

Item Nos: 8A and 9A\_Supp  
Date of Meeting: February 1, 2022



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# Terminal 5 Q4 2021 Update and Terminal 5 Reefer Plug Infrastructure Grant

Presenter: Emma Del Vento  
Capital Program Leader, Port of Seattle

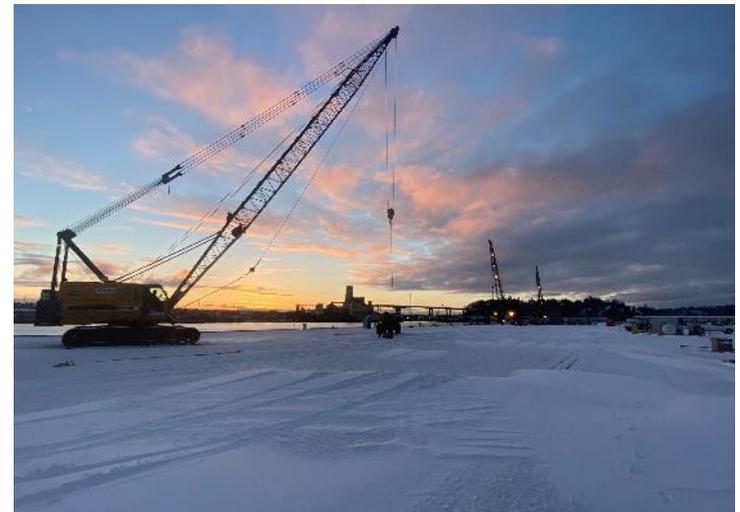


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# Item 8A: Terminal 5 Q4 2021 Update

# Terminal 5 – North Berth Completion

- **T5 Program achieved four major milestones this quarter:**
  - Completion of the North Berth
    - North Berth: Dredging started Jan 19.
  - Completion of the Pre-Occupancy Permit Conditions.
  - Completion of the Phase 1 Lease Obligations.
  - Obtained Notice to Proceed for the \$10.7M PIDP Grant from the Maritime Administration



Terminal 5 during snowstorm and  
first vessel at berth



# Terminal 5 – Program Overview

## Primary Elements of Scope



- **Berth Modernization**

- Crane Rails
- Dock Rehabilitation
- Slope Stabilization
- Berth Deepening
- Power Supply/ Distribution

- **Uplands Improvements**

- Permit Conditions
- Lease Obligations
  - Stormwater
  - Marine Buildings
  - Reefers



# Terminal 5 – Q4 2021 Progress

- **Berth Modernization Project**

- North Berth: COMPLETE
- South Berth: Activities are on schedule.
- Seattle City Light (SCL) pending final invoice in Q2 2022

- **Uplands Improvements Projects**

- Permit Condition Progress
  - Pre-Occupancy Conditions met – now in post occupancy
- Lease Obligations
  - Stormwater Treatment - Phase 2 Bid advertisement



Rail Track and Switch Repairs



North Marine Building



# Budget (December 31, 2021)

Forecast currently on budget – the single biggest risk is the North Reefer Demarcation Construction is 82% spent and 79% complete

December 2021: \$2.5M increase to T5 Program budget will be reflected next quarter

2021 Quarter 4 Program Budget	Authorized Budget	Quarter 3 Changes	Updated Budget	Spent to Date	Forecast at Completion	Remaining Authorized Budget
Design, Construction, Project Management	\$305.3	\$1.5	\$306.8	\$210.4	\$319.6	\$94.9
Permit Conditions	\$14.0	\$-	\$14.0	\$5.9	\$14.1	\$8.1
Stormwater Treatment	\$30.0	\$-	\$30.0	\$8.8	\$32.0	\$21.2
Management Reserve*	\$40.7	\$(1.5)*	\$39.2	\$-	\$24.3	\$40.7
<b>Total</b>	<b>\$390.0</b>	<b>\$-</b>	<b>\$390.0</b>	<b>\$225.1</b>	<b>\$390.0</b>	<b>\$164.9</b>

\* \$1,458,000 moved out of Management Reserve this quarter and into construction for Sinkhole Repairs, Electrical Feeder testing, and Gate Scale Reimbursement.



# Budget by Project (December 31, 2021)

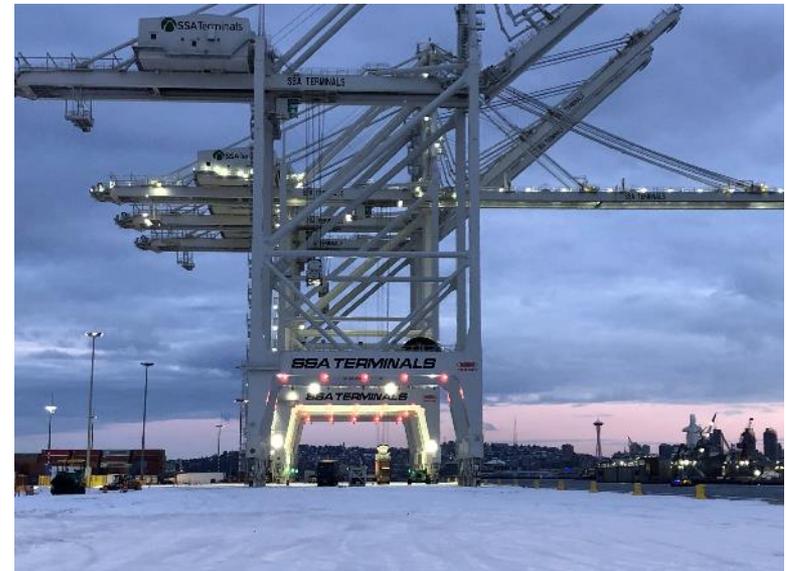
December 2021: \$2.5M increase to T5 Program budget

	Original Authorized Project Cost	Current Authorized Project Cost	This Request	Total Project Cost	Cost to Date	Remaining Cost
T5 Berth + Design + SCL	\$ 276,000,000	\$ 274,800,000	\$ -	\$ 274,800,000	\$ 203,136,267	\$ 71,663,733
T5 Permit + Tribes	\$ 14,000,000	\$ 14,000,000	\$ -	\$ 14,000,000	\$ 5,917,426	\$ 8,082,574
T5 Stormwater Treatment	\$ 30,000,000	\$ 32,000,000	\$ -	\$ 32,000,000	\$ 8,830,742	\$ 23,169,258
T5 Management Reserve/Risk	\$ 20,000,000	\$ 22,620,000	\$ -	\$ 19,620,000	\$ -	\$ 19,620,000
T5 Clean Truck	\$ -	\$ 100,000	\$ -	\$ 100,000	\$ 37,592	\$ 62,408
T5 Marine Buildings	\$ -	\$ 10,100,000	\$ -	\$ 10,100,000	\$ 4,733,991	\$ 5,366,009
T5 RPM + CBP	\$ -	\$ 3,000,000	\$ -	\$ 3,000,000	\$ 272,578	\$ 2,727,422
T5 Reefers	\$ -	\$ 19,180,000	\$ -	\$ 19,180,000	\$ 1,375,433	\$ 17,804,567
T5 Gate Complex	\$ -	\$ 13,000,000	\$ -	\$ 16,000,000	\$ 303,402	\$ 15,696,598
T5 Operational	\$ -	\$ 1,200,000	\$ -	\$ 1,200,000	\$ 524,616	\$ 675,384
<b>Total</b>	<b>\$ 340,000,000</b>	<b>\$ 390,000,000</b>	<b>\$ -</b>	<b>\$ 390,000,000</b>	<b>\$ 225,132,047</b>	<b>\$ 164,867,953</b>
<b>Previously Authorized</b>			<b>\$ 50,000,000</b>			
<b>Revised Total Authorization</b>			<b>\$ 390,000,000</b>			
MARAD PIDP Grant			\$ 10,700,000			
WA Ecology - Stormwater			\$ 5,000,000			
WA Commerce - Shorepower			\$ 4,268,000			
WA Commerce - Reefers			\$ 4,316,500			
<b>Authorization - Grants</b>			<b>\$ 365,715,500</b>			
T5 ERL (POS Only)	\$ -	\$ -	\$ 700,000	\$ 700,000	\$ -	\$ 700,000



# Terminal 5 – Berth Modernization Trends

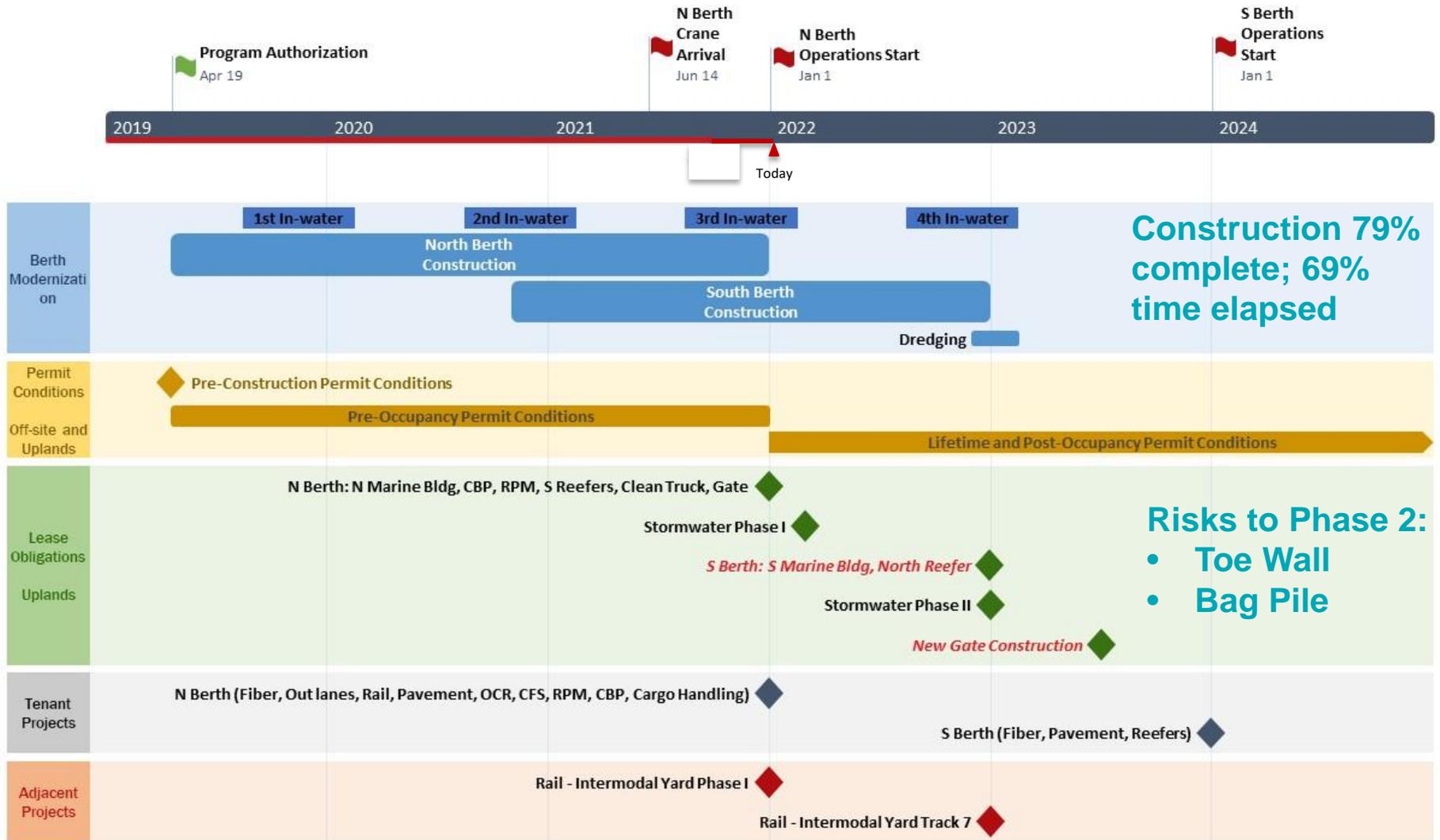
- **Recent Stochastic Analysis and Risk Register updates from December 2021 indicate:**
  - Program currently has a P-85 value (85% probability of being sufficient) of \$389.8M
  - Current expected cost of the program is \$368.2M



North Berth Cranes



# Terminal 5 – Programmatic Schedule



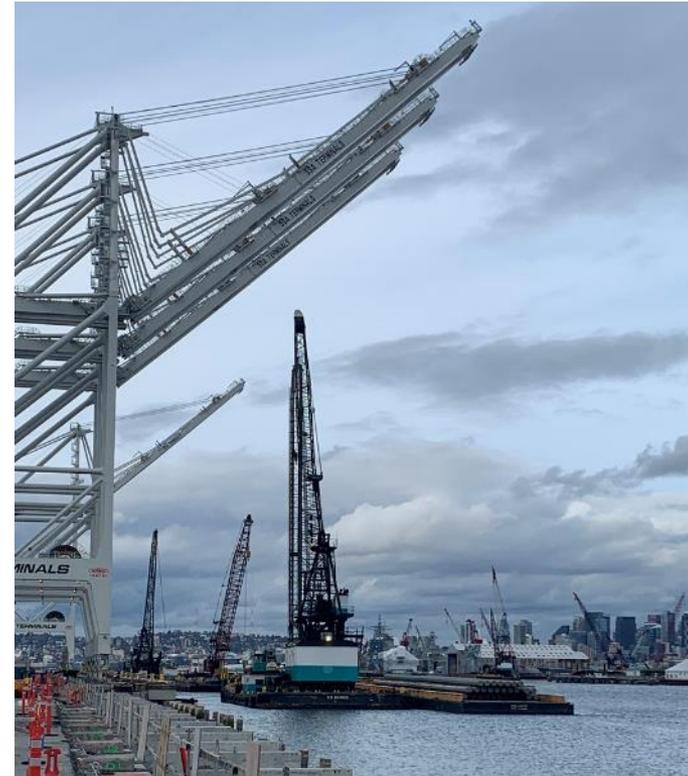


# Terminal 5 – Community Outreach

- **Media Events**
  - Various media events are planned in Q1 2022 for the Start of Operations in the North Berth.



Toe Wall Pile driving



Toe Wall Pile driving



# Terminal 5 – Look Ahead

- **Q1 2022**
  - Berth Modernization North Berth Dredging
  - Completion of Seattle City Light (SCL) work
  - Stormwater Phase 2 Bid Package advertisement
  - RPM and CBP Utilities Completion
  - S Marine Building Construction Authorization request
  - New Gate 60% Design
  - T5 North Reefer Infrastructure re-start of Design



N Marine Building



# Site Map

#	Project
1	North Berth
2	South Berth
3	Primary Substation
4	Permit Conditions
5	Clean Truck Program
6	Existing Gate Repairs
7	RPM + CBP Utilities

#	Project
8	S Reefer Repairs
9	Stormwater Phase 1
10	Stormwater Phase 2
11	S Marine Building
12	N Marine Building
13	Intermodal Yard (Rail)
14	N Reefers





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# **Item 9A: Terminal 5 Reefer Plug Infrastructure Grant**

# Terminal 5 Reefer Plug Infrastructure Grant

## ACTION REQUESTED

*The Managing Member's authorization is required for Interlocal Agreements with other public agencies.*

**Request authorization to accept an Interagency Agreement grant in the amount of \$4,316,500 per the requirements of Washington State Department of Commerce Energy Division, Energy Programs in Communities Unit, Terminal Five Reefer Plug Infrastructure Contract Number: 21-92201-044, to support installation of reefer system components of the Terminal 5 Berth Modernization Program, Master Identification Nos. C800132, C800726, C800988.**

# Background

## Terminal 5 Reefer Plug Infrastructure Grant

- During the 2019 legislative session, NWSA staff worked with legislators to include a \$4.45 million to support installation of the reefer system at T-5.
- Funds are being directed to the NWSA as a grant from the state's Clean Energy Fund, administered by the Department of Commerce.
- The net award to the NWSA is \$4.317 million, which is the \$4.45 million appropriation minus a 3% administrative charge levied by the Department of Commerce.
- Grant funds will support the North Reefer Infrastructure project, which is a T5 Lease requirement.
- NWSA is working with the tenant to complete the reefer project as a tenant reimbursable due to the need of construction occurring within the operating terminal.



# Financial Summary

## Terminal 5 Reefer Plug Infrastructure Grant

- The design and construction of the reefer system is included in the Terminal 5 Modernization budget of \$392,500,000.
- Grant funds will be recognized as non-operating income when received.
- The 2022 NWSA operating budget included \$1.2 million in non-operating income from this grant in 2022. The 2023-2026 NWSA operating forecast included \$3.15 million in non-operating income from this grant in 2023.



# Conclusion

## Terminal 5 Reefer Plug Infrastructure Grant

**Request authorization to approve an Interagency Agreement grant in the amount of \$4,316,500 per the requirements of Washington State Department of Commerce Energy Division, Energy Programs in Communities Unit, Terminal Five Reefer Plug Infrastructure Contract Number: 21-92201-044, to support installation of reefer system components of the Terminal 5 Berth Modernization Program, Master Identification Nos. C800132, C800726, C800988.**



