



RESOLUTION NO. 41334

1 A RESOLUTION relating to the Department of Public Utilities, Beltline Division,
2 (d.b.a. "Tacoma Rail"); authorizing the execution of an interest-free loan
3 agreement with the Washington State Department of Transportation, in
4 the amount of \$408,000, accepting and depositing said sum into the
Tacoma Rail Fund, and further authorizing matching funds in the amount
of \$399,877, to partially fund a railroad track rehabilitation project.

5 WHEREAS the City of Tacoma, Department of Public Utilities, Beltline
6 Division, (d.b.a. "Tacoma Rail"), track infrastructure in the Tidelands area is
7 heavily used and in need of periodic upgrades in order to safely enable the
8 switching of railcars destined for, or originating from, the Port of Tacoma and
9 other industrial customers, and
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11 WHEREAS Tacoma Rail was awarded interest-free Loan Agreement
12 RRB-1296 by the Washington State Department of Transportation, in the
13 amount of \$408,000, for the purpose of upgrading six track switches located on
14 the Blair Peninsula, and
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16 WHEREAS the Loan Agreement is for a ten-year term, with annual
17 payments of \$40,800 beginning August 1, 2025, requires Tacoma Rail to
18 contribute \$399,877 in matching funds towards the completion of the project
19 and includes an \$8,000 administrative fee, and
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21 WHEREAS Section 4.11 of the Tacoma City Charter requires that all
22 matters under the jurisdiction of the Public Utility Board relating to the "incurring
23 of indebtedness . . . shall be initiated by the Board, subject to approval by the
24 Council, and executed by the Board," prior to acceptance of the Loan
25 Agreement, and
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WHEREAS, by adoption of Public Utility Board Resolution No. U-11427 on December 13, 2023, the proposed Loan Agreement was approved, pending approval and authorization by the City Council; Now, Therefore,

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

That the request of the Department of Public Utilities, Beltline Division (d.b.a. "Tacoma Rail"), to enter into interest-free Loan Agreement RRB-1296 with the Washington State Department of Transportation, in the amount of \$408,000, for deposit into the Tacoma Rail Fund, with matching funds in the amount of \$399,877 contributed by Tacoma Rail and an \$8,000 administrative fee, to partially fund a railroad track rehabilitation project, is hereby approved, and the proper officers are authorized to execute said agreements substantially in a form as approved by the City Attorney.

Adopted _____

Mayor

Attest:

City Clerk

Approved as to form:

Deputy City Attorney

Requested by Public Utility Board
Resolution No. U-11427