



## ORDINANCE NO. 28988

1 AN ORDINANCE relating to the Department of Public Utilities, Belt Line  
2 Division (d.b.a. "Tacoma Rail"); authorizing Tacoma Rail to update the  
3 Rail Rate Policy to include a ceiling on the working cash balance.

4 WHEREAS Tacoma Rail's Rail Rate Policy ("Rate Policy") was last  
5 updated January 1, 2023, and

6 WHEREAS historically, the Rate Policy has had a minimum cash  
7 balance of 60 days of current budgeted expenditures as set forth in Public  
8 Utility Board Policy 3.6, initiated in August 1992,

9 WHEREAS a minimum cash balance has been established to protect  
10 against the loss or delay in the receipt of revenues, and

11 WHEREAS a healthy cash balance allows for the timely payment of  
12 obligations incurred, flexibility when actual revenues are less than budgeted  
13 revenues, and provides a buffer to alleviate cash flow patterns inherent in  
14 operating a railroad, and

15 WHEREAS while a minimum cash balance has been established, a  
16 maximum has not, and

17 WHEREAS to recognize the responsibility Tacoma Rail has in its Rate  
18 Policy to be cost effective and rates should ensure sufficient resource planning  
19 and acquisition for reliable service while being as competitive as possible, a  
20 working cash balance to not exceed 180 days of current budgeted  
21 expenditures is recommended, and

22 WHEREAS it is in the best public interest to approve the update to the  
23 Tacoma Rail Rate Policy as recommended, and



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WHEREAS, by adoption of Public Utility Board Resolution No. U-11488 on October 23, 2024, the proposed update was approved, pending confirmation from the City Council; Now, Therefore,

BE IT ORDAINED BY THE CITY OF TACOMA:

Section 1. That the City Council hereby adopts the Recitals of this Ordinance as its formal legislative findings.

Section 2. That the proposed update to Tacoma Rail's Rail Rate Policy to include a ceiling on the working cash balance is approved in substantially the same form as on file with the Clerk.

Passed \_\_\_\_\_

\_\_\_\_\_  
Mayor

Attest:  
  
\_\_\_\_\_  
City Clerk

Approved as to form:  
  
\_\_\_\_\_  
Chief Deputy City Attorney

Requested by Public Utility Board  
Resolution No. U-11488