



Minutes

Managing Member Meeting – Regular | Port of Seattle Commission - Special

Tuesday, February 6, 2024

9:30 a.m. Closed Session

11:30 a.m. Open Public Meeting

The Conference Center at SEA, 17801 International Blvd. Seattle, Washington

Live streamed on the meetings page at www.nwseaportalliance.com

Commissioners present:

Port of Seattle:

Ryan Calkins

Sam Cho

Fred Felleman

Hamdi Mohamed

Port of Tacoma:

Kristin Ang

Deanna Keller

John McCarthy

Dick Marzano

Don Meyer

Commissioners excused:

Toshiko Hasegawa, Port of Seattle Commissioner

1. Call to Order

Alliance Co-Chair, Hamdi Mohamed called the regular meeting of the Managing Members to order at 9:30 a.m.

2. Recess

The Managing Members immediately recessed for an executive session pursuant to Revised Code of Washington (RCW) 42.30.110 (i) to discuss with legal counsel representing the agency, two matters of litigation or potential litigation to which the agency, the governing body, or a member acting in an official capacity is, or is likely to become, a party, when public knowledge regarding the discussion is likely to result in an adverse legal or financial consequence to the agency. The executive session ended at 10:43 a.m.

The executive session was immediately followed by a closed session allowable 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 the Port of Seattle/Port of Tacoma Alliance Agreement (Federal Maritime Commission (FMC) Agreement Number 201228. The closed FMC session ended at 11:20 a.m.

3. Return to Order

The Managing Members reconvened and NWSA Co-Chair and Port of Seattle Commission President, Hamdi Mohamed, called the meeting back to order at 11:36 a.m. She announced that the meeting is also a special meeting of the Port of Seattle Commission for the purpose of a Dual Action as reflected in the meeting agenda at item 8.C.2. and that all legally required prior public notice and posting requirements for the special meeting were followed.

4. Flag Salute

The Pledge of Allegiance was recited.

5. Chief Executive Officer’s Report
Alliance CEO, John Wolfe, summarized the agenda.
6. Public Comment
Eric Wright, Senior Manager of Business Development at Portland Container. Spoke in favor of rate offsets by payment deferrals and other means to ensure five business day per week truck gates.
7. Work Group Reports
 - A. Internal Governance. Commissioner Keller reported that scheduling conflicts prevented the Internal Governance Work Group (IGWG) from meeting as a group, however, the IGWG members were able to review and provide input to counsel on proposed revisions to the Alliance Bylaws and Code of Governance and Conduct for Commissioner received since the first readings of the associated resolutions (NWSA Resolutions 2024-01 and 2024-03). Proposed amendments from first reading on those resolutions were included in the agenda packet today and are on today’s agenda for second readings.
 - B. Ad Hoc Offshore Wind Supply Chain Work Group. The Ad Hoc Offshore Wind (OSW) Supply Chain Work Group met on January 18, 2024, to review a revised study scope and discuss next steps for the NWSA’s exploration of OSW related cargo business opportunities. Based on comments from the first OSW meeting, staff returned to consultants to narrow the scope of the study for half of the originally proposed cost and the Work Group recommends moving forward with a feasibility study in coming weeks. Travel opportunities for OSW education were also discussed.
8. Consent Agenda
 - 8A.(1)** Approval of the minutes of the December 21, 2023, special meeting
 - 8A.(2)** Approval of the minutes of the January 3, 2024, regular meeting.
 - 8B.** Approval of checks 712062 through 712239 in the amount of \$5,417,119.25 and electric payments in the amount of \$19,485,954.14 during the period of December 20, 2023, through January 25, 2024, in the total amount of \$24,903,073.39 certified by NWSA Auditor.
 - 8C. Dual Action NWSA and Port of Seattle Commission:**
 - (1)** Request Managing Members of The Northwest Seaport Alliance to authorize the Chief Executive Officer or their delegate to enter into a Second Addendum to Interlocal Agreement between the Port of Seattle and The Northwest Seaport Alliance regarding the Port of Seattle’s use of a Portion of Terminal 106 West, to increase the reimbursable cost to the NWSA for reasonable and appropriate cost to reimburse ConGlobal to move its mobile office trailer in the amount of \$12,000.00, bring the total not to exceed amount to \$171,000.00 plus applicable Washington State sales tax and

(2) Jointly request Commissioners of the Port of Seattle to authorize the Executive Director or their delegate to enter into a Second Addendum to Interlocal Agreement between the Port of Seattle and The Northwest Seaport Alliance regarding the Port of Seattle’s use of a portion of Terminal 106 West, to increase the reimbursable cost to the NWSA for the reasonable and appropriate cost to reimburse ConGlobal to move its mobile office trailer in an amount of \$12,000.00, bring the total not to exceed amount to \$171,000.00 plus applicable Washington State sales tax.

(3) Request authorization for the NWSA CEO to enter into the Third Amendment to Lease between the NWSA as Lessor and ConGlobal Industries LLC as Lessee at Terminals 106 West and 108, to increase the reimbursable cost to ConGlobal for the reasonable and appropriate cost to move the mobile office trailer in an amount of \$12,000.00, bring the total not to exceed amount to \$171,000.00 plus applicable Washington State sales tax.

It was moved and seconded by Commissioners Cho and Calkins, acting in a dual role on behalf of The Northwest Seaport Alliance and, as to item 8.C.2, on behalf of the Port of Seattle Commission to adopt the Consent Agenda.

The motion carried by the following vote:

Port of Seattle:

Ryan Calkins - Aye

Sam Cho - Aye

Fred Felleman - Aye

Toshiko Hasegawa – (Absent and excused)

Hamdi Mohamed - Aye

Port of Tacoma:

Kristin Ang - Aye

Deanna Keller - Aye

John McCarthy - Aye

Dick Marzano Aye

Don Meyer – Aye

9. Actions

A. 2024 NWSA State Legislative Agenda Amendment

Director of Government Affairs, Sean Eagan presented an amendment to the 2024 State Legislative Agenda. The language is the result of proposed language from Commissioner Felleman and discussions among Commissioners in the Work Group since adoption of the Legislative Agenda at the January 3, 2024 meeting. The language was added to express support of the Climate Commitment Act.

It was moved and seconded (Keller/Ang) to amend the 2024 NWSA State Legislative Agenda to add, “The NWSA has supported and will support the goals of the Climate Commitment Act which plays an essential role in the decarbonization of NWSA marine cargo operations and the state as a whole.”

Discussion:

- Commissioner Ang supports The Climate Commitment Act (CCA) as it provides critical funding toward decarbonization and just transition and the funding is needed for shore power.
- Commissioner Cho added in addition to shore power, as potential green corridors are explored, there will be a need for infrastructure for the bunkering of alternative fuels. He encouraged government affairs staff to educate legislature on infrastructure needs beyond shore power.
- Commissioner Calkins stated that investments available through things like the CAA that allow for the transition away from a fossil fuel economy toward the green energy economy, are becoming a business advantage.

The motion carried by the following vote:

Port of Seattle:

Ryan Calkins - Aye

Sam Cho - Aye

Fred Felleman - Aye

Toshiko Hasegawa - (Absent and excused)

Hamdi Mohamed - Aye

Port of Tacoma:

Kristin Ang - Aye

Deanna Keller - Aye

John McCarthy - Aye

Dick Marzano - Aye

Don Meyer - Aye

- B. Second Reading on Resolution 2024-01 Adopting The Northwest Seaport Alliance’s Fifth Amended Bylaws (superseding Resolution 2022-03).

General Counsel, Dana Henderson, presented proposed revisions based on feedback received from Commissioners since first reading on December 21, 2023. Including:

- Article VIII, Section 2 regarding how items are placed on the Managing Member meeting agenda. The proposed language specifies that late-breaking and time-sensitive matters may be walked on at a regular meeting.
- Article VIII, Section 3 regarding how items are placed on the agenda. The proposed language provides structure to the process for placing items on the agenda.
- Article I, Section 3 (E) adds new language, formerly proposed in the draft First Amended Code of Governance and Conduct, requesting that Commissioners notify each other and the NWSA CEO prior to speaking publicly about the NWSA and other Commissioners.

It was moved and seconded (Cho/Keller) to adopt Resolution 2024-01 (superseding 2022-03) and the associated Fifth Amended Northwest Seaport Alliance Bylaws as set forth in Exhibit “A” attached thereto.

Discussion:

- Commissioners discussed and debated whether the Bylaws should allow waiver of two readings of leases.

- Commissioners expressed support for the process of two readings for leases, but certain commissioners also expressed a desire for the flexibility to advance non-controversial/simple leases with as little process as possible.
- Commissioner McCarthy predicted that if the rules allow for the waiving of two readings of leases, the waiver will become the norm rather than the exception.
- After discussion and amendment, the language at Article VI, Section 7 was revised to strike the language that stated “If both Managing Members consent...” to instead read “if there is no objection by a Commissioner present at the meeting...” a lease may be put on for final passage at the first meeting at which it is introduced. This allows for a single Commissioner to demand a lease be presented for two readings. The revised language reads in full:

Leases that are being presented to the Managing Members for authorization shall be presented at two meetings before a vote is taken. No vote shall be taken at the first reading, but Commissioners should provide staff with suggestions, input and feedback on the proposed Lease either in the meeting or before the second reading. At the second reading, staff shall report on any substantive changes to the proposed Lease since the first reading. If there is no objection by a Commissioner present at the meeting, a lease may be put on for final passage at the first meeting at which it is introduced.
- With no further amendments offered to the Bylaws as presented, Co-Chair Mohamed called for the vote to adopt Resolution 2024-01 (superseding 2022-03) and the associated Fifth Amended Northwest Seaport Alliance Bylaws as set forth in Exhibit “A” attached thereto.

The motion carried by the following vote:

Port of Seattle:

Ryan Calkins - Aye

Sam Cho - Aye

Fred Felleman - Aye

Toshiko Hasegawa - (Absent and excused)

Hamdi Mohamed - Aye

Port of Tacoma:

Kristin Ang - Aye

Deanna Keller - Aye

John McCarthy - Aye

Dick Marzano - Aye

Don Meyer - Aye

- C. Second Reading on Resolution 2024-03 Adopting The Northwest Seaport Alliance’s First Amended Code of Governance and Conduct for Commissioners (superseding Resolution 2022-02).

General Counsel, Dana Henderson, presented proposed revisions based on feedback received from Commissioners since first reading on January 3, 2024. Including:

- Removing the previously proposed section I.B that stated that if a Commissioner is speaking publicly regarding the Alliance or other Commissioners, including in various forms of media, the Commissioner should provide as much prior notice as is

practicable to other Commissioners and NWSA CEO. This provision has instead been placed in the Fifth Amended Alliance Bylaws.

- Revisions to make clear that in the event of a complaint alleging illegal harassment or illegal discrimination, the Conduct Committee shall refer that complaint for outside third-party investigation, and revising related sections of the Code accordingly.

It was moved and seconded (Ang/Cho) to adopt Resolution 2024-03, superseding 2022-02, and the associated First Amended Code of Governance and Conduct for Commissioners.

The motion carried by the following vote:

Port of Seattle:

Ryan Calkins - Aye

Sam Cho - Aye

Fred Felleman - Aye

Toshiko Hasegawa - (Absent and excused)

Hamdi Mohamed - Aye

Port of Tacoma:

Kristin Ang - Aye

Deanna Keller - Aye

John McCarthy - Nay

Dick Marzano - Aye

Don Meyer - Aye

10. Briefings

A. Port Community System (PCS) Update

Presenters: Jeff Bellerud, COO

Zack Thomas, Director, Operations Service Center

Michael Elguera, Manager PCS

Mark Moore, Manager, IT Project Management, Port of Tacoma

The Managing Members were briefed on the NWSA Port Community System including the capabilities of the system, goals, and historical, current, and future investments in the system.

Discussion:

- Benefits and challenges of an appointment system for truckers were discussed.
- Commissioner McCarthy commented he supports the goals, but the expense causes him concern. There must be a return on investment and a measure of success before investing more money.
- Commissioner Felleman would like to know whether the NWSA sees value in opening up the Port of Seattle's CEM property, immediately proximal to Terminal 5, for a potential queueing area.

B. Grants Update

Presenters: Cassandra deKanter, Grants Specialist

Steve Nicholas, Sr. Manager, Air Quality & Sustainability Practices

The Managing Members were briefed on grant activity since the January 9, 2024 grant steering committee meeting. Ms. deKanter provided post submission updates on grant activity for opportunities under Diesel Emission Reduction Act (DERA), Volkswagen

Settlement and the Port Infrastructure Development Program. Domestic Preference Waivers have been submitted for Congestion Mitigation and Air Quality Improvement (CMAQ) opportunities. Mr. Nicholas provided updates on four federal grant opportunities in service to the 2020 update to the Northwest Ports Clean Air Strategy (NWPCAS) including a Charging and Fueling Infrastructure (CFI) grant award, a Reducing Truck Emissions at Port Facilities (RTEPF) opportunity, a Clean Ports Program funding opportunity, and opportunities through the Climate Pollution Reduction Grant (CPRG).

Discussion:

- Commissioner Calkins noted access to Climate Commitment Act (CCA) funds could potentially be used for the local match requirements of certain federal grant opportunities.
- Eligible activities under the CFI grant were discussed. Commissioner Calkins noted his preference that staff look for ways the NWSA can use investments in a technology neutral and enduring manner and to use the private market to the extent possible to fund the parts that are not enduring.
- The CFI grant is not port exclusive. Staff anticipates a higher probability of success if the NWSA's proposal is embedded in a larger regional package.
- Build America, Buy America (BABA) Domestic Waivers were discussed. Commissioner Cho suggested advocating for industry-wide BABA waiver extensions to cover the grant execution period, He noted waivers would for better or worse lower costs of the associated projects, especially in the area of heavy-duty charging space.
- Commissioner Meyer stated his priority is a facility that is totally clean in terms of overall emissions.
- Commissioner Ang noted other entities are taking notice of the NWSA's success with grants. The Puyallup Tribe wanted to work with the NWSA on ways to collaborate on grants that increase economic prosperity and environmental impact in the South Harbor. Commissioner Ang assumes opportunity for collaboration in the North Harbor as well. Such opportunities could make the gateway more competitive and potentially receive more grant funding for both Harbors.
- Conversations regarding external funding for the PCS are taking place with the planning team.

11. General Business

A. CEO Announcements

- CEO Wolfe introduced Director of Environmental and Planning Services, Jason Jordan, and Senior Manager of Strategic Projects, Lindsay Wolpa who gave a brief update on the NWSA's Clean Truck Collaborative and parking strategies to support the transition to zero-emission trucks in the gateway.
- CEO Wolfe and Deputy CEO, Don Esterbrook highlighted a recent non-container cargo operation at Terminal 46. He thanked Customs and Border Protection, International Longshore and Warehouse Union locals 19, 52, and 98 as well as PCMC and staff for working through the issues to make that happen.

- Deputy CEO Esterbrook commented on a successful Southeast Asia trip and the Vietnam-USA Trade Symposium. He noted that the NWSA was the only gateway invited.
- Highlights and benefits the NWSA’s Inland Rail Hub Initiative were presented. The first 10 loads from Wallula, Washington were received today. There are currently hubs in Minot, North Dakota, Pocatello, Idaho, Portland, Oregon, and Wallula, Washington. Staff is working toward another in the Tri-Cities area.

B. Commissioner Comments

- Commissioner Cho commented on the success of bringing Terminal 46 on line temporarily, the possibility of bringing business there permanently and the prospect of the NWSA operating Terminal 46 on its own. He also commented on key takeaways from the recent customer trips to Asia.
- Commissioner Keller noted Black History Month and the importance of celebrating diversity in the maritime workforce.
- Commissioner Ang thanked Commissioner Mohamed for running her first NWSA Managing Member meeting as Co-Chair. She wished all a happy Lunar New Year and shared wishes for prosperity and peace and resolution to uncertainty in the world.
- Commissioner McCarthy echoed Commissioner Cho’s comments regarding the customer trip to Asia. He found them to be productive and enjoyed working hand-in-hand with Commissioner Cho. He offered congratulations regarding the activity at Terminal 46.
- Commissioner Felleman noted vessels at anchor waiting for a port of call in Vancouver and noted if this were a fish opening it would be problematic. He challenged staff to consider ways to creating an incentive for truckers that would make the significant financial investment in a ‘clean truck’ worthwhile. Regarding a potential offshore wind study, it is not clear to him whether unlicensed properties would be included.
- Commissioner Mohamed thanked CEO Wolfe, staff, Labor and Customs and Border Protection, and the customer for the successful non-container cargo activity at Terminal 46. She commented that even a one-time opportunity signals that there is more that can be done in the North Harbor. She is honored to serve in the role of Co-Chair.

12. Adjournment

With no further business, the meeting was adjourned at 2:08 p.m.



Hamdi Mohamed, Co-Chair
The Northwest Seaport Alliance




Kristin Ang, Co-Chair
The Northwest Seaport Alliance

ATTEST:



Ryan Calkins, Co-Secretary
The Northwest Seaport Alliance



Dick Marzano, Co-Secretary
The Northwest Seaport Alliance



Juliet Campbell, Clerk
The Northwest Seaport Alliance