



REGULAR COMMISSION MEETING/BUDGET ADOPTION MINUTES November 18, 2021

The Port of Tacoma Commission met for a regular meeting and 2022 budget adoption on November 18, 2021. Commissioners Ang, Keller, McCarthy, Marzano and Meyer were all present via telephone/video conference.

CALL TO ORDER

The meeting was called to order at 10:01 am. Commissioner Marzano then recessed the meeting into Executive Session for approximately 30 minutes to discuss one item of potential real estate acquisition as provided under RCW 42.30.110(1)(b).

Commissioner Marzano returned the meeting to order at 12:00 pm and led the Pledge of Allegiance.

APPROVAL OF THE AGENDA

The agenda was adopted by unanimous consent.

SPECIAL ORDERS OF BUSINESS

A. Public Hearing: 2022 Port of Tacoma Budget

Public Comment: None.

RESOLUTION 2021-16-PT: Tax Levy Certification

MOTION: Adopt Resolution 2021-16-PT, directing the Secretary to certify to the Clerk of the County Council of Pierce County, Washington a tax levy of \$24,567,849 for the year 2022.

Motion was made and seconded.

DISCUSSION:

1. 2022 budget observations and changes from the budget study session were reviewed. Funds were added for employee retention and attracting talent, as our headcount is significantly below the target. Promotional hosting was also increased.
2. The proposed 2022 budget, including the statutory budget, was reviewed.
3. Discussed the proposed tax levy, which represents a 3% increase from last year. The millage rate is 11% decreased from last year due to high valuations. The projects the levy can be used for were reviewed.

VOTE: MOTION CARRIED 5-0:

RESOLUTION 2021-17-PT: Establish the tax levy ceiling

MOTION: Adopt Resolution 2021-17-PT, pursuant to RCW 84.55.120 and RCW 84.55.092, to preserve future tax levy opportunities the Port Commission makes a finding of substantial need and approves the Maximum Levy, as herein described (based on the Limit Factor increased by the Add-On Levy and Levy for Refunds), equal to an aggregate dollar amount of \$27,606,351 which is \$3,038,502 greater than the dollar amount of the 2021 levy (for collection in 2022).

Motion was made and seconded.

VOTE: MOTION CARRIED 5-0

RESOLUTION 2021-18-PT: Approve the 2022 Port of Tacoma budget:

MOTION: Adopt Resolution 2021-18-PT, adopting a budget for the Port of Tacoma for the year 2022.

Motion was made and seconded.

DISCUSSION:

1. It was suggested that we develop an organizational chart committee to see if there are any opportunities to see what is most effective for the Port, especially in light of being understaffed.

2. Staffing chart was discussed. Talk about direction and opportunities with the Executive Director regarding the many open positions. There are issues related to how we are staffed. In 2021 we had a budgeted headcount of 215; we currently have approximately 15 open positions. The Commission recommends we have a study session to discuss staffing challenges more in depth.
3. Regarding the market fund of \$185,000, the last salary survey was done in 2018. Commissioner Meyer recommends we have current market information prior to spending any of the market fund.
4. Grant funds in the budget have been confirmed.
5. Commissioner Ang supports a salary study, but doesn't want it to slow down recruitment.
6. Commissioner Keller stated that she has never had a better team and support. She would like to see how work could be readjusted to be most effective.
7. Commissioner McCarthy suggests a salary study, but that we use a different vendor.
8. Commissioner McCarthy would like to have a Commission discussion on the open positions and whether they should fill them or not. He would also like to discuss the priorities of all open positions prior to them being filled and to include the addition of a Commission policy analyst.
9. Commissioner Marzano doesn't want to hold up recruitment and retention due to a salary study.

VOTE: MOTION CARRIED 4-1:

Commissioner Ang	Aye
Commissioner Keller	Aye
Commissioner McCarthy	Nay
Commissioner Ang	Aye
Commissioner Keller	Aye

CONSENT AGENDA

- A. Approval of the Minutes from October 21, 2021
- B.
 1. Approval of the Check Certification 1 of 2: Checks #231130 through #231307 and wire transfers in the total amount of \$6,957,307.62 during the period of October 2, 2021 through October 29, 2021 were certified.
 2. Approval of the Check Certification 2 of 2: Check #231308 in the total amount of \$3,426.93 to the State Auditor's Office during the period of October 2, 2021 through October 29, 2021 was certified.
- C. Benefit Vendor Contract Extensions

MOTION: Approve Consent Agenda items A, B1 and C.

Motion was made and seconded.

VOTE: MOTION CARRIED 5-0

MOTION: Approve Consent Agenda item B2.

Motion was made and seconded.

VOTE: MOTION CARRIED 4-0 [Commissioner McCarthy Abstained]

PUBLIC TESTIMONY

None

EXECUTIVE DIRECTOR'S REPORT

Eric Johnson reported on favorable October financials. The Lower Wapato Habitat project is going very well. The creek was reconnected on 11/11/21. The final grading and planting will follow. We have invited the Tribe to have a naming ceremony early in 2022. The City of Tacoma adopted new development regulations Tuesday evening. We will hear an update on the Tideflats Subarea Plan later in the meeting today. He recently attended the Asia Pacific Cultural Center anniversary dinner. He also attended the South Sound Military and Communities Partnership (SSMCP) breakfast, along with Commissioner Keller and Sean Eagan and heard from the new commander there. He is hoping to resume in-person Commission meetings for

Commissioners and staff in December 2021.

COMMISSION ACTIONS

A. Resolution 2021-11-PT: Northwest Ports Clean Air Strategy Implementation:

MOTION: Adopt Resolution 2021-11-PT, the Northwest Ports Clean Air Strategy Implementation Plan for the Port of Tacoma.

Motion was made and seconded

VOTE: MOTION CARRIED 5-0:

DISCUSSION:

1. The changes to the implementation plan were discussed. This includes interval targets for reductions in greenhouse gases and other emissions.
2. Key actions and milestones were reviewed.
3. Commissioner McCarthy has concerns about installing an EV station at the current administration building, as we are not planning to stay in this building long-term.
4. Interim targets are supported. Commissioner Meyer commented that the Port just ordered five new vehicles for the Maintenance Department, but they didn't look to be electric vehicles. We had put off the purchase of new vehicles and we were critically short on vehicles and electric/hybrid are in very short supply. Going forward, the Port will purchase hybrid or electric vehicles.
5. Commissioner Meyer stated that the Port's Environmental team is the best he has worked with. He would like to add the amendment below.
6. Commissioner Keller stated that the Commission must assist staff and reach out to key stakeholders to achieve this plan. She also recommended we get this implementation plan on area organization legislative agendas.
7. Commissioner Ang supports this plan. The next 10 years are the most important. If the community wants us to go faster we would be happy to do that, but we would need assistance and funding to make that happen.

AMENDMENT: Let it be further resolved that a climate action plan, incorporating air, water, land and facilities into one comprehensive plan for the Port of Tacoma shall be prepared no later than December 31, 2022.

Amended Motion was made and seconded

VOTE: AMENDED MOTION CARRIED 5-0

B. Alexander Avenue Petroleum Tank Facilities Cleanup - Grant Acceptance and Contract Increase:

DISCUSSION:

1. The history of this project and the timeline were reviewed. We are currently at the Cleanup Action Plan stage.
2. The scope of work and the financial summary for this request were reviewed.
3. Commission wants to advocate for community stakeholders to work together on this for the complete cleanup of OxyChem. She emphasized the importance of good relationships with these stakeholders.

MOTION #1: Request authorization to enter into grant agreements with the Washington State Department of Ecology for \$2,421,000 for Alexander Petroleum Tank Facilities Cleanup Action, Master Identification No. 094217 and 2017-59.

Motion was made and seconded.

VOTE: MOTION CARRIED 5-0

MOTION #2: Request project authorization in the amount of \$100,000 for a total authorized amount of \$2,348,000 for work associated with the Alexander Petroleum Tank Facilities Cleanup Action, Master Identification No. 094217 and 101312.01.

Motion was made and seconded.

VOTE: MOTION CARRIED 5-0

C. Gay Road Purchase and Sale Agreement:

MOTION: Request Commission approval of the Purchase and Sale Agreement dated September 27th, 2021, with Cathy Tarricone and Aldo Tarricone (Sellers) to purchase approximately a one-acre portion of the property located at 3944 Gay Road East, Tacoma, Washington also known as Pierce County tax parcel 0320132006, and authorize the Executive Director or his designee to execute any and all additional documents and take any and all additional actions necessary or required in connection with the completion of the purchase.

Motion was made and seconded.

VOTE: MOTION CARRIED 5-0

D. Evergreen Lease:

MOTION: Authorization for the Executive Director or his designee to enter into a three-year lease with Evergreen Shipping Agency (America) Corporation for office space located at 3600 Port of Tacoma Road, Suite 303.

Motion was made and seconded.

DISCUSSION:

1. Evergreen has been a tenant since 1/01/09 and they now wish to now have a three-year lease with three one-year extensions by mutual approval.
2. The lease terms were reviewed.

VOTE: MOTION CARRIED 5-0

E. Local Economic Development Investment Fund Request - Peace Pole:

MOTION: Request authorization for the Executive Director or his designee to fund an investment to the Pierce County non-profit organization, Sister Cities Council of Tacoma-Pierce County, d.b.a. Tacoma Sister Cities, from the Local Economic Development Investment Fund, for a total authorized amount of \$9,900.

Motion was made and seconded.

DISCUSSION:

1. Replace and repair the peace pole and globe that represents our Sister Ports and Sister Cities.
2. There was a request to cover the event fee in the amount of \$100. However, this event has already taken place and so this is not needed.

VOTE: MOTION CARRIED 5-0

NON-ACTION – NEW BUSINESS

None.

COMMITTEE REPORTS

Workforce Development Work Group: There was an internal meeting that included the Port of Seattle. They have a three-year program. Our survey results should be back next month, and Commissioner Keller would like to move forward with a three-year plan that the Commission could weigh-in on. Yesterday at the EDB's annual meeting they discussed the business accelerator for BIPOC communities. We are not part of this and she would like to join this effort. The Sea Scouts are looking for a new vessel, and she would like to potentially partner with the City of Tacoma on this.

Eric Johnson stated that the survey is completed and they are in the process of interviewing some of the respondents. They plan to report back to the Commission next month. Commissioner McCarthy encourages the Commission to change-up some of the committees and boards for 2022. Commissioner Meyer recommends sending out the Boards/Committee list now so Commissioners can review and recommend any changes at the December Commission Meeting.

ISSUE BRIEFINGS

A. Tideflats Subarea Plan Update:

DISCUSSION:

1. The progress was reviewed. We are not quite halfway through the work, but more than 50% through the funding.
2. Three potential future alternative actions for a Programmatic Environmental Impact Statement were discussed. Alternative #1 is to maintain status quo. As a result of the Tacoma City Council action taken on Tuesday evening, Alternative #1 is now affected. This will then affect the subarea plan. Pieces of the alternatives may be chosen for the action going forward.
3. The next steps were discussed. The Steering Committee will meet in December. The City of Tacoma will begin their formal process with the Planning Commission and City Council.
4. The non-interim land use regulations are more stringent than the interim regulations. The City has moved the goal posts as to "current use" by using the non-interim regulations as the current baseline, as opposed to the regulations prior to the interim regulations.
5. Commissioner Meyer requested more in-depth information on the maps of the alternatives. He wants to ensure that he and Commissioner McCarthy are well prepared on the consensus of the whole commission.
6. Commissioner Keller suggests that we need to advocate for more state support to ensure our supply chain is competitive and efficient. Commissioner Marzano testified before the Senate Business, Financial Services and Trade Committee this week and laid out the variety of ways that the state could be helpful in this supply chain crisis.
7. Commissioner McCarthy congratulated Port staff for their efforts on this. He was pleased with the compromises that were made and the final work product that was sent for approval. It was extraordinary work in the face of a lot of controversy and the City came back with a much better version of the regulations. He recommends the Port send a congratulations letter to the City.
8. Eric Johnson stated that we now need to turn back to the subarea plan. He would like to end up with a work plan that is comprehensive beyond just land use.

2:45 pm: Commissioner Ang departed the meeting

ANNOUNCEMENTS / COMMISSIONER COMMENTS

Commissioner Meyer: He is a former WPPA Executive Committee President and he will be transitioning off of this committee due to their five-year term. He asks if there is anyone on the Port of Tacoma Commission who would like to join this committee as an ad hoc member (nonvoting member). Ryan Calkins, Port of Seattle, is currently the ad hoc member. With Commissioner Meyer's departure, Commissioner Calkins will take his voting seat on the committee. He asks if there is another Port of Tacoma Commissioner who would like to take this ad hoc seat. The decision on this will be made by the time of the annual meeting in December. Commissioner Marzano stated that he doesn't feel we need to have both of the large Washington Ports sit on this committee.

Commissioner Keller: Congratulated Commissioners Meyer, Marzano and McCarthy on their successful campaigns. She wished everyone a happy and safe Thanksgiving.

Commissioner McCarthy: Stated he is really looking forward to the in-person Commission meeting next month.

Commissioner Marzano: Stated that now is the time for the Commission and staff to advocate to our legislative delegation how important ports are to the economic development and health of this state.

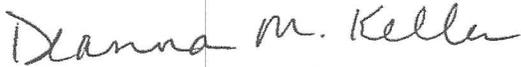
ADJOURNMENT

With no further business, Commissioner Marzano adjourned the meeting at 3:06 pm.

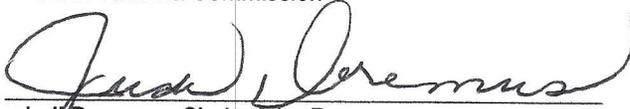


Dick Marzano, President
Port of Tacoma Commission

Attest:



Deanna Keller, Secretary
Port of Tacoma Commission



Jud Doremus, Clerk of the Port
Port of Tacoma