



MEETING MINUTES

Committee of the Whole

March 3, 2026

Committee Members: Mayor Koomar (Chair), Ms. Pacetti (Vice Chair), Ms. Elder, Mayor Gallo, Ms. McPherson, Mr. Sleasman, Mayor Weiss, Ms. Smith Whigham

Not Present: Mr. Love

Staff/Other: Numen Abdul-Mujeeb, Tom Allen, Shawn Becker, Nick Biggar, India Birdsong Terry, Muriel Bowen, Janet Burney, Louis Catalusci, Floun'say Caver, Brent Charnigo, Nick Davidson, Maribeth Feke, Jose Feliciano, George Fields, Bob Fleig, Joel Freilich, Anthony Garofoli, Rajan Gautam, Sharon Jenkins, Chief Deirdre Jones, Lawrence Jupina, Carl Kirkland, Glenville Manning, Jennifer Martin, Mandy Metcalf, Nicholas Miller, Sheila Miller, Charles Morgan, Holly Mothes, Norbert Reynolds, Mike Schipper, Heather Schnear, Karen Smith, Wendy Talley, John Togher, Miles Varga, Kimberly Wright, Carolyn Young

Public: Michelle Bandy-Zalatoris, Brian Gibbons, Loh, Nancy Lyon-Stadler, Krysta Pesarchick, Tim Rosenberger, Shauna Sanders

I. Roll Call

Mayor Koomar called the meeting to order at 9:18 a.m. with roll call. A quorum was present.

II. Approval of Minutes – February 17, 2026

Ms. McPherson moved, and Ms. Whigham seconded to approve the minutes; the motion carried.

III. Code Book Update - Amending Section 460.04(f) Capital Improvement Fund

Anna Hlavacs, Senior Counsel, Legal Department, stated that the codified rules and regulations of the GCRTA were codified in 1989. They are reviewed and updated to bring the policies in line with current operations and subject to review and revision every three years.

Staff requests that the Board revise Section 460.04(f) to reduce the sales tax revenue allocated to the Capital Improvement Fund from 10% to 5%.

Mayor Koomar questioned how the proposed change would impact the Capital Improvement Fund annually in terms of financial projections.

Mr. Gautam stated the proposed change supports a comprehensive plan to stabilize the General Fund through 2028. This change is intended to be temporary, and he expects to request the Board to return to 10% in late 2028. In order to protect the Capital Program and maintain the 20% local match required for federal grants, staff intends to evaluate and issue debt, with an issuance of approximately \$35 million anticipated for the summer.

Mr. Sleasman and Mayor Koomar expressed a desire to review comprehensive financial projections and specific debt numbers to understand the impact of this change.

Mr. Gautam anticipates little impact on the Capital Program going forward. The idea is to not necessarily starve the Capital Program because that would not be in the Authority's best interests. This action is to solve a General Fund-related issue on a temporary basis. GCRTA has the capacity to issue additional debt if necessary. Staff is evaluating the extent of the debt and timing. Initial discussions have been a \$35 million issuance sometime this summer. Staff does not intend to issue debt in 2027 or 2028 as of now.

Mayor Weiss noted that 5% would be a required minimum and does not prohibit exceeding it.

A discussion was held regarding placing a sunset clause into this section of the Code Book; however, no other such clauses are present. The intention of the Board and that policy is to set a floor of 10%, but this change would provide flexibility and would have to be changed in the future by resolution.

Ms. Elder asked whether there were risks in lowering the percentage. Mr. Gautam did not believe so, as the Authority's debt is much lower than historic levels.

Ms. Whigham questioned whether the Authority has the capacity to issue debt judiciously, making sure that the needs of the Capital Program are met. Mr. Gautam stated that GCRTA's debt has been reduced over the past 10 years from approximately \$150 million to \$15 million, leaving plenty of capacity.

Mayor Koomar and Mr. Sleasman, in advance of the next Board Meeting, requested some form of financial statement that shows the projected impact on the General Fund and Capital Improvement Fund for the duration of the three projected years.

Mayor Weiss moved and Ms. Whigham seconded to advance the item to the Board; the motion carried unanimously.

IV. New Railcars Update

Bryan Moore, Railcar Project Lead Manager, Fleet Management, stated that GCRTA entered into a seven (7) year contract on June 26, 2023, when we issued the contract that originally accounted for twenty-four (24) light rail vehicles and has increased to fifty-four (54).

The total approved budget for the railcar project is \$450 million, which includes over \$380.7 million dedicated to vehicle acquisition, \$33.5 million for necessary infrastructure upgrades, and a \$16.3 million unallocated contingency fund.

Carolyn Young, Director, Grants Management & Treasury, advised that \$420 million has been secured to date, leaving an uncommitted balance of \$29.5 million for the full 60-vehicle program. Infrastructure modifications are already underway to accommodate the new trains, such as narrower bodies and roof-mounted equipment. Upgrades to the Port of Cleveland connector track and the Brookpark shop have been completed, while construction for new mezzanines at the Central Maintenance Facility and Red Line platform extensions are proceeding.

The contract included several options for additional vehicles. The first option for six (6) additional vehicles was exercised in November 2023. Additional options have brought the total to fifty-four (54).

Mr. Moore stated that the new railcars would go into service on the Red Line in August 2027 with the Blue, Green and Waterfront lines operative in August 2028.

Casey Blaze, Manager, Rail Equipment, Rail District, stated that manufacturing of the new fleet is progressing, with the first vehicle scheduled to arrive in June 2026. The new vehicles will feature enhancements designed specifically for Cleveland's operating conditions, which can range from -20 to 104 degrees. These cold-weather improvements include heated pantographs, ice cutters, snowplows on each end, and dedicated HVAC systems for operators. The new fleet will utilize hydraulic brakes instead of pneumatic ones, which will eliminate the recurring issue of moisture freezing in the brake lines during severe winter weather.

When a railcar arrives at the Brook Park facility, staff will verify that it is functional. The railcars will undergo qualification testing for five weeks and the final step before conditional acceptance is being run 1,000 miles defect-free.

The first rail car should arrive in June, with more arriving in July.

Jose Feliciano, Intergovernmental Relations Officer, stated that we all share in the excitement surrounding the arrival of the new rail cars as it has been nearly 50 years since our system has received new vehicles of this scale and significance administration. A commemorative event is being organized to mark the arrival of the first rail cars, which is anticipated this summer. The event will recognize the import milestone and the partners who helped make this investment possible.

Mr. Sleasman inquired what happens if the temperature is above 104. Mr. Blaze explained the vehicle would operate but not at the maximum allowable speed.

Ms. Pacetti requested an explanation regarding the options to purchase additional railcars and the schedule by which GCRTA would need to act to avoid an escalation in price.

Dr. Caver advised that while the contract allows for a maximum of 60 cars, staff recommended holding the current order at 54 vehicles. Purchasing the final six cars would cost an additional \$36 million, plus a potential \$3.7 million manufacturing line restart fee if the order is placed after March 6.

Ms. Whigham questioned whether there were other externalities that are weighing in the decision to go from 60 cars to 54 cars.

Dr. Caver assured the Committee that the system could operate effectively with 54 cars and noted several financial pressures influencing the recommendation, including the need to preserve contingency funds for potential commissioning issues and the threat of up to \$12 million in potential tariff costs. Because vehicle acquisition is the only variable cost within the \$450 million program, reducing the total number of cars ordered is the sole mechanism available to control the project's overall budget.

I. Adjournment

There being no further business to bring before the Committee, Mayor Koomar moved to adjourn the meeting and seconded by Mayor Weiss. The meeting was adjourned at 10:06 a.m.



Rajan D. Gautam
Secretary/Treasurer



Brent Charnigo
Board Administrator