



City of Tacoma

City Council Action Memorandum

TO: Hyun Kim, City Manager
FROM: Jackie Flowers, Director of Utilities
Alan Matheson, Tacoma Rail Superintendent
COPY: City Council and Clerk
SUBJECT: Resolution – Approve WSDOT Zero-Interest Loan RRC 1010 Award for 35-Ton Boom Truck
DATE: October 21, 2025

SUMMARY AND PURPOSE:

Tacoma Rail requests authorization to accept a zero-interest loan from the Washington State Department of Transportation (WSDOT), in the amount of \$408,000, budgeted from Tacoma Rail Fund 4500, to assist with acquisition of one 35-ton boom truck for heavy locomotive maintenance and repairs.

BACKGROUND:

This Department's Recommendation is Based On: Having been awarded a zero-interest loan for the purchase of a 35-ton boom truck to for heavy locomotive maintenance and repair, eliminating the need for rental of this equipment. Loan Agreement No. RRC 1010 is in the principal amount of \$400,000, requires ten annual payments of \$40,800 beginning January 1, 2029, and includes an \$8,000 administrative fee. Additionally, Tacoma Rail is required to contribute \$200,000 in matching funds toward the completion of the project.

2025 STRATEGIC PRIORITIES:

Equity and Accessibility: *(Mandatory)*

This request does not correlate with efforts to reduce racial and other inequities, disparities, or discrimination to under-represented communities.

Identify which Tacoma 2025 strategic goals your legislation most relates to, and then identify the [Equity Index Score](#) for those goals in the geography your proposal will affect. Select the indicator(s) this legislation is most related to, then briefly explain how this legislation will impact the selected indicator(s) and/or improve the Equity Index Score. ***Use the dropdowns below and refer to guide for more information.***

Economy/Workforce: *Equity Index Score:* Select Index Score.

The acquisition of this equipment will enable TPU-Rail's mechanical workforce to conduct additional locomotive repair work that was previously contracted out for completion.

Increase the availability of industry-specific education programs to support identified growth sectors.

Explain how your legislation will affect the selected indicator(s).

Acquisition of a 35-ton boom truck will expedite repairs on locomotives and reduce out of service time, resulting in fewer disruptions to customers supply chain connectivity.

ALTERNATIVES:

Presumably, your recommendation is not the only potential course of action; please discuss other alternatives or actions that City Council or staff could take. Please use table below.

Alternative(s)	Positive Impact(s)	Negative Impact(s)
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1.Reject the project funding opportunity and pay with TPU-Rail funds.	None associated with this alternative.	Acquisition may be delayed without the loan funding.
2.		
3.		

EVALUATION AND FOLLOW UP:

Timely progression of Agreement milestones is anticipated given the TPU-Rail staff has previously completed the procurement process for other maintenance equipment.

STAFF/SPONSOR RECOMMENDATION:

Tacoma Rail recommends the City Council authorize acceptance of the Washington State Department of Transportation loan numbered RRC 1010.

FISCAL IMPACT:

Please provide a short summary of the fiscal impacts associated with the grant, agreement, policy action, or other action.

Fund Number & Name	COST OBJECT (CC/WBS/ORDER)	Cost Element	Total Amount
1. Fund 4500, TPU Rail	WBS-00136		\$408,000.00
2.			
TOTAL			

What Funding is being used to support the expense?

ACQUISITION MATCHING FUNDS ARE BUDGETED IN TPU-RAIL'S 2025/26 CAPITAL OUTLAY PROJECTS.

Are the expenditures and revenues planned and budgeted in this biennium's current budget?

YES

Are there financial costs or other impacts of not implementing the legislation?

YES

Will the legislation have an ongoing/recurring fiscal impact?

YES

TPU-RAIL WILL BE RESPONSIBLE FOR MAINTENANCE AND OPERATION OF THE 35-TON BOOM TRUCK.

Will the legislation change the City's FTE/personnel counts?

No

ATTACHMENTS:

TPU Board Resolution U-XXXXX