



## RESOLUTION NO. 38962

1 A RESOLUTION relating to the Department of Public Utilities; authorizing the  
2 Beltline Division, d.b.a. Tacoma Rail, to enter into a Lease Agreement with  
3 Progress Rail Leasing Corporation for two Electro-Motive Diesel  
4 Locomotives for a five-year term, with an option to purchase, for a  
cumulative total of lease payments and end-of-term purchase of \$6,985,000,  
budgeted from the Tacoma Rail Fund.

5 WHEREAS, given increased business volumes and the upcoming  
6 implementation of Positive Train Control, the City of Tacoma, Department of Public  
7 Utilities, Beltline Division (d.b.a. "Tacoma Rail") has determined it prudent to lease  
8 two higher-horsepower locomotives, and  
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10 WHEREAS the addition of the two higher-horsepower locomotives with  
11 modern tractive control features will enhance Tacoma Rail's ability to efficiently  
12 meet current and projected freight rail service obligations, and  
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14 WHEREAS, during a formal Request for Proposal ("RFP") process, in  
15 addition to the usual advertising procedures for RFPs, 13 companies were invited  
16 to submit proposals, and four submittals were received, and  
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18 WHEREAS a Selection Advisory Committee reviewed the submittals and  
19 unanimously ranked the submission of Progress Rail Leasing Corporation, for two  
20 Electro-Motive Diesel SD70-Ace-P4 locomotives, as the highest-scoring proposal,  
21 and the Contract and Awards Board also approved and recommends the award,  
22 and

23 WHEREAS the Lease Agreement is for a five-year term, with an option  
24 to purchase, for a cumulative total of lease payments and end-of-term purchase  
25 of \$6,985,000, budgeted from the Tacoma Rail Fund, and  
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WHEREAS it appears to be in the best interests of the City to enter into the proposed Lease Agreement; Now, Therefore,

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF TACOMA:

That the City of Tacoma, Department of Public Utilities, Beltline Division (d.b.a. "Tacoma Rail") is approved to enter into a Lease Agreement with Progress Rail Leasing Corporation for two Electro-Motive Diesel Locomotives, for a five-year term, with an option to purchase, for a cumulative total of lease payments and end-of-term purchase of \$6,985,000, said document to be substantially in the form of the lease agreement on file in the Office of the City Clerk.

Adopted \_\_\_\_\_

\_\_\_\_\_  
Mayor

Attest:

\_\_\_\_\_  
City Clerk

Approved as to form:

\_\_\_\_\_  
City Attorney