

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

STAFF PRESENT

John Wolfe, Chief Executive Officer
Carolyn Lake, Port Counsel
Mark Little, Dir. Contracts & Purchasing
Jason Jordan, Dir. Environmental Programs
Kim Mahoney, Environmental Specialist
Mike Reilly, Dir. Business Development
Erin Galeno, Chief Financial & Administrative Officer
Juliet Campbell, Clerk of the Port

4:00 P.M.: EXECUTIVE SESSION

1. CALL TO ORDER:

Commissioner Meyer called the Regular Commission Meeting to order at 4:00 p.m. and recessed into Executive Session for approximately one hour.

2. RECESS INTO EXECUTIVE SESSION:

A. Two (2) Litigation/Potential Litigation Items RCW 42.30.110(1)(i)

No actions or votes were taken.

5:00 P.M.: SPECIAL COMMISSION MEETING

1. RETURN TO ORDER:

Commissioner Meyer reconvened the Regular Commission Meeting at 5:05 p.m. and the Pledge of Allegiance was recited.

Commissioner Meyer offered opening remarks, reflecting on statements made by the Puyallup Tribe's Canoe Committee and Culture Department representatives during the May 14, 2018 Canoe Journey Briefing to the Commission and City of Fife related to healing and working together. He noted the Port is celebrating 100 years of existence in November. As the Port contemplates the next 100 years, he would like commissioners to think about how to memorialize its desire to work in cooperation and healing with the Tribe in areas such as subarea planning and other matters.

2. CONSENT AGENDA:

- A. Minutes of July 17, 2018 and July 26, 2018
- B. Check/Wire Certification approving payment of checks 219447 through 219709, and wire transfers in the total amount of \$18,894,516.70 during the period of July 14, 2018 through August 3, 2018.

Motion was made by Commissioner Petrich; seconded by Commissioner Johnson:
"Approve the Consent Agenda as presented."

VOTE: MOTION CARRIED 5-0

3. PUBLIC COMMENT:

Norman Gollub from the Foss Waterway Development Authority requested the Commission's support of a harbor line adjustment.

4. ACTION AGENDA:

- A. Interlocal Agreement (ILA) with the National Oceanic and Atmospheric Administration (NOAA)
Introduced by Jason Jordan, Dir. Environmental Programs; presented by Kim Mahoney, Environmental Specialist

Motion was made by Commissioner Petrich; seconded by Commissioner Johnson:

"Authorization to enter into an Interlocal Agreement (ILA) with the National Oceanic and Atmospheric Administration (NOAA) to fund operation and maintenance of tidal and wind gauges at the Port of Tacoma as part of NOAA's Physical Oceanographic Real-Time System (Ports®) for \$66,542.00 payable over five years.

Discussion Included:

1. NOAA PORTS® measures meteorological data and tidal data. The data is used by Port staff in its analysis of barometric pressure and tidal actuals. The information is also used by ship masters and pilots to safely navigate waterways.
2. Terms of the ILA were described including the responsibilities of NOAA and of the Port. In case of termination, the Port is responsible for agreed costs incurred to date, and reserve funds (up to \$50,000) may be used to remove equipment if NOAA chooses to.
3. The cost of the ILA is \$66,542.00 over a five-year period and the annual payment will come from Port of Tacoma operating income.
4. The tidal gage at T7 near the administration building measures real time tidal actuals. Whether those measurements are recorded and preserved will be confirmed.
5. City of Tacoma received a grant to do a study to develop a model to predict sea level rise. Goal will be to come back with the results and the predictions associated with that model at the end of the year.

VOTE: MOTION CARRIED 5-0

- B. Pacific Rail Services, Inc. (PRS) Intermodal Yard Operating Contract – 13th Amendment
Presented by Mike Reilly, Dir. Business Development

Motion was made by Commissioner Johnson; seconded by Commissioner McCarthy:

“Authorize the Chief Executive Officer or his delegate to execute the Thirteenth Addendum to the Pacific Rail Services (PRS) Intermodal Yard Operating Contract, Purchased Service Contract No. 83245. This action will retroactively re-establish an expired vendor services contract, and will reflect payments made for services provided during the lapse. The current lift fees paid by the Union Pacific Railroad, in effect since July 1, 2016, will continue through January 11, 2109.”

Discussion Included:

1. A background of the contract was presented. The Port has been contracting with PRS at the South Intermodal yard since 1985. Beginning in 2009 the primary customer has grown to be the Union Pacific Railroad.
2. PRS provides services needed to support the Union Pacific’s Domestic Intermodal service. The Port has contracted with PRS to provide these services to the UP.
3. There were 87,709 lifts handled in 2017. Volumes are projected to reach 100,000 lifts in 2018.
4. The contract was first approved in 1991 and has been updated and amended via 12 succeeding addenda. The contract lapsed on October 1, 2017. This action will retroactively re-establish the PRS Intermodal Yard Operating Contract. Since the lapse, no service interruptions have been experienced and all parties have been compensated.

VOTE: MOTION CARRIED 5-0

5. STAFF BRIEFINGS / STAKEHOLDER UPDATES:

- A. Future Management Structure
Introduced by Erin Galeno, CFAO for discussion by the Commission

Discussion Included:

1. When The Northwest Seaport Alliance (NWSA) was formed, its charter contemplated a five-year transition period around the management services for the NWSA. The parties are three years into that transition period.
2. During 2018 the NWSA Managing Members have engaged in discussion in public and in FMC sessions to evaluate potential management structures beyond the transition period. The alternatives considered were summarized.
3. Commissioners emphasized that all of the materials need to be in one location so the public and staff can reference and recognize the breadth and depth of considerations made in the decisions being made.
4. Commissioner McCarthy outlined three key issues that cause concern from his perspective: 1) the nature and extent of what the NWSA will manage 2) who will manage the employees, and 3) liability of the Port of Tacoma for management decisions made by a separate entity, the NWSA. Conversation continued by the Commission on these topics.

- B. Interlocal Agreement for General Investigation of Puyallup River
Introduced by Jason Jordan, Dir. Environmental Programs; presented by Melissa McFadden, Deputy County Engineer – Stormwater Pierce County

Discussion Included:

1. The US Army Corps of Engineers (ACOE) inactivated the Puyallup River Basin General Investigation Study earlier this year. The reasons given for inactivating the study were reported by Ms. McFadden.

2. The Port paid \$187,141.33 toward the project.
3. Commissioner Petrich who served on the Puyallup River Executive Task Force expressed her frustration with the process. She noted there is a major flooding issue on the Puyallup River. They sought the assistance and leadership of a federal agency and they did not get it. She is glad to see that the County is continuing to look for possible projects.
4. Though inactivated, the County states that there were achievements gained from the study. Improvements needed have been identified. There is information that can be used to prioritize investments, and there is preliminary design information for projects that can be built.
5. Commissioner Petrich expressed her frustration that the ACOE did not provide the level of assistance and leadership expected of a federal agency in addressing the major flooding issue on the Puyallup River. She expressed her gladness that the County is moving forward to address how communities can protect themselves.
6. The Port's Director of Environmental Programs noted the County has taken leadership. It has created a Flood Control Zone District, identified projects and have a capital program. He described some of the smaller projects taking place. The Commission expressed their appreciation for the County taking that leadership role.

6. GENERAL BUSINESS:

A. Q2 Review: Port of Tacoma CEO Goals & Expectations:

1. The CEO Goals and Expectations were provided to the commissioners. They will review and provide any input or pose any questions prior to the next meeting to address at the next meeting.

B. CEO Announcements, Events and Recognition: None.

7. COMMISSIONER COMMENTS:

Commissioners provided brief comments. Commissioner Meyer, on behalf of the Commission, thanked staff who participated in the boat tours. The tours were very well received by the community. Commissioner Marzano asked that the Port consider playing a role in Tideflat Certification internships.

8. ADJOURNMENT:


There being no further business, Commissioner Meyer adjourned the meeting at 6:45 p.m.



Donald G. Meyer, President
Port of Tacoma Commission

ATTEST:



Donald C. Johnson, Secretary
Port of Tacoma Commission

Juliet Campbell, Clerk of the Port
Port of Tacoma