

REQUEST FOR ADDITIONAL NOACA FUNDING TO ADDRESS PROJECT COST INCREASE – CITY OF CHARDON TSG UPGRADE

**Finance and Audit Committee
January 30, 2026**

ACTION REQUESTED

Recommend this item to the Executive Committee for placement on the March 2026 Board of Directors agenda:

- Approve a request from the City of Chardon for additional NOACA funding for cost increases attributed to greater rates of inflation than initially forecasted

PREVIOUS ACTION

Project Cost Increase Management Policy approved by the Board of Directors June 2015 (Resolution 2015-033)

BACKGROUND

NOACA received a request for increased project funding this quarter

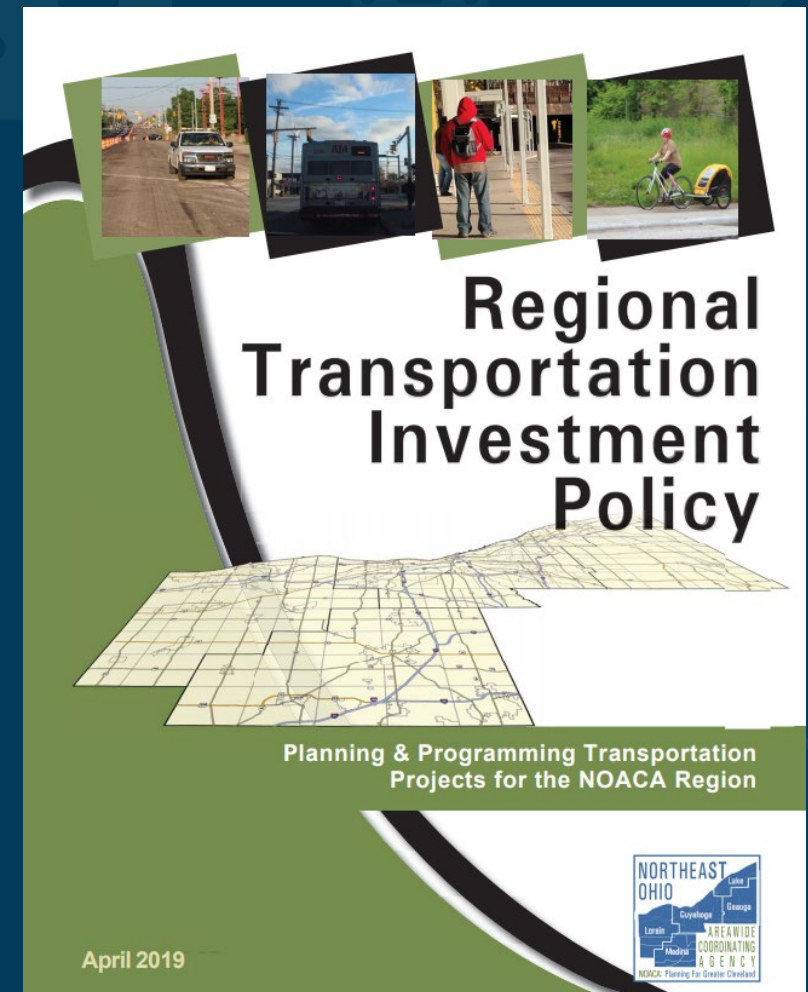
Sponsor	Project Name & Description	Primary Work Type
City of Chardon	GEA Chardon TSG Upgrade Upgrade to citywide traffic signals in the City of Chardon	Traffic Control Maintenance

Evaluated against the NOACA Project Cost Increase Management Policy

BACKGROUND

The Board-approved Regional Transportation Investment Policy (RTIP) guides the management of these funds

- Project Cost Increase Management Policy for the review of project sponsor requests for additional funds



BACKGROUND

Project Cost Increase Management Policy

- Eligible requests – cost increases resulting from:
 - Unforeseen conditions during the engineering or right of way acquisition phase
 - Change orders during construction
 - Conditions not reasonably discoverable in the engineering phase

BACKGROUND

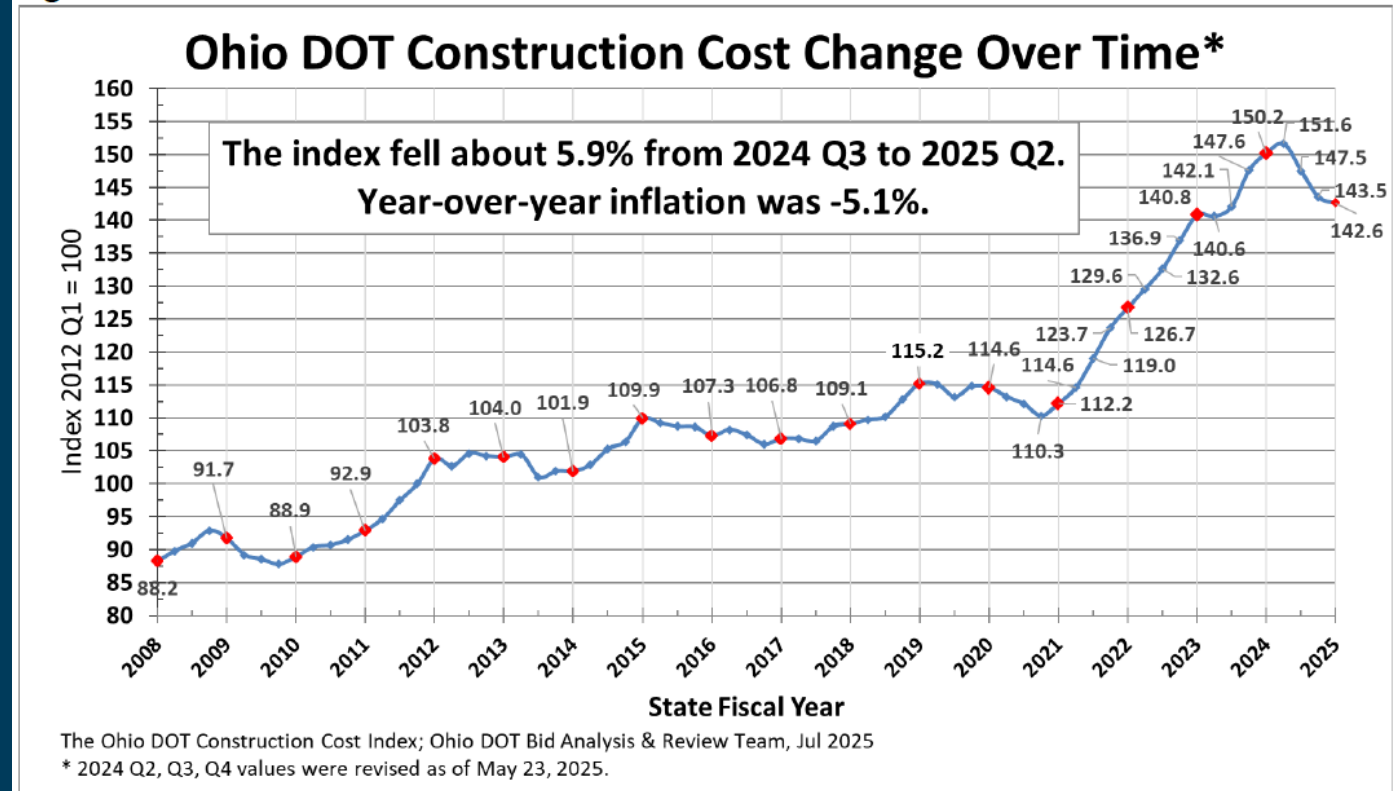
Policies governing eligible requests:

- Requests are limited to no more than 15% of the original Board commitment
- Must have received Stage 3 design plan approval
- All other funding committed to the project is being utilized to capacity

BACKGROUND

- CMAQ application, funding request for project due May 2021
- ODOT's Construction Cost Index
 - Increased by 34% (37 pts) from SFYs 21-24
 - Decrease of 9 pts from SFYs 24-25
- Overall increase of 24% (28 pts) between SFYs 21-25

Figure 1



BACKGROUND

ODOT Inflation Forecast and Post-Forecast Review Reports

	CY 2020	CY 2021	CY 2022	CY 2023	CY 2024
Projected Inflation (Projected at beginning of CY)	2.7%	2.0%	8.0%	5.0%	5.7%
Measured Inflation (Measured at conclusion of CY)	-1.0%	6.2%	11.4%	7.2%	4.1%
Difference	-3.7%	+4.2%	+3.4%	+2.2%	-1.6%

Sources: ODOT Construction Cost Outlook and Forecast (January 21, 22, 23, 24, 25 Reports)

BACKGROUND

Staff have evaluated the requests against the controlling policy criteria

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

BACKGROUND

- Staff recommends the City of Chardon's request for additional funding be granted up to the 15% allowable under policy
 - \$111,450 total
- Remainder of funding needed would be the responsibility of the sponsor

Sponsor	Project Name	Current Estimate	Actual Need (80% share)	Current NOACA \$	Recommendation	
					15% Increase	New NOACA \$
City of Chardon	GEA Chardon TSG	\$1,654,530	\$1,323,624	\$743,300	\$111,450	\$854,450

BACKGROUND

How much of the 15% makes up the additional cost?

- Recommended 15% (\$111,450) is 49.9% of the additional cost
- NOACA share of the new total cost is 52%

GEA Chardon TSG Upgrade

FUND	ORIGINAL		CURRENT		SHORTAGE		RECOMMENDED (15% CAP)		NEW TOTAL	
	(A) 2024 - 2027 TIP	(B) %	(C) UPDATED	(D) %	(E) DIFF. (C - A)	(F) %	(G) RECMD.	(H) % OF ADD. COST	(I) NEW COST (A + G)	(J) % OF NEW COST
NOACA	\$743,000	52	\$743,000	45	--	--	\$111,450	49.9	\$854,450	52
LOCAL	\$688,018	48	\$911,530	55	\$223,512	100	\$112,062	50.1	\$800,080	48
TOTAL	\$1,431,018	100	\$1,654,530	100	\$223,512	100	\$223,512	100	\$1,654,530	100

FINANCIAL IMPACTS

- The recommended additional funding in accordance with NOACA's current cost increase policy is \$111,450
- Additional funding necessary to support this request is available in the current 2026-2029 TIP
 - No impact to programmed TIP projects

NEXT STEPS

Pending Board approval, the TIP will be updated to reflect the revised funding commitment.

ACTION

Recommend this item to the Executive Committee for placement on the March 2026 Board of Directors agenda:

- Approve a request from the City of Chardon for additional NOACA funding for cost increases attributed to greater inflation rates than initially forecasted



**Motion
Second
Discussion
Put the Question**





NOACA

Northeast Ohio Areawide Coordinating Agency

NOACA will **strengthen** regional cohesion, **preserve** existing infrastructure, and **build** a sustainable multimodal transportation system to **support** economic development and **enhance** quality of life in Northeast Ohio.