

Transbay Program Downtown Rail Extension

Update on the Governance Study:
Initial Assessment of Options

TJPA Board
June 9, 2022



Recap: Governance Study Elements

- ESC guidance to develop project governance approach as strategy to de-risk project delivery
- Governance Study developing analysis and recommendations in the following areas:

Institutional Arrangement

- Lead agency for procurement and construction
- Roles of involved agencies/parties by phase
 - Framework for agency-to-agency relationships/agreements
- Asset and risk ownership frameworks

Project Governance Model

- Project oversight structure
- Decision-making and stage gates
- Outcomes management (sponsorship)
- Change control and configuration management
- Risk and issue management
- Quality assurance

Management Framework

- Delegated authorities
- Owner's team capabilities and requirements
- Project delivery organization organizational design
- Contractor management framework
- Project controls and reporting
- Stakeholder management

Content for Today's Discussion

Study Context & Approach

- DTX Governance Goals & Objectives (Draft)

Institutional Arrangement

Project Governance Model

Management Framework

- Summary of Institutional Options Assessment (Draft)



- Stage Gate Framework (Draft)



DTX Governance Goals & Objectives (Draft)

Governance Goals (the desired outcomes)

Deliver DTX on time.

Realize planned benefits; avoid, minimize, and mitigate anticipated impacts.

Deliver DTX within budget.

Strengthen the region’s ability to effectively deliver transit mega-projects.

Governance Objectives (how to achieve these goals)

Clarity of Purpose – Establish and maintain a clear focus on delivering the project.

Capacity & Capabilities – Deliver the project with expert resources with the required skills and capacity.

Representation & Voice – Provide project partners with voice and say, consistent with their project interests and risk ownership.

Accountability & Authority – Provide decision-making authority in alignment with delegated accountabilities for project outcomes.

Responsiveness & Oversight – Enable timely decision-making, and ensure proper direction and oversight of the project delivery team.

Transparency – Give the public, stakeholders, and partners visibility into the project’s progress and opportunities for meaningful engagement.

DTX Stage Gates (Preliminary Draft)

Stage Gate Key Inputs:

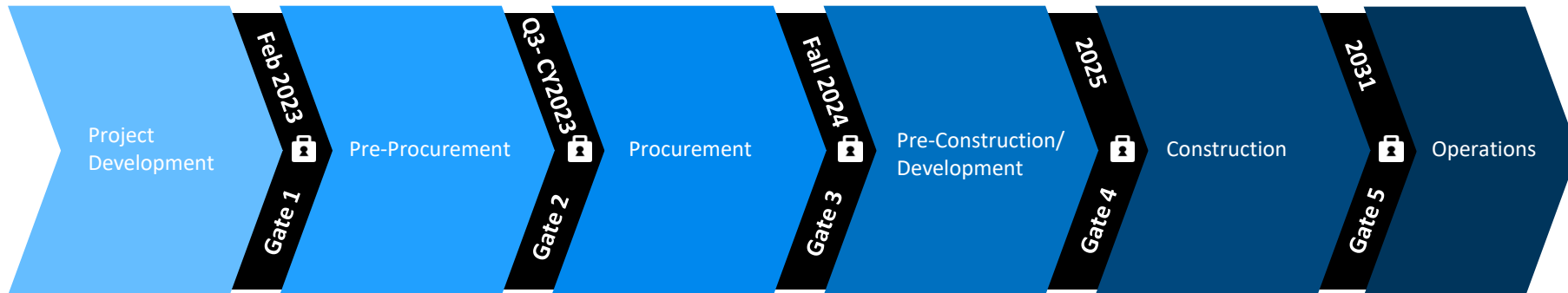
- Project Definition, Cost/Budget, Schedule
- Funding Plan
- Procurement Model
- RAMP
- Delivery Phase Governance Framework agreed

- CIG funding request submitted
- Interagency agreements & third-party agreements in place
- Delivery Phase governance structure in place

- Inclusion in President's budget recommendation to Congress
- Procurement process completion & recommendations to award

- FFGA execution
- Negotiation of Construction Phase contracts
- Completion of ROW acquisition & Enabling Program

- Testing & commissioning documentation
- Acceptance by owner and operator



Stage Gate Enables:

- ROW acquisition
- Enabling Works procurement
- Request to enter FTA Engineering

- Procurement of primary contracts
- Award of Enabling Works contracts

- Award of Pre-Construction Phase contracts

- Award of Construction Phase contracts

- Revenue service



Institutional Options Analysis: Assessment Criteria

Screening Criteria

- **Timeframe** – Alternative must be capable of implementation within the timeframe required by the project.
- **Legal Authority** – Alternative must be capable of being implemented within existing legal authorities (newly legislated authorities are not anticipated to be feasible in schedule for DTX delivery).

Evaluation Criteria

- **Clarity of Purpose** – the Alternative should provide alignment between the lead agency's mandate and the objectives of the project.
- **Representation & Voice** – the Alternative should support each project partner in having a voice and say during project delivery reflecting with their project interests and risk ownership.
- **Capability & Capacity** – the Alternative should be capable of delivering the project with skilled resources and an appropriate management and oversight structure.



Institutional Options Analysis: Alternatives

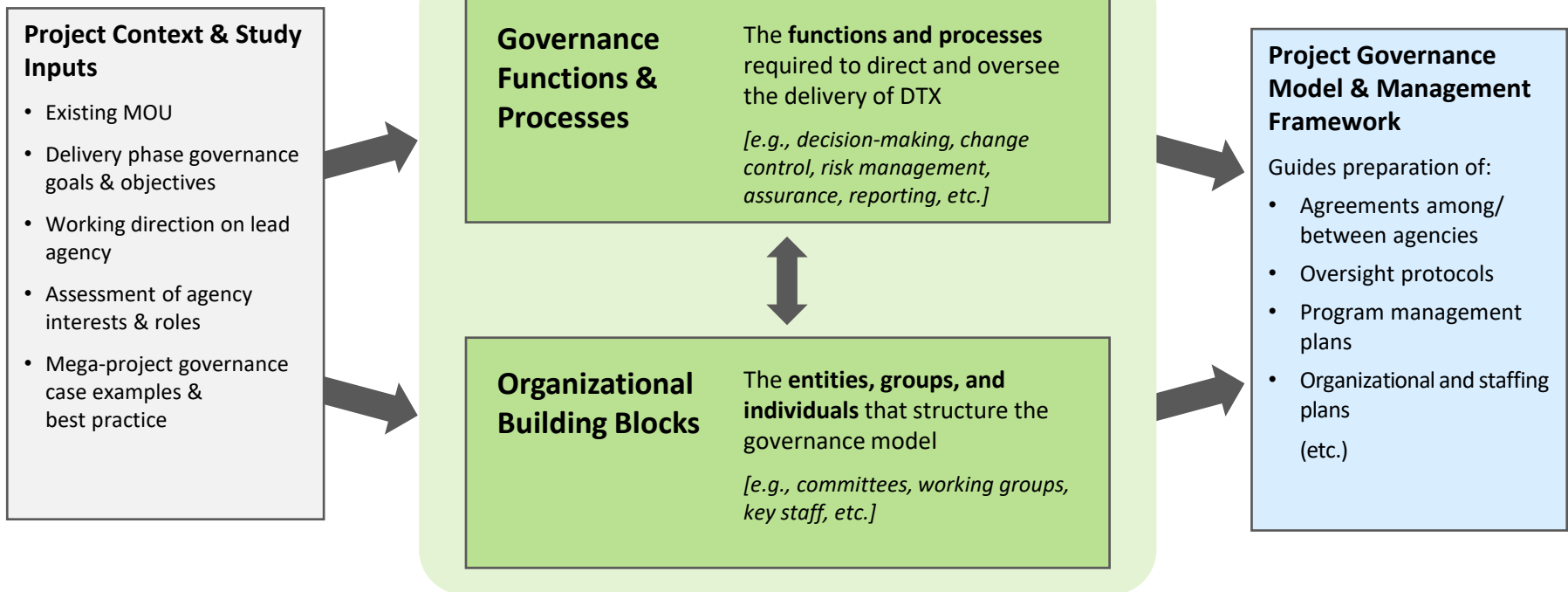
Alternative Family	Alternative	Structure Overview
1. TJPA Delivery	1.1 Baseline/Conventional	<ul style="list-style-type: none"> TJPA accountable and responsible for project delivery using staff and consultants, and cooperation of partners Oversight provided by TJPA Board, staff, and funder oversight protocols Current Peninsula Rail MOU sunsets; bi-lateral intergovernmental agreements (IGAs) developed between TJPA and partner agencies
	1.2 Integrated Management	<ul style="list-style-type: none"> TJPA accountable and responsible for project delivery using staff and consultants, and involvement of partners Organizational structure further developed to provide management oversight, alignment of multi-agency actions, and project coordination Multi-lateral and/or bi-lateral agreements among/between DTX partner agencies
2. TJPA Accountable but assigns Project Delivery Responsibility	2.1 Assignment to TJPA member agency	<ul style="list-style-type: none"> TJPA takes high-level oversight role and retains accountability Project delivery responsibility assigned to TJPA member agency
	2.2 Assignment to non-member agency	<ul style="list-style-type: none"> TJPA takes high level oversight role and retains accountability Project delivery responsibility assigned to agency other than TJPA member
	2.3 Assignment to special purpose entity	<ul style="list-style-type: none"> TJPA takes high level oversight role and retains accountability Project delivery responsibility assigned to a newly-created special purpose entity (not currently in existence)
3. Transfer Accountability	3.1 Upload to newly-created regional agency	<ul style="list-style-type: none"> Project delivery accountability and responsibility is transferred to a regional project delivery agency (not currently in existence)

Institutional Options Assessment: Summary of Screening & Evaluation (Draft)

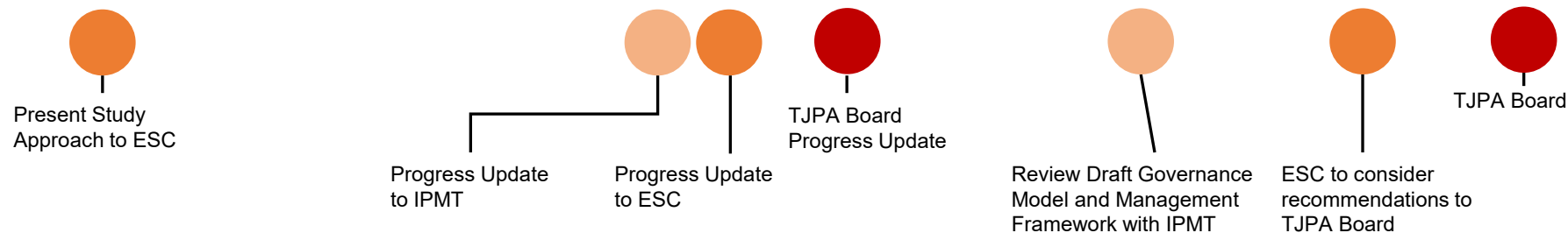
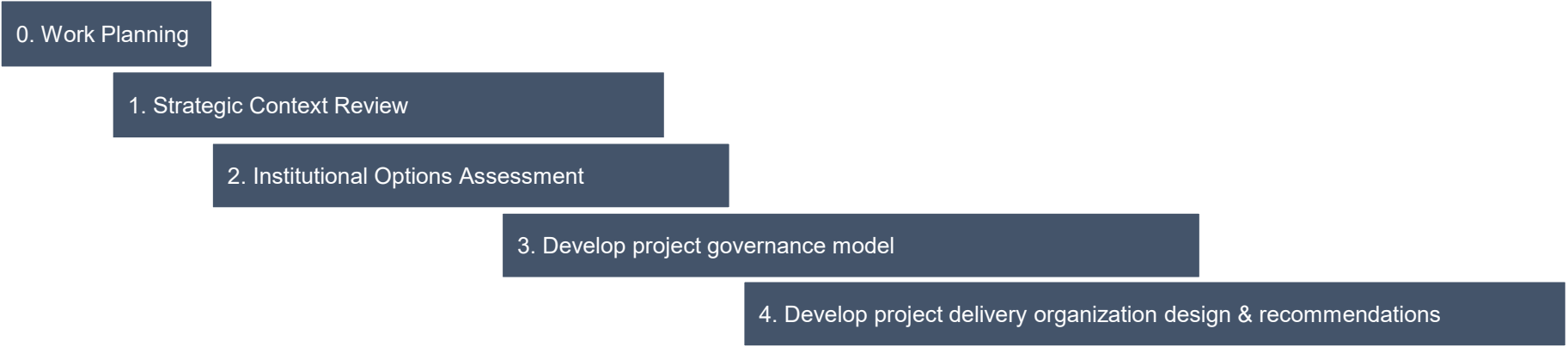


	Screening	Evaluation	Purpose	Voice	Capability	
1.1 Baseline/Conventional			Green	Yellow	Yellow	<ul style="list-style-type: none"> Requires development of capacity/capability of TJPA to lead project delivery, and of partners to support delivery.
1.2 Integrated Management			Green	Green	Yellow	<ul style="list-style-type: none"> Requires integrated development TJPA and partner agency capacity/capability; supports alignment, focus, and voice among project partners.
2.1 Assignment to TJPA member agency		Red X	Green	Red	Yellow	<ul style="list-style-type: none"> Assignment to a single agency would diminish the voice of other project partners; member agency capacity is constrained.
2.2 Assignment to Agency outside of TJPA		Red X	Red	Red	Yellow	<ul style="list-style-type: none"> An agency outside the TJPA is unlikely to have a core mandate to deliver the project.
2.3 Assign to Special Purpose Entity	?		Green	?	?	<ul style="list-style-type: none"> Not anticipated to be applicable to DTX in current context; model presents lessons even if not pursued.
3.1 Upload to a regional project delivery agency	Red X	Entity does not exist and could not be established in time				

Next Steps: Developing the Governance Model



Study Timeline



Thank you

