

Greater Cleveland
Regional Transit
Authority

Quarterly
Management
Report

Fourth Quarter

December 2015



From point



RTA connects the dots.

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From the CEO ■■■



RTA “Connects the Dots” and also connects the region with opportunities. It was an honor to represent RTA at the ribbon-cutting for the Flats East Bank project that relies on RTA to transport their visitors and their workers to this new world-class waterfront attraction. RTA also cut the ribbon on its new Lee/Van Aken Blue Line Rail Station in Shaker Heights. This modern, safe and ADA accessible station will better connect residents to all the region has to offer.

Our hard work throughout the year did not go unnoticed. RTA received accolades by way of Metro Magazine’s Innovative Solutions Award in the area of Safety for taking an aggressive approach to increase operator safety and improving driving behavior and creating a safer experience for transit riders with the use of DriveCam.

Speaking of hard work, it truly paid off when RTA Board Member Valerie J. McCall was elected Chair of the American Public Transportation Association. RTA is proud of this accomplishment. Not only does this bring positive attention to Greater Cleveland RTA, but this allows Chair McCall to help shape what the future of the industry will be. RTA is certainly the only transit system in the nation to have two APTA Chairs (past and present) serving on its Board of Trustees. Congratulations Valarie J. McCall and George Dixon!!!

During the quarter, RTA received the Silver Commitment to Excellence from The Partnership for Excellence, recognizing the Authority's continued efforts toward obtaining the Malcolm Baldrige National Quality Award. RTA is the first transit agency in Ohio to receive this recognition. This award is to acknowledge those organizations for their pursuit of excellence by implementing successful management systems in the area of leadership, strategic planning, customer focus, performance management, human resource management, and success management.

Another highlight of the quarter was a special visit from Secretary of Labor Thomas Perez. He visited RTA to commemorate the first National Apprenticeship Week, and to announce two Department of Labor Grants for RTA. Perez engaged in a panel discussion at Cuyahoga Community College along with members of RTA and praised RTA’s success in its development and training efforts.

Lastly, I’m proud to say that I was named one of Governing Magazine’s “Public Officials of the Year”. I owe this recognition to the great team we have assembled at RTA, the working relationship between the Board and staff and with our business and non-profit community.

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

Sincerely,

Joseph A. Calabrese, CEO

Financial Analysis ■■■

GCRTA has improved processes, reduced costs, established a new strategic plan and managed very well over the past five years. TransitStat has helped reduce costs by nearly \$64 million. RTA had very strong year-end balances, in excess of \$35 million, at the end of 2011, 2012, and 2013. The balance 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. The balance was \$11.3 million less than 2013. Expenses increased sharply in 2014 as fringe benefits costs were \$2.7 million above projection. RTA took conservative actions for the 2015 Budget to try to keep this fall in fund balance from continuing. Revenues generally did well in 2015. Fringe benefits were very high once again with \$4.0 million of health care costs received in the last three weeks of the year. When coupled with retro payments to ATU on their contract settlement, expenses got a real jolt in December.

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 have had an excellent recovery since 2009. 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 at the beginning of the year to \$201.4 million. Receipts for the first three quarters caused us to raise the year-end projection to \$206.4 million. The month of December dropped off slightly and RTA ended the year at \$205.8 million in collections.

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. 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 projected at \$50.1 million for 2015. Ridership never recovered from the slow winter start and ended the year below expectation. Low fuel prices may have caused choice riders to drive and revenue dropped to \$48.4 million, about \$1.6 million below 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. Revenues increased more modestly but they still increased. 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, total resources was \$308.3 million. This was a \$4 million drop. Revenue was \$7.6 million higher than 2014 but the carry forward balance for 2014 was \$11.6 million less than 2014.

Operating expenses were low from 2011 through 2013 with expenses at \$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. The 3rd Quarter

estimate for 2015 was \$247.1 million, but the large increase in fringe benefits at year end bumped that to \$251.7 million, a 1.5% increase for the year.

The End of Year Balance increased from \$2.9 million in 2009 to \$20.2 million in 2010. 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 the ending balance totaled \$26.9 million. The budgeted ending balance for 2015 was \$13.1 million. The RTA financial goal is to achieve at least a 30-day reserve. The 3rd Quarter estimate for year-end balance for 2015 was \$25.9 million. The delay in revenues decreased the balance to \$21.2 million and the increase in fringe benefit costs dropped the ending balance further to \$16.9 million. This is \$3.7 million above budget but does not meet the 30 day operating reserve goal for the year. It is \$9 million below the third quarter estimate and will make a difficult 2016 even more difficult.

Capital expenditures: Expenditures within the two capital budgets of the Authority, the RTA Capital Fund and RTA Development Fund completed the year a combined \$102.8 million. This continued the growth in Authority-wide capital expenditures over the last five years - from \$59.7 million in 2011, to \$56.2 million in 2012, \$81.2 million in 2013, and \$93.8 million in 2014 as the Authority works to achieve a state of good repair in its capital assets.

Nearly \$87.6 million, or 85.2 percent, of all 2015 capital expenditures were generated within three of the eight capital categories. The Bus Improvement Program category, with \$42.9 million, or 41.7 percent of all capital expenditures, due to the delivery of 89 replacement 40-Ft CNG buses. This was followed by the Rail Projects category with \$22.3 million, or 21.7 percent, and the Preventive Maintenance/ Operating Expense Reimbursement category with \$22.3 million, or 21.7 percent, of all capital expenditures for the year.

At the end of the year \$49.9 million of funding is encumbered for upcoming work within the capital program. Expenditures will likely decrease from those in 2015, but will remain at high levels in the future as the Authority's focus continues to be on achieving a state of good Repair (SOGR) in its capital assets. Grant funds have re-prioritized from preventive maintenance draws in support of Operating Budget activities to a number of needed infrastructure projects over the last three years. 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 were programmed for the recent budget year, but have been pushed back into 2016 due to a delay in the re-opening of the new FTA financial management system (TRAMs) which has prevented any identified grant revisions from being requested. 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. The drop in fund balance in the operating budget will make it doubly difficult to execute the capital budget.

Financial Indicators

Measures of budget compliance are 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 2015 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%. Expenses had been held in check. The 3rd Quarter estimate for Operating Ratio was 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 due to lower ridership. For the 3rd Quarter, Passenger Fare revenue was estimated at \$50.1 million, due to additional receipts from Cleveland Municipal School District. At the end of the 3rd Quarter, operating expenses were estimated to end the year \$8.0 million under budget, about \$0.2 million less than first quarter estimates. By the end of the 4th Quarter, revenue reimbursements lagged in December and were received for 2016, which reduced revenues by \$4 million. In the operating departments, fringe benefits increased by nearly \$3.9 million above 3rd Quarter projections. This ratio was hovering between 20% and 21% and in the 4th Quarter, fell to 19.9%.

The Cost per Hour of Service is to be maintained at or below the level of inflation (about 2%). The cost per hour of service for 2014 was budgeted at \$123.6 and the budgeted level was met. Service Hours were budgeted at 1.9 million hours for the year. By year end, total actual service hours were 1.8 million. 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. With the additional increase in fringe benefits and slight reduction of service hours, the Cost per Hour of Service for year-end was \$139.8. This is 10.9% higher than budget and 13.1% higher than 2014.

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 2015 is 13.1%, compared to 2014; therefore this indicator has not 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 equaled \$20.5 million. The ending balance for 2015 is \$16.9 million. This yields an operating reserve of 0.8 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 strategy to reduce PM Reimbursement lowered the Operating Reserve. The stretch goal is to maintain a reserve of at least 1.5 months. The lagging revenues and increase in fringe benefits in the 4th Quarter reduced the ending balance by nearly \$8 million and reduced the operating reserve to 0.8 months.

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 decreased to 2.73 at the end of 2013 as fund balances slightly decreased. 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 completed the year at 1.79, better than the budgeted amount of 1.59, but much less than the 2.15 projected in the third quarter due to a year-end decrease in total operating resources available for debt service coverage.

The Sales Tax Contribution to Capital includes direct support for capital projects, transfers to fund the Authority's bond retirement payments, and has a Board policy goal of 10% - 15%. This measure slowly grew between 2005 and 2008, from 12.2% to 14.3%, while continuing to meet the established Board policy goal. In 2009, as a result of the economic recession, Sales & Use Tax revenue decreased which in turn caused this indicator to jump to 18.0%. Since then it has fluctuated between a low 17.1% in 2012 to a high of 18.4% at the end of 2014. 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 completed the year at 18.5%, an improvement from the budgeted level of 19.2%, though still above the maximum policy goal of 15%. The decrease in this measure, relative to budget is due to the \$7.15 million increase, relative to budget, 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 98.9%, 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 2015 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, only one of the six financial indicators meets the Board Policy Goals. In recent years, RTA has generally met three of the goals. Increased costs eliminated the ability to meet the operating reserve and operating efficiency goals. Once again, we have hard work to do to maintain a financial position to serve the citizens of Cuyahoga County.

End of Year Funds

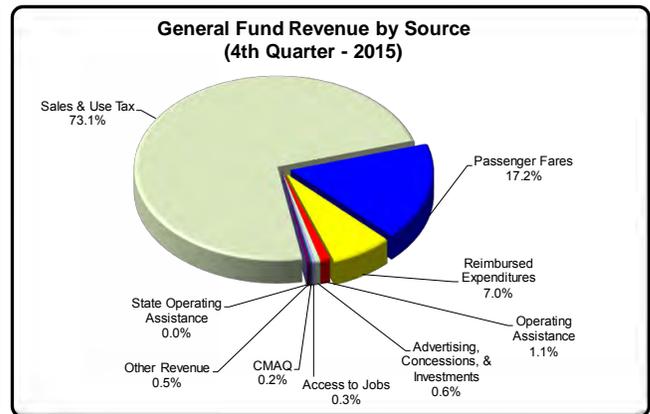
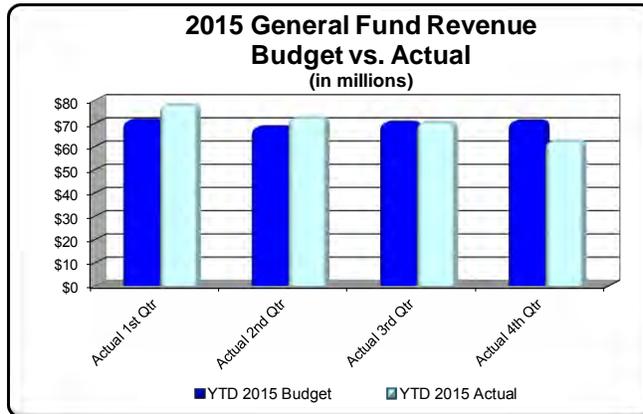
RTA's financial picture was stabilized in years 2011-2013. Consequently, RTA made a calculated decision three years ago to reduce PM Reimbursement and increase Capital expenditures. Transit is a capital-intensive business and the Authority has addressed some of the capital needs to ensure a state of good repair. This strategy continued through 2015. In spite of these efforts, there are well over \$260 million of capital projects that need to be funded. Costs are rising and the 2015 fund balance declined to \$16.9 million. RTA must maintain a reasonable balance of at least 30 days operating reserve to maintain the balance between operating levels and capital needs. The drop to a \$16.9 million balance will make it increasingly difficult to reach a 30 day balance in 2016. RTA must execute well in 2016 and 2017 in order to just maintain reasonable operating balances.

General Fund Balance Analysis

	2012 Actual	2013 Actual	2014 Actual	2015 Budget	2015 Year-End	Variance
Beginning Balance	36,822,634	40,713,946	38,394,322	28,303,497	26,870,717	(1,432,781)
Revenue						
Passenger Fares	49,237,857	48,699,580	49,085,267	49,905,823	48,419,211	(1,486,612)
Advertising & Concessions	1,375,671	1,400,191	1,488,870	1,220,000	1,442,677	222,677
Sales & Use Tax	181,219,251	189,630,645	197,118,776	198,692,286	205,843,321	7,151,035
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	533,478	(416,522)
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	920,570	(177,948)
Investment Income	201,267	200,188	169,211	225,000	153,534	(71,466)
Other Revenue	971,146	1,177,962	1,470,683	1,100,000	1,254,771	154,771
Reimbursed Expenditures	16,955,634	15,217,046	17,324,469	23,050,000	19,720,588	(3,329,412)
Total Revenue	256,927,139	264,247,046	273,889,810	279,666,627	281,413,150	1,746,523
Total Resources	293,749,773	304,960,993	312,284,132	307,970,125	308,283,867	313,742
Operating Expenditures						
Personnel Services	163,776,230	169,098,188	181,305,658	182,772,756	186,608,791	3,836,035
Diesel Fuel	10,687,417	13,956,183	14,335,896	13,440,000	10,804,133	(2,635,867)
Natural Gas	0	1,388,300	957,626	1,506,000	1,119,725	(386,275)
Other Expenditures	46,448,294	46,529,565	51,458,576	57,397,126	53,128,282	(4,268,844)
Total Operating Expenditures	220,911,941	230,972,236	248,057,756	255,115,882	251,660,931	(3,454,951)
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	22,615,956	0
Capital Improvement Fund	11,636,995	15,770,044	15,874,745	15,532,963	15,509,273	(23,690)
Total Transfers to Capital	31,023,886	34,094,435	36,355,659	38,148,919	38,125,229	(23,690)
Total Expenditures	253,035,827	266,566,671	285,413,415	294,864,801	291,386,160	(3,478,641)
Ending Balance	40,713,946	38,394,322	26,870,717	13,105,324	16,897,707	3,792,383
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	25,773,946	31,494,322	19,970,717	13,105,324	16,897,707	3,792,383

2015 - 4th Qtr							
Financial Policy Objectives							
	Goal	2012 Actual	2013 Actual	2014 Actual	2015 Budget	2015 Year-End	
Operating Efficiency	Operating Ratio	> 25%	23.2%	22.0%	20.6%	20.2%	19.9%
	Cost/Hour of Service		\$122.2	\$129.1	\$123.6	\$126.0	\$139.8
	Growth per Year	< Rate of Inflation	-8.5%	5.6%	-4.2%	4.4%	13.1%
	Operating Reserve (Months)	> 1 month	2.2	2.0	1.3	0.6	0.8
Capital Efficiency	Debt Service Coverage	> 1.5	2.89	2.73	2.37	1.59	1.79
	Sales Tax Contribution to Capital	10%- 15%	17.1%	18.0%	18.4%	19.2%	18.5%
	Capital Maintenance to Expansion	75%- 90%	99.2%	84.1%	95.7%	92.5%	98.9%

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 for 2015 totaled \$281.4 million. This is \$1.7 million, or 0.6%, higher than budget, and \$7.5 million, or 2.7%, higher than 2014. This is mainly due to receiving an additional \$8.7 million in Sales & Use Tax receipts than in 2014.

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. By year-end, Sales & Use Tax was 3.6% higher than budget and 4.4% higher than in 2014. Passenger Fare revenues, the second largest source of revenue, through the first quarter receipts 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. By year-end, ridership and passenger fares declined and receipts were \$1.5 million below budget and \$0.7 million below 2014 levels. 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. By year-end, due to a timing error, U-Pass receipts totaled \$2.0 million, about \$0.7 million below budget.

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. In 2015, the differences in monthly core passenger fare, compared to 2014, are listed below (in millions).

During the first quarter of 2014 and 2015, the weather was a major factor. The winter of 2014 was cold with a lot of snow. Schools and businesses were closed and parents had to find alternative care for their children. RTA received a late payment of \$1.1 million from CMSD. Ridership rose in the last three quarters of the year.

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%
Oct	\$ 3.64	\$ 3.36	-7.7%
Nov	\$ 3.09	\$ 2.99	-3.2%
Dec	\$ 3.37	\$ 3.20	-5.0%
Qtr End	\$ 40.64	\$ 39.50	-2.8%

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. 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 decreased by 2.8%. In the first quarter, core passenger revenues increased by 3.4%, nearly tripling the estimate. Through the 2nd and 3rd Quarters, core passenger ridership decreased. RTA received a late payment of \$1.9 million from CMSD. But, as fuel prices continued to drop in the 4th Quarter, passengers opted to drive rather than ride transit. By year-end, total ridership fell by 4.2%, compared to ridership in 2014.

Advertising and Concessions

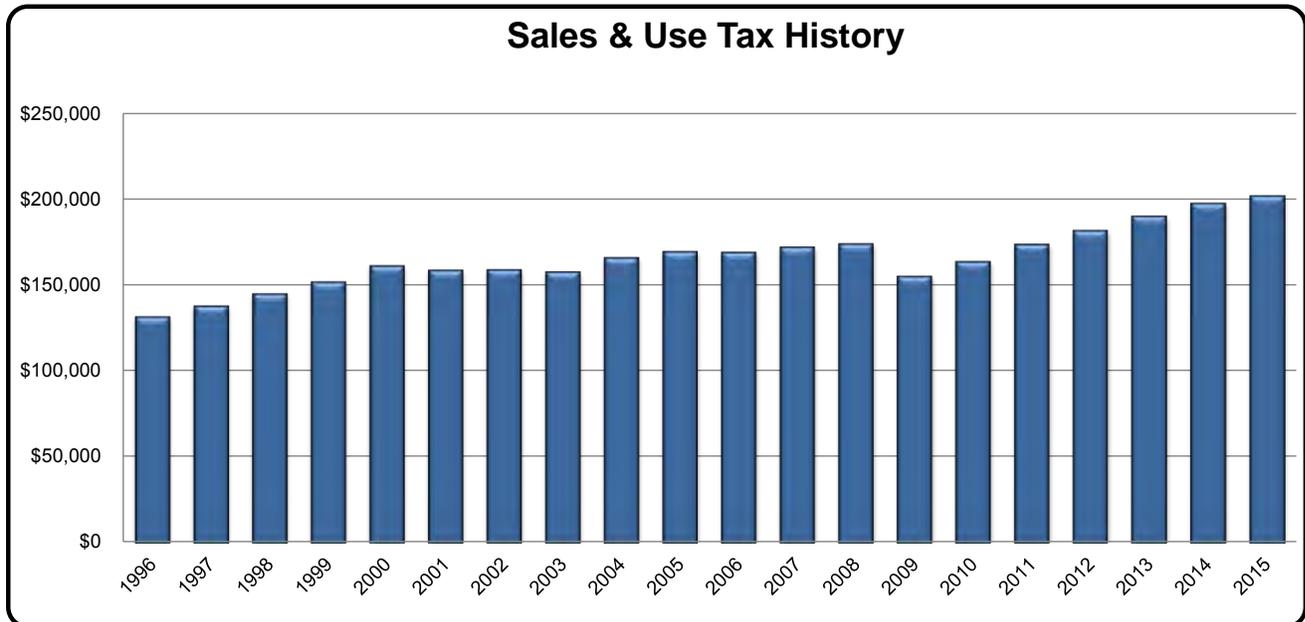
Revenue received from Advertising and Concessions through the second quarter of 2015 totaled \$826,392. This was 17.3% above budget, but \$51,060 less than the same period in 2014. Through the third quarter in 2014, \$1.2 million was received in this revenue stream, which was 51.3% higher than budget 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. Through year-end, receipts for this revenue stream totaled \$1.4 million, or 18.25%, above budgeted levels, but 3.1% below 2014 receipts.

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. Growth since 2010 has been steady. The budget for 2014 was \$194.1 million. Total collections were \$197.1 million, 3.9% above 2013. This was an \$8.0 million increase over the previous year. The graph on page 9 shows total Sales Tax receipts received for the last 20 years.

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. October and November collections were still strong but December collections dropped and RTA ended the year at \$205.8 million.



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. By year-end, Interest Income revenue was \$153,534, or 31.7% below budget, but only \$15,677 below 2014 levels. The Authority is only receiving 0.46% interest on its investments. This is further amplified by the declining balance of the General Fund.

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. By year-end, receipts for Other Revenue totaled \$1.3 million, about \$0.1 million more than budget, but \$0.3 million less than 2014.

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 was for preventive maintenance reimbursements. Preventive maintenance reimbursements was lowered mid-year to \$18.0 million because Sales Tax was strong and capital projects needed funding. 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. RTA ended the year at \$19.7 million. Two payments totaling \$2.2 million were not received prior to year-end. Those receipts would have met and slightly exceeded budget. They will be received in early 2016.

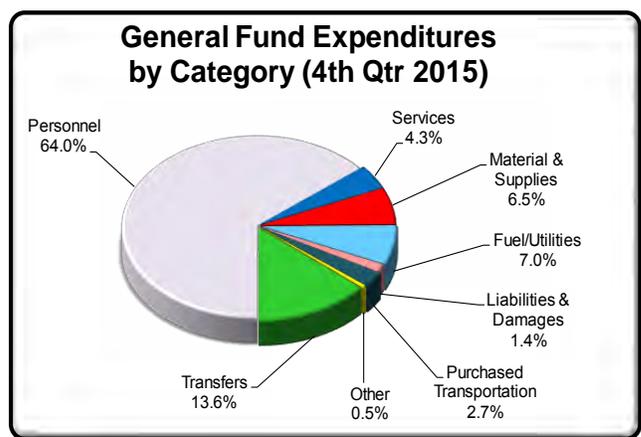
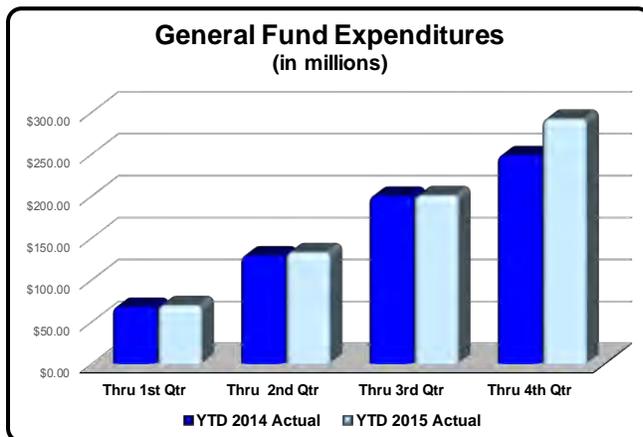
The other budgeted grant-funded reimbursements include \$533,478 for Trolleys through CMAQ funds and \$3.1 million for Paratransit reimbursements. The funds for Paratransit Management will not be received in 2015. Additionally, 2015 will be the final year for reimbursements for Paratransit Operations as federal funding was discontinued.

Operating Expenditures

The chart to the right itemizes the major cost categories and compares projected costs with the current budget. The 2015 Operating Budget (not including transfers) 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. 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 11.

2015 4th QTR ACTUALS BY CATEGORY CURRENT BUDGET vs. ACTUAL COMMITMENTS				
Category	Current Budget	Year-End Expenses	Variance vs. Current Budget	
Personnel Services	187,647,738	186,615,895	1,031,843	0.55%
Services	15,339,978	14,977,450	362,528	2.36%
Material & Supplies	21,148,836	20,928,062	220,774	1.04%
Fuel/Utilities	23,930,974	22,332,713	1,598,261	6.68%
Liabilities & Damages	4,183,278	3,931,289	251,989	6.02%
Purchased Transportation	8,981,649	9,207,940	-226,291	-2.52%
Other	1,813,845	1,572,997	240,848	13.28%
Transfers	39,748,919	39,725,229	23,690	0.06%
	302,795,217	299,291,575	3,503,642	1.16%

Through the 3rd Quarter of 2014, personnel and operating costs for department needs totaled \$182.3 million. Personnel services, the largest category, was at \$133.7 million. By year-end, the total operating budget ended the year at \$248.1 million. Personnel ended the year \$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 and was projected to end the year \$1.4 million, or 0.8% under budget. In the 4th Quarter, fringe benefits increased by nearly \$4 million, mainly due to increases in health care and prescription costs. Total personnel costs, not including fringe benefits, in 2015 were 0.3% above budgeted levels and 1.5% above 2014 costs.



Personnel Services

Personnel Services are budgeted at \$182.8 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. In 2015, total personnel costs were \$186.6 million, or \$3.8 million above budget, mainly due to the increases in health care and prescription costs.

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 and retro wage increases for ATU employees were paid in December. 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 at the 3rd Quarter projections estimated this category to end the year near budget. In the 4th Quarter, invoices for health care and prescription services were above budgeted levels. This category will continue to be closely monitored throughout 2016.

Services

Through the 3rd Quarter of 2015, the expenditures in the Services category totaled \$10.4 million. The largest segment in this category includes contractual services. Additional sections include advertising fees, vendor services for the NAPA contract, shelter cleaning, and other maintenance and administrative help costs. By year end, the total for services was \$15.0 million, about 2.3% below current budget appropriation.

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, office supplies, and miscellaneous parts. An additional \$750,000 was added to Inventory in 2014. Through the 3rd Quarter of 2015, Inventory funds were increased by \$1.5 million for Predictive Maintenance, and an additional \$100,000 was added in the 4th Quarter. The total appropriation for the Material & Supplies category was \$21.1 million and the total at the end of the year was \$20.9 million, or 1% under the current budget appropriation.

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. The market is now dramatically oversupplied. Crude has dropped to \$27/bbl. RTA has been able to buy 2018 contracts for as low as \$1.48/gal. Fuel for 2016 is hedged at \$2.53/gal, 2017 is at \$2.17/gal and 2018 is hedged at \$1.73/gal. The budget for fuel for 2015 was \$13.440 million. With financial adjustments made, expense for the year was \$10.8 million.

From 2010 through 2014, cumulative electrical savings of \$13.6 million were realized. An electrical supply contract 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 2015, Electricity, Propulsion Power, and Natural Gas all ended the year under budget. Electricity was \$825,000 under budget and Propulsion Power was \$700,000 under budget. This moved our savings total to \$15.1 million. For 2015, natural gas was \$200,000 under budget. Compressed Natural Gas for the CNG buses is costing about \$.90/dge. This is well below the costs we had estimated.

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 ended the year at \$3.9 million, about 6% under the current budget appropriation. This is mainly due to lower than budgeted insurance premiums and claims.

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, total costs for ADA Purchased Transportation was \$8.4 million, or 2.8% below the current budget appropriation.

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 ended the year at \$523,742 and a one-time payment of \$63,160 was made for the Medina Pass-Through.

The Work Access program, or Access to Jobs program, enabled 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, which makes this category difficult to project. The Other Expenses ended 2014 15.3% under budget with savings in all areas. For 2015, expenses through the 3rd Quarter totaled \$1.1 million. This category ended the year at \$1.6 million, or 13.3% under current budget appropriation.

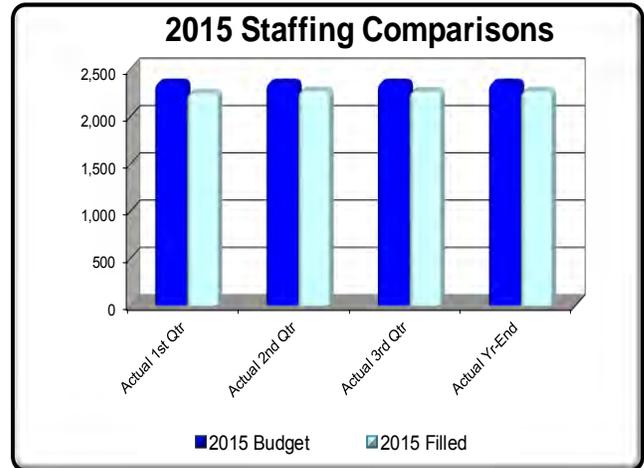
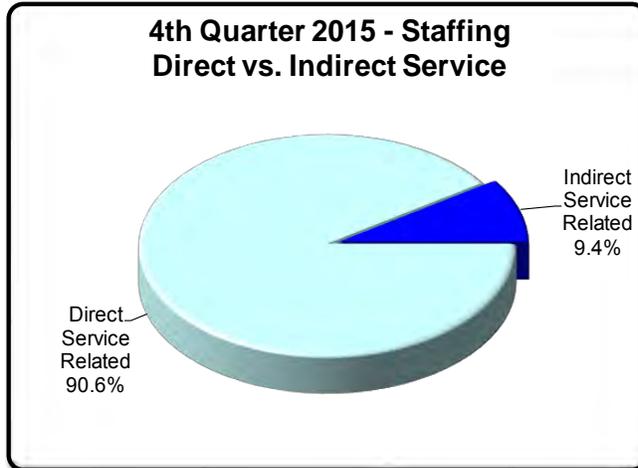
Transfers to Other Funds

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 was made, at the budgeted level.

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. Additional funding was needed for the Capital Fund transfer to cover necessary projects. The total transfer to the RTA Capital Fund was \$15.5 million.

Staffing



The charts above summarize staffing at the end of the year. 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. By year-end, the Authority had a total of 2,257 positions filled, 2,129 full-time and 120 part-time.

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. In December the appropriation to the Law Enforcement Fund was again increased by \$150,000 to purchase radios.

End of Year 2015 Capital Commitments and Expenditures

Commitments by Capital Category

During the recently completed fiscal year, the Authority's capital program continued its focus on improving the overall State of Good Repair (SGR) of its capital assets and infrastructure. Major capital projects to open in 2015 included the Little Italy-University Station, and Lee-Van Aken Blue Line Station. While construction activities continued with the CNG building compliance upgrades at Hayden Garage, construction work began at the Brookpark Station. The Authority also accepted delivery of 90 40-Ft CNG buses, entered into contract for an additional 16 40-Ft CNG replacement buses, 12 Trolley buses, and 20 MV1's that will improve fleet reliability and service delivery.

Unlike the General Fund, which is annually appropriated, the Authority's RTA Capital and RTA Development Funds budget appropriations are multi-year or Inception-to-Date (ITD) based. As a result, the combined Fiscal Year (FY) 2015 capital budget appropriation of \$351.38 million included \$259.61 million of prior year carryover budget appropriation in multi-year projects and the approved 2015 Capital Budget of \$91.77 million.

The combined End-of-Year (EOY) project commitments in the two capital funds totaled \$296.26 million, include \$246.36 million of ITD expenditures and \$49.90 million of active encumbrances resulting in a positive EOY variance of \$55.12 million, or 15.7 percent, relative to the EOY capital budgets. In general, the positive variance is due to capital projects completed under budget, multi-year budgeted projects compared with the annual draws for project activities during the year, the timing of availability of funds, and delays in programmed time lines for capital construction projects.

At the end of the fiscal year encumbrances totaled \$49.90 million within the Authority's capital programs for various SGR projects underway. These projects include delivery of 16 CNG fueled 40-Ft replacements buses, 12 Trolley buses, 20 MV1's for Paratransit services, and CNG building compliance upgrades to accommodate the new CNG fueling station installed at the Hayden Garage. The ongoing reconstruction work continues at Brookpark Station, Tower City escalators replacement project, and rehabilitation of East Boulevard Track Bridge and S-Curve to W.117th. These carryover projects and encumbrances, along with the upcoming 2016 Capital Improvement Plan budget of \$56.69 million will lead to an extremely busy upcoming year in the capital programs.

2015 END OF YEAR (EOY) CAPITAL COMMITMENTS BY CATEGORY

Category	EOY Budget	EOY Commitments	EOY Variance vs. Category Budget	
Bus Garages	\$15,056,774	\$12,421,424	\$2,635,350	17.5%
Bus Improvement Program	\$61,293,211	\$59,550,871	\$1,742,340	2.8%
Equipment and Vehicles	\$41,312,748	\$38,153,780	\$3,158,968	7.6%
Facilities Improvements	\$19,883,355	\$14,777,782	\$5,105,573	25.7%
Other Projects	\$8,794,455	\$5,711,119	\$3,083,336	35.1%
Preventive Maint./Operating Reimb.	\$52,361,125	\$50,869,940	\$1,491,185	2.8%
Rail Projects	\$128,430,945	\$92,246,089	\$36,184,856	28.2%
Transit Centers	\$24,248,543	\$22,531,414	\$1,717,129	7.1%
Grand Total	\$351,381,156	\$296,262,419	\$55,118,737	15.7%

Current Year Expenditures by Capital Category

As shown below, capital expenditures have significantly grown over the past several years as additional financial resources were identified and directed to address needed improvements to capital assets throughout the Authority's transportation system.

Capital activities during the recent year generated \$102.82 million of expenditures with most, \$87.56 million or 85.16 percent, occurring within three of the eight categories including Bus Improvement Program (\$42.88 million), Rail Projects (\$22.34 million), and the Preventive Maintenance/Operating Reimbursements (\$22.34 million). The remaining capital expenditures were led by the Facilities Improvements (\$5.39 million), followed by Bus Garages (\$4.63), Equipment & Vehicles (\$2.32 million), the Other Projects category (\$2.15 million), and the Transit Centers category (\$757,322).

The continued high level of capital expenditures during 2015 is a result of the additional financial resources directed towards the Authority's capital program over the last several years. In comparison with 2013, expenditures within the Authority's capital programs have increased by \$18.73 million, or 22.3 percent, as a wide variety of SGR improvements were made to capital assets throughout the Authority that will help provide a safe, reliable service to our passengers both now and in the future.

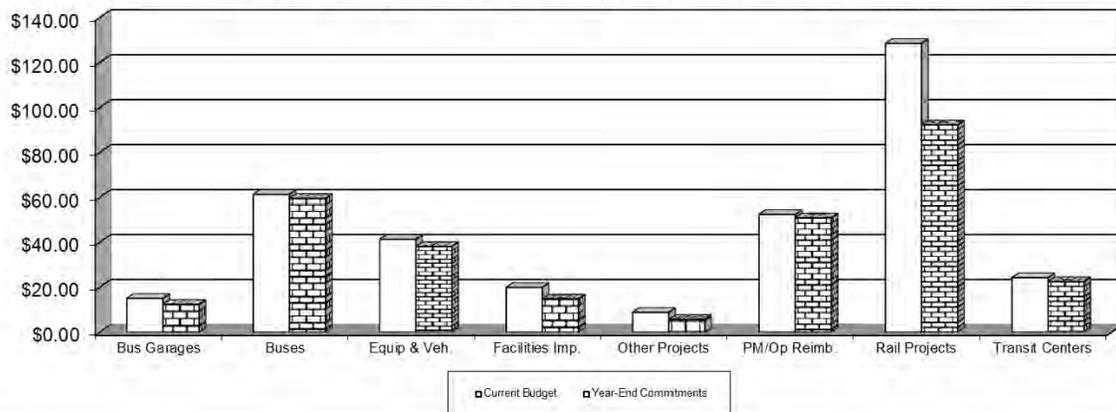
Some of the larger capital asset expenditures during 2015 included \$41.84 million for the delivery of 90 40-Ft CNG buses, \$4.18 million on construction activities at the new Red Line Little Italy–University Circle Station, \$4.09 million for work at the recently opened Lee Rd/Van Aken Station, \$4.40 million for continuing reconstruction of the Brookpark Station, \$3.46 million for CNG fueling station and a combined \$6.70 million for track rehabilitation and light rail crossing projects throughout the rail system.

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

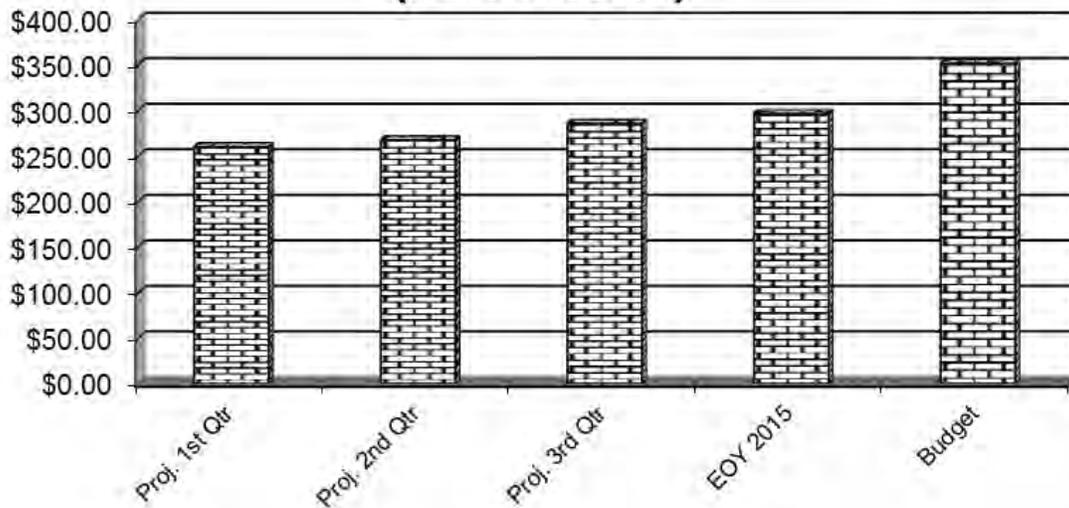
CAPITAL EXPENDITURES BY CATEGORY THROUGH:

Category	EOY 2015	%	EOY 2014	%	EOY 2013	%
Bus Garages	\$4,632,018	4.5%	\$1,100,805	1.2%	\$2,380,517	2.8%
Bus Improvement Program	\$42,880,020	41.7%	\$16,883,938	18.2%	\$1,730,670	2.1%
<i>Bus Rapid Transit</i>	\$0	0.0%	\$0	0.0%	-\$32,094	0.0%
Equipment and Vehicles	\$2,324,956	2.3%	\$7,065,081	7.6%	\$8,878,000	10.6%
Facilities Improvements	\$5,391,371	5.2%	\$3,953,175	4.3%	\$4,249,143	5.1%
Other Projects	\$2,154,398	2.1%	\$3,979,644	4.3%	\$5,876,467	7.0%
Preventive Maint/Op. Reimb.	\$22,339,306	21.7%	\$22,512,208	24.2%	\$17,457,682	20.8%
Rail Projects	\$22,343,046	21.7%	\$28,538,415	30.7%	\$38,387,674	45.7%
Transit Centers	\$757,322	0.7%	\$8,858,827	9.5%	\$5,160,608	6.1%
Grand Total	\$102,822,437	100.0%	\$92,892,094	100.0%	\$84,088,667	100.0%

2015 Year-End Capital Fund Commitments vs. Category Budgets (in millions)



Total Capital Commitments (in millions)



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 was to prepare the Hayden Garage and Central Bus Maintenance Facility for the introduction of CNG fueled buses and Paratransit Garage for Propane fueled vehicles. Most of the SGR grant funded work in capital projects for these various facilities improvements and equipment replacements were completed during 2015. There is still a minimal amount of facilities construction work to be completed in 2016 to address building compliance requirements identified by the City of Cleveland. Also within this category there was construction work that began for the Outdoor Bus Storage at Hayden and Triskett Garage.

At the end of the year, \$12.42 million of the \$15.06 million category budget was committed leaving a positive variance of \$2.64 million or 17.5 percent. Total category commitments include \$9.17 million of ITD expenditures and \$3.25 of open encumbrances. Capital activities during the year resulted in \$4.63 million of expenditures, with most \$3.46 million or 74.5 percent, primarily dedicated to rehabilitation of the CNG Fueling Station. The remaining 2015 expenditures were generated from design and construction activities for CNG building compliance at Hayden Garage and Central Bus Maintenance Facilities, preliminary work on the outdoor bus storage lots, and building upgrades at Paratransit Garage to accommodate propane fueled vehicles.

The positive variance of \$2.64 million or 17.5 percent within this category is caused by a number of factors, but primarily due to delays in execution or completion of a number of projects within this category. Programmed work in 2015 to address CNG building compliance at Hayden Garage and Central Bus Maintenance Facility will not be completed until 2016 due to delays in City of Cleveland inspection and finalizing scope of work. Also, due to delay in a pending amendment to a grant award, awarding a contract for the construction of the outdoor bus storage pushed back the project until first quarter 2016.

Bus Improvement Program

The Authority's capital program in 2015 included the third year of a funded five year bus replacement program. The Authority has added to its fleet 90 40-Ft CNG buses, and three separate orders are underway which will result in a significant upgrade in the Authority's bus revenue fleet in upcoming years.

At the end of 2015, category commitments of \$59.55 million include \$43.75 million of ITD expenditures and \$15.80 million of current encumbrances generating a positive variance of \$1.74 million, or 2.8 percent, from the current category budget appropriation of \$61.29 million. Category expenditures during the year of \$42.88 million included \$41.84 million for the delivery of 90 40-Ft CNG buses, \$75,076 for the remaining balance due for the prior year order for 23 replacement 60-Ft articulated buses, and a combined \$964,042 on the initial order for 12 replacement Trolleys and bus spare parts.

The small positive variance at the end of the year in this category is due to the bus order under contract for 16 replacement CNG buses scheduled for production in 2016 and bus spare parts being slightly lower than budget.

Equipment & Vehicles

Total category commitments of \$38.15 million at the end of 2015 include \$31.37 million of ITD expenditures and \$6.78 million of open encumbrances resulting in a positive year-end variance of \$3.16 million, or 7.6 percent. Most of the open encumbrances within this category, \$5.04 million or 82.35 percent, remain with the on-going Fare Collection Equipment project. Incremental progress continues to be made towards completing outstanding items left on this project, but a timely resolution remains unlikely. Remaining encumbrances within this category at year-end are concentrated within various SOGR equipment & vehicle upgrade projects throughout the Authority.

Activities within this category projects during 2015 generated \$2.32 million of capital expenditures. A majority of category expenditures, \$1.69 million or 72.84 percent, were generated by projects within this category for replacement of non-revenue vehicles with \$730,755 and a combined \$956,541 for various security & information technology improvement and equipment replacement upgrades throughout the Authority.

Most of the positive year-end variance of \$3.16 million, or 7.6 percent, in this category at the end of the year is due to continued delays in execution of budgeted prior year Information Technology projects which ended the year with a combined positive variance of \$2.20 million, or 70.0 percent of the category's uncommitted balance, and to the expected closeout of prior year's budget authority remaining within completed projects.

Facilities Improvements

Combined category commitments of \$14.78 million at the end of the year included \$8.83 million in ITD expenditures and \$5.95 million of open encumbrances resulting in a positive variance of \$5.11 million, or 25.7 percent, versus the category budget of \$19.88 million.

During 2015, \$5.39 million was expended on various facilities improvement projects throughout the Authority. Most category expenditures, \$3.97 million or 73.8 percent, were generated by various projects for a combined \$3.08 million expended on Track Bridge at E. 81st/83rd and E.92nd. Road Bridge improvements at E.37th and the Escalator replacement project at Tower City. The remaining \$889,667 Development Fund projects were to improve the safety of the facility. There were other facilities projects included in the locally funded Asset Maintenance program with \$1.42 million of expenditures.

The positive year-end variance of \$5.11 million, or 25.7 percent, in this category is primarily due to delays in several programmed projects within the RTA Development Fund and various on-going facilities improvement projects. Major projects delayed until 2016 include rehabilitation of East Boulevard Track Bridge, which ended the year with an uncommitted balance of \$1.86 million pending grant revision, the Demolition of WB Access Road delayed until FY 2016, pending NS inspection of construction plans and evaluation of work to be performed, ending the year with \$794,524 of uncommitted funds, and construction at East 116th Street Track Bridge is being postponed until next year pending grant revisions for 3rd party construction management, leaving an uncommitted balance of \$312,839.00. Other projects within this category that have remaining balances have been completed and not closed.

Other Projects

The Other Projects category includes capital projects for pass-thru grants to other entities, other miscellaneous capital projects that don't fit into the seven remaining capital categories, and a closeout project for uncommitted budget appropriation in completed or cancelled capital projects. At the end of the year, this category has combined project commitments of \$5.71 million out of the category budget of \$8.79 million resulting in a positive variance of \$3.08 million or 35.1 percent.

During the year, \$2.15 million of expenditures were generated by projects within this category, led by \$1.32 million for fare collection equipment lease payments, \$263,879 on various Homeland Security grant funded activities and \$149,639 on a pass-thru award for the Senior Transportation Connection (STC). Remaining expenditures were generated in smaller amounts throughout other projects within this category.

Most of the positive year-end variance of \$3.08 million, or 35.1 percent, was due to the consolidation of uncommitted/unfunded budget appropriation left from completed or canceled projects throughout the RTA Development Fund and remains in the closeout project, ending the year with \$1.97 million uncommitted budget appropriation. The remaining positive year-end variance results from multi-year budgeted projects compared with the annual draws for project activities during the year, and to the timing of activities within the project to track the pass-thru award for the Senior Transportation Connection (STC).

Preventive Maintenance/Operating Expense Reimbursements

This category includes grant funded capital preventive maintenance and other Operating Budget expense reimbursement projects. Total category commitments of \$50.87 million at close of 2015 include all of the \$50.87 million of ITD expenditures, resulting in a positive variance of \$1.49 million, or 2.8 percent, when compare against the category budget of \$52.36 million.

A combined \$22.34 million of expenditures were generated by grant funded projects within this category during 2015 that reimbursed Operating Budget costs incurred within the General Fund. This includes \$17.50 million for various preventive maintenance activities, \$3.39 million to support the Authority's ADA services including the Travel Trainer program, \$920,570 in support of the JARC/Work Access program that expired in early 2015 due to the MAP-21 legislation, and \$533,477 of reimbursements for the Authority's C, L and M Trolley services.

The positive variance of \$1.49 million, or 2.8 percent, is due to multi-year budgeted grant funded projects created to track Operating Budget reimbursement draws within the RTA Development Fund. The New Freedom Travel Trainer ADA program ended the year with an uncommitted balance of the full \$1.49 million variance amount with plans to draw against the remaining balance during FY 2016.

Rail Projects

At the close of 2015, \$92.25 million of the \$128.43 million budget for the Rail Projects category was committed creating a positive year-end variance of \$36.18 million or 28.2 percent. Total commitments consisted of \$75.13 million of ITD expenditures along with \$17.12 million of current encumbrances.

In 2015, \$22.34 million was expended on various projects within this category. This was led by a combined \$12.67 million, or 56.7 percent of all category expenditures, for construction activities on train stations including \$4.18 million for the new Little Italy – University Circle Station, \$4.09 million for construction at the Lee Rd/Van Aken Blvd. Station, and \$4.40 million for reconstruction activities at Brookpark Station. This was followed by \$4.7 million expended for various rail crossing projects, and a combined (\$1.41) million towards other track rehabilitation projects. Other projects within this category consist of (\$477,036) for Heavy Rail Rebuild Vehicles, the reconstruction upgrades of Buckeye/Woodhill Transformer Rectifier (\$420,455), the engineering and design of Track 8 at Tower City at (\$525,636), and project completion of Cedar-University Rapid Station (\$666,915), with the remaining expenditures occurring in smaller amounts throughout various SGR projects within this category.

The positive variance of \$36.18 million, or 28.2 percent, versus the current budget at the end of the year is due to delays in programmed project time lines. These projects along with their uncommitted budgets at the end of the year include reconstruction of the West 65th Street Substation (\$3.22 million), Light Rail Retaining Wall (\$1.80 million), Track reconstruction of W. 30th to W.74th (\$9.22 million) and a combined \$4.57 million for the rehabilitation of two rail station at Warrensville/Shaker Station and Lee/Shaker Green Line Station. Other factors accounting for the positive variance include multi-year budgeted projects compared with the annual commitments and expenditures for programmed capital activities, and for projects nearing completion at the end of the year.

Transit Centers

Total commitments of \$22.53 million out of a category budget of \$24.25 million within the Transit Centers category included \$21.55 million of ITD expenditures and \$980,584 of current encumbrances generating a positive variance of \$1.71 million, or 7.1 percent, at the end of the year.

During 2015, \$757,322 was expended on capital projects within this category with nearly all of it, \$748,372 or 98.8 percent, generated by two projects – the recently opened Clifton Blvd. Enhancement project with \$435,104 of expenditures to complete minor work repairs and \$313,268 on the Authority's Pavement & Parking Lot Rehabilitation programs. Remaining category expenditures were for various Transit Waiting Environment (TWE) activities including passenger shelters.

The positive variance of \$1.71 million, or 7.1 percent, at the end of the year is caused by underutilizing Project Enhancement funds. Enhancement funds can be used on qualifying FTA projects not limited to historical preservation, bus shelters, landscaping, pedestrian access, transit connection to parks, bicycle access and Signage. During FY 2016 enhancement opportunities will be identified during the construction planning process to utilize the maximum funding available.

Performance Measure

Performance Measure	2015 Target	1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter	Year to Date
Passenger Per Vehicle/Car Hour:						
Bus	30	27	29	27	29	28
Rail	75	71	74	70	74	72
Total	34	30	31	31	33	31
Revenue Vehicle Cost Per Mile: (Maintenance & Fuel)	\$2.35	\$2.29	\$2.34	\$2.34	\$2.49	\$2.37
% of Scheduled Maintenance Completed: (Revenue Vehicles)						
Bus	100%	84%	83%	94%	90%	96%
Rail	100%	100%	97%	96%	99%	100%
Paratransit	100%	100%	99%	94%	100%	100%

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 4th Quarter PCR is 1.70, which is 55% higher than the TEAM goal and 15% higher than the 1.48 PCR for the same period in 2014. Total preventable collisions increased 17% to 415 from 355. Mileage increased 1%.
Total Collision Rate	The GCRTA Total Collision Rate (TCR) for the 2015 YTD 4th Quarter is 4.42, which is 5% higher than the 4.20 TCR for the same period in 2014. Total collisions increased 7% to 1079 from 1010.
Injury Collision Rate	The GCRTA 2015 TEAM Injury Rate Goal is 11.1. The 2015 YTD 4th Quarter Injury Rate of 9.12 is 18% below the TEAM Goal and 19% below the 11.21 Injury Rate for the same period in 2014. Total injuries decreased 18% to 173 from 210.
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 fourth quarter of 2015, the YTD figure for No. of Miles Between Service Interruption was 7,689 miles, as compared to 7,443 miles for 2014, which represents a 3.31% improvement in this indicator.
On-Time Performance	On-Time Performance is defined as a bus or train arriving from 0-5 minutes after its scheduled time. Composite On-Time Performance for the fourth quarter of 2015 for bus, light rail, and heavy rail was approximately 67%, as compared to 78% for 2014, representing a 14.10% decline in this TEAM measure.
Ridership	<ul style="list-style-type: none"> • Total system ridership for 2015 was down 4.2% or 2 million rides. December ridership was 3.8 million; a decrease of 5.5% or approximately 221,000 less rides taken. Average weekday ridership for 2015 was 128,813, a decrease of 5.19%. Extreme weather conditions during the first quarter of the year resulted in numerous school closings as well as daily commuters choosing to stay home from work. Construction projects throughout the city, including the major renovation of Public Square, have impacted many riders from their regular commutes. 2015 HealthLine ridership is down nearly 9% with over 4.4 million rides taken this year. • Rapid Transit ridership for the month was 791,226, an increase of nearly 1%. December ridership on the Red Line was approximately 544,000. This is the ninth time in 2015 where Red Line monthly ridership has been above 500,000. For the year, Heavy Rail increased 3.8% and Light Rail decreased 6.1%. Overall rail trips were up 1% for the year. Many shut downs occurred on all rail lines this year due to both construction and weather related activities. Summer saw substantial closures of the Red Line to work on construction of the Brookpark Rapid Station. Work was also completed on the Blue and Green Line grade crossings in Shaker Heights, the ODOT bridge above Buckeye-Woodhill, construction on the new Lee-Van Aken Station, and a two-week shut

<p>Ridership Cont'd</p>	<p>down of the Waterfront Line for grade crossing and track work. The new Little Italy-University Circle station opened in August, and with its opening came an increase in riders to the Little Italy, University Circle and Uptown neighborhoods via the Red Line. Since its opening in August, the station has nearly doubled the number of riders from the former Euclid-E. 120th St. Station.</p> <ul style="list-style-type: none"> • The Cleveland State Line celebrated its first anniversary in December 2015. Ridership has steadily increased since the re-branding, with a significant increase of 32% for the year. In December, the family of #55 routes increased 41%. Year-end ridership on the line totaled 620,227. • In December, total Trolley ridership was 98,754. Total Trolley ridership in 2015 was 1,530,698. The NineTwelve Trolley continues to grow, up 12% over 2014. The route averages approximately 20,500 riders per month. Funding for the C, L and NineTwelve trolleys, as part of a CMAQ grant, ran out in September 2015, which resulted in the elimination of the L Line Trolley following the Labor Day weekend. 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 the many rail shut downs that were scheduled to complete needed track upgrades and continue construction of the bridge over Buckeye-Woodhill.
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Fourth Quarter Initiatives and Special Promotions to Increase Ridership

During December, several new clients signed up for the Commuter Advantage program including: Rathbone Group, Crawford Law LLC, and Weldon Security. This closes out the year with 26 new pre-tax clients.

The Lee-Van Aken station on the Blue Line opened to a crowd of approximately 50 people on Tuesday, December 22. This new station will bring vibrancy to the Shaker Heights area and work to enhance the streetscape along Van Aken Blvd.

RTA and Cleveland Browns have once again teamed up for tailgating in the Munny Parking Lot to promote taking RTA rail service 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 Harlem Globetrotters, Trans-Siberian Orchestra, Lake Erie Monsters, Cleveland Cavaliers, and many Cleveland Browns home games attributed to higher ridership.

During the month of December, RTA participated in several community events throughout the Greater Cleveland area including speaking engagements and informational sessions at East Cleveland Collaborative, Heights Collaborative, Northeast Ohio Social Service Coordinators Meeting, Gates Mills Villa, Skyline Towers, Margret Wagner Senior Apartments, Lane Metropolitan Church Health Fair, and NEON Community. By design, these events increase RTA's presence within the Greater Cleveland community and enhance public transit awareness.

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 27,295 customers was received for the fourth quarter of 2015, as compared to one request for approximately every 29,958 customers received for the same period in 2014, representing a 8.89% 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 fourth quarter of 2015, the unscheduled absence percentage was 6.02% which, when compared to 5.4% for 2014, shows a 10.30% decline in attendance.



TEAM Results through September, 2015

Performance Measure	Target December, 2015	Through September, 2015	Payout
Safety – Preventables	1.1 or below	1.70	\$10.00
Safety – OJI's	11.1 or fewer injuries per 200,000 hours	9.12	\$10.00
No. of Miles Between Service Interruption	8,000 or above	7,689	\$10.00
On-Time Performance	80% or above	67%	\$10.00
Ridership	49,500,000	47,028,702	\$10.00
Ride Happy or Ride Free	1 request for every 30,000 riders	27,295	\$10.00
Attendance	5.0% or below	6.02%	\$40.00
Passenger Fares*	20% of operating costs <i>Year-end target</i>	19.24%	\$100.00* <i>(*One time year-end payout)</i>

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 2016 - 2018 is 21.7%. 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 October 1, 2015 – December 31, 2015 represents the first quarter of FFY 2016. 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 \$4,733,518. This amount included DBE participation of \$1,926,847 or 40.7%.

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

Classification	1st. Quarter Oct. 1 – Dec. 31	
Caucasian Female	\$1,184,997	61.5%
African American	\$741,850	38.5%
Native American	0	0
Asian	0	0
Hispanic	0	0
TOTAL	\$1,926,847	100%

Current Quarter – DBE Performance by Contract Category
(October 1, 2015 – December 31, 2015)

	Construction	Services	Equipment & Supply	Total
DBE Dollars	\$1,805,427	\$121,420	0	\$1,926,847
All Dollars	\$4,124,718	\$608,800	0	\$4,733,518
% DBE Participation	43.7%	19.9%	0	40.7%

Year-to-Date
DBE Performance by Quarter
(October 1, 2015 – December 31, 2015)

	Total Contracts	DBE Participation	% DBE Participation
1st Qtr.	\$4,733,518	\$1,926,847	40.7%

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: 1
- Re-Certifications: 17
- On-Site Visits: 2

Selected Contract Compliance Activities during the quarter include:

- Completed 5 Goal Settings
- Conducted 1 Field site monitoring reviews
- Reviewed 27 Certified Payrolls

Selected Outreach Efforts during the quarter include:

- Attended Insightful Women Breakfast
- Participated on the Kent State University DBE Certification and Goal Setting Forum
- Attended Ohio UCP Training in Columbus
- Hosted a DBE Forum at Burk Lake Front
- Participated on DBE Certification webinar
- Attended Division of Opportunity, Diversity and Inclusion event in Columbus
- Attended Diversity Professionals Group hosted by Sewer Distr

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 - 2017 Target		First Quarter		Second Quarter		Third Quarter		Fourth Quarter		Year to Date	
	Minority	Female	Minority	Female	Minority	Female	Minority	Female	Minority	Female	Minority	Female
Affirmative Action:												
▪ Officials/Administrators	N/A	4	N/A	1	N/A	1	N/A	0	N/A	1	N/A	3
▪ Professionals	N/A	28	N/A	7	N/A	9	N/A	4	N/A	2	N/A	22
▪ Technicians	N/A	29	N/A	0	N/A	3	N/A	1	N/A	3	N/A	7
▪ Protective Services	N/A	4	N/A	2	N/A	0	N/A	1	N/A	1	N/A	4
▪ Administrative Support	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
▪ Semi & Skilled Craft	N/A	20	N/A	1	N/A	0	N/A	0	N/A	0	N/A	1
▪ Service Maintenance	N/A	106	N/A	45	N/A	69	N/A	26	N/A	61	N/A	201
Total	N/A	191	N/A	56	N/A	82	N/A	32	N/A	74	N/A	238

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: \$165,450	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. Project bid and construction contract awarded at the April 21, 2015 Board meeting. Consultant providing construction administration services.
Construction of E. 81 st & E. 83 rd Street Track Bridges on Shaker Line (27V)	Contractor: Schirmer Construction Construction Cost: \$2,237,667	Notice to Proceed issued May 18, 2015. Five of six weekend shutdowns planned for construction have been completed. Majority of construction at E. 83 rd is completed; East 81 st is 75% complete. Work on abutments continuing as weather permits.
CSX/E. 92 nd 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: \$262,261	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 first quarter of 2016.
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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. Candidate interviewed.
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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. Project in closeout.
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Red Line West 117 th 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 for April 2016.
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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 first quarter 2016.
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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 also complete. Project in closeout, this is last report.
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West 65 Substation Replacement (23Z)	Relocate W. 74 th Interlocking and install modular substation Consultant: TBD Estimate: \$110,000	Project RFP for modular substations to be advertised 1 st quarter 2016.
Puritas Substation Replacement Design (60A)	Replace Puritas Substation Consultant: TBD Estimate: \$110,000	Design with modular components to be undertaken with W. 65 th St. and Warrensville/Van Aken. Project RFP for modular substations to be advertised 1 st quarter 2016.
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. 65 th St. and Puritas. Project RFP for modular substations to be advertised 1 st quarter 2016.

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: \$11,704,269	NTP issued May 11, 2015. Contractor mobilized, working on east parking lot curb and base. New platform footers and steel installed. New elevator core also installed during October outage. Tunnel prepared for shotcreting. East building footers and conduits completed.

Cedar-University Station Reconstruction Design (24K)	Reconstruction of Red Line rapid station Consultant: URS Design Cost: \$1,684,547	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 closed, this is last report.
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. Project closed, this is last report.
Little Italy - University Circle Station Design (24P)	ADA rehabilitation of station and transit track bridge reconstruction Consultant: City Architecture Design Cost: \$1,806,015	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. City Architecture is continuing construction support services for the Little Italy Station until Punch List items are complete.
Little Italy - University Circle Station Construction (24P)	ADA rehabilitation of station and transit track bridge reconstruction Contractor: McTech Corporation Cost: \$11,555,471	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. Exterior mesh lighting underway.

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. Demolition completed. Project closeout underway.
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. Design at 100%.
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 at 100% and being readied for bidding.
Lee/Van Aken Station Rehabilitation Construction (24S)	ADA rehabilitation of Blue Line station Contractor: Schirmer Construction Cost: \$6,068,901	Bids received on March 19, 2014. Contract awarded April 15, 2014 and Notice to Proceed issued May 15, 2014. Project substantially complete and open as of 12/22/15. Project in closeout.
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. 100% design under review.
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 pending review of new ADA platform canopies by OHPO.

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. Project awarded to Schirmer Construction at December 15, 2015 Board meeting.
Warrensville-Shaker Reconstruction (31F) Construction	ADA rehabilitation of Green Line Station Contractor: Schirmer Construction Cost: \$1,830,000	Project awarded to Schirmer Construction at December 15, 2015 Board meeting.
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 working on replacement of the two long escalators to be completed in March 2016. Two short escalators to be completed by June 2016.

***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 closed, this is last report.
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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 closed, this is the last report.

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. Project now in the operational and maintenance phase.
Infrastructure Upgrades @ Hayden & CBMF for CNG & Propane (61B)	Upgrade facilities for CNG and Propane fueling at Hayden and CBMF Consultant: Wendel Estimate: \$489,383	Board awarded contract on October 21, 2014. Design completed. Construction of initial improvements completed and final compliance items being installed in October. Other improvements being constructed in 2016 including generators.
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. Consultant providing construction services.
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 complete. Transfer table work commencing 1 st quarter 2016.

Bus State of Good Repair Grant Projects

Central Bus Maintenance Facility

53B - Task 8
Phase III

Pavement and Walk
Repairs
Contractor: Perk
Company
Cost: \$259,971

Final SOGR. Project contract awarded at June
16, 2015 Board meeting. Notice to Proceed
issued on August 13, 2015. Construction
completed. Project in closeout, this is last report.