

RESOLUTION NO. U-11489

A RESOLUTION related to Tacoma Rail, authorizing the reissuance of TMBL 8807 series freight switching and TMBL 6004 series demurrage tariffs effective January 1, 2025; a switching tariff supplement effective January 1, 2026; and requesting that the City Council approve an ordinance authorizing the same.

WHEREAS the Department of Public Utilities, Beltline Division ("Tacoma Rail"), recommends Public Utility Board authorization to reissue the TMBL 8807 series freight switching and TMBL 6004 series demurrage tariffs for an effective date of January 1, 2025; and a switching tariff supplement with an effective date of January 1, 2026, and

WHEREAS Tacoma Rail's customers consist of local industries and other railroads, and

WHEREAS the switching tariffs define the line haul and miscellaneous switching charges allocated to the movement of railcars, and

WHEREAS Tacoma Rail's TMBL tariff rates associated with unit train and other Tacoma interchanged line haul traffic were last updated in 2024 miscellaneous switching rates were last updated in 2023, and

WHEREAS Tacoma Rail's rates encapsulate cost of service practices, and

WHEREAS line haul rates are charged to the BNSF Railway Co. or the Union Pacific Railroad, unless the industry served or shipper elects to pay the fees themselves, and



WHEREAS the switching tariff rate adjustments for 2025 include a system average rate increase of 2.3% over current rates and a 3% increase to all miscellaneous switching rates, and

WHEREAS the 2026 tariff supplement increases line haul traffic rates by a system average of 2.3%, and

WHEREAS Tacoma Rail's demurrage tariff was last updated in 2023, and

WHEREAS demurrage is a federal requirement for railroads to charge for the undo detention of railcars, and

WHEREAS the proposed tariff increases the rate by \$5 per day, for a total of \$70, and

WHEREAS Section 4.11 of the Tacoma City Charter requires that all matters related to the fixing of rates and charges for utility services shall be initiated by the Board and approved by the City Council, and

WHEREAS the proposed adjustments to the freight switching,
demurrage and line haul tariffs are just, fair and reasonable, and are in the best
interests of Tacoma Rail customers and the citizens of Tacoma; Now, therefore,
BE IT RESOLVED BY THE PUBLIC UTILITY BOARD OF THE CITY OF TACOMA:

Section 1. That the proposed reissuance of TMBL 8807 series freight switching and TMBL 6004 series demurrage tariffs attached hereto as Exhibits A and B and on file with the Clerk of the Board are hereby approved, effective January 1, 2025, and a switching tariff supplement with an effective date of



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January 1, 2026, attached hereto as Exhibit C and also on file with the Clerk of the Board is also approved.

Section 2. The City Council is requested to pass an ordinance approving the changes incorporated in Exhibits A and B effective January 1, 2025, and the changes incorporated in Exhibit C effective January 1, 2026, and also authorize the publication all changes set forth in Exhibits A, B and C, on file with the Clerk of the Board and in such final forms as approved by the City Attorney's Office.

as to form:

Deputy City Attorney

Terk There years

Secretary

Adopted 10-23-24