



RESOLUTION NO. 39280

1 A RESOLUTION relating to the City of Tacoma, Department of Public Utilities,
2 Beltline Division (d.b.a. "Tacoma Rail"); authorizing the acceptance of five,
3 ten-year interest-free loans from the Washington State Department of
Transportation for track rehabilitation and improvement projects.

4 WHEREAS the City of Tacoma, Department of Public Utilities, Beltline
5 Division (d.b.a. "Tacoma Rail"), is requesting approval to enter into five loan
6 agreements with the Washington State Department of Transportation ("WSDOT")
7 for track rehabilitation and improvement projects, all as more specifically set forth
8 in the attached "Exhibit "A," and
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10 WHEREAS each loan agreement will be for a ten-year term at zero percent
11 interest, with a one percent administrative fee taken from the loan proceeds, and
12 all projects are to be completed by June 30, 2017, and
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14 WHEREAS Section 4.11 of the Tacoma City Charter requires that all
15 matters relating to the incurring of indebtedness by the Department of Public
16 Utilities be initiated by the Public Utility Board and approved by the City Council,
17 and

18 WHEREAS, by adoption of Public Utility Board Resolution No. U-10809 on
19 September 23, 2015, the proposed loan agreements with WSDOT were
20 approved, pending confirmation from the City Council, and
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22 WHEREAS it is in the best interest of the citizens of Tacoma and
23 customers of Tacoma Rail that the loan agreements with WSDOT be approved;

24 Now, Therefore,
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BE IT RESOLVED BY THE COUNCIL OF THE CITY OF TACOMA:

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Section. 1. That Washington State Department of Transportation (“WSDOT”) interest-free ten-year loan Agreement Number RRB 1108, in the amount of the \$311,457, including a matching contribution by the City of Tacoma, Department of Public Utilities, Beltline Division (d.b.a. “Tacoma Rail”), in the amount \$133,482.02, for the Taylor Way Rehabilitation Project, is hereby approved.

Section 2. That WSDOT interest-free ten-year loan Agreement Number RRB 1109, in the amount of the \$156,997, including a matching contribution by Tacoma Rail in the amount \$67,286.38, for the Edwards Crossover Rehabilitation Project, is hereby approved.

Section 3. That WSDOT interest-free ten-year loan Agreement Number RRB 1110 in the amount of the \$469,270, including a matching contribution by Tacoma Rail in the amount \$201,116.38, for the East Lead Low Side Rebuild Project, is hereby approved.

Section 4. That WSDOT interest-free ten-year loan Agreement Number RRB 1111 in the amount of the \$369,518, including a matching contribution by Tacoma Rail in the amount \$158,365.08, for the West Lead High Side Rebuild Project, is hereby approved.

Section 5. The WSDOT interest-free ten-year loan Agreement Number RRB 1112, in the amount of the \$150,000, including a matching contribution by Tacoma Rail in the amount \$195,582, for the Transfer Yard Connection Project, is hereby approved.



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Section 6. That the Superintendent of Tacoma Rail is hereby authorized to enter into and execute on behalf of the City Loan Agreement Numbers RRB 1108, RRB 1109, RRB 1110, RRB 1111, and RRB 1112 with the WSDOT, said documents to be substantially in the form of the proposed loan agreements on file in the office of the City Clerk and as approved by the City Attorney.

Adopted _____

Mayor

Attest:

City Clerk

Approved as to form:

Chief Deputy City Attorney

Requested by Public Utility Board
Resolution No. U-10809



EXHIBIT "A"

**LOAN AGREEMENTS WITH THE WASHINGTON STATE
DEPARTMENT OF TRANSPORTATION**

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| Agreement Number | Project Purpose | Loan Amount | Tacoma Rail Match |
|-------------------------|---|--------------------|--------------------------|
| RRB 1108 | Taylor Way Rehabilitation – Remove and replace two existing railroad turnout switches and 1,200 feet of rail | \$311,457.00 | \$133,482.02 |
| RRB 1109 | Edwards Crossover Rehabilitation – Remove and replace two turnouts and 1,100 feet of rail and associated components | \$156,997.00 | \$67,286.38 |
| RRB 1110 | East Lead Low Side Rebuild – Remove and replace seven turnouts and 1,200 feet of rail | \$469,270.00 | \$201,116.38 |
| RRB 1111 | West Lead High Side Rebuild – Remove and replace five turnouts | \$369,518.00 | \$158,365.08 |
| RRB 1112 | Transfer Yard Connection – Install 150 feet of track, a #9 turnout, and two 115RE diamond track crossings connecting existing track | \$150,000.00 | \$195,582.00* |

*U.S. Oil has pledged \$130,000 towards the matching contribution