



MINUTES
MANAGING MEMBER REGULAR
Tuesday, February 1, 2022
9:00 AM Executive Session/FMC
11:00 AM Open Public Meeting
Remote. No in-person attendance.
Call in information: Dial: 1-253-617-4257 Conference ID: 165 401 834#
Meeting live stream: <http://portal.veconnect.us/p/nwseaportalliance>

9:00 AM

1. CALL TO ORDER

Co-Chair Meyer calls the meeting to order at 9:03 AM

Port of Seattle Commissioners Present:

Ryan Calkins – present
Sam Cho – present
Fred Felleman - present
Toshiko 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 TO CLOSED EXECUTIVE / FEDERAL MARITIME COMMISSION (FMC) SESSION

Immediately after calling the meeting to order, Co-Chair Meyer announced that the Managing Members would recess into closed session to discuss: three items pursuant to RCW 42.20.110(1)(i) to discuss with legal counsel litigation to which the agency is likely to become a party when public knowledge of such discussion is likely to result in adverse legal or financial consequences to the agency.

He also announced that immediately after the executive session, the commissioners would turn to a closed FMC session 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.

Co-Chair Meyer announced that the closed session, including both executive session and FMC closed session were expected to last a combined two hours and that public session would reconvene at 11:00 a.m.

11:00 AM

3. RETURN TO ORDER

The Managing Members reconvened in public session at 11:01 A.M. Roll was taken. Co-Chair Meyer announced the purpose and legal basis for the closed session and that no votes or final actions were taken in closed session.

4. FLAG SALUTE

The Pledge of Allegiance was recited.

5. REPORT BY CHIEF EXECUTIVE OFFICER

- A. John Wolfe, CEO, provided a preview of the meeting agenda topics and asked Don Esterbrook and Tom Bellerud for a Terminal 5 Operations Update and the Gateway Operational Update.

Tom Bellerud, Chief Operating Officer provided an update on the Gateway. He also advised the commissioners that the week of February 9, 2022, that the NWSA will be launching the 2022 Task Force, with key stakeholders within the industry. The purpose of the Task Force is to achieve key objectives and opportunities within the Gateway.

Commissioner Keller comments on a recent notification from the Union President Jarod Baker, of

Local 23, that at the Husky Terminal a few days ago, truckers were waiting there at the end of day for their final load of the day.

Commissioner Marzano asks Tom Bellerud, Chief Operating Officer, about the Sweeper Vessels coming to NWSA terminals and inquires if Ocean Carriers can be charged for leaving empty cargo containers on the terminal. Mr. Bellerud responds that there are two different avenues they are considering. NWSA is evaluating the best action to take regarding Ocean Carriers and whether the best option is to implement a fee for excessive inventory or to move containers off site that have rail service.

Commissioner Felleman states there was a White House briefing recently where they talked about the Ocean Shipping Reform Act which requires ships coming into port to leave with the same amount of cargo containers as it arrived with. He asks if this is a good idea to address this challenge of congestion. Mr. Bellerud responds that it would be a good solution going forward, but we still need Sweeper vessels to come in to get us back to neutral.

Don Esterbrook, Deputy Chief Executive Officer, gives update on Terminal 5 grand opening. There has not been any start up issues and the local unions have delivered. Mr. Esterbrook shows a video on Terminal 5.

6. PUBLIC COMMENT

- Mr. Osso Zografos, CEO of Streetline Technology that specializes in AI technology. The topic of his comments concern advocating for more technology to assist in movement of goods and services. Encourages commissioners to look at technology to improve movement of goods.

7. CONSENT AGENDA

A. Approval of the minutes for November 2, 2021

B. Check Certification

- a. NWSA Check Certification and wire transfers – December 18, 2021, through January 14, 2022, in the total amount of \$23,969,757.86.
- b. NWSA Check Certification – December 18, 2021, through January 14, 2022, in the total amount of \$3,268.59 to the Washington State Auditor's Office.

It was moved and seconded (Cho/Keller) to approve Consent Agenda Items 7A and 7B(a)

~~C. Amendment to term lease by and between SSA Terminals, LLC and the NWSA
Request authorization to approve the Second Amendment to the term lease by and between SSA Terminals, LLC and the Northwest Seaport Alliance.~~

Commissioner Meyer requests removal of Item 7C from the agenda, and there was no commissioner objection to doing so.

Commissioner Ang – Absent (tech difficulties)
Commissioner Calkins – Aye
Commissioner Cho – Aye
Commissioner Felleman – Aye
Commissioner Hasegawa – Aye

Commissioner Keller - Aye
Commissioner Marzano - Aye
Commissioner McCarthy - Aye
Commissioner Mohamed - Aye
Commissioner Meyer – Aye

Motion carried 2-0.

Co-Chair Meyer introduces approval of Consent Item 7(B)b

It was moved and seconded (Keller/Cho) to approve Consent Item 7(B)b

Commissioner Ang – Absent (tech difficulties)	Commissioner Keller - Aye
Commissioner Calkins – Aye	Commissioner Marzano - Aye
Commissioner Cho – Aye	Commissioner McCarthy - Abstain
Commissioner Felleman – Aye	Commissioner Mohamed - Aye
Commissioner Hasegawa – Aye	Commissioner Meyer – Aye

Motion carried 2 -0.

8. BRIEFING AGENDA

Thais Howard, Director of Engineering, introduces T-5 Quarterly Briefing
Presenter: Emma Del Vento, Terminal 5 Program Manager

A. T-5 Quarterly Briefing

- Commissioner Keller asks if they thought about doing some presentations with the Duwamish River Coalition or other community groups to give them an opportunity for questions and answers.
- Lindsay Wolpa, Senior Manager, Strategic Projects, responds that staff has met with many community groups, and they would love to have the commissioners participate.

9. ACTION AGENDA

- A. Presenter: Emma Del Vento, Terminal 5 Program Manager
Accept Department of Commerce T-5 Reefer Grant
Request authorization to accept an Interagency Agreement grant in the amount of \$4,316,500 to support installation of reefer system components of the Terminal 5 Berth Modernization Program.

It was moved and seconded (Felleman/Ang) to authorize acceptance of an Interagency Agreement grant in the amount of \$4,316,500 to support installation of reefer system components of the Terminal 5 Berth Modernization Program.

Commissioner Ang – Absent (tech difficulties)	Commissioner Keller - Aye
Commissioner Calkins – Aye	Commissioner Marzano - Aye
Commissioner Cho – Aye	Commissioner McCarthy - Aye
Commissioner Felleman – Aye	Commissioner Mohamed - Aye
Commissioner Hasegawa – Aye	Commissioner Meyer – Aye

Motion carried 2-0.

Co-Chair Meyer goes back to the Consent Agenda and advises that Commissioner Ang was having technical difficulties during roll call. Co-Chair Meyer asks Commissioner Ang if she would have voted in favor of the Consent Agenda Items 7A and 7B(b) to which she responded in the affirmative.

- B. Presenter: Norman Gilbert, Engineering Project Manager
PCT Maintenance Dredging Sediment Testing and Permit Application
Request project authorization in the amount of \$305,000, for a total authorized amount of \$425,000, for work associated with the Maintenance Dredging at Pierce County Terminal (PCT).

It was moved and seconded (Ang/Cho) to authorize the amount of \$305,000, for a total authorized amount of \$425,000, for work associated with the Maintenance Dredging at Pierce County Terminal (PCT).

Commissioner Ang – Aye
Commissioner Calkins – Aye
Commissioner Cho – Aye
Commissioner Felleman – Aye
Commissioner Hasegawa – Aye

Commissioner Keller - Aye
Commissioner Marzano - Aye
Commissioner McCarthy - Aye
Commissioner Mohamed - Aye
Commissioner Meyer – Aye

Motion carried 2-0.

Discussion

- Commissioner Marzano expresses concern over and risk associated with additional testing the cost.
- Jason Jordan, Director of Environmental & Planning Services, advises commissioners that the \$7M figure is the most we would pay and the worst case scenario. Goal is to bring that number way down.
- Commissioner Felleman asks what we are getting out of the dredge – dioxins and furons, not PCB? Answer: Correct.
- Commissioner Felleman asks if the sampling is on high spots or in the waterway? Answer: Only in the high spots.
- Commissioner Felleman also asks when we get the results back? Answer: In about 4 months.
- Co-Chair Meyer recalls this whole basin was already dredged. He is concerned about source control and how well do we know what is coming out of those outfalls that could re-contaminate this waterway?
- Commissioner McCarthy asks what the estimate was last year for this maintenance project? Answer: \$2M.
- Commissioner Felleman comments that the reason he asked about a finer scale sampling is that while it may be more expensive to sample more; but in the long run, the less you go upland, the cheaper the costs. It is one of the trade-offs he knows to exist.

Commissioner Ang – Aye
Commissioner Calkins – Aye
Commissioner Cho – Aye
Commissioner Felleman – Aye
Commissioner Hasegawa – Aye

Commissioner Keller – Aye
Commissioner Marzano – Aye
Commissioner McCarthy - Aye
Commissioner Mohamed - Aye
Commissioner Meyer – Aye

Motion carried 2-0.

- C. Presenter: Jennifer Maietta, Director, Real Estate NWSA
Second Reading – Terminal 103 Northwest Aggregates Lease Renewal
Request authorization to execute a new lease agreement with Northwest Aggregates Company at Terminal 103.

Tong Zhu, Chief Commercial & Strategy Officer states Jennifer Maietta renegotiated rental rates upon recommendation by Managing Members from an average of .27 for the first 5 years to .31 per square foot with a net increase of .04 per square foot. This translates into an additional \$400,000 in revenue for the first 5-year period.

Jennifer Maietta, Director, Real Estate NWSA continues with presentation:
Term Lease is ten years. Commencing January 1, 2022 and terminating on December 31, 2031.

It was moved and seconded (McCarthy/Keller) to authorize the CEO or delegate to execute a new lease agreement with Northwest Aggregates Company at Terminal 103.

Discussion

- Commissioner Keller thanked staff for renegotiating terms of lease with tenant
- Commissioner Hasegawa commends staff for the Reading being more like a First briefing to update new commissioners.

- Commissioner McCarthy commends staff for their hard work as they have gone above and beyond.

Commissioner Ang – Aye
Commissioner Calkins – Aye
Commissioner Cho – Aye
Commissioner Felleman – Aye
Commissioner Hasegawa – Aye

Commissioner Keller – Aye
Commissioner Marzano – Aye
Commissioner McCarthy – Aye
Commissioner Mohamed – Aye
Commissioner Meyer – Aye

Motion carried 2-0.

- D. Presenters: Ryan McFarland, Sr. Manager, Government Affairs for NWSA and Sean Egan, Director, Government Affairs- Port of Tacoma
State and Federal Government Affairs Agendas
Request Managing Member adoption of the 2022 NWSA State and Federal Government Affairs Agendas.

It was moved and seconded (Keller/McCarthy) to adopt the 2022 NWSA State and Government Affairs Agenda.

Discussion

- Commissioner Mohamed discusses House Bill 1706. It is the measure that allows truckers to access restroom facilities and believes it should be approved. Commissioner Mohamed requests a vote on this topic.
- Commissioner Mohamed officially requests that the NWSA provide an update of inventory of restrooms available to truckdrivers and once that inventory is completed; that the maps are made available to the truckdrivers and to the public showing where the restrooms are located in our Gateway.
- CEO, John Wolfe, responds by stating he supports that request. We will focus on the bathroom inventory at each of our cargo terminals – both container, international, domestic as well as non-containerized terminals that NWSA manages.
- Commissioner Felleman states he spent an extensive amount of time discussing the Puget Sound Restoration section with staff and sees no reflection of that conversation.
- Ryan McFarland states they are not yet discussing Federal Government Affairs yet.
- Commissioner Keller calls on General Counsel, Dana Henderson to answer the following question: If Commissioner Mohamed would like to add House Bill 1706 on the State's Legislative Agenda and if so, would that be the appropriate way to make the request. Dana Henderson inquires whether Commissioner Mohamed intended to amend the agenda as presented.
- Commissioner Mohamed **moves to amend** the State Government Affairs Agenda to include House Bill 1706.

Motion and Seconded (Mohamed/Keller) to amend the State Government Affairs Agenda by adding support of House Bill 1706.

Discussion on Proposed Amendment:

- Commissioner Felleman states the way these are typically written are broadly conceptual and does not think we are talking bill numbers in general. Commissioner Felleman likes the general idea.
- Commissioner Meyer states that his expectation is, if this passes, then it would be incorporated as supporting the truckdrivers program, outlined and under the idea of House Bill 1706. Consistent with general format.
- Sean Egan, Director of Government Affairs, assuming this passes, asks for latitude in crafting of the language.
- Commissioner Marzano has a concern in voting for a Bill that he had not seen yet but says that Sean Egan, Director of Government Affairs has addressed his concerns.

Roll call on the Amendment

Commissioner Ang – Aye
Commissioner Calkins – Aye
Commissioner Cho – Aye
Commissioner Felleman – Aye
Commissioner Hasegawa – Aye

Commissioner Keller – Aye
Commissioner Marzano – Aye
Commissioner McCarthy – Aye
Commissioner Mohamed – Aye
Commissioner Meyer – Aye

Motion to amend carried.

Motion as Amended: to adopt the 2022 NWSA State Government Affairs Agenda with the inclusion of support for HB 170.

Commissioner Ang – Aye
Commissioner Calkins – Aye
Commissioner Cho – Aye
Commissioner Felleman – Aye
Commissioner Hasegawa – Aye

Commissioner Keller – Aye
Commissioner Marzano – Aye
Commissioner McCarthy – Aye
Commissioner Mohamed – Aye
Commissioner Meyer – Aye

Motion carried.

- Commissioner Meyer states there was an Informational Request filed.

It was moved and seconded to approve the 2022 Federal Government Affairs Agenda (Keller/Ang).

Discussion:

- Commissioner Mohamed discusses the Biden Administration's focus on strengthening American trucking workforce and drayage trucks as well as major initiatives on reducing supply chain issues. Infrastructure bill included 400,000 million to address drayage truck issues.
- Commissioner Mohamed asks if NWSA and Port of Tacoma will include advocating for dedicated funding from the Federal Infrastructure Bill to address drayage truck issues that can be used to expand the Clean Truck Program; to also include working conditions improvements, bathroom access and expanding parking. Ryan McFarland, Sr. Manager, Government Affairs for NWSA responds by saying the request seems reasonable but does not want to prescribe tying it to the IJJA Clean Truck Program in case there are any constituencies that wanted something specific for clean trucks; they could resist any changes. Staff will look to that as an option but will also look at more general resources to have more flexibility.
- Commissioner Felleman says that the issues brought up by Commissioner Mohamed could be funded through the National Freight Policy.
- Commissioner Felleman says that instead of specific requests to address issues regarding recovery of the killer whales and underground noise; but rather make a broader, more general request to advocate for increased federal resources for Puget Sound Restoration, to include fundings to support habitat restoration and other strategies to sustain Chinook and other salmon species, to help clean up legacy sources of contaminants, and to manage storm water runoff. These provisions as well as reduction of underwater noise also aid in the recovery of Southern Resident Killer Whales. Commissioner Felleman believes this provision will encapsulate all the issues.
- Commissioner McCarthy likes the way staff wrote the advocacy position. Language was added a few years ago to increase federal resources for Puget Sound & Southern Killer Whale restoration. He states he served on a committee that put together the Work Group after the State's Task Force made their recommendations. To call out the noise in this context, seems to be a little broader when the issue for the killer whales is lack of Chinook salmon and the drastic reduction of Chinook salmon.
- Commissioner Meyer says the language does not say anything against the idea of support of noise reduction or the Quiet Noise Program and it would fit inside that reference.
- Commissioner Felleman states that just because there is nothing contradictory in the language, that it does not mean we support noise reduction.

It was moved and seconded (Felleman/Keller) for a Proposed Amendment to the 2022 Federal Government Affairs Agenda to address advocacy for federal resources for Puget Sound Restoration, to sustain Chinook and other salmon species, clean-up of contaminants, management of stormwater and reduction of underwater noise. Clerk reads proposed amendment into the record, to add to the 2022 Federal Government Affairs Agenda the following:

“Advocate for increased federal resources for Puget Sound Restoration, to include fundings to support habitat restoration and other strategies to sustain Chinook and other salmon species, to help clean up legacy sources of contaminants, to manage storm water runoff and for the reduction of underwater noise in Puget Sound in support of recovery of Southern resident killer whales”.

Support appropriations for the Puget Sound Near Shore Eco-System Restoration Project, National Estuary Program, Puget Sound Geographic Program, and the Pacific Coastal Salmon Recovery Fund.

Support reforms to federal regulatory processes to speed the approval and creation of NWSA and Home Port habitat sites.”

Roll call on the Amendment

Commissioner Ang – Aye
Commissioner Calkins – Aye
Commissioner Cho – Aye
Commissioner Felleman – Aye
Commissioner Hasegawa – Aye

Commissioner Keller – Aye
Commissioner Marzano – Aye
Commissioner McCarthy - Aye
Commissioner Mohamed - Aye
Commissioner Meyer – Aye

Motion to amend carried 2-0.

Co-Chair calls on vote of the Motion to approve the 2022 Federal Government Affairs Agenda, as amended.

Commissioner Ang – Aye
Commissioner Calkins – Aye
Commissioner Cho – Aye
Commissioner Felleman – Aye
Commissioner Hasegawa – Aye

Commissioner Keller – Aye
Commissioner Marzano – Aye
Commissioner McCarthy - Aye
Commissioner Mohamed - Aye
Commissioner Meyer -Aye

Motion carried 2-0.

- Commissioner Felleman explains why he proffered the amendment. He explains Commissioner McCarthy, himself and Ryan McFarland had conversations regarding the amendment to this language and he was concerned about why it was not included.
- Commissioner Ang asks Ryan McFarland, Sr. Manager for Government Affairs for NWSA, if he sees on the horizon funding for the acceleration for remedial clean-up. Response: On the Federal level it has not been a prospect for them. Staff will refresh our understanding of the existing rules for clean-up. At the State level there are specific programs.
- Commissioner McCarthy notes the utility of the legislative work group and it is much more preferable to work through issues in a work group as opposed to this forum.
- Commissioner Keller would like to make sure that what Commissioner Mohamed brought up will not be dropped. Commissioner Keller will follow up with this.

E. Presenter: David Morrison, Chief Financial Officer
Increase of funds for NWSA 2022 Salary increases or market adjustments
Request an increase of \$75,000 for the 2022 salary budget to provide funds representing an approximate 4.5% salary adjustment pool for NWSA employee wage increases for salaried employees (excluding CEO).

It was moved and seconded (Keller, Hasegawa) to approve the increase of funds for NWSA 2022 salary increases.

- Commissioner Keller states how fortunate we are to be able to consider this, as we could not for the last two years. She is very proud to be able to do this. We have a very hard-working staff, and we will address CEO John Wolfe's package as well as Managing Members. Commissioner Keller is in full support of this.
- Commissioner Calkins says that he and Commissioner Meyer are currently working on a survey for commissioners of CEO John Wolfe's evaluation for 2021 and as a part of that process they will review compensation for CEO John Wolfe. He is in full support of this motion.
- Commissioner Hasegawa is in complete support of this motion. One of the most important things we can do as an organization is to show appreciation for staff and showing appreciation by paying them and compensating them.
- Co-Chair Meyer supports this but would like to see a salary survey.

Commissioner Ang – Aye
Commissioner Calkins – Aye
Commissioner Cho – Aye
Commissioner Felleman – Aye
Commissioner Hasegawa – Aye

Commissioner Keller – Aye
Commissioner Marzano – Aye
Commissioner McCarthy - Absent
Commissioner Mohamed - Aye
Commissioner Meyer – Aye

Motion carried 2-0.

10. GENERAL BUSINESS

A. CEO Announcements

John Wolfe, CEO, reminds commissioners that we have our next Northwest Seaport Alliance Task Force meeting to be held February 9, 2023. In addition, TPM is also right around the corner. It is the largest industry conference and will be held in person in Long Beach, February 28, 2023, through March 2, 2023. Clean and Prosperous Washington Report prepared a report and questions were raised by commissioners asking if we are engaged in it. We are engaged in the Report. Jason Jordan, Director of Environmental & Planning Services is available for questions. No questions asked by commissioners.

B. Commissioner Comments

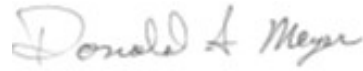
- Commissioners recognize Black History Month and Happy Lunar New Year with thanks given to staff members.
- Commissioner Keller requests a Code of Ethics by Managing Members. To be drafted by the Internal Governance Work Group.
- Commissioner Meyer would like John Wolfe, CEO to arrange a tour for commissioners to see the automated terminals at TPM.

11. 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