TO: NOACA Board of Directors
FROM: Grace Gallucci, Executive Director
DATE: January 5, 2018
RE: Resolution 2018-006: Hyperloop Public Private Partnership (P3)

ACTION REQUESTED
The Board of Directors is asked to authorize the Executive Director to form a Public-Private-Partnership (P3) through the execution of an agreement with Hyperloop Transportation Technologies, Inc. (HTT) for the purpose of conducting a feasibility study for a multi-regional Hyperloop transportation corridor.

The Board of Directors passed Resolution 2017-049 in December 2017 to allow the Executive Director to pursue participation in a P3 agreement and seek professional services to conduct a feasibility study for a multi-regional Hyperloop transportation corridor whereby the NOACA financial commitment is not to exceed the total amounts contributed by its P3 partner(s) or 50% (with the amount currently estimated to be no more than $600,000).

BACKGROUND
As previously presented to the Board, NOACA has been approached by HTT with interest in pursuing implementation of a multi-regional Hyperloop corridor, inclusive of the northeast Ohio NOACA area. HTT is interested in working with NOACA through a P3 arrangement to perform a Hyperloop feasibility study that would examine potential alternatives, impacts and cost.

With the passing of Resolution 2017-049 by the Board in December 2017 (as stated above), NOACA staff has actively pursued the creation of a P3 structure, with the understanding that it would need to be approved by the Board prior to any procurement activity or funding disbursement. Furthermore, subsequent assessment also suggests that a P3 would need to be formed prior to the application for and/or receipt of certain grant funds that would be used for the purposes of the feasibility study.

Therefore, staff has worked with HTT and jointly developed a model of the partnership agreement that identifies the roles and responsibilities of the proposed partners and terms that address:

- Selection of the priority corridor for analysis
- Obligations and contributions of each party
- Addition of members
- Performance standards and requirements
- Representations and warranties
- Indemnity, liability, severability and termination
- Public records requirements
- Feasibility study components (Scope of Services, Cost Estimate, Project Timeline)
As we have worked to establish the P3 template, interest continues to be demonstrated by many parties including manufacturers, philanthropy, research, academia and other innovative government organizations in this venture, both within the greater Cleveland area, as well as multi-regionally. The agreement particularly focuses on the accommodation and consideration of the public entities throughout the impacted regions of the area of study. As such, we will continue to work to identify additional members to leverage support and lessen the financial commitment.

**FINANCIAL IMPACT**
The NOACA financial commitment to the feasibility study would not exceed the total contributions of its P3 partner(s) or 50%. That amount is currently estimated to be no more than $600,000, and based on the proposed P3 agreement would consist of professional services, labor, and/or funding. Staff is proposing that the NOACA component of the P3 contribution be sourced with $100,000 of staff services, $200,000 from a private grant, and $300,000 in Consolidated Planning Grant (CPG) funding from the Overall Work Program (OWP) that is available due to current vacancies which would be maintained for the remainder of calendar year 2018. Furthermore, because those vacancies are within the Long Range Planning function that appropriately accommodates this kind of planning activity, there would be no financial impact to either to the OWP plans or any projects in the TIP.

**CONCLUSION/NEXT STEPS**
With Board approval, the next step is to execute the P3 agreement, finalize the feasibility study scope of services, and issue a competitive request for proposals. The feasibility study contract will be brought to the Finance and Audit Committee and the Board at a future time for approval.

GG/rl/2993b
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, there has been significant worldwide research and development regarding the development of a Hyperloop transportation system; and

WHEREAS, the Hyperloop system allows for the transportation of people and freight at a fraction of the time currently available through other transportation modes, notably cars, trucks and public transit; and

WHEREAS, the Hyperloop concept is being pursued by several public and private interests looking to develop initial travel corridors, in coordination and cooperation with the United States Department of Transportation; and

WHEREAS, NOACA has been approached by Hyperloop Transportation Technologies, Inc. (HTT), a private company interested in working with NOACA through a P3 arrangement to engage in a feasibility study that would examine potential alternatives and cost of a multi-regional Hyperloop corridor; and

WHEREAS, the preliminary estimate for the feasibility study is $1.2 M, with the expectation that the cost would be shared by the P3 partners, with the NOACA share being commensurate with the private entity, in an amount not to exceed 50%, or $600,000 and projected to be funded through staff services ($100,000), private grants ($200,000) and available Consolidated Planning funding within the Overall Work Program (OWP). As such, there would be no financial impact to current projects in the existing TIP or Overall Work Program (OWP); and

WHEREAS, the Board of Directors passed Resolution 2017-049 in December 2017; and staff has engaged HTT and jointly developed a model of the partnership agreement that identifies the roles and responsibilities of the proposed partners and terms that address:

- Selection of the priority corridor for analysis
- Obligations and contributions of each party
- Duration of partnership
- Annexation of additional members
- Performance standards and requirements
- Representations and warranties
- Indemnity, liability, severability and termination
- Public records requirements
- Feasibility study components (Scope of Services, Cost Estimate, Project Timeline)

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

Section 1: The Executive Director is authorized to execute a Public-Private-Partnership (P3) agreement with HTT to conduct a feasibility study for a multi-regional Hyperloop transportation corridor.
Section 2: The NOACA financial commitment to the feasibility study is not to exceed the total amounts contributed by its P3 partner or 50%. That amount is currently estimated to be no more than $600,000, and may consist of services, labor and/or funding.

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 Board of Directors of the Northeast Ohio Areawide Coordinating Agency adopted this 12th day of January 2018.

Secretary: [Signature]

Date Signed: January 12, 2018