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APPROVED MINUTES COMMISSION REGULAR MEETING SEPTEMBER 26, 2017

The Port of Seattle Commission met in a regular meeting Tuesday, September 26, 2017, in the International Auditorium at Seattle-Tacoma International Airport, Seattle, Washington. Commissioners Albro, Creighton, and Felleman were present. Commissioner Bowman was present until 4:45 p.m. Commissioner Gregoire was present from 1:40 p.m. to 3:48 p.m.

1. CALL TO ORDER

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

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 sale or lease of real estate, potential litigation, and legal risk; one matter relating to performance on a publicly bid contract, potential litigation, and legal risk; and one matter related to litigation and legal risk. Following the executive session, which lasted approximately 65 minutes, the public meeting reconvened at 1:20 p.m. Commissioner Albro led the flag salute.

3. SPECIAL ORDERS OF BUSINESS

3a. September 26, 2017, Executive Director Report.

Interim Executive Director Dave Soike previewed several items on the day's agenda and announced that the Federal Aviation Administration has granted approval to use passenger facility charges for the International Arrivals Facility and North Satellite projects, which means no debt will be used to finance those projects.

It was also announced that Port staff is working to determine the impacts of the recently updated travel ban executive order. The Supreme Court oral argument hearing scheduled for October 10, regarding the constitutionality of the executive order, has been cancelled pending submission by all parties addressing the new proclamation. There is no effect on the Port's amicus filing at this time.

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):

- Charlie James, Civil Rights Coalition, regarding airport concessions.

- Fred Anderson, Civil Rights Coalition, regarding airport concessions.
- Eddie Rye, Civil Rights Coalition, regarding airport concessions. Mr. Rye submitted written materials, which are included here as minutes [Exhibit A](#) and are available for public review.
- Nicole Grant, Executive, Martin Luther King County Labor Council, regarding labor relations.
- Pete Knutson, Director, Puget Sound Harvest/Loki Fish Company, regarding Fishermen's Terminal.
- J.C. Harris, Des Moines resident, regarding area P-5 tree removal.
- Rick Johnson, Des Moines resident, regarding area P-5 tree removal.
- Hayward Evans, AfroPAC, regarding airport concessions.
- James D. Langston, Des Moines Historical Society, Hillgrove Cemetery, Water District 54, regarding airport tree removal.
- Guled Attirsi, driver, Eastside for Hire, regarding taxi rates.
- Ali A. Aden, taxi driver and Seattle resident, regarding taxi rates.
- Mustafa, taxi driver and Seattle resident, regarding taxi rates.
- Suldan Mohamed, taxi driver and Seattle resident, regarding taxi rates.
- Abdul Sial, taxi owner, regarding taxi rates.
- Samatar Guled, General Manager, Eastside for Hire, regarding taxi rates.
- Muhamed Diriye, driver, Eastside for Hire, regarding taxi rates.
- Abdi Rhaman, Orange Cab, regarding taxi rates.
- Eskinder Yirgu, E-Cab, regarding taxi rates.
- Simranjeet Singh, E-Cab, regarding taxi rates.
- Dawn Gearhart, teamsters, regarding taxi rates.
- Amar Khan, Yellow Cab, regarding taxi rates.
- Mohamed Alanle, Flatrate, regarding taxi rates.
- Berhand Alemayehu, Yellow Cab, regarding taxi rates.
- Elias Shifow, Yellow Cab, regarding taxi rates. Mr. Shifow submitted written materials, which are included here as minutes [Exhibit B](#) and are available for public review.
- Abadir Abdala, Chairman of the Drivers, E-Cab and Flatrate, regarding taxi rates.
- Abdul Yusuf, Manager, Eastside for Hire, regarding taxi rates.
- Mohamed Mohamuud, driver, regarding taxi rates.
- Mohamed Sufi, driver, Eastside for Hire, regarding taxi rates.
- Abdirahim Kahiye Hassan, driver, Eastside for Hire, regarding taxi rates.
- Abdifataah Abatiyow, driver, regarding taxi rates.
- Hailu Gajo, owner/operator, regarding taxi rates.
- Abdu Mohammed, owner/operator, regarding taxi rates.
- Amin Shifow, General Manager, Puget Sound Dispatch, regarding taxi rates.
- Ali Sugule, driver, Eastside for Hire, regarding taxi rates.
- Cindi Laws, Wheelchair Accessible Taxis, regarding taxi rates.
- Matthew Wald, Executive Director, Drive Forward, regarding taxi rates.
- Paul Dhauri, Officer, STITA Taxi, regarding taxi rates.
- Sadhu Singh, driver, E-Cab, regarding taxi rates.
- Dawit Tesfaye, Wheelchair Accessible Taxi, regarding taxi rates.

- Ann Ferraguto, Principal, Air Projects, Inc., regarding airport concessions.

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

The Commission returned to consideration of the following agenda item —

3b. Authorization for the Executive Director to negotiate and execute an amendment to the concession agreement for transportation services between the Port and Eastside for Hire Inc. at Seattle-Tacoma International Airport. [subsequently amended]

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

Presenter(s): Lance Lyttle, Managing Director, Aviation; Glenn Fernandes, Internal Audit Director; and Jeff Hoevet, Senior Manager Airport Operations, Landside.

The amendment proposes to lower the per-trip fee to six dollars, and to allow Prius V vehicles that are currently part of the fleet to continue operations at the airport. Automatic vehicle identification tag data will be used to track the actual number of trips made per week, allowing drivers to easily determine whether the advance on the fee they have paid to Eastside for Hire is accurate. The Port is also proposing continued meetings between Eastside for Hire and Teamsters to try to reach a labor peace agreement.

Mr. Soike indicated that Port staff will negotiate with transportation network companies to amend their contracts, raising the daily rate to six dollars, effective October 1 or as soon as existing contract provisions will allow.

The action request was amended to read as follows:

Authorization for the Executive Director to negotiate and execute an amendment to the concession agreement for transportation services between the Port and Eastside for Hire Inc. at Seattle-Tacoma International Airport, subject to state law. [as amended]

The motion for approval of agenda item 3b, 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.

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 [Claims and Obligations](#) for the period August 1-31, 2017, including accounts payable check nos. 918920-919481 in the amount of \$6,575,700.58; accounts payable ACH nos. 001611-002335 in the amount of \$51,158,350.05, accounts payable wire transfer nos. 014717-014734 in the amount of \$6,860,505.23; payroll check nos. 186959-187339 in the amount of \$522,556.17; and payroll ACH nos. 818280-822296 in the amount of \$9,483,106.95 for a fund total of \$74,600,218.98.

Request document(s) included a Commission agenda memorandum.

- 4b. Authorization for the Executive Director to (1) prepare design and construction bid documents for the Arc Flash Mitigation project at Seattle-Tacoma International Airport; (2) advertise and award a major works construction contract; and (3) utilize Port of Seattle crews and small works contracts to perform construction work. The amount of this request is \$7,383,000 for a total estimated project cost of \$7,533,000 (CIP #C800826).

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

- 4c. Authorization for the Executive Director to (1) prepare design and construction bid documents for the Telecommunications Meet Me Room project at Seattle-Tacoma International Airport; (2) advertise and award a major works construction contract; (3) utilize Port of Seattle crews and small works contracts to perform construction work. The amount of this request is \$3,903,000 for a total estimated project cost of \$3,978,000 (CIP #C800762).

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

- 4d. Authorization for the Executive Director to prepare the design and construction documents for the Tenant Network Demarcation project at Seattle-Tacoma International Airport to standardize the Port's tenant communications network demarcation for an amount not to exceed \$723,000 of a total estimated project cost of \$2,815,000 (CIP #C800841).

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

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

- 4f. Authorization for the Executive Director to: (1) proceed with design of the Airport Dining and Retail Kiosk Program Expansion project at Seattle-Tacoma International Airport; (2) utilize existing or future Job Order Contracts, procured separately, to construct the project and (3) use Port crews to perform work related to the construction of the kiosk spaces as needed. The total estimated project cost is \$1,240,000 (CIP #C800846).

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

The motion for approval of consent items 4a, 4b, 4c, 4d, and 4f 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.

The Commission advanced to consideration of –

ITEMS REMOVED FROM CONSENT

- 4e. Revision of the amended authorization of agenda item 6c of September 12, 2017, related to the South 160th Street Ground Transportation Lot, to read as follows: Request Commission authorization for the Executive Director to (1) increase the project authorization by \$2,231,533 \$2,500,000 for the S. 160th St. Ground Transportation Lot Improvements project at Seattle-Tacoma International Airport; (2) complete the design, advertise for bids, award and execute a major works construction contract; (3) authorize the use of Port Construction Services and small works contracts to rehabilitate the existing transportation building at the S. 160th St. lot; and (4) plan for potential construction of a new smaller facility for on-demand operators; for a total project authorization of \$4,326,533 (CIP #C101107). *[subsequently amended]*

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

Presenter(s): Ralph Graves, Senior Director, Capital Development, and Barry Hennelly, Capital Project Manager, Aviation.

Of the requested amount, \$300,000 is for planning a second lot and will not be spent until planning is complete.

The action request was amended to read as follows:

Revision of the amended authorization of agenda item 6c of September 12, 2017, related to the South 160th Street Ground Transportation Lot, to read as follows: Request Commission authorization for the Executive Director to (1) increase the project authorization by \$2,231,533 for the S. 160th St. Ground Transportation Lot Improvements project at Seattle-Tacoma International Airport; (2) complete the design, advertise for bids, award and execute a major works construction contract; (3) authorize the use of Port Construction Services and small works contracts to rehabilitate the existing transportation building at the S. 160th St. lot; and (4) pending completion of a ground transportation access plan, plan for potential construction of a new smaller facility for on-demand operators; for a total project authorization of \$4,326,533 (CIP #C101107). *[as amended]*

The motion for approval of agenda item 4e, 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.

6. DIVISION, CORPORATE, AND COMMISSION ACTION ITEMS

6a. Authorization for the Executive Director to execute a consulting contract for Executive Program Management Services for up to five years in the not-to-exceed amount of \$15,000,000.

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

Presenter(s): Lance Lyttle, Managing Director, Aviation; Jeffrey Brown, Director, Aviation Facilities and Capital Programs; and Ralph Graves, Senior Director, Capital Development.

Aviation projects are increasing in number and complexity, so additional resources are necessary to augment current staffing. This contract will provide coordination of projects for improved efficiency and more accurate estimates.

Key functional areas fulfilled by this contract will be program controls, program risk management, and design coordination. Port staff will handle program formulation and construction coordination.

Recruitment of permanent staff is not a good alternative because attracting quality candidates with the appropriate skill set and level of experience is unlikely. However, it is anticipated that contract staff will transfer skills to existing Port staff, and successful implementation of this initiative will result in Port personnel who will be able to take over the functions fulfilled by the contractors.

The motion for approval of agenda item 6a 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.

6b. Authorization for the Executive Director to (1) proceed with the demolition and salvage of the existing bank and Net Shed #'s 7 and 8 buildings at Fishermen's Terminal and (2) advertise and execute a major public works contract for demolition, all for an amount not to exceed \$1,300,000 out of a total estimated project cost of \$1,530,000 (CIP #C800525). *[subsequently amended]*

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

Presenter(s): Tim Leonard, Capital Project Manager, and Jeffrey Utterback, Director, Real Estate & Economic Development.

Provisions have been made regarding the buildings scheduled for demolition. Net shed tenants displaced from buildings 7 and 8 will be relocated to comparable net lockers. Tenants are being rearranged for more efficient use of the remaining space. The bank vault and safe deposit boxes will be salvaged. Demolishing these buildings now will help avoid delays in the gateway building schedule.

The action request was amended to read as follows:

Authorization for the Executive Director to (1) advertise and execute a major public works contract for demolition and salvage of the existing bank building and Net Shed buildings 7 and 8 at Fishermen's Terminal for an amount not to exceed \$1,300,000 out of a total estimated project cost of \$1,530,000 and (2) proceed with demolition only upon commission approval of execution of a build-to-suit lease requiring said demolition (CIP #C800525). [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. Baggage Optimization Project 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 V, Aviation Project Management Group.

The project is on track with the schedule established in 2015. Phases are scheduled so that each phase will begin construction at the conclusion of the previous phase. Spending and Transportation Security Administration reimbursements are proceeding according to the budget.

Small business participation goals are being met, with Small Business Enterprise (SBE) participation at 15.1 percent compared to the goal of 15 percent, and Small Contractor & Supplier participation at 7.4 percent of the SBE value compared to the goal of 5 percent). Disadvantaged business enterprise (DBE) participation will be tracked, but it may not be possible to direct contractor inclusion of DBEs. However, phases 2 and 3 have not been bid yet, and DBE requirements can be built into subsequent contracts.

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

Commissioner Gregoire was absent after 3:48 p.m.

7b. 2018 Corporate Budget Briefing.

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

Presenter(s): Dan Thomas, Chief Financial Officer; Michael Tong, Assistant Director, Finance & Budget; and Kim Albert, Director, Information & Communications Technology Delivery.

A summary of the preliminary corporate budget was presented, including key initiatives and budget drivers, and an overview of corporate expenses. Budget requests and new staff positions

supporting Commission priorities, such as a new position to support a Port wide equity program, continuation of the high school internship program, and increased community outreach were highlighted. Other division priorities and business needs include additions to the police, human resources, central procurement, and accounting departments, as well as expenses related to relocation of some central procurement staff to new office space.

Commissioners provided recommendations regarding future presentation of budget information, including:

- illustration of how budget allocations support Century Agenda goals;
- a comparison of the actual budget and budget forecast for prior years in order to compare projected and actual spending;
- a clearer depiction of how many overall full-time-equivalent positions are being added;
- description of areas where budgets have been reduced; and
- a histogram of non-recurring initiatives that roll over from year to year.

An overview of the capital budget for was provided for 2018, with anticipated costs for some projects through 2022. Projects that are currently authorized and underway were described, as well as projects that will be presented for authorization in the future.

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

7c. 2018-2022 Long Range Plan: Final Draft Review.

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

Presenter(s): Dave Caplan, Senior Director, Strategic Initiatives.

An overview and briefing on 20 of the 27 Long Range Plan objectives was presented on July 25, 2017. This briefing recapped that presentation and discussed incorporation of Commission feedback, covered the final seven objectives, and summarized plan progress and goals.

Increasing the participation of Women and Minority Business Enterprise (WMBE) firms contracting with the Port is the primary focus of small business goals. Concern was expressed regarding the expression of the WMBE goal as a proportion of funds spent without referencing the number of participating firms, and it was requested that the goal be amended to include both measurements.

Commissioners and staff discussed carbon reduction goals; reducing the Port's carbon footprint during a period of overall growth is going to present a challenge.

Next steps were outlined, including approval of the plan at a future meeting, critique of the scorecard as a means of illustrating progress, and the annual planning cycle's interaction with the annual budget cycle.

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Commissioner Bowman was present until 4:45 p.m.

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 5:11 p.m.

Ryan Calkins
Secretary

Minutes approved: January 30, 2018.