

# Regional Network Management Business Case Evaluation

Advisory Group Kick-Off, January 10, 2022

# Draft Agenda

- 1. Roll Call/Confirm Quorum (5)**
- 2. Welcome & Introductions (5)**
- 3. Election of Chair (5)**
- 4. Organization of NM Business Case (5)**
- 5. NM Business Case Overview (15)**
- 6. Advisory Group Feedback (30)**
- 7. Meeting Summary & Next Steps (5)**
- 8. Public Comments/Other Business (20)**

- A) Background
  - B) Purpose & Advisory Group Role
  - C) Engagement Process
  - D) Timeline
- 
- A) Current Context
  - B) Scope and Methodology
  - C) Approach for Collaboration



# Welcome Advisory Group

## Transit Operators

- **AC Transit:** Michael Hursh
- **BART:** Bob Powers
- **Caltrain:** Michelle Bouchard
- **County Connection:** Bill Churchill
- **GGBHTD:** Denis Mulligan
- **SFMTA:** Jeffrey Tumlin
- **VTA:** Carolyn Gonot

## Stakeholders

- **MTC:** Therese McMillan
- **MTC Policy Advisory Council:** Adina Levin
- **ATU:** James Lindsay
- **Bay Area Council:** Jim Wunderman
- **Sonoma County Transportation Authority:** Suzanne Smith
- **SPUR:** Alicia John-Baptiste
- **Transform:** Hayley Carrier

# Election of Chair/Vice Chair

- **Propose one representative from transit GMs and one representative from stakeholders as Chair and Vice Chair**
- **Responsibilities**
  - **Chair**
    - Draft Agenda comment opportunity
    - Manage the flow of Advisory Group meetings
    - Manage Advisory Group comment order
    - Facilitate Advisory Group recommendations
    - Represent the Advisory Group at Commission updates
    - Occasional communication with MTC PM and/or consultant (optional)
  - **Vice Chair**
    - Perform all Chair duties when the Chair is not available to do so

# Background

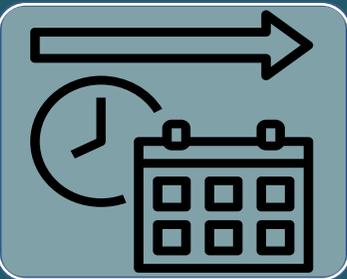
- **BRT/RTF Goals - 2 of 4 focused on Network Management Reform**
  - Goal 3: Identify near-term actions to implement beneficial long-term Network Management & Governance reforms
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  - Goal 4: Establish how current MTC and state transit initiatives should integrate with Network Management & Governance reforms
    -
- **Task Force sponsored a Preliminary Network Management Evaluation to serve as a foundation for a more in-depth business case analysis.**
- **Current Network Management Business Case Analysis is about ensuring transit transformation in the long-term.**

# Business Case Analysis



## PURPOSE

- Business case to determine extent of authority and best form.
- Evaluate the benefits, costs, and risks of selected alternatives and present rationale for preferred solution.



## ADVISORY GROUP

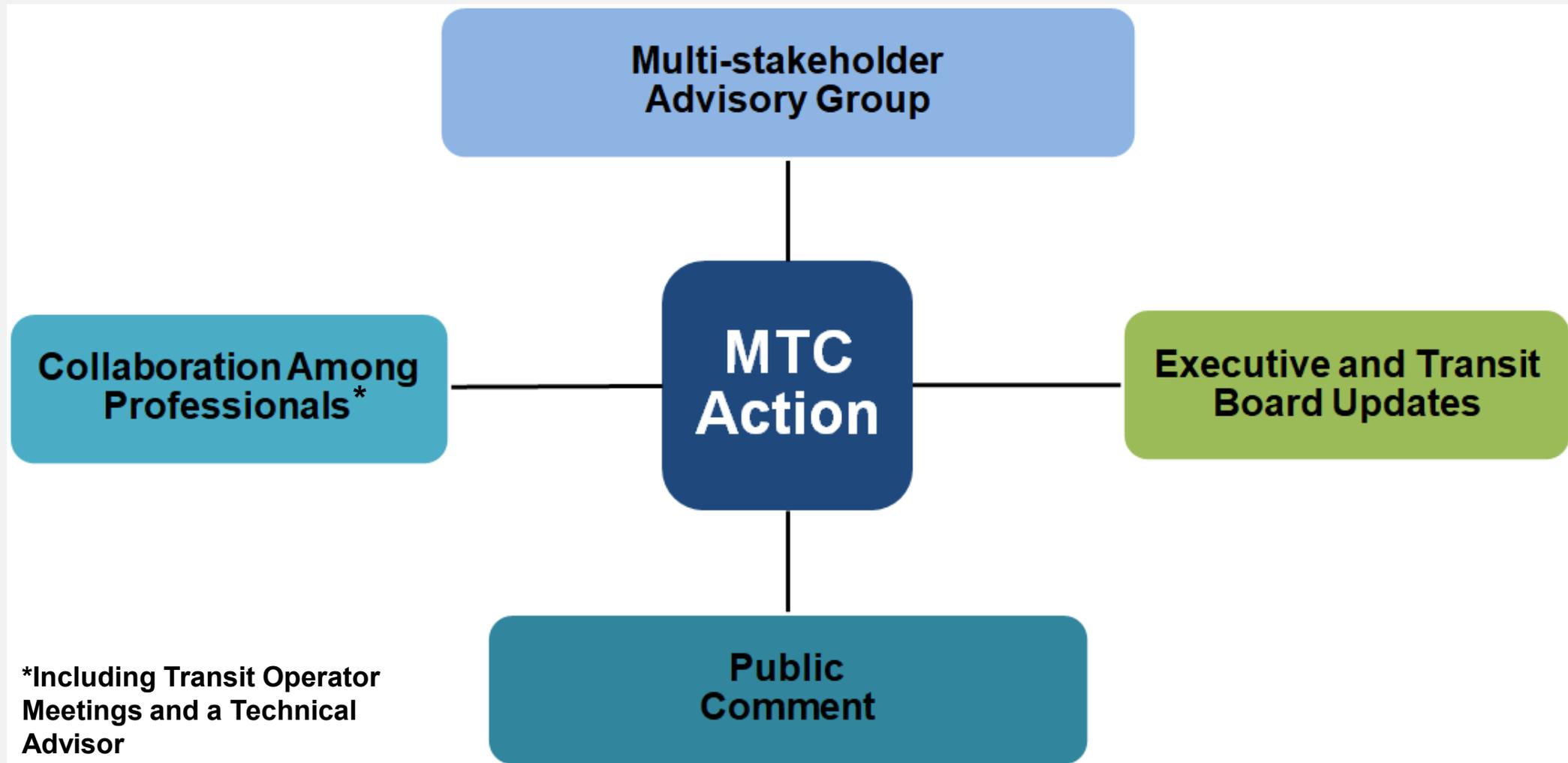
- Guide and review analysis and recommendations, provide periodic updates to Commission
- Limited Jan '22 – Sept '22 (~9 months)



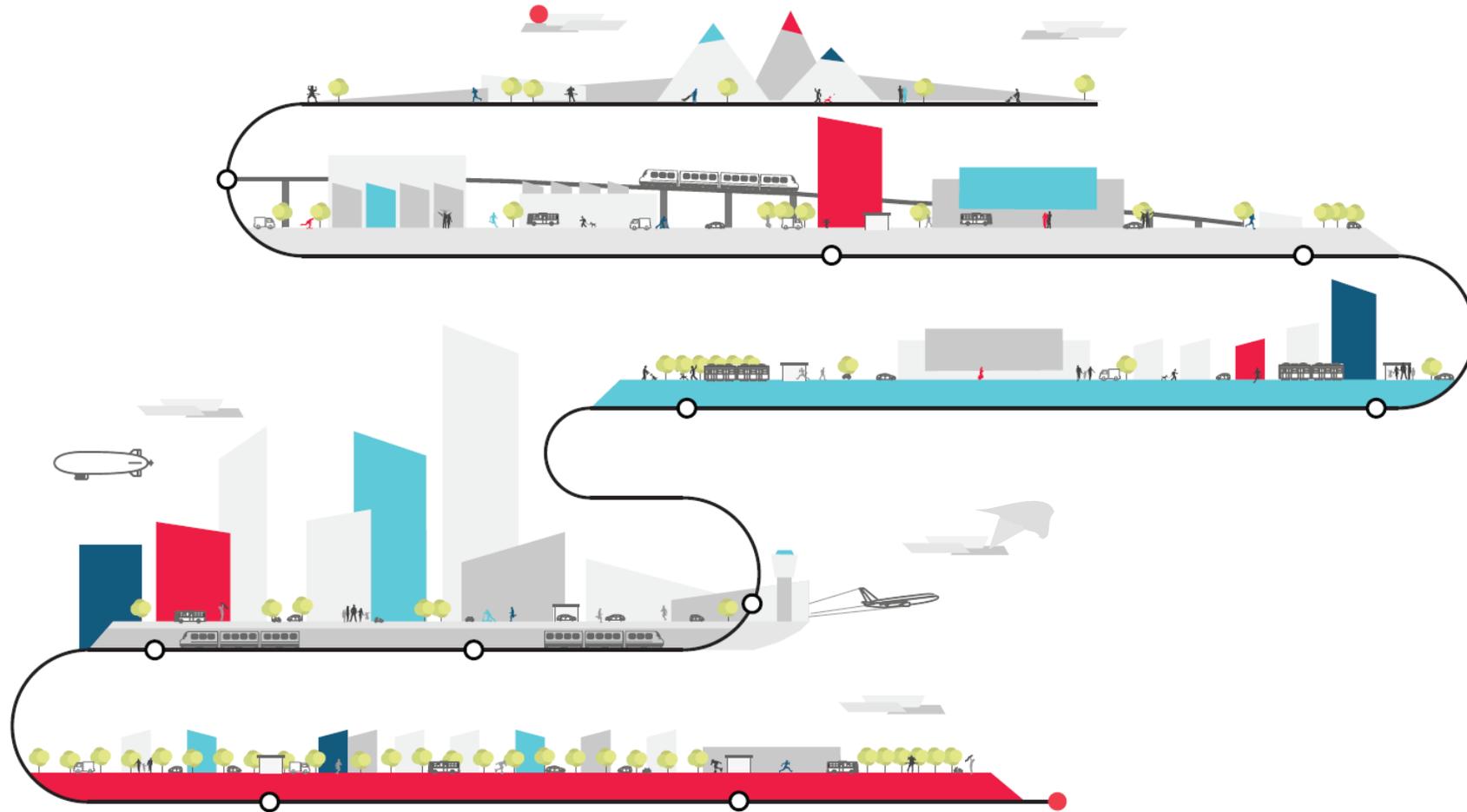
## COMMISSION ACTION

- Select Business Case Consultant
- Final action on Consultant recommendations

# Inclusive Process leads to MTC Action



# Business Case Evaluation – Consultant Team



# Business Case Evaluation – Consultant Team

**ACCESS.**

Business Case Framework + Strategy, Governance and Accountabilities, Documentation



Project Management, Engagement



Financial Impact Analysis, Business Casing

**Sam Schwartz**

Operational and Executive Advisory, RNM Service Planning Impacts



Implementation Advisory, Project Delivery and Best Practice

Includes additional Subject Matter Experts, Evaluation task leads, Communications support

# BRTRTF – Summer Evaluation Phase

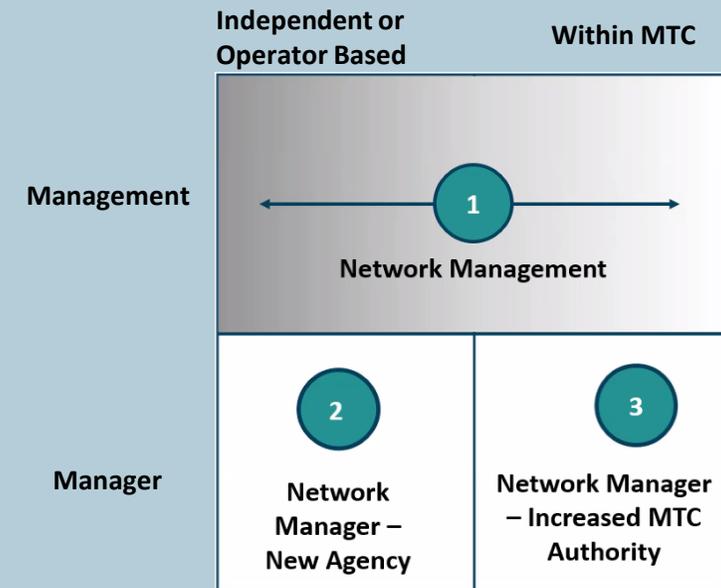
## Preliminary Network Management Evaluation – Foundation for Business Case

- Recommended proceeding to a business case analysis to identify a preferred network management

## Provided a framework for alternatives, broadly a choice between *management vs manager* and highlighted:

- Key trade offs with scope, extent
- Importance of Public Policy accountability
- Integral nature of new funding

- Alternatives developed in Summer 2021 are a ‘starting point.’
- Expect additions, refinements or variants early in this process.



# Current Context for this Business Case

## Previous phase sets the scene but is unfinished

- Clearly link problems to desired outcomes and solutions
- Confirm what is most important, and how to measure?
- “Show me the data” – derive strategy for the RNM "program" - quantify and monetize outcomes
- Understand and confirm RNM boundary conditions

**“Law of unintended consequences”** – check optimism bias, anticipate benefits and negative impacts

**"Start with the end in mind"** - find practical implementation paths to get you there

# Project Needs and Challenges

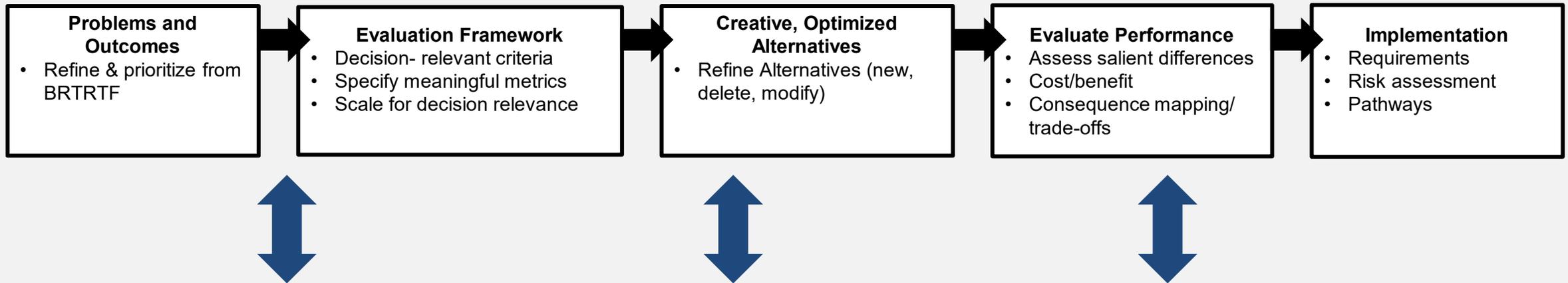
## Key Challenges

- Divergent opinions on how to address priorities and means
- Institutional, financial, policy complexity
- Finding the right evidence to support transformation
- Complex, contested conversations

## How can we build on momentum and create a consensus for change?

- Shared interests, agreement on desired outcomes
- Affirming both local and regional interests and roles
- Transparency and trust
- Time for dialogue

# Collaboration Shapes Evaluation at Each Stage



**Collaborative development** with stakeholders and executives.  
**Dialogue** and “**check points**” to explore, refine, stress test, course correct at formative points.

# 9-Month Timeline



Task 1: Scoping

- Collaborative work planning and expectations alignment

Task 2: Existing Conditions & Alternative Refinement

- Review BRTF work; refine NM Accountability Areas and Evaluation Criteria

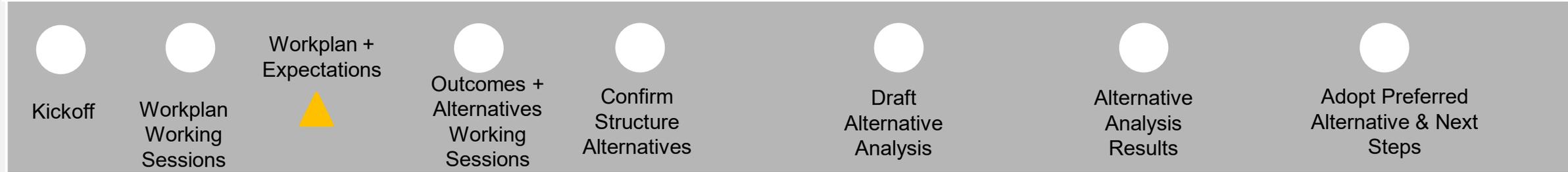
Task 3: Alternatives Analysis

- Identify/Assess Structure Alternatives for Business Case analysis
- Analysis of NM Alternatives and identify preferred alternative
- Recommendation on preferred NM Alternative and next steps

Task 4: Recommendations

- Commission takes action on preferred NM Alternative

## Key Engagement and Decision Milestones



# January/February Work

## January

- Work plan development in collaborative working sessions:
  - Identify key issues and priorities
  - Role clarity, engagement and decision process
  - Business case methodology, measures, metrics etc.
  - Process for selection of structure alternatives for analysis
- Consultant team – background research and documentation

## February

- Existing conditions assessment
- Network role definition and accountabilities
- Evaluation framework and metrics development
- Understanding relationship with Rail Grant

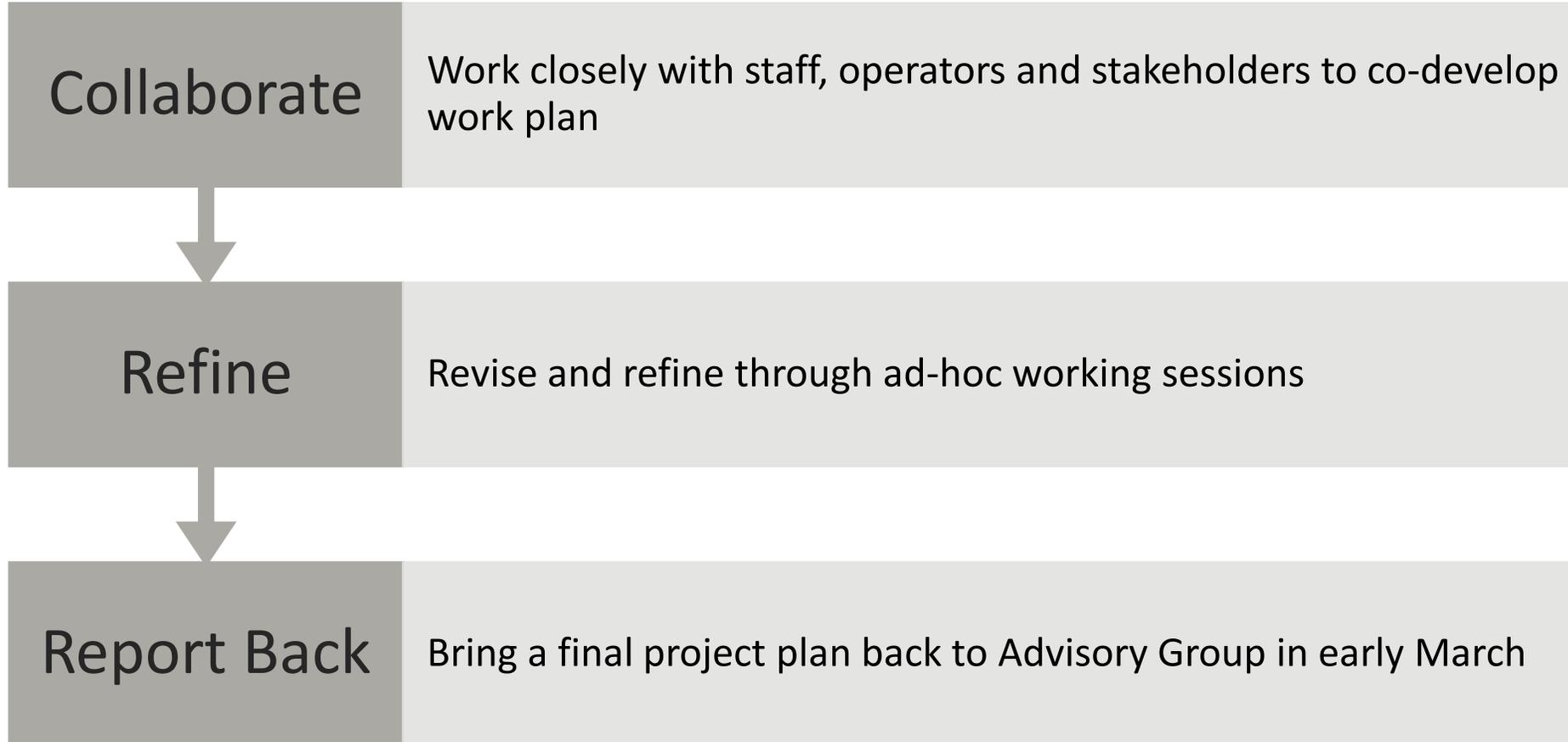
# Advisory Group Discussion

- Want to understand: What are the top things we should be thinking about during work planning?
- Expectations for Process and Analysis
- What success looks like (success factors metrics) e.g.
  - Desired Outcomes
  - Key Interests
  - Priorities

# Questions for Guided Discussion

1. Reflecting on the Task Force work of last summer as a foundation of work, what do you think we need to do in this Business Case to ensure
  - A technically strong NM evaluation
  - An actionable solution
2. The Evaluation will assess effectiveness of a range of NM Structures in delivering better regional outcomes.
  - What are the top questions this business case needs to address to understand which solution is most suitable for the Bay Area?
  - What are the top 2-3 criteria you feel are most important factors to drive decision on the best NM alternative for the Bay Area?

# Next Steps



# Public Comment