



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 15, 2025

STRATEGIC DIRECTIVE ALIGNMENT (select as many that apply):

Please indicate which of the Public Utility Board's Strategic Directives is supported by this action.

- | | |
|--|---|
| ☐ GP1 – Diversity, Equity, Inclusion, Belonging | ☐ GP8 – Telecom |
| ☐ GP2 – Financial Sustainability | ☐ GP9 – Economic Development |
| ☐ GP3 – Rates | ☐ GP10 – Government Relations |
| ☐ GP4 – Stakeholder Engagement | ☐ GP11 – Decarbonization/Electric Vehicles |
| ☒ GP5 – Environmental Leadership | ☐ GP12 – Employee Relations |
| ☐ GP6 – Innovation | ☐ GP13 – Customer Service |
| ☒ GP7 – Reliability & Resiliency | ☒ GP14 – Resource Planning |

SUMMARY: Tacoma Rail requests authorization to accept a grant funding award of \$8,316,000 from the Federal Railroad Administration to assist with the repowering of four (4), Tacoma Rail Tier 0 diesel-electric switcher locomotives. The locomotives will be repowered with Tier 4 diesel engines of comparable horsepower for use at Tacoma Rail's rail yard.

BACKGROUND: Tacoma Rail submitted an application in response to a competitive call for projects through the Federal Railroad Association's FY-2024 Consolidated Rail Infrastructure and Safety Improvements (CRISI) grant program.

The proposed project involves repowering four (4) existing Tier 0 diesel-electric switcher locomotives with Tier 4 diesel engines. Once completed, this upgrade will enhance the reliability of Tacoma Rail's locomotive fleet, reduce annual fuel consumption of the project locomotives, and reduce greenhouse gases and particulate matter emissions by over 90%.

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes

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

Project will be incorporated into future budget cycles until completed.

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

ATTACHMENTS:

Email notice of award dated October 29, 2024.

CONTACT:

Primary Contact: Dan McCabe, Chief Information/Financial Officer, 253-405-9559