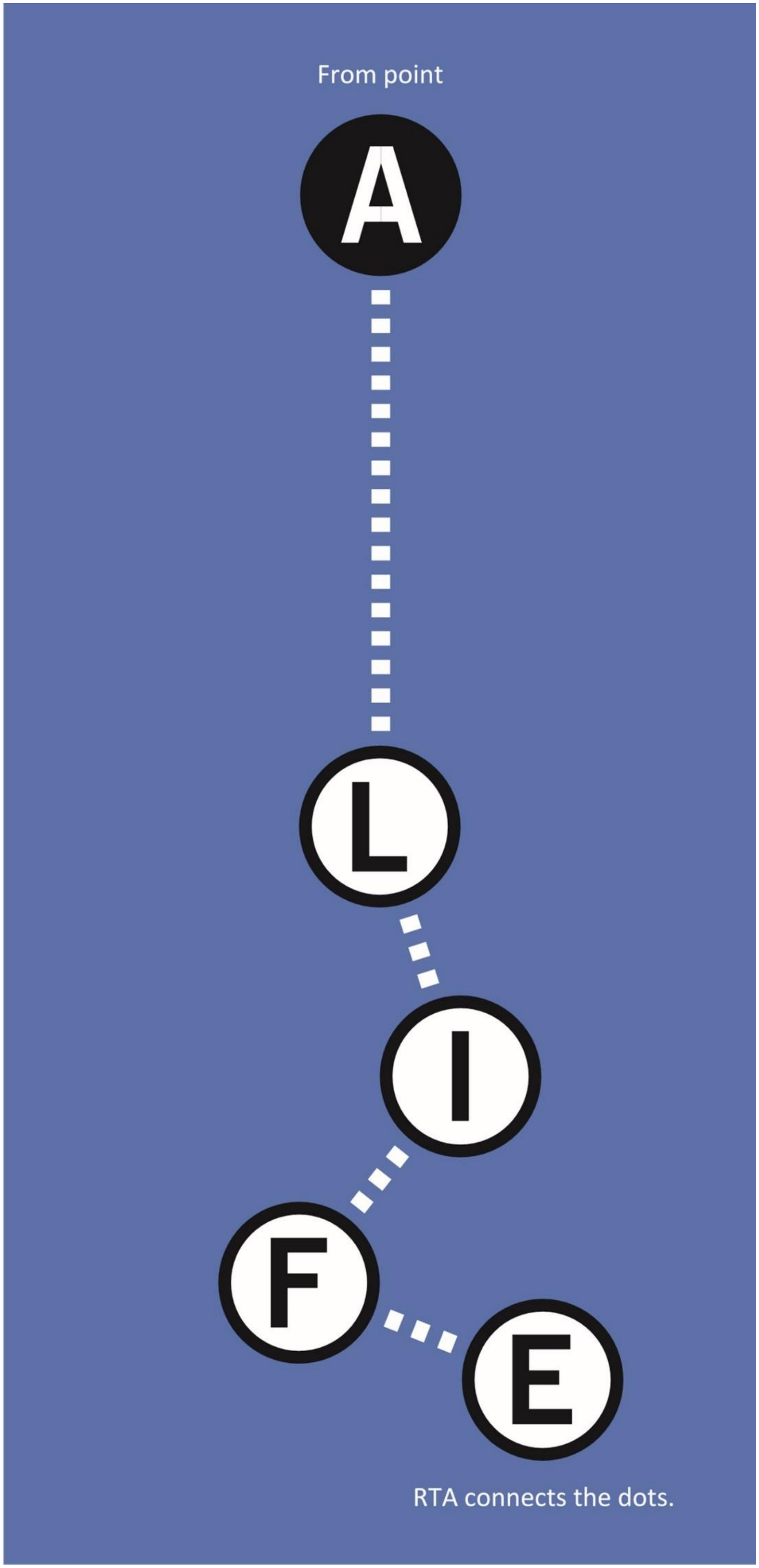
Greater Cleveland Regional Transit Authority

Quarterly Management Report

Third Quarter 2015

October 2015



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From the CEO

The highlight of the third quarter, was the RTA ribbon cutting to officially open our newest Red Line Station, the Little Italy-University Circle Station. This new station replaces the old Euclid Avenue and East 120th Street station. It's all about location, and this is a fantastic one! This station has a more modern and artsy look that really speaks to the Little Italy-University Circle neighborhood.

During the quarter RTA also activated the CNG fueling station at the Hayden District and put into service our new 90 CNG buses. These buses are being met with great reviews by our customers for their comfort and quietness. The new design is clean and modern and certainly enhances RTA's image.

Speaking of RTA's image, several awards and recognitions were bestowed on RTA and its fine staff during the quarter. Individual awards were given to MDP, José Feliciano who was recognized by Crain's Forty under 40 for his professional success and civic contributions and District Director, Dr. Floun'say Caver was awarded the Distinguished Alumni Award from Cleveland State University. RTA received the Silver Level award for Excellence from The Partnership of Excellence, and RTA was honored with the Innovative Solutions Award from METRO for Transit and Motorcoach Business.

RTA was also the recipients of two Federal grants. One grant is to enhance our succession planning efforts through workforce development initiatives, while the other, to enhance pedestrian safety. This demonstration grant was awarded to RTA to develop and evaluate hi-tech collision avoidance hardware and software that could hopefully be deployed throughout the industry based upon the success of this demonstration program.

Beginning with an in-depth Financial Analysis, the enclosed report details the activity and operating results of RTA through the third 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 you in carrying out your oversight role and statutory responsibilities as the Governing Board of the Authority.

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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 in 2014 was $26.9 million, $11.5 million less than 2013, but $12.5 million better than budget. RTA took conservative actions for the 2015 Budget to try to keep this fall in 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, 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 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. At the end of October, Sales Tax is 5.84% ahead of 2014 and the projection is $206.6 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 as the Cleveland Metropolitan School District (CMSD) paid $1.1 million for 2013 student tickets in January 2014. This occurred again in 2014. RTA was paid $1.9 million for 2014 in June 2015. 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 is projected at $50.1 million this year. The payment of the $1.9 million owed from CMSD for 2014 and the initial payment for 2015-2016 of $4.2 million has lifted this item above budget.

The Great Recession reduced revenues. Revenues recovered 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. The Authority was above the $300 million level for the second year. For 2015 the estimate is $312.6 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 through 2013 where expenses were $210.3 million, $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. RTA efforts to curb this increase in expense in 2015 is effective as the 3rd Quarter estimate is $247.1 million, about $8 million less than the 2015 budget and .3% less than last year.

The **End of Year Balance** increased from $2.9 million in 2009 to $20.2 million in 2010. That 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 and consequently, the ending balance totaled $26.9 million due to the fact that the budgeted ending balance for 2015 is $13.1 million, it is imperative for RTA to execute well to achieve at least a 30-day reserve. The 3rd Quarter estimate for year-end balance for 2015 is $25.9 million, about $300,000 better than 2nd Quarter estimates, above the 30-day Reserve and $12.8 million better than budget.

Capital expenditures: Expenditures within the two capital budgets of the Authority, the RTA Capital Fund and RTA Development Fund are projected to end the year at a combined $95.28 million or nearly $16.0 million below the amended capital outlay of $111.35 million. Earlier in the year due to the delivery of 60 40-Ft CNG buses, various Operating Budget reimbursement draws and activities within the Rail projects category, capital expenditures were trending upwards in comparison to prior years, but in recent months, several large projects began to wind down including the reconstruction of the Cedar-University and Little Italy-University Stations and delays in some programmed projects has caused expenditures to slow in comparison to prior years as the construction season ends.

At end of the third quarter of 2015, $67.4 million of expenditures have been generated within the RTA Development and RTA Capital Funds which is below the $75.18 million through the third quarter of 2014, but above the $62.0 million generated in 2013. At the end of the third quarter over $70.0 million of funding is encumbered for upcoming work within the capital program and expenditures are project to remain near historically high levels. In the future as grant funds continue to be 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 has allowed for the rehabilitation of the Airport Tunnel and S-Curve on the Red Line, Cedar - University and Little Italy Rapid stations, and the planned reconstruction of Platform 7 & Track 8 at Tower City as well as the reconstruction of Red Line Track between W. 30th and W. 74th. Additional SOGR capital projects are 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 4 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%, but by the end of the second quarter, the Operating Ratio fell to 20.9%. The 3rd Quarter estimate for Operating Ratio is 21.1%. Passenger Fare was projected at $50.8 million at the end of the first quarter, but was reduced to $49.9 million in the second quarter. For the 3rd Quarter, Passenger Fare revenue is estimated at $50.1 million, due to additional receipts from Cleveland Municipal School District. Operating expenses are estimated to end the year $8.0 million under budget, about $0.2 million less than first quarter estimates. This ratio is hovering between 20% and 21% and, indicate the necessity of a future fare increase. Fares were last increased in 2009.

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 budgeted at $123.6 and 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 2nd Quarter 2015 was 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. Through the 3rd Quarter, operating expenses were maintained and prior year encumbrances were closed and the funding held back. By the end of the 3rd Quarter, the Cost per Hour of Service was $124.1, an increase of 0.4% compared to 2014. This is 1.5% lower than budget and 0.6% lower than 2nd Quarter estimate.

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 3rd Quarter 2015 is 0.4%, compared to 2014; therefore this indicator has been 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 $20.5 million. The ending balance for 2015 is projected at $25.9 million. This yields an operating reserve of 1.3 months. This objective was met in 2010 for the first time in years. For 2011 through 2013, the Operating Reserve met or exceeded 2.0 months, and for 2014 the Operating Reserve was 1.3 months. Our projection is that this Financial Policy objective of 1.0 months will be met for 6 straight years in a row.

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. It then decreasing 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.

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. The indicator 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 above the maximum policy goal of 15%. The decrease in this measure, relative to budget is due to the $7.77 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 in the near future due to the Authority's aggressive Capital program aimed at achieving a State of Good Repair (SOGR) throughout its capital assets.

At a projected 96.9%, 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. 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 which has enabled the Authority to shift its financial resources to address many SOGR capital projects. These include the relocated Little Italy – University Circle station that opened in the third quarter of this year and the Lee-Van Aiken station which recently began opening in stages and complete reconstruction began on a new ADA accessible Brookpark Red Line Station.

The CNG fueling station at Hayden is now in service as are the first 60 replacement 40-Ft CNG buses. These will be followed by 30 40-Ft CNG buses currently being delivered and prepped for service and should all be fully operative by December. In addition, 16 40-Ft replacement CNG buses were ordered this year and scheduled for delivery in the second half of 2016; twelve Gillig replacement trolleys are on order with delivery scheduled for May 2016; and a contract for 20 MV1 Paratransit replacement vehicles was just approved by the Board in October with delivery in late-2015 or early-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.

End of Year Funds

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. The current estimate indicates RTA will end 2015 with a balance of $25.9 million. This marks six years of $20 million or more. Unfortunately, the budget shows this outcome is unlikely for 2016. RTA must execute well and bounce back to the $20 million level in 2018.

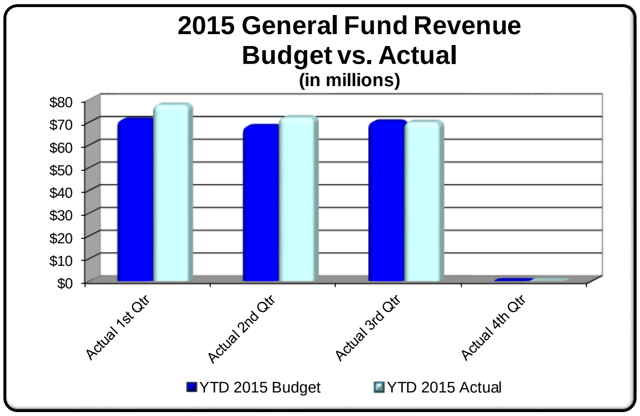
2015 - 3rd Qtr
Financial Policy Objectives

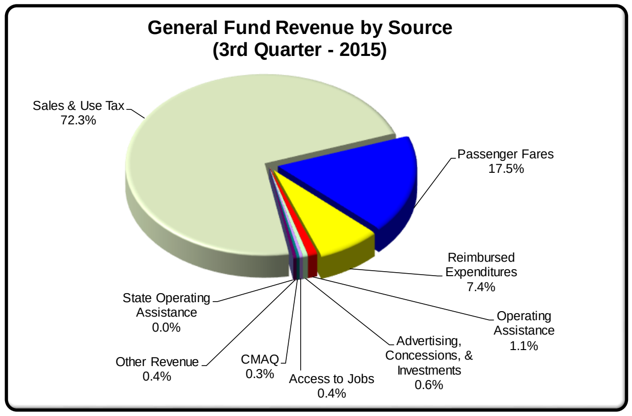
		Goal	2012 Actual	2013 Actual	2014 Actual	2015 Budget	2015 3rd Qtr
Operating Efficiency	**Operating Ratio**	**> 25%**	23.2%	22.0%	20.6%	20.2%	21.1%
	Cost/Hour of Service		$122.2	$129.1	$123.6	$126.0	$124.1
	Growth per Year	**< Rate of Inflation**	**-8.5%**	5.6%	**-4.2%**	4.4%	**0.4%**
	Operating Reserve (Months)	**> 1 month**	**2.2**	**2.0**	**1.3**	0.6	**1.3**
Capital Efficiency	**Debt Service Coverage**	**> 1.5**	**2.89**	**2.73**	**2.37**	**1.59**	**2.18**
	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%	96.9%

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	50,113,420	207,597
Advertising & Concessions	1,375,671	1,400,191	1,488,870	1,220,000	1,477,912	257,912
Sales & Use Tax	181,219,251	189,630,645	197,118,776	198,692,286	206,618,710	7,926,424
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	250,000	25,000
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**	**285,718,156**	**6,051,529**
Total Resources	**293,749,773**	**304,960,991**	**312,284,130**	**307,970,125**	**312,588,871**	**4,618,747**
Operating Expenditures						
Personnel Services	163,776,230	169,098,188	181,305,658	182,772,756	181,163,788	(1,608,968)
Diesel Fuel	10,687,417	13,956,183	14,335,896	13,440,000	11,845,797	(1,594,203)
Natural Gas	0	1,388,300	957,626	1,506,000	1,440,125	(65,875)
Other Expenditures	46,448,294	46,529,565	51,458,576	57,397,126	52,678,557	(4,718,569)
Total Operating Expenditures	220,911,941	230,972,236	248,057,756	255,115,882	247,128,267	(7,987,615)
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**	**286,694,808**	**(8,169,993)**
Ending Balance	40,713,945	38,394,320	26,870,715	13,105,324	25,894,064	12,788,740
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**	**25,894,064**	**12,788,740**

Operating Revenues





The pie chart to the right, and the bar graph at the left, visually portray the revenue status. The General Fund revenue received through the 3rd Quarter of 2015 totaled $212.9 million. This is $3.8 million, or 1.8%, higher than budget, and $8.2 million, or 4.0%, higher than 2014. This is mainly due to receiving an additional $8.0 million in Sales & Use Tax receipts and $1.0 million more in Passenger Fares than 2014 during the same period.

Sales & Use Tax, the largest source of local revenue, ended first quarter 6.5% above budget; by the second quarter, revenues slowed and by mid-year, receipts were only 5.0% above budget. Through the 3rd Quarter, Sales & Use Tax receipts were 4.3% higher than 2014 during the same period. 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. During the 3rd Quarter, the Cleveland Municipal School District purchased tickets for the 2015-2016 school year, which increased total receipts through the end of the 3rd Quarter $2.4 million higher than 2014 in the same period. The following is a discussion of major revenue categories.

Passenger Fares

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. 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 January 2015. As a result, RTA audited all payments due and received from CMSD. That audit has shown a total of $1.9 million was due from CMSD and payment was made in June. An additional $4.2 million was received in August 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, which included higher student U-Pass payments. The contract with Tri-C concluded in June. Tri-C has been very pleased with the program and executed a new 5-year contract.

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 frequently to and from work, church, and other errands. Through the 3rd Quarter of 2015, the differences in monthly core passenger fare, compared to 2014, are listed on page 8 (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%
Jul	$ 3.88	$ 3.73	-3.9%
Aug	$ 3.39	$ 3.48	2.7%
Sep	$ 3.63	$ 3.23	-11.0%
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. Through the 2nd Quarter, core passenger ridership decreased slightly, compared to 2014 figures, and during the 3rd Quarter, core passenger ridership continued to decrease. The budget for Passenger Fare revenue was 1.2% above 2014 levels. With a decrease of 0.7% at the end of the 3rd Quarter, core passenger ridership declined and is unlikely to reach the 1.2% goal. It is with the U-PASS and CMSD student fares that the budgeted fare level will be reached.

Advertising and Concessions

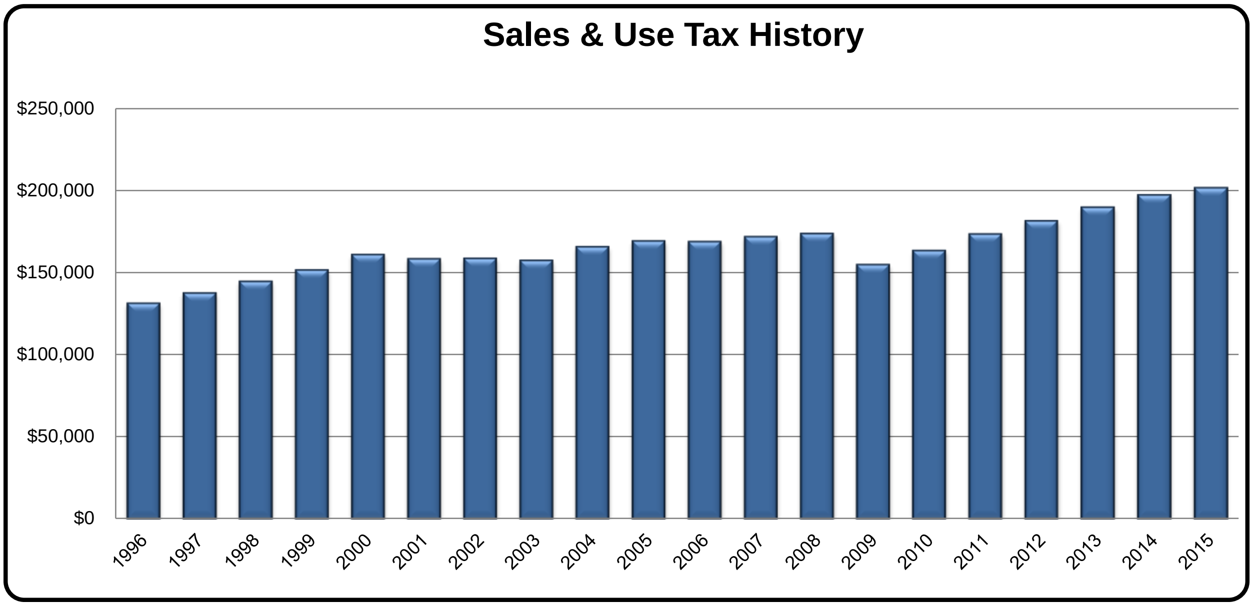
Revenue received from Advertising and Concessions through the second quarter of 2015 totaled $826,392. This was 17.3% above budget, but $51,060 less than the same period in 2014. Through the third quarter in 2014, $1.2 million was received in this revenue stream, which was 51.3% higher than budget and 7.2% higher than third quarter 2013. Through the 3rd Quarter 2015, Advertising & Concession receipts were 4.2% above 2014 levels and 29.7% above budgeted levels. By year-end, projected revenue for this category is expected to total $1.5 million.

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 9 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. Through July 2014, collections totaled $111.2 million, an increase of 2.3% compared to 2013 levels. The third quarter continued the fluctuating trend. 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 1st Quarter of 2015 were 6.5% above budgeted levels and 8.8% above the 1st Quarter 2014. The year-end projection was raised to $201.4 million, as the March collection was $20.8 million. This is the first monthly collection ever to exceed the $20 million mark. The projection was increased again in the second quarter to $206.4 million as the receipts for May and June were 9.7% and 7.2% above 2014 levels. Through the 3rd Quarter, Sales & Use Tax receipts are $8.1 million higher than 2014 levels and $4.8 million higher than budget. The year-end projection is again raised, to $206.6 million, or $9.5 million above 2014. Currently, collections are 5.84% ahead of 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 1st Quarter 2015 and the program ended April 1, 2015.

Investment Income

Through 3rd Quarter 2015, Investment Income earned totaled $237,153. This is $43,359 higher than budget and $80,889 higher than the 3rd 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 slightly higher than budget at $250,000.

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 3rd Quarter were $695,717, 24.7% less than budget and 46.2% less than the same period in 2014. The projection for Other Revenue by year end is $1.1 million matching 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, as well as other state, federal, and local reimbursements. These other 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. Preventive Maintenance for 2012 was 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 $23.1 million Reimbursements for Fuel Tax and Labor are budgeted at $1.3 million and $1.7 million, respectively. The remaining budgeted $20.1 million is for preventive maintenance reimbursements. Preventive maintenance reimbursements was lowered mid-year to $18.0 million, and this category will end the year $2.1 million under budget. The reduction of grant-funded reimbursements to the General Fund has been a long-term goal to maintain the level below $20 million in order to allow funding to be put toward capital projects and maintain a state of good repair.

The other budgeted grant-funded reimbursements include $950,000 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. Additionally, 2015 will be the final year for reimbursements for Paratransit Operations as funding has not been identified in the out years.

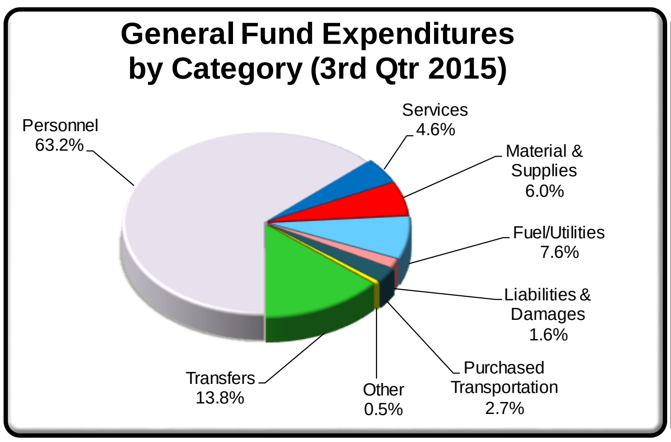
Operating Expenditures

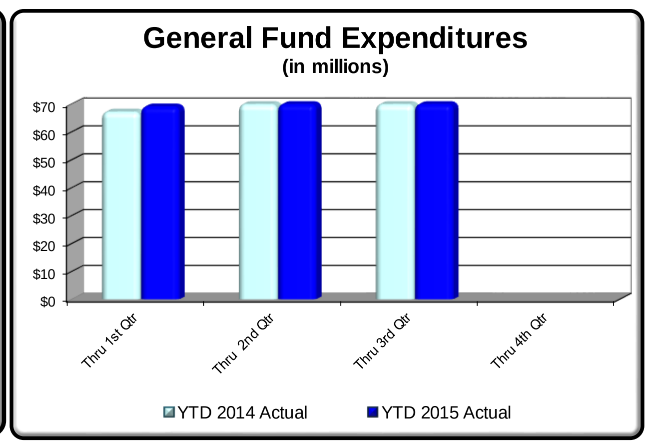
The chart to the right itemizes the major cost categories and compares projected costs with the current budget. The 2015 Operating Budget includes $255.1 million originally adopted for 2015 plus prior year rollover encumbrances of $7.9 million for a total budget of $263.0 million, not including transfers. Please note: this presentation differs from the expenditure number appearing in the fund balance statement on page 5 because it includes prior year encumbrances. Expenditures, net of prior year encumbrances, are further highlighted with the bar graph and the pie chart on page 10.

2015 3rd QTR ACTUALS BY CATEGORY
CURRENT BUDGET vs. ACTUAL COMMITMENTS

Category	Current Budget	Projected Expenses	Variance vs. Current Budget	
Personnel Services	182,571,473	181,170,892	1,400,581	0.77%
Services	17,127,378	15,846,799	1,280,578	7.48%
Material & Supplies	20,949,266	19,135,900	1,813,366	8.66%
Fuel/Utilities	25,631,544	23,579,207	2,052,337	8.01%
Liabilities & Damages	5,718,278	4,552,832	1,165,446	20.38%
Purchased Transportation	8,981,649	9,068,306	-86,658	-0.96%
Other	2,066,710	1,679,746	386,964	18.72%
Transfers	39,748,919	39,566,541	182,378	0.46%
	302,795,217	**294,600,223**	**8,194,993**	**2.71%**

Through the 3rd Quarter of 2015, personnel and operating costs for department needs totaled $185.5 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 3rd Quarter of 2015, Personnel Services totaled $132.3 million. Personnel Services is projected to end the year $1.4 million, or 0.8% under budget. Total Operating Expenditures, including fund transfers, are projected to end the year $8.2 million, or 2.7% under budget.





Personnel Services

Personnel Services are budgeted at $182.6 million. This included Operator, Hourly, and Salary labor, overtime, 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. Through the 3rd Quarter of 2015, Personnel Expenditures totaled $132.3 million and are expected to end the year 0.8% under budget, at $181.2 million, slightly above the 2nd Quarter projection.

An innovative contract settlement was reached in 2013 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 continued through the 2nd and 3rd Quarters of 2015. A new contract agreement was reached in October. Consequently, wage increase estimates for ATU for 2015 are 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 3rd Quarter projections estimate this category to end the year near budget.

Services

Through the 3rd Quarter of 2015, the expenditures in the Services category totaled $10.4 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 $13.3 million, or $1.3 million under budget.

Material and Supplies

The expenses for Material and Supplies category through the 3rd Quarter totaled $15.3 million. This category includes inventory, postage and duplicating expenses, and the parts for the NAPA contract. An additional $750,000 was added to Inventory in 2014 and has fluctuated over the years. Through the 3rd Quarter of 2015, Inventory funds were increased by $1.5 million for Predictive Maintenance. The Material & Supplies category is projected to end the year at $17.2, or 9.5% under budget. This category has been monitored closely throughout 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 72 contracts. RTA now has 63 contracts for 2017 and is completely hedged. An additional 18 contracts for 2018 have been purchased out through September at about $1.80/gal. We are currently under budget for 2015 by about $615,000. The budget for fuel for 2015 is $13.440 million and our latest projection for 2015 is $12.065 million. RTA expects to end the year $1.375 million under budget.

From 2010 through 2014, cumulative electrical savings of $13.6 million were realized. An electrical supply contact was bid at the end of 2013. Six bids were received and the provider was selected with just a slight increase from the last three years, though 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 $21.7 million, or 8.6% 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 3rd Quarter of 2015, the expenses for this category totaled $3.3 million and are projected to end the year at $4.5 million, or $1.2 million 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 and costs ended each year near budget. 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 $8.1 million, which includes a transfer of $562,000 due to increased ridership. By year end, ADA Purchased Transportation is projected at $8.2 million.

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 Brunswick are budgeted at $523,742 million 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 enabled the Authority to provide services through March 2015, and 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 through the 3rd Quarter totaled $1.1 million. This category is projected to end the year at $1.7 million, or $386,964 under budget.

Transfers to Other Funds

Transfers from the General Fund to the other Funds of the Authority are made periodically during the year to establish payments for catastrophic losses, benefits for certain retired employees, local funding and local match for capital projects, and principal and interest payments on issued bonds. These funds include the Insurance Fund, Pension Fund, Capital Fund, and Bond Retirement Fund. In 2014, transfers were reduced to the Insurance Fund and ended the year under budget by $1.2 million as implemented safety initiatives have helped to lower the costs of claims. For 2015, a transfer of $1.5 million was budgeted and the transfer was completed in the 1st Quarter. Transfers to the Pension Fund of $100,000 have been made.

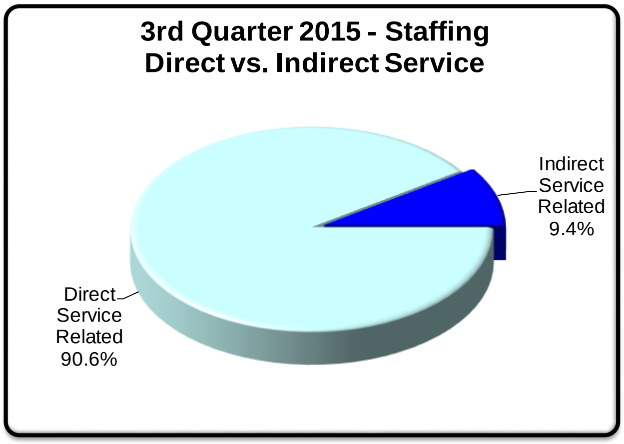
The Bond Retirement Fund transfer is the debt service less the investment income earned in the Bond Retirement Fund. The interest and principal payments on outstanding debt are taken from debt amortization scheduled. The Bond Retirement payment was lowered in 2012 and 2013 due to the $3.8 million premium 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. In 2015 a transfer of $22.6 million is budgeted and $9.1 million has been transferred through the 3rd Quarter. By year end, transfers to the Bond Retirement Fund are projected to total $22.3 million, slightly under budget.

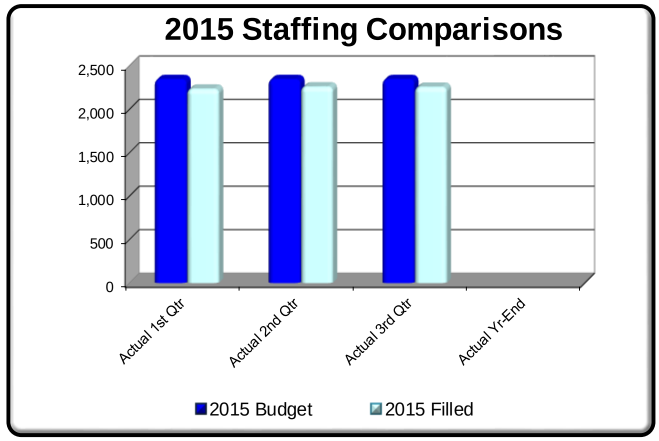
The transfer to Capital Improvement Fund covers 100% locally funded Asset Maintenance and Routine Capital projects in the RTA Capital Fund, as well as, required local matches for most grant-funded projects in the RTA Development Fund. An additional $160,176 is needed for the Capital Fund transfer as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

Staffing

The charts below summarize staffing as of the end of the 3rd 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 3rd Quarter, a total of 2,256 positions were filled, consisting of 2,108 full-time and 148 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 improved as debt service payments were reduced by $342,554 below the budgeted amount for 2015. The transfer from the General Fund to the Insurance Fund was completed during the 1st Quarter at $1.5 million. 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 2nd Quarter, the appropriation to the Law Enforcement Fund was increased by $177,000. This funding is being 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

The current combined capital budget appropriation within the Authority's 2015 capital program of $351.38 million includes the original Fiscal Year (FY) 2015 Capital Budget approval of $72.14 million plus $15.86 million Amended Budget 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 third quarter and compares year-end projected commitments to current category budgets.

At the end of September, combined capital project commitments total $285.56 million including $215.38 million of ITD expenditures and $70.18 million of current encumbrances resulting in a positive variance of $65.82 million, or 18.7%, relative to the combined capital budgets. At the end of third quarter, $55.83 million of the current expenditures were expensed on Bus Improvements at $28.01 million, Preventive Maintenance (PM) and other reimbursements to the Operating

Budget at $16.22 million and Rail project at $11.6 million. All other capital activities during the third quarter were mainly continuation of projects that began in prior fiscal years and continued progression throughout 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 $314.18 million and a positive year-end variance of $37.20 million, or 10.6% 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	$15,051,773	$12,488,116	$14,576,555	$475,218	**3.2%**
Bus Improvement Program	$61,594,831	$55,936,059	$60,155,022	$1,439,809	**2.3%**
Equipment and Vehicles	$41,293,620	$37,427,637	$39,997,453	$1,296,167	**3.1%**
Facilities Improvements	$19,903,209	$14,619,182	$16,516,079	$3,387,130	**17.0%**
Other Projects	$10,219,403	$5,482,789	$5,801,132	$4,418,271	**43.2%**
Preventive Maint./Operating Reimb.	$52,361,125	$44,761,885	$51,008,443	$1,352,682	**2.6%**
Rail Projects	$126,715,651	$92,194,069	$103,442,969	$23,272,682	**18.4%**
Transit Centers	$24,241,543	$22,652,428	$22,682,428	$1,559,115	**6.4%**
Grand Total	**$351,381,156**	**$285,562,164**	**$314,180,081**	**$37,201,075**	**10.6%**

<u>Current Year Expenditures by Capital Category</u>

The chart below lists year-to-date (YTD) category expenditures and their related percentage of total capital expenditures for the current year through the end of the third quarter and compares them with the two previous years at the same point in time. So far, capital expenditures have decreased 11.0% relative to the two prior years, this is due to delays in anticipated grant awards and unanticipated cost increase in construction for Rail Projects, which will delay various projects until next year due to the lack of funding.

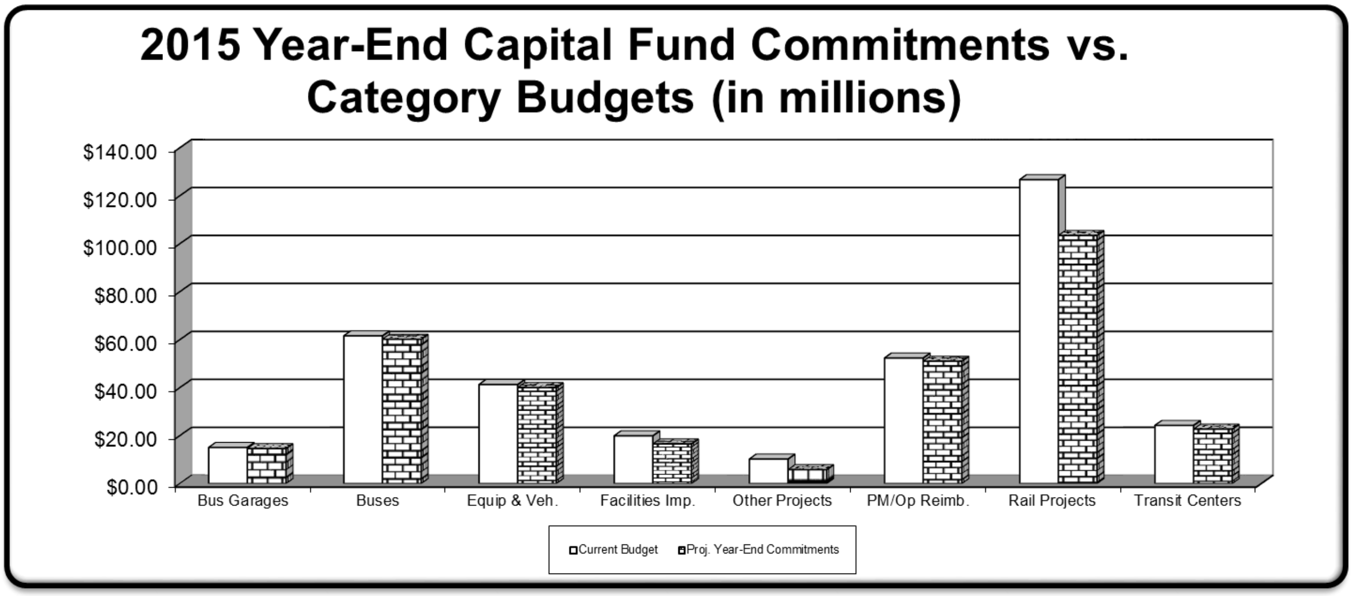
Most of the capital expenditures in the third quarter were within the Bus Improvement category generating $28.09 million, or 41.7% of capital expenditures, Preventive Maintenance/Operating Expense Reimbursement draws totaling $16.22 million, or 24.1%, and Rail Projects at $11.57 million or 17.2%, representing a combined 83% of all capital expenditures.

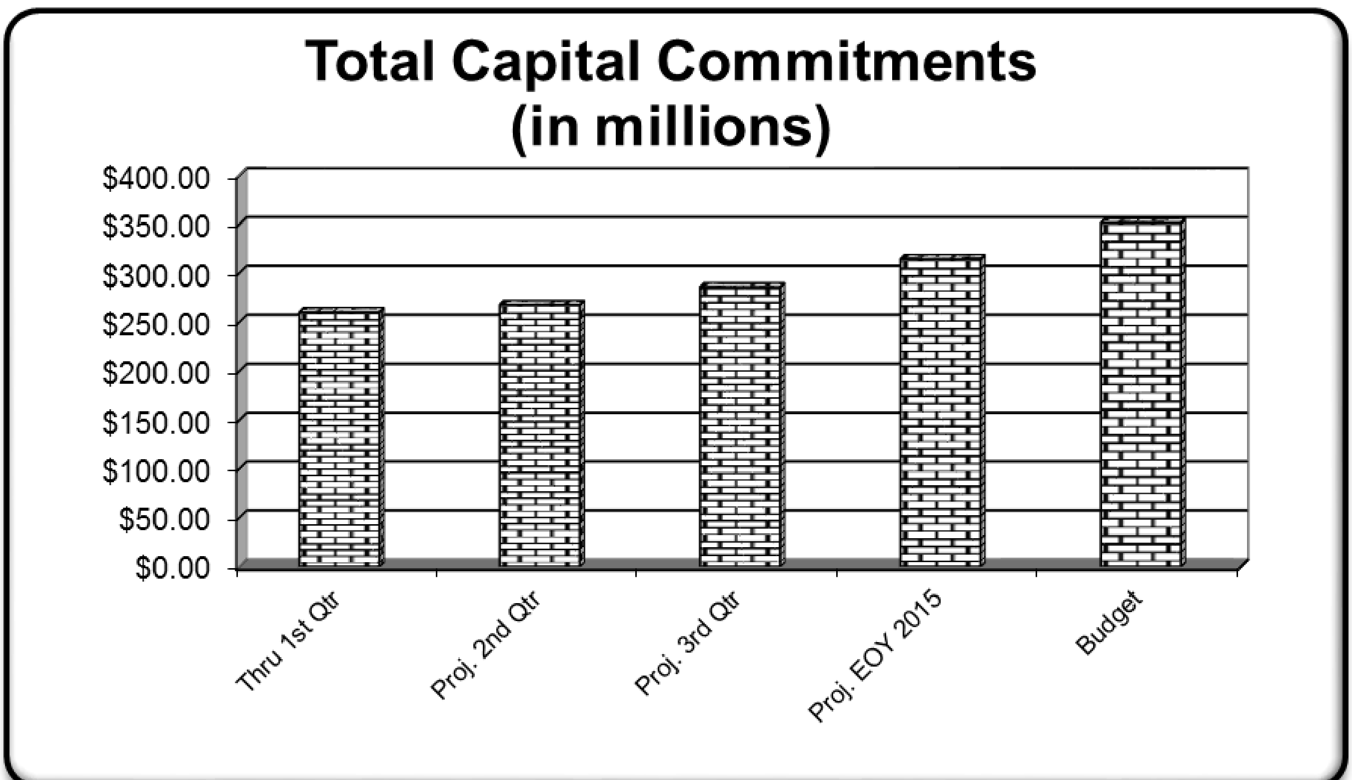
During the remainder of the year programmed capital activities will significantly increase expenditures in the Rail Projects, Bus Improvement Program and Bus Garages categories. Such projects include reconstruction of the Brookpark Red Line Station, completion of Lee/Van Aken Blue Line Station, various track rehabilitation projects including three Light Rail Crossings and completion of the Shaker Square track reconstruction, the delivery of an additional 16 40-Ft CNG buses, related projects for the CNG fueling station, and to address CNG building compliance issues.

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

CAPITAL EXPENDITURES BY CATEGORY THROUGH THIRD QUARTER

Category	2015	%	2014	%	2013	%
Bus Garages	$3,580,623	**5.3%**	$1,056,329	**1.4%**	$1,673,944	**2.7%**
Bus Improvement Program	$28,092,668	**41.7%**	$16,040,223	**21.3%**	$844,549	**1.4%**
Bus Rapid Transit	*$0*	***0.0%***	*$0*	***0.0%***	*-$15,575*	***0.0%***
Equipment and Vehicles	$1,704,308	**2.5%**	$4,146,402	**5.5%**	$6,119,419	**9.9%**
Facilities Improvements	$3,746,207	**5.6%**	$3,675,324	**4.9%**	$2,131,501	**3.4%**
Other Projects	$1,830,253	**2.7%**	$3,416,468	**4.5%**	$3,485,386	**5.6%**
Preventive Maint/Op. Reimb.	$16,219,854	**24.1%**	$16,268,501	**21.6%**	$14,144,285	**22.8%**
Rail Projects	$11,571,719	**17.2%**	$24,403,667	**32.5%**	$30,945,437	**49.9%**
Transit Centers	$622,417	**0.9%**	$6,176,673	**8.2%**	$2,671,350	**4.3%**
Grand Total	**$67,368,049**	**100.0%**	**$75,183,587**	**100.0%**	**$62,000,296**	**100.0%**


2015 Year-End Capital Fund Commitments vs. Category Budgets (in millions)
$140.00
$120.00
$100.00
$80.00
$60.00
$40.00
$20.00
$0.00
Bus Garages
Buses
Equip & Veh.
Facilities Imp.
Other Projects
PM/Op Reimb.
Rail Projects
Transit Centers
Current Budget
Proj. Year-End Commitments


Total Capital Commitments (in millions)
$400.00
$350.00
$300.00
$250.00
$200.00
$150.00
$100.00
$50.00
$0.00
Thru 1st Qtr
Proj. 2nd Qtr
Proj. 3rd Qtr
Proj. EOY 2015
Budget

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

Bus Garages

The primary focus within this category during 2015 has been 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 third quarter, $12.49 million of the current $15.05 million category budget was committed leaving a positive variance of $2.56 million or 17.0%. Total category commitments include $8.12 million of ITD expenditures and $4.39 million of current encumbrances. At the end of third quarter, $3.58 million in expenditures were generated in all projects within this category reflecting the continuous strides to upgrade facilities at Hayden and Central Bus to prepare for energy efficient vehicles.

Projected commitments of $2.09 million for the remainder of the year include 1.94 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, a combined $152,620 for the construction of an outdoor bus storage lot at the Triskett Garage, and Paratransit Garage back-up power generator that is required by the City of Cleveland Fire Marshall for the operation of the propane fueled buses purchased more than two years ago.

The positive projected variance of $475,218 or 3.2% at the end of the year in this category is due to project savings within various programmed budget and Triskett Outdoor Bus Storage phase two of construction being delayed until next year. 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 and are currently in service; the second delivery of 30 40-Ft CNG buses have arrived. Twenty (20) of the second ordered CNG buses are in operation with the exception of ten (10) to be phased into service by the beginning of next month. The third bus order, for twelve (12) trolley buses is currently in production and due to arrive first quarter 2016, and the last will be an upcoming order of 16 40-Ft CNG buses. This order will then be programmed for production at the beginning of first quarter of 2016 with delivery for first quarter 2017. All of the new outfitted CNG buses are being serviced out of the Hayden Garage servicing the eastside of Cleveland.

Under the paratransit bus replacement program, twenty (20) new propane buses will be placed in service in the next 30 days, and twenty (20) additional Paratransit vehicles (MV1's) are currently under contract and due to arrive by the second quarter of 2016.

Through the end of September, category commitments total a combined $55.93 million out of a total budget appropriation of $61.60 million leaving a positive variance of $5.66 million, or 9.2% percent. The category expenditures of $28.09 million includes $27.51 million for the initial purchase of 90 40-Ft CNG buses included in the first two contracts 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 $506,461 for various bus spare parts to help maintain the Authority's existing bus fleets in a State of Good Repair. The upcoming contractual obligation for the delivery of 20 Paratransit vehicles and 16 additional Gillig replacement 40-Ft CNG buses, will significantly impact expenditures in this category later this year and next.

Projected commitments of $4.22 million through the remainder of the year include the pending order of 16 additional replacement 40-Ft CNG buses at an estimated cost of $1.9 million, $1.2 million for twenty (20) Paratransit vehicles, a combined $1.10 million for bus and BRT spare parts. The positive projected variance of $1.44 million, or 2.3%, 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 third quarter, total commitments of $37.43 million within this category included $30.77 million of ITD expenditures and $6.66 million of current encumbrances resulting in a positive variance of $3.87 million, or 9.4%. 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 $1.70 million through the end of September were led by a combined $625,590 towards the Authority's non-revenue vehicle improvement program with remaining capital expenditures scattered throughout other projects in this category. Additional commitments of $2.57 million are projected during the remainder of the year. This amount includes a combined $1.99 million for various information technology projects including software and hardware updates, $371,180 for programmed replacements of non-revenue vehicles, and $205,965 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 $949,153, or 2.7%, 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

Third quarter combined commitments of $14.62 million in this category included $7.20 million of ITD expenditures and $7.43 million of current encumbrances resulting in a positive variance of $5.28 million, or 26.5%, versus the current category budget of $19.90 million. During the third quarter, $3,746,207 was expended on various projects throughout the Authority with $2.79 million, or 74% within the RTA Development Fund projects.

Projected commitments of $1.90 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 $954,715 for additional Asset Maintenance projects throughout the Authority, a combined $1.12 million for rehabilitation of East Boulevard, East 116th and East 81st & 83rd Street Track Bridge - and $305,000 to demolish the WB Access Road Bridge at Central Rail Maintenance Facility.

The projected positive year-end variance of $2.91 million, or 20.2%, for this category is primarily due to a lower contract awarded than originally budgeted for the East Boulevard Track Bridge 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 third quarter, this category has combined project commitments of $5.48 million out of the category budget of $10.22 million resulting in a positive variance of $4.74 million or 46.3%.

During the third quarter, a combined $1.83 million of expenditures were generated by projects within this category with most, $1.32 million, or 72.1%, 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 $75,000 for shared contribution to Public Square construction project, $63,125 for the TSA Canine Unit, $159,896 for Transit Planning Studies Demand model and $80,000 from the pass-thru grant award for the Senior Transportation Connection

Projected commitments of $318,343 during the remainder of the year include $278,500 for the Canine Unit, $5,000 for Transit Oriented Development activities and $34,843 for RTA Capital project. The positive year-end variance of $3.81 million, or 41.2%, 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 has expired at the end of September terminating 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.

Third quarter activities resulted in total commitments of $44.76 million, all ITD expenditures, against a category budget of $52.36 million creating an end of quarter positive variance of $7.60 million, or 14.5% percent. During the third quarter, a combined $16.22 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, $170,644 to support the Authority's ADA services including the Travel Trainer program and $403,640 for CMAQ Trolley's Reimbursement for added service.

Projected commitments of $6.25 million during the remainder of the year include additional draws of $5.90 million for reimbursement of preventive maintenance activities, $216,720 to reimburse the Operating Budget for the cost of providing New Freedom Supplemental trips and Travel Trainer services, $129,837 under CMAQ Trolley Reimbursement for new trolley lines. The projected positive variance of $1.35 million, or 2.4%, 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 September, $92.19 million of the $126.72 million budget for the Rail Projects category was committed creating a positive variance of $34.5 million or 27.2%. Total commitments within this category consisted of $64.77 million of ITD expenditures along with $27.42 million of current encumbrances.

During the first three quarters of the year, $11.5 million was expended on various Rail system projects. Some of the major project expenses included $3,241,695 for construction activities on the Little Italy- University Red Line Station had its "Grand Opening" in August, $3,382,829 on the reconstruction of the Lee/Van Aken Blue Line Station scheduled for completion this year, $448,546 Rebuild Heavy Rail Vehicles, $1,553,835 on Shaker Square Junction & Crossings, and $766,474 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 $11.25 million during the remainder of the year include $7.0 million for Track 7 & 8 track work to bid its first phase of reconstruction work on Track 7 passenger platform at Tower City to prepare for the complete reconstruction of Track 8 in 2016, $1.45 million to complete Little Italy final cosmetic construction improvements which includes $863,500 of pedestrian access improvements, $382,996 Warrensville Station Rehabilitation, $332,993.57 additional construction improvements at Brookpark Station, $440,668 Nine Light Rail Crossing, and $351,129 for State of Good Repair of Light Rail Vehicles for fleet reliability.

The projected positive variance of $23.78 million, or 18.4%, versus the current category budget at the end of the third 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 third quarter, the category commitments included $21.42 million ITD expenditures and $1.24 million of current encumbrances, leaving a total commitment of $22.65 million out of the approved current budget of $24.24 million resulting in a positive variance of $1.59 million, or 6.6% at the end of the third quarter.

Through September, $622,417 was expended on capital projects within this category, 68% of the cost was expensed towards completion of outstanding items on the Clifton Blvd. Enhancement project which opened towards the end of last year, and the other 32% was expensed on Waiting Environment and Parking lot improvements.

Projected commitments during the rest of the year include minor enhancement totaling $30,000 towards parking lot improvements at Windermere Bus Loop - Red line Station and Project Enhancements.

The projected positive variance of $1.56 million, or 6.4%, 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	3rd Quarter
Passenger Per Vehicle/Car Hour:				
Bus	30	27	29	27
Rail	75	71	74	70
Total	34	30	33	31
Revenue Vehicle Cost Per Mile: (Maintenance & Fuel)	$2.35	$2.29	$2.34	$2.34
% of Scheduled Maintenance Completed: (Revenue Vehicles)				
Bus	100%	84%	83%	94%
Rail	100%	100%	97%	96%
Paratransit	100%	100%	99%	94%

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 3rd Quarter PCR is 1.67, which is 51.8% higher than the TEAM goal and 1.2% higher than the 1.65 PCR for the same period in 2014. Total preventable collisions increased 2.7% to 304 from 296. Mileage increased 1.5%.
Total Collision Rate	The GCRTA Total Collision Rate (TCR) for the 2015 YTD 3rd Quarter is 4.48, which is 3.7% higher than the 4.32 TCR for the same period in 2014. Total collisions increased 5.4% to 818 from 776.
Injury Collision Rate	The GCRTA 2015 TEAM Injury Rate Goal is 11.1. The 2015 YTD 3rd Quarter Injury Rate of 9.66 is 13% below the TEAM Goal and 15.3% below the 11.4 Injury Rate for the same period in 2014. Total injuries decreased 14.9% to 137 from 161.
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 third quarter of 2015, the YTD figure for No. of Miles Between Service Interruption was 6,966 miles, as compared to 7,064 miles for 2014, which represents a 1.39% decline 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 third quarter of 2015 for bus, light rail, and heavy rail was approximately 68%, as compared to 78% for 2014, representing a 12.82% decline in this TEAM measure.
Ridership	Highlights: • Total system ridership for September was 4.2 million; a decrease of 6% or approximately 270,000 fewer rides compared to September 2014. September 2015 had the same composition of days in comparison to September 2014.Total bus ridership for September was 3.3 million, down 8.1% from last year. Approximately 391,600 rides were taken on the HealthLine in September, a decrease of nearly 11%. Year to date HealthLine trips are approaching 3.4 million. • Total Rapid Transit ridership was 845,865, an increase of 4.5% or 36,000 more rides. September ridership on the Red Line approached 600,000. This is the highest Red Line ridership has been in September since 1988. The drop in Blue/Green September trips were due to

Ridership Cont'd	the many rail shut downs that were scheduled to complete needed track upgrades and continue construction of the bridge over Buckeye-Woodhill. • Trolley ridership was also down in September. Over 127,000, total rides taken, or 18% fewer total rides for the month. Average daily ridership on the Trolleys is 6,233. The L Line Trolley was discontinued on Monday, September 7 due to low ridership and a decrease in funding for the Trolleys.

Third Quarter Initiatives and Special Promotions to Increase Ridership

• During September, several new clients signed up for the Commuter Advantage program, including: Aramark Corporation, American Landmark Properties, Notre Dame College, MFS Supply, Ohio City Incorporated, Partners Supply, Indie Merchandising, Logicals, Skygroup, John Spellacy & Associates, and Robert W. Baird & Company.

• The RTA and Cleveland Browns have once again teamed up for tailgating in Muni Lot. This was created to promote taking RTA to Browns games. The Waterfront Line is the most direct and easiest way to get to FirstEnergy Stadium, with a stop at the West 3rd Street Station.

• In addition to the regularly scheduled concerts at Quicken Loans Arena, House of Blues and the Wolstein Center, events such as Garlic Festival at Shaker Square, Cleveland Air Show, and many Cleveland Indians and Browns home games attributed to higher ridership.

• During September, RTA participated in several community events throughout the Greater Cleveland area, including speaking engagements and informational sessions at RNC Operations Working Group, River Park Apartments, Foster Pointe Apartments, Fenway Manor Apartments, Lakeshore Towers Health Fair, Baby Boomers Information Fair, Emeritus House Monthly Resident Recognition, NEORSD Open House, and the following community collaborative meetings: Harvard, Glenville, Hough, Heights, Euclid. 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 24,458 customers was received for the third quarter of 2015, as compared to one request for approximately every 30,232 customers received for the same period in 2014, representing a 19.10% decline in customer satisfaction, as measured by the percentage of people requesting Ride Happy or Ride Free Cards.

Attendance

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

Reducing unscheduled absences increases agency reliability, improves productivity and reduces overtime expenses. In the third quarter of 2015, the unscheduled absence percentage was 6.0% which, when compared to 5.4% for 2014, shows a 11.11% decline in attendance.

TEAM Results through September, 2015

Performance Measure	Target December, 2015	Through September, 2015	Payout
Safety – Preventables	1.1 or below	1.67	$10.00
Safety – OJI's	11.1 or fewer injuries per 200,000 hours	9.66	$10.00
No. of Miles Between Service Interruption	8,000 or above	6,966	$10.00
On-Time Performance	80% or above	68%	$10.00
Ridership	49,500,000	34,975,592	$10.00
Ride Happy or Ride Free	1 request for every 30,000 riders	24,458	$10.00
Attendance	5.0% or below	6.0%	$40.00
Passenger Fares*	20% of operating costs *Year-end target*	20.57%	$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 July 1, 2015 – September 30 2015 represents the fourth 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 amount awarded during the current quarter on contracts greater than $100,000 totaled $2,393,061. This amount included DBE participation of $589,966 or 24.6%. FFY 2015 Year-to-date DBE dollar and percent participation total $5,190,113 or 25.6% on contracts of $20,285,715.

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

Classification	**1st. Quarter Oct. 1 – Dec. 31**		**2nd Quarter Jan. 1 – Mar. 31**		**3rd Quarter April 1 –June 30**		**4th Quarter July 1 – Sept. 30**	
Caucasian Female	$72,819	17.4%	$1,870,729	48.5%	$163,409	50.0%	$481,236	81.5%
African American	$155,000	37.1%	$1,456,756	37.8%	$160,594	49.2%	$97,410	16.5%
Native American	$190,165	45.5%	0	0	0	0	0	0
Asian	0	0	$37,317	1.0%	0	0	0	0
Hispanic	0	0	$490.790	12.7%	$2,868	0.8%	$11,320	2.0%
TOTAL	**$99,140**	**100%**	**$3,855,592**	**100.0%**	**$326,871**	**100.0%**	**$589,966**	**100.0%**

Current Quarter – DBE Performance by Contract Category
(July 1, 2015 – September 30, 2015)

	Construction	Services	Equipment & Supply	Total
DBE Dollars	$430,183	$159,783	0	$589,966
All Dollars	$1,922,181	$470,880	0	$2,393,061
% DBE Participation	**22.4%**	**34.0%**	**0**	**24.6%**

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%
4th Qtr.	$2,393,061	$589,966	24.6%
Total Y-T-D	**$20,285,715**	**$5,190,113**	**25.6%**

Office of Business Development Activities

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

Selected Certification Activities during the quarter include:

- New Certifications: 7
- Re-Certifications: 21
- On-Site Visits: 1
- Denials: 11

Selected Contract Compliance Activities during the quarter include:

- Completed 8 Goal Settings
- Conducted 1 Field site monitoring reviews
- Reviewed 27 Certified Payrolls

Selected Outreach Efforts during the quarter include:

- Supported with the Hispanic Blue Ribbon Panel Discussion on Hispanic DBE Participation at RTA.
- Attended Aligning Inclusion with Business and Talent outcomes at Corporate College
- Attended the 2015 Burke Corporate Aviation Expo
- Attended the NOACA annual meeting at Convention Center
- Participated on the Ohio MSDC Supplier Diversity Exchange at Quicken Loans Arena
- Attended the American Contract Compliance Association Training
- Attended 2015 COMTO National Meeting and Training Conference
- Attended the 2015 Congressional Black Caucus Conference

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.

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

PERFORMANCE MEASURE	2015 Target		First Quarter		Second Quarter		Third Quarter		Year to Date	
Affirmative Action:	Minority	Female	Minority	Female	Minority	Female	Minority	Female	Minority	Female
▪ Officials/Administrators	N/A	1	N/A	1	N/A	1	N/A	0	N/A	2
▪ Professionals	N/A	7	N/A	7	N/A	9	N/A	4	N/A	20
▪ Technicians	N/A	1	N/A	0	N/A	3	N/A	1	N/A	4
▪ Protective Services	N/A	2	N/A	2	N/A	0	N/A	1	N/A	3
▪ Administrative Support	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
▪ Semi & Skilled Craft	N/A	3	N/A	1	N/A	0	N/A	0	N/A	1
▪ Service Maintenance	N/A	37	N/A	45	N/A	69	N/A	26	N/A	140
Total	**N/A**	**51**	**N/A**	**56**	**N/A**	**83**	**N/A**	**32**	**N/A**	**170**

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 (27V)	Contractor: Schirmer Construction Construction Cost: $2,237,000	Notice to Proceed issued May 18, 2015. Five of six weekend shutdowns planned for construction have been completed. Majority of construction at E. 83rd is completed; East 81st is 50% complete.

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. Plans 90% complete and being reviewed by CSX.
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. Preferred repair alternative will need to be constructed in phases with first phase to bid in fourth quarter of 2015.

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 Phase 1 construction project March 18, 2014. Project construction completed and closed. Phase 2 plans completed.
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 closed and this is the last report.
Red Line West 117th Station to S. Curve Construction (52H)	Reconstruct Track and Drainage Contractor: Railworks Construction Cost: $1,159,205	Construction documents completed and bid. Contract awarded at July 28, 2015 Board Meeting and Notice to Proceed issued on August 24, 2015. Major track work scheduled from November 8-22, 2015.
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 100% complete and will be bid in fourth quarter 2015.
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 construction of the South Park crossing on the Green Line was completed in August. The two Waterfront Line crossings are scheduled for replacement in October.

West 65 Substation Replacement (23Z)	Relocate W. 74th Interlocking and install modular substation Consultant: TBD Estimate: $110,000	RFP responses received for the design of three modular substations: W. 65th, Puritas and Warrensville-Van Aken. Contract in negotiation.
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 received and contract in negotiation.
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 received and contract in negotiation.

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: $11,653,451	NTP issued May 11, 2015. Contractor mobilized, working on east parking lot and preparing to demolish old platform; and install new elevator core during outage in October.

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. Completed as-built drawings and LEED certification documentation. Project in closeout phase.
Cedar-University Station Reconstruction (24K)	Reconstruction of Red Line rapid station Contractor: McTech Corporation Cost: $15,929,049	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. Consultant has submitted 100% construction documents for Mayfield Road and sidewalk improvements.
Little Italy - University Circle Station Construction (24P)	ADA rehabilitation of station and transit track bridge reconstruction Contractor: McTech Corporation Cost: $11,552,474	Contract awarded September 17, 2013. Notice to proceed issued October 14, 2013. Held groundbreaking October 22, 2013. Track outage began on June 7, 2014 and ended August 28, 2014 with return to service on August 29, 2014. Station opened on August 11, 2015 and substantial completion reached on August 13, 2015. Contractor working on punch list.

E. 120 St. Station Demolition (24P-3)	Demolition of existing station when Little Italy opens Contractor: Purple Orchid Cost Estimate: $361,790	Construction documents completed and bid awarded at the July 28, 2015 Board meeting. Notice to Proceed issued on August 31, 2015. Contractor mobilizing.
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 was approved by OHPO on August 25, 2015. Environmental documentation completed on September 9, 2015.
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% and going through City Design Review and Planning Commission review process.
Lee/Van Aken Station Rehabilitation Construction (24S)	ADA rehabilitation of Blue Line station Contractor: Schirmer Construction Cost: $5,906,811	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. Elevators installed and site work ongoing.
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. 90% design due in October 2015.

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 for Warrensville-Shaker held on July 22, 2015 at Shaker Heights City Hall. Final concurrence is anticipated in soon. 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 and will bid in fourth quarter of 2015.
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 completed and project out to bid.
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 fabricated replacement parts and is preparing site for the replacement of the two long escalators in the fourth quarter.
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 provided construction support and submitted as-built plans. Project in close-out phase.

Clifton Blvd. Transit Enhancement Construction (51)	Clifton Blvd. transit enhancement program Contractor: Perk Co., Inc. Cost: $9,392,430	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 presented on August 5, 2015 and contract being negotiated.
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 continuing ridership modeling using NOACA's Regional demand model which was provided in late June. It is anticipated the forecasting will be completed in fourth quarter. The final round of meetings will be scheduled in early 2016. Project will be completed by mid-2016.
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 completed. Project in closeout.

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. Manual has been completed. Project in closeout.

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 operational on August 11, 2015.
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 completed and final compliance items being installed in October.
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. Notice to Proceed issued on July 13, 2015. Car wash track work ongoing.

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. Notice to Proceed issued on August 13, 2015 with construction to be completed by end of 2015.