

BOARD OF COMMISSIONERS  
The Fabulich Center  
3600 Port of Tacoma Road, Tacoma, WA

Commissioners Present:

Don Johnson, Vice President  
John McCarthy, Secretary  
Dick Marzano, 1<sup>st</sup> Assistant Secretary  
Don Meyer, 2<sup>nd</sup> Assistant Secretary

Commissioner Excused:

Clare Petrich, President

Staff Present:

John Wolfe, CEO  
Carolyn Lake, Legal Counsel  
Leslie Barstow, Public Relations Manager  
Tong Zhu, Chief Strategy and Commercial Officer  
Annika Bjorkman, Real Estate Property Manager  
Evette Mason, Manager Government Affairs  
Judi Doremus, Executive Assistant  
Juliet Campbell, Clerk of the Port

11:30 AM EXECUTIVE SESSION

CALL TO ORDER AND RECESS INTO EXECUTIVE SESSION:

Commissioner Johnson called the special meeting to order at 11:30 a.m. and recessed into executive session for 30 minutes to discuss one litigation/potential litigation item, and one real estate selling/leasing item (RCW 42.30.110(1)(i) and (c)). No votes or actions were taken.

12:00 NOON COMMISSION MEETING

1. RETURN TO ORDER:

Commissioner Johnson reconvened the special commission meeting at 12:04 p.m. and lead the Pledge of Allegiance.

2. PUBLIC COMMENT: None.

3. CONSENT AGENDA:

- A. Approve the minutes of April 23 and April 24, 2019.
- B. Approve the payment of checks 223049 through 223186, and wire transfers in the total amount of \$3,308,781.38 during the period of April 13, 2019 through April 26, 2109.

**It was moved and seconded to approve the consent agenda.**

**The motion carried unanimously.**

4. STAKEHOLDER UPDATES:

A. Youth Marine Center Sea Scouts

*Presenter(s): Leslie Barstow; Monique Trudnowski, Youth Marine Center*

- Commissioners recognized eight local Sea Scouts who achieved the rank of Quartermaster (equivalent to an Eagle Scout). Nationally only about 13 Sea Scouts obtain this highest ranking per year. To have eight from the Tacoma community is a notable accomplishment.

5. ACTION AGENDA:

A. Semi-annual approval for Commission international travel.

*Presenter(s): Tong Zhu*

**It was moved and seconded to approve Commission international travel as proposed for July 1, 2019 through December 21, 2019.**

- Staff identified possible travel opportunities for international travel as follows:
  - International Green Shipping Summit – Amsterdam, Netherlands
  - TPM Asia Conference – Shenzhen, China
  - Customer visits – as needed.
- Commissioner Johnson expressed his opinion that green shipping issues can be addressed without traveling to Netherlands.

**The motion carried, 3-1.**

VOTE:

Commissioner Johnson: No

Commissioner McCarthy: Aye

Commissioner Marzano: Aye

Commissioner Meyer: Aye

*Commission Vice President Johnson revised the order of business without objection and heard item 5E next.*

E. Recognition of Jim Norton.

**It was moved and seconded to approve recognizing Jim Norton with a certificate honoring his service to the Port of Tacoma and the maritime trade.**

- Public comments honoring Mr. Norton were delivered by:
  - Dax Koho, ILWU 22 President
  - Vance Lelli, President Pierce County Labor Council, AFL-CIO
  - Dave Field, ILWU 22 past president, past business agent
  - Louis Cooper, Port of Tacoma Sr. Director Security and Labor Relations
  - Michael Dahner, Port of Tacoma HR Manager
  - Todd Iverson, ILWU 23
  - William E. Adams, ILWU International President.
  - Mike Jagielski, Tacoma Longshore Pensioners Club President
- A letter from ILWU International President William E. Adams honoring Mr. Norton for his service and dedication to the ILWU was read into the record by Commissioner Meyer. Mr. Adams arrived later during the meeting and provided further comments.
- Commissioners and CEO Wolfe, shared stories and expressed gratitude for Mr. Norton's contributions and, after the vote, presented him with a certificate of recognition.

- Mr. Norton thanked CEO Wolfe, the Commissioners, and his union brothers and sisters. He commented that the partnership between with the union and the Port is one of the only places in the US where this type of relationship between labor and management exists and it works.

**The motion carried unanimously.**

**B. SECOND READING: Three-Year Lease with NTR Logistics, LLC.**

*Presenter(s): Annika Bjorkman*

**It was moved and seconded to authorize the CEO or his designee to enter into a three-year lease with NTR Logistics, LLC for yard space at 1702 Port of Tacoma Road.**

- The first reading of this lease took place at the April 24, 2019 Special Commission Meeting.
- NTR has leased on a month-to-month basis since November 2018 and they wish to execute a three-year lease, with two, one-year mutually approved extensions.
- Rent will be \$12,000/month or \$144,000 annually and is an increase over the budgeted 2019 operating revenue.
- Staff confirmed that the lease terms will not hinder redevelopment projects. There is a relocation clause in the lease.

**The motion carried unanimously.**

\*William E. Adams, ILWU International President and Port of San Francisco Commission Vice President, arrived after the Port's presentation to Mr. Norton. (Item 5E). Mr. Adams, on behalf of the 60,000 working men and women of the ILWU thanked Mr. Norton and presented him with a plaque in recognition for his many years of service.

**C. FIRST READING: Lease Amendment with Federal Maritime Commission, 3600 Port of Tacoma Road, Suite 508, Tacoma, WA.**

*Presenter(s): Annika Bjorkman*

This is the first reading to consider authorizing the CEO to enter into a three-year lease amendment with the Federal Maritime Commission (FMC) for office space located at the Fabulich Center, 3600 Port of Tacoma Road, Tacoma, WA.

- The FMC's current lease expires June 30, 2019 and they wish to extend their lease for three additional years.
- The rent begins at \$853.75 per month or \$10,245 annually. This represents an increase over the budgeted 2019 operating revenue. This is their current rent, escalated by three percent.

**D. PUYALLUP RIVER BRIDGE INTERLOCAL AGREEMENT**

*Presenter(s): Evette Mason*

**It was moved and seconded to authorize the Port of Tacoma's CEO or designee to enter into an Interlocal Agreement with the City of Tacoma for an amount not to exceed \$500,000 for the replacement of structures F16A, F16B and F22 of the Puyallup River Bridge per the March 15, 2012 Letter of Intent.**

- In 2012 the Port of Tacoma Commission approved a partnership request and a Letter of Intent conveying the Port's commitment to redirect \$500,000 of

expected savings from the earlier Hylebos Bridge contribution as a partial match for additional City of Tacoma grant applications for the Puyallup River Bridge reconstruction.

- The city obtained full funding for the project in 2016. The project consists of the three sections identified in this request, not the entire bridge. The city is seeking funding to complete the full structure, but it has been a challenge and the City offered no timeframe for funding and completion.
- The \$500,000 contribution is included in the current CIP for the Port. It is a credit from the City of Tacoma for future Right of Way (ROW) purchases and will be recorded as a non-depreciating asset. Legal counsel clarified that when the Port applies for a street vacation, in order for that ROW to be given to the Port, there is a price to pay, the appraised value of that land. The \$500,000 contribution is a bank toward that.
- When the repairs are made to the three sections of the bridge, it will have a 20-ton capacity, meaning it will only be able to accommodate empty container trucks.
- Chris Storey, Project Manager for the City of Tacoma on this project, reported that the reconstruction portion of the project is expected to be completed in August 2019, however there is an issue with bearings that need replacement that could push the opening of the bridge out through possibly September 2019.

**The motion carried unanimously.**

**6. GENERAL BUSINESS:**

**A. CEO Events, Announcements, and Recognitions**

- Port of Tacoma hosted nature walks through The Place of Circling Waters habitat site. Fifty members of the public joined in the tour. Special thanks were given to Jen Stebbins and Leslie Barstow.

**7. COMMISSIONER COMMENT:**

Commissioner Marzano: Noted Jim Norton's retirement and thank all those that showed support.

Commissioner Meyer: Will be in Spokane for the WPPA. WPPA is looking for a new leader as their former leader, Eric Johnson, is the Port's new Executive Director.

Commissioner McCarthy: The sound and configuration of the meeting room need to be addressed.

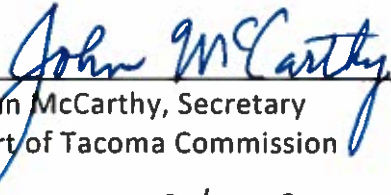
Commissioner Johnson: Has asked staff to compile some rounded numbers as to the Port's gross income, less T5 obligations and to review maintenance spending to identify what must be done and what can be deferred as the Port builds capital. He also asked that environmental expenditures be reviewed to see what must be done from a legal standpoint vs. what the Port would like to do. This is intended to provide perceived operating capital available to invest in future business opportunities as the Port develops its new strategic plan. He also asked that the container growth target be adjusted to more than 3 percent and to consider what tax laws allow the Port to do.

8. ADJOURNMENT: There being no further business before the Commission, the meeting adjourned at 1:39 p.m.

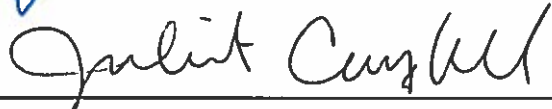


Clare Petrich, President  
Port of Tacoma Commission

ATTEST:



John McCarthy, Secretary  
Port of Tacoma Commission



Juliet Campbell, Clerk of the Port  
Port of Tacoma

