

ACTION ITEM MEMO

Port of Tacoma Commission



Item No: 6B
Meeting Date: 9/7/23

DATE: September 7, 2023
TO: Port of Tacoma Commission
FROM: Eric Johnson, Executive Director
Sponsor: Sean Eagan, Government and Community Affairs Director
Project Manager: Matthew Mauer, Government Affairs Manager
SUBJECT: Interstate 5/Port of Tacoma Road Interchange Funding ILA

A. ACTION REQUESTED

Approval of an Interlocal Agreement (ILA) with the City of Fife, as per adopted Resolution 2022-20-PT on November 30, 2022, committing the Port of Tacoma to providing a contribution to the Interstate 5/Port of Tacoma Road Interchange project of up to \$2 million in the form of cash.

Strategic Plan Initiative: TA-1

B. BACKGROUND

In 2015 the Washington State Legislature passed the *Connecting Washington* statewide transportation package which funded the first phase of the Interstate 5/Port of Tacoma Road Interchange. The Port of Tacoma Commission subsequently approved a \$1.5 million contribution to the project.

In 2021, the Port of Tacoma Commission adopted a new strategic plan which identified the importance supporting infrastructure products that increased Port freight mobility, prioritizing the Interstate 5/Port of Tacoma Road Interchange.

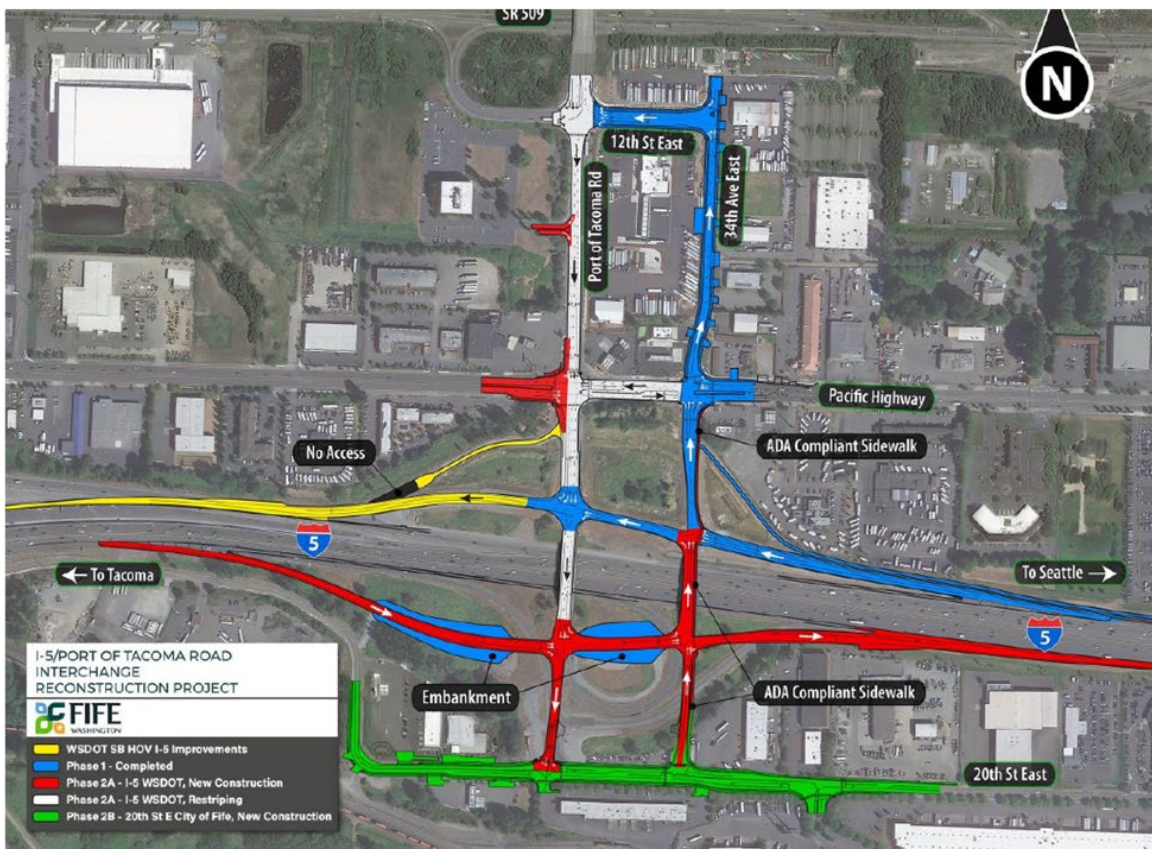
The following year, the state legislature approved the *Move Ahead Washington* statewide transportation packaged, which authorized \$35 million in funding for

Phase 1 Funds	
City of Fife	\$12.1 M
Port of Tacoma	\$1.5 M
WA Department of Ecology	\$0.3 M
Federal Highway Administration/PSRC	\$11.1 M
Federal Highway Admin./SAFETEA -LU	\$0.7 M
Freight Mobility Strategic Investment Board	\$8.7 M
Transportation Improvement Board	\$7.6 M
Connecting WA (2015 Legislation)	<u>\$2.6 M</u>
Total Phase 1	\$44.6 M
Phase 2A and 2B Funds	
City of Fife	\$8.4 M
FMSIB	\$7.5 M
Connecting Washington – 2015 Legislation	\$19.7 M
Murray/PSRC/TIB/Port (Anticipated)	\$6.0 M
Move Ahead Washington – 2022 Legislation	<u>\$35.0M</u>
Total-Phase 2	\$76.6 M

phase 2 of the Interstate 5/Port of Tacoma Road Interchange project. Late that year, on October 5, the City of Fife, during the Port of Tacoma/City of Fife Joint Study Session formally asked the Port of Tacoma Commission to help close a final projected shortfall of \$2 million. Later, on November 17, 2022, the Port of Tacoma Commission adopted an updated list of bridge and road priorities which included the completion of the Interstate 5/Port of Tacoma Road Interchange. The Commission subsequently adopted Resolution 2022-20-PT pledging \$2 million to the project, thereby allowing the expense to be applied to the 2022 financials.

C. SCOPE OF WORK

The drafted ILA would formally commit the Port to an additional \$2 million (for a total of \$3.5 million) contribution by the Port of Tacoma to phase 2 of the Interstate 5/Port of Tacoma Road Interchange Project as approved in Resolution 2022-20-PT. The project is a multi-phased plan to provide an overall interchange reconfiguration that would create a one-way couplet by adding a new bridge over I-5 at 34th Avenue East to carry northbound traffic while the existing bridge at Port of Tacoma Road will be converted to one-way southbound. Locating the new southbound exit ramp from I-5 closer to the freeway and farther from Pacific Highway will eliminate tight turns for trucks and avoids interference with the intersection of Port of Tacoma Road and Pacific Highway.



D. TIMEFRAME/PROJECT SCHEDULE

Fife will advertise the next phase of the project, Phase 2A, in March 2024 with the goal to begin construction in May. Construction is expected to wrap up in late 2026.

E. FINANCIAL SUMMARY

Cost: The Port will contribute up to an additional \$2 million (for a total of \$3.5) million to the Interstate 5/Port of Tacoma Road Interchange project.

Source of Funds: The Port's tax levy in excess of what is need to pay General Obligation bond debt service will be used to pay the additional \$2 million contribution.

Total Cost:

Item	Budget Estimate	Expenditure to Date	Additional Future Cash Expenditures	Anticipated Total Expenditures
I-5/Port of Tacoma Road	\$3.5 million	\$1.5 million	\$2 million	\$3.5 million
TOTAL	\$3.5 million	\$1.5 million	\$2 million	\$3.5 million

Financial Impacts: Recognition of the \$2million commitment has already been registered in the 2022 profit and loss statement per Resolution 2022-20-PT.

F. NEXT STEPS

Execute ILA once approved by Fife City Council.