

## MEMORANDUM

DATE: September 2, 2009

TO: All SFMTA Employees

FROM: Nathaniel P. Ford Sr.  
Executive Director/CEO

SUBJECT: Transforming the SFMTA



For the past several months, the Executive Team has been working to develop a set of recommended organizational changes that will position us to establish the SFMTA's clear leadership role in San Francisco's transportation future. With voter approval of Proposition E and A, the Agency's responsibilities and roles have grown tremendously. Other external factors including the economy and a changing political environment with a strong emphasis on the link between transportation and the environment have demanded a heightened focus on efficiency and sustainability. These dynamics, along with our own analysis of how we can do things better, lead us today to a point where we must evolve to meet the challenges now and in the years ahead.

As an Agency we should be proud of our achievements, including the following in the past fiscal year alone:

- **Highest Muni on-time performance** since the passage of Proposition E in 1999
- **Bicycle Plan adopted** with launch of about 50 projects expected soon
- **Transit Effectiveness Program (TEP) recommendations endorsed** by the SFMTA Board of Directors
- **Lowest Muni accident rate** in over six years
- **Increased operating revenue**
- **Integration of the former Taxi Commission** into the SFMTA
- **Final environmental clearance received for Central Subway**
- **Street safety improvements** including implementation of double-fine zones for speeding, traffic signal upgrades and installation of pedestrian countdown signals

As a team working together, we've made significant improvements for our customers: San Francisco residents and visitors.

However, we must recognize that the SFMTA is no longer just Muni, DPT or the regulator of Taxis. We are the SFMTA—a full service transportation provider that includes planning, designing, building and operating San Francisco’s pedestrian, bicycle, transit, taxi and automobile networks into a seamless transportation system. We have urgent needs for funding, efficiency, project delivery, transparency and customer satisfaction. As such, we cannot simply be caretakers; we must advance the Agency into one that supports a world class, fully integrated, multi-modal transportation system that is economically, environmentally and socially sustainable.

What does this mean in terms of actual projects, programs and priorities? In visits with management and staff, discussions with the Executive Team, and meetings with the SFMTA Board of Directors, City Hall leadership, and external stakeholders, a number of projects have emerged as critical priorities for the months and years to come. Examples include:

<b>Critical Projects</b>	
<b>Short term (&lt;2 years)</b>	<b>Mid-long term (2 years +)</b>
<ul style="list-style-type: none"> <li>• Bicycle Plan implementation (<i>extends into mid-long term</i>)</li> <li>• Full TransLink deployment</li> <li>• Major stimulus projects (<i>e.g., Motor Coach Component Rehabilitation, LRV Doors/Steps Reconditioning, Fare Collection Equipment Replacement</i>)</li> <li>• Market Street Redesign (<i>extends into mid-long term</i>)</li> <li>• Muni Metro East at full operation</li> <li>• Ongoing programs to improve Muni safety, security, and reliability (<i>e.g., Near-term TEP deliverables</i>)</li> <li>• SFpark pilot</li> </ul>	<ul style="list-style-type: none"> <li>• Central Control and Communication Center (C3)</li> <li>• Central Subway</li> <li>• Full TEP implementation</li> <li>• Islais Creek Maintenance Facility</li> <li>• Overhead line rehabilitation</li> <li>• Radio replacement</li> <li>• Rail rehabilitation</li> <li>• SFgo</li> <li>• Van Ness BRT</li> <li>• Replacement of Parking Access and Revenue Control System</li> </ul>

The above list reflects projects that are either customer-facing or have a direct impact on the customer experience. Other key areas include:

- *Policy-related priorities* such as High Speed Rail and Caltrain, the Transbay Transit Center, regional policy coordination and advocacy, federal surface transportation legislation.
- *Planning initiatives* such as Climate Action, Better Streets, Neighborhood, and the Station and Large Area redevelopment plans

Successfully delivering these projects and providing superior daily service in all our areas of business to our customers will require identification of new capital and operating funds as well as streamlining our operations. To ensure success in this difficult financial operating environment, we will be guided by the following organizational priorities:

**Promote individual accountability.** There's a common business saying "you can't manage what you don't measure". As an Agency, many of our metrics are narrow in scope, lack strategic alignment, and are not collected in a timely manner to empower effective decision making and bolster accountability throughout the organization. We must establish clear goals, measure our progress, address problems directly *and* reward positive performance.

**Relentlessly pursue improvement.** We have done a good job reducing expenses in several areas of our budget. The next logical step is to dive deeper into our internal processes, which will require us to strengthen our analytical and management capabilities. We must enhance the efficiency and effectiveness of our project delivery and services to optimize shrinking resources and ultimately improve the quality and value we provide to our customers.

**Refresh our commitment to the strategic plan.** In our everyday firefighting we often lose sight of our mid to long-range strategic goals in the course of resolving immediate concerns. We must make decisions through the lens of our strategic priorities and correct any short-term decision-making processes that run counter to our long-term goals.

**Achieve organizational effectiveness.** Fostering a work environment in which employees feel empowered to achieve their goals and objectives is a critical pillar for success. We must move toward a unified corporate culture that drives individual ownership of this vision and moves us forward to be the transportation leader we all know we can and will be.

To achieve these priorities, our organizational structure must reflect appropriately aligned functions, responsibilities and resources. We must be able to establish accountability for the services we provide to our customers through all levels of the organization. It is also important that our organizational structure be as efficient as possible, removing layers or barriers that have proven to be either unnecessary or that hinder our success in moving forward. Finally, our organizational structure must move beyond the "old" model of two agencies in one, to firmly establish the concept and function of one SFMTA.

With this as the framework, the Executive Team has developed a two-phased approach to this evolution with an interim structure effective September 21, 2009 and final organization in place by January 2010. The Divisions will be as follows:

- Office of the Executive Director/CEO
- Administration, Taxis and Accessible Services
- Capital Programs and Construction
- Finance and Information Technology
- Safety, Security and Enforcement
- Sustainable Streets
- Transit

Details of the new organization are provided in the attached presentation.

In the coming days and weeks, members of the management team will come to you to discuss our future direction in detail. I welcome you to share your ideas and comments directly or via email at [ceo@sfmta.com](mailto:ceo@sfmta.com). Whether you represent our organization on the front line, provide support, or lead a team, you all play valuable roles in our transformation into a world class, fully integrated multi-modal transportation system, and your active participation is critical to our success.

Attachment

cc: Mayor Gavin Newsom  
San Francisco Board of Supervisors  
SFMTA Board of Directors