NORTHEAST OHIO AREAWIDE COORDINATING AGENCY

MEMORANDUM

TO: NOACA Board of Directors

FROM: Grace Gallucci, Executive Director

DATE: June 1, 2018

RE: Resolution No. 2018-019: Great Lakes Hyperloop Feasibility Study Procurement

ACTION REQUESTED
The Board of Directors is asked to award a contract to Transportation Economics & Management Systems, Inc. (TEMS) for The Great Lakes Hyperloop Feasibility Study Consultant in the not to exceed amount of $600,000.

The Finance and Audit Committee recommended this action.

BACKGROUND/JUSTIFICATION FOR CURRENT ACTION
NOACA is working with Hyperloop Transportation Technologies (HTT) through a Public-Private Partnership (P3) arrangement to engage in a Hyperloop feasibility study that would examine potential alternatives, impacts and cost of a multiregional hyperloop corridor from Cleveland to Chicago.

Ideally, the Cleveland-Chicago corridor will be the first of many throughout the Midwest and eventually link to the East Coast and Canada. The Scope of Services further describes the analysis needed in order for NOACA to proceed accordingly if this vision is to become reality.

Scope of Services for the Feasibility Study
The feasibility study shall be conducted in four phases as follows:

Phase 1 - Project Objectives and Organization
Phase 2 - Site Reconnaissance and Preliminary Route Analysis
Phase 3 - Technical and Financial Feasibility Study
Phase 4 - Project Development Cost, Schedule, Implementation Strategies and Final Report

<table>
<thead>
<tr>
<th>Phase</th>
<th>Duration</th>
</tr>
</thead>
<tbody>
<tr>
<td>Phase 1: Project Objectives and Organization</td>
<td>8 weeks</td>
</tr>
<tr>
<td>Phase 2: Site Reconnaissance and Preliminary Route Analysis</td>
<td>9 weeks</td>
</tr>
<tr>
<td>Phase 3: Technical and Financial Feasibility Study</td>
<td>11 weeks</td>
</tr>
<tr>
<td>Phase 4: Project Development Cost and Schedule</td>
<td>8 weeks</td>
</tr>
<tr>
<td>TOTAL MAXIMUM FEASIBILITY STUDY TIME PERIOD</td>
<td>36 weeks</td>
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On March 16th, 2018 NOACA issued a Request for Proposals (RFP) for a Great Lakes Hyperloop Feasibility Study Consultant.

The proposals were due on April 24th, 2018. NOACA received two proposals. Vendors were scored on four criteria:

<table>
<thead>
<tr>
<th>Project Approach:</th>
<th>35</th>
</tr>
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<tbody>
<tr>
<td>Project Management:</td>
<td>15</td>
</tr>
<tr>
<td>Qualifications of Firm/Staff</td>
<td>25</td>
</tr>
<tr>
<td>Experience of Assigned Staff including Subconsultants:</td>
<td>25</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

The evaluation team consisted of NOACA staff, The Ohio Turnpike and HTT. After evaluating the proposals, the review team selected the vendor with the highest scores which was Transportation Economics & Management Systems (TEMS), Inc.

**ABOUT THE VENDOR**

Transportation Economics & Management Systems (TEMS), Inc., is a DBE based out of Frederick, MD.

TEMS (Transportation Economics & Management Systems, Inc.) is a leader in Operations Planning, Demand Forecasting, Economic Analysis, Infrastructure Management, and Systems Development. The company has developed a reputation in interstate modeling, particularly using stated preference surveys that provide input to demand modeling systems applying proprietary computer software models and techniques.

Their clients include federal, state and local transportation agencies; railroad companies and transit authorities; international development organizations; investment and commercial banks; and a wide range of private sector companies throughout North America and abroad. TEMS has conducted more than 50 passenger rail, high-speed rail, and maglev studies in the United States.

**FINANCIAL IMPACT**

The proposed contract will be executed for 36 weeks commencing on or around July 1st, 2018 and ending around February, 2019; at a cost not to exceed $600,000. This project is budgeted for expenditure in FY 2019 for $600,000 and is funded through revenues totaling $650,000 earmarked for the Hyperloop initiative from various partners of NOACA (Cleveland Foundation - $200,000, ODOT - $250,000, Ohio Turnpike - $100,000), as well as NOACA ($100,000).

**CONCLUSION/NEXT STEPS**

Pending Board approval, NOACA will enter into contract with Transportation Economics & Management Systems, Inc. (TEMS) for a term July 1, 2018-February 28, 2019.

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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, Medina, the City of Cleveland and the areawide water quality management agency for the same region; and

WHEREAS, NOACA was approached by Hyperloop Transportation Technologies (HTT) with interest in pursuing implementation of a multi-regional Hyperloop corridor, inclusive of the northeast Ohio NOACA area. HTT is working with NOACA through a Public-Private Partnership (P3) arrangement to engage in a Hyperloop feasibility study that would examine potential alternatives, impacts and cost; and

WHEREAS, NOACA believes that, like the railroads in the 1800s and Interstate system in the mid-1900s, Hyperloop can be a potentially transformative technology to spur development in Northeast Ohio by making it easier to move people and goods, and ideally, the Cleveland-Chicago corridor will be the first of many throughout the Midwest and eventually link to the East Coast and Canada; and

WHEREAS, the Board of Directors passed Resolution 2017-049 in December 2017 to allow the Executive Director to pursue participation in the P3 agreement with HTT, for which the terms would be brought back to the Board for approval: and;

WHEREAS, staff has engaged HTT and jointly developed a model partnership agreement that identifies the terms of roles and responsibilities of included partners. Terms of the model agreement include:

• Establish the priority route of analysis
• Obligations and contributions of each party
• Duration of partnership
• Annexation of additional members
• Performance standards and requirements
• Representations and warranties
• Indemnity and liability
• Termination
• Public records requirements
• Feasibility study components (Scope of Services, Cost Estimate, Project Timeline)

WHEREAS, there would be no financial impact to current projects in the existing TIP or Overall Work Program (OWP), and;

WHEREAS, best accounting practices recommend separate funds be established for special project revenues, and

WHEREAS, This project is budgeted for expenditure in FY 2019 for $600,000 and is funded through revenues totaling $650,000 earmarked for the Hyperloop initiative from various partners of NOACA (Cleveland Foundation - $200k, ODOT - $250,000, Ohio Turnpike - $100,000, as well as NOACA ($100K).
WHEREAS, NOACA’s procurement policy requires that these consulting services be obtained through a competitive process following all applicable federal, state, and local policies and regulations, which was accomplished through a Request for Proposals issued on March 16th, 2018, with two proposals received on April 24th, 2018.

WHEREAS, Transportation Economics & Management Systems, Inc. (TEMS) was determined to best provide these services.

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 hereby authorized to enter into a contract for services with the firm of Transportation Economics & Management Systems, Inc. (TEMS) in an amount not to exceed $550,092 for this project. Commencing on or around July 1st, 2018 and ending around February, 2019.

Section 2. The Executive Director is authorized to transmit certified copies of this resolution to appropriate federal, state, and local agencies.

Section 3. The Executive Director is authorized to establish separate revenue funds for this project as follows, and has the authority to establish future Hyperloop project revenue funds as needed:

<table>
<thead>
<tr>
<th>Fund</th>
<th>Description</th>
<th>Amount</th>
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<tbody>
<tr>
<td>01</td>
<td>Cleveland Foundation</td>
<td>$200,000</td>
</tr>
<tr>
<td>23</td>
<td>ODOT</td>
<td>$250,000</td>
</tr>
<tr>
<td>24</td>
<td>Ohio Turnpike Commission</td>
<td>$100,000</td>
</tr>
<tr>
<td>10</td>
<td>NOACA Planning Grants</td>
<td>$100,000</td>
</tr>
</tbody>
</table>

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