



RESOLUTION NO. U-11097

1 A RESOLUTION authorizing Tacoma Rail to enter into two Loan Agreements
2 with Washington State Department of Transportation to upgrade railroad
3 tracks.

4 WHEREAS the City of Tacoma, Department of Public Utilities, Beltline
5 Division (d.b.a. "Tacoma Rail"), requests approval to enter into two Loan
6 Agreements ("Agreements") with Washington State Department of
7 Transportation ("WSDOT") to partially fund railroad track rehabilitation projects,
8 for the purpose of upgrading 1,550 feet of railroad track for the Mazda Siding
9 project and 1,900 feet of railroad track for the TOTE Yard, and
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11 WHEREAS Tacoma Rail's track infrastructure in the Tideland's area is
12 heavily used and in need of periodic upgrades in order to safely enable the
13 switching of railcars destined for, or originating from, the Port of Tacoma and
14 other industrial customers, and
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16 WHEREAS Tacoma Rail was awarded two loans from WSDOT: (1) Loan
17 Agreement No. RRB-1225 – Mazda Siding (in the principal amount of
18 \$240,000.00, less a one percent administrative fee), and (2) Loan Agreement
19 No. RRB-1226 – TOTE Yard (in the principal amount of \$400,000.00, less a
20 one percent administrative fee), and
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22 WHEREAS Loan Agreement No. RRB-1225, for Mazda Siding project (in
23 the principal amount of \$240,000.00), requires Tacoma Rail to contribute
24 \$109,572.00 in matching funds, with a project completion date of June 30,
25 2021. Repayment terms require ten annual payments of \$24,000.00 each,
26 beginning October 1, 2021. The loan will partially finance the upgrade of



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approximately 1,550 feet of old worn 90-pound rail with new 115-pound rail, to include select crosstie replacement and other associated railroad track components, and

WHEREAS Loan Agreement No. RRB-1226, for the TOTE Yard project (in the principal amount of \$400,000.00), requires Tacoma Rail to contribute \$604,547.00 in matching funds, with a project completion date of June 30, 2021. Repayment terms require ten annual payments of \$40,000.00 each, beginning October 1, 2021. The loan will partially finance the upgrade of approximately 1,900 feet of old and worn 90-pound rail with new 115-pound rail, to include crosstie replacement and other associated railroad track components, and

WHEREAS it is in the best public interest to approve said Agreements;

Now, therefore,

BE IT RESOLVED BY THE PUBLIC UTILITY BOARD OF THE CITY OF TACOMA:

That the two Loan Agreements from the Washington State Department of Transportation (#RRB-1225 in the principal amount of \$240,000.00 and #RRB-1226 in the principal amount of \$400,000.00), are hereby approved, providing for reimbursement of Tacoma Rail's costs related to the upgrading of 1,550 feet of railroad track for the Mazda Siding project and 1,900 feet of railroad track for the TOTE Yard, and Tacoma Rail's contributions in matching funds in the amounts of \$109,572.00 and \$604,547.00 are hereby approved, and the City Council is requested to approve and authorize said Agreements



and the proper officers are authorized to execute said Agreements substantially
in a form as approved by the City Attorney.

Approved as to form and legality:

Tom C. Merrill
Chief Deputy City Attorney

Adopted _____

Clerk

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