

MINUTES

The Northwest Seaport Alliance (NWSA)
Managing Member Special Meeting
Tuesday, June 3, 2025
The Fabulich Center, Room 104
3600 Port of Tacoma Road, Tacoma, WA

Commissioner present:

Port of Seattle:

Toshiko Hasegawa (via Teams)
Fred Felleman (via Teams)
Hamdi Mohamed (via Teams)

Port of Tacoma

John McCarthy
Kristin Ang
Deanna Keller
Dick Marzano
Don Meyer

Commissioners absent/excused:

Port of Seattle:

Ryan Calkins
Sam Cho

1. Call to Order

The special meeting was called to order at 9:38 a.m.

2. Recess to Executive Session

The Managing Members immediately recessed to executive session to review the performance of a public employee as allowed by RCW 42.30.110(1)(g) and to discuss with legal counsel representing the agency 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 (RCW 42.30.110(1)(i)). The executive session ended at 10:34 a.m.

3. Return to Order

The Managing Members reconvened in public session at 10:43 a.m. and Co-Chair McCarthy called the meeting back to order.

4. Flag Salute

The Pledge of Allegiance was recited.

5. Chief Executive Officer's Report

CEO, John Wolfe, summarized the meeting agenda.

6. Public Comment

None.

7. Work Group / Committee Reports

Reports were given by Commissioner Ang, on behalf of the Environmental Work Group and by Commissioner Keller on behalf of the Audit Committee.

8. Consent Agenda

- A. Approval of the May 6, 2025 Minutes.
- B. Approval of disbursements totaling \$9,887,078.57 on checks 1105 through 1254 and electronic payments issued during the period of April 29, 2025 through May 21, 2025 as certified by the NWSA Auditor.

The consent agenda was adopted by unanimous consent.

9. Actions

- A. NWSA CEO, John Wolfe, Performance Evaluation and Related Action.

It was moved and seconded (Ang/Keller) to authorize, per the terms of the CEO's employment contract, a salary of \$430,000, effective April 1, 2025.

The motion carried by the following vote:

Port of Seattle:

Commissioner Calkins – Aye
Commissioner Felleman – Aye
Commissioner Hasegawa – Aye
Commissioner Mohamed – Aye

Port of Tacoma:

Commissioner Ang – Aye
Commissioner Keller – Aye
Commissioner McCarthy – Aye
Commissioner Marzano – Aye
Commissioner Meyer – Aye

Commissioner Felleman was excused following the vote.

- B. Terminal 5 (T5) Substation Relay Replacement Project Authorization.

Erin Light, NWSA Senior Real Estate Manager and Brandon Klett, Capital Project Manager II Port of Seattle gave a presentation.

The protective relays in the T5 Substation T5-M4-S-1 are obsolete and need to be upgraded. In preparation for protective relay replacement, thorough testing and cleaning of the substation is recommended. According to the T5 Lease Agreement between the NWSA and SSA Terminals (Seattle Terminals), maintenance, replacements, and renewals to the primary substations(s) are the responsibility of the NWSA.

Staff were asked why this project was not included in the scope of the Terminal 5 Modernization Program. Staff explained that because this substation does not power any of the berth, crane power, shore power or the longshore breakroom it was not included.

It was moved and seconded (Meyer/Marzano) that the Managing Members grant project authorization in the amount of \$550,000, for a total authorized amount of \$600,000, for work associated with the T5 Relay Replacement Project, Project ID N99988.

The motion carried by the following vote:

Port of Seattle:

Commissioner Calkins – Aye

Commissioner Hasegawa – Aye

Commissioner Mohamed – Aye

Port of Tacoma:

Commissioner Ang – Aye

Commissioner Keller – Aye

Commissioner McCarthy – Aye

Commissioner Marzano – Aye

Commissioner Meyer – Aye

10. Briefings

None.

11. General Business

A. Cargo/Operations Update

CEO Wolfe and Chief Commercial & Strategy Officer, Tong Zhu provided an update.

There has been a strong push of cargo in the first quarter primarily the result of importers trying to get ahead of the tariffs. Subsequent to that, the tariff war between the United States and China resulted a dip in volume and May numbers will be down. A surge is anticipated the last half of June. Staff will be providing commissioners with written materials on a statewide trade development strategy and are in the process of preparing a report on the viability of using Terminal 46 to attract and handle breakbulk.

B. Harbor Maintenance Tax (HMT) Update

CEO Wolfe and CFO, David Morrison reported that the U.S. Army Corps of Engineers work plan did not include the Donor Equity provision meaning HMT funds will not be received Fiscal Year 2025. 2024 funds in the North Harbor are dedicated to Terminal 18 pile cap repairs. The focus in the South Harbor is Terminal 7 rehabilitation. Looking at construction scheduled, staff reports HMT funds will not run out until later next year. Staff recommends not changing grant strategy (of not pursuing grant funding on HMT fund eligible projects) given the timing of the projects and availability of the funds from FY 2024 and FY 2026.

Commissioner McCarthy commented on the need to focus on what is necessary vs. what is important but perhaps not necessary given the uncertainty.

Commissioner Ang commented that the Port of Tacoma is a strategic military port and that the federal government should contribute to the buildup of Terminal 7. The Port of Tacoma could then focus its resources on Husky Terminal.

Discussion took place regarding legislation recently introduced by Congressman Dan Newhouse aimed at closing a loophole that incentivizes foreign shippers to circumvent United States seaports and divert cargo to ports in Canada and Mexico to avoid paying the U.S. harbor maintenance tax.

C. CEO Announcements.

- Agriculture Transportation Coalition (AgTC) will be returning to Tacoma, Washington the week of June 19, 2025.

D. Commissioner Comments.

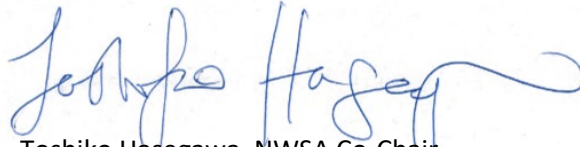
- Commissioners Ang and Cho toured Terminal 5 with U.S. Congresswoman Suzan DelBene and participated in a roundtable with NWSA labor partners Locals 19 and 52 and importer/exporters impacts of discussing tariffs and HMT. Potential lobbying efforts to the federal administration regarding imports from Asia come to U.S. ports. Congresswoman DelBene is supportive of the gateway.
- Commissioner Marzano commented on impacts of uncertainty related to federal policy on tariffs, possible taxes on Chinese-made vessels and cranes and the impacts to small businesses, Labor, importers and exporters.
- Commissioner Calkins reported on his recent trip to Korea where he spoke at the Port and Shipping Decarbonization Powered by Renewable Energy from Jeju at the 2025 Jeju Forum.
- Commissioner Ang reported on discussions at the Washington Council on National Trade which included the China vessel fees and their disproportionate impact on West Coast Ports and how that diverts cargo to Canada. Commissioner Ang met with Senate Finance Trade Committee staffers and others in the U.S. Department of Agriculture. She noted negative impacts of retaliatory on agricultural exports. Representative Michael Baumgartner invited port commissioners to a roundtable to discuss tariffs and trade.
- Commissioner McCarthy reported on the May 28, 2025 Managing Member retreat.

12. Adjourn

The meeting adjourned at 11:45 a.m.



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



Toshiko Hasegawa, NWSA Co-Chair
Port of Seattle Commission President

Attest:



Don Meyer, NWSA Co-Secretary
Port of Tacoma Commission Secretary



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

Prepared by: Juliet Campbell, NWSA Clerk