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**APPROVED MINUTES
COMMISSION REGULAR MEETING FEBRUARY 9, 2016**

The Port of Seattle Commission met in a regular meeting Tuesday, February 9, 2016, at Port of Seattle Headquarters, Commission Chambers, 2711 Alaskan Way, Seattle, Washington. Commissioners Albro, Bowman, and Creighton were present. Commissioner Gregoire was absent. Commissioner Felleman was absent to attend to other Port business.

1. CALL TO ORDER

The meeting was called to order at 12:05 p.m. by Commission President John Creighton.

2. EXECUTIVE SESSION pursuant to RCW 42.30.110

The public meeting was immediately recessed to an executive session estimated to last 60 minutes to discuss one matter relating to litigation and legal risk and one matter relating to performance of a public employee. Following the executive session, which lasted approximately 45 minutes, the public meeting reconvened at 1:03 p.m. Commissioner Creighton led the flag salute.

3. SPECIAL ORDERS OF BUSINESS

3a. February 9, 2016, CEO Report.

Ted Fick, Chief Executive Officer, reported on record-making passenger and cargo volumes at the Airport, anticipated cruise ship calls in 2016, and safety performance improvements.

A recording of this part of the meeting has been made available online.

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. Approval of the minutes of the special meeting of January 13, 2015, the town hall meetings of May 20 and 21, 2015, the special joint meeting of July 28, 2015, and the special meeting of December 22, 2015.

4b. Authorization for the Chief Executive Officer to advertise, award, and execute a major public works contract to re-roof two buildings: the Alaska Hangar One and an associated maintenance building, at Seattle-Tacoma International Airport for an

amount not to exceed \$1,569,000 out of an estimated project cost of \$1,927,000 (CIP #C800637).

Request document(s) included a Commission agenda [memorandum](#), and presentation [slides](#).

- 4c. Authorization for the Chief Executive Officer to: (1) design and prepare construction bid documents for the Zone 5 Window Wall Ticket Counters project, and (2) use a combination of Port crews and small works contracts to construct and relocate airline kiosks as the first element of this project at Seattle- Tacoma International Airport, for an amount not to exceed \$315,000. The total estimated cost of this project is \$1,781,000 (CIP #C800824).

Request document(s) included a Commission agenda [memorandum](#) and presentation [slides](#).

- 4d. Authorization for the Chief Executive Officer to execute a contract for exclusive food and beverage service at The Conference Center at Sea-Tac Airport. The contract duration is three years with two one-year options to extend. Total five-year estimated value of the contract is \$775,000.

Request document(s) included a Commission agenda [memorandum](#).

- 4e. Authorization for the Chief Executive Officer to extend the Port's Paid Parental Leave Program to represented employees via Memoranda of Understanding with their respective labor representatives.

Request document(s) included a Commission agenda [memorandum](#), [memorandum of understanding](#), and [copy of Resolution No. 3712](#), previously adopted, as amended.

- 4f. Approval of a technical correction to the action request of agenda item 6c of December 8, 2015, that does not alter the authorization amounts or the projects for which authorization was granted, to read as follows:

Request Commission authorization for the Chief Executive Officer to take the following actions to advance two significant capital projects at Seattle-Tacoma International Airport, as described in Attachments A and B, by (1) increasing project authorizations, and executing contract amendments and change orders for the International Arrivals Facility Program in the amount of \$275.5 million and for the North Satellite Renovation & North Satellite Transit Station Lobbies Project in the amount of \$98.1 million for a total of \$373.6 million additional authorization for the two projects; (2) executing a contract for project specific construction audit services for the term of each project; and (3) amending the previous Commission authorization for the IAF validation contract not-to-exceed amount to include sales tax for the estimated amount of \$570,000 (CIPs #C800583 and #C800556).

Request document(s) included a Commission agenda [memorandum](#) and the Commission agenda [memorandum of December 8, 2015](#).

- 4g. Authorization for the Chief Executive Officer to design, advertise and execute a major works construction contract for the 2016 Flight Corridor Safety Obstruction Management Project at Seattle-Tacoma International Airport in the amount of \$750,000 for a total estimated project cost of \$900,000.**

Request document(s) included a Commission agenda [memorandum](#) and obstruction [maps](#).

- 4h. Authorization for the Chief Executive Officer to select an underwriting, remarketing and debt management finance team through a competitive selection process to provide on-going information for the Port's debt management program and to participate in individual debt transactions through a negotiated sale process. A contract with participating members of the finance team will be issued for each debt transaction.**

Request document(s) included a Commission agenda [memorandum](#).

The motion for approval of consent items 4a, 4b, 4c, 4d, 4e, 4f, 4g, and 4h carried by the following vote:

In favor: Albro, Bowman, Creighton (3)

Absent for the vote: Felleman, Gregoire

A recording of this part of the meeting has been made available online.

5. PUBLIC TESTIMONY

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

- Bob Armstead, President, National Association of Minority Contractors, regarding the motion in support of repealing RCW 49.60.400 (Initiative 200).
- Van Collins, President and CEO, American Council of Engineering Companies, regarding the consulting contract for Procurement Excellence. Mr. Collins submitted written materials, which are included here as minutes [Exhibit A](#) and are available for public review.
- Eddie Rye, Jr., Advocate, Washington State Civil Rights Commission, regarding the motion in support of repealing RCW 49.60.400 (Initiative 200).
- Charlie James, Advocate, CRC-AFRI-PAC, regarding the motion in support of repealing RCW 49.60.400 (Initiative 200).
- Ralph Ibarra, President, Diverse America Network, regarding the motion in support of repealing RCW 49.60.400 (Initiative 200).
- Dan Seydel, CEO, Entrepreneurial Institute of Washington, regarding the motion in support of repealing RCW 49.60.400 (Initiative 200). Mr. Seydel submitted written materials, which are included here as minutes [Exhibit B](#) and are available for public review.
- Hayward Evans, Representative, Washington State Civil Rights Coalition, regarding the motion in support of repealing RCW 49.60.400 (Initiative 200).

- In lieu of public testimony, Irene Reyes, CEO/Founder, Excel Supply Company, submitted written materials regarding the motion in support of repealing RCW 49.60.400 (Initiative 200), which are included here as minutes Exhibit C and are available for public review.
- In lieu of public testimony, Henry Yates, Principal, Yates Consulting, submitted written materials regarding the motion in support of repealing RCW 49.60.400 (Initiative 200), which are included here as minutes Exhibit D and are available for public review.

A recording of this part of the meeting has been made available online.

6. DIVISION, CORPORATE, AND COMMISSION ACTION ITEMS

- 6a. Authorization for the Chief Executive Officer to execute the diagnostic phase of a consulting contract for services relating to Procurement Excellence. The estimated cost for diagnostic phase and implementation is anticipated to be \$4,000,000. The Port will come back for specific authority to amend the contract to authorize the implementation phase.**

Request document(s) included a Commission agenda memorandum and presentation slides.

Presenter(s): Dave Caplan, Senior Director, Strategic Initiatives, and Nora Huey, Director, Central Procurement Office.

Commissioners commented on the development of specific metrics and CEO engagement during the diagnostic phase.

The motion for approval of agenda item 6a carried by the following vote:

In favor: Albro, Bowman, Creighton (3)

Absent for the vote: Felleman, Gregoire

A recording of this part of the meeting has been made available online.

Without objection, the Commission advanced to consideration of –

- 6f. Adoption of the following motion: Consistent with the Port Commission's commitment to small businesses, including disadvantaged, minority, and women-owned businesses, as expressed in Resolution No. 3274, adopted in 1998, the Port of Seattle supports policy proposals at the state level, including House Bill 2822 in the current legislative session, that would repeal existing state law, RCW 49.60.400, which currently prohibits public entities from granting preferential treatment to individuals or groups based on race, sex, color, ethnicity, or national origin in public contracting. The repeal of these restrictions will allow the Port greater flexibility in fulfilling its mission of supporting the economic vibrancy of the region and will contribute to the fulfillment of the Port's Century Agenda, which calls for the creation of 100,000 new jobs in the region through economic development efforts.**

Request document(s) included a Commission agenda memorandum, draft motion, and previously adopted Resolution No. 3274.

Presenter(s): Eric ffitch, State Government Relations Manager.

Commissioners commented in support of the legislation to repeal the provisions of Initiative 200, codified as RCW 49.60.400.

The motion for approval of agenda item 6f carried by the following vote:

In favor: Albro, Bowman, Creighton (3)

Absent for the vote: Felleman, Gregoire

A recording of this part of the meeting has been made available online.

6b. First Reading of Resolution No. 3715: A Resolution of the Port of Seattle, authorizing the Chief Executive Officer to sell and convey Port personal property in 2016 in accordance with RCW 53.08.090 with a value not greater than \$18,000.

Request document(s) included a Commission agenda memorandum and draft Resolution No. 3715.

Presenter(s): Rudy Caluza, Director, Accounting and Financial Reporting.

The motion for First Reading of Resolution No. 3715 carried by the following vote:

In Favor: Albro, Bowman, Creighton (3)

Absent for the vote: Felleman, Gregoire

A recording of this part of the meeting has been made available online.

6c. Authorization for the Chief Executive Officer to extend amount of the originally approved Commission request of October 27, 2015, by \$310,000 for the purchase of an Aircraft Rescue Fire Fighting Vehicle with a High Reach Extendable Turret and firefighting agent and equipment necessary to make this apparatus operational for the Port of Seattle Fire Department at Seattle-Tacoma International Airport.

Request document(s) included a Commission agenda memorandum.

Presenter(s): Randy Krause, Port of Seattle Fire Chief, and Nora Huey, Director, Central Procurement Office.

The motion for approval of agenda item 6c carried by the following vote:

In favor: Albro, Bowman, Creighton (3)

Absent for the vote: Felleman, Gregoire

A recording of this part of the meeting has been made available online.

- 6d. First and Second Reading and Final Passage of Resolution No. 3716: A Resolution of the Port Commission of the Port of Seattle repealing Resolution 3694, as amended, 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) included a Commission agenda [memorandum](#), draft [Resolution No. 3716](#), and [Resolution No. 3694](#), previously adopted as amended.

Presenter(s): Craig Watson, General Counsel.

The motion to suspend Commission bylaws (Art. VIII, Sec. 1) in order to take final action on Resolution No. 3716 on the same day it was introduced carried by the following required unanimous vote of all Port Commissioners:

In favor: Albro, Bowman, Creighton (3)

Absent for the vote, but providing advance written consent: Felleman, Gregoire

Commissioner Felleman and Commissioner Gregoire submitted advance written consent for waiver of Article VIII, Section 1, in accordance with Commission Bylaws. A copy of this consent is included here as minutes [Exhibit E](#) and is available for public review.

The motion for First and Second Reading and Final Passage of Resolution No. 3716 carried by the following vote:

In favor: Albro, Bowman, Creighton (3)

Absent for the vote: Felleman, Gregoire

A recording of this part of the meeting has been made available online.

- 6e. Authorization for the Chief Executive Officer to execute an indefinite delivery, indefinite quantity consulting contract to perform continuous process improvement services with a total value of \$3,000,000 and contract duration of three years plus two one-year options for a total of five years. There is no funding request associated with this authorization.**

Request document(s) included a Commission agenda [memorandum](#) and presentation [slides](#).

Presenter(s): Dave Caplan, Senior Director, Strategic Initiatives; Diane Schairer, Process Improvement Program Manager; and Wesley Henrie, Process Improvement Program Manager.

Commissioners received a presentation on continuous process improvement efforts and plans at the Port of Seattle that was previously deferred on January 26, 2016. Commissioners commented on the proposed 10 percent capacity increase anticipated as a result of process improvement efforts.

The motion for approval of agenda item 6e carried by the following vote:

In favor: Albro, Bowman, Creighton (3)

Absent for the vote: Felleman, Gregoire

A recording of this part of the meeting has been made available online.

RECESSED AND RECONVENED

The meeting was recessed at 2:30 p.m. and reconvened at 2:37 p.m., chaired by Commissioner Creighton.

7. STAFF BRIEFINGS

7b. South Satellite Narrow-body Aircraft Gating.

Presentation document(s) included a Commission agenda [memorandum](#) and presentation [slides](#).

Presenter(s): Daniel Zenk, Senior Manager, Airport Operations, and Sean Anderson, Capital Project Manager.

The scope of the South Satellite Narrow-body Configuration project was described. In addition to restriping, accommodations for a fuel pit and preconditioned air for aircraft are proposed, as are building modifications aimed at passenger accessibility. Staff explained that due to the similarity of work and location, they intend to use the same contractor as for the International Arrivals Facility project, although the subject project is not technically part of the IAF program. An action request is expected to come before the Commission on February 23.

A recording of this part of the meeting has been made available online.

7c. Q4 2015 NorthSTAR Program and North Satellite Project.

Presentation document(s) included a Commission agenda [memorandum](#) and presentation [slides](#).

Presenter(s): Ken Warren, Capital Project Manager.

The Commission received an update on the status of the NorthSTAR program and related North Satellite Renovation and Expansion project. Commissioners inquired about the trend line for overall budget and scope changes and changes to the roof design for the North Satellite.

A recording of this part of the meeting has been made available online.

7d. Q4 2015 International Arrivals Facility Briefing.

Presentation document(s) included a Commission agenda [memorandum](#) and presentation [slides](#).

Presenter(s): Ralph Graves, Senior Director, Capital Development Division.

The Commission received an update on the status of the International Arrivals Facility program, including recent accomplishments and plans for 2016. Final metrics and schedule were discussed, and authorization of a guaranteed maximum price is expected in the fourth quarter of 2016.

A recording of this part of the meeting has been made available online.

8. ADDITIONAL NEW BUSINESS – None.

9. ADJOURNMENT

There was no further business, and the meeting adjourned at 3:02 p.m.

Stephanie Bowman
Secretary

Minutes approved: March 8, 2016.