

THE NORTHWEST SEAPORT ALLIANCE
MEMORANDUM

MANAGING MEMBERS
ACTION ITEM

Item No.: 9C
Meeting Date: 6/2/2026

DATE: May 18, 2026
TO: Managing Members
FROM: John Wolfe, CEO

Sponsor: Tong Zhu, Chief Commercial & Strategy Officer
Project Manager: Jim Vo, Sr. Director, Real Estate

SUBJECT: Interlocal Agreement between NWSA and the Port of Tacoma for use of a portion of 3401 Taylor Way for sediment transload, dewatering, and related activities.

A. ACTION REQUESTED

Dual Action - The Northwest Seaport Alliance (NWSA) – Port of Tacoma (Port)

Request authorization from the Managing Members of the Northwest Seaport Alliance for its CEO, and from the Port of Tacoma Commission for its Executive Director, or their delegates, to enter into an Interlocal Agreement in substantially the same form as presented regarding the use of approximately 4.8 acres, including non-exclusive preferential use of approximately 500 LF of dock space located at 3401 Taylor Way, Tacoma, Washington (“log dock” Site) starting August 1, 2026.

B. SYNOPSIS

The Port of Tacoma and Northwest Seaport Alliance wish to execute an interlocal agreement for the Port to use a portion of 3401 Taylor Way, commonly known as the Log Dock site (“Site”) in support of the Blair Waterway Program.

C. BACKGROUND

In 2018, the Port and Northwest Seaport Alliance (NWSA) signed an agreement with the US Army Corps of Engineers (Corps) to conduct the Blair Waterway Navigation Channel Deepening Feasibility Study. In 2022, the Feasibility Study concluded that deepening the Blair Waterway Navigation Channel, and widening it at the mouth and middle reach, would have a substantial return on investment. The signed Chief’s

Report recommended that the project move forward, and in 2022, Congress authorized the project and approved funding.

As the Deepening Design effort has progressed, it has become evident that deepening the Blair Waterway is contingent on the success of other strategically vital projects. This interconnected body of work supporting waterway modernization has evolved to become the Blair Deepening Program. The Program includes the following projects:

- Tru-Grit Remedial Action
- Blair Navigation Channel Deepening Design
- Lincoln Avenue Ditch Remedial Action
- Husky and WUT Berth Deepening
- Blair Tribal Cutback
- East Commencement Habitat Opportunity Project
- Blair Waterway Program Transload Facility

The Tru-Grit Remedial Action project is slated to begin in Q3 2026. As part of this project, a portion of 3401 Taylor Way is necessary for sediment transload, dewatering, and related activities. Staff proposes this interlocal agreement whereby the NWSA allows Port of Tacoma to utilize the site for these purposes.

The Port of Tacoma will not sublease the property to a tenant for sediment transloading, dewatering, or related activities. Instead, a contractor will be selected through a competitive procurement process and authorized to use the property for these approved purposes. No revenue will be generated by the Port through any real estate agreement or transaction associated with this use.

D. KEY TERMS OF PROPOSED INTERLOCAL AGREEMENT

- Location: 3401 Taylor Way; approx.4.8 acres and non-exclusive preferential use of 500 LF of dock space
- Initial Term: August 1, 2026 – March 31, 2027
- Compensation to NWSA: \$4,000 per acre per month (\$19,200/month)
- Assignment: No assignment without prior written approval

E. FINANCIAL IMPLICATIONS

The Port of Tacoma will pay the Northwest Seaport Alliance monthly compensation for use of the property for the duration of the agreement.

No revenue will be generated by the Port of Tacoma through any real estate agreement or transaction associated with this agreement.

F. ATTACHMENTS TO THIS REQUEST

Draft ILA between the Port of Tacoma and Northwest Seaport Alliance regarding use of 3401 Taylor Way, Tacoma, WA

G. PREVIOUS ACTIONS OR BRIEFINGS

March 17, 2026	Port of Tacoma Briefing	\$0
May 20, 2025	Port of Tacoma Briefing	\$0
March 7, 2023	Port of Tacoma Briefing	\$0
February 24, 2023	Managing Members Briefing	\$0
April 7, 2020	Managing Members Increase in Authorization for Feasibility Study	\$129,000
December 3, 2019	Managing Members Briefing	\$0
August 14, 2018	Managing Members Authorization for Feasibility Study	\$1,500,000

**INTERLOCAL AGREEMENT
BETWEEN THE NORTHWEST SEAPORT ALLIANCE AND THE PORT OF TACOMA
REGARDING USE OF PROPERTY AT 3401 TAYLOR WAY**

This Interlocal Agreement (“Agreement”) is entered into this ____ day of _____, 2026, by and between the Northwest Seaport Alliance (“NWSA”), a Washington Port Public Development Authority, and the Port of Tacoma (“Port”), a public port district organized under the laws of the State of Washington (individually, a “Party” and collectively the “Parties”), as authorized by RCW 39.34 (the Interlocal Cooperation Act) and the Port Joint Powers authority RCW 53.08.240.

RECITALS

~~WHEREAS, the NWSA licenses the property that is the subject of this Agreement;~~
and

WHEREAS, the respective Commissions of the Port and the Port of Seattle are the two Managing Members of NWSA, and the NWSA was formed to operate, manage, and use certain real properties owned by each such Port, referred to as Licensed Properties; and

WHEREAS, the subject property of this Agreement is part of the Licensed Properties; and

WHEREAS, NWSA ~~licenses and~~ manages the licensed property located at 3401 Taylor Way in the City of Tacoma (the “Property”), and the Port seeks to utilize a portion of the Property for sediment transload, dewatering, and related activities (the “Permitted Use”) in support of the Tru-Grit Remedial Action Project (the “Project”) as a part of the Blair Waterway Deepening Dredge Program; and

WHEREAS, NWSA supports Port’s use of the Property for the Project as described herein; and

WHEREAS, the Parties acknowledge that future use of the Property for sediment transload, dewatering, and related activities may be necessary for completion of the other projects included in the ~~Blair Deepening Dredge program~~ Blair Waterway Deepening Program; and

WHEREAS, the Parties wish to memorialize the compensation to be paid by Port to NWSA for Port's use of a portion of the Property at 3401 Taylor Way, Tacoma, Pierce County, WA, for the Project, including preferential use of its dock space.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises, benefits, and obligations hereinafter set forth, the Parties agree as follows:

- 1. Premises.** Effective July 1, 2026, Port will have use of approximately 4.8 acres of land (the "Premises") and non-exclusive preferential use of 500 LF of dock space located at 3401 Taylor Way, Tacoma, Pierce County, Washington as depicted on **Exhibit A**. The Port's right to use the Premises includes the right to access, construct, modify, and maintain the Premises and dock space in furtherance of the Permitted Use described above. Port's right to use the Premises and dock space for any other purpose besides the Permitted Use is subject to agreement by the NWSA, which agreement shall not unreasonably be withheld or delayed.
- 2. Term of Agreement.** This Agreement shall take effect on the Effective Date and terminates on March 31, 2027 ("Initial Term"). The term of the Agreement may be extended upon mutual agreement of the Parties as necessary for the completion of the overall [Blair Deepening Dredge Program](#)[Blair Waterway Deepening Program](#).
- 3. Compensation to NWSA.** Effective August 1, 2026, and on the first day of each month for the remaining Initial Term thereafter, Port shall pay NWSA a monthly sum equal to \$19,200.00 (the "Use Fee"). Upon completion of the Initial Term, the Parties reserve the right to review the Use Fee and adjust the fee upon mutual agreement.
- 4. Capital Improvement and Maintenance.** Port will be responsible for any future capital improvements, repairs and/or maintenance on the Premises during the term of the Agreement, including any extended term. Any and all modifications, upgrades, maintenance and repair of the Premises shall be the responsibility of the Port. Port shall obtain prior written approval from NWSA, not unreasonably withheld, for any modifications and/or capital improvements to the Premises.
- 5. Utilities.** Other than stormwater, there are no other current utilities serving the Premises. Port shall be liable for, and shall pay during the term of this Agreement,

all charges for all utility services furnished to the Premises, including, but not limited to, light, heat, electricity, gas, water, sewerage, storm water, wastewater, janitorial services, and garbage disposal. All charges and costs for new utility installation shall be paid by Port. Port shall be responsible for the stormwater utility fees for the Premises to be paid directly by or charged to Port. In addition to the stormwater, Port shall be responsible for the ongoing maintenance, cost and repair of any issues pertaining to stormwater drainage resulting from the use of the Premises.

6. Miscellaneous

- a. Third Party Beneficiaries.** This Agreement does not create any rights, claims, or benefits inuring to any person that is not a party hereto, and it does not create or establish any third-party beneficiary hereto.
- b. Binding Effect.** This Agreement shall be binding upon and inure to the benefit of the Parties, and their legal representatives, successors, and permitted assigns.
- c. Severability.** If any provision of this Agreement shall be held to be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby. The Parties agree to use good faith efforts to replace such invalid or unenforceable provision of this Agreement with a valid and enforceable provision that will achieve, to the extent possible, the purposes of such invalid or unenforceable provision. If the Parties cannot reach a mutually agreeable and enforceable replacement for such invalid, illegal, or unenforceable provision, the balance of the Agreement shall be interpreted as if such provision were so excluded so as to reasonably effectuate the intent of the Parties.
- d. Notices.** Unless otherwise specified herein, all notices, consents, approvals, reports, designations, requests, waivers, elections, and other communications authorized or required to be given pursuant to this Agreement shall be in writing and shall be given or made (and shall be deemed to have been duly given or made upon receipt) by personal hand delivery, by facsimile transmission, by electronic mail, by mailing the same in a sealed envelope, certified first-class mail, postage prepaid, return receipt requested, or by air courier guaranteeing overnight delivery, sent to the addresses on Schedule 3 of the NWSA Charter (as such may be updated by notice from time to time).

e. Usage Generally; Interpretation.

1. The captions and headings of this Agreement are for convenience of reference only and shall not affect the interpretation of this Agreement.
2. Any statute or law defined or referred to herein means such statute or law as from time to time amended, modified, or supplemented, including by succession of comparable successor statutes.

f. Entire Agreement. This Agreement embodies the entire agreement of the Parties and supersedes all prior agreements and understandings between the Parties with respect to the subject matter herein.

g. Counterparts. This Agreement may be executed in any number of counterparts, including by electronic transmission or facsimile, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.

h. Amendments. The terms and provisions of this Agreement may only be modified or amended at any time and from time to time by mutual agreement of the Parties.

i. Further Assurances. Each Party shall execute and deliver any additional documents and instruments and perform any additional acts that the Parties determine to be necessary or appropriate to effectuate and perform the provisions of this Agreement.

j. Governing Law. This Agreement shall be governed and construed in accordance with the laws of the State of Washington, without regard to the conflicts of law principles thereof. Generally, in the event of a conflict, the following sources of authority shall prevail in descending order of supremacy: (i) Washington state law and regulation, including the Port Joint Powers statute (RCW 53.08.240), the Port Development Authority, Chapter 53.57 RCW; and this Agreement; (ii) any policies of NWSA; and (iii) any policies of Port.

- k. Costs, Fees and Expenses.** Each Party shall bear any legal and other costs, fees and expenses incurred by such party in connection with the negotiation and preparation of this Agreement and the transactions contemplated hereby.
- l. Waivers.** No waiver of any breach of any of the terms of this Agreement shall be effective unless such waiver is made expressly in writing and executed and delivered by the party against whom such waiver is claimed. No waiver of any breach shall be deemed to be a further or continuing waiver of such breach or a waiver of any other or subsequent breach. Except as otherwise expressly provided herein, no failure on the part of any party to exercise, and no delay in exercising, any right, power, or remedy hereunder, or otherwise available in respect hereof at law or in equity, shall operate as a waiver thereof, nor shall any single or partial exercise of such right, power, or remedy by such party preclude any other or further exercise thereof, or the exercise of any other right, power, or remedy.
- m. Execution and Filing of Agreement.** Upon execution by both Parties, each such signed original shall constitute a binding Agreement upon both Parties. In accordance with RCW 39.34.040, a copy of this Agreement shall be recorded in the Office of the Pierce and King County Auditors or posted by both Parties on their respective websites. This Agreement will not take effect until it has been successfully recorded or posted in either location.
- n. Assignment.** Neither Party to this Agreement shall have the right to convey, assign, apportion or otherwise transfer any and all of its rights, obligations, conditions, and interests under this Agreement, without the prior written approval of the other.
- o. Independent Municipal Governments.** The Parties hereto are independent governmental entities, and nothing herein shall be construed to limit the independent government powers, authority or discretion of the governing bodies of each Party.
- p. Legal Obligations.** This Agreement does not relieve either Party of any obligation or responsibility imposed upon it by law.

- q. Timely Performance.** The requirements of this Agreement shall be carried out in a timely manner according to a schedule negotiated by and satisfactory to the Parties.
- r. Records and Audit.** During the term of this Agreement, and for a period not less than six (6) years from the date of termination, records and accounts pertaining to the work of this Agreement and accounting therefore shall be kept by each Party and shall be available for inspection and audit by representatives of either Party and any other entity with legal entitlement to review said records. If any litigation, claim, or audit is commenced, the records and accounts along with supporting documentation shall be retained until all litigation, claims, or audit finding has been resolved, even though such litigation, claim, or audit continues past the six-year (6) retention period. This provision is in addition to and is not intended to supplant, alter or amend records retention requirements established by applicable state and federal laws.
- s. Limits of Financial Obligations/Property Ownership.** Except as provided above, each Party shall finance its own conduct of responsibilities under this Agreement. No ownership of property will transfer as a result of this Agreement.
- t. Effective Date.** This Agreement shall be effective upon signature by both Parties and a copy being recorded with the respective County Auditors or posted on both Parties' web sites as authorized by RCW 39.34.040 ("Effective Date").
- u. Indemnification and Hold Harmless.**
1. NWSA releases Port from, and shall defend, indemnify, and hold Port and its agents, employees, and/or officers harmless from and against all claims, demands, suits at law or equity, actions, penalties, losses, damages, or costs, of whatsoever kind or nature, made by or on behalf of NWSA and/or its agents, employees, officers, contractors and/or subcontractors, arising out of or in any way related to NWSA's performance of its obligations under this Agreement, unless and except to the extent the same be caused in whole or in part by the negligence or willful conduct of Port or its agents, employees, and/or officers.
 2. NWSA shall defend, indemnify, and hold Port and its agents, employees, and/or officers harmless from and against all claims, demands, suits at law

or equity, actions, penalties, losses, damages, or costs, of whatsoever kind or nature, made by or on behalf of any third parties and/or their agents, employees, officers, contractors and/or subcontractors, arising out of or in any way related to NWSA's performance of its obligations under this Agreement, unless and except to the extent the same be caused in whole or in part by the negligence or willful conduct of Port or its agents, employees, and/or officers.

3. Port releases NWSA from, and shall defend, indemnify, and hold NWSA and its agents, employees, and/or officers harmless from and against all claims, demands, suits at law or equity, actions, penalties, losses, damages, or costs, of whatsoever kind or nature, made by or on behalf of NWSA and/or its agents, employees, officers, contractors and/or subcontractors, arising out of or in any way related to Port's performance of its obligations under this Agreement, unless and except to the extent the same be caused in whole or in part by the negligence or willful conduct of NWSA or its agents, employees, and/or officers.
4. Port shall defend, indemnify, and hold NWSA and its agents, employees, and/or officers harmless from and against all claims, demands, suits at law or equity, actions, penalties, losses, damages, or costs, of whatsoever kind or nature, made by or on behalf of any third parties and/or their agents, employees, officers, contractors and/or subcontractors, arising out of or in any way related to Port's performance of its obligations under this Agreement, unless and except to the extent the same be caused in whole or in part by the negligence or willful conduct of NWSA or its agents, employees, and/or officers.
5. Each Party specifically assumes liability for actions brought by its own employees against the other Party and for that purpose each Party specifically waives, as respects the other parties only, any immunity under the Worker's Compensation Act, RCW Title 51.
6. The Parties recognize that this waiver was the subject of mutual negotiation. In the event any Party incurs attorney's fees, costs or other legal expenses to enforce the provisions of this Agreement against the other Party, all such fees, costs and expenses shall be recoverable by the substantially prevailing Party.

7. No liability shall attach to any of the Parties by reason of entering into this Agreement except as expressly provided herein.
8. The provisions of this Section 6.(a)-(h) shall survive any termination or expiration of this Agreement.

PORT OF TACOMA

Approved as to form:

Eric D. Johnson, Executive Director

Heather L. Burgess, Contract General Counsel, Port of Tacoma

THE NORTHWEST SEAPORT ALLIANCE

Approved as to form:

John Wolfe, Chief Executive Officer

Dana Henderson, General Counsel, NWSA

Exhibit A
Premises



Item No.: 9C
Meeting Date: June 2, 2026

Interlocal Agreement between NWSA and the Port of Tacoma for use of a portion of 3401 Taylor Way for sediment transload, dewatering, and related activities.



**THE NORTHWEST
SEAPORT ALLIANCE**

SEATTLE + TACOMA

Jim Vo, Sr. Director, Real Estate
Tyra Dieffenbach, Sr. Manager, Real Estate, Port of Tacoma

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ACTION REQUESTED

Dual Action - The Northwest Seaport Alliance (NWSA) – Port of Tacoma (Port)

Request authorization from the Managing Members of the Northwest Seaport Alliance for its CEO, and from the Port of Tacoma Commission for its Executive Director, or their delegates, to enter into an Interlocal Agreement in substantially the same form as presented regarding the use of approximately 4.8 acres, including non-exclusive preferential use of approximately 500 LF of dock space located at 3401 Taylor Way, Tacoma, Washington (“log dock” Site) starting August 1, 2026.



**THE NORTHWEST
SEAPORT ALLIANCE**
SEATTLE + TACOMA

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Background

- 2018 - the Port and Northwest Seaport Alliance (NWSA) signed an agreement with the US Army Corps of Engineers (Corps) to conduct the Blair Waterway Navigation Channel Deepening Feasibility Study.
- 2022 - Feasibility Study concluded that deepening the Blair Waterway Navigation Channel, and widening it at the mouth and middle reach, would have a substantial return on investment.
- 2022 - Congress authorized the project and approved funding.



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Background

As the Deepening Design effort has progressed, the Blair Deepening Program was developed. The Program includes the following interconnected projects:

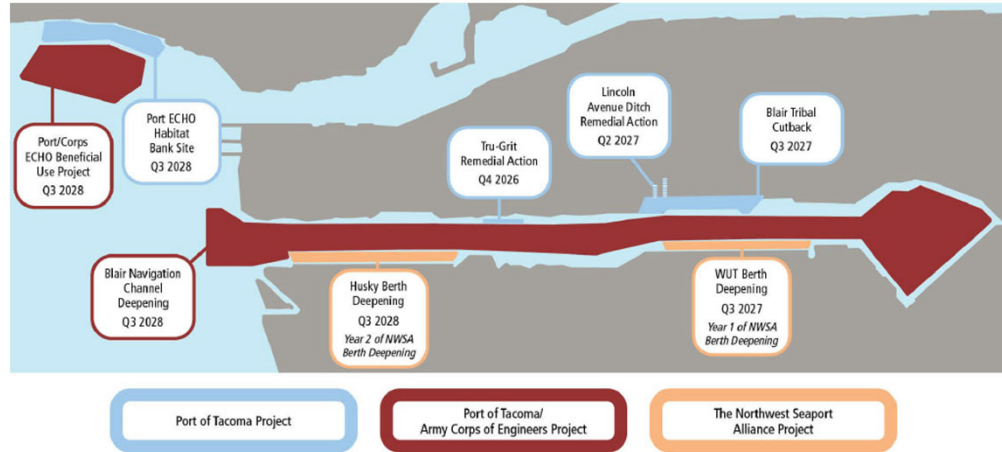
- Tru-Grit Remedial Action
- Blair Navigation Channel Deepening Design
- Lincoln Avenue Ditch Remedial Action
- Husky and WUT Berth Deepening
- Blair Tribal Cutback
- East Commencement Habitat Opportunity Project
- Blair Waterway Program Transload Facility



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Background



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Background

- The Tru-Grit Remedial Action project is slated to begin in Q3 2026.
- A portion of 3401 Taylor Way is necessary for sediment transload, dewatering, and related activities.
- The interlocal agreement allows Port of Tacoma to utilize the site for these purposes.



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Background

- The Port of Tacoma will not sublease the property to a tenant for sediment transloading, dewatering, or related activities.
- A contractor will be selected through a competitive procurement process and authorized to use the property for these approved purposes.
- No revenue will be generated by the Port through any real estate agreement or transaction associated with this use.



Key Terms of Proposed Interlocal Agreement

- Location: 3401 Taylor Way
- Approx. 4.8 acres and non-exclusive preferential use of 500 LF of dock space
- Initial Term: August 1, 2026 – March 31, 2027
- Compensation to NWSA: \$4,000 per acre per month (\$19,200/month)
- Assignment: No assignment without prior written approval

Financial Implications

- The Port of Tacoma will pay the Northwest Seaport Alliance monthly compensation for use of the property for the duration of the agreement.
- No revenue will be generated by the Port of Tacoma through any real estate agreement or transaction associated with this agreement.

ACTION REQUESTED

Dual Action - The Northwest Seaport Alliance (NWSA) – Port of Tacoma (Port)

Request authorization from the Managing Members of the Northwest Seaport Alliance for its CEO, and from the Port of Tacoma Commission for its Executive Director, or their delegates, to enter into an Interlocal Agreement in substantially the same form as presented regarding the use of approximately 4.8 acres, including non-exclusive preferential use of approximately 500 LF of dock space located at 3401 Taylor Way, Tacoma, Washington (“log dock” Site) starting August 1, 2026.