



P.O. Box 1209
Seattle, Washington 98111
www.portseattle.org
206.787.3000

APPROVED MINUTES COMMISSION SPECIAL JOINT MEETING MAY 8, 2015

The Port of Seattle Commission met in a special joint meeting with the Port of Tacoma Commission Friday, May 8, 2015, in Council Chambers at Federal Way City Hall, Federal Way, Washington. Port of Seattle Commissioners Albro, Bowman, and Bryant were present. Port of Tacoma Commissioners Bacon, Johnson, Marzano, Meyer, and Petrich were also present. Not attending were Port of Seattle Commissioners Creighton and Gregoire.

CALL TO ORDER

The meeting was called to order at 9:35 a.m. by Port of Seattle Commission Co-President Stephanie Bowman, who led the Flag Salute.

WELCOME AND OVERVIEW

Commissioners noted the historic nature of the business to be transacted and commented on the importance to the regional economy that the Ports of Tacoma and Seattle form a Seaport Alliance. The Commissioners expressed their commitment to a collaborative partnership to meet the needs of a dramatically changing industry. They stressed the importance of public participation as they make decisions and the need for long-term solutions to keep the state of Washington competitive in international trade. Notwithstanding particular individual concerns over the various aspects of the alliance, Commissioners acknowledged that with experience and public participation, the ultimate alliance product would be a significant benefit to the region and the state.

PUBLIC ENGAGEMENT

Julie Collins, Senior Director, Public Affairs, Port of Seattle, presented the background and schedule for consideration of the Discussion Agreement filed with the Federal Maritime Commission. She described a public engagement process begun in October 2014 that included over 25 joint presentations and numerous individual meetings. She noted the public meetings held, written testimony accepted, information posted to the ports' websites, labor engagement, and use of media outlets pursued during this time. Ms. Collins announced upcoming town hall meetings in Georgetown and Lakewood.

ALLIANCE FORMATION RATIONALE

Kurt Beckett, Deputy Chief Executive Officer, Port of Seattle, presented the rationale behind the formation of this alliance, including discussion of the stakes, competitive pressures, and benefits of forming an alliance between the Ports of Tacoma and Seattle.

STRATEGIC BUSINESS PLAN AND HOW THE ALLIANCE WILL WORK

John Wolfe, Chief Executive Officer, Port of Tacoma, and Kurt Beckett, Deputy Chief Executive Officer, Port of Seattle, offered a presentation on the alliance strategic plan and the mechanics of how the alliance would function, including discussion of governance, leadership, lines of business

to be included or excluded from the alliance for each home port, dispute resolution, and the competitive advantages of the alliance.

Commissioners commented on the constitutional nature of the alliance's charter and encouraged public input on it. Commissioner Meyer expressed his concerns regarding asset valuation without differentiating diverse lines of business and acknowledgment of the differences between international and domestic cargo and the exclusion of grain terminals as an alliance asset. Commissioners discussed the need for equal representation in the alliance from both King and Pierce Counties and the difference between a merger and a joint management arrangement. They also pointed out in-depth conversations about how to involve various lines of business to achieve a balance of the managed assets between the two ports. It was noted that changing circumstances and the need to bolster Washington's trade statewide require adapting for success. The opinions of the two ports' Eastern Washington customers regarding the need for change in how the ports do business was noted.

PUBLIC COMMENT

Public comment was received from the following individual(s):

- Goodspaceguy, King County resident, in opposition to the alliance and in support of competition between the ports and the simplicity of the current, separate arrangement.
- Steve Sewell, Director of Maritime Business, Washington State Department, regarding the historic nature of the alliance's formation and the long history leading to this point. Mr. Sewell read a letter from Governor Jay Inslee supporting the formation of the Seaport Alliance.
- Joshua Berger, Washington Maritime Federation, in support of the formation of the Seaport Alliance.

COMMISSIONER COMMENT

Commissioner Bowman listed upcoming joint public meetings, town hall discussions, and individual meetings planned over the coming month. Commissioner Marzano encouraged legislative action at the state level to move forward with a transportation revenue package in order for the state to remain competitive.

ADJOURNMENT

There was no further business, and the meeting adjourned at 11:25 a.m.

Stephanie Bowman
Secretary

Minutes approved: January 12, 2016.