

START OF TRANSCRIPT

[01:00:00] Beginning with Commissioner Calkins.  
[01:00:02] Aye. Thank you, Commissioner Cho. I will  
[01:00:05] be abstaining from this since I sit on  
[01:00:06] the board of the maritime booth. Thank  
[01:00:08] you, Commissioner Felloman. Aye.  
[01:00:12] Thank you, Commissioner Muhammad. Aye.  
[01:00:14] Thank you, Commissioner Hasekawa. Aye.  
[01:00:17] Thank you. Four ayes, zero nays for this  
[01:00:19] item. And the motion carries. Thank you  
[01:00:21] very much, John. Appreciate your  
[01:00:22] presentation. All right, bringing us  
[01:00:26] forward, we have one new business item  
[01:00:28] today. Clerk Hart, please read the item  
[01:00:30] into the record. Deputy Executive  
[01:00:31] Director Goon will then introduce it.  
[01:00:36] Thank you. This is agenda item 10, A,  
[01:00:39] introduction of resolution number 3836,  
[01:00:42] a resolution amending resolution number  
[01:00:44] 3737, and the diversity and contracting  
[01:00:47] policy directive to increase women and  
[01:00:49] minority business opportunities. Thank  
[01:00:52] you, Mitch. Commissioners, at the  
[01:00:53] beginning of 2024, you passed an order  
[01:00:56] directing us to update our diversity and  
[01:00:58] contracting goals. To have a port wide  
[01:01:00] WMBE goal of 15% of total port spend and  
[01:01:04] to work with 400 firms. I'm pleased to  
[01:01:07] report we are trending in the right  
[01:01:08] direction. This resolution proposes  
[01:01:11] updates to the program that would apply  
[01:01:13] through 2030. Joining us today is V.  
[01:01:16] Nguyen, Commission Strategic Advisor,  
[01:01:18] and Lawrence Coleman, Manager, Women  
[01:01:20] Minority Business Enterprises,  
[01:01:21] Diversity and Contracting.  
[01:01:25] All right. Good afternoon,  
[01:01:27] Commissioners. My name is V. Nguyen.  
[01:01:28] Once again, for the record, strategic  
[01:01:30] advisor in the Port of Seattle  
[01:01:31] Commission office, I'm joined today by  
[01:01:33] Lawrence Coleman of the Diversity  
[01:01:34] Contracting Team. We're here today to  
[01:01:37] introduce the item in front of you,  
[01:01:38] Resolution 3836. This resolution is an  
[01:01:41] update to Resolution 3737 which  
[01:01:44] established the Port's Diversity and  
[01:01:45] Contracting program via directive.  
[01:01:48] Approved and Sorry. Next slide, please.  
[01:01:52] Approved. In January 2018, the port's  
[01:01:54] diversity and Contracting program set  
[01:01:56] goals and a timeline to increase the  
[01:01:58] number of women and minority owned  
[01:02:00] businesses or business enterprises or  
[01:02:03] WMBE that are contracted with the Port  
[01:02:05] both by dollar amount and number of  
[01:02:06] contracts, data collection and annual  
[01:02:09] report to the public and Commission.  
[01:02:11] Other important elements include  
[01:02:13] technical assistance, trainings,  
[01:02:14] outreach, conducting studies to evaluate  
[01:02:16] our efforts, and tools to support the

[01:02:18] success of the program which which were  
[01:02:21] also part of the launch of the Diversity  
[01:02:22] and Contracting Program. Next slide  
[01:02:24] please. Today's resolution, once  
[01:02:28] approved, will provide updates to the  
[01:02:29] goals of this program that will increase  
[01:02:30] dollars spent in utilization of WIMBEE  
[01:02:33] businesses. It also adds a construction  
[01:02:35] business definition and goal to increase  
[01:02:36] opportunities. It adds business  
[01:02:38] demographics such as small business  
[01:02:40] enterprises and veteran owned businesses  
[01:02:42] under the umbrella of our diversity and  
[01:02:44] contracting efforts as part of what we  
[01:02:46] have learned over the from the last few  
[01:02:48] years of the program. Areas for growth  
[01:02:49] include additional data collection on  
[01:02:51] timely dispatch of workers, improving  
[01:02:54] the prompt payments and change order  
[01:02:55] processes, and leveraging alternative  
[01:02:58] delivery methods to increase the number  
[01:02:59] of contracts between diverse businesses  
[01:03:01] and the Port. And with that, I will hand  
[01:03:03] it over to my colleague, Mr. Coleman to  
[01:03:05] take us through the next part of our  
[01:03:06] presentation. And again for the record,  
[01:03:09] my name is Lawrence Coleman. I serve as  
[01:03:12] the Diversity and Contracting Women and  
[01:03:14] Minority Business Program Manager here  
[01:03:16] at the Port. I'm here on behalf of  
[01:03:18] Diversity and Contracting. Me and Rice,  
[01:03:21] our director couldn't be here today,  
[01:03:22] but he certainly sends aye. greetings and  
[01:03:24] appreciation for the Commission. Go  
[01:03:26] ahead to the next slide for me please.  
[01:03:29] And we just came here a couple of weeks  
[01:03:32] ago to chat and share an update with  
[01:03:35] regards to program progress. And so I  
[01:03:38] won't go into details, but really just  
[01:03:40] wanted to provide just some context to  
[01:03:42] the new goals. As V mentioned, the  
[01:03:46] policy director and the goal is split  
[01:03:49] into two pieces. You know, one is the  
[01:03:51] number of goal. Excuse me, the number of  
[01:03:53] firms that we're trying to see to it  
[01:03:55] that get opportunities. And then there's  
[01:03:57] a number goal which is, you know,  
[01:03:59] ultimately a percentage. What this slide  
[01:04:01] is showing is just some progress. When  
[01:04:04] we talk about the number of firms that  
[01:04:05] we work with, I believe that, you know,  
[01:04:08] when we establish A number with the  
[01:04:11] number of firms that we work with, I  
[01:04:13] think it keeps our program honest. I  
[01:04:15] think it keeps us honest. Where I think  
[01:04:17] there's times where you can hide behind  
[01:04:19] percentages, but I think with numbers,  
[01:04:21] you know, there's, you can't really hide  
[01:04:24] much there. We do want to just call out  
[01:04:27] just some contributors, if you will,  
[01:04:29] where we see utilization. And so when we  
[01:04:33] talk about the number of firms, it's not  
[01:04:35] always a significant dollar amount per

[01:04:38] se, but we see lots of our departments  
[01:04:42] that have purchased cards make  
[01:04:44] intentional efforts to use businesses.  
[01:04:46] And so we certainly feel like a  
[01:04:48] contributor, contributor, and a  
[01:04:50] significant driver to that number is  
[01:04:53] through purchase cards. And then some of  
[01:04:56] the challenges which we've expressed  
[01:04:58] here in detractors, you know, it's at  
[01:05:02] the end of the day, you know, we're  
[01:05:03] working on improving our data collection  
[01:05:06] infrastructure. I think we talked last  
[01:05:09] and we've come here a couple of times to  
[01:05:11] talk about some of those challenges.  
[01:05:12] You know, for example, if, you know,  
[01:05:14] someone intentionally, you know, works  
[01:05:16] with the mom and pop shop, you know,  
[01:05:19] you might have some challenges with  
[01:05:20] helping, getting them identified. And so  
[01:05:23] just wanted to point that out. The other  
[01:05:26] part of when we talk about the policy  
[01:05:27] directive and the goal is the  
[01:05:30] utilization of women and minority  
[01:05:32] businesses. And so in the past, excuse  
[01:05:35] me, under the previous benchmark, we  
[01:05:37] established a 15% goal. We didn't quite  
[01:05:40] aye. that. We aye. 14%. But I also like to  
[01:05:43] remind folks and even the commissioners  
[01:05:45] that we were at 5%, you know, prior to  
[01:05:48] us being intentional to getting to 14%.  
[01:05:51] So certainly still got some ways to go.  
[01:05:53] And, you know, again, stopping short of  
[01:05:56] hitting that, that 15% and achieve 14%.  
[01:05:59] But we don't believe we should go  
[01:06:00] backwards or stay stagnant. And so  
[01:06:03] you'll see here, we're recommending 16%  
[01:06:06] as the new goal that we'll work towards.  
[01:06:10] A couple other things to mention here is  
[01:06:12] that in the past we didn't have a  
[01:06:14] construction goal. And we do know that  
[01:06:15] construction is a significant driver.  
[01:06:18] And so by some of our estimations, we  
[01:06:21] figure if we aye. 14% consistently, we  
[01:06:24] should be able to get to that, to that  
[01:06:26] 16% overall goal on all port spending,  
[01:06:29] some utilization drivers. You know,  
[01:06:32] obviously lots of the contract proposals  
[01:06:35] that come through the port folks that  
[01:06:37] want to do business with us. You know,  
[01:06:39] we have different requirements and such  
[01:06:42] that are built into solicitations that  
[01:06:44] help us get opportunities. And so I say  
[01:06:46] that's a significant driver. But some of  
[01:06:48] the challenges, you know, and again, as  
[01:06:50] we expressed as detractors, the capital  
[01:06:53] program. You know, we're always trying  
[01:06:54] to strike this balance between bundling  
[01:06:56] for efficiency and unbundling projects  
[01:06:58] for inclusion efforts. And then a few  
[01:07:02] other challenges. You know, project  
[01:07:03] labor agreements. Some of the elements  
[01:07:05] connected to those cash flow, prompt  
[01:07:08] payment and bonding and insurance is,

[01:07:11] you know, and I would say these are  
[01:07:13] common themes throughout not just our  
[01:07:16] region, but when we talk about some of  
[01:07:17] the programs. Right. And so, but these  
[01:07:19] are things that we work on and that we  
[01:07:21] will commit to working on over the next  
[01:07:23] iteration of the program. Go ahead to  
[01:07:25] the next slide for me, please. And then  
[01:07:28] just taking us home, I just have just a  
[01:07:30] few more things to share, just some  
[01:07:32] updates just over the course of the  
[01:07:35] program. You don't know what you don't  
[01:07:37] know, right. And so, you know, we found  
[01:07:39] that we needed some additional support  
[01:07:41] in monitoring and keeping an eye on some  
[01:07:44] of the goals that we set. And so we were  
[01:07:46] able to bring on what we're calling a  
[01:07:49] WMBE and advisor, someone to keep a  
[01:07:50] closer eye on utilization at the port.  
[01:07:54] Uniquely, we do allow for firms to be  
[01:07:57] self identified. Right. And so that  
[01:07:59] comes with some challenges as well. And  
[01:08:02] so, you know, in thinking about how can  
[01:08:03] we see to it that the dollars are going  
[01:08:05] to those who it's intended for. We're  
[01:08:08] working on attestation throughout all  
[01:08:10] solicitations, contracts and, you know,  
[01:08:13] ways and when you choose to do work with  
[01:08:16] the port, just ensuring that, you know,  
[01:08:18] the money's going to who, who it's  
[01:08:19] intended for. Again,  
[01:08:23] trying to think about ways to  
[01:08:25] incorporate just a wider variety of  
[01:08:28] firms. We've heard from smaller A and E,  
[01:08:31] diverse firms and small firms that, you  
[01:08:33] know, they don't get opportunities,  
[01:08:35] they're not always able to participate  
[01:08:36] on some of the larger projects. And so  
[01:08:39] we're working on making some adjustment  
[01:08:41] to our professional services categories,  
[01:08:44] trying to develop a roster for A and E  
[01:08:46] businesses in the small workspace. You  
[01:08:50] know, I think me and uses the term he's  
[01:08:51] a football guy, so he always uses  
[01:08:53] football terminology. And so I think he  
[01:08:55] called this small ball and just wanted  
[01:08:58] to shout my guy out. But limited public,  
[01:09:02] public works and, and just, just really  
[01:09:04] quick. I think the value and how we know  
[01:09:07] it's working is like when you see a firm  
[01:09:09] that left their business or, excuse me,  
[01:09:11] left employment, decided to take a small  
[01:09:14] works job, then they get committed to as  
[01:09:17] a major sub, and then they get committed  
[01:09:19] to and then they work in as a prime.  
[01:09:20] And we've seen that. And so that's that  
[01:09:23] the benefit and the value of leveraging  
[01:09:26] some of these smaller Programs and these  
[01:09:27] smaller efforts where you're, you're not  
[01:09:29] just giving dollars, but helping folks  
[01:09:31] grow their business. Lawrence, if I may  
[01:09:35] like. So I just do want to highlight  
[01:09:36] this one in particular because during

[01:09:38] the roundtables that the commission  
[01:09:40] office led, the number one thing that we  
[01:09:42] heard from the small businesses that we  
[01:09:44] engaged with was just increased  
[01:09:47] opportunity and access. And so I think  
[01:09:49] this is one of the areas where it can  
[01:09:52] really help open that door, have more  
[01:09:54] people participate and just really help  
[01:09:56] people grow their capacity, their  
[01:09:58] business and really meet what they asked  
[01:10:00] us for, which is access to opportunity.  
[01:10:04] Yeah, certainly. Thank you for  
[01:10:06] dovetailing that. V. And just a couple  
[01:10:09] more things. We're always in the space  
[01:10:13] of trying to provide support and  
[01:10:15] information to our firms to try to help  
[01:10:17] folks grow. And so as I mentioned  
[01:10:20] earlier, some challenges with project  
[01:10:23] labor agreements, they're not going  
[01:10:24] anywhere, right? You know, and so we  
[01:10:26] need to work stronger with our labor  
[01:10:28] partners. And so we're making some  
[01:10:30] commitments to do some additional  
[01:10:31] trainings to support firms. And then  
[01:10:34] lastly, trying to get in front of just  
[01:10:36] challenges with insurance and bonding  
[01:10:39] and so doing some feasibility studies on  
[01:10:41] osips or owner controlled insurance  
[01:10:44] policies. You can go to the next slide  
[01:10:48] for me, please. And then lastly, just to  
[01:10:51] take us home, you know, I'm always  
[01:10:53] mindful of major success. I would say  
[01:10:57] major progress, I think is the fairest  
[01:10:59] thing to say. We're always thinking  
[01:11:02] about continuous improvements, ways that  
[01:11:04] we can better not only support our  
[01:11:06] firms, you know, support our goals and  
[01:11:08] advance them. You know, I think these  
[01:11:11] programs, and this program in  
[01:11:13] particular, I think helps support, be  
[01:11:16] competitive. I think healthy  
[01:11:17] competition, I think is, is in best  
[01:11:20] value to a public agency that's, you  
[01:11:23] know, that's entrusted with public  
[01:11:26] dollars. And so that's how we see this  
[01:11:27] program. You know, certainly, you know,  
[01:11:30] helps the social elements, but also I  
[01:11:32] think it helps us remain competitive as  
[01:11:34] well. You know, over the course of the  
[01:11:37] program, I think we, again, as I  
[01:11:39] mentioned, you know, we don't know what  
[01:11:41] we didn't know, what we didn't know.  
[01:11:42] And so who knew that all  
[01:11:45] industries were different? So we learned  
[01:11:49] that, right? And so, for example, we  
[01:11:52] may, it doesn't make sense to set,  
[01:11:55] let's just say a 15% goal on a baggage  
[01:11:59] optimization project if there aren't  
[01:12:01] folks in that industry. And those are  
[01:12:04] just some of the things that we learned  
[01:12:05] or learned over the course of  
[01:12:08] administering the program. And then  
[01:12:11] lastly, I just, you know, remind us

[01:12:13] that, you know, construction is a major  
[01:12:16] driver and you know, we're, there's lots  
[01:12:19] of moving Parts, lots of elements to  
[01:12:20] construction. And so but for us to  
[01:12:22] achieve the 16% goal and that number  
[01:12:25] goal of 500, we're certainly going to  
[01:12:27] see need to see that construction be  
[01:12:30] increased and just lots of work and lots  
[01:12:33] of elements that's going to take lots of  
[01:12:35] work that's going to help us get there  
[01:12:37] and that's going to be needed with that.  
[01:12:39] That concludes my remarks and happy to  
[01:12:43] answer any questions if you have them.  
[01:12:47] Congrats on sandwiching over half a  
[01:12:50] year's worth of work into a 20 minute  
[01:12:54] presentation. So I'm going to open it up  
[01:12:57] to my colleagues for questions and  
[01:12:59] comments and we'll begin with  
[01:13:00] Commissioner Cho. No, I just wanted to.  
[01:13:03] I know you followed up with me after our  
[01:13:07] initial presentation on this with  
[01:13:09] regards to why we don't go with the  
[01:13:12] fixed amount on contracting and we stick  
[01:13:15] with the percentage. I think, I guess  
[01:13:17] what I'll say is that it's kind of a  
[01:13:21] catch 22, right? In the sense that I  
[01:13:24] think one of your explanations was if we  
[01:13:27] spend more one year, then we potentially  
[01:13:30] lose out on the ability to spend, to  
[01:13:33] spend more with DBEs. But you  
[01:13:37] know, I do think that just because you  
[01:13:40] said a goal doesn't mean it's a cap.  
[01:13:41] Right? So if there is a year where we  
[01:13:44] spend more, you could easily exceed the  
[01:13:46] 15%. Right. But I think the argument  
[01:13:50] you made with me that was more  
[01:13:51] convincing was that if there is a year  
[01:13:53] where we don't spend as much and we have  
[01:13:55] a high goal, you could miss your  
[01:13:57] targets. And so I understand why you  
[01:14:02] prefer the sliding scale, so to speak,  
[01:14:04] as opposed to the fixed goals. And so  
[01:14:08] I just want to thank you, Min, for  
[01:14:09] following up with that and commend you  
[01:14:12] on your great work. Going from 5 to 14%  
[01:14:14] is no small feat. Looking forward to us  
[01:14:18] getting through that last 1% and seeing  
[01:14:21] where we can go. But more importantly,  
[01:14:22] I hope that we are somehow able to solve  
[01:14:27] this issue of a bottleneck around there  
[01:14:29] actually being enough DBEs out there to  
[01:14:31] meet our goals. Right. And I think part  
[01:14:33] of the challenge that I see for us, and  
[01:14:35] not just us, but all organizations that  
[01:14:38] have these DBE goals is like, you can  
[01:14:40] set a goal of 30%, but if the businesses  
[01:14:43] don't exist out there for us to reach  
[01:14:45] that goal, we're just setting ourselves  
[01:14:47] up for failure in essence. Right. And so  
[01:14:49] I think, I think there's a broader  
[01:14:51] conversation around what our role is and  
[01:14:54] helping foster those minority small  
[01:14:56] business owners to start sprouting up



[01:14:59] and growing to a point where they can do  
[01:15:01] business with us. And I think there's a  
[01:15:03] larger coalition that needs to be built  
[01:15:05] among the different public sector  
[01:15:07] entities around how we can start  
[01:15:08] blustering the cultivation of these  
[01:15:10] businesses. But it's a conversation for  
[01:15:13] another time. Thank you and I look  
[01:15:14] forward to voting in favor of this.  
[01:15:16] Thank you, Mr. Mohammed.  
[01:15:21] Thank you for the time. I also am  
[01:15:25] looking forward to supporting this item  
[01:15:26] today. And I wanted to say thank you for  
[01:15:29] the attention to the issues around  
[01:15:31] prompt payment. I see that has been  
[01:15:34] included in there. You've outlined a  
[01:15:36] plan to define to implement and monitor  
[01:15:39] processes for timely payment and change  
[01:15:42] order processing. My follow up question  
[01:15:45] is is there an anticipated timeline when  
[01:15:49] that definition will be put in place and  
[01:15:52] when can we expect to see changes or  
[01:15:55] improvements to those payment timelines  
[01:15:58] for contractors, suppliers and  
[01:16:00] subcontractors? Thank you  
[01:16:04] for that, Commissioner. We don't have an  
[01:16:06] exact timeline, but I can tell you that  
[01:16:08] we're working closely with the central  
[01:16:10] procurement office to, to develop one.  
[01:16:12] They're working on several lean efforts  
[01:16:14] as we speak that'll get going this year  
[01:16:17] and we'll have some timelines that we  
[01:16:20] can update you on as soon as we can.  
[01:16:22] Great. And one of the,  
[01:16:26] one of the things that they are also  
[01:16:28] prioritizing is recovery from the cyber  
[01:16:29] attack. So that is, it's, it's in, it's  
[01:16:32] in the queue, it's in the works. It's  
[01:16:33] been a part of the conversation all  
[01:16:35] along with Director Mayo and it is  
[01:16:37] understood that this is a priority by  
[01:16:39] the commission is Deputy  
[01:16:42] Deputy Director thank you for that  
[01:16:44] question, Commissioner. I know it's in  
[01:16:46] their business plan for this year. I  
[01:16:47] think they're targeting third quarter  
[01:16:49] for tackling that issue. So we could  
[01:16:51] provide you with a more specific  
[01:16:53] timeline. That would be really helpful  
[01:16:55] because I would want to know when the  
[01:16:56] Procurement office is going to take that  
[01:16:59] up and when we can just anticipate some  
[01:17:01] changes. That is something that I  
[01:17:02] consistently hear from the  
[01:17:04] subcontractors. And so I think being  
[01:17:06] able to put some timeline around it,  
[01:17:08] realistic timelines on when they can  
[01:17:10] anticipate some change would be helpful  
[01:17:13] for them for us to be transparent about  
[01:17:15] what we intend to do. We can give you an  
[01:17:17] update. Thank you. Thank you again for  
[01:17:20] the presentation and I do look forward  
[01:17:21] to supporting this item today.

[01:17:22] Commissioner Calkins, just a comment.  
[01:17:26] There was an article, I think, in  
[01:17:29] yesterday's paper about the high  
[01:17:35] number of manufacturing jobs that are  
[01:17:37] sitting unfilled in the United States  
[01:17:39] right now, which sort of goes against  
[01:17:42] the current of, I think, conventional  
[01:17:43] wisdom, which is that we're losing  
[01:17:45] manufacturing jobs and you know, these,  
[01:17:46] we've got all these workers without  
[01:17:49] opportunities. And I think both things  
[01:17:52] can be true in that instance. And I  
[01:17:54] think we're in a similar situation here  
[01:17:55] where at the same time that it is hard  
[01:17:59] for us to find qualified contractors to  
[01:18:01] be able to fulfill all the work that  
[01:18:04] we're engaging in, particularly over the  
[01:18:06] next decade. It can also be true that  
[01:18:11] deserving minority wimy  
[01:18:15] businesses are not able to access some  
[01:18:18] of the work that we offer. And so that  
[01:18:20] disconnect is really what we're trying  
[01:18:21] to address here. And that work requires  
[01:18:25] years and thoughtfulness.  
[01:18:28] And these conversations that Chair  
[01:18:33] Hasegawa and others have led over the  
[01:18:36] last few years to determine what are the  
[01:18:38] obstacles to achieving these higher  
[01:18:40] aspirational goals. And unfortunately,  
[01:18:43] there were no easy answers to a lot of  
[01:18:46] this stuff. Some of the things, and I  
[01:18:48] think mostly what we're talking about  
[01:18:49] today is a lot of the internal work we  
[01:18:51] need to do. But I also just want to  
[01:18:53] remind folks that the port needs to be  
[01:18:55] part of a system of public agencies and  
[01:18:57] large employers who are willing to  
[01:18:59] invest in the upstream, you know, the  
[01:19:02] sort of long term getting more  
[01:19:06] women and people of color into  
[01:19:09] apprenticeship programs so that in five  
[01:19:12] years they can be a journeyman and in 10  
[01:19:14] years they can venture out on their own  
[01:19:16] and become a subcontractor and,  
[01:19:19] you know, then begin to qualify. So we  
[01:19:21] have some near term work and we have  
[01:19:23] some long term work. And the long term  
[01:19:24] work is going to require being a part of  
[01:19:28] a handful of public agencies and large  
[01:19:30] employers who commit to doing that  
[01:19:32] upstream work too. So, yes, I will  
[01:19:35] support this. Commissioner Felleman,  
[01:19:40] thank you for the presentation and for  
[01:19:42] your ongoing efforts to reach for the  
[01:19:46] stars, as it were. But the question I  
[01:19:49] was having is like, you know, how big is  
[01:19:51] the galaxy? Kind of following up with  
[01:19:53] that illusion and with Commissioner  
[01:19:55] Cho's point. I mean, when you set these  
[01:19:57] goals, it would be kind of interesting  
[01:19:58] to know what are the number of  
[01:20:00] businesses in each of those fields that  
[01:20:04] you are drawing from that you're using



[01:20:06] to set your assessment. I'm not sure. I  
[01:20:09] mean, I. In terms of. I think we just  
[01:20:12] see the. Unless it's someplace I'm  
[01:20:14] missing, but we see your goals being  
[01:20:16] set. But I don't know what the universe  
[01:20:18] you're drawing from is. Is that in  
[01:20:22] there and I'm just missing it. Not in  
[01:20:25] the policy and the agency goal,  
[01:20:29] but every contract that gets let and so  
[01:20:32] that you all here that has aspirational  
[01:20:35] goal, there's significant work done that  
[01:20:38] happens that we call a WMBE or  
[01:20:41] diversity analysis, where we look at  
[01:20:42] availability in industries, we also  
[01:20:45] consider historical utilization, our  
[01:20:49] historical utilization as well. And so I  
[01:20:52] would say that the goals just aren't  
[01:20:54] necessarily just made up. And I'm not  
[01:20:58] saying that you're saying that, but  
[01:20:59] there are some folks that think that.  
[01:21:00] But there's some significant analysis  
[01:21:03] that happens before we propose a goal.  
[01:21:06] I'd say this goal took into  
[01:21:08] consideration not necessarily how  
[01:21:12] many firms were out there for the  
[01:21:14] agency, rather our historical  
[01:21:17] utilization and so how we did leading up  
[01:21:21] to, you know, this policy directive and  
[01:21:24] what we did in the last five years. But  
[01:21:26] I would say I totally hear you,  
[01:21:29] understand you. And it's certainly best  
[01:21:31] practice that we follow to ensure that  
[01:21:34] before contract goals are letting that  
[01:21:37] there is a significant analysis that's  
[01:21:39] done that reviews availability in  
[01:21:41] various industries, as you  
[01:21:45] noted. I have no doubt that you have a  
[01:21:47] methodology, but, you know, I guess I'm  
[01:21:50] just asking you to show your work. You  
[01:21:52] know, it would be kind of interesting if  
[01:21:54] we want to encourage, you know,  
[01:21:56] internships or something like that in  
[01:21:58] specific business lines that we would  
[01:22:01] know where you have less to draw from  
[01:22:04] and. Yeah. Where we could lean in or  
[01:22:06] something. Yeah. And thank you for that  
[01:22:08] reminder V disparity study which we've  
[01:22:11] had. You know, I think the industry  
[01:22:13] practice was three to five years. And I  
[01:22:16] want to say we just wrapped up one, so  
[01:22:19] we can certainly absolutely get you that  
[01:22:21] information. Great. And I thank you for  
[01:22:23] that. I was, you know, insurance is  
[01:22:25] always one of the challenges, and I  
[01:22:28] never heard of the owner's controlled  
[01:22:31] insurance policies. Is this something  
[01:22:33] that's always existed? Yes, they have.  
[01:22:36] And admittedly insurance is not my bag  
[01:22:41] either. And so I could certainly get you  
[01:22:44] some information, but no problem. I  
[01:22:47] mean, I was trying to get educated  
[01:22:48] myself. But I do appreciate the fact, I  
[01:22:51] think you almost quoted Donald Rumsfeld

[01:22:53] about known knowns that we know and  
[01:22:56] don't know. But I don't know. I'd get.  
[01:22:58] I'd get that quote straight before next  
[01:23:01] presentation. Anyway, thank you so much.  
[01:23:03] I appreciate your time. Thank you,  
[01:23:04] Commissioner Felleman. I do think our  
[01:23:06] chief of Staff, Aaron Pritchard has just  
[01:23:08] a point of information for us. Yeah. To  
[01:23:10] Commissioner Muhammad's question. I do  
[01:23:11] know that you requested that before we  
[01:23:13] introduced that for a specific date.  
[01:23:15] And me and I did work with CPO to  
[01:23:17] identify a date in section 5C7 that says  
[01:23:21] that you will have this information that  
[01:23:24] to improve contracting as part of WMBE,  
[01:23:26] SBE and VBES for developing a proposed  
[01:23:29] process for prompt payments to  
[01:23:31] subcontractors. Proposing this process  
[01:23:33] come to commission for consideration by  
[01:23:35] the second quarter of 2026. Is that  
[01:23:37] still in there? It is in there by the  
[01:23:39] end of the second quarter of 2026.  
[01:23:41] Yeah. And that was your request. And he  
[01:23:43] and I got that in and probably didn't  
[01:23:44] share with the presenters. Oh yes.  
[01:23:46] That's part of the reason for the  
[01:23:48] timeline. I like a timeline. Yep. We  
[01:23:50] made sure to be able to accommodate that  
[01:23:52] exact provision which is the reason,  
[01:23:53] part of the reason for this two part  
[01:23:56] process and the hearing coming before us  
[01:23:58] today instead of last meeting. So thank  
[01:24:00] you so much for this body of work. It's  
[01:24:02] been ongoing for a very long time and I  
[01:24:07] just want to acknowledge sort of the  
[01:24:09] elephant in the room and the context  
[01:24:10] with all of us are operating is that  
[01:24:12] we've had ongoing conversations with our  
[01:24:16] business stakeholders, our WMBE  
[01:24:18] business owners specifically, who have  
[01:24:22] long taken issue with court processes.  
[01:24:25] Right. And we committed to being able to  
[01:24:28] examine those closely. And the truth of  
[01:24:31] the matter is, is that PLAs are here to  
[01:24:33] stay. Right. But we have lots that we  
[01:24:35] can do to in our tool bag to be able to  
[01:24:39] be aggressive on our goals to impact and  
[01:24:42] improve WIMBEE utilization. And we're  
[01:24:44] also operating within a climate where  
[01:24:46] there's a federal government that is  
[01:24:47] proactively attacking DBE's  
[01:24:52] programs, Wimbee utilization and an  
[01:24:56] active court case. That's happening as  
[01:24:58] well. We have long said from this dais  
[01:25:01] that local government is where we can  
[01:25:03] and should be leading on on our  
[01:25:05] progressive programming and. And there  
[01:25:07] is nothing that's going on right now  
[01:25:09] that says that we cannot be more  
[01:25:10] audacious in when be utilization. And  
[01:25:13] there's lots that we can still do to  
[01:25:15] improve our numbers. And so I do want to  
[01:25:16] acknowledge the the progress that we've

[01:25:19] made in the last five years from 5% to  
[01:25:22] 16 where we are today. But we're an  
[01:25:24] ambitious group. So when we say we've  
[01:25:26] blown past our goals, that tells us that  
[01:25:28] we need to be even more audacious. And  
[01:25:31] that's what this proposal is. I'd like  
[01:25:33] to recognize your team, I'd like to  
[01:25:35] recognize V from the commission office  
[01:25:37] working together with all of our  
[01:25:39] business stakeholders who have come to  
[01:25:42] the table more times than they can count  
[01:25:44] over the course of years to bring us to  
[01:25:47] this point. Most recently we held a  
[01:25:50] series around this specific resolution.  
[01:25:53] Three different roundtables. I attended  
[01:25:56] all of them. Commissioner Cho joined  
[01:26:00] another one, Commissioner Muhammad  
[01:26:01] joined another one, Commissioner Calkins  
[01:26:03] joined another one and Commissioner  
[01:26:04] Felleman would have if we held one more.  
[01:26:06] But you have unanimous support for this  
[01:26:09] effort from this body. And so I'd  
[01:26:13] like to thank you for bringing us today.  
[01:26:15] Just one question before I call. The  
[01:26:18] question in the matter of attestation,  
[01:26:23] what does it do?  
[01:26:27] And are there any current allegations of  
[01:26:30] compromised integrity of WMBE  
[01:26:33] utilization? Right now the, the idea  
[01:26:36] being that people self proclaim that  
[01:26:38] they are being WIMBYs. An attestation is  
[01:26:41] just a piece of paper that they sign.  
[01:26:42] What does this do? How will it be used?  
[01:26:45] Yeah, to be clear, we've never had an  
[01:26:49] allegation, at least that I'm aware of,  
[01:26:51] that someone is not a WMBE. I think for  
[01:26:54] our purposes, I think it gives some  
[01:26:56] assurances to the community because  
[01:26:59] folks, we're proponents of  
[01:27:01] certification. Right. You know, we have  
[01:27:03] unique work, I think sometimes that  
[01:27:06] where folks may not want to go get  
[01:27:08] certified, and we want to honor that and  
[01:27:10] still be able to encourage their  
[01:27:12] utilization and being able to count.  
[01:27:14] But we have seen some data challenges  
[01:27:17] and so just the various data sources.  
[01:27:20] And so just having that attestation  
[01:27:22] gives us some confidence that this firm  
[01:27:24] is in fact true, indeed a woman or  
[01:27:26] minority business. And so we'll do that  
[01:27:29] through the various solicitation  
[01:27:32] documents that we have and then on the  
[01:27:34] back end just to make sure that folks  
[01:27:35] are true, indeed meet the ownership and  
[01:27:38] control criteria that we've established.  
[01:27:41] Yeah, I do want to acknowledge it's sort  
[01:27:43] of like crossing T's and dotting ayes and  
[01:27:45] being an administrative best practice.  
[01:27:47] Even if it's not, you know, signed in  
[01:27:49] front of, you know, a notary or anything  
[01:27:53] like that. It is receipts, you know. So  
[01:27:57] thank you for that. And Vee, to what you

[01:28:00] said of what we were hearing in a lot of  
[01:28:02] those meetings was increasing  
[01:28:03] opportunities and increasing access.  
[01:28:05] Those are two separate things. We're not  
[01:28:07] just setting goals without setting out,  
[01:28:09] you know, prescribing how we would like  
[01:28:12] to see that happen. And so, you know,  
[01:28:15] actually having adjustments to our  
[01:28:17] architects and engineering program and  
[01:28:21] our limited public works program. These  
[01:28:24] are all, these are all things that I'm  
[01:28:27] really glad to see written down and  
[01:28:29] acted upon. And the executive director  
[01:28:33] does have a lot of opportunity within  
[01:28:36] the policy as written to be able to  
[01:28:39] increase our WMBE numbers. So thank you  
[01:28:42] again to everybody. Thank you to our  
[01:28:43] chief of staff, Aaron Pritchard, who  
[01:28:45] attended all of the stakeholder  
[01:28:46] meetings, who's done a lot of work  
[01:28:48] behind the scenes to help get this to  
[01:28:49] where it is. Are there any other  
[01:28:52] questions or comments from my colleagues  
[01:28:54] before we move forward? Then I think  
[01:28:58] that we're ready to go ahead and call  
[01:28:59] the question is there a motion so moved?  
[01:29:04] Second. The motion's been made by  
[01:29:06] Commissioner Cho and seconded by  
[01:29:09] Commissioner Muhammad. Clerk Hart,  
[01:29:13] to be clear, what's. The motion's been  
[01:29:16] made and seconded to approve  
[01:29:18] introduction of the resolution. And it's  
[01:29:21] going to come back before us for formal  
[01:29:22] adoption at the July 8 meeting with  
[01:29:24] that. Clerk Hart, please do call the  
[01:29:26] roll. Thank you. Beginning with  
[01:29:27] Commissioner Calkins. Aye. Thank you.  
[01:29:29] Commissioner Cho. Aye. Thank you.  
[01:29:32] Commissioner Felleman. Aye. Thank you.  
[01:29:34] Commissioner Mohammed. Aye. Thank you.  
[01:29:37] And Commissioner Hasegawa. Aye. Thank  
[01:29:40] you. Five ayes, zero nays for this item.  
[01:29:42] Thank you. It carries unanimously, and  
[01:29:45] we will see you back here on July 8th.  
[01:29:47] But can I ask a quick question? Yes.  
[01:29:48] Was your last presentation just a. I  
[01:29:50] feel like I'm. We're doing the. That  
[01:29:52] was. That was a presentation. And this  
[01:29:54] is on a resolution being introduced.  
[01:29:56] The last presentation had nothing to do  
[01:29:59] with a resolution, but it's background  
[01:30:01] information that lends itself towards  
[01:30:02] this. Commissioner Muhammad, will it  
[01:30:04] come up on consent the following time?  
[01:30:06] I believe it will. Okay.  
[01:30:10] But we'll still see you here. Thank you  
[01:30:17] That was a big one. Y' all casually  
[01:30:21] moving forward. We're now at  
[01:30:23] presentations and staff reports. Clerk  
[01:30:25] Hart, please read the next item into the  
[01:30:27] record. Deputy Executive Director Goon  
[01:30:29] will then introduce it. Thank you. This  
[01:30:31] is agenda item 11, a Snow Valley

[01:30:34] responsible Tourism project briefing  
[01:30:36] Commissioners. This item provides an  
[01:30:38] update on the port support for  
[01:30:39] responsible tourism in the Snoqualmie  
[01:30:41] Valley and outlines potential next  
[01:30:43] steps. Thanks to your leadership, in May  
[01:30:46] 2024, the port executed a \$50,000  
[01:30:49] contract with Snow Valley Chamber to  
[01:30:51] advance foundational work on destination  
[01:30:53] stewardship guided by Global Sustainable  
[01:30:57] Tourism Council criteria and initiated  
[01:31:01] at the direction of Commissioner  
[01:31:02] Felloman. Port support enabled  
[01:31:05] participation in the state's Rural  
[01:31:07] Tourism Support program, ensuring  
[01:31:09] engagement from local stakeholders,  
[01:31:10] land managers in the Snoqualmie tribe.  
[01:31:13] The program has concluded and the  
[01:31:15] chamber will present its findings,  
[01:31:17] including proposed next step and a  
[01:31:19] recommendation to explore forming a new  
[01:31:21] destination management organization.  
[01:31:23] Leading the conversation today is Nick  
[01:31:25] Leonti, Director of Tourism Development,  
[01:31:27] and he'll be introducing our guest  
[01:31:31] today. Yes. Hello, Commissioners. Good  
[01:31:34] afternoon again. I'm Nick Leonti,  
[01:31:36] Director of Tourism Development at the.  
[01:31:38] And it's always a treat to come share  
[01:31:41] our tourism work with you at these  
[01:31:43] meetings. We have a large group today.  
[01:31:45] You can see them all sitting behind me.  
[01:31:47] You thought you were just really popular  
[01:31:49] today. That's our group. We have a lot  
[01:31:50] of speakers to get to, so I'm going to  
[01:31:52] keep it really brief. As you know, the  
[01:31:54] Ports Tourism Department aims to further  
[01:31:56] responsible tourism practices in our  
[01:31:58] region. And last year, following the  
[01:32:01] leadership of Commissioner Felleman,  
[01:32:02] we entered into an agreement to provide  
[01:32:06] funding to the Snow Valley Chamber of  
[01:32:08] Commerce Commerce so they could have  
[01:32:10] resources to participate in the Rural  
[01:32:13] Tourism Support Program or RTS program  
[01:32:15] provided by State of Washington Tourism.  
[01:32:17] This foundational work is a first step  
[01:32:19] in creating a positive economic, social  
[01:32:21] and environmental cycle of tourism in  
[01:32:24] the region. And port funding ensure that  
[01:32:26] the right folks, including Snoqualmie  
[01:32:28] tribe, were at the table for this  
[01:32:29] process. So today I'm pleased to be  
[01:32:31] joined by key leaders in the RTS program  
[01:32:33] to present the commission with an update  
[01:32:35] on the work that has been done so far  
[01:32:37] and what the future may bring. Snow  
[01:32:39] Valley. So to kick things off, I'd like  
[01:32:41] to introduce Mike Mo, Director of  
[01:32:43] Strategic Partnerships and Tourism  
[01:32:44] Development at the State of Washington  
[01:32:46] Tourism. Good afternoon, commissioners.  
[01:32:49] My name is Mike Mo. I'm the Director of

[01:32:50] Tourism Development and Strategic  
[01:32:52] Partnership for State of Washington  
[01:32:53] Tourism. I just wanted to provide a  
[01:32:54] little context for this program from  
[01:32:56] State of Washington Tourism. Since  
[01:32:58] reopening the State Tourism office,  
[01:33:00] helping rural and underserved  
[01:33:02] communities optimize tourism has been  
[01:33:04] one of the pillars of our organization.  
[01:33:06] The Rural Tourism Support Program that  
[01:33:08] we ran in Suquali Valley is a part of  
[01:33:10] our larger destination Development  
[01:33:12] program that includes grants for  
[01:33:14] underserved communities and professional  
[01:33:16] development webinars. This was the  
[01:33:19] fourth Rural Tourism Support Program,  
[01:33:21] or RTS program that we've run in the  
[01:33:23] state, including programs in  
[01:33:25] Northeastern Washington, North Central  
[01:33:27] Washington and Walla Walla. Our fifth  
[01:33:29] RTS program is just kicking off now in  
[01:33:32] Skagit Valley. We selected Kristen Dahl  
[01:33:35] from Cross Current to facilitate this  
[01:33:37] program because of her rich experience  
[01:33:39] designing and leading impactful  
[01:33:41] community based destination development  
[01:33:43] and management programming in Oregon.  
[01:33:45] When she was with Travel Oregon and then  
[01:33:48] across the Northwest for the past five  
[01:33:50] years, the RTS program in Snow Valley  
[01:33:52] was mostly funded by EDA funds awarded  
[01:33:55] to SWT for destination planning and  
[01:33:57] development. And we selected this region  
[01:33:59] because we wanted to bring the leaders  
[01:34:01] of this beautiful community together to  
[01:34:04] harness tourism, work together to  
[01:34:06] overcome challenges and create a  
[01:34:08] positive impact. And so with that, I  
[01:34:10] will turn it over to Kelly Coughlin,  
[01:34:12] the Executive Director of Snow Valley  
[01:34:17] Thank you. Now can  
[01:34:21] you hear me? Thank you very much. The  
[01:34:25] Port of Seattle for all of you  
[01:34:26] commissioners. We appreciate you so  
[01:34:28] much. More than you'll ever know. The  
[01:34:30] Port of Seattle support has been  
[01:34:31] absolutely critical to this phase of our  
[01:34:33] journey. And without out without it, we  
[01:34:36] simply would not survive. The Snoqualmie  
[01:34:39] Valley is the most unique area in King  
[01:34:41] County. A place where natural beauty,  
[01:34:43] rural charm, and deep cultural heritage  
[01:34:45] intersect, we are your playground.  
[01:34:47] Whether it's hiking to waterfalls,  
[01:34:50] biking, scenic trails, or exploring our  
[01:34:52] historic towns, the Valley is where the  
[01:34:54] King County comes to reconnect with  
[01:34:56] nature, with history, and each other.  
[01:34:58] We welcome over 11 million visitors each  
[01:35:01] year. Before COVID most came from out of  
[01:35:04] state, bringing higher spending power  
[01:35:06] and stronger economic returns that post  
[01:35:09] COVID 19. And without sustained funding,



[01:35:11] our visitors now mostly come from the  
[01:35:13] regions like the Tri Cities with  
[01:35:15] significantly lower median income. That  
[01:35:17] shift is impacting our local economy and  
[01:35:19] small businesses in real time. With your  
[01:35:22] support, we've tackled some of our  
[01:35:23] biggest regional challenges.  
[01:35:25] Overcrowding at popular destinations, a  
[01:35:28] disjoint jointed visitor experience,  
[01:35:30] and a lack of cohesion. Regional  
[01:35:33] storytelling. This work was only  
[01:35:35] possible through the true collaboration  
[01:35:37] with business owners, tribal  
[01:35:38] communities, land managers, residents  
[01:35:41] and regional stakeholders. And to  
[01:35:43] stretch your investment even further,  
[01:35:44] we leverage port funding by also  
[01:35:46] securing a Washington Tourism grant  
[01:35:48] alongside the pilot program, expanding  
[01:35:51] both the reach and the impact of your  
[01:35:53] dollars. Together, we've built momentum  
[01:35:55] to advance economic development,  
[01:35:57] environmental stewardship, and authentic  
[01:36:00] cultural connection throughout the  
[01:36:01] Snoqualmie Valley. Port funding also  
[01:36:03] enabled a meaningful partnership with  
[01:36:05] the Snoqualmie Tribe, including direct  
[01:36:08] financial support for their  
[01:36:09] participation, an essential step toward  
[01:36:11] ensuring equity and representation in  
[01:36:13] their work. And while we are not  
[01:36:15] pursuing formal GSTC certification  
[01:36:18] because it's not logistically feasible  
[01:36:20] for our region at this time, your  
[01:36:22] funding has allowed us to train our team  
[01:36:24] to align with global sustainable tourism  
[01:36:26] standards. We're committed to operating  
[01:36:28] with the same vigor, rigor, sorry,  
[01:36:30] responsibilities and values  
[01:36:32] certification represents. This momentum  
[01:36:35] is powerful, but it cannot continue  
[01:36:37] without your ongoing support. And thank  
[01:36:40] you. Now, I'd like to introduce you to  
[01:36:42] Kristen Dow, CEO of the Cross Current  
[01:36:44] Collective, who served as the lead  
[01:36:47] facilitator for the Rural Tourism  
[01:36:49] Support Program. Okay. All right. Good  
[01:36:52] afternoon, commissioners and staff.  
[01:36:53] Thanks for having us. I'm just going to  
[01:36:55] walk us through a little bit of the  
[01:36:57] process of where we've been and where  
[01:36:59] we're ending up with the Snoqualmie  
[01:37:00] Valley. And we're going to have a couple  
[01:37:01] of additional folks join me as well from  
[01:37:04] the. From the region. So next slide,  
[01:37:07] please. So when we're invited into a  
[01:37:10] region, our first step is to really  
[01:37:12] define what that destination looks like.  
[01:37:14] So in the Snoqualmie Valley, we spent  
[01:37:16] some time working with our partner Kelly  
[01:37:18] and her team to really outline what the  
[01:37:20] boundaries of the region would look  
[01:37:21] like. And this area really includes some

[01:37:25] of the key attractions. As you probably  
[01:37:27] know, the Summit at Snoqualmie, the  
[01:37:28] Snoqualmie National Forest and the  
[01:37:30] Snoqualmie river in its entirety down  
[01:37:32] through Duval and. And all of the  
[01:37:33] farmlands within those areas. But it's  
[01:37:37] really a soft boundary, and this is  
[01:37:38] really important to recognize. Next  
[01:37:41] slide. We look at the entire  
[01:37:45] tourism ecosystem within a region or  
[01:37:47] within a destination, and this kind of  
[01:37:49] gives you a picture if you're able to  
[01:37:51] see the side. But we look at everyone in  
[01:37:53] the tourism industry, the different land  
[01:37:55] and resource managers, including  
[01:37:56] transportation, economic development,  
[01:37:59] community organizations, and important  
[01:38:01] communities to center in this work. We  
[01:38:03] spend some time with our partners really  
[01:38:05] identifying who from those different  
[01:38:07] aspects of the tourism ecosystem really  
[01:38:09] ought to come forward and help lead an  
[01:38:11] initiative. So, next slide. So working  
[01:38:14] with Kelly and her team in the state of  
[01:38:15] Washington tourism, as well as the  
[01:38:18] Snoqualmie tribe, a very robust  
[01:38:20] leadership team was put together,  
[01:38:21] inclusive of about 31 different  
[01:38:23] organizations. Of course, many people in  
[01:38:25] rural areas wear many hats, so there's  
[01:38:27] even more than beyond this slide. But as  
[01:38:29] you can see, there's a really rich  
[01:38:30] leadership team that was assembled for  
[01:38:32] the region. And this is really the  
[01:38:34] cornerstone of this work, which is  
[01:38:36] developing large and complex  
[01:38:38] collaborations to really adapt to the  
[01:38:40] complex challenges that these type of  
[01:38:42] rural regions face in their sort of  
[01:38:45] tourism journey. Everyone who was  
[01:38:47] invited to the table was really  
[01:38:48] delighted to be there and contributed  
[01:38:50] significantly throughout the process.  
[01:38:52] Next slide. One of our first steps as  
[01:38:56] a large leadership team is to set an  
[01:38:58] intention. So many people will call  
[01:39:00] these guiding principles, but  
[01:39:01] collaboratively, the 31 organizations  
[01:39:03] and individuals really set the intention  
[01:39:05] that's before you very focused on  
[01:39:08] diversity, stewardship and really  
[01:39:10] management of this destination. As you  
[01:39:12] can see, the main intention is not just  
[01:39:14] come one, come all and come often,  
[01:39:16] although that is part of the  
[01:39:18] conversation. It's really about how do  
[01:39:19] you evolve the visitation patterns over  
[01:39:21] time so that you're hitting those off  
[01:39:23] peak days and off peak seasons. Next  
[01:39:25] slide. The other piece  
[01:39:28] that we work with with the leadership  
[01:39:30] team is really customizing a very  
[01:39:33] involved engagement process. So we start

[01:39:35] in the beginning, in the first phase  
[01:39:37] with a number of primary research  
[01:39:38] projects. We research with the. We study  
[01:39:42] the visitor behavior, we study the  
[01:39:44] stakeholders and what they're really  
[01:39:45] looking for with the future of tourism.  
[01:39:47] And then we also really do kind of a  
[01:39:49] destination scan that helps inform all  
[01:39:51] of the engagements that took place in  
[01:39:53] the. One of the things that we learn  
[01:39:55] from stakeholders is that they're really  
[01:39:56] interested in expanding educational  
[01:39:58] opportunities for visitors, creating  
[01:40:01] more opportunities to eat and drink  
[01:40:02] local, locally grown, locally harvested,  
[01:40:05] locally made things, evolving the  
[01:40:07] outdoor rec experience kind of beyond  
[01:40:09] what's Currently there, and then around  
[01:40:11] the management pieces, they're really  
[01:40:13] looking to alleviate some of the traffic  
[01:40:15] congestion issues that are taking place,  
[01:40:16] as you can imagine or know, throughout  
[01:40:18] the region. Improving the litter  
[01:40:20] management, which has been a big  
[01:40:21] problem, and increasing the  
[01:40:23] accessibility of the transportation  
[01:40:25] options and making those a bigger part  
[01:40:27] of the visitor experience. Moving into  
[01:40:29] that second phase, we really start to  
[01:40:32] engage the public. And we held four  
[01:40:35] major workshops. The first one a  
[01:40:37] visioning and scenario workshop where we  
[01:40:39] really took a look at the future,  
[01:40:41] mapped out four different scenarios,  
[01:40:43] and got everyone's engagement on where  
[01:40:46] they really want to head in the future.  
[01:40:48] We held three more strategy sessions,  
[01:40:50] one around destination stewardship,  
[01:40:52] more broadly, visitor management for  
[01:40:54] high use, outdoor recreation  
[01:40:56] destinations and cultural tourism. And  
[01:40:58] in each of those, we're really bringing  
[01:41:00] in best practices and people from around  
[01:41:02] the world who are doing really good work  
[01:41:04] in this space. And then working  
[01:41:05] collaboratively with a group of, you  
[01:41:07] know, sometimes 60ish people in the room  
[01:41:09] to roll up their sleeves and really talk  
[01:41:11] about what needs to happen next in the  
[01:41:13] region. In that third phase, we work  
[01:41:15] with that steering committee to form a  
[01:41:17] more longer standing destination  
[01:41:18] leadership team, which is now in place  
[01:41:21] that involves the majority of those 31  
[01:41:23] organizations, many of those same  
[01:41:25] individuals, and then there was a number  
[01:41:27] of new individuals added and new  
[01:41:29] organizations that were sort of  
[01:41:30] discovered along the way that needed to  
[01:41:32] be part of the longer standing effort.  
[01:41:34] That leadership team is again  
[01:41:37] cornerstone to this project. It is what  
[01:41:39] holds the glue together behind all of

[01:41:41] the priority actions that will be coming  
[01:41:44] around and actually already starting.  
[01:41:45] We'll talk about that here in one  
[01:41:46] minute. But that role of that  
[01:41:48] destination leadership team is critical.  
[01:41:50] Now this is being convened by the Snow  
[01:41:52] Valley Chamber and it includes, like I  
[01:41:54] said, all of those diverse  
[01:41:55] organizations. Their job is to really  
[01:41:58] uphold this very detailed vision of  
[01:42:00] success, which I'll share with you next,  
[01:42:02] and then to support the implementation  
[01:42:04] of priority projects in the region over  
[01:42:06] time. Okay, it's really easy to design a  
[01:42:09] process and kick off a few projects,  
[01:42:11] but it's really hard to create the glue  
[01:42:12] of these complex collaborations that can  
[01:42:15] really stand the test of time and do  
[01:42:17] this work over the long term. Most of  
[01:42:19] the solutions are not short term  
[01:42:20] solutions, and then to continue to build  
[01:42:23] trust amongst the players who are at  
[01:42:25] that table. Next slide, please. So the  
[01:42:28] major outcome, I mean there's a major  
[01:42:30] outcome, is really the leadership team  
[01:42:31] and the priority action teams that are  
[01:42:33] in motion at the moment. But everyone  
[01:42:35] now has a 15 year vision of success.  
[01:42:37] It's actually two slides. If you want to  
[01:42:39] shift to the second slide, you can read  
[01:42:42] this at your leisure. I think you have  
[01:42:43] the full report. We work really hard  
[01:42:46] with the folks who turned out to the  
[01:42:48] workshops and the leadership team to  
[01:42:49] craft a vision that is what we would  
[01:42:52] call a goal story. So it's very  
[01:42:54] specific. It articulates what they  
[01:42:56] actually want to see on the ground in 15  
[01:42:58] years. And this is to basically hold  
[01:43:01] sort of a North Star for the region that  
[01:43:03] they can come back to. Once that first  
[01:43:06] round of priority projects has been  
[01:43:07] completed, they can come back and see  
[01:43:09] what else they might want to work on.  
[01:43:10] Many regions will adapt this vision over  
[01:43:13] time. After six or seven years, they'll  
[01:43:14] come back in and do some editing, you  
[01:43:16] know, context changes, et cetera. But  
[01:43:18] you can see it includes many of the same  
[01:43:20] points as was in the statement of  
[01:43:22] intent. But this is now a much more  
[01:43:23] detailed and articulate and clear vision  
[01:43:26] to come back to. And lastly, next slide,  
[01:43:30] they as a leadership team came together  
[01:43:33] and looked at the slate of potential  
[01:43:36] actions that were generated through the  
[01:43:38] process and selected six to rally around  
[01:43:40] and assemble resources in order to  
[01:43:43] implement them. One around responsible  
[01:43:45] visitation, visitor transportation, a  
[01:43:49] valley wide heritage trail that would  
[01:43:50] follow along the river, kind of bringing  
[01:43:52] the diversity of different heritages to

[01:43:55] life. Valley wide mural maps which would  
[01:43:58] basically they will be coming to life in  
[01:44:00] each of the towns within the region,  
[01:44:02] creating a destination management and  
[01:44:04] marketing organization and then  
[01:44:06] eventually developing a valley wide  
[01:44:08] brand. Now not all of these are  
[01:44:10] happening right out of the gates, but  
[01:44:12] they are being staged over the next  
[01:44:13] couple of years. So I'm going to wrap  
[01:44:15] up. That's the kind of result of this  
[01:44:17] effort. Thank you for your investment  
[01:44:18] and I'm going to pass the mic over to  
[01:44:20] Caroline Villanueva from Mountains to  
[01:44:22] Sound Greenway, who's been an  
[01:44:24] illustrious steering committee member  
[01:44:25] and destination leadership committee  
[01:44:26] team participant. aye.everyone and thank  
[01:44:30] you commissioners for having us. My name  
[01:44:32] is Caroline Villanova and I work at the  
[01:44:34] Mountains to Sound Greenway Trust and I  
[01:44:36] was a member of the steering committee  
[01:44:37] and have been a part of the Destination  
[01:44:40] leadership team. So I really today just  
[01:44:43] wanted to highlight how this whole  
[01:44:45] process and program really brought a  
[01:44:48] light to a vibrant community. Many  
[01:44:52] communities as well as the places within  
[01:44:54] the congressionally designated Mountain  
[01:44:56] Sustan Greenway National Heritage. This  
[01:44:59] whole process, really everyone  
[01:45:03] involved just shared how much they loved  
[01:45:05] the Snoqualmie Valley, so how much they  
[01:45:09] wanted to care and celebrate the valley.  
[01:45:12] That was pretty much every, every  
[01:45:13] community workshop, every steering  
[01:45:15] committee was all around that and the  
[01:45:18] conversations kind of circled around how  
[01:45:20] do we make sure this area isn't loved to  
[01:45:22] death? A place like the Snoqualmie  
[01:45:25] Valley that has a large landscape,  
[01:45:29] so many different communities,  
[01:45:32] vibrant, vibrant heritage and cultural  
[01:45:35] heritage, really, really needs this  
[01:45:37] collaborative framework and network and  
[01:45:39] strong relationships to make sure some  
[01:45:43] of these ideas that Kristin just shared  
[01:45:45] can stay, stay living and stay  
[01:45:49] connected. So, so I'm just here to one,  
[01:45:51] thank the Port for your support and  
[01:45:53] thank the State of Washington Tourism  
[01:45:55] for their support of this program and  
[01:45:57] also really encourage that long term  
[01:46:00] sustainability of thinking. How can we  
[01:46:02] have this destination tourism work  
[01:46:06] continue in the Valley through dedicated  
[01:46:09] staff, dedicated organizations who are  
[01:46:11] working on this. And then I also just  
[01:46:14] wanted to thank everyone up here for  
[01:46:17] allowing my participation and also for  
[01:46:20] your future support and collaboration.  
[01:46:21] Collaboration on just this tourism  
[01:46:23] ecosystem and the whole state. So thank

[01:46:26] you and I'll pass it off to Wade. Hi  
[01:46:29] everybody, my name is Wade Sugiyama.  
[01:46:31] I'll close this out here. I'm a 10 year  
[01:46:34] resident of Snoqualmie. I'm a small  
[01:46:37] business owner and member of the  
[01:46:38] Chamber. Fully support all the work that  
[01:46:41] the team has done. Just really love  
[01:46:42] everything that everyone has done. As I  
[01:46:45] reflect back, I was thinking a little  
[01:46:46] bit early in my career I worked a little  
[01:46:48] bit with some VCs and angel investors  
[01:46:50] and they used to always say over and  
[01:46:52] over that when they invest in early  
[01:46:55] stage companies and early ideas, just as  
[01:46:58] much as anything else, they are  
[01:46:59] investing in the people that are  
[01:47:01] involved. And you may have thought of  
[01:47:04] that as you have been going through this  
[01:47:05] process and as you invest in other  
[01:47:07] communities around the area. But I just  
[01:47:10] want to validate for me personally and  
[01:47:11] my own perspective that the people  
[01:47:14] you've invested in are great people.  
[01:47:16] Kelly, Amy, Carolyn, Kristen, all these  
[01:47:19] people and everybody, the communities  
[01:47:21] that have been involved are fantastic  
[01:47:24] people to invest in. So validating a  
[01:47:26] little bit of what you've done and this  
[01:47:28] is the right people to bring your  
[01:47:30] visions to life. I think that's been  
[01:47:32] something that I've seen and I'd say  
[01:47:35] we're going to continue, we and they are  
[01:47:37] going to continue to raise additional  
[01:47:39] funds to keep things moving. We're  
[01:47:41] working on a trailblazing a new  
[01:47:45] sustainable funding model and then of  
[01:47:48] course pushing all of these projects  
[01:47:50] forward as best we can. You know,  
[01:47:52] according to the GSTC guidelines, of  
[01:47:54] course. We really appreciate, we're  
[01:47:57] really grateful to have the Port have  
[01:47:58] people like you to help us get there.  
[01:48:00] And you know, this is just the  
[01:48:03] beginning. So thank you all, we  
[01:48:04] appreciate it.  
[01:48:08] Thank you very much for the  
[01:48:10] presentation. So at this time we've got  
[01:48:12] questions and comments from our  
[01:48:13] commissioners and I'll Begin with  
[01:48:15] Commissioner Felloman.  
[01:48:18] Thanks guys, for putting faces and time  
[01:48:22] to effort that is obviously worthwhile  
[01:48:26] and that you all are still playing  
[01:48:28] together. I like to see that, you know,  
[01:48:30] just a quick step back, you know, in my  
[01:48:34] desire to see ecotourism type programs,  
[01:48:38] sustainable tourism efforts. And you  
[01:48:40] know, sustainable tourism is like the  
[01:48:41] superset. The eco version of it is what  
[01:48:45] drew me to the valley. And you know, it  
[01:48:48] has like all the food groups, right?  
[01:48:50] You know, you have the, the nature, you  
[01:48:52] have the, the people, including the



[01:48:55] willingness of tribes to participate in  
[01:48:57] tourism, which is a rare thing in the  
[01:48:59] state of Washington. And that you also  
[01:49:02] have this proximity to the urban center.  
[01:49:06] And my concern that quite frankly that  
[01:49:08] the port could be a tremendous  
[01:49:11] contributor to the pressure through  
[01:49:13] cruise and other easy access and that I  
[01:49:16] was saying to myself, well, look, if  
[01:49:17] we're going to be rah rah, I want to  
[01:49:20] make sure that the communities are  
[01:49:22] prepared to catch the ball. That could  
[01:49:24] be a great benefit, but also could be,  
[01:49:27] you know, more than you ask for. And so  
[01:49:30] that's why, you know, the idea of, you  
[01:49:34] know, tourism and then outdoor  
[01:49:36] recreation are really oftentimes  
[01:49:39] historically separate entities. And I  
[01:49:42] know in dealing with Mountain Sound  
[01:49:44] Greenway, they're just trying to manage  
[01:49:46] the local demand on this area. You know,  
[01:49:48] go ahead, bring in all this more. What  
[01:49:50] kind of favor am I doing you? Right. So  
[01:49:52] I was keenly concerned about does, you  
[01:49:55] know, it's happening anyway, and that  
[01:49:57] was the other region you're already  
[01:49:58] experiencing over tourism. So then what  
[01:50:01] are the management tools that you can  
[01:50:03] have? And having, you know, cross  
[01:50:04] currents expertise and helping steer  
[01:50:06] that through was really great. But I  
[01:50:08] gotta say, the idea of going off and  
[01:50:12] doing something in a place where, you  
[01:50:14] know, I don't live or have that much  
[01:50:16] direct experience with having mountains  
[01:50:18] of Sound Greenway behind this, having  
[01:50:20] all that historical, historical  
[01:50:21] investment in this area, knowing all the  
[01:50:24] players, I got to tell you, having your  
[01:50:26] participation really for me knew that  
[01:50:30] the right people would be at the table  
[01:50:32] and it'd be a resource that everybody  
[01:50:34] could tap. And having the chamber  
[01:50:36] bringing the business community along  
[01:50:38] with that is a really fantastic  
[01:50:41] combination. And I'm delighted to see  
[01:50:44] the fact that you were able to come up  
[01:50:46] with the joint vision. Obviously, it's a  
[01:50:49] long term plan, as you clearly  
[01:50:52] identified the one.  
[01:50:56] I have to say something, right? Just  
[01:51:00] throwing flowers at you.  
[01:51:04] The one entity that I've spoken to in  
[01:51:07] the past that I don't think was part of  
[01:51:08] the steering committee was Columbia  
[01:51:10] hospitality. And I'm just wondering,  
[01:51:13] they're like this big destination at the  
[01:51:16] Top of the hill and obviously are  
[01:51:17] managing the tribe's asset. I'm just  
[01:51:20] wondering, did you invite them, or was  
[01:51:24] there something that fell through the  
[01:51:26] cracks? Oh, we invited them, but I think  
[01:51:28] they decided to go towards the tribal

[01:51:31] because they are. The Salish is the only  
[01:51:33] thing now that they have up there.  
[01:51:35] Before, it was the club at Snoqualmie  
[01:51:38] Ridge, and that is no longer. So they  
[01:51:40] were allowing the tribe to step up and  
[01:51:42] be that role. That's great, because  
[01:51:45] obviously their engagement, but.  
[01:51:48] Right. With the tribe's blessing. And I  
[01:51:51] have to say, you know, having Jamie's  
[01:51:54] engagement, I mean, Jamie has been like,  
[01:51:56] the liaison for Snoqualmie in so many  
[01:51:59] different forums, and now she has yet  
[01:52:02] another forum. But I'm hoping that she  
[01:52:04] provides this umbrella for all of us to  
[01:52:07] be able to benefit from and then to have  
[01:52:10] inpakoven at this. This combination of  
[01:52:13] these people who are now really decision  
[01:52:15] makers further encourages  
[01:52:19] me that this was the right people to  
[01:52:21] invest in. And so thank you for that.  
[01:52:23] And I hope we can help you leverage  
[01:52:25] additional resources into the future,  
[01:52:26] because this snowball is beginning to  
[01:52:29] roll. Thank you again. Thank you,  
[01:52:33] Commissioner Felleman. Is there anybody  
[01:52:34] else with questions? Oh, actually, no.  
[01:52:36] And, you know, Commissioner Muhammad  
[01:52:39] was, you know, the only other person  
[01:52:40] that worked as my tag team on this  
[01:52:42] tourism program. And I meant to  
[01:52:45] acknowledge this right off the bat. So  
[01:52:47] thank you for your support in getting  
[01:52:49] this going. Thank you, Commissioner  
[01:52:52] Muhammad. Well, thank you,  
[01:52:55] Commissioner Felleman, for your  
[01:52:57] leadership and moving all of that  
[01:52:58] forward, and I was happy to support it.  
[01:53:00] I was also happy to attend the Snow  
[01:53:03] Valley Chambers event last year, and it  
[01:53:06] was a long drive, a beautiful drive up  
[01:53:08] there, and just appreciated the time I  
[01:53:10] was able to spend with your community  
[01:53:12] and talking about economic development  
[01:53:14] opportunities. And they were all just as  
[01:53:17] excited. That was a full room, and I  
[01:53:19] would say just about everybody in that  
[01:53:21] room was just excited about the  
[01:53:23] opportunities that the Snow Valley  
[01:53:26] offers and the opportunity to  
[01:53:30] collaborate with the Port of Seattle.  
[01:53:31] It was the same sort of enthusiasm that  
[01:53:34] I was hearing there that I'm hearing  
[01:53:35] today. And so I think this is a really  
[01:53:38] special partnership, and I look forward  
[01:53:40] to continuing to support it. And thank  
[01:53:42] you so much for the presentation today.  
[01:53:45] It was very informative and detailed.  
[01:53:46] Thanks for the time. All right,  
[01:53:50] seeing no further questions or comments,  
[01:53:52] we can move on. Thank you all so very  
[01:53:54] much for taking the time to be here. It  
[01:53:56] was a great presentation.  
[01:54:00] All right, Clerk Hart, please read the

[01:54:02] next item into the record, our final  
[01:54:04] item for the day, and Deputy Executive  
[01:54:05] Director Goon will introduce it. Thank  
[01:54:08] you. This IS Agenda Item 11B, 2025 State  
[01:54:11] Legislative Session review.  
[01:54:13] Commissioners, this briefing provides an  
[01:54:15] Overview of the 2025 state legislative  
[01:54:18] session which concluded in May following  
[01:54:20] the Governor's final bill actions.  
[01:54:22] Despite a challenging fiscal landscape,  
[01:54:24] it was a strong year for the Port's  
[01:54:26] priorities. Our senior state  
[01:54:28] governmental relations manager John  
[01:54:30] Flanagan is joined by our contract  
[01:54:31] lobbyist Brooke Davies to share more  
[01:54:33] about some of our success in the last  
[01:54:35] session and our preparation for the next  
[01:54:38] one to come. Please note for the record  
[01:54:39] that Commissioner Calkins has exited the  
[01:54:50] Yeah, that will help, huh? Thank you.  
[01:54:53] For the record, John Flanagan, senior  
[01:54:56] state government relations manager here  
[01:54:57] at the port, joined today by our  
[01:54:58] contract lobbyist, Brooke Davies.  
[01:55:00] Unfortunately, our other contract  
[01:55:01] lobbyists, Nick Struly couldn't be here.  
[01:55:03] We're going to put aye. in front of y'  
[01:55:05] all at some point for a different  
[01:55:06] briefing sometime this summer. Wanted to  
[01:55:08] start by letting Brooke introduce  
[01:55:10] herself. Good afternoon,  
[01:55:12] commissioners. Nice to see all of you.  
[01:55:14] Brooke Davies,  
[01:55:18] next slide please. So this is just an  
[01:55:21] overview of how this presentation is  
[01:55:23] organized. Brooke is going to run you  
[01:55:25] through some of the pre session fiscal  
[01:55:26] outlook, high level rundown of the  
[01:55:28] revenue package that was passed this  
[01:55:29] year and some other non port related but  
[01:55:31] newsworthy legislation that some of you  
[01:55:33] might be curious about. Then I'll walk  
[01:55:35] us through some high level breakdown of  
[01:55:37] legislation and budget highlights passed  
[01:55:39] that were part of our pre session  
[01:55:41] legislative agenda that was adopted by  
[01:55:43] the commission. And throughout we'll  
[01:55:45] talk about places where we have some  
[01:55:46] unfinished business policy items that we  
[01:55:48] anticipate bringing back during the 2026  
[01:55:50] legislative session. Next slide please.  
[01:55:54] Take it away, Brooke. All right,  
[01:55:57] thanks, John. So this last legislative  
[01:56:00] session, I think you all are well aware  
[01:56:02] it was one of our long 105 day  
[01:56:04] legislative sessions where the primary  
[01:56:06] goal of the legislature is to pass a  
[01:56:08] operating capital and transportation  
[01:56:11] budget before they adjourn. Just to put  
[01:56:14] some things into perspective, this  
[01:56:15] session we had a new governor, lots of  
[01:56:18] new state agency heads, over 25 brand  
[01:56:21] new legislators. There were over 2,500

[01:56:24] bills introduced this session and just  
[01:56:27] around 430 of them passed. I'm sure many  
[01:56:31] of you are well aware, as was reported  
[01:56:32] heavily heading into the session, the  
[01:56:35] biggest thing facing the legislature  
[01:56:36] this session was the budget deficit. As  
[01:56:39] we headed into session, the number kept  
[01:56:41] getting bigger and bigger and, and by  
[01:56:43] the time sessions started in January,  
[01:56:45] it looked that we were going to be  
[01:56:47] anywhere from 10 to 16 billion dollars  
[01:56:49] in the whole for the operating budget  
[01:56:52] alone. This budget deficit is due to a  
[01:56:55] couple things. Number one, the revenue  
[01:56:58] growth that was assumed in balancing the  
[01:57:00] budget didn't completely come to  
[01:57:02] fruition. So they had assumed for a  
[01:57:03] certain level of growth. And even though  
[01:57:05] revenue collections weren't technically  
[01:57:07] decreasing, they weren't increasing by  
[01:57:09] the rate that the legislature had  
[01:57:10] anticipated. There's also just an  
[01:57:12] increase in the cost and services all  
[01:57:15] across the board. That's the same thing  
[01:57:17] for transportation as well. And then  
[01:57:18] there was some federal funding that we  
[01:57:20] had received during the COVID pandemic  
[01:57:22] that was one time funding that was used  
[01:57:24] to fund things that the legislature  
[01:57:26] wanted to keep going, and those are  
[01:57:28] ongoing expenses. So with all of that in  
[01:57:31] mind, the majority party released a big  
[01:57:34] tax package, the house and senate,  
[01:57:36] respectively. Their original tax package  
[01:57:38] on the senate side included things like  
[01:57:40] a wealth tax, statewide payroll expense  
[01:57:43] tax, similar to what we have in Seattle.  
[01:57:45] But this would be statewide. And there  
[01:57:49] were a couple dynamics in play. The  
[01:57:50] business community largely had some  
[01:57:52] concerns with the statewide payroll  
[01:57:53] expense tax, thinking that taxing jobs  
[01:57:57] make us less competitive. The governor  
[01:58:00] came out and said, you know, I don't  
[01:58:02] want to sign a budget that relies  
[01:58:03] heavily on new and untested taxes.  
[01:58:05] Pointing to the wealth tax, and  
[01:58:08] essentially asked for them to go back  
[01:58:09] and look for some savings other places  
[01:58:11] and come out with a new package, which  
[01:58:13] they did. Towards the end of the  
[01:58:14] session, we passed the biggest tax  
[01:58:16] package in state history this year. I  
[01:58:18] think it was a \$9.4 billion in new taxes  
[01:58:22] that included a B and O increase across  
[01:58:24] the board. That included a new sales and  
[01:58:28] use tax on certain services, Removal of  
[01:58:31] several tax preferences. Which was the  
[01:58:33] one that had the most direct connection  
[01:58:34] to the. There was originally the removal  
[01:58:37] of the preferential tax rate for Steve  
[01:58:39] adoring, but that was eventually  
[01:58:40] removed, and then some other fee

[01:58:42] increases across the board. So  
[01:58:44] ultimately they were able to adjourn on  
[01:58:46] time and pass a balanced budget. I think  
[01:58:49] one important note, and John will speak  
[01:58:52] to this a little bit later, but we're  
[01:58:53] not completely out of the clear yet.  
[01:58:55] There will be a new revenue projection  
[01:58:58] coming out at the end of the week, and  
[01:58:59] the governor has already issued some  
[01:59:02] directives to agencies asking them to  
[01:59:04] try and start reducing their expenses or  
[01:59:07] come up with a plan that would be a  
[01:59:09] reduction of 7 to 8%. And so, you know,  
[01:59:12] along with that and some other things in  
[01:59:14] the budget, delaying implementation of  
[01:59:17] certain programs that we know are  
[01:59:18] coming, I think next session we'll be in  
[01:59:20] a similar position. The deficit might  
[01:59:23] not be as big, but certainly there's  
[01:59:25] still work to be done. And then, just  
[01:59:27] very briefly, John's going to speak  
[01:59:29] about the transportation package. This  
[01:59:30] is the first time I've ever seen a  
[01:59:32] transportation package just fly under  
[01:59:33] the radar. But they did pass a new  
[01:59:36] transportation package funded largely by  
[01:59:38] an increase in the gas tax. And John's  
[01:59:41] going to speak more in depth about that.  
[01:59:43] And just a couple of big policy bills  
[01:59:45] that passed. The rent stabilization bill  
[01:59:47] that's been they've been working on for  
[01:59:49] a long time, finally passed. And also  
[01:59:51] the UI for Striking Workers bill, which  
[01:59:53] has been around for several sessions,  
[01:59:54] finally passed as well. We will  
[01:59:57] go to the next slide. So jumping into  
[02:00:01] the PORTS priorities that are identified  
[02:00:02] pre session and how those things fared.  
[02:00:05] So starting here with aviation, I went  
[02:00:07] over, I think, most of this with y' all  
[02:00:09] last time I was here when we talked  
[02:00:10] about the START legislative agenda. But  
[02:00:12] adding in some detail and a couple fine  
[02:00:14] points on some things here. So as I  
[02:00:16] mentioned already, the first annual  
[02:00:18] START lobby Day happened this past year.  
[02:00:20] We're already working on a shared draft  
[02:00:23] agenda for next year as well. I actually  
[02:00:25] will be at START tomorrow evening to  
[02:00:27] talk to them about what that agenda  
[02:00:29] could look like. I think it'll look  
[02:00:31] really similar, frankly, to a lot of  
[02:00:33] what we already pursued this year. On  
[02:00:35] siting in the operations of the cog,  
[02:00:37] continued operations, the commercial  
[02:00:39] aviation work group secured in the  
[02:00:41] transportation budget, air quality  
[02:00:43] mostly playing defense. But I do think  
[02:00:45] it's a really great story to tell  
[02:00:46] because across the, I think 10 to 15  
[02:00:50] different appropriations for air  
[02:00:52] quality, we're talking about somewhere  
[02:00:53] in the tune of, you know, 50 to \$100

[02:00:55] million, whether it's indoor air quality  
[02:00:57] in classrooms or reappropriations for  
[02:01:00] air quality in overburdened communities,  
[02:01:01] direct assistance, things like that.  
[02:01:03] SAF both a success and kind of a work in  
[02:01:07] progress for this coming year. In total,  
[02:01:09] across the various appropriations, we  
[02:01:12] secured over \$10 million to help out  
[02:01:14] with the R and D facility and the SAF  
[02:01:17] accelerator that's operating up in  
[02:01:19] Snohomish County. We were unsuccessful  
[02:01:21] in getting a number of tax incentives  
[02:01:23] passed as part of our omnibus package.  
[02:01:25] But that'll move forward again this  
[02:01:26] coming year. The other place where we  
[02:01:29] made some significant progress there  
[02:01:30] would have been on permitting and  
[02:01:31] siting. We were able to secure some  
[02:01:33] funding in the budget to have Ecology do  
[02:01:35] some of that work for us via a non  
[02:01:36] project eis. As we already talked about,  
[02:01:39] Noise will continue to be something  
[02:01:40] we'll advocate for in 2026. As I  
[02:01:43] mentioned already, the million dollars  
[02:01:45] that we'd secured in last legislative  
[02:01:46] session swept into the operating budget  
[02:01:50] happened a lot across all three budgets  
[02:01:52] this year, but will continue to be  
[02:01:54] something we push for and then just  
[02:01:56] something to put back in front of y' all  
[02:01:58] that we've talked about before but  
[02:01:59] didn't speak about last time. Aviation  
[02:02:01] fuel tax. There's still a substantial  
[02:02:03] amount of money, we're talking 50  
[02:02:04] million plus that the state collects on  
[02:02:07] the sale of aviation fuel that is  
[02:02:08] currently being placed in the MATCA  
[02:02:10] account. The FAA has already been very  
[02:02:11] clear with the state that that's an  
[02:02:13] improper use, that it should be put  
[02:02:14] towards, quote, unquote, airport or  
[02:02:16] aviation purposes. And that needs to  
[02:02:18] happen ongoing. So we'll continue to  
[02:02:19] advocate there. And then just a couple  
[02:02:21] other things here that are kind of  
[02:02:23] miscellaneous. Secured additional money  
[02:02:25] for aerospace, workforce development  
[02:02:27] grants, washdots, sustainable aviation  
[02:02:29] grants. And then also we anticipate  
[02:02:31] additional legislation next year aimed  
[02:02:33] at SAMP. We saw a bill this year that  
[02:02:35] was focused primarily on environmental  
[02:02:37] justice and on capital construction  
[02:02:38] around the airport. We know for a fact  
[02:02:40] that a different version or updated  
[02:02:42] version of that legislation will be  
[02:02:43] talked about throughout the summer.  
[02:02:45] We're going to work with those folks  
[02:02:46] directly and see if we can find  
[02:02:47] something to agree on. Headed into next  
[02:02:49] session. Next slide, please.  
[02:02:52] Before you ask, I kind of split this up.  
[02:02:54] This is our environmental slide. So here



[02:02:56] we're going to talk about things like  
[02:02:58] conservation, water, etc. The next slide  
[02:03:01] will actually be on energy, all of that  
[02:03:04] jazz, clean fuels. So on conservation,  
[02:03:07] as noted here, even put Quiet Sound  
[02:03:09] there in parentheses, knowing that  
[02:03:10] they'd be presenting today as well,  
[02:03:13] secured an additional \$700,000 that'll  
[02:03:15] go directly to Maritime Blue to continue  
[02:03:16] continue the state's Quiet Sound  
[02:03:18] program. It's great to see that we're  
[02:03:20] also supporting with our own dollars.  
[02:03:21] We also continue to see significant  
[02:03:23] funds dedicated towards fish habitat  
[02:03:25] restoration, salmon recovery, and  
[02:03:27] programs that benefit Puget Sound  
[02:03:29] generally in a tough budgetary year.  
[02:03:31] Seeing those monies go to that stuff,  
[02:03:33] really important, not mentioned here.  
[02:03:35] We also supported the Seattle Aquarium  
[02:03:37] and our other partners in helping to  
[02:03:38] establish Bull Kelp as the official  
[02:03:40] state marine forest, which I know  
[02:03:41] Commissioner Felleman worked on a little  
[02:03:43] bit. I will hand it over to Brooke  
[02:03:47] here to talk about the RAP Act. Just as  
[02:03:49] a reminder, we supported sustainable  
[02:03:51] waste management and different versions  
[02:03:53] of the RAP act through the last, like,  
[02:03:55] three or four sessions. Yeah. Quickly.  
[02:03:58] The bill implements what's known as  
[02:04:01] extended producer responsibility. And as  
[02:04:03] John mentioned, the port's been  
[02:04:04] supportive. I believe the bill has been  
[02:04:06] around in different versions for the  
[02:04:08] last four sessions, but it finally was  
[02:04:10] able to get over the finish line this  
[02:04:11] session. Essentially what it does is  
[02:04:14] starts to shift the process of the cost  
[02:04:17] on waste management from the consumers  
[02:04:20] to the people that produce the products.  
[02:04:22] And so they have to set up a pro, a  
[02:04:25] producer responsibility organization and  
[02:04:27] meet certain recycling goals. This will  
[02:04:29] be implemented over several years. One  
[02:04:32] tiny piece that was in a separate bill  
[02:04:34] but was sort of put in at the last  
[02:04:36] second has to do with a bottle deposit  
[02:04:38] system similar to what they have in  
[02:04:40] Oregon. It doesn't specifically  
[02:04:42] implement one, but it does kind of leave  
[02:04:44] the door open to potentially do one in  
[02:04:46] the future should the legislature choose  
[02:04:48] to do that. And then just a couple other  
[02:04:51] things that are highlighted in your memo  
[02:04:53] as well. We were able to pass  
[02:04:54] legislation moving to annual statewide  
[02:04:56] tracking on GHGS trailer legislation to  
[02:04:59] a food and organic waste bill that we  
[02:05:01] supported during last legislative  
[02:05:02] session, retained \$5 million for the  
[02:05:05] state's industrial symbiosis program and  
[02:05:07] they also made a number of significant

[02:05:08] investments in things like six PPDQ  
[02:05:11] monitoring PFAs investigations and  
[02:05:13] monitoring contaminants of concern  
[02:05:15] monitoring. All of which is kind of a  
[02:05:17] good segue into talking about  
[02:05:18] stormwater. So this year we were unable  
[02:05:22] or unsuccessful in passing the  
[02:05:24] legislation we worked on with the  
[02:05:25] Northwest Seaport alliance to create  
[02:05:26] kind of a safe harbor from certain  
[02:05:28] appeals under the state's updated  
[02:05:30] industrial stormwater permit. Those  
[02:05:33] conversations will continue. Things  
[02:05:34] essentially fell apart in making or  
[02:05:36] negotiating with Department of Ecology  
[02:05:38] mid session. We also saw \$100 million  
[02:05:41] swept from matka funding directly into  
[02:05:45] the general fund, similar to what  
[02:05:46] happened with our noise repair and  
[02:05:47] replace. All of the money that goes  
[02:05:49] towards stormwater at the state level is  
[02:05:51] in Matka. \$100 million moving out of  
[02:05:53] Matka to the state's general fund to  
[02:05:55] backfill other places where we had  
[02:05:56] difficulties on that note as well. EJ  
[02:05:59] and CEPA will continue to be another  
[02:06:01] really important priority throughout the  
[02:06:03] interim and into next session. We worked  
[02:06:05] directly with Rep. Mena and some folks  
[02:06:06] at Front and centered on the Curb  
[02:06:08] Pollution act during session, which  
[02:06:10] would have broadly altered the SEPA  
[02:06:12] process to improve environmental justice  
[02:06:13] outcomes at the local government level.  
[02:06:16] And on a project by project basis, we  
[02:06:18] made substantial progress on the  
[02:06:19] legislation that was before us all the  
[02:06:22] way into, I think the opposite chamber  
[02:06:23] even. But things fell apart at the end  
[02:06:25] there. With your assuming your support,  
[02:06:27] we'll continue to work with Rep. Mana on  
[02:06:30] that, hopefully getting towards  
[02:06:31] something that the port could be  
[02:06:32] supportive of headed into next year.  
[02:06:34] And I'll just close this slide by saying  
[02:06:37] there's also the Environmental Crimes  
[02:06:38] Bill which I think folks heard about or  
[02:06:40] at least I shared some traffic on in the  
[02:06:42] middle of session. Long story short,  
[02:06:43] the Attorney General's office is looking  
[02:06:45] to continue that conversation next  
[02:06:47] session. As a reminder, the bill created  
[02:06:49] some additional criminal penalties  
[02:06:51] associated with violations of the Water  
[02:06:53] Pollution Control Act, Clean Air act and  
[02:06:54] the Hazardous Waste Management Act. By  
[02:06:56] the end of session, we were probably  
[02:06:57] trending towards neutral, but I know  
[02:06:59] that it'll be a big flashpoint headed  
[02:07:02] into next session. Next slide. There  
[02:07:06] were a number of stakeholders that were  
[02:07:08] deeply opposed to even the idea of the  
[02:07:10] bill throughout and noting that they

[02:07:14] didn't believe it would ever pass. They  
[02:07:16] never. They were never forced to kind of  
[02:07:18] come to the table and talk to the  
[02:07:19] Attorney General's office about some of  
[02:07:20] those concerns. We know for a fact the  
[02:07:22] AG's office will reintroduce the  
[02:07:24] legislation. And so we kind of will. We  
[02:07:26] assume that we'll see that fight  
[02:07:28] continue at least in the early part of  
[02:07:30] session. Just for a point of  
[02:07:33] information, was that a piece of agency  
[02:07:36] request legislation from the ago. Okay,  
[02:07:40] I have a quick question on this slide as  
[02:07:42] well. For the stormwater investments  
[02:07:44] being moved into the general fund, was  
[02:07:46] it the same sort of justification that  
[02:07:48] we saw with the sound installation that  
[02:07:50] we weren't. They weren't prepared for  
[02:07:52] projects to begin? Oh, no, not you.  
[02:07:55] You couldn't spend a billion dollars of  
[02:07:57] Matka money if you tried. I would say  
[02:08:00] this Motka, the public Works Assistance  
[02:08:03] account. I'm trying to think of other  
[02:08:04] sources. These are the places that the  
[02:08:06] legislature typically taps whenever  
[02:08:08] there's any kind of a budgetary  
[02:08:09] shortfall. Unfortunately, the noise  
[02:08:11] repair and replace program was, I think,  
[02:08:13] an easy one for them to pick on in that  
[02:08:16] case, because it is another capital  
[02:08:17] program. It's a nice to do, not a need  
[02:08:19] to do as far as they're concerned,  
[02:08:20] which in the state's mind, a need to do  
[02:08:22] is like a federal injunction,  
[02:08:23] basically. And anything short of that,  
[02:08:25] they'll look at rolling the funding back  
[02:08:27] into the general fund. Got it. Thank  
[02:08:28] you. I think we've got another question  
[02:08:30] on this slide. Commissioner Felleman,  
[02:08:33] the governor established in the AG's  
[02:08:36] office this environmental not crimes  
[02:08:41] program. But a. What's the term? It's.  
[02:08:45] No, there's an Environmental Crimes  
[02:08:47] division in the AG's office. Yeah. So  
[02:08:49] I'm just wondering what is he looking  
[02:08:52] for in addition to what that whole  
[02:08:55] division does? So all of this relates  
[02:08:57] back to a very specific case. I can't  
[02:08:59] remember the name of the company.  
[02:09:02] Somewhere in Pierce County. Yeah, it's  
[02:09:04] in Pierce County. Rural Pierce County.  
[02:09:06] There was a dam project. Essentially,  
[02:09:07] this company was pouring chemicals  
[02:09:10] directly into a water source. Right.  
[02:09:12] The rubber of the. Was it the turf I'm  
[02:09:15] going to end up fudging the details.  
[02:09:17] But long story short, what they're doing  
[02:09:18] here is they're taking what are existing  
[02:09:20] crimes, they're misdemeanors right now,  
[02:09:23] and they're elevating the penalties  
[02:09:25] mainly so things are becoming felonies  
[02:09:28] that are currently misdemeanors.  
[02:09:29] They're looking to step up enforcement.

[02:09:31] What the Attorney General's office would  
[02:09:32] tell you is that they believe that the  
[02:09:35] current federal administration is not  
[02:09:37] going to enforce existing federal clean  
[02:09:40] air, water, etc. Law. And so they would  
[02:09:43] like the additional authority at the  
[02:09:45] state level to make sure that we can  
[02:09:47] fill the gap. Whether that's exactly  
[02:09:50] what the bill said is, I think, up for  
[02:09:52] debate. So the business community  
[02:09:56] might have had a concern with this.  
[02:09:58] That's a fair assumption. Okay, thank  
[02:10:00] you. Next slide, please. Hamas.  
[02:10:04] Great. What was our position on  
[02:10:08] that? On the environmental crimes bill?  
[02:10:10] Yes, we didn't take a formal public  
[02:10:11] position, but we worked directly with  
[02:10:13] the AG's office throughout, like I said  
[02:10:14] I would. I think it's fair to say that  
[02:10:16] we were neutral by the time we were  
[02:10:19] coming to a place where we didn't  
[02:10:20] believe the bill would actually even  
[02:10:21] pass. And just a quick shout out. I  
[02:10:24] don't know if she's watching online or  
[02:10:25] anything, but Carly Michaels from the  
[02:10:26] statewide Ports association did a  
[02:10:28] phenomenal job working with the ports  
[02:10:31] and also all of the regulated community  
[02:10:33] under that bill as well. So we were well  
[02:10:35] organized. Right. It seems to me, just  
[02:10:37] from a law and justice perspective,  
[02:10:40] that the purpose of creating legal  
[02:10:44] standards is that you would deter crime  
[02:10:47] from happening to begin with. Right.  
[02:10:49] And so we would be. They would be  
[02:10:50] communicating that should this sort of  
[02:10:53] action occur, then there would be a  
[02:10:56] consequence that would be swift,  
[02:10:57] certain and severe. So this is,  
[02:11:02] I think, one to mark as a priority  
[02:11:04] interest item for the Commission.  
[02:11:05] Absolutely. Thank you. So moving here to  
[02:11:09] energy decarbonization, clean fuels,  
[02:11:12] all the fun stuff. I'll move quickly  
[02:11:14] because there's, I think, a lot of  
[02:11:15] successes we could talk about here on  
[02:11:17] clean fuels. We were supportive of a  
[02:11:19] bill this year that helps to accelerate  
[02:11:20] the existing compliance timelines under  
[02:11:22] the clean fuel standard should overall  
[02:11:25] make our CFS market more competitive,  
[02:11:27] make those credits worth more over time.  
[02:11:29] We also saw a couple bills passed  
[02:11:31] related to the cca. I think the one  
[02:11:33] that's most relevant will help get us  
[02:11:36] prepared for linkage with the California  
[02:11:38] and Quebec carbon markets if and when  
[02:11:39] that happens. Ecology is currently in  
[02:11:41] the process of doing all of that work on  
[02:11:44] sustainable maritime. I know that y' all  
[02:11:47] recently approved I think or fairly  
[02:11:50] recently, our work around the  
[02:11:52] sustainable maritime fuels workgroup

[02:11:53] that Maritime Blue is leading. We were  
[02:11:56] able to renew that funding this year.  
[02:11:58] So an additional \$250,000 for operation  
[02:12:01] of that work group. We are expecting a  
[02:12:04] legislative report from them pretty  
[02:12:05] shortly, I think in November. Their  
[02:12:07] first report is due to the legislature.  
[02:12:08] Port Electrification and Shore Power.  
[02:12:10] We were able to preserve the existing  
[02:12:12] money at the state level for shore  
[02:12:14] power. That does preserve the million  
[02:12:15] dollars we'll be getting for our shore  
[02:12:16] power project from the state.  
[02:12:17] Unfortunately, with the difficult fiscal  
[02:12:20] outlook, we won't be getting any  
[02:12:21] additional money into that program as of  
[02:12:23] yet. But I think we'll continue to  
[02:12:24] advocate for that along with other folks  
[02:12:26] headed into the future. And last but not  
[02:12:29] least there, the Seaport Alliance's  
[02:12:31] Shore power demonstration project. We  
[02:12:32] were able to retain all that funding as  
[02:12:34] well. So I think they're getting ready  
[02:12:36] to accept some of those dollars. But the  
[02:12:38] reappropriation we defended on I should.  
[02:12:42] This should probably thank you for that.  
[02:12:45] Hey, shout out to Sean Egan if he's  
[02:12:47] watching too. Probably should have  
[02:12:49] called this part clean Trucking rather  
[02:12:50] than medium and heavy duty ZEV  
[02:12:52] incentives. But we were able to preserve  
[02:12:54] money for the Drayage demonstration  
[02:12:55] project, ZEV and alternative fuel  
[02:12:58] charging and refueling infrastructure,  
[02:13:00] hydrogen truck refueling and the hundred  
[02:13:03] plus million that we had for point of  
[02:13:05] sale vouchers for medium and heavy duty  
[02:13:07] ZEVs. Green jobs and infrastructure.  
[02:13:09] Again, probably a misnomer up there  
[02:13:11] should be titled something like Program  
[02:13:12] Supporting clean energy infrastructure.  
[02:13:14] 24 million for the green jobs and  
[02:13:16] infrastructure grants. 26 million for  
[02:13:18] the Clean Energy Fund. 47 for the hard  
[02:13:20] to decarbonize grants. Clean Energy  
[02:13:23] community grants, over 10 million and  
[02:13:25] then some de minimis programming here.  
[02:13:26] FSEC has a new clean energy development  
[02:13:28] program. Clean Energy Development pre  
[02:13:31] development grants that we should be  
[02:13:32] able to tap into as well out of fsec.  
[02:13:34] And then a couple studies that are  
[02:13:36] ongoing. So the offshore winds supply  
[02:13:38] chain study is funded. That's another  
[02:13:39] Maritime Blue one that we were able to  
[02:13:42] help support. And then the battery  
[02:13:44] energy. Sorry battery energy storage  
[02:13:47] system guidance that Ecology will be  
[02:13:50] putting together. Bess. Really exciting  
[02:13:52] work going on there and hopefully will  
[02:13:54] be tapped into. Okay, is that the end of  
[02:13:57] this page? I got like one more thing  
[02:14:00] here and then I'll go next slide. Okay,

[02:14:02] you want to speed up? No, no. I want us  
[02:14:05] to be able to ask questions. Gotcha.  
[02:14:06] Sorry, I was like I can try on clean  
[02:14:09] buildings. I'll just say quickly. We  
[02:14:11] were able to pass legislation aimed at  
[02:14:13] helping regulated entities like the port  
[02:14:14] comply with the State's clean building  
[02:14:16] standards, which we're currently working  
[02:14:18] on, coming into compliance on. There's  
[02:14:20] also an additional 13 million for public  
[02:14:22] building energy audit grants and then  
[02:14:25] some miscellaneous ones. Before I stop,  
[02:14:27] there's bills passed this year focusing  
[02:14:29] on fusion energy facilities, low carbon  
[02:14:32] thermal energy networks and also utility  
[02:14:34] joint use agreements. That last one  
[02:14:35] there, I would say broadens and  
[02:14:38] democratizes the ability to enter  
[02:14:39] utility agreements. So theoretically the  
[02:14:42] port could become a partner with one of  
[02:14:44] the utilities in order to pursue some  
[02:14:46] sort of renewables network or whatever  
[02:14:48] it may be, or the alliance. Correct.  
[02:14:53] Okay, I'm going to look at my colleagues  
[02:14:55] question. There was a lot here. Do you  
[02:14:58] have questions on, on this page  
[02:15:00] specifically, can you say the part about  
[02:15:02] the hydrogen fueling stations? Yeah.  
[02:15:05] Transportation budget sets aside \$25  
[02:15:08] million for ZEV, an alternative fuel  
[02:15:12] charging, recharging infrastructure,  
[02:15:15] and then an additional, sorry, 15  
[02:15:17] million for specifically hydrogen  
[02:15:19] trucking and hydrogen refuel. Put it  
[02:15:21] into context for me. What's the news  
[02:15:22] with the hydrogen hub effort? That's a  
[02:15:27] loaded question. I wouldn't tie. How is  
[02:15:30] the legislature in the governor's office  
[02:15:32] thinking about it? There's a  
[02:15:33] reappropriation to help support the  
[02:15:35] hydrogen hub. So some state dollars to  
[02:15:38] match some of the federal money that's  
[02:15:39] coming in. But really the budget, it's a  
[02:15:41] match. We're pretty dry on that.  
[02:15:45] There's not a ton of work happening at  
[02:15:47] the state level to be for further  
[02:15:49] supportive of the state's hydrogen hub.  
[02:15:50] But so what are they investing in with  
[02:15:53] the infrastructure? There are already a  
[02:15:56] number of hydrogen trucks on the market  
[02:15:57] and that are, that are moving forward.  
[02:15:59] These are refueling stations, of course.  
[02:16:02] Yes. Yeah. Okay. And so this is for, is  
[02:16:05] it a long supply chain? Like where,  
[02:16:06] where are they thinking? I mean it's,  
[02:16:09] it's a pretty open ended grant. It could  
[02:16:10] be theoretically anywhere. But it is the  
[02:16:12] kind of dollars that we and the Seaport  
[02:16:14] alliance could tap into. And then later  
[02:16:16] next month we have our Central  
[02:16:18] Washington Clean fuels, Eastern  
[02:16:20] Washington Central needs in Washington  
[02:16:22] Clean fields tour. Will you be



[02:16:24] participating in that? Yes, there was  
[02:16:26] tremendous value in last year's tour.  
[02:16:28] Thanks. No, thank you.  
[02:16:34] Is he still here? Okay.  
[02:16:38] Please note for the record, we've been  
[02:16:39] rejoined by Commissioner Calkins  
[02:16:41] virtually. Okay, so that's, that's  
[02:16:44] interesting. And I'll go ahead and pop  
[02:16:46] over to you, Commissioner Calkins for  
[02:16:48] your questions. I know he has a separate  
[02:16:50] meeting happening right now.  
[02:16:53] Yeah, no, I didn't want to miss this. I  
[02:16:56] just, I wanted to say  
[02:17:01] thanks, John, for mentioning the money  
[02:17:04] in the offshore wind by chain study. I  
[02:17:07] also Just want to share that this spring  
[02:17:10] I had an opportunity to travel to three  
[02:17:12] different offshore wind conferences. A  
[02:17:15] national level one in Virginia Beach, a  
[02:17:17] Pacific coast one in Sacramento, and  
[02:17:19] then a, an international one in, in  
[02:17:22] Korea. And contrary to popular  
[02:17:26] perception, offshore wind is not dead.  
[02:17:27] It's actually quite healthy and moving  
[02:17:30] forward in spite of the headwinds from  
[02:17:32] the Trump administration and pun  
[02:17:34] intended. And so I'm thrilled to hear  
[02:17:38] the state is still investing in further  
[02:17:41] consideration of what role we might play  
[02:17:43] in supply chain for offshore wind built  
[02:17:45] anywhere. And also just kind of  
[02:17:48] admonishing all of us to not turn a  
[02:17:52] blind eye to this, that there's tons of  
[02:17:54] potential there. It's a technology that  
[02:17:55] delivers renewable clean energy quicker  
[02:17:59] than virtually any other technology,  
[02:18:00] with the exception of land, solar and  
[02:18:03] land wind and utility. So as we think  
[02:18:06] about all the ways that we're going to  
[02:18:08] get TO renewable by 2050, offshore wind  
[02:18:11] continues to be one of the most viable  
[02:18:12] options. And I continue to think it will  
[02:18:15] be a part of the mix in the future in  
[02:18:20] Thank you, Commissioner Calkins. And  
[02:18:22] that actually helped answer my next  
[02:18:23] question about the was it an offshore  
[02:18:25] feasibility or readiness study? So this  
[02:18:28] is the study on the supply chain? Yes,  
[02:18:31] supply chain readiness or feasibility.  
[02:18:33] I think either one's an adequate  
[02:18:35] descriptor. Okay, and then what's the  
[02:18:37] timeline for that? I should know this  
[02:18:40] top of my head, but I might have to get  
[02:18:41] back to you on due dates on the actual  
[02:18:43] reporting there. They presumably they  
[02:18:46] have to report back to the legislature  
[02:18:48] and the governor by December or next  
[02:18:50] June. The first tranche of money for  
[02:18:52] that was actually delayed by the  
[02:18:53] initiative, same as our sustainable  
[02:18:55] maritime fuels work group. And so  
[02:18:57] they've been working on it but hadn't  
[02:18:59] received any state money yet. And now

[02:19:00] they kind of have double at the same  
[02:19:02] time. Well, knowing that that's in the  
[02:19:04] works, there's going to be a lot of  
[02:19:05] anticipation around Puget Sound ports  
[02:19:07] around that. Commissioner Calkins has  
[02:19:10] my, my favorite saying in that the port  
[02:19:15] of Everett is already doing a lot of  
[02:19:17] the, the project  
[02:19:22] cargo around that. And he says we, we  
[02:19:25] want to drink of their slushy. So like  
[02:19:27] that's a, it's a market that we want to  
[02:19:29] be able to tap into. So it's exciting to  
[02:19:31] hear that the legislature's thinking of  
[02:19:32] it that way.  
[02:19:35] Not, not related to this slide, but on a  
[02:19:38] previous slide. Can you talk to me a  
[02:19:40] little bit about WSCA and what the  
[02:19:42] newest is? And actually WASCA will come  
[02:19:45] up specifically I think on the next  
[02:19:46] slide after this one related to our work  
[02:19:49] on Transportation. And then on the last  
[02:19:51] slide, I just wanted to mention that you  
[02:19:53] touched on the airport sighting and that  
[02:19:56] like there's been a lot of conversation  
[02:19:58] among us on how we continue to lean into  
[02:20:00] that conversation. But the commission  
[02:20:02] just had its retreat earlier.  
[02:20:06] It was last week. Time is weird.  
[02:20:10] And we held it in Snohomish county to  
[02:20:13] have a conversation with the Port of  
[02:20:14] Everett to see about the way that  
[02:20:16] they're thinking of it. And they are  
[02:20:17] already thinking of themselves as the  
[02:20:21] next big airport. Right. And we have to  
[02:20:24] think about how in the meantime, while  
[02:20:26] this timeline is working itself out for  
[02:20:28] a sighting for another international hub  
[02:20:31] that we can count on them to accommodate  
[02:20:35] overflow. And that's the release valve  
[02:20:37] that we experience. So shout out to you  
[02:20:41] and everybody who's continuing to put  
[02:20:43] their heads together around what the  
[02:20:46] long term solution is. In the meantime,  
[02:20:48] we're leading and putting our heads  
[02:20:50] together and shout out to Commissioner  
[02:20:52] Cho for even exploring a shuttle program  
[02:20:55] between our airport and there and  
[02:20:58] theirs. And then for the UI for  
[02:21:02] striking workers. Who puts the bill for  
[02:21:05] that? Is that part of a Washington State  
[02:21:08] program? Would that be the Port of  
[02:21:09] Seattle? Well, the way that the bill  
[02:21:13] ended up and the way that it passed is  
[02:21:14] should there be a strike? And there's  
[02:21:18] some limitations in there. The strike  
[02:21:19] would have to be allowable under federal  
[02:21:21] law. So, for example, a lot of public  
[02:21:22] employees under federal law are not  
[02:21:24] technically allowed to strike, even  
[02:21:25] though that they do. So the employer  
[02:21:27] would foot the bill for a certain amount  
[02:21:29] of time. I believe the benefits go up to  
[02:21:31] six weeks. If the strike was to last for

[02:21:34] a very long time, the effects would be  
[02:21:36] socialized among all employers and you  
[02:21:38] could potentially see rate increases  
[02:21:40] across the board if there was a really  
[02:21:42] long strike. And one of the finer points  
[02:21:45] on that bill is that I think it's. It's  
[02:21:47] either ESD or LNI has to do ongoing  
[02:21:50] reporting as to how the implementation  
[02:21:52] of the bill affects the unemployment  
[02:21:55] insurance account and programs at the  
[02:21:57] state level as well. That makes sense.  
[02:21:58] Even though they're being asked to  
[02:22:01] identify 6 to 7% cuts on top of the 30%  
[02:22:04] that's already happening. Yeah, pretty  
[02:22:05] much got it. Okay, Commissioner  
[02:22:07] Felloman, thank you.  
[02:22:11] It's a mouthful and you're not even done  
[02:22:13] yet, so appreciate the BAUD rate.  
[02:22:17] A couple of. One observation, one  
[02:22:19] question. So what is the role you see  
[02:22:21] FSEC playing here in the mix?  
[02:22:26] A couple things, I guess. I mean,  
[02:22:28] number one, for large scale utility  
[02:22:31] solar programming. I mean, FSEC is  
[02:22:33] pretty much where all of those decisions  
[02:22:34] get made. And so they were given some  
[02:22:36] money in this budget to do project pre  
[02:22:38] development, site identification, site  
[02:22:41] readiness, things like that. And I'd  
[02:22:43] have to ask the folks at FSEC exactly  
[02:22:45] how some of those dollars are going to  
[02:22:47] be spent. But I also have to assume a  
[02:22:49] lot of it will be helping some of those  
[02:22:51] projects access whatever federal money  
[02:22:53] or private capital could be available as  
[02:22:55] well. And so helping with the financing  
[02:22:58] side of things. Great. And we, and we  
[02:23:01] have Kurt Beckett at the helm of that.  
[02:23:03] Right? Correct. So to the degree we want  
[02:23:06] to work benefits to the ports, we have a  
[02:23:09] very receptive ear there. Right. I look  
[02:23:12] very encouraged by that. The only other  
[02:23:15] thing for right now, though, I  
[02:23:16] definitely want to hear the Watski  
[02:23:18] conversation. I guess following up on  
[02:23:19] the airport, regional airport  
[02:23:22] discussion, the one study that I would  
[02:23:24] love to see done is, is nothing to  
[02:23:28] do with Washington State. State. Right.  
[02:23:30] I want to see the study that looks at  
[02:23:33] the various different airports around  
[02:23:36] the country because this concern is  
[02:23:37] airport capacity is a concern throughout  
[02:23:40] the country, how these various different  
[02:23:42] states are able to or airports are able  
[02:23:46] to share their space with the military  
[02:23:49] and with the Air National Guard. And  
[02:23:52] we're told vociferously how it's  
[02:23:54] impossible here. And we're all, every  
[02:23:57] time there's a study, we can't even look  
[02:23:59] here. The previous directors of  
[02:24:04] these studies have expressed to us their  
[02:24:06] frustration that they can't even look

[02:24:07] here. And so rather than looking here,  
[02:24:10] what is the special sauce that exists in  
[02:24:12] all these other places which are meeting  
[02:24:15] growing demand by sharing both airspace  
[02:24:18] and airport space? And so I'm just  
[02:24:21] wondering, do you think, part of a new  
[02:24:24] commission, that such a question could  
[02:24:26] be asked when it's not looking  
[02:24:28] specifically at a local sighting? I  
[02:24:31] think to your point and to Commissioner  
[02:24:32] Hasegawa's earlier point about the  
[02:24:34] progress at Paine Field and the way that  
[02:24:35] they're now positioning themselves,  
[02:24:37] that does relieve a lot of the pressure  
[02:24:39] on the COG and what they're actually  
[02:24:41] looking at. And so, yeah, the simple  
[02:24:43] answer, yes, I think they could very  
[02:24:45] easily look at joint military commercial  
[02:24:48] service airports. And then really,  
[02:24:51] if they're not forced to absolutely  
[02:24:54] identify a greenfield development, or if  
[02:24:57] they're not forced to find a secondary  
[02:24:58] site that's looking to plus up its  
[02:25:00] current services, then. Then they have  
[02:25:02] the ability to expand exactly what  
[02:25:04] they're studying. Right. And. And the.  
[02:25:07] We also talked about Painfield  
[02:25:08] potentially taking some of our air cargo  
[02:25:10] so we can handle some of that, which is  
[02:25:12] another way of addressing it. And just  
[02:25:14] for I don't know if you saw, it was like  
[02:25:17] yesterday's newspaper. I think Linda  
[02:25:20] Mapes did the story on how our resident  
[02:25:22] killer whales are using kelp as a  
[02:25:25] loofah. And so the importance of kelp to  
[02:25:28] our recovery of our most endangered and  
[02:25:30] wonderful species is only elevating in  
[02:25:33] importance. I didn't see it, but that's  
[02:25:36] some good bedtime reading for me.  
[02:25:37] Unless there are more questions, I  
[02:25:39] think. Oh, I was going to turn to Brooke  
[02:25:41] actually. I know transmission and grid  
[02:25:43] modernization was something the  
[02:25:44] commission really wanted us to focus on  
[02:25:45] on or at least be knowledgeable on for  
[02:25:48] it. Brooke, Sure, I can quickly report  
[02:25:50] transmission is a huge focus for the  
[02:25:53] legislature because we can continue to  
[02:25:54] build more power production, but if we  
[02:25:56] can't move it, it's. It's useless. So  
[02:26:00] there was a bill this session that would  
[02:26:01] have created a transmission authority  
[02:26:03] which essentially is if BPA is not  
[02:26:05] building, trying to incentivize others  
[02:26:07] to build by having some eminent domain  
[02:26:10] and other tools to bring to the toolbox  
[02:26:12] to help with financing. The bill did not  
[02:26:14] pass. It made it very far, I think to  
[02:26:16] the last step, but some controversy  
[02:26:19] among some of the SEPA provisions and  
[02:26:20] other stuff. So they ended up putting  
[02:26:22] \$300,000 in the budget for commerce to  
[02:26:25] start this work and look at financing

[02:26:27] options and look at what an authority  
[02:26:29] could do. There's some good examples of  
[02:26:31] other states that have implemented it  
[02:26:33] well and some that haven't. And so  
[02:26:35] they'll be looking at that over the  
[02:26:36] interim. Those bills will be back next  
[02:26:38] session. And then just because I know it  
[02:26:41] was a controversy during session, real  
[02:26:43] quick, still here we had two bills, one  
[02:26:46] to address scrubbers and use of sulfur  
[02:26:49] fuels on ocean going vessels and one  
[02:26:52] that was, I would call a shore power  
[02:26:53] mandate. I'll just say quickly, I mean  
[02:26:55] both of those died during session. We  
[02:26:58] will continue the conversations with the  
[02:27:00] stakeholders on those throughout this  
[02:27:01] interim. I think we'll land in a really  
[02:27:03] good place. The scrubbers bill is  
[02:27:04] already well on its way. We haven't yet  
[02:27:06] reengaged with Pacific Environment on  
[02:27:08] what next steps look like on the shore  
[02:27:10] power mandate bill. But that will  
[02:27:11] continue to be a conversation. I'll come  
[02:27:13] back in front of you with some more  
[02:27:14] details at some point here near future.  
[02:27:15] Next slide please. Could you elucidate  
[02:27:19] when you say scrubbers are well on the  
[02:27:20] way, There was conversation already  
[02:27:23] about what the real intent was with the  
[02:27:25] bill and how the overall scope of the  
[02:27:28] bill could be altered. Honestly,  
[02:27:31] friends of the San Juans and some other  
[02:27:33] folks who kind of started the  
[02:27:34] conversation really want to focus on  
[02:27:36] what use of open loop scrubbers looks  
[02:27:39] like in and around the San Juan Islands.  
[02:27:41] If that's the bill that gets  
[02:27:42] reintroduced next year, I think it's  
[02:27:44] pretty tough for us to say anything  
[02:27:46] about it from the Port of Seattle  
[02:27:48] perspective. What about wipa? I don't  
[02:27:51] know what that means. The wppa? I don't  
[02:27:53] know. Oh, sorry. That's a new one for  
[02:27:56] me. I mean, we'll be at the table with  
[02:27:59] the Ports association as we work on the  
[02:28:01] bill. With the Friends of San Juans and  
[02:28:02] the sponsors on the bill. I don't know  
[02:28:04] yet how they would line up if that's  
[02:28:06] the. I'm not sure what question you're  
[02:28:09] asking. What was their position? They  
[02:28:12] were opposed to the bill that was  
[02:28:14] running and the conversation ended  
[02:28:17] pretty quickly. It was given a hearing  
[02:28:19] in both chambers and died. They just ran  
[02:28:21] the clock. Not even that. I mean it was  
[02:28:24] given a complimentary hearing. It didn't  
[02:28:26] feel like it was ready for primetime in  
[02:28:27] a lot of ways. And they wanted to open a  
[02:28:29] conversation. Sure, sure. Mr. Felleman.  
[02:28:34] You know, I worked on scrubbers before I  
[02:28:36] came to the commission so I have some  
[02:28:38] familiarity with the subject. The,  
[02:28:41] the ability. Right now we don't allow

[02:28:43] scrubber discharge at the dock at all.  
[02:28:45] So we know that they can either burn low  
[02:28:49] sulfur fuel or run it into their storage  
[02:28:53] tanks. Unless you have an open loop  
[02:28:55] scope scrubber, you only have the option  
[02:28:58] of burning low sulfur fuel. And I think  
[02:29:01] the entire carnival fleet is all open  
[02:29:04] loop. And so, you know,  
[02:29:08] I didn't realize the Friends of San Juan  
[02:29:11] just want to deal with the San Juan  
[02:29:12] Islands. I thought there was a broader  
[02:29:15] community of folks that are looking at  
[02:29:16] it, but it's just, you know, I saw the  
[02:29:19] way this need for clean fuel was sort of  
[02:29:22] being conflated with the dislike of  
[02:29:25] scrubbers. So I can understand why this  
[02:29:27] got confused. But when you're dealing  
[02:29:29] with an open loop system, that is the  
[02:29:33] only alternative. You know, holding and  
[02:29:35] going offshore is only. It's only okay  
[02:29:39] if you can hold. Right. I don't want to  
[02:29:42] put words in other folks mouths or speak  
[02:29:44] for anyone. That's my understanding of  
[02:29:46] the original intent behind the bill onto  
[02:29:49] transportation. Very quickly here  
[02:29:51] because I think we're already over time.  
[02:29:53] No, sorry.  
[02:29:56] Question for Aaron, our chief of Staff.  
[02:29:59] Can you just refresh the commission's  
[02:30:02] memory on the presentation we just  
[02:30:04] received on the need to harden the grid  
[02:30:06] for future utilization? We just  
[02:30:10] got a briefing on that. He's blinking  
[02:30:14] slowly. Wheels are falling off here.  
[02:30:15] Who was the. What look what we're trying  
[02:30:18] to recall. We just received a  
[02:30:20] presentation. Oh, it was nwsa. That's.  
[02:30:21] That's why. Yeah. Presumably short  
[02:30:25] power. Okay. I think it was. Yeah. I  
[02:30:29] don't know. I can't. Damn it. Okay,  
[02:30:32] sorry. We're just interested in the  
[02:30:33] context of this presentation, so. Sure.  
[02:30:35] All right, back to you. Speaking of  
[02:30:37] transportation. So Brooke already talked  
[02:30:40] a little bit about new revenue. I'll  
[02:30:42] just say about the transportation  
[02:30:44] revenue package quickly. Mainly relying  
[02:30:47] on a substantial increase to the gas  
[02:30:48] tax, transfer of sales tax revenue on  
[02:30:51] vehicle sales, and then some other  
[02:30:53] smaller buckets, one of which actually  
[02:30:55] helps out with our SAF efforts. There  
[02:30:57] was a small excise fee created on  
[02:31:00] private aviation that will end up going  
[02:31:02] towards paying for SAF infrastructure in  
[02:31:03] the long run. I would say overall, the  
[02:31:07] conversation around new revenue was a  
[02:31:08] huge success for us because at the very  
[02:31:10] least we passed or you adopted state  
[02:31:13] legislative agenda that adhered to  
[02:31:15] certain priorities. Which were we want  
[02:31:17] to benefit freight or sorry, freight,  
[02:31:18] multimodal, continue to decarbonize,



[02:31:21] and we don't want new transportation  
[02:31:22] revenue to disadvantage port industries.  
[02:31:24] I would say we can check all of those  
[02:31:27] boxes pretty successfully. I think it's  
[02:31:30] overall fair to say too that a major  
[02:31:32] part of the interim conversation will be  
[02:31:34] focused on additional transportation  
[02:31:36] revenue for roadway preservation,  
[02:31:38] maintenance and existing major projects.  
[02:31:40] As I noted kind of in both columns here,  
[02:31:42] both successes and headed into next  
[02:31:44] session, we will continue to talk about  
[02:31:45] new revenue even though we just passed.  
[02:31:47] I don't know if it's the largest  
[02:31:49] transportation revenue package ever,  
[02:31:50] but it's certainly up there. The main  
[02:31:53] thing that will be talked about through  
[02:31:55] interim will be a road usage charge and  
[02:31:56] agreeing on some form of voluntary road  
[02:32:00] usage charge to start and then over the  
[02:32:01] next probably 10 years implementing  
[02:32:03] something that will theoretically  
[02:32:04] replace the diminishing gas tax over  
[02:32:06] time. I already talked about  
[02:32:08] decarbonization work. I don't need to  
[02:32:10] rehash that very quickly. Major  
[02:32:12] projects, investments, gateways, fully  
[02:32:14] funded at \$902 million. We were able to  
[02:32:17] bridge a significant funding gap that  
[02:32:19] was identified this past interim. Most  
[02:32:21] of that's via new toll revenue or well,  
[02:32:24] maybe not most, but a large bucket of  
[02:32:26] that is via new toll revenue. We were  
[02:32:28] able to get money in the budget for  
[02:32:31] revive i5 mitigation. As a reminder,  
[02:32:33] parts of i5 will be shut down both north  
[02:32:35] and southbound headed into 2026. So  
[02:32:39] there'll be money in the budget to help  
[02:32:40] mitigate the worst of that. I guess 15  
[02:32:43] million for SR18, widening, some other  
[02:32:46] major projects. But I think Those are  
[02:32:47] the three highest priority ones that we  
[02:32:49] identified pre session P3 and WASCO. So  
[02:32:53] Senator Leas had a bill this past year  
[02:32:55] and the year before to enable public  
[02:32:57] private partnerships on transportation  
[02:32:59] projects. That bill did not pass, but as  
[02:33:02] part of the broader transportation  
[02:33:03] revenue package, he was able to include  
[02:33:04] most of the language from that bill. So  
[02:33:07] there will be a P3 structure on  
[02:33:10] transportation projects. I think it's a  
[02:33:12] delayed implementation date of, I want  
[02:33:13] to say either 2026 or 2027. I don't have  
[02:33:17] that on my notes, unfortunately. Either  
[02:33:19] way, regardless of the P3 bill and the  
[02:33:22] provisions in the revenue package,  
[02:33:23] there was also a standalone proviso  
[02:33:27] in the state transportation budget that  
[02:33:31] focused on the WASCA property  
[02:33:33] specifically. Long story short, WSDOT is  
[02:33:37] not able to make any decision one way or  
[02:33:39] the other on development, transfer, et

[02:33:41] cetera, of WSCA without consulting with  
[02:33:44] the state legislature. So that puts us  
[02:33:46] in a place where I know that Keerlease  
[02:33:48] in Real Estate is already working  
[02:33:49] directly with some of the folks at WSDOT  
[02:33:51] as to what a feasibility study could  
[02:33:53] look like, where we jointly decide  
[02:33:55] hopefully what we could do together on  
[02:33:59] development of the WASCA property in the  
[02:34:01] future and how that would work into our  
[02:34:03] preservation of industrial land  
[02:34:05] strategy. So maybe I'll stop there just  
[02:34:07] to make sure I answered. Questioner  
[02:34:08] Felleman, would you like to respond to  
[02:34:10] that? Yeah, I had the pleasure of being  
[02:34:14] with Mr. Leas in Germany and took  
[02:34:19] a bit of a bus ride with aye. and sat  
[02:34:20] down and was asking aye. specifically  
[02:34:22] about that and you know, how can we kill  
[02:34:25] the C40  
[02:34:30] process, C something. And he  
[02:34:34] said, no, C40 goes forward and  
[02:34:38] that at the same time they don't have to  
[02:34:42] accept any of them. Right. It's just  
[02:34:44] like. But he wants, you know, he wants  
[02:34:46] to be able to consider that and said.  
[02:34:50] I said, well, don't you know that if for  
[02:34:53] a private developer to do this, it  
[02:34:55] almost invariably is going to require  
[02:34:57] these higher revenue things like  
[02:34:59] housing. And so you're going to  
[02:35:02] basically generate a project that we're  
[02:35:05] probably going to have to oppose. And I  
[02:35:08] said, why can't we talk about this  
[02:35:11] maritime supportive housing or building,  
[02:35:15] but basically meeting WSDOT's need,  
[02:35:17] we'll give you your office space and let  
[02:35:21] us deal with the rest. You know, just  
[02:35:22] give us the property and we can  
[02:35:23] potentially just take care of the rest.  
[02:35:25] And he says, well, if you want to be  
[02:35:28] considered, you have to like, put  
[02:35:29] forward a project through the C40  
[02:35:31] process. And from what I'm hearing, we  
[02:35:35] think we have just a direct relationship  
[02:35:36] with WSDOT, Whereas he wants to. And  
[02:35:39] I, and I knew, I kind of guessed this  
[02:35:42] was that he wants to see some sort of,  
[02:35:44] you know, iconic type building that  
[02:35:48] is, you know, where C40 would  
[02:35:51] incentivize something like that. And I  
[02:35:54] go, we can build a CLT office building  
[02:35:58] or whatever, and we can do fancy  
[02:36:00] landscaping. But from what I understand,  
[02:36:02] he wants that process. And then he says,  
[02:36:06] put something out there and we'll  
[02:36:09] consider it. At the same time, we don't  
[02:36:11] have to accept any of it. So I'm just  
[02:36:13] wondering. It just doesn't jive to me  
[02:36:16] with this, you know. You know, talking  
[02:36:18] to Steve and others that, you know, we  
[02:36:20] just have like kind of first right of  
[02:36:22] refusal and we can just jump the gun. I

[02:36:25] wouldn't. I wouldn't say we have first  
[02:36:26] writer refusal. I would say Senator Leas  
[02:36:28] has a very clear perspective. And just  
[02:36:30] to add to what you even said here, I  
[02:36:31] mean, he's also said that housing is not  
[02:36:34] something he's even opposed to on that  
[02:36:36] property, whether it's something that's  
[02:36:38] cool and innovative. Right. But  
[02:36:40] Representative FAI is in a very  
[02:36:42] different place. And obviously the  
[02:36:45] negotiations between the two of them  
[02:36:47] will factor into anything we're able to  
[02:36:49] hash out with WSDOT as well. Well, that  
[02:36:51] actually spurs my memory of.  
[02:36:55] If you can go back to the last slide for  
[02:36:57] me, please. At our commission retreat,  
[02:37:00] we received a presentation by Greater  
[02:37:02] Seattle Partners, and they had mentioned  
[02:37:05] for us that we need to quadruple our  
[02:37:08] power supply supply by 2050 in  
[02:37:12] order to meet the future need for an  
[02:37:14] activated SODO to service a clean energy  
[02:37:17] future, which is all a part of the Teal  
[02:37:21] New Deal and the vision for an activated  
[02:37:23] SODO for clean fuels and in supporting  
[02:37:27] the maritime industry. And that's a  
[02:37:29] formal partnership that we have with  
[02:37:30] them and the Seattle's office of oed.  
[02:37:33] And so this is one of those situations  
[02:37:36] where I feel like a sense  
[02:37:40] of urgency to be able to advise  
[02:37:43] leadership like Senator Leah's that  
[02:37:46] there is a critical and strategic future  
[02:37:49] use for every square foot of the working  
[02:37:52] waterfront for maritime and clean energy  
[02:37:55] purposes. So thank you, Commissioner  
[02:37:58] Felleman, and thank you to you guys for  
[02:38:00] continuing to have those conversations.  
[02:38:01] And thank you also to Brooks for the  
[02:38:04] progress that you've made to support  
[02:38:06] hardening the grid, including, I'm  
[02:38:10] assuming that would include also for  
[02:38:11] the. For Seattle working waterfront.  
[02:38:15] Okay, moving forward to the next slide.  
[02:38:17] Yes, sir. So, you know, our waterfront  
[02:38:20] plan already shows that we're  
[02:38:23] overallocated. I mean, so like, just  
[02:38:26] from what we know in our immediate  
[02:38:28] region. So, you know, I think  
[02:38:31] independent of any further expansion of  
[02:38:33] Soto, everybody wants to plug in and  
[02:38:35] just. And I think there is juice. It  
[02:38:37] just the last mile is really where we  
[02:38:39] run into the bottleneck. So that problem  
[02:38:42] exists. And as far as like our I think  
[02:38:45] our ability to have credibility that we  
[02:38:47] want to convert Soto into this, you  
[02:38:49] know, high tech manufacturing district.  
[02:38:51] We have to take Soto on, Soto wasca  
[02:38:56] on. It's like if we're not prepared to  
[02:38:58] invest in that at our doorstep and  
[02:39:02] all we want to do is tell people what  
[02:39:03] they can't do, I just don't think we

[02:39:06] have the credit. So I'm really hoping  
[02:39:08] that we can put together a project with  
[02:39:10] our compatriots and make something real.  
[02:39:14] Knowing that we're way, way, way over  
[02:39:16] time here. I think I'll go next slide  
[02:39:18] and then I'll maybe cherry pick this one  
[02:39:19] a little bit. So just real quick on some  
[02:39:23] of our economic development, workforce  
[02:39:24] and labor priorities this session. Able  
[02:39:27] to continue significant investments.  
[02:39:29] Pass a couple bills related to career  
[02:39:31] connect learning, experiential learning,  
[02:39:33] increasing the number of especially K12  
[02:39:36] students that are headed into CTE  
[02:39:37] programs. Over time we were able to get  
[02:39:40] a bill passed on apprenticeship  
[02:39:42] requirements, responsible bidder  
[02:39:43] criteria that I think will do some great  
[02:39:46] work to both increase apprenticeship  
[02:39:47] utilization. Also without  
[02:39:48] disadvantaging, especially some of our  
[02:39:50] Wimbee vendors passed several bills  
[02:39:53] related to equitable working conditions.  
[02:39:55] I think it was the state's largest  
[02:39:57] expansion of PFML in recent memory.  
[02:39:59] Which is obviously really great to see a  
[02:40:02] couple bills that passed on child care.  
[02:40:04] One specifically related to child care  
[02:40:06] siting and the ability or the  
[02:40:08] requirement, I should say, for cities  
[02:40:09] and towns to move forward with siting of  
[02:40:12] childcare facilities with some  
[02:40:13] reasonable exceptions and then kind of  
[02:40:17] jumping to the bottom here. Works in  
[02:40:19] progress. They were able to pass a  
[02:40:20] tourism bill this year. It isn't  
[02:40:22] everything that we hoped it would be.  
[02:40:23] That bill started out as something that  
[02:40:26] would pass or create, I should say a  
[02:40:27] self assessment on the industry and  
[02:40:29] create the possibility of creating  
[02:40:31] tourism improvement districts. It  
[02:40:34] basically became a study over time. So  
[02:40:36] we'll continue to pay attention to that,  
[02:40:37] engage in that work and hopefully  
[02:40:38] support those priorities in 2026 as the  
[02:40:40] group agrees on them and then supports  
[02:40:43] for business and trade. I'll turn to  
[02:40:45] Brooke here in a second, but I guess  
[02:40:46] I'll just start by saying it's the most  
[02:40:48] significant number of cuts to the  
[02:40:51] state's economic development programming  
[02:40:53] since I think like 2014, which was  
[02:40:55] around the same time we were still  
[02:40:56] dealing with some of the post 2008 and  
[02:40:59] economic recession factors. Yeah,  
[02:41:03] I can just add that there were several  
[02:41:06] things like including The Department of  
[02:41:08] Commerce's sector lead program that saw  
[02:41:10] significant cuts. I think folks are  
[02:41:12] still trying to understand what this  
[02:41:14] really means. There's a new director at  
[02:41:15] the Department of Commerce, obviously

[02:41:18] coming from the state legislature. I  
[02:41:19] think had seen that there's a lot of  
[02:41:20] things that go to Commerce and then  
[02:41:22] maybe they don't end up getting the  
[02:41:24] money out the door. So I'm not sure if  
[02:41:26] they're going through their own process  
[02:41:28] of sort of just reevaluating it all and  
[02:41:30] seeing what works. But there were  
[02:41:32] significant cuts to like sector lead  
[02:41:33] program. There was a big cut to tourism,  
[02:41:36] the micro enterprise, like all of these  
[02:41:38] different things that exist in that  
[02:41:40] department to help small businesses. So  
[02:41:42] I think there's an opportunity to see  
[02:41:44] what is the path forward. Along with  
[02:41:46] several other of our partners that are  
[02:41:49] also working in this space to see what  
[02:41:51] Commerce has planned and what they're  
[02:41:53] going to do. But this session there was  
[02:41:54] a lot of funding cut. Next slide,  
[02:41:57] please. And that included Core plus as  
[02:42:01] well. They completely got zeroed out.  
[02:42:02] Whereas the last session called them a  
[02:42:04] model program. Specifically Core plus  
[02:42:07] maritime. Yes. So but like the fact that  
[02:42:10] this is all small business economic  
[02:42:12] development stuff, it seems to me that  
[02:42:13] we could tie a bow around this whole  
[02:42:15] package of concern. And this is like  
[02:42:18] what we're about. Right. So we should be  
[02:42:19] maybe making some sort of letter to the  
[02:42:23] legislature or Commerce here. We're here  
[02:42:25] to help, but I kind of think that  
[02:42:27] everybody's got a. An oar in this water.  
[02:42:29] I'd say it's fair to say. We're already  
[02:42:31] talking to members of the legislature  
[02:42:32] that care, especially about, you know,  
[02:42:33] traditional economic development  
[02:42:35] programming and especially staff level  
[02:42:37] members at Commerce about what they want  
[02:42:39] to pursue in 26. It'll be a matter of  
[02:42:41] figuring out exactly what director  
[02:42:42] Nguyen wants to do. And obviously we  
[02:42:44] would not want to introduce or try to  
[02:42:46] support a package of things that he  
[02:42:48] wouldn't be supportive from, from the  
[02:42:49] agency standpoint. Next slide, please.  
[02:42:56] Last slide here. Just a couple  
[02:42:58] victories. Civil asset forfeiture,  
[02:43:00] small port of that overall bill. But in  
[02:43:03] the end we're able to get a large bill  
[02:43:05] passed that has a specific section that  
[02:43:08] allows POSPD to. To expand their  
[02:43:11] authority or expands the authority for  
[02:43:12] POSPD to use net proceeds of forfeiture  
[02:43:15] proceedings to provide substance abuse  
[02:43:16] education, work on human trafficking,  
[02:43:18] and to reinforce responsible gun  
[02:43:20] ownership. We also saw, after several  
[02:43:22] sessions in which we supported it, the  
[02:43:25] TOD bill passed. Transit Oriented  
[02:43:26] Development, Another kind of end around  
[02:43:28] strategy to help protect industrial

[02:43:31] lands by forcing residential development  
[02:43:33] into places where it should exist rather  
[02:43:35] than kind of anywhere. And two other  
[02:43:37] things that will be perennial issues for  
[02:43:39] us, tax increment financing and right  
[02:43:41] sizing the state's TIF program and then  
[02:43:44] automated enforcement authority that  
[02:43:45] deals mainly with the airport,  
[02:43:47] expressway and where we're seeing lots  
[02:43:48] of folks parking up on the shoulder.  
[02:43:50] Our partnership with WSDOT and how we  
[02:43:52] kind of move forward there. Next slide,  
[02:43:54] please. I think is our last one,  
[02:43:57] really. Just as a reminder to you about  
[02:43:59] how the process plays out from here.  
[02:44:00] I'll be looking for time with each of  
[02:44:02] you or with two, two ones to talk about  
[02:44:04] what we missed, what we didn't talk  
[02:44:07] about here that think may have happened  
[02:44:09] during session and to start to build our  
[02:44:10] 2026 agenda. Obviously, we'll continue  
[02:44:13] dialogue with legislators around that as  
[02:44:16] well at the state level, state agencies  
[02:44:17] and all those folks and stakeholders and  
[02:44:19] then hopefully come back before you  
[02:44:21] sometime in October, November for our  
[02:44:23] 2026 legislative session. Thank you very  
[02:44:26] much. Any other questions from my  
[02:44:27] colleagues saying none, you are free  
[02:44:31] to go. Thank you. Appreciate it.  
[02:44:33] Appreciate you.  
[02:44:36] All right, so that brings us to the  
[02:44:39] bottom of our business meeting agenda.  
[02:44:41] Are there any closing comments at this  
[02:44:43] time or motions referrals referring to  
[02:44:45] committee? Well,  
[02:44:51] I guess for my part, I do just want to  
[02:44:54] reiterate happy pride to everybody, to  
[02:44:56] our broader port community. Happy  
[02:44:58] Juneteenth to everyone as well. I just  
[02:45:03] want to acknowledge that it's been an  
[02:45:05] incredibly painful and difficult  
[02:45:09] time for so many people, including most  
[02:45:13] recently with the launch of  
[02:45:17] an assault on Iran and the ongoing  
[02:45:20] uncertainty that this brings to all of  
[02:45:22] us. And since we  
[02:45:26] have been receiving inquiries about what  
[02:45:28] all of this might mean as it dovetails  
[02:45:31] with the tariffs, the international  
[02:45:34] trade, war, gas prices,  
[02:45:37] it's just too early to tell what the  
[02:45:40] impact will be on our own trade and  
[02:45:42] commerce. But it's something that we are  
[02:45:44] watching, committed to communicating  
[02:45:46] with the public about and we are  
[02:45:48] receiving inquiries and responding to  
[02:45:51] the media on this as well. Thank you to  
[02:45:54] everybody for your support for this  
[02:45:56] public meeting. Seeing no further  
[02:45:59] comments from my colleagues. The time is  
[02:46:02] 2:48 and we are adjourned.

END OF TRANSCRIPT