

Motion No. M2025-23

Amendment for Operating Agreement with the National Railroad Passenger Corporation

| Meeting: | Date: | Type of action: | Staff contact: |
|---|------------|--------------------|---|
| Rider Experience and Operations Committee | 05/01/2025 | Recommend to Board | Marie Olson, Acting Service Delivery Deputy CEO |
| Board | 05/22/2025 | Final action | Paul Denison, Service Operations Executive Director |
| | | | Martin Young, Commuter Rail Operations Deputy Director |

Proposed action

Authorizes the chief executive officer to execute an Amendment to modify the existing Operating Agreement with the National Railroad Passenger Corporation allowing intercity and interstate passenger service to operate on the Sound Transit-owned Lakewood Subdivision corridor between Nisqually and Tacoma.

Key features summary

- This amendment adjusts incentives and penalties for delays to reflect the addition of two additional Amtrak Cascades round trips.
- This agreement provides reimbursement to Sound Transit for both Amtrak interstate trains (Coast Starlight) as well as the WSDOT owned trains (Cascades) operated by Amtrak.
- The agreement contains reimbursement to Sound Transit for: a) Maintenance of Way expenditures
 (for services shared by Amtrak); b) Per mile charges for reimbursement of operating costs; and c)
 incidental or emergency services that may be required.

Background

In 2014, the Board authorized the original agreement for Amtrak to operate on the Sound Transit owned corridor between Lakewood and Nisqually bypassing the Point Defiance on BNSF's corridor. The state of Washington, which funds the Cascades Amtrak train service, had obtained nearly \$800 million in funding through the Federal Railroad Administration's (FRA) High-Speed Intercity Passenger Rail program. The FRA funds were used to improve rail mobility including that of Washington's Amtrak Cascades service between Eugene, OR, and Vancouver, B.C., with specific outcomes to reduce travel time between Portland and Seattle, increase on-time performance, and add additional daily roundtrips.

Some of the FRA funds were used to pay for improvements to Sound Transit's Lakewood Subdivision that allowed Amtrak's higher speed trains. WSDOT also paid for limited double tracking within the Lakewood Subdivision. This project, known as the Point Defiance Bypass project, was completed in 2017 anticipating Amtrak service on the corridor allowing the bypassing of the slower freight-congested BNSF route through the single-tracked Point Defiance segment of BNSF track.

As the operator of both the intercity Cascades service funded by the State of Washington and its own interstate Coast Starlight service, Amtrak required an operating agreement with Sound Transit to operate on Sound Transit owned rail. Regular daily service of four Cascades round trips and the Coast Starlight round trips began in November 2021, following a 2017 inaugural trip derailment.

Sound Transit permitted two more Cascades round trips in November 2023 under an interim agreement under which Sound Transit and Amtrak would study the impact of the new schedule with six Cascade round trips per day and revise incentives and penalties in consideration of the likelihood of additional interference between Amtrak trains. The parties have reached agreement regarding schedule and incentives and penalties.

Fiscal information

The maintenance expenses described in this action will be funded from the Service Delivery Department's Sounder Commuter Rail annual operating budget. It is expected that the revenues described in the key features summary will offset the expenses resulting from Amtrak's usage of the corridor

This action does not impact the affordability of the Agency's Financial Plan.

Disadvantaged and small business participation

Not applicable to this action.

Public involvement

Not applicable to this action.

Time constraints

A one-month delay would not create a significant impact to Sound Transit operations.

Prior Board/Committee actions

Motion No. M2014-104: Authorized the chief executive officer to execute an operating agreement with the National Railroad Passenger Corporation to allow intercity and interstate passenger service to operate on the Sound Transit-owned Lakeview rail corridor between Nisqually and Tacoma.

Motion No. M2014-21: Authorized the chief executive officer to execute a Service Outcomes Agreement with the Washington State Department of Transportation (WSDOT) and the National Railroad Passenger Corporation (Amtrak) and a Construction and Maintenance Agreement with WSDOT to implement a portion of the Cascade High Speed Rail Program on Sound Transit owned rail corridor.

Environmental review – KH 4/17/25

Legal review - JDW 4/25/25



Motion No. M2025-23

A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to execute an amendment to modify the existing Operating Agreement with the National Railroad Passenger Corporation allowing intercity and interstate passenger service to operate on the Sound Transit-owned Lakewood Subdivision corridor between Nisqually and Tacoma.

Background

This amendment adjusts incentives and penalties for delays to reflect the addition of two additional Amtrak Cascades round trips, provides reimbursement to Sound Transit for both Amtrak interstate trains (Coast Starlight) as well as the WSDOT owned trains (Cascades) operated by Amtrak, and contains reimbursement to Sound Transit for: a) Maintenance of Way expenditures (for services shared by Amtrak); b) Per mile charges for reimbursement of operating costs; and c) incidental or emergency services that may be required.

In 2014, the Board authorized the original agreement for Amtrak to operate on the Sound Transit owned corridor between Lakewood and Nisqually bypassing the Point Defiance on BNSF's corridor. The state of Washington, which funds the Cascades Amtrak train service, had obtained nearly \$800 million in funding through the Federal Railroad Administration's (FRA) High-Speed Intercity Passenger Rail program. The FRA funds were used to improve rail mobility including that of Washington's Amtrak Cascades service between Eugene, OR, and Vancouver, B.C., with specific outcomes to reduce travel time between Portland and Seattle, increase on-time performance, and add additional daily roundtrips.

Some of the FRA funds were used to pay for improvements to Sound Transit's Lakewood Subdivision that allowed Amtrak's higher speed trains. WSDOT also paid for limited double tracking within the Lakewood Subdivision. This project, known as the Point Defiance Bypass project, was completed in 2017 anticipating Amtrak service on the corridor allowing the bypassing of the slower freight-congested BNSF route through the single-tracked Point Defiance segment of BNSF track.

As the operator of both the intercity Cascades service funded by the State of Washington and its own interstate Coast Starlight service, Amtrak required an operating agreement with Sound Transit to operate on Sound Transit owned rail. Regular daily service of four Cascades round trips and the Coast Starlight round trips began in November 2021, following a 2017 inaugural trip derailment.

Sound Transit permitted two more Cascades round trips in November 2023 under an interim agreement under which Sound Transit and Amtrak would study the impact of the new schedule with six Cascade round trips per day and revise incentives and penalties in consideration of the likelihood of additional interference between Amtrak trains. The parties have reached agreement regarding schedule and incentives and penalties.

Motion

It is hereby moved by the Board of the Central Puget Sound Regional Transit Authority that the chief executive officer is authorized to execute an amendment to modify the existing Operating Agreement with the National Railroad Passenger Corporation allowing intercity and interstate passenger service to operate on the Sound Transit-owned Lakewood Subdivision corridor between Nisqually and Tacoma.

| APPROVED by the Board of the Cent thereof held on | ral Puget Sound Regional Transit Authority at a regular meeting |
|---|---|
| Attest: | Dave Somers Board Chair |
| Kathryn Flores Board Administrator | _ |

Motion No. M2025-23 Page 2 of 2