Operational Planning & Infrastructure Committee

December 2, 2025

MEETING MINUTES

Committee Members: Mr. Sleasman, Ms. Pacetti, Mayor Gallo, Mr. Love

Staff/Other: Shawn Becker, Nick Biggar, India Birdsong Terry, Felicia Brooks-Williams, Janet Burney, Floun'say Caver, Brent Charnigo, Jonathan Ciesla, Nick Davidson, Nadine DeJesus, Wendy Feinn, Michael Fesler, George Fields, Bob Fleig, Joel Freilich, Catherine Galla, Anthony Garofoli, Rajan Gautam, Fiona Gibbons, Chief Deirdre Jones, Lawrence Jupina, Carl Kirkland, Jeff Macko, Ida Marshall, Sheila Miller, Joshua Miranda, Charles Morgan, Ruben Morgan, Mike Schipper, Michael So, John Sulik, Kay Sutula, Wendy Talley, John Togher, Eric Vukmanic

Public: Ehren Bingaman, Tracie Collins, Travis Ducuruen, Kesley Finucan, Alex Johnson, Mustafa Shaikhan, Carren Woods

I. Roll Call

Mr. Sleasman called the meeting to order at 9:52 a.m. with roll call. A quorum was present.

II. Approval of Minutes – November 18, 2025

Mr. Love moved to approve the minutes; Mayor Gallo seconded. The motion carried.

III. IFB Procurement – a presentation of a competitive procurement for the third phase of the repairs to the Light Rail retaining walls along the Blue Line.

Derek Meinke, Engineer Project Manager, Mechanical, stated that this project is located along Van Aken Blvd. in Shaker Heights, between Ashby Road and Avalon Road. The brick veneer on the guard walls is delaminating. The concrete structure of both the guard walls and retaining walls is experiencing degradation with exposed rebar in some areas and the retaining wall at the track level are clogged with tree overgrowth.

The construction of this project will include repair of both the guard walls and retaining walls. replacement of the brick veneer on the guard walls, clearing of the weep holes in the retaining walls and clearing and grubbing of the embankment between.

Jonathan Laule, Program Contract Manager, Procurement, stated that invitation for bid was issued on September 22, 2025. Fifteen (15) interested parties reviewed the solicitation and four (4) submitted bids. The lowest responsive and responsible bidder for this project was Cook Paving & Construction, Inc. in a total contract amount not to exceed $1,360,138.

Mr. Love moved to advance the item to the Board of Trustees; Mayor Gallo seconded. The motion carried.

IV. IFB Procurement – a presentation of a competitive procurement for the removal and replacement of two Paratransit vehicle in-ground lifts.

Brian Schultz, Resident Engineer, detailed the removal and replacement of two heavy-duty in-ground vehicle lifts required to service the paratransit and non-revenue vehicle fleets. The new lifts must accommodate vehicles up to 64,000 lbs., including heavy snow and plow trucks.

Jonathan Laule, Program Contract Manager, Procurement, stated that the invitation for bid for this project was issued on October 3, 2025. Sixteen (16) parties reviewed the solicitation and four (4) submitted bids. SLE Technologies, Inc. was the lowest responsive, responsible vendor in amount not to exceed $612,814.42.

Mr. Sleasman moved to advance the item to the Board of Trustees; Mr. Love seconded. The motion carried.

V. IFB Procurement – a presentation of a competitive procurement for the purchase of a Ballast Regulator.

James Burke, Vehicle Engineer I, Fleet Management, explained the need for a new ballast regulator, a machine used to sweep and shape the crushed stone that stabilizes railroad tracks. The current machine is over twenty (20) years old and cannot navigate new extended platforms.

Jonathan Laule, Program Contract Manager, Procurement, stated that the invitation for bid for this project was issued on July 21, 2025. Twelve (12) interested parties reviewed the solicitation and three (3) submitted bids. The lowest responsive and responsible bidder for this project is Knox Kershaw, Inc. for a total not to exceed $566,558.

Mr. Sleasman moved to advance the item to the Board of Trustees; Ms. Pacetti seconded. The motion carried.

VI. 2026 Budget Presentation – a discussion on the FY2026 Budget presentation

Wendy Feinn, Budget Management Analyst III stated that the CIP was adopted in May to meet NOACA, ODOT and FTA timelines. The 2026 tax budget was approved in July. Staff presented the proposed 2026 General Fund budget, which includes operating budget on November 18. This is the second public hearing regarding the 2026 budget.

Ms. Feinn detailed the economic assumptions used to develop the 2026 budget based on Federal Open Market Committee estimates. Economic assumptions include 2.5% inflation and 3.5% interest rates. Ridership and passenger fare revenues are projected to maintain current levels as a service reduction will be needed in the summer of 2026.

Sales tax is budgeted to increase 2.2% and wage increases are budgeted based on 2026 contractual agreements. Revenues are budgeted at $363.8 million. The largest source of revenues is sales and use tax, which is 76.6% of the revenue budget. Passenger fares are 8.6%. Expenditures are budgeted at $373.2 million -- most of which goes towards salary and fringe benefits, which combined are 73% of the expenditure budget. Transfers to other funds are 8.2% and all the other categories combined comprise the other 19% of the expenditure budget. A $44 million transfer from the Revenue Stabilization Fund will be necessary to maintain the required reserve.

Staff emphasized the budget's challenges, particularly increases in healthcare costs. To mitigate these pressures, GCRTA has implemented cost-cutting measures including a hiring freeze, reducing

overtime, and eliminating fifty-six (56) vacant positions. Service reduction is also planned for the summer of 2026.

Moving to a General Fund overview, Ms. Feinn stated that 2026 revenues are budgeted at $363.8 million, which includes $44 million to be transferred from the Reserve Fund. The projected ending balance is $28.8 million, which would leave a one (1) month reserve based. Projections for 2027 and 2028 show that there will not be a one (1) month reserve in future years.

Ms. Elder inquired about the contract length for the current healthcare providers. George Fields, Deputy General Manager, Human Resources, explained that the contract runs through 2026 and staff will issue an RFP to solicit new healthcare plan vendors in 2027.

Mr. Love questioned how similar public agencies' healthcare costs compare relative to GCRTA. Mr. Fields stated that GCRTA is higher than three of the four large public sector employers in the area.

Mr. Fields further referenced an additional $9 million appropriation related to healthcare costs the Board recently approved. He explained that some of that money will be able to be returned to the General Fund.

Ms. Whigham inquired about how staff is planning for future economic headwinds related to the depletion of the Revenue Stabilization Fund. Ms. Sutula advised that staff intends to keep a fifteen (15) day balance in the Revenue Stabilization Fund. Board approval is necessary to move funds from that account to the General Fund.

Mr. Love inquired whether staff incorporates more budgetary forecasts into the budgetary process and look three years out. Ms. Sutula explained that staff runs various scenarios from five (5) to ten (10) years. Savings realized during 2026 may help to achieve a one (1) month balance in 2027.

Mr. Sleasman moved to suspend the Committee meeting to have the Public Hearing; Mayor Gallo seconded. The motion carried unanimously. The Committee Meeting was suspended at 10:20 a.m.

VII. Public Hearing

Kay Sutula, Director of Office & Budget Management, stated that this is the first of two public hearings on the proposed 2026 budget. The 2026 budgets are available for inspection in the Office of Management and Budget and the GCRTA website and social media pages. Public notice of this hearing has been given by publication in *The Plain Dealer* and *The Call & Post*.

The proposed 2026 budget was presented to the Operational Planning and Infrastructure Committee on November 18, 2025. A second presentation will be made to the Committee on December 2, 2025.

The proposed General Fund budget estimates revenues of $363.8 million. The two largest sources of revenue are sales and use tax -- budgeted at $278.7 million and passenger fares at $31.5 million. Total operating expenditures are budgeted for $342.5 million.

Healthcare costs are projected to increase by 26% in 2026. Through continued efforts to reduce expenses in 2025 and the budget for 2026, 56 vacant positions have been removed from the 2026 budget for a total of 2,397 positions. Budgeted overtime and other non-personnel items have been reduced and a hiring freeze is in place.

Transfers to other funds are budgeted at $30.7 million to support expenses and maintain the recommended fund balances for the bond retirement insurance, supplemental pension capital improvement and reserve funds. A transfer of $44 million will be needed from the Revenue Stabilization Fund to the General Fund to maintain the one-month ending balance. Staff is aware that the Revenue Stabilization Fund will not be able to support the budget through 2027.

All personnel costs, non-personnel items and service levels will continue to be monitored throughout 2026 to identify additional cost-cutting measures and mitigate the budget shortfalls to ensure future financial sustainability. The 2026 to 2030 Capital Improvement Plan (CIP) was adopted by the Board of Trustees on May 20, 2025. The CIP provides for the purchase, maintenance and improvement of the Authority's capital assets through a programmed allocation of available financial resources.

Members of the public addressed the Committee. Public comments submitted through the webform will appear in their original form and have not been edited for grammar or content. GCRTA reserves the right not to publish any explicit language, derogatory remarks, or personal attacks against individuals.

1. Mia George (in-person)

Ms. George stated that she depends on public transit and voiced concerns about the GCRTA financial issues. She was alarmed to hear about planned service cuts already planned for the summer of 2026.

As RTA runs out of its Revenue Stabilization Fund and approaches the fiscal cliff, it is critical now more than ever that other sources of funding are secured to avoid further service cuts or fare hikes in the future.

As for a short-term solution, I would strongly suggest that RTA utilizes what remains in the Revenue Stabilization Fund to cover any deficits for 2026 rather than cutting service. Additionally, there are several viable long-term solutions RTA should consider to avoid further cuts and restore any service that has been cut already.

The Board of Trustees has the power to put a sales tax or property tax levy on the county-wide ballot to balance its books. Another option is to redirect some of the parking tax money to RTA. This parking tax generates $14 million annually, and it is currently directed to maintain the Browns Stadium, but RTA could aim to use a portion of these funds towards its operations.

Cutting service is going to hit riders incredibly hard. Lowering service or lowering costs through service reductions is an irresponsible attempt at a short-term solution. Now is the time to secure new funding sources for the future. It is the only way to avoid disaster moving forward.

2. Chris Martin (in-person)

Chris Martin, City of Cleveland, stated that he was curious if the hiring freeze applies to operators and police as well. A bunch of you were appointed by a former member of this body. Now a so-called climate champion mayor. I'm curious how cutting transit service and forcing folks into cars advances the mayor of City of Cleveland climate justice agenda. Several others were appointed by a County Executive who seems to love nothing more than attending climate justice summits. Maybe you can

tell him he should pay a little bit more attention to the climate injustice you will be voting for when you cut service and he cuts HHS funding.

Your books haven't been balanced for almost a decade. I understand you've only had preliminary discussions about a levy. You got a reprieve through COVID relief funding, but now the chickens have come home to roost. What will you tell yourselves when you vote to cut service? Will you feel shame?

Mr. Gautam clarified that the hiring freeze does not apply to key positions such as operators, laborers and any safety related issues.

3. Loh (in-person)

Loh expressed concern about the budget and stated that everyone will all get hit by the health insurance increase. People's lives cannot be put on hold and have to deal with getting to work and school. She suggested finding other resources to increase revenue. She advocated to not to cut services because many county residents rely on GCRTA.

4. Christopher Cromartie (in-person)

Mr. Cromartie stated that he relies on transit to go to work and a brother who relies on transit to get to school. He agreed with previous speakers who were concerned about potential service cuts. There's already so many cuts and pressure that are going to be affecting these people. Along with the service cuts to the RTA and I really encourage all to find another solution.

If this is reliant on federal grants, we should be thinking about how we could put more pressure on our local government to support this. The people need RTA.

5. La Queta Worley-Bell (phone)

Ms. Worley-Bell stated that she lives in Cleveland and wanted to know why the 53 is being cut.

6. Caller 2 (phone)

During the public comment period, a member of the public expressed strong concern about impending 2026 RTA service cuts, noting that the closure of 12 schools in the city will increase travel distances for many students and urged the board to find an alternative funding solution.

Ms. Pacetti moved to reconvene the Committee; Mr. Love seconded. The motion passed unanimously. The Committee reconvened at 10:37 a.m.

Following public comment, Ms. Whigham requested historical context regarding potential GCRTA levy pursuits and what conversations have occurred regarding one. She expressed concern about the future of the budget and making sure we're taking to account the impact on low- to moderate-income communities. Future investments should align with growing community development, especially around affordable housing in the community.

CEO India Birdsong Terry addressed the feedback, stating that the RTA is currently in "research mode" regarding a potential tax levy, with options expected to be presented to the Board by the first quarter of 2026. She confirmed that while service cuts are being analyzed to save budget dollars, final decisions have not been made, and the impact on low-to-moderate-income communities will be considered.

Additionally, money is being put aside for transit-oriented development.

Ms. Pacetti moved to advance the item to the Board of Trustees; Mayor Gallo seconded. The motion carried.

VIII. Adjourn

There being no further business to come before the Committee, Mr. Sleasman moved to adjourn the meeting, which was seconded by Mr. Love. The meeting was adjourned at 10:43 a.m.

Rajan D. Gautam
Secretary/Treasurer

Brent Charnigo
Board Administrator