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**APPROVED MINUTES
COMMISSION SPECIAL MEETING OCTOBER 10, 2016**

The Port of Seattle Commission met in a special meeting Tuesday, October 10, 2016, at Port of Seattle Headquarters, Commission Chambers, 2711 Alaskan Way, Seattle, Washington. Commissioners Albro, Bowman, Creighton, and Felleman were present. Commissioner Gregoire was present after 1:18 p.m.

1. CALL TO ORDER

The meeting was called to order at 1:10 p.m. by Commission President John Creighton.

2. EXECUTIVE SESSION pursuant to RCW 42.30.110 – None.

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.]

At the request of Commissioner Felleman, agenda item 4e was removed from the Unanimous Consent Calendar for separate discussion and vote.

4a. Approval of the minutes of the study session of July 26 and regular meetings of August 9 and 23, 2016.

4b. Authorization for the Chief Executive Officer to increase the Airport Parking Garage Emergency Intercoms project budget by \$75,000 for a revised total budget of \$611,000 (CIP #C800648).

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

4c. Authorization for the Chief Executive Officer to (1) proceed with the Airport Breach/Duress Alarm System Upgrade project; (2) procure required hardware, software, vendor services, and maintenance; and (3) use Port staff for implementation, for a total project cost not to exceed \$750,000 (CIP #C800805).

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

- 4d. Authorization for the Chief Executive Officer to execute a new collective bargaining agreement, the Maintenance Agreement Addendum, between the Port of Seattle and the Seattle-King County Building and Construction Trades Council covering the period from January 1, 2016, through December 31, 2018, and affecting 118 Aviation and Marine Maintenance trades workers.

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

As noted above, agenda item 4e was temporarily postponed.

- 4f. Authorization for the Chief Executive Officer to execute a contract for financial advisory services for seven years (base contract of five years with two one-year options) for an estimated cost of \$3,500,000.

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

- 4g. Authorization for the Chief Executive Officer to execute an interlocal agreement with the City of Burien supporting the relocation of the Lora Lake Apartment stormwater line.

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

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

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

Absent for the vote: Gregoire

See also agenda item 4e below.

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

5. **PUBLIC TESTIMONY** – None.

The Commission advanced to consideration of –

ITEMS REMOVED FROM CONSENT

- 4e. Authorization for the Chief Executive Officer to: (1) execute Amendment No. 4 to Interlocal Agreement No. 2014-052 with the Puget Sound Clean Air Agency for administering the Scrapage and Replacements for Air in Puget Sound 2 (ScRAPS 2) drayage truck replacement program; and (2) execute revised Local Agency Agreement No. CM-1140(060) with the Washington State Department of Transportation, substantially as drafted and attached to this request. Amendment 4 and the revised Local Agency Agreement will allow for a shift of the Agency's unspent administrative budget to be used for three additional truck replacements. There is no overall change in budget.

Request document(s) included a Commission agenda [memorandum](#), [cost estimate](#), [draft agreement](#), and [supplement to agreement](#).

Presenter(s): Stephanie Jones Stebbins, Director, Maritime Environment and Sustainability, and Janice Gedlund, Senior Manager, Air Quality & Sustainable Practices, The Northwest Seaport Alliance.

Commissioner Gregoire was present after 1:18 p.m.

Ms. Gedlund and Ms. Jones Stebbins clarified aspects of the ScRAPs 2 program, including the current request, which reallocates funding already received from administrative costs to replacement of additional trucks. They explained that with retirement of the grants currently managed under an agreement between the Port of Seattle and the Puget Sound Clean Air Agency, further truck replacement programs would be the responsibility of the Northwest Seaport Alliance.

The motion for approval of agenda item 4e 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.

6. DIVISION, CORPORATE, AND COMMISSION ACTION ITEMS – None.

7. STAFF BRIEFINGS

7a. 2017 Operating Division Budgets Briefing.

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

Presenter(s): Dan Thomas, Chief Financial Officer; Borgan Anderson, Director, Aviation Finance & Budget; Kelly Zupan, Director, Maritime Finance & Budget; Dave McFadden, Managing Director, Economic Development; Lindsay Pulsifer, Managing Director, Maritime; and Lance Lyttle, Managing Director, Aviation.

The Commission received a presentation that described the principal budget drivers for 2017 for the Aviation, Maritime, and Economic Development Divisions.

Aviation

Commissioners provided direction regarding highlighting a customer focus in the narrative of the budget and improvement of Airport garage lighting and wayfinding to access mass transit. Commissioners asked about full-time equivalent (FTE) position increases and budgeting resources to reconceptualize how the Airport manages ground transportation services. Clarifications about the fuel sources for hardstand buses were requested. Commissioners inquired about the size of the overall air service incentive program. Other questions focused on how the budget reflects strategic policy plans with respect to coordinating cruise and Airport logistics, impacts of cargo operations at the Airport, regional marketing efforts at the Airport, and making employee incentive compensation goals appropriately challenging. There was discussion about whether sound insulation of apartments and condominiums in 2017 might affect the real estate market in Airport communities.

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

Maritime

Commissioners requested clarification of plans for Fishermen's Terminal represented by 2017 budget plans. They provided direction regarding listing of one-time expenses and addressing of budget changes with high percentages and asked for further review of allocations for outside services. The importance of understanding the return on investment for projects anticipated in 2017 was stressed. Additional narrative was requested regarding large budget increases for utilities and outside services. A budget analysis for the Port's new stormwater utility was presented and discussed.

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

Economic Development

Commissioners provided direction on the presentation of budget information in terms of needs, opportunities, and costs. They discussed tourism promotion needs and commented on the use of the Airport for regional tourism and economic development promotion. Commissioners asked about environmental and sustainability cost increases and reallocation of resources subsequent to creation of the Northwest Seaport Alliance.

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 4:31 p.m.

Stephanie Bowman
Secretary

Minutes approved: November 8, 2016.