



**COMMISSION
AGENDA MEMORANDUM**

Item No. 8e

ACTION ITEM

Date of Meeting June 23, 2026

DATE: June 5, 2026

TO: Stephen P. Metruck, Executive Director

FROM: Jennifer Maietta, Director, Real Estate Asset Management
Sam Hansen, Capital Project Manager, Waterfront Project Management
Evan Conroy, Capital Project Manager, Waterfront Project Management
Matt Breed, Chief Information Officer, ICT Technology Delivery

SUBJECT: T91 Telecom Meet Me Room – Design (CIP# C802027)

Amount of this request: \$900,000

Total estimated project cost: \$12,200,000

ACTION REQUESTED

Request Commission authorization for the Executive Director to approve funding to complete design and permitting of a new telecommunication Meet Me Room at Terminal 91. This request is for \$900,000 and would increase total authorization to date to \$1,000,000 out of a total estimated project cost of \$12,200,000.

EXECUTIVE SUMMARY

The project will construct a new Meet Me Room (MMR) in a secure and resilient location in the northern area of Terminal 91 and new service provider fiber line connection from the north entrance of the terminal. An MMR is a secure physical location where service providers can physically interconnect with a customer’s network. The roughly 1,500 square feet MMR will provide separate secure areas for Port of Seattle and Internet Service Provider equipment. The T91 uplands project provides an opportunity for a new secure location for this facility. Including the scope in the existing progressive design-build contract will also provide efficiencies. A second project will connect the existing T91 facilities fiber lines to the new MMR, as well as install new ducts and additional fiber lines to replace aging infrastructure (CIP # C802151 – T91 Fiber Infrastructure Upgrade).

JUSTIFICATION

The existing Main Distribution Room (MDR) at T91 is situated in an old guard booth beneath the aging and seismically vulnerable Magnolia Bridge, which presents a concern for both operational

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stability and safety of our personnel. The MDR structure is in a degraded state and does not meet current security requirements. This infrastructure needs to be relocated to a new Meet Me Room (MMR) in a secure and resilient location. The T91 Uplands Phase 1 Development project is in the optimal location, and the ongoing project provides an opportunity to collocate.

Diversity in Contracting

The project team in coordination with the Diversity in Contracting Department has included a 14% WMBE aspirational goal in the Progressive Design-Build major work contract. The design-build team, however, has committed to a higher 25% WMBE plus an additional 5% for veteran owned businesses.

DETAILS

This project will construct a new telecom Meet Me Room (MMR) to receive new fiber connections from service providers and support the new facilities that are being constructed in the T91 Uplands. The project will be incorporated into the T91 Uplands Phase 1 Development progressive design-build scope to ensure fiber support upon substantial completion of new structures.

Scope of Work

The work consists of a new structure to house Port of Seattle ICT and Internet Service Providers equipment. The Meet Me Room structure will be collocated with new building in the T91 Uplands. The work will also include a fiber connection to newly constructed buildings via underground and overhead pathways. A new fiber line and vault will be added underground to connect the rest of the T91 facilities to allow the MMR to fully support the entirety of facility upon completion of T91 Fiber Infrastructure Upgrades project. Construction and installation of Internet Service Providers fiber lines will require close coordination to ensure services are available upon substantial completion.

Schedule

This project will be coordinated with the following T91 projects: T91 Uplands Phase 1 Development; T-91 LED Lighting Upgrades; and utility project planning efforts.

Activity

Commission design authorization	2026 Q2
Early Design / Permitting	2026 Q3
Final GMP negotiation starts (60%)	2026 Q4
Commission construction authorization	2027 Q1
Construction start	2027 Q1
In-use date	2028 Q1

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Cost Breakdown	This Request	Total Project
Design	\$900,000	\$1,000,000
Construction	0	\$11,200,000
Total	\$900,000	\$12,200,000

ALTERNATIVES AND IMPLICATIONS CONSIDERED

Alternative 1 – Do not construct MMR – connect new uplands buildings to existing Main Distribution Room located under the Magnolia Bridge

Cost Implications:

Pros:

- (1) Retain Port capital for other projects and financial initiatives
- (2) Avoid disruptions due to trenching and installation of new fiber lines

Cons:

- (1) Existing structure does not achieve ICT and ISP building security requirements
- (2) Risks associated with Magnolia bridge persist
- (3) Does not resolve potential risks to personnel safety

This is not the recommended alternative.

Alternative 2 – Construct new Meet Me Room closer to Magnolia Bridge (area of Building W39)

Cost Implications:

Pros:

- (1) Closer to existing MDR under the Magnolia bridge; shorter distance to trench and install new fiber to MMR

Cons:

- (1) Outside of T91 Uplands Phase 1 Development project area; would require separate design and construction contract
- (2) Site-specific conditions are unknown and may require additional building foundation improvement/costs
- (3) New MMR structure prevents opportunities for future economic development in demolition area of W39

This is not the recommended alternative.

Alternative 3 – Proposed scope – Construct new MMR in the T91 Uplands Phase 1 Development project area and connect new fiber lines from north end of property

Cost Implications:

Pros:

- (1) Achieves the Port’s goal of providing a secure and reliable structure to house ICT and ISP equipment

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- (2) Provides new buildings with fiber service upon substantial completion
- (3) Combining scope with the T91 Uplands Phase 1 Development project provides an expedited schedule and potentially reduced overall costs
- (4) Remove risks associated with multiple contractor coordination
- (5) Opportunity for parallel progress with T91 Fiber Infrastructure Upgrades project

Cons:

- (1) Utilizes Port capital project funds that could be used for other projects

This is the recommended alternative.

FINANCIAL IMPLICATIONS

The 2026 CIP estimate for this project was \$5.1M. The original estimate was an early planning level estimate and did include various scope items. The revised estimate utilized for this request is based on a similar and recently completed Meet Me Room project at the Airport.

<i>Cost Estimate/Authorization Summary</i>	Capital	Expense	Total
COST ESTIMATE			
Original estimate	\$5,100,000	\$0	\$5,100,000
Current change	\$7,100,000	0	\$7,100,000
Revised estimate	\$12,200,000	0	\$12,200,000
AUTHORIZATION			
Previous authorizations	\$100,000	0	\$100,000
Current request for authorization	\$900,000	0	\$900,000
Total authorizations, including this request	\$1,000,000	0	\$1,000,000
Remaining amount to be authorized	\$11,200,000	\$0	\$11,200,000

Annual Budget Status and Source of Funds

This project was included in the 2026 Capital Plan under C802027 T91 Telecom & Security Relocation with a total project cost of \$5,100,000. The project has been included in the draft 2027 Capital Plan with an updated expected project cost of \$12,200,000.

This project is funded by the General Fund.

Financial Analysis and Summary

Project cost for analysis	\$12,200,000
Business Unit (BU)	Portfolio Management
Effect on business performance (NOI after depreciation)	Annual depreciation will increase by approximately \$488K based on estimated 25-year service life, thereby reducing the NOI by the same amount.
IRR/NPV (if relevant)	NA

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CPE Impact	NA
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Future Revenues and Expenses (Total cost of ownership)

N/A

ATTACHMENTS TO THIS REQUEST

- (1) Presentation slides

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

N/A