COMMISSION
AGENDA MEMORANDUM **Item No.** 10c

ACTION ITEM **Date of Meeting** November 17, 2026

DATE : October 19, 2026

TO: Stephen P. Metruck, Executive Director

FROM: Linda Springmann, Director, Cruise Business & Elliott Bay Operations
Mark Longridge, Capital Project Manager, Waterfront Project Management

SUBJECT: **Terminal 91/Pier 66 Cruise Shore Power Extension and Dock Rehabilitation – Additional funding for Pier 91 West Cruise Berth Post-Validation Amendment (CIP # C801983)**

Amount of this request:	$2,750,000
Total estimated project cost:	$116,480,000

ACTION REQUESTED

Request Commission authorization for the Executive Director to approve additional funding to execute a Post-Validation Amendment to Contract No. MC-0322060 - T91/P66 Cruise Shore Power Extension and Dock Rehabilitation to advance the design and complete the development and negotiation of a Guaranteed Maximum Price (GMP) for:

1. The shore power extension system on the West cruise berth of Pier 91.
2. The rehabilitation of the section of Pier 91 delineated as Development Unit (DU) 9202.

Total requested for this action is $2,750,000 for a total current project authorization of $72,880,000.

EXECUTIVE SUMMARY

In September 2026 Commission approved funding to execute the Final GMP for Milestone 1 and Validation phase for Milestone 2. Following the September 2026 Commission funding authorization, Validation of the scope, schedule, and budget for Milestone 2 has been completed. The requested action will provide funding to further advance design and complete the development and negotiation of a Guaranteed Maximum Price (GMP) for the work of Milestone 2 of the project.

The project Milestones are defined as:

> Milestone 1: Completion of the Pier 66 and Pier 91 east berth shore power extension systems by the start of 2027 cruise season, including bollards and limited deck panel replacements (Previously approved, in construction).
>
> Milestone 2: completion of the Pier 91 west berth shore power extension and rehabilitation of section of P91 delineated as DU #9202 by the start of 2028 cruise season (today's request: Post-Validation - design and GMP development funding; construction will be a future request once GMP has been negotiated).

BACKGROUND

In July 2024, the Port passed Commission Order No. 2024-08 mandating all homeport cruise ships to connect to shore power by 2027, three years earlier than the 2030 goal set in the Port's adopted Maritime Climate and Air Action Plan. The provision of shore power for cruise ships is the Port's greatest opportunity to improve local air quality and reduce Maritime greenhouse gas (GHG) emissions from ocean going vessels at berth.

Currently, the Port's Smith Cove Cruise Terminal at Terminal 91 at Pier 91 (P91) which opened in 2009 provides shore power at its two cruise berths. The single berth at the Bell Street Pier Cruise Terminal at Pier 66 (P66) which opened in 1999 has a new shore power system completed in September 2024. While all three of the Port's cruise berths are now electrified, upgrades to the shore power systems are required to provide the additional flexibility needed to accommodate all vessels and berthing configurations to meet Commission Order No. 2024-08.

The project utilizes the Progressive Design Build (PDB) alternative delivery method and selected Skanska USA Building, Inc. (Skanska) as the design-builder. The project returned to Commission in December 2025 for Post-Validation Amendment authorization, and in May 2026 for funding authorization to execute an Early Work Amendment for early procurement of long lead materials. In June 2026 shore power construction on the west berth of Pier 91 was reprioritized to address accelerating deterioration of the concrete precast deck panels in the section of the pier delineated as DU #9202 that falls within the project footprint. Further investigation into the condition of the panels has shown delamination, spalls, exposed/corroded reinforcing steel bar, and elevated concentration of chloride ions. Operational load restrictions have been implemented on twelve of the most deteriorated panels with further condition assessments required every six months. To accommodate expeditious repair of DU #9202 to eliminate additional operational restrictions, the PDB contract scope was split into two (2) milestones to advance the majority of the shore power extensions at P66 and T91 by 2027, and accelerate the repair of DU #9202 by a year in conjunction with the T91 west berth shore power extension by 2028.

JUSTIFICATION

The Port of Seattle is an industry and regional leader in economic development and sustainability. The Port's investment in cruise terminals at P66 and P91 results in a significant contribution to the region's economy, generating more than 5,500 jobs and nearly $1.2 billion in total local business revenue each cruise season. The Port also recognizes its responsibility and the importance of concerted efforts to balance economic growth with sustainability. The Seattle Waterfront Clean Energy Strategic Plan and the adopted Maritime Climate and Air Action Plan provide a Port investment strategy to protect the environment and improve community health.

As a global leader in sustainability, the Port is committed to addressing global climate change and improving local air quality. In 2017 the Port's Commission adopted GHG reduction targets in alignment with the Paris Climate Agreement, then updated goals in October 2021 in recognition of the climate crisis. In November 2021, the Port Commission adopted the Maritime Climate and Air Action Plan which identifies strategies and actions the Port can take through 2030 to achieve Port's Century Agenda GHG target to reduce GHG emissions 50% by 2030 and to position the Port to phase out seaport-related emissions entirely by 2050. The plan includes a specific commitment to install shore power at all cruise berths and maximize connections by 2030. In May 2022, the Port launched a collaborative effort to explore the feasibility of a maritime green corridor aimed at accelerating the deployment of low and zero GHG emission cruise ships and operations between Alaska, British Columbia, and Washington. Most recently, the Port passed Commission Order No. 2024-08 mandating that all home ported cruise ships must connect to shore power by 2027, three (3) years earlier than the Maritime Climate and Air Action Plan 2030 goal.

Shore power can significantly reduce GHG and air pollution emissions with each connection. Staff estimate shore power can avoid approximately 268 thousand metric tons of carbon (CO2e) cumulatively through 2050. Assuming a 25-year infrastructure life and $44 million cost, that represents a cost per ton of carbon reduced over the full lifespan to range from $164 to $406 per metric ton CO2e. This range is based on the 2025 cruise schedule with the current ability to connect cruise ships to shore power at P91 and P66 (86% of homeport calls). If 100% of homeport ships plug-in consistent with the Commission Order No. 2024-08 in 2027, shore power use would result in an additional 45 thousand metric tons of cumulative carbon emissions avoided over a 25-year infrastructure life.

In addition to the significant economic and sustainability benefits provided by expanding cruise shore power, rehabilitation of the P91 DU #9202 is critical to maintaining operational continuity for both cruise operations and commercial fishing operations on the pier. Pier 91 provides critical infrastructure necessary to sustain these industries within the Puget Sound region. Operational load restrictions have been implemented on the most deteriorated deck panels within the pier making repair of this section of the pier more urgent to minimize the potential for further operational impacts.

Diversity in Contracting

The project team in coordination with the Diversity in Contracting Department has included a 6% WMBE aspirational goal in the Progressive Design Build major work contract for this work to design and construct the pathway for the shore power system and other structural elements of the project and to install the Watts designed and procured shore power equipment.

The additional Milestone 2 scope was discussed with Diversity in Contracting. After review, the 6% WMBE goal will be maintained for the overall project, inclusive of both Milestone 1 and Milestone 2. While the additional scope represents a significant increase in the project value, some of the major added work, particularly the concrete-related scope, provides limited opportunities for additional WMBE utilization. However, there are other elements within the added scope that provide continued WMBE opportunities and should support the contractor in achieving the established 6% goal. Based on the review of the overall scope and available WMBE opportunities, the 6% goal remains appropriate for the project.

Community Engagement

Staff will continue to brief Magnolia and Queen Anne community leaders at the regular Port's Neighbors Advisory Committee meetings including project details and construction schedule. Similar outreach is scheduled for waterfront businesses and neighbors near Pier 66.

Details:

The T91/P66 Cruise Shore Power Extension project is on schedule to meet the Commission order to plug-in all shore-power equipped homeported ships by 2027 at Pier 66 and on the East berth of Pier 91 (Milestone #1). Milestone 1 is now under construction. The extension of the shore-power system on the west berth of Pier 91 and the rehabilitation of DU #9202 (Milestone #2) will be completed the following year to plug-in all remaining homeport ships by 2028.

The Validation phase for Milestone 2 has been completed, and the Basis of Design, Target GMP Budget, and Target Schedule has been agreed upon with the Design-Builder. Following authorization of today's request for funding for the Post-Validation Amendment, Milestone 2 will progress through design and GMP development.

Due to the proprietary nature of the electrical shore power equipment and the anticipated long lead time, a sole source purchasing contract with Watts Marine was executed to ensure that design and procurement of the equipment is completed and ready for installation by Q1 of 2027 for Milestone 1 and Q1 of 2028 for Milestone 2. This equipment is currently in production, and milestone 1 work will include surplusing or recycling the equipment it replaces.

Scope:

This funding request is for the Post-Validation Amendment for Milestone 2 scope package to be completed by cruise season 2028.

Milestone 2:

- **Pier 91 West Cruise Berth Design and GMP Development for:**
  - Cruise Shore Power
    - West berth cruise shore power extension system.
  - DU #9202 Rehabilitation
    - Replacement of remaining 34 precast deck panels along the bull rail between footmark 780' and 1,200' and reconstruct the bull rail.
    - New reinforced concrete overlay slab in place of the existing ballast and asphalt overlay to rehabilitate DU #9202.
    - Utilities within the slab overlay including water, storm, and 480V commercial fishing shore power electrical system.

Remaining Project Risks:

- Milestone 1 schedule is aggressive and has very little float to accommodate unforeseen conditions. Risk contingency has been allocated to mitigate, as well as shift differential allowance to allow for more days per week to work.
- Milestone 2 schedule is aggressive and has very little float to accommodate unforeseen conditions. This will require tribal concurrence for barge work to complete in a single season. West berth shore power will be prioritized for in-use by cruise season 2028, however potential need for a third season to complete all structural work exists.
- DU #9202 structural solution costs are preliminary. Costs could increase due to escalation, feasibility, and constructability. Cost estimates will be updated at contract phases, and design milestones and mitigation measures implemented as feasible and as needed.

Schedule

The schedule to meet Commission Order No. 2024-08 is aggressive. Project constraints including other concurrent or overlapping critical projects at P91, design and permitting schedule, supply chain uncertainty, and highly constrained construction work windows due to cruise and commercial fishing operations create the risk of schedule slippage. Schedule assumptions account for best case permitting scenarios, including avoidance of in-water work (work completed in the dry) and successful tribal negotiations to maximize work window between cruise seasons and the tribal fishery. Due to critical repairs required for DU #9202 of Pier 91 dock, the dock repairs have been added to the shore power scope, and the scope has been divided to be completed over two seasons. A Progressive Design Build project delivery with a sole source contract to Watts Marine for shore power equipment design and procurement was selected to mitigate schedule risk to the extent possible. This Progressive Design Build contract with Skanska allows for some acceleration of the design process and minimizes potential for unknown

construction risks that cause delays assuming that all milestone dates are met, including this authorization of funding for the Post-Validation Amendment for Milestone 2.

Activity

Commission Authorization – T91 Mobile Cable Positioning Devices (CPDs) and T91 Cruise Shore Power Extension North initial design funding	August 8, 2023
DORA – Progressive Design Build Procurement and Preliminary Design	October 16, 2024
Commission Authorization – Watts Marine, LLC Purchasing Contract	April 22, 2025
Commission Authorization - Progressive Design Build Contract – Validation Phase	July 8, 2025
Progressive Design Build Validation Period Execution	August 22, 2025
Commission Authorization – Post-Validation Amendment funding	December 9, 2025
Commission Authorization – Early Work Amendment funding	April 28, 2026
Commission Authorization – GMP - Milestone 1 Amendment funding	September 9, 2026
Construction – Milestone 1	Q4 2026 – Q2 2027
In-use date – Milestone 1	April 2027
Commission Authorization – Milestone 2 Validation funding	September 9, 2026
Commission Authorization – Milestone 2 Post-Validation funding	**November 17, 2026**
Commission Authorization – GMP – Milestone 2 Amendment funding	Q3 2027
Construction – Milestone 2	Q4 2027 – Q2 2028
In-use date – Milestone 2	April 2028

ESTIMATED COST BREAKDOWN	P66	T91 (Shore Power)	T91 (Dock Rehab.)	Total	This Request
Milestone 1					
Planning through Validation	$830,000	$1,770,000		$2,600,000	
GMP Development	$1,200,000	$2,850,000	950,000	$5,000,000	
Early Work Amendments	$700,000	$2,800,000	1,700,000	$5,200,000	
Construction Final GMP	$13,074,000	$17,220,000	17,870,000	$48,164,000	
Milestone 2					
Planning through Validation		$466,400	699,600	$1,166,000	
GMP Development		$1,100,000	1,650,000	$2,750,000	$2,750,000
Construction Final GMP (future)		$17,876,000	$25,724,000	$43,600,000	

Material Pre-Procurements

Watts (both sites, both milestones)	$1,000,000	$7,000,000		$8,000,000	

TOTAL	$16,804,000	$51,082,400	$48,593,600	$116,480,000	$2,750,000

ALTERNATIVES AND IMPLICATIONS CONSIDERED

Alternative 1 – Execute a post-validation amendment for Milestone 2 scope to be completed by cruise season 2028 including west berth shore power and complete replacement of all deck panels instead of structural slab.

Cost Implications: Additional $25M+ to replace all deck panels within DU #9202.

Pros:

(1) Deck panel construction methodology is well established, minimizing risks of delays due to untested structural solutions.

Cons:

(1) Precludes consideration of all structural solutions for the rehabilitation of DU #9202 and would likely require rework of the shore power during the dock repair.
(2) Moves the repair of DU #9202 to the original schedule for completion by 2029, eliminating the opportunity to accelerate the project and avoid additional operational constraint.
(3) Adds risk probability that additional operational restrictions will be applied to DU #9202 deck panels as they continue to deteriorate.

This is not the recommended alternative.

Alternative 2 – Execute a post-validation amendment for Milestone 2 scope to be completed by cruise season 2028 including structural slab solution for DU #9202 Rehabilitation.

Cost Implications: Cost savings of $25M+ to integrate DU #9202 Rehabilitation into T91 shore power project.

Pros:

(1) Meets the mandate of Commission Order No. 2024-08 for Milestone 1.
(2) Provides additional time for design advancement and cost certainty for Milestone 2, primarily the development of a structural solution for DU #9202 of Pier 91.
(3) Accelerates the rehabilitation of DU #9202 by one year, minimizing risk of further operational restrictions as the deck panels deteriorate.
(4) Avoids potential rework of the west berth cruise shore power by integrating the shore power infrastructure with the dock rehabilitation solution.
(5) Less costly than full deck panel replacement.

Cons:

(1) Innovative structural solution is not the typical solution for dock rehabilitation.

This is the recommended alternative.

FINANCIAL IMPLICATIONS

Cost Estimate/Authorization Summary	Capital	Expense	Total
COST ESTIMATE			
Original estimate	$4,000,000	$0	$4,000,000
Previous changes – net	$112,480,000	$0	$112,480,000
Current change	$0	$0	$0
Revised estimate	**$116,480,000**	**$0**	**$116,480,000**
AUTHORIZATION			
Previous authorizations	**$70,130,000**		**$70,130,000**
Pier 91 Shore Power Ext	$33,817,000		$33,817,000
Pier 66 Shore Power Ext	$16,804,000	**$0**	$16,804,000
P91 DU9202 Rehab	$17,870,000		$17,870,000
P91 South Bollards (C802116)*	$1,639,000		$1,639,000
Current request for authorization	**$2,750,000**	**$0**	**$2,750,000**
Milestone 2 GMP Development: DU9202 Rehab	$2,750,000		$2,750,000
Total Authorization to date (incl this request)	**72,880,000**	**$0**	**72,880,000**
Remaining amount to be authorized**	$43,600,000	$0	$43,600,000

* Previous authorization for C802116 has been corrected to include $150,000 that was authorized prior to September 9, 2026 memo.

**Remaining amount to be authorized is slated for Milestone 2 including majority scope of DU#9202 repair, and west berth shore power construction.

Annual Budget Status and Source of Funds

This project was included in the 2026 Capital Plan C801983 P66/P91 Shore Power Extension with a total project cost of $33,000,000;C802116 P91 South Bollards with a total project cost of $650,000; and C801294 T91 Dock Rehabilitation budget with a total project cost of $104,225,000.

Since then, the Dock Rehabilitation estimated cost has been reduced to $18,400,000, and $52,000,000 has been transferred to C801983 P66/P91 Shore Power & DU9202 Rehab to integrate the repair work into the shore power project.

The draft 2027 Capital Plan includes C801983 P66/P91 Shore Power & DU9202 Rehab with a total estimated cost of $116,170,000; and C802116 P91 South Bollard Upgrade with a total estimated cost of $2,200,000.

This project is funded by the General Fund.

Financial Analysis and Summary

Project cost for analysis	$116,480,000
Business Unit (BU)	Cruise Operations
Effect on business performance (NOI after depreciation)	No incremental operating revenue or cost-savings is directly associated with this project. • Preservation of approximately $47M of existing/ongoing revenue • On-going maintenance expenses, if any, are not yet known. • Estimated annual depreciation is $4.7M
IRR/NPV (if relevant)	N/A
CPE Impact	N/A

ADDITIONAL BACKGROUND

Originally, P91 and P66 cruise shore power projects were envisioned as two separate projects under two CIP #s. Initial funding for the P91 Cruise Shore Power Extension North was authorized by Commission on August 8, 2023, inclusive of the purchase of two (2) mobile cable positioning devices (CPD) under CIP # C801293. P66 Cruise Shore Power Extension was under CIP # C801983. As part of a DORA executed on October 16, 2024, for a Progressive Design Build procurement and early design for both projects, T91 Cruise Shore Power Extension, except for the costs associated with the purchase of the CPDs which remained under C801293, was transferred to CIP # C801983 with P66 to consolidate the projects under a single CIP and to help expedite both projects to meet the mandate of Commission Order No. 2024-008 to connect all home ported cruise ships to shore power by 2027.

ATTACHMENTS TO THIS REQUEST

(1) Presentation

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

September 9, 2026 – Authorization in the amount of $49,330,000 to execute a Guaranteed Maximum Price (GMP) Contract Amendment for Milestone 1 and to authorize funding for the Validation phase of Milestone 2 to include the rehabilitation of P91 DU #9202.

April 28, 2026 – Funding authorization in the amount of $5,200,000 for execution and funding of an Early Work Amendment for procurement of long-lead materials.

December 9, 2025 – Funding authorization in the amount of $5,000,000 for execution and funding of the post-validation phase of the major public works Progressive Design Build project.

July 8, 2025 – Funding authorization in the amount of $1,100,000 for award and execution of the Validation Period of the major public works Progressive Design Build project.
April 22, 2025 – Funding authorization in the amount of $8,000,000 for Watts Marine contract to purchase shore power equipment, of which $7,000,000 was allocated to the P91 system and $1,000,000 allocated to P66.

August 8, 2023 - The Commission authorized funding for P91 Cruise Shore Power Extension and CPDs in the amount of $2,500,000 for the purchase of the CPDs and early design funding of the extension.