

Minutes

RTA Board of Trustees
9:10 a.m., August 21, 2018

Board Members: Clough (Chair), Lucas (Vice Chair), Elkins, McCall, Moss, Nardi, Norton, Serrano, Welo

Not present: None

Also Present: Anderson, Barnett, Benford, Bitto, Bober, Bobich, Boyd, Buford, Calabrese, Castelucci, Catalusci, Caver, Cox, Cranford, Czeck, Dangelo, Davis, Dietrich, Draper, Feliciano, Ferraro, Fields, Ford, Garofoli, Gay, Haer, Harris, Jaszczak, Kirchmeir, Kirkland, Krecic, Lee, Lincoln, Loh, Lozada, Macko, Manus, McCauley, McGrady, Pickett, Pinkney-Butts, Schipper, Schnear, Scott, Solomon, Sutula, Tarka, Tarter, Togher, Vukmanic, Wilson, Young and Zeller

Mayor Clough called the meeting to order at 9:10 a.m. The secretary called the roll and reported that nine (9) board members were present.

The Secretary advised that notice of this meeting has been posted more than twenty-four hours in advance of the meeting, that the usual notification has been given the news media and other interested persons, and that all requirements of the Ohio Revised Code and Rules and Bylaws of this Board regarding notice of meeting have been complied with.

Mayor Clough stated that the minutes from the July 24, 2018 Board Meeting minutes and August 7, 2018 Special Board Meeting minutes had been previously distributed and reviewed and asked whether there were any additions and/or corrections. Ms. Moss asked to abstain. The roll was called. There were seven (7) ayes and two abstentions from Ms. Moss and Mayor Norton.

Invitation for public comment on agenda matters – (2 minutes)

1. Rev. Pamela M. Pinkney-Butts – Cleveland, OH – For Reso 2018-78, for the supplemental paratransit services with Lakefront Lines, she agrees with it contingent that RTA makes known the passes for ADA and disability can be used in other jurisdictions other than Lakefront Lines. It needs to be noted that the ADA passes are used in other states to build a stronger relationship. She ask for clarification on Reso 2018-79, regarding the Tower City project. There is concern that the senior turnstile doesn't work. She ask for more information on Reso 2018-80 and what excess workers compensation really is in light of the investigation and George F. Dixon. She is concerned there is discrimination. She ask that RTA tell the public their input on Cuyahoga County Resolution 32 dealing with community development for 2018 and County Resolution 2017-216. She was assaulted for addressing racial profiling. What is RTA's role in cameras being placed in communities targeting the incarcerated? For Reso 2018-81, who will be the senior advisor? She requested the public comment time be four minutes.

Committee reports

- Operational Planning & Infrastructure Committee report – Mayor Welo said there will be a few issues coming up. She met with Mike Schipper to discuss upcoming projects.

Introduction of New Employees/Promotions

Daniel Dietrich was promoted to Director of Fleet Management. He was previously the manager of Vehicle Engineering and spent time at NASA. Heather Schnear was promoted to Project Specialist. She started at RTA two years ago where she previously worked in the Executive department and Engineering. She is assisting with Partnership for Excellence, Sustainability and the ISO programs. The former director of OMB, Tom Raguz took a job at the City of Brooklyn. Kay Sutula is the acting OMB director.

Community Advisory Committee (CAC)

There was no report.

Introduction of resolutions

- A. 2018-78 – Authorizing a five-month extension to contract 2015-046 with Lakefront Lines, Inc. for Supplemental Paratransit Services, in an amount not to exceed \$1,320,555.00, for a total contract amount not to exceed \$9,997,059.00 (General Fund, Paratransit Department budget), the adoption of which was moved by Mr. Nardi, seconded by Mayor Welo.

The Authority subcontracts paratransit service to three companies. This seeks to sync up the expiration term of all three at the end of January 2019. A general RFP will be put out in the fall to align all the contracts to expire at the same time. This will allow services to bid on the total or a portion of the total. Rev. Lucas is opposed to outsiders running the service. He asked for a discussion. Subcontractors don't provide quality service. Mr. Calabrese agrees that RTA provides better service. Syncing the contracts will allow higher quality contractors to bid on a larger portion of the service. If this contract ends now, service will not be provided for some customers. RTA does not have the man power to fill this gap in service.

Chief McCall asked if there is an issue with the service. Dr. Caver said there have not been any whole sale issues, but the service is not as good as RTA. Mr. Calabrese said the bigger national contracts do better work. This will be a better opportunity to get better contractors with a larger contract. Chief McCall asked if the contract could go month to month. Mayor Clough asked if this service could be handled in-house. Mr. Calabrese said it would take at least five months to hire, train, buy equipment and buy another facility. Chief McCall asked if it could be tabled until more information is provided to Rev. Lucas. Rev. Lucas said the contractors are not as efficient, their vehicles are dirty, and their dress is not professional. Mr. Nardi asked if it could be extended for a month and go through a committee.

Oliver Draper, director of paratransit concurred with Mr. Calabrese. Lakefront does 40% of contract work. The goal is not to replace RTA paratransit service. Mr. Calabrese said it can be extended month to month and there can be a committee meeting. Ms. Moss said this should have went through committee. Melinda D'Angelo, director of procurement said Mr. Calabrese can extend for one month, then it would exceed his authority and it would have to come back to the board. **Ms. Moss made a motion to extend it for one month and bring it back through committee and then to the Board. It was seconded by Rev. Lucas.** Mayor Elkins said they can't govern effectively with a large contract coming to them without a discussion. The information needs to get to them timelier. He agrees with Ms. Moss. Chief McCall asked if a resolution is needed to extend

month to month. Could it be tabled since the GM can extend for 30 days. **Ms. Moss amended her motion to table this, seconded by Rev. Lucas. There were nine (9) ayes and none opposed.**

- B. 2018-79 – Authorizing Contract No. 2018-073 with Feghali Brothers, LLC for Project 16.82 – Tower City Customer Service Center, as specified and as required, in an amount not to exceed \$177,600.00 (RTA Development Fund, Engineering & Project Development Department budget), the adoption of which was moved Mayor Elkins, seconded by Mr. Serrano and approved by unanimous vote.
- C. 2018-80 – Authorizing the purchase of Excess Workers' Compensation Insurance from Safety National Casualty Corporation through USI Insurance Services National Inc. for a period of 12 months in a total amount not to exceed \$260,806.00 (General Fund, Risk Management Department budget), the adoption of which was moved by Mr. Serrano, seconded by Mr. Nardi and approved by unanimous vote.

Judy Lincoln, Director of Risk Management, said this is the annual renewal with existing carriers. The Excess Workers Compensation policy is part of a larger insurance program renewal called casualty insurance renewal. It includes Excess Liability (catastrophic liability and the largest program), Excess Workers' Compensation (has a large self-insured retention) and Directors and Officers liability called Public Officials Liability. The combined premium is 9.3% under budget, with a premium increase of \$9,900 on the \$1.364 million expenditure on a combined basis. The Excess Workers' Compensation was the only portion that needed to come to the Board. The Liability program received two years of authority last year.

- D. 2018-81 – Approving the Authority's Safety Management Systems (SMS) Framework and Implementation Plan, the adoption of which was moved by Chief McCall, seconded by Mayor Norton and approved by unanimous vote.
- E. 2018-82 – To establish the position of Senior Advisor for Special Projects and Strategic Innovation ("Senior Advisor") and amend the fiscal year 2018 appropriations for the General Fund in the amount of \$116,600 for current expenses and transfers to add one (1) budgeted position to the staff of the Greater Cleveland Regional Transit Authority, the adoption of which was moved by Mayor Elkins, seconded by Mayor Norton. The roll was called. There were seven (7) ayes and two (2) opposed by Rev. Lucas and Chief McCall.

General Manager/Secretary-Treasurer's Report

The Board received a copy of the Financial Audit Report. Sales tax for August was 1.4% less than last year. YTD it's 8% less than 2017, but 2% over estimate. Ridership was down 3% for July. Bus was down 1%. Rail was down 4%. Trolleys were up 1%. YTD ridership was down 5%, down 5% on bus and down 1% on rail. The Kids Ride Free program went well this year. Capital projects are going well. E. 34th Street Station work is ongoing. E. 105 and E.116th stations are ongoing. There is work at the Farnsleigh station on the Blue Line. The major construction project for the summer was a \$5 M West Red Line project from July 22 to August 12. It was completed on time. Seventy-three hundred railroad ties were replaced. Slow zones were reduced. The shuttle bus system service was effective.

Work on the light rail began this week to improve signal system between E. 79 and the end of the Blue and Green Line. There may be some delays. Grant opportunities include a Build Grant for Tower City track work for \$9.8 M of the \$14 M projects from the FTA. Support is needed from elected officials in D.C. This is not the first time this grant request was made. Over the next few months,

several resolutions regarding an update to the communications system will be presented. Presentations will be made next month in committees. Last month, Marie Fratus of the CAC was honored at the Little Italy Station. The Lyft pilot program for paratransit is going well. There was a July 4th pilot program with them to offer discounts for individuals riding to and from rail stations. The owners of the Bird scooters have reached out to RTA. There may or may not be a relationship there. Fall service began August 12. Nineteen (19) schedules were changed.

Mayor Clough requested New Business be held after comments from the audience. An executive session will be requested to discuss a few items under New Business.

Questions or comments from the audience (2 minutes)

1. Rev. Pamela Pinkney-Butts – Cleveland, OH – She thanked the media for covering positive things happening at RTA. She is concerned about racism at RTA with what happened to George Dixon and other African American employees. The DBE report did not include Native Americans, multi-racial and bi-racial people. She suggest Ride Happy cards say Ride Happy and Ride Free. Brenda Maddox is concerned about the cleanliness of the floors and seats of the vehicles. Angela Welch said there is not enough time for the Park-N-Ride 39. Another woman complained that the air conditioning was not accommodating. Employees are afraid to express their concerns. She wants to speak with William Nix. She nominates Deborah, who drives the HealthLine as the Employee of the Year. She recommends Dr. Valarie J. McCall for the CEO of RTA. Mr. Calabrese deserves the salary he received for holding all of his positions. She suggested people apply for the other positions and stop talking about Mr. Calabrese.
2. George Zeller – Cleveland, OH – When you take the 12 month moving average and adjust it for inflation, the sales tax was down by 8.8%. It's been down for 12 months in a row. The budget is still in good shape. The State has money they have to decide if they will spend or put in a Rainy Day account. Non-auto sales were flat this month or 1%. Auto sales tax helped out. Overall sales tax is up 2.3% statewide, but inflation is up 2.6%. The Ohio June job numbers were raised by 153,000. He is still investigating this. Jobs ended 26 months below the national average because of this unusual quirk. The Ohio unemployment rate went up this month. The national unemployment rate went down. Ohio's unemployment rate has gone 20 months in a row higher than the national average.
3. April Buford – Cleveland, OH – She's been riding paratransit since 2016. She agrees with Rev. Lucas about the sub-contract service. She doesn't believe the service is being used economically because often she is the only person on the vehicle. Provide-A-Ride vehicles are not clean. The morale of the RTA operators is low because they feel like they are not being heard. Jobs can be created with people who repair vehicles. There are never Ride Happy Ride Free cards on paratransit. Paratransit staff usually sends her the cards.
4. William Tarter – Broadview Heights, OH – He thanked Linda Krecic, RTA, Board and others involved in the Bird conversation and promotion of other forms of transportation. He supports the conversation around managing mobility and safety. Councilman McCormack supports this and called for a development of a transportation plan that connects neighborhoods to downtown. He asked what the Board is looking for in a new Board member and to present that to the community to close the gap between the two.
5. Terry McGrady – He is a member of ATU. Paratransit outsourcing has been an issue with ATU members. In regards to staff trying to get a larger company to bid on the paratransit service, larger companies tend to have bad service records and put profits before service.

The Board needs to get input on this. He asked Mr. Calabrese to explain the long term (5-10) plan with paratransit, ATU and the operators. Mr. Calabrese said the new GM and Board will make that decision. Most paratransit systems are subcontracted because federal capital dollars can be used for subcontract service. This money can't be used for in-house service. The mission is to provide the most service at the lowest possible unit cost. Two areas where RTA is out of line in terms of cost is Paratransit and Telephone Information. RTA is paying over market rates in terms of healthcare and pensions in those two areas. A decision has to be made to either cut service or provide things more cost effectively. The Authority could save \$4 M - \$5 M a year if those two areas are subcontracted out.

Mr. McGrady asked about the recertification program for paratransit riders to use fixed route service. He asked how that impacted anything. Mr. Calabrese said it cost \$28 M a year to run paratransit. The Authority is obligated to provide the service. For the last 18.5 years since he's been at RTA, the amount of money and service provided for paratransit has doubled. His commitment to not eliminate any union jobs has been kept. Everything over and above the number of positions and vans was given to the subcontractors. Last year was the first year where 53% of the work was given to subcontractors and 48% is done in-house. The future shows increasing demand. Before the Authority goes to the tax payers, everything has to be done as efficiently as possible. Mr. McGrady asked where the money from paratransit comes from. Mr. Calabrese will meet with him later.

6. Lynn Solomon – Cleveland, OH – She is having problems with her 5-ride cards. Her neighbor said hers worked one time. It was marked invalid without the use of transfer time. Another person bought cards for out-of-towners and none of them worked. The wait is up to six weeks to see if they can get a refund or exchange. Operators told her they were instructed to punch the cards invalid and to not give a pass. Customer Service request the cards be sent in to determine if the card qualifies for an exchange. Someone determined the card was tampered with.
7. Marques Manus – Cleveland, OH – He asked if there a plan to fix the budget issues. Mayor Clough said the committees will be discussing it. They are waiting for the economic impact study and other studies before going to the tax payers. Mayor Elkins added that there is a consensus with the Board that a new revenue stream is needed.
8. Akshai Singh – Cleveland Heights, OH – He thanked everyone for the draft sales tax resolutions. They are looking at the next state budget to buy more time to get more relief for drivers and mechanics before 2020. He sent a letter regarding transit redesign. There is an opportunity to make an argument to the people of Cuyahoga County to design the system and rethink more service and more ridership. Columbus and Indianapolis have changed the trajectory of their ridership. He urged special attention to the RFP for system redesign. .
9. Loh – Cleveland, OH – Other cities have received revenues to support their systems and system redesign. Their average time for research before they put out a package was two years. RTA may be able to do in 1.5 years. She hopes that service can be restored to 2016 levels. She thanked Rev. Lucas for slowing down the resolution regarding paratransit. If service can be restored to 2016 levels, a lot of riders will benefit. In their last report to the board, Transit Police did not include statistics on people being harassed by TP because of race and gender.

New Business

Executive Session Requested:

10:12 a.m. - Mayor Clough asked for a motion to go into executive session to review the investigation of charges and complaints against a public official and to consider the employment and compensation of a public employee. It was moved by Mayor Norton, seconded by Rev. Lucas. There were nine (9) ayes and none opposed.

11:11 a.m. – Mr. Nardi made a motion to come out of executive session. It was seconded by Mayor Elkins. There were eight (8) ayes and one (1) opposed by Mayor Norton.

Mayor Clough presented a proposed resolution that would allow the Board to appoint an Interim General Manager/CEO, effective September 1, 2018. The person would serve until a permanent GM/CEO is appointed. The resolution would be 2018-83. The resolution has some blanks should there be a motion to appoint an interim. Mayor Norton made a motion to appoint Dr. Floun'say Caver to the position of Interim CEO, General Manager/Secretary-Treasurer of the GCRTA. It was seconded by Mr. Nardi.

Ms. Moss stated that the Board discussed this issue and felt like it wasn't enough discussion. There were other people not considered for the position. They did not see any resumes. She does not feel comfortable voting and ask that the matter be tabled. There was not a second. The motion died.

- F. 2018-83 - Appointing Floun'say R. Caver, PhD. to the position of Interim CEO, General Manager/Secretary-Treasurer of the Greater Cleveland Regional Transit Authority for a period not to exceed six months commencing on September 1, 2018.

The roll was called. There were six (6) ayes and three (3) opposed by Mayor Elkins, Ms. Moss and Mayor Welo. Mayor Elkins agrees with Ms. Moss. They were informed of who the candidates were. All three may be qualified. He does not know based on the information he was provided and in his short time on the Board, who should get the position. He voted no on making the decision today. Not because he doesn't think Dr. Caver is qualified. But he can't make a comparison to the other candidates.

Kelley Britt

Ms. Kelley Britt resigned from the Board August 14, 2018. The Board would like to accept her resignation. She applied for an Ethics Commission opinion, but they were not aware of the results until now. It was moved by Mayor Norton, seconded by Mr. Serrano. There were nine (9) ayes and none apposed.

Dr. Floun'say R. Caver

Chief McCall asked Dr. Caver to make a statement:

Good morning Chairman Clough and members of the Board. I am honored for the opportunity to serve this Authority as the Interim CEO. I've worked at the GCRTA for the past 15 years. It is a strong organization providing a vital service to the greater Cleveland community. I welcome the opportunity to assist this board during this transition and I'm confident in this board's leadership and our resiliency as an Authority. Mr. Calabrese, I welcome the opportunity to work with you and to have your counsel as well as advice as we bring forth to this community, four major studies. Those studies will be the pillars of providing the community with objective facts as it decides upon the future of RTA.

To our executive management team and our 2,300 RTA employees, during the coming months, we have work to do. We have a strong and concrete mission, which is to provide safe, reliable, clean and courteous public transportation services. We are professionals at these things and I am confident in our ability to deliver on this mission going forward. There were a few questions about my background so I will give a brief overview of that background. I hold a PhD in Public Affairs from The University of Texas at Dallas, a master's degree in Public Administration from the Levin College of Urban Affairs and a bachelor's degree in Accounting from Hiram College.

Over the past 15 years in this organization, I've started all the way from the bottom, starting as an intern, moved up to be the manager of the operating budget. At that time that budget was about \$270 million. Led the development of the operating budget, the execution of that budget and the Quarterly Reviews that you see here before you today. From there, I moved to become the assistant director of the budget office, where I was responsible for the operating budget as well as our performance strategy, the major performance strategy that I helped to develop is what we call TransitStat. It is a national program at how to run public organizations. It looks at using data to make decisions so that we have the best information. It tries to make organizations more nimble. In its more popular version, you would have heard of CompStat and CityStat in other forms. I brought that program to our organization and over the last eight years, it saved about \$70 million.

From there, I moved through the organization in several places. The first spot in the Operations Division was in the ICC, the room that you see when you come in with the TVs. I had 24/7 responsibility for all on road service of this organization, bus, rail and paratransit. That group is the heartbeat of the organization. It is the place you call if anything goes wrong and that group fixes it. After that, I moved to the Hayden District, which is the largest employment sector of our business, 600 employees in the City of East Cleveland. Nearly 25% of all of the employees work for me in that organization where we help to turn that facility around to make it a model within the organization and most recently I've been the Chief Operating Officer and Deputy General Manager of the organization since last October.

That's brief, but I will surely welcome the opportunity to discuss with Board members as we go forward what that experience is in more in-depth, what things I've done within this organization.

END OF STATEMENT

Mayor Clough encouraged him to meet with each board member individually to discuss their concerns and to further explain what he'd like to see happen. Mayor Elkins said that he would have voted no regardless of who the candidate was. Mayor Welo said that she admires Dr. Caver, but would have entertained the idea to not have anyone that would have applied for the position, to be open, transparent and fair for everyone. However, it was brought to the Board's attention that whoever gets the position, will probably do the best job ever. Ms. Moss felt the same way and said it was not personal.

Chief McCall added that Dr. Caver is a great choice. He is well respected nationally. He's worked himself up from the ground. As they conduct their permanent search, they will learn the field is interesting. In this particular field of transportation, they have always encouraged more involvement from females and minorities. They have a national discussion around training a workforce of the future, so that people can come up throughout the organization. Even though this is an interim position, it is an important position. It is one of the most important decisions of the Board because this the position they hire. She commended him on

getting to this level. She encouraged a transparent process as they hire the new GM/CEO. The board has to be engaged, supportive of Dr. Caver and paying attention to the next leader. There are great people who work at RTA. All of the candidates could have done the position and she is glad they all stepped up to lead.

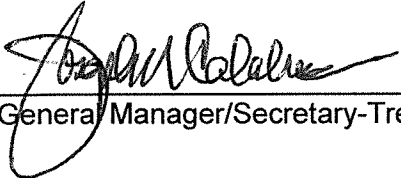
Rev. Lucas ^{congratulated} Dr. Caver. He is confident he will do a good job. Dr. Caver set up a tour of facilities for him. He received a warm welcome from the staff at the locations. Mayor Clough congratulated him and recently met with him about his background and heard that he is a great team builder and would like the organization to go forward in a positive way. Mayor Welo added that since three people wanted to lead, it attest to the greatness of the organization.

The next regular Board Meeting is scheduled for Tuesday, September 18, 2018, in the Board Room of the Authority, Root-McBride Building, 1240 West Sixth Street, Cleveland, Ohio 44113.

This meeting was adjourned at 11:30 a.m.



President

Attest: 

CEO, General Manager/Secretary-Treasurer