

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

COMMISSIONERS PRESENT:

1. Dick Marzano, President
2. Don Johnson, 1st Assistant Secretary
3. Connie Bacon, 2nd Assistant Secretary

COMMISSIONERS EXCUSED:

1. Don Meyer, Vice President
2. Clare Petrich, Secretary

STAFF PRESENT:

1. John Wolfe, CEO
2. Carolyn Lake, Port Counsel
3. Judi Doremus, Executive Assistant
4. Jean West, Chief Human Resources Officer
5. Loni Shorten, Manager, Human Resources
6. Christina Roberts, Manager, Human Resources
7. Ricardo Charlton, Director, Maintenance
8. Evette Mason, Manager, Local Government Relations
9. Erin Galeno, CFAO
10. Louis Cooper, Sr. Director, Security/Labor Relations
11. Mark Little, Director, Contracts and Purchasing
12. Nick Demerice, Director, Public Affairs

4:00 PM: EXECUTIVE SESSION

1. CALL TO ORDER:

Commissioner Marzano called the meeting to order at 4:02 pm and then recessed into Executive Session:

2. RECESS INTO EXECUTIVE SESSION:

- A. One (1) Real Estate-Buying/Leasing Item-RCW 42.30.110 (1)(b)
- B. Two (2) Real Estate-Selling/Leasing Items-RCW 42.30.110 (1)(c)
- C. Two (2) Litigation Items-RCW 42.30.110 (1)(i)

6:00 PM: SPECIAL COMMISSION MEETING

1. RETURN TO ORDER:

- A. Flag Salute

2. CONSENT AGENDA:

- A. Minutes of February 17, 2017
- B. Voucher Certification: Checks #211975 through #212276 and wire transfers in the total amount of \$10,154,311.84 during the period of February 9, 2017 through March 6, 2017 were certified.

"Approve the above Consent Agenda".

Motion was made by Commissioner Bacon, seconded by Commissioner Johnson:

VOTE: MOTION CARRIED 3-0

3. AGENDA:

A. Resolution 2017-02-PT, Master Benefit and Salary Resolution:

Motion was made by Commissioner Johnson, seconded by Commissioner Bacon:

"Adopt Reslution 2017-02-PT, which supersedes Resolution 2016-01-PT, the Master Benefit and Salary Resoloution."

1. Changes to the Master Benefit and Salary Resolution were discussed to include the addition of paid parental leave and the ability for Port of Tacoma and NWSA employees to share leave.
2. Foster child: An employee can utilize a maximum of four weeks of paid parental leave per calendar year. Concern was expressed for the potential of abusing this benefit in the case of foster parents. The resolution can be amended if it is found to be abused. An annual report will be given to the Commission as to how much paid parental leave is used.
3. It covers all parental arrangements.
4. Other agencies that have paid parental leave include the Port of Seattle, City of Seattle, King County and Microsoft.
5. FMLA provides 12 weeks of leave, but it is not paid.
6. The proposed 2.8% increase is for salary ranges and moves the mid-points. This does not increase salaries of employees; salary increases are given on a performance basis.

PUBLIC COMMENT: None.

VOTE: MOTION CARRIED 3-0

B. Boom Lift Purchase:

Motion was made by Commissioner Johnson, seconded by Commissioner Bacon:

"Authorize the purchase of a 185-foot boom lift from Leavitt Machinery for the purchase price of \$330,000 plus Washington State sales tax."

1. Port of Tacoma will be getting new cranes with a height of 184 feet. The cranes need to be inspected and maintained on a regular basis. The highest boom lift we currently have is 135 feet.

2. Discrepancy in bids: JGL is a provider, rather than a distributor, and discourages customers from purchasing from them directly, accounting for their much higher bid. They encourage customers to purchase through a distributor.
3. The NWSA will be charged on a usage basis for the use of the cranes from Port of Tacoma.
4. This is the biggest boom lift available currently on the market.

PUBLIC COMMENT: None.

VOTE: MOTION CARRIED 3-0

4. GENERAL BUSINESS:

A. World Trade Center Tacoma (WTCT)-Management Structure Change: Tom Pierson, President/CEO, Tacoma-Pierce County Chamber of Commerce

1. Dale King, WTCT Board Chair, is also here today.
2. The issues with the historic management structure were reviewed. In the new structure the Chamber will assume management with a one-year contract and provide technical, IT, payroll, accounting and marketing services. The WTCT Board will still have oversight. The Chamber will oversee the finances of the WTCT and report to their board. Gary Brackett is the interim CEO. The Chamber will conduct a new Executive Director search.
3. The Chamber is conducting a thorough financial review and will report back to the Commission. This is only day #10 with the Chamber managing the WTCT, so it is a little too early to report on the financial status.
4. Structure would continue to be the World Trade Center of Tacoma. The Chamber will handle the day-to-day work and go to the board for necessary approvals. The WTCT currently subleases their office space from the Chamber, and this lease will continue until the end date of March, 2018.
5. The WTCT will be implementing a contract-for-services structure.

PUBLIC COMMENT: None.

B. Strategic Plan Scheduling Update:

1. We will have a full-day workshop on June 5, 2017, which will include exploring port powers, history of the port, affordability, opportunities and direction from the Commission and how we can engage the public.
2. Concern was expressed for determining the direction of the Port and building a strategic plan before hiring a new CEO. Other Commissioners feel we need to define what the business of the Port of Tacoma encompasses prior to initiating a CEO search. The workshop will determine the next steps. It may be that we pause and hire a new CEO first. Or we could determine what the Port of Tacoma will encompass and where we may go in the future and then hire a new CEO. There is approximately 15% of income left of the Port of Tacoma after the cargo was put into the NWSA.
3. By June 5th the intent is to define what business is in the NWSA and what is left in the homeport.
4. After a new CEO is hired then new lines of businesses could be decided.
5. Staff is here to support the Commission in the direction it wants to go, but not drive that direction.

PUBLIC COMMENT: None.

C. Corporate Social Responsibility Program Update:

1. There are four major initiatives in this program: **Initiative #1: Port-wide Diversity Initiative:** Diversity includes diversity of thought to include ethnicity, age, experience. Outreach is key to educate K-12 students on jobs in the maritime industry and what qualifications these jobs will require.
2. We are a business and do want to hire the best person for each job.
3. Skilled trades program: The Port is fostering a mentoring and education program to create a pool of qualified workers. The cost of this will be reported back to the Commission.
4. **Initiative #2: Community Engagement Program:** The elements of this were discussed.
5. **Initiative #3: Small and Emerging Business Program:** The plans to expand this program were reviewed.
6. **Initiative #4: Port Sustainability Program:** Encompasses mitigation, clean air and water programs in the Environmental Department.
7. Some of this work will transition over to External Affairs staff. This is an opportunity to reinvest in our community and our values. We invest in the community through many avenues, such as sponsorships, as well as the Community Investment Program.

PUBLIC COMMENT: None.

D. CEO Announcements:

1. **Annual Customer Breakfast, 4/12/17:** This is being held at the Washington State Convention Center. The keynote speaker will be John Rossman, former Amazon executive and consultant on digital strategy.
2. **Port of Tacoma Earth Day, 4/21/17:** Port Biologist, Jenn Stebbins, will conduct free tours on the Gog-le-hi-the wetlands starting at 8:00 am. Space is limited to 10 per tour. To reserve your spot, email Community@portoftacoma.com or call 253-428-8662.

5. PUBLIC AND COMMISSIONER COMMENT:

Public Comment:

LaDonna Robertson: Spoke about the Environmental Sustainability Program. She stated that the PSE LNG plant is the wrong project in the wrong place at the wrong time. She feels LNG through fracking is worse than coal. She has concern for the leaking of fracking wells. She cited a study from the NOAA, which reported a higher well leakage level than expected, up to 11%. Anything over 3% leakage makes LNG worse than coal. Although studies have shown that the use of LNG will reduce certain particulates, including sulfur oxide, in the short-run, it will not solve the long-term problem of greenhouse gasses. She added that LNG is only a benefit in greenhouse emissions if you only look at emissions from the ships.

Todd Iverson, ILWU Local 23: Spoke about the difficulties longshore has had with rail issues. They are having trouble getting rail cars in and out of the rail yards, and have had to send workers home due to inability to get the rail cars out. The rail needs to be there on time. The North Intermodal Yard plans to double capacity. With increased capacity this issue will worsen. He asks that something be done to address this.


Jose Garcia: Spoke regarding the PSE LNG plant. He wonders why such an impactful industry would be built in an earthquake zone. He feels it is too dangerous in this area. He cited the nuclear plant in Japan that underwent an earthquake.

David Bloom: Stated that his concern is that the public just talks to the Commission and other agencies. He wants to have an actual conversation that includes experts on the pros and cons and dangers regarding the LNG plant and other industrial developments.


Commissioner Comment: None.


6. ADJOURNMENT:

There being no further business, President Marzano adjourned the meeting at 7:42 pm.


Richard P. Marzano, President
Port of Tacoma Commission

ATTEST:


Donald C. Johnson, First Assistant Secretary
Port of Tacoma Commission


Judi Doremus, Clerk of the Port
Port of Tacoma

