



The Northwest Seaport Alliance

Managing Member Special Meeting
Port of Seattle Commission Special Meeting

Date: May 5, 2026

Time: 11:00 a.m.

Location: The Faulich Center, 2600 Port of Tacoma Road, Tacoma, WA

Streamed <http://www.nwseaportalliance.com/about-us/governance>

MINUTES

Commissioners present:

| | |
|------------------------------|---------------------------|
| Port of Seattle | Port of Tacoma |
| Ryan Calkins | Kristin Ang |
| Sam Cho | Deanna Keller (via Teams) |
| Fred Felleman | Dick Marzano |
| Toshiko Hasegawa (via Teams) | John McCarthy |

Commissioners excused:

| | |
|-----------------|----------------|
| Port of Seattle | Port of Tacoma |
| Hamdi Mohamed | J.T. Wilcox |

1. Call to Order

Co-Chair Marzano called the meeting to order at

2. Executive / Closed Session

The Managing Members entered into closed session pursuant to Federal Maritime Commission (FMC) regulations and related laws found at 46 U.S.C. § 40306, 46 C.F.R. § 535.608, 46 C.F.R. § 535.701(i)(1) and as authorized by the Port of Seattle/Port of Tacoma Alliance Agreement (FMC No. 201228). The session lasted from 11:01 a.m. until 11:23 a.m.

3. Return to Order

Co-Chair Marzano called the public meeting back to order at 12:05 p.m.

4. Flag Salute

The pledge of allegiance was recited.

5. Report by CEO

CEO, John Wolfe, summarized the agenda and provided an update regarding an emergency declaration related to a power system fault at Terminal 5 on April 12, 2026.

6. Public Comment – none.

7. Committee / Work Group Reports

- A. A report from the Audit Committee was given by Commissioner Ang.
- B. A report from the Internal Governance Work Group was given by Co-Chair Calkins.
- C. A report from the Environmental Work Group was given by Commissioner Felleman.

8. Consent Agenda

The consent agenda was amended by the removal of item 8D for separate consideration.

It was moved and seconded (Cho/Felleman) to approve the consent agenda as amended including:

8A. Approve the minutes of April 7, 2026.

8B. Approve an amendment to the March 6, 2026 minutes previously adopted.

8C. Approve disbursements totaling \$36,349,672 issued during the period of March 27, 2026 through April 27, 2026 consisting of \$2,350,515.21 on checks 2758 through 2831 and 2833 through 2925 and electronic payments in the amount of \$33,999,157.04 as certified by the NWSA Auditor.

8E. Adopt resolutions 2026-03 authorizing the use of Municipal Research Services Center (MRSC) Rosters and 2026-04 amending the Delegation of Authority Master Policy to implement the MRSC Rosters.

8F. Approve project authorization in the amount of \$3,332,000 for a total authorized amount of \$3,482,000 for work associated with the Marshal Avenue Auto Facility Pavement Maintenance Repair Program 2026 to 2030. Project Identification No. 201243.01.

8G. Approve additional authorization in the amount of \$200,000 for a total authorized amount of \$1,050,000 to spend Washington State Department of Transportation Port Electrification Grant funding to purchase zero-emission cargo handling equipment for use at the East Blair One Terminal. Master Identification No. 201236.01.01.

The motion carried by the following vote:

Port of Seattle

Ryan Calkins - aye

Sam Cho - aye

Fred Felleman - aye

Toshiko Hasegawa - aye

Port of Tacoma

Kristin Ang - aye

Deanna Keller - aye

Dick Marzano - aye

John McCarthy – aye

It was moved and seconded (Ang/Felleman) to approve item 8D, disbursement of \$993.50 on check 2832 to the State Auditor’s Office issued during the period of March 27, 2026 through April 27, 2026 as certified by the NWA auditor.

The motion carried by the following vote:

| | |
|------------------------|-------------------------|
| Port of Seattle | Port of Tacoma |
| Ryan Calkins - aye | Kristin Ang - aye |
| Sam Cho – not.present | Deanna Keller - aye |
| Fred Felleman - aye | Dick Marzano - aye |
| Toshiko Hasegawa - aye | John McCarthy - abstain |

9. Action

- A. Second Amendment to United States Coast Guard (USCG) Lease at Terminal 46. Erin Light, Senior Real Estate Manager gave a presentation.

In July of 2022, the NWSA and USCG entered into a short-term lease that allowed the USCG to remain operational while relocating ice cutters and displacing staff to complete work necessary to accommodate arrival of the USCG’s new Polar Security Cutters. The lease terminates June 30, 2026 however the deepening and widening work is not complete. The USCG has requested an extension. The proposed lease amendment terms and financial implications were presented.

It was moved and seconded (Felleman/Calkins) to authorize the Chief Executive Officer or his delegate to authorize a second amendment to the short-term lease with the United States Coast Guard for a portion of Terminal 46 in support of their Base Seattle Pier 36 basin dredging and environmental cleanup project.

The motion carried by the following vote:

| | |
|------------------------|---------------------|
| Port of Seattle | Port of Tacoma |
| Ryan Calkins - aye | Kristin Ang - aye |
| Sam Cho – not.present | Deanna Keller - aye |
| Fred Felleman - aye | Dick Marzano - aye |
| Toshiko Hasegawa - aye | John McCarthy - aye |

- B. 2026 Northwest Seaport Alliance Cargo Incentive Program
Steve Balaski, Director, Business Development gave a presentation.

Staff is requesting authorization of a two-year NWSA Cargo Incentive Program in the amount of \$30 million, \$15 million per year. Staff has engaged with NWSA customers, who are ocean carriers and beneficial cargo owners (BCOs) and railroads talking

about ways to improve the service reliability of the NWSA Gateway and incentivize more cargo volume to the Gateway.

The components of the Program that staff recommends funding were presented including a Voyage Consistency and On-Time Arrival Award, an International Container Rail Cargo Incentive, and an International Container Rail Target Market incentive.

A summary of each of the Program elements were described as well as proposed eligibility requirements.

It was moved and seconded (Cho/Felleman) that the Managing Members authorize \$30 million in funding for and establishment of two years of The Northwest Seaport Alliance Cargo Incentive Program in substantially the same form as presented, including the following elements:

- (1) Voyage Consistence and On-Time Arrival Award
- (2) International Container Rail Cargo Incentive
- (3) International Container Rail Target Market Incentive

It was moved and seconded (Marzano/Ang) to table the motion to the June Managing Member meeting.

The motion failed.

Port of Seattle

Ryan Calkins - aye

Sam Cho - nay

Fred Felleman - aye

Toshiko Hasegawa - nay

Port of Tacoma

Kristin Ang - aye

Deanna Keller - aye

Dick Marzano - aye

John McCarthy - aye

The motion to approve agenda item 9B failed.

Port of Seattle

Ryan Calkins - aye

Sam Cho - aye

Fred Felleman - nay

Toshiko Hasegawa - aye

Port of Tacoma

Kristin Ang - nay

Deanna Keller - aye

Dick Marzano - aye

John McCarthy - nay

Discussion included:

- A request from Commissioner Ang that staff provide additional information on the impact of previous and existing incentive programs on market share.
- Potential vulnerabilities and/or benefits of the proposed incentive approach in the event of significant economic downturn.

- Adjustments from last year's program include the addition of a minimum volume requirement assuring that before anything is paid under the program, carriers will move a certain amount of rail cargo through the Gateway.
- Commissioner McCarthy shared concern with the proposed funding level of \$30 million noting the Homeport Tacoma has a dredging project over the next three to four years at a cost estimate of \$200 million. He has not seen enough empirical evidence or data to be able to support the Program at the level of \$30 million.
- Relevance of elements of the Voyage Consistency and On-Time arrival related to void sailings as those cancellations are significantly down since Covid era. Staff commented that even a couple voided sailings have impact, but that the emphasis of the particular proposed Program element is on-time arrivals.
- Whether funds under the Program as structured reach the right entity to impact routing of rail volume to the Gateway. Staff believes so and commented that presumably funding finds their way from the railroads through service contracts with ocean carriers.
- Commissioner Marzano acknowledged the Homeport dredging expense but noted not providing incentives could negatively impact the competitiveness of the NWSA.
- Commissioner Felleman noted challenges with proving a causal relationship between incentive programs and volumes. Discussion took place regarding what other ports may offer in incentives. It was noted ports such as Los Angeles/Long Beach do not need incentives, ports to the North in Canada are less expensive, the Port of Portland is incentivized by their state government in an amount of \$35 million annually and they just committed \$100 million to explore development of Coos Bay as an intermodal port.
- The Incentive Program is a tactic to strategy needed to maintain and increase discretionary cargo through the Gateway.
- Participation agreements provide discretion to end the Program at any time. The agreements could be drafted to allow flexibility in the event a more strategic approach to using funds approved were identified. However, that would be constrained by the scope of authority given by the Managing Members.

C. Zero Emission (ZE) Terminal Master Planning at East Blair One (EB-1) and Washington United Terminals (WUT)

Graham VanderSchelden, Environmental Project Manager II gave the presentation. In 2025 The Northwest Seaport Alliance accepted a \$3 million planning grant from the U.S. Environmental Protection Agency (EPA) Clean Ports program to support design of shore power at WUT, ZE Terminal Master Planning at WUT and EB-1, and design of cargo handling equipment (CHE) charging infrastructure at EB-1 to support near term ZE CHE deployments (funded by another grant). The two project authorizations subject to this action request are to implement the ZE Terminal Master Planning efforts and are fully grant funded through this EPA Clean Ports Planning grant. Staff provided a background, project scope, and a financial summary.

Moved and seconded (Cho/Ang) that the Managing Members:

- (1) Grant project authorization in the amount of \$405,000 for a total authorized amount of \$455,000, for work associated with WUT ZE Terminal Master Planning, Project Identification No. 202062.
- (2) Grant project authorization in the amount of \$225,000 for a total authorized amount of \$275,000 for work associated with EB-1 ZE Terminal Master Planning, Project Identification No. 202063.

The motion carried.

Port of Seattle

Ryan Calkins - aye

Sam Cho - aye

Fred Felleman - aye

Toshiko Hasegawa - aye

Port of Tacoma

Kristin Ang - aye

Deanna Keller - aye

Dick Marzano - aye

John McCarthy - aye

D. Cargo Handling Equipment Zero Emission Accelerator Program (CHE-ZAP)

Graham VanderSchelden, Environmental Project Manager II gave the presentation. CHE-ZAP is an incentive program that would support the purchase of ZE CHE and installation of charging by NWSA tenants, working toward the NWSA's Clean Air Implementation Plan target of deploying 30 pieces of ZE CHE between 2026 and 2030. If authorized by this action request, the CHE ZAP would launch in May to enable terminal operators to leverage funding from the state's Medium and Heavy-Duty ZE incentive Program (WAZIP). Staff provided the background, a program overview, and estimated cost breakdown, as well as a project selection criteria and anticipated program schedule.

Moved and seconded (Ang/McCarthy) that the Managing Members grant project authorization in the amount of \$2,300,000 for a total authorized amount of \$2,300,000 for work associated with the NWSA's Cargo Handling Equipment Zero Emissions Accelerator Program, Project Identification No. 2023-03SH.

The motion carried.

Port of Seattle

Ryan Calkins - aye

Sam Cho - aye

Fred Felleman - aye

Toshiko Hasegawa - aye

Port of Tacoma

Kristin Ang - aye

Deanna Keller - aye

Dick Marzano - aye

John McCarthy - aye

Discussion:

- Commissioner Ang highlighted that the NWSA's decarbonization efforts have been praised by the Clean Air Agency and state legislature.
- The data collected via the emission inventory process is subject to the agreement Puget Sound inventory process. Under that agreement the data is aggregated across the Harbors. Within the current structure the NWSA does not have authorization to release that data on a facility by facility basis.

10. Briefings – none.

11. General Business

A. Cargo / Operations Update.

Tong Zhu, Chief Commercial & Strategy Officer and Jeff Bellerud, COO provided an update.

- Vessel calls in North Harbor due to congestion in Vancouver, BC .
- Maersk sent a test shipment to Alliance Gateway.
- Peak Planning May 12, 2026
- AgTC May 18, 2026
- FP2 service at Husky is going to be a first port of call in Tacoma starting this Saturday.
- Operations team engaged to support minimal disruption to regional supply chain around the street closures due to FIFA.

B. CEO Announcements. None.

C. Commissioner Comments

- Commissioner Hasegawa acknowledged Asian American, Native Hawaiian, and Pacific Islander Heritage Month.

- Co-Chair Calkins commented that with the vote on the 2026 Northwest Seaport Alliance Cargo Incentive Program Managing Members may have inadvertently gone against its own intention. He heard generalized support for the program with a request for additional information before making a final determination.
- Co-Chair Marzano confirmed procedural steps and will be renewing the motion to consider the 2026 NWSA Cargo Incentive Program at the next Managing Member meeting.
- Commissioner McCarthy acknowledged Mexico’s victory over French forces at the Battle of Puebla on May 5, 1862, celebrated as “Cinco de Mayo”
- Commissioner Ang wished all mothers a happy “Mother’s Day”
- Commissioner Felleman acknowledged his own mother, who is 100 years of age, for Mother’s Day. He will be asking the Environmental Work Group to consider ways to reward and acknowledge good environmental behavior including potential incentive programs for Managing Member consideration at a future meeting.

12. Adjourn

With no further business before the Managing Members, Co-Chair Marzano announced the meeting adjourned at 1:48 PM.



Dick Marzano, NWSA Co-Chair
Port of Tacoma Commission President



Ryan Calkins, NWSA Co-Chair
Port of Seattle Commission President

Attest:



Kristin Ang, NWSA Co-Secretary
Port of Tacoma Commission Secretary



Sam Cho, NWSA Co-Secretary
Port of Seattle Commission Secretary

Prepared by: Juliet Campbell, NWSA Clerk

Minutes approved: June 2, 2026