

# More for Less

How to plan and deliver the Bay Area's next generation of transit projects more quickly and cost-effectively

<https://www.spur.org//more-less>



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Ideas + Action  
for a Better City

# Why is this important?

1. Total cost of project list exceeds available resources.
2. When projects cost too much and take too long, we get less of them.
3. Smaller - but no less important - projects can get crowded out.
4. Higher capital costs can sometimes result in service cuts.
5. Public trust is essential to transit's funding model.

# A climate emergency.



“Brown Wednesday”, September 9, 2020



**Too little service to give people real mobility and access.**

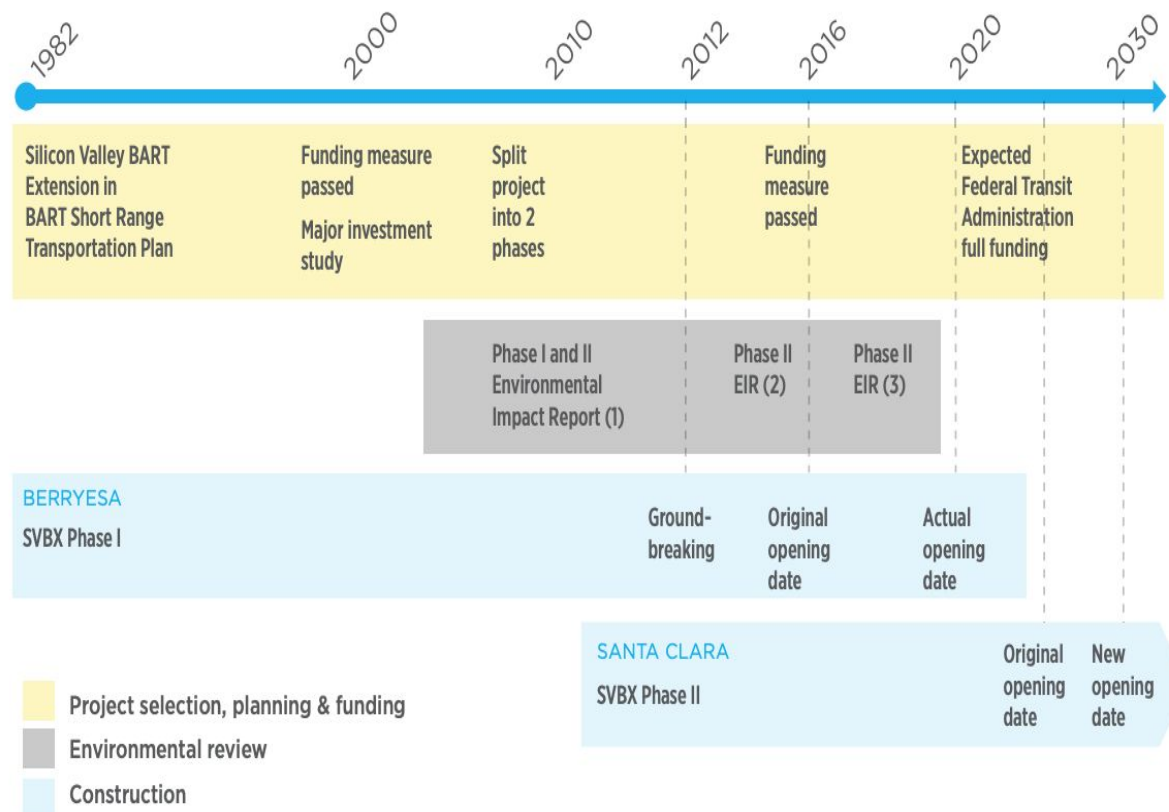


# It regularly takes decades to fund and build a single project.

FIGURE 1

## The Silicon Valley BART Extension Has Taken Nearly Half a Century

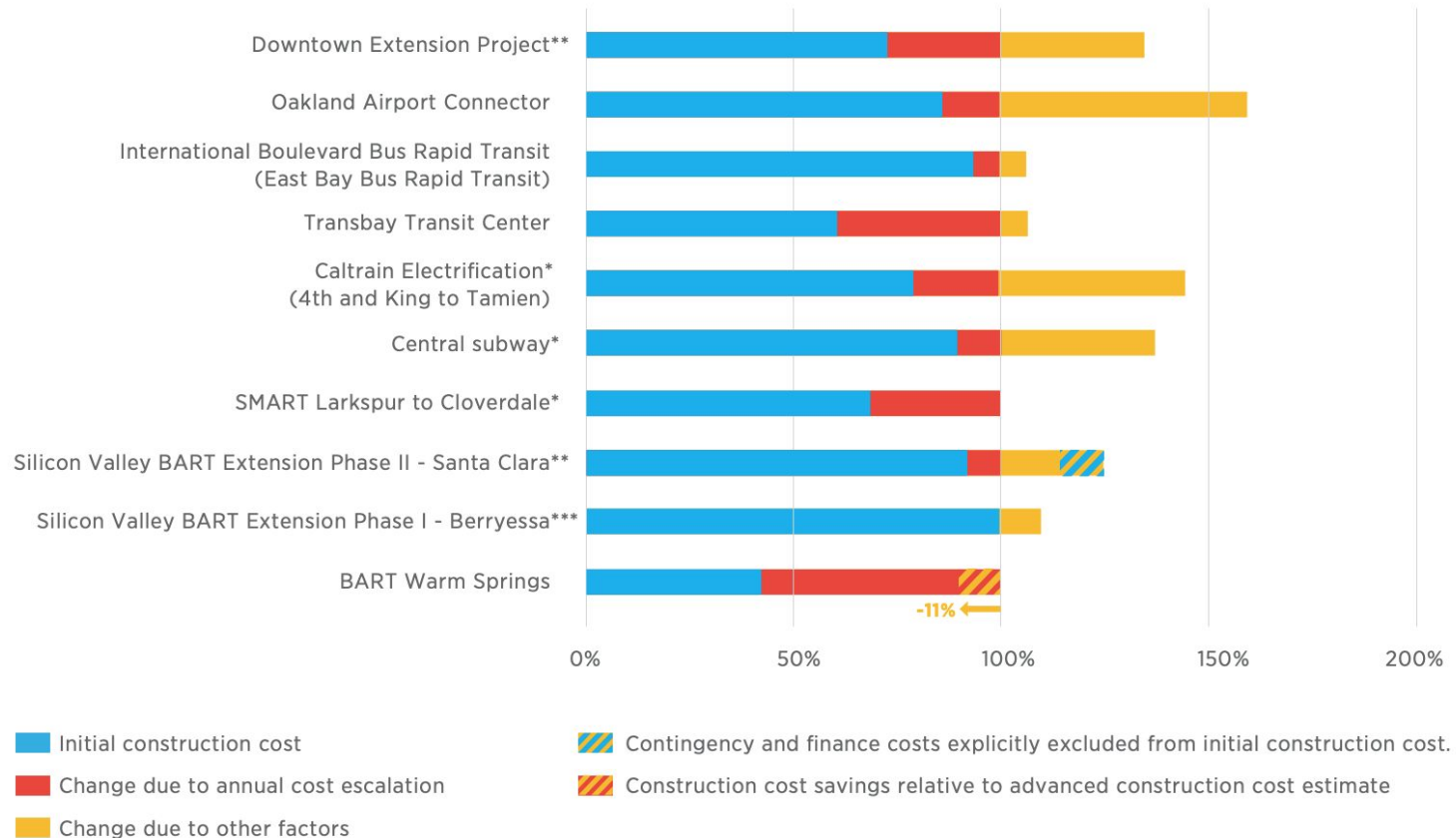
The Silicon Valley BART Extension was first identified in 1982, but the project will not be completed until 2029, nearly half a century later.



# Our costs far exceed comparable projects in other countries.



# We regularly underestimate project costs.



\* Project under construction or incomplete.

\*\* Project not yet begun and not yet bid.

\*\*\* Phase I is complete by not closed out. VTA reports an anticipated \$45 million in savings.



# Key Challenges

1. **Fragmented governance and funding gets in the way** of defining shared vision for both the transit network and individual projects.
2. **Poor cost estimation skews project selection** and has cascading impacts through the life of a project.
3. **Transit agencies deliver major projects just once in a generation**, making them vulnerable to first timer mistakes.
4. **Lack of flexibility and experience** in choosing and managing procurement and project delivery models.
5. **CEQA exposes projects to litigation risk** that can degrade and delay projects when used inappropriately.



**Big Idea #1:** Improve regional transportation planning so that the projects that offer the best value are advanced.

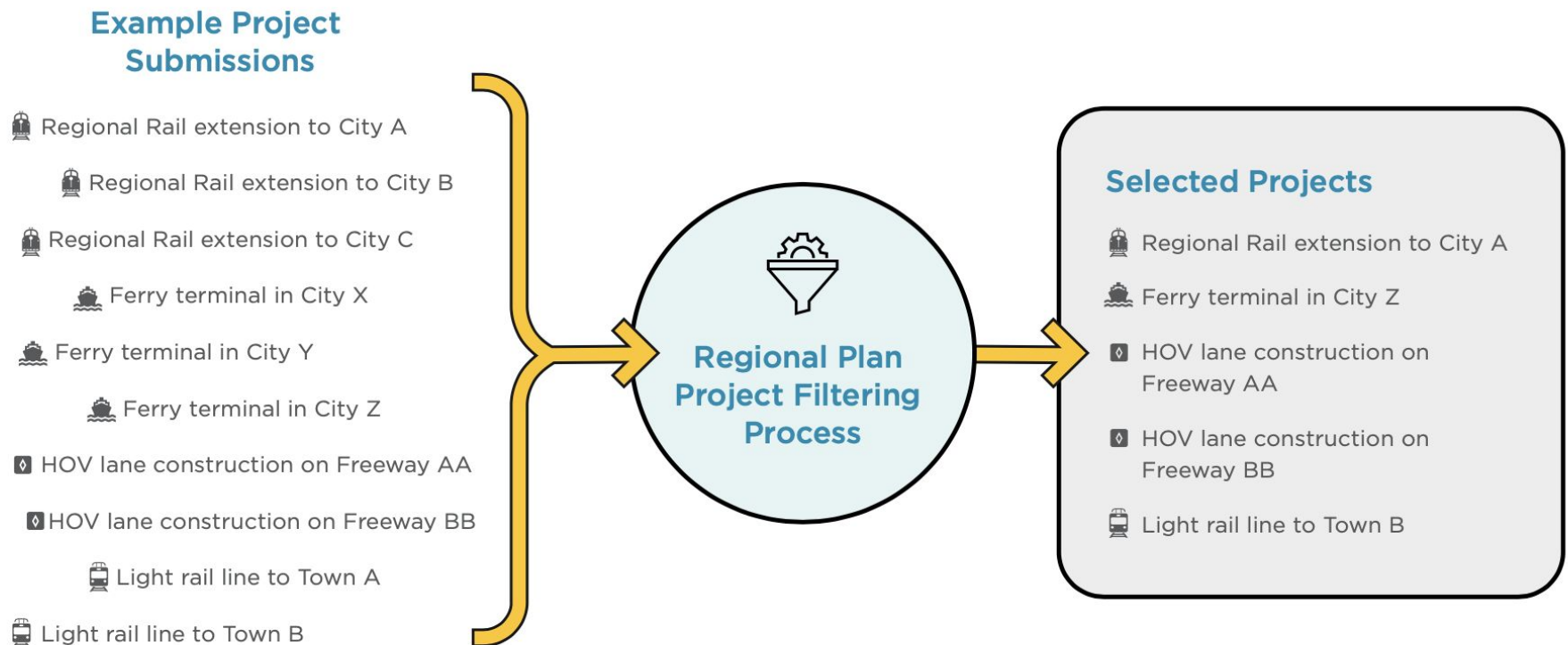
# Recommendations

- 1. Expand MTC's authority to act as the region's transit network planner.**
- 2. Develop a long-term strategic plan for a seamless network of transit and managed highway lanes to guide capital investments.**
- 3. Establish a stage gate process to determine project readiness.**
- 4. Rigorously evaluate the project business case and deliverability options, especially before making financial and political commitments.**
- 5. Establish integrated project management teams.**

# Stronger network planning

## CURRENT PROCESS:

Local transit proposals are filtered through regional planning process



# Stronger network planning

FIGURE 7

## Network Rail's Stage Gate Process: GRIP

The U.K.'s Network Rail<sup>39</sup> uses a process called Governance for Railway Investment Projects (GRIP) to manage and control its projects. It breaks down each project into discrete stages and prescribes products to be produced at each stage. A stage gate review is held before a project can move into its next stage.



## 4) Lock in & Path Dependence

- Lock-in: “escalating commitment of decision makers to an ineffective course of action”; sunk costs; inflexibility
- Occurs at:
  - the decision-making level -- before the decision to build
  - the project level -- after the decision to build & during process

(Cantarelli et al, 2010)

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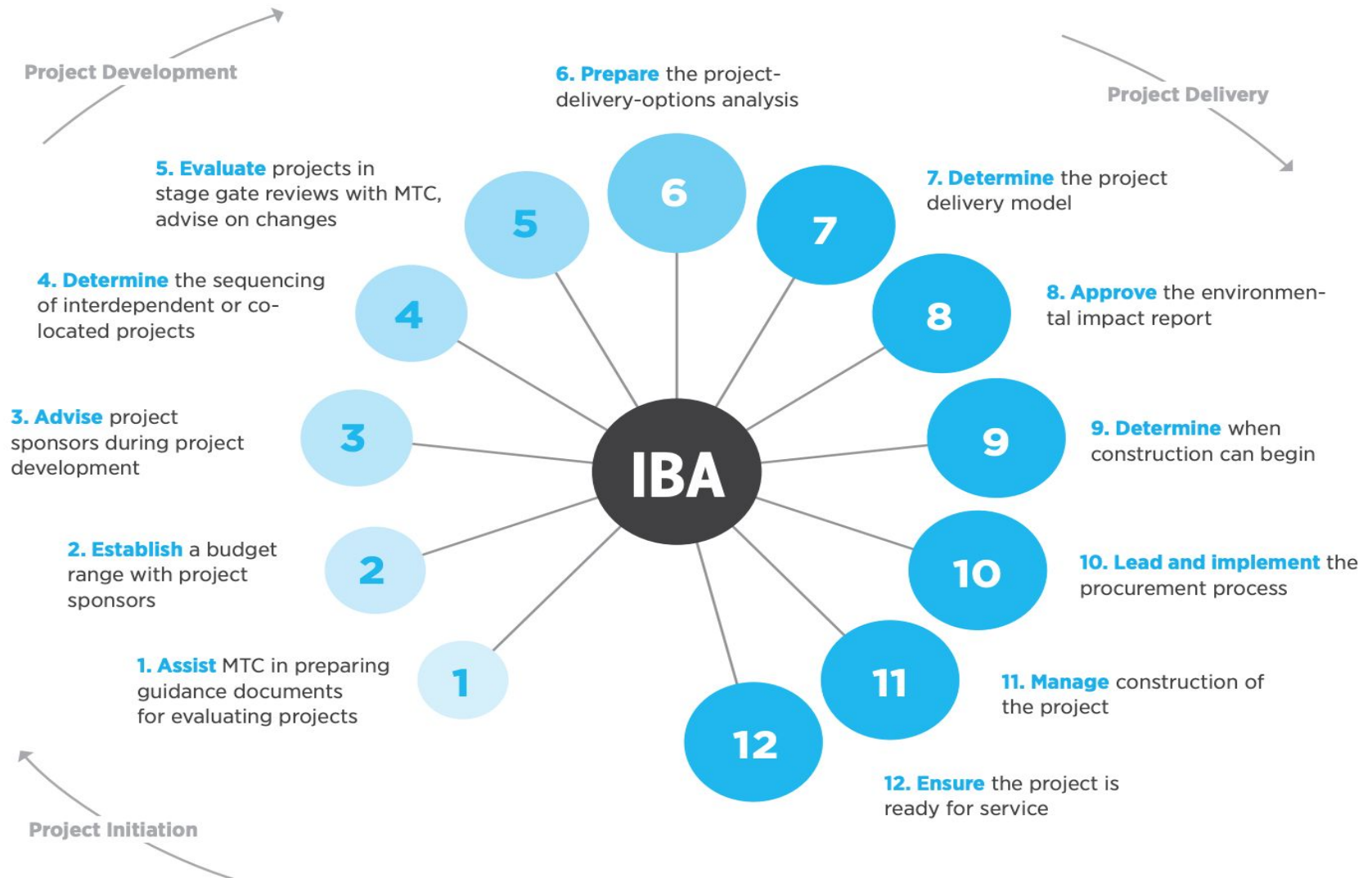


**Big Idea #2:** Expand and centralize project procurement and delivery expertise to drive public sector excellence for the delivery of the region's most significant transit projects

# Recommendations

**6. Establish Infrastructure Bay Area, a project delivery entity responsible for driving public sector excellence for the delivery of the region's most significant transit projects.**

# Infrastructure Bay Area's Role



**Big Idea #3:** Remove regulatory obstacles that add undue delay, cost and uncertainty.

# Recommendations

9. Establish a statewide certification process for major transit projects over \$1 billion to reduce uncertainty and delay.

**10. Give statutory exemptions to bus rapid transit, bicycle enhancement projects and pedestrian improvements.**



# The Good News



## BAY AREA TRANSIT TRANSFORMATION **ACTION PLAN**

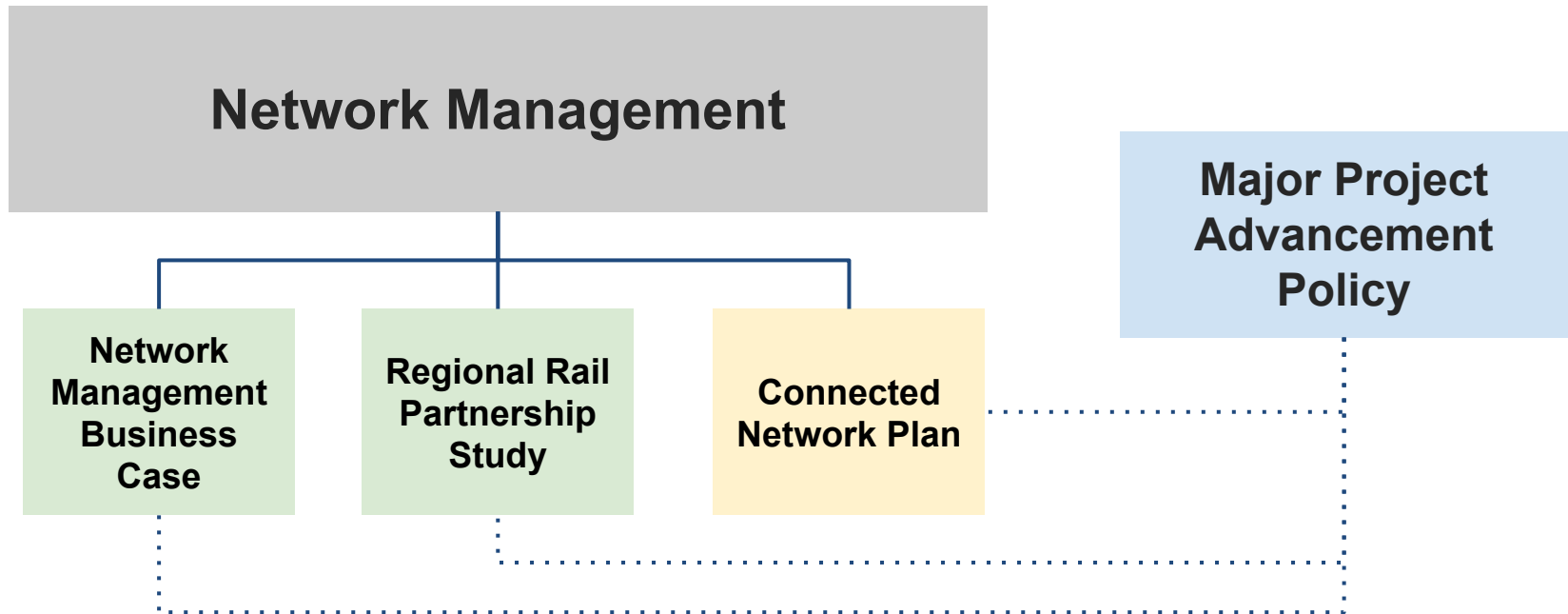
JULY 2021

BLUE RIBBON



**TRANSIT RECOVERY  
TASK FORCE**

# Key Regional Efforts



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