

Minutes

RTA Committee of the Whole Meeting

9:38 a.m., February 4, 2025

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

**Not present:** Biasiotta, Love, Lucas

**Staff/Other:** Becker, Biggar, Birdsong Terry, Blaze, Burney, Campbell, Caver, Dangelo, Davidson, Dietrich, Feke, Fields, Flannery, Fleig, Fogliano, Freilich, Garofoli, Gautam, Hudson, Jones, Jupina, Laule, Manning, Marotta, McGervey, Miller, Miranda, Moore, Morgan, Mothes, Reed, Schipper, Sulik, Togher, Walker Minor, Young

**Public:** Colon, Davis, Fischer, Fowler, Gallo, Gibbons, Sikich, Yost

The meeting was called to order at 9:38 a.m. There were seven (7) committee members present.

Railcar Replacement Program Update

Bryan Moore, Railcar Project Lead Manager and Carolyn Young, Director, Grants Management & Treasury gave the presentation. This presentation is informational. This update is on the proposed budget revision for the Railcar Replacement Program.

Program Budget

Item	Current Budget 8-23-24	New Budget 1-31-25	Difference
Vehicle Acquisition	\$360,589,849	\$380,702,125	\$20,112,276
Design, Inspection & Testing	\$6,453,947	\$6,453,947	
Existing Infrastructure Upgrades	\$29,706,946	\$33,524,698	\$3,817,752
Project Administration	\$300,000	\$300,000	
Force Account	\$4,000,000	\$12,712,115	\$8,712,115
Unallocated Contingency	(\$8,050,742)	\$16,307,115	\$24,357,857
<b>Total</b>	<b>\$393,000,000</b>	<b>\$450,000,000</b>	<b>\$57,000,000</b>

HRV & LRV Railcar Replacement

- \$20,112,276 - Increase
- (24) Vehicle - Original unit price (6-26-23)- \$5,166,336
- (6) Vehicle - Option 1(11-28-23) - No escalation, Original unit price - \$5,166,336
- (18) Vehicle - Option 2 (11-19-24) – Escalation estimated - \$5,800,000
- (12) Vehicle - Option 3 – Escalation estimated - \$6,000,000
- Change Orders and Potential Change Orders - \$983,995

Rail Contract Design & Project Management

- Increase of \$201,000
- Reflects the actual value of the Siemens contract

Spare Parts and Special Tools

- \$8,127,052 – Increase
- Additional spare parts and special tools were identified

Existing Infrastructure Upgrades (Design & Construction) - \$3,817,752 Increase

- 4 of 7 packages have contractors
- Additional work was identified in the Brookpark Yard
- Red Line Platforms estimate prepared before an engineering survey was performed
- Purchased 100 lbs. rail, long lead item - \$36,405
- Design packages for infrastructure were not advertised

Force Account and Administration - Increase of \$8,712,115

- Force account plan had not been developed
- Travel plan had not been developed

Contingencies

- Unallocated Increased - \$24,357,857
- Contingency level increased to cover unknowns with infrastructure design and construction
- Contingencies were allocated to vehicles, and spread across construction/design
- Unforeseen conditions during commissioning activities

The unallocated contingency will be used for unforeseen items on the construction and vehicle side. We have allocated contingency for design, construction and vehicles. Some of the contingencies are built into the estimate for future rail car unit cost. The unallocated contingency was initially negative knowing the budget would be revised. It was used as an offsetting category.

RAILCAR REPLACEMENT PROGRAM – What Is Needed			
FUNDING SOURCE	Current Fund Budget	Revised Budget	Variance
GCRTA ROLLING STOCK RESERVE FUND	\$79,000,000	\$105,000,000	\$26,000,000
FTA SECTION 5307 AND 5337 FORMULA GRANT FUNDS	\$80,500,000	\$86,200,000	\$5,600,000
FTA SECTION 5337 IIJA Rail Car/USDOT BUILD/RAISE FUND	\$155,000,000	\$155,000,000	
ODOT STBG/CMAQ	\$50,000,000	\$70,600,000	\$20,600,000
ODOT GRF	\$4,500,000	\$4,400,000	
NOACA STBG/CRP	\$24,000,000	\$28,800,000	\$4,800,000
Total	\$393,000,000	\$450,000,000	\$57,000,000

Making the budget adjustment will require additional commitment from our funders. They will lay out a revised funding outlay.

RAILCAR REPLACEMENT PROGRAM – What We have				
FUNDING SOURCE	FUNDING AMOUNT	AWARDED	COMMITTED	UNCOMMITTED
GCRTA ROLLING STOCK RESERVE FUND	\$105,000,000	\$80,000,000	\$10,000,000	\$15,000,000
FTA SECTION 5307 AND 5337 FORMULA GRANT FUNDS	\$86,200,000	\$40,200,000	\$40,400,000	\$5,600,000
FTA SECTION 5337 IIJA Rail Car/USDOT BUILD/RAISE FUND	\$155,000,000	\$155,000,000		
ODOT STBG/CMAQ	\$70,600,000	\$29,308,000	\$8,272,000	\$33,020,000
ODOT GRF	\$4,400,000	\$4,400,000		
NOACA STBG/CRP	\$28,800,000	\$16,800,000	\$12,000,000	
Total	\$450,000,000	\$325,708,000	\$70,672,000	\$53,620,000

The awarded category is defined as funds already reserved or portioned by the grantor or GCRTA rolling stock. The committed category are plans that have been programmed in the Capital Improvement Plan or the grantor has provided us a letter of intent in supporting the railcar program. The uncommitted category is the category where we haven't received the award or commitment, and RTA is continuing to seek additional funding whether it is from transfers to the rolling stock or other competitive grant opportunities. We have successfully raised \$396.3 M from funders which is slightly above the budget of \$393 M. We expect the uncommitted amount of \$53.6 M to be funded over the next year or two. A notice from ODOT for \$33 M is expected.

Mayor Weiss congratulated the team on the funding. He asked if the ODOT/CMAQ funds are federal or state and is it expected to get both. Ms. Young said it is both. RTA usually receives both. He asked about the negative contingency. Ms. Young said they started at \$393 M. Contingency is a place holder. They noticed it was a negative and they had to come back to the Board to adjust the budget.

Mr. Schipper added that as they tracked the budget during the negotiation for the 18-car option, it became apparent that the escalation clauses in the contract would take us over budget. But they did not contract over the budget. The other estimates for the projects in design for infrastructure and as projected as of August 2024, would be outside of the budget. They have gotten more precise numbers on the infrastructure program. The contingency is a little over 5% which is \$26 M. The highest risk items are contracted. Mr. Gautam added that as the options were being exercised, it became apparent that the original \$393 M budget was no longer applicable and needed revisions. They believe the contingency plan is conservative. Between the allocated and unallocated, they are ok and want to avoid coming back to the Board. They will continue to make sure the grant funding is used first so that any savings can be returned to the Rolling Stock Fund.

Ms. Elder asked if any challenges are anticipated with receiving the federal funds. Mr. Gautam said they are confident with the railcar funding, which has largely been appropriated. There are some risks within some of the programs mentioned in the federal government memo which was later rescinded. They are working with the federal advocacy groups and funders to see what needs to be done now to continue to receive that funding. Mr. Schipper added that the rolling stock funds, and formula funds are controlled by RTA. ODOT has funded us five different times, but they can only award one year at a time. This round they asked for a two-year projection. RTA received \$8-\$12M a year for the last 4-5 years. They expect that to continue. They will use that ask for the rail cars for additional years in place of other projects.

Downtown Cleveland Improvement District

Jim Reed, Property Manager gave the presentation.

This is a renewal of RTA’s participation in the Downtown Cleveland Improvement District for the term 2026-2032. Under ORC property owners in a geographic location may create a special improvement district and access themselves to provide for the cost of services within that district. RTA initially joined this district in 2005 pursuant to a Board Resolution. The Board approved a renewal of that petition in 2009 and again in 2015.

Currently the DCI is proposing a new assessment. They have adjusted the geographic area. RTA owns 17 parcels in the district. The following items are included in the membership.

- “Clean + Safe” Initiative
- Safety Ambassadors
- Services to Unhoused Persons
- Security
- Graffiti Removal
- Trash, Litter, Waste
- Public Realm Improvements
- Management of Public Square

***Schedule of Proposed Assessments - Downtown Cleveland Improvement District***

<u>Current</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>2032</u>
\$37,837	\$40,272	\$41,218	\$42,187	\$43,179	\$44,193	\$45,232	\$46,295

*Recommendation*

Staff request the Committee of the Whole recommend approval of a Petition to renew the Downtown Cleveland Improvement District for a seven-year term at a cost of \$302,576.00.

Ms. Welch asked what RTA parcels are included. Mr. Reed said the RTA Main Office, STJ Transit Center, W. 3, E. 9<sup>th</sup> and Waterfront Line stations. The formula assesses based on road frontage. This data is available through the County. Each proposed member in the district is assessed and applied to the formula. Ms. Elder asked how many parcels are in the district. That information was not available, but will be provided to the committee. Ms. Welch asked from what budget this would be paid. Ms. Feke said it will come from the Programming and Planning budget. It's a part of their tax and assessment fees. Mayor Koomar asked if it is spread over the annual Operating Budget for the term. Mr. Reed confirmed.

Ms. Terry said this is a seven year outlook. The assessment increase year over year goes along with inflation for services that support the downtown district. RTA is integral to the health and vitality of downtown, providing services to customers via Tower City, trolley and bus. Ms. Terry is on the DCID Board. This is outside her purview as a voting member. RTA is one of 50-60 stakeholder members. This is to show support of the petition of the increase of fees that will be distributed among all downtown stakeholders. This requires RTA Board approval.

Ms. Burney added that the fee is used to support ambassadors who provide car escorts, wayfinding services and cleaning and district beautification. Mr. Sleasman supports this effort. He asked that the new management of Public Square by DCID does not affect RTA customers going to bus stops and shelters outside the Public Square hours of service.

It was moved by Mayor Koomar, seconded by Mr. Sleasman and approved to move this to the full Board.

#### Persistent Poverty

Maribeth Feke, Director, Programming & Planning gave the presentation. Presenters from HDR included Josh Sikich, Project Principal, Amy Yost, Project Manager and Sabrina Colon, Manager of Engagement, and Dr. Rob Fischer of CWRU. No action is required. Today is an update and to get feedback.

This presentation is on the Transit Access Barrier Study. Today is Transit Equity Day which is the birthday of Rosa Parks, which is a celebration of the historic role of public transit in serving the diverse population of our area and across the nation. RTA services rank at the top of the nation exhibiting high and persistent factors of economic distress. Public transportation is a key factor in both the social determinants of health and work. RTA received an FTA grant to explore these issues. The purpose of this study is to identify where where this population resides, who they are and how RTA can bridge the barriers. The Board awarded a contract to HDR in 2024 to conduct the study.

The purpose of this study is to identify potential barriers in public transit and provide recommendations to reduce or eliminate those barriers within the context of GCRTA services and facilities.

#### *Project Goals*

- **Prepare** and deliver a data-driven, community-centered, actionable plan to GCRTA that supports the GCRTA mission and vision.
- **Create** opportunities for meaningful engagement to influence and define the recommendations for GCRTA to implement.
- **Provide** a deeper understanding of the role of transit and transit agencies in the alleviation of poverty.

They are in the preliminary phase of the study. They have held stakeholder meetings, focus groups, looked at existing conditions and engagement. This spring they will identify potential transit barriers and recommend solutions by this summer. A final report will be delivered this fall.

*Existing Conditions*

Historically, Ohio has had a higher level of poverty than the national average. Over the last 13 years, poverty has decreased nationally and within the State of Ohio. Implementation of programs in the 1960's brought a significant decrease in poverty. Poverty increased during COVID. Roughly 80% of the census tracts in the City of Cleveland meet the definition of persistent poverty, almost the entire east side and the City of East Cleveland. Who lives in these areas and what is their experience.

Defined as census tracts where poverty has been 20% or greater for 3 consecutive timepoints:

- 2000 Census
- 2006-2010 ACS 5-year
- 2018-2022 ACS 5-year

*Transit Propensity*

- Areas of high transit propensity align with identified areas of persistent poverty.
- The map indicates the highest areas in need of transit.
- Calculated using data about the density of:
  - Low Income Populations
  - Zero Vehicle Households
  - Population with Disabilities
  - Populations over 65 years old and under 18 years old

2024 Ridership Report

Transit Type	Ridership	% Total Ridership
Fixed Bus	18,187,961	75.07%
Red Line	3,151,597	13.00%
HealthLine	2,080,030	8.58%
Blue/Green/ Waterfront Line	808,055	3.33%

*Focus Groups*

- Connected with Community Based Organizations based on demographic and geographic indicators
- Connected with 242 people
- Presented at the November CMHA Progressive Action Council
- Met with the CAC in November present progress and receive feedback

*Focus Group Findings*

- Fare structure is fair for services received
- Transit service generally goes where people want to go
- Appreciation of operators for all their responsibilities
- Safety and Security – at stops, lighting
- Operator Customer Service – consistency concerns
- Cleanliness – on vehicle, at stops
- Service Availability – stop locations
- Transfers – understanding transfer policy, changes to policy
- Strollers – calapsing and taking child out

*Next Steps*

- Document known transit barriers and community solutions
- Develop solutions based on focus group, stakeholder, and executive feedback
- Additional Spring Engagement

Mayor Koomar commended the work. Ms. Elder asked how the organizations in the focus groups were selected and the demographics of who participated. Ms. Yost said they were strategic and targeted those they had partnerships. They worked with RTA and asked their stakeholders group. There were 11 focus groups at various locations like the Cleveland Food Bank. They had 20 out of 35 organizations respond to their request for focus groups. The organizations serve deep poverty in the community. They worked with Dr. Walker Minor for resource advice. Her staff attended the sessions. Ms. Yost said the demographics of participants could be provided.

Mr. Sleasman asked whether the respondents correspond to the overall data, if outreach was done in other languages such as Spanish or Asian and if supplemental measure stayed similar to the last 50 years. Ms. Yost said they were not successful in creating focus groups in those communities but they will do additional outreach this fall. Ms. Feke said they are represented in the stakeholder meetings. Dr. Rob Fischer said the supplemental measure does not stay consistent. It is consistently flat over the period. Ms. Welch said this is consistent with RTA's efforts to listen to the community.

Ms. Elder asked why Paratransit riders were not included. Ms. Yost said they are included but were not included in the slide, but they do have data and will have it in the final report. Ms. Terry asked for Paratransit to be added. Ms. Pacetti asked if any information was received on transit demand changes and whether the information was received from non-riders or past riders. Ms. Feke said they didn't look at demand changes. They received information from customers that ride anymore. RTA's community value survey tracks why people use transit. People traveling for leisure and peak periods have been expanding for the last seven years. Ms. Colon added that most of the conversation was about current experience. There was conversation around people who rode in the past and why they stopped riding or if they would recommend transit to out-of-towners. Some stopped riding due to the convenience of having a vehicle. Mayor Weiss added that there is a lot of discussion on poverty, but the recommendations from this report will be helpful to address change.

### Fare Capping

Josh Miranda, Director of Management Information Services gave the presentation. This presentation is informational and no action is required.

#### *Improved Fare System*

- Implement Account Based Ticketing (ABT) – this has been achieved
- Enable Fare Capping (Requires Board approval)
- Update Fare Media
  - Smartcards - Current development between Masabi and GCRTA
  - Ticket Vending Machines - Consultant approved by board September 2024 – working on RFP
  - Retail sale network - Existing sales agents and Vanilla Direct
    - Vanilla Direct has several locations where customers can add value to their cards with cash.

#### *Account Based Ticketing (ABT)*

- Account Based Ticketing relies on back-office accounts linked to a ticket/token.
- Customer taps/scans the token; fares are calculated based on usage.
- Fare capping is an optional feature enabled by ABT.
- Fare capping requires accounts linking fare payments to customers.
- Accounts can have discounts for seniors, students, etc.
- Tokens include smartcards and mobile devices.

#### *Fare Capping*

- Enables more customers to benefit from unlimited-use pricing (all-day, 7-day, and monthly)
  - Part of the Strategic Plan

- Customers don't need to know in advance how much they will ride in the current day, week, or month
- No need to pay up front for a whole day, week, or month
- Improves affordability and equity for low-income customers
- Requires smartcard or opting in on mobile app
- Fare capping is only available to individuals

Category	Daily Cap	7-Day Cap	Monthly Cap
Full Fare	\$5.00	\$25	\$95.00
Student (K -12)	\$4.25	\$25	\$95.00
Senior/Disabled	\$2.50	\$12.50	\$48.00
Paratransit	\$7.00	\$30.00	\$110.00

*Open Payment (non-account)*

- Open payment allows secure transactions utilizing your own device/item
- Customer taps/scans the token; fares are calculated based on usage. Commonly used by tourists and infrequent transit users
- Advantages:
  - Same cost model as current offerings
  - Leverages existing hardware
- Limitations:
  - No fare capping
  - This option cannot use discounts for seniors, students, etc.

*2019 Fare Equity Study*

- Recommended implementation of account-based ticketing and fare capping
- Thorough analysis of transit user surveys, many riders were paying "extra" by not using 7-day and monthly passes
- Fare capping improves equity for riders who can't afford a monthly pass by offering an installment plan, paid one fare at a time, until the monthly pass is paid for.
- A follow-up survey found that riders did not use monthly passes because:
  - 31% cannot afford a monthly pass
  - 26% cannot predict their transit use
- Did not use a 7-Day pass because:
  - 31% cannot predict their transit use
  - 25% use a monthly pass
  - 5% cannot afford a 7-day pass

Flexible work schedules in 2025 increase the benefits.

*2024 Title VI Fare Equity Analysis*

- GCRTA's Service Management department performed the analysis for the Proposed Fare Structure Revision
- Findings:
  - Fare structure revision consistent with requirements of Title VI
  - No disparate impact on minority customers
  - No disproportionate burden on low-income customers

*Proposed Code Book Revisions*

- Changes are needed for Chapter 840 - Commissions and Fare Structure
  - Eliminate Park-n-Ride and out of county fares
  - Add rates for fare capping
  - Eliminate section regarding fares for rides outside county
  - Edits for consistency and clarity

Mr. Sleasman supports this program and encouraged implementation as soon as possible. Ms. Pacetti suggested a clear communication strategy.

Executive Session Requested

10:59 a.m. - It was moved by Mayor Koomar, seconded by Ms. Welch to go into executive session to enable the Board to conference with GCRTA attorneys for information-gathering, fact-finding, and to receive legal advice. There were seven (7) ayes and none opposed.

11:35 a.m. – It was moved by Ms. Welch, seconded by Ms. McPherson to come out of executive session. There were six (6) ayes and none opposed.


The meeting was adjourned at 11:36 a.m. The meeting was reopened to vote on a few items. There were six (6) committee members present.

*Civilian Oversight Committee*

It was moved by Ms. Welch, seconded by Mayor Weiss and approved to move the reappointment of Ms. Wharton and Mr. Morris to the Civilian Oversight Committee to the full Board.

It was moved by Ms. Welch, seconded by Mayor Weiss and approved to move the amended changes to the Codebook and COC Operating Procedures to the full Board.

The meeting was adjourned at 11:40 a.m.

  
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Rajan D. Gautam  
Secretary/Treasurer

  
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Theresa A. Burrage  
Executive Assistant