MEASURE M ADMINISTRATIVE GUIDELINES:
MULTI-YEAR SUBREGIONAL PROGRAMS (MSP)
OUTLINE OF 5-YEAR PLAN 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 go to the Metro Board with provide a financial forecast in Oct 2017.
II. The financial forecast will define estimated amounts available for each MSP.
III. The estimates of available funds will outline the first 5 years of each MSP.
IV. These amounts will be based on Attachment A groundbreaking dates included in the Measure M Expenditure Plan.
   • Coordination will be undertaken for swapping of MSPs funds within the subregion.
V. The 5 year estimates will need to conform to Cash Flow procedures Pg. 15 of the Measure M guidelines.
VI. Only Metro provided MSP fund 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. Administrative review procedures will be developed specific to each MSP program area (e.g., Highway, Active Transportation, Transit, etc.) to include in plan requirements and eligible use of funds within each MSP program area.

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

Board approved text, “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.

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.

III. Projects will be sequenced based on available funds and project schedule.

IV. The 5 year plans should identify projects to be funded by the MSP Program, as well as other funds, to include the following type of detail (table is illustrative example):

<table>
<thead>
<tr>
<th>Funding Source</th>
<th>Type/Amnt. ($) Committed</th>
<th>Type/Amnt. ($) Not Committed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Measure M (e.g., MSP, Local Return, Metro Measure M discretionary, etc.)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Local Funds (e.g., other Local Return)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other (e.g., State or Federal grants)</td>
<td></td>
<td></td>
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<tr>
<td>Estimated Total Cost</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

V. Nexus for each MSP project must be developed and align with the MSP program type as part of the plan.
   a. Projects submitted as part of the Mobility Matrix are eligible, but may be reconsidered by the lead agency
   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

VI. Public outreach will be conducted concurrently while developing that 5 year project funding plan.

**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.

**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 Board will approve funding the initiation of Funding Agreements for the projects identified in the approved action.

III. After Metro Board approval, Metro staff will begin executing funding agreements with lead agencies.

IV. **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. If funds required are in excess of available funds, the blending policy will be implemented. 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% 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**

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**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.

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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.

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.

   • Considerations/Question: will we continue to move the 5 year window. For example, if we are in FY17/18 the 5 year window for each MSP end in FY23/24. They will continue to ask for a revised 5 year window as every new fiscal year begins. Could we implement a 5 year window/plan and have them stick to it. At the 4 year mark we can establish a new 5 year window.
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**

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<th>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.</th>
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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 subregional entity will be included in correspondence/meeting.
III. Must meet minimum audit requirements of those for Local Return

**Supplemental Funds Requirements** (aka “Blending Rule”)

I. Trigger is additional financial or other resources that are not sourced by MSP or local return funds. This could include Metro sponsorship or staff time (no minimum, but does not include Local Return)
II. Notice requirement from trigger will be formally noticed to project sponsor(s)
III. Need to develop list of policy implications from existing policies; determine if MSP type specific

**Letter of No Prejudice (LONP)**

**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 and deliver capital project.
  - Funds are not available for non-MSP administrative purposes
  - All tasks must be attributed to a specific capital program project being funded by Measure M MSP.

9/12/2017
• **Total** Resources will also need to be identified and estimated hours required to complete the **program** project 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** project.

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

**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. **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.