



**Commissioners**

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Commission President  
Stephanie Bowman  
Bill Bryant  
John Creighton  
Courtney Gregoire

Tay Yoshitani  
Chief Executive Officer

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**APPROVED MINUTES  
COMMISSION REGULAR MEETING DECEMBER 3, 2013**

The Port of Seattle Commission met in a regular meeting Tuesday, December 3, 2013, at Port of Seattle Headquarters, Commission Chambers, 2711 Alaskan Way, Seattle, Washington. Commissioners Albro, Bryant, and Gregoire were present. Commissioners Bowman and Creighton were absent.

**1. CALL TO ORDER**

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

**2. EXECUTIVE SESSION pursuant to RCW 42.30.110**

The regular meeting was immediately recessed to an executive session estimated to last 60 minutes to discuss matters relating to potential litigation and legal risk. Following the executive session, which lasted approximately 60 minutes, the regular meeting reconvened in open public session at 1:05 p.m.

**PLEDGE OF ALLEGIANCE**

**3. APPROVAL OF MINUTES**

Minutes available for approval are included in the Unanimous Consent Calendar.

**4. SPECIAL ORDERS OF BUSINESS**

None.

**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. Authorization for the Chief Executive Officer to authorize all work and execute a contract for management of the live music program at Seattle-Tacoma International Airport. The total combined value of this procurement is estimated at \$750,000 over a three-year period.**

Request document(s) provided by James R. Schone, Director, Aviation Business Development; and Tami Kuiken, Music Program Coordinator, Aviation Business Development:

- Commission agenda [memorandum](#) dated November 15, 2013.

**5b. Authorization for the Chief Executive Officer to (1) proceed with the Network Switch Replacement 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 \$1,500,000 (CIP #C800323).**

Request document(s) provided by Peter Garlock, Chief Information Officer, and Matt Breed, Assistant Director, ICT Infrastructure Services:

- Commission agenda [memorandum](#) dated November 24, 2013.
- [Diagrams](#).

**5c. Authorization for the Chief Executive Officer to execute a new collective bargaining agreement between the Port of Seattle and the International Association of Machinists and Aerospace Workers, AFL-CIO, District Lodge 160, Local Lodge 289 (Parts Procurement) covering the period from January 1, 2013, through December 31, 2015, and affecting 11 positions, including regular full-time Distribution Center Inventory Specialists employees.**

Request document(s) provided by Milton Ellis, Labor Relations Manager:

- Commission agenda [memorandum](#) dated November 27, 2013.
- Collective bargaining [agreement](#).

**Motion for approval of consent items 5a, 5b, and 5c – Bryant**

**Second – Gregoire**

**Motion carried by the following vote:**

**In Favor: Albro, Bryant, Gregoire (3)**

**Absent for the vote: Bowman, Creighton**

### **PUBLIC TESTIMONY**

As noted on the agenda, public comment was received from the following individual(s):

- Amy Fowler, Manager, Clean Air Initiatives, Puget Sound Clean Air Agency. Ms. Fowler commented in support of the Clean Air Strategy Update described in agenda item 7b and noted the importance of reducing diesel exhaust, greenhouse gases, and climate change.
- David Freiboth, Executive Secretary, Martin Luther King County Labor Council, AFL-CIO. Mr. Freiboth commented on erosion of middle class jobs and the importance of SeaTac Proposition One. He asked the Port to distinguish between the jurisdictional issues posed by the minimum-wage ordinance and the underlying wage issues. Mr. Freiboth submitted a letter from several local labor organizations supporting Port neutrality on the validity of Proposition One. A copy of the letter, is, by reference, made a part of these minutes, is marked [Exhibit A](#), and is available for inspection in Port offices.

- Dan McKisson, International Longshore Workers Union. Mr. McKisson asked that the Port remain neutral on the outcome of SeaTac Proposition One.
- Michael Ramos, Church Council of Greater Seattle. Mr. Ramos commented in support of SeaTac Proposition One relating to minimum wage and urged the Port to remain neutral on the ordinance.
- Maureen Bo, Puget Sound Advocates for Retirement Action. Ms. Bo commented on economic justice and urged the Port to remain neutral in Alaska Airlines' challenge to SeaTac Proposition One.
- Stefan Moritz, Director of Strategic Affairs for Unite Here Local 8. Mr. Moritz commented on SeaTac Proposition One and stated that it would be wrong for a public port authority to challenge the measure since the ordinance was approved by voters.
- Genevieve Aguilar, Port Campaigns Director for Puget Sound Sage. Ms. Aguilar asked the Port to remain neutral on the validity of Proposition One and commented on the incongruity of the Port's position that it has no jurisdiction to set wages with a position that claims only the Port has the authority to do so at the Airport.
- Stuart A. Clark, Department of Ecology Air Quality Program Manager, submitted a letter dated December 3, 2013, urging adoption of the Northwest Ports Clean Air Strategy 2013 Update that is the subject of agenda item 7b. A copy of the letter is, by reference, made a part of these minutes, is marked [Exhibit B](#), and is available for inspection in Port offices.
- A letter from seven Washington state legislators urging Port neutrality on the validity of SeaTac minimum-wage Proposition One. A copy of the letter is, by reference, made a part of these minutes, is marked [Exhibit C](#), and is available for inspection at Port offices.

**6. DIVISION, CORPORATE, AND COMMISSION ACTION ITEMS**

- 6a. Authorization of (1) a five-year spending plan of \$106,740,000 for the Environmental Remediation Liability Program for the Seaport, Real Estate, and Aviation Divisions for 2014-2018; and (2) environmental remediation liabilities funds for 2014 in the amount of \$42,180,000, of which (a) \$22,180,000 is forecasted to be spent in 2014 and (b) an amount estimated not to exceed \$20,000,000 of the remaining funds approved in the five-year plan will be obligated during 2014 to be spent in future years.**

Request document(s) provided by Stephanie Jones Stebbins, Director, Seaport Environmental & Planning; and Elizabeth Leavitt, Director, Aviation Planning & Environmental Services:

- Commission agenda [memorandum](#) dated November 20, 2013.

Presenter(s): Ms. Jones Stebbins and Don Robbins, Senior Environmental Program Manager, Aviation Environmental Programs Group.

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

- The annual environmental remediation liability spending authorization is applicable throughout Port divisions. It includes a five-year spending plan and funds for the coming year both for funds to be expended in the coming year and for funds anticipated to be committed during the coming year for spending in future years.
- The funding provides for ongoing cleanup actions at Port facilities and for initiation of cleanup at new sites.

- Cleanup sites include two sediment sites and various adjacent upland sites, as well as the Lora Lake Apartments site.
- Funds projected to be needed after 2014 will not be spent until after future Commission authorization.
- Commission authorization is also required prior to entering into legal obligations, such as agreed orders or investigations.

**Motion for approval of item 6a – Bryant**

**Second – Gregoire**

**Motion carried by the following vote:**

**In Favor: Albro, Bryant, Gregoire (3)**

**Absent for the vote: Bowman, Creighton**

**6b. Authorization for the Chief Executive Officer to (1) prepare 30% design documents, (2) use Port crews to support site investigation needed to prepare design documents, and (3) execute consultant contracts for design documents for the NorthSTAR program's North Main Terminal Improvements at Seattle-Tacoma International Airport project in the amount of \$1,500,000. The total estimated project cost is \$30,000,000 (CIP #C800545).**

Request document(s) provided by Michael Ehl, Director, Airport Operations; and Wayne Grotheer, Director, Aviation Program Management:

- Commission agenda [memorandum](#) dated November 25, 2013.
- North Main Terminal [diagram](#).

Presenter(s): George England, Capital Program Leader, Aviation Project Management Group.

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

- The North Main Terminal Improvements project is part of the NorthSTAR program underway in partnership with Alaska Air Group.
- The project will permit more efficient use of the North Main Terminal checkpoint, facilitating passenger throughput and supporting passenger growth at the Airport.
- Preliminary design funding will enable design up to 30 percent to better define project scope, cost, and schedule.
- Additional design authorization will be requested after reaching the 30 percent threshold.
- Key project components include reconfiguring and expanding Checkpoint No. 5, improving air quality and circulation, demolition of vacated ticket counters, and installation of dynamic signage.
- Passenger self baggage tagging and drop-off are also part of the project.
- Architecture, finishes, and flooring will be upgraded.
- There will be one consultant for facility planning and one design consultant.

- Preliminary engineering through 30 percent should be complete by July 2015. Additional design authorization and construction would begin in 2016.

*Without objection, further consideration of agenda item 6b was temporarily postponed.*

### **RECESSED AND RECONVENED**

The regular meeting was recessed at 1:32 p.m. and reconvened at 1:40 p.m., chaired by Commissioner Albro.

*The Commission returned to consideration of –*

- 6b. Authorization for the Chief Executive Officer to (1) prepare 30% design documents, (2) use Port crews to support site investigation needed to prepare design documents, and (3) execute consultant contracts for design documents for the North Main Terminal Improvements at Seattle-Tacoma International Airport in the amount of \$1,500,000. The total estimated project cost is \$30,000,000 (CIP #C800545).**

**Motion for approval of item 6b – Bryant**

**Second – Gregoire**

**Motion carried by the following vote:**

**In Favor: Albro, Bryant, Gregoire (3)**

**Absent for the vote: Bowman, Creighton**

### **7. STAFF BRIEFINGS**

- 7a. Interlocal agreement with the City of Burien related to the Northeast Redevelopment Area.**

Presentation document(s) provided by Mark C. Griffin, Director, Real Estate Development; and Linda Stewart, Director, Aviation Community Partnerships:

- Commission agenda [memorandum](#) dated November 21, 2013.
- [Presentation](#) slides.
- Northeast Redevelopment Area (NERA) [diagram](#).

Presenter(s): Mr. Griffin, Ms. Stewart, and Mark Reis, Managing Director, Aviation Division.

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

- The Port has collaborated with the City of Burien for several years to redevelop an area north of the Third Runway known as the Northeast Redevelopment Area (NERA).
- The interlocal agreement is expected to spur private sector development in the NERA.
- Actions under the interlocal agreement would include construction of a regional stormwater system. The first phase of stormwater improvements is expected to cost approximately \$5.7 million. The Port would contribute \$1.2 million toward the first phase. It is estimated it would cost the Port \$3 million to plan, design, permit, and construct the

- facilities on its own. The \$1.2 million would be recouped in the ground lease between the Port and a developer. At this time, the city has secured \$4.5 million in grant funding.
- An SR-518 off-ramp would be built to position the project for construction funding.
  - Proposed development could include air cargo facilities and an auto mall.
  - Federal Aviation Administration (FAA) pilot program grant funding may be available and is expected to be applied for in the first quarter of 2014.
  - Under the interlocal agreement, the Port would grant three stormwater easements to the city based on the percentage of ownership of the property served by the stormwater facilities. The city will construct the stormwater facilities.
  - The agreement includes an easement for a shared-use path for maintenance of facilities and recreational use.
  - The city would vacate a cul-de-sac on Port property on 12<sup>th</sup> Place South.
  - The Port and city would split a \$1 million local match for the FAA pilot program.
  - An SR-518/Des Moines Memorial Drive interchange is planned, and future actions would include surplus the Port property necessary for the off-ramp right-of-way.
  - A proposed ground lease with a developer is expected in late 2014.
  - Port obligations under the interlocal agreement total approximately \$1.9 million.
  - Approval of the interlocal agreement will be sought on December 10, 2013.

In response to Commissioner Albro, Mr. Griffin reported that due to the properties being obtained as part of noise mitigation, FAA approval would be required to sell or internally transfer the properties by the Port. Mr. Reis stated that, subject to confirmation, the interlocal agreement should not prevent the sale or transfer of NERA property, although it might complicate the calculation of fair market value.

#### **7b. Final Northwest Ports Clean Air Strategy 2013 Update.**

Presentation document(s) provided by Stephanie Jones Stebbins, Director Seaport Environmental and Planning, and Janice Gedlund, Seaport Air Quality Program Manager:

- Commission agenda [memorandum](#) dated November 19, 2013.
- [Presentation](#) slides.
- [Clean Air Strategy Update](#).

Presenter(s): Ms. Jones Stebbins; Ms. Gedlund; and Amy Fowler, Manager, Clean Air Initiatives, Puget Sound Clean Air Agency.

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

- The Commission received a briefing on the draft strategy update on June 25, 2013. The strategy update has been refined based on public comment and Commission approval for the 2013 strategy update will be requested December 10, 2013.
- A commitment by participating ports to reducing air emissions per unit of cargo is new to the strategy. Emissions would be reduced by 75 percent by 2015 and 80 percent by 2020. Greenhouse gases would be reduced by 10 percent by 2015 and 15 percent by 2020.
- Participating ports include the Ports of Seattle, Tacoma, and Metro-Vancouver, B.C.

- The strategy update is based on results of the Maritime Emissions Inventory. The 2011 inventory indicated overall reductions of diesel particulate matter since 2005 of 27 percent, or 34 percent per unit of cargo.
- Initial stakeholder outreach was complete in May 2013.
- Public comment was accepted in June and July 2013. There were 45 respondents for all three ports involved in the strategy. Of the 45 comments, 26 were directed to the Port of Seattle, and 20 of those dealt with trucks. Non-truck related comments focused on absolute reduction goals, alternative technologies and fuels, and alignment with regulations and certification programs.
- There is a theme of concern over affordability of newer trucks in the comments received.
- Based on public comments, strategy revisions included removal of the interim 80 percent target for trucks to meet 2007 model year emissions standards. The 100 percent 2017 target to meet 2007 model year emissions standards was retained. Currently 15 percent of trucks accessing Port terminals meet the 2007 model year emission standard.
- The strategy update acknowledges that reduction of diesel particulate matter has the added benefit of reducing black carbon, which is considered a contributor to climate change.
- There are not many options for third-party certification programs for emissions reduction aimed at harbor vessels that stay within Puget Sound.
- A second truck scrapping program will be initiated in 2014. A pilot project managed by the Puget Sound Clean Air Agency aims to replace diesel engines with compressed natural gas (CNG) to reduce emissions to the equivalent of a 2007 model year truck.
- Emissions reduction targets for Port administration include the ports' operating cleaner vehicles and equipment, applying clean construction practices, and facilitating energy conservation projects at port-owned and tenant facilities.
- Performance measurement of achievement of numeric goals for emissions reductions is dependent on release of new regional air emissions inventories every five years. The next is scheduled in 2016.

Changes to the strategy update were compared by sector with the update presented in June 2013.

#### **8. NEW BUSINESS**

None.

#### **9. POLICY ROUNDTABLE**

None.

#### **10. ADJOURNMENT**

There being no further business, the regular meeting was adjourned at 2:22 p.m.

John Creighton  
Assistant Secretary

Minutes approved: March 18, 2014.