

Item No.: 8g\_supp

Date of Meeting: April 14, 2026

# Terminal 5 upland projects authorization for ERL Funding



# Action Requested

- Request Port of Seattle Commission authorization for the Executive Director to authorize spending \$6,318,000 of Environmental Remediation Liability (ERL) costs for the disposal of legacy contaminated soil from the Terminal 5 Upland projects authorized under the Terminal 5 Berth Modernization Management Reserve (CIP 800988) and the Terminal 5 Modern 3<sup>rd</sup> Lease Amendment Capital Improvement Plans (CIP 801340).

# Project Location



# Background

An estimated 86,000 tons of contaminated soil and slag needs to be removed from the following four previously authorized NWSA projects located in the uplands of Terminal:

- T5 North Reefer Infrastructure Project (U00649)
  - In construction, reaches substantial completion Q2 2026
- T5 New Gate Complex Project (U00673)
  - In construction, reached substantial complete on April 1, 2026.
- T5 Phase II Uplands Paving Project (U00708)
  - Construction starts Q2 2026, substantial completion expected Q4 2026
- T5 Container Yard Expansion Project (U00712)
  - Construction starts Q2 2026, substantial completion expected Q3 2026

# Cost Breakdown

	Reefer U00649	Gate U00673	Paving U00708	Yard Exp (U00712)	Total
<b>NWSA COSTS</b>					
Design/Softcosts	\$5,642,275	\$3,900,884	\$1,504,879	\$2,406,206	\$13,454,244
Construction *	\$29,776,855	\$10,651,058	\$15,809,968	\$15,868,913	\$72,106,794
Project Total	\$35,419,130	\$14,551,942	\$17,314,847	\$18,275,119	\$85,561,038
<b>Incremental Soil Disposal Costs Details</b>					
NWSA Soil Disposal Cost	\$545,730	\$213,210	\$1,100,240	\$709,500	\$2,568,680
<b>Port ERL Cost</b>	\$1,753,145	\$619,942	\$2,483,032	\$1,461,881	<b>\$6,318,000</b>
Total Soil Disposal Costs	\$2,298,875	\$833,152	\$3,583,272	\$2,171,381	\$8,886,680
*Port ERL Costs are not included in the NWSA Construction Costs					

# Recommendation

- Use Port ERL funds to dispose of the soil from NWSA T5 uplands projects.
  - Recognizes the obligatory event under GASB 49 (AC-9) as an environmental remediation liability.
  - Adheres to NWSA Charter that the relevant homeport shall be responsible for the incremental cost of disposal for legacy contamination that pre-dates NWSA operations.

# ERL Authorization Summary

	Authorization		
	Capital	Expense	Total
Previous authorizations	\$0	\$0	\$0
Current request for authorization	\$0	\$6,318,000	\$6,318,000
Total authorizations, including this request	\$0	\$6,318,000	\$6,318,000
Remaining amount to be authorized	\$0	\$6,318,000	\$6,318,000

# Discussion / Questions?

