



## ORDINANCE NO. 28842

1 AN ORDINANCE relating to the Department of Public Utilities; authorizing  
2 Tacoma Rail to update the Rail Rate Policy to include a Volume  
Investment Fund.

3 WHEREAS Tacoma Rail's Rail Rate Policy was last updated January 1,  
4 2016, and

5 WHEREAS due to the variability of the economy and shipping lines, railcar  
6 volumes have the potential to deviate significantly from budgeted volumes, and

7 WHEREAS the proposed Rail Rate Policy amendment creates a Volume  
8 Investment Fund, a sub fund in SAP, ("Fund") to provide a repository for operating  
9 revenue surpluses due to unanticipated rail volume growth above budget, and  
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11 WHEREAS the Fund will provide revenue requirement flexibility during  
12 times of unanticipated economic downturns or capital spending that may be used  
13 to offset the necessity of rate increases, and

14 WHEREAS use of the Fund will be limited to workforce stability during  
15 unanticipated economic downturns, locomotive upgrades, rail infrastructure and  
16 grant or debt matching opportunities, and

17 WHEREAS to establish a balance to the sub-fund, an initial \$500,000 will  
18 be transferred to the sub-fund from Tacoma Rail's 4500 enterprise fund when  
19 created; the sub-fund will be tracked and reported to the Tacoma Public Utility  
20 Board on a quarterly basis, and  
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22 WHEREAS it is in the best public interest to approve the update to the Rail  
23 Rate Policy as recommended, and

24 WHEREAS, by adoption of Public Utility Board Resolution No. U-11329 on  
25 June 29, 2022, the proposed amendment was approved, pending confirmation  
26 from the City Council; Now, Therefore,



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BE IT ORDAINED BY THE CITY OF TACOMA:

Section 1. That the City Council hereby adopts the Recitals of this Ordinance as its formal legislative findings.

Section 2. That the proposed update to Tacoma Rail’s Rail Rate Policy to create a Volume Investment Fund, for the limited purposes of workforce stability during unanticipated economic downturns, locomotive upgrades, rail infrastructure and grant or debt matching opportunities, is approved in substantially the same form as on file with the Clerk.

Passed \_\_\_\_\_

\_\_\_\_\_  
Mayor

Attest:

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

Approved as to form:

\_\_\_\_\_  
Chief Deputy City Attorney

Requested by Public Utility Board

Resolution No.11329