THE NORTHWEST SEAPORT ALLIANCE
MEMORANDUM

MANAGING MEMBERS
ACTION ITEM

Item No.: 9G
Meeting Date: December 1, 2026

DATE: November 20, 2026

TO: Managing Members

FROM: John Wolfe, CEO

Sponsor: Mark Storslee, Director of Operations
Project Manager: Mathew Busch, Engineering Project Manager II

SUBJECT: Pier 3 and 4 Maintenance Dredging 2026 and WUT Maintenance Dredging 2026 Project Authorization Increase

A. ACTION REQUESTED

(1) Project authorization increase in the amount of $186,000, for a total authorized amount of $531,000, for work associated with the Pier 3 and 4 Maintenance Dredging 2026, Project Identification No. 202066.

(2) Project authorization increase in the amount of $165,000 for a total authorized amount of $865,000, for work associated with the Washington United Terminal (WUT) Maintenance Dredging 2026, Project Identification No. 202067.

B. SYNOPSIS

These projects are eligible for Harbor Maintenance Tax (HMT) funding; therefore, related expenditures are reimbursable until the allocated HMT funds are fully expended.

Berthing areas at Husky Terminal Piers 3 and 4 and Washington United Terminals (WUT) have an elevation of -l-51ft MLLW. A combination of tidal action, vessel operations and sediment deposits over time allows for sediment to accumulate in areas called “high spots”. These “high spots” require periodic maintenance dredging to occur to maintain the berthing depth of -51ft MLLW. The WUT lease specifically requires landlord responsibility to maintain the -51 ft depth. The Husky lease is not specific about the depth, but the design documents in the lease exhibits specify -51 ft and require the landlord to provide periodic sounding charts.

The Managing Members approved the construction of this project on July 7, 2026. Once final permits were approved, the project was advertised on October 6 and bids opened on October 27, 2026. The engineer's estimate for the project had a budget of $870,000. The apparent low bid came in at approximately $1,122,000, exceeding the project's set budget and contingency amount. Therefore, we are requesting additional authorization to cover this increase in construction costs, which also includes construction management and staff time.

C. BACKGROUND

The 2021 maintenance dredging effort was close but did not fully achieve the authorized least depth of -51 ft from the Puget Sound Pilots (PSP) at both terminals. Discussions with PSP after the 2021 maintenance dredge better informed staff on how the least depth is evaluated so that the desired outcome can be obtained.

Minor sediment removal was going to be necessary. Recently during review of the 2025 routine bathymetric survey review additional sediment "high spots" were identified triggering a renewed need for another maintenance dredge effort at both terminals.

A typical dredge project requires permitting and sediment analysis that takes 12-18 months to complete. Fortunately, the NWSA can utilize the newly issued Port of Tacoma (Port) Comprehensive Mitigated Maintenance and Repair (CMMP) permit that includes federal permit coverage for maintenance dredging. The Dredge Material Management Program (DMMP) has agreed to accept the recent NWSA berth deepening sediment characterization and Suitability Determination for this project. Local permits can also be covered by the berth-deepening permits in progress. Leveraging these existing permits has allowed for the maintenance dredging to occur during the upcoming in-water work period of July 15, 2026, to February 14, 2027. Required project notices have been sent for the CMMP, and staff are anticipating having full approval by July 17, 2026. Once all approvals are received, staff intend to advertise for construction bids immediately.

D. PROJECT DESCRIPTION AND DETAILS

The scope of these projects is to perform maintenance dredging to address "high spots" impacting the berthing areas of WUT and Piers 3 and 4. All material is anticipated to be disposed of at the Commencement Bay open-water dredged material disposal site.

Scope of Work

The scope of work will include:

- Advertise and award one construction contract covering both projects
- Perform maintenance dredging of "high spots" at both terminals
- Project and construction management

Schedule

Advertise for Bid	October 6, 2026
Open Bids	October 27, 2026
Notice of Award	December 2, 2026
Substantial Completion	February 15, 2027
Final Completion	March 15, 2027

E. FINANCIAL IMPLICATIONS

Project Cost Details (Pier 3 and 4)

	This Request	Total Previous Requests	Total Project Cost	Cost to Date	Remaining Cost
Design (P3&4)	$0	$50,000	$50,000	$19,800	$30,200
Construction (P3&4)	$186,000	$295,000	$481,000	$0	$481,000
Total	$186,000	$345,000	$531,000	$19,800	$511,200

Project Cost Details (WUT)

	This Request	Total Previous Requests	Total Project Cost	Cost to Date	Remaining Cost
Design (WUT)	$0	$50,000	$50,000	$17,800	$32,200
Construction (WUT)	$165,000	$650,000	$815,000	$0	$815,000
Total	$165,000	$700,000	$865,000	$17,800	$847,200

Source of Funds

These projects will be funded by NWSA operating income. Project 202066 (Pier 3 and 4) was included in the 2027-2031 operating budget at a cost of $356,000. Project 202067 (WUT) was included in the 2027-2031 operating budget at a cost of $710,000. These projects are eligible for Harbor Maintenance Tax (HMT) funding; therefore, related expenditures are reimbursable until the allocated HMT funds are fully expended.

Financial Impact

Pier 3 and 4 (Husky) and WUT, and their respective intermodal yards are budgeted to provide $37.6 million and $15.0 million in cash respectively in 2027. Project costs will be expensed as incurred. The Homeports recognize the HMT as income when received.

F. ENVIRONMENTAL IMPACTS/REVIEW

Permitting: All local, state, and federal environmental review and permits have been obtained prior to initiating dredging/construction work except the DNR Site Use Authorization (will be obtained after Notice of Award) The Comprehensive Mitigated Maintenance and Repair (CMMP) permit allows for in-water dredging activity.

Remediation: The material to be dredged from the berths has been sampled and characterized for disposal according to the DMMP requirements. The DMMP Suitability Determination states that all dredged material from Piers 3 and 4 and WUT is suitable for disposal at the open-water dredged material disposal site. DMMP confirmed this on May 25, 2026.

Stormwater: Not applicable. No upland work is associated with this project.

Air Quality: No new emissions will be generated by this project except short-term emissions from dredging/support construction equipment.

G. PREVIOUS ACTIONS OR BRIEFINGS

Date	Action	Amount
April 6, 2026	Executive Authorization for Design	$50,000
July 7, 2026	Managing Member Authorization for Construction	$295,000
TOTAL		**$ 345,000**

Date	Action	Amount
April 6, 2026	Executive Authorization for Design	$50,000
July 7, 2026	Managing Member Authorization for Construction	$650,000
TOTAL		**$700,000**