

An aerial view of a modern city street. On the right, a light blue tram is stopped at a station platform with several people waiting. A white bus is driving in the middle of the road. Pedestrians are walking on the sidewalks, and a cyclist is riding on a dedicated bike lane. The street is lined with modern buildings and trees. A large, semi-transparent dark blue box is overlaid on the center of the image, containing white text.

# Regional Network Management (RNM)

REFINEMENTS TO RNM AND NEXT STEPS

December 12, 2022

1:00 PM

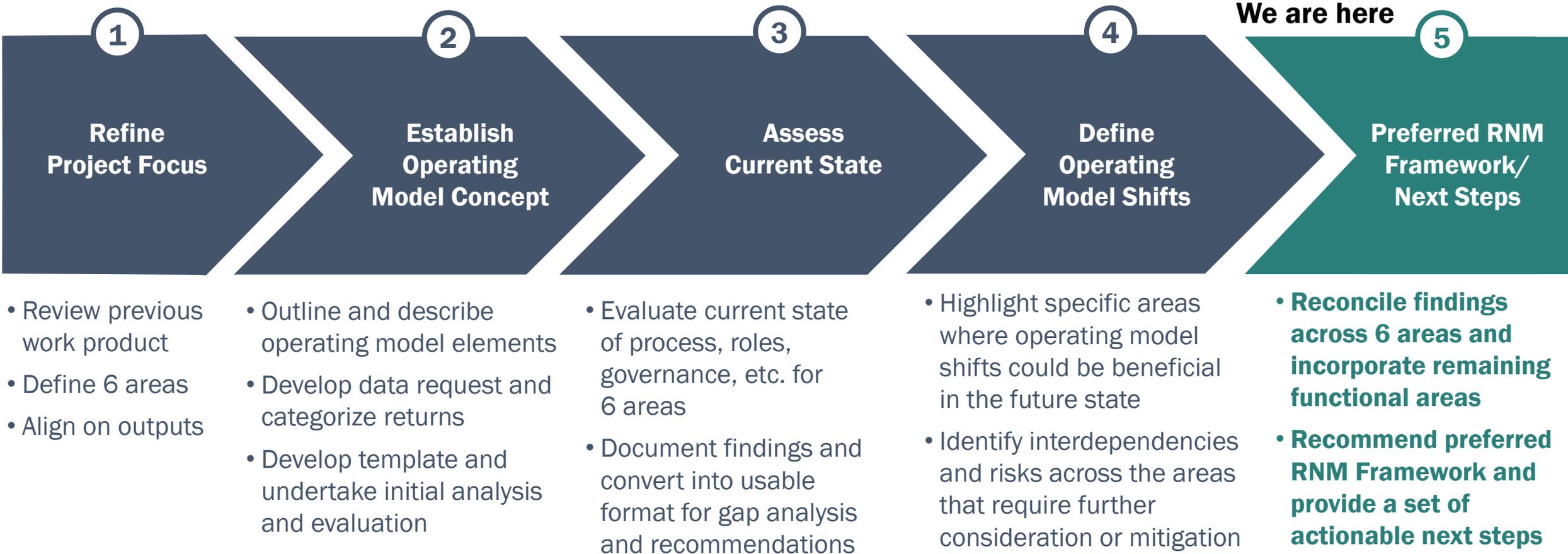
# Agenda

- **Welcome & Chair Comments**  
Denis Mulligan, Chair (5 min.)
- **Progress Update**  
Guy Wilkinson, KPMG (5 min.)
- **Refinements to Short/Near-Term RNM**  
Guy Wilkinson, KPMG (10 min.)
- **Draft RNM Charter & Evaluation Framework for RNM Evolution**  
Guy Wilkinson, KPMG (10 min.)
- **180-Day Plan for Short/Near-Term RNM**  
Guy Wilkinson, KPMG (10 min.)
- **Next Steps**  
Guy Wilkinson, KPMG &  
Therese McMillan, MTC (10 min.)
- **Public Comment**

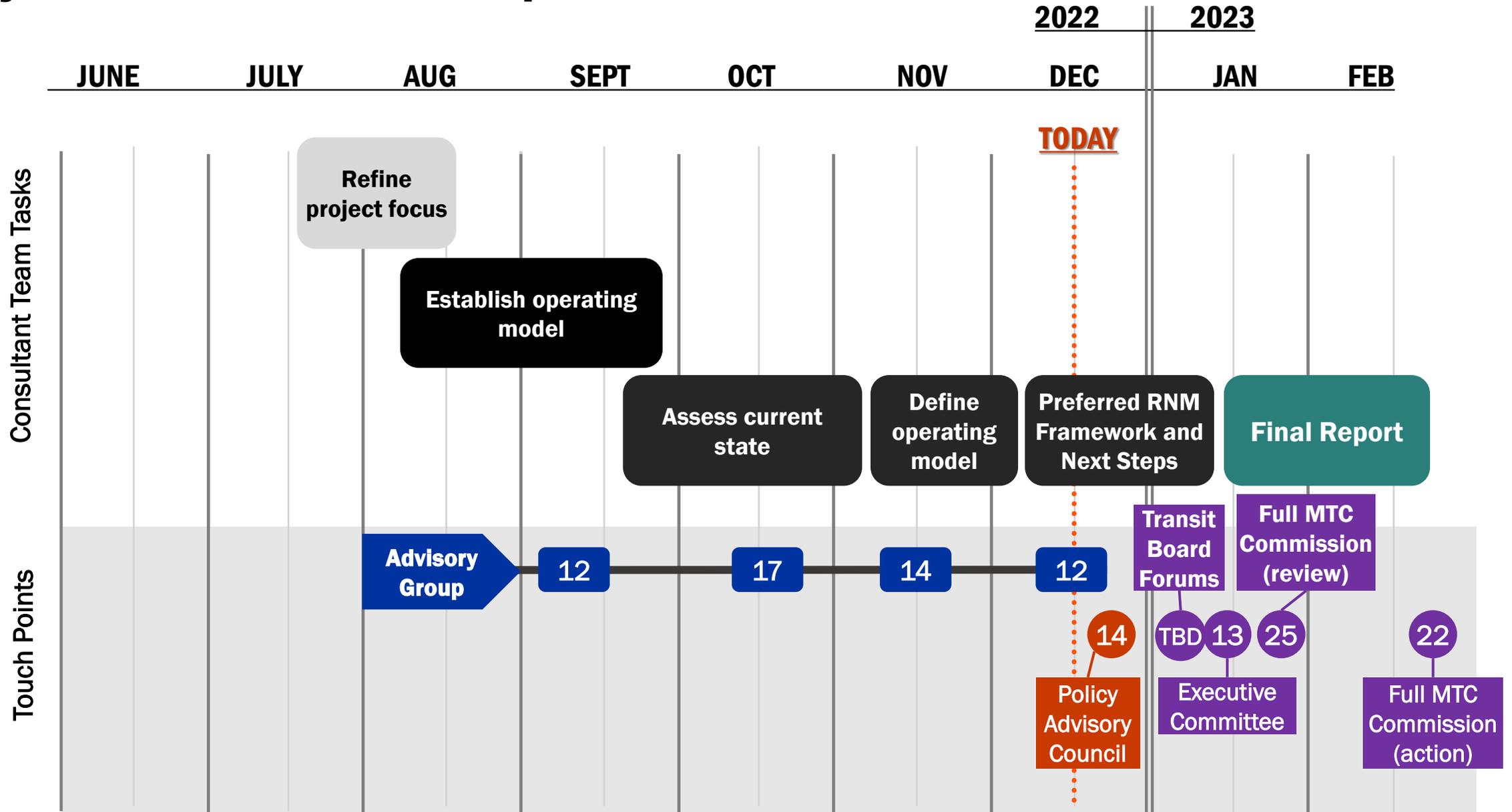


# Progress Update

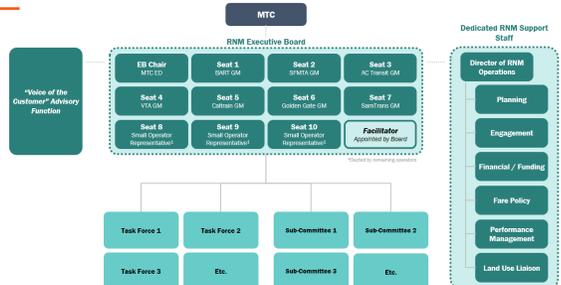
# Progress Update



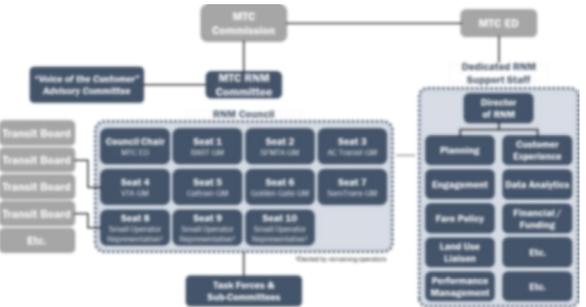
# Project Schedule & Touchpoints



# Since the November AG Meeting, we have refined the Short/Near-Term RNM after considering your feedback and identified actions needed to stand up the framework



During the last AG meeting, we presented a preliminary Short/Near-Term RNM Framework along with a concept for how it will evolve over the long term



After considering your feedback, we have refined and/or clarified specific elements of the RNM Framework, which we will present today



Days 0-30 Feb 9 - Feb 16	Days 31-60 Feb 17 - Feb 23	Days 61-100 Feb 24 - Mar 03
<ul style="list-style-type: none"> <li>Develop initial budget, determine funding requirements, and identify funding sources</li> <li>Finalize RNM Charter</li> <li>Establish RNM Director Search Committee</li> <li>Write RNM Director job description / requisition</li> <li>Complete hiring process for RNM Director</li> <li>Identify and acquire RNM office space / IT needs</li> <li>Identify MTC RNM Committee Members</li> <li>Further refine and establish the 'Voice of the Customer' Advisory Committee</li> </ul>	<ul style="list-style-type: none"> <li>Write job descriptions / requisitions for any immediate Dedicated Support Staff (Days 2-3)</li> <li>Complete hiring process for any immediate Dedicated Support Staff</li> <li>Hold first RNM Council meeting</li> <li>Align on RNM KPIs</li> <li>Align on immediate action items / priority initiatives for the RNM (e.g. schedule transfers, collective bargaining agreements)</li> <li>Establish any immediate Task Forces or Sub-Committees</li> </ul>	<ul style="list-style-type: none"> <li>Establish RFP sourcing process and begin reporting on RFPs</li> <li>Hold first MTC RNM Committee meeting</li> <li>Develop and approve annual RNM budget</li> </ul>

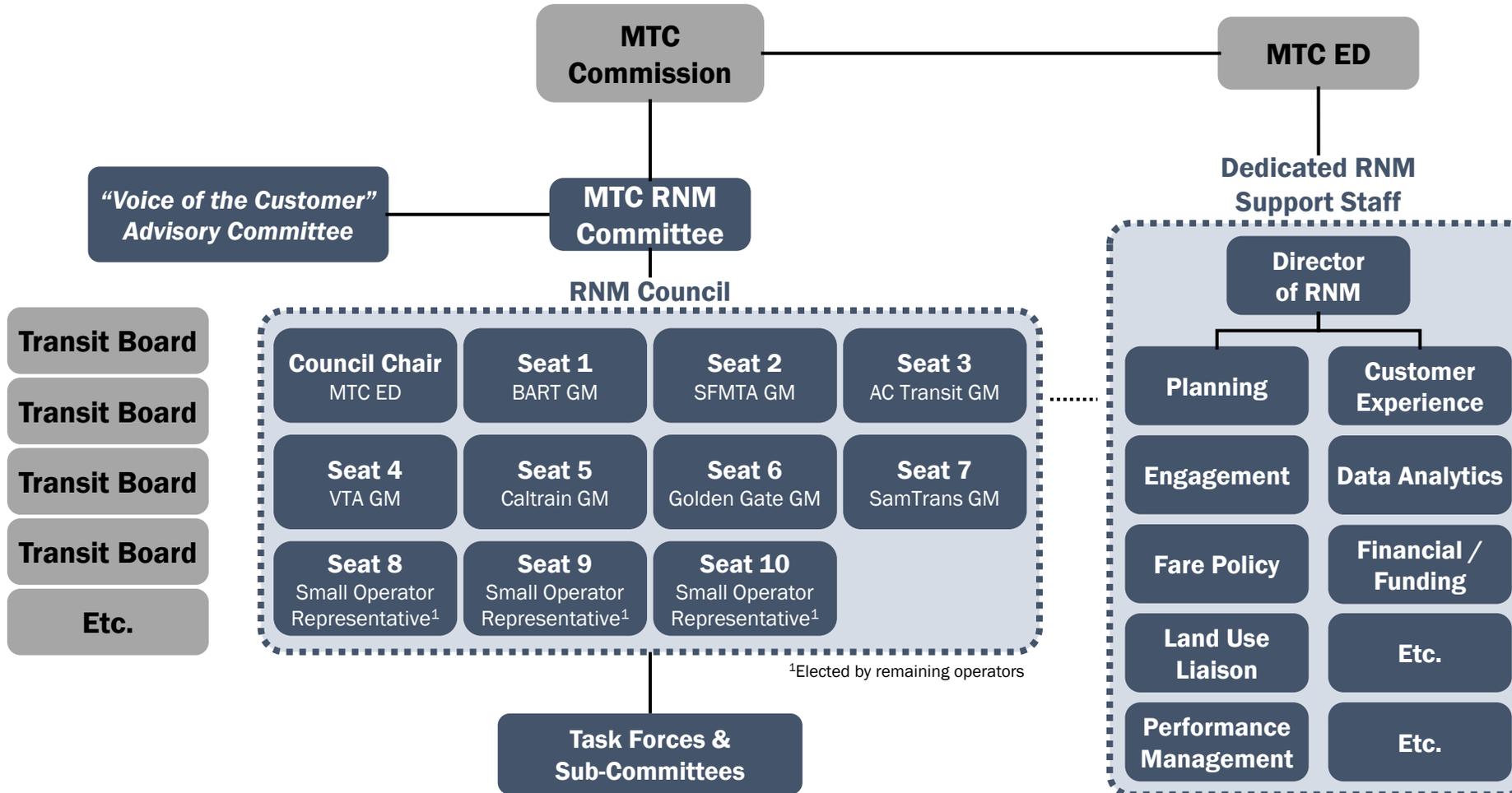
Additionally, we have also identified the actions needed to stand up the Short/Near-Term RNM and have provided some initial ideas for items such as the RNM charter and KPIs which we will also review today

# Refinements to Short/ Near-Term RNM

# Key Refinements to the Short/Near-Term RNM Framework

- 1 MTC RNM Committee:** Additional detail added to provide clarification on how MTC will interface with the RNM, which includes the MTC Board, the MTC Executive Director, and a new Committee within MTC (note that this committee structure / approach is typical to how MTC does business)
- 2 “Voice of the Customer” Advisory Committee:** Reporting line moved from RNM Council to MTC, to reflect expectation that the Advisory Committee will present reports to MTC RNM Committee to support informed decision making; additional detailed provided on proposed structure
- 3 Transit Boards:** Transit Boards added to the graphic to help demonstrate the important role that transit boards will play in approving implementation plans proposed by the RNM for individual Operators
- 4 Director of RNM:** Title changed from “Director of RNM Operations” to “Director of RNM” to avoid confusion with the typical use of “operations” (i.e., operating a transit system) (*note: Director of RNM will report to MTC Executive Director; however, level of role with MTC is to be determined*)
- 5 Dedicated Support Staff:** Two additional roles added to support the voice of the customer: (1) Customer Experience and (2) Data Analytics
- 6 RNM Council:** Name changed from “RNM Executive Board” to “RNM Council” to avoid confusion between other executive boards (e.g., Clipper Executive Board, ABAG Executive Board, MTC Executive Committee)
- 7 RNM Council Facilitator:** Facilitator role removed as a facilitator is likely not needed, or could be hired on an as-needed basis
- 8 Long-Term RNM:** Recurring 2-year formal performance review added to help ensure that the RNM continues to evolve over time

# Updated Short / Near-Term RNM



## ✓ Customer Focused:

- Enables highly inclusive decision making to bring a broad range of perspectives
- Multiple engagement points for the "Voice of the Customer" to prioritize customers in decision making

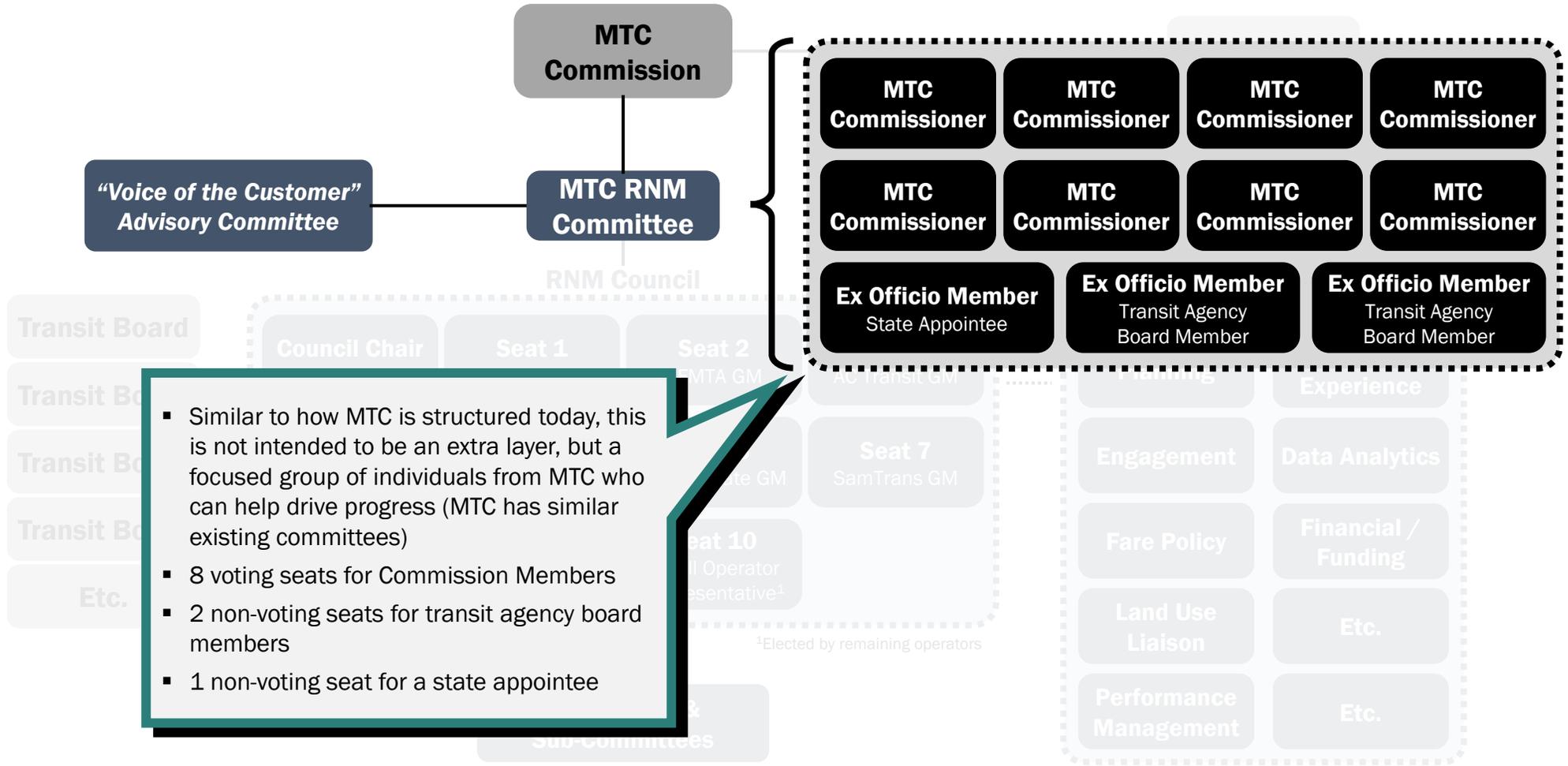
## ✓ Structured for Scale:

- Task Forces and Sub-Committees can be added or subtracted as additional Functional Areas are added or regional priorities shift
- Team of Dedicated Support Staff can grow over time to provide needed capacity to Operators
- Joint teams, with potential opportunities for seconded staff, enable high quality proposals to reach the Council, driving effective use of GM time

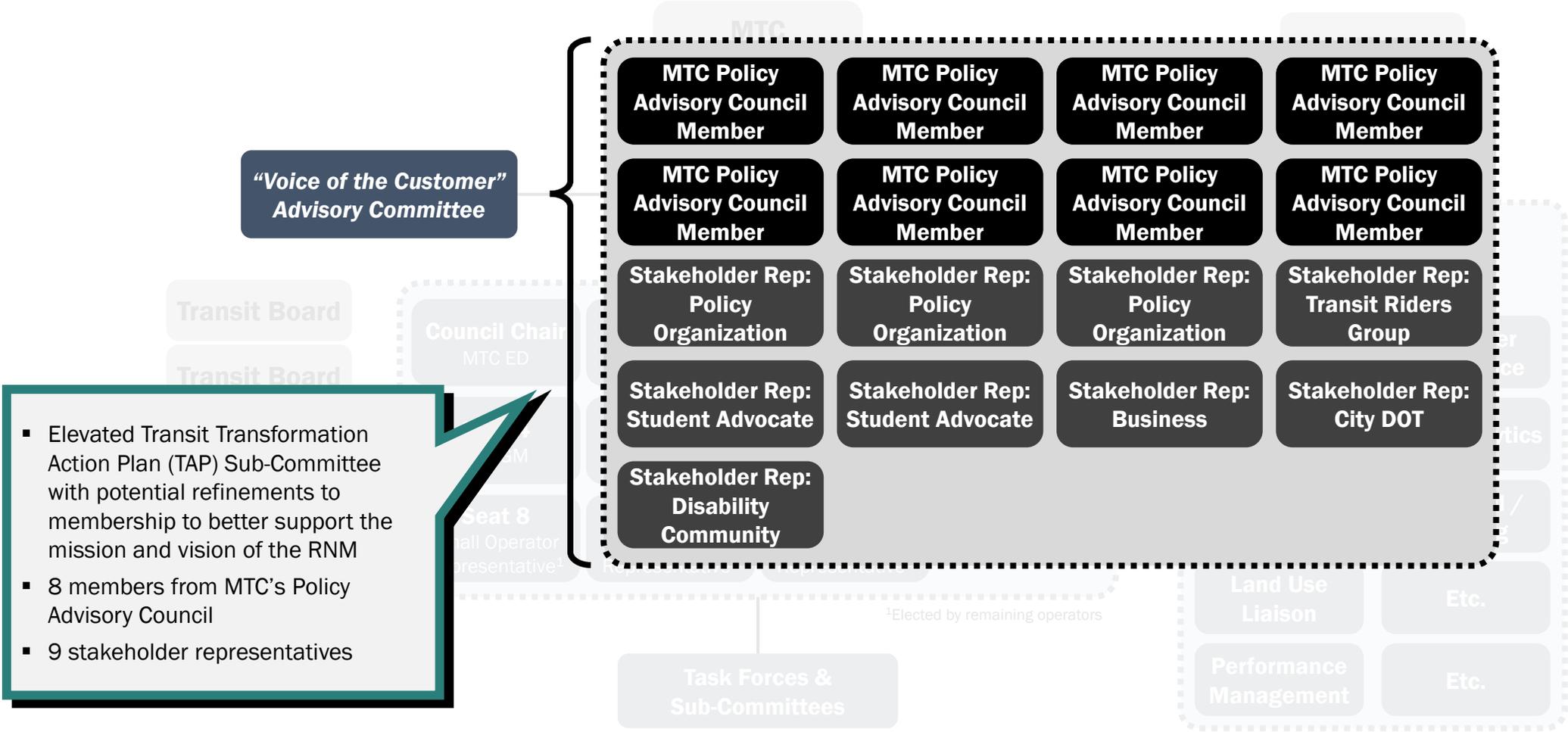
## ✓ Balances Short-Term Momentum with Long-Term Transformation:

- Allows RNM to be stood up quickly to begin working on priority items, but also allows continuous evolution
- Seeks to drive cost and time effectiveness
- Feasible within current legislative constraints

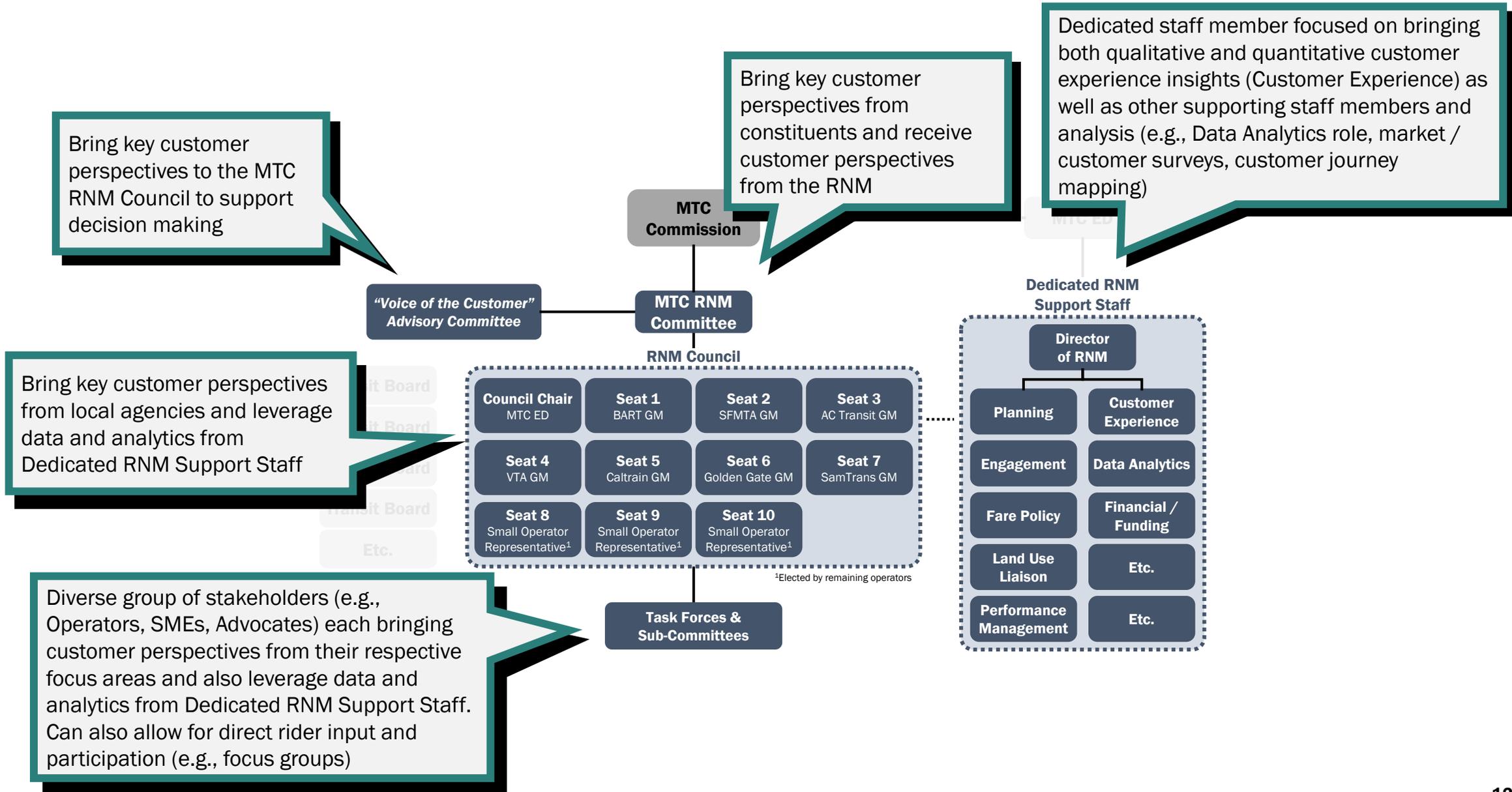
# MTC RNM Committee



# Voice of the Customer Advisory Committee

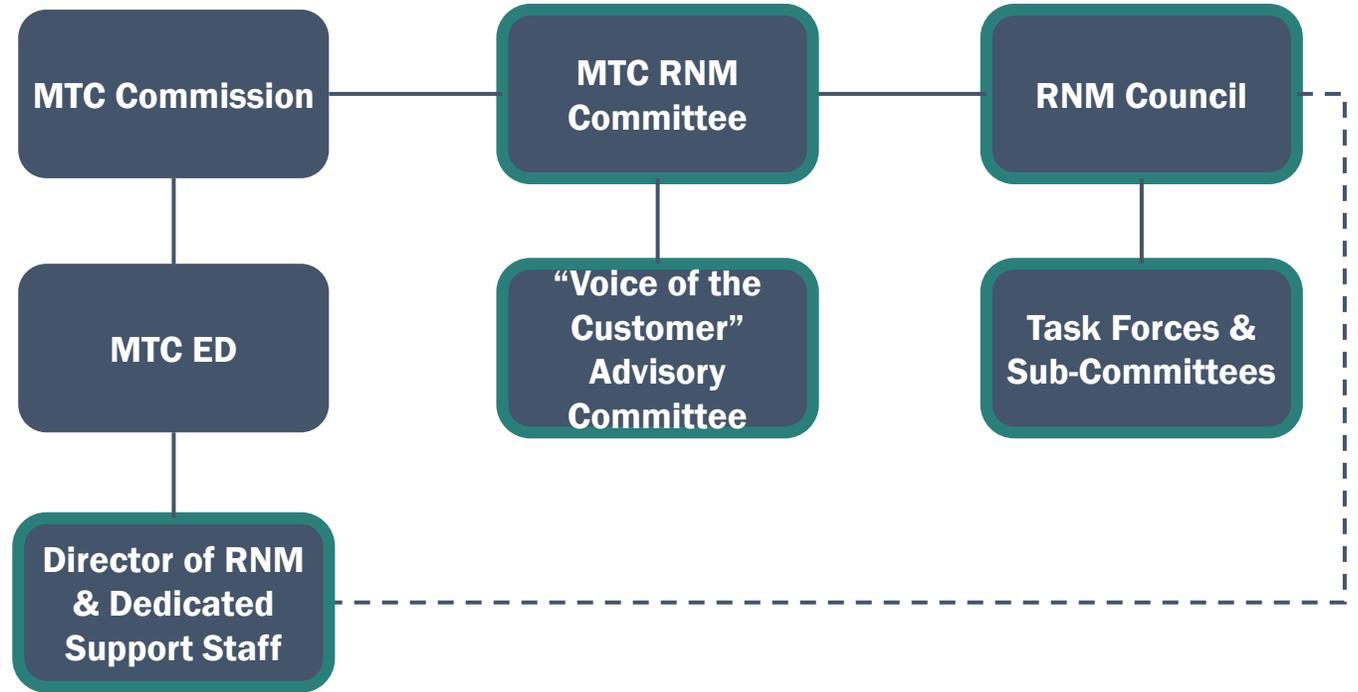


# Engagement Points for the Voice of the Customer



# Where the RNM Sits (Short / Near-Term)

**Note:** Director of RNM and Dedicated RNM Support Staff will be MTC employees and therefore have a solid reporting line to MTC (meaning that hiring, performance reviews, etc. will be completed by MTC); however, these roles will have a dotted reporting line to the RNM Council (meaning that the RNM Council will provide more strategic direction for where these roles should prioritize their time)



# **Draft RNM Charter and Evaluation Framework for RNM Evolution**

# Draft Charter for Short/Near-Term RNM (Illustrative)

**Note:** Charter is intended to provide a simple view of the RNM mission, vision, and objectives as well as set clear expectations for operations

## Mission

To drive transformative improvements in the customer experience for regional Bay Area transit

## Vision

To advance regional goals in equity, livability, climate, and resiliency through a unified regional transit system that serves all Bay Area populations

## Roles & Responsibilities

- **MTC/MTC RNM Committee:** Leverage existing regional purview and planning capabilities to help set the regional vision and policies for transit in the Bay Area and drive the direction of the RNM
- **RNM Council:** Council comprised GM-level Operator and MTC representatives who understand transit operations and can represent the interests of their stakeholders, make recommendations on regional polices, provide leadership, and support implementation of policies
- **“Voice of the Customer” Advisory Committee:** Group of stakeholders who represent the customer and can help inform decision-making with the customer in mind
- **Dedicated RNM Support Staff:** Group of dedicated staff (potential opportunity for seconded staff as well) with a broad range of capabilities and expertise to support the operations and analysis of the RNM
- **Task Forces & Sub-Committees:** Temporary (Task Forces) or longer-term (Sub-Committees) groups comprised a broad range of representatives, including Operators, stakeholders, and subject matter experts, that will help complete analysis and develop policy recommendations / options for topics

## Key Performance Indicators (KPIs)

Benefits KPIs			Program KPIs
Customer Benefits	Network Mgmt. Benefits	Other Public Benefits	RNM Program Performance
▪ TBD	▪ TBD	▪ TBD	▪ TBD
▪ TBD	▪ TBD	▪ TBD	▪ TBD
▪ TBD	▪ TBD	▪ TBD	▪ TBD

**Note: See example KPIs on next page**

## Meeting Cadence

- **MTC RNM Committee:** Every other month (minimum)
- **RNM Council:** Monthly (minimum)
- **“V.O.C.” Advisory Committee:** Every other month (minimum)
- **Task Forces & Sub-Committees:** To be determined on an individual basis

## Continuous Improvement

- RNM Program KPIs to help inform improvement needs
- Continuous improvement of RNM operations to be driven by Director of RNM and Dedicated Support Staff
- Continuous improvements to RNM framework to be driven by RNM Council
- Formal review of RNM to be completed by MTC 2 years after establishment

## Reporting Requirements

- **Bi-Monthly (Every Other Month) Progress Report to MTC RNM Committee** (RNM Council)
- **Semi-Annual Report on Achievements, KPIs, and Next Steps** (RNM Council)
- **Bi-Monthly (Every Other Month) Voice of the Customer Report** (V.O.C. Advisory Committee)

# KPIs & Priority Initiatives (Illustrative)

## KPIs

### Benefits KPIs

KPIs to track the achieved benefits of regional transit and inform regional transit policy decisions

#### Customer Benefits

Examples include:

- Connection times
- Regional commute time
- % of accessible transit stations
- Etc.

#### Network Management Benefits

Examples include:

- Regional ridership
- Total regional operating costs
- Regional fare revenue
- Etc.

#### Other Public Benefits

Examples include:

- Commute mode choice
- GHG Emissions
- % of income spent on transit
- Etc.

### Program KPIs

KPIs to monitor the performance of the RNM and inform RNM evolution

#### RNM Program Performance

Examples include:

- % and timeliness of priority initiatives complete
- % of RNM vacancies
- Regional policies implemented
- Etc.

## Priority Initiatives

Initiatives identified as priority items for the RNM to address (e.g., BRTF outcomes)

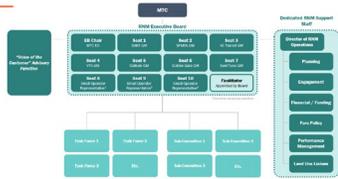
Examples include:

- **Fares and Payment:** Simpler, consistent, and equitable fare and payment options attract more riders (BRTF)
- **Wayfinding & Mapping:** Integrated mapping, signage, and real-time schedule information to make transit easier to navigate and more convenient for both new and existing riders (BRTF)
- **Connected Network Planning:** Bay Area transit services are equitable planned and integrally managed as a unified, efficient, and reliable network (BRTF)
- Etc.

# How the Operating Model will Drive Long-Term Evolution of the RNM

**Note:** To support continuous improvement, KPIs will be established at creation to track RNM performance and a formal review of the RNM framework will be conducted 2 years after creation by MTC

## Short / Near-Term RNM Framework



## Establish Leadership & Scale Roles



Establish foundational leadership roles while scaling support elements to meet changing priorities

## Establish & Expand Regional Tools



Develop tools and technology to drive standardization and improve efficiency

## Refine Processes & Enhance Incentives



Update processes to meet changing needs / goals and enhance incentives to support process implementation

## Sharpen Authorities



Enhance agency authorities to align decision-making capabilities with regional goals

## Long-Term RNM Framework



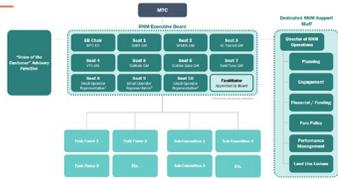
Note: Illustrative

# Using Metrics & KPIs to Measure Progress

**Benefits KPIs** | Have commute times changed? Are more accessibility options now open to the public?

**Program KPIs** | What is the average schedule performance of priority initiatives – how many are behind/ahead/on-time? are there any existing RNM vacancies?

## Short / Near-Term RNM Framework



## Establish Leadership & Scale Roles



## Establish & Expand Regional Tools



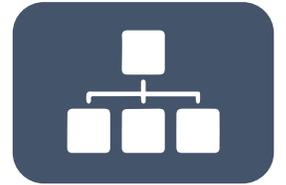
## Refine Processes & Enhance Incentives



## Sharpen Authorities



## Long-Term RNM Framework



**Overall Progress** | Every 2 years, the KPIs should be revisited and refined based on point in the operating model journey – e.g., as regional tools/tech become focus should measures such as rollout and adoption be integrated?

# **180-Day Plan for Short/Near- Term RNM**

# 180-Day Plan for Standing up the RNM (*PRELIMINARY*)

**Note:** 180-Day plan to be finalized following further approvals by MTC leadership

<b>Pre-Launch</b> (Dec 13 – Feb 28)	<b>Days 0-60</b> (Mar 1 – Apr 30)	<b>Days 61-120</b> (May 1 – Jun 30)	<b>Days 121-180</b> (Jul 1 – Aug 30)
<ul style="list-style-type: none"> <li><input type="checkbox"/> <b>Develop initial budget, determine funding requirements, and identify funding sources</b></li> <li><input type="checkbox"/> <b>Write RNM Director job description / requisition</b></li> <li><input type="checkbox"/> <b>Finalize RNM Charter</b></li> <li><input type="checkbox"/> Develop draft MOU (or other agreement mechanism)</li> <li><input type="checkbox"/> Write job descriptions / requisitions for any immediate Dedicated Support Staff (likely 2-3 staff)</li> <li><input type="checkbox"/> Identify members for the “Voice of the Customer” Advisory Committee</li> <li><input type="checkbox"/> Determine mechanism to enable seconded staff</li> <li><input type="checkbox"/> <b>Obtain final approval from MTC Commission on RNM for launch</b></li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> <b>Align on RNM KPIs</b></li> <li><input type="checkbox"/> <b>Align on Priority Initiatives</b></li> <li><input type="checkbox"/> <b>Begin hiring process for RNM Director</b></li> <li><input type="checkbox"/> Begin seeking MOU approval from Transit Boards</li> <li><input type="checkbox"/> Begin hiring process for any immediate Dedicated Support Staff</li> <li><input type="checkbox"/> Identify MTC RNM Committee Members (after new chair of MTC is appointed)</li> <li><input type="checkbox"/> <b>Hold first MTC RNM Committee meeting</b></li> <li><input type="checkbox"/> <b>Hold first Voice of the Customer Advisory Committee meeting</b></li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> <b>Hold first RNM Council meeting</b></li> <li><input type="checkbox"/> Hold second Voice of the Customer Advisory Committee meeting</li> <li><input type="checkbox"/> Hold second MTC RNM Committee Meeting</li> <li><input type="checkbox"/> <b>Develop and approve annual RNM budget</b></li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> <b>Establish KPI reporting process and begin reporting on KPIs</b></li> <li><input type="checkbox"/> <b>Issue first Bi-Monthly (Every Other Month) Progress Report to MTC RNM Committee</b></li> <li><input type="checkbox"/> Hold second RNM Council meeting</li> <li><input type="checkbox"/> Hold third Voice of the Customer Advisory Committee meeting</li> <li><input type="checkbox"/> Hold third MTC RNM Committee Meeting</li> <li><input type="checkbox"/> Hold second RNM Council Meeting</li> </ul>

# Estimated Initial Budget to Stand Up the RNM

Role	Quantity	Fully Loaded Staff Costs <sup>1</sup>	Total
Director of RNM	1	\$600k	\$600k
Dedicated Staff Member	2-3	\$350k - \$500k	\$700k - \$1.5m

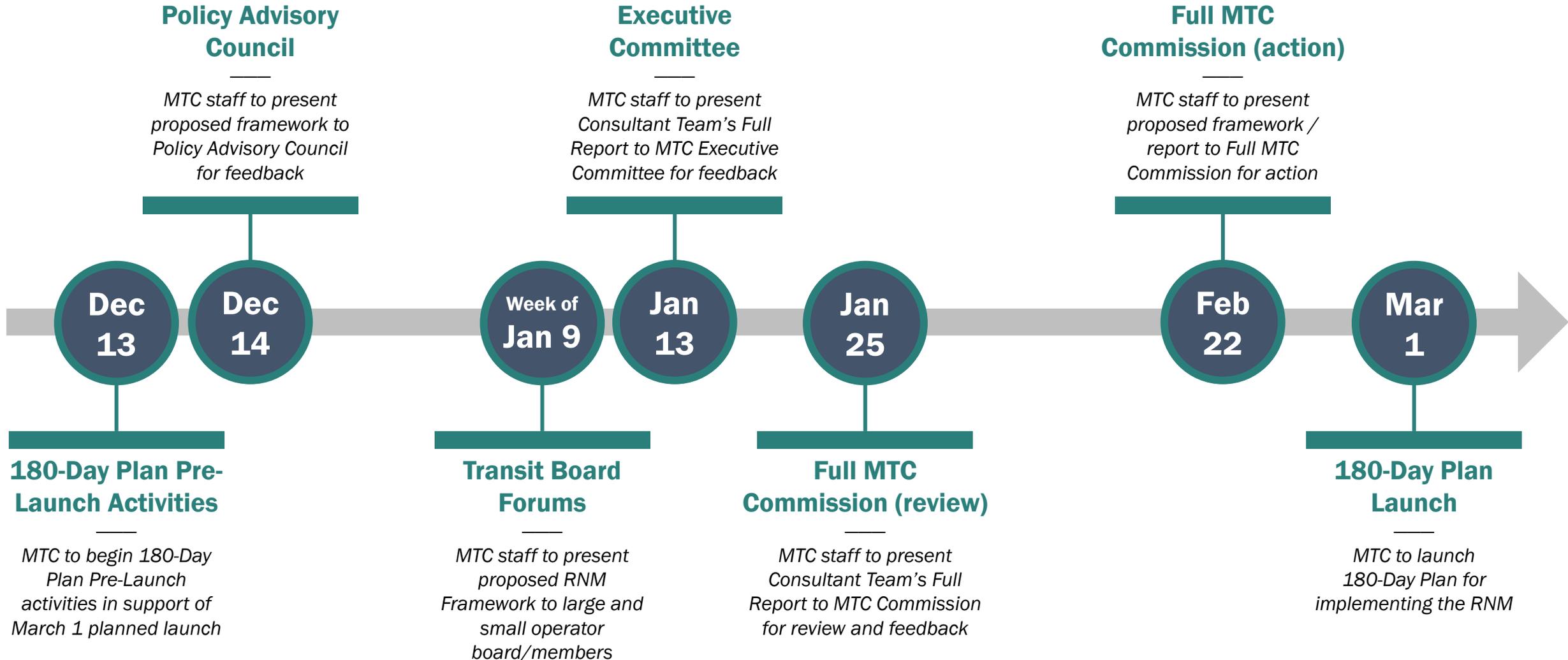
Note: these values are for incremental personnel and would be in addition to those currently working in similar capacities at MTC and Transit Agencies

**\$1.3m - \$2.1m**

<sup>1</sup>Source: Fully loaded rates (salaries, benefits, and overhead) from MTC

# Next Steps

# Next Steps & Milestones

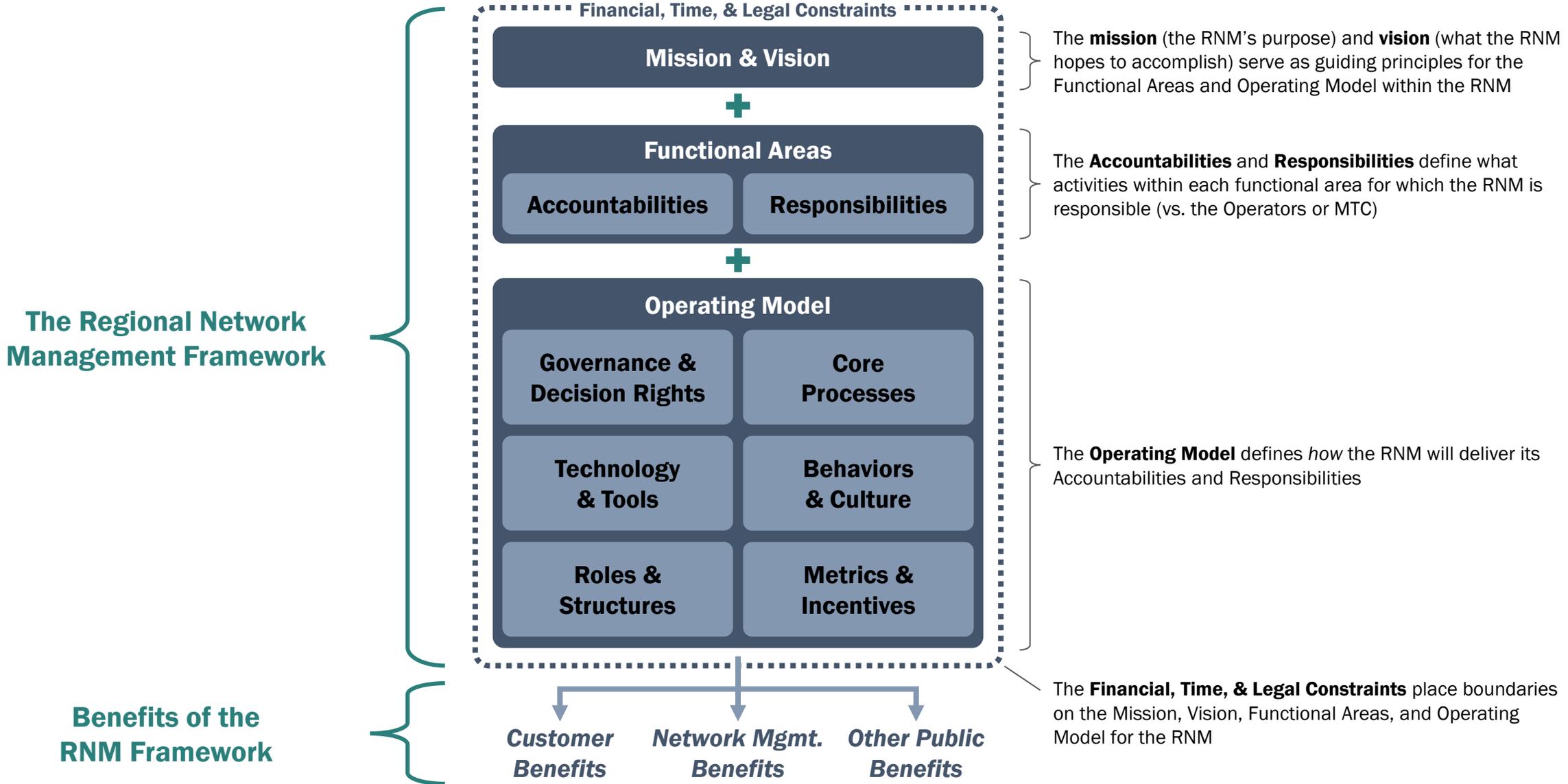


# Discussion Questions

	Topic	Discussion Questions
<b>1</b>	<b>Updated Short / Near-Term RNM</b> (Slide 9)	Does the updated Short / Near-Term RNM effectively reflect your feedback? Are there any other refinements that should be considered at this stage?
<b>2</b>	<b>180-Day Plan</b> (Slide 20)	What feedback do you have on the activities and their respective timing in the 180-Day Plan? Are there any activities that we are missing?

# Appendix

# The RNM Framework



# Proposed RNM Mission & Vision Statements

## Proposed Mission Statement

("Core Purpose")

To drive transformative improvements in the customer experience for regional Bay Area transit

## Proposed Vision Statement

("Why")

To advance regional goals in equity, livability, climate, and resiliency through a unified regional transit system that serves all Bay Area populations

# Regionalization for each Functional Area was based on the identified Regionalization Considerations & Categories

Will regionalizing this accountability / responsibility...

## 1 Improve the customer experience

Such as:

- Reduce travel times
- Improve equity
- Simplify the user interface
- Enhance accessibility
- Increase affordability

and  
/ or

## 2 Unlock efficiencies

Such as:

- Enable sharing of costs
- Generate economies of scale
- Reduce time spent on coordination activities
- Reduce duplicative efforts / activities
- Enable / attract funding

and  
/ or

## 3 Be feasible

Such as:

- Is not cost prohibitive
- Within achievable legal / regulatory limitations
- Agency has path to authority, where required
- Is operationally possible

# Preliminary Regional Role for Functional Area Activities

## Fare Integration Policy

- Set the **regional vision** for fare integration (C/F)
- Establish regional fare integration **policies** (e.g., Tier 3/4) (C/E/F)
- Establish policy implementation plans, including the **identification of funding** (E/F)

## Wayfinding & Mapping

- Set the **regional vision** for wayfinding (C/F)
- Establish regional wayfinding **policies** (e.g., design standards, compliance requirements) (C/E/F)
- Establish policy implementation plans, including the **identification of funding** (E/F)
- Deliver centralized procurement, where relevant (E/F)

## Accessibility

- Embed accessibility within each of the other functional area plans (C/F)
- Define a regional vision for paratransit operations (C/F)
- Identify improvements needs re: implementation of paratransit policies and requirements (C/F)
- Establish a regional implementation plan (C/E/F)

## Bus Transit Priority

- Set the **regional vision** for BTP (C/F)
- **For BTP Corridors:** Define corridors, establish standard data / reports; identify needs / initiatives; serve as the central coordination point for state, county, and city stakeholders (C/E/F)
- **For Non-BTP Corridors:** Recommend potential initiatives; serve as the central coordination point for state, county, and city stakeholders (C/E/F)
- Establish policy implementation plans, including the identification of funding (E/F)

## Rail Network Mgmt.

- Set the **vision** for the regional rail network (C/F)
- Translate regional vision into regional implementation plan (project prioritization, sequencing, integration points, project funding, delivery approach, etc.) (C/E/F)

## Connected Network Planning

- Identify critical regional transit gaps to create CNP (C/F)
- Establish and create data tools for regional planning (E/F)
- Identify funding priorities and establish service standards (C/E/F)
- Draft changes to CTP guidelines to include identified regional transportation gaps in county planning process (C/F)

## Key Takeaways

- 1) Regional Role:** Regional entity will set the vision, make select funding decisions, develop the regional policies, create implementation plans, and implement regional programs (as needed) by coordinating stakeholders
- 2) Operator Role:** Operators will be highly involved in regional decision making, provide local stakeholder perspectives / needs, and implement regional policies
- 3) RNM Framework:** RNM Framework will need to be designed to facilitate the effective and efficient interplay of these two roles (see slide 14 for key operating model needs)

**Legend:** C = Improve the Customer Experience E = Unlock Efficiencies F = Be Feasible

# The current-state assessment revealed cross-cutting challenges for which the RNM Operating Model will be focused to address:

## Governance and Decision Rights

- Need to establish a single entity to coordinate / drive regional decision making
- Need to place existing / potential customers at the forefront of decision making
- Need to provide then RNM with clear policy purpose and hold the RNM accountable for delivery
- Need to establish common regional objectives / vision

## Metrics and Incentives

- Need to establish standardized regional metrics
- Need to give the RNM authority / incentivize participation in regional activities (e.g., through new approaches to funding)
- Need to be able to obtain commitment from the participants in the RNM

## Roles and Structures

- Need to leverage existing resource capabilities and capacities in the short/near term, but enable ability to scale over the long term
- Need to provide technical and communications capacity to support Operators
- Need to include a broad range of stakeholders

## Behaviors and Culture

- Need to promote collaboration and trust between policy funding bodies and implementation bodies
- Need to ensure cross-integration of regional priorities
- Need to find right leader to drive the growth and success of the RNM and regional objectives

## Core Processes

- Need to improve planning / coordination processes
- Need to provide a simpler interface for key stakeholders / riders to provide input or coordinate activities
- Need to enable faster and more inclusive decision-making processes

## Technology and Tools

- Need to establish regional tools (e.g., regional travel market/demand model)
- Need to establish common language for data collection and reporting
- Need to enable centralized / shared procurement, where beneficial / possible



# To address these challenges, the RNM will need three key elements

## Regional Visioning Element

- Set the strategic vision / direction and ensure outcomes for customers
- Be accountable for regional transit network policy and priorities
- Approve / create / revise regional policies
- Approve new and existing sources of funding
- Provide a voice to key stakeholders to enable trust

## Steering Element

- Provide / reach consensus on policy recommendations (to be approved by Regional Visioning Element or Operators)
- Define and report performance metrics on outcomes for RNM
- Guide Administrative / Operational Element on execution

## Administrative / Operational Element

- Provide a dedicated staff and tools to enable execution and provide capacity support
- Develop policy recommendations / options to be acted on by Steering Element
- Support the Steering Element through subject matter expertise, execution, and coordination
- Provide a voice to key stakeholders to enable trust

# These three elements can be delivered through several components

## Regional Visioning Element

**MTC RNM Committee:** Leverage existing regional purview and planning capabilities to help set the regional vision for transit in the Bay Area and drive the direction of the RNM

**“Voice of the Customer” Advisory Committee:** Group of stakeholders who represent the customer and can help inform decision-making with the customer in mind

## Steering Element

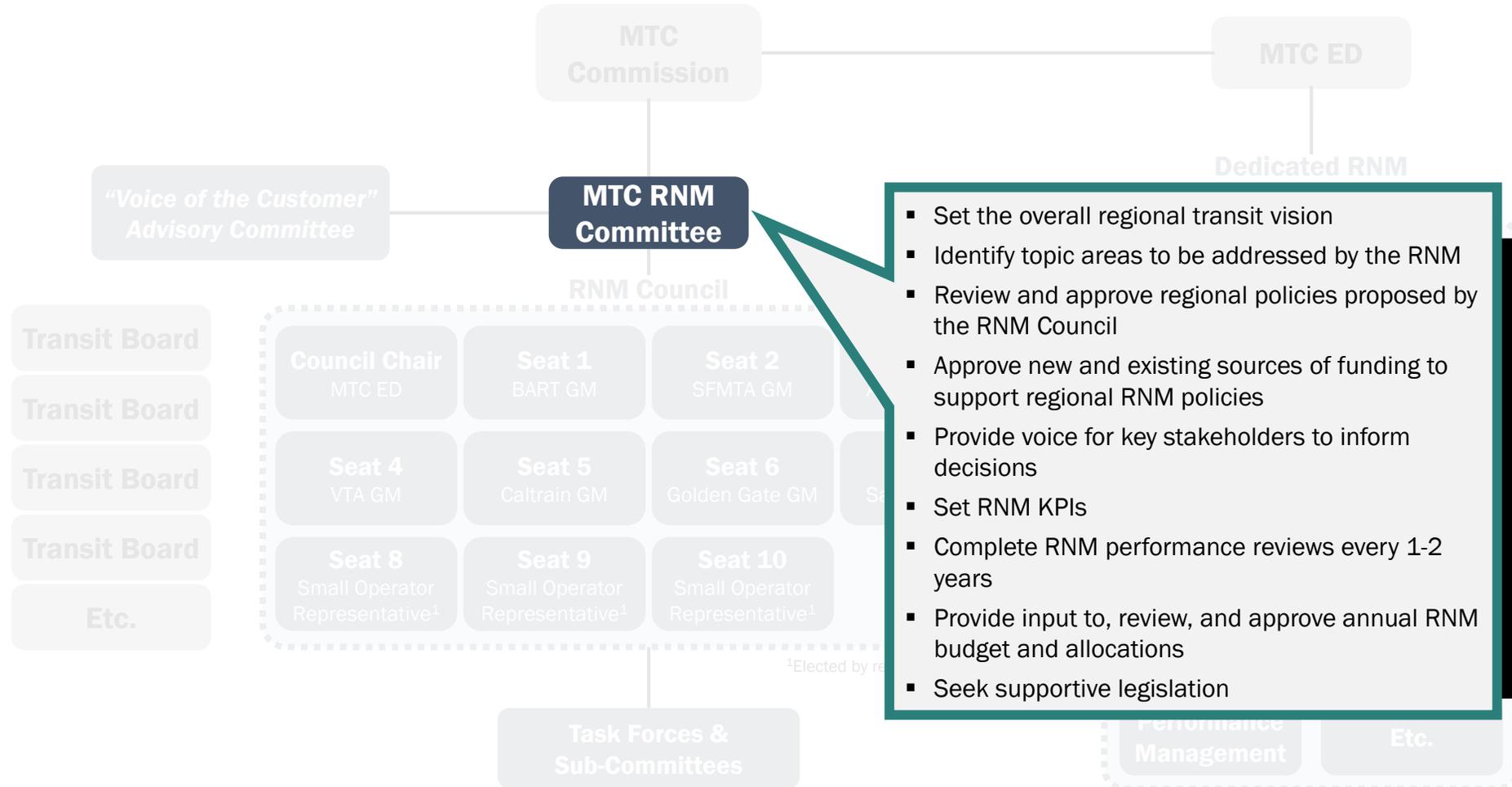
**RNM Council:** Council comprised GM-level Operator and MTC representatives who understand transit operations and can represent the interests of their stakeholders, make critical decisions on regional policies, and provide leadership

## Administrative / Operational Element

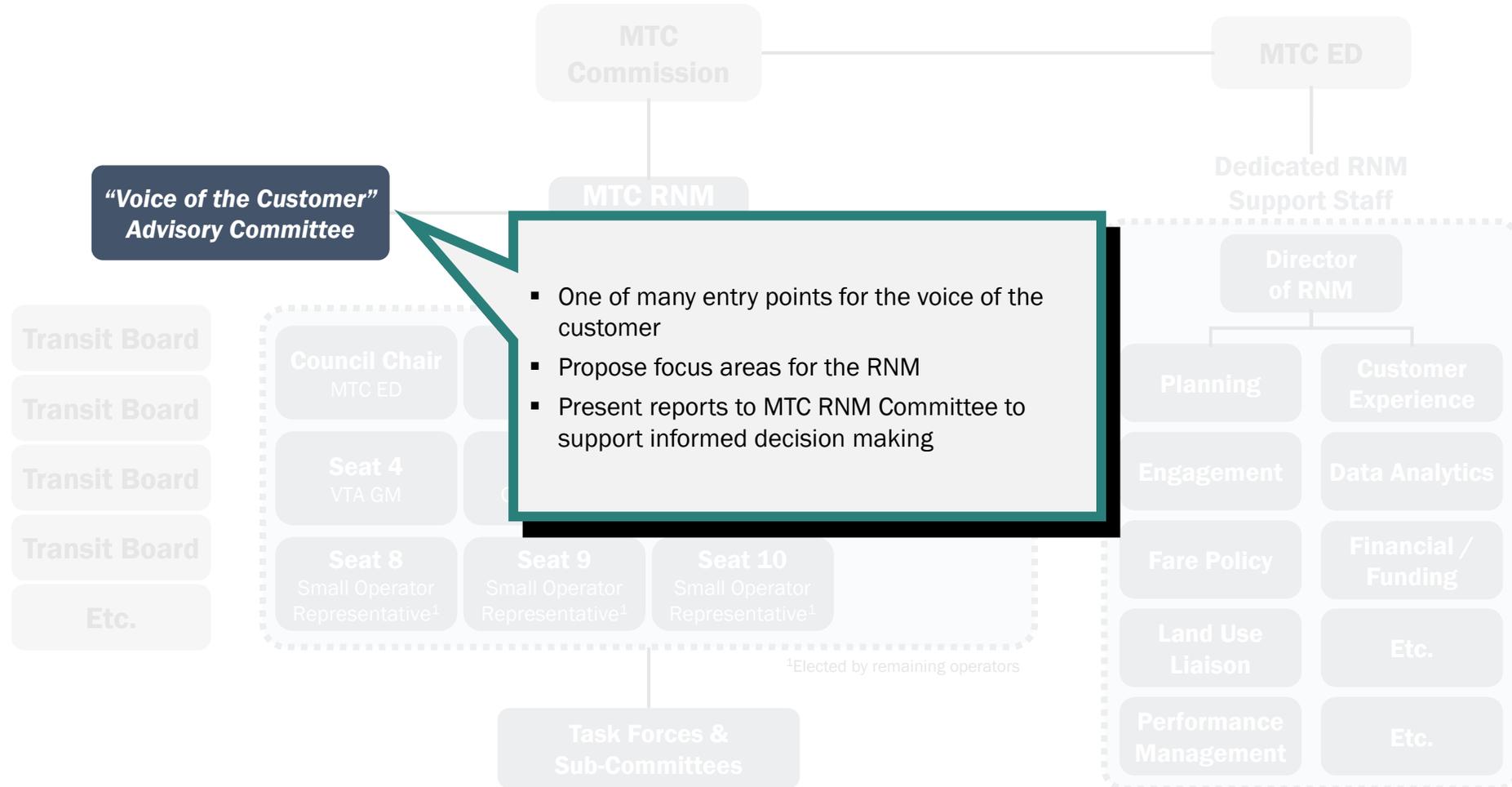
**Dedicated RNM Support Staff:** Group of dedicated staff (potential opportunity for seconded staff as well) with a broad range of capabilities and expertise to support the operations and analysis of the RNM

**Task Forces & Sub-Committees:** Temporary (Task Forces) or longer-term (Sub-Committees) groups comprised a broad range of representatives, including Operators, stakeholders, and subject matter experts, that will help complete analysis and develop policy recommendations / options for topics

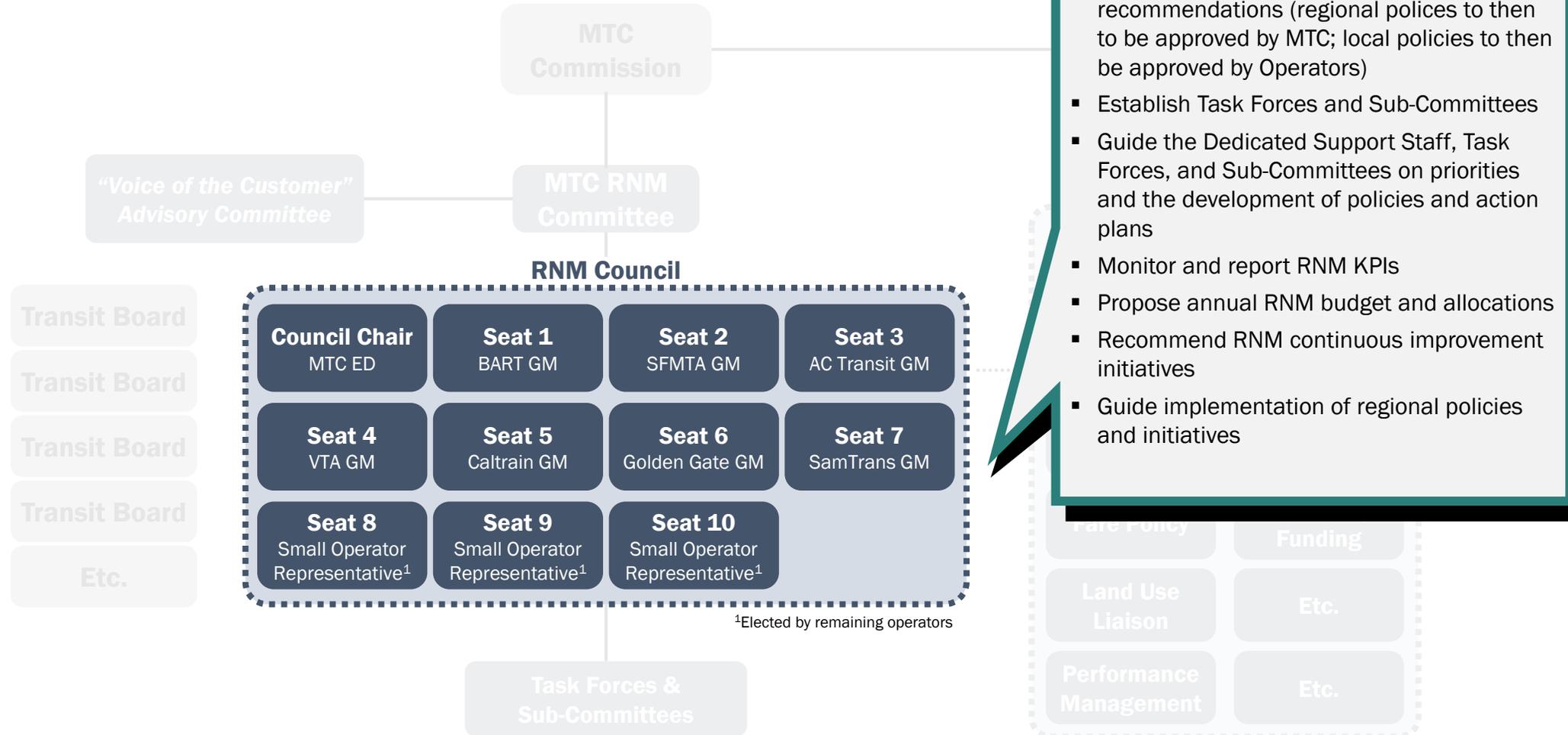
# Proposed Short / Near-Term RNM



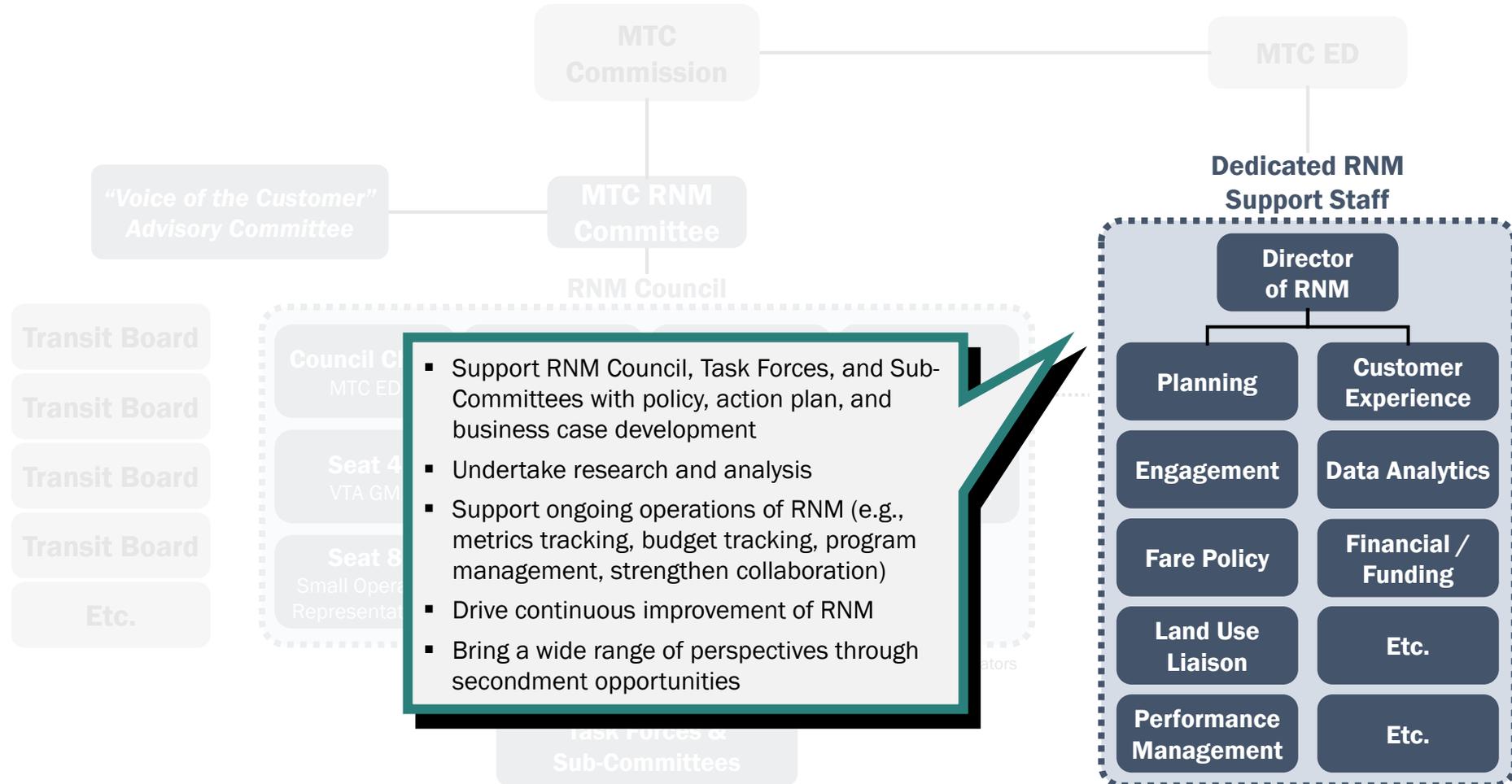
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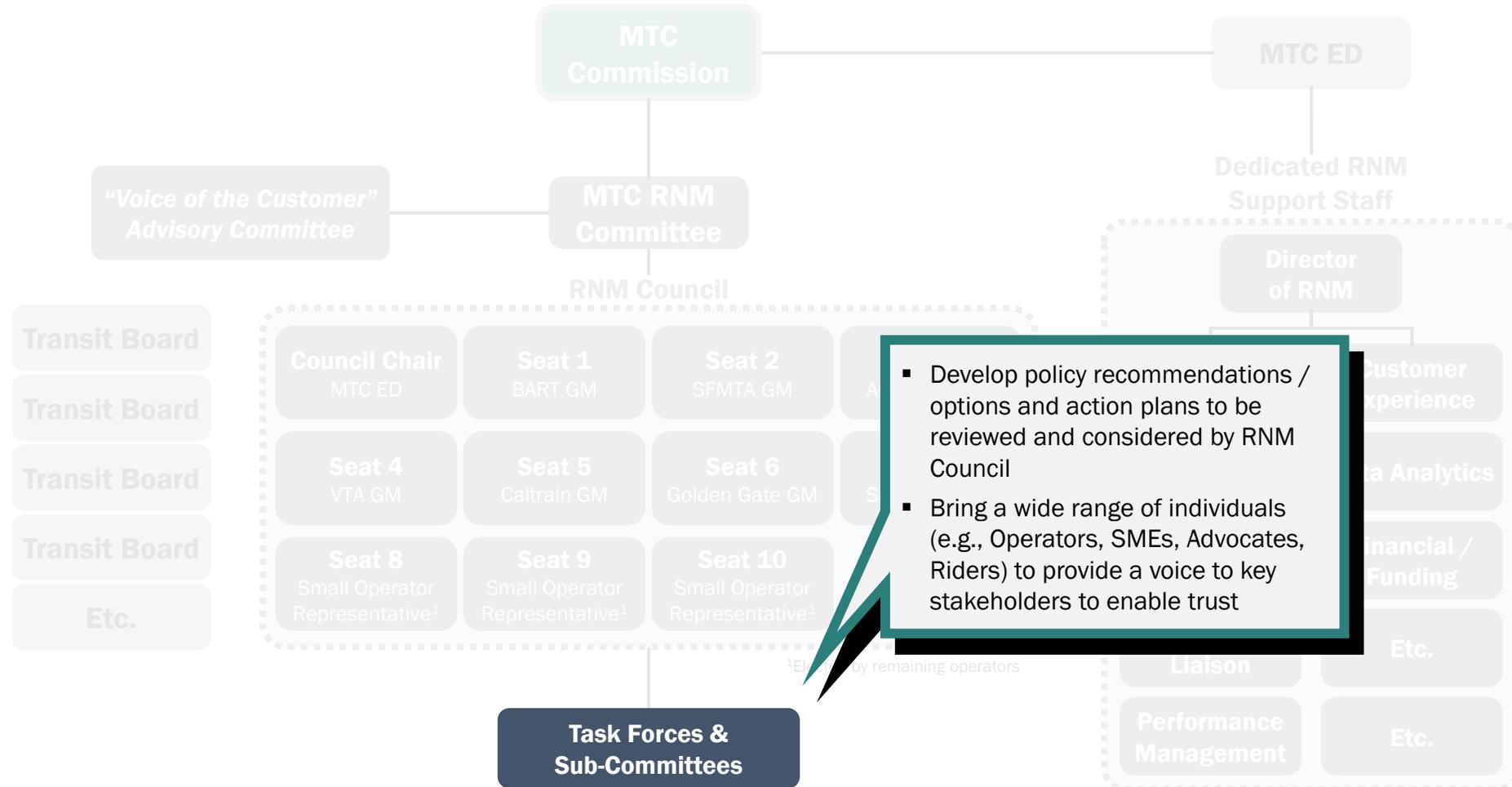
# Proposed Short / Near-Term RNM



# Proposed Short / Near-Term RNM



# Proposed Short / Near-Term RNM



- Develop policy recommendations / options and action plans to be reviewed and considered by RNM Council
- Bring a wide range of individuals (e.g., Operators, SMEs, Advocates, Riders) to provide a voice to key stakeholders to enable trust