



MANAGING MEMBER SPECIAL MEETING MINUTES

Tuesday, March 15, 2022

9:00 AM Executive Session/FMC

11:45 AM Open Public Meeting

Fabulich Center (3600 Port of Tacoma Rd.)

9:00 AM

1. CALL TO ORDER

Co-Chair Calkins called the meeting to order at 9:05 a.m.

Port of Seattle Commissioners Present:

Ryan Calkins – Present
Sam Cho – Present
Fred Felleman – Present
Toshiko Grace Hasegawa – Present
Hamdi Mohamed – Present

Port of Tacoma Commissioners Present:

Kristin Ang – Present
Deanna Keller – Present
Dick Marzano – Present
John McCarthy – Present
Don Meyer - Present

2. RECESS CLOSED EXECUTIVE SESSION IMMEDIATELY FOLLOWED BY A FEDERAL MARITIME COMMISSION (FMC) SESSION

Immediately after calling the meeting to order, Co-Chair Calkins announced that the Managing Members would recess to closed session to discuss one (1) item in executive session pursuant to RCW 42.30.110(1)(g): To evaluate the qualifications of an applicant for public employment or to review the performance of a public employee.

He also announced that immediately following the executive session, the Managing Members would move into a closed and confidential discussion protected pursuant to laws and regulations found at 46 U.S.C. § 40306, 46 C.F.R. § 538.608, 46 C.F.R. § 535.701(I)(1) and as authorized by Port of Seattle/Port of Tacoma Alliance Agreement, FMC Agreement #201228. He announced that closed session would last until 11:45 a.m. and that no votes or final actions would be taken.

The Managing Members met in executive and closed FMC session until 11:45 a.m. Co-Chair Calkins announced in public session that the Managing Members would extend FMC Session to 12:15 p. m.

3. RETURN TO ORDER

Co-Chair Calkins reconvened public session at 12:30 p. m.

4. FLAG SALUTE

The Pledge of Allegiance was recited.

5. REPORT BY CHIEF EXECUTIVE OFFICER

A. Gateway Operational Update

B. Recognition of the retirement of Tom Tanaka, Port of Seattle Deputy General Counsel. Mr. Tanaka was recognized by CEO Wolfe as a well-regarded attorney with a long career at the Port of Seattle who was integral to the formation of the NWSA. He served as a valued counsellor to CEO Wolfe and NWSA leadership. Comments from General Counsel Dana Henderson were read into the record to acknowledge Mr. Tanaka's sterling reputation among port and maritime lawyers locally and nationally, and to recognize his exceptional legal work. Commissioners expressed their deep regard for Mr. Tanaka and their thanks for his service to the NWSA, the Port of Seattle, and to our community.

6. PUBLIC COMMENT

To deliver comments by phone during the public comment portion of the meeting, the public could send an email to nwsacomment@nwseaportalliance.com by 9:00 a.m. Monday, March 10, 2022. Written comments

could be submitted to the same address. No requests to speak at the meeting or written comments were received.

7. CONSENT AGENDA

- A. Approval of the minutes of November 8, 2021, December 7, 2021, and December 21, 2021.
- B. (1) Approval of payment of checks 709189 through 709256, 709258 through 709325, and 709327 through 709328 and wire transfers during the period from January 15, 2022 through February 25, 2022, in the total amount of \$27,849,840.45.

(2) Check Certification – Approve the payment of checks 709257 and 709326 during the period from January 15, 2022 through February 25, 2022, the amount of \$8,586.36 to the State Auditor’s Office
- C. Master Benefit and Salary Resolution
Request Managing Member authorization to adopt Resolution No. 2022-01 which amends and supersedes Resolution No. 2021-03, Master Benefit and Salary Resolution.

It was moved and seconded (Meyer/Marzano) to approve the minutes for November 8, 2021, December 7, 2021, and December 21, 2021 and 7(B)(1) and 7C.

Co-Chair Calkins calls for a vote

Port of Seattle Commissioners

Ryan Calkins – Aye
Sam Cho – Aye
Fred Felleman – Aye
Toshiko Grace Hasegawa – Aye
Hamdi Mohamed – Aye

Port of Tacoma Commissioners

Kristin Ang –Aye
Deanna Keller – Aye
Dick Marzano – Aye
John McCarthy – Aye
Don Meyer - Aye

Motion carried, 2-0.

It was moved and seconded (Keller/Ang) to approve Consent Agenda Item 7(B)(2)

Port of Seattle Commissioners

Ryan Calkins – Aye
Sam Cho – Aye
Fred Felleman – Aye
Toshiko Grace Hasegawa – Aye
Hamdi Mohamed – Aye

Port of Tacoma Commissioners

Kristin Ang –Aye
Deanna Keller – Aye
Dick Marzano – Aye
John McCarthy – Abstain
Don Meyer - Aye

Motion carried, 2-0 with Commissioner McCarthy abstaining.

8. ACTION AGENDA

- A. Presenter: Jennifer Maietta
Second Amendment to the SSAT Terminal 5 Lease
Request Managing Members of the Northwest Seaport Alliance (NWSA) authorization for the Chief Executive Officer or their delegate to approve the Second Amendment to the term lease by and between SSA Terminals (Seattle Terminals), LLC and the Northwest Seaport Alliance in substantially the same form as presented.

Staff presented an overview of the proposed Second Amendment to the Terminal 5 Lease with SSA.

It was moved and seconded (Marzano/Felleman) to authorize the Chief Executive Officer or their delegate to approve the Second Amendment to the term lease by and between SSA Terminals (Seattle Terminals), LLC and the Northwest Seaport Alliance in substantially the same form as presented.

Discussion

- Co-Chair Meyer inquires if the maintenance and repair building usage has changed? Answer: Yes. Inquires whether tenants are using 100% of the building but basically only paying for half. Answer: Yes. The overall square footage of the building is part of the acreage.
- Commissioner McCarthy asks whether we should be building it for tenant use on property that they have not yet agreed to.
- Commissioner Ang asks about the common areas and staff responds that they structured the lease by keeping in mind that there could potentially be a second lessee, so they made sure there was a common use area. Once a tenant opts in for Phase 2, they would have exclusive use of the common area.
- Commissioner Ang asks why we are taking this approach. Answer: Staff says they wanted to ensure they were equitable in acreage. Staff says they do not actually have full use of that area as there is construction going on.
- Co-Chair Meyer asks about this being an interim action. Answer: Yes. The intent is to secure a commercial deal with the existing tenant during Phase 2. If not, and a second tenant is there, both tenants will share the space (common area).
- Co-Chair Calkins says it is just an interim change between two parties that are working together.

Port of Seattle Commissioners

Ryan Calkins – Aye

Sam Cho – Aye

Fred Felleman – Aye

Toshiko Grace Hasegawa – Aye

Hamdi Mohamed – Aye

Port of Tacoma Commissioners

Kristin Ang –Aye

Deanna Keller – Aye

Dick Marzano – Aye

John McCarthy – Aye

Don Meyer - Aye

Motion carried 2-0.

- B. Presenter: Tim Leonard, Capital Project Manager - POS
T-30 Central Substation Replacement Construction Authorization Increase.
Request additional construction authorization in the amount of \$1,250,000, for a total authorized amount of \$7,450,000, for work associated with the T-30 Central Substation Replacement, Master Identification Nos. U00660 (Capital) and U00661 (Expense).

Staff presented an overview of the T30 Central Substation Replacement Construction project and need for additional construction authorization.

It was moved and seconded (Keller/Ang) to authorize the amount of \$1,250,000, for a total authorized amount of \$7,450,000, for work associated with the T-30 Central Substation Replacement, Master Identification Nos. U00660 (Capital) and U00661 (Expense).

Discussion

- Commissioner Cho notes a significant difference between the estimate and the bid. Staff noted the volatility of the market. Prices have gone up since the original bids went out, some costs are due to temporary power equipment and generators. Equipment leasing was very costly, from November 2020 through September 2021.
- Commissioner Felleman recalls it cost \$40,000 to size it up a bit more and says he and Co-Chair Meyer raised the question of building for the future and asks about the incremental costs. Answer: Upgraded from 5 KD to 15 KD.

- Commissioner Marzano inquires about the dispute of the financial responsibility. Staff says they are in the process of sorting that out and that this is the topic of an ongoing dispute with the tenant for which NWSA has reserved rights to collect from the tenant.
- Commissioner McCarthy had the same question as Commissioner Marzano. Already answered.
- Co-Chair Calkins asks about the service life of the equipment. Answer: with proper maintenance the equipment should last for 50 years.

Co-Chair Calkins calls for a vote.

Port of Seattle Commissioners

Ryan Calkins – Aye
Sam Cho – Aye
Fred Felleman – Aye
Toshiko Grace Hasegawa – Aye
Hamdi Mohamed – Aye

Port of Tacoma Commissioners

Kristin Ang – Aye
Deanna Keller – Aye
Dick Marzano – Aye
John McCarthy – Aye
Don Meyer - Aye

Motion carried 2-0.

9. GENERAL BUSINESS

A. CEO Announcements

John Wolfe, CEO states that a real highlight for NWSA came from the Task Force group. They focused on empty containers on our port and wrote a letter to all the executives of the carriers requesting they evacuate empties. As a result, they are seeing a significant reduction in empties in the Gateway which is helping reduce congestion. There are very few containers with non-location piles, which means if a container is in the terminal and does not have a location than it is not available for pick-up.

Next Task Force meeting will be on March 24, 2022. All invited to attend.

Informed by GLOVIS of the decision to consolidate Hyundai and Kia within our Gateway in the Tacoma Harbor. Special thanks to Commissioner Cho and Commissioner McCarthy for helping carry forward the value proposition of our Gateway.

- Commissioner Cho commends the team and states that commissioner involvement in this project made a big difference; and it should be a huge lesson to all commissioners to get involved. The level of engagement of the commissioners made the difference with this company.
- Commissioner McCarthy congratulates team.

B. Commissioner Comments

- Commissioner Felleman says to John Wolfe, CEO, due to your great work in decongesting our waterway, we have no vessels that anchor in Holmes Harbor. He mentions that both killer whales and gray whales are deep in Holmes Harbor and the only vessels there are whale watching vessels. He will be heading overseas next week, and part of the trip will be looking at Offshore wind and the supply chain. He will report anything significant.
- Commissioner Marzano thanks Commissioners Cho and McCarthy on their work with GLOVIS. Commissioner said he attended the very best TPM conference he thinks he ever attended. It was a huge success.

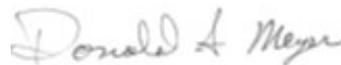
- Commissioner McCarthy says we are of like-mind today. TPM was a wonderful experience. He says good job to staff and says they had a whole series of appointments with folks involved with supply chain issues, Federal Maritime Commission members that he had conversation with, and the reception was amazing. He learned a lot.
- Commissioner Ang says excellent work by staff and thanks Leilani specifically for organization of the TPM Conference. It was great to meet customers and talk about their issues. We are reaching our goals and potential.
- Commissioner Cho really enjoyed TPM and he felt he was back in his element as a business development side of things. He encourages his fellow commissioners to attend it next year as there is so much value in it. It helps understand the import/export industry in other ports.
- Co-Chair Meyer echoes the comments regarding TPM. In reflecting back on the last two years, he notes the action by our labor partners and terminal operators who responded in a very legitimate and responsive way.
- Commissioner Mohamed looking forward to seeing everyone in person next time.
- Commissioner Hasegawa promises to be at TPM next year and she is looking forward to joining Commissioner Felleman in Spain and Portugal for the Offshore Wind Conference. Commissioner Hasegawa attended a round table with Maritime Blue and noted how exciting it was to see all the ingenuity right here at home. She notes she received her Seattle committee assignments.
- Commissioner Keller talks about International Women's History month and notes women's role in times of War, offers prayers and thoughts for the women in Ukraine who are fighting to keep their families together in uncertain times.
- Co-Chair Calkins asks if we can get the TPM dates for next year in advance. He stresses the importance of commissioner travel. Discusses the plight of truckers. There is roughly a 90% attrition rate. Nine out of ten leave the industry within a year. Ensure they are living wage jobs. Would like the Alliance to address some of these issues.

10. ADJOURNMENT

There being no further business, the meeting adjourned at 2:03 p.m.



Ryan Calkins, Co-Chair
The Northwest Seaport Alliance



Don Meyer, Co-Chair
The Northwest Seaport Alliance

ATTEST:



Kristin Ang, Co-Secretary
The Northwest Seaport Alliance

Toshiko Hasegawa, Co-Secretary
The Northwest Seaport Alliance

Leilani Berinobis

Leilani Berinobis, Acting Clerk
The Northwest Seaport Alliance