



Commissioners

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Stephanie Bowman
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**APPROVED MINUTES
COMMISSION SPECIAL MEETING MAY 28, 2013**

The Port of Seattle Commission met in a special meeting Tuesday, May 28, 2013, at Port of Seattle Headquarters, Commission Chambers, 2711 Alaskan Way, Seattle, Washington. Commissioners Albro, Bowman, Bryant, Creighton, and Gregoire were present.

1. CALL TO ORDER

The special meeting was called to order at 12:00 noon by Tom Albro, Commission President.

2. EXECUTIVE SESSION pursuant to RCW 42.30.110

The special meeting was immediately recessed to an executive session estimated to last approximately 60 minutes to discuss matters relating to sale or lease of real estate, potential litigation, and legal risk. Following the executive session, which lasted approximately 40 minutes, the special meeting reconvened in open public session at 1:04 p.m.

PLEDGE OF ALLEGIANCE

3. APPROVAL OF MINUTES

Please refer to the Unanimous Consent Calendar.

4. SPECIAL ORDER OF BUSINESS

4a. 2012 Small Business Champion Awards.

Presentation document(s): Commission agenda [memorandum](#) dated May 17, 2013, provided by Luis Navarro, Director, Office of Social Responsibility.

Presenter(s): Mr. Navarro and Mian Rice, Small Business Program Manager.

Mr. Navarro commented on the Small Business Champion Awards as an effort to implement the Century Agenda goal to promote small business growth. Mr. Rice described the accomplishments of the Port's Marine Maintenance purchasing team in providing opportunities to small businesses to become suppliers of goods and services to the Port of Seattle. He then described the accomplishments of PRR Inc. and its chief executive officer, Rita Brogan, in facilitating relationships between the Port and small, local concessionaires and contractors in the Port's concessions program. He noted that PRR is certified as a Small Contractors and Suppliers firm and as a Minority and Woman-owned Business Enterprise and a Disadvantaged Business Enterprise.

5. UNANIMOUS CONSENT CALENDAR

[Clerk's Note: Items on the Unanimous Consent Calendar are considered routine and are not individually discussed. Port Commissioners receive the request documents prior to the meeting and may remove items from the Consent Calendar for separate discussion and vote in accordance with Commission bylaws.]

5a. Approval of the minutes for the regular meeting of April 9, 2013.

5b. Authorization for the Chief Executive Officer to execute the Second Amendment to the Management Agreement with VIP Hospitality LLC for operation of premium lounge services at Seattle-Tacoma International Airport, substantially as drafted in the attached exhibit, effective March 8, 2013, to increase the contract cost for a five-year total not to exceed \$500,000.

Request document(s): Commission agenda [memorandum](#) dated May 21, 2013, [plan view for Club International, Amendment No. 2](#), and 2010 [Management/Concession Agreement](#) provided by James Schone, Director, Aviation Business Development; James Jennings, Manager, Aviation Properties; and Jess Qunell, Aviation Property Manager.

5c. Authorization for the Chief Executive Officer to (1) authorize design for the Grease Interceptor Augmentation 2013 Project at Concourse C and the South Satellite at the Seattle-Tacoma International Airport (CIP #C800551) in the amount of \$328,500; (2) authorize design for the grease interceptor in the North Satellite Renovation project (CIP #C800556) in the amount of \$215,500; and (3) authorize a scope and associated budget transfer of \$939,400 from CIP #C800551 to CIP #C800556 to facilitate construction.

Request document(s): Commission agenda [memorandum](#) dated May 20, 2013, provided by Wayne Grotheer, Director, Aviation Project Management Group, and David Soike, Director, Aviation Facilities and Capital Programs.

5d. Authorization for the Chief Executive Officer to design and prepare construction documents for the 2014 North Satellite – Satellite Transit Station Ceiling Leak Long-Term Repair Project in the amount of \$220,000. The total estimated project cost is \$1.75 million.

Request document(s): Commission agenda [memorandum](#) dated May 20, 2013, [photographs](#), and [plan diagrams](#) provided by Michael Ehl, Director, Airport Operations, and Wayne Grotheer, Director, Aviation Project Management Group.

5e. Authorization for the Chief Executive Officer to (1) proceed with design for the replacement of the passenger loading bridge (PLB) and fixed walkway at Gate S16; (2) authorize execution of a contract to purchase a new PLB and fixed walkway to provide as owner-furnished equipment; and (3) use Port crews to perform work related to the removal and installation of the new PLB and fixed walkway at Gate S16 at Seattle-Tacoma International Airport. The amount of this request is \$1,000,000.

Request document(s): Commission agenda [memorandum](#) dated May 20, 2013, provided by John Christianson, General Manager, Aviation Maintenance, and Wayne Grotheer, Director, Aviation Project Management Group.

Motion for approval of consent items 5a, 5b, 5c, 5d, and 5e – Creighton

Second – Bryant

Motion carried by the following vote:

In Favor: Albro, Bowman, Bryant, Creighton, Gregoire (5)

PUBLIC TESTIMONY

As noted on the agenda, an opportunity for public comment was provided, although no public comment was offered at this time.

Without objection, the Commission advanced to consideration of –

7. STAFF BRIEFINGS

7a. Duwamish Transportation Management Association briefing.

Presentation document(s): Commission agenda [memorandum](#) dated May 17, 2013, and [presentation slides](#) provided by Linda Styrk, Managing Director, Seaport, and Geri Poor, Regional Transportation Manager.

Presenter(s): Ms. Styrk and Dave Gering, Executive Director of the Duwamish Transportation Management Association.

The Commission received a presentation that included the following relevant information:

- The Port has helped sponsor local neighborhood outreach to assess the transportation and mitigation needs of the Port's container terminals and the Duwamish Manufacturing and Industrial Center (Duwamish MIC).
- Transportation issues in the SoDo neighborhood predate the proposal for a third sports arena in the area.
- Stakeholders in the neighborhood include the Port, stadium representatives, the Seattle Public School District, the Manufacturing Industrial Council, and 132 companies located in the SoDo area of the Duwamish MIC that were surveyed.
- An online survey was completed by 432 employees from 48 companies working in the neighborhood. The responses indicate that the Port's customers are pleased with the Port's marine cargo facilities. Proximity of those facilities to local businesses and the level of productivity inside the terminals are key features favored by these customers.
- Between 2001 and 2011, TEU (twenty-foot equivalent unit) exports through the SoDo area grew 85 percent.
- The challenges in the SoDo neighborhood include increased traffic congestion with the advent of the SR-99 deep-bored tunnel, safety concerns related to traffic, lack of east-west access to the Port's container terminals, lack of a City of Seattle freight mobility plan, and lack of transit options.
- Approximately a dozen public agencies have jurisdiction over various aspects of transportation in the SoDo area.

- The infrastructure landscape of SoDo was contrasted with stadium districts in other cities, which are not traversed by an industrial corridor as in Seattle. LA Live, Kansas City Power and Light District, and Seattle's own Seattle Center were highlighted in contrast to the planning of the SoDo neighborhood.
- Findings from the SoDo Transportation Project survey will be presented at a community forum on June 12, 2013, at the Georgetown Campus of the South Seattle Community College.

Commissioner Creighton noted \$3 million in marine cargo and 35 percent of the City of Seattle's tax base represented by industrial activities in the SoDo area. Commissioner Albro commented on the possibilities for the City's tax base inherent in fostering local industrial expansion in the SoDo neighborhood.

Following consideration of agenda item 7a, the Commission returned to consideration of –

6. DIVISION, CORPORATE, AND COMMISSION ACTION ITEMS

- 6a. Authorization for the Chief Executive Officer to (1) proceed with the Radio System Upgrade project; (2) authorize the procurement of required hardware, software, and vendor services; and (3) authorize the use of Port staff for implementation, for a total project cost not to exceed \$6,750,000.**

Request document(s): Commission agenda [memorandum](#) dated May 20, 2013, provided by David Soike, Director, Aviation Facilities and Capital Programs; Colleen Wilson, Chief of Police; and Peter Garlock, Chief Information Officer.

Presenter(s): Mr. Soike and Debra Davis, Aviation Electric and Electronic Systems Foreman.

The Commission received a presentation that included the following relevant information:

- The Port's radio system is a vital emergency services system that is relied on by 911 dispatch as well as a daily operational system for all Port departments.
- The system includes about 1,800 radios.
- The radio system plays a role in emergency preparedness and disaster recovery.
- The Airport's triennial exercises rely on this radio system.
- Aviation Facilities examined the option of unifying the Port's radio network with King County's system. The recommendation, supported by Information and Communications Technology, was to remain independent in part due to unique Federal Aviation Administration requirements that apply to the Port's system.
- The current request is for upgrade of a portion of the system that applies to aging 911 consoles and for upgrade to an interoperable "P-25" core that will more easily communicate with King County's system.
- The opportunity to join with King County's system at a later date is not precluded by the console and core improvements requested now.
- The project budget has been reduced by \$1.45 million since originally proposed.

Motion for approval of item 6a – Creighton

Second – Gregoire

Motion carried by the following vote:

In Favor: Albro, Bowman, Bryant, Creighton, Gregoire (5)

6b. Authorization for the Chief Executive Officer to execute separate service agreements for Construction Management Services and Commissioning Services, of approximate values of \$10 million and \$1.5 million, respectively, for the NorthSTAR Program at Seattle-Tacoma International Airport. No funding is associated with this authorization request.

Request document(s): Commission agenda [memorandum](#) dated May 17, 2013, provided by Ralph Graves, Managing Director, Capital Development Division; Janice Zahn, Assistant Director of Engineering, Construction Services; and George England, Program Leader, Aviation Project Management Group.

Presenter(s): Mr. Graves, Mr. England, and Ms. Zahn.

The Commission received a presentation that included the following relevant information:

- Personal services and professional services contracts are typically acquired through a process based on qualifications. This is a time-consuming, multi-step process that can involve extensive negotiation. An alternative method is to establish a base contract and use service directives to initiate specific project work. In some cases, the particular projects that would be supported by an indefinite delivery, indefinite quantity (IDIQ) contract are unknown, although the ordering period and contract size are determined from the start.
- The background of the NorthSTAR program was described.
- Jacobs Project Management has been selected to provide programmatic project management support for the capital projects that comprise the NorthSTAR program.
- A construction management contract will provide technical expertise to appropriately mitigate risks during the design phase and ensure the best possible construction documents.
- Port staff would take the lead role for decision making with the assistance of consultant expertise.
- Existing IDIQ contracts for construction management are designed to support isolated projects and are not considered an appropriate vehicle for the construction management services needed for the NorthSTAR program.
- A commissioning contract will provide expertise that is not represented already by Port staff and will apply to work in both the North Satellite and Main Terminal. If third-party sustainability certification, such as LEED™, is pursued, an independent commissioning firm would be a requirement.

- The contracting method proposed is consistent with performance audits and intends to strike a balance between using in-house staff and consultant support for work of this kind. An important consideration is the level of control delegated to the consultant.
- The collaborative relationship with Alaska Air Group on the NorthSTAR program is going well and Alaska supports the authorization request.

Motion for approval of item 6b – Bryant

Second – Creighton

Motion carried by the following vote:

In Favor: Albro, Bowman, Bryant, Creighton, Gregoire (5)

6c. Authorization for the Chief Executive Officer to execute two professional services indefinite delivery, indefinite quantity contracts for architectural services in the amount of \$1,500,000 per contract for a total of \$3,000,000 with contract ordering periods of three years in support of upcoming capital improvement projects at Seattle-Tacoma International Airport. There is no budget request associated with this authorization.

Request document(s): Commission agenda [memorandum](#) dated May 20, 2013, provided by Wayne Grotheer, Director, Aviation Project Management Group.

Presenter(s): Sean Anderson, Capital Project Manager.

The Commission received a presentation that included the following relevant information:

- Each IDIQ contract will have a one-year term with options for two additional years and a maximum value of \$1.5 million.
- The evaluation criteria for candidate firms were outlined, including commitment to small businesses.
- Project work would be contracted through service directives unique to the particular project being supported.
- Due to the nature of the timing for projects for which these services are being contracted, it was deemed advisable to pursue two contracts this time to divide the workload.

Motion for approval of item 6c – Bryant

Second – Gregoire

Motion carried by the following vote:

In Favor: Albro, Bowman, Bryant, Creighton, Gregoire (5)

6d. Authorization for the Chief Executive Officer to issue Change Order No. 166 for Contract MC-0316677, Centralized Pre-Conditioned Air Project at Seattle-Tacoma International Airport, to add 221 days to the contract duration for a new contract completion date of August 26, 2013.

Request document(s): Commission agenda [memorandum](#) dated May 21, 2013, and [presentation slides](#) provided by Ralph Graves, Managing Director, Capital Development, and Janice Zahn, Assistant Engineering Director. A slightly different set of presentation slides was used during the meeting than were provided in advance. A copy of the second presentation is, by reference, made a part of these minutes, is marked [Exhibit A](#), and is available for inspection in Port offices.

Presenter(s): Ms. Zahn and David Soike, Director, Aviation Facilities and Capital Programs.

The Commission received a presentation that included the following relevant information:

- The Preconditioned (PC) Air project was summarized. The intent of the project is to make it possible for aircraft at the Airport gate to obtain heated or cooled air from a centralized system rather than by running their auxiliary engines. Auxiliary power units consume fuel and contribute to polluting emissions.
- In association with obtaining a Federal Aviation Administration Voluntary Airport Low Emissions grant, work on the project was initiated prior to completion of sufficient design. Numerous change orders have resulted.
- The time extension change order requested is related to a budget increase authorized in November 2012. Since then, the schedule analysis has been completed, indicating 221 calendar days of project delay. At this time, the concurrency of the delay has yet to be determined. Settlement of costs due to delays has yet to be resolved.
- PC Air units on Concourse A should be able to be activated in mid-June.
- At the conclusion of the project, all 73 Airport gates will have pre-conditioned air available.
- Aircraft plug-ins for airlines to use central power rather than rely on auxiliary power units are currently available at most gates.
- Although the project is over budget, the airlines appear to be pleased with its status.

Motion for approval of item 6d – Creighton

Second – Gregoire

Motion carried by the following vote:

In Favor: Albro, Bowman, Bryant, Creighton, Gregoire (5)

7. STAFF BRIEFINGS

Agenda item 7a having been disposed of previously, no additional staff briefings were considered.

8. NEW BUSINESS

None.

9. POLICY ROUNDTABLE

None.

10. ADJOURNMENT

There being no further business, the special meeting was adjourned at 2:31 p.m.

Bill Bryant
Assistant Secretary
Minutes approved: June 25, 2013.