

**MINUTES
SPECIAL COMMISSION MEETING
SEPTEMBER 24, 2020**

The Port of Tacoma Commission met for a special meeting, September 24, 2020. Commissioners Keller, McCarthy, Marzano and Meyer were all present via telephone/video conference. Commissioner Ang was slightly delayed due to technical issues but joined the meeting.

Commissioner McCarthy called the meeting to order at 11:00 a.m.

After calling the meeting to order, the Commission immediately recessed into executive session to discuss one matter of litigation or potential litigation (RCW 42.30.110(1)(i)). The executive session lasted 15 minutes. No votes or actions were taken.

Commissioner McCarthy reconvened the public meeting at 11:30 a.m. and lead the Pledge of Allegiance. The agenda was revised to strike action item 2A and the Commission moved directly into a study session regarding the Port's Strategic Plan.

The Port's Executive Director, Eric Johnson, stated the purpose of the study session is to go over the initial early draft goals. This is to ensure staff and consultants understand the Commission's goals and objectives. This will set the foundation for future detailed study sessions. He added that though not being presented today, transportation projects will be an element of the Strategic Plan.

The Port's consultants for the development of the Strategic Plan, Jim Darling, Principal Planner, Maul Foster & Alongi, Inc. and Matt Hoffman, Sr. Planner, Maul Foster & Alongi, Inc. were introduced. Other members of the project team present included Elizabeth Scott and Jeff Marcell from TIP Strategies.

Mr. Hoffman provided an overview of the Strategic Plan development process and the timeline. The project team has created draft goals and draft strategies and "Pillars" to characterized and categorize the draft foundational goals. Based on the input received from Commissioners today, the project team and staff will refine the preliminary strategies, actions, Pillars and goals.

The Pillars were presented as:

- I. Economic Vitality (EV)
- II. Community Connections (CC)
- III. Environmental Stewardship (ES)
- IV. Organizational Health (OH)

Commissioner McCarthy commented that Pillar IV doesn't mention financial health and it should as the Port is a public entity. Commissioner Keller agreed. She commented that the Port is a hybrid agency, both public and business and the financial piece is extremely important.

Commissioner Meyer would reorder the Pillars, placing Economic Vitality and Environmental Stewardship as I and II. He suggested a fifth Pillar for transportation and infrastructure.

Commissioner McCarthy would limit the focus of Pillar III to properties on the Tideflats, particularly those that belong to the Port and which the Port impacts. The Port isn't able to advance environmental sustainability "throughout Pierce County and the region" it is too expensive. Commissioner Ang commented that the Port is the one that can lead the environmental sustainability throughout Pierce County as the Port has resources

to get grants, has the staff and knowhow. Commissioner McCarthy commented that the Port can be leaders in some areas but to remediate contaminated properties throughout Pierce County goes beyond the line. Commissioner Ang sees the language of that Pillar to advance sustainability through business aspects, attracting jobs of the future in a green industry, not through remediation of contaminated properties outside of the Port's own area.

Commissioner Meyer commented that the Port needs to focus on deploying its existing assets. The Port should clean up Port-owned parcels and put them to good use.

Commissioner Keller noted that commissioners are leaders in the community. Advancing sustainability isn't limited to financial contributions. Sometimes it is by lobbying or taking a stand and partnerships.

Commissioner Marzano commented that with the funds the Port has, it cannot be all things to all people, however the Port is countywide. He gave the example roads in Sumner to support distribution centers.

Discussion continued with Commissioners providing comments and feedback for each of the draft proposed Pillars, the associated Foundational Goals and draft strategies for each goal.

Goal EV1 – Invest in living-wage, job-creating real estate.

- Commissioners noted the need for integration with the goals of the Northwest Seaport Alliance (“NWSA” or “alliance”) regarding job creation. It cannot be a carve-out for the Port of Tacoma in isolation.
- It was noted that 80 percent of the Port's revenue is in the alliance.
- What was presented appeared to some commissioners to be limited to real estate. The goal and strategies need to include ensuring a competitive gateway, growth of cargo volumes, etc.

Goal EV2 – Develop policies and infrastructure investments that help create living-wage jobs and a more robust employment base and Goal EV-3 – Support and diversify marine trade activity were presented.

- Consultants noted it is under these two goals that integrate the NWSA into the Port's Strategic Plan.
- Commissioner McCarthy noted concerns with draft strategies E-H (as presented on slide 6 of the presentation) for Goal EV2. Consultants noted that those topics will be part of a larger conversation in October.
- Commissioner Marzano suggested the plan also focus on opportunities outside of the Tideflats, such as with Frederickson.
- Commissioner Keller suggested a focus on electrification opportunities to support trucks and support vehicles.
- Commissioner Ang commented that COVID has changed how the need for real estate is viewed. She suggested instead of “where is the next Frederickson?” that the questions should be “what is the next Frederickson?”
- Commissioner Meyer commented on EV3. He said his priority is taking Port-owned shoreline property and cleaning it up for water-dependent uses.

Goal EV4 – Invest in local workforce training and education that leads to living-wage jobs.

- Commissioner McCarthy commented that before prioritizing partnerships with educational institutions, the Commission needs to look at the types of jobs the Port creates or has an impact in creating. The focus should be on training that leads to those types of jobs.

- Commissioner Keller noted that in addition to apprenticeships, there are partnership opportunities public schools through universities and with other businesses in the Tideflats.
- Commissioner Meyer commented that efforts should not be limited to colleges and universities.
- Some of the existing opportunities/partnerships were mentioned.
- Commissioner Ang suggested this is an area where Diversity, Equity and Inclusion efforts should be included.

Goal CC1 – Broaden community engagement and outreach with residents throughout Pierce County.

- Commissioner Keller mentioned that many in the community are not aware or understand what the Port is all about. A focus on how to inform the public of the Port's purpose should be included.
- Commissioner McCarthy stressed that when speaking with the public, regarding the number of jobs created, tax generated, commissioners need to have the underlying data available.
- Commissioner Meyer does not see a difference between strategies A and B (slide 9). He noted a communication outreach plan must be multidimensional and comprehensive.
- Commissioner McCarthy suggested perhaps expanding the Pillar to include communication strategies beyond the region including international, national and state.

Goal CC2 – Strengthen communications and relationships with local governments and the Puyallup Tribe of Indians.

- Commissioner Ang commented that this goal is key to the Port's success.

Goal CC3 – Develop social responsibility policies. No comments.

Goal CC4 – Partner with regional organizations to advance sustainable practices and to promote and foster sustainable industries

- Commissioner McCarthy needs more clarity on the underlying Pillar II.
- Commissioner Keller agrees. We need to look at the definition of the terms and how this works in the Tideflats, if limiting to the Tideflats.
- Commissioner Meyer offered that there needs to be a focus on increasing coordination with the City of Tacoma and Pierce County on environmental goals.
- Commissioner Ang agreed with increased coordination. She mentioned the Port may have access to untapped knowledge from universities and research centers that may want to be involved. She gave an example of a presentation she viewed from a Master of Urban Planning capstone project where students researched what a 21st century waterfront looks like.

Goal CC5 – Enhance the public's access to the water.

- Commissioner McCarthy noted opportunities to enhance the appreciation for the waterway.
- Commissioner Meyer suggested that the goal statement is limiting. Instead of focusing on opportunities with the new Port Administration Building, the focus should be on a complete vision of the Foss Waterway. He also noted the need to balance between business/industrial use and a viable public access plan. He suggested rather than being project specific, the Strategy should focus on the vision.
- Commissioner Marzano emphasized working with partners to ensure public access.
- Commissioners McCarthy commented that he wants to come away from this exercise with certain specific projects. The Port Administration Building project on the Wheeler-Osgood property is one of those specific projects that is clear to him that should be included. Commissioners Meyer and McCarthy agreed that rather than "Port Administration Building" a "Maritime Center" might be a better descriptor of the intentions.

- Commissioner Keller also emphasized partnerships.
- Commissioner Ang agrees need to look at opportunities with the Port's Administration Building or Maritime Center. She mentioned perhaps being an incubator for blue economy being part the vision. She agrees with partnerships and that the public should be able to also enjoy the waterfront.
- Consultants noted that some of the issues raised are addressed in other Pillars.

Goal ES1 – Remediate contaminated properties in Pierce County in a manner that ensures protection of human health and the environment while enabling economic development.

Goal ES2 – Reduce the air and climate pollution generated by Port and tenant activities.

Goal ES3 – Invest in projects that improve the quality of stormwater runoff from Port properties and provide best practices education opportunities.

Goal ES4 – Create wetland mitigation opportunities that improve fish habitat independent of regulatory obligation.

- Commissioner McCarthy noted that the outward facing goals assume sufficient in-house expertise and resources to assume all the obligations that some outside piece of property would require. Mr. Johnson noted that though there is solid in-house expertise, some of the best he has seen, nearly every project requires the use of outside experts to assist, such as legal, divers for underwater projects, etc.
- Commissioner Meyer commented regarding ES1, that it should not include all of Pierce County. He said the focus should be on remediating contaminated properties in the Tideflats as the Port has a lot of financial obligations for cleaning up the Port's own area before branching out. His other concern is a need for a policy for what the Port wants to do with its wetland mitigation credits, and also related to stormwater and a sampling plan for water drains.

Goal OH1 – Ensure that the Strategic Plan becomes the day-to-day roadmap for aligning Port Commission and Port staff decisions and actions.

Goal OH2 – Create and maintain alignment within the organization on Port policy and priorities.

Goal OH3 – Provide continued financial transparency and solid Port fiduciary performance for the residents of Pierce County

Goal OH4 – Increase the Port's net revenue year over year.

Goal OH5 – Plan and design a new port administrative office headquarters.

Goa OH6 – Protect the public's investment in Port controlled assets.

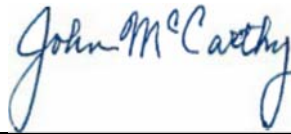
- Commissioner McCarthy would like to add utilization of some of the Port's net revenue for the reduction of debt to OH4.
- Commissioner Keller commented on OH1. She noted that she has been on the Commission nine months and has seen a "push/pull" between the Commission and staff from time to time. A clear, delineation of roles and strategy will allow much more to be accomplished.

- Commissioner Meyer agrees with the goal to minimize debt. He said in order to address that cash flow and business opportunities need to be considered. He suggested a goal of minimizing the amount of debt the Port takes on to complete projects might be a more realistic statement. He also would rather the Pillar be titled "Organizational Effectiveness and Financial Performance." Relating to OH5, he commented the Port needs to figure out its role for office buildings.
- Commissioner Ang commented that the goal of increasing the Port's net revenue year over year is highly dependent on the decisions made at the NWSA. She cautioned about being shortsighted by saving versus investing in the future of the gateway. She suggested that perhaps there should be a goal under Pillar III related to legislative policy. She asked that the Port's role in areas such as land use planning, clean air as a region, carbon fading, low carbon fuel standards, etc. be considered.
- Commissioner Marzano recommended that the review of the Strategic Plan should be semi annually and not put on a shelf. He also noted there are immediate decisions that need to be made, for example decisions regarding the Fabulich Center. He referenced possible opportunities to develop the land where the Port could increase its revenue and may offset the cost of relocating the Fabulich Center to the Foss Waterway.

The concept of using "Pillars" to organize thinking, not that they are all equal in foundation. The Pillars are also not organized by priority.

The Commissioners decided to postpone the planned mission and values discussion to a later meeting. Before adjourning, Mr. Darling highlighted the topics that will be covered during the mission and values session.

There being no further business before the Commission, the meeting adjourned at 2:30 p.m.



John McCarthy, President
Port of Tacoma Commission

Attest:



Don Meyer, Secretary
Port of Tacoma Commission



Juliet Campbell, Clerk of the Port
Port of Tacoma