

**2026-2027 MEMORANDUM OF UNDERSTANDING FOR
MANUFACTURING INDUSTRIAL BASE COALITION**

This Memorandum of Understanding (the "MOU") is between:

the **PORT OF _____**, a Washington municipal corporation (the "Port"),

and

the **WASHINGTON PUBLIC PORTS ASSOCIATION**, a Washington nonprofit corporation (the "WPPA"),

and is entered into as of the last authorized signature below.

I. RECITALS

WHEREAS, the WPPA is organized pursuant to chapter 53.06 RCW;

WHEREAS, the Port is a member of the WPPA;

WHEREAS, the Port has elected to join a standing committee of the WPPA identified as the Maritime Industrial Base Coalition (the "MIBC"), as identified and organized according to this MOU;

WHEREAS, the port districts participating in the MIBC include the following (collectively the "Districts"):

- Port of Anacortes
- Port of Bellingham
- Port of Bremerton
- Port of Everett
- Port of Kalama
- Port of Longview
- Port of Grays Harbor
- Port of Olympia
- Port of Port Angeles
- Port of Port Townsend
- Port of Seattle
- Port of Skagit
- Port of Tacoma
- Port of Vancouver USA;

WHEREAS, the Districts each have tenants or industry partners who are engaged in the shipbuilding, ship repair, and maritime manufacturing industry;

WHEREAS, on April 9, 2025, the administration of President Donald J. Trump issued Executive Order 14269: Restoring America's Maritime Dominance, which stated in part that: "It is the policy of the United States to revitalize and rebuild domestic maritime industries and workforce to promote national security and economic prosperity;"

WHEREAS, the July 1, 2025 decision by the State of Washington to award a multi-year, \$714.5 million ferry vessel construction contract to an out-of-state shipbuilder caused

significant concerns about the health of Washington's maritime construction industry;

WHEREAS, the Washington State maritime entities have been contacted by consultants for the Department of Defense regarding their current Submarine Workforce and Industrial Base ("SWIB") program, which aims to revitalize the maritime industrial base ("MIB") by supporting strategic projects in Workforce Development, Supplier Development, Shipyard Infrastructure, Strategic Outsourcing, and Technology Opportunities to advance the U.S. Navy's "1+2+Sustainment" mission—the future production of one Columbia Class submarine and two Virginia Class submarines per year in addition to the current fleet's sustainment;

WHEREAS, in 2021, the State of Washington passed HB 1170 the "BEST Manufacturing Act," which adopted a goal of doubling manufacturing jobs—adding 300,000 additional jobs in that sector—by 2030;

WHEREAS, in December 2025, Governor Bob Ferguson announced a proposal to spend \$1 billion to purchase three new state ferries to get closer to meeting the goal of replacing the aging Washington State ferry fleets before 2040;

WHEREAS, the Districts acknowledge that there are substantial hurdles to expanding maritime manufacturing in Washington State, including workforce challenges, permitting and regulatory challenges, and cost challenges;

WHEREAS, the Districts further desire to see that future shipbuilding, repair, and maritime manufacturing projects funded by public investment—including vessel construction contracts funded by the State of Washington—should see responses from in-state manufacturers that can compete with any national bids;

WHEREAS, the Districts are statutorily empowered to develop facilities that promote economic development;

WHEREAS, RCW 53.08.160 provides in relevant part:

All port districts organized under the provisions of this act shall be, and they are hereby, authorized and empowered to initiate and carry on the necessary studies, investigations and surveys required for the proper development, improvement and utilization of all port properties, utilities and facilities, and for industrial development within the district when such agricultural and industrial development is carried out by a public agency, institution, or body for a public purpose, and to assemble and analyze the data thus obtained and to cooperate with the state of Washington, other port districts and other operators of terminal and transportation facilities for these purposes, and to make such expenditures as are necessary for said purposes, and for the proper promotion, advertising, improvement and development of such port properties, utilities and facilities;

WHEREAS, on January 26, 2026, the WPPA Executive Committee voted to approve the formation of the Maritime Industrial Base Coalition;

WHEREAS, the work of the MIBC will align with a "Charter" document that has also been reviewed by the WPPA Executive Committee;

WHEREAS, the MIBC will provide support to WPPA consistent with other Standing Committees of WPPA as authorized in Article VII of the Association Bylaws; and

WHEREAS, the MIBC will execute a Scope of Work (the "Scope") that is overseen by a Steering Committee, with the Scope included as an exhibit to this MOU and the role of the Steering Committee further described in Section A below.

II. TERMS

A. PURPOSE:

1. The purpose of this MOU is to cooperatively establish and fund the MIBC, which shall be governed by a Steering Committee comprised of one (1) representative from each of the Districts, and managed by the WPPA.
2. The work of the MIBC will be carried out by a consultant who will be hired by the WPPA to execute on the Scope that is approved by the Steering Committee. A copy of the Scope is attached hereto as **Exhibit A**.
3. The Consultant contract will cover the time period described in the Scope, which shall not exceed the duration of this MOU, pending amendment requested by any Districts and agreed to by other Districts.
4. The Consultant will be managed by WPPA in consultation with the Steering Committee, with WPPA serving as the fiscal agent for management and payment of the contract.
5. The Consultant will be responsible for convening the Steering Committee at regular intervals, with WPPA acting as the direct manager of the Consultant work, to report on the progress in execution of the Scope.
6. Proposed amendments to the Scope shall be approved by the Steering Committee prior to being communicated to the consultant.
7. The following exhibit is appended to this MOU and incorporated herein by reference:

Exhibit A – Scope of Work Proposed for Consultant Contract

B. STEERING COMMITTEE AND DISTRICT RESPONSIBILITIES:

1. For Phases I and II of the Scope, as described in **Exhibit A**, the Districts shall serve on the Steering Committee of the MIBC. Obligations of service on the Steering Committee include:
 - a. Designation of one port staff member or commissioner to act as lead ("Districts Lead") for the respective Districts engagement in the Steering Committee
 - b. Consistent engagement in the work of the Steering Committee and the MIBC, including support for WPPA in its management of the Consultant
 - c. Regular communication of the work of the Steering Committee and the MIBC

to maritime industry stakeholders in their respective port communities

2. For Phases I and II, the contributions of each District shall be according to their agreement made with WPPA.

3. Contributions from the Districts may also take the form of in-kind support, including staff time; resources such as data, studies, and reports; and contacts with District partners including shipbuilding, repair, and maritime manufacturing entities.

C. WPPA ACCOUNTING FUNCTION

1. The WPPA shall function as the financial agent, as well as the client and primary manager of the Consultant contract. As the financial agent, the WPPA will:

- a. Receive payments from Districts and maintain a "Restricted Account" in the WPPA budget for management of District funds and payments to the Consultant.
- b. Provide regular updates to the Districts, through the Steering Committee, about payments made to the Consultant.
- c. Convene meetings of the Steering Committee to determine funding of subsequent phases of Consultant work.
- d. Communicate funding availability for subsequent phases directly to the Consultant.

D. DETERMINATION OF ANNUAL BUDGET AND DISTRICT FUNDING OBLIGATIONS

1. The Annual Budget for the MIBC shall be determined through the development of the contract with the consultant.

2. The Budget for each respective phase of the consultant contract shall be determined thirty (30) days prior to the end of the preceding phase.

3. The financial obligations of each respective District shall be determined through individual discussion with WPPA, not to exceed one hundred thousand dollars (\$100,000.00), and signing this MOU does not automatically confirm a financial obligation

4. Districts with funding obligations to the MIBC will pay a special assessment to WPPA, for which they will be individually invoiced.

E. EFFECTIVE DATE, TERM, AND TERMINATION

1. The "Effective Date" of this MOU shall be the date of the last authorizing signature below.

2. The "Term" of this MOU shall begin on the Effective Date and end on either December 31, 2026, or June 30, 2027, pending agreement on joint funding of Phase III of the Scope.

3. A District may withdraw from the MIBC by providing thirty (30) days' written notice to the WPPA.

4. Upon termination of the MOU, all Districts' obligations hereunder shall end, and any unspent funds held by WPPA shall be returned to the Districts who provided them.

PORT OF _____

WASHINGTON PUBLIC PORTS ASSOCIATION

By: _____
Its: _____
Date: _____

By:  _____
Its: Executive Director _____
Date: February 18, 2026 _____