

**Port of Tacoma**

**Date: May 20, 2021**

**Observer: Lydia Zepeda**

**Meeting called to order at 10:30 am**

**Present:** Kristin Ang (1st Assistant Secretary), Deanna Keller (Secretary), Richard Marzano (President), John McCarthy (2nd Assistant Secretary), Don Mayer (vice President)

**Absent: none**

**Others present:** Eric Johnson (ED), Lou Paulsen (Port staff), three guests from Alliant Insurance, Sarah Weeks (Port staff), Leslie Barstow (Port staff)

**Announcement:** Eric Johnson (ED) stated that it is required by law to state publicly state the factors that affect the lease to be discussed in executive session. These factors are: that it is a water dependent business; the number of jobs created; and credit worthiness of the business. These factors must be discussed in Executive Session.

**I. RECESS TO EXECUTIVE SESSION**

- A. Two items related to litigation/potential litigation RCW 42.30.110(1)(i).
- B. One item related to the minimum price at which real estate will be offered for sale or lease RCW 42.30.110(1)(c).

**Return to Order and Flag Salute – 12:00 pm**

**II. APPROVAL OF THE AGENDA**

**Motion to approve agenda**, seconded, approved unanimously.

**III. CONSENT AGENDA**

- A. Minutes of March 4, 2021, March 10, 2021 and April 15, 2021
- B. Check certification
- C. Authorization to extend contract number 070171 for financial audit services with RSM US LLP, for one year in the amount of \$113,500 for a total contract value of \$651,000 for six years.
- D. Ratification of three current benefits vendor contracts: First Choice Health Administrators, Reliastar Life Insurance Company and Regence Blue Shield. Upon approval, a memorandum documenting the Commission’s ratification action will be retained with each contract.

**Motion to approve consent agenda**, seconded, approved unanimously.

**IV. PUBLIC TESTIMONY** - To make comments, please send an email to comment@portoftacoma.com by 9:00 a.m. PT, day prior to the meeting. The email must include your name, the telephone number you will be calling from, and the agenda topic you wish to speak to. Please include "speaker" in the subject line. Written comments may be submitted to the same email address and will be provided to the commissioners.

None.

**V. EXECUTIVE DIRECTOR'S REPORT Eric Johnson (ED)**

- Staff working on implementation plan of strategic plan, that will include indicators, should be ready next month.
- Working with federal delegation on infrastructure funding using earmarks for e.g. rail on tideflats.
- Hoping to have in-person meetings soon, working with health department to determine when.
- Yvette Mason, our local government affairs representative has retired. We miss her already.

**VI. COMMISSION ACTIONS**

A. Authorization to enter into a Personal Services Agreement with Alliant Insurance Services, Inc commencing October 1, 2021, and continuing with optional extensions for a period of up to six (6) years concluding September 30, 2027, for a not to exceed amount of \$452,690. - Lou Paulsen

Discussion: Risk transfer strategy requires insurance to protect property. An insurance broker is secured to gather quotes on various policies and needs. The Port deferred Request for Proposals (RFP) because of Covid to February 9, 2021. The RFP was publicly advertised and 20+ insurance firms were contacted. Three firms responded and all were interviewed. Respondents were evaluated and the incumbent Alliant Insurance Services, Inc was rated #1 by all the interviewers. They are the insurance broker for many ports on the West Coast. They have agreed to a two-year contract with two two-year possible renewals. The cost of \$72,500 per year represents a 5.5% reduction. This motion is being brought before Commission today to allow time to find another firm in case this motion is not approved.

**Motion: Authorize Personal Services Agreement with Alliant Insurance Services, Inc.** Moved, seconded and approved unanimously.

B. Project authorization in the amount of \$670,000 for a total authorized amount of \$1,274,000 for work associated with the Parcel 40 Cleanup - Sarah Weeks

Discussion: Historical oil contamination cleanup is paid for by the Port, which conducts an investigation to see who is liable. This proposal is to pay for an investigation to see if the Port has legal standing to be reimbursed. It involves engaging an insurance coverage attorney, an insurance archaeologist, and an environmental consultant. They work on 10% contingency so the amount of \$670,000 represents being reimbursed by over \$6 million if they are successful and nothing if they fail.

**Motion: Authorize funds for Parcel 40 cleanup investigation.**  
Seconded, approved unanimously.

C. Authorization for the Executive Director to execute Interlocal Agreements with the City of Gig Harbor, The City of Tacoma, and the City of Pacific and to fund investments to eight Pierce County non-profit organizations from the Local Economic Development Fund for a total authorized amount of \$162,000 - Leslie Barstow.

Discussion: Port's local economic development investment policy is to promote local business, local investment fund and local infrastructure fund. There were 19 applications for projects and the committee recommends funding 13 projects. Funding includes the State historical society and the glass museum.

The infrastructure proposals were fewer projects than expected. Did not spend all the money allocated for these economic development/infrastructure grants.

**Motion: Authorize \$162,000 to fund local economic development and infrastructure projects in the community.** Seconded. Approved unanimously.

## VII. NON-ACTION – NEW BUSINESS

- Ang: A lot of questions from public about Puget Sound Energy's LNG plant. And is concerned that Puget Sound Energy said they do not have to tell us when they are going to open. Is there something in the contract that if there are accidents are they required to notify us? Do they have permits or are they going through a permitting process to use barges? Recently, they signed a MOU that they will. Is there a discrepancy between what they tell the Port of Tacoma and what they say to others.  
Marzano: we will have staff address this.
- Meyer: First, in the future, could we put the public comment sooner? If it requires amending bylaws, let's do it. Second item concerns the tideflats interim regulations; I want to find a collaborative process and provide a role to City of Tacoma so that it is not business wins/environment loses. Is there a way that we can make the Port a positive player? Third: Name change of Mount Rainier, to Mount Tahoma. If we do not make it a priority, it will not. The port should go on record to support this. Seattle stopped the name change years ago. Could we get staff to develop a resolution and provide background for our June meeting.
- Keller: I want us to have a citizen's advisory council to involve citizens in the Port. It gets positive response from the public.  
Eric Johnson: This is on my list, we need examples from other ports about what they are doing.  
Keller: There is a disconnect between the west-water facing County and the eastern rural area of the County.
- McCarthy: It's apparent there are a lot of things we would like to discuss, but the best way to do this is to have some private work sessions. These public, virtual meetings are not the way to get this done. When can we have an in-person retreat asap?  
Marzano: Let's have an in personal study session on these topics as soon as possible.

Johnson: I think the commission should take a road trip to Kalama to see how they have transformed their waterfront to see how port administrative office buildings can anchor the community.

### **VIII. ANNOUNCEMENTS / COMMISSIONER COMMENTS**

- Johnson: June meeting will be longer, lots of things on the agenda.  
Marzano: if we have a study session, can we cover some of those items then so the meeting isn't too long.  
Johnson: Yes.
- Ang: This month is Asian-American Heritage month. The Port did celebrate Earth Day by sending out seeds to different organizations. See PortofTacoma/Environment to see the habitat restoration the Port has done.
- Keller: I want to recognize Yvette Mason and how valuable she was. The Port of Seattle provides individual administrative assistants for each of their commissioners.
- McCarthy: Yvette Mason was with the Port for over 30 years, she is did a great job and will be missed. I hope we have an opportunity to celebrate her in person.  
I look forward to further talks about tideflats.  
I was surprised by Inslee's veto of ban gas cars by 2030.  
Johnson: it was a surprise to many on both sides of the aisle and it is unhelpful in dealing with carbon.
- Meyer: The courts will sort it (the governor's veto?) out.  
The "Tacoma Advantage" has a lot to do with our personnel and Yvette Mason personifies that. We need to convince her to come back in person to celebrate.  
Regarding, key performance indicators, we need to talk about this and understand them all, this is an in-depth topic.  
Johnson: next month is just the start of the discussion, you will have plenty of opportunity for input.
- Marzano: I want us to sit down with the City of Tacoma, Lakewood, and Puyallup officials to let them know what we are doing and hear from them.  
WPPA was awarded the environmental stewardship awards. We need to publicize this.  
We take environmental stewardship seriously.  
We need to bring Yvette back to be recognized, even if we have to drag her in chains.

**Meeting adjourned at 1:04 pm**