

BRTRTF

Date: 07 26 21

RNM Options Assessment and Evaluation

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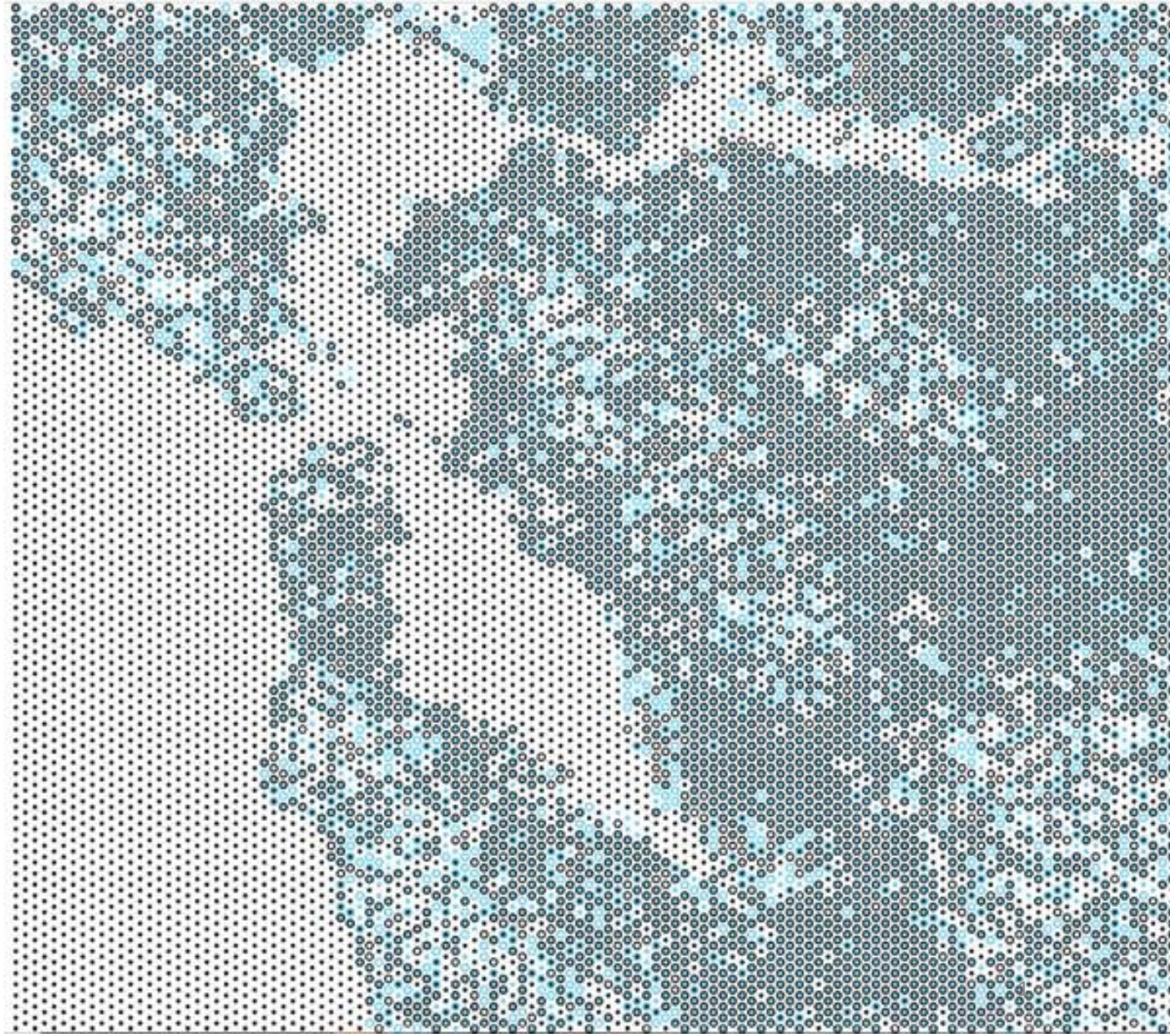


TRANSIT RECOVERY TASK FORCE

VIA
ACCESS.



Kevin Desmond

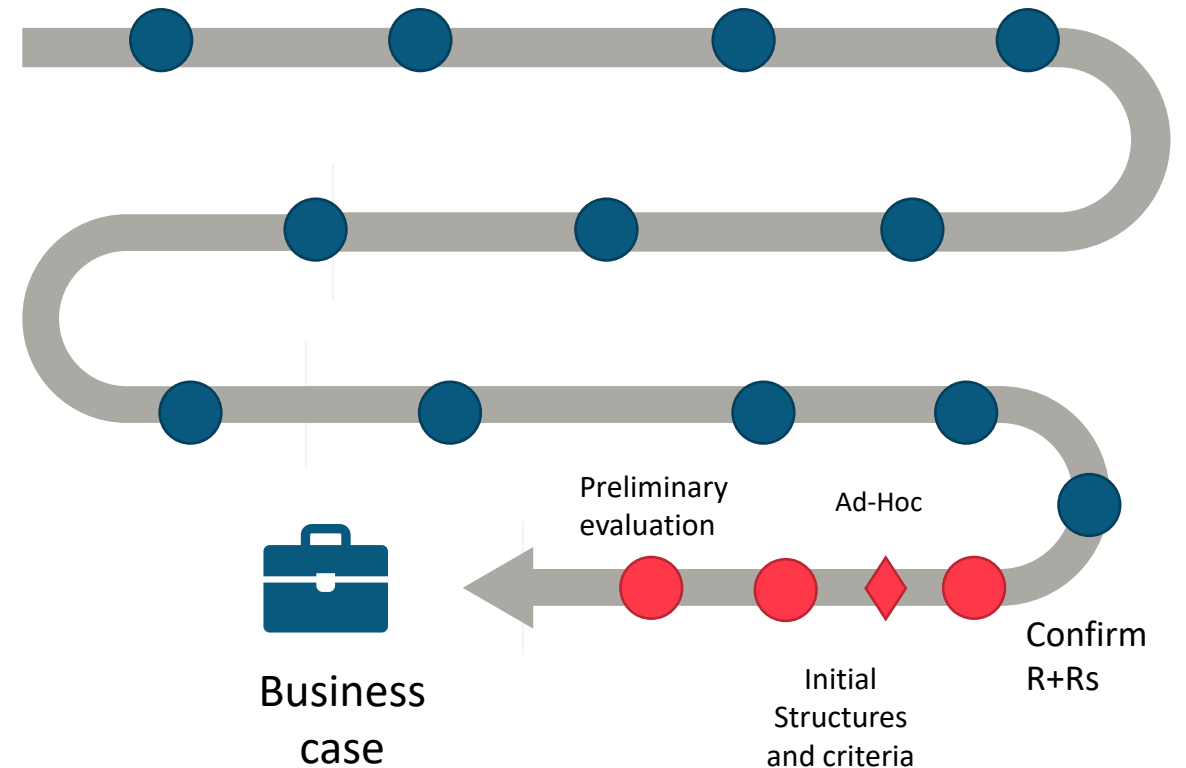


Agenda (60 Minutes)

Item	Timing
1. Recap	5 Minutes
2. Evaluation: Approach and options	5 Minutes
3. Preliminary Assessment	20 minutes
4. Discussion	30 minutes

Recap

- **Why, What, How**
- Audit, Confirm BRTRF Roles and Responsibilities, Outcomes (**May BRTF**)
- Regional Network Management accountabilities (**June Ad Hoc BRTF**)
- Preliminary Evaluation Criteria and Structures (**June BRTF**)



Why are we here?

Bay Area has a Shared Destiny

Interdependent

- *Economically*
- *Ecologically*
- *Socially*

**Common problems and opportunities
require collective action**



Challenge...A Transit 'Patchwork'

Access and mobility is critical to Mega-Region's Success

Today

- Local responsiveness and priorities
- Local identities

But

- Disconnected 'pieces'
- Lack of consistent delivery to vision
- Who is responsible for putting it all together?



From Patchwork, to Patchwork Quilt

Features:

- Unified vision
- Parts to whole
- Cohesive
- Unique identities

Values:

- Resourceful
- Creativity
- Usefulness

Image Credit: ETSY

https://www.etsy.com/listing/90804662/quilters-palette-quilt-pattern-pdf-file?ref=sr_gallery_1



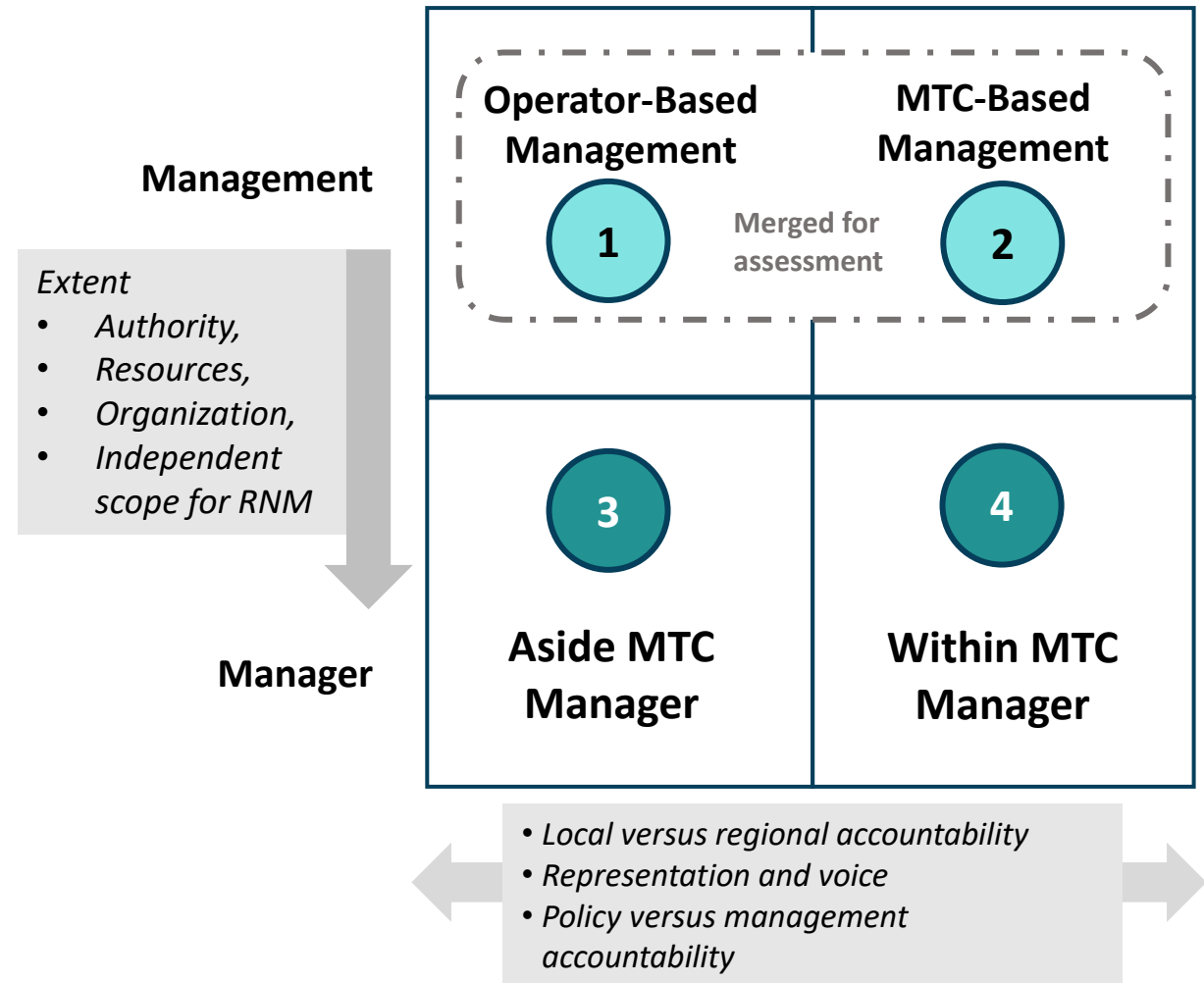
Evaluation: Approach and Options

Key evaluation parameters

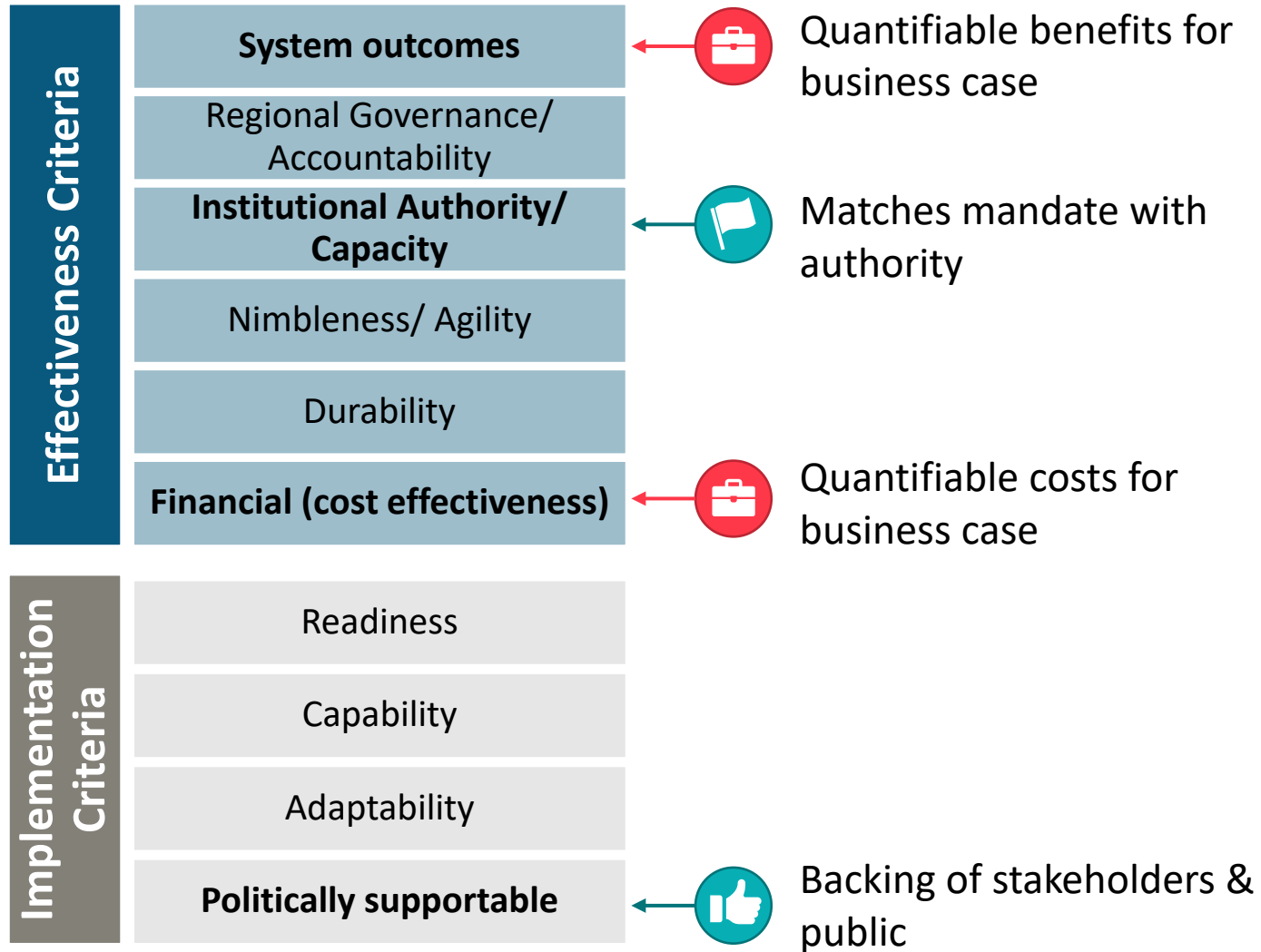
- Option evaluation in this assessment, not option selection
- All options are capable of materially addressing regional network management
- Evaluation is indicative, not definitive
- Options are consultant generated

Process

- Creating a "**choice framework**" of distinct, viable structures:
 - Management vs Manager
 - Aside or within MTC
- Defining and following the principles of good governance
 - Clarity of purpose
 - Accountability
 - Representation and Voice
 - Transparency and Responsiveness
 - Efficiency



Assessment Criteria



- Understanding the **decision relevant criteria** to where we are now in this phase of the project
- More detailed assessment to come later...

Assessment Methodology

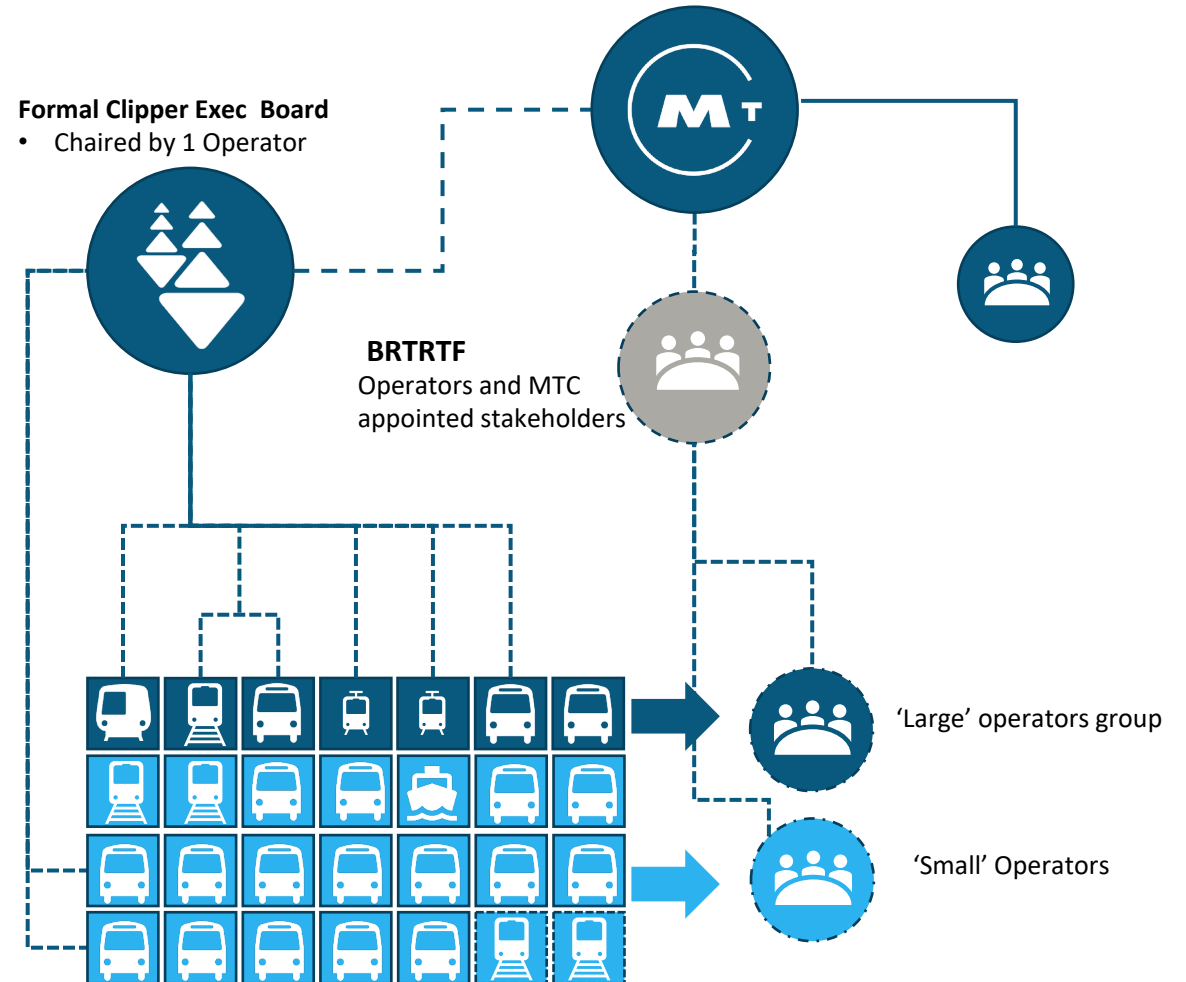
- Performance assessed against anticipated baseline/status quo, consider each option's "theoretical end-state"
- Practice, document review, literature review, interviews, team's judgement

Three-point scale:

- ☐ Neutral or unlikely to be better than status quo
- ☒ Better than the status quo with some pros/cons
- ☒ Significantly better than the status quo

What is status quo?

- Regional network coordination occurs through various technical working groups and transit operator forums.
- There has been lots of momentum and recent regional collaboration through the BTRTF and Operator forums.
- Strong interest in formalization of collaborative structures.



Preliminary assessment

Network Management | (Formerly 1&2)

Design Objective

- Build on momentum of BTRTF on coordinated and structured decision making. Centralizes leadership on transit coordination within existing legislative framework and implementation tools.

Mandate, authority and decision Accountability

- Existing powers and decision authorities are largely intact, except formal authority and mandate to act is delivered through a Regional Network Management body by agreement or delegated authority, rather than held across more than two dozen authorities.
- MTC assumed key funder for regional initiatives, with policy accountability in line with that.
- Mandate would be provided by MTC resolution defining programs and decision authorities for Board/Council while setting boundaries on where agency boards remain sovereign.
- Alternative policy oversight bodies (within/aside MTC) possible

Funding

- Additional resourcing for administration beyond status quo
- Shared implementation costs in near term, permanent funding TBD

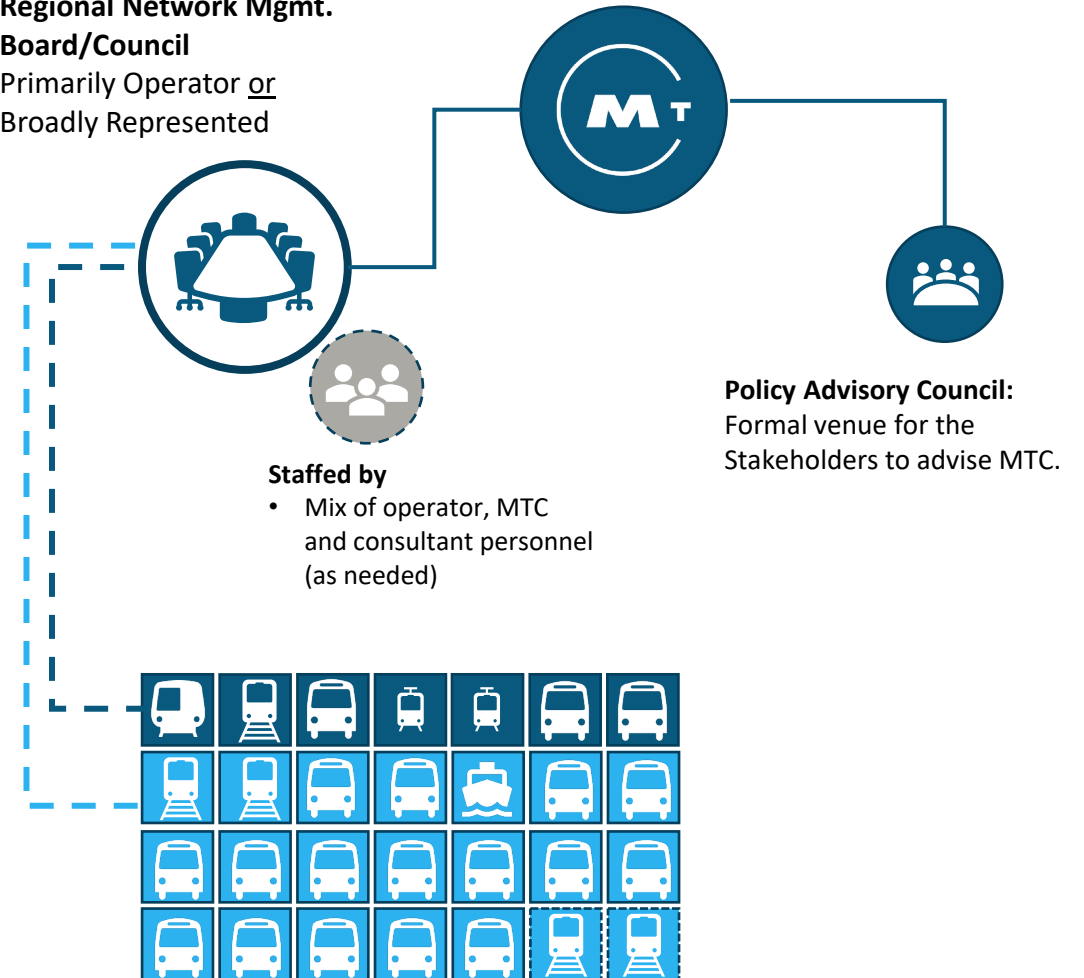
Representation

- Final composition of Board/Council is subject to design refinements – could have operator focus or broader representation




Regional Network Mgmt.







Board/Council

Primarily Operator or
Broadly Represented



Network Management | highlights

Criteria	Evaluation	Finding
System outcomes		Can advance many of the initiatives aimed at increasing ridership and improving customer experience. However, delivering on the full suite of system outcomes will be more challenging.
Institutional Authority		Representation of operators brings ready-made operation and delivery expertise into NM, and builds policy linkages between organizations. A decision-making (or recommending) body composed of individuals who serve multiple governing interests can blur/dilute accountability, further assessment would be needed.
Financial (cost effective)		Leveraging and formalizing the collaboration on a defined list of activities allows a right sizing of effort, resulting in a more cost-effective delivery of outcomes and organizational administration. Likely to be some duplication and redundancies.

Other Criteria	
Governance	
Nimbleness	
Durability	
Readiness	
Capability	
Adaptability	

Note: All options are likely supportable by some stakeholders across the region in different ways

Network Management

Outstanding questions and unresolved issues

- How would disagreement on decisions between the RNM and individual transit boards be resolved?
- When and how would new funding be secured?
- How would the Network Management body evolve to tackle larger, more challenging initiatives?

Network Manager | Option 3

Design Objective

- A new agency, separate from the MTC with independent powers and authorities to lead Regional Network Manager activities in the Bay Area under a reformed governance framework

Mandate, authority and decision Accountability

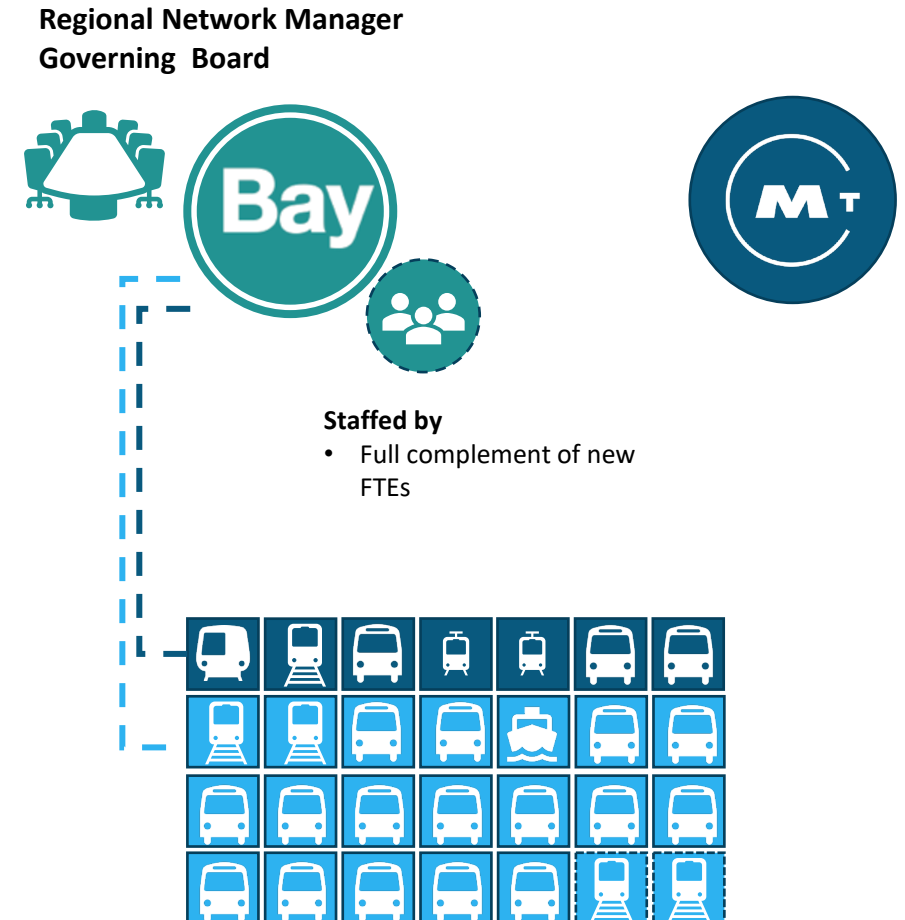
- Structure would be set-up as a policy body with accountability to the public – that is, governing policy body is primarily elected official or directly appointed as delegates
 - Requires reorganization of MTC authorities and mandate
- Mandate delivered via state legislation
- Would have comprehensive decision authority for RNM activities beyond the near-term including bus/rail reforms, project prioritization and oversight

Funding




- Require new dedicated regional source of funding, would have the authority to coordinate with stakeholders and seek voter approval of new RNM funds. Can direct or influence a reprioritization of some existing funding.







Representation

- As a policy body, has political representation to remain publicly accountable. Board/oversight committee could encompass subject matter appointees or representatives from transit operators.



Network Manager | Option 3 Highlights

Criteria	Evaluation	Finding
System outcomes		A built-for purpose entity, with clear policy direction should be able to perform effectively to deliver the full suite of RNM roles and responsibilities.
Institutional Authority		Allows for the ability to independently deliver on its assigned RNM mandate and duties. Relationships with other policy entities across the Bay Area may take time to develop but are possible to achieve.
Financial (cost effective)		This structure would likely be able to deliver more cost-effective RMN outcomes over time. Further assessment needed to determine whether savings would be captured by Manager or absorbed within agencies.

Other Criteria	
Governance	
Nimbleness	
Durability	
Readiness	
Capability	
Adaptability	

Note: All options are likely supportable by some stakeholders across the region in different ways

Network Manager | Option 3

Outstanding questions and unresolved issues

- Can a new entity bring about the desired efficiencies for the Bay Area?
- How would a new entity interface with the Bay Area's other transportation, planning and policy authorities?
- How and when would a structure like this emerge?

Network Manager | Design Option 4

Design Objective

- Centralize accountability, authority, and organizational resources for RNM within the MTC and create a new legislated authority to undertake expanded RNM responsibilities.

Mandate, authority and decision Accountability

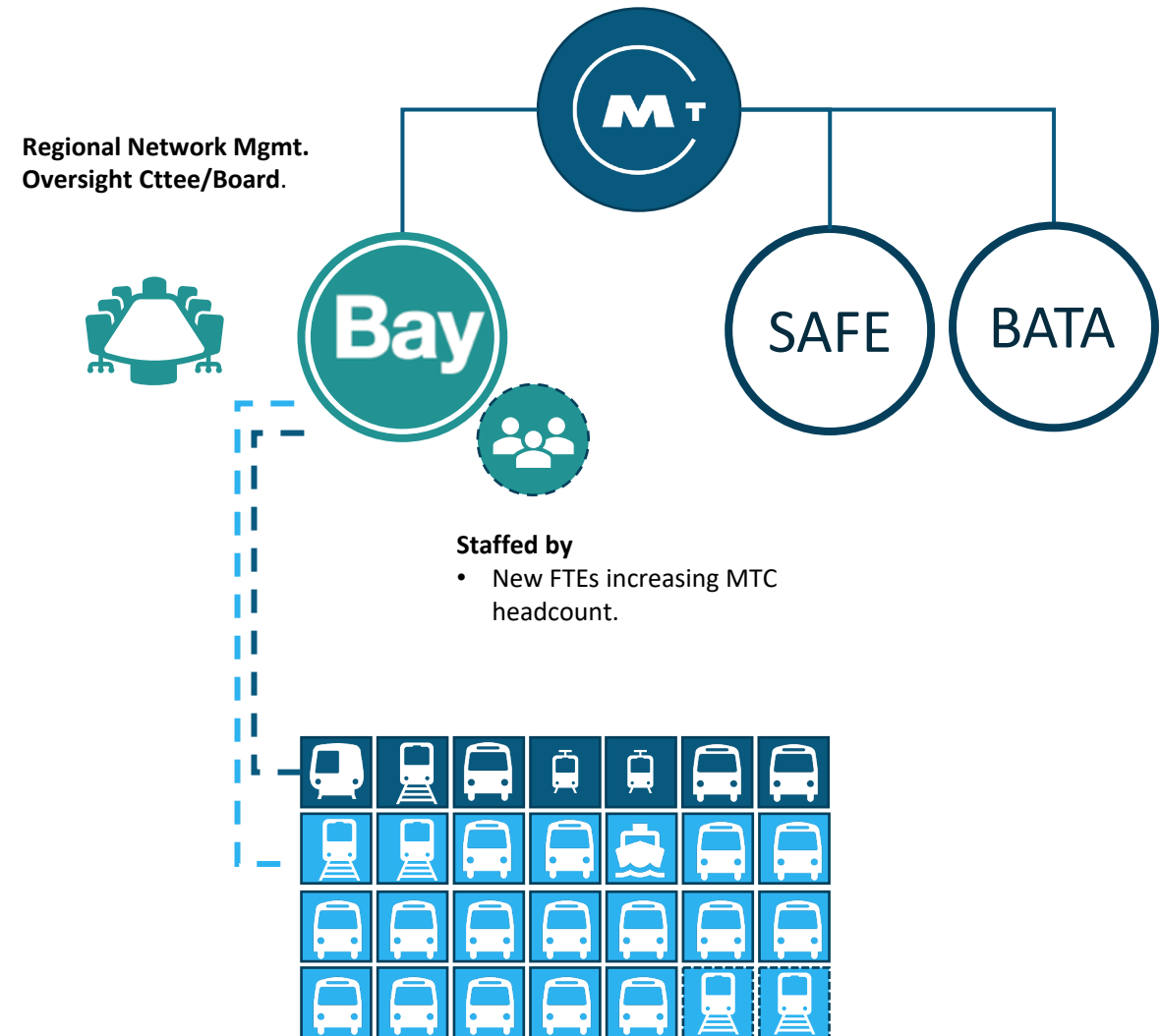
- Mandate delivered by legislation, with new tools and powers
- MTC would both oversee and administer the new Network Manager
- Decisions made under the RNM would be binding for the operators to carry out and implement

Funding




- Would increase MTC headcount to staff Network Manager
- One of the anticipated legislative authorities would be to reprioritize and redirect funding for RNM activities, option is also positioned to generate support for new regional funding.







Representation

- Under this structure it would be possible to have a board or committee composed of transit representatives, and MTC appointees (or a mix of both) to oversee RNM programs.
- MTC would maintain public policy accountability
- With a significant new mandate, organization's representation or other policy oversight options for RNM function itself could be considered



Network Manager | Option 4 Highlights

Criteria	Finding
System outcomes	 As a new built-for purpose unit within MTC, can perform effectively against outcomes provided capacity and expertise is acquired. With a dual function as the MPO and NM, should be able to integrate decisions on funding and prioritization; generate support for new funding. With many functions, MTC integration benefits should be weighed against clarity of purpose.
Institutional Authority	 The structure should allow for quick decision making. While the structure is not entirely Independent of MTC, it allows for a clear body with financial, policy, administrative and technical capacity.
Financial (cost effective)	 There may be several advantages of scale to house the RNM within an existing entity. Some decision authority delegated from MTC but resources needed to set up and administer. It is expected to be able to cost-effectively deliver over time.

Other Criteria	
Governance	
Nimbleness	
Durability	
Readiness	
Capability	
Adaptability	













Note: All options are likely supportable by some stakeholders across the region in different ways

Network Manager | Design Option 4



















Outstanding questions and unresolved issues

- Will consolidating so many transport mandates within MTC pose challenges for maintaining clarity of mission and purpose?
- What would be the impacts to MTC?

Assessment summary 1/2

Option:	1/2	3	4	
System outcomes				<p>Delivering on the full suite of regional system outcomes will be more challenging under the Network Management option.</p> <p>Since it is implemented within the existing legislated framework it has fewer powers to implement the full range of RNM responsibilities and generate new funding.</p>
Institutional Authority				<p>The Network Manager options would be purpose built with the financial, policy, technical skills to address the full range of regional roles and responsibilities.</p>
Financial (cost effective)				<p>Option 4 is potentially more cost effective because it will be able to make use of existing MTC resources for certain functions, and over the long term harmonize expenditures that might today be duplicative.</p>
Politically supportable				<p>All options are likely supportable by some stakeholders across the region in different ways.</p>

Assessment summary 2/2

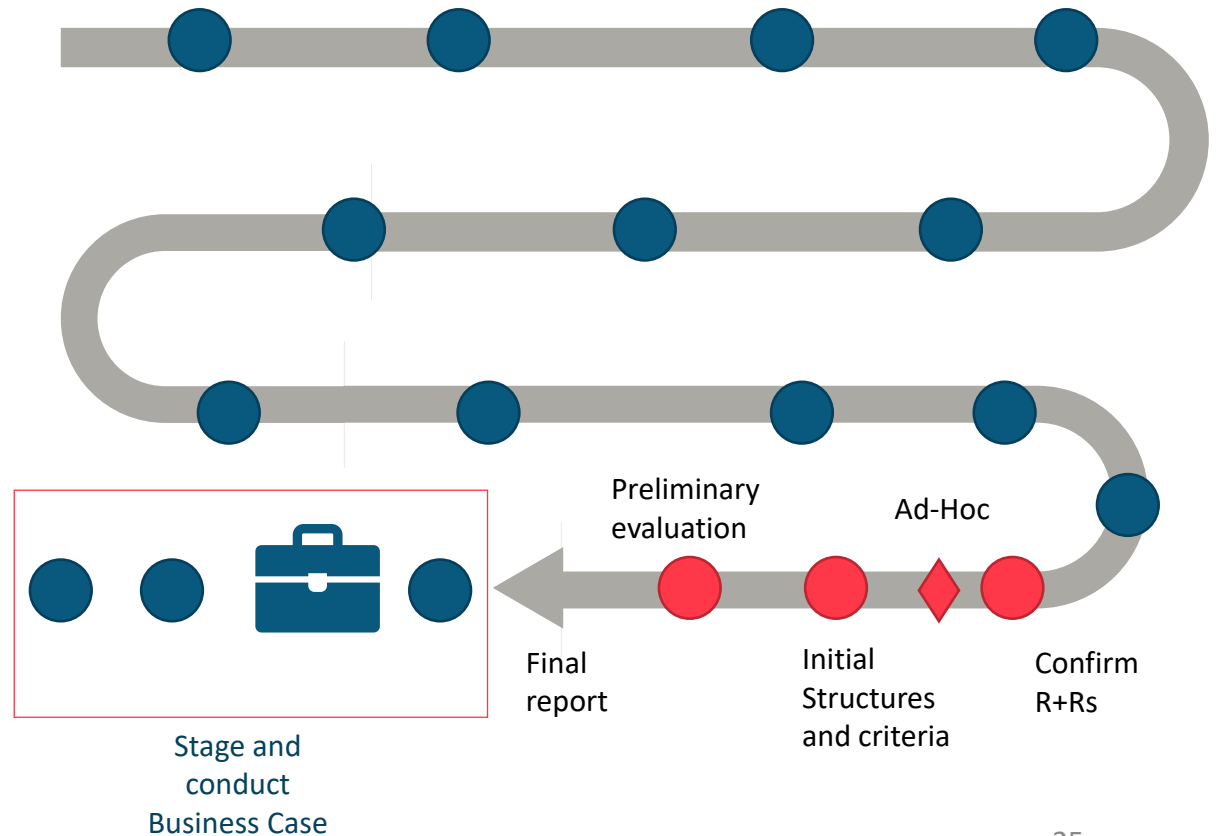
Option:	1/2	3	4	
Governance				The potential for conflicting perspectives and priorities may emerge from the dual accountabilities (local and regional) under Management model.
Nimbleness				Each option provides some qualities that would enable nimbleness, though each is different.
Durability				The purpose built and legislated Manager options would have greater durability to withstand instability that may arise from Management models which rely more heavily on consensus-based decision-making.
Readiness				<p>Drawing on a range of existing capabilities, the Management model could be advanced more quickly in the short term.</p> <p>Option 3 would be the least ready, needing all functions from new; less so if realigned from existing or through consolidations.</p>
Capability				Both have strengths and weaknesses in the near term. In the long-term Manager options should have the technical capabilities to implement the full range of regional roles and responsibilities.
Adaptability				Management may be able to pivot quickly as direction is not externally mandated (via law). All options can incorporate multimodality; MTC perhaps greatest/easiest opportunity to adapt given its mandate.

Next steps

- Incorporate comments from BRTF on Consultant approach and methodology for option development. **(by July 28th)**
- Collate findings into a Final Summary Report, including a set of recommendations for the business case process. **(August 9th)**

Next Phase - Stage the Business Case:

- **Define values** - which elements are most important for NM to drive progress on, long term
- **Refine structure options** and explore permutations – best foot forward
- **Deeper assessment** quantification relative to a defined base case (status quo).
- Change management and **constituency building**



Takeaways

- There are a range of viable options, path depends on what is most important
- Long term needs and outcomes drive design
 - each design can accommodate 'stepping stone' activities to make immediate progress
- Biggest design choice – how much NM to *reach* for
 - business case should stress test practical limits/capability of each
- Accountability and voice matters
 - Regional and local
 - Policy and management levels
 - Representation should evolve with entity's roles
- The status quo requires change and change is hard
- Leadership needed to drive change

For on-going consideration:

- What should be the extent of the Regional Network Management scope?
- Where should regional public policy accountability rest?
- What should be studied in-depth in the business case? What are the remaining gaps?

Thank you!