

MINUTES
The Northwest Seaport Alliance
Managing Member Regular Meeting
Port of Seattle & Port of Tacoma Special Meeting
January 7, 2025

Commissioners present:

Port of Seattle:

Hamdi Mohamed (absent and excused)
Ryan Calkins
Sam Cho
Fred Felleman
Toshiko Hasegawa (via Teams)

Port of Tacoma:

Kristin Ang
Deanna Keller
John McCarthy
Dick Marzano
Don Meyer

1. Call to Order

The meeting was called to order at 9:35 a.m.

2. Recess Executive Session and Closed FMC Session

The Managing Members recessed for an executive session to discuss with legal counsel representing the agency potential litigation to which the agency 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 10:14 a.m.

The Managing Members continued in closed session as pursuant to 46 U.S.C. § 40306; 46 C.F.R. §535.608; and 46 C.F.R. 535.701(i)(1) and as authorized by Port of Seattle/Port of Tacoma Alliance Agreement – Federal Maritime Commission (FMC) Agreement No. 201228. The closed session was extended and ended at 11:00 a.m.

3. Return to Order

The Managing Members reconvened in public session at 11:34 a.m. and Co-Chair McCarthy called the meeting back to order.

4. Flag Salute

The Pledge of Allegiance was recited.

5. CEO Report

- A summary of the meeting agenda was provided.
- An update on a December 18, 2024 Declaration of Emergency at Terminal 7 and the Husky terminal was provided.
- The NWSA is pausing on the execution of the Gateway Efficiency Program.

6. Public Comment

Comments were received from the following:

- Thilo Kluth, General Manager, Mitchell Bros. Truck Line (written comments circulated to all commissioners January 6, 2025) – Gate transaction fees.
- Sheri Call, President & CEO, Washington Trucking Association (written comments circulated to all commissioners January 6, 2025) – Gate transaction fees.
- Matt Schrap, CEO, Harbor Trucking Association (written comments circulated to all commissioners January 6, 2025 and in person testimony) – Gate transaction fees.
- Eric Wright, Portland Container– Gate transaction fees.
- Geroge Mitchell, General Manager, Mercer Logistics– Gate transaction fees.
- Karl Hawn, Sr. Director of Operations, NFI/CalCartage– Gate transaction fees.
- Inderpal Tatla, Portside Logistics– Gate transaction fees.
- Ron Manwell, Labor Relations Representative, ILWU Local 19 - Gate transaction fees and Terminal 18 Pile Cap Repairs.
- Al Muehlenbruch, PCC Logistics– Gate transaction fees.

7. Work Group/Committee Reports

None.

8. Consent Agenda

- A. Approval of the December 3, 2024 minutes.
- B. Approval of disbursements totaling \$15,213,156.53 on checks 435 through 576, and electronic payments issued during the period of November 26, 2024 through December 19, 2024 certified by the NWSA auditor.
- C. *Pulled from the agenda as premature.*
- D. Adopt Alliance Resolutions 2025-01 and 2025-02 amending the Delegation of Authority Master Policy and the Sixth Amended Bylaws of the Northwest Seaport Alliance Managing Members.
- E. Authorization for the Chief Executive Officer or his delegate to accept an Environmental Protection Agency Clean Ports Program Climate and Air Quality Planning grant of \$3 million to fund shovel-ready shore power design and zero emission infrastructure planning at Washington United Terminal and zero emission infrastructure planning at East Blair One Terminal.
- F. Project authorization in the amount of \$3,245,000 for a total authorized amount of \$3,590,000 for work associated with the Terminal 5 Roof Replacements. Master Identification Number N10410.

It was moved and seconded (Marzano/Cho) to adopt the Consent Agenda items 8A-B, 8D-F.

The motion carried by the following vote:

Port of Seattle:

Hamdi Mohamed – (absent/excused)

Ryan Calkins – aye

Sam Cho – aye

Fred Felleman – aye

Toshiko Hasegawa – aye

Port of Tacoma:

Kristin Ang – aye

Deanna Keller – aye

John McCarthy – aye

Dick Marzano – aye

Don Meyer – aye

9. Action

A. Water Resources Development Act (WRDA) Section 2106 and Harbor Maintenance Tax (HMT) (Section 2106/HMT) Funds Use on Existing Projects.

NWSA CFO, David Morrison, provided an overview of WRDA Section 2106/HMT funds and their usage. Existing eligible projects in the North and South Harbors were presented. The prior year Section 2106 funds for Port of Tacoma are fully exhausted, and the Port of Seattle funds are expected to be fully exhausted by the first quarter of 2025. Ongoing costs associated with projects previously funded by Section 2106 funds in each harbor will be funded using the 50/50 split unless additional Section 2106/HMT funds by harbor are authorized as requested by items 9A(1) and 9A(2). Action item 9A(3) is a technical requirement based on the structure of the NWSA Charter going back to the original formation of the Alliance in how to protect the interest of bond holders for bonds issued by the Port of Tacoma and Port of Seattle.

(1) Port of Seattle Commission:

It was moved and seconded (Cho/Calkins) to approve the use of FY 2024 WRDA Section 2106 and HMT funds (Section 2106/HMT) on eligible projects in progress.

The motion carried by the following vote:

Hamdi Mohamed – (absent/excused)

Ryan Calkins – aye

Sam Cho – aye

Fred Felleman – aye

Toshiko Hasegawa – aye

(2) Port of Tacoma Commission:

It was moved and seconded (Meyer/Keller) to approve the use of FY 2024 WRDA Section 2106 and HMT funds (Section 2106/HMT) on eligible projects in progress.

The motion carried by the following vote:

Kristin Ang – aye
Deanna Keller – aye
John McCarthy – aye
Dick Marzano – aye
Don Meyer – aye

(3) The Northwest Seaport Alliance Managing Members:

It was moved and seconded (Felleman/Hasegawa) to authorize that Section 2106/HMT funds received by the NWSA from the Homeports will be treated as Contributed Capital to be used for eligible projects in the respective Homeport harbors, and further authorize the return of cash to the two Homeports for expensed projects as Other Cash.

The motion carried by the following vote:

Port of Seattle:	Port of Tacoma:
Hamdi Mohamed – (absent/excused)	Kristin Ang – aye
Ryan Calkins – aye	Deanna Keller – aye
Sam Cho – aye	John McCarthy – aye
Fred Felleman – aye	Dick Marzano – aye
Toshiko Hasegawa – aye	Don Meyer – aye

B. Terminal 18 (T18) Pile Cap Repairs Project Authorization and Request for use of WRDS 2106/HMT funds.

The T18 Pile Cap Repairs project will rehabilitate pile caps, deck drains and four piles at T18 Development Unit 7302. The project benefits a site under a long-term lease with SSA. Per the lease terms, certain structural repairs are the responsibility of the NWSA. The lease specially calls out piling repairs as Lessor responsibility. This project is eligible for the use of Section 2106/HMT funds.

The background, project description, financial summary and environmental impacts were provided by the project manager and the source of funds were presented the by NWSA CFO.

(1) The Northwest Seaport Alliance Managing Members:

It was moved and seconded (Marzano/Cho) to grant project authorization in the amount of \$51,160,000 for a total authorized amount of \$56,100,000 for work associated with the T18 Pile Cap Repairs, Master Identification No. U00687.

Discussion:

- The project work should have minimal, if any, impact on the trucking community as operations on the wharf typically do not impact yard operations. NWSA staff is coordinating with the tenant, SSA. CEO

Wolfe commented that the coordination with the tenant should including Labor partners. He will follow up to confirm.

- The deck drain repairs are incidental to this particular project, the scope being pile cap maintenance/repair project.

The motion carried by the following vote:

Port of Seattle:

Hamdi Mohamed – (absent/excused)

Ryan Calkins – aye

Sam Cho – aye

Fred Felleman – aye

Toshiko Hasegawa – aye

Port of Tacoma:

Kristin Ang – aye

Deanna Keller – aye

John McCarthy – aye

Dick Marzano – aye

Don Meyer – aye

(2) Port of Seattle Commission:

It was moved and seconded (Felleman/Cho) to dedicate \$3 million of FY 2024 WRDA 2106/HMT) funds to fund the estimated June to December 2024 and 2025 eligible costs for work associated with the T18 Pile Cap Repairs, Master Identification NO. U00687.

The motion carried by the following vote:

Hamdi Mohamed – (absent/excused)

Ryan Calkins – aye

Sam Cho – aye

Fred Felleman – aye

Toshiko Hasegawa – aye

10. Briefings

None.

11. General Business

A. Cargo/Operations Update

- 2024 finished strong compared to 2023 and leadership expects to build on that for 2025. The breakbulk and automobile business will remain strong, though some automobile business is expected to shift back to the east coast.
- A fix for shore power issues at Terminal 5 is expected in the next couple of weeks allowing vessels once again to use shore power at the terminal.
- Business calling at Terminal 30 in 2024 has moved to Terminal 5. The “Pause Agreement” with the tenant has been executed.
- Invest India Business Forum hosted by the Consulate General of India January 27, 2025 at the Bell Harbor International Conference Center in Seattle.

B. CEO Announcements

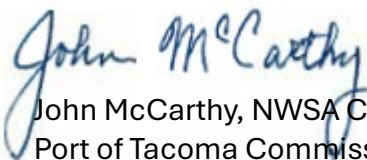
None.

C. Commissioner Comments

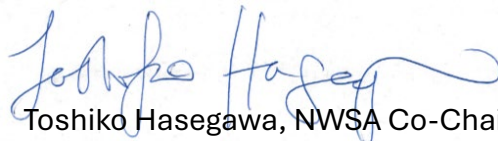
- Commissioner Ang requested an update regarding the Husky Terminal Expansion project.
- Commissioner Cho commented on the paused gate transaction fees.
- Commissioner Marzano emphasized the importance of concrete and ongoing solutions and adjustments to address efficiency in the gateway and noted the bottom line a desire for better and more jobs in an acceptable environment.
- Co-Chair Hasegawa reports that she and Co-Chair McCarthy have resurrected the conversation about a strategic plan for the NWSA.
- Commissioner Felleman suggested a letter to Senators Cantwell and Murray thanking them for their support related to HMT and informing them of how the HMT funds are being used. He requested status on plans for a letter to the incoming administration about tariff concerns and impact on industry. NWSA CEO suggested leaning on AAPA for collective voice. Commissioner Felleman suggested a welcome letter to the new Washington Secretary of Transportation.
- Co-Chair McCarthy solicited ideas for a Managing Member retreat and encouraged commissioners to submit their proposals to the Co-Chairs.
- Commissioner Meyer supports lease amendments that require productivity levels at terminals.

12. Adjourn

With no further business before the Managing Members the meeting adjourned at 1:05 p.m.

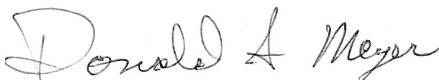


John McCarthy, NWSA Co-Chair
Port of Tacoma Commission President



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