



## Board Report

File #: 2022-0854, File Type: Plan

Agenda Number: 11.

### FINANCE, BUDGET AND AUDIT COMMITTEE FEBRUARY 15, 2023

**SUBJECT: MEASURE M FIVE YEAR COMPREHENSIVE ASSESSMENT AND EQUITY REPORT  
CRITERIA**

**ACTION: APPROVE RECOMMENDATIONS**

#### **RECOMMENDATIONS**

CONSIDER:

- A. APPROVING criteria for the Measure M Five Year Comprehensive Assessment and Equity Report (Attachment A); and
- B. AUTHORIZING an increase in the Contract Modification Authority (CMA) for Task Order No. PS87260-5433000 under Countywide Planning and Development Bench Contract PS54330009 with Fehr & Peers, in the not-to-exceed amount of \$100,000, increasing the current not-to-exceed CMA amount from \$100,000 to a new CMA amount not-to-exceed \$200,000, thereby increasing the task order value to \$561,713.83 should all modifications be executed.

#### **ISSUE**

The Measure M Ordinance requires that every five (5) years, Metro conduct a comprehensive review of all projects and programs implemented under the Measure M Expenditure Plan (Plan) to evaluate the performance of the overall program and make recommendations to improve its performance based on current practices, best practices, and organizational changes to improve coordination. In addition, the Measure M Guidelines require that the specific evaluation areas, performance metrics, and criteria of the Program Assessment be approved by the Metro Board of Directors in consultation with the Measure M Independent Taxpayer Oversight Committee (MMITOC).

#### **BACKGROUND**

Since the passage of Measure M, Metro has followed a continuous monitoring approach for the oversight of the projects and programs included in the Plan. This has been realized through the quarterly updates provided to the MMITOC on budget and expenses for the program, status on Transit and Highway capital projects, as well as updates of the Active Transportation and State of Good Repair programs. In addition, annual independent audits are conducted to determine Metro's

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and the subrecipient's compliance with the provisions of the Ordinance related to the receipt and expenditure of sales tax revenues during each fiscal year. The quarterly and annual reviews, along with the five- and ten-year assessments, provide ongoing oversight, as well as transparency to Los Angeles County taxpayers, as set forth in the Ordinance.

Additionally, Metro renewed its commitment to equity with Board approval of the Metro Equity Platform Framework ("Equity Platform") in 2018. The Equity Platform consists of four pillars to guide Metro's equity implementation in projects, programs, policies, services, processes, and all that Metro does:

- Define and Measure
- Listen and Learn
- Focus and Deliver
- Train and Grow

The Measure M Five Year Comprehensive Assessment and Equity Report supports two pillars: Define and Measure and Focus and Deliver. The report's evaluation of the first five years of Measure M funding will define and measure equity impacts from the sales tax measure and provide findings from this analysis period demonstrating Metro's progress and delivery of the Measure M expenditure plan.

In the Summer of 2022, Metro started initial research and outreach to identify preliminary objectives and criteria for a report analyzing the impacts of Measure M's first five years of funding.

Measure M is a revenue source for many major multi-year capital projects that will bring mobility improvements across the Los Angeles region. The preliminary research and outreach focused on impacts on the people of Los Angeles for this assessment, resulting in five key themes for the analysis: Mobility, Experience, Community, Regional, and Stewardship. These themes are proposed to also serve as a foundation to analyze the performance and progress of Measure M-funded activities within the Five Year Comprehensive Assessment and Equity Report.

## **DISCUSSION**

The intent of the Assessment is to evaluate the performance and impact of the overall Measure M program and support the successful delivery of Measure M projects and programs. Key among the steps towards completing the Assessment was the development of objectives and criteria that measure Metro's implementation of the Plan in the initial five years (FY18 - FY22).

As contained in Attachment A, staff is proposing Assessment objectives and performance criteria that guide the comprehensive evaluation of the performance from June 2017 to June 2022 and lead to recommendations for opportunities to improve the performance in future phases. They are based on best practices and are aligned with those used by other agencies. The objectives support effective decision making by identifying and evaluating process improvement opportunities, best practices and suggestions for improved internal coordination, as well as potential barriers in achieving the effective delivery of the program. Furthermore, the identified assessment areas will examine Metro's performance on a range of activities including, financial performance, effectiveness of project delivery, Metro's program management approach, compliance with the Ordinance and, transparency

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to the Board and public and alignment with Metro's equity objectives.

The project team began collecting five-year Metro data on service, ridership, maintenance, safety, funding expenditures, program and project delivery, and many other metrics. The team also began collecting data outside of the agency that captured the broader conditions of the five-year period (FY2018 - FY2022), including many significant external drivers such as new state and federal funding sources, the 2028 Olympics announcement, and of course, the COVID-19 pandemic. The team met with eight Metro advisory committees to identify equity impacts and key themes from the five-year period to guide research and the framework of a final comprehensive assessment. These committees included the Accessibility Advisory Committee, Community Advisory Council, Metro Youth Council, Office of Strategic Innovation working group, Policy Advisory Council, Sustainability Council, Technical Advisory Committee, and a preliminary presentation to the MMITOC. The team also presented to and solicited feedback from the Aging/Disability Transportation Network. During Fall 2022, the team hosted four community-based organization (CBO) listening sessions (three virtual, one in-person), inviting over 120 individuals from 96 CBOs, meeting with 25 individuals and receiving 11 virtual surveys from community members who could not attend the listening sessions. Interpretation services were available at all sessions.

During the Quarterly MMITOC meeting in December 2022, staff sought feedback on an initial draft of the Assessment criteria and objectives. Following this meeting, the MMITOC provided some initial recommendations and feedback. To ensure adequate engagement with the MMITOC prior to presentation to the Board, staff convened a special meeting on January 10, 2023. During the special meeting, staff discussed the specific comments provided by the MMITOC and demonstrated how the comments would be addressed within the refined objectives and/or Assessment to fully engage the MMITOC in the process. See Attachment B for full MMITOC comments received and corresponding Assessment Objectives refinement.

The final report is scheduled to be completed before the end of FY 2023. With the remaining timeline, staff is requesting a CMA increase to streamline any potential future task order modifications related to additional analysis and outreach. The requested CMA increase amount is based on the existing project contract tasks and rates.

### **DETERMINATION OF SAFETY IMPACT**

There is no anticipated safety impact associated with the recommended action. This action would set criteria and performance metrics for Metro's Measure M Five Year Assessment.

### **FINANCIAL IMPACT**

Adoption of the Measure M Assessment criteria does not have a direct financial impact to the agency.

#### **Impact to Budget**

No impact to Metro's budget is anticipated as a result of the Board approving the Assessment criteria.

### **EQUITY PLATFORM**

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Proposed objectives and criteria for the Measure M Five Year Comprehensive Assessment and Equity Report will analyze the first five years of Measure M investments through Metro's Equity Platform framework by focusing on impacts to people as well as progress on projects. Metro continues to serve riders throughout the Los Angeles region, who are predominantly lower income, Black, Indigenous, and other People of Color (BIPOC), and without access to other mobility options. Further, the ongoing COVID-19 pandemic and daily disruption to health and economic stability has hit already-vulnerable communities hardest. Metro plays a key role in the region, as an operator, employer, planner, builder, and funder. The proposed objectives and criteria are intended to meet Measure M guidelines within the broader Assessment and support a deep understanding of how Measure M has allowed Metro to continue to provide essential services for Los Angeles, with an equity lens, in its first five years.

### **IMPLEMENTATION OF STRATEGIC PLAN GOALS**

This item supports Strategic Plan Goal #5, which seeks to "Provide responsive, accountable, and trustworthy governance within Metro. The Measure M Comprehensive Assessment seeks to ensure the continued effective delivery of Measure M projects and programs and transparency to the Board, MMITOC, stakeholders and public.

### **ALTERNATIVES CONSIDERED**

The Board may choose to not proceed with the recommended objectives and criteria however, the proposed assessment criteria are aligned with feedback from stakeholders, and reflect consultation with the MMITOC, as well as benchmark with other self-help transit agencies measure assessment best practices.

### **NEXT STEPS**

With the approval of this item, and as stipulated in the Ordinance and Guidelines, staff will finalize the Assessment and present the results to the MMITOC in the Spring of 2023 to enable them to add findings or recommendations. The results of the MMITOC's review and feedback will be included in the staff report to the Metro Board as part of the adoption of the Assessment.

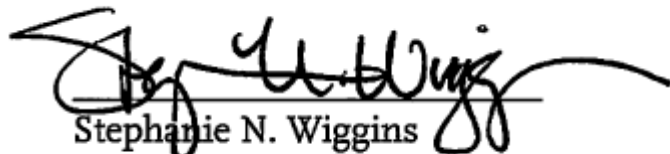
### **ATTACHMENTS**

Attachment A - Proposed Assessment Objectives and Criteria  
Attachment B - MMITOC Comments on Assessment Objectives and Criteria  
Attachment C - Procurement Summary  
Attachment D - Contract Modification and Change Order Log  
Attachment E - DEOD Summary

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Stephanie N. Wiggins  
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## **Measure M Five Year Assessment and Equity Report Proposed Objectives and Criteria (FY18-22)**

The intent of the **Measure M Five Year Comprehensive Assessment and Equity Report** is to evaluate the performance and impact of the overall Measure M program and support the successful delivery of Measure M projects and programs. Key among the steps towards the completion of the Assessment was the development of objectives and criteria that measure Metro's implementation of the Plan in the initial five years (FY18 – FY22).

In addition, as stipulated in the Measure M Guidelines, staff is currently developing the Short Range Transportation Plan (SRTTP) and plans to align Board adoption of both reports to ensure that the results of the Assessment are reflected within the SRTTP financial forecast.

### Key Assessment Objectives

- Assess Metro's performance on the efficiency and effectiveness in delivering Measure M projects and programs
- Identify and evaluate any potential barriers in the delivery of the Expenditure Plan
- Identify and evaluate opportunities for process improvement
- Identify and evaluate best practices to be used going forward
- Identify and evaluate any organizational changes needed to improve coordination

### Assessment Areas and Related Performance Criteria

#### **1. Financial Analysis**

- Accounting of revenues and expenditures (Fiscal Year 2018-22)
- Whether initial funding assumptions have been achieved, and by what ratio
- Whether funding sources to accomplish the Expenditure Plan have been adequate, by what ratio, and reasoning behind any differences

#### **2. Project Delivery**

- Identification of potential risks on project deliveries that may need to be addressed in the Expenditure Plan
- Identification of progress (as of June 30, 2022) of project scope, cost, and schedule related to original projections
- Qualitative evaluation of effectiveness in developing and implementing the projects and programs included in Measure M, based on the above criteria

#### **3. Program Management**

- Description of Metro's approach to program management over the past 5-year period
- Whether program progress reporting has been adequate, such as frequency of reporting and topics covered in reporting
- Whether change order reporting has been adequate, such as ratios of different types of change orders, reasons behind change orders, and efforts

- being done to minimize change orders
- Whether staffing/resources have been adequate, in terms of anticipated versus actual workforce utilized on projects, and for both internal and external staff
- Whether the Quality Assurance Program is effective in ensuring the quality expected, and whether it measures up the other agency processes of a similar nature

**4. Compliance**

- Demonstration of Metro's and subrecipients compliance with the Ordinance

**5. Transparency/Accountability/Equity**

- Whether reporting to MMITOC has been adequate
- Description of the purpose, functionality, and usefulness of the MMITOC in meeting requirements of the Ordinance
- Whether reporting to Metro Board on MM has been adequate through reports including all items required in the Ordinance
- Whether Public Information has been available with expected regularity and detail, such as posting of agendas, public hearings, annual audit reports, dedicated website
- Whether equity and inclusion objectives have been aligned with other Metro endeavors, such as geographic distribution of services related to EFCs

## MMITOC Assessment Objectives and Criteria Comments

As required, by the Measure M Ordinance and Guidelines, staff sought feedback on the proposed assessment objectives and criteria from the Measure M Independent Taxpayer Oversight Committee (MMITOC). The table below details the comments received from the MMITOC and corresponding updates to the objectives and criteria.

Ref.	Committee comment	Refinement
Section 5, bullet 1	These items need to correspond with input received in reports from Metro staff over the past five years. For this section, the names of those assessing and evaluating need to be identified, along with their roles.	Added to section 5, first bullet: Whether reporting to MMITOC has been adequate.
Key Objectives, bullet 1	Assess what performance? The sentence is not clear. Better: "Assess MTA's efficiency and effectiveness in delivering Measure M's projects and programs." Efficiency measures \$\$ spent per unit of output, e.g., \$\$/bus-hour, Effectiveness measures returns per unit of output (riders/bus-hour) I am not sure what measurements to use for construction.	Changed first bullet in key objectives: Assess Metro's performance on the efficiency and effectiveness in delivering Measure M projects and programs. In addition, refined assessment areas to identify performance criteria.
Key Objectives, bullet 4	Add "to be used going forward" to the fourth bullet of the objectives	Changed fourth bullet in key objectives: Identify and evaluate best practices to be used going forward.
Section 5, bullet 2	For this section, Measure M Committee members with special expertise should meet with relevant counterparts in their specialties. For future reports, consider adding areas of performance, including design, local and regional planning, environmental performance and resiliency, and others to be identified.	Added to section 5, second bullet: Description of the purpose, functionality, and usefulness of the MMITOC in meeting requirements of the Ordinance.
N/A	Add: Identify any system bottlenecks and what changes to the Expenditure Plan might be needed to assure a more effective transit system.	No change as the 10 Year Assessment will review changes in circumstances affecting the delivery of projects/programs in the Measure M Expenditure Plan.
N/A	Add: Identify changes to the priorities identified in the Expenditure Plan that might be needed to meet changing externalities.	No change as the second bullet of the key objectives addresses this.
N/A	Add: Estimate the realistic future operating costs of projects now being constructed to determine any future	No change as the 10 Year Assessment will review changes in circumstances affecting the delivery of

Ref.	Committee comment	Refinement
	impacts to the Expenditure Plan.	projects/programs in the Measure M Expenditure Plan.
Section 2, bullet 1	Add “on project deliveries that might need to be addressed in the Expenditure Plan” to first bullet under Project Delivery.	Changed section 2, first bullet: Identification of potential risks on project deliveries that may need to be addressed in the Expenditure Plan.
Section 5, bullet 2	Add: Evaluate the purpose, functionality, and usefulness of the Oversight Committee in meeting the requirements of the Ordinance.	Added to section 5, second bullet: Description of the purpose, functionality, and usefulness of the MMITOC in meeting requirements of the Ordinance.
N/A	<p>In measuring overall program performance, the five-year assessment should discretely address which subfunds / program elements support each of the eight goals and moreover how the programs have performed in achieving these goals in the context of the two primary objectives.</p> <p>The public will like to know (1) the extent to which traffic congestion has been eased and transportation improved, and (2) the success of each of the eight goals.</p>	Will integrate the eight core goals identified in the Measure M Ordinance into the five themes identified during the assessment research phase.

## PROCUREMENT SUMMARY

## 2022 QUALITY OF LIFE EQUITY REPORT/PS87260-5433000

1.	<b>Contract Number:</b> Task Order No. PS87260-5433000 under Contract No. PS54330009		
2.	<b>Contractor:</b> Fehr & Peers		
3.	<b>Mod. Work Description:</b> Increase the contract modification authority (CMA) for Task Order No. PS87260-5433000 with Fehr & Peers, in the not-to-exceed amount of \$100,000, an increase from \$100,000 to \$200,000.		
4.	<b>Contract Work Description:</b> 2022 Quality of Life Equity Report		
5.	<b>The following data is current as of:</b> 1/9/23		
6.	<b>Contract Completion Status</b>		<b>Financial Status</b>
	<b>Contract Awarded:</b>	5/20/22	<b>Contract Award Amount:</b> \$361,787.26
	<b>Notice to Proceed (NTP):</b>	5/20/22 (Task Order Execution)	<b>Total of Modifications Approved:</b> \$99,926.57
	<b>Original Complete Date:</b>	11/21/22	<b>Pending Modifications (including this action):</b> N/A
	<b>Current Est. Complete Date:</b>	6/23/23	<b>Current Contract Value (with this action):</b> \$461,713.83
7.	<b>Contract Administrator:</b> Lily Lopez		<b>Telephone Number:</b> (213) 922-4639
8.	<b>Project Manager:</b> Naomi Iwasaki		<b>Telephone Number:</b> (213) 922-3085

**A. Procurement Background**

This Board Action will authorize the increase of the Contract Modification Authority (CMA) amount for the negotiation and execution of anticipated modification(s) to incorporate any feedback from the Metro Board that may not have been anticipated in the original Task Order scope.

Task Order Modification(s) will be processed in accordance with Metro's Acquisition Policy and the contract type is a firm fixed price.

On May 20, 2022, Metro staff awarded firm-fixed price Task Order No. PS87260-5433000 under Countywide Planning and Development Bench Contract No. PS54330009 to Fehr & Peers for the 2022 Quality of Life Equity Report.

Three modifications have been issued to date.

Refer to Attachment C – Contract Modification/Change Order Log.

**B. Cost Analysis**

The cost for any Task Order modification(s) will be reviewed and analyzed for fair and reasonableness, upon completion of fact finding, technical evaluation, cost analysis, and negotiations. All Task Order Modification(s) will be processed in accordance with Metro's Acquisition Policy, within and up to the additional CMA authorized.

## CONTRACT MODIFICATION AND CHANGE ORDER LOG

## 2022 QUALITY OF LIFE EQUITY REPORT/PS87260-5433000

<b>Mod. No.</b>	<b>Description</b>	<b>Status (approved or pending)</b>	<b>Date</b>	<b>\$ Amount</b>
1	Extended period of performance to December 12, 2022	Approved	11/21/22	\$0.00
2	Extended period of performance to December 30, 2022	Approved	12/12/22	\$0.00
3	Added additional scope and extended the period of performance to June 23, 2023	Approved	12/27/22	\$99,926.57
	<b>Modification Total:</b>			<b>\$99,926.57</b>
	<b>Original Task Order:</b>	<b>Approved</b>	5/20/22	<b>\$361,787.26</b>
	<b>Total:</b>			<b>\$461,713.83</b>

## DEOD SUMMARY

## QUALITY OF LIFE EQUITY REPORT/PS87260-5433000

**A. Small Business Participation**

Fehr & Peers (F&P) made a 27.47% Small Business Enterprise (SBE) commitment and a 4.11% Disabled Veterans Enterprise (DVBE) commitment on this Task Order contract. Based on payments, the Task Order is 12% complete and the current SBE participation is 0.21% and the current DVBE participation is 0.00%, representing a delta of 27.26% and 4.11%, respectively.

As this is early in the contract, staff will continue to monitor F&P's effort to ensure that they are on track to meet or exceed their commitments. An assessment for a shortfall plan will be conducted at 50% contract completion.

<b>Small Business Commitment</b>	<b>SBE 27.47% DVBE 4.11%</b>	<b>Small Business Participation</b>	<b>SBE 0.21% DVBE 0.00%</b>
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	<b>SBE Subcontractors</b>	<b>% Committed</b>	<b>Current Participation<sup>1</sup></b>
1.	Cityworks Design	27.47%	0.21%
	<b>Total</b>		

	<b>DVBE Subcontractors</b>	<b>% Committed</b>	<b>Current Participation<sup>1</sup></b>
1.	Atlas Planning Solutions	4.11%	0.00%
	<b>Total</b>		

<sup>1</sup>Current Participation = Total Actual amount Paid-to-Date to DBE firms ÷ Total Actual Amount Paid-to-date to Prime.

**B. Living Wage and Service Contract Worker Retention Policy Applicability**

The Living Wage and Service Contract Worker Retention Policy is not applicable to this contract.

**C. Prevailing Wage Applicability**

Prevailing wage is not applicable to this contract.

**D. Project Labor Agreement/Construction Careers Policy**

Project Labor Agreement/Construction Careers Policy is not applicable to this Contract. Project Labor Agreement/Construction Careers Policy is applicable only to construction contracts that have a construction contract value in excess of \$2.5 million.



# Measure M Five Year Comprehensive Assessment and Equity Report

Finance Budget & Audit Committee

February 15, 2023

## Project Benchmarks (2016-2022)

2016: Measure  
M passes

2017: MM funds  
available

2017: Quality of  
Life (Measure R)  
report

2018: Equity  
Platform  
framework

2020: COVID-19  
pandemic begins

2022: Five years  
since MM funds  
available

**“Metro shall conduct every five (5) years a comprehensive review of all projects and programs implemented under the Plan to evaluate the performance of the overall program and make recommendations to improve its performance on current practices, best practices, and organizational changes to improve coordination.”**

*- Measure M Ordinance §8.h.4.B.*

# Initial Report Development



First five years of Measure M through equity framework



Data collection and analysis with “people-first” focus



Advisory Committee and community outreach

# Measure M ITOC Feedback

## Present

- December 2022 - staff presented draft objectives to MMITOC and requested comments from Committee

## Receive

- December 2022/January 2023 - Committee provided suggestions that support alignment with the MM fundamental goals and help form foundation for future enhancements to the program and to its oversight

## Refine

- January 2023 - Staff convened a special MMITOC meeting to discuss specific comments and share revisions

# Proposed Objectives and Criteria

## Key Assessment Objectives

- Assess Metro's performance on the efficiency and effectiveness in delivering Measure M projects and programs
- Identify and evaluate any potential barriers in the delivery of the Expenditure Plan
- Identify and evaluate opportunities for process improvement
- Identify and evaluate best practices to be used going forward
- Identify and evaluate any organizational changes needed to improve coordination



# Proposed Objectives and Criteria (summarized)

## Financial Analysis

- Accounting of revenues and expenditures
- Initial funding assumptions
- funding sources to accomplish the Expenditure Plan

## Project Delivery

- Potential risks on project deliveries that may need to be addressed in the Expenditure Plan
- Project scope, cost, and schedule related to original projections
- Developing and implementing projects and programs included in Measure M

## Program Management

- Program management approach
- Progress reporting
- Change order reporting
- Staffing/resources
- QA

## Compliance

- Metro's and subrecipients compliance with the Ordinance

## Transparency/ Accountability /Equity

- Reporting to MMITOC has been adequate
- Purpose, functionality, and usefulness of the MMITOC
- Reporting to Metro Board
- Public Information: posting of agendas, public hearings, annual audit reports, dedicated website
- Equity and inclusion objectives

## Report Timeline

February 2023: Objectives and Criteria to Metro Board

Winter 2023: Draft report development

May 2023: Update to MMITOC for feedback

June 2023: Final report to Metro Board

**Thank you!**