete. Gas detection system installation completed at both garages. Cleveland and East Cleveland occupancy permits obtained. Dispute regarding gas detector maintenance resolved by RTA Legal. This is last report.</p>
---	--	--

<p>Maintenance Area Infrastructure Upgrades at Triskett (61C)</p>	<p>Consultant: Wendel Design Cost: \$127,808</p>	<p>Design for Triskett Maintenance Bay only. Maintenance shop design has been completed under 61B Phase II. 61C, 61B-Phase II and 61E will be combined into construction package 61F.</p>
---	---	---

<p>CNG Compressor Station and Back-up Generator at Triskett (61D)</p>	<p>Contractor: Trillium Construction Cost: \$5,835,000</p>	<p>RFP was issued on April 22, 2019 and proposals were received on May 22, 2019. Board awarded contract on August 20, 2019. Notice to proceed issued December 5, 2019. Design approximately 90% complete.</p>
---	---	---

<p>CNG (HVAC) Bus House Infrastructure Upgrades at Triskett (61E)</p>	<p>Consultant: Wendel HVAC Design Cost: \$345,374</p>	<p>Board awarded contract on April 16, 2019. Notice to Proceed issued on May 30, 2019. Design for rooftop HVAC upgrades over the bus storage area of Triskett Bus Garage is 75% complete.</p>
---	--	---

<p>Construction of CNG Infrastructure Upgrades at Triskett (61F)</p>	<p>Estimated Construction Cost: \$6,250,000</p>	<p>Combination of Wendel Design 61B, 61C and 61E for CNG required improvements to Triskett Bus Garage. Package preparation to occur first quarter 2020.</p>
--	---	---



Greater Cleveland Regional Transit Authority
1240 West Sixth Street
Cleveland, Ohio 44113-1302
rideRTA.com