



Motion No. M2022-41

Amendment to BNSF Service Agreement for Sounder Southline

Meeting:	Date:	Type of action:	Staff contact:
Rider Experience & Operations Committee	06/02/2022	Recommend to Board	Suraj Shetty, Executive Director, Operations
Board	06/16/2022	Final action	Robin Braziel, Director-Commuter Rail, Bus and Paratransit Martin Young, Deputy Director-Commuter Rail

Proposed action

Authorizes the chief executive officer to execute an amendment to the Commuter Rail South Service Agreement with BNSF Railway Company for a term of five years to allow the sharing of train location data for service between Lakewood and Seattle in support of Sound Transit's Passenger Information Management System project in an amount not to exceed \$603,080 plus applicable taxes for a new total authorized amount not to exceed \$132,145,427 plus applicable taxes.

Key features summary

- This amendment authorizes the purchase of real time train location data available in the BNSF Train Management Dispatch System to be shared with Sound Transit.
- The scope of work is identified in the BNSF agreement with Railinc Corporation, who manages the data for BNSF and the scope of work has a five-year term and is reflected in the ST-BNSF Service Agreement.
- The term of this data sharing is for five years and is tied to the BNSF-Railinc agreement. Staff expects to bring a follow-on arrangement in anticipation of a continuation of the data sharing after this term expires.
- BNSF will pass through their costs to Sound Transit from Railinc Corporation with no mark-up.
- There is a parallel amendment on Sounder's BNSF North Line Agreement, Motion No. M2022-42, which provides for similar data sharing at a proportionate cost commensurate with service on that corridor.
- The associated Public Utility tax (1.5 percent) and Washington State Utilities and Trade Commission (WUTC) regulatory fee for the amendment amounts to \$11,855.

Background

Sound Transit first entered into an agreement with BNSF for commuter rail service between Tacoma and Seattle in 2000 through Resolution R99-22. This agreement was a sole source procurement based on BNSF's unique ability to provide access to a railroad useful for commuter service, and their desire to operate that service.

The agreement provided for a 40-year term, which expires in 2040. Amendments through the years have been executed for allowing additional service, for extending the service area to include the Lakewood Subdivision, and to incorporate Positive Train Control (PTC).

Sound Transit is currently operating reduced service on the corridor, in response to reduced ridership associated with the pandemic. Current plans would restore Sounder service from 12 to 13 daily round trips sometime by 2023. The agreed to scope of work and amount will be unchanged regardless of the number of trains operated.

BNSF is the operator, dispatcher, and owner of the right-of-way for both the Seattle-to-Everett Sounder segment and the Seattle-to-Tacoma Sounder segment.

This amendment will provide Sound Transit access to live train location data, provided to BNSF through Railinc Corporation, in order for ST's Passenger Information Management System (PIMS) to give customers real time train location data.

Fiscal information

This action will amend the current contract by \$614,935 (including taxes) for a new total authorized contract amount not to exceed \$136,663,923 (including taxes). This contract action includes funding from both the Passenger Information Management System budget and the Operations Department budget.

The authorized project allocation for the Passenger Information Management System project is \$49,575,848. Within the construction phase, \$36,319,573 has been allocated in the phase for system integration. This action would commit additional \$257,040 to this phase and leave an uncommitted budget balance of \$3,227,517.

The Operations department spend for \$357,895 (including taxes) will be funded from the Purchased Transportation category budget which has an annual operating budget of \$218,972,628, of which a total of \$35,604 is estimated to be spent from this action in 2022 and is currently within the agency's budget authority. After approval of this action, the remaining annual budget will be used to fund other department expenditures anticipated in the 2022 annual budget.

Funding for the additional years of the contract will be included in future annual budget requests.

BNSF South Rail Service Agreement
(in thousands)

Contract Detail	Board Approvals to Date	Current Approved Contract Status	Proposed Action	Proposed Total for Board Approval
Agreement	\$131,542	\$131,542	\$603	\$132,145
Contingency Amount				
Total Contract (with contingency)	\$131,542	\$131,542	\$603	\$132,145
Estimated Utility/WUTC Taxes	4,507	4,507	12	4,518
Total Contract (with estimated tax)	\$136,049	\$136,049	\$615	\$136,664
Percent Contingency	0%	0%	0%	0%

Passenger Information Management System

Project Phase	Authorized Project Allocation	Board Approvals	This Action	Board Approved Plus Action	Uncommitted / (Shortfall)
Operations & Maintenance	\$7,431	\$3,743		\$3,743	\$3,688
Agency Administration	2,340	148		148	2,192
Preliminary Engineering					
Third Parties					
Construction	39,804	36,320	257	36,577	3,228
Total Current Budget	\$49,576	\$40,211	\$257	\$40,468	\$9,108

Notes:

Board Approvals = Committed To-Date + Contingency as of May 2022 and includes pending Board actions.

For detailed project information, see page 182 in the 2022 Financial Plan & Adopted Budget. The budget amount above reflects the adopted authorized project allocation.

Operations Department

Cost Category	2022 Annual Operating Budget ¹	YTD Actuals	This Action (2022 Only)	YTD Actuals Plus Action (2022 Only)	Remaining Annual Operating Budget
Salaries and Benefits	\$39,718	\$6,502	\$	\$6,502	\$33,216
Services	47,942	7,403		7,403	40,539
Materials and Supplies	12,968	3,518		3,518	9,450
Utilities	8,771	2,153		2,153	6,619
Taxes	3,220	347		347	2,873
Purchased Transportation Services	218,973	53,968	36	54,004	164,969
Miscellaneous	413	40		40	373
Leases and Rentals	1,099	264		264	835
Total Annual Operating Budget	\$333,104	\$74,193	\$36	\$74,229	\$258,875

Notes:

¹2022 Annual Operating Budget is located on page 71 of the 2022 Financial Plan & Adopted Budget book.

The additional cost of this action to the financial plan projection in YOES\$ is \$346,000 through 2026. If extended through 2046, the estimated additional cost increases to \$2.9M in YOES\$. The impact of this cost increase on remaining agency debt capacity is a reduction of .02% in the minimum year. This is a negligible impact on agency affordability and does not impact the affordability of the finance 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 significantly impact Sounder operations.

Prior Board/Committee actions

Motion No. M2019-117: Authorized the chief executive officer to execute an amendment to the Commuter Rail Service Agreement with the BNSF Railway Company to incorporate changes related to the south line service agreement scope of work for Positive Train Control.

Motion No. M2016-54: Authorized the chief executive officer to execute amendments to the Commuter Rail Service Agreement (Seattle to Nisqually), the Joint Use Agreement (Seattle to Tacoma), the Commuter Rail North Service Agreement, and the Joint Use Agreement (Everett to Seattle), all with the BNSF Railway Company, to adjust insurance provisions to reflect the passenger rail liability cap increase under federal law.

Motion No. M2015-106: Authorized the chief executive officer to execute an amendment to the Commuter Rail Service Agreement with the BNSF Railway Company to incorporate changes related to the south line service agreement including the extension of service to Lakewood on Sound Transit right-of-way and the implementation of positive train control.

Motion No. M2010-71: Authorized the chief executive officer to execute an amendment to the Commuter Rail Service Agreement with The BNSF Railway Company for the operation of Sounder commuter rail service between Seattle and Lakewood to add four additional Sounder commuter rail weekday round trips.

Motion No. M2007-98: Authorized the chief executive officer to execute an amendment to the BNSF Railway Company Service Agreement for Sounder commuter rail for the Seattle to Tacoma Corridor to permit up to six round trips before completion of Phase 2 railroad improvements under the BNSF Railway Company Construction Agreement.

Motion No. M2003-136: Authorized the Chief Executive Officer to execute a First Amendment to the Commuter Rail Service Agreement between the Central Puget Sound Regional Transit Authority and the Burlington Northern Santa Fe Railway Company.

Motion No. M2003-135: Authorizing the chief executive officer to execute a Joint Use Agreement between the Central Puget Sound Regional Transit Authority and the Burlington Northern and Santa Fe Railway Company for Tacoma to Nisqually Railroad right-of-way and properties.

Resolution No. R99-22: Authorized the Executive Director to execute two contracts with The Burlington Northern and Santa Fe Railway (BNSF), each to be substantially in accordance with the basic terms for such agreements set forth in the Background and Comments attached hereto as Exhibit A. The first is a long-term contract that will provide for BNSF to operate Sounder commuter rail service between Seattle and Tacoma (Operating Agreement). The second is a contract that will specify agreed-upon capital improvements on and around BNSF's existing railroad right-of-way, and provide for BNSF to construct those improvements and for Sound Transit to contribute approximately \$200 million and other public authorities to contribute approximately \$70 million to the cost of such construction (Construction Agreement).

Environmental review – KH 5/16/22

Legal review – JW 5/26/22



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A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to execute an amendment to the Commuter Rail South Service Agreement with BNSF Railway Company for a term of five years to allow the sharing of train location data for service between Lakewood and Seattle in support of Sound Transit's Passenger Information Management System project in an amount not to exceed \$603,080 plus applicable taxes for a new total authorized amount not to exceed \$132,145,427 plus applicable taxes.

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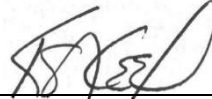
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Motion

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 the Commuter Rail South Service Agreement with BNSF Railway Company for a term of five years to allow the sharing of train location data for service between Lakewood and Seattle in support of Sound Transit's Passenger Information

Management System project in an amount not to exceed \$603,080 plus applicable taxes for a new total authorized amount not to exceed \$132,145,427 plus applicable taxes.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on June 23, 2022.



Kent Keel
Board Chair

Attest:



Kathryn Flores
Board Administrator