

M VW

Greater Cleveland Regional Transit Authority
Quarterly Management Report
Second Quarter, August 2016

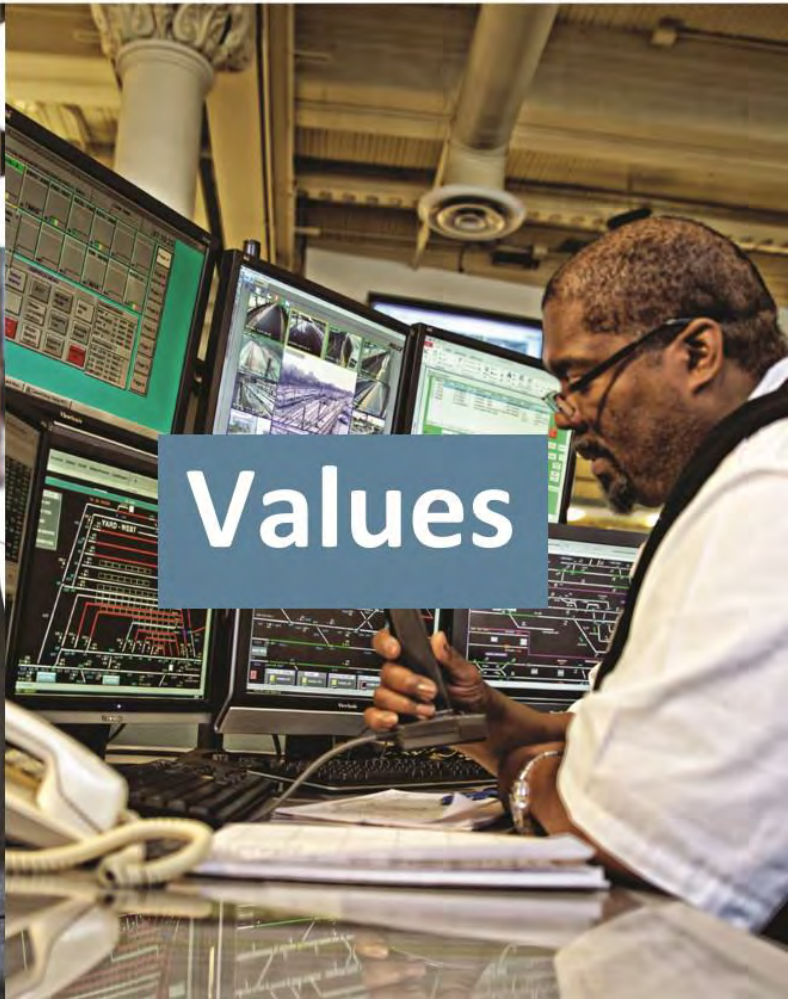




Mission



Vision



Values

TABLE OF CONTENTS

From the CEO _____	4
Financial Analysis _____	6
Critical Success Factors _____	36
DBE Participation/Affirmative Action _____	40
Engineering/Construction Program _____	45

From the CEO



It goes without saying - the second quarter was amazing. The city of Cleveland made history and so did RTA! With the Cavs winning the NBA Championship, and bringing 1.3 million people to the city for the parade, RTA served a record 500,000 customers – the most in our history. Our rail and bus operators, Transit Police, and volunteers did an outstanding job helping to make the customers' experience a pleasant one.

I was also proud of RTA staff and how well prepared we presented ourselves for the RNC. Despite closures, high security zones, and diverse transportation needs, RTA rose to the occasion. We were able to ensure that these challenges did not impede our customer's usual daily commutes. We operated additional Trolley services during the convention that served delegates and visitors until 1:00 am. More than 100 RTA employees volunteered to meet, greet and provide outstanding service to all during the RNC. They represented us well!

During the second quarter, RTA completed 16 public meetings to hear from our customers how RTA could best align our services with our anticipated revenues. In June, the Board approved a two-step fare increase, the first in 7 years, to help secure our financial sustainability.

By the end of June, however, RTA learned of a ruling that will change the way the State of Ohio will collect sales tax beginning in July of 2017. If not mitigated, it will result in a significant loss in revenue to the State of Ohio, each County in Ohio, and each public transit system that is a recipient of sales tax revenue. According to the State of Ohio Budget Office, the loss in revenue is estimated at \$500 million for the State, \$200 million for the 88 counties in Ohio, \$21 million of which will be to Cuyahoga County, and \$38 million to public transit, \$18 million of which will be lost by GCRTA. Despite this challenge, we remain somewhat optimistic, due to the significant impact on many, that State of Ohio officials will find a solution that will benefit all many entities. I will continue to meet with effective parties, such as Cuyahoga County, as well as officials in Columbus regularly to monitor the progress being made with the hope to get to a solution.

Beginning with an in-depth Financial Analysis, the enclosed report details the activity and operating results of RTA through the second quarter of 2016. 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,

A handwritten signature in blue ink that reads "Joe Calabrese". The signature is written in a cursive, flowing style.

Joseph A. Calabrese, CEO

General Manager/Secretary-Treasurer

Financial Analysis

GCRTA has improved processes, reduced costs, established a new strategic plan and managed very well over the past several years. Developing TransitStat, implementing the Strategic Plan, and engaging the ISO14000 series are all innovative concepts that have helped RTA be aligned with community needs and to become an employer of choice. Challenges have been met with hard work and diligence, which helped to move the Authority from a \$2.8 million ending balance in 2009 to a \$31 million ending balance in 2013.

In response to increased needs of our customers, transit service was added in 2014, and the need to invest more dollars in maintaining aging infrastructure, and increased healthcare costs, put pressure on our 2015 budget resulting in a year-end balance of \$16.9 million.

The 2016 budget approved by the GCRTA Board of Trustees in December 2016 necessitated a \$7 million adjustment to maintain an acceptable ending balance. A series of 16 public meetings were held in April and May with decisions being made in June to institute both a fare increase, the first in 7 years, and a 3 percent service cut of RTA's least utilized services. All changes are to be effective in August 2016.

Coming to light in July, another challenge looms in 2017 and beyond as the Medicaid Medical Health Care may be removed from the Sales & Use Tax base in Ohio due to Federal regulations effective July 1, 2017. If this issue is not corrected, GCRTA will suffer an \$18 million annual reduction in revenue.

Sales & Use Tax provides over 70 percent of the revenue for the Authority. Thus, Sales Tax collections are vital to establishing the operating levels of the Authority. Sales Tax collections are budgeted at \$212.2 million in 2016. Through May, collections totaled \$85.5 million, only 1.1 percent above 2015, and 0.6 percent below budget. Three of the five months saw revenue reductions in about half of the categories compared to the same months in 2015. In June, a health care company amended their last 13 tax returns and additional funding from these returns was received, bringing the month total to \$23.7 million. This represented a 32.6 percent increase over June 2015. Receipts from July were 9.8 percent above 2015 and 4.5 percent above budget. The year-end estimate for 2016 is \$215.8 million, or 1.7 percent above budget.

Passenger Fare collections, the second largest source of operating revenue, has been declining in recent years. 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. In 2015, low fuel prices caused choice riders to drive and revenue dropped to

\$48.4 million, about \$1.6 million below budget. Passenger Fare revenue was originally budgeted at \$51.5 million for 2016, but has now been revised to \$49.3 million, \$2.2 million below budgeted levels. As approved by the Board of Trustees, base fares will be increased by 11 percent, or 25-cents, in August 2016, and will be increased an additional 25-cents in 2018.

Total revenues for 2016 were budgeted at \$289.1 million. With the budgeted carryover of \$25.9 million, Total Resources for 2016 was budgeted at nearly \$315.0 million. However, with the drop in ending balance in 2015 to \$16.9 million, Total Resources for 2016 are projected to end the year at \$310.6 million, a reduction of \$4.3 million.

Operating expenses grew in 2014 by 7.4 percent as personnel costs were \$2.0 million above budgeted levels due to a 27th pay for ATU Operator and Hourly personnel, and increased healthcare costs. Year-end expenses for 2015 ended at \$251.7 million, a 1.5 percent increase over 2014. Operating Expenses for 2016 are budgeted at \$267.7 million, with Personnel Services totaling \$192.6 million.

The End of Year Balance increased from \$2.9 million in 2009 to a high of \$31.5 million in 2013. The RTA Financial goal is to achieve at least a 30-day Operating Reserve. With the increased ending balance, Reimbursed Expenditures were reduced and funding was used for capital projects and bus replacements. For 2014, the ending balance totaled \$26.9 million and the goal was achieved again.

With increased costs and reduced revenues in 2015, the ending balance dropped to \$16.9 million, putting a strain on the 2016 budgeted ending balance of \$6.7 million. It is only with savings in Operating Expenditures that the Authority is now projecting a year-end balance of \$18.7 million. Tightly controlled expenses in materials & supplies, utilities, and low claims & liabilities will hopefully result in Operating Expenses ending the year \$10.5 million under budget.

Capital expenditures: For several years, additional resources have been needed to meet and maintain the Authority's capital assets, resources have not been available and projects were deferred. In recent years due to the improved financial conditions additional funding has been allocated to the capital program by reducing grant funded Preventive Maintenance (PM) reimbursement to the Operating Budget and directing more resources toward capital improvements.

Capital Expenditures through second quarter reduced to \$45.85 million significantly lower than prior year of \$55.88 million during 2015 at second quarter. The decrease in expenditures is due to pending bus orders underway for (16) 40-Ft CNG buses programmed for production and due for delivery first quarter 2017, and 24 additional 40-Ft CNG expected to be contracted by year end and due for delivery late next year.

Most of the capital expenditures in the second quarter were expensed within three capital categories representing 83.9 percent of total expenditures generated, Bus Improvement Program at \$6.9 million, Rail Projects category generating \$10.5 million, Preventive Maintenance and other Operating Expense Reimbursement at \$21.1 million. During the remainder of the year programmed capital activities including reconstruction of the Brookpark Red Line Station, Lee/Shaker Green Line Stations, rehabilitation of E. 116th Street Station, and various track rehabilitation projects including three Light Rail Crossings and Track 7 & 8 at Tower City will significantly increase expenditures at year end.

The Authority's focus continues to be on achieving a State of Good Repair (SOGR), capital projects have been programmed for the current budget year that will significantly increase expenditures in Rail Projects, Bus Improvement Program and Facilities Improvement categories. The Authority continues to make progress on funding projects included in the Capital Improvement Plan (CIP) and will continue to target both non-traditional as well as formula grant funding sources in the future.

Financial Indicators

Measures of budget compliance are the performance of the six financial policy objectives. The chart on page 13 compares the 2016 2nd Quarter 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 percent is the policy goal. The budget assumed that operating revenue (fares, advertising, and interest income) would equal 19.9 percent of the total operating expenses. Through the second quarter, the Operating Ratio remained at 19.9 percent. A 25-cent base fare increase will be executed in August 2016. Operating Expenses were budgeted at \$267.7 million and are projected to end the year \$10.5 million under budget.

The Cost per Hour of Service is to be maintained at or below the level of inflation (under 2 percent). In 2016, the budgeted Cost per Hour of Service is \$134.3. Through the 1st Quarter of 2016, cost per hour of service fell to \$129.2 million. Due to the budgeted service hours increasing from 1.8 million hours in 2015 to 1.9 million budgeted for 2016. Through the second quarter, the Cost per Hour of Service remains steady at \$129.2, a 7.6 percent decrease from 2015. Operating Expenses continue to be tightly monitored throughout the year to ensure that the projected estimate of \$257.2 million is achieved. An annualized 3.0 percent service reduction and 25-cent base fare increase will be executed in the 3rd Quarter, starting in August.

The Federal Reserve Bank of Cleveland calculates the inflation rate to remain between 1.7-2.0 percent for the next ten years. The projected Growth per Year for 2016 is -7.6 percent, compared to 2015; therefore this indicator is projected to be 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 was \$16.9 million, which yielded an operating reserve of 0.8 months. The 2016 budget has an Operating Reserve of 0.3 months. First Quarter projections estimate the ending balance increasing to nearly \$10 million, with an Operating Reserve of 0.5 months. Through the 2nd Quarter, the ending balance increased to \$18.7 million due to a reduction in transfers to Capital and savings in the Operating budget, which increased the Operating Reserve from 0.5-months in the 1st Quarter to a projected 0.9-months after the 2nd Quarter. Although this is an increase, it still does not quite meet the 1-month target.

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 2014 ratio of 2.37 remained well above both the budgeted amount of 1.69 as well as the Board established minimum of 1.50 efficiency rating.

For 2015, this indicator completed the year at 1.79, better than the budgeted amount of 1.69, though continuing its slow decline due to lower ending fund balances. For 2016, this indicator is expected to complete the year at 1.84, higher than the budgeted amount of 1.32 due to projected improvements in the Operating Budget Revenues, which in turn will increase total operating resources available for debt service coverage.

The Sales Tax Contribution to Capital includes direct support for capital projects, transfers to fund the Authority's bond retirement payments, and has a Board policy goal of 10-15 percent. 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 percent. Since then it has fluctuated between a low 17.1 percent in 2012 to a high of 18.5 percent at the end of 2015. The indicator has continued to remain well above the goal of 15 percent to meet the need of the Authority's capital program.

For 2016 this indicator is projected to finish the year at 15.8 percent, above the maximum policy goal of 15 percent. The decrease in this measure, relative to budget is due to the \$6.4 million increase in revenues from the Sales & Use Tax in relative to capital growth. 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 97.0 percent, the Capital Maintenance Outlay to Capital Expansion Outlay ratio remains outside of the 75-90 percent range outlined in the Board Policy goal, though close to the FY 2016 budgeted level of 94.2 percent. 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, two of the six financial indicators meets the Board Policy Goals, although the Operating Reserve nearly meets the 1-month goal. In recent years, RTA has generally met three of the 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

When RTA's financial picture was stabilized, the Authority made a calculated decision 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 2016. In spite of these efforts, there are well over \$260 million of capital projects that need to be funded. 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 \$6.8 million balance has made it increasingly difficult to reach a 30-day balance in 2016. By tightly controlling Operating Expenditures, the Authority is now projecting a year-end balance of \$18.7 million. RTA must continue to execute extremely well in 2016 in order to adjust for the \$4.5 million reduction of Sales & Use Tax receipts in 2017 and the \$18 million drop in 2018 in order to maintain a reasonable operating balance.

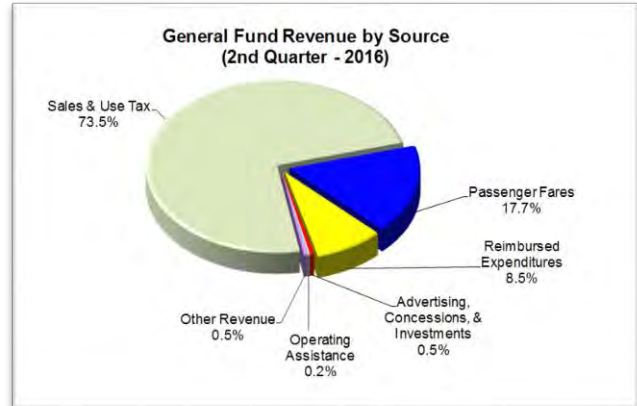
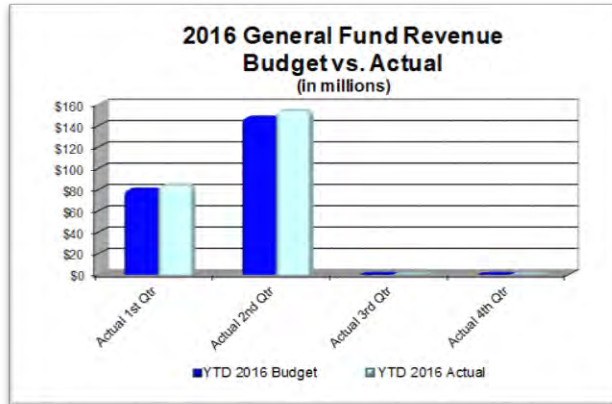
QUARTERLY MANAGEMENT REPORT AUGUST 2016

General Fund Balance Analysis

	2013 Actual	2014 Actual	2015 Actual	2016 Budget	2016 Estimate	Variance
Beginning Balance	40,713,946	38,394,322	26,870,717	25,894,064	16,897,706	(8,996,358)
Revenue						
Passenger Fares	48,699,580	49,085,267	48,419,211	51,475,500	49,315,155	(2,160,345)
Advertising & Concessions	1,400,191	1,488,870	1,442,677	1,420,000	1,420,000	0
Sales & Use Tax	189,630,645	197,118,776	205,843,321	212,243,660	215,840,688	3,597,028
CMAQ Reimbursement for 2012 Trolleys	1,104,680	704,063	533,478	0	0	0
Operating Assistance - Paratransit Operations	3,889,000	4,057,815	3,125,000	0	0	0
Operating Assistance - Trolley Operations	0	0	0	640,000	640,000	0
Access to Jobs Program	2,927,754	2,470,656	920,570	0	0	0
Investment Income	200,188	169,211	153,534	200,000	100,000	(100,000)
Other Revenue	1,177,962	1,470,683	1,254,771	1,100,000	1,500,000	400,000
Reimbursed Expenditures	15,217,046	17,324,469	19,720,588	22,000,000	24,938,861	2,938,861
Total Revenue	264,247,046	273,889,810	281,413,150	289,079,160	293,754,704	4,675,544
Total Resources	304,960,993	312,284,132	308,283,867	314,973,224	310,652,410	(4,320,814)
Operating Expenditures						
Personnel Services	169,098,188	181,305,658	186,608,791	192,616,439	189,422,762	(3,193,677)
Diesel Fuel	13,956,183	14,335,896	10,804,133	9,274,280	9,407,264	132,984
Natural Gas	1,388,300	957,626	1,119,725	1,707,000	1,560,500	(146,500)
Other Expenditures	46,529,565	51,458,576	53,128,282	64,075,686	56,786,372	(7,289,314)
Total Operating Expenditures	230,972,236	248,057,756	251,660,931	267,673,405	257,176,898	(10,496,507)
Transfer to the Insurance Fund	1,400,000	900,000	1,500,000	1,200,000	500,000	(700,000)
Transfer to the Pension Fund	100,000	100,000	100,000	100,000	100,000	0
Transfers to Capital						
Bond Retirement Fund	18,324,392	20,480,914	22,615,956	23,006,085	21,882,300	(1,123,785)
Capital Improvement Fund	15,770,044	15,874,745	15,509,273	15,579,812	12,282,806	(3,297,006)
Total Transfers to Capital	34,094,435	36,355,659	38,125,229	38,585,897	34,165,106	(4,420,791)
Transfer to Rolling Stock Reserve Fund	0	0	0	741,392	0	(741,392)
Total Expenditures	266,566,671	285,413,415	291,386,160	308,300,694	291,942,004	(16,358,690)
Available Ending Balance	31,494,322	19,970,717	16,897,706	6,672,530	18,710,407	12,037,876

2016 2nd Quarter						
Financial Policy Objectives						
		Goal	2014 Actual	2015 Actual	2016 Budget	2016 Estimate
Operating Efficiency	Operating Ratio	> 25%	20.6%	19.9%	19.9%	19.9%
	Cost/Hour of Service		\$123.6	\$139.8	\$134.3	\$129.2
	Growth per Year	< Rate of Inflation	-4.2%	13.1%	9.2%	-7.6%
	Operating Reserve (Months)	> 1 month	1.3	0.8	0.3	0.9
Capital Efficiency	Debt Service Coverage	> 1.5	2.37	1.79	1.32	1.84
	Sales Tax Contribution to Capital	10% - 15%	18.4%	18.5%	18.2%	15.8%
	Capital Maintenance to Expansion	75% - 90%	95.7%	98.9%	94.2%	97.0%

Operating Revenues

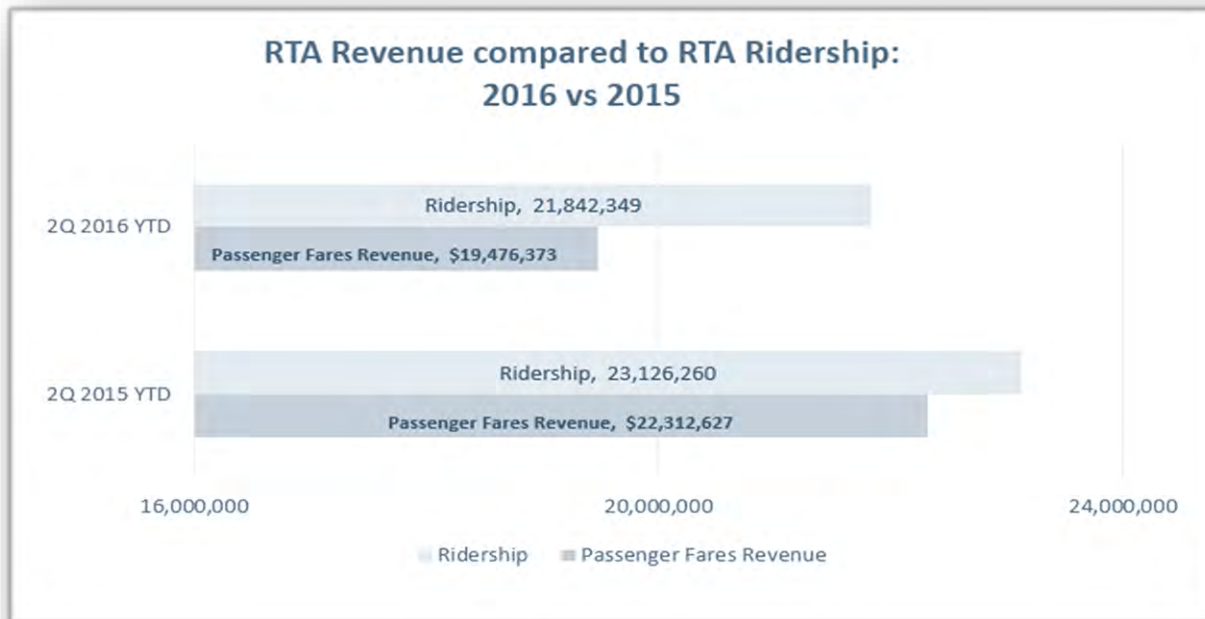


The pie chart to the right, and the bar graph at the left, visually portray the revenue status. The General Fund revenue received through the 1st Quarter of 2016 totaled \$83.7 million, about 5 percent more than budget and 7.9 percent more than the same time period of 2015. Through the 2nd Quarter, \$153.5 million was collected. This is 4.4 percent more than budget and 7.4 percent more than the 2nd Quarter in 2015.

Sales & Use Tax, the largest source of local revenue, ended first quarter 0.86 percent below budget, but \$281,247 above 2015 receipts. Through May, about half of the Sales & Use Tax categories received less funding than 2015. June 2016 receipts were 23 percent better as collections included audited receipts from 13 amended tax returns from a Medicaid company. Passenger Fare revenues, the second largest source of revenue, ended the 1st Quarter \$2.2 million below budget and 11.2 percent below 2015 receipts during the same period. By the 2nd Quarter, receipts were 13.9 percent below budget and 12.7 percent below 2015 levels. The following section provides a more detailed account of each of the revenue streams.

Passenger Fares

Actual Passenger Fare revenue received for the second quarter of 2016 was \$19.5 million. This is \$3.1 million, or 13.9 percent, below budget, and \$2.8 million, or 12.7 percent, below the same period in 2015. Total system ridership for the second quarter of 2016 was approximately 21.8



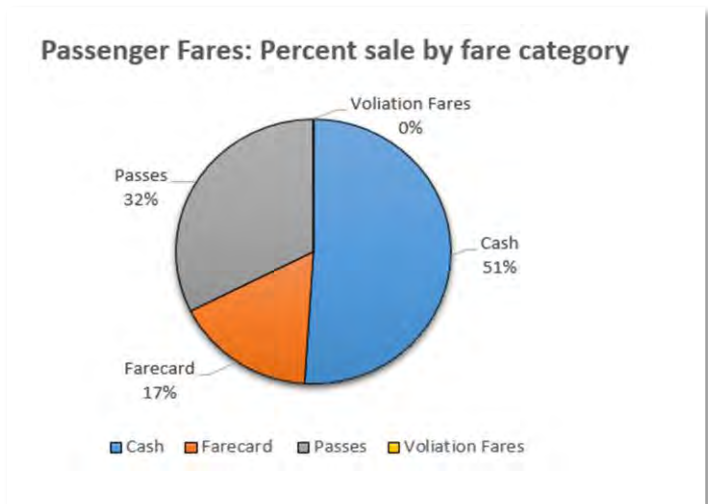
million which is 1.3 million less rides, or 6 percent, below the same period in 2015.

On the contrary, June 2016 was an historic month for RTA service and fare collection. On June 22, more than 1 million Cleveland Cavaliers fans lined the streets of downtown to celebrate with the team. This historic event boosted passenger fares and RTA ridership especially notable on RTA rail lines.

Rail ridership in June, compared to prior year, increased by 17 percent, or by 126,000 rides. Compared to second quarter 2015, rail ridership increased by 2.4 percent, or 53,227 rides.

RTA's Commemorative Championship \$5 All-Day (round-trip) Passes elevated June pass sales by 14 percent, or \$65,000. Heavy Rail June cash transactions increased by approximately 57 percent, or \$214,000. Light rail followed with gains of 21 percent, or \$42,174, compared to June of 2015.

Cash fares remain the highest revenue category with over 51 percent of all passenger fare sales. In the second quarter, cash fare received was \$11.4 million, or 13.5 percent, below budget, and 4.4 percent, below the same period in 2015. Total ridership for the second quarter of 2016 was approximately 2.8 million, which is 3 percent below 2015 ridership.



Pass sales are the second largest revenue category, holding over 32 percent of all sales within passenger fare. Pass sales received for the second quarter was \$6.8 million. This is \$1.2 million, or 15.11 percent, below budget, and \$441,373, or 6.1 percent, below the same period in 2015. Total pass ridership for the second quarter of 2016 was approximately 5.9 million rides, which is 5 percent below 2015. The '7-Day Bus/Rapid Pass' and '7-Day Senior/Disabled Pass' together compromise over 72 percent of all pass purchases through the second quarter.

Typically, Student Fare Cards experience a higher level of fluctuation in the passenger fares revenue category since student riders are seasonal riders with summer vacations, various breaks, and numerous holidays which impact the level of usage. Revenue for Student tickets is lower by \$1,726,186 or approximately 73 percent in the same period of 2015. Cleveland Municipal School District (CMSD) entered into a new contract in June 2016. Students Farecards for the 2015-2016 school year, totaling \$4.2 million, were purchased in August 2015. Student Farecards for the 2016-2017 school year will be purchased by CMSD in August 2016.

To provide a more normalized and informative indicator, RTA analyzes the core passenger fare, which tracks performance of passenger fare by excluding U-Pass and student tickets. Monthly core passenger fare, compared to 2015, fell each month, except June, in which thousands of people took public transit to see the CAVS games and the parade.

Core Passenger Revenue			
Month	2015 Fares	2016 Fares	% Change
Jan	\$ 3.16	\$ 2.82	-10.8%
Feb	\$ 3.01	\$ 2.90	-3.7%
Mar	\$ 3.32	\$ 2.91	-12.3%
Apr	\$ 3.24	\$ 2.89	-10.8%
May	\$ 3.26	\$ 2.97	-8.9%
Jun	\$ 3.41	\$ 3.71	8.8%
Qtr End	\$ 19.40	\$ 18.20	-6.2%

Through the second quarter of 2016, core passenger fare decreased 6.2 percent compared to the same time period in 2015. March has the largest monthly year to date decline of 12.3 percent followed by January and April, both at 10.8 percent.

In summary, Heavy Rail cash fares, student tickets, U-Pass, and the All-Day Passes increased in the second quarter of 2016. All other passenger fare revenue categories, cash, tickets, and passes, decreased compared to the second quarter of 2015. Similar to passenger fares, second quarter ridership in all modes decreased other than Heavy Rail with slight gain of 1 percent or 34,773 rides compared to 2015. Revenue received from fare violations increased significantly compared to the second quarter 2015. Fare violation revenues increased by \$4,050 or 88 percent.

RTA prepared for the RNC with all hands on deck to showcase RTA service. July will mark another driven historic service period for RTA.

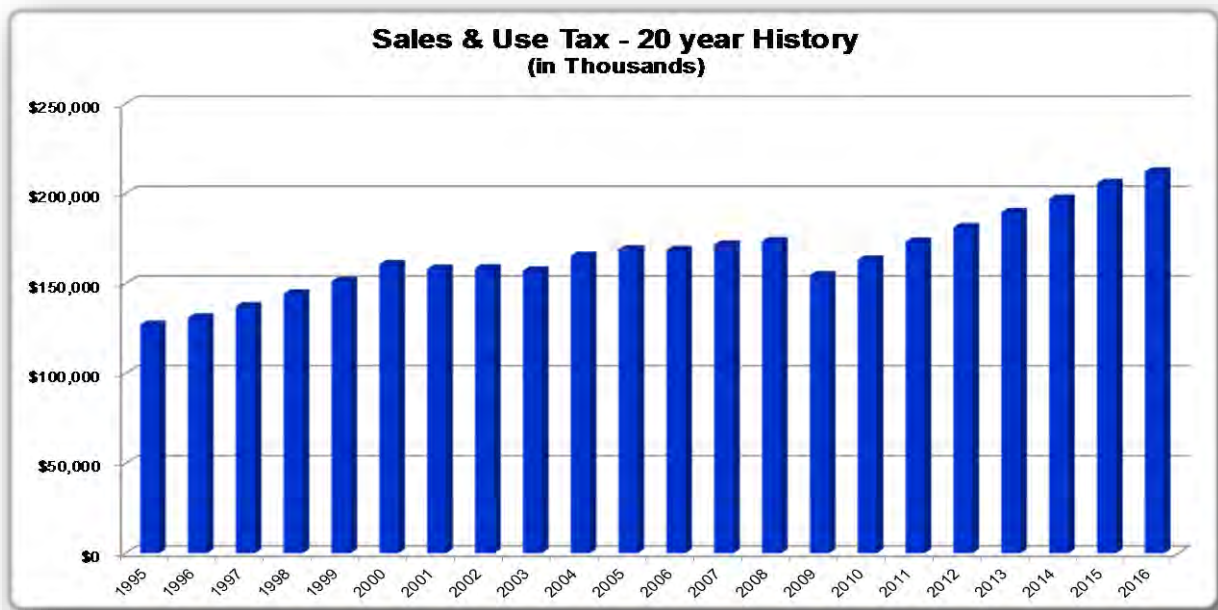
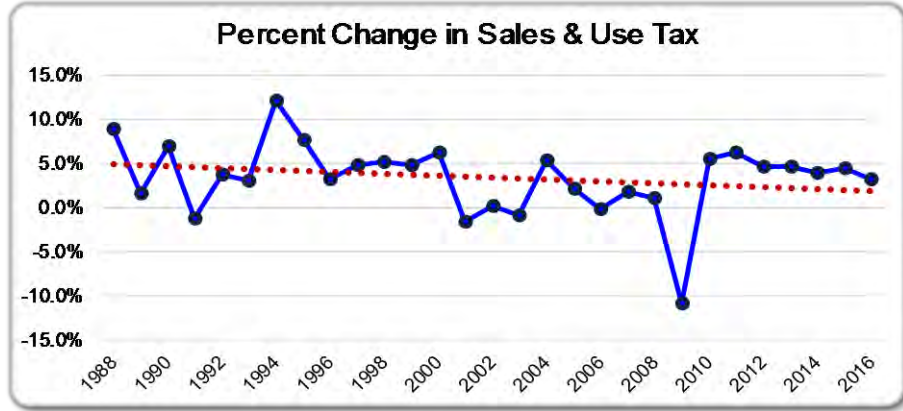
Advertising and Concessions

Revenue received from Advertising and Concessions includes advertising on the buses and trains, concession income, and naming rights funding for the HealthLine and CSU Line. Funding received through the 1st Quarter totaled \$520,935. This is primarily made up of the bus and rail vehicles advertising as well as the naming rights. Through the 2nd Quarter, funding received was \$801,480, 5.2 percent above budget and 3.6 percent above 2015. The 2016 budget for Advertising and Concessions is \$1.4 million. Total collections are projected to meet budget.

Sales & Use Tax

Collections increased from 2011 through 2013 by roughly 5 percent each year and slowed to 3.9 percent in 2014. Receipts for 2015 were strong through November but dropped off slightly in December and ended the year at

\$205.8 million, 4.4 percent above 2014 levels but \$0.8 million below 3rd Quarter projections. For 2016, Sales Tax collections are budgeted at \$212.2 million and through May, collections totaled \$85.5 million, only 1.1 percent above 2015, but 0.6 percent below budget. Three of the months saw revenue reductions in about half of the categories compared to the same months in 2015. In June, a health care company amended their last 13 tax returns and additional funding from these returns was received, bringing the month total to \$23.7 million. This represented a 32.6 percent



increase over June 2015. July receipts were 9.8 percent above 2015 and 4.5 percent above budget. The year-end estimate for 2016 is \$215.8 million, an increase of 4.9 percent above 2015.

Since 2009, the Ohio Legislatures have increased the Sales & Use Tax base to cover Medicaid Managed Health Care services and other services. The Federal government changed and gave Ohio Legislatures until June 30, 2017 to comply with the new regulations prohibiting taxing a subset of Managed Health Care providers, which includes Medicaid. Although discussions have continued a decision has yet to be made. Removing Medicaid Managed Health Care services from the Sales & Use Tax base will result in an estimated \$4.5 million drop in Sales Tax revenue in 2017 and over \$18 million in 2018.

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 final grant funds enabled this program to continue through 1st Quarter 2015 and the program ended April 1, 2015.

Investment Income

Through 1st Quarter 2016, Investment Income earned totaled \$13,544. This is \$67,877 lower than the same period in 2015 and 87 percent lower than budget. Through mid-year, \$20,635 was received, which is 82.0 percent lower than 2015 and 86.2 percent lower than budget. The Authority is only receiving 0.46 percent interest on its investments. This is further amplified by the declining balance of the General Fund. The 2015 budget for this category was \$225,000, but ended the year at \$153,534. The 2016 budget is \$200,000. With the declining balance and reduced receipts in the first quarter, the year-end estimate for this category has been reduced to \$140,000. Since receipts have continued to drop, the year-end estimate has been lowered again to \$100,000.

Other Revenue

This revenue category is difficult to project as it consists of various claim reimbursements, rental income, salvage sales, and identification card proceeds. For 2015, receipts received totaled \$1.3

million, about \$0.1 million more than budget, but \$0.3 million less than 2014. Total receipts for Other Revenue received in the 1st Quarter 2016 totaled \$220,469, about 22.6 percent less than budget and just over \$100,000 less than 2015 receipts during the same period. Receipts for Other Revenue through the 2nd Quarter totaled \$1.2 million, \$590,948 over budget and 79 percent over the same period in 2015. The budget for this category was \$1.1 million. Based on funding received over the first half of the year, the year-end estimate for this category has been increased to \$1.5 million.

Reimbursed Expenditures

Reimbursed Expenditures category includes reimbursements for preventive maintenance, fuel tax, force account labor, as well as other state, federal, and local reimbursements. In prior years, other reimbursements included Paratransit Operating Assistance, and CMAQ Trolley Reimbursements.

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.

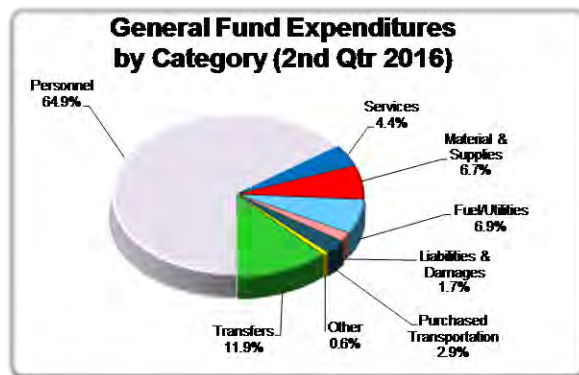
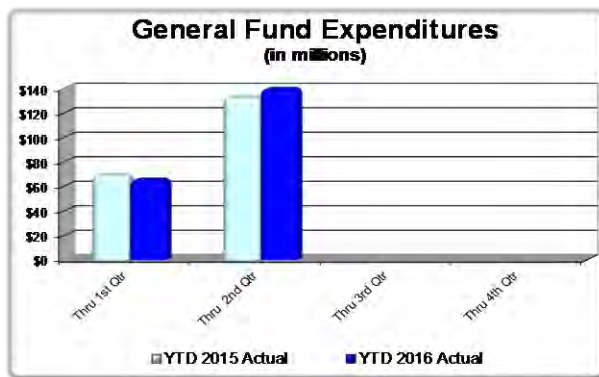
Through the 1st Quarter of 2016, \$18 million was received for preventive maintenance, nearly \$1 million was received for force account labor, and \$204,076 was received for fuel tax refund. Total receipts in the 1st Quarter were nearly 56 percent higher than budget and 62.8 percent higher than collections received in the 1st Quarter of 2015. Total PM Reimbursement received in 2016 through mid-year is \$21.0 million, a little over a million of which was from 2015. Force Account Labor reimbursement through the 2nd Quarter totaled nearly \$1.0 million. Total Reimbursements received through the 2nd Quarter were \$22.9 million, 27.3 percent above budget and 43.7 percent above the same period in 2015. Total funding by year-end is estimated at \$24.9 million, which includes the receipts from 2015 that were received in 2016.

Operating Expenditures

The chart to the right itemizes the major cost categories and compares projected costs with the current budget. The 2016 Operating Budget (not including transfers) includes \$267.7 million originally adopted for 2016 plus prior year rollover encumbrances of \$7.9 million for a total budget of \$275.6 million. Please

note: this presentation differs from the expenditure number appearing in the fund balance statement on page 12 because it includes prior year encumbrances. Expenditures, net of prior year encumbrances, are further highlighted with the bar graph and the pie chart below.

2016 2nd QTR ACTUALS BY CATEGORY CURRENT BUDGET vs. ACTUAL COMMITMENTS				
Category	Current Budget	Projected Expenses	Variance vs. Current Budget	
Personnel Services	192,630,076	189,446,999	3,183,077	1.65%
Services	17,947,029	15,389,466	2,557,563	14.25%
Material & Supplies	22,308,837	21,505,966	802,871	3.60%
Fuel/Utilities	23,870,454	22,329,525	1,540,929	6.46%
Liabilities & Damages	5,912,850	4,822,473	1,090,377	18.44%
Purchased Transportation	10,234,255	9,587,379	646,876	6.32%
Other	2,718,018	2,040,505	677,513	24.93%
Transfers	40,627,289	34,765,106	5,862,183	14.43%
	316,248,808	299,887,419	16,361,389	5.17%



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 percent 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 percent above budgeted levels and 1.5 percent above 2014 costs.

Through the 1st Quarter of 2016, \$57.9 million was expensed and through the 2nd Quarter, \$121.2 million was expensed. The 2nd Quarter expenses are \$3.5 million, or 3.0 percent, higher than the

same period in 2015. The largest category is Personnel, which ended the 2nd Quarter at \$90.6 million, about 7.9 percent above the 2nd Quarter 2015. In this same category, Fringe Benefits ended the 2nd Quarter 3.4 percent below the same period in 2015. Below are more details about each of the categories.

Personnel Services

Personnel Services are budgeted at \$192.6 million. This included Operator, Hourly, and Salary labor, overtime, and Fringe Benefits. The year-end expenditures for this category in 2015 were \$186.6 million, or \$3.8 million above budget, mainly due to \$4 million of health care and prescription invoices that were received in the last 3 weeks of December.

An innovative contract settlement was reached in 2013 with ATU and FOP that tied wage increases to Sales & Use Tax and Passenger Fare revenue increases. The ATU contract ended in August 2014 and a new contract agreement was reached in November 2015. Wage increases, retro-active to February 2015, for ATU employees were paid out in December. FOP employees received a 3 percent pay raise for 2015.

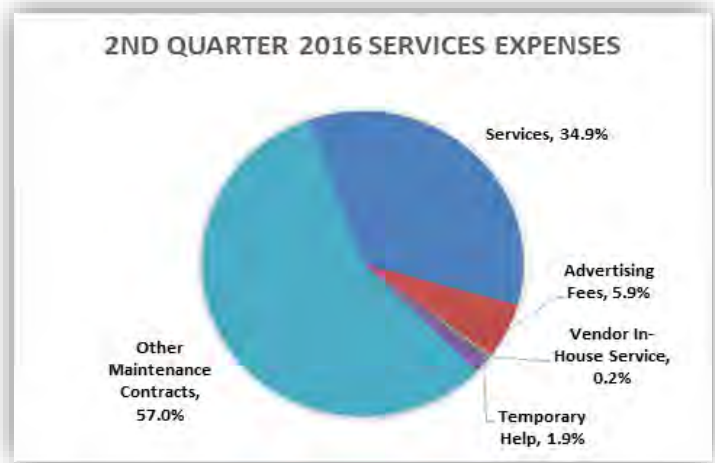
ATU personnel received a 3 percent wage increase in February 2016 based upon the contract agreement in November 2015. FOP personnel received a 2.5 percent wage increase for 2016 based upon the revenue formula.

Non-Bargaining wage increases have been delayed until July and are tiered based on grade levels. The EMT (Executive Management Team) will receive no pay increases in 2016. Total personnel services is projected to end the year at \$189.4 million, or \$3.2 million under budget.

With the changes to health benefits nationwide, especially health care and prescription costs, the Fringe Benefits category has been difficult to project. The budget for Fringe Benefits is \$50.7 million. Through the 1st Quarter, \$10.7 million has been expensed. At the end of the 2nd Quarter, \$22.9 million had been expensed. The year-end projection for Fringe Benefits is at the budgeted level. Health Care and Prescription costs have risen considerably over the past few years and will be closely monitored throughout the remainder of the year.

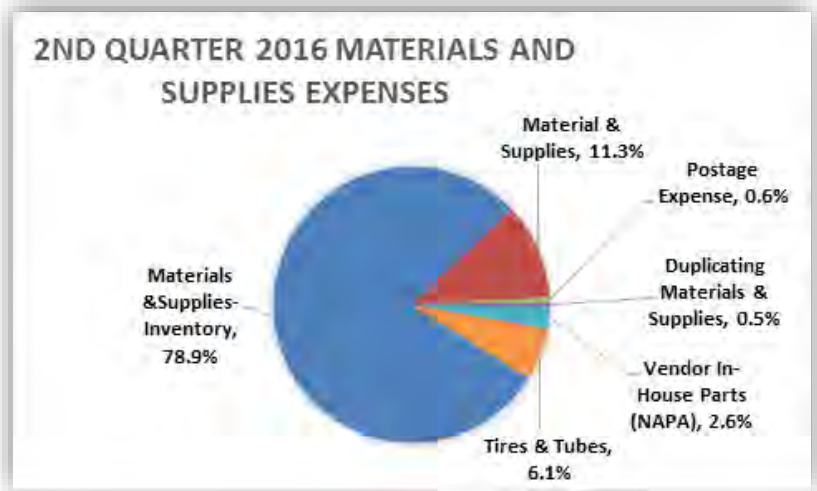
Services

Through Second Quarter 2016, service expenditures totaled \$5.3 million. The largest expense stems from contractual services, where \$3 million was paid out through Second Quarter 2016. Additional categories include advertising fees, vendor services for the NAPA contract, shelter cleaning, and other maintenance and administrative costs. By year-end, expenses are anticipated to be \$15.4 million, approximately 14.3 percent, below the total budget for the year.



Material and Supplies

Material and Supplies expenses totaled \$9.1 million through Second Quarter 2016. This category includes Inventory, postage and duplicating expenses, office supplies, tires and tubes, NAPA parts, and other miscellaneous parts. The largest expense for Material and Supplies is Inventory where \$7.2 Million was expensed through Second Quarter 2016. \$2.5 million of the annual inventory budget was allocated



for the Predictive Maintenance Program, which encompasses maintenance plans for CNG buses, HealthLine, and certain NABI fleets. For 2016, the anticipated expenses are \$21.5 million, which is approximately 3.6 percent under budget. The largest savings is anticipated to be Tires and Tubes with an estimated savings of 25 percent due to a funding overlap from a previous tire contract. In fourth Quarter 2015, Materials and Supplies ended the year at 8.9 percent over budget with \$19 million expensed, \$14.1 million of which was spent on inventory.

Fuel/Utilities

The net cost for diesel fuel was \$2.66/gal through second quarter. The balance of 2016 is hedged at an average price of \$2.44/gal, 2017 at \$2.17/gal and 2018 at \$1.73/gal. While 2019 is not fully hedged, the average price for the current 10 contracts is \$1.63/gal.

The budget for fuel for 2015 was \$13.44 million. With financial adjustments made, expenses for the year were \$10.8 million. The 2016 fuel budget is \$9.3 million and the current projection is \$9.4 million.

Electrical costs were budgeted for 2016, factoring a potentially large utility rate increase. One specific rider (RRS) was originally approved by the PUCO and was later essentially repealed by the FERC. If FERC's decision stands, we will end the year under budget. A supply contract was secured in April 2016 for the period of June 2017 through May 2019. The rate contracted will result in 6% lower electrical supply expenses.

Natural gas prices have been locked in through mid-2017. An RFP was issued on July 18th to contract the next 2 years.

Compressed Natural Gas for the CNG buses had an average pre-tax and credit cost of \$0.98/Diesel Gallon Equivalent (DGE) and after tax and credit cost of \$0.42/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 premiums 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. 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 percent under the current budget appropriation, mainly due to lower than budgeted insurance premiums and claims. In 2016, physical damage insurance was 14.4 percent under budget and the workers' compensation administrative fee will be about 8.8 percent under budget. Through the 2nd Quarter, total expenses were \$2.2 million as claims remain low. By year-end, this category is expected to total \$4.8 million, or 18.4 percent, under budget.

Purchased Transportation

The two major components in this category are the ADA Purchased Transportation program and Operating Assistance for Brunswick and Medina. In 2015, ADA purchased transportation was

budgeted at \$8.1 million, which includes a transfer of \$562,000 due to increased ridership. By year end, costs totaled \$8.4 million, or 2.8 percent below the budget appropriation. For 2016, ADA Purchased Transportation totaled \$3.7 million through the 2nd Quarter and is expected to end the year slightly under the budget of \$9.3 million.

Pass-Through payments for Brunswick ended 2015 at \$523,742 and a one-time payment of \$63,160 was made for the Medina Pass-Through. For 2016, the Brunswick Pass-through funding are expected to meet the budgeted level or \$625,411. Medina Pass-through funding will not be needed and a savings of \$348,883 will be available at year-end.

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 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 2015 at \$1.6 million, or 13.3 percent under current budget appropriation. This category is expected to end the year at \$677,513, or 27.3 percent, under budget.

Transfers to Other Funds

Transfers from the General Fund to the other Funds of the Authority are made periodically during the year to establish payments for catastrophic losses, benefits for certain retired employees, local funding and local match for capital projects, and principal and interest payments on issued bonds. These funds include the Insurance Fund, Pension Fund, Capital Fund, and Bond Retirement Fund. The transfer to the Supplemental Pension Fund of \$100,000 was completed in the 1st Quarter, which met the budgeted level. This fund was established for assets held by the Authority in a trustee capacity for payments of benefits relating primarily to certain retired employees of the Authority and its predecessor transit systems.

For 2015, a transfer of \$1.5 million was budgeted and the transfer was completed in the 1st Quarter. At the end of the year, the ending balance totaled \$6.6 million. A \$1.2 million transfer was budgeted in 2016, however, with the higher than expected ending balance, a transfer of only \$500,000 was made in the 1st Quarter to cover unexpected claims. The ending balance for 2016 in the Insurance Fund is expected at \$5.2 million.

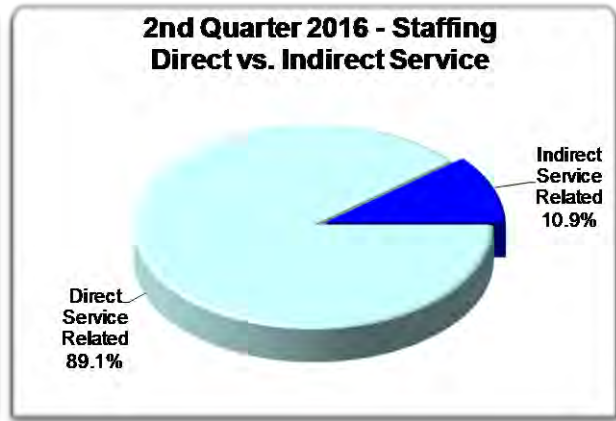
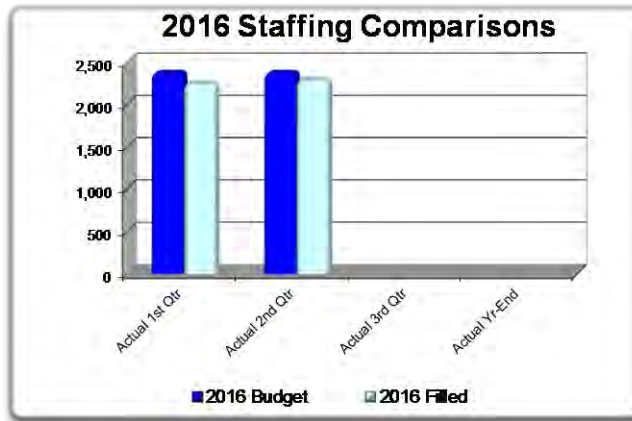
The Bond Retirement Fund transfer is the debt service less the investment income earned in the Bond Retirement Fund. The interest and principal payments on outstanding debt are taken from debt amortization scheduled. In 2015 a transfer of \$22.6 million was made, at the budgeted level. For 2016, a transfer of \$3.8 million was made in the first quarter and an additional \$7.6 million was transferred in the 2nd Quarter. The total budgeted transfer that is expected by year-end is \$22.6 million as a refinancing issue occurred in the 2nd Quarter.

The transfer to Capital Improvement Fund covers 100 percent 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. In 2015, the total transfer to the RTA Capital Fund was \$15.5 million. For 2016, transfers of \$15.6 million were budgeted, of which \$3.5 million was transferred during the 1st Quarter and an additional \$2.7 million was transferred in the 2nd Quarter. The year-end estimated transfers are \$12.3 million, \$3.3 million under the budgeted level.

Staffing

The charts below summarize staffing at the end of the 2nd Quarter of 2016. 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 2016 approved Operating Budget funded a combined 2,361.8 full- and part-time Full-Time Equivalent (FTE) positions. At the end of the 1st Quarter, a total of 2,236.5 positions were filled, consisting of 2,116 full-time and 120.5 part-time positions. By the end of the 2nd Quarter, 2,276 positions were filled, of which, 2,091 were full-time and 185 were 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

In 2016, as a result of the Authority refinancing debt in 2015 and 2016, the Authority's debt-service ratio improved and the transfer to the Bond Retirement Fund was reduced by \$1,123,785. The transfer from the General Fund to the Insurance Fund was completed during the 1st Quarter at \$0.5 million, under the budgeted amount of \$1.2 million. There has been no other activity in the Law Enforcement, Bond Retirement, Insurance, or Pension Funds other than budgeted increases, scheduled set asides, activities on prior year encumbrances, and budgeted expenditures.

Capital Commitments and Expenditures

Commitments by Capital Category

Due to the multi-year nature of many capital projects, the budget for the Authority's capital program is multi-year or Inception-to-Date (ITD) based. The current combined capital budget appropriation within the Authority's 2016 capital program of \$323.71 million includes the approved Fiscal Year (FY) 2016 Capital Budget of \$67.75 million and \$255.96 million of carryover capital budget appropriations from prior years.

Projects within the capital program are placed within one of the eight categories included in the chart below. The chart presents the categories of the Authority's capital program including their total commitments (expenditures plus current encumbrances) at the end of the second quarter and compares year-end projected commitments to current category budgets.

At the end of second quarter, combined capital project commitments total \$260.98 million including \$197.10 million of ITD expenditures and \$63.88 million of current encumbrances resulting in a positive variance of \$62.73 million, or 19.4%, relative to the combined capital budgets. At the end of second quarter, \$38.57 million of the current expenditures were expensed on Bus Improvements at \$6.96 million, Rail at \$10.51 million and Preventive Maintenance (PM) and other reimbursements to the Operating Budget at \$21.1 million. All other capital activities during the second quarter were mainly continuation of projects that began in prior fiscal years and in preparation for the planned FY 2016 construction schedule and maintaining a State of Good Repair (SOGR) of the Authority’s capital assets.

Projected activities within the RTA Capital and RTA Development Funds during the remainder of 2016 will result in estimated total commitments of \$282.30 million and a positive year-end variance of \$41.41 million, or 12.8% versus the combined budgets of the RTA Capital and RTA Development Funds. The projected positive variance within the Authority’s capital programs is due to the expected closeout of remaining budget appropriation in projects that were completed under budget, to the timing of anticipated grant awards delaying some budgeted capital activities, to multi-year budgeted projects compared with the annual draws for project activities during the year, and to unanticipated cost increases in several construction projects that will now likely be delayed until next year due to a lack of funds.

PROJECTED YEAR-END CATEGORY CAPITAL COMMITMENTS

Category	Current Budget	Current Commitments	Projected Year-End	Proj. Variance vs. Current Budget	
Bus Garages	\$9,960,634	\$9,545,619	\$9,751,619	\$209,015	2.1%
Bus Improvement Program	\$72,527,195	\$64,931,463	\$71,538,417	\$988,778	1.4%
Equipment and Vehicles	\$16,844,458	\$13,531,920	\$15,300,494	\$1,543,964	9.2%
Facilities Improvements	\$23,254,367	\$16,672,306	\$18,688,773	\$4,565,594	19.6%
Other Projects	\$8,621,415	\$1,435,699	\$2,070,232	\$6,551,183	76.0%
Preventive Maint./Operating Reimb.	\$23,837,215	\$22,449,594	\$22,523,244	\$1,313,971	5.5%
Rail Projects	\$143,832,812	\$109,458,024	\$119,218,840	\$24,613,972	17.1%
Transit Centers	\$24,834,792	\$22,956,079	\$23,212,016	\$1,622,776	6.5%
Grand Total	\$323,712,888	\$260,980,705	\$282,303,635	\$41,409,253	12.8%

Current Year Expenditures by Capital Category

The chart below lists year-to-date (YTD) category expenditures and their related percentage of total capital expenditures for the current year through the end of the second quarter and compares them with the two previous years at the same point in time. So far, capital expenditures have decreased compared to prior year due to many of the projects being a continuation from prior year, pending bus orders and delays in construction startup.

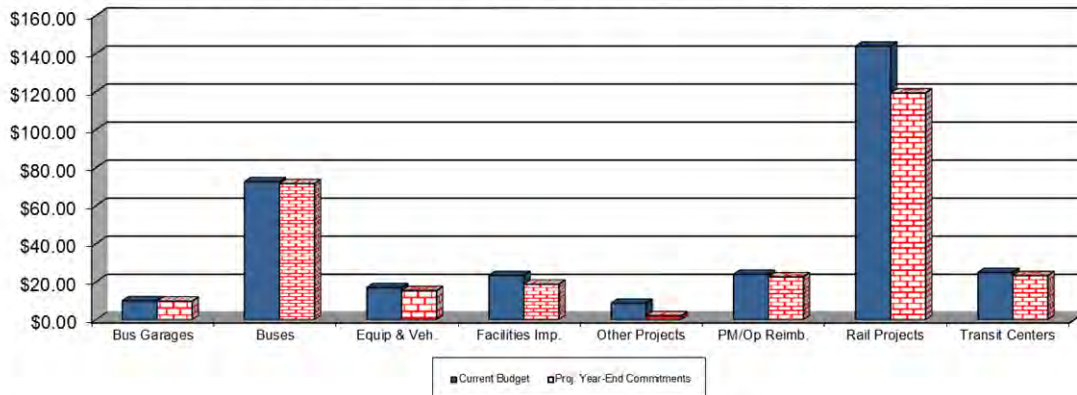
Most of the remaining capital expenditures in the second quarter were within the three capital categories, Bus Improvement Program at \$6.9 million or 15.2%, Rail Projects category generating \$10.5 million or 22.93%, Preventive Maintenance and other Operating Expense Reimbursement at \$21.1 or 46.0% of capital expenditures with the balance of expenditures in much smaller amounts in the remaining categories. During the remainder of the year programmed capital activities including reconstruction of the Brookpark Red Line Station, Lee/Shaker Green Line Stations, rehabilitation of E. 116th Street Station, various track rehabilitation projects including three Light Rail Crossings and Track 7 & 8 at Tower City, as well as Track Bridge projects to reconstruct East Blvd Track Bridge, East 116th street track bridge and the demolition of WB Access Road will significantly increase expenditures in the Rail Projects, Bus Improvement Program and Facilities Improvement categories.

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

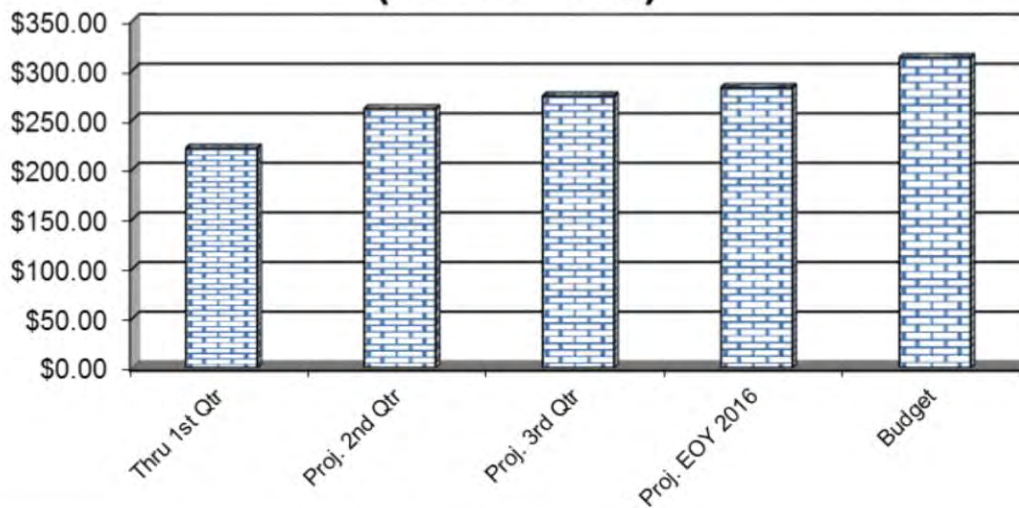
CAPITAL EXPENDITURES BY CATEGORY THROUGH SECOND QUARTER

Category	2016	%	2015	%	2014	%
Bus Garages	\$1,470,964	3.2%	\$519,610	0.9%	\$671,849	1.7%
Bus Improvement Program	\$6,959,401	15.2%	\$27,046,623	48.4%	\$15,496,776	38.2%
<i>Bus Rapid Transit</i>	\$0	0.0%	\$0	0.0%	\$0	0.0%
Equipment and Vehicles	\$1,550,972	3.4%	\$949,706	1.7%	\$3,068,052	7.6%
Facilities Improvements	\$2,971,561	6.5%	\$1,525,111	2.7%	\$2,184,691	5.4%
Other Projects	\$208,714	0.5%	\$1,637,027	2.9%	\$1,966,608	4.8%
Preventive Maint/Op. Reimb.	\$21,103,564	46.0%	\$15,997,854	28.6%	\$7,198,762	17.7%
Rail Projects	\$10,514,643	22.9%	\$7,796,493	14.0%	\$7,731,563	19.1%
Transit Centers	\$1,067,187	2.3%	\$412,365	0.7%	\$2,251,427	5.5%
Grand Total	\$45,847,005	100.0%	\$55,884,789	100.0%	\$40,569,728	100.0%

2016 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

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

At the end of the second quarter, \$9.55 million of the current \$9.96 million category budget was committed leaving a positive variance of \$415,015 or 4.2%. Total category commitments include \$5.67 million of ITD expenditures and \$3.87 million of current encumbrances. At the end of second quarter, \$1.47 million in expenditures were generated in all projects within this category reflecting the incremental progress being made towards completion of programmed work.

Projected combined commitments of \$206,000 for the remainder of the year are for completion of CNG building compliance at the Hayden Garage and Central Bus Maintenance Facility and for construction of an outdoor bus storage lot at the Triskett Garage.

The positive projected variance of \$209,015 or 2.1% at the end of the year in this category is due to projected cost savings and delay in construction projects.

Bus Improvement Program

With the inclusion of the third and fourth year of a funded five-year bus and paratransit bus replacement program, the Authority now has four separate bus orders underway. The first order of twelve (12) Trolley buses arrived during second quarter, The second delivery of 20 MV1's late second quarter are now in service. The third bus order for 16 40-Ft CNG buses has been programmed for production is due for delivery first quarter of 2017. The fourth bus order for 24 40-Ft CNG buses is expected to be under contract with a manufacture by year end and due for delivery late 2017.

Through the end of June, category commitments total a combined \$64.93 million out of a total budget appropriation of \$72.52 million, leaving a positive variance of \$7.59 million, or 10.5% percent. The category expenditures of \$6.95 million at mid-year include \$5.50 million for the initial purchase of (12) Trolley buses, \$1.21 for Paratransit 20-MV1's and various bus spare parts to help maintain the Authority's existing bus fleets in a State of Good Repair. The upcoming delivery of 16 additional replacement 40-Ft CNG buses will impact expenditures in this category later this year and next.

Projected commitments of \$6.60 million through the remainder of the year include the pending order of 14 of the 16 additional replacement 40-Ft CNG buses. The positive variance of \$988,777 or

1.4%, is due to the cost savings and expected closeout of remaining budget appropriation within completed projects.

Equipment & Vehicles

At the end of second quarter, total commitments of \$13.53 million within this category included \$6.60 million of ITD expenditures and \$6.93 million of current encumbrances resulting in a positive variance of \$3.3 million, or 19.7%. A majority of the current encumbrances, \$5.04 million or nearly 72.7%, remain within the on-going Fare Collection Equipment project. Intermittent progress has continued towards completion of outstanding items left on the contract, but completion of this project remains an open-ended issue. Remaining encumbrances within this category are concentrated within various SOGR equipment and vehicle upgrade projects throughout the Authority.

Combined category expenditures of \$1.55 million through the end of June were expended on various projects scattered throughout this category. A combined \$893,209, or 57.62% on locally funded Asset Maintenance projects within the RTA Capital Fund and \$657,762 or 42.38% in various RTA Development Fund projects. Additional commitments of \$1.76 million are projected during the remainder of the year. This amount includes a combined \$1.11 million for various information technology projects including software and hardware updates, and \$655,332 for equipment replacements and communication upgrades throughout the Authority.

The projected year-end positive variance of \$1.54 million, or 9.2%, results from savings in on-going projects nearing completion, to delays in project time lines for a number of budgeted IT projects, and to the expected closeout of prior year's budget authority remaining within completed projects.

Facilities Improvements

Mid-year combined commitments of \$16.67 million in this category included \$8.84 million of ITD expenditures and \$7.83 million of current encumbrances resulting in a positive variance of \$6.58 million, or 28.3%, versus the current category budget of \$23.25 million. During the second quarter, \$2.97 million was expended on various projects throughout the Authority with \$2.18 million, or 73% on the Tower Escalator Replacement project, with remaining capital expenditures scattered throughout the other projects in this category.

Projected commitments of \$2.02 million during the remainder of FY 2016 continue to focus on various SOGR projects throughout the Authority for facilities and bridges. Projected commitments during the remainder of the year include \$788,442 for additional Asset Maintenance projects

throughout the Authority, a combined \$1.2 million or 59.4% for rehabilitation of East Boulevard, East 116th Street Track Bridge, East 92nd Street Track Bridge, East 37th Street Bridge Railings, Viaduct Drainage & Concrete Repairs and \$190,000 to rehabilitate the Rail Station Door.

The projected positive year-end variance of \$4.56 million, or 19.6%, for this category is primarily due to delays in awarding of contracts and due to an increase in the project construction costs which will likely delay projects until next year.

Other Projects

The Other Projects category includes capital projects for pass-thru grants to other entities and other miscellaneous capital projects that don't fit into the seven remaining capital categories. At the close of second quarter, this category has combined project commitments of \$1.43 million out of the category budget of \$8.62 million resulting in a positive variance of \$6.5 million or 76.0%.

During the first half of the year, a combined \$208,713.55 of expenditures were generated by various projects within this category. A combined \$62,830 for dues and legal services, \$76,073 for Transit Police Emergency Preparedness and TSA Canine Unit, \$1,500 for Career Pathways Program, \$5,000 for Transit Planning Studies Demand model, \$51,310 from the pass-thru grant award for the Senior Transportation Connection, and \$12,000 for Pull-in-Pull Out Process Improvement Program (Lean Six Sigma).

Projected commitments of \$634,533 during the remainder of the year include \$288,013 for Transit Police Emergency Preparedness and Canine Unit, \$94,500 for Career Pathways Program that provide opportunities for employee's to participate in the Public Transportation Management Academy at Cleveland State University, \$172,320 from the pass-thru award for the Senior Transportation Connection, \$22,000 for Transit Oriented Development activities and an additional \$57,000 for Dues.

The positive year-end variance of \$6.55 million, or 76.0%, versus the current category budget results from several factors including the closeout of remaining unfunded budget appropriation left from completed projects throughout the RTA Development Fund, to multi-year budgeted projects compared with the annual draws for project activities during the year, and to the timing of commitments in the project to track the pass-thru award for the Senior Transportation Connection (STC).

Preventive Maintenance/Operating Expense Reimbursements

This category includes formula and non-formula grant funded reimbursements to the General Fund for various eligible activities. These include formula grant funded preventive maintenance activities within the General Fund, and non-formula grant funded reimbursements for the delivery of ADA services.

It is important to note, both for the current and future budget years that several of the non-formula reimbursement awards expired sometime during the prior fiscal year. These include a separate grant award for the JARC/Work Access program which was eliminated by Congress in the MAP-21 legislation and the CMAQ award for reimbursement of Trolley expenses which ended at third quarter last year. In addition, FY 2015 was the last committed year of grant funding for the annual ADA reimbursement award which reimbursed the General Fund \$3.125 million for ADA service delivery.

Second quarter activities resulted in total commitments of \$22.45 million, all ITD expenditures, against a category budget of \$23.84 million creating an end of second quarter positive variance of \$1.31 million, or 5.5% percent. During the second quarter, a combined \$21.1 million of expenditures were generated by projects within this category to reimburse costs incurred within the Operating Budget. This includes \$21.0 million for preventive maintenance activities, and \$88,518 to support the Authority's ADA services for Supplemental Non-ADA Paratransit services.

Projected commitments of \$73,650 during the remainder of the year include additional draws for the cost of providing New Freedom Supplemental trips. The projected positive variance of \$1.31 million, or 5.5%, is due to the multi-year budgeted project for the New Freedom program that cannot be drawn before the deadline.

Rail Projects

At the end of June, \$109.46 million of the \$143.83 million budget for the Rail Projects category was committed creating a positive variance of \$34.4 million or 23.9%. Total commitments within this category consisted of \$79.30 million of ITD expenditures along with \$30.15 million of current encumbrances.

During the second quarter, \$10.5 million was expended on various Rail system projects. Some of the major project expenses included \$2.4 million for construction activities at Brookpark Station scheduled for completion later this year, \$1.3 million on the rehabilitation of Track 7 & 8 at Tower City, also scheduled for completion this year, \$1.1 million for the completion of S-Curve to West 117th Station, and \$507,886 to begin construction at Warrensville-Shaker Station. The remainder of

the expenditures during the quarter occurred in smaller amounts in other budgeted projects within this category.

The focus of nearly all of the capital projects within this category is on achieving a SOGR throughout the Rail System. Projected commitments of \$9.76 million during the remainder of the year include \$5.0 million to complete Brookpark Station final construction improvements, \$1.68 million to begin engineering and design for construction of an ADS accessible station at East 79th Street Red Line Station, \$684,760 to constructed three Light Rail grade crossings at Main Avenue, West Park Boulevard and Southington Road, and \$486,65 to evaluate the Fiber Optic Communication System.

The projected positive variance of \$24.61 million, or 17.1%, versus the current category budget at the end of the second quarter is primarily due to cost savings in capital projects currently underway, the closeout of budget authority remaining in completed projects, and delays in anticipated grant awards that will likely push programmed budgeted commitments into 2017.

Transit Centers

At the end of second quarter, the category commitments included \$22.6 million ITD expenditures and \$344,478 of current encumbrances, leaving a total commitment of \$23.21 million out of the approved current budget of \$24.83 million resulting in a positive variance of \$1.62 million, or 6.5% at the end of the second quarter.

In the first half of the year, \$1.07 million was expended on capital projects within this category, \$308,055 was expensed towards Parking Lot Improvements and \$724,239 for outstanding items on the Clifton Blvd. Enhancement project that opened in FY2014.

Significant projected commitments during the rest of the year include an additional \$255,937 for remaining construction work to be reimbursed on the pass thru Intermodal Station with Cleveland Museum of Art.

The projected positive variance of \$1.62 million, or 6.5%, at the end of the year is primarily due to delays in executing projects, delay in final draw for the pass-thru grant award for the Cleveland Museum of Art, and projected savings for projects within this category scheduled for completion.

Performance Measure

Performance Measure	2016 Target	1 st Quarter	2 nd Quarter
Passenger Per Vehicle/Car Hour:			
Bus	26	25	25
Rail	64	63	70
Total	30	29	29
Revenue Vehicle Cost Per Mile: (Maintenance & Fuel)	\$2.35	\$1.67	\$1.87
% of Scheduled Maintenance Completed: (Revenue Vehicles)			
Bus	100%	93%	87%
Rail	100%	99%	95%
Paratransit	100%	100%	98%

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 2016 is 1.40. The 2016 YTD 2nd Quarter PCR is 1.66, which is 15.6% higher than the TEAM goal and 1% lower than the 1.68 PCR for the same period in 2015. Total preventable collisions decreased 1% to 201 from 203. Mileage remained virtually unchanged.
Total Collision Rate	The GCRTA Total Collision Rate (TCR) for the 2016 YTD 2nd Quarter is 4.25, which is 9% lower than the 4.68 TCR for the same period in 2015. Total collisions decreased 3.5% to 514 from 532.
Injury Collision Rate	The GCRTA 2016 TEAM Injury Rate Goal is 10.0. The 2016 YTD 2nd Quarter Injury Rate of 8.65 is 13.5% below the TEAM Goal and 18.2% below the 10.57 Injury Rate for the same period in 2015. Total injuries decreased 18% to 82 from 100.
Number of Miles between Service Interruption	The Number of Miles Between Service Interruption (Reliability) is defined as mechanical failure that results in the inability of the bus/train to operate in revenue service. For the second quarter of 2016, the YTD figure for No. of Miles Between Service Interruption was 12,196 miles, as compared to 6,739 miles for 2015, which represents an 80.98% improvement in this indicator.
On-Time Performance	On-Time Performance is defined as a bus or train arriving from 0-5 minutes after its scheduled time. Composite On-Time Performance for the second quarter of 2016 for bus, light rail, and heavy rail was approximately 66%, as compared to 69% for 2015, representing a 4.35% decline in this TEAM measure.
Ridership	<ul style="list-style-type: none"> • Total system ridership for June was nearly 3.6 million; a decrease of 3.7% or approximately 138,000 fewer rides compared to June 2015. Average weekday ridership was down approximately 5,600 rides. • Bus ridership in June decreased 8.7%, or 255,000 rides, while HealthLine ridership dropped by 9.1%. Year-to-date HealthLine trips are 2,004,600. • June ridership on the Red Line was over 641,000 for the month, an increase of almost 25%, or 125,000 more rides. Total Rapid Transit ridership increased 16.9%. Fewer service interruptions in June 2016, coupled with the Cavaliers play-off run and ultimate

Ridership Cont'd	championship win, helped to fuel the increase in June ridership. Year-to-date, Red Line use is up 1.1%, while light rail is down 5.6%. <ul style="list-style-type: none"> • Trolley ridership in June was 106,001; a decrease of 7.5%. Year to date, trolley ridership is 758,544, down 5% from last year.
------------------	---

Fourth Quarter Initiatives and Special Promotions to Increase Ridership

During March, several new clients signed up for the Commuter Advantage program including: MJM Services, HGF, and Cleveland Museum of Natural History.

Wednesday, June 22, RTA saw its highest ridership day in history when 1.3 million people ventured downtown to celebrate the Cleveland Cavaliers NBA Championship parade. Riding RTA was so popular that lines formed after first train departures at 4:00 AM. Staff from all over the Authority came together to assist passengers with fare collection and directions. Thousands of commemorative \$5 All Day passes were sold for the occasion.

In addition to the regularly scheduled concerts at Quicken Loans Arena, House of Blues and the Wolstein Center, events such as Parade the Circle, Little Italy Art Walk, National Transplant Games, Cleveland Cavaliers NBA Finals games and many Cleveland Indians and Cleveland Gladiators home games attributed to higher heavy rail ridership. RTA offered additional rail service for events in the Flats and to accommodate the large crowds of spectators.

During the month of March, RTA participated in several community events throughout the Greater Cleveland area including speaking engagements and informational sessions at North Olmsted Senior Center, Ernfelt Senior Center, Stephanie Tubbs Jones Health Center Navigation Huddle, Franciscan Village, Fairhill Partners Senior In-Service, Kingsbury Tower Health Fair, Owl's Nest Health Fair, Redeemer Church Health Fair, Cuyahoga County 2nd Quarter Community Agency Meeting, Heights Collaborative Meeting, ADA Executive Committee Meeting, Wade Park Cluster of Churches Annual Community Festival, and Harvey Rice Library Public Outreach. 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 39,641 customers was received for the second quarter of 2016, as compared to one request for approximately every 22,593 customers received for the same period in 2015, representing a 75.46% improvement in customer satisfaction, as measured by the percentage of people requesting Ride Happy or Ride Free Cards.

Attendance

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

Reducing unscheduled absences increases agency reliability, improves productivity and reduces overtime expenses. In the second quarter of 2016, the unscheduled absence percentage was 5.7% which, when compared to 5.9% for 2015, shows a 3.39% improvement in attendance.



TEAM Results through June, 2016

Performance Measure	Target June, 2016	Through June, 2016	Payout
Safety – Preventables	1.4 or below	1.66	\$10.00
Safety – OJI's	10.0 or fewer injuries per 200,000 hours	8.65	\$10.00
No. of Miles Between Service Interruption	8,000 or above	12,196	\$10.00
On-Time Performance	75% or above	66%	\$10.00
Ridership	22,600,000	21,842,349	\$10.00
Ride Happy or Ride Free	1 request for every 30,000 riders	39,641	\$10.00
Attendance	5.0% or below	5.7%	\$40.00
Passenger Fares*	20% of operating costs <i>Year-end target</i>	16.13%	\$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 21.3%. 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 performance period of April 1, 2016 – June 31, 2016 represents the third 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. DBE dollars awarded during the second quarter totaled \$964,619 or 28.9% on total contracts of \$3,336,871. Year-to-date DBE dollar and percent participation on contracts greater than \$100,000 for 2016 FFY totals \$4,677,767 or 29.6% on contracts of \$15,778,681.*

QUARTERLY - PARTICIPATION OF DBE FIRMS BY CLASSIFICATION (October 1, 2015 – June 30, 2015)

Classification	1 st . Quarter		2 nd Quarter		3 rd Quarter	
	Oct. 1 – Dec. 31		Jan. 1 – Mar. 31		April 1 – June 30	
Caucasian Female	\$1,184,997	61.5%	\$1,118,696	62.6%	\$396,291	41.1%
Hispanic	0	0	\$373,548	20.9%	\$350,150	36.3%
African American	\$741,850	38.5%	\$279,807	15.7%	\$187,887	19.5%
Asian	0	0	\$14,250	.8%	\$30,291	3.1%
TOTAL	\$1,926,847	100.0%	\$1,786,301	100.0%	\$964,619	100.0%

*Modified 8/15/16

Current Quarter – DBE Performance by Contract Category*
 (April 1, 2016 – June 30, 2016)

	Construction	Professional Services	Equipment & Supply	Total
DBE Dollars	\$861,530	\$103,089	0	\$964,619
All Dollars	\$2,930,739	\$406,132	0	\$3,336,871
% DBE Participation	29.4%	25.4%	0	28.9%

Year-to-Date – DBE Performance by Quarter*
 (October 1, 2015 – June 30, 2016)

	Total Contracts	DBE Participation	% DBE Participation
1st Qtr.	\$4,733,518	\$1,926,847	40.7%
2nd Qtr.	\$7,708,292	\$1,786,301	23.1%
3rd Qtr.	\$3,336,871	\$964,619	63.7%
TOTAL FFY	\$13,956,210	\$4,677,767	33.5

*Modified 8/15/16

Office of Business Development Activities

Outlined below are selected efforts undertaken during the fourth quarter of FFY 2016

Selected Certification Activities during the quarter include:

New Certifications: 5

Re-Certifications: 13

On-Site Visits: 10

Selected Contract Compliance Activities during the quarter include:

Completed 5 Goal Settings

Conducted 2 Field site monitoring reviews

Reviewed 30 Certified Payrolls

Selected Outreach Efforts during the quarter include:

Attended Prevailing Wage & Minimum Wage Seminar

Attended Annual Airport Business Diversity Conference

Participated on Urban League of Greater Cleveland Panel

Attended Cleveland Business to Business Matchmaker at Jacobs Field

Participated on DBE Goal Setting webinar

QUARTERLY MANAGEMENT REPORT AUGUST 2016

Affirmative Action

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		2015 Total		First Quarter		Second Quarter		Third Quarter		Fourth Quarter		3-Year Total Target to Date	
	Minority	Female	Minority	Female	Minority	Female	Minority	Female	Minority	Female	Minority	Female	Minority	Female
Affirmative Action:	Minority	Female	Minority	Female	Minority	Female	Minority	Female	Minority	Female	Minority	Female	Minority	Female
Officials/Administrators	N/A	4	N/A	3	N/A	0	N/A	0	N/A		N/A		N/A	3
Professionals	N/A	28	N/A	22	N/A	4	N/A	2	N/A		N/A		N/A	28
Technicians	N/A	29	N/A	7	N/A	1	N/A	0	N/A		N/A		N/A	8
Protective Services	N/A	4	N/A	4	N/A	0	N/A	0	N/A		N/A		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		N/A		N/A	1
Service Maintenance	N/A	106	N/A	201	N/A	33	N/A	32	N/A		N/A		N/A	266
Total	N/A	191	N/A	238	N/A	*38	N/A	34	N/A		N/A		N/A	310

The numbers reported for the 2nd Quarter include new hires, rehires, and promotions in each of the designated categories.

*Please note there was a correction made for the 1st quarter calculation. It showed a total of 40, however, it's been modified to total 38.

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: \$165,452	Contract awarded May 20, 2008 and notice to proceed issued July 10, 2008. Euthenics has completed the design and construction documents. Project awarded at April 26, 2016 Board. Notice to Proceed June 21, 2016. Consultant is providing construction administration services.
Rehab of Transit Track Bridge over East Blvd./MLK Construction (27S)	Contractor: Suburban Maintenance & Construction Construction Cost: \$1,893,000	Board awarded contract on April 26, 2016. Notice to Proceed issued June 22, 2016.

<p>Rehabilitation of E. 81 & E. 83 St Track Bridges on Shaker Line (27V)</p>	<p>Track bridges rehabilitation design Consultant: TranSystems Design Cost: \$178,954</p>	<p>Board awarded contract on December 20, 2011. Notice to proceed issued January 20, 2012. Project construction contract awarded at the April 21, 2015 Board meeting. Consultant providing construction closeout services. Construction complete June 26, 2016.</p>
<p>Construction of E. 81st & E. 83rd Street Track Bridges on Shaker Line (27V)</p>	<p>Contractor: Schirmer Construction Construction Cost: \$2,196,000</p>	<p>Notice to Proceed issued May 18, 2015. Construction complete. Closeout underway.</p>
<p>CSX/E. 92nd Track Bridge Rehabilitation Design (27W)</p>	<p>Design for truss bridge rehabilitation; timbers and track previously replaced Consultant: TranSystems Design Cost: \$275,299</p>	<p>Board awarded contract on October 21, 2014. Construction Notice to Proceed issued June 22, 2016. Consultant is providing construction administration services.</p>
<p>CSX/E. 92nd Track Bridge Rehabilitation Construction (27)</p>	<p>Contractor: Suburban Maintenance a& Construction Construction Cost: \$2,030,000</p>	<p>Board awarded contract on May 10, 2016. Notice to Proceed issued June 22, 2016.</p>

<p>Trunk Line Retaining Walls (14.97)</p>	<p>Rehabilitate guard walls along Shaker Blvd. between Buckeye-Woodhill & Shaker Square</p> <p>Consultant: ms consultants</p> <p>Design: \$262,261</p>	<p>Board awarded contract on October 21, 2014. First construction phase to be rebid in third quarter 2016. A/E authorized May 12, 2016 to proceed with Phase II plans.</p>
---	--	--

TRACK & SIGNAL

<p>Trunk Line Signaling (12D)</p>	<p>Design for Trunk Line (E. 79 to Shaker Sq. Station) Signal System Replacement</p> <p>Estimate: \$8,000,000</p>	<p>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.</p>
---	---	---

<p>Red Line West 117th Station to S. Curve Construction (52H)</p>	<p>Reconstruct Track and Drainage</p> <p>Contractor: Railworks</p> <p>Construction Cost: \$1,160,913</p>	<p>Construction documents completed and bid. Contract awarded at July 28, 2015 Board Meeting and Notice to Proceed issued on August 24, 2015. Construction completed, closeout underway.</p>
--	--	--

<p>Nine Light Rail Grade Crossings Design (23V5)</p>	<p>Engineering services for reconstruction of nine Light Rail grade crossings Consultant: TranSystems Design Cost: \$546,394</p>	<p>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 construction has been completed. The second package was bid and awarded at the March 22, 2016 Board Meeting. Consultant is providing constructions services.</p>
<p>Nine Light Rail Grade Crossings Construction (23V5 Phase 1)</p>	<p>Reconstruction of Three of Nine Grade Crossings Contractor: Delta RR Construction Cost: \$3,049,341</p>	<p>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 were completed in October. Construction completed and closeout underway.</p>
<p>Nine Light Rail Grade Crossings Construction (223V5 Phase 2)</p>	<p>Reconstruction of Three of Nine Grade Crossings Contractor: Delta RR Construction Cost: \$2,114,523</p>	<p>Notice to Proceed issued April 8, 2016. Waterfront Line Main Avenue crossing completed June 20, 2016.</p>
<p>West 65 Substation Replacement (23Z)</p>	<p>Furnish and Install Modular Substation Consultant: TBD Estimate: \$110,000</p>	<p>RFP to be re-advertised third quarter 2016.</p>

Puritas Substation Replacement	Furnish and Install Modular Substation	RFP to be re-advertised third quarter 2016.
Design (60A)	Consultant: TBD Estimate: \$110,000	
Warrensville/Van Aken Substation Replacement (16.36)	Furnish and Install Modular Warrensville/ Van Aken Substation Consultant: TBD Estimate: \$110,000	RFP to be re-advertised third quarter 2016.

PASSENGER FACILITIES

Rapid Stations

<p>Brookpark Rapid Transit Station Design (24J(c)) ARRA</p>	<p>A/E services for design of Brookpark Station Consultant: Bialosky + Partners Cost: \$1,329,098</p>	<p>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. Phase I East Parking Lot completed. Station construction project awarded at the March 24, 2015 Board meeting to Mid-American Construction. Consultant providing construction administration services.</p>
<p>Brookpark Rapid Transit Station Construction (24J(c))</p>	<p>Reconstruction of the Brookpark Station Contractor: Mid-American Construction, LLC Cost: \$12,176,043</p>	<p>NTP issued May 11, 2015. New platform installed. East parking lot completed. Tunnel shot-creted and water proofed. New precast elevator core and platform installed. Westbound track ties replaced and surfacing completed. Headhouse and new east entry building framing completed. New east entry building and bus canopy roof installed and exterior masonry completed. Interior masonry work continuing.</p>

<p>Cedar-University Station Reconstruction (24K)</p>	<p>Reconstruction of Red Line rapid station</p> <p>Contractor: McTech Corporation</p> <p>Cost: \$15,929,049</p>	<p>Contract awarded June 18, 2012 and Notice to Proceed issued July 10, 2012. Groundbreaking ceremony September 19, 2012. Ribbon cutting ceremony held on August 28, 2014 and the rail and Bus Stations completed and opened for service. Contractor missed the final completion date of December 16, 2014. Work finally completed May 29, 2015. Lien resolution needed for closeout.</p>
<p>Little Italy -University Circle Station Design (24P)</p>	<p>ADA rehabilitation of station and transit track bridge reconstruction</p> <p>Consultant: City Architecture</p> <p>Design Cost: \$1,806,015</p>	<p>Contract awarded July 15, 2008 and Notice to Proceed issued August 22, 2008. Project at 60% design when Norfolk Southern review resulted in decision to go to center platform design. FONSI received from FTA April 4, 2013. Tiger III (\$12.5M) funding obtained and grant agreement executed on May 31, 2013. Property acquisition agreement signed and approved by Board April 16, 2013 and FTA concurrence on May 21, 2013. Consultant providing construction support. Consultant has submitted 100% construction documents for Mayfield Road sidewalk improvements. Project 24P-2 awarded at June 14, 2106 Board Meeting.</p>
<p>Little Italy -University Circle Station Construction (24P)</p>	<p>ADA rehabilitation of station and transit track bridge reconstruction</p> <p>Contractor: McTech Corporation</p> <p>Cost: \$11,555,471</p>	<p>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 warranty items.</p>

<p>Mayfield Road Pedestrian Enhancements (24P-2)</p>	<p>Lighting, railing, signage and sidewalk improvements Contractor: EnviroCom Cost: 1,309,000</p>	<p>Project awarded at June 14, 2016 Board Meeting. Contract preparation underway.</p>
<p>E. 120 St. Station Demolition (24P-3)</p>	<p>Demolition of existing station when Little Italy opens Contractor: Purple Orchid Cost Estimate: \$423,967</p>	<p>Construction documents completed and bid awarded at the July 28, 2015 Board meeting. Notice to Proceed issued on August 31, 2015. Water infiltration issue. Base contract work completed.</p>
<p>E. 116 Station Design (24R)</p>	<p>ADA reconstruction of E. 116 Light Rail station Consultant: City Architecture Design Cost: \$537,490</p>	<p>Request for Proposals received January 3, 2014. Board awarded contract to City Architecture March 18, 2014. Notice to Proceed issued April 24, 2014. Design proceeded to 100% and completed City Design Review and Planning Commission review process. Project was bid and bids were over budget. A/E is revising the design and project will be re-advertised third quarter 2016.</p>
<p>Lee/Van Aken Station Rehabilitation Construction (24S)</p>	<p>ADA rehabilitation of Blue Line station Contractor: Schirmer Construction Cost: \$6,079,386</p>	<p>Bids received on March 19, 2014. Contract awarded April 15, 2014 and Notice to Proceed issued May 15, 2014. Station opened on December 22, 2015. Ballast cleaning issue to be resolved third quarter.</p>

<p>Lee-Shaker Station ADA Design (24T)</p>	<p>ADA rehab. of Lee-Shaker Station Consultant: CHA Cost: \$166,719</p>	<p>Make station accessible under the ADA, restore platform and track, and update signage and lighting. Consultant contract approved at January 20, 2015 Board meeting. Design complete, project advertised June 27, 2016.</p>
<p>Warrensville-Shaker and Lee- Shaker Station Environmental Documentation (24T-EA)</p>	<p>Completion of Section 106 Environmental Document Cost: \$46,318 Consultant: Lawhon & Associates</p>	<p>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 received. Lee-Shaker is completed and Public Meeting for Lee-Shaker held on December 17, 2015 at Shaker Heights City Hall. Final concurrence received. This is final report.</p>
<p>Warrensville-Shaker Station Reconstruction (31F) Design (14.50 - Task 4)</p>	<p>ADA rehabilitation of Blue Line station Consultant: HWH Engineering Cost: \$104,232</p>	<p>Design prepared by On-Call Architect/Engineer. Design completed, construction underway.</p>
<p>Warrensville-Shaker Station Reconstruction (31F)</p>	<p>Contractor: Shirmer Construction Construction Cost: \$1,848,274</p>	<p>Phase I construction of platform, walls and walks complete. Phase II work underway.</p>

<p>Tower City Track 7 Platform and Track 8 Replacement (52F)</p>	<p>Design of Track 7 Platform upgrades and replacement of Track 8 Consultant: TranSystems Cost Estimate: \$797,397</p>	<p>NTP issued April 9, 2015. Design completed, construction underway. A/E is providing construction support services.</p>
<p>Track 7 Auxiliary Platform and Station Egress Rehabilitation (52F-BP 1)</p>	<p>Contractor: EnviroCom Constr., Inc. Construction Cost: \$1,026,824</p>	<p>Board awarded contract on January 26, 2016. Notice to Proceed issued on February 22, 2016. Demolition work and extension of the Light Rail Platform complete. Elevator/stair tower work complete. Heavy rail raised platform and ramps final railing installation underway. New turnstile and ADA gate installation underway.</p>
<p>Track 8 Reconstruction and Track 7 Rehabilitation (52F-BP 2)</p>	<p>Contractor: Delta Railroad Construction Construction Cost: \$5,203,835</p>	<p>Board awarded contract on January 26, 2016. Notice to Proceed issued on February 2, 2016. Track 7 drainage and track rehabilitation completed and awaiting final testing.</p>
<p>Tower City Escalator Replacement (54)</p>	<p>Replace Four Tower City Station escalators Contractor: KONE Construction Cost: \$2,870,000</p>	<p>Project bid was awarded at April 21, 2015 Board Meeting. Notice to Proceed issued May 13, 2015. KONE has completed two long escalators. Replacement of two short escalators underway.</p>

Transit Centers

Park-N-Rides

Enhancements

PLANNING

<p>Clifton Blvd. Transit Enhancement Public Art (51-PA)</p>	<p>Solicitation for decorative poles and gateway elements Artist: TBD Estimate: \$75,000</p>	<p>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 professionals. Have accepted the design concept of the artist, are beginning the contracting phase. In contracting phase with artist. Received preliminary approval from Cudell. Design review district.</p>
<p>HealthLine/Red Line Extension Analysis (55)</p>	<p>Alternative Analysis for HealthLine/Red Line Corridor Consultant: AECOM Cost: \$1,100,000</p>	<p>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. Final round of meetings completed. Final report has been submitted. Awaiting final Executive Summary.</p>

<p>NOACA Five County On-Board Ridership Modeling (58)</p>	<p>Computer modeling work Consultant: Parsons Brinckerhoff Cost: \$248,974</p>	<p>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.</p>
<p>LEED Commissioning for Station Projects (13.33)</p>	<p>Review station design drawings and materials for environmental impact to meet LEEDS certification Consultant: Karpinski Engineering Co. Cost: \$54,170</p>	<p>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.</p>
<p>Red Line Public Art Project (16.55)</p>	<p>Public art installations along the Red Line Contractor: LAND Studio Various Artists Cost: \$357,263</p>	<p>Public art installations along the Redline to beautify the rail right-of-way before the RNC. RTA art will be at Tower City, W 25th, West Blvd., and Airport Tunnel. Additional installations on ODOT property. Murals @ Tower City completed. Schedule to install at Airport and West Blvd. in early July.</p>
<p>E. 116th Street Public Art (16.95)</p>	<p>Artist to be selected for Public Art Cost: \$34,000</p>	<p>Public art installation at E. 116th Street in concert with Neighborhood Progress & Land Studio.</p>

MAINTENANCE
FACILITIES

<p>Infrastructure Upgrades @ Hayden & CBMF for CNG & Propane (61B)</p>	<p>Upgrade facilities for CNG and Propane fueling at Hayden and CBMF Consultant: Wendel Estimate: \$489,383</p>	<p>Board awarded contract on October 21, 2014. Design completed. Support to Construction of improvements continuing.</p>
<p>CNG Heavy Maintenance Infrastructure Upgrades at Hayden & CBMF (61B-c)</p>	<p>Contractor: EnviroCom Constr., Inc. Construction Cost: \$2,455,000</p>	<p>Board awarded contract on November 17, 2015. Notice to proceed was issued on December 22, 2015. Ductwork demolition has begun at Hayden. New ductwork being installed at both facilities. Work at CBMF 75% complete and at Hayden 35% complete.</p>
<p>CNG Backup Generator at Hayden (61B-d)</p>	<p>Contractor: RWJ Wiring Construction Cost: \$380,000</p>	<p>Board awarded contract on November 17, 2015. Notice to proceed was issued on December 11, 2015. Generator installed. Generator tie-in work underway.</p>
<p>CNG Tail Pipe Exhaust System Upgrades at Hayden & CBMF (61B-e)</p>	<p>Contractor: North Bay Construction Construction Cost: \$995,061</p>	<p>Board awarded contract on January 26, 2016. Notice to proceed issued on February 23, 2016. Work at CBMF 80% complete, work at Hayden 50% complete.</p>
<p>CNG Backup Generator at CBMF (61B-f)</p>	<p>Contractor: Einheit Electric Construction Co. Construction Cost: \$631,672</p>	<p>Board awarded contract June 14, 2016. Contract preparation underway.</p>

<p>Rail Car Shop Wash Track and Transfer Table Track (14.87 and 14.88)</p>	<p>Design Replacement of tracks in the rail car shop Consultant: Transystems Cost: \$118,227</p>	<p>Designs complete and construction contract awarded at May 19, 2015 Board meeting. Construction complete, closeout underway.</p>
---	--	--

<p>Rail Car Shop Wash Track and Transfer Table Track (52G)</p>	<p>Construction of Replacement of tracks in the car shop Contractor: RailWorks Track Services Cost: \$697,184</p>	<p>Contract awarded at May 19, 2015 Board meeting. Notice to Proceed issued on July 13, 2015. Construction complete, closeout underway.</p>
---	---	---