NORTHEAST OHIO AREAWIDE COORDINATING AGENCY

MEMORANDUM

TO: NOACA Board of Directors

FROM: Grace Gallucci, Executive Director

DATE: June 1, 2018

RE: Resolution No: 2018-018: FY 2019 Overall Work Program and Budget

ACTION REQUESTED
The Board is asked to approve NOACA’s Fiscal Year (FY) 2019 Overall Work Program and Budget for submission to the Ohio Department of Transportation, the Federal Highway Administration and the Federal Transit Administration. A Board-approved OWP and Budget is required by June 8, 2018.

The Finance and Audit Committee recommends this action.

BACKGROUND/JUSTIFICATION FOR CURRENT ACTION
The Overall Work Program (OWP) is developed annually by NOACA as the metropolitan planning organization (MPO) for the Cleveland metropolitan region. It is a federally required document that serves as a guide for transportation and environmental planning work to be conducted over the course of each fiscal year beginning on July 1st. Included in the OWP are detailed descriptions of transportation and environmental planning tasks and a summary of the budget used to fund these planning activities. The 2019 fiscal year begins on July 1, 2018 and ends on June 30, 2019.

The purpose of this memo is to provide the Finance and Audit Committee with an overview and highlights of the FY 2019 OWP:

Transportation Systems Planning

- Update the regional bicycle and pedestrian plan
- Manage the Transportation for Livable Communities Initiative grant award process and assist with the administration of ongoing TLCI studies
- Administer the 5310 Enhanced Mobility for Seniors and Individuals with Disabilities Program
- Complete the update to the Coordinated Public Transit Human Services Transportation Plan
- County Bike Map Development

Strategic and Long Range Planning

- Begin development of specific elements of the next long-range transportation plan with a 2045 horizon year
- Conduct a Hyperloop Feasibility Study in coordination with private partner
• Identify the region’s current freight conditions, identify trends, and encourage efficient freight mobility
• Continued development and management of NOACA performance measures and targets
• Develop a freight hub study
• Develop the Regional Strategic Transit Plan
• Integrate and coordinate transit planning with the overall transportation planning process

Environmental Planning
• Prepare and disseminate air quality public forecasts, alerts, messaging and a trends report
• Complete the development of an air quality public education and outreach strategy
• Administer the Transportation Demand Management (TDM)/Rideshare Program
• Complete the update chapters of Ohio’s 208 Water Quality Plan as part of a comprehensive amendment
• Process Facility Planning Area prescriptions and boundary changes and updates maps
• Continued development of a comprehensive map of sanitary sewer infrastructure across the five-county NOACA region

Transportation Modeling and Data Integration
• Perform a sub-regional transportation analysis, which will occur on a selected transportation corridor
• Update the functional classification system as needed
• Evaluate the implementation of the 2020 congestion management plan
• Administer the transportation asset management program
• Develop a methodology for presenting a web-based performance measure dashboard
• Operate, maintain, and update the NOACA’s trip-based travel forecasting model in accordance with FHWA, FTA, and ODOT guidance
• Setup and operate the NOACA’s activity based model

Safety and Operations
• Update and maintain NOACA region’s ITS architecture to support future investments in technology to allow travelers to make better decisions with respect to choice of mode and route.
• Analyze regional crash data to identify priorities for safety investment, with emphasis on targeted, lower-cost improvements on the local road network to mitigate fatalities and serious injuries.
• Provide technical assistance to local agencies to improve the efficiency of traffic signals in regionally-significant corridors in order to improve air quality by reducing delays for a majority of vehicles.
• Develop a region-wide “Transportation Safety” and “Safe Routes to School” plans and strategies to facilitate the securement of federal and state resources and implementation at the local level.
• Deploy the STOP program to up to two additional corridors and explore and negotiate the application of the STOP program to a center city grid structure.

Programming
• Manage the current SFYs 2018-2021 TIP using monitoring reports, a list of obligated projects and NOACA-funded project monitoring reports
• Conduct a project update to the long-range transportation plan to identify and evaluate potential projects for the SFYs 2022-2023 Transportation Improvement Program (TIP)
• Develop the SFY 2020-2023 TIP
• Maintain and improve an online interactive TIP tool
• Manage and report Capital Programs Performance Measures for project delivery and fund utilization
• Implement a methodology to assess the impacts and benefits of TIP projects implemented in the region
• Perform a minimum of three maintenance reviews in accordance with the Project Maintenance Oversight Program. Maintenance reports will be shared with the responsible maintenance agency for information and action
• Create an OWP year-end completion report
• Develop the FY 2020 OWP and Budget
• Create reports, policy documents and white papers that analyze public policy related to planning priorities of the region in support of outcomes consistent with the planning goals and objectives of NOACA and the region

External Relations

• Plan a communication strategy based on goals and objectives detailed in NOACA Regional Strategic Plan and consistent with federal and state requirements related to public engagement and interaction
• Plan and implement a series of public outreach and engagement activities that involve and solicit feedback from stakeholders and the general public on the transportation planning priorities identified in NOACA’s major planning documents
• Produce community and regional public speaking opportunities for NOACA to publicize and coalesce support for NOACA work and specific initiatives
• Develop written, graphical and visual communications products that illustrate the NOACA priorities

FINANCIAL IMPACT

The operating budget for FY 2019 is expected to be $8.04 million, including $1.01 million in estimated encumbrances from FY 2018. The FY 2019 OWP Budget is seven percent higher than the FY 2018, essentially due to the $550,000 in new funding sources for the Hyperloop project. As it has been required for several years, revenues are supplemented by local reserves; however, the amount of $56,269 is lower than has been trending over the last few years due to the fact that the lobbying pilot has concluded and therefore the activity is no longer a part of the budget and will require a dues increase to support the expense.

Revenues

Factoring in $1.35 million in funds carried forward from FY 2018, and $6.63 million in funding for FY 2019, NOACA’s total FY 2019 revenues are projected to be $7.98 million.

FY 2019 revenue sources are similar to prior years and primarily come from FHWA, FTA, ODOT, USEPA, Ohio EPA and NOACA dues. The Ohio Turnpike Commission, Cleveland Foundation and ODOT have committed additional funds toward the Hyperloop project. By optimizing use of existing resources and the successful pursuit of additional funds for special projects, the FY 2019 budget will allow NOACA to complete ongoing work and address new priorities at a similar level of funding as prior years.

Expenditures

Total FY 2019 expenditures for staffing and operations are estimated to be $7.03 million ($340,635 of these expenditures are funded with FY 2018 carryforward funds), plus $1.01 million in expenditures encumbered in FY 2018 that will be paid in FY 2019, for a total of $8.04 million.

The FY 2019 budget assumptions include:
- 47 full-time equivalent positions, which is unchanged from FY 2018
- A 10% increase in health care costs
- A 1.5% increase in utilities
- A 3% overall salary increase for the annual staff performance evaluation process, which is also consistent with FY 2018. Note that individual staff increases will be based on merit.

**Budget Summary**

Staffing and operations expenses for recent years and the upcoming year are summarized below.

<table>
<thead>
<tr>
<th>NOACA FY19 DRAFT Budget</th>
<th>FY19 Combined Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues</strong></td>
<td>FY18 Estim. Carryforward</td>
</tr>
<tr>
<td>Beginning Bank Balances</td>
<td>$ 911,323</td>
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<tr>
<td>Federal</td>
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<td>Total Resources</td>
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**Expenditures**

| Salaries and Wages       | $ 3,283,801 | $ 3,532,545 | $ 3,660,744 | $ 253,073 | $ 3,351,420 | $ 3,604,493 |
| Employee Benefits        | $ 1,040,126 | $ 942,597 | $ 1,341,686 | $ 87,562 | $ 1,429,248 | $ 1,241,567 |
| Training and Prof Dues†  | $ 49,056 | $ 38,021 | - | - | $ 70,765 | $ 70,765 |
| Occupancy and Equipment  | $ 185,022 | $ 214,964 | $ 489,113 | - | $ 750,000 | $ 250,000 |
| Contractual Services     | $ 811,595 | $ 1,077,853 | $ 1,694,050 | $ 351,047 | $ 1,500,798 | $ 2,351,518 |
| Other Operating          | $ 123,329 | $ 147,519 | $ 361,881 | $ 161,090 | $ 295,627 | $ 456,717 |
| Capital Outlay†          | $ 57,621 | $ 98,446 | - | - | $ 63,520 | $ 63,530 |
| Total Expenses           | $ 5,550,550 | $ 6,051,945 | $ 7,547,474 | $ 1,352,772 | $ 6,686,018 | $ 8,038,790 |

| Total Resources Less Expenses | $ 960,670 | $ 1,012,283 | $ 646,720 | - | $ 590,450 | $ 590,450 |
| Payables and Receivables   | $ 156,888 | $ (133,944) | $ - | - | $ - | $ - |
| Ending Bank Balances       | $ 1,117,558 | $ 878,339 | $ 646,720 | $ - | $ 590,450 | $ 590,450 |

† SFY 2018 amount is included Employee Benefits Total
‡ SFY 2018 amount is included Occupancy and Equipment Total

A comparison of the FY 2019 and FY 2018 budget shows that projected costs for

- Salaries and wages will decrease by approximately $56,000
- Employee Benefits including Training, will decrease by approximately $28,000
- Occupancy and Equipment, including Capital Outlay, will decrease by $175,383
- Contractual Services will increase by $657,468, largely due to the Hyperloop project and FY 2018 expenditures carried forward for the Active Transportation grants
- Other Operating will increase by $94,836, due largely to expenditures for the Active Transportation grant-funded projects.
The full draft OWP can be found at: http://www.noaca.org/Modules/ShowDocument.aspx?documentid=22222.

**CONCLUSION/NEXT STEPS**
With Board approval, the final 2019 OWP and Budget will be sent to ODOT and federal agencies

GG/r/3020
EXHIBIT 1

NOACA FY 2019 Budget Summary

Staffing and operations expenses for recent years and the upcoming year are summarized in the table below.

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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 Northeast Ohio Areawide Coordinating Agency (NOACA) is required by federal law to develop an Overall Work Program (OWP); and

WHEREAS, the Board of Directors has the responsibility to approve the work activities, revenues and expenditures of the agency and does so through approval of the agency’s fiscal year Overall Work Program (OWP) and budget; and

WHEREAS, the OWP and Budget, incorporating activities to be performed by the agency under various grants for fiscal year (FY) 2019, has been prepared for the Board of Directors, based on local input and areawide needs, as supplemented by state and federal requirements; and

WHEREAS, proposed OWP activities have been reviewed by local jurisdictions, agencies, Board committees, and state and federal funding agencies; and

WHEREAS, the transportation and environmental elements of the NOACA FY 2019 OWP are designed to address the policies of the NOACA Board of Directors, and meet applicable regulations of the U.S. Department of Transportation and the U.S. Environmental Protection Agency; and

WHEREAS, the draft OWP and financial information have been presented to the appropriate committees; and

WHEREAS, the OWP includes expected planning activities from public transit agencies that will be using federal funds; and

WHEREAS, the draft OWP has been reviewed by Federal Highway Administration (FHWA), Federal Transit Administration (FTA) and the Ohio Department of Transportation (ODOT); and

WHEREAS, comments and suggestions received through this process have been incorporated into the final OWP and fully reported to the NOACA Board of Directors; and

WHEREAS, based upon the OWP activities, the FY 2019 budget has been prepared containing line item detail related to the agency’s projected operations; and

WHEREAS, NOACA’s capitalization threshold has been increased from a $300 to $2,000 threshold, as allowable, to enable NOACA to more quickly recuperate funds expended on purchases and capital improvements; and

WHEREAS, NOACA has encumbered or committed budget elements and expenditures approved by the Board in the FY 2018 budget that will need to be paid in FY 2019 and funding associated with these purchases need to be carried forward into the FY 2019 budget; and

WHEREAS, dues from member local governments and regional authorities are invoiced at the beginning of each new fiscal year budget so that local funds are available to match available federal grants; and

WHEREAS, NOACA was successfully certified by federal agencies in 2017 and continues to carry out its responsibilities in accordance with federal law; and
WHEREAS, federal regulations also require that NOACA and ODOT must annually self-certify the MPO planning process; and

WHEREAS, in accordance with the Fixing America’s Surface Transportation (FAST) Act, NOACA and ODOT are carrying out their respective duties under applicable provisions of federal law, and as outlined in ongoing biennial agreements between the two entities.

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, and Medina that:

Section 1. The FY 2019 Overall Work Program and Budget as it exists on NOACA’s website as of June 8, 2018 and the FY 2019 Budget Summary ( Exhibit 1 ), has been appropriately reviewed and is approved as meeting federal requirements for comprehensive, cooperative, and continuing areawide planning.

Section 2. The Board of Directors authorizes commitment of sufficient local funds to provide for said work activities, as matching share for grants tendered to this Agency for FY 2019, and otherwise as support for local activities.

Section 3. The Executive Director is authorized to issue invoices for a total of $706,748, and any Board of Directors approved increases, in local dues for FY 2019, according to the NOACA Code of Regulations and the NOACA dues allocation plans formulated by the respective Boards of Commissioners in each of the four counties and by the Cuyahoga County Executive’s office.

Section 4. The urban transportation planning process is being carried out in conformance with all applicable federal requirements and the Executive Director is authorized to sign NOACA’s Self Certification (Exhibit 2) and forward it with necessary documentation to the appropriate agencies, and to execute the ongoing biennial agreement with the Ohio Department of Transportation.

Section 5. The Executive Director is authorized to apply for, receive and utilize such funds as provided for within the Overall Work Program and Budget, including execution of contracts, agreements, certifications and civil rights assurances, as necessary to accomplish the intent of this Resolution.

Section 6. The projects and funding tables in the OWP and Budget are based on estimates of available funding and will be adjusted when actual funding amounts are finalized. The Executive Director is hereby authorized to adjust the Overall Work Program and Budget to account for prior year approved budget items that are needed to carry forward to the SFY 2019 OWP and Budget.

Section 7. NOACA’S capitalization threshold will be increased from $300 to $2,000 in order to enable NOACA to more quickly recuperate funds expended for purchases and capital improvements.

Section 8. NOACA’s approved FY 2019 budget will also include any encumbered expenditures approved by the Board in the FY 2018 budget that will be paid in FY 2019; and

Section 9. The FY 2019 Overall Work Program and Budget is adopted with the understanding that the scope, staffing and budget of individual planning projects may need to be modified due to available funding or for other reasons. The Executive Director is authorized to make modifications within and between work program categories so long as the total agency budget remains unchanged.

Section 10. The Executive Director is hereby authorized to transmit a certified copy of this Resolution and other appropriate documentation to federal, state and local agencies.
RESOLUTION NO. 2018-018
(FY 2019 OVERALL WORK
PROGRAM AND BUDGET)

Certified to be a true copy of a Resolution of the Board of Directors of the Northeast Ohio Areawide Coordinating Agency adopted this 8th day of June 2018.

Secretary: __________________________

Date Signed: 6-8-18
EXHIBIT 2

Metropolitan Transportation Planning Process Certification

In accordance with 23 CFR 450, the Ohio Department of Transportation and the Northeast Ohio Areawide Coordinating Agency, the Metropolitan Planning Organization for the Cleveland/Lorain urbanized areas hereby certify that the transportation planning process is addressing the major issues in the metropolitan planning area and is being conducted in accordance with all applicable requirements of:

2) Sections 174 and 176 (c) and (d) of the Clean Air Act, as amended (42 U.S.C. 7504, 7506 (c) and (d)) and 40 CFR part 93;
3) Title VI of the Civil Rights Act of 1964, as amended (42 U.S.C. 2000d-1) and 49 CFR part 21;
4) 49 U.S.C. 5332, prohibiting discrimination on the basis of race, color, creed, national origin, sex, or age in employment or business opportunity;
5) Section 1101(b) of MAP-21 (Pub. L. 112-141) and 49 CFR part 26 regarding the involvement of disadvantaged business enterprises in USDOT funded projects;
6) 23 CFR part 230, regarding the implementation of an equal employment opportunity program on Federal and Federal-aid highway construction contracts;
8) The Older Americans Act, as amended (42 U.S.C. 6101), prohibiting discrimination on the basis of age in programs or activities receiving Federal financial assistance;
9) Section 324 of title 23 U.S.C. regarding the prohibition of discrimination based on gender; and

Northeast Ohio Areawide Coordinating Agency (NOACA)  
Board President Signature

Ohio Department of Transportation (ODOT)  
Signature

Title  

Date  
6-8-18

Title  

Date  