



NORTHEAST OHIO AREAWIDE COORDINATING AGENCY

MEMORANDUM

TO: NOACA Board of Directors

FROM: Grace Gallucci, Executive Director

DATE: June 5, 2015

RE: **Resolution No. 2015-031 - Funding of the 2016 Provisional Transportation Asset Management Program**

ACTION REQUESTED

The Board of Directors is asked to approve authorization for the Executive Director to execute documents for the financing of the fiscal year (FY) 2016 provisional transportation asset management program (PTAMP); and, approve the FY 2016 project list and cost refinements.

BACKGROUND/JUSTIFICATION FOR CURRENT ACTION

The Provisional Transportation Asset Management Policy was approved by the Board of Directors on April 11, 2014 through Resolution No. 2014-013 to address the region's immediate critical needs relative to the region's transportation network. The Board of Directors also adopted Resolution No. 2014-026 on July 11, 2014, which approved the Provisional Transportation Asset Management Projects and an innovative funding strategy.

In an effort to limit the amount of debt required for the program, this strategy directed the right sizing of the existing State Infrastructure Bank (SIB) debt service in the Transportation Improvement Program (TIP) to free up available funds, and leave any balance to be financed. Although the remaining right sizing monies were able to cover FY 2015 PTAMP projects, they are insufficient to fund the FY 2016 PTAMP and are not available in the fiscal year required. Nevertheless, these remaining balances can be used to leverage financing of the program since they would be adequate for debt service requirements.

The recommended financing strategy should utilize the Ohio State Infrastructure Bank (SIB) loans first. If the available funds in the SIB are not sufficient to completely finance the FY 2016 PTAMP, the SIB Bond Program or Cleveland Cuyahoga County Port Authority Infrastructure Bond Program should be utilized.

	State Infrastructure Bank Loan	State Infrastructure Bank Bond Program	Cleveland Port Authority Infrastructure Bond Program
Interest Rate	3.00%	Market	Market
Repayment	Up to 10 Years	5 – 20 Years	Up to 30 Years
Available Funds	Varies	Up to \$20 million	Up to 100% of project costs
Distinct Element	12 months interest free; 1st payment due 19th month after closing		Sales tax exemptions on construction materials
Transaction Fees	\$2,000 - \$10,000	1 – 3% of Bond Issuance Amount	1 – 3% of Bond Issuance Amount

The Ohio Attorney General's Office, on behalf of ODOT, requires certified resolutions from the project sponsors and NOACA, that authorize the execution and delivery of all SIB documents and performance of the loan requirements thereunder, as applicable.

Relative to the actual projects and specific amounts to be finalized, as NOACA staff coordinated with the communities, it was discovered that some projects were unable to be completed in fiscal year 2016. These projects were accommodated in future years. Then the projects moving out of the FY16 PTAMP list created an opportunity to advance projects that were next in line on the list, and have the ability to be awarded in FY 2016. The Planning and Programming Committee reviewed and recommended the proposed project list at their April 2015 meeting.

Furthermore, as we look to finalize the financing requirements for PTAMP, it is important that we reflect accurate project costs. Initial project costs used planning level estimates. As the projects have developed, some of the estimates required refinement.

NOACA staff has met with all the project sponsors, and all have committed to awarding their projects in FY2016 and meeting local match obligations. The final list of proposed projects and expenditures is included in attachment 1.

FINANCIAL IMPACT

The right sizing effort produced \$22 million of available funds of which \$12 million was used for the FY 2015 PTAMP. The remaining \$10 million will be used to pay debt service for the FY 2016 PTAMP in the amount of \$1.3 million in FY 2016, \$2.6 million in FY 2017, \$2.6 million in FY 2018 and \$2.6 million in FY 2019. NOACA will be financially responsible for the repayment of principal, interest, and administrative costs, up to the Board of Directors approved funding cap of \$24,096,166 and any future Board approved funding cap increases, over the term of the selected financing strategy.

CONCLUSION/NEXT STEPS

With Board approval, staff will work to implement the FY 2016 PTAMP projects.

GG/ks/2837b

**RESOLUTION 2015-031
(FUNDING OF THE 2016
PROVISIONAL TRANSPORTATION
ASSET MANAGEMENT PROGRAM)**

Attachment 1:

Revised Provisional Transportation Asset Management Projects For State Fiscal Year 2016					
Pavement Name	Community	Length	Average Width	Total Construction Cost	PTAMP 80% Funding
SR 00057	Elyria	0.69	50.50	\$738,077	\$590,462
SR 00091	Willoughby, Willoughby Hills	3.81	53.50	\$2,185,606	\$1,748,485
HARVARD	Cleveland	2.01	42.00	\$3,554,942	\$2,843,954
SR 00008	North Randall Village	0.22	71.00	\$329,600	\$263,680
ST. CLAIR AVE.	Cleveland	3.15	60.00	\$4,534,194	\$3,627,355
US 00322	Mayfield Heights	1.02	58.00	\$1,220,920	\$976,736
WARREN RD.	Cleveland	0.95	40.00	\$1,476,690	\$1,181,352
US 00042	Strongsville	2.44	59.00	\$2,111,500	\$1,689,200
SNOW	Brook Park	2.38	57.00	\$3,301,750	\$2,641,400
SR 175	Euclid	0.93	54.00	\$889,920	\$711,936
W.150TH	Cleveland	1.90	48.00	\$3,736,840	\$2,989,472
SR 00083	Avon	3.47	49.00	\$2,169,719	\$1,735,775
SR 00306	Mentor	3.91	58.00	\$3,870,449	\$3,096,359
Total				\$30,120,207	\$24,096,166

**RESOLUTION 2015-031
(FUNDING OF THE 2016
PROVISIONAL TRANSPORTATION
ASSET MANAGEMENT PROGRAM)**

**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 areawide water quality management agency for the same region; and

WHEREAS, the Provisional Transportation Asset Management Policy was approved by the Board of Directors on April 11, 2014 through Resolution No. 2014-013 to address immediate critical needs relative to the region's transportation network; and

WHEREAS, the Board of Directors also adopted Resolution No. 2014-026, which approved the Provisional Transportation Asset Management Projects and an innovative funding strategy; and

WHEREAS, the Policy authorizes a list of projects to be developed, and innovative funding strategies to be explored to allow projects to be implemented through the Provisional Transportation Asset Management Policy over the course of the next two years; and

WHEREAS, the strategy directed the right sizing of the existing State Infrastructure Bank (SIB) debt service in the Transportation Improvement Program (TIP) to free up available funds, and any remaining balance would be financed; and

WHEREAS, it was discovered that some projects could not be completed in fiscal year 2016. These projects were accommodated in future years as part of the Transportation Improvement Plan (TIP) development. The projects moving out of the FY16 PTAMP list created an opportunity to advance projects that were next in line on the list, and have the ability to be awarded in FY 2016; and

WHEREAS, as the projects have developed, some of the estimates required refinement.

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. Projects and funding amounts contained in Attachment 1 are approved.

Section 2. The Executive Director is authorized to finance the remaining provisional transportation asset management projects that could not be funded through rightsizing of the TIP through the Ohio State Infrastructure Bank Loan Program, the Ohio State Infrastructure Bank Bond Program, or the Cleveland Cuyahoga County Port Authority Infrastructure Bond Program.

Section 3. The Executive Director is authorized to execute an application and agreement with the Ohio State Infrastructure Bank for a loan to finance the NOACA Board approved not-to exceed project funding maximum, including loan interest and administrative costs for the SFY 2016 Provisional Transportation Asset Management Program.

**RESOLUTION 2015-031
(FUNDING OF THE 2016
PROVISIONALTRANSPORTATION
ASSET MANAGEMENT PROGRAM)**

Section 4. The Executive Director is authorized to transmit certified copies of this resolution to the appropriate federal, state, and local agencies.

Certified to be a true copy of a Resolution of the
Northeast Ohio Areawide Coordinating Agency Board
of Directors adopted this 12th day of June 2015.

Secretary: Michael P. Jumper

Date Signed: JUNE 12, 2015