



**COMMISSION**  
**AGENDA MEMORANDUM**

**Item No.** 8d

**ACTION ITEM**

**Date of Meeting** February 10, 2026

**DATE:** January 26, 2026

**TO:** Stephen P. Metruck, Executive Director

**FROM:** Linda Springmann, Director of Cruise Business and Elliott Bay Operations  
Brian Sweet, Director - Engineering Construction Management  
Mark Longridge, Capital Project Manager, Waterfront Project Management

**SUBJECT: Terminal 91 Berths 6 & 8 Redevelopment Additional Construction Funding  
(CIP#s C102475, C801350)**

**Amount of this request:** \$3,300,000

**Total estimated project cost:** \$101,300,000

**ACTION REQUESTED**

Request Commission authorization for the Executive Director to approve additional funding in the amount of \$3,300,000 for completion of the Terminal 91 Berths 6 & 8 Redevelopment project, to resolve all outstanding contractor claims, and advance the completion of the two berths to allow for fishing fleet use starting in March 2026.

**EXECUTIVE SUMMARY**

Construction of the Terminal 91 Berths 6&8 project is now nearing completion (approximately 85% complete, with all pile driving and wharf structural work complete), and while the project expenditures and commitments remain within the currently authorized budget, additional funds are required to close out the project. The anticipated construction completion of the contract work is currently July 2026, and completion of the berth under the current extended contract schedule would not allow for the use of the berths for this fishing season in 2026.

Terminal 91 is one of the Port's oldest facilities with many layers of previous development. The project work encountered several obstructions and construction complications, including subsurface features and foundations not identified in the design, a failing sheet pile wall requiring significant redesign of both the new sheet pile alignment and further associated pier design changes. These required changes to the design, along with other field complications, have resulted in an overall extension of the construction duration, and resulting claims from the prime contractor, Pacific Pile and Marine, for time impacts and other associated issues.

The Port's Construction Management group has negotiated a proposed resolution of all current and future claims by the contractor through the completion of the work that would fund the acceleration of the work to complete the berths and make them available for use by March of

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2026. This would allow the North Pacific fishing fleet to occupy these berths up to 4 months earlier than currently anticipated.

This change will bring the construction contingency utilized up to 13%. While prior project funding requests included a 10% construction contingency, 15% would have been more appropriate for a more complex project on industrial sites such as Terminal 91.

Approval of this funding request will allow completion of the project with the earliest possible use of the berth space while limiting uncertainty regarding resolution of current and future construction claims.

### **JUSTIFICATION**

The redevelopment of Berths 6 & 8 supports the following Maritime Division goals toward achieving Century Agenda objectives:

1. Continue to grow the economic value of the fishing and maritime cluster including the number of local jobs and regional business revenue.
2. Prioritize uses that support the commercial fishing industry, with a focus on anchoring the North Pacific fishing fleet in Seattle.
3. Supports the Port’s strategy to “be the greenest and most energy-efficient port in North America” by installing solar array infrastructure, stormwater treatment infrastructure, direct connection for vessel sanitary sewer, and replacing existing creosote piling with cement and recycled steel materials.

### ***Diversity in Contracting***

The project team coordinated with the Diversity in Contracting Department to determine appropriate Women and Minority Business Enterprise aspirational goals for this project and identified a 5% WMBE contracting and 15% apprenticeship goals for the major works contract. These goals are currently being met.

### **DETAILS**

Berths 6 & 8 were the last remaining original timber pier berths at Terminal 91 and are at the end of their service life. Approximately 30% of the apron was condemned, and the remaining sections posted with severe load limits. Originally built in the 1910s, this section of Pier 90 was most recently rehabilitated in 1985, and little had been done to the structure since then. Redevelopment of Berths 6 & 8 is critical to ensuring the long-term viability of the port as the home to the North Pacific fishing fleet.

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The redevelopment includes demolition of approximately 62,250 square feet of condemned existing timber apron and replacement of approximately 780 linear feet of seawall (northerly portion of Berth 6 and entire Berth 8), removal and relocation of existing gangway, floats and boathouse, removal/replacement of existing small office structures, and reconstruction of a concrete apron structure at 600 pounds per square foot load capacity along the current alignment. The project includes the removal of over 2,200 failing creosote piles, installation of approximately 320 concrete and steel piles, with an overall decrease in overwater coverage. The project work also includes stormwater improvements, upgraded shore power connections, renewable energy through new solar panel arrays, and a direct connection for vessel sanitary sewer.

***Scope of Work***

This project provides significant waterside and landside improvements, including the following:

- Dock demolition and replacement, relocation of boat house and removal of existing small boat floats. Demolition of the existing pier deck and structure, including removal or cutoff of approximately 2,200 existing creosote piles. Removal and regrading of the existing under pier slope and replacement of the upland sheet pile wall.
- Placement of approximately 240 prestressed concrete structural piles and approximately 80 steel fender and guide piles, placement of 4 feet of riprap rock and habitat fish mix, placement of the new concrete precast deck panels, bullrail, utilities, bollards, upgraded shore power connection points and appurtenances.
- Removal of the existing buildings A-310 building (currently leased by American Seafoods), A-300, A-400, A-301, A-500, A-501 (occupied by Port Operations and police), removal of existing pavement and installation of deep soil mixing soil amendments, stormwater treatment system, and surface regrading.
- Replacement of the six existing buildings with two new modular buildings for tenant and Port use, paving and striping, installation of electric vehicle charging infrastructure, and installation of modernized electrical substation to service the buildings and vessels at the pier.

***Schedule***

Currently the construction is approximately 85% complete and anticipated to reach Substantial Completion in July of 2026 based on the latest contractor schedule. Acceptance of the negotiated agreement with Pacific Pile and Marine would allow both berths to begin operations approximately 4 months earlier in March 2026.

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*Activity*

Commission design authorization	2020 Q1
Design start	2020 Q3
Commission construction authorization	2024 Q1
Construction start	2024 Q2
In-use date (Berths)	March 2026
In- Use Date (Buildings)	July 2026

**Cost Breakdown**

This Request

Total Project

Design	\$0	\$4,175,000
Construction	\$3,300,000	\$97,125,000
Total	\$3,300,000	\$101,300,000

**FINANCIAL IMPLICATIONS**

The current request includes all funding required to resolve all existing and future claims by the contractor, along with additional expenditures associated with extended soft costs to complete the work (construction and project management, safety, project controls staffing etc.). This revised project total accounts for all expected expenditures to complete the work fully.

Changes shown in the Environmental Remediation Liability (ERL) funding below are strictly to adjust for actual quantities performed under the contract and do not reflect any change in project scope.

*Cost Estimate/Authorization Summary*

Capital

Expense  
(ERL)

Total

COST ESTIMATE			
Original estimate	\$40,000,000	\$0	\$40,000,000
Previous changes – net	56,000,000	2,000,000	58,000,000
Current change	2,621,000	679,000	3,300,000
Revised estimate	98,621,000	2,679,000	101,300,000
AUTHORIZATION			
Previous authorizations	96,000,000	2,000,000	98,000,000
Current request for authorization	2,621,000	679,000	3,300,000
Total authorizations, including this request	98,621,000	2,679,000	101,300,000
Remaining amount to be authorized	\$0	\$0	\$0

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***Annual Budget Status and Source of Funds***

This project is included in the 2026 Capital Plan under C102475 Terminal 91 Berths 6 & 8 Redevelopment with a total project cost of \$93,115,000 and C801350 T91 Berths 6&8 Storm Treatment with a total project cost of \$963,000. Additional costs for the project will be covered by C800002 Maritime Reserve.

The redevelopment of the berths is being funded by the Tax Levy. Additional stormwater treatment work is being funded by the Stormwater Utility.

***Financial Analysis and Summary***

Project cost for analysis	\$101,200,000
Business Unit (BU)	Elliott Bay Fishing and Commercial Operations
Effect on business performance (NOI after depreciation)	The redeveloped berths are expected to increase annual moorage revenue by approximately \$1 million in the first full year of operation. Annual depreciation expense is estimated to increase by approximately \$2 million based on an expected useful life of 50 years.
IRR/NPV (if relevant)	NPV: (\$84 million) MIRR: (1.11%)

**ATTACHMENTS TO THIS REQUEST**

- (1) Presentation

**PREVIOUS COMMISSION ACTIONS OR BRIEFINGS**

February 13, 2024 – The Commission authorized Additional Construction funding of \$22,000,000.

August 8, 2023 – The Commission authorized Construction funding of \$71,825,000.

January 7, 2020 – The Commission authorized Design and Permitting funding of \$4,000,000.