

**COMMISSION
AGENDA MEMORANDUM**

Item No.

8f

ACTION ITEM

Date of Meeting

November 18, 2025

DATE: October 31, 2025

TO: Stephen P. Metruck, Executive Director

FROM: Stephanie Jones Stebbins, Managing Director, Maritime
Arthur Kim, Capital Project Manager, Waterfront Project Management

SUBJECT: West Waterway Deepening Early Action Construction Credit MOU

Amount of this request: \$0

Total estimated project cost: \$0

ACTION REQUESTED

Request Commission authorization for the Executive Director to execute a Memorandum of Understanding with the United States Army Corps of Engineers to establish eligibility for potential in-kind credit to the West Waterway Deepening Project resulting from the West Waterway High Spots Early Action Project.

EXECUTIVE SUMMARY

Due to existing high spots in the Duwamish West Waterway's federal navigation channel, the Puget Sound Pilots can only navigate the largest container vessels into Terminal 5 (T5) during limited tidal windows. These restrictions impact vessel scheduling and operational efficiency at T5. With the U.S. Army Corps of Engineers' (USACE) West Waterway Deepening Project delayed, the Port will proceed with an early action project in Q4 2025 to remove the high spots.

Because this dredging work would have been included in the USACE's future deepening project, the Port may be eligible to receive in-kind construction credit for the early action work, reducing its financial obligation when the deepening project is executed. To receive this credit, the Port must sign an In-Kind Memorandum of Understanding (MOU) with the USACE. The Port can potentially receive up to \$2,000,000 in in-kind credit for the West Waterway Deepening Project.

JUSTIFICATION

While the Memorandum of Understanding (MOU) does not guarantee in-kind credit for completing the West Waterway High Spots Early Action Project, it establishes a framework for potential credit consideration that could reduce the Port's future obligations for the West Waterway Deepening Project. The High Spots Early Action Project will proceed independently of

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the MOU. Executing the agreement simply creates an opportunity for potential financial savings to the Port.

Diversity in Contracting

As there is no cost associated with this request, Diversity in Contracting is not applicable.

DETAILS

The MOU allows the USACE to review the project scope and associated costs for engineering, design, and construction upon completion of the West Waterway High Spots Early Action Project. Execution of the MOU does not constitute a federal commitment or assurance, and federal program funds may not be used to perform the construction.

The West Waterway High Spots Early Action Project will proceed regardless of whether the MOU is executed.

Schedule***Activity***

Commission MOU Authorization	2025 Quarter 4
Execute MOU	2025 Quarter 4
Construction Start	2025 Quarter 4
Substantial Completion	2026 Quarter 1

ALTERNATIVES AND IMPLICATIONS CONSIDERED

Alternative 1 – Take no action.

Cost Implications: None.

Pros:

- (1) Reduction in staff labor hours required to execute the MOU.

Cons:

- (1) The Port loses an opportunity to receive up to \$2,000,000 in in-kind construction credit for the West Waterway Deepening Project.

This is not the recommended alternative.

Alternative 2 – Execute the MOU

Cost Implications: None.

Pros:

- (1) The MOU can provide up to \$2,000,000 in in-kind construction credit for the West Waterway Deepening Project.

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Cons:

- (1) There is no guarantee of receiving any in-kind credit from the West Waterway High Spots Early Action Project.
- (2) Additional staff labor hours to execute the MOU.

This is the recommended alternative.

ATTACHMENTS TO THIS REQUEST

- (1) Memorandum of Understanding
- (2) Updated Memorandums of Understanding and Clarification of Creditable In-Kind Contributions
- (3) Presentation

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

August 12, 2025 – The Commission authorized \$5,600,000 in Construction Funding for the West Waterway High Spots Early Action Project.

November 6, 2024 – Managing Director, Maritime authorized \$100,000 in pre-design funding for the West Waterway High Spots Early Action Project.

November 8, 2024 – The Commission approved \$300,000 in Design and Pre-Construction Services for the West Waterway High Spots Early Action Project.

August 25, 2023– The Commission approved \$4,000,000 in Design and Pre-Construction Services for the West Waterway Deepening Project and to enter into a Design Agreement with the USACE.

July 24, 2022 – Managing Director, Maritime approved an additional \$50,000 (\$100,000 total) in pre-design and Design Agreement preparations for the West Waterway Deepening Project.

April 1, 2020 – Managing Director, Maritime approved \$50,000 in pre-design funding for the West Waterway Deepening Project.

August 19, 2014 – The Commission Approved \$1,500,000 to contribute 50% to the USACE's Feasibility Study of Alternatives for the deepening of the East & West Waterways.