

## Summary Minutes

**Board Retreat**  
**May 29, 2025**

### Call to order

The retreat was called to order at 10:35 a.m. by Chair Dave Somers.

### Roll call of members

Chair	Vice Chairs
(P) Dave Somers, Snohomish County Executive	(P) Claudia Balducci, King County Councilmember (P) Ryan Mello, Pierce County Executive

Board members	
(P) Nancy Backus, City of Auburn Mayor (P) Angela Birney, City of Redmond Mayor (P) Shannon Braddock, King County Executive (P) Cassie Franklin, City of Everett Mayor (P) Christine Frizzell, City of Lynnwood Mayor (P) Hunter George, City of Fircrest Councilmember (A) Bruce Harrell, City of Seattle Mayor (P) Ron Pate, Secretary of Transportation Alternate	(P) Ed Prince, City of Renton Council President (P) De'Sean Quinn, King County Councilmember (P) Kim Roscoe, City of Fife Mayor (P) Dan Strauss, City of Seattle Councilmember (A) Peter von Reichbauer, King County Councilmember (P) Kristina Walker, City of Tacoma Councilmember (P) Girmay Zahiray, King County Council Chair

Katie Flores, Board Administrator, announced that a quorum of the Board was present at roll call.

### Welcome and Introductions

Chair Somers opened the retreat by welcoming those Board members who joined the Board this year – Julie Meredith, Ryan Mello, Hunter George, De'Sean Quinn, and Shannon Braddock. He also acknowledged CEO Constantine and retreat facilitator Jennifer Haury.

The purpose of the retreat is for Sound Transit Board members to look back at the agency's accomplishments and challenges, dive into understanding where the agency is today, and begin to engage with major challenges and opportunities to move the agency forward.

Chair Somers enumerated six principles that are foremost in his mind for decision-making at Sound Transit: 1) do what is best for the region, 2) put riders first, 3) foster inclusive collaboration, 4) be responsible stewards, 5) act with transparency, and 6) use data informed decision-making.

Board member Balducci welcomed the Board to Bellevue and provided some context to the space and its transit history, including the history of overcoming challenges to building light rail in a built-up urban environment.

CEO Constantine thanked Chair Somers for calling the retreat and bringing the Board together for important conversations and he thanked staff for their work to quickly organize the retreat. He expressed his honor to be present at the retreat as Sound Transit CEO.

Chair Somers introduced Jennifer Haury, the retreat's facilitator. Ms. Haury provided a few opening notes regarding safety and meeting etiquette. Her goals were for the Board to make connections and

establish a shared future, apply and augment the six principles laid out by Chair Somers, built trust and rapport, and develop a shared understanding of the nature and scale of challenges. She briefly reviewed the agenda and asked Board members to participate in a brief icebreaker exercise.

Following the activity, Ms. Haury touched-on the “First Team” principle that the Board was introduced to last year. All Board members wear at least two hats: leading their jurisdictions and being part of Sound Transit leadership. It is imperative that Board members work to balance those responsibilities and seek to pursue a regional approach with the Board.

## **Sound Transit history and level setting**

Finance and Business Administration Deputy CEO Victoria Wassmer explained that the next presentation would set context for how the agency has arrived to where it is today and how previous cost pressures were addressed. While going through several eras of Sound Transit History, her and Brian McCartan, former CFO, will showcase themes and milestones that have guided Sound Transit.

**Beginnings 1990-1996:** The Washington State Legislature passed enabling legislation in 1990 that would allow multiple counties to agree to establish Regional Transit Agencies, with King, Pierce, and Snohomish Counties approving the formation of the Central Puget Sound Regional Transit Authority in 1993. The agency’s first ballot measure was rejected in 1995, before the agency was able to pass the Sound Move Initiative in 1996. At this time, the region was recognizing the need for high-capacity regional transit. The agency’s subarea equity policy was adopted to ensure balanced investments throughout the district.

**Startup & Survival 1997-2003:** The agency sought to quickly mobilize and deliver new services to residents with the Regional Express (1999) and Sounder South (2000) programs, both of which required strong partnerships with the existing transit agencies – Community Transit, King County Metro, and Pierce Transit. At the same time, planning and building the initial Central Link project was proving more time-consuming and costly than originally anticipated, and the Board faced its first major program affordability challenge. The Board dug into the problem of the \$1 billion overrun to construct light rail from University of Washington (UW) to SeaTac airport and, over the course of 7 years, fully put the program back on track. The result was segmenting the delivery of the project into three portions: Westlake to Tukwila, extending to the Airport, and extending to UW. The Board also made the difficult decision to bypass a First Hill station due to costs. In 2003, Tacoma Link service began, Sounder operated between Seattle and Everett, Central Link construction broke ground, and the first Link operating agreement was signed with King County Metro.

**First Openings & ST2 2004-2010:** The success of the first program realignment allowed the agency to show substantial progress in building-out the system and set the stage for developing the ST2 ballot initiative, that voters approved in 2008. Shortly after approval, the 2008 recession hit, and Sound Transit faced a projected loss of \$3.7 billion in revenue. This second realignment took place over two years, and the Board took a very careful approach to finish projects in construction, keep projects in design moving, and potentially suspend or delete projects. In 2009, Central Link (Westlake to Tukwila) opened, with the extension to SeaTac opening in December; construction on the portion to UW began. During this period, the Long-Range Plan was updated, the ST2 System Plan was adopted, and the agency faced its first significant revenue shortfall and program-wide realignment. Additionally, joint bus-rail operation in the Downtown Seattle Transit Tunnel introduced long-term operating compromises.

**Accelerating Momentum & ST3 2011-2019:** Following the realignment of ST2, the agency entered a relatively calm period, focusing on construction extending the 1 Line both north to Northgate via UW and south to Angle Lake. In 2016, the region approved ST3, which is larger than Sound Move and ST2 combined, launching one of the largest transit expansion programs in the country and boosting revenues for the agency.

A Changed World 2020-2025: The COVID-19 Pandemic shattered the post-ST3 calm and introduced major ridership changes and economic uncertainty. At the time, the agency was estimating there would be roughly \$6 billion in financial impacts to the program, and the Board was engaged over the course of a year to realign the capital program. The Board passed the 2021 Realignment in August and established new delivery dates for capital project, which generally resulted in a 1-3 year delay on light rail extensions. The end result was not seen as entirely satisfactory in process and outcomes, so staff are incorporating lessons into the efforts to address the current pressures.

Ms. Wassmer added that Sound Transit has continued to make progress post-Pandemic with opening several major light rail extensions, while navigating the impacts of remote work patterns, resiliency concerns, inflation, and federal uncertainty. She highlighted that system is still relatively young, long-run planning has always assumed Board engagement on key pinch points, the agency has effectively navigated concerns in the past, and there are existing strong partnerships with regional and local communities.

## **Sound Transit today**

CEO Constantine acknowledged all the change that has occurred since the last retreat in February 2024. He explained that Sound Transit has the respect of other transit agencies in the country and has repeatedly shown itself to be ambitious and able to overcome crises to delivery on the agency's mission. He reminded the Board that the agency has stable funding sources that, while not invincible against cost pressures, is an envy of other agencies. Taking into account the extraordinary conditions since the 2021 realignment, current financial modeling shows that doing nothing would result in an unaffordable program by the 2040s, with funding becoming an issue before then as lenders take cautionary measures. With paralysis not an option, staff are working to develop all the necessary information to provide the Board with avenues, ideas, and options to handle cost pressures.

With a strong cash balance and substantial capacity, the major challenges are down the road, but Board guidance is needed in the short-term to tee-up actions. CEO Constantine remarked that the previous realignments largely hinged on scope reductions and schedule delays, but he is hoping the new organization at Sound Transit would be able to investigate new alternatives and tools for the Board to consider. He noted that that this effort will be more wholistic than a realignment as it will encompass the totality of the agency's operations, not just system expansion and capital projects. The end result of this work will be to delivery an affordable plan for a matured agency.

After lunch, CEO Constantine shared that the main exercise will be to conduct deep-dives into the corridors and projects to augment Board member understanding across the portfolio and region.

Board member Birney likened the agency's push to mature to the growth in Redmond from suburb to city. She also asked if there was any particular ideal that CEO Constantine was focused on. He responded that he would like to ensure the agency is well-balanced between capital expansion and operations, as the system expansion program tends to be where the most attention is given.

Board member Stauss stated his excitement with digging into information and new ideas, citing his own ebb-and-flow of understanding. CEO Constantine responded that he wants to ensure the Board is fully informed and committed to doing so across different meetings and opportunities.

Chair Somers remarked that the lesson on Sound Transit history shows the Board has been able to respond to pressures before, joking that the passage of each System Plan triggers macro financial calamity. He wants the Board to be well-prepared to act in the coming years and the public to be aware of the processes.

Board member Zahilay asked if this will all come to the Board as a single action or multiple items. CEO Constantine responded that, for now, the agency is focused on planning and future proofing the

currently anticipated shortfall. Alex Krieg, Director of Enterprise Planning, added that the intent will be for the work to move forward in pieces, due to the nature of needing to take earlier action on some aspects will greater clarity and information is developed for other areas. A more concrete schedule would be finalized and shared in the coming months. CEO Constantine remarked that a 30-year financial plan cannot be perfect, and adjustments may be needed, but that the Board will be well-equipped and knowledgeable for those discussions and actions.

Board member Backus expressed unease with the mentions of realignment and stressed that trust and transparency will be key.

Vice Chair Balducci added that the Board and agency must be willing to do things differently and build upon lessons learned from previous actions.

After the discussion, Chair Somers announced that the Board would recess for lunch. No business conversations would occur until the retreat reconvenes after 30 minutes. The Board recessed for lunch beginning at 11:42 am.

## **The future – challenges and opportunities**

The Board reconvened at 12:17 pm.

Alex Krieg noted that the agency has faced and overcome program affordability challenges in the past and staff are prepared to support the Board in doing so again. He cautioned that this iteration must be different than in previous eras, with a heavier focus on operations, maintenance, and systemwide thinking. While the upcoming challenges are significant, the agency is confident in utilizing the tools and resources to solve each issue. Integration of work across the agency (capital delivery, service delivery, finance, and planning/policy) will be essential.

Beginning with Capital Delivery, Mr. Krieg acknowledged that the West Seattle Link Extension is a leading indicator of potential issues across the expansion program. He cautioned that cost increases are not unique to Sound Transit, but that there are some that are within the agency's ability to mitigate or control. Staff continue to develop and implement the Board-directed cost savings work plan, while striving to keep projects from stalling while the work is underway. He added that the Board has four major tools in this area (find project-specific and program efficiencies, modify or reduce project scopes, open projects in phases, and reconsider projects), but that attention would also be given to other areas of the agency.

Over time as system expansion projects are completed and brought into service, operations will become an increasing share of the Long-Range Financial Plan. Current at 32% of the 2025 Budget, Operations is modeled to be 90% of the budget in 2046, when ST3 projects are completed. The rapid expansion of the system continued to impact the agency's understanding of what is needed to deliver service, as well as maintain and improve system resiliency.

The Finance team is undertaking work to better understand the full cost of fully delivering the ST3 program in light of cost pressures on both the capital and service aspects of the agency. Persistent inflation and macroeconomic uncertainty, as well as trade impacts from tariffs, continue to be evaluated. Staff intend to be proactive in assessing and maximizing existing financial capacity and explore all levers that may be at the Board's disposal.

Since the 2016 passage of ST3, the agency and world has experienced significant, historic changes. Moreover, the 2021 realignment occurred during the pandemic and before the long-term impacts could be fully understood. As the system continues to grow, the agency will change the way staff look at future operating, maintenance, and planning assumption and endeavor to more frequently adapt to observed realities.

Mr. Krieg concluded by noting that this work would be a major area of focus for the Board in 2025-2026, and that the next exercise in today's meeting will ground Board members in both existing services and planned projects in each corridor. The exercise will provide the Board opportunities to highlight what assumptions have changed, understand current priorities, and establish key principles to guide the agencywide effort.

Ms. Haury explained that the next activity would have the Board members break into small groups and rotate among tables to discuss the four corridors (North, Central, East, and South), with a key Board member and agency staff members facilitating each conversation. The key Board members will help to summarize common themes during full discussion after the activity concludes.

Chair Somers noted that the public is welcome to observe the activity in the other room and that the Board will return to the main space for final discussions and adjournment.

Following the small group activity, Ms. Haury asked for reports from each of the four corridors.

Reporting on the East corridor discussions on behalf of Vice Chair Balducci, Ariel Taylor, Government and Community Relations Director, shared that the conversations focused on wanting to know where riders are coming from and going to, highlighting the dense, urban centers connected along the 2 Line, weighing station/system access options (parking, pedestrian improvement, multimodal connects), and pondering larger policy discussions.

Board member Braddock spoke to the conversations in the Central corridor. The conversations highlighted concerns about the cost pressures and potential mitigation efforts on the West Seattle and Ballard Link Extensions, uplifted the mindset of regional and systemwide thinking to address challenges, noted the need to invest in system resiliency, and looked forward to updating long range plans to better suit new contexts and assumptions, including environmental considerations.

Board member Backus reported on the South corridor. The conversations focused on the excitement for the Tacoma Dome Link Extension's coordination with the Puyallup Tribe of Indians, concerns about future ST Express bus service, the idea of expanding Sounder S service beyond a commuter schedule, a desire for additional discussions on subarea finances, and highlighted the need for equity along the light rail spine as the South corridor saw the least reduction in riders during the pandemic.

Chair Somers summarized the discussion in the North corridor, which focused on the potential Everett Link Extension alternatives. He noted that there are several areas that key assumptions have to be updated, such as commercial flights from Paine Field, growing job centers, and increasing density along I-5 from Lynnwood to Everett. Board member Roscoe conveyed an additional point regarding the communities along Casino Road and that two stations may be necessary to serve both Paine Field and Boeing workers.

Ms. Haury asked if there were additional points from Board members regarding general themes across the region.

Board member Birney stressed the importance of collaboration between Sound Transit, other transit agencies, and local jurisdictions/stakeholders.

Board member Frizzell also highlighted the need for effective communication with current riders.

Ms. Haury recalled the six principles that Chair Somers laid out and asked if there were any additional concepts Board member would add.

Board member Roscoe felt that most of the conversation focuses fell within inclusive collaboration.

Board member George raised the need to be adaptable, both as an agency and Board. He added that learning what the agency was responding to during previous adjustments is key to undergoing a similar effort.

Board member Quinn stressed that lessons should be taken from ridership data.

Board member Strauss noted that the current effort is an extension of past decisions, so the Board should be aware of how upcoming decisions may impact future Boards. He advocated for avoiding a scarcity mindset and asking voters for additional funds to complete the current program. He also cautioned against settling for minimum operable segments (MOS) as method to reduce cost.

Board member Birney cautioned against moving too quickly which could result in reactionary decisions. She agreed with Board member Strauss on avoiding MOS, as they may constrain future planning.

Chair Somers added that the Board and agency would need to think creatively and look outward for potential tools. He highlighted the possibility of public-private partnerships as an avenue to successfully deliver elements of the program. Board member Birney raised the successful partnership that provided a pedestrian bridge across SR520 in Redmond.

Ms. Haury thanked the Board and noted that Chair Somers and staff would prepare for additional debriefing discussions at meetings in June.

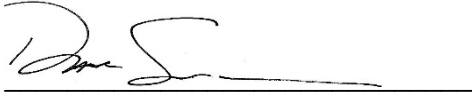
Chair Somers thanked everyone for attending and noted his excitement to continue the Board's engagement that was exemplified during the CEO search. He added that post-retreat discussions are currently planned for the June Exec Committee and Board meetings.

## Next meeting

The next regular Board meeting would be held on June 26, 2025, 1:30 p.m. to 4:00 p.m. in the Ruth Fisher Board Room and as a virtual meeting via Zoom.

## Adjourn

The meeting adjourned at 2:23 p.m.



Dave Somers  
Board Chair

ATTEST:



Kathryn Flores  
Board Administrator

APPROVED on June 26, 2025, AJM.