

MEETING MINUTES

Port of Tacoma Commission



REGULAR MEETING

November 19, 2024 - 12:00 p.m. Public Session Start

Fabulich Center, Room #104: 3600 Port of Tacoma Road, Fife

The Port of Tacoma Commission met for a regular meeting on **November 19, 2024** at the Fabulich Center, 3600 Port of Tacoma Road, Fife, WA. Commissioners Kristin Ang, Deanna Keller, Dick Marzano, and Don Meyer were present at the start of the meeting. A quorum was met.

CALL TO ORDER | EXECUTIVE SESSION:

Commissioner Kristin Ang, Port of Tacoma Commission President, called the meeting to order at **10:00 a.m.** and announced the Commission would meet in **Executive Session** until **12:00 p.m.** to discuss:

- One (1) Information Technology Infrastructure Security Item – RCW 42.30.110(1)(ii)
- One (1) Sale of Real Estate Item – RCW 42.30.110(1)(c)
- One (1) Potential Acquisition of Real Estate Item – RCW 42.30.110(1)(b)
- One (1) Potential Litigation Item – RCW 42.30.110(1)(i)

Executive Director, Eric Johnson, stated the factors allowed to be discussed during Executive Session in relation to real estate are as follows: size and zoning of the property, distance from and connectivity to deep-water marine terminals, job creation and potential, and consistency with the Strategic Plan.

Commissioner John McCarthy joined the meeting at 10:15 a.m.

1. RETURN TO ORDER & FLAG SALUTE:

Commissioner Ang returned the meeting to order at **12:00 p.m.**, and stated the Commission met in Executive Session until **12:00 p.m.** The public meeting began with the Pledge of Allegiance. Commissioner Ang acknowledged that we are situated on the traditional homelands of the Puyallup Tribe and committed to uplifting the voices, experiences, and histories of the Indigenous people of this land.

2. APPROVAL OF AGENDA:

Commissioner Ang sought approval of the agenda. There was one request for a change in the order and an Audit Committee Report was added to Committee Reports.

MOTION: Move to add the Audit Committee Report to Committee reports.

Motion was made by Commissioner Meyer and seconded by Commissioner Marzano.

VOTE: Motion Carried 5-0

Commissioner Ang	Aye
Commissioner Keller	Aye
Commissioner McCarthy	Aye
Commissioner Marzano	Aye
Commissioner Meyer	Aye

3. EXECUTIVE DIRECTOR'S REPORT – Eric Johnson

- The final Industrial Stormwater General permit for the next five-year cycle from the Department of Ecology is expected by end of this week.

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- We will seek approval at the December Commission meeting to use mitigation credits on three maintenance dredging projects.
 - The Port will request reimbursement from NWSA at their January meeting for the costs and use of mitigation credits.
 - We have applied for an EPA clean-up grant for the location of the Maritime Center site. Clean-up costs are estimated at about \$3 million, and a grant could cover up to \$2 million with a performance period of four years. We should find out in January if we are awarded the grant.
 - We will provide details on the Tideflats Subarea Plan, which is wrapping up after a seven-year process. The steering committee will forward the plan to the City's Planning Commission, with eventual approval sought from the City Council.
 - All staff will be returning to office two days a week on Tuesdays and Wednesdays beginning in January.
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4. PUBLIC COMMENT:

- Support of the new Maritime Center was given by:
Elizabeth Bonright (Tacoma School Board Member), Brent Mason (Foss Waterway Seaport Executive Director), Tom Rogers (Youth Marine Foundation President & Co-Founder), Luke Curtis (Foss Waterway Seaport Board Member), Josh Garcia (Tacoma Public Schools Superintendent), and Paul Birkey (Tacoma Boat Builders Founder).
 - Josh Garcia presented the Port of Tacoma with a Maritime 253 flag to commemorate this day and be displayed at the new Maritime Center and Maritime Skills Center buildings.
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5. CONSENT AGENDA:

- A. Approval of the minutes from the **10/2/24 and 10/15/24** meeting.
- B. Disbursement Certifications during the period of **10/5/24 to 11/8/24**:
 - 1. Check numbers **454 to 493** and **495 to 746** in the amount of **\$6,726,567.70**, and electronic payments in the amount of **\$4,492,838.97** for a total of **\$11,219,406.67**.
 - 2. Check number **494** to the State Auditor in the amount of **\$3,129.75**.
- C. **Resolution 2024-08-PT**: Correct a legal description of property previously sold and authorize the Executive Director to Execute a Correction Deed.

MOTION: Approve the Consent Agenda items 5A, 5B-1 and 5C as presented.

Motion was made by Commissioner McCarthy and seconded by Commissioner Keller

VOTE: Motion Carried 5-0

Commissioner Ang	Aye
Commissioner Keller	Aye
Commissioner McCarthy	Aye
Commissioner Marzano	Aye
Commissioner Meyer	Aye

MOTION: Approve the Consent Agenda item 5B-2, check number 494 for \$3,129.75 to the State Auditor's Office.

Motion was made by Commissioner Marzano and seconded by Commissioner Meyer.

VOTE: Motion Carried 4-0-1

Commissioner Ang	Aye
Commissioner Keller	Aye
Commissioner McCarthy	Abstain
Commissioner Marzano	Aye
Commissioner Meyer	Aye

6. COMMISSION ACTIONS:

At the start of this section, a request to change the order of the Commission Action items was made.

MOTION: Move agenda items 6D, 6E, & 6F (those associated with the Maritime Center projects) up in the agenda and presented first in Commission Actions.

Motion was made by Commissioner Meyer and seconded by Commissioner McCarthy.

VOTE: Motion Carried 5-0

Commissioner Ang	Aye
Commissioner Keller	Aye
Commissioner McCarthy	Aye
Commissioner Marzano	Aye
Commissioner Meyer	Aye

D. Maritime Center Authorization Increase for Construction of Business Center & Site

Stan Ryter (Sr. Project Manager—Engineering), Alisa Praskovich (Chief—Strategic Projects & Commission Relations) & Rob Healy (Sr. Project Manager—Environmental) presented on behalf of the Port. The request sought approval of a guaranteed maximum price (GMP) for the construction of the Port of Tacoma Maritime Center, Project No. 101549.01. The scope of work associated with this request includes: construction of the building, site development, off site & shoreline improvements, and railroad upgrades & construction of signal crossings. Authorization to approve and accept grants associated with this project were also requested.

MOTION: Approve –

1. **Project authorization in the amount of \$125,000,000 for a total authorized amount of \$149,770,000, for work associated with the Port of Tacoma’s Maritime Center, Project No. 101549.01; <and>**
2. **Authorization for the Executive Director, or his delegate, to accept the \$2.5M Washington Department of Commerce Community Decarbonization grant; <and>**
3. **Authorization for the Executive Director, or his delegate, to accept the \$100k Ecology “Charge Where You Are” grant.**

Motion was made by Commissioner McCarthy and seconded by Commissioner Keller. Discussion ensued.

MOTION to Amend: Strike the project authorization language in the first item of the motion and insert “request staff renegotiate project authorization within 60 days to include an ADA compliant dock and ramp with the project authorization of \$149,770,000, Project No. 101549.01.”

Motion was made by Commissioner Meyer. No second was received, so this motion was not considered.

MOTION to Amend: Add “the Executive Director is directed to request the Northwest Seaport Alliance Commercial Team consider locating in the Maritime Center building” to the motion.

Motion was made by Commissioner Meyer and seconded by Commissioner Ang. Discussion ensued.

VOTE on Amendment: Motion Carried 4-1

Commissioner Ang	Aye
Commissioner Keller	Nay
Commissioner Marzano	Aye
Commissioner McCarthy	Aye
Commissioner Meyer	Aye

VOTE on MOTION with the approved Amendment: Motion Carried 5-0

Commissioner Ang	Aye
Commissioner Keller	Aye
Commissioner Marzano	Aye
Commissioner McCarthy	Aye
Commissioner Meyer	Aye

The Commission recessed for a short break at 1:36 p.m. and returned 1:45 p.m.

E. South Puget Sound Maritime Skills Center – Planning & Development – ILA #3

Alisa Praskovich (Chief—Strategic Projects & Commission Relations) presented on behalf of the Port. Approval of a third ILA between the Port and the Tacoma Public School District as it pertains to the construction completion of Maritime Skills Center and Port Maritime Center was requested.

MOTION: Approve authorize the Executive Director to enter into a third Interlocal Agreement (ILA) between the Tacoma Public School District (District) and the Port of Tacoma (Port) to govern planning and development of the Project through completion of the site development and construction of the District’s Maritime Skills Center and Port Maritime Center.

Motion was made by Commissioner Keller and seconded by Commissioner McCarthy.

VOTE: Motion Carried 5-0

Commissioner Ang	Aye
Commissioner Keller	Aye
Commissioner Marzano	Aye
Commissioner McCarthy	Aye
Commissioner Meyer	Aye

F. Maritime Center – 1st Amendment to Ground Lease ILA with Tacoma Public Schools

Debbie Shepack (Sr. Director—Real Estate) presented on behalf of the Port. An amendment to the first ILA with the Tacoma Public School District associated with the terms of the lease agreement was requested. This amendment specifically addresses construction responsibilities and capital improvements to the site.

MOTION: Authorize the Executive Director, or his designee, to enter into a 1st Amendment to the Ground Lease/Interlocal Agreement between the Tacoma School District and the Port of Tacoma for the premises located at 1203 East D Street, Tacoma, WA (also known as Port Parcel 94), to amend the terms of the lease agreement to address construction responsibilities and payment for certain capital site improvements associated with the development of the South Puget Sound Maritime Skills Center.

Motion was made by Commissioner Meyer and seconded by Commissioner McCarthy. Discussion ensued.

VOTE: Motion Carried 5-0

Commissioner Ang	Aye
Commissioner Keller	Aye
Commissioner Marzano	Aye
Commissioner McCarthy	Aye
Commissioner Meyer	Aye

A. Port of Tacoma 2025 Statutory Budget Adoption

Erin Galeno (Chief Financial & Administrative Officer) presented on behalf of the Port. Approval of the 2025 budget, the Tax Levy Certification, the Tax Levy Ceiling and an ILA for the 2025 services the Port provides for and between the Northwest Seaport Alliance (NWSA) was requested. This presentation was a follow-up to the Budget Study Session held previously.

Public Hearing:

The public hearing of this portion of the meeting was **opened at 2:04 p.m.**

Washington State law requires that a public hearing be held before the Commission authorizes the budget in order to provide the public with an opportunity to comment. The purpose of this hearing is to take comments, if any, from the public on the proposed 2025 Budget.

Public Comments for the Hearing on the Budget: None given.

The presentation was a follow-up to the Budget Study Session held previously and was provided at this point in the meeting. Questions were fielded throughout the presentation.

This public hearing **closed at 2:21 p.m.**

MOTION: Approve Resolution 2024-04-PT: Tax Levy Certification to direct the Secretary to certify to the Clerk of the County Council of Pierce County, WA, a tax levy of \$26,845,952 for the year 2025.

Motion was made by Commissioner Meyer and seconded by Commissioner Keller.

VOTE: Motion Carried 5-0

Commissioner Ang	Aye
Commissioner Keller	Aye
Commissioner Marzano	Aye
Commissioner McCarthy	Aye
Commissioner Meyer	Aye

MOTION: Approve Resolution 2024-05-PT: Tax Levy Ceiling addressing the tax levy requirements pursuant to RCW 84.55.120 and RCW 84.55.092; and preserving the opportunity for future increase in the limit factor for maximum levy capacity pursuant to RCW 84.55.0101.

Motion was made by Commissioner Marzano and seconded by Commissioner Keller.

VOTE: Motion Carried 5-0

Commissioner Ang	Aye
Commissioner Keller	Aye

Commissioner Marzano	Aye
Commissioner McCarthy	Aye
Commissioner Meyer	Aye

MOTION: Authorize the Executive Director to sign the Interlocal Agreement for the 2025 service directives between the Port of Tacoma and the Northwest Seaport Alliance.

Motion was made by Commissioner Meyer and seconded by Commissioner McCarthy.

VOTE: Motion Carried 5-0

Commissioner Ang	Aye
Commissioner Keller	Aye
Commissioner Marzano	Aye
Commissioner McCarthy	Aye
Commissioner Meyer	Aye

MOTION: Approve Resolution 2024-06-PT: Statutory cash budget for 2025 including the memberships over \$10,000 and hosting.

Motion was made by Commissioner Meyer and seconded by Commissioner Marzano. Discussion ensued.

VOTE: Motion Carried 4-1

Commissioner Ang	Aye
Commissioner Keller	Aye
Commissioner Marzano	Aye
Commissioner McCarthy	Nay
Commissioner Meyer	Aye

B. Resolution 2024-07-PT: Adopt the updated Port of Tacoma Comprehensive Scheme of Harbor Improvements (CSHI)

Ryan Medlen (Sr. Planner—Environmental) presented on behalf of the Port. Washington State law (RCW 53.20.010) requires the Port to maintain a CSHI and provide the public with information on development. The updates are more clerical in nature and include revised language to better align with the current strategic plan, and clarify the scope of authorization of CSHI and the connection to SEPA. No changes to the Port’s planning area, planned uses or property areas are in the update.

Public Hearing:

The public hearing of this portion for this item was **opened at 2:35 p.m.**

Washington State law requires that a public hearing be held before the Commission authorizes the Comprehensive Scheme of Harbor Improvements in order to provide the public with an opportunity to comment. The purpose of this hearing is to take comments, if any, from the public on the updates proposed.

Public Comments for the Hearing on CSHI: None given.

This public hearing closed at **2:36 p.m.**

MOTION: Approve Resolution 2024-07-PT amending the Comprehensive Scheme of Harbor Improvements (CSHI) as required by Revised Code of Washington Chapter 53.20.

Motion was made by Commissioner Meyer and seconded by Commissioner Keller. Discussion ensued.

VOTE: Motion Carried 5-0

Commissioner Ang	Aye
Commissioner Keller	Aye
Commissioner Marzano	Aye
Commissioner McCarthy	Aye
Commissioner Meyer	Aye

C. The North West Company Lease – 2nd Reading

Einar Roden (Real Estate Property Manager) presented a second reading for an amendment to extend The North West Company lease with the Port. He addressed Commissioner questions posed during the first reading at the October 15th Commission meeting. The lease terms and the amendment were reviewed.

MOTION: Authorize the Executive Director, or his designee, to enter into a First Amendment with The North West Company (International), Inc. for the premises including approximately 80,333 square feet of warehouse, 12,500 square feet of cold storage, 4,332 square feet of office, and 5 acres of land located at 2000 Taylor Way, Tacoma, WA.

Motion was made by Commissioner McCarthy and seconded by Commissioner Keller. Discussion ensued.

VOTE: Motion Carried 5-0

Commissioner Ang	Aye
Commissioner Keller	Aye
Commissioner Marzano	Aye
Commissioner McCarthy	Aye
Commissioner Meyer	Aye

7. SPECIAL ORDER OF BUSINESS: None

8. NEW BUSINESS: None

9. COMMITTEE REPORTS:

A. Workforce Development – Commissioner Keller provided the committee’s report. Commissioners Keller and Meyer were joined by Port Staff, Sean Eagan and Leslie Barstow at the last meeting. The Port contracts with Workforce Central to provide paid work experiences and internships in the areas of trade, logistics and maritime fields. Both Commissioners on the committee support staff’s recommendation to renew the contract for 2025 due to the program’s success.

B. Audit Committee – Commissioner Keller provided an update on the committee’s last meeting. Commissioners Keller and Marzano were joined by staff and representatives from the State Auditor’s Office (SAO) and Moss Adams. The SAO discussed their 2021-2023 Accountability Audit for the Port. Moss Adams issued a clean audit for 2023 and is now working on the 2024 audit.

10. ISSUE BRIEFINGS: None

11. ANNOUNCEMENTS / COMMISSIONER COMMENTS:

- A. **Commissioner Marzano:** Thanked staff & commissioners for moving forward with the business today.
- B. **Commissioner McCarthy:** Echoed Commissioner Marzano's comments and wished everyone a Happy Thanksgiving.
- C. **Commissioner Meyer:** Wished everyone a Happy Thanksgiving.
- D. **Commissioner Keller** – Happy Thanksgiving to all. She recently participated in a panel presentation with Port staff, Workforce Central and Tacoma Public Schools. She wrote a proposal for the Washington Workforce Association's conference to talk about Port Authority roles in economic development.
- E. **Commissioner Ang:** Thanked the Port team & Commissioners. She appreciated the community members who came to show support for the Maritime Center project and the effort of the team to reach this milestone.

12. ADJOURNMENT: Commissioner Ang adjourned the meeting at **2:55 p.m.**

Attest:



Kristin Ang, President
Port of Tacoma Commission



Dick Marzano, Secretary
Port of Tacoma Commission



Helen Hickman, Clerk of the Port
Port of Tacoma