

## Minutes

### RTA Committee of the Whole Meeting

9:50 a.m., Tuesday, May 21, 2024

**Committee Members:** Koomar (Chair), Welch (Vice Chair), Love, McPherson, Mersmann, Pacetti, Sleasman, Weiss

**Not present:** Biasiotta, Lucas

**Staff:** Bennett, Birdsong Terry, Burney, Caver, Coffey, Dangelo, Davidson, Fesler, Fleig, Ford-Marshall, Garofoli, Gautam, Jones (Diana), Jones (Chief), Kirkland, Lincoln, Miller, Miranda, Mothes, Rusnov, Schipper, Talley, Togher, Walker-Minor, Young

**Public:** Bingaman, Gibbons, Katanovic, Loh, Rubin, Sopko

The meeting was called to order at 9:50 a.m. There were eight (8) committee members present.

#### Internal Audit Report – 1<sup>st</sup> Quarter 2024

Anthony Garofoli, Internal Audit Executive Director, gave the presentation. Pages 3-5 is the 2024 Internal Audit Plan approved by the Board in March 2024. The plan is aligned with the GCRTA Strategic Plan and Performance Metrics.

Pages 6-8 are the results of seven completed projects. These projects were presented in detail at the May 14, 2024 Audit Committee Meeting. This is the summary of those results. They are:

- Employee Travel & Expense
- Post Delivery Buy America for CNG Vehicles
- Paratransit Supplemental Service Contract
- Customer Communications during Service Interruptions
- Cybersecurity Tabletop Drill

They met with management and received responses to their recommendations and released the reports. They will track the implementation and recommendations in their IA Management System. There were no issues for Board consideration.

On pages 9-13 are the results of the continuous auditing program. This is where they develop audit scripts to interrogate system data in real time completing 100% audits for all the transactions. They complete the following audits:

- Fare Collection
- Purchasing Card Transactions
- Paratransit Certification Eligibility Database
- Nepotism
- Payroll

They shared the results with the appropriate stakeholders. There were no issues for Board consideration.

Pages 14-18 focus on the Railcar Replacement Program. It includes the results of their audit activity related to the entire program with a focus on change orders and contract payments. Project management is currently engaged in a premanufactured design review phase. In March 2024, management issued one change order to the Siemens Mobility contract. This was for smoke detectors that are integrated into the rail car HVAC system at a cost of \$108,916.54. IA conducted the change order audit for this to provide assurance and compliance with GCRTA Procurement Policies and Procedures. No exceptions were noted. The total value of the Siemens Mobility contract and change orders is \$195,537,935.54. Total payments to the contractor as of May 3 are \$47,204,319.24.

This section includes a summary of the FTA's Project Management Oversight efforts. A summary of other consulting services and railcar program infrastructure modifications plan. IA will gauge in other audit activities as they continue to assess risk and compliance.

Pages 19-26 are projects in various stages of completion. They added updates to provide transparency and information status. This section includes projects where fieldwork is complete and where they are waiting for management responses to release the report. Projects they are actively completing will be reported on at the August meeting.

Page 27 has the details of two special requests and emerging issues. They are completing these projects in their role as Inspector General for the GCRTA. Both projects are still in progress. They include:

- Salary Non-Bargaining Exempt Comp Time
- Transit Police Office of Professional Standards – Internal Affairs Process for Investigation

Page 28 includes efforts to work with external auditors. The State Auditor is on site completing the field work for the 2023 Fiscal Year End Single Audit. They are scheduled to present to the Board in June. They are working with the FTA on Project Management Oversight for the Railcar Program.

The remainder of the report is informational. They continue to follow up on all audit recommendations to validate corrective actions are implemented. They participate in a series of steering committees and meetings to learn and share risk management strategies. Page 38 includes training the staff has participated in and the last page includes staff profiles.

#### Capital Improvement Plan – Revisions to Proposed FY 20225-2029 CIP

Mike Schipper, Deputy General Manager, Engineering & Project Management and Carolyn Young, Manager of Budget, OMB gave the presentation.

After the last presentation and public hearing on May 7 staff performed a fact check on the entire program. A few items were incorporated into the program since that presentation.

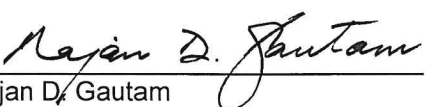
#### Category Change – Justification


- Bus Improvement Program – Northeast Ohio Areawide Coordinating Agency (NOACA) has advanced Ohio Department of Transportation (ODOT) CMAQ funding in SFY 2024 for FY 2025. Increased UTP funding amounts to reflect SFY 2025-2029.
- Other Projects – Added Lorain Road TOD competitive grant recently awarded.
- Preventative Maintenance – Reduced FY 2029 amount from \$12M to \$7M.
- Rail Car Replacement Program – NOACA has Advanced STBG funding into SFY 2024 and adjustment to SFY 2028 for FY 2029. Added \$5M in 2029 previously noted in Preventative Maintenance.

On May 7, the proposed budget was \$165.9M in FY 2025 and \$591.1M for the 5-year capital plan. The proposed changes to FY 2025 are estimated at \$6.1M in Bus Improvement, \$700K in Other Projects, \$9M in Rail Car Program. They estimate the revisions to be \$181.7M, which reflects a \$15.8M adjustment. For the proposed FY 2025-2029 CIP, they anticipate a revision in the Bus Improvement Program at a \$3M reduction. This reduction is due to the advancement of CMAQ funds. For Other projects, \$700K for the Lorain TOD project and a \$5M realignment for preventative maintenance to rail cars and \$17M in the railcar program. They anticipate a \$600.1M revision to the 5-year plan with a \$9M adjustment.

Staff recommends revision to FY 2025-2029 Capital Improvement Fund Budget be accepted in the resolution to the full Board for approval. It was moved by Mayor Weiss, seconded by Ms. Welch and approved to move to the full Board.

The meeting was adjourned at 10:03 a.m.

  
Rajan D. Gautam  
Secretary/Treasurer

  
Theresa A. Burrage  
Executive Assistant