

MINUTES

Managing Member Special Meeting

Port of Seattle Special Meeting | Port of Tacoma Special Meeting

Tuesday, August 5, 2025 11:15 AM

The Conference Center at SEA, 17801 International Blvd. Seattle, WA

Inside Seattle-Tacoma International Airport – Mezzanine Level

Live streamed http://www.nwseaportalliance.com/about-us/governance*

Commissioners present:

Port of Seattle:	Port of Tacoma:
Toshiko Hasegawa	John McCarthy
Sam Cho	Kristin Ang
Fred Felleman	Deanna Keller
Hamdi Mohamed (via Teams)	Dick Marzano
	Don Meyer

Commissioners excused:

Port of Seattle:	Port of Tacoma:
Ryan Calkins	n/a

Call to Order

The special meeting was called to order at 11:15 a.m. by Co-Chair McCarthy.

Flag Salute

The Pledge of Allegiance was recited.

Recess to Executive and Closed Session:

The Managing Members recessed to hold a closed session as authorized by Federal Maritime Commission (FMC) regulations and related laws found at 46 U.S.C. § 40306, 46 C.F.R. § 535.608, 46 C.F.R. § 535.701(i)(1) and as authorized by the Port of Seattle/Port of Tacoma Alliance Agreement, FMC Agreement No. 201228.

The closed session was immediately followed by an executive session pursuant to RCW 42.30.110(1)(i) to discuss with legal counsel representing the agency litigation or potential litigation to which the agency, the governing body, or a member acting in an official capacity is, or is likely to become a party, when public knowledge regarding the discussion is likely to result in an adverse legal or financial consequence to the agency.

Return to Order

The meeting returned the special meeting to order at 12:53 p.m. Co-Chair McCarthy noted the meeting is also a special meeting of the Port of Seattle Commission as to items 9C(2) and 9D(2) and of the Port of Tacoma Commissions for item 8D. These special meetings were called and noticed in compliance with RCW 42.30.080.

Report by the Chief Executive Officer

NWSA CEO, John Wolfe, provided a summary of the meeting agenda.

Public Comment:

Comments provided by Matt Ventoza, Vice President, International Longshore Warehouse Local 19.

Work Group / Committee Reports

Commissioner Cho provided a report from the Environmental Work Group.

Consent Agenda

- 8A. Approval of the minutes of the June 3, 2025 Managing Member meeting.
- 8B. Approval of disbursements totaling \$89,057,635.35 on checks 1400 through 1575 in the amount of \$11,072,107.18 and electronic payments in the amount of \$77,985,428.17 issued during the period of June 19, 2025 through July 23, 2025, certified by the NWSA Alliance Auditor.
- 8C. Washington State Department of Transportation (WSDOT) Port Electrification Grant Acceptance Authorization. Request authorization for the Chief Executive Officer or his delegate to execute WSDOT Agreement No. GCC1141 accepting WSDOT Port Electrification Grant funding in the amount of \$2,638,030 to purchase zero-emission cargo-handling equipment and install associated charging infrastructure at the East Blair One Terminal in the Tacoma Harbor.
- 8D. NWSA and Port of Tacoma Action – Request Authorization to Execute Utility Easements granted to City of Tacoma. Request Managing Members of the NWSA authorize the NWSA CEO and the Port of Tacoma (POT) Commission authorize the POT Executive Director, or their respective delegates, to execute easements, E13996, and E13997 granted to the City of Tacoma, Department of Utilities, Light Division (“Tacoma Power”), on NWSA licensed property currently leased to Everport Terminal Services, Inc. and further that the POT Commission authorize the POT Executive Director or his delegate to execute easement E13995 on Port Parcel 12 and release of easement E5778PR.

It was moved and seconded (Meyer/Ang) to approve the consent agenda as presented.
Following clarification and confirmation related to distributions identified in (item 8B), the motion carried by the following vote:

Port of Seattle:	Port of Tacoma:
Toshiko Hasegawa - aye	John McCarthy - aye
Sam Cho - aye	Kristin Ang - aye
Fred Felleman - aye	Deanna Keller - aye
Hamdi Mohamed (via Teams) - aye	Dick Marzano - aye
	Don Meyer - aye

Actions

- 9A. South Intermodal Yard Lease

Jim Vo, Sr. Director of Real Estate, provided a second reading of the Lease of Real Property by and Between the City of Tacoma and Northwest Seaport Alliance Project No. 2024-150 Lease No. L187.

It was moved and seconded (Cho/Hasegawa) to authorize the Chief Executive Officer or his delegate to execute the Lease of Real Property by and Between the City of Tacoma and Northwest Seaport Alliance - the South Intermodal Yard.

The motion carried by the following vote:

Port of Seattle:	Port of Tacoma:
Toshiko Hasegawa - aye	John McCarthy - aye
Sam Cho - aye	Kristin Ang - aye
Fred Felleman - aye	Deanna Keller - aye
Hamdi Mohamed (via Teams) - aye	Dick Marzano - aye
	Don Meyer – aye

9B. West Sitcum Main Substations Replacement Project Authorization

Kyle Smith, Project Manager II presented. The main electrical substations at the West Sitcum Terminal have equipment that is failing and where ongoing maintenance is insufficient to extend the life of the equipment. This project provides new electrical substations. Maintenance and repair of the substations are a Lessor responsibility.

It was moved and seconded (Marzano/Keller) that the Managing Members provide project authorization in the amount of \$3,150,000 for a total authorized amount of \$3,500,000 for work associated with the West Sitcum Main Substations Replacement project. MID No. 201178.01.

Discussion:

- Outside of any emergency, staff does not anticipate operations to be shut down during this process.
- Thais Howard, Sr. Director of Engineering for the NWSA reported on the maintenance inspection schedules at the North and South harbor substations and answered questions regarding PCBs and transformer disposal. In this case no PCB leakage detected and disposal of the transformer is the responsibility of the utility.
- In the event of future shore power at West Sitcum an entirely new system will be brought in from Tacoma Power, however this infrastructure will remain to serve 480-volt loads.

The motion carried by the following vote:

Port of Seattle:	Port of Tacoma:
Toshiko Hasegawa - aye	John McCarthy - aye
Sam Cho - aye	Kristin Ang - aye
Fred Felleman - aye	Deanna Keller - aye
Hamdi Mohamed (via Teams) - aye	Dick Marzano - aye
	Don Meyer – aye

9C Terminal 18 (T18) Shore Power

Erin Light, Sr. Manager NWSA Real Estate, and William Shelton, Project Manager, gave the presentation. The T18 Shore Power project is to install shore power infrastructure at two berths on T18 and upgrade the electrical infrastructure to support future shore power expansion. Relatedly, Environmental Remediation Liability project authorization is needed from the Homeport of Seattle for storage and treatment of contaminated effluent from construction dewatering, and storage and disposal of legacy contaminated soils at an approved disposal facility.

- (1) It was moved and seconded (Felleman/Hasegawa) that the Managing Members grant project authorization in the amount of \$34,200,000, for a total authorized amount of \$43,200,000, for work associated with the T18 Shore Power Project MID No. U00670.
- (2) It was moved and seconded (Hasegawa/Felleman) that the Port of Seattle Commission authorize the Executive Director or his delegate to grant Environmental Remediation Liability (ERL) project authorization in the amount of \$1,800,000 for a total cost not to exceed \$1,800,000 for T18 Shore Power.

Discussion:

- The volt locations will be fixed versus on rolling dollies. The modifications to bull rails and fenders systems to accommodate rolling dollies would be cost prohibitive. Staff worked closely with SSA and contractors in placement of the fixed volts to provide flexibility and minimize any challenges to cold ironing some of the ships.
- There is no stormwater scope of the project. When digging trenches and horizontal drilling, there will be slurry and groundwater that will be pumped out and treated to an acceptable level to be discharged into the stormwater system.
- Government affairs staff confirmed that earmarks requested for \$8 million would go toward future berth 4 project, not toward funding berths 1 and 3.
- Discussion took place regarding the cost differences in bring shore power to the various terminals.
- Community buy-in and legislative support of the project was noted.

The motion for the 9C(1) for the Managing Members and 9C(2) for the Port of Seattle Commission carried by the following vote:

Port of Seattle:

Toshiko Hasegawa - aye

Sam Cho - aye

Fred Felleman - aye

Hamdi Mohamed (via Teams) - aye

Port of Tacoma:

John McCarthy - aye

Kristin Ang - aye

Deanna Keller - aye

Dick Marzano - aye

Don Meyer – aye

9D. Terminal 18 Maintenance Dredging

Erin Light, NWSA Sr. Real Estate Manager and Arthur Kim, Capital Project Manager III, gave the presentation. To ensure compliance with lease agreements and design depths, it is necessary to perform maintenance dredging at T18 berths to achieve a depth of -51' Mean Lower Low Water (MLLW). As part of the work, contaminated soil will be disposed of at an approved upland facility. This is a Homeport of Seattle responsibility per section 3.2(c) of the NWSA Charter.

- (1) It was moved and seconded (Cho/Ang) that the Managing Members of The Northwest Seaport Alliance grant project authorization in the amount of \$2,000,000, for a total authorized amount of \$3,000,000, for construction work associated with the T18 Maintenance Dredge. MID No. N10204.
- (2) It was moved and seconded (Felleman/Hasegawa) that the Port of Seattle Commission provide authorization for the Executive Director or their delegate to grant Environmental Remediation Liability (ERL) project authorization in the amount of \$1,000,000 for a total cost not to exceed \$1,000,000 for T18 Maintenance Dredge. MID No. N10746.

Discussion:

- CFO, David Morrison, provided an explanation of the separation of costs between the NWSA and Homeport Seattle.

- The volume at T18 is much lower than anticipated in the original estimate and favorable contract terms on disposal for this project resulted in a lower cost estimate. Also, staff is attempting to save on mobilization costs by combining this work with the West Waterway High Spots project, if approved.
- Joanna Flor, Port of Seattle explained that because the upland contaminated material is part of the maintenance dredge project to the benefit of the NWSA and Port of Seattle it is not associated with the Superfund process. Technically the process is the same, but the Port is not getting credit toward its allocation that it would if it were part of the Cleanup.

The motion for the 9D(1) for the Managing Members and 9D(2) for the Port of Seattle Commission carried by the following vote:

Port of Seattle:	Port of Tacoma:
Toshiko Hasegawa - aye	John McCarthy - aye
Sam Cho - aye	Kristin Ang - aye
Fred Felleman - aye	Deanna Keller - aye
Hamdi Mohamed (via Teams) - aye	Dick Marzano - aye
	Don Meyer - aye

9E. 2025 Cargo Incentive Programs.

Steve Balaski, Director Business Development, gave the presentation. Based on market conditions, feedback from the NWSA's carrier customers and results realized from prior incentive programs, the proposed 2025 Cargo Incentive Programs are expected to help protect NWSA rail market share, encourage incremental increases in intermodal rail volumes and incentivize consistent international ocean container and intermodal rail services in the gateway.

Mr. Balaski summarized the proposed Voyage Consistency and On-Time Arrival Award Program elements and conditions and those of the proposed International Container Rail Cargo Incentive Program. He then answered questions from commissioners regarding the mechanics of participation and data collection.

Commissioner Ang questioned the effectiveness of the programs and whether allocated funds might be more impactful if directed toward a specific shipping line or terminal. She shared she would be more enthused over the programs had the Homeports received HMT funds.

Co-Chair Hasegawa supports the program and shared ideas for future iterations of the programs. She commented that holistic approach toward efficiency is needed stating it is not just about vessels arriving but what is done with the cargo once it arrives and how it moves out of the gateway. She emphasized the need to consider the trucking community.

Commissioner Meyer expressed his concern about whether the programs achieve the result of getting containers where needed, specifically for inland agriculture exporters.

Commissioner Mohamed supports allocating an additional \$200,000 to fund a technical assistance program for drayage truck drives with a focus on small fleet operators and independent owner-operators from underserved communities.

Following deliberation and amendment the following motion was adopted:

To Authorize as presented (1) the voyage consistency and on-time arrival award program, funded at an initial level of \$1 million (2) the international container rail cargo incentive program funded at an initial level of \$11 million and (3) authorization to fund a trucker technical assistance program at an initial level of \$200,000 — for a total authorized amount of \$12,200,000.

The motion as amended carried by the following vote:

Port of Seattle:	Port of Tacoma:
Toshiko Hasegawa - aye	John McCarthy - aye
Sam Cho - aye	Kristin Ang - aye
Fred Felleman - aye	Deanna Keller - aye
Hamdi Mohamed (via Teams) - aye	Dick Marzano - aye
	Don Meyer – aye

- 9F. West Waterway High Spots Dredging and Use of Harbor Maintenance Tax funds
NWSA CFO, David Morrison, and Arthur Kim, Capital Project Manager III, gave the presentation. Due to existing high spots in the Duwamish West Waterway’s federal navigation channel, the Puget Sound Pilots are only able to navigate the largest container vessels into Terminal 5 during limited tidal windows. These constraints impact scheduling and operational efficiency.

The maintenance dredge project is HMT eligible. The project is HMT fund eligible (the term “HMT” is the generic definition to include WRDA 2106 funds in addition to Harbor Maintenance Tax funds). Per resolution, if a Homeport project is done primarily to benefit the NWSA and is HMT eligible, then HMT funds should be used.

- (1) It was moved and seconded (Felleman/Keller) that the Managing Members of The Northwest Seaport Alliance approve the use of HMT funds for eligible cost of the West Waterway High Spots Maintenance Dredging Project N99969.
- (2) It was moved and seconded (Cho/Hasegawa) that the Port of Seattle Commission provide authorization to execute the West Waterway High Spots Dredging Project N99969 in the amount of \$5,600,000 for a total project authorization of \$6,000,000.

Discussion:

- The Port of Seattle’s permitting team has been in contact with the Muckleshoot and Suquamish Tribes related to this project.
- Eligible rehabilitation projects in the North and South Harbors were described.

The motion as amended carried by the following vote:

Port of Seattle:	Port of Tacoma:
Toshiko Hasegawa - aye	John McCarthy - aye
Sam Cho - aye	Kristin Ang - aye
Fred Felleman - aye	Deanna Keller - aye
Hamdi Mohamed (via Teams) - aye	Dick Marzano - aye
	Don Meyer - aye

General Business

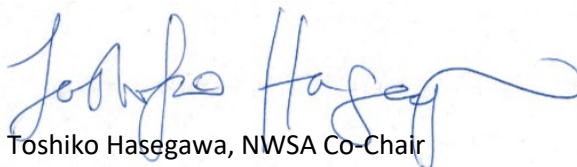
- Jeff Bellerud, COO, and Tong Zhu, Chief Commercial & Strategy Officer gave a report on cargo and operations in the gateway.
- CEO Wolfe reported on upcoming customer visits to Eastern Washington, actions toward development of a statewide trade strategy and an upcoming trip to Washington D.C.
- Commissioner Marzano commented on the study session with ILWU requesting follow up on the ideas presented.
- Commissioner Keller recognized stakeholders regarding the Husky Shore Power Installation celebration.

Adjourn

With no further business before the Managing Members, Co-Chair McCarthy announced the meeting adjourned at 3:15 p.m.



John McCarthy, NWSA Co-Chair
Port of Tacoma Commission Vice President



Toshiko Hasegawa, NWSA Co-Chair
Port of Seattle Commission President

Attest:



Don Meyer, NWSA Co-Secretary
Port of Tacoma Commission Secretary



Sam Cho, NWSA Co-Secretary
Port of Seattle Commission Secretary

Prepared by: Juliet Campbell, NWSA Clerk