



Commissioners

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

Tay Yoshitani
Chief Executive Officer

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

**APPROVED MINUTES
COMMISSION REGULAR MEETING APRIL 1, 2014**

The Port of Seattle Commission met in a regular meeting Tuesday, April 1, 2014, at Port of Seattle Headquarters, Commission Chambers, 2711 Alaskan Way, Seattle, Washington. Commissioners Albro, Bowman, Bryant, Creighton, and Gregoire were present. Commissioners Bryant and Gregoire were present until 2:08 p.m.

1. CALL TO ORDER

The regular meeting was called to order at 12:05 p.m. by Stephanie Bowman, 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 sale or lease of real estate, legal risk, and qualifications for public employment. Following the executive session, which lasted approximately 75 minutes, the regular meeting reconvened in open public session at 1:20 p.m.

3. MINUTES

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

PLEDGE OF ALLEGIANCE

4. SPECIAL ORDERS OF BUSINESS

4a. Briefing on East Marginal Way Grade Separation Project, East Marginal Way Phase II Project, and Argo Yard Truck Roadway Project.

Presentation document(s) provided by Geri Poor, Regional Transportation Manager, and Tim Leonard, Capital Project Manager:

- Commission agenda [memorandum](#) dated March 9, 2014.
- Presentation [slides](#).

Presenter(s): Mr. Leonard; Ms. Poor; Karen Schmidt, Executive Director, Freight Mobility Strategic Investment Board; and John Layzer, Director, Major Projects, Seattle Department of Transportation.

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

- The East Marginal Way Grade Separation Project is one of the original FAST Corridor projects (Freight Action Strategy for the Everett-Seattle-Tacoma Corridor) established in 1998. Its origins stem from the Terminal 5 and Terminal 18 expansions of on-dock rail service. The grade separation is an overpass that allows unit trains to depart directly from the docks. The project intends to reduce railroad crossing times, emissions, and fuel consumption. The result would be lower trucking costs and increased Port competitiveness.
- Over the past two decades, the Port has committed over \$40 million to FAST projects, leveraging over \$800 million of investment by public and private partners.
- The projects are located south of Spokane Street and will serve collectively to improve the freight mobility between various Port terminals, the BNSF Freight Yard, and the Argo Yard.
- The East Marginal Way Grade Separation Project memorandum of agreement has been completed paving the way for the conveyance of related properties and easements to the City of Seattle.
- The permitting and design for East Marginal Way Phase II and Argo Yard Truck Roadway projects is 90 percent complete.
- Upcoming milestones for the projects include the following:
 - ▶ The City Council is expected to approve the term permit necessary for the Argo Yard Truck Roadway Project and the East Marginal Way Grade Separation Memorandum of Agreement by April or May of 2014.
 - ▶ The necessary Argo Yard Truck Roadway Project easements from Prologis and the Union Pacific Railroad will be conveyed to the Port in late May 2014.
 - ▶ Construction of the Argo Yard Truck Roadway Project is anticipated in August 2014.
 - ▶ The grand opening of the project is expected December 2014.
- Electronic gate access at the Argo Yard should afford truckers time for an additional turn.

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 (1) proceed with the Airport Noise and Operations Monitoring System Replacement project; (2) authorize the procurement of required hardware, software, and vendor services; and (3) authorize Port staff to implement the project; for a total project cost not to exceed \$1,900,000 (CIP #C800608).

Request document(s) provided by Stan Shepherd, Manager, Airport Noise Programs:

- Commission agenda [memorandum](#) dated March 24, 2014.

- 5b. Authorization for the Chief Executive Officer to (1) proceed with the Computer Dispatch 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 \$790,000 (CIP #C800520).**

Request document(s) provided by Colleen Wilson, Chief of Police, and Peter Garlock, Chief Information Officer:

- Commission agenda [memorandum](#) dated March 24, 2014.

- 5c. Authorization for the Chief Executive Officer to (1) increase the budget for the Concourse D Roof Replacement Project by \$219,000 and (2) execute a major public works construction contract with the low responsive and responsible bidder, notwithstanding the low bid exceeding the engineer's estimate by more than 10 percent. The new authorized total project cost will be \$3,946,000 (CIP #C800550).**

Request document(s) provided by Wayne Grotheer, Director, Aviation Project Management Group, and David Soike, Director, Aviation Facilities and Capital Program:

- Commission agenda [memorandum](#) dated March 21, 2014.

- 5d. Authorization for the Chief Executive Officer to execute a First Amendment to Air Cargo Building Lease with BT Property LLC, substantially represented in Attachment 1, to reflect a 4 year, 7 month extension of the lease term to December 31, 2018.**

Request document(s) provided by James R. Schone, Director, Aviation Business Development; Michael Ehl, Director, Aviation Operations; and James Jennings, Manager, Aviation Properties:

- Commission agenda [memorandum](#) dated March 17, 2014.
- Lease [Amendment](#).
- [Map](#) of BT Property Leased Premises.
- [Map](#) of Cargo Building Lease Expiration Alignment.

- 5e. Authorization for the Chief Executive Officer to complete the design and permit process for the replacement of four mooring dolphins at Pier 34. The total amount of this request is \$275,000, out of a total estimated project cost of \$1,611,000 (CIP #C800090).**

Request document(s) provided by Mike McLaughlin, Director, Cruise and Maritime Operations, and Mark Longridge, Capital Project Manager:

- Commission agenda [memorandum](#) dated March 19, 2014.
- [Diagram and photographs](#).

- 5f. Approval of the Commission's 2014 international travel plan.**

Request document(s) provided by Larry Ehl, Commission Chief of Staff:

- Commission agenda [memorandum](#) dated March 5, 2014.

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

Second – Albro

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.

6. DIVISION, CORPORATE, AND COMMISSION ACTION ITEMS

- 6a. First Reading of Resolution No. 3690: A Resolution of the Port Commission of the Port of Seattle amending Resolution No. 3689, as amended by Resolution Nos. 3611, 3672, and 3673, the Seattle Port Commission Bylaws, regarding procedures dealing with recording of executive sessions; amendments to the regular order of business; clarification of locations for special meetings; and clarifying or reorganizing other language in various places.**

Request document(s) provided by Larry Ehl, Commission Chief of Staff:

- [Draft Resolution No. 3690.](#)
- [Revised bylaws.](#)

There was no presentation at this time; however, the Port Commissioners received the request documents for review prior to the meeting of April 1, 2014.

Commissioner Gregoire described the bylaws amendments, which would exempt from audio recording that portion of executive sessions during which the Commission discusses eligibility of candidates seeking public employment with the Port and related discussions exempted from Washington's Open Public Meetings Act under RCW 42.30.110(1)(g). Various clarifications of other language in the bylaws are also included in the amendment.

Motion for first reading of Resolution No. 3690– Albro

Second – Creighton

Motion carried by the following vote:

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

- 6b. Authorization for the Chief Executive Officer to advertise and execute a single construction contract comprised of Airfield Apron Pavement Replacement (CIP #C102573) and NSAT-STS Ceiling Leak Long Term Repair (CIP #C800609). This authorization request is for \$4,030,000, and the estimated total cost of the complete project is \$4,470,000. *[as subsequently corrected]***

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

- Commission agenda [memorandum](#) dated March 19, 2014, and revised April 23, 2014. *[Clerk's Note: The action request in the agenda memorandum and on the agenda for April 1 included a scrivener's error in which the request amount was incorrectly overstated as \$4,056,000. The correct amount, shown above, was \$4,030,000. Subsequent numerical errors in the memorandum's Budget/Authorization Status and Project Cost Breakdown tables were also corrected at the same time.]*
- [Diagram](#) of construction area.

Presenter(s): Mark Coates, Senior Manager, Airport Operations, and Ralph Wessels, Capital Project Manager, Aviation Project Management Group.

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

- The four parts to the project within the single construction contract are the apron panel replacement, the runway panel replacement for the Center Runway, replacement of joint seals on taxi lanes B and W, and replacement of the failed pavement that is over the top of the underground train station at the North Satellite.
- The airlines are supportive of the project, which is included in the budget.

Motion for approval of item 6b – Bryant

Second – Albro

Motion carried by the following vote:

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

6c. Industrial Development Corporation (IDC) – Approval of minutes, designation of officers, and annual report.

Request document(s) provided by Diane Campbell, Financial Analyst, Corporate: IDC agenda [memorandums](#) dated March 7, 2014, regarding approval of the minutes of April 9, 2013, election of officers, and 2013 annual report.

IDC meeting [minutes](#) of Tuesday, April 1, 2014, will be made available for inspection in Port offices upon approval.

RECESSED AND RECONVENED

The regular meeting of the Port of Seattle Commission was recessed at 1:48 p.m. to hold the annual meeting of the Industrial Development Corporation of the Port of Seattle. The regular meeting of the Port of Seattle Commission reconvened at 1:58 p.m., chaired by Commissioner Bowman.

6d. Authorization for the Chief Executive Officer to complete the design and construction of the Long-Term Cell Phone Lot project at the Seattle-Tacoma International Airport for an additional authorization of \$693,000, for a total authorization of \$2,521,000 (CIP #C800324). [subsequently laid on the table]

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

- Commission agenda [memorandum](#) dated March 21, 2014.

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

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

- Additional costs have been incurred during the construction of the Long-Term Cell Phone Lot due to unsuitable soil conditions and electrical and paving costs. There have been challenges getting the roundabout grating to fit on the roadway without disturbing the communications utilities and other infrastructure. Additional redesign will be needed to get the grating to fit.
- The project is forecasted to be over budget. The Aviation Project Management Group staff will return to the Commission in June 2014 with a final estimate for the roundabout. The estimated cost of the project is \$4.5 million.
- This projected rise in cost is due to scheduling issues, the continued maintenance of a cell phone lot at the Airport during construction, the Port of Seattle's preparation for a nearby air cargo project, and Port Construction Service's inexperience with roundabout design.
- The next authorization memo will disclose the amount spent to date and an itemized list of what has driven costs to that point.

Agenda item 6d was laid on the table without objection.

[Clerk's Note: This action request returned in modified form for consideration on May 6, 2014, as agenda item 6b.]

Commissioners Bryant and Gregoire were absent after 2:08 p.m.

7. STAFF BRIEFINGS

7a. Airport Service Tunnel Renewal/Replacement.

Presentation document(s) provided by Michael Ehl, Director, Airport Operations, and Wayne Grotheer, Director, Aviation Project Management Group:

- Commission agenda [memorandum](#) dated March 14, 2014.
- Presentation [slides](#).

Presenter(s): Peter Lindsay, Airport Operations Development Manager, Airport Operations, Landside, and George England, Capital Program Leader, Aviation Project Management Group.

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

- The Service Tunnel Renewal/Replacement project is a seismic improvement project for the Airport's service tunnel. The tunnel provides the driving surface for the Airport arrivals drive.
- A lump-sum methodology is recommended for this project because of the risks associated with the aging structures that currently exist in the tunnel. This methodology requires the Port and the project's contractor share the risks for these unknown conditions.
- The scope of the project cannot be fully disclosed at this time because some of the infrastructure affected is not in plain view.
- Lack of scope due to unidentified construction risks may hinder attracting private sector participation for the project.
- The timing of Commission decision points will be clearly communicated in future presentations on this project.

7b. 2013 Annual Report, Office of Social Responsibility, and 2013 Annual Report by Port Jobs.

Presentation document(s) provided by Luis Navarro, Director, Office of Social Responsibility:

- Commission agenda [memorandum](#) dated March 16, 2014.
- Presentation [slides](#).
- Office of Social Responsibility's 2013 [report](#) to the community.
- Port Jobs' 2013 Annual [Report](#).

Presenter(s): Mr. Navarro; Mian Rice, Small Business Program & Policy Manager, Office of Social Responsibility; Lauren O'Brien, Work Force Development & Policy Manager, Office of Social Responsibility; Heather Worthley, Executive Director, Port Jobs; Jacob Carlson, General Manager, Hudson Group; Anna Kovalyk, Human Resource Manager; Hudson Group; Robert Armstead, Consultant, Armstead Consulting Inc.; Tammy James, Ventures Program Manager, Washington C.A.S.H.; Dawn LaGrave, Artist participating in the Ventures program; Gylan Green, Executive Director, Washington C.A.S.H.; and Paul Lawson, District Manager, Ivar's.

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

- There was a decrease in the amount of Port expenditures that went to small businesses from 35 percent in 2012 to 30 percent in 2013 because the Office of Social Responsibility has added Goods and Services to the costs that are figured, a cost that was not included in the small business calculations in prior reports.
- In 2013, there was an increase in persons enrolled through the Apprenticeship Opportunities Project, which is administered by Port Jobs through a subcontract with Apprenticeship and New Employment for Women (ANEW) which serves both women and men.
- The Airport Jobs Center keeps a database of information about wages for filled positions. Each person employed by the Port receives a badge, which Port Jobs uses to monitor the number of badged people who are employed through the Port Jobs office.

- The Commission is interested in additional data for these jobs, including the duration of the positions, whether there are benefits packages, paid time off, etc. In order to obtain this information, those employed through Port Jobs could have to provide it subsequent to being badged.
- Airport University awards scholarships to those who are below self-sufficiency standards. The scholarships are only available for college credit courses.
- The courses are infused with a “career pathway approach.” The teaching staff is assisted by the AOP staff, which is charged with guiding students through the practical application of their skills.

RECESSED AND RECONVENED

The regular meeting recessed at 3:10 p.m. to resolve technical difficulties and reconvened at 3:15 p.m., chaired by Commissioner Bowman.

The Commission continued its consideration of –

7b. 2013 Annual Report, Office of Social Responsibility, and 2013 Annual Report by Port Jobs.

Further relevant information was presented as follows:

- Robert Armstead, a consultant for the Washington State Department of Transportation disparity study, described issues with the Alaskan Way Viaduct Project. There have been many difficulties ranging from firms filing bankruptcy because they have not been paid by the Project’s contractors to evidence of disparity and discrimination in hiring practices.
- According to Mr. Armstead, prior to Initiative 200, an initiative that declares that “The state shall not discriminate against, or grant preferential treatment to, any individual or group on the basis of race, sex, color, ethnicity, or national origin in the operation of public employment, public education, or public contracting,” 28.6 percent of total dollars spent by the Port was with minority and women-owned businesses. He reported that since passage of I-200, the percentage has dropped to 2.6 percent.
- Airport Jobs plays a major role in workforce development at the Port. Sixty percent of Hudson Group’s work force has been hired through the Airport Jobs program.

7c. Legislative Update for April 1, 2014.

Presenter(s): Patricia Akiyama, Director of Public Affairs.

Issues and measures being tracked by the Port governmental relations team include the following:

Federal Government

- Congressional action on the Maritime Goods Movement Act, MAP-21 (Moving Ahead for Progress in the 21st Century Act) related to transportation funding, freight infrastructure, Federal Aviation Administration budget reauthorization, and airport infrastructure.
- The Water Resources Development Act, which funds port-related infrastructure, and may come to a vote in April or May.

State Government

- House Bill 2229, which has been signed into law, related to tourism funding.
- House Bill 2580, which has been signed into law, related to maritime and manufacturing legislative task force implementation.
- Roles of marinas in collecting data for the state regarding derelict vessels.
- The Department of Ecology's petition for a "no discharge-zone" for treated waste water in Puget Sound by maritime vessels and the Port's position in favor of a more targeted approach to waste water discharge bans.

Local Government

- Maritime and industrial interests and concerns in dialog with the City of Seattle.
- Seattle's efforts toward raising the minimum wage locally and related community responses.
- Transition in the directorship of the Seattle Department of Transportation.
- Regional grant proposals for transportation and freight movement initiatives, including roadway and safety improvements on Air Cargo Road.
- Potential for collaboration with other ports in seeking TIGER grant funding.

8. NEW BUSINESS

None.

9. POLICY ROUNDTABLE

None.

10. ADJOURNMENT

There being no further business, the regular meeting was adjourned at 3:57 p.m.

Tom Albro
Secretary

Minutes approved: January 27, 2015.