

PROJECT ACTION MEMO

Port of Tacoma Commission



Item No: 6D
Meeting Date: 4/21/26

DATE: April 13, 2026
TO: Port of Tacoma Commission
FROM: Eric Johnson, Executive Director
Sponsor: Jason Jordan, Sr. Director, Environmental & Planning Services
Project Manager: David Myers, Engineering Project Manager II
SUBJECT: Neptune Mitigation Authorization Increase, Project Identification No 101711.

A. ACTION REQUESTED

Request project authorization increase in the amount \$2,250,000 for a total authorized amount of \$3,850,000, for work associated with the Neptune Mitigation Project Identification No 101711.

Strategic Plan Initiatives:

- EL 1: Remediate contaminated Port properties in a manner that ensures protection of human health and the environment while enabling economic development.
- EL 3: Invest in projects that improve the quality of stormwater runoff from Port properties, embody best practices and empower our tenants to comply with complex permits.
- EL 4: Create wetland opportunities and improve fish habitat independent of regulatory obligation.

B. SYNOPSIS

The Neptune Mitigation Project encompasses mitigation work on two Port-owned parcels: Parcel 12 (3802 Taylor Way) and Parcel 37D (Gog-le-hi-te habitat site). This authorization increase request pertains to Phase 1 of the Parcel 12 mitigation work which will complete U.S. Army Corps of Engineers (Corps) mandated ditch maintenance, environmental site cleanup, and tree removal in advance of habitat construction work scheduled to begin summer 2027.

C. BACKGROUND

The Neptune Mitigation project is being completed as compensation for wetland impacts associated with the snail eradication efforts on Parcel 117. This project proposes to mitigate the wetland impacts through a combination of concurrent mitigation at two Port owned properties, Parcel 12 and Parcel 37D. Generating credit at Parcel 12 and Parcel 37D produces additional valuable habitat in the watershed and the wetland credits generated are more closely aligned with the impacted wetland which is non-fish bearing. Credits generated from the Lower Wapato Advance Mitigation site will also be applied to offset the remainder of wetland impacts. This request is associated with the first phase of work on the Parcel 12 site.

This phase of work is preliminary to the planned Parcel 12 habitat development expected to occur between 2027 and 2030. This work is divided into three separate elements; the dredging and maintenance of the Fife Ditch, the removal of homeless encampment debris and slag material; and the removal of select trees.

The history of the Fife Ditch and the reasons for its dredging and maintenance are described in more detail in the Fife Ditch Tide Gate Upgrade memo included in the April 21st Commission meeting packet. The Corps mandated that the Port maintain the ditches that were constructed as part of the Industrial Development Program (IDP).

Between 2018 and 2024, significant portions of Parcel 12 contained unauthorized encampments. The Port cleaned up over 30 encampment sites on the parcel and removed over 130 tons of debris, installed a perimeter security fence and did vegetation management to provide better visual access. Due to the time of year and the extremely wet condition of the site, debris was left behind. This phase of the project will remove the remaining debris laden soil. An area of slag material was located along the site's southern boundary during preliminary site investigations. This project will also this contaminated slag material. The Port will be entering the Voluntary Cleanup Program with the Department of Ecology for work associated with this element. The final element is the removal of select trees from the site.

The trees that will be removed are a combination of hazard and select trees that will make room for the habitat development. During the habitat development, the site will be planted with native trees, shrubs and ground cover and temporary irrigation will be installed to support their development.

D. PROJECT DETAILS

Scope of Project Neptune Mitigation (101711):

- Design and construct sufficient habitat to partially offset development impacts on Port parcel 117.

Scope of Work for This Request Phase 1 of Parcel 12 mitigation work (101711.01):

- Consultant construction support
- Construction activities
 - Ditch Dredging and vegetation management.
 - Site cleanup and disposal
 - Tree removal

Schedule:

Advertise for Bid	May 14, 2026
Open Bids	June 4, 2026
Notice of Award	June 18, 2026
Substantial Completion	September 18, 2026
Final Completion	October 30, 2026

E. FINANCIAL SUMMARY

Estimated Cost of Project

Neptune Mitigation 101711 estimated total project cost \$10.9M.

Parcel 12 Mitigation 101711.01 project costs including all stages is estimated at \$8.55M.

Parcel 37D Mitigation 101711.02 project costs including all stages is estimated at \$2.35M.

Item	Cost Details for Parcel 12			Cost Details for Parcel 37D		
	Total Project Cost Estimate	Cost to Date	Remaining Cost	Total Project Cost Estimate	Cost to Date	Remaining Cost
DESIGN	\$1,500,000	\$ 445,400	\$ 1,054,600	\$600,000	\$ 109,650	\$ 490,350
PROCUREMENT	\$ 550,000	\$ 0	\$ 550,000	\$ 0	\$ 0	\$ 0
CONSTRUCTION	\$6,500,000	\$ 0	\$6,500,000	\$1,750,000	\$ 0	\$1,750,000
TOTAL	\$8,550,000	\$ 445,400	\$8,104,600	\$2,350,000	\$ 109,650	\$2,240,350

Estimated Cost for This Request

The total estimated cost of the Design/Construction for this phase of project 101711.01 is \$2,250,000. If the cost of this estimate is anticipated to exceed the authorized amount, additional Commission authorization will be requested.

Estimated Sales Tax

The total estimated sales tax to be paid to local and state governments for this phase of project 101711.01 is \$168,650.

Source of Funds

The 2026-2030 Capital Investment Plan (CIP) Budget allocates \$9,441,000, with total anticipated spending of \$9,970,398 for work associated with the Neptune Mitigation, Project ID #101711. The CIP will be updated accordingly upon approval of the additional authorization and as project completion costs are further defined.

Financial Impact

Costs associated with the Neptune Mitigation, Project ID #101711, will be capitalized as a non-depreciating land asset.

F. ECONOMIC INVESTMENT/JOB CREATION

This phase of work is anticipated to support 15 to 20 construction related positions during the work.

G. ALTERNATIVES CONSIDERED AND THEIR IMPLICATIONS

Alternative 1) Do nothing in 2026 and complete work with other construction in 2027

Alternative 2) Complete the ditch maintenance, site cleanup and tree removal in 2026

Alternative 2 is the recommended course to avoid schedule constraints in 2027.

H. ENVIRONMENTAL IMPACTS/REVIEW

Permitting: Federal, State and Local environmental permits are anticipated in Q2 2026. Local Site Development permit application has been submitted.

Remediation: Application for Waste Disposal has been submitted. Site cleanup will provide a better environment for the habitat development and place debris and contamination in an appropriate disposal site.

Stormwater: The dredging and vegetation management in the segment of ditch will restore capacity and flow to the outfalls thus helping to prevent upstream flooding in Fife.

Air Quality: No Impacts.

I. PREVIOUS ACTIONS OR BRIEFINGS

Date	Action	Amount
February 12, 2025	Executive Authorization - 101711	\$ 350,000
June 17, 2025	Commission Authorization - 101711	\$1,250,000
TOTAL		\$1,600,000

J. NEXT STEPS

Complete phase 1 design, permitting and construction. Return to Commission for additional project authorization prior to construction of phase 2.