

MEASURE R TRANSIT PROGRAM GUIDELINES

Introduction

The Measure R Program includes two capital fund types – highway and transit – and allows for transfers between the two capital funds. These guidelines serve as administrative guidance for external partners who are programming transit capital projects within the designated Measure R transit program. These guidelines define a process and eligibility requirements to ensure the requested uses of funds for this program are consistent with the provisions of the Ordinance, existing Board policy as specified for subregional programs, and other statutory requirements.

For any subregional projects that are implemented by Metro or include an award of supplemental non-Measure R funding, use of Measure R transit funds must be consistent with all Board adopted policies and plans, and consistent with Metro goals for equity, sustainability, mobility, accessibility, and safety. Governing policies and plans include, but are not limited to:

- 2020 Long Range Transportation Plan (LRTP)
- Moving Beyond Sustainability (MBS)
- Complete Streets Policy
- Active Transportation Strategic Plan (ATSP)
- First/Last Mile Strategic Plan (FLMSP)
- Urban Greening Plan
- Bus Rapid Transit Vision and Principles Study (BRT V&P)

Any other applicable Board plans and policies adopted prior to the Board's approval of funding will apply to the project and remain in effect for the duration of the project's delivery. Additionally, to the degree that Metro assistance is required for project delivery, all Metro procurement policies and project standards will apply.

Step 1 Fund Availability

Metro Board action is required to approve funding levels for project(s) and incorporating the funding in the annual Metro budget for payment of project expenses, pursuant to any agreements between Metro and project(s) sponsor(s).

In order to assist Metro with fund availability and budgeting so that such actions align with project delivery, project sponsors will submit reasonable expenditure estimates based on credible project readiness documentation. Metro can delay budgeting of funding if project readiness detail is unavailable.

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.

Step 2 Project Eligibility

Coordination with Metro staff is required to determine project eligibility. The project must be a transit capital project to be eligible. Exceptions to the transit capital requirement are project sponsor overhead or support expenses not to exceed 0.5% of total project expenses in any given fiscal year. Examples of support or overhead expenses include but are not limited to planning activities prior to the environmental phase.

The amount and timing of the 0.5% overhead support funding will be defined in a funding agreement between Metro and the subregional entity/project sponsor. Any expenses applied to the 0.5% support funding must be directly related to project delivery or project development, and subject to all documentation requirements as defined by the funding agreement or Metro's invoice processing policies/practices/requirements.

The nexus for all expenses must be in conformity with Metro Board actions related to the project and the funding agreement.

The project sponsor is responsible for public outreach to ensure local stakeholder consultation in prioritizing the project and related funding.

Step 3 Subregional Entity Adoption

The project sponsor(s) do not have to be a subregional entity, also known as Councils of Governments (COGs), as identified/defined in the Metro sales tax ordinance (Measure R and Measure M may differ). However, the COG (subregional entity) must also adopt the project for confirmed approval of the use of the funds, as a component of the Measure R transit program allocated to the subregion under the ordinance.

Step 4 Metro Fund Agreements

Following Metro Board approval of funds, Metro staff will begin executing funding agreements with project sponsors.

Project funding agreements will comprise project specific approvals. Measure R funds requested for a project must not exceed available Measure R funding approved by the Metro Board. If Measure R funds required are in excess of available/approved funds, Metro may ask the project sponsor, and the approving subregional entity, to prioritize or delay certain projects. Project sponsor is defined as the entity developing and delivering the capital project. The project sponsor will develop a scope of work which will detail the following:

- a) Specific project location/physical limits
- b) Detailed project description including nature of transit capital investment

- c) Detailed project schedule, including list of completed phases
- d) Detailed funding plan – including phases of the project that will be funded, and source(s) of all funds
 - All funds must be committed
 - Supplemental fund requirements will be triggered if the project sponsor cannot fully fund the project
- e) Possible need and justification for using funds for overhead or support expenses (not to exceed 0.5% of total expenses)
- f) Final Jurisdictional Support/Community or Council actions (e.g., resolution)

There will be reporting and audit requirements of the projects once an agreement is executed. 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.).

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

Step 5 Project Changes

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, subject to Metro Board approval.

Project sponsors seeking to amend the scope, request additional funding, or cease work on a project will provide a letter to Metro detailing the request and provide sufficient justification for Metro 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 less depending on grant requirements), or other penalties.

Metro will provide concurrence of eligible new project and modifications to existing projects consistent with the existing project description.

The Metro Board will approve funding agreement amendments and other related actions.