

The TRAC Meeting was called to order by Director Wray at 10:05 a.m. in ODOT Conference Room GA, Columbus, Ohio. Attending: William Brennan, Patrick Darrow, William Dingus, Raymond DiRossi, Antoinette Selvey Maddox, and Director Wray. Not Attending: Robert Clarke Brown, and Patrick Ungaro.

Director Wray talked about the budget for FY12 and FY13. Today the budget is expected to pass out of the Senate and go to the House. It will provide us with revenue to maintain the current system. The total proposed budget is approximately \$5.6 billion dollars. With this budget, we will have the ability to use innovative financing tools, such as, design build and public-private partnerships. It should allow us to provide consistency in our program and consistency to some business partners in terms of what they can expect in the years ahead.

We need to be responsible in doing our work with the TRAC; to be good stewards of our system and of our money. The total costs for all projects currently in Tier 2 are \$11.3 billion dollars. Our average annual Major New budget is currently \$125 million dollars per year or \$1 billion dollars over the next 8 years. Our Tier 2 commitment is in excess of \$11.3 billion dollars or 1135% over-committed. We need to deal with this. We cannot allow this to continue. We also need to have a discussion of Tier 1. Again, very scarce dollars to advance projects. We're working our way to some fiscal balance. We're always going to have more things under development and in the pipeline. Being 20-25% over-programmed is one thing but being 1000% over-programmed is really outrageous and we're not going to allow that for the long run. The TRAC has a tough job to do.

New Business:

Jennifer Townley discussed the following TRAC goals for the meeting:

- Presenting staff recommendations to the TRAC regarding the 2011-2015 Draft Major New Program List
- Discuss revised scoring per the Department of Development's recommendations for the Economic Growth and Development factors
- Discuss overarching policy issues regarding the Definition of Major New Projects and the Goals of Major New Projects.

As a follow up to the March 9, 2011 meeting, staff was asked to categorize the volume of comments received in support and in opposition of the streetcar. Ed Kagel presented the TRAC with a summary table categorizing the comments as requested.

Jennifer Townley presented draft staff recommendations to the TRAC regarding the 2011-2015 Major New Program List. The projects were discussed one project at a time with additional comments presented at the conclusion of the project review.

Ms. Selvey Maddox asked what the dollar amount and percentage Tier I was over-programmed.

Staff replied that Tier 1 was 61% over-programmed and that TRAC policy only allows for 20% over-programming. The dollar amount will be researched and presented to the TRAC at the April 12, 2011 meeting.

Ms. Selvey Maddox voiced her support for the streetcar project to keep it on the current Tier 1 list and gave suggestions for halting Tier 2 projects in order to go ahead with Tier 1 projects, or hold off on receiving any new Tier 1 and Tier 2 projects next year and deal with the projects currently on the list.

Director Wray responded to her suggestion by stating that his hope was to continue doing business and not stop business because there could be some great projects coming forward.

Greg Murphy spoke about the budget process and the State's ability to leverage innovative financing options, such as, public private partnerships. If we stop taking new projects on, we may miss a good economic driver and economic project.

Director Wray stated that the TRAC scoring and policy revisions will help us in dealing with the future applications.

Ms. Selvey Maddox suggested another approach may be removing other lower rated projects from the list or even other projects that have remained on the TRAC list for years to get to balance since the streetcar did rate so high in scoring.

Mr. Brennan asked the question about removing the \$15 million dollars for Right of Way on the streetcar project.

Jennifer Townley stated that the \$15 million dollars was for Right of Way and the \$35M will be for construction. The \$15M was on the May 13, 2010 (2010-2014 Major New Construction Program) list. Cincinnati received permission from the Federal Transit Administration on 3/22/11 to begin the public comment period for 30 days regarding the environmental document for the project.

Jennifer Townley continued reviewing the recommendations and projects on the handouts provided to the TRAC members.

Ms. Selvey Maddox asked for clarification on the deadline for moving forward. She reiterated her support for the streetcar project due to the innovation, forward thinking, and economic development opportunities with the project.

Mr. DiRossi asked a question about the recommendations for projects listed in Tier 1. If they are removed, do we go from 61% over-programmed back to closer to 20%, or are we just beginning?

Staff commented that it's only just beginning and we have a lot of work to do. By looking at the policy revisions and reevaluating the entire list are the next steps in the right direction.

Joanna Pinkerton presented handouts to the TRAC and discussed recommendations to the TRAC Policy and Procedures regarding the Community and Economic Growth and Development Factors.

Kristi Klaus, Assistant Director, Strategic Business Investment Division at the Ohio Department of Development, discussed opportunities with ODOD to calculate revenue coming into the State of Ohio and opportunities to evaluate businesses in regard to determining taxes and return on investment (ROI).

Staff addressed TRAC questions regarding the proposed changes regarding the Community and Economic Growth and Development Factors.

Ed Kagel addressed the TRAC regarding the following suggested TRAC Policy and Procedure Revisions:

- TRAC Funding Eligibility
- Definition of Major New Project
- Goals for Major New Program
- TRAC Protocols and Procedures
- TRAC Decision Making Process

Staff addressed TRAC questions regarding the proposed changes to the TRAC Policy and Procedure Revisions.

Mr. Dingus asked how much CMAQ funding annually the Department receives.

Staff responded that the Department receives approximately \$80 million dollars per year (with portions of the funding sub allocated to the MPO's) and agreed to follow up with the TRAC at the April 12, 2011 meeting with the specific figure.

Mr. DiRossi asked how Safety Projects would apply to the proposed guideline modifications.

Staff confirmed that any safety project presented to the TRAC will need to increase capacity as either lane additions or interstate/interchange modifications and will not be any different than the current policy.

Ms. Selvey Maddox asked if the TRAC will be able to accommodate intermodal projects by the new definition proposed.

Staff confirmed that intermodal projects will be accommodated with the proposed policy revisions.

Staff discussed changing the over-programming percentage for Tier 1 as not to exceed 35% at any time and must be by approved by a two-thirds majority vote.

Ms. Selvey Maddox asked about the 35% cap and if any other programs at the Department have similar thresholds.

Staff commented that other programs are required to be fiscally constrained and the Major New Program is the only program permitted to exceed the funding cap.

Mr. DiRossi asked about the deadline for these policy changes.

Staff confirmed that beginning in May 2011, the Department will publish the draft TRAC Policy and Procedure revisions for public comment. Public comment will be coordinated through the middle of May (per the TRAC Calendar) with TRAC approval scheduled for the June 2, 2011 TRAC meeting.

Mr. DiRossi asked if we proceed with the proposed 35% project cap would the current list of projects be under this threshold.

Staff commented the current list is 60% over programmed. We need to reevaluate various projects to determine wants and needs. Phasing of projects into later years may assist in achieving the 35% cap.

Mr. Dingus asked about decreasing the Tier II over program window from 8 years to 6 years.

Staff commented that we want to achieve a level between having enough projects under development but not so far over-programmed that we are giving a false sense of commitment.

Ms. Selvey Maddox concurred with Mr. Dingus's comments. She stated that by adding tiers, we'll be back to where we started. Some Tier 2 projects have languished for years and remain on the list without advancing.

Staff addressed the proposed Tier changes to the policy:

- Tier I: Construction Funding
- Tier II: Preliminary Engineering, ROW, Detailed Design
- Tier III: Proposed tier to accommodate multiple project phases of existing projects in the planning, development, or construction phases (i.e. I-71 Widening Projects) with current phases in Tier I.
- Tier IV: Proposed temporary placeholder for any project applications submitted for funding and not awarded any funds. Once the draft list is published any non-funded new applications will be placed in Tier IV. Following the TRAC vote to approve the final major new project list, the Tier IV projects will be removed.

Ms. Selvey Maddox suggested removing Tier IV to reduce confusion.

Jim Barna clarified that Tier IV would let sponsors know that their project is being removed from the list for consideration. The TRAC thought that any projects being removed from the list should have a Tier designation.

Mr. Barna commented if a project is languishing on Tier 2 for a long time and not advancing, the project will move off the list and onto the "Tier IV – Not funded" list if necessary.

Staff stated that in rebalancing for next year, a suggestion is to have all existing Tier 2 projects reapply for reevaluation and Tier assignment. The staff recommendation is consistent with the efforts the TRAC advanced two years ago when the TRAC policy was revised in December, 2008.

Ms. Selvey Maddox commented that if projects on Tier 2 had to reapply again under new criteria there will not be consistency for our partners.

Staff stated that the TRAC will have to weigh how we handle existing funding commitments in Tier 2. TRAC will need to discuss whether applicants need to reapply or if the Department has enough information available to evaluate these projects again.

Mr. Barna commented that he appreciates TRAC's consistency although we have had to adjust our criteria due to fiscal constraint, but also to consider new opportunities available with public-private partnerships and other innovative financing tools.

Ms. Selvey Maddox asked if they will be given an analysis of Tier 2 similar to Tier 1 summary provided to the TRAC.

Staff commented that for the April 12, 2011 TRAC meeting, the Department could not assess all existing Tier II projects and reflect updated information. Staff recommended evaluating the Tier II list with the revised project scoring once the TRAC Policy and Procedure revisions are completed in late May. The rebalancing process could take the next six months to complete.

Staff suggested evaluating the new projects recommended on the 2011-2015 Draft Major New Program List, evaluating these projects first and not placing any false commitments on funds not available.

Ms. Selvey Maddox commented that for April 12th, it's unlikely that long range or low rated Tier 2 projects would be recommended for elimination in place of substituting some projects recommended for elimination on Tier 1.

Staff confirmed this statement.

Director Wray had to leave the meeting and Ms. Selvey Maddox chaired the discussion as Vice Chair of the Committee.

Ms. Selvey Maddox asked for old business.

Staff commented that the previous meeting minutes from February 23, 2011 and March 9, 2011 and the current meeting for March 23, 2011 will be distributed to the TRAC for comment prior to the April 12, 2011 TRAC Meeting. The TRAC will vote on the previous meeting minutes at the April 12, 2011 TRAC meeting.

Mr. Brennan commented in support of the streetcar project as the number one rated project being considered for funding removal. .

Ms. Selvey Maddox asked if April 12 if they could vote to suspend receiving any applications for the upcoming year to continue sorting through current projects and getting the program into balance.

Staff confirmed the statement and indicated that new applications are currently scheduled to begin in June, 2011.

Ms. Selvey Maddox asked about flexibility for the adoption of the list on April 12th meeting.

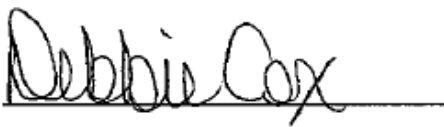
Staff commented that there is flexibility but the concern is that there are projects waiting for decisions to be made to advance project development. The original decision was to approve the final list in March, 2011 and the vote was delayed to April 12, 2011.

No additional old business was presented.

Vice Chair Selvey-Maddox adjourned the meeting at 11:35 a.m.

Minutes Prepared by:

Chair:

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