



***2022 Tax Levy
&
2022 Statutory Budget***

Public Hearing

***Port of Tacoma Commission Meeting
November 18th, 2021***



- 2022 Port of Tacoma Budget Observations
- Changes from 11/4 Commissioners Budget Study Session
- 2022 Port of Tacoma Budget
- 2022 Port of Tacoma Statutory Budget
- 2022 Port of Tacoma Tax Levy
- 2022-2026 Capital Investment Plan (CIP)
- 2022-2026 Plan of Finance and Ending Cash Position
- Public Hearing – Tax Levy and Budget Resolutions

- 2021 forecast shows revenue improvement and expenses well-below 2021 budget;
- 2022 budget anticipates measured but steady continued revenue growth with limited expense growth primarily driven by:
 - Staffing of unfilled positions;
 - Increases in Maintenance and Environmental spending;
 - Information Technology upgrades
- 2022 budget anticipates continued significant cash flow for Capital Investments.
- 2022 budget's Capital Investment Plan focuses on investments in:
 - Land;
 - Infrastructure and Buildings;
 - Environmental Projects;
 - Electric Charging Stations;
 - Initial Spending on Maritime Center (to replace Administration Building)
- 2022 debt reduction from current \$555 million down to \$522 by 2022 year-end.
 - No new borrowing required in 2022, while fully meeting budgeted CIP spending.

Changes from 2022 Budget Study Session (11/4/2021)

- An additional \$185,737 has been added to the salaries and wages expense category to ensure the Port has budgeted sufficient dollars to address hiring and retention during a very competitive job market. This increase represents 2% of the budgeted salaries for non-represented positions and may be used for market adjustment or to increase the annual salary pool.
- Doubled the proposed 2022 budget for Port Promotional Hosting and Promotional Items up to \$52,000.
 - The Statutory Limit based upon budgeted 2022 PoT Operating Revenue of \$31,996,875 is \$104,992.
 - The 2021 budget for Promotional Hosting and Promotional Items was 28,567, and our 2021 forecasted spending for is \$11,927.
 - Port expenditures for Industrial Development, Trade Promotion, and Promotional hosting must be specific budgeted items (per RCW 53.36.120 & 130).

Port of Tacoma 2022 Budget

(\$ millions)	2020	2021	2021	2022
	Actual	Budget	Forecast	Budget
Property Rental	\$21.6	\$22.8	\$24.8	\$25.0
Sale of Utilities	0.7	0.6	0.7	0.7
Services Marine Terminals	3.1	4.6	4.2	4.5
Other Revenue	40.9	44.2	50.5	51.3
Operating Revenue	66.3	72.3	80.1	81.4
Port Salaries & Benefits	32.0	37.1	34.7	37.9
Outside Services	6.4	8.1	6.9	9.0
Longshore Labor & Fringe	0.0	0.0	0.0	0.0
Direct Expenses	1.5	1.7	1.6	1.9
Marketing & Global Outreach	0.5	0.6	0.6	0.5
Travel & Hosting	0.0	0.2	0.1	0.2
Maintenance	6.2	8.6	8.8	9.2
Office Equipment & Supplies	0.5	0.6	0.5	0.6
Utilities	1.7	1.9	1.8	1.9
Other Employee Exp	0.3	0.5	0.4	0.8
Other Expenses	0.6	0.5	0.1	0.8
Environmental	2.5	3.4	2.4	3.3
Depreciation & Amortization	26.8	25.4	25.3	23.9
Allocations & Department Closings	(37.0)	(40.8)	(37.7)	(40.4)
Total Operating Expenses	\$42.0	\$47.8	\$45.4	\$49.6
Operating Income	\$24.2	\$24.5	\$34.7	\$31.9

(\$ millions)

	2020 Actual	2021 Budget	2021 Forecast	2022 Budget
Operating Income	\$24.2	\$24.5	\$34.7	\$31.9
Non Operating Revenue and Expenses	(12.5)	(22.6)	(16.5)	(11.0)
Income Before Tax Levy & Expense	11.8	1.9	18.1	20.8
Ad Valorem Tax Levy	23.1	23.8	23.8	24.5
GO Interest	4.7	4.5	4.4	4.1
Net Tax Levy	18.5	19.3	19.4	20.4
Net Assets Before Special Items	30.2	21.1	37.6	41.2
Special Items	0.0	0.0	0.0	0.0
Increase in Net Assets	\$30.2	\$21.1	\$37.6	\$41.2

Income Statement 2020-2022: In BARS (Page 1 of 2)

(\$ millions)

	2020 Actual	2021 Budget	2021 Forecast	2022 Budget
Operating Revenues				
NWSA	\$38.8	\$42.3	\$48.4	\$49.4
Container	3.2	3.6	3.6	3.6
Non Container	2.0	3.3	2.8	3.0
Real Estate	22.1	23.1	25.2	25.4
Other	0.0	0.0	0.0	0.0
Total Operating Revenues	66.3	72.3	80.1	81.4
Direct Expenses				
Container	2.2	2.8	2.7	2.7
Non Container	0.3	0.3	0.3	0.3
Real Estate	4.0	4.9	5.6	6.1
Other	1.6	2.8	1.8	2.6
Total Direct Expenses	8.1	10.8	10.3	11.7
Administration	4.5	6.6	5.9	8.7
Security	0.3	1.6	1.5	2.1
Environmental	2.4	3.4	2.3	3.3
Total Operating Expense before Depreci:	15.2	22.4	20.1	25.7
Depreciation	26.8	25.4	25.3	23.9
Total Operating Expense	42.0	47.8	45.4	49.6
Operating Income	\$24.2	\$24.5	\$34.7	\$31.9

Income Statement 2020-2022: In BARS (Page 2 of 2)

(\$ millions)

	2020 Actual	2021 Budget	2021 Forecast	2022 Budget
Operating Income	\$24.2	\$24.5	\$34.7	\$31.9
Non Operating Income (Expense)	(12.5)	(22.6)	(16.5)	(11.0)
Income before Tax Levy and Expense	11.8	1.9	18.1	20.8
Ad Valorem Tax Levy	23.1	23.8	23.8	24.5
GO Interest	(4.7)	(4.5)	(4.4)	(4.1)
Net Tax Levy	\$18.5	\$19.3	\$19.4	\$20.4
Net Income Before Special Item	\$30.2	\$21.1	\$37.6	\$41.2
Special Item		0.0	0.0	
Net Income	\$30.2	\$21.1	\$37.6	\$41.2

* Budgeting, Accounting and Reporting System “BARS” Categories per Washington State Auditor’s Office

Port of Tacoma 2022 – 2026 Income Statement

Port of Tacoma 2022 - 2026 Budget	2022	2023	2024	2025	2026
Operating Revenue	31,996,875	33,611,418	34,665,328	35,748,049	39,276,722
Income from NWSA JV	49,439,944	47,888,664	57,061,122	55,849,623	56,719,547
Total Operating Revenue	81,436,818	81,500,082	91,726,450	91,597,672	95,996,269
Operating Expense After Allocations	25,723,669	24,819,262	24,922,344	28,625,583	24,972,580
Depreciation & Amortization	23,861,667	22,647,858	21,368,790	18,971,580	18,622,119
Total Operating Expenses	49,585,336	47,467,120	46,291,134	47,597,162	43,594,699
Operating Income	31,851,483	34,032,962	45,435,316	44,000,510	52,401,569
Non-Operating Revenue	6,920,718	3,947,615	6,479,361	4,828,688	5,359,172
Non-Operating Expense	17,962,446	18,359,088	16,944,251	17,640,493	16,088,537
Ad Valorem Tax Levy	24,544,305	25,284,930	26,047,880	26,833,826	27,643,462
General Obligation Bond Interest	4,112,498	3,943,372	3,755,457	3,562,859	3,366,695
Net Tax Levy	20,431,807	21,341,558	22,292,423	23,270,967	24,276,767
Increase in Net Assets (Net Income)	41,241,562	40,963,047	57,262,849	54,459,671	65,948,972

2022 Statutory Budget

Port of Tacoma 2022 Statutory Budget

<i>(\$ Thousand)</i>	2022
Beginning Cash & Investments	\$151,918
<u>Projected Sources of Funds</u>	
Revenues	\$81,437
Expenses	(\$25,241)
Memberships	(\$326)
Promotional hosting and Items POT	(\$52)
Promotional hosting NWSA (POT share)	(\$105)
Funds Provided by Operations	\$55,678
Interest Income	\$1,718
NWSA Depreciation cash	\$11,590
Other, Net	\$3,401
Other Contributions	\$0
Ad valorem tax revenue (net)	\$24,541
Projected Sources of Funds	\$96,963
<u>Projected Uses of Funds</u>	
Investment in Northwest Seaport Alliance	\$56,339
Debt Payments (Principal and Interest) - GO Bonds	\$12,156
Debt Payments (Principal and Interest) - Revenue Bonds	\$29,461
Capital Spending - Planned Projects	\$35,733
Projected Uses of Funds	\$133,689
<u>Projected Borrowing</u>	
Commercial Paper Borrowing	\$0
Total Borrowing	\$0
Projected Ending Cash & Investments	\$115,193

2022 Tax Levy

- Proposal for a simple 3% increase over prior year's Port of Tacoma Tax Levy Amount, a ~\$716K increase to ~\$24.6 million.
- The 2022 Tax Levy would cover 100% of G.O. bond principal and interest payments, with ~\$12.4 million left over for Governmental projects.
- New millage rate of \$0.15426, an 11% decrease from last year (\$0.17302) and a 16% decrease from two years ago (\$0.18365)
- Preserve future tax levy capability by banking capacity.
- Banked capacity of approximately \$3 million.

Port of Tacoma's Tax Levy

- State law allows tax levy dollars to be used for paying general obligation debt and for “...general port services.”
- Port of Tacoma policy is to use remaining tax levy after paying annual G.O. bond debt service for “governmental” purposes, such as G.O. bond debt retirement; Road and rail infrastructure; Environmental projects; and Land purchases and development
- ~\$23.9 Million: 2021 PoT Tax Levy
- ~\$24.6 Million: Proposed 2022 Tax Levy
- ~\$.7 Million: Amount of 3% Increase

General Obligation Bond Principal	\$ 6,775,000
General Obligation Bond Interest	\$ 5,381,238
Land Purchase	\$20,000,000
Parcel 15 (Portac) Phase 1 Remediation	\$ 4,080,000
Lower Wapato Creek (Parcel 14)	\$ 2,510,000
Road Infrastructure	\$ 1,000,000
Tax Levy potential uses in 2022	\$39,746,238

* Above list is non-inclusive of all potential projects

Tax Levy Assessed Valuation and Millage Rate

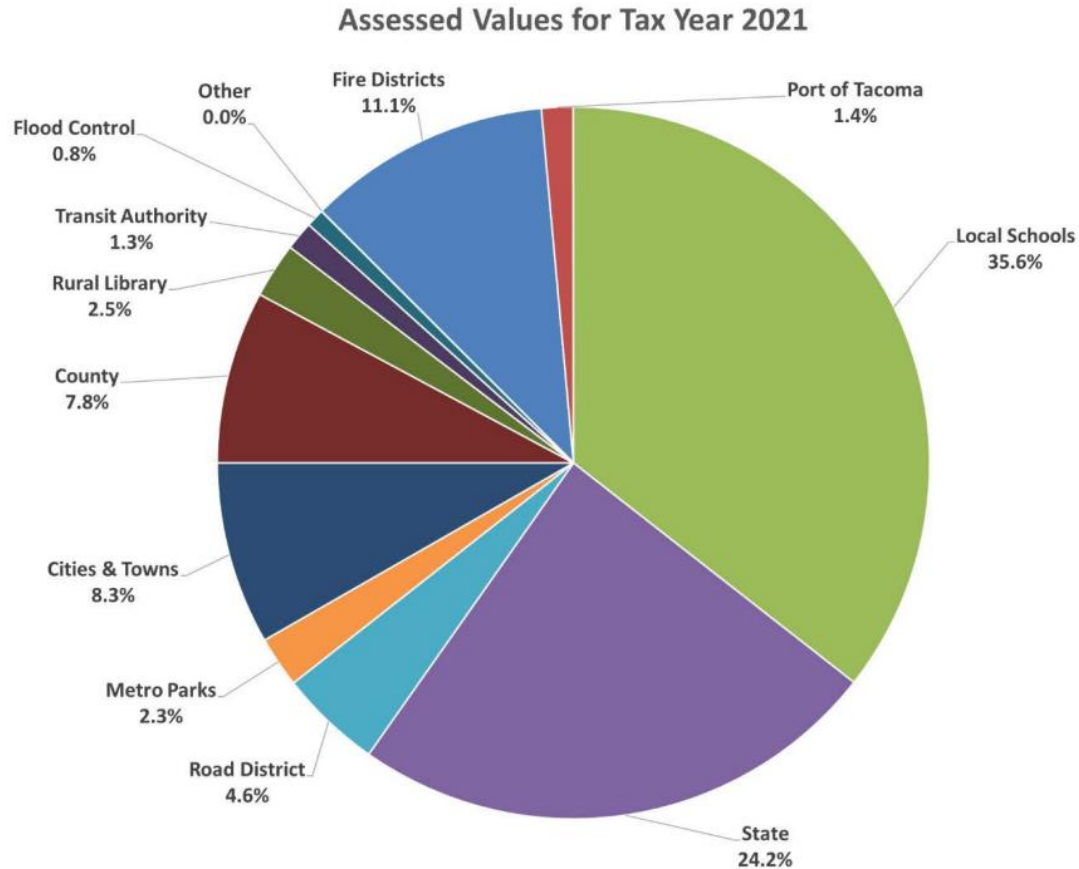
	2021 Forecast	2022 Budget
Assessed Valuation*	\$137,859,221,328	\$159,259,716,623
Target Millage Rate (per \$1,000 valuation)	\$0.17302	\$0.15426
Total Port Tax Levy **	\$23,852,281	\$24,567,849
Debt Service on G.O. Bonds	\$12,363,171	\$12,156,238
Remainder for Governmental Projects	\$11,489,110	\$12,411,611

* 2022 Preliminary assessed valuations as of September 2021

** Based on preliminary valuations and targeted port tax levy growth rate (3%)

Tax Collection Year	2018	2019	2020	2021	2022
Avg. Assessed Value	\$ 358,441	\$ 373,347	\$ 373,874	\$ 405,459	\$ 474,204
Port Millage Rate (per \$1,000)	0.18365	0.18365	0.18365	0.1730191	0.1542628
Annual Tax Levy	\$ 65.83	\$ 68.57	\$ 68.66	\$ 70.15	\$ 73.15
Monthly Tax Levy	\$ 5.49	\$ 5.71	\$ 5.72	\$ 5.85	\$ 6.10
Tax Levy if at Maximum Rate	\$ 88.15	\$ 84.01	\$ 78.18	\$ 79.06	\$ 82.20
Monthly Tax Levy at Max Rate	\$ 7.35	\$ 7.00	\$ 6.51	\$ 6.59	\$ 6.85

Ad-Valorem Tax Levy – Taxing Districts % of Total



2022 – 2026 Capital Investment Plan

Capital Investment Plan by Purpose and Accounting

(\$ Millions)

	2022	2023	2024	2025	2026	Total
Rail Equip. & Infrastructure	\$3.1	\$1.3	\$0.0	\$0.0	\$17.0	\$21.5
Real Estate	29.0	27.5	36.2	4.3	2.1	99.1
Infrastructure	17.7	13.6	31.1	31.8	9.7	104.0
Grand Total	\$49.8	\$42.5	\$67.4	\$36.1	\$28.8	\$224.6

	2022	2023	2024	2025	2026	Total
Capitalized	\$35.7	\$32.3	\$56.0	\$24.8	\$22.5	\$171.4
Operating Expense	12.8	8.7	10.1	10.0	5.1	46.8
Non-Operating Expense	1.3	1.4	1.2	1.3	1.2	6.4
Grand Total	\$49.8	\$42.5	\$67.4	\$36.1	\$28.8	\$224.6

Capital Investment Plan: Total View

\$ Million	2021 Forecast	2022 - 2026					Totals
		2022	2023	2024	2025	2026	
POT Only							
Capitalized	\$39.6	\$35.7	\$32.3	\$56.0	\$24.8	\$22.5	\$171.4
Operating Expense	5.8	12.8	8.7	10.1	10.0	5.1	46.8
Non-Operating Expense	0.5	1.3	1.4	1.2	1.3	1.2	6.4
Grand Total - POT Only	\$45.9	\$49.8	\$42.5	\$67.4	\$36.1	\$28.8	\$224.6

\$ Million	2021 Forecast	2022 - 2026					Totals
		2022	2023	2024	2025	2026	
POT + 50% NW SA							
Capitalized	\$93.4	\$92.1	\$82.5	\$98.7	\$50.5	\$123.2	\$447.0
Operating Expense	11.6	20.8	23.8	13.9	13.1	8.6	80.3
Non-Operating Expense	2.5	2.7	4.0	1.2	1.3	1.2	10.4
Grand Total: POT & 50% NW SA	\$107.6	\$115.6	\$110.2	\$113.9	\$65.0	\$133.0	\$537.7

* NWSA CIP for 2026 – In mid-October 2021, added \$100 million for Tacoma Terminal Expansion. This addition is included in NWSA 2026 above.

2022 – 2026 Plan of Finance and Ending Cash Position

2022-2026 Plan of Finance: Key Assumptions

Revenues

- Includes PoT portion of Income from NWSA JV as well as PoT-generated revenue;
- Based on detailed business forecasts and existing lease contract terms.

Expenses

- Mild inflation over upcoming five years anticipated in budget (current spike expected to moderate);
- Real Estate and operating expenses are relatively stable year-to-year.

Non-Operating

- Revenue and G.O. Bond interest expense;
- Investment income;
- Road and bridge contributions;
- Demolition of buildings and asset disposal;
- Election expenses (odd numbered years).

Plan of Finance: 2022-2026 Key Assumptions

Capital projects spending of \$447 million during 2022 – 2026 budget period

- Includes 50% POT portion of NWSA CIP of \$275.6 million (capitalized portion);
- Includes PoT specific CIP of \$171.4 million (capitalized portion)

Debt Management

- All eligible bonds have been refunded that can economically be refunded;
- Normally scheduled G.O. and Revenue Bond debt payments;
- Additional borrowing of \$14.3 million in 2024 and \$28 million in 2026 if cash flow and CIP spending meet budget expectations. Note that, historically, CIP spending has fallen significantly below budgeted CIP in most years.









Port of Tacoma 2022 - 2026 Cash Sources and Uses

(\$ Million)

	2022	2023	2024	2025	2026
Beginning Cash & Investments	\$151.9	\$115.2	\$89.7	\$77.3	\$94.3
<u>Projected Sources of Funds</u>					
Revenues	81.4	81.5	91.7	91.6	96.0
Expenses	(25.7)	(24.8)	(24.9)	(28.6)	(25.0)
Funds Provided by Operations	55.7	56.7	66.8	63.0	71.0
Interest Income	1.7	1.2	1.8	1.7	2.3
NWSA Depreciation Cash Add back	11.6	13.7	15.7	17.7	18.5
Other, Net	3.4	1.6	3.4	0.0	1.1
Other Contributions	0.0	0.0	0.0	0.0	0.0
Ad valorem tax revenue (net)	24.5	25.3	26.0	26.8	27.6
Projected Sources of Funds	97.0	98.5	113.8	109.3	120.6
<u>Projected Uses of Funds</u>					
Investment in Northwest Seaport Alliance	56.3	50.1	42.7	25.7	100.8
Debt Payments (Principal and Interest) - GO Bonds	12.2	12.2	12.2	12.3	12.3
Debt Payments (Principal and Interest) - Revenue Bonds	29.5	29.3	29.4	29.3	29.2
Debt Payments (Principal and Interest) - Commercial Paper	0.0	0.0	0.1	0.3	0.7
Capital Spending - Planned Projects	35.7	32.3	56.0	24.8	22.5
Projected Uses of Funds	133.7	124.0	140.5	92.4	165.5
<u>Projected Borrowing</u>					
Commercial Paper Borrowing	0.0	0.0	14.3	0.0	28.0
Total Borrowing	0.0	\$0.0	\$14.3	\$0.0	\$28.0
Projected Ending Cash & Investments	\$115.2	\$89.7	\$77.3	\$94.3	\$77.4
Minimum Cash	\$77.7	\$77.2	\$77.3	\$79.1	\$77.3

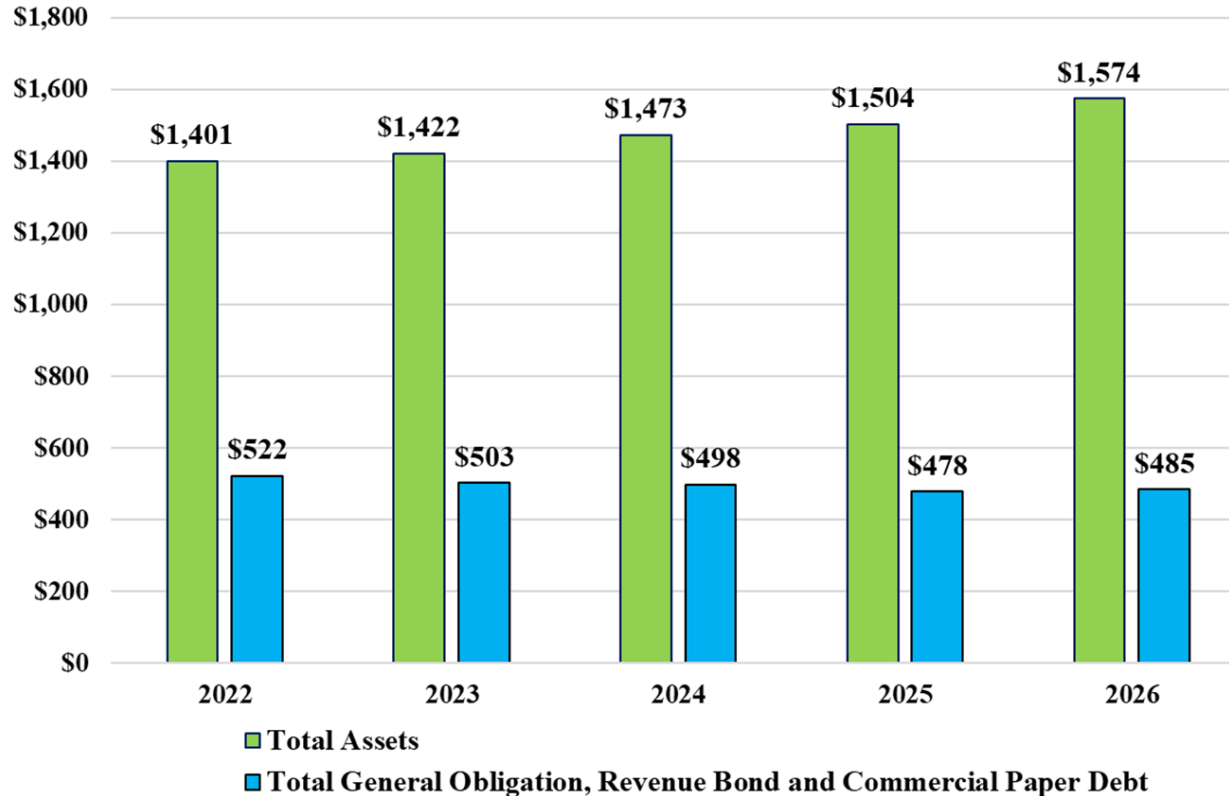
Port of Tacoma 2022 - 2026 Cash Sources and Uses

(\$ Million)

	2022	2023	2024	2025	2026
 Beginning Cash & Investments	 \$151.9	\$115.2	\$89.7	\$77.3	\$94.3
<u>Projected Sources of Funds</u>					
Revenues	81.4	81.5	91.7	91.6	96.0
Expenses	(25.7)	(24.8)	(24.9)	(28.6)	(25.0)
Funds Provided by Operations	55.7	56.7	66.8	63.0	71.0
Interest Income	1.7	1.2	1.8	1.7	2.3
NWSA Depreciation Cash Add back	11.6	13.7	15.7	17.7	18.5
Other, Net	3.4	1.6	3.4	0.0	1.1
Other Contributions	0.0	0.0	0.0	0.0	0.0
Ad valorem tax revenue (net)	24.5	25.3	26.0	26.8	27.6
 Projected Sources of Funds	 97.0	98.5	113.8	109.3	120.6
<u>Projected Uses of Funds</u>					
Investment in Northwest Seaport Alliance	56.3	50.1	42.7	25.7	100.8
Debt Payments (Principal and Interest) - GO Bonds	12.2	12.2	12.2	12.3	12.3
Debt Payments (Principal and Interest) - Revenue Bonds	29.5	29.3	29.4	29.3	29.2
Debt Payments (Principal and Interest) - Commercial Paper	0.0	0.0	0.1	0.3	0.7
Capital Spending - Planned Projects	35.7	32.3	56.0	24.8	22.5
 Projected Uses of Funds	 133.7	124.0	140.5	92.4	165.5
<u>Projected Borrowing</u>					
Commercial Paper Borrowing	0.0	0.0	14.3	0.0	28.0
Total Borrowing	0.0	\$0.0	\$14.3	\$0.0	\$28.0
<u>Projected Ending Cash & Investments</u>					
 Projected Ending Cash & Investments	 \$115.2	\$89.7	\$77.3	\$94.3	\$77.4
Minimum Cash	\$77.7	\$77.2	\$77.3	\$79.1	\$77.3

Total Assets and Bond Debt : 2022-2026

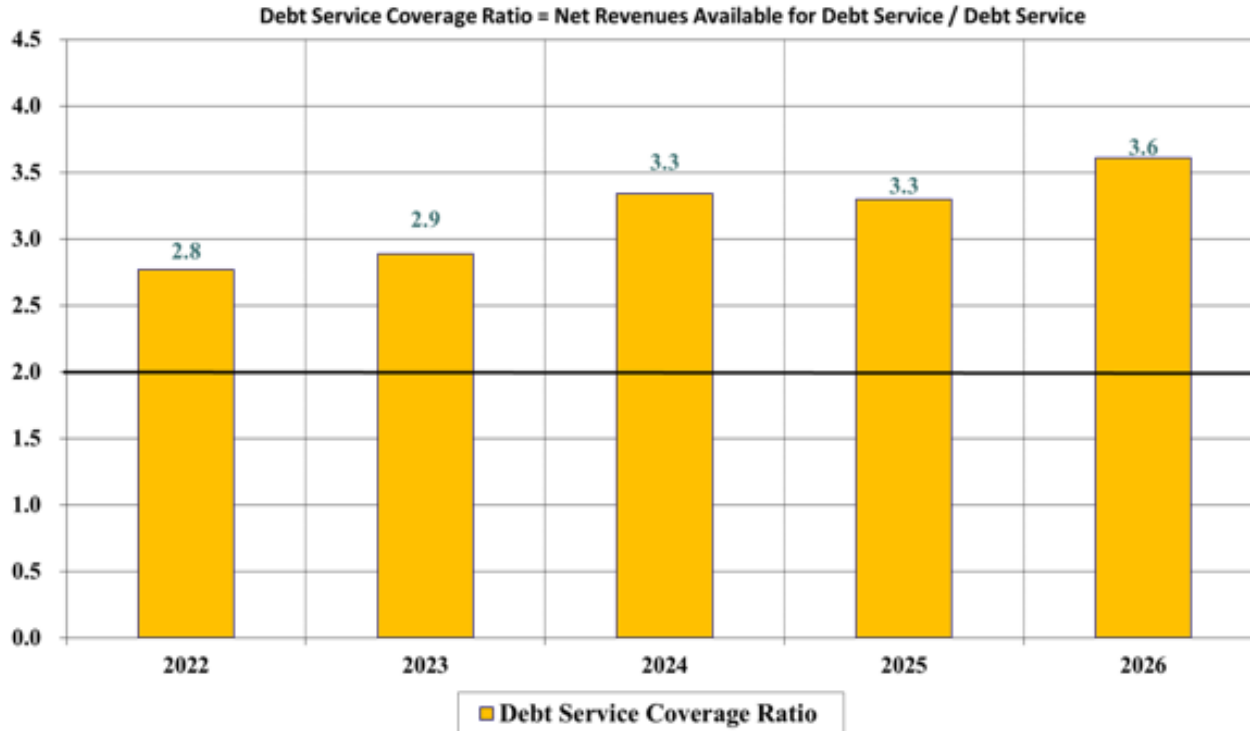
Total Assets to Bond and Commercial Paper Debt (at year-end)



- At 1/2022, Net Long-Term Debt includes three General Obligation Bonds totaling \$136 million and four Revenue and three Subordinated Revenue Bonds totaling \$404 million.
- Bond debt includes assumed borrowing of \$14.3 million in 2024 and \$28.0 million in 2026.
- Bond Debt shown here includes outstanding principal only.
- The Bond Debt totals shown in the chart are as of year end.

Projected Debt Service Coverage : 2022-2026

Port of Tacoma - Subordinated Revenue Bonds - Debt Service Coverage Ratio



Note: Includes borrowing of \$14.3 million in 2024 and \$28.0 million in 2026

- The Port of Tacoma's total annual debt service remains amply covered by available cash flows.
- The Port's senior lien bond resolutions require a minimum debt service coverage ratio of 1.35 times.
- The Port's subordinated lien bond resolutions require a minimum debt service coverage ratio of 1.00 times.
- To maintain a strong financial position and credit ratings, the Port intends that its annual debt service coverage ratio will be no less than 2.0 times annual debt service on all outstanding revenue obligations.

- Strong PoT 2022 operating income at \$32 million and operating margin of 39%;
- Net income before tax levy of \$21 million.
- Net income of \$41.5 million;
- Proposed 2022 tax levy ~\$700K higher than 2021, but millage rate lower than prior year due to significant growth in tax base;
- 2022 – 2026 planned Capital Investments include spending primarily on land purchases, infrastructure, mitigation sight development and other environmental spending, harbor dredging, electric charging stations and development and construction of a new maritime center, in part to house PoT administrative staff;
- Potential borrowing of \$14.3 million in 2024 and \$28 million in 2026 (assuming all CIP budget is spent);
- Debt service above Commission policy of 2x debt service coverage ratio in all five years.

Public Hearing Tax Levy and Budget Resolutions

Resolution No. 2021-16-PT

- Consider Resolution 2021-16-PT to direct the Secretary to certify to the Clerk of the County Council of Pierce County, Washington, tax levy of \$24,567,849 for the year 2022

Resolution No. 2021-17-PT

- Consider Resolution 2021-17-PT addressing the tax levy requirements pursuant to RCW 84.55.120 and RCW 84.55.092; and preserving the opportunity for future increase in the limit factor for maximum levy capacity pursuant to RCW 84.55.0101

Resolution No. 2021-18-PT

- Consider Resolution 2021-18-PT adopting a budget for the Port of Tacoma for the year 2022

Thank you.

Open for Questions.

Addendum

Harbor Maintenance Tax

Harbor Maintenance Tax (HMT): The HMT is assessed on ocean-going international imports that land at U.S. ports to pay for maintenance dredging of waterways through the HMT Trust Fund. It is not, however, assessed on importers who route cargo through non-US ports and afterwards move the cargo into U.S. markets by land. Moreover, the NWSA has received little, if any, benefit from the fund because its facilities are located on natural deep-water harbors that do not require significant maintenance dredging. Since 1986 the ports of Seattle and Tacoma have sought reform of the HMT to provide a greater return to donor ports, such as the NWSA, and to ensure U.S. tax code does not disadvantage U.S. ports and maritime cargo.

Our ports achieved a major milestone in our decades-long effort in December 2020 when Congress passed comprehensive HMT reform legislation as part of the Water Resources Reform and Development Act (WRDA) of 2020. The bill sets aside 8% of annual HMT collections for donor ports like Seattle and Tacoma. If implemented as drafted, the NWSA estimates that between them the two home ports of Seattle and Tacoma will receive over \$30 million annually for our infrastructure projects beginning in federal fiscal year 2023.

In 2021 the ports of Seattle and Tacoma received funds from the federal government through the Section 2106 HMT donor port program—\$2.782 million for Port of Seattle and \$2.744 million for Port of Tacoma. These funds transferred to the NWSA for use on eligible infrastructure projects to enhance the competitiveness of our cargo operations

POT CIP 2022 – 2026 Environmental Budget



Description	2022	2023	2024	2025	2026	Total 2022-2026
Environmental Projects	\$11.8	\$14.7	\$14.3	\$10.9	\$5.5	\$57.3
Total Port's Budget	\$49.8	\$42.5	\$67.4	\$36.1	\$28.8	\$224.6
% of Env'l Projects to Total CIP Budget	24%	35%	21%	30%	19%	25%

Project Name	2022	2023	2024	2025	2026	2022-2026 Total
Arkema Mfg North Boundary Area Interim Action (parcel 76/99)	480	5,800	750	750	-	7,780
Saltchuk Beach Design & Construction (parcel 83)	125	125	2,000	2,000	2,000	6,250
Parcel 1b (EBC) Remediation Design & Construction	200	1,630	3,100	100	-	5,030
Lower Wapato Creek Combined Habitat (parcel 14)	2,510	1,400	800	172	-	4,882
Parcel 15 (Portac) Remediation Phase 1	4,080	250	-	-	-	4,330
Parcel 2 Petroleum Remediation	400	1,250	1,250	1,250	19	4,169
Blair Backup Environmental Liability (1988 and 2008 land swap)	-	-	500	3,526	-	4,026
Lincoln Ditch (1988 & 2008 land swap)	-	276	2,332	108	-	2,716
Taylor Wy & Alexander Ave Fill Area Cost Recovery (parcel 95)	-	660	660	685	685	2,690
POT Municipal Stormwater Permit Program (MS4)	259	320	320	320	320	1,539
Stewardship (all sites)	200	200	250	250	250	1,150

*2022 – 2026 Environmental Projects greater \$1 Million. Representing 78% of \$57.3M

Capital Investment Plan in Budget Current Forecast to Complete 2021

POT Top 2021 CIP Budget Items (Forecast & Budget)		2021 Actuals <i>Forecasted</i>	2021 Budget
Location / CIP Project		(in \$1,000s)	(in \$1,000s)
Port of Tacoma Administration Building	Repairs	\$3,534	\$7,653
Commencement Bay Industrial Development Dist.	Land Acquisitions	\$20,000	\$20,000
Earley Business Center	Repairs & New Siding	\$1,796	\$3,171
Fabulich Center	Repairs & Lighting Upgrade	\$104	\$775
Information Technology	Replacements/Upgrades/Enhancements	\$334	\$1,477
Unallocated	Capital Improvements	\$1,990	\$3,000
	Unanticipated Repairs and Misc. Expenses	\$456	\$1,000
Parcel 14	Lower Wapato Creek Combined Habitat	<u>\$10,615</u>	<u>\$10,685</u>
Totals Above		\$38,830	\$47,761
Total 2021 Capital Investment Plan Budget		\$45,851	\$55,328
Percent of 2021 Capital Investment Plan		85%	86%

Capital Investment Plan in Budget 2022 Projects



POT Top 2022 CIP Budget Items	In 2022 Budget, 2022 Projects (in \$1,000s)
Location / CIP Project	
Commencement Bay Industrial Development Dist. Land Acquisitions (\$20MM), Disch. Invest., Building Demo., Other	\$22,174
Contributions Roadway Infrastructure Funding	\$1,000
Electric Vehicle Charging Station at Admin. Building	\$600
Fabulich Center Lighting, Building Repairs and Upgrades	\$1,970
Information Technology Replacements/Upgrades/Enhancements	\$1,760
Maintenance of Way Banana Yard Rail Switch Replacement	\$3,090
New POT Administration Building	\$750
Unallocated Capital Improvements Unanticipated Repairs and Misc. Expenses	\$3,000 \$1,500
Late Addition - Possible 2022 Project: \$3 Million for Port share of 11th Street Viaduct Demolition	
Parcel 14 Lower Wapato Creek Combined Habitat	\$2,510
Portac Parcel 15 (Portac) Remediation and Cap Repair	\$4,080
Totals Above	\$42,434
Total 2022 Capital Investment Plan in 2022 Budget	<u>\$49,812</u>
Percent of 2022 Capital Investment Plan	85%

Capital Investment Plan in Budget 2023 Projects

POT Top 2023 CIP Budget Items Location / CIP Project	In 2022 Budget, 2023 (in \$1,000s)
Arkema Arkema Mfg North Boundary Area Interim Action (Parcel 76/99)	\$6,064
Commencement Bay Industrial Development District PQ Cleanup and Cost Recovery (Parcel 114)	\$1,500
Contributions Roadway Infrastructure Funding	\$1,000
Earley Business Center Building 532 Demo and Replacement (401 Alexander) Parcel 1b (EBC) Remediation Design & Construction	\$14,530 \$1,630
Information Technology Replacements/Upgrades/Enhancements	\$2,525
Maintenance of Way Banana Yard Rail Switch Replacement	\$1,347
New POT Administration Building	\$1,500
Unallocated Capital Improvements Unanticipated Repairs and Misc. Expenses	\$3,000 \$1,500
Parcel 14 Lower Wapato Creek Combined Habitat	<u>\$1,400</u>
PSE Parcel 2 Petroleum Remediation and Cost Recovery	\$1,280
Totals Above Total 2023 Capital Investment Plan in 2022 Budget Percent of 2023 Capital Investment Plan	\$37,276 \$42,466 88%

Capital Investment Plan in Budget 2024 Projects

POT Top 2024 CIP Budget Items Location / CIP Project	In 2022 Budget, 2024 (in \$1,000s)
Arkema Arkema Mfg North Boundary Area Interim Action (Parcel 76/99)	\$786
Blair Waterway Primarily Lincoln Ditch Remediation and Blair Backup Environmental Liability	\$2,864
Commencement Bay Industrial Development District PQ Cleanup and Cost Recovery (Parcel 114) POT Off-Dock Container Support Facility (Thorne Road)	\$600 \$25,515
Contributions Roadway Infrastructure Funding	\$1,000
Earley Business Center Building 532 Demo and Replacement (401 Alexander) Parcel 1b (EBC) Remediation Design & Construction	\$1,337 \$3,100
Habitat / Open Space Primarily Saltchuk Beach Design & Construction (Parcel 83)	\$2,092
Information Technology Replacements/Upgrades/Enhancements	\$1,485
New POT Administration Building	\$18,000
Unallocated Capital Improvements Unanticipated Repairs and Misc. Expenses	\$3,000 \$1,500
Parcel 14 Lower Wapato Creek Combined Habitat	\$800
PSE Parcel 2 Petroleum Remediation and Cost Recovery	\$1,280
Totals Above	\$63,359
Total 2024 Capital Investment Plan In 2022 Budget Percent of 2024 Capital Investment Plan	\$67,387 94%

Capital Investment Plan in Budget 2025 Projects

POT Top 2025 CIP Budget Items Location / CIP Project	In 2022 Budget, 2025 (in \$1,000s)
Arkema Arkema Mfg North Boundary Area Interim Action (Parcel 76/99)	\$786
Blair Waterway Primarily Blair Backup Environmental Liability with final Lincoln Ditch Remediation	\$3,642
Commencement Bay Industrial Development District Primarily Taylor Way & Alexander Ave. Fill Area Investigation and PQ Cleanup Monitoring	\$925
Contributions Roadway Infrastructure Funding	\$1,000
Habitat / Open Space Primarily Saltchuk Beach Design & Construction (Parcel 83)	\$2,090
Information Technology Replacements/Upgrades/Enhancements	\$1,075
New POT Administration Building	\$18,000
Unallocated Capital Improvements	\$3,000
Unanticipated Repairs and Misc. Expenses	\$1,500
PSE Parcel 2 Petroleum Remediation and Cost Recovery	\$1,280
Totals Above Total 2025 Capital Investment Plan in 2022 Budget Percent of 2025 Capital Investment Plan	\$33,298 \$36,092 92%

Capital Investment Plan in Budget 2026 Projects



POT Top 2026 CIP Budget Items		In 2022 Budget, 2026
Location / CIP Project		(in \$1,000s)
Blair Waterway	USACE Husky Channel Dredging (as informed by USACE Tacoma Harbor Deepening Study)	\$17,000
Commencement Bay Industrial Development District	Primarily Taylor Way & Alexander Ave Fill Area Cost Recovery (Parcel 95)	\$925
Contributions	Roadway Infrastructure Funding	\$1,000
Habitat / Open Space	Primarily Saltchuk Beach Design & Construction (Parcel 83)	\$2,275
Information Technology	Replacements/Upgrades/Enhancements	\$229
Unallocated	Capital Improvements	\$3,000
	Unanticipated Repairs and Misc. Expenses	\$1,500
PSE	Parcel 2 Petroleum Remediation and Cost Recovery	\$359
Stormwater	Primarily POT Municipal Stormwater Permit Program (MS4)	<u>\$390</u>
West Sitcum	Primarily Parcel 40 Cleanup Investigation; Seeking Insurance Recovery	<u>\$240</u>
Totals Above		\$26,918
Total 2026 Capital Investment Plan in 2022 Budget		<u>\$28,814</u>
Percent of 2026 Capital Investment Plan		93%

Thank you!



Britt Doughtie
Director, Financial Planning & Treasury
bdoughtie@portoftacoma.com