



**Commissioners**

Stephanie Bowman  
Commission Co-President  
Courtney Gregoire  
Commission Co-President  
Tom Albro  
Bill Bryant  
John Creighton

Tay Yoshitani  
Chief Executive Officer

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**APPROVED MINUTES  
COMMISSION REGULAR MEETING FEBRUARY 11, 2014**

The Port of Seattle Commission met in a regular meeting Tuesday, February 11, 2014, 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 regular meeting was called to order at 12:06 p.m. by Courtney Gregoire, Commission Co-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 qualifications for public employment. Following the executive session, which lasted approximately 60 minutes, the regular meeting reconvened in open public session at 1:10 p.m.

**3. MINUTES**

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

**PLEDGE OF ALLEGIANCE**

**4. SPECIAL ORDERS OF BUSINESS –**

**Supporting Quality Jobs to Strengthen our Middle Class:  
Perspectives from Seattle-Tacoma International Airport**

**4a. Opening Remarks – Commission Co-President Courtney Gregoire.**

Commissioner Gregoire opened the public hearing and commented on the Port's long-standing commitment to supporting good-paying, family-wage jobs in port-related sectors. She highlighted the process by which the Port Commission intends to gather information to make informed decisions, including gathering employee and employer contributions and examining information on broader operational issues and existing workforce development opportunities. She noted the compensation and benefits available to Port employees and the importance of ensuring quality jobs for employees of the Port's vendors and business partners, who work full-time or part-time at Port facilities, including the Seattle-Tacoma International Airport.

A copy of Commissioner Gregoire's prepared remarks is, by reference, made a part of these minutes, is marked [Exhibit A](#), and is available for inspection in Port offices.

Tay Yoshitani, Port Chief Executive Officer, offered a statement on the Port's role as an engine of economic development in King County for over 100 years. He noted the roughly 200,000 jobs that result directly and indirectly from the Port's operations and pointed out the Port's 25-year Century Agenda goal to increase that number to 300,000. Although not explicit in the Century Agenda, Mr. Yoshitani stated that most or all of the new 100,000 jobs generated by Port operations were presumed to be family-wage jobs. He expressed the hope that quality jobs solutions would be equally supported by employers and employees.

**4b. Panel One – Airport Operations.**

Presentation document(s) provided by Mark Reis, Managing Director, Seattle-Tacoma International Airport and Chair of the Airports Council International – North America, and Heather Worthley, Executive Director, Port Jobs:

- Airport presentation [slides](#).
- Prepared [remarks](#) by Ms. Worthley.
- Port Jobs presentation [slides](#).

Presenter(s): Mr. Reis and Ms. Worthley.

Mr. Reis commented on Airport operations and related finances as well as the Airport's employment landscape. He noted that although takeoffs and landings decreased by 27 percent over the past ten years, the number of passengers and international cargo rose substantially. He described significant improvements in concessions revenue and an increase in concessions revenue per enplanement. Concessions employment increased 124 percent between 2003 and 2013. Mr. Reis noted declining numbers of badged employees and presented employment turnover rates for various companies operating at the Airport.

Ms. Worthley commented on the Airport's current workforce development programs. She described Port Jobs, a small nonprofit agency focused on providing jobs, education, and training to those with little experience and to women and people of color. Ms. Worthley explained that since its inception in 2000, Port Jobs' Airport Jobs center has assisted more than 68,000 job seekers and helped fill more than 13,000 vacancies at the Airport. The wages offered, types of employment, and schedules offered for jobs filled with the assistance of Port Jobs covers a broad spectrum.

*Without objection, the Commission advanced to consideration of –*

**4d. Panel Three - Business at the Airport.**

Presenter(s): Michael Workman, President, VIP Hospitality.

Mr. Workman commented on his small business, which operates at the Airport with about 40 contracted staff. VIP Hospitality performs a number of services for the Airport, airlines, and other Airport-based companies, including janitorial, passenger service handling, and lounge services. He described his use of resources such as Airport Jobs and relationships with the Airport and airlines to gain experience and skills to rise from his own minimum wage job to become the owner of a company doing business at the Airport. Mr. Workman noted the entry-level wage at VIP Hospitality of \$11/hour and commented on the opportunities the company provides for advancement and education. He explained the effect of contract terms as a limiting factor in the

wages the company is able to provide to employees. He also commented on his assessment that increasing the minimum wage to \$15/hour for entry-level employees would necessitate raising wages for employees already earning that much or more per hour corresponding to their additional experience or increased responsibility. Offering of other employee benefits, such as paid time off or health care insurance, is dependent on contract terms.

*Following completion of agenda item 4d, the Commission returned to consideration of –*

**4c. Panel Two – Business at the Airport.**

Presentation document(s) provided by Joe Waller, Vice President for Business Development, HMS Host International, and Kathy Taylor, President, Dilettante Chocolate:

- Prepared [remarks](#) by Ms. Taylor.

Presenter(s): Mr. Waller and Ms. Taylor.

Mr. Waller presented information on operations of HMS Host at the Airport. Host operates 24 restaurants employing approximately 630 represented workers, 96 percent of whom receive benefits. These benefits include family health insurance with a monthly employee premium of \$40-\$50, paid vacation, overtime pay, and pensions. Providing these benefits costs HMS Host approximately \$6.10/hour per worker. When including benefit cost, entry-level employees receive compensation that is more than \$15/hour. Mr. Waller stated the average compensation for HMS Host employees is \$17.31/hour, including cost of benefits. He elaborated on the importance of employee training and indicated that the average tenure of HMS employees at the Airport is seven years.

Ms. Taylor outlined her company's employee policies and operations. Dilettante currently employs approximately 65 workers in seven cafés throughout the Puget Sound region, including 22 employees at its Airport location, which is open 24 hours/day, 365 days/year. Ms. Taylor stated that starting wages for her employees are above the state's minimum wage and that they receive gratuities as well. Her employees receive paid holidays and sick leave and the opportunity for medical coverage. Ms. Taylor testified that additional labor cost could be crippling for her business and that limiting the pool of labor for her operations would be inefficient and costly. She commented on other expenses inherent in operating at the Airport, including renovation costs, and described risks unique to small businesses at the Airport. Regarding the Port's consideration of wage policy at the Airport, Ms. Taylor noted the importance of examining the value of a diverse workforce and the presence of small businesses at the Airport and the impact new wage policies would have on those aspects of Airport concessions. She commented in support of wage policy being established by law more broadly than by individual municipality.

Commissioner Creighton requested additional information from Port staff on the current status across the country of street pricing, a policy that caps prices at Airport dining and retail establishments to achieve consistent pricing between Airport and off-Airport operations.

*Agenda item 4d having been considered previously, the Commission advanced to consideration of –*

**4e. Panel Four – Working at the Airport.**

Presentation document(s) provided by Elizabeth Tuani, Customer Service Agent, DAL Global Services, and Dana Stewart, Server, Bigfoot Food and Spirits:

- Prepared [remarks](#) by Ms. Tuani.
- Prepared [remarks](#) by Ms. Stewart.

Presenter(s): Ms. Tuani, Ms. Stewart, and Jennifer Fulton, Server, Anthony's Restaurant.

Ms. Tuani spoke of her experience finding employment at the Airport through Port Jobs. She noted the importance and affordability of medical benefits available to her and her family and complimented the convenience and flexibility of Port Jobs in assisting Airport employees. She commented on the challenges Airport employees face in low wages, scheduling inconsistencies due to airline service delays and cancellations, and safety hazards.

Ms. Fulton commented on the importance of health insurance and sick leave and opined that job security is a prime consideration for Airport employees. She acknowledged that she and most of her coworkers make above \$15/hour and average 25 to 40 hours per week, based on their own scheduling choices. Ms. Fulton spoke in support of implementation of the City of SeaTac Proposition One, adoption of a policy of worker retention at the Airport, and the master concessions model for dining and retail at the Airport.

Ms. Stewart described her experience of beginning work at the Airport through Port Jobs when she was only 16 years old. She noted the factors that aided her further education and upward mobility while working in a non-represented position. Ms. Stewart explained that she receives paid vacations and holidays and medical benefits, and that her wage at the Airport is nearly \$30/hour.

**RECESSED AND RECONVENED**

The regular meeting was recessed at 3:28 p.m. and reconvened at 3:46 p.m., chaired by Commissioner Gregoire.

**PUBLIC TESTIMONY**

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

- Doris Cassan, Licensee, Dollar Rent-A-Car at Seattle-Tacoma International Airport. Ms. Cassan commented on her experience owning a car rental company with her husband for more than 40 years. She talked about the high cost of operating an Airport business and her concerns about unintended consequences of raising the minimum wage.
- Josh McDonald, Local Government Affairs Director, Washington Restaurant Association. Mr. McDonald commented on behalf of several association members with small restaurants in the Airport. He offered his organization as a resource for data and context on issues relating to wage and job quality standards.

- Roger McCracken, Managing Partner, MasterPark. Mr. McCracken commented on MasterPark's parking facilities in the City of SeaTac. He outlined his company's operational structure and competitiveness issues and expressed concerns surrounding jurisdictional equity with respect to municipalities adopting different wage and employment standards. Mr. McCracken submitted a map showing the boundaries of the City of SeaTac, the City of Tukwila, and at the Port of Seattle and showing the minimum wage landscape where the three jurisdictions abut one another. A copy of the map is, by reference, made a part of these minutes, is marked [Exhibit B](#), and is available for inspection in Port offices.

**5. UNANIMOUS CONSENT CALENDAR**

None.

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

None.

**7. STAFF BRIEFINGS**

None.

**8. NEW BUSINESS**

None.

**9. POLICY ROUNDTABLE**

None.

**10. ADJOURNMENT**

There being no further business, the regular meeting was adjourned at 3:50 p.m.

Tom Albro  
Secretary

Minutes approved: July 22, 2014.