



City of Tacoma

City Council Action Memorandum

TO: Hyun Kim, City Manager
FROM: Jackie Flowers, Director of Utilities
Alan Matheson, Rail Superintendent
COPY: City Council and City Clerk
SUBJECT: Resolution – Reauthorize FY22 CRISI Grant Funding Award
DATE: October 21, 2025

SUMMARY AND PURPOSE:

A Resolution requesting reauthorization to accept federal grant funding previously authorized by Resolution 41343. Project scope has changed from acquisition of two zero emission locomotives to repowering two Utilities owned locomotives with Tier-4 diesel engines.

BACKGROUND:

TPU-Rail was awarded \$4,095,000 following a competitive call for projects from the FY22 Consolidated Rail Infrastructure and Safety Improvements (CRISI) grant program. Under the current Presidential administration, U. S. DOT and Federal Railroad Administration priorities have changed, resulting in a revised project scope. The revised project will repower two Utilities owned locomotives and will advance TPU and City objectives toward environmental leadership by reducing emissions generated by the two locomotives by approximately 90 percent following the upgrades to include EPA Tier-4 compliant engines.

COMMUNITY ENGAGEMENT/ CUSTOMER RESEARCH:

The project will improve air quality by reducing diesel exhaust emissions in the Port area.

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

Increase the number of infrastructure projects and improvements that support existing and new business developments.

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

Project will improve reliability and efficiency of the two locomotives in support of serving existing and new freight rail customers in the Tacoma Tideflats area.

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)
1.Reject the funding opportunity and cancel the project.	None associated with this alternative.	Significantly delays modernization of the two project locomotives.
2. Proceed with the project without benefit of the grant funding assistance.	None associated with this alternative.	Delays other Capital Outlay projects which are currently planned.



EVALUATION AND FOLLOW UP:

Timely progression of project milestones is anticipated, progress reporting will occur as required.

STAFF/SPONSOR RECOMMENDATION:

Tacoma Rail recommends that City Council reauthorize acceptance of the Federal Railroad Administration grant award.

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-00126		4,095,000
2.			
TOTAL			4,095,000

What Funding is being used to support the expense?

Project is budgeted in TPU-Rail's current 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 ongoing maintenance of the two project locomotives.

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

No

ATTACHMENTS:

TPU Board Action Memorandum

TPU Board Resolutions U-11431 (previous authorization)

City Council Resolution 41343 (previous authorization)

Federal Railroad Administration Notice of Award