



TACOMA PUBLIC UTILITIES
3628 South 35th Street
Tacoma, Washington 98409-3192

September 12, 2014

To the Chair and members of the Public Utility Board and
Mayor and members of City Council:

SUBJECT: WSDOT Rail Bank Loan RRB-1086 for SR-509 Track Improvements between Alexander Avenue and Taylor Way

Request:

Tacoma Rail requests approval to enter into an agreement for an interest free loan from the Washington State Department of Transportation, in the amount of \$1,037,012.00, less a one-percent (1%) administrative fee, over a ten (10) year term. The loan will be used to replace approximately 4,200 track feet of old and worn rail, switches, cross ties, and other associated track components paralleling SR-509 between Alexander Avenue and Taylor Way.

Background:

The loan was awarded through a competitive call for projects initiated by WSDOT with funds having been appropriated by the Washington State Legislature.

The loan agreement requires Tacoma Rail to contribute a minimum of \$259,254.00 in matching funds, and complete the project by December 31, 2015. Repayment terms require ten annual payments be made in the amount of \$103,701.20 each, beginning November 1, 2016.

APPROVED:

William A. Gaines
Director of Utilities, CEO

