



Board Action Memorandum

TO: Jackie Flowers, Director of Utilities
COPY: Charleen Jacobs, Director and Board Offices
FROM: Alan Matheson, Rail Superintendent
MEETING DATE: October 8, 2025
DATE: September 8, 2025

GUIDING PRINCIPLE ALIGNMENT (select as many that apply):

Please indicate which of the Public Utility Board's Guiding Principle(s) is supported by this action.

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| ☐ GP1 – Diversity, Equity, Inclusion, Belonging | ☒ GP7 – Reliability & Resiliency |
| ☐ GP2 – Financial Sustainability | ☐ GP9 – Economic Development |
| ☐ GP3 – Rates | ☐ GP10 – Government Relations |
| ☐ GP4 – Stakeholder Engagement | ☐ GP12 – Employee Relations |
| ☒ GP5 – Environmental Sustainability | ☐ GP13 – Customer Service |
| ☐ GP6 – Innovation | ☐ GP14 – Resource Planning |

SUMMARY: Tacoma Rail requests authorization to accept a loan from Washington State, Department of Transportation, for \$408,000 to assist with the procurement of one new 35-ton capacity boom truck for heavy locomotive component maintenance and repairs.

BACKGROUND: TPU-Rail applied for and received a loan from WSDOT for a new boom truck to support ongoing mechanical operations. The application proposed to purchase this equipment as opposed to relying on renting this type of equipment for heavy locomotive repairs. Loan agreement RRC 1010 requires Tacoma Rail to contribute \$200,000 in matching funds toward the purchase of the equipment. The loan has a 10-year term, requiring annual payments of \$40,800 beginning January 1, 2029, and includes an \$8,000 administrative fee.

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes

IF THE EXPENSE IS NOT BUDGETED, PLEASE EXPLAIN HOW IT IS TO BE COVERED.
N/A

IF THE ACTION REQUESTED IS APPROVAL OF A CONTRACT, INCLUDE LANGUAGE IN RESOLUTION AUTHORIZING \$200,000 INCREASE IN ADMINISTRATIVE AUTHORITY TO DIRECTOR? No

ATTACHMENTS: Washington State Department of Transportation loan agreement letter.

CONTACT:
Primary Contact: Kyle Kellem, Roadmaster, 253-377-3554