



P.O. Box 1209  
Seattle, Washington 98111  
[www.portseattle.org](http://www.portseattle.org)  
206.787.3000

## **APPROVED MINUTES COMMISSION REGULAR MEETING APRIL 12, 2016**

The Port of Seattle Commission met in a regular meeting Tuesday, April 12, 2016, at Port of Seattle Headquarters, Commission Chambers, 2711 Alaskan Way, Seattle, Washington. Commissioners Albro, Bowman, Creighton, Felleman, and Gregoire were present. Commissioner Felleman was present until 4:36 p.m.

### **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 related to performance of a publicly bid contract. Following the executive session, which lasted approximately 60 minutes, the public meeting reconvened at 1:19 p.m. Commissioner Creighton led the flag salute.

### **3. SPECIAL ORDERS OF BUSINESS**

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

#### **3c. Transportation Security Administration stakeholder plans for summer security operations at Seattle-Tacoma International Airport.**

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

Presenter(s): Lance Lyttle, Managing Director, Aviation, and Darby LaJoye, Deputy Assistant Administrator, Transportation Security Administration.

Wait times at Transportation Security Administration (TSA) checkpoints are routinely in excess of an hour during peak times and are sometimes up to 90 minutes on high-traffic days. The summer season is expected to be even busier. Mr. Lyttle described a plan to bring in additional temporary help to perform tasks such as line management, plastic bin supply, and exit control in order to free TSA agents for screening tasks. A test was conducted with volunteer Port employees working in this capacity, and wait times were reduced to 25 minutes during peak travel hours. The factors contributing to longer wait times were explained and include increased air traffic, especially during peak travel times, revamped trainings, and new screening procedures. Mr. LaJoye described some of the actions the TSA is taking to improve wait times, which include making sure overtime is available, moving canines to higher volume airports, and load-balancing queues.

In response to an inquiry about what the Port can do to help the TSA with efficiency, Mr. LaJoye said that allowing officers to focus on security tasks is key; other tasks such as directing passengers and enforcing the minimum bag requirement could be performed by others.

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

**3d. Regional Transit Planning: Sound Transit (Sound Transit 3) and King County Metro (Metro Connects: Long Range Vision).**

Presentation document(s) included a Commission agenda memorandum. Sound Transit presentation slides and King County Metro Transit presentation slides and handout were provided at the meeting. Copies are attached as minutes [Exhibit A](#), [Exhibit B](#), and [Exhibit C](#), respectively, and are available for public review.

Presenter(s): Geraldine Poor, Manager, Regional Transportation, Public Affairs; Peter Rogoff, CEO, Sound Transit; Karen Kitsis, Planning Manager, Sound Transit; and Stephen Hunt, Project Manager for Long Range Plan, King County Metro Transit.

The long range plans for Sound Transit and King County Metro were presented. Sound Transit has recently added light rail service to the University of Washington, and serves 50,000 customers daily. More extensions are planned south of the airport, to Bellevue, and to Lynwood.

The Commission requested consideration of Sounder service to Ballard, and improvement to the wayfinding aids, comfort, and convenience of the airport light rail station.

King County Metro (Metro) expects a 70 percent growth in service between now and 2040. Expansion plans will include the addition of 20 more Rapid Ride Lines, as well as additional local and express routes. Working with local governments to ensure that service improvements are a good fit for each community, and that transit planning and city planning are integrated, will be key to the success of Metro's expansion.

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

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

**5. PUBLIC TESTIMONY**

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

- Pamela Banks, President and CEO, Urban League of Seattle, regarding apprenticeship retention and pre-apprenticeship programs in the region.
- Debra Entenman, representing U.S. Congressman Adam Smith (D), Ninth Congressional District, regarding investment in apprenticeship programs.
- Lawrence Willis, Seattle Vocational Institute Preapprenticeship Construction Trades Program Director, regarding preapprenticeship programs and opportunities for minorities and women in construction trades.
- Heather Worthley, Executive Director, Port Jobs, in support of continued Port investment in workforce development.

- Cheryl Kelso, political organizer for American Federation of Government Employees, in opposition to privatization of services provided by transportation security officers working for the Transportation Security Administration.
- Don Andrews, Transportation Security Officer for the Transportation Security Administration, in opposition to privatizing TSO services at the Airport.
- Scott Ingham, Government Relations, Delta Air Lines, regarding efforts to alleviate TSA security line challenges at the Airport.

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

*The Commission returned to consideration of –*

**3a. April 12, 2016, CEO Report.**

Ted Fick, Chief Executive Officer, reported on environmental remediation efforts in the Duwamish River, promotion of the Clipper Round the World Yacht Race, and small business outreach for work on the International Arrivals Facility.

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

*As noted on the agenda, item 3b was removed prior to publication.*

**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.]*

*At the request of Commissioners Gregoire and Albro, respectively, agenda items 4d and 4f were removed from the Unanimous Consent Calendar for separate discussion and vote.*

**4a. Approval of the minutes of the regular meeting of March 22, 2016.**

**4b. Authorization for the Chief Executive Officer to execute a contract for annual smoke control safety testing on Seattle-Tacoma International Airport heating, ventilation, and air conditioning systems and air balance measurement services on the Airport HVAC systems. The contract will have a maximum three-year ordering period and a not-to-exceed value of \$450,000.**

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

**4c. Authorization for the Chief Executive Officer to execute a new collective bargaining agreement between the Port of Seattle and the Pacific Northwest Regional Council of Carpenters, Local 30, representing the Marine Maintenance and Aviation Maintenance Department, covering the period from January 1, 2016, through December 31, 2018, and affecting 37 positions, including regular full-time carpenters, millwrights, and piledriver employees.**

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

*As noted above, agenda item 4d was temporarily postponed.*

- 4e. Authorization for the Chief Executive Officer to execute (1) a Third Amendment to the Administrative Order on Consent with the U.S. Environmental Protection Agency for Remedial Investigation/Feasibility Study for the Lower Duwamish and (2) a Fourth Amendment to the Lower Duwamish Waterway Group (LDWG) Memorandum of Agreement to provide for contracting for, and equal sharing between the LDWG members of the costs for the Pre-Design Studies. No funding is requested at this time. Funds to perform the Port's share of this work will be included in the Environmental Remediation Liability annual authorization.**

Request document(s) included a Commission agenda [memorandum](#), [fourth amendment to the memorandum of agreement](#), and [third amendment to the remedial investigation/feasibility study](#).

*As noted above, agenda item 4f was temporarily postponed.*

- 4g. Authorization for the Chief Executive Officer to award and execute a major public works construction contract for the 2016 Fuel System Modifications project with the lowest responsible bidder, notwithstanding the low bid exceeding the engineers estimate by more than 10 percent (CIP #C800692).**

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

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

**In favor: Albro, Bowman, Creighton, Felleman, Gregoire (5)**

*As noted above, agenda items 4d and 4f were temporarily postponed for separate discussion and vote.*

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

*The Commission advanced to consideration of –*

#### **ITEMS REMOVED FROM CONSENT**

- 4d. Authorization for the Chief Executive Officer to execute two contracts for temporary employment services agencies with a contract duration of up to five years (one year plus four one-year options) for a total amount of \$2,500,000.**

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

Presenter(s): Kimberley DesMarais, Employment Manager, and Derek Bender, Senior Employment Representative, Human Resources.

Responding to Commissioner concerns, Mr. Bender and Ms. DesMarais clarified that the increased contract amount is due to increases in minimum wage, benefit costs, and contractor billing rates. The number of assignments for temporary employees will remain the same.

**The motion for approval of agenda item 4d carried by the following vote:**

**In favor: Albro, Creighton, Felleman, Gregoire (4)**

**Absent for the vote: Bowman**

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

**4f. Authorization for the Chief Executive Officer to advertise and execute a major works construction contract to construct the SR-518 Interchange Restoration project. This authorization is for a total of \$1,820,000.**

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

Presenter(s): Ralph Wessels, Airfield Program Leader, Project Management Group.

In response to Commission inquiry about the role of the Airport Development Fund in financing this project, Mr. Wessels explained that the expenses for this project are being recovered through airport landing fees.

**The motion for approval of agenda item 4f carried by the following vote:**

**In favor: Albro, Creighton, Felleman, Gregoire (4)**

**Absent for the vote: Bowman**

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

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

**6a. Second Reading and Final Passage of Resolution No. 3719: A Resolution of the Port Commission of the Port of Seattle declaring surplus and no longer needed for Port District purposes a 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 Klickitat Avenue SW right-of-way, and its southern edge abutting the BNSF Railroad right-of-way ("Parcel No. 7666703100"); amending the Port's Comprehensive Scheme to delete Parcel No. 7666703100 from Unit 20 of the Port's Comprehensive Scheme; and authorizing its sale to Bluefield Holdings Inc.**

Request document(s) included a Commission agenda [memorandum](#), [draft Resolution No. 3719](#), [purchase and sale agreement](#), [aerial photo of the parcel](#), and presentation [slides](#).

Presenter(s): Jon Sloan, Senior Environmental Program Manager, Maritime Environment and Sustainability, and Bill Granger, Project Manager, Bluefield Holdings Inc.

*Previously, First Reading of Resolution No. 3719 was approved on March 8, 2016.*

It was reported that this resolution will surplus a small portion of land on Harbor Island that has no strategic value for the Port. A purchase and sale agreement has been negotiated with Bluefield Holdings Inc., who can incorporate this parcel into an adjacent existing rehabilitation project.

The motion for [Second Reading and Final Passage of Resolution No. 3719](#) carried by the following vote:

**In favor: Albro, Creighton, Felleman, Gregoire (4)**

**Absent for the vote: Bowman**

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

**6b. Authorization for the Chief Executive Officer to execute a contract to provide queue management services for Transportation Security Administration checkpoints at Seattle-Tacoma International Airport. The total estimated value of this request is \$3.3 million for duration of May 1, 2016, through January 7, 2017, with the option to extend if needed. [subsequently amended]**

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

Presenter(s): Wendy Reiter, Director, Aviation Security and Emergency Preparedness, and Brad Dalton, Vice President, HSS Aviation and Government Services.

As an interim fix for the busy summer travel season, this contract will provide 90 FTEs to assist the TSA with non-regulatory functions, such as outreach to passengers regarding screening procedures.

In response to Commissioner questions about the contract duration and possible extensions, it was explained that in October staff will meet with the TSA to evaluate the continuing need for extra staffing. The hope is to get TSA staff on board to perform these functions, but if that doesn't happen, additional staff will still be needed to get through the holiday travel season. It was clarified that January 7, 2017, is the limit of the option to extend.

#### **AMENDMENT**

An amendment was offered and adopted without objection to strike the following text from the action request: *"with the option to extend if needed"*

The amended request now reads as follows:

**[6b] Authorization for the Chief Executive Officer to execute a contract to provide queue management services for Transportation Security Administration checkpoints at Seattle-Tacoma International Airport. The total estimated value of this request is \$3.3 million for duration of May 1, 2016, through January 7, 2017. [as amended]**

**The motion for approval of agenda item 6b, as amended, carried by the following vote:**

**In favor: Albro, Bowman, Creighton, Felleman, Gregoire (5)**

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

## **7. STAFF BRIEFINGS**

### **7a. Workforce Development Progress Report and Long Range Plan.**

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

Presenter(s): Dave McFadden, Managing Director, Economic Development; Dan Pike, Strategic Planning Manager; and Marie Kurose, Workforce Development Program Manager.

The importance of workforce development, particularly in bolstering the middle class in the region was described. It was reported that the Seattle area ranks highly in terms of growth and prosperity, but poorly in overall and racial inclusion, as well as relative poverty. A key focus for workforce development is middle-class jobs.

In response to Commission concerns about the Port's role shifting too far toward education, Ms. Kurose stated that the Port's role is to leverage its influence by using relationships with employers to develop solutions and strengthen Port-related industries. Commissioners also expressed an interest in strengthening the Port's role in the creation of jobs in the environmental sector.

A major challenge to creation of middle class jobs, as well as regional economic development, is the skills gap. New workers are not learning trades. The Port has an opportunity to help solve this problem by supporting apprenticeship programs and other training opportunities.

### **Aviation**

Growth in the airport sector is creating increased demand for workers, but there are challenges including high turnover, limited English proficiency, and costs related to security screening and training of new employees. Port staff plans to address these issues with a phased approach: the Employment Center and Employment Continuity Program contract to be executed in July 2016, a Career Pathways Road Map to be delivered later in 2016, and Career Pathways Training to be implemented in 2017. Commissioners requested that staff reexamine this timeline and adjust if necessary to make sure that programs aren't rushed.

### **Maritime**

The maritime sector provides excellent employment opportunities, with wages higher than state minimum wage, projected growth, and high demand for qualified workers. Challenges include an aging, predominately male workforce. Port staff plans to address these issues with a Career Pathways Roadmap, Apprenticeship and Pre-Apprenticeship programs, and a Maritime job portal.

In response to a Commissioner concern about the timing of the Maritime Job Portal delivery and the budget cycle, Mr. McFadden stated that staff expects to complete the portal by the end of 2016 without requiring additional funds.

### **Construction**

The construction sector also provides opportunities for well-paying jobs, and faces similar challenges to the maritime sector in terms of an aging, homogenous workforce. Additionally, construction work is migratory and seasonal. Port staff plans to address these challenges by increasing outreach, strengthening pre-apprenticeship and apprentice mentoring and retention programs, and supporting apprenticeship utilization requirements.

Commissioners expressed support for embedding apprenticeship requirements in procurement policies, and pointed out that the Projects and Procurement committee has an opportunity to address this.

### **Manufacturing**

The manufacturing sector provides opportunities for high-wage jobs, with an average industry annual earning of \$85,000, and increasing demand. The current workforce is aging and many manufacturers are unable to find trained workers to fill open positions. The Port's plan for addressing these issues will involve better definition of gaps and opportunities, examination of partnership opportunities, and definition of specific initiatives and resources needed.

In an effort to address youth unemployment, the Port has committed to expanding high school internship funding from \$64,000 to \$109,000 in the 2016 budget. The Port also plans to execute a contract with the Manufacturing Industrial Council for the Core Plus program, which supports a transition from high school to industry jobs by focusing on career-related learning.

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

### **7b. Sustainable Airport Master Plan Briefing.**

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

Presenter(s): Elizabeth Leavitt, Director, Aviation Planning and Environmental Services, and Tom Hooper, Senior Planner, Aviation Planning and Environmental Services.

Three elements are key to meeting program requirements and Century Agenda goals: Accessibility for cargo and maintenance facilities, hardstand capabilities for peak operating hours and overnight aircraft parking, and accommodation of widebody aircraft on Concourse B to allow for growth in international activity. Four scenarios incorporating these requirements were presented. Scenario 4, which meets all the needs and has the support of the airlines, is the scenario staff will move forward on. Variations on Scenario 4 will be explored.



In response to Commission questions, Ms. Leavitt stated that after this plan is executed, there will be no more space available for future growth. Commissioners expressed a desire for the Port to participate in conversations about Everett and other alternate locations for future commercial air traffic.

Public outreach will continue and will include open houses, a survey of King County residents, and roundtable discussions.

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

*Commissioner Felleman was absent after 4:36 p.m.*

### **7c. Incentive Pay Plan Briefing.**

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

Presenter(s): Paula Edelstein, Senior Director, Human Resources.

The proposed incentive pay plan was presented. The goals of the incentive pay program are to motivate performance, improve the Port's position in competition for talent, and reward results. Financial goals must be met before a payout occurs, which means the plan funds itself. Three non-financial goals will be chosen each year based on the Century Agenda goals. In order for the plan to be 100- percent funded, two out of three of these goals must be met in addition to the financial goals. Non-financial goals identified for 2016 are small business contracting participation, external customer satisfaction, and development of an environmental scorecard. This plan is unusual in that executive payouts are lower and paid after staff payouts are made.

In response to Commission questions about the role of the Airport Development Fund, Dan Thomas, Chief Financial Officer, clarified that the ADF is segregated from the budget because of Federal Aviation Administration regulations. Aeronautical revenues are not considered as part of the financial goal for the purposes of this plan because they are considered cost recovery rather than profit. However, savings on aeronautical expenses will have a positive effect on the pool of funds available for incentive pay.

Commissioners discussed the environmental scorecard and expressed concern that this goal be considered met when each line of business understands and uses the scorecard; simply developing it is not sufficient.

CEO Fick explained that a new performance rating system will be implemented this year with guidelines that will distribute employee performance ratings more evenly over the range of possible ratings.

Concern was expressed over whether the projected June 1, 2016, implementation date is appropriate, and a start date of January 1, 2017, was suggested.

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

**8. ADDITIONAL NEW BUSINESS**

**ANNOUNCEMENTS**

CEO Fick noted action requests and briefings coming up related to the NorthSTAR program, Baggage Optimization, baggage system expansion related to the IAF project, and results of the procurement excellence study.

Commissioner Gregoire announced that it was national Pay Equity day and confirmed that the question of equal pay for men and women within the Port is being built into the Port's annual budget planning.

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

**9. ADJOURNMENT**

There was no further business, and the meeting adjourned at 5:24 p.m.

Stephanie Bowman  
Secretary

Minutes approved: April 26, 2016.