



Board Action Memorandum

TO: Jackie Flowers, Director of Utilities
COPY: Charleen Jacobs, Director and Board Offices
FROM: **Dale King, Rail Superintendent**
MEETING DATE: December 13, 2023
DATE: November 21, 2023

STRATEGIC DIRECTIVE ALIGNMENT (select as many that apply):

Please indicate which of the Public Utility Board's Strategic Directives is supported by this action.

- | | |
|--|---|
| <input type="checkbox"/> GP1 – Diversity, Equity, Inclusion, Belonging | <input type="checkbox"/> GP8 – Telecom |
| <input type="checkbox"/> GP2 – Financial Sustainability | <input type="checkbox"/> GP9 – Economic Development |
| <input type="checkbox"/> GP3 – Rates | <input type="checkbox"/> GP10 – Government Relations |
| <input type="checkbox"/> GP4 – Stakeholder Engagement | <input type="checkbox"/> GP11 – Decarbonization/Electric Vehicles |
| <input type="checkbox"/> GP5 – Environmental Leadership | <input type="checkbox"/> GP12 – Employee Relations |
| <input type="checkbox"/> GP6 – Innovation | <input type="checkbox"/> GP13 – Customer Service |
| <input checked="" type="checkbox"/> GP7 – Reliability & Resiliency | <input checked="" type="checkbox"/> GP14 – Resource Planning |

SUMMARY: Tacoma Rail requests authorization to enter into a Loan Agreement with the Washington State Department of Transportation for the purpose of upgrading six track switches located on the Blair Peninsula.

BACKGROUND: Subsequent to applying for financial assistance to upgrade existing railroad track infrastructure, WSDOT notified Tacoma Rail that \$408,000 was awarded. Loan Agreement RRB-1296 requires Tacoma Rail to contribute \$399,877 in matching funds toward completion of the project, is for a ten-year term, requires annual payments of \$40,800 beginning on August 1, 2025, and includes an \$8,000 administrative fee.

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes

IF THE EXPENSE IS NOT BUDGETED, PLEASE EXPLAIN HOW IT IS TO BE COVERED.

N/A.

IF THE ACTION REQUESTED IS APPROVAL OF A CONTRACT, INCLUDE LANGUAGE IN RESOLUTION AUTHORIZING \$200,000 INCREASE IN ADMINISTRATIVE AUTHORITY TO DIRECTOR? No

ATTACHMENTS:

- Washington State Department of Transportation Loan Agreement RRB-1296 Blair Switches Replacement Project.
- City Council Action Memorandum.

CONTACT: Alan Matheson, Tacoma Rail Assistant Superintendent, 253-502-8934
Presenter: Kyle Kellem, Roadmaster, 253-377-3554