

Motion No. M2025-49

Amendment for Sounder Commuter Rail Rolling Stock Maintenance Agreement with the National Railroad Passenger Corporation

Meeting:	Date:	Type of action:	Staff contact:
Rider Experience and Operations Committee Board	10/02/2025 10/23/2025	Recommend to Board Final action	Ed Cobean, Service Delivery Deputy CEO Ben Marx, Acting Service Operations Executive Director Martin Young, Commuter Rail Operations Deputy Director

Proposed action

Authorizes the chief executive officer to execute an Amendment to extend the existing Commuter Rail Rolling Stock Maintenance Agreement with the National Railroad Passenger Corporation for the continued maintenance of Sounder locomotives and cars, including the cost of fuel, in an amount not to exceed \$29,253,120, including five percent contingency, for a new total authorized agreement amount not to exceed \$416,182,700.

Key features summary

- This action will authorize an eleven-month extension of the existing agreement until October 31, 2026, which will otherwise end on November 30, 2025.
- This extension of the existing agreement allows both parties time to understand and reach agreement on outstanding issues and challenges that have arisen in the last year.
- The agreement is for the continuation of current services provided by the National Railroad Passenger Corporation (Amtrak) that include, but are not limited to, scheduled preventative maintenance, heavy repair work parts and materials, special event service, mid-day layover yard space, and maintenance facilities. The agreement covers Sounder's 14 locomotives and 78 cars, including the 11 cars purchased in 2020 as part of the ST3 fleet expansion.
- The agreement amount includes fuel for Sounder's locomotives (approximately 1.6 million gallons per year). Fuel accounts for approximately 22 percent of the annual amount spent on this agreement.

Background

Amtrak has maintained the Sounder fleet under the current agreement for 25 years. In 2010, an amended agreement authorized by the Board through Motion No. M2010-28 achieved more favorable financial terms for Sound Transit, a higher level of transparency, and performance incentives/penalties for Amtrak. That agreement amendment was for five years, through 2014, with one two-year option and three one-year options.

Sound Transit exercised the two-year option to extend the agreement in 2014 through Motion No. M2014-71. As Sound Transit was in the process of evaluating a long-term maintenance strategy that includes construction of a new facility, the additional two-year option allowed staff to complete a comprehensive plan for future needs.

A five-year extension was authorized through Motion No. M2016-111 and the three one-year options required advance approval by the Sound Transit Board.

In 2021, Amendment 6 with a three-year extension was authorized through Motion No. M2021-28, and the amendment included cost adjustments, as well as a new two-year and two one-year extension options.

In 2024, Amendment 7 was authorized through Motion No. M2024-75 and the amendment included cost adjustments.

This amendment provides another eleven-month extension, per Amtrak's request. Amtrak and Sound Transit will use this time to work through further enhancements to the agreement with a plan to bring a new two-year contract extension, to be reflected in Amendment 9. That amendment will be brought to both Amtrak and ST Boards next year. Items in discussion for incorporation into the next amendment that require more time include enhancements to the report requirements, a sliding scale of the baseline costs for a cost savings from future cars in storage, the potential for maintaining an additional locomotive as well as potential additional cost adjustments.

Under this amendment, Amtrak will continue to provide all personnel, services, parts and materials, equipment, fuel, and facilities required to maintain the locomotives, passenger coaches, and cab cars used in the operation of the Sounder commuter rail service. Amtrak will perform federally required inspections and provide accompanying documentation for Sounder fleet. Amtrak will provide maintenance services for event trains and any support requested by Sound Transit necessary to resolve emergency situations.

Amtrak will also participate in regular maintenance and operational meetings related to Sounder service, including safety meetings, monthly performance review meetings, and semi-annual contract performance meetings. Sounder maintenance services are performed at the Amtrak Holgate Yard near King Street Station and at the end of the line layover facilities in Lakewood and Everett.

Fiscal information

This action will amend the current contract by \$29,253,120, including 5 percent contingency, for a new total authorized contract amount not to exceed \$416,182,700. This action will be funded from four separate cost categories within the Service Delivery department's annual operating budget. The combined 2025 budget of the four categories; services, materials and supplies, utilities, and purchase transportation services, is \$568,533,682, of which \$9,742,902, is estimated to be spent from this amended contract for the remainder of 2025 and is currently within the agency's budget authority.

After approval of this action, sufficient budget remains to cover the remaining annual expenditure. Funding for the additional years of the contract will be included in future annual budget requests.

This action does not impact the affordability of the agency's Financial Plan, as the services are already incorporated in the annual operating plan.

Service Delivery Department

(in thousands)

Cost Category	2025 Annual Operating Budget ¹	YTD Actuals ²	Contract Spend Forecast Remainder of 2025	YTD Plus Action (Current Year Only)	Remaining Annual Operating Budget
Salaries and Benefits	\$66,409	\$44,525		\$44,525	\$21,885
Services	152,849	93,039	782	93,821	59,028
Materials and Supplies	22,795	13,926	1,333	15,260	7,535
Utilities	14,523	11,055	33	11,089	3,434
Insurance		(127)		(127)	127
Taxes	2,562	2,176		2,176	386
Purchased Transportation Services (PTS)	378,367	239,230	7,595	246,825	131,542
Miscellaneous	1,596	451		451	1,145
Leases and Rentals	1,855	1,345		1,345	510
Total Annual Operating Budget	\$640,956	\$405,619	\$9,743	\$415,362	\$225,593
Cost Categories Detail					
Rolling Stock (Services, materials & supplies, and PTS)	\$122,596	\$77,583	\$7,455	\$85,039	\$37,557
Asset Management - HQ (Utilities only)	14,226	10,558	33	10,591	3,635
Service Operations - Sounder (PTS Only)	27,205	15,895	2,254	18,150	9,056
Others	404,506	253,214		253,214	151,292
Total	\$568,534	\$357,251	\$9,743	\$366,994	\$201,540

Contract Spending Plan		Contract spend up to YTD ²	Estimated Contract Spend Remaining 2025	Future Spending	Total
National Railroad Passenger Corp		\$379,693	\$9,743	\$26,747	\$416,183

Contract Detail	Board Approved Contract Value	Proposed Action	Proposed Revised Contract Value
National Railroad Passenger Corp	\$385,511	\$27,860	\$413,371
Contingency	\$1,418	1,393	2,811
Contract Total	\$386,930	\$29,253	\$416,183
Estimated Taxes			
Total (with estimated taxes)	\$386,930	\$29,253	\$416,183
Percent Contingency	0%	5%	1%

Notes:

¹2025 annual operating budget for the Service Delivery Department is in line with Resolution R2025-23.

²YTD Actuals as of Aug, 2025.

Disadvantaged and small business participation

Participation by Disadvantaged Business Enterprises (DBEs) and Small Businesses

Sound Transit promotes and encourages small business participation, which also includes Disadvantaged Business Enterprises (DBEs). DBE Small Business goals are based upon an examination of subcontracting opportunities contained in the work of a contract and the number of DBEs and Small Businesses available to perform such subcontracting work.

Amtrak will continue to perform the majority of the work covered under this agreement with its own workforce and will continue to comply with federally mandated DBE requirements as well as Sound Transit DBE and Small Business goals to the extent practicable and consistent with Federal law.

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. M2024-75: Authorized the chief executive officer to execute an amendment to extend the existing Commuter Rail Rolling Stock Maintenance Agreement with the National Railroad Passenger

Corporation for the continued maintenance of Sounder locomotives and cars, including the cost of fuel, in an amount not to exceed \$ 29,785,893 for a new total authorized agreement amount not to exceed \$386,929,580.

Motion No. M2021-28: Authorized the chief executive officer to execute three one-year options to extend the Commuter Rail Rolling Stock Maintenance Agreement with the National Railroad Passenger Corporation and amend the agreement to add one two-year and two one-year options for the continued maintenance of Sounder locomotives and cars, including the cost of fuel, in an amount not to exceed \$67,903,176 for a new total authorized agreement amount not to exceed \$357,143,687.

Motion No. M2019-116: Authorized the chief executive officer to execute an amendment to the Commuter Rail Rolling Stock Maintenance Agreement with the National Railroad Passenger Corporation for the additional scope of Positive Train Control (PTC) maintenance on Sounder locomotives and cab cars, in an amount not to exceed \$664,580 for a new total authorized agreement not to exceed \$289,240,511.

Motion No. M2016-111: Authorized the chief executive officer to execute a five-year extension, with three one-year options, to the agreement with the National Railroad Passenger Corporation (Amtrak) for the continued maintenance of Sounder locomotives and cars, including the cost of fuel, in an amount not to exceed \$80,458,919 for a new total authorized agreement amount not to exceed \$288,575,931.

Motion No. M2015-116: Authorized the chief executive officer to exercise the option to extend the agreement between Sound Transit and the National Railroad Passenger Corporation (Amtrak) for the maintenance of Sounder locomotives and cars, which includes the cost of fuel, in an amount not to exceed \$18,377,778 for a new total authorized amount not to exceed \$208,117,012.

Motion No. M2014-71: Authorized the chief executive officer to exercise the option to extend the agreement with the National Railroad Passenger Corporation for one two-year term for the continued maintenance of Sounder locomotives and cars, which includes the cost of fuel, in an amount not to exceed \$35,288,262 for a new total authorized amount not to exceed \$189,739,634.

Motion No. M2013-19: Authorized the chief executive officer to execute an amendment to an agreement with the National Railroad Passenger Corporation (Amtrak) to provide signal maintenance services at King Street Station in the amount of \$192,372, for a new total authorized agreement amount not to exceed \$154,451,372.

Motion No. M2010-28: Authorized the chief executive officer to execute an amended agreement with the National Railroad Passenger Corporation (Amtrak) for the continued maintenance of rolling stock, including the cost of fuel, for five years with one two-year option to extend and up to three one-year options to extend in an amount not to exceed \$84,509,000 for a new total authorized agreement amount not to exceed \$154,259,000.

Resolution No. R99-10: Authorized the Executive Director to execute a sole source, fixed-price contract in the amount of \$5,900,000 per year with Amtrak for maintenance of the Sounder commuter rail fleet; an additional ten percent (10%) allowance (\$590,000) for activities outside the scope of the fixed-price activities; and up to five percent (5%) of the fixed-price contract reserve for operation of "special trains" not to exceed \$295,000 per year.

Environmental review – KH 9/22/25

Legal review – JW 9/23/25

Motion No. M2025-49

A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to execute an Amendment to extend the existing Commuter Rail Rolling Stock Maintenance Agreement with the National Railroad Passenger Corporation for the continued maintenance of Sounder locomotives and cars, including the cost of fuel, in an amount not to exceed \$29,253,120, including five percent contingency, for a new total authorized agreement amount not to exceed \$416,182,700.

Background

This action will authorize an eleven-month extension of the existing agreement until October 31, 2026, which will otherwise end on November 30, 2025. This extension of the existing agreement allows both parties time to understand and reach agreement on outstanding issues and challenges that have arisen in the last year. The agreement is for the continuation of current services provided by the National Railroad Passenger Corporation (Amtrak) that include, but are not limited to, scheduled preventative maintenance, heavy repair work parts and materials, special event service, mid-day layover yard space, and maintenance facilities. The agreement covers Sounder's 14 locomotives and 78 cars, including the 11 cars purchased in 2020 as part of the ST3 fleet expansion. The agreement amount includes fuel for Sounder's locomotives (approximately 1.6 million gallons per year). Fuel accounts for approximately 22 percent of the annual amount spent on this agreement.

Amtrak has maintained the Sounder fleet under the current agreement for 25 years. In 2010, an amended agreement authorized by the Board through Motion No. M2010-28 achieved more favorable financial terms for Sound Transit, a higher level of transparency, and performance incentives/penalties for Amtrak. That agreement amendment was for five years, through 2014, with one two-year option and three one-year options.

Sound Transit exercised the two-year option to extend the agreement in 2014 through Motion No. M2014-71. As Sound Transit was in the process of evaluating a long-term maintenance strategy that includes construction of a new facility, the additional two-year option allowed staff to complete a comprehensive plan for future needs.

A five-year extension was authorized through Motion No. M2016-111 and the three one-year options required advance approval by the Sound Transit Board.

In 2021, Amendment 6 with a three-year extension was authorized through Motion No. M2021-28, and the amendment included cost adjustments, as well as a new two-year and two one-year extension options.

In 2024, Amendment 7 was authorized through Motion No. M2024-75 and the amendment included cost adjustments.

This amendment provides another eleven-month extension, per Amtrak's request. Amtrak and Sound Transit will use this time to work through further enhancements to the agreement with a plan to bring a new two-year contract extension, to be reflected in Amendment 9. That amendment will be brought to both Amtrak and ST Boards next year. Items in discussion for incorporation into the next amendment that require more time include enhancements to the report requirements, a sliding scale of the baseline costs for a cost savings from future cars in storage, the potential for maintaining an additional locomotive as well as potential additional cost adjustments.

Under this amendment, Amtrak will continue to provide all personnel, services, parts and materials, equipment, fuel, and facilities required to maintain the locomotives, passenger coaches, and cab cars used in the operation of the Sounder commuter rail service. Amtrak will perform federally required inspections and provide accompanying documentation for Sounder fleet. Amtrak will provide maintenance services for event trains and any support requested by Sound Transit necessary to resolve emergency situations.

Amtrak will also participate in regular maintenance and operational meetings related to Sounder service, including safety meetings, monthly performance review meetings, and semi-annual contract performance meetings. Sounder maintenance services are performed at the Amtrak Holgate Yard near King Street Station and at the end of the line layover facilities in Lakewood and Everett.

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 extend the existing Commuter Rail Rolling Stock Maintenance Agreement with the National Railroad Passenger Corporation for the continued maintenance of Sounder locomotives and cars, including the cost of fuel, in an amount not to exceed \$29,253,120, including five percent contingency, for a new total authorized agreement amount not to exceed \$416,182,700.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on _____.

Dave Somers
Board Chair

Attest:

Kathryn Flores
Board Administrator