



Summary Minutes

System Expansion Committee Meeting September 14, 2023

Call to order

The meeting was called to order at 1:31 p.m. by Committee Chair Balducci.

The meeting was recorded and can be found at <https://www.soundtransit.org/get-to-know-us/board-directors/livestream-video>.

Roll call of members

Chair	Vice Chair
(P) Claudia Balducci, King County Councilmember	(P) Kim Roscoe, Fife Mayor

Board Members	
(P) Nancy Backus, Auburn Mayor	(P) Kent Keel, University Place Councilmember
(P) David Baker, Kenmore Councilmember	(P) Joe McDermott, King County Councilmember
(A) Cassie Franklin, Everett Mayor	(P) Dave Somers, Snohomish County Executive
(P) Bruce Harrell, Seattle Mayor	

Alejandro Monzon, Board Relations Specialist, announced that a quorum of the System Expansion Committee was present at roll call.

Report of the Chair

Monthly Contract Report and Agency Progress Report

The meeting packet included the monthly contract report and the July agency progress report, as well as a link to the Project Performance Tracker.

CEO Report

CEO Julie Timm provided the report.

Hilltop Tacoma Opening

CEO Timm reminded the committee that the newly extended T-Line would begin revenue service this weekend on September 16th. She expressed thanks for the local businesses and jurisdictions for their patience and partnership during project construction. She added that service will operate on 12-min headways on weekday peak periods and Saturdays, and at 20-min headways on weekdays off-peak period and Sundays. Fares will also be introduced on the T-Line with the new extension.

Ms. Timm invited Board members and the community to celebrate the ribbon-cutting at the Tacoma Urban Performing Arts Center at 10am on Saturday. She also noted that for two months following opening day, the station will have installations detailing sorites and portraits of Tacoma residents, and rider will also find QR codes at each new station to participate in a Tacoma-centric scavenger hunt.

Ventilation Testing for East Link

CEO Timm reported that Sound Transit, in partnership with Bellevue Fire Department, staged a demonstration of the Bellevue Downtown Tunnel emergency ventilation system on August 29. She noted that the emergency ventilation system successfully pushed the theatrical smoke away from the vehicle, but there was some roll-back into the non-staged incident tunnel.

While this is not a required test, Ms. Timm stated that the agency will continue to partner with emergency responders during the testing phases to ensure the system is ready for the opening of the East Link Starter Line in Spring 2024.

Redmond Technology Station Garage Opening

CEO Timm shared that the agency has received the Certificate of Occupancy from the City of Redmond for the garage at Redmond Technology Station. The final inspections were conducted last week. Sound Transit staff are now preparing the garage to open to the public this fall, along with the already open transit loop.

System Activation

Noting that the Board recently passed an action to approve the East Link Starter Line as a phased opening of the East Link Extension and received the recommendation regarding sequenced openings over the next few years, CEO Timm stated that regular staff updates will be provided on "System Activation." She added that this includes required operational and safety testing and approvals that occur at the end of project construction and prior to the start of revenue service.

She mentioned the final stages of activation on the Hilltop Tacoma Link Extension, the Redmond Technology Station garage, and looked forward to the pre-revenue phase for the East Link Starter line. Ms. Timm also noted that the agency is on track to enter pre-revenue service next Spring for the Lynnwood Link Extension.

Stride BRT Groundbreaking

CEO Timm Reported that the groundbreaking for the Stride BRT program took place early this week. Joined by Board members Constantine, Balducci, Baker, and Millar, among other local elected officials, the agency celebrated with an event at the future NE 85th Station along I-405 in Kirkland. When complete in 2028 and 2029, depending on the service line, Stride riders will have access to a 46-mile battery-electric bus network that will connect 12 cities to key regional destinations, including Link Light Rail stations in Shoreline, Bellevue, and Tukwila.

Early Completion of Rainier Beach & Othello Station tile replacement

CEO Timm reported that the teams working on the tile replacement project at Rainier Beach and Othello stations will complete their work two days earlier than initially planned. This will allow 1 Line service to resume normal frequencies on Saturday September 16th. She thanked riders for their patience during the necessary repair and maintenance work over the past month.

Public comment

Chair Balducci announced that public comment would be accepted via email to meetingcomments@soundtransit.org and would also be accepted verbally.

Written public comments:

Wesley Lin
Nick S.

In-person Verbal Public Comments:

Alex Tsimmerman
Betty Lau
Brien Chow

US & Washington Construction Outlook Presentation

Deputy CEO Belman introduced guest presenters Ken Simonson and Sonja Forster. Mr. Simonson is the Chief Economist for Associated General Contractors (AGC), and Ms. Forster is the Seattle District Manager with Associated General Contractors of Washington.

Mr. Simonson noted positive employment trends in the non-residential construction market but added that key contractors are still working to hire more labor. In August 2023, the construction industry's unemployment rate sat at 3.9% per the Bureau of Labor Statistics, signaling that there are few unemployed construction workers at this time to fill open positions. Per a survey from AGC, 85% of contractor report having openings for hourly craft workers and 88% of contractors are also reporting difficulties in filling those positions. The survey also found that of the respondents, 68% found that available candidates are not qualified, 33% cited that potential employees could not pass a drug test, and 26% stated that unreliable transportation to and from job sites were main reasons for difficulties in filling positions.

Mr. Simonson added that the construction industry has historically paid a wage "premium" to attract craft and other hourly workers, usually around 20%. During the early months of the COVID-19 Pandemic, this premium dipped down to 15% and is now competing against other industries who have raised their starting wages, such as food preparation and delivery services. In terms of year-over-year average hourly earning for craft workers, the trend has sat around 5% since June 2021, with the costs of construction inputs (not labor) having soared during supply chain constraints and recently dropped back to near zero year-over-year.

Speaking directly to individual construction costs, Mr. Simonson noted that over the last year, cement prices have risen 11% and ready-mix concrete by 9.6%. He added that pre-cast concrete, a major component of Sound Transit projects is also seeing similar increases, as well as long lead times. He also noted that the cost of diesel fuel and upstream supplies of crude oil have experienced substantial jumps, with diesel fuel seeing a 34.6% increase from July to August 2023. Mr. Simonson also added that lead times have grown up to 90-100 weeks for specialized electrical components.

Mr. Simonson highlighted that construction firms alternate between times when prices of inputs rise above the bid prices, most recently during 2020 and 2021. While the trend has flipped recently, these firms are still needing to recuperate loses incurred. While total construction is up 6% from July 2022 to July 2023, Transportation-related construction is up 8%. When removing air and private rail/truck projects, transit construction is down 10% over the same period, but Mr. Simonson expects that to change as money flows from the Infrastructure Investment and Jobs Act.

Mr. Simson indicated he is optimistic on avoiding a recession but did add that there are trends in the construction industry that may see slowing of specific development, primarily due to tightening lending standards and interest rates. This may free up additional labor for transit-related construction.

Chair Balducci noted the irony of unreliable transportation as a limiting factor on labor pools.

Ms. Forster was able to present her portions of the presentation but noted she was having issues hearing the audio from the meeting. She explained that she would be present at the Board meeting later this month to potentially answer any questions from today or at that meeting.

Ms. Forster first thanked Sound Transit for their collaboration with the construction industry on delivering the system expansion program.

Ms. Forster commented on three of the recommendations from the Technical Advisory Group's report issued earlier this year as having potential to tackle inflationary and economic troubles. She explained that Recommendation 2 – introduce an experienced megaproject capital program executive team and Recommendation 3 – develop procedures to expedite the decision-making process can go hand-in-hand to support timely decision-making to keep the contracting market attracted to Sound Transit projects. She also highlighted Recommendation 4 – align procedures with industry best practices as supporting that collaborative relationship and strengthening the contracting market for Sound Transit. She also noted that Recommendations 3 & 4, disproportionately helps local, small and minority owned firms succeed and build capacity on Sound Transit contracts.

Chair Balducci asked if Sound Transit staff are experiencing the trends discussed by Ken and Sonja and how those appear to be playing out in the field.

Deputy CEO Belman responded that the trends do confirm what staff are seeing when it comes to developing and constructing the capital program. She asked Adam Strutynski, Director of Scheduling, Estimating, Risk, and Value Engineering, to speak to what is being seen more specific in construction.

Mr. Strutynski confirmed that these trends are being experienced and presented challenges to the teams developing estimates and projected costs for projects. He specifically referenced the BRT Baseline and recent OMFS cost estimates as both trending high due to the rising labor and material costs plus some scope changes. He did add that on some recent contracts, staff have been able to shift methodologies to secure better value bids. Additionally, Mr. Strutynski mentioned that Sound Transit has at times pushed back on bids to secure better value or design enhancements.

Chair Balducci thanked Mr. Strutynski for his response and noted that this, and ongoing, discussion is key in furthering the committee's knowledge to support the capital program.

Deputy CEO Belman added that these discussions are part of the project development process, both among staff and with the Board.

Board member Keel, understanding how all this impacts the project development process, asked what can be done once construction and project implementation begins.

Deputy CEO Belman responded that Sound Transit's relationship with contractors and AGC is a key tool in adjusting to conditions once construction begins. She asked Joe Gildner, Deputy Executive Director of project management, to say a few words.

Mr. Gildner specifically referenced a handful of recommendations from AGC on contracting efficiencies, including adjustment clauses, earlier procurement of long lead items, and incentive clauses. This also includes streamlining of necessary review processes during construction.

Chair Balducci thanked Mr. Simonson and Ms. Forster for their presentation and looks forward to seeing them again at the full Board meeting.

Project Performance Tracker Update

Moises Gutierrez, Chief System Quality Officer, shared that the information for the most recent update to the online Project Performance Tracker is from the end of July 2023 and was updated on September 1, 2023.

Beginning with Projects in Planning, Mr. Gutierrez noted that there were no changes to the statuses of these projects this month.

For Projects in Construction, Mr. Gutierrez pointed out that the Stride BRT projects have been entered the construction phase after being baselined by the Board in July. As such, the statuses for the three component projects are displayed in green compared against the baseline budget and revenue service dates. He added that work is underway to better provide historical information on when these metrics

are updated by the Board or staff, so that anyone using the Project Performance Tracker can see when adjustments are made. In particular, he referenced the different service dates between the original ST2 and ST3 measures, the 2021 realignment Target and Affordable schedules and current anticipated service year.

Looking ahead to potential status changes, Mr. Gutierrez highlighted the Operations and Maintenance Facility South project has been experiencing high cost and schedule risks, which the team will present on later in the meeting. He also noted the Series 3 Light Rail Vehicle project currently forecasts a delay for conditional acceptance from Q3 2032 and Q2 2035. This is driven by industry feedback on the necessary testing conditions, as well as incorporating additional schedule float. He clarified that this does not mean that sufficient vehicles would not be available to support ST3 projects, as those projects are also experiencing concurrent delays.

In concluding, Mr. Gutierrez added that staff are looking at how to best incorporate additional assessments of financial impacts based on forecasted costs into this presentation, as well as an additional Quality metric to complement the schedule and budget risks currently tracked.

Chair Balducci expressed her appreciation for both the Project Performance Tracker and these regular updates at the committee.

Board member Keel also expressed his support and appreciation for these updates. He also asked if there were absolutely no changes to the projects in planning.

Chair Balducci responded that she believes the “no change” is bounded by the metrics described by the legend at the bottom of the slides that shows ranges for each status. Mr. Gutierrez confirmed Chair Balducci’s answer and added that projects are dynamic but may not adjust out of the current status.

Business items

For Committee Final Action

Minutes: August 10, 2023 System Expansion Committee meeting

It was moved by Board member Baker, seconded by Board member Roscoe, and carried by unanimous voice vote that the minutes of the August 10, 2023, System Expansion Committee meeting be approved as presented.

Motion No. M2023-78: Authorizing the chief executive officer to amend Task Order 2 under the City Services Agreement between the City of Kent and Sound Transit for additional design review, permitting, and construction services for the Federal Way Link Extension project in the amount of \$1,750,000, plus a 10 percent contingency of \$175,000, totaling \$1,925,000, for a total authorized agreement amount not to exceed \$8,941,800.

Bob Nichols, Federal Way Link Extension Light Rail Development Manager, gave the staff presentation for this and the following action.

In noting the substantial increase to both actions, Chair Balducci inquired if these were unintended costs. Mr. Nichols responded that with the delay to the Federal Link Extension Project due to the site conditions at Structure C, there is now a longer duration of coordination needed with the cities along the alignment. Additionally, Mr. Nichols referenced earlier delays incurred from the concrete strikes and COVID-19 pandemic that put strain on the project in 2020 and 2021 and required an additional level of work by the Cities that was invoiced to Sound Transit.

Chair Balducci asked if the additional level of work is a learning opportunity or a chance occurrence. Mr. Nichols responded that they did learn about the necessary components of city support, including permitting reviews and approvals and site inspections. He added that initial estimates can be off and that when invoicing catches up, the total has increased.

Vice Chair Roscoe inquired if the staff believe the low remaining line-item budget would be sufficient to complete the project. Mr. Nichols confirmed that he expected it to be sufficient. Vice Chair Roscoe further inquired if they expect it to be used or remain in the budget. Linneth Riley-Hall, Executive Project Director for the Federal Way Link Extension, responded that it may be left as a credit in the budget, but risks remain around Structure C that may require drawing on the remaining funds with the City of Kent.

Board member Keel asked if clear sailing is expected with the cities going forward. Ms. Riley-Hall noted that these agreements are separate from other project negotiation/engagement on design and construction.

Chair Balducci asked if the team feels confident that the cities have projected the remaining work accurately for Sound Transit. Ms. Riley-Hall confirmed the cities have been great partners and the team is confident about moving forward.

Chair Balducci hoped that the increased agreement amounts would be sufficient for the remainder of the project.

It was moved by Board member Backus, seconded by Board member Keel, and carried by the unanimous vote of all committee members present that Motion No. M2023-78 be approved as presented.

Motion No. M2023-79: Authorizing the chief executive officer to amend Task Order 2 under the City Services Agreement between the City of Federal Way and Sound Transit for additional design review, permitting, and construction services for the Federal Way Link Extension Project in the amount of \$2,060,000, plus a 10 percent contingency of \$206,000, totaling 2,266,000, for a new total authorized agreement amount not to exceed \$7,810,705.

Chair Balducci noted that the two actions were presented together and opened the floor for additional questions.

It was moved by Board member Backus, seconded by Board member Baker, and carried by the unanimous vote of all committee members present that Motion No. M2023-79 be approved as presented.

Motion No. M2023-80: Authorizing the chief executive officer to execute a sole-source contract modification with CBRE to continue to provide preventative maintenance and other services for East Link facilities for an additional 27 months through December 2025 in the amount of \$3,387,280, for a new total authorized contract amount not to exceed \$6,272,172, plus applicable taxes.

Jon Lebo, East Link Extension Executive Project Director, gave the staff presentation for this action.

Board member Keel expressed frustration with the lack of subcontracting with Small Business and Disadvantage Business Enterprise on this contract. Mr. Lebo noted that while the scope of work that was initially intended for those subcontracts has not been needed, the project staff are working with CBRE to change the path forward to increase that participation. Board member Keel asked that the prime contractor take steps to rectify this shortfall as soon as possible.

CEO Timm responded that Sound Transit's new Chief Equity and Diversity Officer Maria Doucette-Perry is aware of this issue and is working on ways to address it. She added that staff could return to this committee and the Board with more information on the path forward related to working more with SBE/DBE goals and commitments.

Chair Balducci thanked both Board member Keel and CEO Timm for their comments on this item.

It was moved by Board member Baker, seconded by Board member McDermott, and carried by the majority vote of all committee members present that Motion No. M2023-80 be approved as presented, with Board member Keel voting in the negative.

Motion No. M2023-81: Authorizing the chief executive officer to increase the contingency for the Follow-On Package 1 contract with Balfour Beatty Construction LLC dba Howard S. Wright for the East Link Extension project in the amount of \$3,000,000 for a new total contract amount not to exceed \$6,010,460, to perform additional follow-on and closeout work, including tile replacement work at the South Bellevue Station.

Jon Lebo, East Link Extension Executive Project Director, gave the staff presentation for this action.

It was moved by Board member McDermott, seconded by Board member Baker, and carried by the unanimous vote of all committee members present that Motion No. M2023-81 be approved as presented.

For Recommendation to the Board

Motion No. M2023-82: Authorizing the chief executive officer to execute a funding agreement with the City of Seattle for design and construction of the city's NE 130th St./NE 125th St. Corridor Improvement project in an amount not to exceed \$4,600,000 to come from the budgeted station access allowance for the project.

Alex Krieg, Director of Access, Integration & Station Area Planning, gave the staff presentation for this item.

Board member Keel asked for the level of confidence that Sound Transit have that the contribution from the Agency is going toward a collaborative project that can be delivered on time and within the necessary funds. Mr. Krieg noted that construction has already begun, and he understands that most of the necessary permitting has been addressed. He added that Sound Transit is intentional in when it plans to commit System Access Funds, aiming to do so when most of the risk has been addressed. He also appended that the City of Seattle has also secured additional outside funding for this project.

Chair Balducci noted excitement for the use of the System Access Funds in this way, specifically mentioning covered bike lanes.

It was moved by Board member Harrell, seconded by Board member Keel, and carried by the majority vote of all committee members present that Motion No. M2023-82 be forwarded to the Board with a do-pass recommendation, with Board member Baker voting in the negative.

Reports to the Committee

Update on Operations and Maintenance Facility South

Curvie Hawkins, High-Capacity Transit Development Project Director, stated that today's presentation will provide an update on the Operations and Maintenance Facility South (OMFS) project, and he noted that a combined NEPA/SEPA Supplemental DEIS is planned to be published on September 22, 2023. He intends to provide key findings from that document and provide information on the subsequent public comment period. Mr. Hawkins provided a brief recap of the project timeline to date and noted that after the publication of the DEIS, there will be a 45-day public comment period, with the publication of the Final Environmental Impact Statement expected in mid-2024. Following that publication, the Board will be asked to select the project to be built.

Mr. Hawkins provided an overview of the three alternative sites being evaluated in the DEIS, which includes the Preferred Alternative at S. 336th Street in Federal Way. Other alternatives include the S. 344th Street site, also in Federal Way, and the Midway Landfill site in the City of Kent. He added that since the initial Draft EIS was published in 2021, there has been continued coordination with the local jurisdiction for the Preferred Alternative that has caused design refinements. He noted that on the Preferred Alternative, there was the addition of test track and an associated access road, as well as

refinements to address permitting conditions. The S. 344th Street site also included the addition of test track and the associated access road, while the Midway Landfill site has seen no changes in scope.

Using a visual graphic of the Preferred Alternative site, Mr. Hawkins highlighted the key refinements as a new street with a multi-use path along the west side of the site and the extension of 21st Ave. S, the addition of test track, expansion of the site footprint by 5 acres to provide more site layout and design flexibility, reconfiguration of the internal track configuration to allow for a wider stream and wetland corridor east of the site, and culvert replacements and removals to meet state fish passage requirements. He explained that the test track would consist of about one mile of rail that would be adjacent and to the east of the mainline track and would provide the ability to test and commission new and overhauled light rail vehicles. By creating a separate test track, Sound Transit would be able to test vehicles 24/7 while increasing employee safety.

Mr. Hawkins ran through changes from the 2021 SEPA DEIS. For the Preferred Alternative, the cost estimate was adjusted to reflect new design elements and use 2023 dollars. The largest change in impacts was an increase to residential displacements along the mainline track. Additionally, there was an increase of about 5 business displacements to allow for increased site design flexibility. He added that while permanent wetland buffer impacts increased, the overall permanent ecosystem impacts decreased.

Mr. Hawkins also summarized the changes to the other alternatives. For the S. 344th Street site, the cost was also adjusted to include the test track and use 2023 dollars, the number of residential displacements increased, and with a shorter test track, the number of business and employee displacements was reduced. For the Midway Landfill site, the cost was adjusted to use 2023 dollars and there was an increase in the number of property parcel impacts due to subdivision activities by the owners.

In comparing the property impacts among the alternatives, Mr. Hawkins pointed out that the Midway Landfill site has the least displacement and the S. 344th Street site has the most, including GarageTown's 60 individual owners, 4 churches, and Ellenos Yogurt. The Preferred Alternative has less impacts than the S. 344th Street site, notably the Christian Faith Center and Pacific Christian Academy. Additionally, both of the sites in Federal Way would have residential displacements, including Belmor Mobile Home Park, to connect the mainline track to the OMFS.

For ecosystem impacts, the Preferred Alternative would have the most long-term impacts to wetlands, forest, and streams, but work has been done since the 2021 SEPA DEIS to reduce the amount of those impacts. The Midway Landfill site is able to avoid ecosystem impacts.

Looking at construction duration, Mr. Hawkins stated that the Preferred and S. 344th St. alternatives would have similar durations and could be opened by 2032. The Midway Landfill alternative would require a much longer duration depending on the subsurface construction options, due to the complexities of constructing in the landfill and the amount of soil that would need to be removed/replaced. At this time, it is projected that the Midway Landfill option would require a substantial amount more of daily truck trips during site preparation when compared to the other alternatives.

When presenting the cost estimates, Mr. Hawkins noted that the figures shown are for the OMFS site only and do not include the connecting mainline for the Federal Way sites. The cost estimates are based-off of 10 percent design and are for comparative purposes only at this time and are not meant to be construed as a project budget. In 2023 dollars, the Preferred Alternative has the least cost, and the Midway Landfill has the most cost for construction. The Preferred and S. 344th Street alternatives have similar estimated annual operating costs, with the Midway Landfill site coming in slightly higher.

Mr. Hawkins concluded his presentation by walking through the upcoming project schedule. He highlighted that the 45-day public comment period would remain open until November 6th with two open

houses on October 19th and October 24th. Staff intend to update the Board on the comments received and will work toward the publishing of the Final EIS in mid-2024.

Board member Keel inquired into the origin of the mentioned scope changes, asking if those came from within Sound Transit or from federal/local partners. Mr. Hawkins responded that different elements have come from different teams, with the test track coming from internal staff to provide better vehicle testing efficiency and others stemming from permitting conditions. He also noted that Sound Transit staff attempted to negotiate over the inclusion of the new street to replace another that required vacation for the project, but the city pointed to emergency services access in the area as a necessity.

Board member Keel when other major project decisions, specifically land acquisition, can occur in the timeline. Mr. Hawkins responded that there is an action expected at the Board meeting for early acquisition of a few properties that have expressed hardships due to the project's potential need for the property.

Chair Balducci noted a sense of déjà vu with the information and asked that staff be intentional in engaging with the public over the pros and cons of each site, specifically due to the lack of property impacts associated with the more expensive Midway Landfill site.

Noting the time, Chair Balducci asked that the presentation on ST2 Light Rail Service and Passenger Experience be postponed to a later meeting and asked committee members to review the slides provided and ask staff questions if needed. Don Billen, Executive Director of Planning, Environmental, and Project Development added that the presentation was also given at the Rider Experience and Operations Committee last week, so the recording of the meeting is available online.

Status of the Technical Advisory Group Response

CEO Timm and Moises Gutierrez, Chief System Quality Officer, provided the presentation. Staff created a dashboard following Board input after the presentations at the August 2023 Executive Committee meeting and Board of Directors meeting on implementing TAG recommendations.

There were 22 action items being tracked for implementation. Eight were in progress and on track, two were completed, seven required more discussion and guidance from the Board, four were not yet started primarily due to the item being a successor to a preceding action item, and one was still in early investigation.

For Recommendation 1, to rebuild trust and clarify the roles and responsibilities of the Sound Transit Board and staff, some work was taking place and there was still work that required additional Board guidance, including the possibility of a Board retreat next year. One item was the Delegation of Authority item which was brought to this committee at the August 2023 meeting but then referred to the Finance and Audit Committee meeting resulting in the Finance and Audit Committee Chair holding a special meeting on September 8, 2023, to discuss the potential policy update. There were also questions regarding property acquisitions and the levels of authority for those real property decisions that staff was looking to the Board for guidance.

Recommendation 2, introducing an experienced megaproject capital program executive team, was discussed and voted on at the Executive Committee last week to advance the recruitment firm. Three senior executive capital program positions were already budgeted and accounted for the 2024 Budget and the role profile would be developed with the Board. Upcoming work for this recommendation included defining level of decision-making authority to be delegated to the newly formed capital program executive leadership.

For Recommendation 3, implementing procedures that push decision-making down to lowest level practical and fostering an environment that encouraged decision-making in general, there were two sub-actions. Starting this month, staff were initiating a cohesive capital program improvement process to

identify efficiencies and streamline internal controls, on several fronts. The second part of the recommendation was on training, which was dependent on the first action. Staff was currently launching that improvement initiative.

For Recommendation 4, aligning key procedures with industry best practices, eliminating unnecessary steps and associated delays, had five sub-actions. In close partnership with the American Council of Engineering Companies, staff had developed detailed workplans to explore best practices and secure feedback directly from the private sector. Per Board Motion No. M2023-36, there is direction to bring an updated Betterments Policy in Q1 2024, and staff intend to bring options to update the current policy or to develop a standalone Betterment Policy.

Recommendation 5, strengthening and enforcing an agency betterment policy, had three sub-actions. Staff also recognized there was more work to further clarify and improve the agency's decision-making authority in addressing betterment requests from the Authorities Having Jurisdiction. Mr. Gutierrez briefly recapped the current policies and Board actions that guide these decision-making processes.

For Recommendation 6, engaging the Federal Transit Administration (FTA) as a delivery partner equally invested in delivering transit to the region, there were two sub-actions. Staff would seek guidance on how the Board would be involved in this area.

There were two other recommendations in Motion No. M2023-36, separate from the TAG recommendations. One being a contract for an Independent Consultant, Dave Peters, which was extended through December 2024. Similarly, the contracts for all eight TAG members would be extended and the agency was in the final stages of those contract modifications. Staff was committed to supporting Mr. Peters and the TAG as they work on their quarterly reports to the Board which would begin next quarter.

Next steps including delivering monthly updates, discussing Board level policy items in need of further development, and incorporating feedback from the Board for next month's update.

CEO Timm did note that this is an iterative process and added that an additional column would be added to the provided table that would signal either Dave Peters or TAG member involvement on specific items. She added that there is discussion with the independent reviewers to pair them with specific points on contact within the agency to aid in streamlining work.

Chair Balducci highlighted the importance of the TAG Recommendations to guide the delivery of the Capital Program and was thankful to see the work presented in this way going forward on a monthly basis. Specifically, she pointed to Recommendation 1 and 2 which the Technical Advisory Group identified as critical for the agency's success. She noted that Recommendation 2 is easier to follow as it is more concrete, but Recommendation 1 is more abstract. Chair Balducci also referenced Board member Backus's comments earlier in the TAG process about the balance of work/authority between the Board and staff. She also requested additional urgency on implementing the TAG's recommendations.

Executive session - None.

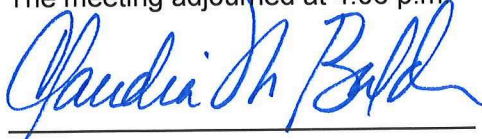
Other business - None.

Next meeting

Thursday, October 12, 2023
1:30 p.m. to 4:00 p.m.
Ruth Fisher Board Room &
Virtually via WebEx

Adjourn

The meeting adjourned at 4:06 p.m.



Claudia Balducci
System Expansion Committee Chair

ATTEST:



Kathryn Flores
Board Administrator

APPROVED on October 12, 2023, AJM.