Recommendations for the AC Transit Board of Directors to Increase Board Effectiveness and Cohesion

July 2026

THE
WATHEN
GROUP

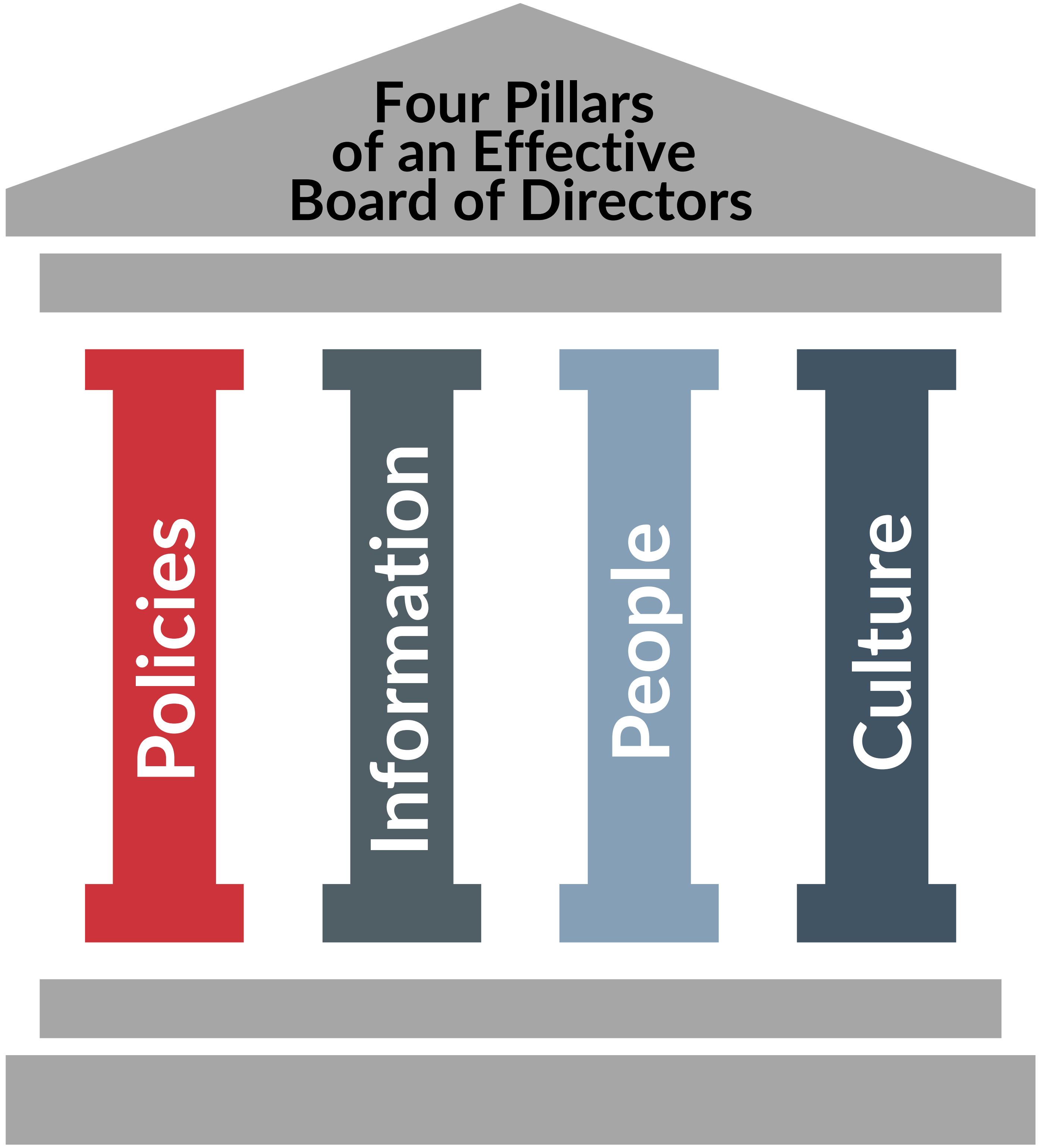
Report Context

The objective: best-practice recommendations designed to establish a governance structure that maximizes Board effectiveness, empowers the General Manager (GM) and staff, fosters a culture of respectful accountability, and positions the AC Transit Board to govern, as a strong, unified advocate for the agency's financial success.

The assessment process included:

- SWOT interviews with Board Directors and Officers
- Board materials review, including:
  - Policies and procedures
  - Agendas
  - New board member onboarding and playbook
- Board meetings recordings review and virtual attendance

Four Pillars of an Effective Board of Directors



Policies: A clear governance model to ensure actions are ethical, compliant, and aligned with the organization's direction.

Information: Insights, data, and analysis to make decisions.

People: Board member capabilities and contributions are essential to ensuring the board operates at the highest standard.

Culture: A culture of open communication and trust that encourages diverse perspectives and collaboration while minimizing conflict or power imbalances is critical.

PILLAR 1

Policies: Governance and Roles

1.1 Roles and Responsibilities

- Develop a list of what is or is not within the board member's purview, particularly when it comes to **board governance vs GM's operational ownership**, with concrete examples.
- Board members listen to and represent the public, with constituents' needs, concerns, and priorities **informing** decisions. Decisions must reflect the needs of the entire agency and district.

1.2 Public Participation Expectations

- **Flex time blocks and speaking limits** based on topic.
- Ensure the board hears the **full spectrum** of opinions and perspectives.
- Meetings should focus on **all constituent issues**, and avoid detailed, specific customer or constituent issues.

The board is **accountable for setting direction, not managing operations.**

The board's role is **fiduciary**, **policy** and **customer experience stewardship**.

Ultimately, the board is **responsible for the good of the district and all customers**, not special cases or individual constituencies.

Policies: Governance and Roles

1.3 Guiding Principles and Pre-Meeting Check-In

- **Formalize behavioral standards and ethical commitments** required to lead AC Transit as a high-functioning, unified body through Guiding Principles each board member signs.
- Consider a **pre-meeting check-in reflection list** to ensure each member is in the "governance mindset." Could also be posted on the dias.

PRIORITY

Includes:

- Commitment to Goverance
- Respectful Communication and Behavior
- Board-Staff Boundaries
- Confidentiality
- Conflicts of Interest
- Preparation and Participation
- Accountability to Each Other

PILLAR 2

Information: Board Meeting Preparation

PRIORITY

2.1 Meeting and Agenda Preparation

- GM office implement **structured process flow supported by a dedicated role**, ensuring complete staff work and holding items that aren't ready for board action or germane to board responsibilities.
- **Tighten agenda criteria and calendar** to maintain strategic focus with definitive list of items that statutorily require board action versus those that can be handled via **committee level discussions, staff FYI memos or the consent calendar.**

2.2 Enhance Staff Work and Board Member Preparation

- Establish an Executive Committee or **committee structure** to leverage board member expertise, ensuring preparatory work is complete, vetted and ready for full board action, particularly on major issues.
- **Standardize board item content and quality expectations** using templates and best-practice examples.
- Conduct **in-depth staff analysis and questions during preparation**, not at meetings. Reserve full board sessions for final decision-making after detailed questions are resolved in committee.

PILLAR 3

People: Ongoing Development

3.1 Onboarding and Training

- Continue to build a **rigorous, structured pipeline for new member** orientation post-election
- **As resources or processes change,** existing board members should also review and participate in training.
- Build a deep understanding of the **public transportation industry** and stay on top of trends.
- Attend professional development sessions designed for **public transportation board members**
- Commit to reading, watching and listening to materials that amplify **communications and leadership.**

3.2 Coaching and Mentor Coaching

- **Refine** governance, communication, leadership approaches or address gaps identified in strengths or 360 assessments.
- Gain immediate, **constructive feedback following board meetings.**

PRIORITY

3.3 Progress and Performance Review

- Implement a **yearly, confidential board self-evaluation** to measure progress, with check-in every 60 days.

PILLAR 4

Culture: Strategies for Alignment & Trust

4.1 Commitment to Integrity and Ownership

- Adopt key governance documents including Guiding Principles and roles and responsibilities to instill individual and shared accountability.

4.2 Proactive Communication & Change Management

- Implement governance changes with open communication explaining rationale and intended benefits.
- Board secretary manages process, with the Board Chair and GM leading the implementation.

4.3 Relationship Building

- Cultivate a collaborative, respectful, productive working culture built on mutual trust by engaging in informal get-togethers to build personal relationships.

Proposed Implementation Timeline

Proposed by AC Transit Board of Directors Chair and Vice Chair based on TWG-identified priorities

PRIORITY ONE
NEXT 60 DAYS

Alignment & Accountability

- Adopt Board **Guiding Principles**
- Deploy **Pre-Meeting Checklist**
- Codify Board vs. GM **Roles & Responsibilities**

PRIORITY TWO
END OF YEAR/
FIRST 60 DAYS OF 2027

Structural Optimization

- Refine **board item framework;** statutorily require action versus memo or consent calendar
- Establish **committee** structure
- Enhance **meeting preparation** process
- Update **Rules of Order**

PRIORITY THREE
FY2027

Continuous Growth

- Launch annual **Board Self-Evaluation**
- Identify opportunities for mentor **coaching** or coaching
- Ongoing **industry- and role-specific** professional development
- Implement **evolving onboarding** resources and activities

Public Comment

Board Questions and Comments

Board Action

- Receive The Wathen Group's Report, "Recommendations for the AC Transit Board of Directors to Increase Board Effectiveness and Cohesion."
- Approve identified priorities and next steps.

Appendix

The TWG Team

Learn more at thewathengroup.com

Deborah Wathen Finn

President and Founder of The Wathen Group

Deborah brings over 40 years of experience in public transportation and policy, specializing in organizational assessments and change management. She successfully transformed the workforce at the Niagara Frontier Transportation Authority (NFTA) and, while at NJ Transit, she provided leadership in creating a customer-centric cultural change for Rail Operations. She is recognized for pioneering an industry-recognized safety culture practice, often working with unionized workforces at agencies like Port Authority NYNJ, MBTA, VTA, Caltrain, SamTrans and NJ Transit.

James Redeker

Organizational Transformation SME and Executive Coach

James had a 30-year career at NJ TRANSIT, where he held key executive roles and spearheaded strategic planning initiatives. As Commissioner of the Connecticut Department of Transportation from 2011 to 2019, James managed a team of over 3,000 employees and a $700 million operating budget.

James played a key role in establishing the Connecticut Airport Authority (CAA) and the Connecticut Port Authority (CPA), serving on both boards of directors. He has also served on boards for the Capital Region Development Authority and the Advisory Board for the UConn School of Engineering. Nationally, James served two terms as Chair of the Northeast Corridor Commission, was President of the Northeast Association of State Transportation Officials and sat on the Board of Directors for the American Association of State Highway and Transportation Officials (AASHTO). He was also a member of the Executive Committee of the Transportation Research Board of the National Academy of Sciences.

Joan McDonald

Organizational Transformation SME and Executive Coach

Joan currently serves as Chair of the Westchester County Industrial Development Agency (IDA) and the Local Development Corporation (LDC), roles she has held since January 2018. In August 2020, she was appointed Chair of the New York State Bridge Authority Board of Commissioners, and in April 2024, Governor Hochul appointed her to the Thruway Authority Board of Directors. In each of these roles, Joan has provided governance training and guidance to her fellow board members for public authorities and public benefit corporations.

Previously, Joan served as Commissioner of the New York State Department of Transportation (NYSDOT) from 2011 to 2015, overseeing 8,300 employees and managing an annual budget of $4 billion. During her tenure, she chaired the Northeast Corridor Commission; served on the Tappan Zee Bridge Blue Ribbon Selection Panel; co-chaired the Tappan Zee Bridge Mass Transit Task Force; and served on the Executive Committee of the Transportation Research Board (TRB).

Kate Peabody

Associate and Executive Coach

Kate is an International Coaching Federation Professional Certified Coach and former Director of Communications for CH2M (now Jacobs), bringing extensive experience in engineering, construction, and government consulting. She is known for helping teams and individuals align objectives with business strategy and workforce well-being, leveraging her background in corporate communications, employee engagement and culture change initiatives to embed critical topics and foster collaboration across diverse business units.