

Minutes

RTA Operational Planning & Infrastructure Committee

10:48 a.m. December 6, 2022

Committee Members: Welch (Chair), Moss (Vice)

Other Board Members: Biasiotta, Koomar, Lucas, Weiss

Not present: McCall

Staff: Benford, Birdsong Terry, Bober, Burney, Capek, Caver, Colonna, Dangelo, Davidson, Feke, Ferraro, Fesler, Fields, Fleig, Freilich, Garofoli, Gautam, Jarrous, Jones, King, Kirkland, Lincoln, Martin, Miller, Morris, Mothes, Nix, Peganoff, Ponder, Schipper, Sutula, Talley, Tarka, Walker-Minor, Young

Public: Battle, Bortolotto, Edman, Gibbons, Goodwin, Huang, Julien, Rankin, Romanoff

The meeting was called to order at 10:48 a.m. Four (4) committee members were present. Ms. Pellot and Mr. Joyce had to leave. Rev. Lucas and Mayor Koomar were appointed to the committee to establish a quorum.

RFP Procurement for On-Board Origin Destination Passenger Survey

Maribeth Feke, Director of Planning & Programming and Ashley Bober, Contract Administrator gave the presentation. We are in a data driven society. We use data from the Census, ASCE, and on-board ridership for grants, services, etc. The best data we can get is the most direct.

Goal: To conduct a statistically valid data on the riders of the GCRTA network

- Demographic information
- Ridership origin-destination data
- Entire GCRTA rail, bus, BRT network (excluding Paratransit operations)
- Last survey completed in 2012 (This survey is done every 10 years.)
- FTA requires on-board surveys
- Provides data on service usage, patterns, ridership, and customer demographics
- Data used for:
 - Planning analysis
 - Marketing
 - Service analysis
 - Grant applications
 - Informing NOACA regional demand model

Customer Facts - 2012

- 79% minority
- 37% earn less than \$15,000/year; 60% earn less than \$35,000/year (household income)
- 26% students
- 77% transit dependent; 54% highly transit dependent
- The most common trip purpose is the work commute, followed by school and medical appointments

Project Overview

What it is:

- Statistically accurate reflection of the GCRTA customers and their travel patterns
 - Origins and destinations
 - Demographic information

- Use of fare media
- Use of system
- Consistent with US Census

What it is NOT

- Customer preference survey
- Customer satisfaction survey
- Value or opinion survey
- Related to TRACTION Metrics

Scope of Services

- Statistically significant sampling methodology of entire GCRTA network of buses and rail lines
- Development of survey instrument (with GCRTA input) – 10 questions
- Conducting of on-board survey (6 weeks)
 - All routes
 - Tablet driven and in-person
 - Training, staffing, and managing surveyors
 - Multiple languages
 - Quality assurance of data
 - Tabulation of data
 - Analysis of data
 - Creation of data dashboards
 - Final report and presentation of results

Schedule

The work should be completed in one year. The light rail may be shut down in the summer so the surveying will be done before then.

Procurement Summary

The request for proposal (RFP) was issued August 22, 2022. It was accessed on the GCRTA website by 7 interested parties. One firm proposed. The evaluation panel was composed of several RTA departments using evaluation criteria. The recommended firm is ETC Institute, located in Kansas City, Kansas. A 18% DBE Goal will be achieved by use of ANIK, Inc. (female owned) and Stat Team, Inc. (female owned).

ETC Institute

- 40 years of experience in the design and administration of market research
- Nationwide leader in performing origin-destination transit surveys for the Federal Transit Administration (FTA) and have worked directly with the FTA to establish the guidelines for methodology.
- Conducted more than 1,000,000 on-board origin-destination surveys for transit agencies in 41 U.S. states and Puerto Rico.
- Use of tablet technology and dashboards enables field supervisors to review surveys and monitor data quality in real-time and enables the Authority to view the survey efforts in real-time.
- In addition to static reports and databases, ETC Institute will provide data visualization dashboards, which will give the Authority the ability to interactively review the data.
- Developed proprietary survey technology to ensure the highest quality data is collected.
- Has surveyed more than 25,000 people in the Cleveland Metropolitan area during the previous 15 years as part of multiple projects conducted for the Ohio Department of Transportation.

Other Clients

- GCRTA, Ohio Department of Transportation, Los Angeles Metro, Bay Area Rapid Transit, Dallas Area Rapid Transit, Oklahoma City Transit, Kansas City Area Transportation Authority, Metropolitan Atlanta Regional Transit Authority, Valley Metro and Regional Transportation District

Staff requests that the Operational Planning & Infrastructure Committee recommend an award to ETC Institute to provide On-Board Origin-Destination Passenger Surveys for a total contract amount not to exceed \$931,560.86. Ms. Moss asked why staff believes we only received one bidder and if ETC is the only company that does this work. Ms. Bober said they surveyed the proposers. This is a specialized survey. Five of the six firms said this is not within their expertise. Ms. Feke emailed the companies that did this type of work in 2012 and they don't do this work anymore. ETC's client list is most of the transit authorities. The list in the slide doesn't include all their clients. They could not find any other firms that would entertain this type of work. ETC's proposal was very impressive. Ms. Dangelo said she reached out to ODOT and NOACA to get additional vendors. She believes they have done everything possible to get more proposals. A lot of the firms are using ETC because it is not cost effective to do the work themselves. The contract is comparable and under budget. Ms. Birdsong Terry said it is important to have data to backup programs and services.

It was moved by Ms. Moss, seconded by Rev. Lucas and approved to move this to the full Board.

RFP Procurement for Central Rail Service Building Mezzanine

Michael Capek, Engineering Project Manager, Facilities and Jenn Martin, Contract Administrator gave the presentation.

Project Overview

- The goal of this project is to obtain Engineering Services to design a mezzanine expansion at the Central Rail Service Building to provide more offices.
- Rail Management developed a desired office layout.
- Consultant will verify compliance with all codes and provide Engineering to obtain a successful construction bid.
- Consultant will:
 - Provide structural design for the mezzanine expansion and the roof reinforcement for air conditioning
 - Verify layout complies with all codes including adequate egress.
 - Provide mechanical design of ventilation and sprinkler coverage.
 - Provide electrical design for all power and lighting.
 - Prepare a cost estimate for construction budget.
 - Review contractor submittals and requests for information.
 - Attend project meetings.
 - Inspect work.
 - Provide as-built drawings.

Procurement Overview

The Request for Proposal (RFP) was issued September 19, 2022. It was accessed on the GCRTA website by nineteen (19) interested parties. One (1) firm submitted a proposal. One (1) firm was interviewed. The evaluation panel consisted of various RTA departments using select criteria. The most technically qualified vendor is Richard L. Bowen & Associates, Inc., Cleveland, OH. A 19% DBE goal was assigned to this project and will be met by utilizing Advanced Engineering Consultants, Ltd.

Firm Experience:

- Richard L. Bowen & Associates, Inc. has successfully completed projects for GCRTA, Portage Area Regional Transit Authority, Norfolk Southern, Stark Area Regional Transit Authority, and Laketran, among others.
- Richard L. Bowen & Associates, Inc.'s personnel are experienced and familiar with the GCRTA system as a consultant and in providing quality deliverables.

Staff Requests that the Operational Planning and Infrastructure Committee recommend award to Richard L. Bowen & Associates, Inc. for Design Services for the Central Rail Service Building Mezzanine. The contract is not to exceed \$129,154.58. Mayor Koomar asked if there is a policy when projects are 10% above the engineer's estimate. Ms. Dangelo said that rule only applies to construction bids and not RFPs. Ms. Martin added that through successful negotiations they were able to save the Authority 26.8% or \$30,000. President Lucas asked if the offices are for public use and if there is more than one entrance. Mr. Capek said the offices are for internal use and there are two entrances. Ms. Moss asked why one bid was received. Mr. Capek said this is a small project. A lot of work goes into putting in a bid. Bowen had time to do the project. Ms. Moss noted that this is the third item with only one bidder.

It was moved by Ms. Moss, seconded by President Lucas and approved to go to the full Board.

Budget Presentation

Kay Sutula, Director of Office of Management and Budget gave the presentation. Today's presentation is on the 2023 Proposed Budget. The agenda includes the following:

- Budget Schedule
- Economic Assumptions
- FY 2023 Proposed Budget
- Amending FY 2023 Capital Improvement Plan
- Public Hearing
- Recommendations

In May, we presented the 2023 Capital Improvement Plan, which was adopted by the Board. We submit this earlier in the year to provide our Capital needs to NOACA, ODOT, and FTA in time for their 2023 Fiscal Year. In July, we presented the 2023 Tax Budget to the Operational Planning & Infrastructure Committee, which was adopted by the Board on July 26th. In August, we began the General Fund Budget Development for Fiscal Year 2023.

On Tuesday, November 15th, we presented the proposed FY 2023 Budget to the Operational Planning & Infrastructure Committee and held the first public hearing. Today, we will present the Proposed 2023 Budget with a second public hearing. We will also present an amendment to the FY 2023 Capital Improvement Plan. We will then recommend that the committee present the Proposed 2023 budget and the Amended FY 2023 Capital Improvement Plan to the Full Board for adoption on December 20th.

The COVID-19 pandemic has presented challenges over the past two years especially with inflation and supply chain issues. Ridership and Passenger Fare revenue are projected to increase at a modest rates in 2023. Interest Rates are to remain between 3.5% and 4.5% in 2023. Inflation is expected to slowly decrease. All stimulus funding has been drawn down between 2020 and 2022. No additional stimulus funding is expected. Wage increases, which are largely contractual, are budgeted for FY 2023.

The Revenue for the 2023 Budget totals \$299.9 million. Of which, the largest 3 categories are:

- Sales & Use Tax receipts – at 86.4%
- Passenger Fares – 8.2%
- Other Reimbursed Expenditures – 1.3%

We budgeted a transfer of \$6.5 million from the Revenue Stabilization Sub Fund (A component of the Reserve Fund) back to the General Fund to offset lower passenger fare revenue. These transfers represent 2.2% of total budgeted revenues. We are projecting Passenger Fares to end the year at \$24.2 million. Total Passenger Fares for FY 2023 are budgeted at \$24.7 million, representing a 2% increase. The year-end projection for Sales & Use Tax is \$254.4 million. Sales Tax for FY 2023 is budgeted at \$259.0 million, representing 1.8% increase over 2022. These estimates are conservative.

Reimbursed Expenditures includes reimbursements for Preventive Maintenance, Force Account Labor, fuel tax and other miscellaneous items. For the proposed 2023 Budget, total reimbursed expenditures are projected at \$5 million. The Preventive Maintenance reimbursement is budgeted at \$1 million so the grant funding can be allocated to other projects in the Capital Improvement Fund. To offset the declines in the passenger fare revenue and to maintain a 1-month ending balance at the end of FY 2023, we have budgeted a transfer of \$6.5 million from the Revenue Stabilization Sub-fund. If Sales Tax and Passenger Fares are stronger than budget, we may not need to transfer the entire amount. This will be reviewed monthly. For the Proposed 2023 Budget, revenues are projected at \$299.9 million.

For FY 2022, we started with 2,374.5 Full-Time Equivalent (FTEs) positions budgeted. In August, we amended the budget to add 7 Civilian Oversight Committee Members, for a new total of 2,381.5 FTEs. For FY 2023, we budgeted 2,396.5 Full-Time Equivalent positions (FTEs). This is an increase of 14 positions. These positions include: 5 additional Transit Police positions, including Ambassador & Crisis Intervention Specialist positions, 2 Laborers for Facilities & cleaning, 4 IT/ITS positions, and 3 Administrative Positions. Eighty-seven-point four percent (87.4%) of the budgeted positions are in the Operations Division.

Total expenditures for the 2023 Budget are projected at \$324.3 million, which includes \$282.4 million for Operating expenditures and \$41.9 million for transfers to other funds. The largest Division is the Operations Division at 70.7% of the budget. Transit Police, which is located within the Operations Division is 4.9% of the 2023 Budget. The Fare Enforcement Section, which is located within the Transit Police Department is \$2.0 million or 0.6% of the FY 2023 Budget (14 Full-Time Officers, 1 Part-Time Officer and 3 Sergeants). Crisis Intervention Specialists and Transit Ambassadors are budgeted under another section in Transit Police.

For 2023:

- Salaries and Overtime are estimated at \$213.7 million and account for 65.9% of RTA's General Fund Expenses. New contracts for health care, which include hospitalization, prescription, vision, dental, and life insurance will begin on January 1, 2023. Total Payroll, which includes payroll taxes and fringes, are estimated to increase by 4.3%, mainly due to wage increases, which are largely contractual, and the new health care contracts.
- The Energy Price Risk Management Program has continued to help stabilize the increased cost of fuel as, specifically diesel and CNG. The Authority's diesel Fuel usage has decreased and Compressed Natural Gas usage has increased as we add more CNG buses into service and retiring older diesel vehicles.
- Inventory is budgeted at \$12.5 million, or 3.9% of General Fund expenditures. The Supply Chain Management section has helped the Authority to maintain predictive maintenance repairs on the Authority's newer fleets and carry out major purchases for supplies and equipment.

- The main drivers of the Services and Materials category are service and maintenance contracts, equipment and other miscellaneous supplies. This category is projected at \$24.6 million, or 7.6% of all expenditures. Most of this category consists of contractual agreements. We have added more funding to IT and ITS budgets for 2023 as we have increased investments in technology.
- Purchased Transportation/ADA is projected at \$9.2 million. New contracts will be negotiated in 2023.
- Transfers to other Funds are budgeted at \$41.9 million. These transfers are for specific set-asides for Bond Retirement, Insurance, Supplemental Pension, Capital Improvement, and Reserve Funds.
- Expenditures for the Proposed 2023 Budget total \$324.3 million.

Total Operating Expenditures against total revenues for 2022 through 2025 shows a positive balance for each year.

Total Revenues of \$293.4 million against Operating Expenses of \$282.4 million has a net value of \$11 million. When adding in the required transfers to other funds, the net value is (\$30.9 million). With a beginning balance of \$49.0 million, a transfer of \$6.5 million is required from the Revenue Stabilization Sub Fund to offset the lower passenger fare revenues and to meet the Board Policy Goal of 1-month operating reserve, the available ending balance is \$24.6 million.

The FY 2023 Capital Improvement Plan was approved by the Board of Trustees on May 24, 2022. This is presented early to align with the 2023 Fiscal Years for Ohio and Federal Government. The Capital Improvement Plan provides for the purchase, maintenance, and improvement of the Authority's capital assets through a programmed allocation of available financial resources. We need to increase the budget appropriation for the Tower City Portal project by \$6.7 million. This will align with the updated project construction budget. Under Facility Improvements, we have increased the budget appropriation by \$6.7 million, increasing the FY 2023 Capital Improvement Plan to \$140.0 million.

Ms. Welch asked for a motion to suspend the meeting to start the Public Hearing. It was moved by Ms. Moss, seconded by President Lucas and approved. After the Public Hearing, it was moved by Ms. Moss, seconded by Mayor Koomar to reconvene the meeting.

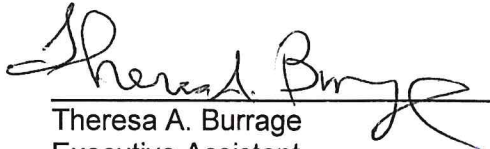
Staff requests that the Operational Planning & Infrastructure Committee recommend the FY 2023 Budget to the full Board for adoption. It was moved by Ms. Moss, seconded by Mayor Koomar and approved to move this to the full Board.

Staff requests that the Operational Planning & Infrastructure Committee recommend the Amended FY 2023 Capital Improvement Plan to the full Board for adoption. It was moved by Ms. Moss, seconded by Mayor Koomar and approved to move this to the full Board.

The meeting was adjourned at 11:34 a.m.



Rajan D. Gautam
Secretary/Treasurer



Theresa A. Burrage
Executive Assistant