

BOARD OF COMMISSIONERS
THE FABULICH CENTER, ROOM 104
3600 PORT OF TACOMA ROAD, TACOMA WASHINGTON

COMMISSIONERS PRESENT

Don Meyer, President
Clare Petrich, Vice President
Don Johnson, Secretary

STAFF PRESENT

John Wolfe, CEO
Carolyn Lake, Port Counsel
Louis Cooper, Senior Director Security & Labor
Sean Eagan, Director Government Affairs
Jason Jordan, Director Environmental Programs
Rod Koon, Senior Manager Communications
Tong Zhu, Chief Commercial Officer & Chief
Strategy Officer
Kim Mahoney, Environmental Specialist
Juliet Campbell, Clerk of the Port

COMMISSIONERS EXCUSED

John McCarthy, 1st Assistant Secretary
Dick Marzano, 2nd Assistant Secretary

3:30 PM SPECIAL EXECUTIVE SESSION:

1. CALL TO ORDER: Commissioner Meyer called the Special Commission Meeting to order at 3:30 p.m. and recessed into executive session for approximately 90 minutes.
2. RECESS INTO EXECUTIVE SESSION:
 - A. One collective bargaining item RCW 42.30.140(4)(b).
 - B. Three litigation/potential litigation items RCW 42.30.110(1)(i).

No votes or actions were taken.

5:00 PM SPECIAL COMMISSION MEETING:

1. RETURN TO ORDER: Commissioner Meyer reconvened the Special Commission Meeting at approximately 5:02 p.m. and led the Pledge of Allegiance.
2. CONSENT AGENDA:
 - A. Minutes of September 6, 2018 amended, September 20, 2018, and October 1, 2018.
 - B. Check/Wire Certification: Approve the payment of checks 220188 through 220725, and wire transfers in the total amount of \$22,168,845.00 during the period of September 1, 2018 through October 12, 2018.

It was moved and seconded to approve the consent agenda.

Vote: MOTION CARRIED 3-0

3. PUBLIC COMMENT: None.
4. ACTION AGENDA:
 - A. Proclamation: Tacoma Kiwanis Club Centennial.
Presented by Rod Koon, Sr. Manager, Communications

It was moved and seconded to adopt the Port of Tacoma Proclamation recognizing the centennial of the Kiwanis Club of Tacoma and its meaningful service to the citizens, schools and community.

Vote: MOTION CARRIED 3-0

- B. Fourth Amendment to Security Services Agreement.
Presented by Louis Cooper, Sr. Director, Security and Labor

It was moved and seconded to approve the execution of the Fourth Amendment to the Security Services Agreement between SSA Terminals (Tacoma) LLC and the Port of Tacoma; which extends the agreement through December 31, 2018.

Discussion included:

- SSA received a copy of the proposed agreement on October 12, 2018 and needs time to review it with their legal team.
- The collective bargaining agreement for terminal security officers ILWU Local 19 was approved by vote on Friday, October 19, 2018.
- Labor has been notified of the extension.
- The final Security Services Agreement and the Collective Bargaining Agreement will be brought to the Commission for final approval at a future meeting.

Vote: MOTION CARRIED 3-0

C. Second Reading and Final Approval of a Three-Year Lease with Best Way Trucking, Inc. (dba GSC Logistics).

Presented by Tong Zhu, Chief Commercial Officer and Chief Strategy Officer

It was moved and seconded to authorize the Chief Executive Officer or his designee to enter into a three-year lease with Best Way Trucking, Inc. dba GSC Logistics for office space located in the Fabulich Center at 3600 Port of Tacoma Road, Tacoma, Washington.

Discussion included:

- GSC is planning to relocate its Renton office to Tacoma. GSC provides transportation services that support the Port's core business of moving international containerized cargo.
- Lease terms were highlighted. Lease rate per square foot is approximately \$20/sq. ft. If approved, the lease is expected to commence on December 1, 2018.
- Approval of this lease will increase occupancy rate of the Fabulich Center from 63 percent to 73 percent.

Vote: MOTION CARRIED 3-0

D. Port of Tacoma Commission Meeting Start Time.

It was moved and seconded to hold the Port of Tacoma regular public meetings at noon on the third Thursday of the month.

Introduced for consideration by Commissioner Meyer

Discussion included:

- For the period of May 2018 through October 2018, the Commission experimented with evening meetings for the purpose of increasing the opportunity for citizen participation. No significant changes resulted.
- Meetings will continue to be livestreamed and recorded.

Vote: MOTION CARRIED 3-0

5. BRIEFINGS / STAKEHOLDER UPDATES

A. World Trade Center Tacoma (WTCT) Update.

Introduced by Sean Eagan, Director Government Affairs

Presented by Mike Fowler, World Trade Center Tacoma

Discussion included:

- State law grants public port districts the ability to engage in a variety of economic development activities. The Port's Local Economic Development Policy authorizes the Port to enter into contracts between the Port and federally-registered non-profit organizations that seek to promote Washington state based international trade or business retention and recruitment efforts in Pierce County.

- The Port has a one-year contract with WTCT for approximately \$124,000 which pays for WTCT programs, its license fee, and the China Trade Program. An annual summary is required and part of the Port's budget process.
- Mr. Fowler provided an overview of the WTCT's financial status, its refocusing efforts and plans. He also highlighted the success and objectives of its export store, and next steps.

B. Tacoma Pierce County Economic Development Board (EDB).

Introduced by Sean Eagan, Director Government Affairs

Presented by Bruce Kendall, Tacoma Pierce County Economic Development Board

Discussion included:

- In December 2017, the Port Commission approved a two-year contract with the EDB totaling \$240,000 or \$120,000 per year.
- 2013-2017 results were highlighted indicating a \$114 return per \$1 EDB investment.
- EDB is halfway through its 2016-2020 funding cycle and is at 36 percent of its goal in direct job creation, 104 percent of its goal related to private investment, and 46 percent of its five-year goal of companies recruited and retained.
- The diversity of projects of EDB were highlighted and the need to continue to spread the message of why businesses should come to Pierce County.

C. Greater Seattle Partners (GSP).

Introduced by Commissioner Petrich

Presented by Brian McGowen, Greater Seattle Partners

Discussion included:

- Port of Tacoma was involved with the Trade Development Alliance (TDA). The TDA has moved into what has become the GSP. The international and trade activities that TDA was specifically responsible for is still primary focus of the GSP.
- The activities of the GSP to date were briefed and included dissolution of the TDA and EDC, creation of a new domain, and establishment of social media channels among other things. The 2019 tentative organizational work plan was presented along with key metrics.
- The world sees this region as "Seattle." The idea is that the GSP will lead with that, but sell the entire region, not solely the City of Seattle.

6. GENERAL BUSINESS

A. Events, Announcements, and Recognitions.

- The Port's inaugural "Touch a Truck" event was attended by over 1000 members of the public.
- The Tacoma Historical Society's Star of Destiny award given to Commissioner Petrich.
- A letter of support for the City of Dupont related to Dupont-Steilacoom Road improvements was discussed.

B. Introduction of Liberian Delegate.

Commissioner Petrich and Kim Mahoney, Environmental Specialist, introduced Alexandra Noah, Port Manager at the Port of Greenville, Liberia.

Discussion included:

- At the 2018 GreenPort Congress America the representatives of the Port of Liberia challenged the attendees to consider how decades of civil war impact their country's ports and requested help in understanding how ports can be environmental stewards despite limited resources.
- Recognizing the global charge of environmental stewardship, the ports of Baltimore and Tacoma both offered internship opportunities at their respective ports.
- The internship at the Port of Tacoma offered insight from all areas, with emphasis on addressing environmental issues with limited resources.
- Mr. Noah reflected on his experience and learning opportunity. He expressed on his own behalf and on behalf of his government's national port authority,

gratitude to the people of the US and specifically the administration and commissioners of the Port of Tacoma.

- He stated he will officially report to the Liberian national port authority on the innovation of the The Northwest Seaport Alliance.

7. COMMISSIONER COMMENT:

Commissioner Meyer: Spoke to the recognition Commissioner Petrich received at the Destiny Dinner and Rod Koon's performance. Kudos were given to Commissioner Petrich for her emphasis on international obligations of the Port and the Port's ties to the global economy.

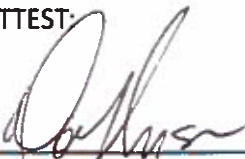
Commissioners requested an update regarding any responses to the RFP for an executive search firm for a Port of Tacoma executive director. Staff will provide an update to the commissioners.

8. ADJOURNMENT: There being no further business, Commissioner Meyer adjourned the Special Port of Tacoma Commission meeting at approximately 6:53 p.m.

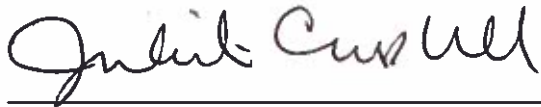


Donald G. Meyer, President
Port of Tacoma Commission

ATTEST:



Don Johnson, Secretary
Port of Tacoma Commission



Juliet Campbell, Clerk of the Port
Port of Tacoma

October 25, 2018

Mayor Mike Courts
City of DuPont
1700 Civic Drive
DuPont, WA 98327

Subject: DuPont-Steilacoom Road between the new Interstate-5 exit 119 and Wharf Road/JBLM Gate widening project

Dear Mayor Courts;

The Port of Tacoma sees significant value in the City of DuPont's efforts to widen DuPont-Steilacoom Road between the new Interstate-5 exit 119 and Wharf Road/Joint Base Lewis McChord (JBLM) Gate. In consideration of the Port's 2019 annual budget, Port staff will work on a funding partnership with the City of DuPont through our 2019 Local Economic Development Investment Fund. Beyond local residents and users of the Steilacoom ferry facility, this road segment serves many unique stakeholders including tenants of a major industrial/warehousing area and users of JBLM.

This project accomplishes two main goals connected to the Port of Tacoma: 1) Preserve the ability to recruit and retain major warehousing and distribution businesses, and 2) protect the mission of JBLM. DuPont is home to a major distribution complex housing such companies as Amazon, Cal-Portland, Fed Ex, Dania, Pier 1 and Ikea. Combined, these companies move more than \$3 billion worth of commerce along this segment of DuPont-Steilacoom Road with some of the cargo moving through The Northwest Seaport Alliance facilities. It is our understanding that Lowe's Hardware plans to open a 750,000 square-foot warehouse in 2019, and over 300 acres of commercial land in DuPont will be developed over the next five to ten years. Increasing the capacity of DuPont-Steilacoom Road is crucial if we want to retain and attract businesses that provide large numbers of good jobs to this area. In addition, widening the road will provide better access for military personnel and the movement of oversize equipment and vehicles from JBLM's main post to the north post.

Congestion along DuPont-Steilacoom Road increases each year. Over the last five years, the number of vehicles using the road has doubled to nearly 20,000 per year causing travel times along the 1.3 miles to double from 20 to 45 minutes during certain peak periods. This is a growing frustration for businesses using marine facilities. We appreciate the City of DuPont's efforts and leadership on this project.

Sincerely,

Don Meyer
Port of Tacoma Commission President