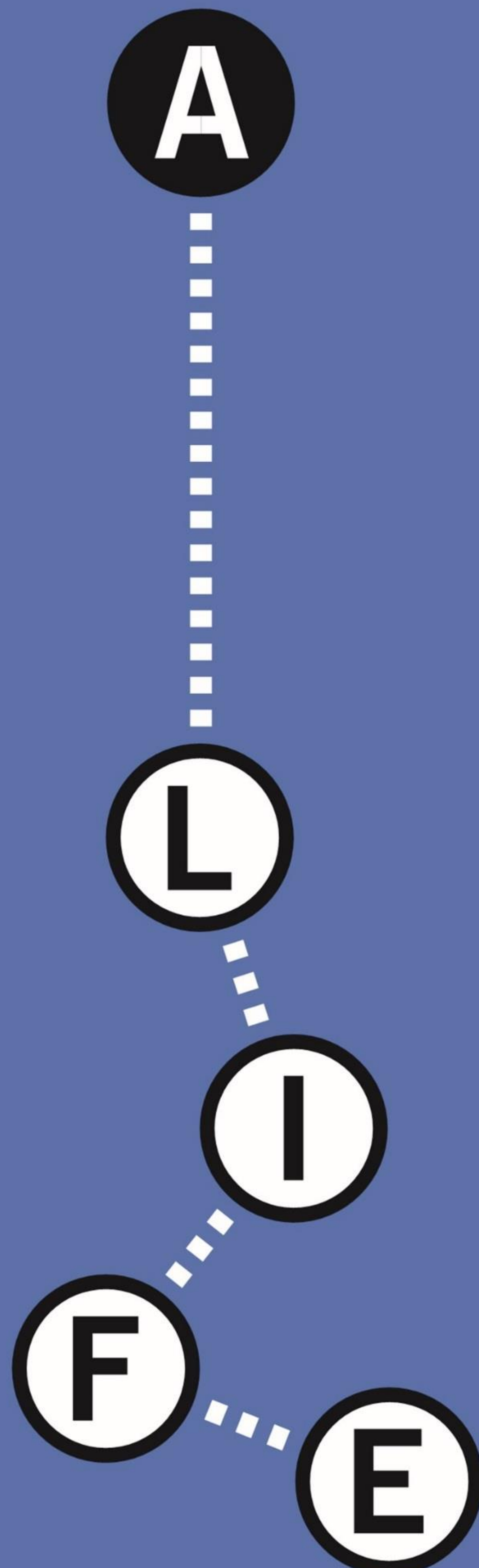
Greater Cleveland
Regional Transit
Authority

Quarterly Management Report

Second Quarter 2015

August, 2015

From point



RTA connects the dots.

Table of Contents

From the CEO

RTA started the second quarter of 2015 on a very good note by receiving positive feedback from our customers. A comprehensive survey responded to by over 1,000 customers, rated our operators as helpful and professional. As one of our Vital Few Objectives is to “grow customer satisfaction” we are well on our way in achieving this goal.

With the first 6 months of operation of the Cleveland State Line in the books, things are looking bright along Clifton Blvd. Not only have many positive comments about the physical improvements made, but ridership is exceeded expectations. For the six months ending June 2015, ridership was 19% ahead of 2014 levels.

During the quarter, RTA introduced its new Compressed Natural Gas (CNG) buses with an unveiling at the Great Lakes Science Center. These new buses are not only stylish, but communicate their environmental friendliness by their clean design and color scheme. Sixty of these new buses will be put into service early in the third quarter with an additional 30 expected to arrive by year end. RTA has much to gain from the use of CNG buses, with service reliability and reduced operating expenses are at the top of the list.

In April, RTA took the time to recognize those staff members who have contributed to our safe, reliable, clean, and courteous mission. We celebrated at Massimo da Milano’s on the west side of Cleveland and awarded 63 employees who have gone above and beyond at RTA. Part of this exciting event was honoring 24 operators who received the Professional Operators Safe Operation Award. This award was presented to those who had safe driving records for an impressive 564 years combined of accident-free driving! Two organizations, Cleveland State University and Cuyahoga County also received awards for Business Partner of the Year. In all, it was a great event.

The RTA 2016 Tax Budget was presented and approved by the Board of Trustees which presented a cautious outlook for revenues. With a stalled Federal program that has not been fully reauthorized since 2009 and general fund revenue from the State of Ohio at its lowest level in decades, to simply maintain current service levels and fares, which have been constant for over 6 years, will be a significant challenge.

Beginning with an in-depth Financial Analysis, the enclosed report details the activity and operating results of RTA through the second quarter of 2015.

The eight TEAM performance measures, which are detailed in this report, 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 The Governing Board in carrying out its oversight role and statutory responsibilities of the Authority.

Sincerely,

Joe Calabrese

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

Financial Analysis

GCRTA has improved processes, reduced costs, established a new strategic plan and managed very well over the past four years. RTA had very strong year-end balances, in excess of $35 million, at the end of 2011, 2012, and 2013. The balanced dropped for 2014 to $26.9 million but was above the 30-day reserve goal, marking the fifth straight year that the 30-day reserve was exceeded. Expenses increased sharply in 2014 as fringe benefits costs were $2.7 million above projection. The fund balance at the end of 2014 was $26.9 million, $12.5 million better than budget. RTA took conservative actions for the 2015 Budget to try to stabilize the fund balance from continuing. Revenues are doing very well in 2015 and the Operating Expense for this year actually projects to be less than last year at this point.

Sales & Use Tax provides over 70% of the revenue for the Authority. Thus, Sales Tax collections are vital to establishing the operating levels of the Authority. We know collections dropped due to the Great Recession in 2009 but have since recovered. Collections increased in 2011, 2012 and 2013 by roughly 5% each year. For 2014, the projection for growth was 2.5%, estimating a total of $194.4 million. Total collections for Sales & Use Tax equaled $197.1 million, 1.5% above budget and 3.9% above 2013 collections. Based on this, the Sales Tax projection for 2015 was revised to $201.4 million. Receipts during the first quarter were on average 8.7% above 2014 and the projection was increased to $204.4 million. For the second quarter, receipts were not as strong, 5.5% above 2014 receipts. July's receipts were 3.0% above 2014 and the year-end projection was raised to $206.4 million.

Passenger Fare collections, the second largest source of operating revenue, has also recovered from the drop caused by the Recession. Ridership increased steadily in 2011, 2012 and 2013. Passenger Fare revenue for 2012 totaled $49.2 million. In 2013, Passenger Fare Revenue was $48.7 million, below the level in 2012 largely due to an accounts receivable issue with the Cleveland Metropolitan School District. Ridership for the first quarter of 2014 and 2015 was affected by cold weather. These difficult winters caused many schools and businesses to close, which reduced travel in general, including transit. Fare Revenue for 2014 was $49.1 million and projected to $48.0 million this year for base ridership. The payment of the $1.9 million receivable from CMSD will bring that figure to $49.9 million, at budgeted levels.

Revenues recovered from the recession in 2011, 2012, and 2013. By the end of 2012, total resources had increased from $269.9 million to $293.7 million. Consequently, RTA was able to shift some resources from operating funds to capital by reducing reimbursed expenditures. Total Resources ended 2013 at $305.0 million. This was GCRTA's first $300 million total resource year. Total resources for 2014 were $312.3 million. For 2015 the estimate is $311.9 million.

Operating expenses were $238.5 million for 2009. Expenses were reduced by $30 million in 2010 to a new total of $208.3 million which was less than 2004 expenses. This same trend continued in 2011 where expenses were $210.3 million. In 2012 and 2013, operating expenses were $220.9 million and $231.0 million, respectively. For 2014, personnel costs were $2.0 million above budgeted levels due to a 27th pay for ATU Operator and Hourly personnel, retired employees' payments, a health-care contract ending above expected levels, and overtime and fringe benefit claims increasing. Operating expenses jumped to $248.1 million in 2014. The present estimate is $247.0 million so we are being successful at checking expense.

The **End of Year Balance** increased from $2.9 million in 2009 to $20.2 million in 2010 which was a sizable recovery from the Great Recession and pointed out the fiscal agility of our organization. For the next 3 years, RTA maintained an ending balance over $30 million. Reimbursed expenditures were reduced and funding was used for capital projects and bus replacement, while maintaining a healthy balance in the operating budget. Sustaining the $30 million balance in 2014 was difficult with the increase in operating costs. The ending balance totaled $26.9 million. The budgeted ending balance for 2015 is $13.1 million. RTA must execute well to achieve at least a 30-day reserve. The estimate for year-end balance for 2015 is now $25.3 million which is above the 30 day Reserve and $12.2 million above budget.

Capital expenditures: Due to the delivery of 60 40-Ft CNG buses during the first half of this year, Operating Budget reimbursement draws and activities within the Rail projects category, capital expenditures are trending upwards. In prior years, capital expenditures in 2014 grew to $93.38 million, a significantly higher level in comparison to the two previous years of $84.09 million during 2013 and $56.20 million in 2012. As the Authority's financial picture improves, grant funds have been re-prioritized from preventive maintenance draws in support of Operating Budget activities to a number of needed State of Good Repair (SOGR) infrastructure projects. This allowed for the rehabilitation of the Airport Tunnel and S-Curve on the Red Line, Cedar - University and Little Italy Rapid stations. Additional SOGR capital projects have been programmed for the current budget year that will have a significant impact on capital expenditures, though some projects have been delayed until FY 2016 due to a long lead-time to revise and/or amend existing Federal grant awards. The Authority continues to make progress on funding projects included within the Authority's Capital Improvement Plan (CIP) and will continue to target both non-traditional as well as formula grant funding sources in the future.

Financial Indicators

One measure of budget compliance is the performance of the six financial policy objectives. These financial policy objectives were amended in August 2011 and the chart on page 6 displays the amended policy objectives for the Authority. This chart compares the 2014 year-end actuals to the budget as it relates to these policy goals. The indicators, which are an important measure of our financial condition, apply to the following areas:

Operating Efficiency

An **Operating Ratio** of at least 25% is the policy goal. The budget assumed that operating revenue (fares, advertising, and interest income) would equal 20.2% of the total operating expenses. At the end of the first quarter, the Operating Ratio was estimated at 21.3%. By the end of the second quarter, the Operating Ratio fell to 20.9%. This estimate is better than budget, but less than the first quarter estimate. Passenger Fare was projected at $50.8 million at the end of the first quarter. Passenger Fare revenue for the second were less than budget and for year-end are projected at $49.9 million. Operating Expenses are estimated to end the year $8.1 million under budget, about $0.2 million less than first quarter estimates. This ratio is nearing 20% and indicates an increase in fares is probably needed.

The **Cost per Hour of Service** is to be maintained at or below the level of inflation. The cost per hour of service for 2014 was $123.6. In 2014, Cost per Service Hour was budgeted at $123.6 and by year-end, the budgeted level was met. With fewer vacancies and increased costs in fringe benefits, materials & supplies, and purchased transportation, the projected Cost per Hour of Service for 2015 is estimated at $124.9, 0.3% above the 2014 level and slightly more than the $123.9 estimate at the end of the first quarter.

The Federal Reserve Bank of Cleveland calculates the inflation rate to remain between 1.9-2.1% for the next ten years. The projected Growth per Year for the 1st Quarter 2015 is 0.3%, compared to 2014; therefore this indicator is being met.

Board policy targets a one-month (1.0) **Operating Reserve**, or the unrestricted cash equivalent of one month's operating expenses. For the 2015 Budget, a one-month reserve equals $20.4 million. The ending balance for 2015 is projected at $25.3 million, yielding an operating reserve of 1.2 months. This objective was not met during the recession but was again met in, 2010 through 2013. For 2014 the Operating Reserve was 1.3 months. The Financial Policy objective of 1.0 months will be met in 2015.

Capital Efficiency

The **Debt Service Coverage** ratio compares total operating resources, (net of operating costs and transfers to the Insurance, Capital, and Pension Funds), with the Authority's debt service needs. The year-end 2011 ratio of 2.82 was well above the 1.50 minimum due to a reduction of $15.5 million in Total Operating Expenditures for the year. In addition, the Authority was also able to defer borrowing additional debt in 2011 and pre-paid a State Infrastructure Bank (SIB) loan early that resulted in lower debt payments for the following three years.

Continued improvements in the Authority's financial position sustained this measure in 2012, as it ended the year at 2.89, before it slightly decreased to 2.73 at the end of 2013. Completing 2014 at 2.37, this indicator remained well above both the budgeted amount of 1.69 as well as the Board established minimum of 1.50 though continuing its slow decline due to lower ending fund balances. For 2015, this indicator is expected to complete the year at 2.15, better than the budgeted amount of 1.59 due to projected improvements in Operating Budget revenue for the year that in turn will increase total operating resources 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%. This measure slowly grew between 2005 and 2008, from 12.2% to 14.3%, while continuing to meet the established Board policy goal. In 2009, as a result of the economic recession Sales & Use Tax revenue decreased which in turn caused this indicator to jump to 18.0%. Since then it has fluctuated between a low 17.1% in 2012 to a high of 18.4% at the end of 2014, but has continued to remain well above the goal of 15% to meet the need of the Authority's capital program.

For 2015 this indicator is projected to finish the year at 18.4%, a continued improvement from the budgeted level of 19.2%, though still well above the maximum policy goal of 15%. The decrease in this measure, relative to budget is due to the $7.78 million projected increase in revenue from the Sales & Use Tax as the area's economy continues to grow. Despite the continued rebound in Sales & Use Tax revenue which has continued for the last several years, this indicator will likely remain well above the Board Policy Goal primarily due to the Authority's aggressive Capital program aimed at achieving a State of Good Repair (SOGR) throughout its capital assets.

At a projected 97.0%, the **Capital Maintenance Outlay to Capital Expansion Outlay** ratio remains outside of the 75%-90% range outlined in the Board Policy goal though close to the FY 2014 budgeted level of 92.5%. As in prior years, 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, three of the six financial indicators will meet the Board Policy Goals. Two of the other three objectives are better than budget. The Authority has continued to improve processes and reduce costs resulting in ending balances in excess of a one-month reserve. This enabled the Authority to shift its financial resources to address several long-standing SOGR capital projects including the reconstruction of the Airport Tunnel and the S-Curve on the Red Line which were both completed during the second quarter of 2013.

The Cedar–University Circle station opened in the third quarter of 2014 with construction to be completed in the third quarter on both the relocated Little Italy – University Circle station and the Lee-Van Aiken station. The new BRT line, The Cleveland State University Line, also opened late in 2014. One hundred thirteen new buses have been ordered with the first 23, 60-Ft articulated buses delivered and in service on the new Cleveland State University Line. The first 60 CNG buses have been delivered and prepped and will go into revenue service soon. The new CNG fueling station at Hayden has been completed and is now in final testing. An additional 30 new CNG buses are ordered and production has started with delivery between August and October. All 90 of these new CNG buses should be fully operative by December. Twelve new Gillig trolleys are also on order and should be delivered in May 2016. The strong financial position achieved must now be guarded and maintained. RTA must maintain a balance between operating and capital funds to stay successful.

<u>End of Year Funds</u>

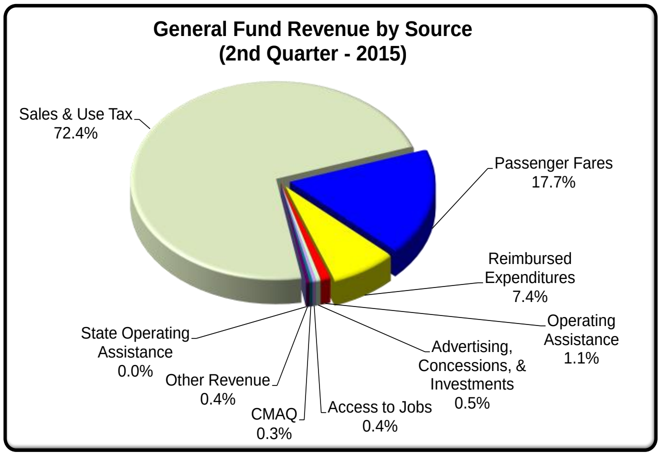
RTA's financial picture has been stabilized. Consequently, RTA made a calculated decision three years ago to reduce PM Reimbursement and increase Capital expenditures. Transit is a capital-intensive business and the Authority has addressed some of the capital needs to ensure a state of good repair. This strategy continued through 2014. In spite of these efforts, there are well over $260 million of capital projects that need to be funded. Costs are rising and the 2014 fund balance declined to $26.9 million. A reasonable balance of at least 30 days operating reserve must be maintained if RTA is to maintain the balance between operating and capital needs. Maintaining PM Reimbursement at $20 million for the next three years is going to become increasingly difficult. Current estimates indicate RTA may be able to hold a fund balance of $25-27 million. The outcome for Authority finances for the next three years is particularly critical.

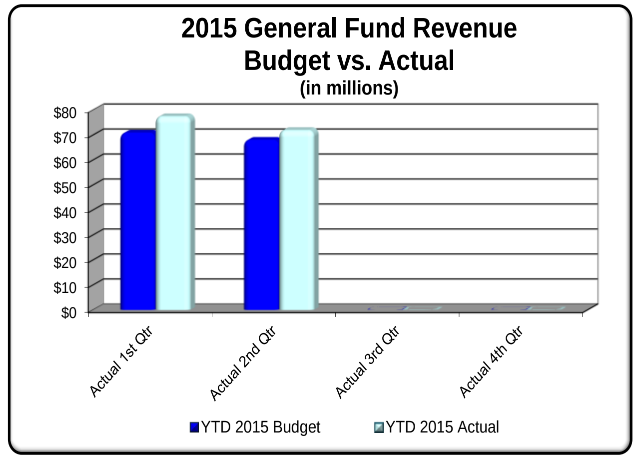
2015 - 2nd Qtr							
Financial Policy Objectives							
		Goal	**2012 Actual**	**2013 Actual**	**2014 Actual**	**2015 Budget**	**2015 2nd Qtr**
Operating Efficiency	**Operating Ratio**	**> 25%**	23.2%	22.0%	20.6%	20.2%	20.9%
	Cost/Hour of Service		$122.2	$129.1	$123.6	$126.0	$124.0
	Growth per Year	**< Rate of Inflation**	**-8.5%**	5.6%	**-4.2%**	4.4%	**0.3%**
	Operating Reserve (Months)	**> 1 month**	**2.2**	**2.0**	**1.3**	0.6	**1.2**
Capital Efficiency	**Debt Service Coverage**	**> 1.5**	**2.89**	**2.73**	**2.37**	**1.59**	**2.15**
	Sales Tax Contribution to Capital	**10%- 15%**	17.1%	18.0%	18.4%	19.2%	18.4%
	Capital Maintenance to Expansion	**75%- 90%**	99.2%	**84.1%**	95.7%	92.5%	97.0%

General Fund Balance Analysis

	2012 Actual	2013 Actual	2014 Actual	2015 Budget	2015 Estimate	Variance
Beginning Balance	**36,822,634**	**40,713,945**	**38,394,320**	**28,303,497**	**26,870,715**	**(1,432,782)**
Revenue						
Passenger Fares	49,237,857	48,699,580	49,085,267	49,905,823	49,913,548	7,725
Advertising & Concessions	1,375,671	1,400,191	1,488,870	1,220,000	1,220,000	0
Sales & Use Tax	181,219,251	189,630,645	197,118,776	198,692,286	206,462,704	7,770,418
CMAQ Reimbursement for the Healthline	2,128,337	0	0	0	0	0
CMAQ Reimbursement for 2012 Trolleys	0	1,104,680	704,063	950,000	934,596	(15,404)
Operating Assistance - Paratransit Operations	3,125,000	3,889,000	4,057,815	3,125,000	3,125,000	0
Paratransit Management	0	0	0	300,000	0	(300,000)
Access to Jobs Program	1,712,976	2,927,754	2,470,656	1,098,518	1,098,518	0
Investment Income	201,267	200,188	169,211	225,000	190,000	(35,000)
Other Revenue	971,146	1,177,962	1,470,683	1,100,000	1,100,000	0
Reimbursed Expenditures	16,955,634	15,217,046	17,324,469	23,050,000	21,000,000	(2,050,000)
Total Revenue	**256,927,139**	**264,247,046**	**273,889,810**	**279,666,627**	**285,044,366**	**5,377,739**
Total Resources	**293,749,773**	**304,960,991**	**312,284,130**	**307,970,125**	**311,915,081**	**3,944,957**
Operating Expenditures						
Personnel Services	163,776,230	169,098,188	181,305,658	182,772,756	180,222,888	(2,549,868)
Diesel Fuel	10,687,417	13,956,183	14,335,896	13,440,000	12,066,986	(1,373,014)
Natural Gas	0	1,388,300	957,626	1,506,000	1,406,110	(99,890)
Other Expenditures	46,448,294	46,529,565	51,458,576	57,397,126	53,351,113	(4,046,013)
Total Operating Expenditures	220,911,941	230,972,236	248,057,756	255,115,882	247,047,097	(8,068,785)
Transfer to the Insurance Fund	1,000,000	1,400,000	900,000	1,500,000	1,500,000	0
Transfer to the Pension Fund	100,000	100,000	100,000	100,000	100,000	0
Transfers to Capital						
Bond Retirement Fund	19,386,891	18,324,392	20,480,914	22,615,956	22,273,402	(342,554)
Capital Improvement Fund	11,636,996	15,770,044	15,874,745	15,532,963	15,693,139	160,176
Total Transfers to Capital	31,023,887	34,094,435	36,355,659	38,148,919	37,966,541	(182,378)
Total Expenditures	**253,035,828**	**266,566,671**	**285,413,415**	**294,864,801**	**286,613,638**	**(8,251,163)**
Ending Balance	40,713,945	38,394,320	26,870,715	13,105,324	25,301,443	12,196,120
Brookpark Lightning Strike Reserve	1,100,000	0	0	0	0	0
Rolling Stock Reserve Funds	7,000,000	0	0	0	0	0
Reserved Funds	6,840,000	6,900,000	6,900,000	0	0	0
Available Ending Balance	**25,773,945**	**31,494,320**	**19,970,715**	**13,105,324**	**25,301,443**	**12,196,120**

Operating Revenues





The pie chart to the left, and the bar graph at the right, visually portray the revenue status. The General Fund revenue received through the second quarter of 2015 totaled $142.9 million. This is about $3.9 million, or 2.8%, higher than budget, and $15.2 million, or 11.9%, higher than 2014. This is mainly due receiving an additional $7.0 million in Sales & Use Tax receipts and $9.1 million more in Reimbursed Expenditures than 2014 during the same period.

Sales & Use Tax, the largest source of local revenue, ended first quarter 6.5% above budget. In the second quarter, revenues slowed and by mid-year, receipts were only 5.0% above budget. Passenger Fare revenues, the second largest source of revenue, through the first quarter were 9.0% below budgeted levels and 5.9% below the first quarter of 2014. By mid-year, Passenger Fare Revenues were at budgeted levels and 1.1% above 2014 mid-year. The following is a discussion of major revenue categories.

<u>Passenger Fares</u>

Actual Passenger Fare revenues received for 2014 were $49.1 million. This was $228,787, or -0.5% below budget, and $385,687, or 0.8% above, 2013 collections. This amount is skewed by a payment timing problem as a $1.1 million payment from CMSD for 2013 was not received until January 2014, and an additional $1.5 million scheduled to be received in December 2014 was not received until 2015. With a $1.9 million payment from CMSD and payment was made in June, this account is now current. An additional $4.2 million is due by September 1st for the 2015-2016 school year.

The U-Pass Program is a contract with several area colleges and universities for their students to ride RTA. In 2014, $3.0 million was received from this program. This was $0.9 million, or 44.9%, above the budgeted level and $0.9 million, or 39.6%, above 2013. A new contract with the U-Pass program at Cleveland State University was executed at the beginning of the new school year with higher student U-Pass payments. The contract with Tri-C concluded in June. They are also very pleased with the program and are discussing a new 5-year contract at this time.

To provide a more informative indicator, RTA also analyzes core passenger fare, which excludes Student Tickets and U-Passes. This leaves the “core passengers”, those that take RTA to and from work, church, and other errands. Through the second quarter of 2015, the differences in monthly core passenger fare, compared to 2014, are listed on page 9 (in millions).

During the first quarter of 2014 and 2015, the weather was a major factor. In January 2014, Northeast Ohio received 62.6 inches of snowfall. This is up from 2013 where 35.9 inches of snowfall was recorded during the same time frame. In January and February 2014 alone, 40 out of 59 days recorded highs under 32 degrees and 50 out of 59 days recorded lows under 32 degrees. Schools and Businesses were closed and parents had to find alternative care for their children.

During the first quarter of 2015, January had 17 days with a high below 32 degrees and 16 days with a low at or below 20 degrees. February held several weather records, including coldest February in history. There were 17 consecutive days in February with a low of 11 degrees or below; only 5 days had a high above 32 degrees. There were also 17 days with lows in the single digits or negative temperatures.

Core Passenger Revenue			
Month	**2014 Fares**	**2015 Fares**	**% Change**
Jan	$ 3.01	$ 3.16	5.0%
Feb	$ 3.12	$ 3.01	-3.5%
Mar	$ 3.05	$ 3.32	8.9%
Apr	$ 3.71	$ 3.24	-12.7%
May	$ 3.22	$ 3.26	1.2%
Jun	$ 3.53	$ 3.52	-0.3%
Qtr End	**$ 19.64**	**$ 19.51**	**-0.7%**

In 2015, the budget assumed a 1.2% increase in core passenger fares from 2014 figures. Based on core passenger revenues received, core passenger fares increased by 3.4% in the first quarter, nearly tripling the estimate. In April, core passenger fares fell by 12.7% among all modes except Light Rail and Paratransit service. For May, core passenger revenue increased in Light Rail, Weekly Bus/Rapid and Monthly Bus/Rapid Passes as well as the All-Day passes, compared to 2014 fares sold. Through the second quarter, core passenger revenue decreased slightly, compared to 2014 figures. The budget for Passenger Fare revenue was 1.2% above 2014 levels. With a decrease of 0.7% at the end of the second quarter, core passenger fares are unlikely to reach the 1.2% goal. It is with the U-PASS and CMSD student fares that the budgeted level will be reached.

Advertising and Concessions

Revenue received from Advertising and Concessions through the second quarter of 2015 totaled $826,392. This is 17.3% above budget, but $51,060 less than the same period in 2014. Through the third quarter in 2014, $1.2 million was received in this revenue stream, which was 51.3% higher than budget and 7.2% higher than third quarter 2013. By year-end, projected revenue for this category is expected to total $1.2 million, a conservative estimate.

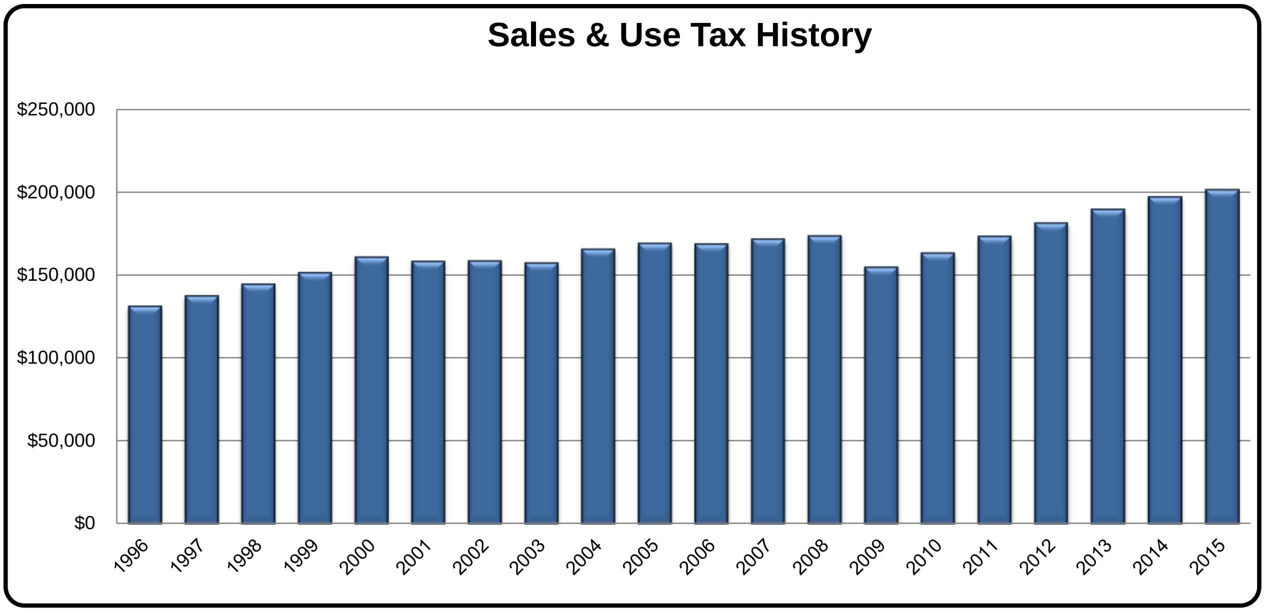
Sales & Use Tax

Sales & Use Tax was dramatically affected by the Great Recession. Collections dropped from $173.6 million to $154.6 million. But beginning in 2010, they quickly recovered as managed care was added to the tax base, and by the end of 2011 were back at 2008 levels at $173.2 million. Collections rose in 2012 to $181.2 million. Receipts for 2013 were $189.6 million. The graph on page 10 shows total Sales Tax receipts received for the last 20 years. Growth since 2010 has been steady. Economists have predicted lower growth in GDP.

The budget for 2014 was $194.1 million. Monthly receipts were very inconsistent. January was 0.5% lower than 2013, February was 10.5% higher, March was 1.8% lower and then April was up 6.0%. Through July 2014, collections totaled $111.2 million, an increase of 2.3% compared to 2013 levels. The third quarter continued the fluctuating trend. Each of the categories within the Sales & Use Tax vacillated greatly during the first nine months of the year and it was difficult to project collections. The November and December collections jumped dramatically and were 10%

above 2013. Total collections were $197.1 million, 3.9% above 2013. This was an $8.0 million increase over the previous year.

Receipts through the first quarter of 2015 were 6.5% above budgeted levels and 8.8% above the first quarter 2014. The year-end projection was raised to $201.4 million. The March collection was $20.8 million. This is the first monthly collection ever to exceed the $20 million mark. The projection was increased to $204.4 million. May and June receipts were 9.7% and 7.2% above 2014 levels. The year-end projection was again raised, to $206.4 million, or $7.8 million above 2014.



State Operating Assistance

The single source of revenue in this category was Ohio Elderly Fare Assistance. The disbursement of these funds used to occur in December of each year. The last disbursement RTA received was for a partial year in August 2010. In 2010, the State declared that these funds would no longer be sent to the eight largest transit agencies in the State but would allocate these funds to the small rural authorities.

Access to Jobs Grants

The Access to Jobs revenue assisted GCRTA in providing vanpool and reverse commute services consistent with Welfare to Work initiatives. The funds from this source have been uneven over the past few years. Federal funding for the JARC/Access to Jobs program was eliminated in the new Transportation Bill, MAP-21 and no alternate funding was created. The remaining grant funds enabled this program to continue through first quarter 2015 and the program ended April 1, 2015.

Investment Income

Through second quarter 2015, Investment Income earned totaled $210,549. This is $121,407 higher than budget and $138,670 higher than the second quarter 2014. However, the Authority is only receiving 0.46% interest on its investments. By year-end, Interest Income revenue is projected to come in below budget at $190,000.

Other Revenue

This revenue category is difficult to project as it consists of various claim reimbursements, rental income, salvage sales, and identification card proceeds. For 2014, the Authority received $1.5 million in the Other Revenue category, which was 0.5% higher than the budget. For 2015, receipts received through the second quarter were $435,381, 39.5% less than budget and 56.8% less than the same period in 2014. The projection for Other Revenue by year end is $1.1 million, the budgeted level. This revenue source is difficult to project as the timing of the receipts are inconsistent.

Reimbursed Expenditures

Reimbursed Expenditures category includes reimbursements for preventive maintenance, fuel tax, force account labor, and other state, federal, and local reimbursements. These reimbursements include Paratransit Operating Assistance, and CMAQ Trolley Reimbursements. In 2010, reimbursed expenditures were $39.2 million. With the improvements in our fiscal condition in 2010 and 2011, RTA made the decision to lower reimbursement for preventive maintenance for 2011. Reimbursed expenditures for 2012 were lowered again and year-end receipts totaled $17.0 million. This allowed $10 million in formula grant funds to be used for capital projects in lieu of operating revenue. Additional projects were identified and moved forward on the schedule. For 2013 and 2014, the total was held to $15.2 million and $17.3 million, respectively, allowing additional funds to again be available for capital projects.

For 2015, Reimbursed Expenditures were budgeted at $27.4 million. This includes $950,000 for reimbursement for Trolleys through CMAQ funds, $3.1 million for Paratransit reimbursements, and an additional $300,000 for Paratransit Management. The funds for Paratransit Management will not be received in 2015 and this will be the final year for reimbursements for Paratransit Operations as funding has not been identified in the out years. Reimbursements for Fuel Tax and Labor are budgeted at $1.3 million and $1.7 million respectively. The remainder is the reimbursements for Preventive Maintenance, was reduced to $18.0 million. Projections for this category are $25.1 million, about 8.6% less than budget. The reduction of grant-funded reimbursements to the General Fund has been a long-term goal to maintain the level under $20.0 million in order to allow funding to be put toward needed capital projects to maintain state of good repair.

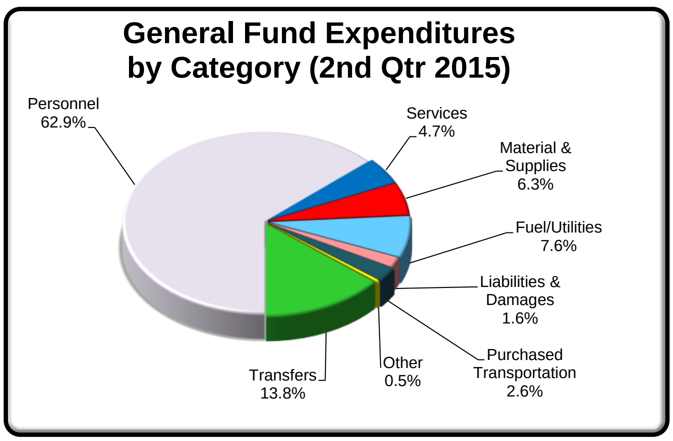
Operating Expenditures

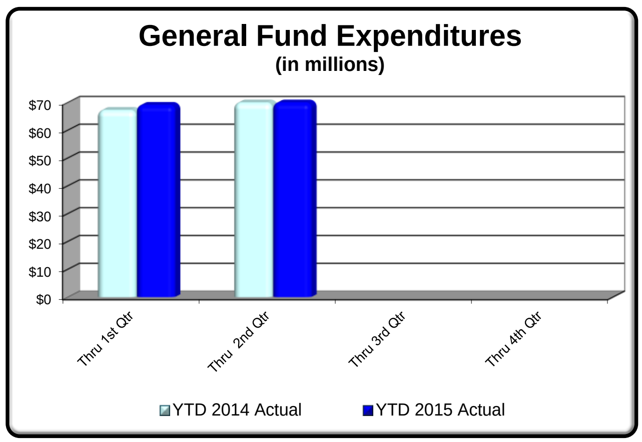
The chart to the right itemizes the major cost categories and compares projected costs with the current budget. The 2015 Operating Budget includes $255.1 million originally adopted for 2015 plus prior year rollover encumbrances of $7.9 million for a total budget of $263.0 million, not including transfers. Please note: this presentation differs from the expenditure number appearing in the fund balance statement on page 7 because it includes prior year encumbrances. Expenditures, net of prior year encumbrances, are further highlighted with the bar graph and the pie chart below.

2015 2nd QTR ACTUALS BY CATEGORY
CURRENT BUDGET vs. ACTUAL COMMITMENTS

Category	Current Budget	Projected Expenses	Variance vs. Current Budget	
Personnel Services	182,803,393	180,229,992	2,573,400	1.41%
Services	17,350,458	16,105,482	1,244,976	7.18%
Material & Supplies	19,620,836	19,951,301	-330,466	-1.68%
Fuel/Utilities	26,031,544	23,613,816	2,417,728	9.29%
Liabilities & Damages	5,718,278	4,776,714	941,564	16.47%
Purchased Transportation	9,355,039	8,746,487	608,551	6.51%
Other	2,141,750	1,528,718	613,032	28.62%
Transfers	39,748,919	39,566,541	182,378	0.46%
	302,770,217	**294,519,053**	**8,251,164**	**2.73%**

Through the second quarter of 2015, Personnel and operating costs for department needs totaled $117.7 million. Personnel services, the largest category, ended 2014 at $2.0 million over the original budget due to a 27th pay in ATU Operator and Hourly payroll, a health-care benefit that ended the year higher than expected, higher than projected overtime and Operator levels, and an increase in retiree payouts. Through the second quarter of 2015, Personnel services totaled $84.0 million, about $2.4 million under budget. Personnel Services is projected to end the year $2.6 million, or 1.4% under budget. Total Operating Expenditures are projected to end the year $8.1 million, or 3.1% under budget.





Personnel Services

Personnel Services are budgeted at $182.8 million. This included Operator, Hourly, and Salary labor and Fringe Benefits. The year-end expenditure for this category in 2014 was $181.3 million or 1.1% over budget due to a 27th pay for Operator and Hourly labor and fewer vacancies than budgeted. As operating needs increased in 2014, the number of vacant positions decreased. Through the second quarter of 2015, Personnel Expenditures totaled $84.0 million and are expected to end the year 1.4% under budget, at $180.2 million, slightly below the first quarter projection.

An innovative contract settlement was reached in 2014 with ATU and FOP that tied wage increases to revenue increases. For 2014, a 3% wage increase for the ATU, FOP, and Non-Bargaining employees was executed. The ATU contract ended in August 2014 and negotiations have continued through the second quarter of 2015. A new contract agreement has not yet been reached. Consequently, wage increases for ATU for 2015 have not been paid and are not included in these projections. Negotiations for FOP were finalized and FOP employees received a 3% pay raise for 2015. This new contract continues to tie wage increases to revenue increases. Non-bargaining personnel also received a 3% merit-based increase in March.

With the changes to health benefits nationwide, the Fringe Benefits category has been difficult to project. The budget for Fringe Benefits is $48.5 million and second quarter projections estimate this category to end the year $140,679, or 0.3%, under budget.

Services

Through the second quarter of 2015, the expenditures in the Services category totaled $6.6 million. This category includes contractual services, the largest part of this category, advertising fees, vendor-in-house Services (NAPA Contract), shelter cleaning, and other maintenance and administrative help costs. By year end, this category is projected at $13.6 million, or $1.2 million under budget.

Material and Supplies

The Material and Supplies category ended the second quarter at $6.6 million. This category includes inventory, postage and duplicating expenses, and the parts for the NAPA contract. Additional funding was added to Inventory in 2014 and has fluctuated over the years. Inventory funds were increased by $750,000 during the fourth quarter of 2014. An additional $500,000 will be added to the Inventory category during the third quarter for Predictive Maintenance needs. The Material & Supplies category is projected to end the year at $18.0 million, or 1.9% over budget. This category will continue to be monitored closely throughout the remainder of the year.

Fuel/Utilities

The Energy Price Risk Management Program has helped to transform net diesel fuel costs. The fuel hedging program has stabilized RTA's fuel costs and has also lowered the overall cost. For 2010 diesel fuel net costs were about $8 million, $9.4 million less than 2009. Net fuel costs for 2011 were $9.9 million. The cost of fuel rose. In 2012, RTA ended just $250,000 under budget at $12.6 million. For 2013 net fuel costs were $14.028 million, about $192,000 over budget. The system was working exactly as it was designed and protecting the Authority against any dramatic rise in fuel prices. The savings over those years was about $16 million. The budgeted fuel cost for 2014 was $14.182 million. Expenses ended the year at $14.336 million, about $184,000 over budget. GCRTA was completely hedged through Q3 of 2014 and only 30% hedged for 2015. RTA needed to add future contracts for Q4 2014, 2015, and 2016 as soon as an opportunity presented itself. On August 4, prices dropped by 25 cents/gal, and the Authority bought hedge contracts. Crude oil prices dropped from $100/bbl to $80/bbl and diesel hedges dropped from $3.05/gal to $2.85/gal and continued to drop to $2.50/gal. Crude oil prices dropped all the way to $65/bbl. RTA purchased 5.4 million gallons of diesel hedges in 129 contracts. All of 2014 and 2015 were hedged and 2016 was fully hedged through August. On November 27th, OPEC decided to hold production and maintain market share. The market reacted and prices dropped sharply. Crude oil dropped to less than $50/bbl. Prices have fluctuated but recently dropped by 10 cents. RTA bought the last 8 contracts for 2016 and has a total of 80 contracts. RTA now has 57 contracts for 2017 and can buy up to 75. We are currently under budget for 2015 by about $615,000. The budget for fuel is $13.440 million and our latest projection for 2015 is $12.065 million.

RTA also studied electricity costs and initiated a request for proposal that resulted in a reduction in rate of about 1.6 cents/KWH for 2010 and the first half of 2011. All accounts were reconciled and meters were read and reset regularly, which has continued to current day. In the second quarter of 2011 an RFP was executed for electricity for the next three years, which achieved slightly more favorable rates. Costs were lowered in 2010 and 2011 and then maintained at the 2011 level in 2012. Over the past five years electricity costs have decreased by about $13.6 million. Electrical expenses were budgeted at $5.197 million in 2013 and actual costs were $4.927 million. RTA bid another electricity contract at the end of 2013. Six bids were received and the provider was selected with just a slight increase from the last three years but not nearly as high as was expected considering the scheduled closure of 4 Ohio coal fired power plants. Natural gas prices have been locked in through mid-2017. For 2014, Electricity, Propulsion Power, and Natural Gas all ended the year under budget. For 2015, the Fuel and Utilities category is projected to end the year at $21.2 million, or 12.0% under budget.

Liabilities & Damages

This category includes workers' compensation claims and payments, liability and property claims and damages, and insurance costs under $1 million. The safety initiatives implemented over the past several years have helped the Authority become a safer system and decreased claims for injuries and damages. For 2014, the Liability & Damages category ended the year 4.7% under budget. Through the first half of 2015, the expenses for this category totaled $2.1 million and are projected to end the year at $4.8 million, $0.9 million, or 16.5% under budget.

Purchased Transportation

The three major components in this category are the ADA Purchased Transportation program, Access to Jobs vanpool program, and Operating Assistance for Brunswick and Medina. In 2014, this category ended the year 1.7% over budget due to an increase in ADA Purchased Transportation needs.

A pilot program was implemented in mid-year 2011 for ADA purchased transportation to alleviate the increased demand for the service. In 2011, ridership for the ADA purchased service grew by 5.7%, with an increase of 9,817 passengers compared to 2010. Because the program was so successful, in 2012, a new contract was signed to accommodate the increased passengers. This contract continued into 2013 and 2014. Costs ended the year near budget for this contract. Two additional contracts for purchased transportation were extended through October and the new contracts began in November. For 2015, ADA purchased transportation is budgeted at $7.6 million. By year end, it is projected to be $0.6 million, or 7.6%, under budget.

A one-time payment for Medina Pass-Through was made in 2014 totaling $370,000. Although this payment was not budgeted, savings from the other categories covered these expenses. Pass-Through payments for Medina and Brunswick are budgeted at $0.4 million and $0.5 million respectively and are projected to end the year at budget.

The Work Access program, or Access to Jobs program, enables the RTA to provide vanpool and reverse commute services with Welfare to Work initiatives. The funding for this program was eliminated with the MAP-21 Transportation Bill and no alternative funds were created. The expenses in the category were the remainder of the funding from 2014, which allowed GCRTA to provide services through March 2015. This program ended April 1, 2015.

Other

The Other Expense category includes tuition reimbursement, property tax, leases and rentals, and other miscellaneous expenses such as travel and training costs. This category is difficult to project. The Other Expenses ended 2014 15.3% under budget with savings in all areas. For 2015, total expenses in the 1st Quarter of 2015 were just under $0.5 million. This category is projected to end the year $0.8 million, or 39.8%, under budget.

Transfers to Other Funds

Transfers from the General Fund to the other Funds of the Authority including the RTA Bond Retirement Fund, Insurance Fund and Pension Fund ended 2014 $1.7 million, or 4.4%, under original budget appropriations and the transfer to the Insurance Fund ended 2014 under budget by $1.2 million as implemented safety initiatives have helped to lower the costs of claims.

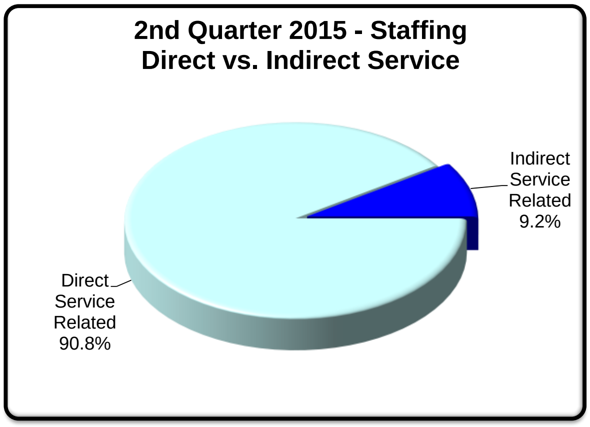
The Bond Retirement Fund transfer is the debt service less the investment income earned in the Bond Retirement Fund. The interest and principal payments on outstanding debt are taken from debt amortization scheduled. The Bond Retirement payment was lowered in 2012 and 2013 due to the $3.8 million premium RTA received on the 2012 Bond Sale. In 2014, there was a refinancing issue of $29.7 million, which helped to decrease costs by $0.2 million.

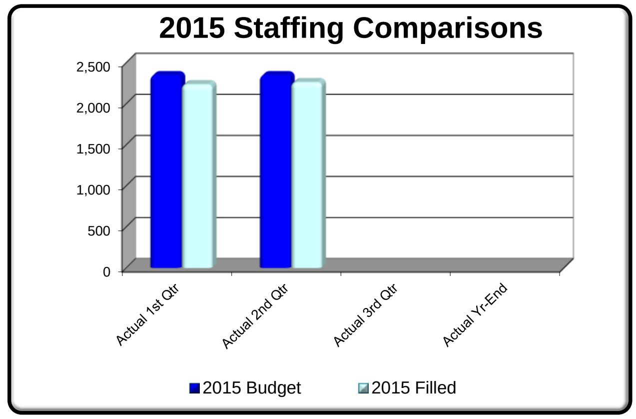
The transfer to Capital Improvement Fund covers 100% locally funded Asset Maintenance and Routine Capital projects in the RTA Capital Fund, as well as, required local matches for most grant-funded projects in the RTA Development Fund. An additional $160,176 is needed for the Capital Fund transfer as additional funding is needed to cover needed projects.

Staffing

The charts below summarize staffing as of the end of the 2nd Quarter. The bar chart shows the comparisons between budgeted and actual filled positions. The pie chart demonstrates the relationship between indirect and direct service related positions. The 2015 approved Operating Budget funded a combined 2,344.5 full- and part-time Full-Time Equivalent (FTE) positions. At the end of the 2nd Quarter, a total of 2,260 positions were filled, consisting of 2,128 full-time and 132 part-time positions.

Please note that since an operational FTE count for full- & part-time positions is not available, filled positions represent a head-count of all Authority employees rather than a representation of actual hours paid converted to an FTE measure as reflected in the budgeted numbers.





Bond/Insurance/Supplemental Pension/Law Enforcement Funds

As a result of the Authority refinancing debt, the Authority's debt-service ratio and Sales Tax contribution to capital improved versus their budgets and debt service payments were reduced by $767,383 below the budgeted amount for 2014. As a result of lower than expected claims and payments from the Insurance Fund, the transfer from the General Fund to the Insurance Fund completed the 2014 $1.2 million below budget as these resources were not needed to maintain the fund balance. For 2015, there has been no activity in the Bond Retirement, Insurance, or Pension Funds other than budgeted increases, scheduled set asides, activities on prior year encumbrances, and budgeted expenditures. During the second quarter, the appropriation to the Law Enforcement Fund was increased by $177,000. This funding will be used for unbudgeted personal protective equipment, specialized supplies, and equipment for the Emergency Services Teams and K-9 Units.

Capital Commitments and Expenditures

Commitments by Capital Category

Due to the multi-year nature of many capital projects, the budget for the Authority's capital program is multi-year or Inception-to-Date (ITD) based. The current combined capital budget appropriation within the Authority's 2015 capital program of $335.52 million includes the approved Fiscal Year (FY) 2015 Capital Budget of $72.14 million and $263.38 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 the second quarter and compares year-end projected commitments to current category budgets.

At the end of mid-year, combined capital project commitments total $267.55 million including $196.98 million of ITD expenditures and $70.57 million of current encumbrances resulting in a positive variance of $67.97 million, or 20.3%, relative to the combined capital budgets. At the end of second quarter, $43.01 million of the current expenditures were expensed on Bus

Improvements at $27.01 million and Preventive Maintenance (PM) and other reimbursements to the Operating Budget at $16.0 million. All other capital activities during the second quarter were mainly continuation of projects that began in prior fiscal years and in preparation for the planned FY 2015 construction schedule and maintaining a State of Good Repair (SOGR) of the Authority's capital assets.

Projected activities within the RTA Capital and RTA Development Funds during the remainder of 2015 will result in estimated total commitments of $311.62 million and a positive year-end variance of $23.90 million, or 7.1% 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 the expected closeout of remaining budget appropriation in projects that were completed under budget, to the timing of anticipated grant awards delaying some budgeted capital activities until next year, to multi-year budgeted projects compared with the annual draws for project activities during the year, and to unanticipated cost increases in several construction projects that will now likely be delayed until next year due to a lack of funds.

PROJECTED YEAR-END CATEGORY CAPITAL COMMITMENTS

Category	Current Budget	Current Commitments	Projected Year-End	Proj. Variance vs. Current Budget	
Bus Garages	$11,776,773	$9,418,076	$12,027,263	-$250,490	**-2.1%**
Bus Improvement Program	$60,034,831	$43,375,704	$58,220,124	$1,814,707	**3.0%**
Equipment and Vehicles	$40,878,260	$36,620,727	$38,984,436	$1,893,824	**4.6%**
Facilities Improvements	$18,525,477	$14,409,766	$16,759,509	$1,765,968	**9.5%**
Other Projects	$8,299,426	$5,341,376	$5,675,388	$2,624,038	**31.6%**
Preventive Maint./Operating Reimb.	$53,718,904	$44,528,488	$51,404,987	$2,313,917	**4.3%**
Rail Projects	$117,754,788	$90,762,406	$104,966,607	$12,788,181	**10.9%**
Transit Centers	$24,532,696	$23,097,718	$23,581,864	$950,832	**3.9%**
Grand Total	**$335,521,156**	**$267,554,261**	**$311,620,178**	**$23,900,978**	**7.1%**

Current Year Expenditures by Capital Category

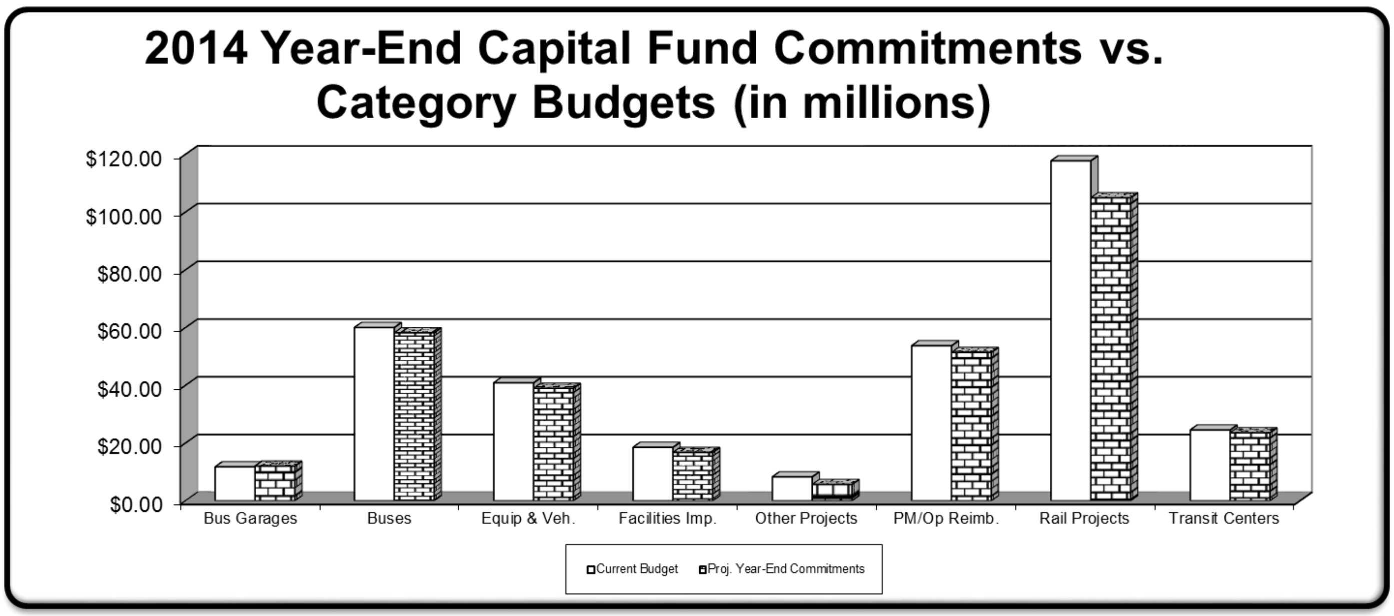
The chart below lists year-to-date (YTD) category expenditures and their related percentage of total capital expenditures for the current year through the end of the second quarter and compares them with the two previous years at the same point in time. So far, capital expenditures have increased relative to the two prior years, but this is due to Bus purchases and Preventive Maintenance and other Operating Expense Reimbursement draws processed during the first half of the year which represents 76.0 percent of all capital expenditures.

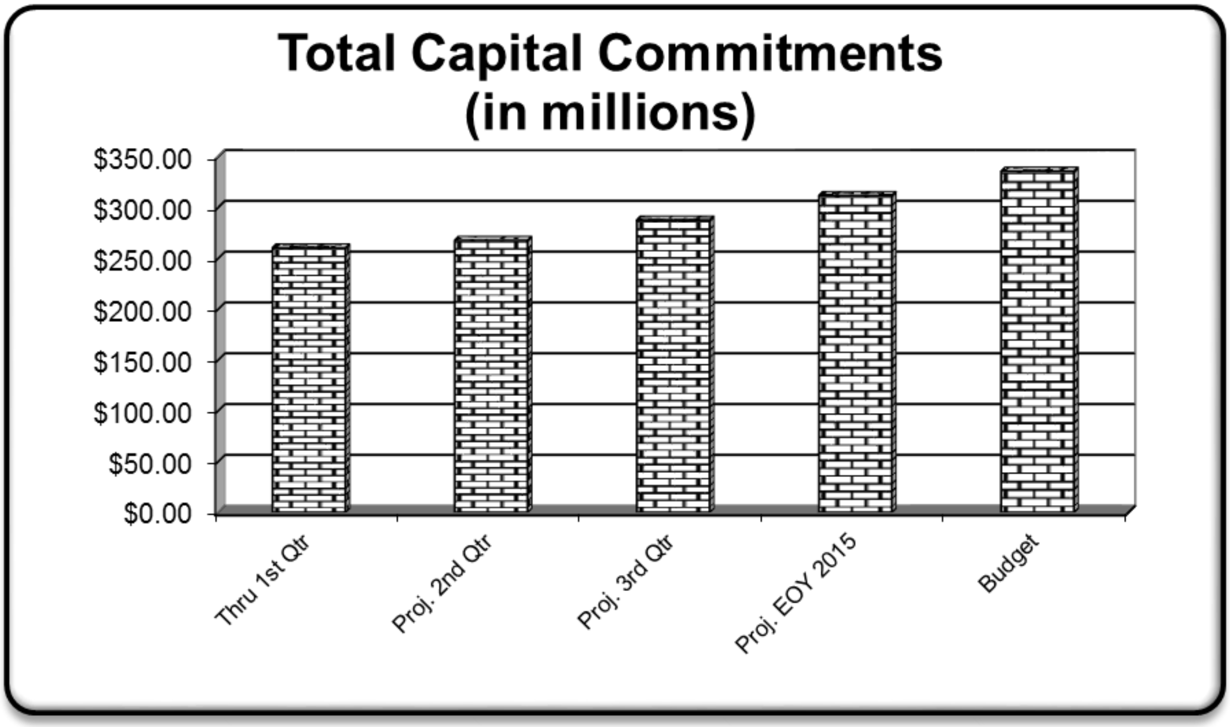
Most of the remaining capital expenditures in the second quarter were within the Rail Projects category generating $7.8 million, or 14.0% of capital expenditures with the balance of expenditures in much smaller amounts in the remaining categories. During the remainder of the year programmed capital activities including reconstruction of the Brookpark Red Line Station, completion of the new Little Italy-University Red Line and Lee/Van Aken Blue Line Stations, various track rehabilitation projects including three Light Rail Crossings and completion of the Shaker Square track reconstruction, as well as the delivery of 90 40-Ft CNG buses and related projects for the CNG fueling station and to address CNG building compliance issues will significantly increase expenditures in the Rail Projects, Bus Improvement Program and Bus Garages categories.

Individual Capital projects with significant expenditures will be covered in the following discussion on the individual capital categories.

CAPITAL EXPENDITURES BY CATEGORY THROUGH SECOND QUARTER

Category	2015	%	2014	%	2013	%
Bus Garages	$519,610	**0.9%**	$671,849	**1.7%**	$1,227,842	**3.1%**
Bus Improvement Program	$27,046,623	**48.4%**	$15,496,776	**38.2%**	-$42,463	**-0.1%**
Bus Rapid Transit	*$0*	***0.0%***	*$0*	***0.0%***	*-$15,575*	***0.0%***
Equipment and Vehicles	$949,706	**1.7%**	$3,068,052	**7.6%**	$3,756,860	**9.4%**
Facilities Improvements	$1,525,111	**2.7%**	$2,184,691	**5.4%**	$1,323,541	**3.3%**
Other Projects	$1,637,027	**2.9%**	$1,966,608	**4.8%**	$1,860,832	**4.7%**
Preventive Maint/Op. Reimb.	$15,997,854	**28.6%**	$7,198,762	**17.7%**	$12,702,111	**31.8%**
Rail Projects	$7,796,493	**14.0%**	$7,731,563	**19.1%**	$18,675,138	**46.7%**
Transit Centers	$412,365	**0.7%**	$2,251,427	**5.5%**	$464,746	**1.2%**
Grand Total	**$55,884,789**	**100.0%**	**$40,569,728**	**100.0%**	**$39,953,032**	**100.0%**





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

Bus Garages

Other than two projects to rehabilitate a parking lot at the Hayden Garages and to construct a parking lot for articulated buses at the Triskett Garage, the focus of programmed capital projects within this category are to prepare the Hayden Garage and Central Bus Maintenance Facility for the introduction of CNG fueled buses and the Paratransit Garage for propane fueled vehicles.

At the end of the second quarter, $9.42 million of the current $11.78 million category budget was committed leaving a positive variance of $2.36 million or 20.0%. Total category commitments include $5.06 million of ITD expenditures and $4.36 million of current encumbrances. At the end of second quarter, $519,610 in expenditures were generated in all projects within this category reflecting the incremental progress being made towards completion of programmed work.

Projected commitments of $2.61 million for the remainder of the year include $1.89 million for completion of preparations to address CNG building compliance issues at the Hayden Garage and Central Bus Maintenance Facility (CBMF) for the operation of CNG fueled vehicles at those locations, $417,523 for the construction of an outdoor bus storage lot at the Triskett Garage, and an estimated $307,575 for unbudgeted fire alarm system and back-up power generator at the Paratransit Garage that is now required by the City of Cleveland Fire Marshall for the operation of the propane fueled buses purchased more than two years ago.

The negative projected variance of $250,489 or -2.1% at the end of the year in this category is due to an increase in cost of back-up power generator at the Paratransit Garage. This cost had not been included in the capital program, but its installation was recently raised by the City as a necessity for the operation of propane fueled vehicles at that location. All other projects within this category are expected to be completed by the end of the year near their programmed budgets.

Bus Improvement Program

With the inclusion of the third year of a funded five-year bus and paratransit bus replacement program the Authority now has four separate bus orders underway. The first, 60 40-Ft CNG buses have been delivered; the first thirty of the original order will be placed in operation the first week of August and the second set to follow shortly thereafter. The second delivery of 30 40-Ft CNG buses is currently in production and with first deliveries due to arrive the first week of September. This order will be phased into operation based on the receiving order of five buses per week. The third bus order, for twelve trolley buses, was approved by the Board in April authorizing GCRTA to enter in to contract with a manufacturer, and the last will be an upcoming order of 16 40-Ft CNG buses that will be presented to the Board in August for approval. This order will then be programmed for production at the beginning of first quarter of the 2016 with delivery later that year.

Through the end of June, category commitments total a combined $43.38 million out of a total budget appropriation of $60.03 million leaving a positive variance of $16.66 million, or 27.7% percent. The category expenditures of $27.05 million at mid-year includes $26.81 million for the initial purchase of 60 40-Ft CNG buses included in the first contract for replacement buses, $75,075 to complete the contract for bus spare parts and mechanic tools for the 23 articulated buses delivered in 2014, and $166,314 for various bus spares parts to help maintain the Authority's existing bus fleets in a State of Good Repair. The upcoming delivery of 30 additional replacement 40-Ft CNG buses, the 12 Trolley buses on order and the upcoming commitment to purchase an additional 16 40-Ft CNG replacement buses will significantly impact expenditures in this category later this year and next.

Projected commitments of $14.84 million through the remainder of the year include the pending order of 16 additional replacement 40-Ft CNG buses at an estimated cost of $7.50 million, $5.88 million for twelve (12) replacement trolley buses, a combined $1.30 million for bus and BRT spare parts, and $130,487 of travel and training costs for the various bus orders. The positive projected variance of $1.81 million, or 3.0%, is due to the timing of commitments within one of the budgeted bus spare parts projects and various savings versus programmed project budgets for the four bus orders.

Equipment & Vehicles

At the end of second quarter, total commitments of $36.62 million within this category included $30.0 million of ITD expenditures and $6.62 million of current encumbrances resulting in a positive variance of $4.26 million, or 10.4%. A majority of the current encumbrances, $5.06 million or nearly 76%, remain within the on-going Fare Collection Equipment project. Intermittent progress has continued towards completion of outstanding items left on the contract, but completion of this project remains an open-ended issue. Remaining encumbrances within this category are concentrated within various SOGR equipment & vehicle upgrade projects throughout the Authority.

Combined category expenditures of $949,706 through the end of June were led by a combined $394,496 towards the Authority's non-revenue vehicle improvement program with remaining capital expenditures scattered throughout other projects in this category. Additional commitments of $2.36 million are projected during the remainder of the year. This amount includes a combined $1.53 million for various information technology projects including software and hardware updates, $382,523 for programmed replacements of non-revenue vehicles, and $456,185 for equipment replacements and communication upgrades throughout the Authority with the balance of projected commitments scattered throughout projects within this category.

The projected year-end positive variance of $1.89 million, or 4.6%, results from savings in on-going projects nearing completion, to delays in project time lines for a number of budgeted IT projects, and to the expected closeout of prior year's budget authority remaining within completed projects.

Facilities Improvements

Mid-year combined commitments of $14.41 million in this category included $4.97 million of ITD expenditures and $9.44 million of current encumbrances resulting in a positive variance of $4.12 million, or 22.2%, versus the current category budget of $18.53 million. During the second quarter, $1,525,111 was expended on various projects throughout the Authority with 793,460, or 52% on locally funded Asset Maintenance projects within the RTA Capital Fund.

Projected commitments of $2.35 million during the remainder of FY 2015 continue to focus on various SOGR projects throughout the Authority's facilities and bridges. Projected commitments during the remainder of the year include $724,310 for additional Asset Maintenance projects throughout the Authority, a combined $978,063 for rehabilitation of East Boulevard, East 116th and East 81st & 83rd Street Track Bridge - $300,000 to demolish the WB Access Road Bridge at Central Rail Maintenance Facility – and a combined $317,370 to rehabilitate the Rail Station Door and Fiber Optic Hardware replacement.

The projected positive year-end variance of $1.77 million, or 9.5%, for this category is primarily due to a lower contract awarded than originally budgeted for the East 81st and East 83rd Street Track Bridges rehabilitation, project closeouts for completed projects with remaining balances and delay in awarding of a contract for the East Boulevard Track Bridge rehabilitation due to an increase in projected construction costs which will likely delay this project until next year.

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 second quarter, this category has combined project commitments of $5.34 million out of the category budget of $8.30 million resulting in a positive variance of $3.0 million or 35.6%.

During the first half of the year, a combined $1.64 million of expenditures were generated by projects within this category with most, $1.32 million, or 73.8%, for the last Fare Collection Equipment lease payment as pre-payment of the Fare Collection Equipment lease was included in the recent bond issue to take advantage of low interest rates. Remaining expenditures to date were generated in smaller amounts throughout other projects within this category including $75,396 of dues payments and legal services, $63,125 for the TSA Canine Unit, $130,335 for Transit Planning Studies Demand model and $35,257 from the pass-thru grant award for the Senior Transportation Connection

Projected commitments of $334,012 during the remainder of the year include $283,112 for the Canine Unit, $35,900 from the pass-thru award for the Senior Transportation Connection, and an additional $15,000 for Transit Oriented Development activities. The positive year-end variance of $2.62 million, or 31.6%, 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, 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, new Trolley services enacted less than three years ago, and the JARC/Work Access program.

It is important to note, both for the current and future budget years that several of the non-formula reimbursement awards have or will be expiring sometime during the current budget year. These include a separate grant award for the JARC/Work Access program which was eliminated by Congress in the MAP-21 legislation and the CMAQ award for reimbursement of Trolley expenses which will end this September at the close of the three year eligibility period for those services. In addition, 2015 is the last committed year of grant funding for the annual ADA reimbursement award which will reimburse the General Fund $3.125 million in 2015 for ADA service delivery.

Second quarter activities resulted in total commitments of $44.53 million, all ITD expenditures, against a category budget of $53.72 million creating an end of second quarter positive variance of $9.20 million, or 17.1% percent. During the second quarter, a combined $16.0 million of expenditures were generated by projects within this category to reimburse costs incurred within the Operating Budget. This includes $11.60 million for preventive maintenance activities, $920,570 in support of the expired JARC/Work Access program, $121,751 to support the Authority's ADA services including the Travel Trainer program and $230,533 for CMAQ Trolley's Reimbursement for added service.

Projected commitments of $6.88 million during the remainder of the year include additional draws of $5.90 million for reimbursement of preventive maintenance activities, $463,197 to reimburse the Operating Budget for the cost of providing New Freedom Supplemental trips and Travel Trainer services, $513,303 under CMAQ Trolley Reimbursement for new trolley lines. The projected positive variance of $2.31 million, or 4.3%, is due to the multi-year budgeted project for the New Freedom & Travel Trainer program and the balance of the CMAQ award to refund the Authority for new Trolley Services that cannot be drawn before the September deadline.

Rail Projects

At the end of June, $90.76 million of the $117.75 million budget for the Rail Projects category was committed creating a positive variance of $27.0 million or 22.9%. Total commitments within this category consisted of $60.59 million of ITD expenditures along with $30.18 million of current encumbrances.

During the second quarter, $7.8 million was expended on various Rail system projects. Some of the major project expenses included $1,803,542 for construction activities on the Little Italy-University Red Line Station scheduled to open third quarter, $2,395,820 on the reconstruction of the Lee/Van Aken Blue Line Station also scheduled for completion this year, $1,274,058 on

Shaker Square Junction & Crossings, and $517,455 in the Rail Infrastructure Program project that addresses various SOGR issues throughout the Rail System. 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 $14.20 million during the remainder of the year include $7.0 million for Track 7 & 8 track work to begin the first phase of reconstruction work on Track 7 passenger platform at Tower City to prepare for the complete reconstruction of Track 8 in 2016, $1.56 million to complete Little Italy final construction improvements including $863,500 of pedestrian access improvements, $1.5 million to begin Engineering & Design services for construction of an ADA accessible station at East 79th Street Red line Station, $381,024 for rehabilitation of Lee Rd./ Van Aken Station, $388,567 for State of Good Repair of Light Rail Vehicles for fleet reliability, and $488,400 for Sectionalize Centenary System to work in conjunction with the track rehabilitation of Track 7 & 8.

The projected positive variance of $12.78 million, or 10.9%, versus the current category budget at the end of the second quarter is primarily due to cost savings in capital projects currently underway, the closeout of budget authority remaining in completed projects, and delays in anticipated grant awards that will likely push programmed budgeted commitments into 2016.

Transit Centers

At the end of second quarter, the category commitments included $21.21 million ITD expenditures and $1.89 million of current encumbrances, leaving a total commitment of $23.10 million out of the approved current budget of $24.53 million resulting in a positive variance of $1.43 million, or 5.8% at the end of the second quarter.

In the first half of the year, $412,365 was expended on capital projects within this category, 100% of the cost was expensed towards completion of outstanding items on the Clifton Blvd. Enhancement project which opened towards the end of last year.

Significant projected commitments during the rest of the year include an additional $216,653 for remaining construction work and reimbursed labor costs for the Clifton Blvd. Enhancement project, and combined $267,491 towards parking lot improvements at Windermere Bus Loop - Red line Station and Project Enhancements.

The projected positive variance of $950,831.66, or 3.9%, at the end of the year is primarily due to a delay in execution of an FTA award that will fund programmed ADA improvements, delays in final draw for the pass-thru grant award for the Cleveland Museum of Art, and projected savings for project within this category scheduled for completion this year.

Performance Measure	2015 Target	1St Quarter	2nd Quarter
Passenger Per Vehicle/Train Hour:			
Bus	30	27	29
Rail	75	71	74
Total	34	30	33
Revenue Vehicle Cost Per Mile: (Maintenance & Fuel)	$2.35	$2.29	$2.34
% of Scheduled Maintenance Completed: (Revenue Vehicles)			
Bus	100%	84%	83%
Rail	100%	100%	97%
Paratransit	100%	100%	99%

Critical Success Factors

Passenger Fare Revenue	The Passenger Fare Revenue performance measure is discussed in detail in the Financial Analysis Section of the report.
Preventable Accidents	The GCRTA Preventable Collision Rate (PCR) TEAM goal for 2015 is 1.10. The 2015 YTD 2nd Quarter PCR is 1.68, which is 52.7% higher than the TEAM goal and 1.2% lower than the 1.70 PCR for the same period in 2014. Total preventable collisions increased 1.0% to 203 from 201 while mileage increased 1.9%.
Total Collision Rate	The GCRTA Total Collision Rate (TCR) for the 2015 YTD 2nd Quarter is 4.68, which is 4.2% higher than the 4.49 TCR for the same period in 2014. Total collisions increased 6.2% to 565 from 532.
Injury Collision Rate	The GCRTA 2015 TEAM Injury Rate Goal is 11.1. The 2015 YTD 2nd Quarter Injury Rate of 10.89 is 1.9% below the TEAM Goal and 2.2% below the 11.14 Injury Rate for the same period in 2014. Total injuries decreased 2.8% to 103 from 106.
Number of Miles between Service Interruption	The Number of Miles Between Service Interruption (Reliability) is defined as mechanical failure that results in inability for the bus/train to operate in revenue service. For the second quarter of 2015, the YTD figure for No. of Miles Between Service Interruption was 6,739 miles, as compared to 6,273 miles for 2014, which represents a 7.43% improvement in this indicator.
On-Time Performance	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 second quarter of 2015 for bus, light rail, and heavy rail was approximately 69%, as compared to 79% for 2014, representing a 12.66% decline in this TEAM measure.
Ridership	Total system ridership has decreased by 5.9%, or approximately 248,000 less rides taken. Bus ridership has decreased 5.1% or approximately 171,000 rides, while average weekday use increased by 1/7%. HealthLine experienced a slight increase in ridership with 390,000 rides, a 0.34% increase over 2014. Ridership on the Red Line was 522,596, down nearly 8% from 2014. Light rail ridership was 200,983, down 12.5%. Service was interrupted due to scheduled rail shutdowns in order to perform necessary track work and construction. Trolley ridership in May experienced a slight decrease, with total ridership reaching 121,879 riders, 1.5% less than 2014. Average daily trolley ridership was 5,959, up 2.4%.

Second Quarter Initiatives and Special Promotions to Increase Ridership

- In addition to the regularly scheduled concerts at Quicken Loans Arena, House of Blues and the Wolstein Center, events such as the Marc's Great American Rib Cook-off, Rite Aid Marathon, Bike to Work Day, and many Cleveland Indians home games, and Cleveland Cavaliers Playoff games attributed to higher ridership. RTA offered additional rail service for events in the Flats and to accommodate the large crowds of spectators.

- During the month of May, RTA participated in several community events throughout the Greater Cleveland area including speaking engagements and informational sessions at Northeast Ohio Social Services Coordinators meeting, Safe Kids/Safe Communities, Cuyahoga County Collaborative, Forresthill Terrace, St. Timothy Park, Euclid Hill Villa, Lakeview Towers, Commodore Place, Rockefeller Park, Gates Mills Villa, Euclid Beach Club, River Park Apartments, Westside Community House, Spring Hill Villa, Strongsville Senior Center, Word of Righteousness Family Center, Broadway Place, Campbell Courts, Brookpark Senior Center, Harvard Community Services Center Collaborative, Rocky River Senior Center, Solon Senior Center, and JCB Fairmount School. By design, these events increase RTA's presence within the Greater Cleveland community and enhance public transit awareness.

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Customer Satisfaction/Ride Happy or Ride Free

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 22,593 customers was received for the second quarter of 2015, as compared to one request for approximately every 31,173 customers received for the same period in 2014, representing a 27.52% 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 second quarter of 2015, the unscheduled absence percentage was 5.9% which, when compared to 5.1% for 2014, shows a 15.69% decline in attendance.

TEAM Results through June, 2015

Performance Measure	Target June, 2015	Through June, 2015	Payout
Safety – Preventables	1.1 or below	1.68	$10.00
Safety – OJI's	11.1 or fewer injuries per 200,000 hours	10.9	$10.00
No. of Miles Between Service Interruption	8,000 or above	6739	$10.00
On-Time Performance	80% or above	69%	$10.00
Ridership	49,500,000	23,158,948	$10.00
Ride Happy or Ride Free	1 request for every 30,000 riders	22,593	$10.00
Attendance	5.0% or below	5.9%	$40.00

Passenger Fares*	20% of operating costs *Year-end target*	18.66%	$100.00* *(*One time year-end payout)*

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 2013 - 2015 is 22.0%. 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 current quarterly performance period of April 1, 2015 – June 30, 2015 represents the second quarter of FFY 2015. To conform the Quarterly Performance Report to the Federal Semi-Annual Report, DBE participation is calculated on the "federally assisted" portion of contracts only. The total amount awarded during the current quarter on contracts greater than $100,000 was $2,673,437. This amount included DBE participation of $326,871 or 12.2%. FFY 2015 Year-to-date DBE dollar and percent participation total $4,600,147 or 25.7% on contracts of $17,892,654.

QUARTERLY - PARTICIPATION OF DBE FIRMS BY CLASSIFICATION (October 1, 2014 – March 31, 2015)

Classification	1st. Quarter Oct. 1 – Dec. 31		2nd Quarter Jan. 1 – Mar. 31		3rd Quarter April 1 – June 30	
Caucasian Female	$72,819	17.4%	$1,870,729	48.5%	$163,409	50.0%
African American	$155,000	37.1%	$1,456,756	37.8%	$160,594	49.2%
Native American	$190,165	45.5%	0	0	0	0
Asian	0	0	$37,317	1.0%	0	0
Hispanic	0	0	$490.790	12.7%	$2,868	0.8%
TOTAL	**$417,984**	**100.0%**	**$3,855,592**	**100.0%**	**$326,871**	**100.0%**

Current Quarter – DBE Performance by Contract Category
(April 1, 2015 – June 30, 2015)

	Construction	Services	Equipment & Supply	Total
DBE Dollars	$326,871	0	0	$326,871
All Dollars	$2,673,437	0	0	$2,673,437
% DBE Participation	**12.2%**	**0**	**0**	**12.2%**

Year-to-Date
DBE Performance by Quarter
(October 1, 2014 – September 30, 2015)

	Total Contracts	DBE Participation	% DBE Participation
1st Qtr.	$1,491,048	$417,984	28.0%
2nd Qtr.	$13,728,169	$3,855,292	28.0%
3rd Qtr.	$2,673,437	$326,871	12.2%
Total Y-T-D	**$17,892,654**	**$4,600,147**	**25.7%**

Office of Business Development Activities

Outlined below are selected efforts undertaken during the second quarter of FFY 2015

Selected Certification Activities during the quarter include:

- New Certifications: 3
- Re-Certifications: 4
- On-Site Visits: 9
- Denials: 0

Selected Contract Compliance Activities during the quarter include:

- Completed 18 Goal Settings
- Conducted 3 Field site monitoring reviews
- Reviewed 18 Certified Payrolls

Selected Outreach Efforts during the quarter include:

- Attended Prevailing Wage & Minimum Wage Webinar
- Attended ODOT, Ohio Turnpike Disparity Study meeting
- Attended City of Cleveland Certification Event
- Attended ODOT's Town Hall Meeting
- Participated on Match Maker for Small Businesses at Progressive Field
- Attended the Republican National Convention Supplier Forum and Discussion on Minority Economic Inclusion
- Held Community Outreach meeting for DBE Goal Setting

Affirmative Action

The numbers reported for the 1st Quarter include new hires, rehires, and promotions in each of the designated categories. "N/A" means there is no under-utilization in this category and consequently no affirmative action goal was set for the year 2015.

PERFORMANCE MEASURE	2015 Target		First Quarter		Second Quarter		Year to Date	
Affirmative Action:	Minority	Female	Minority	Female	Minority	Female	Minority	Female
▪ Officials/Administrators	N/A	1	N/A	1	N/A	1	N/A	2
▪ Professionals	N/A	7	N/A	7	N/A	9	N/A	16
▪ Technicians	N/A	1	N/A	0	N/A	3	N/A	3
▪ Protective Services	N/A	2	N/A	2	N/A	0	N/A	2
▪ Administrative Support	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
▪ Semi & Skilled Craft	N/A	3	N/A	1	N/A	0	N/A	1
▪ Service Maintenance	N/A	37	N/A	45	N/A	69	N/A	114
Total	**N/A**	**51**	**N/A**	**56**	**N/A**	**83**	**N/A**	**149**

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

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

PROJECT	DESCRIPTION	STATUS
Bridges		
Rehabilitation of Transit Track Bridge over East Blvd/MLK Design (27S)	Track bridge rehabilitation design Consultant: Euthenics Design Cost: $155,158	Contract awarded May 20, 2008 and notice to proceed issued July 10, 2008. Euthenics has completed the design and construction documents. Project to be re-advertised early 2016.
Rehabilitation of E. 81 & E. 83 St Track Bridges on Shaker Line (27V)	Track bridges rehabilitation design Consultant: TranSystems Design Cost: $178,954	Board awarded contract on December 20, 2011. Notice to proceed issued January 20, 2012. Contract is at 100% design completion. New GCRTA Bridge Engineer reviewing design. TranSystems is bringing documents up-to-date for bidding. Project bid and construction contract awarded at the April 21, 2015 Board meeting. Consultant providing construction administration services.
Construction of E. 81st & E. 83rd Street Track Bridges on Shaker Line	Contractor: Schirmer Construction Construction Cost: $2,237,000	Notice to Proceed issued May 18, 2015. First weekend shutdown planned for July 25-26 for construction.
CSX/E. 92nd Track Bridge Rehabilitation Design (27W)	Design for truss bridge rehabilitation; timbers and track previously replaced Consultant: TranSystems Design Cost: $275,299	Board awarded contract on October 21, 2014 Inspection of existing conditions completed. Preparation of design report completed. Additional construction funding being sought for bridge painting.

Trunk Line Retaining Walls (14.97)	Rehabilitate guard walls along Shaker Blvd. between Buckeye-Woodhill & Shaker Square Consultant: MS Consultants Design: $225,324	Board awarded contract on October 21, 2014. Inspection work completed and design alternatives report issued. Decisions being made on best way to proceed. Presentation made to Shaker Square Historic District in January 2015 and proposed design was approved. Additional funding being sought for preferred repair alternative which will need to be constructed in phases.

Track & Signal

Trunk Line Signaling (12D)	Design for Trunk Line (E. 79 to Shaker Sq. Station) Signal System Replacement Estimate: $8,000,000	Design being completed in-house by GCRTA Engineering Department. Project reviewed by On-Call Rail Consultant. Design suspended pending hire of new Signal Engineer. Vacant position is advertised.
Shaker Junction Reconstruction Design (23V4)	Engineering services for the reconstruction of Shaker Junction and Square Grade Crossings Consultant: TranSystems Design Cost: $421,979	Received Inspection Findings & Rehabilitation Alternatives Analysis Report on February 12, 2013. Report review meeting held March 19, 2013. Comments returned to TranSystems. Board awarded construction project March 18, 2014. Project construction complete. Project in close-out phase.
Shaker Junction Reconstruction (23V4 Ph I)	Reconstruction of Shaker Junction and Square Grade Crossings Contractor: Delta RR Construction Cost: $2,623,852	Contract awarded March 18, 2014. Notice to Proceed issued April 22, 2014. Track reconstruction complete. Project in close-out phase.
Red Line West 117th Station to S. Curve (52H)	Reconstruct Track and Drainage Contractor: TBD Cost Estimate: $1,400,000	Construction documents are currently out for bids. Anticipated awarding contract at July 28, 2015 Board Meeting.
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 is completing 3 construction packages of 3 crossings per package. The first package was bid and awarded at the March 24, 2015 Board Meeting. The second package is 90% complete.

Nine Light Rail Grade Crossings Construction (23V5 Phase 1)	Reconstruction of Three of Nine Grade Crossings Contractor: Delta RR Construction Cost: $3,049,341	NTP issued April 13, 2015. The first construction will commence July 25-26 with the replacement of S. Park crossing on the Green Line.
West 65 Substation Replacement (23Z)	Relocate W. 74th Interlocking and install modular substation Consultant: TBD Estimate: $110,000	RFP responses due 7-31-15 for the design of three modular substations, W. 65th, Puritas and Warrensville-Van Aken.
Puritas Substation Replacement Design (60A)	Replace Puritas Substation Consultant: TBD Estimate: $110,000	Design with modular components to be undertaken with W. 65th St. and Warrensville/Van Aken. RFP responses due 7-31-15.
Warrensville/Van Aken Substation Replacement (16.36)	Replace Warrensville/Van Aken Substation Consultant: TBD Estimate: $110,000	Design with modular components to be undertaken with W. 65th St. and Warrensville/Van Aken. RFP responses due 7-31-15.

Passenger Facilities
Rapid Stations

Brookpark Rapid Transit Station Design (24J(c) ARRA	A/E services for design of Brookpark Station Consultant: Bialosky + Partners Cost: $1,318,888	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. Awarded contract June 18, 2013 for Phase I of East Parking Lot. Construction completed. Project awarded at the March 24, 2015 Board meeting to Mid American Construction. A/E assisting with construction administration phase.
Brookpark Rapid Transit Station Construction (24JC)	Reconstruction of the Brookpark Station Contractor: Mid American Construction, LLC Cost: $11,387,000	NTP issued May 11, 2015. Contractor preparing to mobilize for July start of sitework.

Cedar-University Station Reconstruction Design (24K)	Reconstruction of Red Line rapid station Consultant: URS Design Cost: $1,645,291	Contract awarded September 21, 2007; notice to proceed issued October 15, 2007. Change order processed October 2010. FTA approved environmental documentation December 2010. Tiger II MOU executed by FTA. Bids on December 6, 2011 exceeded the budget. Value engineering completed April 26, 2012. Second bids June 7, 2012; McTech Corporation awarded construction contract June 18, 2012. Project in closeout phase. A/E preparing as-built drawings and LEED Certification.
Cedar-University Station Reconstruction (24K)	Reconstruction of Red Line rapid station Contractor: McTech Corporation Cost: $15,977,948	Contract awarded June 18, 2012 and Notice to Proceed issued July 10, 2012. Groundbreaking ceremony September 19, 2012. Roadway, utility and sidewalk work completed on new bus station side. Canopy under bridges completed. Bus station structure completed. Ribbon cutting ceremony held on August 28, 2014 and the rail and Bus Stations completed and opened for service. Work on West (South) side of Cedar continues. Contractor missed the final completion date of December 16, 2014 and liquidated damages could be assessed. Work finally completed May 29, 2015. Closeout underway.
Little Italy - University Circle Station Design (24P)	ADA rehabilitation of station and transit track bridge reconstruction Consultant: City Architecture Design Cost: $1,755,493	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 providing construction support.
Little Italy - University Circle Station Construction (24P)	ADA rehabilitation of station and transit track bridge reconstruction Contractor: McTech Corporation Cost: $11,213,323	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. Track and bridge relocation, new platform, new headhouse shell and stair/elevator structure completed. Platform canopy columns erected. Interior work continuing. Steel mesh installed. Terrazzo floor installed. Elevator installed. Interior work continues. New substantial completion date is August 6, 2015.

E. 120 St. Station Demolition (24P-3)	Demolition of existing station when Little Italy opens Contractor: TBD Cost Estimate: $400,000	Construction documents are currently out to bid. Anticipated to be awarded at the July 28, 2015 Board meeting.
E. 116 St. Station Environmental Documentation (24R EA)	Complete environmental documentation for station design Consultant: Michael Baker Jr., Inc. Cost: $57,200	Contract awarded March 6, 2014 and Notice to Proceed issued March 12, 2014. Consultant gathering data and coordinating with A/E as 30% design completed. Section 106 report drafted and comments returned to contractor. New ramp work required additional Section 106 surveys and revised documentation which is scheduled to be sent to FTA on July 10, 2015. Final concurrence is expected at the end of August.
E. 116 Station Design (24R)	ADA reconstruction of E. 116 Light Rail station Consultant: City Architecture Design Cost: $501,842	Request for Proposals received January 3, 2014. Board awarded contract to City Architecture March 18, 2014. Notice to Proceed issued April 24, 2014. Schematic design alternatives submitted June 25, 2014. Development of 60% design completed. Design proceeding to 100%.
Lee/Van Aken Station Rehabilitation Construction (24S)	ADA rehabilitation of Blue Line station Contractor: Schirmer Construction Cost: $5,894,340	Bids received on March 19, 2014. Contract awarded April 15, 2014 and Notice to Proceed issued May 15, 2014. Temporary stairs installed. Old stairs and platforms removed. North elevator tower completed. Work on south elevator tower continues. Precast stairs installed on both sides. Elevator equipment installation completed. Work on platform footers Phase I completed. Stair canopies and tower roofs installed.
Lee-Shaker Station ADA Design (24T)	ADA rehab. of Lee-Shaker Station Consultant: CHA Cost: $160,000	Make station accessible under the ADA, restore platform and track, and update signage and lighting. Consultant contract approved at January 20, 2015 Board meeting. 30% design received and comments returned to A/E.
Warrensville-Shaker and Lee-Shaker Station Environmental Documentation (24T-EA)	Completion of Section 106 Environmental Document Cost: $54,500 Consultant: Lawhon & Associates	Completion of Section 106 Environmental Documentation required for stations. NTP issued March 13, 2015 to complete by August 2015. Public meeting is scheduled for Warrensville-Shaker on July 22nd at Shaker Heights City Hall. Final concurrence is anticipated in September. Lee-Shaker documentation is awaiting completion of 30% design. Final concurrence is scheduled for December 2015.

Warrensville-Shaker Station Reconstruction (31F) Design (14.50 - Task 4)	ADA rehabilitation of Blue Line station Consultant: HWH Engineering Cost: $104,232	Design prepared by On-Call Architect/Engineer. Bid package finalized. Awaiting additional funding for construction.
Tower City Track 7 Platform and Track 8 Replacement (52F)	Design of Track 7 Platform upgrades and replacement of Track 8 Consultant: TranSystems Cost Estimate: $797,397	NTP issued April 9, 2015. Design 30% complete.
Tower City Escalator Replacement (54)	Replace Four Tower City Station escalators Contractor: KONE Construction Cost: $2,870,000	Project bid was awarded at April 21, 2015 Board Meeting. Notice to Proceed issued May 13, 2015. KONE has field-measured existing escalators and is now fabricating replacement parts.

Transit Centers
Park-N-Rides
Enhancements

Clifton Blvd. Transit Enhancement Design (51) ARRA	Clifton Blvd. transit enhancement program Consultant: Richard Bowen & Associates Cost: $953,806	Contract awarded November 17, 2009. Project started January 12, 2010. 100% design received May 13, 2013. Project advertised June 24, 2013 and construction bids received July 24, 2013. Project awarded at August 20, 2013 board meeting. Consultant is providing construction support and as-built plans. Project in close-out phase.
Clifton Blvd. Transit Enhancement Construction (51)	Clifton Blvd. transit enhancement program Contractor: Perk Co., Inc. Cost: $9,722,149	Contract awarded August 20, 2013 and Notice to proceed issued September 24, 2013. Bus pads in Lakewood completed. Tree cutting completed. Stations in Lakewood completed and in service. Work completed on roadway, medians, and stations in Cleveland. Substantial completion achieved. Ribbon-cutting held on December 8, 2014. Work on Cleveland traffic signal interconnect and loop detectors as well as station communications completed. Blue-light phones and cameras operational. Project close-out underway.

Planning

Clifton Blvd. Transit Enhancement Public Art (51-PA)	Solicitation for decorative poles and gateway elements Artist: TBD Estimate: $85,000	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. 3rd call for artists was limited to lighting professional. Finalists are scheduled for presentations on August 5, 2015.
HealthLine/Red Line Extension Analysis (55)	Alternative Analysis for HealthLine/Red Line Corridor Consultant: AECOM Cost: $1,100,000	Study of a major transportation improvement on HealthLine/Red Line Corridor. Contract awarded March 19, 2013. Notice to Proceed issued April 12, 2013. One preferred build alternative presented to the Board and public in May 2014. Second round of meetings held. Consultant now contining ridership modeling using NOACA's Regional demand model which was provided in late June. It is anticipated the forecasting can be completed in August. The final round of meetings will be scheduled in the fall. Project will be completed by end of 2015.
NOACA Five County On-Board Ridership Modeling (58)	Computer modeling work Consultant: Parsons Brinckerhoff Cost: $248,974	Contract awarded September 18, 2012. Notice to proceed issued November 26, 2012. Consultant is working on the mode choice model. Data received from NOACA's Household Survey contract, which had encountered issues affecting project schedule. The model is now complete. Final documentation is scheduled to be completed in July.
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: $54,170	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 has commenced.
Signage Manual Update (14.95)	Update of signage manual Cost: $39,060 Consultant: Studio Graphique	Update of signage manual to meet current standards. Final submittal has been received for RTA review. Project should be completed and closed out in August 2015.

Maintenance Facilities

CNG Facility System Hayden Design (61A)	Add CNG Fueling System to Hayden Garage Consultant: Trillium CNG Cost: $3,380,921	Board awarded contract September 16, 2014. Notice To Proceed issued October 1, 2014. Project underway. Fueling station completed and awaiting final inspection by the City of East Cleveland.
Infrastructure Upgrades @ Hayden & CBMF for CNG & Propane (61B)	Upgrade facilities for CNG and Propane fueling at Hayden and CBMF Consultant: Wendel Estimate: $486,093	Board awarded contract on October 21, 2014. Design completed. Construction of improvements underway – awaiting City inspection and approval.
Rail Car Shop Wash Track and Transfer Table Track (14.87 and 14.88)	Design Replacement of tracks in the rail car shop Consultant: Transystems Cost: $118,227	Designs complete and construction contract awarded at May 19, 2015 Board meeting.
Rail Car Shop Wash Track and Transfer Table Track (52G)	Construction of Replacement of tracks in the car shop Contractor: RailWorks Track Services Cost: $697,184	Contract awarded at May 19, 2015 Board meeting. Expect NTP in July.

Bus State of Good Repair Grant Projects
Central Bus Maintenance Facility

53B - Task 8 Phase III	Pavement and Walk Repairs Contractor: Perk Company Cost: $204,999	Final SOGR. Project contract awarded at June 16, 2015 Board meeting. Expect NTP in July with construction completed by end of 2015.