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**APPROVED MINUTES
COMMISSION SPECIAL MEETING JULY 1, 2014**

The Port of Seattle Commission met in a special meeting Tuesday, July 1, 2014, in the International Auditorium at Seattle-Tacoma International Airport, Seattle, Washington. Commissioners Albro, Bowman, Bryant, Creighton, and Gregoire were present.

1. CALL TO ORDER

The special meeting was called to order at 2:06 p.m. by Stephanie Bowman, Commission Co-President.

2. EXECUTIVE SESSION pursuant to RCW 42.30.110

None.

PLEDGE OF ALLEGIANCE

3. SPECIAL ORDERS OF BUSINESS

None.

4. 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.]

- 4a. Authorization for the Chief Executive Officer to execute (1) a Second Amendment to the Administrative Order on Consent for Remedial Investigation/Feasibility Study for the Lower Duwamish, entered into with the U.S. Environmental Protection Agency to conduct an Enhanced Natural Recovery/Activated Carbon Pilot Study at a total estimated cost in the range of \$3,000,000 to \$5,000,000 and (2) a Second Amendment to the Lower Duwamish Waterway Group (LDWG) Memorandum of Agreement to provide for equal sharing of the costs of the ENR/AC Pilot Study between the LDWG members (Port of Seattle, King County, City of Seattle and The Boeing Company). Funds to perform this work will be included in the Environmental Remediation Liability annual authorization.**

Request document(s) provided by Stephanie Jones Stebbins, Director, Seaport Environmental and Planning, and Kathy Bahnick, Manager, Seaport Environmental and Planning:

- Commission agenda [memorandum](#) dated June 23, 2014.
- [EPA Second Amendment](#).
- Lower Duwamish Waterway Group [Memorandum of Agreement](#).

4b. Authorization for the Chief Executive Officer to execute a contract for \$343,000.00 to purchase Self Contained Breathing Apparatus equipment for the Port of Seattle Fire Department.

Request document(s) provided by: Randy Krause, Fire Chief:

- Commission agenda [memorandum](#) dated June 23, 2014.
- [Photograph](#).

4c. Authorization for the Chief Executive Officer to execute up to three indefinite delivery, indefinite quantity contracts for regulated materials management consultant services to support Aviation, Seaport, Real Estate, and Capital Development Division project needs. The contracts will likely not exceed \$500,000 for each contract for a total amount not to exceed \$1,500,000. There is no budget request associated with this authorization. Each contract will have a contract ordering period of three years.

Request document(s) provided by: Ralph Graves, Managing Director, Capital Development Division, and Dwight Rives, Director, Port Construction Services:

- Commission agenda [memorandum](#) dated June 23, 2014.

4d. Authorization for the Chief Executive Officer to complete design and prepare construction bid documents to rehabilitate the Pier 69 roof beams for an amount not to exceed \$330,000, including \$70,000 for preliminary project work authorized in January 2014, making the current request amount \$260,000. The current total estimated project cost is between \$2,300,000 and \$3,300,000.

Request document(s) provided by: Rees Robinson, Manager, Marine Maintenance Project Management; and Nick Milos, Manager, Corporate Facilities:

- Commission agenda [memorandum](#) dated June 23, 2014.
- Pier 69 Roof Beam Rehabilitation [photographs](#).

4e. Authorization for the Chief Executive Officer to (1) proceed with the Terminal 91 Visitor Management 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 \$520,000.

Request document(s) provided by Linda Styrk, Managing Director, Seaport Division, and Russ Read, Security Program Manager, Seaport Division:

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

- 4f. Authorization for the Chief Executive Officer to (1) transfer budget and combine the Feeder 101 Taps Replacement Project (CIP #C800234) with the Fire Station Electrical Upgrade Project (CIP #C800479) into a single CIP; and (2) advertise, award, and execute a major public works contract for the combined project. The amount of this request is \$3,929,400 of a total estimated project of \$4,775,000.

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

- Commission agenda [memorandum](#) dated June 23, 2014.
- Presentation [slides](#).
- [Partial Electrical Site Plan](#).

- 4g. Authorization for the Chief Executive Officer to reject all bids for the previously advertised contract for the Airfield Apron Pavement Replacement (CIP #C102573) and NSAT-STS Ceiling Leak Long Term Repair (CIP #C800609) and to re-advertise and execute a construction contract for a revised Airfield Apron Pavement Replacement project.

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

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

**Motion for approval of consent items 4a, 4b, 4c, 4d, 4e, 4f, and 4g – Albro
Second – Creighton**

Motion carried by the following vote:

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

Without objection, the Commission advanced to the order of –

6. DIVISION, CORPORATE, AND COMMISSION ACTION ITEMS

– and proceeded to consideration of the following agenda item –

- 6d. Authorization for the Chief Executive Officer to execute a new collective bargaining agreement between the Port of Seattle and the International Association of Firefighters Local Union No. 1257 for the term January 1, 2014 – December 31, 2016.

Request document(s) provided by Robin Romeo, Labor Relations Director:

- Commission agenda [memorandum](#) dated June 24, 2014.
- Collective Bargaining [Agreement](#).

Presenter(s): Ms. Romeo.

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

- The agreement covers 72 Fire Department employees and replaces the 2011-2013 agreement.

- The agreement saves approximately \$371,363 for the Port of Seattle over a three-year period and creates no additional costs.
- Firefighters will receive a base rate adjustment of 1.5 percent and a cost of living adjustment in each year of the contract.
- The base wage rate for Battalion Chief will increase while the base wage for entry-level firefighters and Training Chief decreases. The aim is to equalize the salaries over time. This also results in contract savings.
- Firefighters' contributions to health care insurance premiums on dependent care will increase from the current five percent to 7.5 percent starting this year and ten percent by the last year of the contract.

Motion for approval of item 6d – Bryant

Second – Gregoire

Motion carried by the following vote:

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

Following the vote on agenda item 6d, the Commission proceeded to consideration of –

6a. First Reading and Public Hearing of Resolution No. 3694: A Resolution of the Port Commission of the Port of Seattle relating to safety and security at Seattle-Tacoma International Airport and the necessary hiring standards, training opportunities, and minimum compensation required to maintain a well-trained workforce at the Airport.

Request document(s) provided by Larry Ehl, Chief of Staff, Office of the Commission; Mark Reis, Director, Aviation Operations; Michael Ehl, Director, Aviation Operations; and Wendy Reiter, Director, Aviation Security and Emergency Preparedness:

- Commission agenda [memorandum](#) dated June 26, 2014, as revised June 27, 2014.
- Memorandum [overview](#).
- Federal Aviation Administration Advisory [Circular](#).
- [AHM 611](#): Airside Personnel: Responsibilities, Training and Qualifications.
- San Francisco International Airport [Quality Standards Program](#).
- [Resolution No. 3694](#).

Presenter(s): Mr. Larry Ehl and Mr. Reis.

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

- In January 2014, the Port Commission announced the Quality Jobs Initiative for employees of the Seattle-Tacoma International Airport. Details of the public process and data collection were reviewed in detail during the June 24 meeting and materials are currently posted.
- There is a high rate of turnover among entry-level jobs at the Airport due partly to low pay and lack of advancement opportunity. This is partly a function of inadequate training available as a result of short tenure. It is not uncommon to have the need to hire 6-8 ramp workers per week.

- A key element of advancing continued safe and secure operation of the Airport is the establishment of minimum standards for wages, benefits, and training for workers with airfield access.
- Predictability for the business community is an important consideration when establishing minimum employment standards in order to continue to experience growth in service at the Airport. It is more practical to impose standards of this kind within a favorable economic climate than during times of economic difficulty.
- Resolution No. 3694 establishes new standards of training, education and work experience, and wage and compensation for aeronautical workers. Its policies are designed to incentivize the provision of benefits to workers, reduce turnover, and ensure safer and more secure operations.
- By establishing wage compensation and paid leave standards, Resolution No. 3694 seeks to address the multiple elements of a quality job.

Motion for first reading of Resolution No. 3694 – Gregoire

Second – Albro

PUBLIC HEARING on Resolution No. 3694

Commissioner Bowman declared the public hearing for Resolution No. 3694 open.

Public comment was received from the following individuals:

- Joseph Sprague, Senior Vice President for Communications and External Relations, Alaska Airlines. Mr. Sprague reported that Alaska supports a comprehensive, thoughtful, and fact-based approach to compensation standards. The airline proposes changes to the resolution to exempt airline employees from the resolution's provisions, to recognize a difference between employees working in the ramp environment and those working within the terminal, and to alter the resolution's total compensation provisions. A copy of Mr. Sprague's comments is, by reference, made a part of these minutes, is marked [Exhibit A](#), and is available for review in Port offices.
- Matt Haney, employed by the Service Employees International Union (SEIU) Local 6. Mr. Haney presented a letter from local labor leaders advocating the Port's action on wages at the Airport be more in keeping with the provisions of the City of SeaTac's Proposition One. A copy of the letter is, by reference, made a part of these minutes, is marked [Exhibit B](#), and is available for review in Port offices.
- Stefan Moritz, Director of Strategic Affairs for Unite Here Local 8. Mr. Moritz commented on the potential use of Resolution No. 3694 as a blueprint for policy related to Airport concessions workers. However, he commented on several aspects of the resolution that he considered inadequate, urging a minimum wage of \$15/hour.
- Doris Cassan, 3100 South 176th Street, SeaTac, Washington. Ms. Cassan commented on the poor financial condition of the airline and rental car industries and the high costs of operating an Airport business. She recommended incentivizing businesses to provide quality jobs rather than mandating it.

- Thomas Sanchez, Port of Seattle firefighter. Mr. Sanchez commended the Commission for approving the firefighter labor agreement described in agenda item 6d and for addressing the issue of wages for airfield employees in agenda item 6a.
- Shukri Hashi Ali, employed by Hudson News. Ms. Hashi Ali commented on her work registering people to vote and advocating for SeaTac's minimum wage proposal, Proposition One. She criticized Resolution No. 3694 for accomplishing less than the measures contained in Proposition One and asked that the Port implement the provisions of Proposition One instead.
- Steve Marquardt, affiliated with United Food and Commercial Workers (UFCW) Local 21. Mr. Marquardt commented in opposition to gradual implementation of fair labor standards through incremental execution of new leases. He noted there was no worker retention standard in Resolution No. 3694. Mr. Marquardt called for adoption of the measures contained in the City of SeaTac's Proposition One.

Following conclusion of public comment, the public hearing on Resolution No. 3694 was closed.

The question recurred on the motion by Commissioner Gregoire, seconded by Commissioner Albro, for first reading of Resolution No. 3694.

Motion carried by the following vote:

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

Following the vote on agenda item 6a, the Commission proceeded to consideration of –

6b. Adoption of a motion to direct the Chief Executive Officer to implement plans and policies as described in the statement of policy direction attached to complete a strategic plan and implementing policies to improve upon and expand current workforce development efforts in port-related sectors, develop new partnerships with regional stakeholders, and establish contracts with services providers as necessary to deliver on the plan. [subsequently amended, see below]

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

- Commission agenda memorandum dated June 26, 2014, as revised July 1, 2014.
- Text of motion.

Presenter(s): Larry Ehl, Chief of Staff, Office of the Commission, and Mr. Navarro.

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

- In support of the Port Commission's Quality Jobs Initiative, the qualities of a job are defined as wages, benefits, training, and career development.
- The Port of Seattle is currently seeking to attract investments and financial support from Seattle-Tacoma International Airport tenants and other community-based stakeholders for expanded training and educational opportunities for Airport employees.

- In support of this, the Commission's formal direction is needed for the Office of Social Responsibility (OSR) to create a policy, recommendations, and guidelines in a strategic framework, with help from a professional consulting service to be brought back for Commission approval later this year. The framework will include requests for proposals and qualifications and expanded opportunities for the Port to actively engage in workforce development.
- This framework will be created in coordination with the Legal Department to ensure compliance with the State of Washington's limitations on port districts and any applicable federal administration guidelines.
- The Office of Social Responsibility is in the process of locating and hiring a consulting services firm. Hiring is predicted to take place this month.
- A presentation of a strategic plan to the Commission is scheduled for September and will include requests for proposal necessary for workforce development in 2015 and beyond.

AMENDMENT

Commissioner Albro offered the following amendment, which was adopted without objection:

After the word "plan," insert: for formal consideration by the Commission.

The motion now reads as follows:

The Port Commission of the Port of Seattle hereby directs the Chief Executive Officer to develop plans and policies as described in the statement of policy direction below to complete a strategic plan and implementing policies to improve upon and expand current workforce development efforts in port-related sectors, develop new partnerships with regional stakeholders, and establish contracts with service providers as necessary to deliver on the plan for formal consideration by the Port Commission.

Without objection, agenda item 6b was temporarily postponed.

The Commission returned to consideration of –

5. PUBLIC TESTIMONY

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

- Denise Johnson, Program Assistant for the Port Jobs' Airport University program. Ms. Johnson commented on the services of Airport University and its role in her own advancement.
- Elizabeth Tuani, who works with the Port Jobs' Airport University Program. Ms. Tuani commented on her participation in Airport University, without which she said she could not have furthered her education.
- Dexter Ujola, Above- and Below-Wing Supervisor with Delta Global Services. Mr. Ujola commented on the advancement opportunities provided to him by his participation in Airport University.
- Dot Fallihee, representing Marlina Sessions of the Workforce Development Council of Seattle-King County. Ms. Fallihee commented on the work of the Council, which she stated supports the Port's efforts to provide workforce development opportunities for

Airport employees. The Council oversees the Worksource One-Stop System, which has a connection site at the Airport. Ms. Fallihee described the Council's workforce development tools and studies as a partnership opportunity for the Port Commission and the potential for program funding support from the Workforce Development Council.

6. DIVISION, CORPORATE, AND COMMISSION ACTION ITEMS

Agenda item 6a having been decided previously, the Commission returned to consideration of the following agenda item –

6b. The Port Commission of the Port of Seattle hereby directs the Chief Executive Officer to develop plans and policies as described in the statement of policy direction below to complete a strategic plan and implementing policies to improve upon and expand current workforce development efforts in port-related sectors, develop new partnerships with regional stakeholders, and establish contracts with service providers as necessary to deliver on the plan for formal consideration by the Port Commission. *[as amended]*

– which was previously temporarily postponed.

The question recurred on the amended motion in agenda item 6b, as shown above.

[Clerk's Note: This motion was amended without objection earlier on July 1. The amendment is reflected in the text shown here.]

Motion for approval of item 6b, as amended – Albro

Second – Gregoire

Motion carried by the following vote:

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

6c. First Reading of Resolution No. 3693: A Resolution of the Port Commission of the Port of Seattle declaring surplus and no longer needed for Port District purposes one parcel of Port-owned real property located in Seattle, Washington, consisting of approximately 5,743 square feet of unimproved land that has its western edge submerged in the Duwamish West Waterway, its northern edge abutting the Klickitat Avenue SW right-of-way, and its southern edge abutting the BNSF Railroad right-of-way. *[subsequently laid on the table]*

Request document(s) provided by Joe McWilliams, Managing Director, Real Estate Division, and Paul Meyer, Manager, Seaport Environmental:

- Commission agenda [memorandum](#) dated June 23, 2014.
- [Resolution No. 3693](#).
- Terminal 102 [Parcel Information](#).

Presenter(s): Paul Meyer, Manager, Seaport Environmental and Planning.

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

- The parcel to be declared surplus is located in the southwest corner of Harbor Island. It was acquired by the Port of Seattle in 1966 as part of a larger aggregation for the Lower Duwamish Improvement District No. 2.
- The majority of the aggregation was used to construct Terminals 102 and 104. The area north of the discussed parcel was deeded in 1980 to the City of Seattle as a right-of-way. The City later leased the right-of-way to Bluefield Holdings Inc. for habitat restoration.
- The parcel consists of 5,743 square feet of undeveloped land, approximately 70 percent submerged. The parcel's 1,700 square feet of dry land is surrounded on all sides by the Duwamish West Waterway or the City's right-of-way.
- The parcel has been appraised at a fair market value of \$40,000.
- Best uses for the parcel include water access, storage, or fish and wildlife habitat restoration.
- The possibility exists to sell the parcel to Bluefield Holdings Inc. at fair market value, with Bluefield paying the \$7,000 appraisal fee, in order to use the site for habitat restoration.
- There is no purchase and sale agreement at this time.

Commissioner Albro expressed concerns over entering into a sale too quickly. He commented that to advance the Century Agenda objective to increase wildlife habitat, covenants or restrictions should be integrated into the sale as conditions.

Without objection, agenda item 6c was laid on the table and Resolution No. 3693 did not achieve First Reading.

Agenda item 6d having been decided previously, the Commission advanced to consideration of –

6e. Authorization for the Chief Executive Officer to (1) execute the Terminal 5 Lease Termination Agreement with Eagle Marine Services, Ltd.; and (2) execute amendments consistent with the draft letter of intent in the attached exhibits to the Terminal 18 Crane and Terminal leases with SSA Terminals LLC and Terminal 30 lease with SSA Terminals (Seattle), LLC due to negotiations associated with the Most Favored Nations clause in the respective Terminal leases triggered by the Port's Terminal 46 lease extension with Total Terminals International LLC. *[subsequently laid on the table]*

Request document(s) provided by Michael Burke, Director, Leasing and Asset Management:

- Commission agenda [memorandum](#) dated June 26, 2014.
- Lease Termination [Agreement](#).
- Proposed [key terms](#) for approval to sub-lease.

At the request of the Chief Executive Officer, agenda item 6e was laid on the table without objection.

7. STAFF BRIEFINGS

None.

8. NEW BUSINESS

None.

9. ADJOURNMENT

There being no further business, the special meeting was adjourned at 3:15 p.m.

Tom Albro
Secretary

Minutes approved: April 14, 2015.