SOUNDTRANSIT

Motion No. M2026-38

Amending the Amtrak Sounder Maintenance Agreement

Meeting:	Date:	Type of action:
Rider Experience and Operations Committee	10/01/2026	Recommend to Board
Board	10/22/2026	Final Action

Staff name:	Staff title:
Ed Cobean	Transit Operations Deputy CEO
Benjamin Marx	Rail Executive Director
Martin Young	**Commuter Rail Operations 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 $22,827,448 for a new total authorized agreement amount not to exceed $439,010,149.

Key features summary

- This action authorizes an eight-month extension of the existing agreement which ends on October 31, 2026 until June 30, 2027.
- This extension of the existing agreement allows both parties time to further negotiate and reach agreement on outstanding opportunities to improve overall mechanical performance of equipment.
- This amendment provides for an updating of the cost structure of the baseline maintenance from the previous per unit flat rate to that of capturing actual costs incurred by Amtrak; the parties previously agreed that a term extension could include modification to the daily rate and other compensation with the intent of Amtrak being made whole for costs incurred.
- This amendment also incorporates the following changes:
    - Dedicated staff for Sound Transit (previous shared staff deemed insufficient)
    - Addition of 4 technical staff members in “pipeline” for recruitment and training given Amtrak’s limitation on hiring until vacancies occur.
    - Updated Appendix for Required Reports (increased visibility for oversight)
    - Reimbursement to Amtrak for fair share of switching moves of vehicles in yard
    - Reduction in General and Administrative rate from 7.75% to 3.56%
    - Updates 2010 fuel handling fee closer to current costs

- 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 recently purchased CEM cars now being placed in revenue service 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 close to 20 percent of the annual amount spent on this agreement.

Background

Amtrak has maintained the Sounder fleet under the current agreement for 26 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. The term of 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. In 2025 Amendment #8 was authorized through Motion No. M2025-49 and the amendment included cost adjustments.

This amendment provides a further eight-month extension, per Amtrak's request, rather than exercising an existing full year option, because this shorter term is still within a budget threshold for Amtrak that does not yet require their Board approval. The intention is for both parties to take more time to work through further enhancements to the agreement with the additional options, to be reflected in an Amendment 10. 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 a) enhancements to the reporting of data for potential data downloads from Amtrak's work order system in order to improve oversight of performance requirements, b) the development of a more comprehensive Amtrak Fleet Management Plan and Materials Management Plan useful for contract oversight, c) a longer term extension using existing options that allow Amtrak to meet their Board schedule requirements, as well as the potential of maintaining an additional locomotive.

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 daily maintenance and service plan meetings, 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 $22,827,448, for a new total authorized contract amount not to exceed $439,010,149. This action will be funded from two separate cost categories (previously four categories) within the Transit Operations department's annual operating budget. The combined 2026 budget of the categories (services, materials and supplies, utilities, and purchase transportation services) is $666,162,455, of which $10,999,793, is estimated to be spent from this amended contract for the remainder of 2026 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 adds approximately $301 million to the long-range financial plan. The impact of this cost increase on the agency's remaining legal debt capacity is a reduction of approximately -0.30% in the minimum year.

Transit Operations Department
(in thousands)

Cost Category	2026 Annual Operating Budget	YTD Actuals[1]	Contract Spend Forecast Remainder of 2026	YTD Plus Action (Current Year Only)	Remaining Annual Operating Budget
Salaries and Benefits	$81,635	$51,859		$51,859	$29,775
Services	183,059	121,730		121,730	61,329
Materials and Supplies	25,726	16,459		16,459	9,267
Utilities	18,742	13,513	68	13,580	5,161
Insurance		139		139	(139)
Taxes	3,638	2,570		2,570	1,068
Purchased Transportation Services (PTS)	438,636	295,794	10,932	306,726	131,909
Miscellaneous	2,193	1,133		1,133	1,060
Leases and Rentals	1,985	1,889		1,889	96
Total Annual Operating Budget	**$755,613**	**$505,086**	**$11,000**	**$516,086**	**$239,528**
Cost Categories Detail					
Rail Operations - Sounder (Services, Materials & Supplies, Utilities, and PTS)	$50,587	$31,913	$11,000	$42,913	$7,674
Others	615,576	415,583		415,583	199,993
Total	**$666,162**	**$447,496**	**$11,000**	**$458,496**	**$207,667**

Contract Spending Plan	Contract spend up to YTD [1]	Estimated Contract Spend Remaining 2026	Future Spending	Total
National Railroad Passenger Corp	$411,225	$11,000	$16,786	$439,010

Contract Detail	Board Approved Contract Value	Proposed Action	Proposed Revised Contract Value
National Railroad Passenger Corp	$413,371	$22,827	$436,199
Contingency	$2,811		2,811
Contract Total	**$416,183**	**$22,827**	**$439,010**
Estimated Taxes			
Total (with estimated taxes)	**$416,183**	**$22,827**	**$439,010**
Percent Contingency	1%	0%	1%

Notes:
[1]YTD Actuals as of August, 2026. Forecast reflects changes to account structure.

Disadvantaged and small business participation

Not applicable to this action.

Public involvement

Not applicable to this action.

Time constraints

A one-month delay would create a significant impact to Sound Transit operations as the current term expires on 10/31/2026.

Prior Board/Committee actions

Motion No. M2025-49: 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 $29,253,120, including five percent contingency, for a new total authorized agreement amount not to exceed $416,182,700.

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 7/17/26

Legal review – JW 8/25/26

Motion No. M2026-38

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 until June 30, 2027 for the continued maintenance of Sounder locomotives and cars, including the cost of fuel, in an amount not to exceed $22,827,448 for a new total authorized agreement amount not to exceed $439,010,149.

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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 extend the existing Commuter Rail Rolling Stock Maintenance Agreement with the National Railroad Passenger Corporation until June 30, 2027 for the continued maintenance of Sounder locomotives and cars, including the cost of fuel, in an amount not to exceed $22,827,448 for a new total authorized agreement amount not to exceed $439,010,149.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on October 22, 2026.

Ryan Mello
Board Vice Chair

Attest:

Kathryn Flores
Board Administrator