SOUNDTRANSIT

Motion No. M2026-34

Awarding Contracts for the Asset Management System Redesign program

Meeting:	Date:	Type of action:
Board	08/27/2026	Final Action

Staff name:	Staff title:
Victoria Wassmer	Finance and Business Administration Deputy CEO
Randi Levin	Chief Information Officer
Tracy Reed	**Special Programs and Business Transformation Deputy Executive Director**

Proposed action

Authorizes the chief executive officer to execute (1) an Implementation Services agreement with International Business Machines Corporation to provide Enterprise Asset Management System platform and consulting services in the amount of $21,223,018 and (2) a ten-year Software-as-a-service contract with Arcadis U.S. Inc., in the amount of $8,994,540; with a shared 15 percent contingency of $4,552,500, for a total amount across both items not to exceed $34,770,058, plus applicable taxes.

Key features summary

- Sound Transit requires a modern, integrated Enterprise Asset Management (EAM) System to unify asset management tools, processes, and data across its expanding transit network, and to replace fragmented legacy systems. The system will support safe, reliable, and efficient transit service delivery by enabling proactive asset maintenance, reduced unplanned downtime, and real-time operational insights.
- Arcadis U.S. Inc., will deliver a Software as a Service (SaaS)-based EAM solution built on IBM Maximo Application Suite Manage, enhanced with Arcadis' transit-specific modules covering work execution, fault reporting, fleet availability management, and enterprise decision analytics.
- The implementation by IBM as the Prime, with Arcadis as its subcontractor, is structured as a 24-month phased rollout with business process design, system configuration, data migration, integration with other systems, and user testing and training performed ahead of four system launch milestones: light rail Rolling Stock (Go-Live 1), Tacoma Link and Link Light Rail (Go-Live 2), Sounder Commuter Rail (Go-Live 3), and ST Express and Stride BRT (Go-Live 4). Implementation is followed by 3 months of post-production support.
- Sound Transit's contracted service providers for each mode and asset class (IGA Partners) are expected to utilize or participate in asset data inputs to the new platform and are included in the training and rollout sequences.

- IBM's binding commitment to the proposal terms, as accepted per the Request for Proposal (RFP) requirements, provides Sound Transit with certainty on resource commitment and pricing through August 31, 2026.
- Applicable taxes are estimated to be $3,668,241 and will be added to the final contract authorized amount as required.

Background

Sound Transit operates ST Express bus, Link Light Rail (including Tacoma Link), and Sounder Commuter Rail services across the region. As Sound Transit continues to expand under the ST3 program, the agency requires a modern, integrated Enterprise Asset Management (EAM) system to manage its growing and complex asset portfolio across all modes of transit.

The EAM project will deliver a SaaS platform built on IBM Maximo Application Suite enhanced with Arcadis' transit-specific modules. The system will unify asset management tools, processes, and data into a proactive, integrated system across ST Express, Stride Bus Rapid Transit, Link Light Rail, Tacoma Link, and Sounder Commuter Rail. The solution will enable mobile work execution, fault reporting, fleet availability management, lifecycle maintenance planning, and integration with Sound Transit's Enterprise Resource Planning and other systems. Elective services that may be approved at Sound Transit's sole discretion and require future software agreements include enterprise data analytics, illustrated parts cataloging, and enhanced software user support after successful completion of the Go-Live sequences. Implementation is structured in phases over 24 months, followed by three-months of post-production support to Sound Transit users.

The EAMS project is a critical element of Sound Transit's enterprise technology modernization efforts. The agency's continued growth under ST3 requires a scalable, integrated asset management platform capable of supporting all transit modes. This proposed solution would serve as Sound Transit's system of record for asset lifecycle management, work order management, preventive maintenance, inventory and procurement, and long-term capital planning.

This motion represents the start of Sound Transit's ERP/EAM Redesign program implementation phase. Authorization of the IBM and Arcadis contracts will enable IBM's team to mobilize and begin the EAM project starting with kickoff sessions, product familiarization training, and business process re-engineering workshops this year.

IBM, and its software partner Arcadis U.S. Inc, was selected as the highest-ranked proposer following a competitive Request for Proposals (RFP No. RTA/RP 0032-25) process. The proposal was evaluated for technical merit, team qualifications, past performance, implementation approach, and the proposed SaaS solution's compliance with Sound Transit's approximately 960 functional and technical requirements.

Procurement information

Prior to issuing the solicitation for these services, Sound Transit considered the project's scope, the determining factors for contract award, and the need for proposal discussions and revisions. It was determined that a Request for Proposals procurement method would be most advantageous to the agency.

Sound Transit advertised Request for Proposals No. RTA/RP 0032-25 on May 8, 2025. Eight proposals were received by the July 9, 2025, submission due date. The proposals were evaluated based on the advertised criteria which included Experience, Qualifications, Past Performance; EAM SaaS Solution and Requirements Compliance; BRP / System Implementation, Sequence, Schedule; Implementation

Team, Staffing, Key Personnel; Price / Cost Submittal; Comprehensive Economic Development Strategies, Equal Employment Opportunity Commitment, and Exceptions to Proposed Contract.

The Evaluation Committee evaluated the eight proposals and their ratings demonstrated that three Firms were in the competitive range and were advanced to demonstrate their proposed solution and services. All three firms were provided with Demo Scripts and their weaknesses as determined by the evaluation committee. Following the demonstration period from September 15th to October 3rd, the Firms were provided evaluation feedback for their demo performance and invited to revise their proposals. Revised proposals were evaluated from November 17th to November 19th, 2025.

IBM had the highest rated proposal; however, the Evaluation Committee still had questions about the revised proposal. Prior to moving to Notice of Intent to Award, a non-evaluative discussion about their revised proposal was conducted on December 19th and IBM agreed to submit a Clarification document confirming Sound Transit's understanding of IBM's revised proposal, which was received January 19th, 2026. Notice of Intent to Award was issued February 17, 2026.

Staff recommend that two contracts, under the IBM proposal, be executed. The first is with IBM for the system implementation services, and the second is with Arcadis U.S. Inc, for providing the selected SaaS platform. The procurement also includes elective services that may require additional software related agreements to implement. Sound Transit will review its business needs and if these elective services are deemed to be in the best interest of Sound Transit, contracts will be negotiated and executed pursuant to the requirements of Resolution No. R2023-30. Pricing was determined to be fair and reasonable based on market research, competition, experience and comparison with the independent cost estimate at time of award.

Fiscal information

The IBM and Arcadis contracts will receive funding from both capital and operating budgets. The Enterprise Resource Planning and Enterprise Asset Management (ERP/EAM) Redesign program will provide funding for the contracts for the EAM platform implementation and consulting services. The Finance and Business Administration department will fund the remaining contract amounts, subject to the delegation of authority in Resolution No. R2023-30, for on-going SaaS platform and the optional Application Managed Services maintenance in future years. Funding for the additional years of the contract will be included in subsequent annual budgets submitted to the Board.

The authorized allocation for the ERP/EAM Redesign program is $68,922,627. Within that amount, $45,954,670 has been allocated to the administrative capital phase for platform implementation & consulting services. The action would commit $30,345,588 including estimated applicable taxes, leaving a budget balance of $15,609,082 in the administrative capital phase of the program. This budget also includes Enterprise Resource Planning (ERP) system procurement and initial implementation. Based on the commitment in this action, there may not be sufficient budget for the future ERP procurement and necessary supporting consulting services. Staff will return to the Board with a Budget Amendment request to sufficiently fund the ERP portion of this project, should it be necessary.

Contract Detail for Enterprise Asset Management System Platform and Consulting Services
(in thousands)

Contract Vendors	Board Approvals to Date	Proposed Action	Proposed Total for Board Approval
International Business Machines (IBM) - System Integration	$ -	$ 21,223	$ 21,223
Arcadis US - SaaS Contract	$ -	$ 8,995	$ 8,995
	$ -		$ -
Contingency*	$ -	$ 4,552	$ 4,552
Total Contract	$ -	**$ 34,770**	$ 34,770
Estimated Taxes (@10.55%)	$ -	$ 3,668	$ 3,668
Total with Estimated Taxes	$ -	**$ 38,438**	**$ 38,438**
Percent Contingency	0%	15%	15%

P803925 - ERP/EAM Redesign
(in thousands)

Project Phase	Authorized Project Allocation or Baseline Budget	Total Commitment to Date	This Action	Total Commitment Plus Action	Uncommitted / (Shortfall)
Operation+Maintenance	$ 9,588	$ 9,544	$	$ 9,544	$ 44
Admin Capital**	$ 45,955	$ -	$ 30,346	$ 30,346	$ 15,609
Agency Administration	$ 13,380	$ 2,222	$ -	$ 2,222	$ 11,158
Total Current Budget	**$ 68,923**	**$ 11,766**	**$ 30,346**	**$ 42,112**	**$ 26,811**

Notes:
YTD Actuals (Total Commitment to Date) as of July 31, 2026.
**Project Cost for this action include IBM System Integration cost, first 3 years of SaaS from Arcadis, contingency and estimated applicable taxes

Finance Business and Administration
(in thousands)

Cost Category	2026 Annual Operating Budget	Proposed Action Future Spending
Salaries and Benefits	$ -	$ -
Services		
Software Maintenance	$ -	
Depreciation & Amortization		
SBITA Amortization Expense (Arcadis -yrs 4-10)***		$ 8,092
Total Annual Operating Budget	**$ -**	**$ 8,092**

Notes:
***Ongoing costs include estimated applicable taxes

Ongoing software support and elective application managed services will be included in the Agency's services and subscription-based information technology agreement (SBITA) costs. These costs are projected in the long-range financial plan, with annual amounts to be requested in future operating budgets. Because the projection for these costs is included in the long-range financial plan, this action does not impact Agency affordability.

Disadvantaged and small business participation

Sound Transit promotes and encourages small business participation, which also includes disadvantaged business enterprises (DBEs). Small business and DBE goals are based upon an examination of subcontracting opportunities contained in the work of this contract/agreement and the number of small businesses/DBEs available to perform such subcontracting work.

Sound Transit determined that there were too few small business subcontracting opportunities based upon the work described in this contract/agreement, so small business goals were not established.

Public involvement

Not applicable to this action.

Time constraints

A one-month delay would not have a significant impact on the project schedule but may increase the project implementation services agreement cost or require negotiation of a limited notice to proceed with IBM to extend their binding commitment past August 31, 2026.

Environmental review – KH 5/18/26

Legal review – DLM 8/24/2026

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Motion

It is hereby moved by the Board of the Central Puget Sound Regional Transit Authority that chief executive officer is authorized to execute (1) an Implementation Services agreement with International Business Machines Corporation to provide Enterprise Asset Management System platform and consulting services in the amount of $21,223,018 and (2) a ten-year Software-as-a-service contract with Arcadis U.S. Inc., in the amount of $8,994,540; with a shared 15 percent contingency of $4,552,500, for a total amount across both items not to exceed $34,770,058, plus applicable taxes.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on August 27, 2026.

Ryan Mello
Board Vice Chair

Attest:

Adam Montee, on behalf of

Kathryn Flores
Board Administrator