



NORTHEAST OHIO AREAWIDE COORDINATING AGENCY

MEMORANDUM

TO: NOACA Board of Directors

FROM: Grace Gallucci, Executive Director

DATE: March 2, 2018

RE: **Resolution 2018-008: Project Funding Requests – Tower City Bridges, Cleveland – Cost Increase**

ACTION REQUESTED

The Board of Directors is asked to consider an increase of funding for the Tower City Bridges project in the City of Cleveland in the amount of \$1,243,608.

The Finance and Audit Committee recommended this item at its February 2018 meeting.

BACKGROUND/JUSTIFICATION FOR CURRENT ACTION

The Tower City Bridges project is programmed in SFY 2018 of the current 2018-2021 Transportation Improvement Program (TIP) with a NOACA commitment of \$8,290,720 of Surface Transportation Block Grant (STBG) program funds. The project scope is the rehabilitation of a series of bridges adjacent to the Tower City Complex along Huron Road, Prospect Avenue, West 6th Street, West 3rd Street and West 2nd Street.

Bids for the project were received on December 14, 2017. The low bid received was significantly greater than the amount programmed in the NOACA Transportation Improvement Program (TIP).

	Current TIP	As Bid	Difference
Total Cost	\$10,363,400	\$15,450,157	\$5,086,757
NOACA (80%)	\$8,290,720	\$12,360,125	\$4,069,405
Local (20%)	\$2,072,680	\$3,090,032	\$1,017,352

The justification submitted by the sponsor cites access and construction work hour constraints due to the casino and increased costs associated with the replacement of expansion joints as the primary factors for the higher than anticipated bids. These conditions were unforeseen at the time the project was originally programmed by NOACA in 2012. The City of Cleveland has requested a cost increase from NOACA in the amount of \$4,069,406 which would allow for a full 80% NOACA participation of the total cost.

In June, 2015 the Board of Directors approved a Project Cost Increase Management Policy to guide the management of project cost increase requests. Staff have evaluated the request submitted by the city against the policy criteria summarized in the table below:

Policy Requirements	Met?
Justification of Unforeseen Conditions	X
Funding available in the current TIP	X
Request limited to no more than 15% of the Board commitment	
Project has progressed through ODOT Stage III plan approval	X
All other project funding commitments used to capacity	X

The request meets all policy criteria, with the exception of the 15% maximum request limit. The current Board approved maximum for the project is \$8,290,720, thus a cost increase request would be limited to no more than \$1,243,608. The remainder of the funds needed to complete implementation of the project will therefore be the responsibility of the project sponsor.

FINANCIAL IMPACT

The request would increase the NOACA funding commitment to the Tower City Bridges project by \$1,243,608, from \$8,290,720 to \$9,534,328.

CONCLUSION/NEXT STEPS

With Board approval, the TIP will be amended to incorporate the additional funding for the project.

GG/rl/2998b

**RESOLUTION NO. 2018-008
(PROJECT FUNDING REQUESTS – TOWER CITY
BRIDGES, CLEVELAND – COST INCREASE)**

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE
NORTHEAST OHIO AREAWIDE COORDINATING AGENCY**

WHEREAS, the Northeast Ohio Areawide Coordinating Agency (NOACA) is the Metropolitan Planning Organization (MPO) for the counties of Cuyahoga, Geauga, Lake, Lorain and Medina, and the City of Cleveland; and the areawide water quality management agency for the same region; and

WHEREAS, the Tower City Bridges project is programmed in SFY 2018 of the current 2018-2021 Transportation Improvement Program (TIP) with a NOACA commitment of \$8,290,720 of Surface Transportation Block Grant (STBG) program funds; and

WHEREAS, the scope of the project is the rehabilitation of a series of bridges adjacent to the Tower City Complex along Huron Road, Prospect Avenue, West 6th Street, West 3rd Street and West 2nd Street; and

WHEREAS, construction bids for the project were received on December 14, 2017 and the low bid received was significantly greater than the amount programmed in the NOACA Transportation Improvement Program (TIP); and

WHEREAS, the justification submitted by the sponsor cites access and construction work hour constraints due to the casino and increased costs associated with the replacement of expansion joints as the primary factors for the higher than anticipated bids; and

WHEREAS, these conditions were unforeseen at the time the project was originally programmed by NOACA in 2012; and

WHEREAS, the City of Cleveland has requested a cost increase from NOACA in the amount of \$4,069,406 which would allow for a full 80% NOACA participation of the total cost; and

WHEREAS, in June, 2015 the Board of Directors approved a Project Cost Increase Management Policy to guide the management of project cost increase requests; and

WHEREAS, staff have evaluated the request submitted by the city against the policy criteria and the request meets all policy criteria, with the exception of the 15% maximum request limit; and

WHEREAS, the current Board approved maximum for the project is \$8,290,720, thus a cost increase request would be limited to no more than \$1,243,608. The remainder of the funds needed to complete implementation of the project will therefore be the responsibility of the project sponsor.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Northeast Ohio Areawide Coordinating Agency, consisting of 45 principal officials serving general purpose local governments throughout and within the counties of Cuyahoga, Geauga, Lake, Lorain, and Medina that:

Section 1. A funding increase in the amount of \$1,243,608 is approved for use on the CUY-Tower City Bridges, Cleveland project.

Section 2. The NOACA 2018-2021 Transportation Improvement Program will be amended to reflect the new Board of Directors funding maximum of \$9,534,328.

RESOLUTION NO. 2018-008
(PROJECT FUNDING REQUESTS – TOWER CITY
BRIDGES, CLEVELAND – COST INCREASE)

Section 3. The Executive Director is authorized to transmit certified copies of this resolution to appropriate federal, state, and local agencies.

Certified to be a true copy of a Resolution of the
Governing Board of the Northeast Ohio Areawide
Coordinating Agency adopted this 9th day of March,
2018.

Secretary: Ted Kelo

Date Signed: 3-9-18