



The Northwest Seaport Alliance

Managing Member Regular Meeting
Port of Tacoma Commission Special Meeting

Date: September 1, 2026

Time: 9:30 AM

Location: The Fabulich Center, 3600 Port of Tacoma Road, Tacoma, WA

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

MINUTES

Commissioners present:

Port of Seattle	Port of Tacoma
Sam Cho	Kristin Ang
Toshiko Hasegawa	Deanna Keller
Hamdi Mohamed	John McCarthy
Fred Felleman	Dick Marzano
	JT Wilcox

Commissioners excused:

Port of Seattle: Ryan Calkins Port of Tacoma: n/a

Call to Order

The Northwest Seaport Alliance (NWSA) Managing Member meeting was called to order at 9:36 a.m. Commissioner Felleman presided.

Executive/Closed Session

The meeting immediately recessed for an executive session pursuant to RCW 42.30.110(1)(i)(iii) to discuss with legal counsel representing the agency potential litigation. The executive session ended at 9:57 a.m. and was followed by a closed session as allowable under Federal Maritime Commission (FMC) regulations and related laws found at 46 U.S.C. section 40306 and 46 C.F. R. sections 535.608 and 535.701(i)(1) and as authorized under FMC agreement No. 201228. The closed session ended at 10:57 a.m.

Return to Order

Commissioner Felleman called the meeting back to order at 12:05 p.m. the Pledge of Allegiance was recited.

CEO Report

Alliance CEO, John Wolfe summarized the meeting agenda and provided a report on an emergency declaration regarding the north emergency access gate on Alexander Avenue adjacent to Pierce County Terminal.

Public Comment

Commissioner Felleman called for public comment. No comments were made and no written comments were submitted.

Work Group Reports

Co-Chair Marzano provided the Internal Governance Work Group report.

Special Orders of Business

Commissioner Felleman welcomed Eric ffitch, Executive Director of the Washington Public Ports Association (WPPA) and Washington State Representative Jake Fey. Mr. ffitch presented Rep. Fey with the WPPA's Compass Award.

Commissioner Felleman welcomed Rail Modal Group fonder and CEO who gave a presentation on powering global trade through integrated supply chain solutions and strategically located inland ports.

Consent Agenda

It was moved and seconded to approve the consent agenda:

- 9A. Approve the August 4, 2026 minutes
- 9B. Approve disbursements totaling \$41,795,462.65 on checks 3344-3492 and electronic payments issued during the period of July 24, 2026 to August 20, 2026
- 9C. Authorize the CEO or his delegate to execute the Lease Agreement between the Northwest Seaport Alliance and ConGlobal Industries LLC for the Premises located at Terminal 106 West and Terminal 108
- 9D. Authorize the CEO or his delegate to write off Palma Trucking LLC and Green City Truck LLC uncollectible accounts in the amount of \$54,303.33 and \$90,232.56 respectively, plus all applicable finance charges.

The motion carried by the following vote:

Port of Seattle		Port of Tacoma	
Cho	Not present	Ang	Aye
Hasegawa	Aye	Keller	Aye
Mohamed	Aye	McCarthy	Aye
Felleman	Aye	Wilcox	Not present
<i>Calkins</i>	<i>Absent/excused</i>	Marzano	Aye

Actions

- 10A. Auto Warehousing Co. 12th Amendment to Lease and Operating Agreement and related Interlocal Agreement between the NWSA and Port of Tacoma (POT)

Andre Elmaleh, Director, Non-Container Business Development NWSA and Einar Roden, Sr. Manager, Real Estate & Business Development Port of Tacoma presented.

The proposed 12th Amendment returns the offsite yard located at 1701 Port of Tacoma Road with a larger yard at 1736 Milwaukee Way. Auto Warehousing Co. will participate in some of the security expense for offsite yards. The Interlocal Agreement Amendment ends NWSA's use of the 8.88-acre parcel at 1701 Port of Tacoma Road and provides up to \$100,000 in security and auto related improvements to 1736 Milwaukee Way supporting growth of new auto business. Key terms were presented.

Moved and seconded (McCarthy/Ang)

(1). that the Managing Members authorize the CEO or his delegate to execute the Auto Warehousing Co. Lease and Operating Agreement 12th Amendment in substantially the same form as presented.

(2). that the Managing Members authorize the NWSA CEO or his delegate and the Port of Tacoma Commission authorize the POT Executive Director or his delegate to execute the First Amendment to Interlocal Agreement between the Port of Tacoma and the Northwest Seaport Alliance Regarding Use of Properties at 4215 SR 509 N Frontage Road; 2302 Ross Way; 1701 Port of Tacoma Road and Improvements to 1736 Milwaukee Way.

Discussion

- Port of Tacoma will absorb \$50,000 out of the up to 100,000 cost and reimbursed 50,000 by Concrete Tech. The NWSA made improvements to that yard to make it usable for autos.
- Commissioner Ang called for better collaboration between the Port of Tacoma and the NWSA regarding auto-land strategy.

The motion carried for the NWSA Managing Members and POT Commission by the following vote:

Port of Seattle		Port of Tacoma	
Cho	In favor	Ang	In favor
Hasegawa	In favor	Keller	In favor
Mohamed	In favor	McCarthy	In favor
Felleman	In favor	Wilcox	In favor
Calkins	Absent/excused	Marzano	In favor

10B. CMA CGM Deferral of Shortfall Lift Fee

David Morrison, CFO, gave the presentation. Prior to the formation of the NWSA, the Port of Seattle entered into a Lease Termination Agreement with Eagle Marine Services and APL for the Terminal 5 lease. Related agreements imposed obligations as conditions to the Port of Seattle's consent, including an annual payment by APL of \$9 million for 10 years (Sublease Consent Fees) and a volume minimum annual guarantee (MAG). An amendment to the Termination Agreement to resolve outstanding shortfall issues was approved by the Managing Members in 2020.

In October of 2021, the Managing Members authorized a Modification Agreement to fully address past due and future Sublease Consent Fees in consideration of CMA CGM's expressed interest in a continued and expanded presence in the NWSA gateway. Key terms of the Modification Agreement included, among other things, a Shortfall Lift Fee of \$75/lift at the end of the year. Staff recommends a deferral of the Shortfall Lift Fee of \$9,703,050 for the contract year ending June, 202, 2026. If approved the Shortfall Lift Fee would be due December 31, 2026 with simple interest of 4.0% applied as described in the Modification Agreement. NWSA staff leadership recommends the deferral as CMA CGM is a valued customer and the additional time allows the parties the opportunity to evaluate options for cargo volume growth for CMA CGM.

Moved and seconded (Mohamed/Cho) to authorize a deferral of the deadline to pay the shortfall fee for CMA CGM/APL under the parties' October 28, 2021 Modification Agreement to December 31, 2026 during which deferral period, the shortfall fee shall accrue four percent interest.

Discussion

- Commissioner Keller supports 'one-time only' deferral to allow CMA CGM the opportunity to explore equity partnership at one of the terminals giving potentially more control over terminal operations. She believes this will be a benefit to both CMA CGM and to the Alliance in bringing more cargo to the Pacific Northwest.
- Commissioner Ang does not support a deferral. She welcomes serious discussions about future cargo and investment, but states the promise of future growth is different from binding contractual obligations. She notes that in 2021, the NWSA forgave \$22.6 million in exchange for volume commitments that were not met. The resulting \$9.7 million shortfall fee is due and CMA CGM has the ability to pay. She notes CMA CGM's reported \$74.5 billion in revenue and net income of approximately \$25 billion in 2022. This is not the only deferral the NWSA has approved.
- Commissioner Ang further notes NWSA's duty to protect public assets and enforce contracts fairly.
- The NWSA should secure what is owed today, while continuing to negotiate a stronger partnership for tomorrow. She would like to know where the NWSA fits in CMA CGM's strategic global plans.
- CFO Morrison provided additional history. CMA CGM paid prior deferred amounts, plus interest meeting their commitment. Since the \$22.6 million waived in 2021 the NWSA has recovered \$17.9 million. The terms negotiated for that deferral included a five year commitment to CMA CGM's MAG in gateway, specifically to the Seattle Harbor. Once the deferred \$9 million plus interest is collected the NWSA will be about \$2 million ahead.
- Commissioners and staff acknowledged that though the NWSA is getting the money back, the main goal is to get cargo through the gateway for the associated jobs to the region.

- Commissioner McCarthy does not support a deferral. CMA CGM is a valued customer he questioned whether CMA CGM views the NWSA as a valued landlord and port authority. He stated the past debt relief was tied to container volumes and local jobs, but the promised benefits were not delivered.
- Commissioner McCarthy's other objection is he would have preferred the NWSA keep the \$2.26 shortfall penalty as potentially collectible.
- Commissioner Wilcox commented that Managing Members need to create the best possible negotiating posture for our staff to carry out. He supports the proposal and believes if it passes staff can go back to negotiation and show that this body understands the difficulty that is being discussed, has tried to show flexibility, but at the same time has shown on the public record that there is significant opposition and a sense that this can only happen once.
- Commissioner Ang commented that CMA CGM has grown and increased cargo, just not through this gateway.

The motion carried by the following vote:

Port of Seattle		Port of Tacoma	
Cho	Aye	Ang	Nay
Hasegawa	Aye	Keller	Aye
Mohamed	Aye	McCarthy	Nay
Felleman	Aye	Wilcox	Aye
Calkins	Absent/excused	Marzano	Aye

10C. First Reading | GRT Environmental Services (USA) Ltd. Lease at 3401 Taylor Way

Jim Vo, Sr. Director NWSA Real Estate presented. GRT is a Canadian resource regeneration facility for waste soils, dredged sediments, hydro-excavated slurries and drill cuttings and would be a new tenant to the NWSA portfolio. Key lease terms of the proposed Lease Agreement by and between The Northwest Seaport Alliance and GRT Environmental Services (USA) Ltd.

Discussion

- Commissioner McCarthy questioned the rationale for licensing the property to the NWSA as it does not appear to be marine cargo activity. He also requested information on the valuation given at the time of the formation of the Alliance and the amount invested by the Port of Tacoma in environmental clean-up of the site.

- Jason Jordan, Sr. Director of Environmental Planning & Services informed that this particular facility has not gone through a cleanup process because there is no contamination at the site, however, the Hylebos Waterway has gone through a significant cleanup, and the Port of Tacoma has invested around \$300 million cleaning up the Hylebos and other waterways. The Port's role here will be to ensure that that investment is protected as part of the proposed lease agreement.

Briefings n/a

General Business

Cargo/Operations Update

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

- AgTC returning to Tacoma 2027.
- MSC cargo diverted to Terminal 5 and evacuated sub-3-day dwell.
- Commissioners expressed urgency in addressing competitive strategy. Discussion included cost differentials per can between Canadian and Southern California ports and the NWSA, cost per can vs. total cost of ownership, and hurdles attributed to Canadian government investment in its terminals.

CEO Announcements

Commissioner Comments

Adjournment

With no further business, the meeting adjourned at 1:42 p.m.



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 October 6, 2026