

# DRAFT RM3 Allocation Request Process and Instructions

April 27, 2023

## Overview

MTC is preparing to consider approval of the first RM3 allocations. Formal direction from the Commission is forthcoming, but in the interest of keeping things moving forward, staff would like to begin collecting and reviewing the first round of allocation requests immediately. Please read this document carefully for instructions and contact [aspevack@bayareametro.gov](mailto:aspevack@bayareametro.gov) and [cbosman@bayareametro.gov](mailto:cbosman@bayareametro.gov) with any questions.

Staff are proposing to consider the first round of allocation requests at the June 2023 Programming and Allocations Committee and Commission meetings, and that this first round **only include projects with LONPs that have begun expending funds for RM3 reimbursement and other projects that expect to begin expending funds immediately (i.e. by July 2023)**. Because we have limited time to review allocation requests before the June meetings, we are asking this round be limited to those projects that need immediate allocations, and that other projects wait until later month to request an allocation. The next opportunity to have an allocation request approved will be at the July 2023 meetings. MTC does not have regular meetings scheduled in August 2023, but staff expect to be able to consider allocation requests as frequently as monthly starting in September 2023.

## Projects with LONPs

All projects that have received an RM3 Letter of No Prejudice (LONP) **must have their LONP converted into an allocation** using the process described below prior to requesting or receiving reimbursement of funds. Projects with LONPs that have already begun expending funds and expect to request immediate reimbursement for some or all of the approved amount can submit an allocation request for June 2023. Please notify MTC staff right away if you plan to request an allocation in June 2023, and refer to the table below for allocation request due date and approval dates. By default, the allocation request should match the scope and budget of the approved LONP. If you plan to request any additional funds or anything else that is different from the approved LONP, please reach out to MTC staff right away. Once the allocation is approved, you may begin reimbursing for costs incurred after the LONP approval date and consistent with the LONP, RM3 allocation, and RM3 P&Ps.

The standard lead time for MTC to consider a bridge toll allocation request is 60 days between project sponsor request and anticipated Commission approval date. Staff are recommending relaxing this deadline for limited June allocations. Here is the DRAFT schedule for the first few months of allocation requests:

Requested Allocation Month	Allocation Request Due Date (draft materials submitted to MTC)	Programming and Allocations Committee Packet Posting (Approximate)	Programming and Allocation Committee (Recommendation to Commission for approval)	MTC Commission Meeting (Allocation request considered for approval)
June 2023	Wed. May 17*	Wed. June 7	Wed. June 14	Wed. June 28
July 2023	Fri. May 26	Wed. July 5	Wed. July 12	Wed. July 26
		<b>No meetings in August</b>		
September 2023	Fri July 28	Wed. Sept. 6	Wed. Sept. 13	Wed. Sept. 27
October 2023	Fri. Aug 25	Wed. Oct. 4	Wed. Oct. 11	Wed. Oct. 25
Following months	60 days prior to targeted Commission date	1 <sup>st</sup> Wednesday of the month	2 <sup>nd</sup> Wednesday of the month	4 <sup>th</sup> Wednesday of the month

\*Please notify MTC staff right away (prior to the allocation request due date) if you plan to request a June 2023 allocation

The schedules above represent minimum allocation timelines. MTC staff cannot guarantee agenda consideration in the targeted month if additional time is required to verify project compliance with the RM3 Policies and Procedures (P&Ps) and statute. In the first months of allocation, it is likely that MTC staff may recommend conditional allocations where certain elements of the allocation request package, such as the project sponsor board resolution, are still outstanding prior to the Programming and Allocations Committee packet posting.

The RM3 P&Ps and allocation request materials are available [here](#) (Note that minor updates to the capital section of the P&Ps are expected to be considered at the May PAC and Commission meeting; the draft proposed updates are included in the linked folder along with the current version of the P&Ps). The detailed DRAFT allocation request requirements and process are on the following pages.

**DRAFT Allocation Request Requirements**

An allocation request consists of the following:

1. Updated Initial Project Report (IPR): Consists of a Word form and Excel attachment. If the RM3 project consists of multiple subprojects, the IPR should be focused on the subproject for which the allocation is requested. If IPR submitted during the recent round of IPR updates is still accurate, you do not need to fill out a new one. Please review it to ensure the schedule and budget are up to date.
2. Allocation request form: Consists of a Word form and Excel attachment. This should include details about the scope, schedule, and budget of the phase of the allocation request. Per the RM3 P&Ps, MTC will generally only approve an allocation for a fully funded phase or deliverable product, and will only approve phase-at-a-time allocations (please see the P&Ps for more information).
3. Implementing agency resolution using the boilerplate language in the sample resolution. Staff would like to review a draft of this resolution before you take it to your board, but it should be

agendized before or shortly after the Commission date (June 28<sup>th</sup> for the first round of allocations).

4. Evidence of environmental clearance, for projects requesting a right-of-way or construction allocation.
5. Opinion of legal counsel/indemnification of MTC/BATA (if not included in the implementing agency resolution).

For transit projects, please submit allocation request materials to Anne Spevack at [aspevack@bayareametro.gov](mailto:aspevack@bayareametro.gov) and Craig Bosman at [CBosman@bayareametro.gov](mailto:CBosman@bayareametro.gov)

For highway/roadway and active transportation projects, please submit allocation request materials to Karl Anderson at [kanderson@bayareametro.gov](mailto:kanderson@bayareametro.gov) and Kenneth Kao at [kkao@bayareametro.gov](mailto:kkao@bayareametro.gov)

#### DRAFT Allocation Process

1. Project sponsor or implementing agency submits allocation request package 60 days prior to requested allocation approval date (relaxed for limited allocations in June 2023)
2. MTC staff reviews request, works with sponsor to answer questions or make edits to materials, and prepares staff recommendation, including any conditions of allocation and allocation expiration date based on the cash flow plan. Funding agreements may be required as a condition of approval.
3. Implementing agency board approves agency resolution and allocation request, ideally prior to the Commission date, though the allocation may be made conditioned on board approval shortly after the Commission date
4. Programming and Allocations Committee reviews staff recommendation for allocation (2<sup>nd</sup> Wednesday of the month)
5. Commission considers approval of allocation (4<sup>th</sup> Wednesday of the month)
6. MTC issues allocation instruction letter
7. Implementing agency submits invoices for reimbursement of costs incurred consistent with the allocation, per requirements of RM3 P&Ps.