

MEASURE M ADMINISTRATIVE PROCEDURES:
IX. MULTI-YEAR SUBREGIONAL PROGRAMS (MSP)
5-YEAR PLAN PROCESS

SECTION 1

SUBREGIONAL 5 YEAR PROGRAM PROCESS

Step 1 Five Year Forecast

Step 1: Metro provides a five-year Measure M programming funding forecast for each Multi-Year Subregional Program, based on the amounts provided in the Measure M Expenditure Plan.*

**Actual funds disbursement will be based on cashflow Policy in the Guidelines. Fund estimates may be adjusted annually by Metro for accuracy.*

- I. Metro will provide a five-year financial forecast in October of each year.
- II. The financial forecast will define **estimated** amounts available for programming for each MSP.
- III. The **estimates** of available funds will outline upcoming 5 year periods for each MSP, accounting for any prior programming amounts and lapsing of funds.
- IV. These amounts will be consistent with Attachment A groundbreaking dates included in the Measure M Expenditure Plan.
 - Coordination will be undertaken for swapping of MSPs funds among different MSP types within the subregion.
 - Subregional entities will explain the project benefits and readiness.
 - Metro must concur with any fund swap.
- V. The 5 year estimates will need to conform to Cash Flow procedures Pg. 15 of the Measure M Guidelines and the related administrative procedures.
- VI. Only Metro provided MSP funding estimates are valid.

Step 2 Preliminary List Of Projects & Five-Year Plan

Step 2: Subregional entities will develop a preliminary list of subregional projects for inclusion in five-year plan.** The plan development will include public participation and an analysis of the projects previously submitted in the Mobility Matrices as possible alternatives; parameters will be developed by Metro. The final list of projects will be included in the five-year programming plans.

*** Coordination with Metro staff is required to ensure project eligibility in each category.*

No additional analysis is required to include or exclude Mobility Matrices projects.

This is a program development stage for the MSP 5 year plan(s). Resources to support this are allowed in the Guidelines as follows.

Pursuant to the Measure M Guidelines, *"Resources to support the steps listed in Table IX can be drawn from MSP, not to exceed 0.5% of the amounts for any single year determined in*

Step 1 of Table IX. Any additional resources to support the steps in Table IX must be drawn from resources under the control of the subregion or its constituent cities."

Note: "Any single year" refers to the basis for the calculation. An aggregate can be made available at any time during the five year period of up to 5 single year increments.

Terms of the amounts and timing of the 0.5% funding will be determined in a funding agreement between Metro and the subregional entity/project sponsor. To receive 0.5% Measure M funding for planning activities (specifically, "planning activities" here means project development activities prior to the environmental phase of a project), the subregional entity must notify the designated Metro MSP contact in writing, identify the MSP program, and provide the proposed scope of work, amount requested, basis for estimated cost (including firms or persons that will be compensated, if available), the type of subregional capital projects that are subject of the planning activities if known, and a representation that the requestor has approval of all entities in the subregion that are eligible to receive MSP funding. If the request is accepted, Metro will move forward with the preparation of a funding agreement and notice to proceed. For questions, please contact MMGuidelines@metro.net.

- I. 5 year plans based on project readiness will be developed utilizing existing information provided by the project sponsors, as provided by the subregions for each MSP type.
- II. The subregional entity will develop a 5 year list of projects to include MSP requested funding amounts, project timing/schedules, and other actions anticipated to deliver a final project. Note: The funding agreement will require a representation from the subregional entity/project sponsor that all entities within the subregion eligible for MSP funding have been involved and consulted regarding the composition of projects in the plan, either directly, or through their participation in a council of governments or comparable subregional entity that represents the subregion.
- III. In order to ensure Metro concurrence of any 5 year list of projects, subregional entities should seek Metro staff review for eligibility and program nexus during this development stage.
- IV. Projects will be sequenced based on available funds and project schedule.
- V. The 5 year plans should identify projects to be funded, including annual expenditures and funding by fiscal year (July to June). Complete the Step 2 Programming Form in the Appendix. All funding sources should be identified in detail in the Step 4, including all non-MSP funding, as well as other funds (see the financial expenses and funding sources tables in the "Project Financial Plan"). If funds required are in excess of available funds, Metro may ask the subregional entity to prioritize or delay certain projects. The project sponsors are expected to submit reasonable expenditure estimates. Project sponsors should submit

expenditures to be funded by the MSP revenues based solely on the five-year forecast (as this is the amount that Metro will program).

- VI. Nexus for each MSP project must be developed and align with the MSP program type, Board approved definitions and related Guidelines, as part of the plan.
 - a. Projects submitted as part of the Mobility Matrix are eligible, but may be reconsidered by the subregional entity.
 - b. Definition for each proposed project will be developed by the project sponsor in sufficient detail to establish a nexus with the MSP category. The nexus definition is required for each project and will assist in evaluating the project and its applicability to the MSP program which will potentially fund the proposed project. The project nexus should align with the approved guideline definition (set forth in Sections IX-XIII of Guidelines, and supplemented in additional administrative procedures).
 - Examples include:
 - ❖ *Project will close the Class II gap on Arterial X. This project will allow for seamless connectivity from Point A to B on Arterial X. This project is an eligible Active Transportation project; or*
 - ❖ *Project will improve traffic flow on the corridor by synchronizing Arterial A, an eligible Highway efficiency and Operational Improvements project.*
 - 0.5% support resource needs must also have nexus – which depends on MSP program type
 - 0.5% expenses are eligible for project development prior to the environmental clearance phase; conversely, project level environmental review is an eligible capital expense
- VII. Public outreach will be conducted concurrently while developing that 5 year project funding plan. See Public Participation Section 4 for details about outreach requirements.

Step 3 Subregional Entity Adoption

Step 3: For each Multi-year Subregional Program within their respective subregion, a subregional entity adopts a five-year project development and implementation plan for adoption by the Metro Board. The plan will identify specific projects and phasing; allocated* and anticipated funding amounts, and project timing, including final delivery commitments.

- I. Metro Staff and the subregional entity will review the proposed project(s) submitted. Proposed projects will be reviewed for nexus to program and funding eligibility consistent with the definition adopted by the Metro board in the Measure M guidelines.
- II. The subregional entity will adopt the proposed 5-year program of projects.

- III. The subregional entity will forward the adopted proposed list of projects to Metro.
- IV. Metro staff will review the proposed 5-year program of projects for consistency with the Measure M Ordinance, Guidelines, and Administrative Procedures.
- V. Metro staff will provide a response within 60 days of submission of the 5-year program of projects.

Step 4 Metro Board Approval

Step 4: Upon approval by Metro Board, project sponsors may apply for funding consistent with the Guidelines and related procedures, based on adopted five-year subregional fund programming plans.* Funding agreements will be executed between Metro and project sponsor(s).

- I. Metro staff will use the information from step 1-3 to prepare a recommendation to adopt a subregional program for Board approval.
- II. Metro staff will provide concurrence of eligible projects and may request supplemental information to verify program nexus and funding eligibility prior to requesting Metro Board approval. In order to provide concurrence, staff will require the following information:
 - a) Project readiness information (see "Project Readiness" form in the Appendix); and
 - b) Detailed project fund plan information (see "Project Financial Plan" form in the Appendix).
- III. Based on this consultation, staff will make a recommendation to the Metro Board regarding funding of the requested 5 year program amounts and the initiation of Funding Agreements for the projects identified in the approval request.
- IV. Metro Board may accept the program of projects as recommended by staff or a subregional entity, or it may request submission of additional information.
- V. After Metro Board approval, Metro staff will begin executing funding agreements with project lead agencies.
- VI. **Project funding agreements will comprise project specific** (as opposed to program-level) **approvals**. Funds requested for a project must not exceed available Measure M funds shown in the five-year forecast. If funds required are in excess of available funds, Metro may ask the subregional entity to prioritize or delay certain projects. Project sponsors which seek MSP project funding – project sponsor is defined as the entity developing and delivering the capital project – will develop a scope of work which will detail the following:

- a) Need for project development if using 0.5% program development funds option
 - b) Specific project location/physical limits
 - c) Detailed project description including MSP Program/Project Nexus
 - d) Detailed funding plan – what phases of the project will be funded and by what funds.
 - All funds must be committed.
 - Supplemental fund requirements will be triggered if the project sponsor cannot fully fund the project Pg. 25 Measure M guidelines.
 - e) Final Jurisdictional Support/Community or Council actions (e.g., resolution)
 - f) Schedule list of completed phases and phases funded by Measure M.
- V. There will be reporting and audit requirements of the projects once an agreement is executed.

Step 5 Annual Update

Step 5: Subregional agencies may update or amend their adopted five-year programming plans on an annual basis reflecting project modifications, deletions, or additions of new projects, subject to the process in Steps 1-3. All plans and plan modifications must be consistent with relevant administrative procedures, funding agreements, and Metro Board adopted policies.

- I. Project sponsors seeking Measure M funds for new projects not included in the 5 year MSP plan approved in step 3 will follow all the steps outlined in Step 2.
- II. Project sponsors seeking to amend the 1) scope, 2) request additional funding or 3) cease work on a project will provide a letter to Metro detailing the request and provide sufficient justification to review the proposed change. Project deletions are strongly discouraged where funds have been partially expended. Metro will require additional detailed information as to why a project cannot be completed prior to any substitutions. Funding agreements may include reimbursements for project expenses, loss of 10% retention or other penalties.
- III. Metro will provide concurrence of eligible new project and modifications to existing projects consistent with the project definitions or program nexus.
- IV. The subregional entity will adopt the updated 5 year plan which will include the new projects and requested modifications from the new or revised projects.
- V. Metro Board will approve the amended 5 year MSP plan.
- VI. Metro staff will commence executing amendment or funding agreements for projects.

Step 6 Communication

Step 6: Following Metro approval of projects, project sponsor(s) and Metro include the relevant subregional entity in all communications regarding project development and delivery.

- I. Metro and the project sponsor will communicate via the reporting requirements included in the funding agreement.
- II. If the project sponsor would like to change their project scope, schedule or funding, the project sponsor will consult with both Metro and the subregional entity.
- III. Must meet minimum audit requirements of those for Local Return
- IV. All reports, expenditures, agreements and related project requirements are subject to audit and will require all appropriate documentation (such as contractor invoices, timesheets, receipts, etc.).

SECTION 2

FUNDING AGREEMENT & REQUIREMENTS

Supplemental Funds Requirement

- I. Supplemental funds are funds other than MSP or Local Return funds that are needed to fully fund a project. Supplemental funds can include Metro in kind resources, such as additional technical support, Metro sponsorship or other Metro staff resources.
- II. Metro will send notice to project sponsor(s) if required or requested supplemental funds will trigger additional policy implications.
- III. The policies that will apply include, but are not limited to policies listed on p. 37-38 in the Guidelines (Section XII), and may include policies adopted subsequent to this administrative procedures.

Letter of No Prejudice (LONP)

Metro may enter into a "letter of no prejudice" with a subregional entity, where Metro will agree to consider reimbursing a subregional entity with MSP funds for any local funds expended prior to the execution of a funding agreement. The reimbursement can apply to funding from either the 0.5% program or MSP project.

LONP procedures - - as applicable to 0.5% program

- I. A scope of work must be developed by the subregional "entity" requesting funds for the 0.5% portion of the MSP program which will receive funding based on the Five Year Forecast. The scope of work will detail the following
 - Identified task which are related specifically to the MSP (i.e., Active Transportation, Highways, Goods Movement, etc.)
 - ❖ Task will be directly attributed to work required to develop MSP related program.
 - ❖ Funds are not available for non-MSP administrative purposes
 - ❖ All tasks must be attributed to a capital program being funded by Measure M MSP.
 - Total Resources estimated to complete the program tasks (staff/consultant services); not to exceed the 5 year estimate.
 - ❖ A staffing plan will be required, identifying staff required for the delivery of the capital project.
 - Schedule for the length of the tasks to be performed to deliver the capital program.

- II. Scope of work will be reviewed by Metro to ensure the proposed work aligns with the MSP and can be attributed directly to the capital development of a project.
- III. Subregional entities are responsible for discrepancies generated for all contractual arrangements pursued under an LONP.

If the above steps are not performed prior to the execution of the LONP they will be performed prior to executing the funding agreement.

LONP procedures - - as applicable to project funds

LONP requests will be considered for project expenditures on a case by case basis.

LONP Project Funding Agreement Provisions:

- I. A letter of no prejudice is only intended to be an interim arrangement between Metro and the subregional entity requesting funds for eligible uses.
- II. For each LONP and the identified scope of work approved by Metro, a funding agreement will need to be executed in order that the subregional entity can be reimbursed for any costs. Additional, case specific provisions may be included.
- III. The funding agreement will include reporting requirements.
- IV. The funding agreement will be audited intermittently and at the end of the period of performance.
- V. The subregional entity will be responsible for any charges found as ineligible. Metro determination of eligible expenditures shall be final.

Lapsing Rules

Pursuant to the Measure M Guidelines, the principles of "Timely Use of Funds" apply to MSP funds. Readiness is also required to be able to access funds. Because of these priorities, all MSP funding is subject to lapse if not expended in a timely fashion, pursuant to the signed funding agreement.

The funding agreement will include a provision that project funds will lapse after 3 years. The lapsed funds will not be deducted from the MSP or subregional total, but the near term available funding will be redistributed at the discretion of Metro based on cashflow. The first consideration for distribution of the available funding will be any outstanding LONP requests, for eligible program or project expenditures. Metro must consider all demands on the MSP cashflow, including the need for debt service, to determine the best discretionary use of the lapsed funding.

Payment

Payment will be issued once an invoice is approved by Metro staff, to help ensure that the submitted expense is within the approved scope of work attached to the project funding agreement. As noted above, Metro shall determine which expenditures qualify as eligible for payment, and that determination shall be final.

Metro will approve or disapprove invoices within 30 days of submission. Failure of Metro to approve or disapprove the invoices within 30 days of submission will be addressed in the funding agreement. Once the invoice has been approved by Metro, the payment will be issued within 30 days.

SECTION 3.

SUBREGIONAL QUALITATIVE PERFORMANCE MEASURES

Subregional entities will apply qualitative performance measures from the following list of performance measures. The subregional entities will articulate the benefits of the 5 Year Plans including a description of how the projects will achieve the thematic goals established by the Measure M MSP Administrative Procedures.

If a subregion wishes to adopt a quantitative metric, Metro will advise the subregion on best practices for metrics appropriate to their MSP. The Policy Advisory Council will periodically review the application of performance metrics in the evaluation of MSP projects and program outcomes.

Subregional Qualitative Performance Measures

Theme	Provide responses to how the project achieves the following outcomes, if any:
Mobility	<ul style="list-style-type: none">• Relieve congestion• Increase travel by transit, bicycle and pedestrian modes• Improve travel times• Improve effectiveness & reliability for core riders
Economic Vitality	<ul style="list-style-type: none">• Increase economic output• Support job creation & retention• Support goods movement• Reduce household transportation costs• Extend useful life of facilities
Accessibility	<ul style="list-style-type: none">• Improve transportation options• Improve service to transit dependent, low-income, and disadvantaged populations• Improve first-last mile connections to transit
Safety	<ul style="list-style-type: none">• Reduce incidents• Improve personal safety
Sustainability & Quality of Life	<ul style="list-style-type: none">• Improve environmental quality• Improve public health• Improve quality of life

SECTION 4
PUBLIC PARTICIPATION

Each subregional entity will be responsible for developing a Public Participation Element that will cover how interest groups are addressed, identify the processes/procedures involved in the engagement effort and key components of the MSP plan. These are presented as questions that must be answered in advance of, and included within, the MSP 5-Year Plan "Public Participation Element."

How these questions are addressed is not prescribed, recognizing the flexibility that may be pursued differently among subregions in developing their elements. For example, subregions may elect to utilize, or build upon, successful existing public participation processes that the subregion currently has in place to connect with its community. On the other hand, a subregion may elect to develop a brand new approach tailored to an MSP category generating keen public interest.

This Public Participation Element must be included in the MSP 5-Year Plan adopted by the subregional entity governing board and subsequently adopted by the Metro Board, per the MSP Administrative Procedures (see p. 4, Step 2, VII).

The MSP 5-Year Plan Public Participation Element needs to answer these questions.

1. Who has an interest in MSP development (by program)? Outline relevant and impacted interests. At a minimum, the public participation element must address the interests of:

- Subregional Entities
- Cities, County and other local jurisdictions
- Communities (where projects are located or significantly influencing)
- Stakeholders (may well vary by MSP focus, but could include advocacy organizations, non-profits representing community interests, business interests, potential service providers and/or funders for the MSP program or project, etc.)

2. What process/procedures will be followed to meaningfully involve these groups?

A. Define who takes the lead for developing/implementing public information and community outreach processes and/or procedures.

- Design and implementation should address forums for participation, frequency, and feedback to subregional entity governing board as input for decisions related to (3) below.

B. How are the processes/procedures documented and communicated?

- If a subregional entity believes a prior public outreach process adequately addresses public participation elements as framed by these questions, that justification must be clearly documented.
- The final, proposed Public Participation Element shall be approved for incorporation into the 5-year MSP at a duly noticed subregional entity public hearing.

3. How will the range of interests outlined in (1) above be engaged in development of the following MSP Plan components? Subregions shall consult with stakeholders in the development of a Public Participation element.

- A. Identification of candidate projects
- B. Selection of candidate projects
- C. Review and approval of overall 5-Year Program
- D. Implementation of projects within the Program

4. What is the timing of the Public Participation Element?

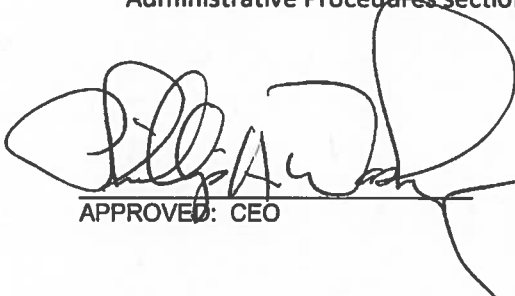
A. Public participation should be initiated at the outset of the MSP planning process for all projects considered for MSP programming to be truly relevant.

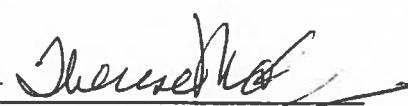
B. To ensure that a public participation element will be in place and implemented in the development of the first 5-year program, each subregional entity must address the Public Participation questions and submit them formally as a prerequisite for receiving the 0.5% planning funding. This formal submission is recommended via a standard template that will be provided by Metro (see attached, Public Participation form in the Appendix).


C. The template for the first round of MSP program public participation may outline an intended approach that would be fleshed out over an appropriate period of time-- but importantly, would be activated as part of the project identification and selection process accompanying the first submitted 5-year program. Note that the 0.5% MSP planning funds can be used to develop public participation processes appropriate to that program.

D. Each 5-year program adopted by the subregional entity governing board would include a description of the established public participation element, and how it has been applied in developing the MSP program, and its recommendations.

Finally, the Public Participation Element must reference if, and to what extent, the subregion addresses performance measurement as part of the MSP 5-Year Plan, per the Measure M Administrative Procedures section on performance measurement (see Section 3).


APPROVED: CEO


Department Head


DATE

