

THE NORTHWEST SEAPORT ALLIANCE
MEMORANDUM

MANAGING MEMBERS
ACTION ITEM

Item No.: 9E
Meeting Date: July 7, 2026

DATE: June 29, 2026
TO: Managing Members
FROM: John Wolfe, CEO

Sponsor: Jim Vo, Sr. Director, NWSA Real Estate
Project Manager: Kyle Smith, Engineering Project Manager II

SUBJECT: Pierce County Terminal (PCT) Reefer Racks & Plugs Project Authorization for the Everport Terminal Services Inc Lease with the Northwest Seaport Alliance.

A. ACTION REQUESTED

Project authorization in the amount of \$1,770,000, for a total authorized amount of \$2,000,000, for design work associated with the Pierce County Terminal (PCT) Reefer Racks & Plugs Project Authorization, Project Identification No. 202060.

B. SYNOPSIS

This action will fund the design phase of the project. This project will expand refrigerated container capacity at PCT by 198 additional containers along with the associated electrical infrastructure. Completion of this project is an NWSA lease amendment negotiation obligation.

C. BACKGROUND

Refrigerated containers are an integral part of Everport's and Evergreen's business, and PCT does not currently possess enough reefer plugs to meet demand. The tenant currently supplements reefer capacity using generator powered reefer plugs. Adding capacity to support import and export reefers will address situations where full reefers cannot be received, and additional empty reefers cannot be prepared. PCT currently has 654 plug-ins for refrigerated cargo containers.

This project is a component of the Port Infrastructure Development Program 2024 (PIDP) grant award that provided \$7,350,000 in federal funding for this effort.

D. PROJECT DESCRIPTION AND DETAILS

Project Objectives

- Increase capacity of refrigerated container storage in the terminal uplands.
- Decrease truck queue time during periods of high reefer container utilization.

Scope of Work

This authorization encompasses only the design phase of the project.

The scope of work will include:

- Engineering design work to produce bid ready drawings and specifications
- Permitting with the relevant agencies

Schedule

The design phase is beginning Q3 2026.

Complete Design	Q3 2027
Construction Contract Procurement	Q4 2027
Substantial Completion	Q3 2028
Final Completion	Q4 2028

E. FINANCIAL IMPLICATIONS

Project Cost Details

	This Request	Total Project Cost	Cost to Date	Remaining Cost
Design	\$1,770,000	\$2,000,000	\$15,000	\$1,985,000
Construction	\$0	\$17,300,000	\$0	\$17,300,000
Total	\$1,770,000	\$19,300,000	\$15,000	\$19,285,000

Source of Funds

The funds for project will be provided by the Homeports through the standard Capital project funding process. The 5-year Capital Investment Plan (CIP) Budget allocates \$14,250,000 for this project. This project is partially funded by the 2024 PIDP Grant which includes a 50% match.

Financial Impact

PCT terminal and the associated intermodal yard are budgeted to provide \$19.8 million cash in 2026. Project costs will be capitalized and depreciated over 20 years resulting in approximately \$1 million of depreciation per year when the project is completed.

Grant income will be recognized as non-operating revenue as earned.

F. ENVIRONMENTAL IMPACTS/REVIEW

Permitting: Permitting requirements will be evaluated during the design phase and the necessary permits obtained prior to construction.

Remediation: Potential to encounter contaminated materials during trenching will be evaluated during the design phase.

Stormwater: Stormwater treatment requirements will need to be evaluated during design phase.

Air Quality: Installing additional reefer plugs will reduce the need to use diesel generators, reducing emissions in alignment with the Northwest Ports Clean Air Strategy.

G. PREVIOUS ACTIONS OR BRIEFINGS

<u>Date</u>	<u>Action</u>	<u>Amount</u>
May 26, 2026	Executive Authorization - Design	\$180,000
February 5, 2026	Executive Authorization - Design	\$50,000
September 3, 2025	Managing Members Grant Approval	\$0
TOTAL		\$230,000

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9E Meeting Date: July 7, 2026

Pierce County Terminal (PCT) Reefer Racks & Plugs Project Authorization



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Kyle Smith, P.E.
Engineering Project Manager II

1

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2

2

Background

- Refrigerated containers are an integral part of Everport's and Evergreen's business
 - Current demand often exceeds availability of plugin stations causing the tenant to use generator powered reefer plugs
 - Increasing terminal capacity will alleviate this bottleneck
- The NWSA accepted the Port Infrastructure Development Program 2024 (PIDP) grant that provided \$7,350,000 in federal funding.
- Completion of this project is an NWSA lease amendment negotiation obligation.



3

3

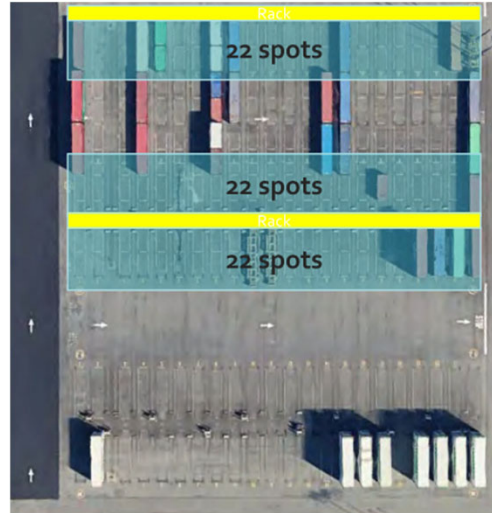
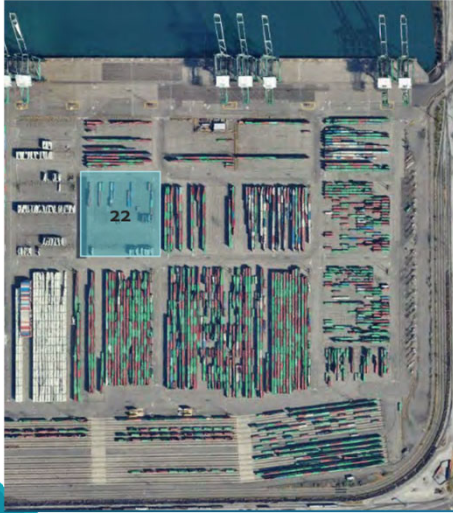
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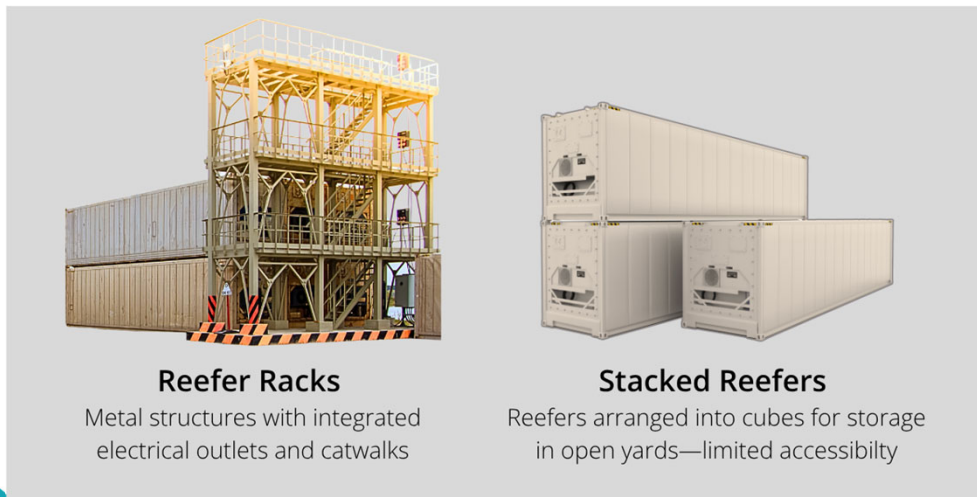


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5

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Background



Reefer Racks

Metal structures with integrated electrical outlets and catwalks

Stacked Reefers

Reefers arranged into cubes for storage in open yards—limited accessibility

6

6

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Project Description and Details

- Project Objectives
 - Increase capacity of refrigerated container storage in the terminal uplands
 - Decrease truck queue time during periods of high reefer container utilization
- Scope of Work for this request
 - Engineering design work to produce bid ready drawings and specifications
 - Permitting with the relevant agencies



7

7

Project Schedule

Activity	Timeframe
Complete Design	Q3 2027
Construction Contract Procurement	Q4 2027
Substantial Completion	Q3 2028
Final Completion	Q4 2028



8

8

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9

9

Financial Summary

Item	Budget Estimate	Cost to Date	Remaining Cost
Design	\$2,000,000	\$15,000	\$1,985,000
Construction	\$17,300,000	\$0	\$17,300,000
Project Total:	\$19,300,000	\$15,000	\$19,285,000

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10

10

Environmental Impacts / Review

- **Permitting:** Permitting requirements will be evaluated during the design phase and the necessary permits obtained prior to construction.
- **Remediation:** Potential to encounter contaminated materials during trenching will be evaluated during the design phase.
- **Stormwater:** Stormwater treatment requirements will need to be evaluated during design phase.
- **Air Quality:** Installing additional reefer plugs will reduce the need to use diesel generators, reducing emissions in alignment with the Northwest Ports Clean Air Strategy.



11

11

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12

12