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**APPROVED MINUTES
COMMISSION REGULAR MEETING JUNE 28, 2016**

The Port of Seattle Commission met in a regular meeting Tuesday, June 28, 2016, in the International Auditorium at Seattle-Tacoma International Airport, Seattle, Washington. Commissioners Albro, Bowman, Creighton, and Gregoire were present. Commissioner Felleman was present until 4:19 p.m.

1. CALL TO ORDER

The meeting was called to order at 1:12 p.m. by Commission President John Creighton, who led the flag salute.

2. EXECUTIVE SESSION pursuant to RCW 42.30.110 – None.

3. SPECIAL ORDERS OF BUSINESS

3a. June 28, 2016, CEO Report.

Ted Fick, Chief Executive Officer, reported on the Port's 2016 internship program and previewed several items on the day's agenda.

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

3b. Salmon-Safe Certification Presentation to Seattle-Tacoma International Airport.

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

Presenter(s): Bob Duffner, Senior Manager, Environment and Sustainability, and David Burger, Executive Director, Stewardship Partners. Former Port of Seattle Commissioner Bill Bryant also presented on this item.

In this presentation the Airport was acknowledged for meeting the water-quality and fish habitat standards of the independent 501(c)3 nonprofit organization Salmon Safe. It is the first airport in the United States to achieve this certification, which links land management practices and protection of water quality as benefiting endangered native fish populations. Commissioner Bryant commented on efforts since 2008 to obtain Salmon-Safe certification, including certification of approximately 60 acres of Port-held park property by the organization prior to today, and the innovative challenge of pursuing certification for the Airport.

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

As noted on the agenda, the Commission advanced to consideration of –

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 Port staff, agenda item 4a was removed from the Unanimous Consent Calendar was laid on the table without objection.

4b. Approval of claims and obligations for the period of May 1-May 31, 2016, in the amount of \$102,205,501.52 including accounts payable check nos. 911085-911651 in the amount of \$4,057,597.92, payroll check nos. P-182951-183125 in the amount of \$8,072,799.19, wire transfer nos. 014110-014153 in the amount of \$73,482,180.49, and EFTs nos. 041960-042622 in the amount of \$16,592,923.92 for a fund total of \$102,205,501.52.

4c. Authorization for the Chief Executive Officer to procure and execute four consulting contracts to promote doing business with Airport Dining and Retail tenants in an amount not to exceed \$375,000, which will supplement tenant funding of approximately \$2,025,000.

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

4d. Authorization for the Chief Executive Officer to execute two contracts for facilitation and project management services involving complex business or public policy issues, for a cost not to exceed \$1,500,000 and duration of up to three years. There is no funding request associated with this authorization.

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

4e. Authorization for the Chief Executive Officer to construct the Auburn wetland mitigation site enhancements in an amount not to exceed \$720,000, including removing internal maintenance roads; planting remaining road corridors with native trees and shrubs; and constructing a chain link fence to secure the site perimeter (CIP #C800760).

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

4f. Authorization for the Chief Executive Officer to execute a tenant reimbursement agreement in the amount of \$278,000 for costs to be incurred by American Express Travel Related Services for expansion of the Amex Centurion Studio Lounge.

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

- 4g. Authorization for the Chief Executive Officer to execute up to 17 indefinite delivery, indefinite quantity service agreements for services related to construction management, construction scheduling, cost estimating, construction auditing, construction claims, construction safety, survey and mapping, and project labor agreement drug and alcohol testing in support of all Port of Seattle projects and tasks in a total amount not to exceed \$9.3 million with an ordering period of three years. No funding is associated with this authorization request.

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

- 4h. Authorization for a technical amendment to the Audit Committee Charter that revises Exhibit A to Resolution No. 3613, the first paragraph under the second section labelled "Duties." The Charter shall be edited to read: "Review with the full Commission the independent auditors selected based on an open competitive process, to audit the financial statements and the federal grant and Passenger Facilities Charge programs of the Port of Seattle and other audit services." This change to the Audit Committee Charter was approved by the Audit Committee on May 9, 2016, for referral to the Port Commission.

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

As noted above, agenda item 4a was removed from the Unanimous Consent Calendar was laid on the table without objection.

The motion for approval of consent items 4b, 4c, 4d, 4e, 4f, 4g, and 4h 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.

5. PUBLIC TESTIMONY

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

- Matthew Landers, Public Policy Manager, Greater Seattle Business Association, in opposition to Initiative 1515 relating to use of gender-designated facilities.
- Salah Mohammed, taxi driver from SeaTac, regarding the request for proposals for ground transportation services at the Airport.
- Chris Van Dyk, Analyst in the ground transportation industry, regarding the request for proposals for ground transportation services at the Airport.

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

Without objection, the Commission advanced to consideration of –

6a. A motion of the Port of Seattle Commission expressing opposition to Initiative 1515.

Request document(s) included a draft motion. A copy of the [adopted motion](#) is attached for reference.

Commissioner Felleman read a version of the motion into the record with minor revisions to the version previously posted for the public. The revised text is reflected in the text of the adopted motion. Several Commissioners commented in support of the motion. Commissioner Albro noted that although he opposes Initiative 1515, he is not prepared to take an official governmental action on the motion at this time based on the amount of public conversation so far. He indicated his intention to abstain.

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

In favor: Bowman, Creighton, Felleman, Gregoire (4)

Abstaining: Albro

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

The Commission returned to consideration of –

3c. Sustainable Airport Master Plan Roundtable Forum on Environmental Sustainability and Growth.

The following individuals were present to participate in the policy roundtable discussion:

- Kathy Hougardy, Highline Forum Co-Chair, Tukwila City Councilmember, and Soundside Alliance Chair
- Maria Batayola, Vice Chair, North Beacon Hill Council
- Ralph Cavaliere, Director, Aviation Sustainability Center (ASCENT) and Associate Vice President for Research, Washington State University
- Carol Sim, Director, Environmental Affairs, Alaska Airlines
- Elizabeth Leavitt, Senior Director, Environment and Sustainability, Port of Seattle
- Vlad Gutman, Washington Director, Climate Solutions
- Rose Clark, Former Burien City Councilmember and Mayor

Presenter(s): Elizabeth Leavitt, Director, Environment and Sustainability.

Presentation document(s) included a Commission agenda [memorandum](#), Port of Seattle [presentation slides](#), and FAA Center of Excellence for Alternative Jet Fuels & Environment [presentation slides](#).

Participants received an environmentally-focused presentation on Port of Seattle Sustainable Airport Master Planning efforts and the FAA's Aviation Sustainability Center of Excellence. They discussed opportunities for the aviation industry relative to noise, air quality, climate change, and energy consumption.

Considerations surrounding use of alternative jet fuel, including the economics of producing it and creating a market for its consumption, were also discussed. Alaska Airlines' recycling and emissions reduction efforts were described. Participants acknowledged safety concerns related to movement of alternative fuels through neighboring communities.

Airport-related traffic impacts to air quality, especially in the City of SeaTac, were noted, and Airport financial assistance for traffic mitigation was suggested. Improvements to noise impacts over time were acknowledged, although cumulative noise impacts of increased aircraft operations were noted as a concern for neighboring communities. Continued partnership between the Airport and the surrounding communities was encouraged.

Burien's Northeast Redevelopment Area stormwater treatment system and the collaborative effort it represents between the city and the Port were praised. Continued economic development efforts and communication to surrounding communities were encouraged. Port incentives for its staff to reside within the Airport communities was suggested. Noise and emissions impacts were noted as major community concerns. It was suggested that the Port endorse a resolution in opposition to passage of coal and oil trains through densely populated areas.

Concerns of the Beacon Hill neighborhood related to Airport growth were addressed. Beacon Hill is not typically considered one of the communities most directly affected by Airport-related impacts. The effect on aircraft noise and emissions of consolidating flight paths paired with the geography of Beacon Hill was discussed as a concern for this neighborhood. It was noted that there is interest in conducting an ultrafine particle study in Beacon Hill and a cumulative noise study, and Port financial assistance for a study was suggested.

The impacts to emissions from Washington's ground transportation sector were described. It was noted that reduction of these emissions is an opportunity for the Airport as a destination and as a user of ground transportation services. Electrification of transit was noted as one such opportunity. Lifecycle costs for electrified transportation options were discussed. Climate change studies on the relative merits of compressed-natural-gas (CNG) buses versus fossil-fuel buses were said to show little or no overall benefit of CNG vehicles over diesel vehicles where greenhouse gas emissions are concerned. Collaboration was encouraged between the Port and other regional agencies to pursue electrification of ground transportation fleets. Requiring electrification of for-hire and on-demand vehicles and provision of faster electrical vehicle charging stations was also encouraged.

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

ANNOUNCEMENT

Aviation Managing Director Lance Lyttle announced that an incident had occurred in Istanbul, Turkey, involving an apparent suicide bombing attack and shooting. He reported that multiple deaths and injuries had resulted. Commissioners expressed condolences for the victims in Turkey and acknowledged the safety protocols in place at Seattle-Tacoma International Airport. They urged travelers to remain alert for any potentially suspicious behaviors or items.

3d. City of Seattle Draft Freight Master Plan.

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

Presenter(s): Geraldine Poor, Regional Transportation Manager; Kevin O'Neill, Planning Manager, Seattle Department of Transportation; and Gabriela Vega, Freight Master Plan Project Manager, Seattle Department of Transportation.

The presentation to the Commission included a summary of the background of the Freight Master Plan and the timeline for its adoption by the City of Seattle. The plan was described as a long-range plan to improve movement of goods throughout the city focused on truck freight. The economic importance of the movement of freight through the City of Seattle for the community and the entire state was summarized. Existing conditions were described and demonstrated the highest truck volumes on Interstate 5 and a convergence of truck traffic in the Duwamish Manufacturing and Industrial Center. A freight network with designations for four tiers of streets was outlined, and it was explained that the freight designations facilitate planning and long-term investment in freight routes.

Community engagement and the input of the community in development of the Freight Master Plan were summarized. Plan implementation was outlined. In response to Commissioner questions about integration of the Freight Master Plan with other modal plans of the City of Seattle, it was noted that there is overlap, particularly with streets identified for transit, and in some cases with streets identified for bicycle and pedestrian facilities. Participation by Port of Seattle and Northwest Seaport Alliance staff in consultation on this and other transportation plans was noted. It was explained that potential changes to the overall transportation system based on state programs, such as completion of SR-509, or local plans were taken into consideration when developing the Freight Master Plan. The intention to update the plan regularly to encompass changed circumstances was noted.

Commissioners inquired about treatment of the interdependency between land use and freight movement and recommended staff comment on identifying that relationship and the investment already made in industrial lands. In response to Commissioner inquiry, it was reported that there are no plans to close Holgate Street incorporated in the Freight Master Plan.

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

Commissioner Felleman was present until 4:19 p.m.

RECESSED AND RECONVENED

The regular meeting of the Port of Seattle Commission was recessed at 4:19 p.m. and reconvened at 4:25 p.m., chaired by Commissioner Creighton.

6. DIVISION, CORPORATE, AND COMMISSION ACTION ITEMS

- 6b. Authorization for the Chief Executive Officer to (1) increase authorized funds for the Airport Dining and Retail Infrastructure Modification project (CIP #C800638) in the amount of \$7,325,000 and (2) transfer \$1,500,000 of budget from Baggage Optimization (CIP #C800612) back to ADR (CIP #C800638). Total ADR Infrastructure Modification project authorization would be \$21,278,000.**

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

Presenter(s): James R. Schone, Director, Aviation Business Development, and Sean Anderson, Capital Project Manager, Aviation Project Management Group.

The drivers of the budget increase were summarized and include scope changes intended to reduce the burden of tenant capital improvements, level of service needs related to passenger growth, and additional staffing and consulting support. Despite the increased cost, it was reported that Airport Dining and Retail program performance is still anticipated to be strong from the perspectives of financial performance, creation of a level playing field for large and small businesses, and provision of service to program customers.

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

In favor: Albro, Bowman, Creighton, Gregoire (4)

Absent for the vote: Felleman

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

6c. Authorization for the Chief Executive Officer to (1) increase the North Terminals Utilities Upgrade (NTUU) project scope to include the creation of a piping loop to provide redundancy; (2) increase the project budget by \$11,385,000 for a revised total budget of \$21,335,000; (3) increase authorization by \$7,271,000 for a new total of \$9,271,000; (4) utilize Port crews and small works contracts to perform construction work; and (5) authorize the advertisement and award of a major works construction contract that will install the time critical sections of the utility tunnel(s) portion of the project.

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

Presenter(s): Mike Tasker, Senior Manager, Aviation Facilities and Infrastructure, and Bradley Benson, Capital Project Manager IV, Aviation Project Management Group.

The need and scope of the project were described, and the urgency of execution to avoid interference with comprehensive baggage system optimization was explained.

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

In favor: Albro, Bowman, Creighton, Gregoire (4)

Absent for the vote: Felleman

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

7. STAFF BRIEFINGS

7a. Two Additional International Aircraft Gates at International Arrivals Facility to Meet Continuing Rapid Growth (CIP #C800583).

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

Presenter(s): Lance Lyttle, Managing Director, Aviation, and Michael Ehl, Director, Airport Operations.

The request to accelerate a phase of construction of the International Arrivals Facility to connect two additional widebody gates to the secure international corridor was summarized in light of unexpected, rapid passenger growth. It was reported that 20 widebody gates is the maximum number available without negatively affecting the project schedule and prior to completion of the Sustainable Airport Master Plan for further Airport growth.

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

7b. Report on the Port Property Insurance Renewal for the Policy Year beginning July 1, 2016.

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

Presenter(s): Jeff Hollingsworth, Senior Manager, Risk Management.

Staff addressed Commissioner questions. The decision not to procure earthquake insurance was explained in light of its cost relative to the insurance capacity offered and the value of the Port's exposure. It was noted that other similarly situated public agencies typically do not purchase earthquake insurance.

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

7c. Baggage Program Update.

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

Presenter(s): Greg Carey, Capital Program Leader, Aviation Project Management Group, and Ed Weitz, Capital Project Manager, Aviation Project Management Group.

A construction authorization for the baggage program is anticipated on July 12, 2016. The basic flow of baggage was summarized as a progression from airline input to screening, sortation, and "make-up," in which bags are loaded for transport to a gate to be placed on specific aircraft. The current condition of six isolated baggage systems within the Airport was contrasted with the desired future state in which one comprehensive system handles all baggage at the Airport. The schedule for a four-phase project was presented. The program is expected to be substantially complete by the end of 2023.

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

8. ADDITIONAL NEW BUSINESS

CEO Fick previewed several items anticipated for authorization on July 12, 2016.

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 5:04 p.m.

Stephanie Bowman
Secretary

Minutes approved: September 13, 2016.