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APPROVED MINUTES COMMISSION REGULAR MEETING DECEMBER 12, 2017

The Port of Seattle Commission met in a regular meeting Tuesday, December 12, 2017, at Port of Seattle Headquarters, Commission Chambers, 2711 Alaskan Way, Seattle, Washington. Commissioners Albro, Bowman, Creighton, and Felleman were present. Commissioner Gregoire was present from 1:16 p.m. to 1:32 p.m.

1. CALL TO ORDER

The meeting was called to order at 12:01 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 performance of public employee(s) and one matter relating to qualifications for public employment. Following the executive session, which lasted approximately 65 minutes, the public meeting reconvened at 1:16 p.m. Commissioner Albro led the flag salute.

3. SPECIAL ORDERS OF BUSINESS

3a. December 12, 2017, Executive Director Report.

Dave Soike, Interim Executive Director, previewed several items on the day's agenda and commented on the status of conditions at the airport's cell-phone waiting lot and mid-term improvements planned to address airport traffic congestion.

4. UNANIMOUS CONSENT CALENDAR

[Clerk's Note: Items on the Unanimous Consent Calendar are not individually discussed, although commissioners may remove items from the Consent Calendar for separate discussion and vote.]

4a. Approval of the minutes of the regular meetings of July 25 and August 8, 2017.

4b. Approval of claims and obligations for the period of November 1, 2017-November 30, 2017, including accounts payable check nos. 920485-021171 in the amount of \$6,485,835.28; accounts payable ACH nos. 003624-004435 in the amount of \$52,322,219.05; accounts payable wire transfer nos. 014773-014790 in the amount of \$7,293,883.27; payroll check nos. 187935-188286 in the amount of \$267,328.95; and payroll ACH nos. 830347-834328 in the amount of \$9,324,275.18 for a fund total of \$75,693,541.73.

- 4c. Authorization for the Executive Director to execute contracts with community service organizations, for a total combined value of \$550,000, over the next three years, to implement the Airport Community Ecology Fund Small Matching Grants Program subject to the project funding criteria contained in the agenda memorandum. Each contract is solicited under RCW 35.21.278, contracts with community service organizations for public improvements.**

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

- 4d. Authorization for the Executive Director to (1) proceed with construction and installation of automated screening lanes at security checkpoints 2, 3, and 5 at Seattle-Tacoma International Airport; and (2) use Port crews for construction efforts. The total estimated cost of this project is \$17,000,000 (CIP #C800920).**

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

- 4e. Authorization for the Executive Director to (1) proceed with the PeopleSoft Financials Upgrade project; (2) procure hardware, software, and consulting services; and (3) use Port staff for implementation, for a total project cost not to exceed \$3,600,000 (CIP #C800909).**

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

- 4f. Authorization for the Executive Director to execute two consulting contracts, one with an amount not to exceed \$1,400,000 and one with an amount not to exceed \$500,000, for financial consulting services for up to three years with three one-year options, for a total of up to six years and \$1,900,000.**

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

- 4g. Authorization for the Executive Director to execute up to two indefinite delivery, indefinite quantity contracts for buildings and structures architectural and engineering services, one for \$700,000 with a small business subcontracting goal, and one for \$300,000 as a small business set-aside, with a contract ordering period of five years (365 days with four one-year options). There is no funding associated with this request.**

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

- 4h. Authorization for the Executive Director to amend and increase the not-to-exceed amount of the Puget Sound Energy Engineering Services and Construction Agreement required for the Alternative Utility Facility from \$250,000 to \$850,000 (CIP #C800538).**

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

- 4i. Approval of the 2018 – 2022 Long Range Plan.**

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

- 4j. Authorization for the Chief Executive Officer to execute a new collective bargaining agreement between the Port of Seattle and the International Brotherhood of Teamsters, Local 117, representing Sergeants at the Port of Seattle covering the period from January 1, 2018, through December 31, 2018.**

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

- 4k. Authorization for the Chief Executive Officer to execute a new collective bargaining agreement between the Port of Seattle and the International Brotherhood of Teamsters, Local 117, representing Officers at the Port of Seattle covering the period from January 1, 2018, through December 31, 2018.**

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

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

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

Absent for the vote: Gregoire

5. PUBLIC TESTIMONY

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

- Meg Van Wyk, Burien resident, regarding the airport cell phone lot.
- Rick Harwood, SeaTac Neighborhood Action Council, regarding the interlocal agreement with the City of SeaTac.
- Helena Benedict, Tenants Union of Washington, regarding the interlocal agreement with the City of SeaTac. Ms. Benedict submitted written materials, which are included here as minutes [Exhibit A](#).

The following individuals commented regarding transportation network companies (rideshares) at the airport:

- Sharmarke Goodir, Seattle resident
- Julie Davis, Seattle resident
- Abdi Shire, Seattle resident
- Mustafe Abdi, Seattle resident
- James Lockhart, Everett resident
- Michael Wolfe, Seattle resident
- Colleen Gruber, Lyft
- Jacqui Morris, Uber
- Dawn Gearhart, Teamsters 117
- Suldan A. Mohamed, taxi operator

6. DIVISION, CORPORATE, AND COMMISSION ACTION ITEMS

Agenda item 6a was removed from the agenda prior to publication, and the Commission advanced to consideration of –

- 6b. Second Reading and Final Passage of Resolution No. 3741: A resolution of the Port Commission of the Port of Seattle authorizing the Executive Director to execute an interlocal agreement with the City of SeaTac to establish a mutual and cooperative system for exercising their respective jurisdictional authority regarding land use, surface water management, interagency cooperation, economic development, and public safety.**

Request document(s) included an agenda [memorandum](#), draft resolution, [proposed agreement](#), and [errata sheet](#). A copy of the final draft of [Resolution No. 3741](#) will be made available upon adoption.

Presenter(s): Lance Lyttle, Managing Director, Aviation, and Katie Halse, Local Government Relations Manager.

Previously, First Reading of Resolution No. 3741 was approved on November 28, 2017.

AMENDMENT

Ms. Halse described a series of amendments to the draft interlocal agreement since first reading on November 28 documented in the form of an errata sheet, which was adopted by the commission without objection. The changes due to minor errors or omissions are also incorporated into the version of the agreement the city is expected to adopt later today.

Commissioner Albro commented on his concerns raised on November 28 regarding non-airport funding of community relief inuring to the City of SeaTac and noted his intention to vote against the resolution on this basis.

The motion for adoption of Resolution No. 3741, as amended, carried by the following vote:

In favor: Bowman, Creighton, Felleman (3)

Opposed: Albro (1)

Absent for the vote: Gregoire

Without objection, the commission advanced to consideration of –

- 6d. Authorization for the Executive Director to accept a Washington State Department of Commerce grant for a maximum of \$317,000, and develop, advertise, and execute a Public Works Building Engineering Systems Contract for the Pier 69 Solar Energy Project, with an estimated total project cost of \$515,000 (CIP #C800888).**

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

Presenter(s): Catherine Chu, Capital Project Manager, Seaport Project Management, and Terrance Darby, Senior Environmental Management Specialist.

The energy efficiency and environmental benefits of the project were summarized, as was the project delivery methodology.

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

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

Absent for the vote: Gregoire

The commission returned to consideration of –

6c. Proposed Amendments to Commission Bylaws as approved on First Reading on December 5, 2017 – no vote on Second Reading proposed on December 12, 2017. [no final action]

Request document(s) included a draft resolution, [amendments](#), and [appendix](#). A copy of the final draft of [Resolution No. 3742](#) will be made available upon adoption.

Presenter(s): Paul J. White, Commission Clerk, and Mike Merritt, Commission Chief of Staff.

Previously, First Reading of Resolution No. 3742 was approved on December 5, 2017.

Mr. White presented the key concepts that informed development of the new proposed bylaws text. Potential refinements to the current draft covered the following topics:

- language changes to the object statement
- prescribed actions for the commission's unanimous consent calendar
- technical aspects of the 24-hour meeting notice requirement
- audio recording of executive sessions
- referral of policy directives and governance changes to committee
- length of public comment during public meetings
- deadlines for filing amendments and votes required for passage of amendments
- language regarding ethical standards of conduct
- the role of the commission president as the commission's spokesperson

Commissioners commented on the need for definition of certain terms and whether processes described in the new proposed text were too prescriptive. Commissioners discussed whether Audit Committee membership should be required of all commissioners during their tenure. They also commented on options to ensure appropriate public engagement via holding commission meetings in other locations around King County. New proposals for language improvements and content changes were proposed for refinement and possible incorporation in the text as amendments on second reading.

No final action was taken on Resolution No. 3742 or potential amendments presented at this time.

7. STAFF BRIEFINGS

7a. Amendment Review for Diversity in Contracting Policy Directive.

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

Presenter(s): Aaron Pritchard, Commission Issues and Policy Manager; Simranpreet Lamba, Port of Seattle Economic Development Analyst, Office of Strategic Initiatives; Bob Armstead, Armstead and Associates, Board of Directors on National Association of Minority Contractors (NAMC), and President, NAMC Washington State Chapter; Dave Freiboth, Director, Port of Seattle Labor Relations; and Teresa Delicino, Port of Seattle Small Business Development Director.

Previously, Resolution No. 3737, proposing the Diversity in Contracting Policy Directive, was approved for first reading on December 5, 2017. Presentations on this topic were provided on November 28 and October 24, 2017.

Commissioners discussed disaggregation of data on contractor race and ethnicity, including a summary of federal race categories. It was explained that the utilization numbers provided categorize businesses owned by women who are also a racial minority only once in the appropriate racial category. It was reported that there is no current diversity-in-contracting goal for participants in the Small Contractors and Suppliers (SCS) program, which has its own goals under the Century Agenda.

Commissioners considered factors affecting reliance on state and federal certification of women- and minority-owned businesses as opposed to self-identification of firms, including the certification requirement that businesses be owned, operated, and controlled by U.S. citizens. It was reported that along with accepting self-identified minority- and women-owned businesses, the City of Seattle program has chosen not to limit participation based on a firm's size. The port's proposed program would additionally consider the number of firms contracted.

Commissioners also considered the dynamics of contractor diversity in the context of port project labor agreements. Elements of project labor agreements considered problematic for women- and minority-owned businesses include mandatory benefit language and payment structures. Commissioners commented on the opportunity to incorporate compromise provisions for labor and small business as standard project labor agreement language is developed.

8. ADDITIONAL NEW BUSINESS

Commissioner Felleman introduced the following motion, which was not included previously in the meeting materials for the day and is attached in its adopted form as minutes [Exhibit B](#):

Motion of the Port of Seattle Commission summarizing the process for identifying qualified candidates for executive director of the Port of Seattle and directing the final review of the final candidate's qualifications:

In accordance with the requirements of the Washington State Open Public Meeting Act (Chapter 42.30 RCW), the Port Commission conducted the search for and identified qualified candidates for the position of Executive Director by:

- 1. On May 11, 2017, Port staff retained the firm of Herd Freed Hartz to assist with the search for the position of Executive Director.**

2. During the month of October 2017, the Port Commission conducted interviews with eight of the applicants to determine whether they met the qualifications for the Executive Director position.
3. As a result of the interviews, the Port Commission determined that two of the eight applicants best met the qualifications to be considered finalists in the selection process for Executive Director.
4. After conducting a final interview on Monday, December 11, 2017, the Port Commission hereby determines one final candidate is the best applicant for the position of Executive Director.
5. The Port Commission President previously designated Commissioners Courtney Gregoire and Fred Felleman as the advisory committee of the Port Commission for the process of filling the Executive Director position.

The Port Commission hereby authorizes Commissioners Gregoire and Felleman to work with Port staff from Human Resources and with *[executive search firm]* Herd Freed Hartz to (a) complete due diligence, including a background and reference check and vetting of the final candidate's ability to meet the qualifications for employment; and (b) conduct preliminary discussions with the final candidate on salary, start date, and other conditions of employment.

Committee members and Port staff are further directed to present their report to the Port Commission by December 19, 2017. The Port Commission further reserves to itself the final approval in open public session of the terms and conditions of employment with the final candidate.

The motion carried by the following vote:

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

Absent for the vote: Gregoire

9. RECESSED AND ADJOURNED

The meeting was recessed at 5:04 p.m. to an executive session to discuss one matter relating to qualifications for public employment. Following the executive session, which lasted approximately 1½ hours, the Commission adjourned at approximately 6:30 p.m. without returning to public session.

Prepared:

Paul J. White, Commission Clerk

Attest:

Ryan Calkins, Commission Secretary

Minutes approved: June 12, 2018.