

A photograph of a train platform with a yellow tactile strip on the ground and the lower legs of people standing on it.

Metro Board Approved Policy

Early Project Delivery Strategy

Adopted: November 30, 2017

Historical Perspective

During development of the Measure M Ordinance in 2016, many stakeholders expressed a desire to have projects delivered earlier. Therefore, the aforementioned authority was written into the Ordinance to allow for project acceleration. Despite the enabling language, a policy framework for an early project delivery strategy does not exist. This has resulted in requests for early delivery of individual projects lacking supporting evidence, inefficient use of resources in addressing the requests and disappointment by proponents who have not been provided clarity in how to accelerate a project.

Adopted Metro Board Policy: Early Project Delivery Strategy

EFFECTIVE DATE:

November 30, 2017

TITLE

- This Policy shall be referred to as the **Early Project Delivery Strategy**.

PURPOSE

- This Policy establishes clear, uniformly applied criteria to determine if a Measure M Project can be delivered faster than scheduled in the Measure M Expenditure Plan. A comprehensive policy allows for rigorous and expeditious analyses and determinations. It provides for transparency and financial accountability. Projects can be accelerated as long as others are not negatively impacted, pursuant to the Measure M Ordinance.

PROCESS

1. Identify multiple inputs that suggest a potential for acceleration. A screening tool will then be utilized to assist in identifying the inputs that potentially have occurred and whether an initial assessment of the propensity for acceleration is warranted.
2. If warranted, staff will then conduct an analysis to confirm the ability to accelerate a project schedule, determine the extent to which a project could be accelerated and what would be the impacts of that action.
3. The Board of Directors will review the staff analysis and may: (a) give direction to subsequently provide notice and take action pursuant to controlling law; (b) decline to find for early project delivery; or (c) direct staff to undertake further analysis.

GENERALLY

- Multiple acceleration inputs are typically needed to result in accelerating a project schedule.
- A project's funding, schedule, scope or legal/regulatory environment are integral to the acceleration inputs.
- Acceleration inputs considered may also indirectly relate to the project if they are demonstrated to substantially advance system performance or adopted policies of the Board.
- Acceleration inputs are intended to be transportation mode-neutral, unless otherwise indicated (e.g., mode-specific funding revenues or fees).
- Funding considerations must be consistent with all applicable local, state, and/or federal rules and regulations; and Board-adopted debt policy.

DEFINITION

- **Accelerator:** a single strategic input that could partially support facilitating early delivery of a Measure M project.

STRATEGIC INPUTS FOR EARLY PROJECT DELIVERY

| | Accelerator | Points |
|------------------------------------|--|--------|
| Funding (30 points) | 1. New Revenue. Has new, committed funding become available at an amount greater than 25% of the total project construction cost? | 15 |
| | A. Is this funding discretionary? | 2 |
| | B. Is this funding somehow conditional to the project or time-sensitive? | 5 |
| | C. Is funding cash flow available sooner as a result of a delayed project? | 3 |
| | D. Are confirmed surplus funds available from another project in the same subregion, based on a final Life of Project budget? | 2 |
| | E. Would there be cost savings of at least 25% based on the time value of money resulting from this funding accelerator? | 3 |
| Partnerships (30 points) | 2. Regional Responsibility. Have one or more of the local jurisdictions within which the project is located substantially advanced or committed to advancing the implementation of one or more Metro Board adopted goals and policies that support the integration of transportation and land use for which Metro is reliant upon its local partners to achieve? | 6 |
| | 3. Process Streamlining. Have all responsible local agencies streamlined permitting processes and executed or committed to executing necessary memoranda of agreements prior to awarding of the project construction contract? | 5 |
| | 4. Additional Support. Is the local jurisdiction and/or other local partner contributing at least 10% more than the required 3% contribution or 5% of the project cost within that jurisdiction from other sources? | 5 |
| | 5. Value Capture. Is a local improvement, financing district or other value capture financing tool existing or will be established within three years of the groundbreaking date for the purpose of funding at least 10% of the project cost within the jurisdiction in which the financing tool is established? | 5 |
| | 6. Advance Funding. Is there a proposal by a local jurisdiction or other party to advance funding, which would deliver all or a functional segment of the project 10% earlier? | 5 |
| | 7. Impact Fees. Is there a program to collect a fee in-lieu of providing required parking and/or local traffic improvements, with revenues allocated to transportation demand management (TDM) strategies that are directly dependent on and in support of Metro's project, or a goods movement impact fee program to fund improvements, in conformance with California and federal laws? | 4 |

| | Accelerator | Points |
|----------------------------|---|--------|
| Process (25 points) | 8. Streamlined Review. Is this project currently undergoing or can commit to a streamlined planning and environmental review process that does not exceed three years in duration? | 5 |
| | 9. Clearance Complete. Has this project concluded the planning and environmental review process, needing no more than a refresh of the environmental document(s), not exceeding one year in duration to complete (Operation Shovel Ready)? | 10 |
| | 10. Phased Completion. Can this project be designed to phase improvements to achieve early action, incremental benefits? | 8 |
| | 11. Property Availability. Has at least 75% of the required right-of-way and site acquisitions been completed or is anticipated to be completed within one year? | 2 |
| Innovations (15 points) | 12. Alternative Solutions. Is there an equal or superior, less costly improvement to accomplish the capacity and performance intended by the transportation project? | 3 |
| | 13. Technological Innovations. Are there technological innovations that will reduce the planned capital and/or operating cost of the project? | 3 |
| | 14. Consolidated Delivery. Is there an opportunity to combine two or more projects/segments to achieve economy of scale and minimize impacts of multiple back-to-back construction over a long period of time such that the combined project construction cost is reduced by at least 25%? | 3 |
| | 15. Delivery Method. Is this project the subject of a public-private partnership proposal or other unsolicited proposal that can reduce the estimated construction cost by a minimum of 10% or accelerate the delivery date by at least 5 years? | 6 |

PROPENSITY FOR EARLY PROJECT DELIVERY

| | | |
|------------|--------|--|
| High: | 67-100 | Automatically advances to staff analysis and Board consideration |
| Medium: | 34-66 | Advances to staff review, which determines whether Board consideration is warranted |
| Low: | 0-33 | Does not advance to staff review nor Board consideration |
| Exception: | N/A | Project acceleration can unambiguously be demonstrated by an exceptional condition regardless of scoring (e.g., unexpected full funding from outside source) |

MEASURE M PROJECT EVALUATION READINESS TOOL (M-PERT)

- M-PERT is an evaluation tool only—not a determinative decision tool.
- Required initial screening step (unless exceptional condition, per above).
- All Measure M projects ordered as listed in the Expenditure Plan are included.
- The above acceleration strategic inputs are set forth as “yes” or “no” questions to answer.
- A score given to each input to measure its relative strength in impacting project timing; a “yes” answer returns the possible score for that input, as listed above.
- An overall score given as a low, medium and high indicator for acceleration.
- An accounting of evaluations conducted is logged and reported.
- The M-PERT tool is for use by Metro staff, Board Directors and their deputy staff.

MAINTAINING PROJECT SCHEDULES: HOW TO HELP METRO DELIVER PROJECTS

| | Responsibilities |
|--------------|---|
| Funding | <ul style="list-style-type: none"> Protect all funding sources allocated to the project, per Metro’s financial plan. |
| | <ul style="list-style-type: none"> Keep the project within the budgeted cost identified in the Measure M Expenditure Plan. |
| Partnerships | <ul style="list-style-type: none"> Request design features that have a rational nexus to potential project impacts. |
| | <ul style="list-style-type: none"> Minimize permitting requirements and ensure that ministerial actions are a staff-level decision, done timely. |
| | <ul style="list-style-type: none"> Establish and maintain an effective, genuine public and stakeholder engagement process. |
| Process | <ul style="list-style-type: none"> Select a Locally Preferred Alternative that can be constructed within budget or augmented with reasonably expected, new outside funding sources that are needed to achieve desired community goals and compatibility. |
| | <ul style="list-style-type: none"> Pursue constructive conflict resolution, creativity and solutions that are in rough proportionality to the problem to avoid litigation delays. |
| | <ul style="list-style-type: none"> Thoroughly address environmental issues and avoid project design features that trigger costly mitigation measures. |
| Innovations | <ul style="list-style-type: none"> Rely upon current, proven technology for the project design, rather than await speculative innovations. |
| | <ul style="list-style-type: none"> Seek any necessary regulatory reform and streamlining to allow the rapid deployment of any available state-of-the-art, proven technologies that can increase capacity, reduce travel times or improve safety, which can help keep the project on time and at or below budget. |

DISCLOSURE AND RECOVERY PLAN

- A disclosure and recovery plan shall be prepared for a project at risk for delay.

ANNUAL REPORTING AND EVALUATION

- The CEO shall report annually on activities and actions pertaining to this Policy, including projects being considered for early project delivery, the number of screening inquiries conducted for each project using M-PERT and projects under or being considered for a Disclosure and Recovery Plan.