



TO: Elizabeth Pauli, City Manager
FROM: Jackie Flowers, Director of Utilities
 Dale W. King, Tacoma Rail Superintendent
COPY: City Council and City Clerk
SUBJECT: Resolution - Approve Washington State Funding Award for Zero Emission Locomotive Project
DATE: January 23, 2024

SUMMARY AND PURPOSE:

Tacoma Rail requests authorization to accept a grant funding award from the Washington State carbon emissions reduction account, to assist with the acquisition of two zero emission locomotives and installation of the associated on-site charging infrastructure.

BACKGROUND: The State Legislature appropriated \$5,000,000 (Five Million Dollars) from the carbon emissions reduction account created in RCW 70A.65.240. Funds will assist with the replacement of two Tacoma Rail diesel-electric switcher locomotives with two zero emission battery-electric switcher locomotives and the installation of on-site charging equipment at the Tacoma Rail facility.

COMMUNITY ENGAGEMENT/ CUSTOMER RESEARCH:

The project will improve air quality by reducing diesel exhaust emissions in the Port area as well as for residents in identified environmental health disparities areas.

ALTERNATIVES:

Presumably, your recommendation is not the only potential course of action; please discuss other alternatives or actions that City Council or staff could take. Please use table below.

Alternative(s)	Positive Impact(s)	Negative Impact(s)
1. Reject the project funding opportunity and cancel the project.	None associated with this alternative.	Project is cost prohibitive without grant funding assistance.
2. Proceed with project at a later date without benefit of grant funding assistance.	None associated with this alternative.	Significantly delays other Capital Outlay projects which are currently planned.



EVALUATION AND FOLLOW UP:

Timely progression of project milestones is anticipated given that there are multiple funding agreements associated with the project. TPU-Rail staff will compile and submit progress reports as required by State Climate Commitment Act funds reporting protocols.

STAFF/SPONSOR RECOMMENDATION:

Tacoma Rail recommends that City Council authorize acceptance of the Washington State funding award.

FISCAL IMPACT:

Please provide a short summary of the fiscal impacts associated with the grant, agreement, policy action, or other action.

Fund Number & Name	COST OBJECT (CC/WBS/ORDER)	Cost Element	Total Amount
1. Fund 4500, TPU Rail	WBS-00126		\$4,950,000
TOTAL			

What Funding is being used to support the expense?

PROJECT IS BUDGETED IN TPU-RAIL'S 2023/24 CAPITAL OUTLAY PROJECTS.

Are the expenditures and revenues planned and budgeted in this biennium's current budget?

YES

Are there financial costs or other impacts of not implementing the legislation?

YES

Will the legislation have an ongoing/recurring fiscal impact?

YES

TPU-RAIL WILL BE RESPONSIBLE FOR INSPECTING AND MAINTAINING THE LOCOMOTIVES ONCE THEY ARE RECEIVED.

Will the legislation change the City's FTE/personnel counts?

No

ATTACHMENTS: