

BUILDING ON OUR 125-YEAR TRADITION
OF INNOVATION AND EXPERTISE



Paul Stevens remarks to the Port of Seattle commission 1/13/2015:

Good afternoon and thank you for awarding me this time. My name is Paul Stevens, I am the president and CEO of Foss Maritime. Foss Maritime is a marine services business founded in the Northwest 125 years ago, and we have been a tenant of the Port for over 90 years.

Our commitment to environmental stewardship and employee safety is well known and represented by the many awards and commendations we have received over the years. So to clear the air early, I would not propose any projects that put my company's reputation at risk.

I am here today to discuss Foss' interim use of Terminal 5. Approximately six months ago, Foss was approached by a number of customers to arrange for a break-bulk and moorage facility for future projects. We approached the Port regarding the availability of T5 for this work.

Our proposal is to use a portion of T5 to accomplish the staging, loading and outfitting of marine assets planned for Shell's Arctic exploration endeavor. Also, we hope to use T5 for the staging, assembly and loading of equipment for a planned liquefied natural gas plant in Prince Rupert, British Columbia. We are also pursuing other suitable projects for the facility.

We feel that T5 is a perfect candidate for these projects because of their short-term requirements, the deep-water moorage and our ability to work around the Port's long-term plans for a modernized container facility.

In the short term, both of the projects – if we are successful – would bring hundreds of good maritime jobs to the waterfront and provide the Port with a source of interim revenue. Other aspects of the Shell project would bring significant business to other Puget Sound ports, including Tacoma, Everett and Bellingham. Since 2006, Shell and its contractors have spent more than \$500 million in Washington state. If they are forced to abandon Seattle, it will have a negative impact on all Puget Sound ports, including Tacoma.

Arctic exploration is an issue for Alaska and the federal regulatory agencies. What we decide here today will not impact our customer's decision to go forward. The issue before you is whether the Port and the city of Seattle enjoy the benefits of the jobs and revenue that this project generates. Unfortunately, given the complexity of this project, and as we have informed the Port's staff on many occasions, our customer is at the end of their decision-making process, so we are out of time.

The Seattle maritime industry has worked on projects supporting Alaska development since the Klondike Gold rush. Seattle's well-trained work force and solid infrastructure makes this an ideal location for these types of projects.

I urge the commission to allow the staff to complete lease negotiations with Foss.

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