



MANAGING MEMBER REGULAR MEETING MINUTES
Wednesday, July 6, 2022
9:00 AM Executive Session/FMC
11:00 AM Open Public Meeting
Fabulich Center (3600 Port of Tacoma Rd., Tacoma, WA)

9:00 AM

1. CALL TO ORDER

Port of Seattle Commissioners Present: **Port of Tacoma Commissioners Present:**

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

One (1) item in executive session pursuant to RCW 42.30.110(1)(i)(i): To discuss with legal counsel representing the agency matters relating to litigation or potential litigation to which the agency is a party when public knowledge regarding the discussion is likely to result in an adverse legal or financial consequence to the agency

Immediately followed by 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(l)(1) and as authorized by Port of Seattle/Port of Tacoma Alliance Agreement, FMC Agreement #201228.

11:00 AM

3. RETURN TO ORDER

Co-Chair Meyer calls the meeting to order at 11:10 a. m.

4. FLAG SALUTE

The Pledge of Allegiance is recited.

5. REPORT BY CHIEF EXECUTIVE OFFICER

A. Gateway Operational Update
CEO, John Wolfe provided a preview of agenda items.

Don Esterbrook, Deputy CEO announces Lou Paulsen's retirement and expresses gratitude for his service.

Tom Bellerud, Chief Operation Officer gives Gateway Operational Update
Terminals are in very good shape. Rail has slowed down.
Had a record year in Break Bulk cargo.

6. PUBLIC COMMENT

Written comments may be submitted to nwsacomment@nwseaportalliance.com.

Matt Ventoza, Vice President of ILWU Union Local 19 voices his concern over the Coast Guard and NWSA's potential short-term lease agreement.

7. WORK GROUP REPORTS

A. Audit Committee

Commissioner Cho brings forth a recommendation to the Managing Members for Moss Adams to be retained for financial services (Consent Item 8B).

B. Environmental

Commissioner Ang brings forth a recommendation to reduce underwater noise control with funding in the amount of \$100,000

C. Internal Governance

Commissioner Calkins provides update.

- a. Update and possible First Reading with action to occur in August: Request approval of Resolution No. 2022-02 establishing a Code of Governance and Conduct for Commissioners.

8. CONSENT AGENDA

It was moved and seconded (Calkins/Ang) to approve Consent Agenda Items 8A(1), B, C and D.

Motion carried unanimously.

It was moved and seconded (Calkins/Ang) to approve Items 8 B.

Motion carried.

Commissioner McCarthy abstained.

A. Check Certification

1. Approve the payment of checks 709634 to 709828, and 709830 to 709894 and wire transfers during the period from May 21, 2022, through June 17th, 2022, in the total amount of \$18,955,079.68.
2. Approve the payment of check 709829 and wire transfers during the period from May 21, 2022 through June 17th, 2022, in the total amount of \$2,751.57 to the State Auditor's Office.

B. Approve Moss Adams Contract – Audit Committee

Request Audit Committee recommendation of the Moss Adams, LLP proposal for financial audit services in the amount of \$355,000 to the Managing Members for contract authorization.

C. NIM Rail Repair Construction Authorization

Request project authorization in the amount \$598,000, for a total authorized amount of \$648,000, for work associated with the North Intermodal (NIM) Yard Crossing Panel Replacement project.

D. Husky Paving Construction Authorization

Request project authorization in the amount \$605,000, for a total authorized amount of \$755,000, for work associated with the Husky Pavement Repairs project.

9. ACTION AGENDA

It was moved and seconded (Cho/Ang) to approve BNSF Railway Company Lease Item 9A.

Motion carried.

- A. Mike Ingstrom, General Director of International Marketing
BNSF Railway Company Lease and Operating Agreement
Request authorization for the Chief Executive Officer or their delegate to execute the BNSF Lease and Operating Agreement ('BNSF Lease').

It was moved and seconded (Mohamed/Keller)

Motion carried.

- B. Presenter: Michael Reilly, Senior Manager Business Development
PRS Operating Agreement – 2nd Amendment
Request the Managing Members of the Northwest Seaport Alliance (NWSA) authorize the Chief Executive Officer or delegate to execute a Second Amendment to the Pacific Rail Services (PRS) Amended and Restated Operating Contract to add Lot M (i.e., the proposed BNSF container storage yard) as a portion of the PRS operating area and to establish a new lift rate.

Discussion

It was moved and seconded (Ang/Keller)

Motion carried.

Discussion

- C. Presenter: Arthur Kim, Capital Project Manager – Port of Seattle
Project Authorization T46 Storm Vault Reconfiguration Project
Request project authorization in the amount \$2,800,000, for a total authorized amount of \$2,800,000, for work associated with the T46 Storm Vault Reconfiguration Project. Master Identification No. #N06555

- Commissioner Felleman
- Jason Jordan, Director of Environmental Affairs, Two permits that we are mindful of. Port of Seattle permit will be an industrial storm water maintenance permit.
- Don Esterbook explains why this project is so important as it allows upgrades that will allow us a smooth transition of operations.

Co-Chair Meyer calls for a vote.

Motion carried.

- D. Presenter: Erin DeBroux, Sr. Real Estate Manager
Terminal 18 South Olympic Tug & Barge Lease Renewal
Second Reading: Request Managing Members of The Northwest Seaport Alliance (NWSA) authorization for the Chief Executive Officer or their delegate to execute a new lease agreement with Olympic Tug & Barge, Inc. at Terminal 18 South.

It was moved and seconded (Cho/Keller)

Motion carried.

- E. Presenter: Jennifer Maietta, Director, Real Estate
US Coast Guard Lease at Terminal 46
Second Reading: Request Managing Members of The Northwest Seaport Alliance (NWSA) authorization for the Chief Executive Officer or their delegate to authorize a term lease with the United States Coast Guard (USCG) for a portion of Terminal 46 in support of their Base Seattle Pier 36 basin dredging and environmental clean-up project.

It was moved and seconded (Ang/Felleman)

Discussion

- Commissioner Keller says she supports this completely as T-46 is vacant and this is a way
- Commissioner Ang is in full support
- Commissioner Calkins is in full support
- Commissioner Cho expresses appreciation to staff and stakeholders. Believe this language is improved since even a few days ago. Will support this request. Fully expects transparency in future negotiations of a long-term lease.
- Commissioner Hasagawa expresses thanks to staff for answering many questions throughout this process. Letter was received that Commissioner Hasagawa requested that reflects In terms of the short-term lease, does it define any investments the Coast Guards are going to do. NWSA would review all work.
- Commissioner Calkins approve this and move toward T-30 etc. and knows that it may often feel like but the result so far gives an opportunity for a bigger picture. USCG has been involved in this region since before the City of Seattle was created. The priority for NWSA is maximizing potential for marine cargo. World is different. It's a good thing to have the Coast Guard here in light of the security threat of our nation.
- Commissioner Felleman reiterates all the work by staff that went into this project. East Waterway is a mess and it is a great thing that the Coast Guard is going to clean the area.
- Commissioner Mohamed thanks staff for their time and effort in this process. The amended language submitted over the weekend is much better. Important that we share information with stakeholders.
- Commissioner Hasagawa reiterates that the information should be made public and the letter that Commissioner Hasagawa requested and received.
- John Wolfe, CEO states that the company would request letter stay confidential.

Co-Chair Meyer calls for a vote.

Motion carried unanimously.

- F. Presenter: Dana Henderson, General Counsel for NWSA
Internal Governance Work Group Recommendation
First Reading with action to occur in August: Request approval of Resolution No. 2022-02 establishing a Code of Governance and Conduct for Commissioners.

Discussion

- Commissioner Marzano states he feels that everyone should know of complaint.
- Commissioner Felleman asks if this could be resolved over a cup of coffee or where we can create a bar
- Commissioner Marzano says there is not secrets kept at the port. Does not want confidentiality.
- Commissioner Calkins states whether some complaints are meritorious or false. Consider language that some complaints have no merit and should be brought before the commission.
- Commissioner Keller would like to see Bylaws refreshers each year and aware
- Commissioner Hasagawa suggests we have a back up to Robert's Rules of Order.

10. GENERAL BUSINESS

A. CEO Announcements

John Wolfe, CEO anticipates travel to meet some of their customers. Preview in late August, we are planning a trip to Eastern Washington. And another trip to Moses Lake, Wenatchee area to meet Kim Schrier. Trip to Europe in November.

- Commissioner Felleman discusses travel to Asia in mid-November.
- Commissioner Ang wants to keep trips very short.

B. Commissioner Comments

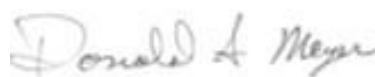
- Commissioner Mohamed requests we move meeting dates for Work Groups. Alternating months is a possibility.
- Commissioner Ang asks if we are going to receive a briefing on alternative fuels.

11. ADJOURNMENT

With no further business, the meeting is adjourned at 1:28 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