



CALL TO ORDER

Commissioner Marzano called the special meeting as allowed under RCW 42.30.080 to order at 1:05 p.m. and led the Pledge of Allegiance.

Roll was taken and a quorum confirmed.

Port of Seattle Commissioners:

Stephanie Bowman – Present
Ryan Calkins – Present
Sam Cho – Excused
Fred Felleman – Present
Peter Steinbrueck – Present

Port of Tacoma Commissioners:

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

ACTION

It was moved and seconded (Felleman/Steinbrueck) to extend the deadline for legal counsel to file suit against CMA CGM as was previously set by motion passed on March 2, 2021, from April 16, 2021 to June 30, 2021.

The motion passed 2-0 by the following vote:

Port of Seattle 1:

Bowman: Aye
Calkins: Aye
Cho: Aye
Felleman: Aye
Steinbrueck: Aye

Port of Tacoma 1:

Ang: Aye
Keller: Nay
McCarthy: Excused
Meyer: Aye
Marzano: Aye

Discussion:

- Staff updated the commissioners on developments in the NWSA’s dealings with CMA CGM. The NWSA met with CMA CGM’s Marseille office regarding their outstanding financial obligation to the NWSA and that the NWSA was prepared to file a lawsuit for past due amounts.
- This morning the NWSA received a partial principal payment of \$2 million toward the 2020 past due amount of the \$9 million sublease consent fee owed to the NWSA under the Terminal 18 Sublease Agreement and condition consent to sublease.
- Staff reported that CMA CGM offered the payment as a show of good faith with the intention of working with the NWSA in the short-term to find an alternative arrangement for continued business within the NWSA gateway.
- Staff made clear that by issuing the interim partial payment invoice, the NWSA does not waive, and specifically reserves all rights to recover all amounts past due.
- If the motion passes, the balance of the past due amount would become due June 30, 2021, interest will continue to accrue.
- Commissioner Bowman suggested perhaps extending the due date through July or August. She sees this payment as a sign of good faith and movement in the right direction. She would like to avoid the returning multiple times while negotiations take place. Staff reminded the commissioners that the next \$9 million dollar payment is due August 1, 2021. Staff does not recommend extending beyond July 30, 2021.

- Commissioner Felleman does not support extending the due date beyond June 30, 2021. He commented that another extension should come with another payment. Commissioner Steinbrueck agreed with that approach.
- Commissioner Calkins supports extending to June 30, 2021.
- Commissioner Keller does not support extending the due date past the April deadline. She expressed her appreciation for CMA CGM's business. She commented that the NWSA has extended the deadline before and as the due date approaches, negotiations deteriorate. The NWSA can always amend the lawsuit or drop all together as warranted.
- Commissioner Ang welcomed CMA CGM's gesture of good will of paying a portion of their past due amount. Without the partial payment of \$2 million, she would not have supported extending the deadline to file suit. She looks forward to continued partnership with CMA CGM to increase cargo in the gateway.

Commissioner Cho joined the meeting.

- Commissioner Cho commented that the \$2 million payment is a sign of good faith. He noted that the extension to June was made by CMA CGM, so it is reasonable for the NWSA to expect results or closure by that date. He supports the extension to June, but not beyond unless there is substantial change between now and then.
- Commissioner Marzano commented that the most important thing is coming together with the largest shipping line in the world for a deal. He believes it is doable and the timeline requested is realistic. He supports the motion.

ADJOURNMENT

There being no further business, the meeting adjourned at 1:27 p.m.



Fred Felleman, Co-Chair
The Northwest Seaport Alliance

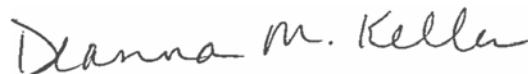


Richard Marzano, Co-Chair
The Northwest Seaport Alliance

ATTEST:



Sam Cho, Co-Secretary
The Northwest Seaport Alliance



Deanna M. Keller, Co-Secretary
The Northwest Seaport Alliance



Juliet Campbell, Clerk
The Northwest Seaport Alliance