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**APPROVED MINUTES  
COMMISSION SPECIAL MEETING DECEMBER 19, 2017**

The Port of Seattle Commission met in a special meeting Tuesday, December 19, 2017, at Port of Seattle Headquarters, Commission Chambers, 2711 Alaskan Way, Seattle, Washington. Commissioners Albro, Bowman, Creighton, Felleman, and Gregoire were present.

**1. CALL TO ORDER**

The meeting was called to order at 12:02 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, litigation, and legal risk and one matter related to performance of public employee(s). Following the executive session, which lasted approximately 45 minutes, the public meeting reconvened at 1:20 p.m. Commissioner Albro led the flag salute.

**3. SPECIAL ORDERS OF BUSINESS**

**3a. Recognition of Commissioners Creighton and Albro.**

Commissioners commented on the service of Commissioners Creighton and Albro, which concludes at the end of 2017, and presented them each with gifts. Commissioners Creighton and Albro made brief remarks.

**3b. Motion appointing Stephen P. Metruck as Port of Seattle Executive Director.**

No request documents were provided in advance of the meeting, but the adopted version of the full text of the motion is attached as minutes [Exhibit A](#). An executed copy of the executive director's employment agreement is attached as minutes [Exhibit B](#).

Commissioners introduced Stephen P. Metruck and introduced the following motion to appoint him as the Port of Seattle's Executive Director:

**It is hereby moved by the Port Commission of the Port of Seattle that Stephen P. Metruck be appointed as the Port of Seattle Executive Director. Commission President Elect, Courtney Gregoire, is authorized to sign an employment agreement of up to three years with Mr. Metruck. The employment agreement includes an annual base salary of \$350,000, provisions for performance review and pay increases and a**

**standard benefits package available to Port employees. A copy of the employment agreement is included as Attachment A to this motion.**

Commissioners commented on the selection process, the range of candidates considered, and the qualities wanted for a new executive director. They noted Mr. Metruck's past experience as a retired Rear Admiral with the U.S. Coast Guard serving as Commander of Sector Puget Sound and as the Coast Guard's Chief Financial Officer, among other assignments. Mr. Metruck offered brief remarks of appreciation, and the following individuals commented on his selection as Port of Seattle Executive Director:

- John W. Lockwood, Rear Admiral, U.S. Coast Guard, retired, and President, Seattle Marine Business Coalition
- Mike Moore, Vice President, Pacific Merchant Shipping Association
- Regina Glenn, President and CEO, Pacific Communications

**The motion for approval of agenda item 3b carried by the following vote:**

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

#### **RECESSED AND RECONVENED**

The meeting was recessed at 1:53 p.m. and reconvened at 2:30 p.m., chaired by Commissioner Albro.

#### **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. Revised Energy and Sustainability motion of the Port of Seattle Commission.**

Request document(s) included a draft motion, redline, evaluation framework, resource assessment, and resource allocation. The adopted version of the full text of the motion is attached as minutes [Exhibit C](#). The text of the Century Agenda Strategies and Objectives, as amended by this and other motions of December 19, is attached as minutes [Exhibit D](#).

The text of the motion reads as follows:

**Moved, that the Port of Seattle shall take the following actions:**

- 1. Develop a Port Sustainability Evaluation Framework to assist the Port in meeting its 39 greenhouse gas reduction and sustainability goals.**
- 2. Select up to four pilot projects, divided between the airport and maritime, beginning with a solar project on Pier 69, to test and validate the framework and determine how to incorporate the following environmental and societal components into the framework to be used to more fully inform the Commission of project proposals including:**
  - a. Reduce greenhouse gas emissions**
  - b. Increase energy resilience**
  - c. Protect public health and the environment**

- d. Support local economic development
  - e. Advance racial and social equity
  - f. Leverage partnerships
  - g. Advance innovation
3. Evaluate and recommend methods for valuing and internalizing the external costs of carbon port-wide.
  4. Adequately resource sustainability efforts to meet the recently amended Century Agenda greenhouse gas emission goals and to implement the Energy and Sustainability Committee recommendations.
  5. Amend the Century Agenda to add Scope 2 goals. With the amendment, the greenhouse gas emission reduction goals will be as follows:
    - a. Scope 1 emissions, which are direct greenhouse gas emissions from Port owned or controlled sources, shall be:
      - i. 15 percent below 2005 levels by 2020. This advances the initial Century Agenda goal by 17 years.
      - ii. 50 percent below 2005 levels by 2030. This advances the initial Century Agenda goal by 7 years.
      - iii. Carbon Neutral by 2050 OR Carbon Negative by 2050. This creates a new long-term stretch goal.
    - b. Scope 2 emissions, which are indirect greenhouse gas emissions from consumption of purchased electricity, heat, or steam. The new Port-wide goals for Scope 2 shall be:
      - i. 15 percent below 2005 levels by 2020.
      - ii. 50 percent below 2005 levels by 2030.
      - iii. Carbon Neutral by 2050 OR Carbon Negative by 2050.
    - c. Scope 3 emissions, which are greenhouse gas emissions over which the Port has influence, not direct control. The new Port-wide goals for Scope 3 shall be:
      - i. 50 percent below 2007 levels by 2030.
      - ii. 80 percent below 2007 levels by 2050.
  6. Work with the Northwest Seaport Alliance through the Port of Seattle's Environment and Sustainability Center of Expertise (COE) to advance mutually shared goals, whenever practicable.
  7. The COE is directed to present the four proposed pilot projects to the Commission within 90 days of passage of the 2018 budget, to include a proposed timeline for completion of the pilot projects.
  8. The COE will meet with key stakeholders across the Port including the Project Management Group (PMG), Engineering, Facilities and Infrastructure, lease teams and other teams as necessary to implement and review the pilot projects. The pilot project results will be presented to Commission, with a recommended Policy Directive.
  9. The COE will report progress twice yearly on the Century Agenda greenhouse gas emission reduction goals and will maintain a public-facing environmental scorecard reflecting that progress.

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

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

**5. PUBLIC TESTIMONY**

Additional public comment (*see also agenda item 3b above*) was received from the following individual(s):

- Ralph Ibarra, President, Diverse America Network, regarding women- and minority-owned business enterprises.
- Dan Seydel, CEO, Entrepreneurial Institute of Washington, regarding women- and minority-owned business enterprises.
- Christina Greaves, Uber, regarding airport ground transportation.
- Cindi Laws, Director/Lobbyist, Wheelchair Accessible Taxi Association, regarding airport ground transportation.
- Henry Yates, Yates Consulting, regarding diversity in contracting and the service of Commissioners Albro and Creighton.

**ANNOUNCEMENTS**

Commissioner Albro commented on the derailment of an AMTRAK train bound from Seattle to Portland and expressed the Commission's sympathies to the victims. Interim Executive Director Soike noted the participation of port resources at the site of the derailment near DuPont, Washington.

Mr. Soike announced the death of actively serving Port of Seattle Fire Captain Charles Vona, following an eight-year struggle with a brain tumor, and extended condolences to Captain Vona's family.

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

- 6a. Second Reading and Final Passage of Resolution No. 3742: A resolution of the Port Commission of the Port of Seattle adopting bylaws governing the organization and transaction of business of the Port of Seattle Commission and repealing Resolutions No. 3611, 3672, 3673, 3689, 3690, 3733, and all other resolutions dealing with the same subject matter.**

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

Presenter(s): Paul J. White, Commission Clerk.

*Previously, the Commission approved First Reading of Resolution No. 3742 on December 5, 2017, and considered a presentation on potential amendments to the resolution on December 12, 2017.*

Mr. White summarized the key principles represented by the changes incorporated into the new proposed commission bylaws and thanked commissioners for their participation in considering and providing refinements to the proposed text in a short time frame.

## **AMENDMENTS**

Commissioners considered several amendments to the text as originally proposed, as follows:

Amendments 1, 2, 3, 4, 5, 6, 9, 10, 11, 13, and 14 were summarized. These amendments have the following effects:

- Phrasing improvements and clarifications;
- Creation of the requirement that policy-development matters be referred to committee and provision of a way to discharge matters from committee quickly for action by the commission in public session;
- Articulation of processes related to 24-hour, special meeting notices;
- Creation of a 24-hour filing deadline for amendments during public session and application of a two-thirds vote for passage of late-filed amendments;
- Restoration of a requirement to record executive sessions for review by outside counsel;
- Broadening the latitude of the president to speak on behalf of the commission on topics consistent with policies, statements, and actions of the commission;
- Refinements to the commission's object statement;
- Inclusion of reference to the commission's responsibility to uphold the port's statement of values and port code of ethics and commission code of ethics;
- Clarification of the commission's collective role in recessing or adjourning a disrupted meeting; and
- Simplification of the required contents of committee charters.

**The motion for adoption of Amendments 1-6, 9-11, 13, and 14 carried by the following vote:**

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

**Absent for the vote: Creighton**

Amendment 17 was summarized as clarifying that restrictions against insulting and inflammatory remarks apply to all people speaking during meetings, including staff, commissioners, and the public.

**The motion for adoption of Amendment 17 carried by the following vote:**

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

Amendment 7 was summarized as emphasizing the need for the commission president to make a reasonable effort to consult with another commissioner prior to making public statements on behalf of the commission. Commissioners commented on the need to be responsive to news media during emergent situations. They also discussed the importance of not applying the amendment's provisions in a way that might compromise compliance with the Open Public Meetings Act (Chapter 42.30 RCW).

**The motion for adoption of Amendment 7 carried by the following vote:**

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

**Opposed: Albro (1)**

Amendment 8 was summarized as tying the commission's role of review and oversight of the executive director and dual-reporting officers to the duties of specific commission officers or to the commission as a whole. Commissioners were reminded that actions related to specific performance recommendations would have to comply with rules governing executive sessions under Chapter 42.30 RCW.

**The motion for adoption of Amendment 8 carried by the following vote:**

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

Amendment 12 was described as an effort to clarify that individual commissioner comments are not direction of the commission as a whole, particularly when commissioners offer opinions on staff presentations where a quorum of the commission is not present.

**The motion for adoption of Amendment 12 carried by the following vote:**

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

Amendment 15 was described as an attempt to make the process for determining committee and outside board and commission assignments less prescriptive. Commissioner Bowman introduced a substitute version of Amendment 15, which was distributed at the meeting and included a role for the commission president to step in when there is not consensus among commissioners on a particular appointment.

**The motion for adoption of Substitute Amendment 15 carried by the following vote:**

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

Amendment 16 was summarized as a provision for all commissioners to serve on the Audit Committee prior to completing their fourth year in office.

**The motion for adoption of Amendment 16 carried by the following vote:**

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

The question recurred on the adoption of the resolution, as amended.

**The motion for approval of Second Reading and Final Passage of Resolution No. 3742, as amended, carried by the following vote:**

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

**6b. Motion of the Port of Seattle Commission to amend the Century Agenda small business goals to include Women and Minority Business Enterprise.**

Request document(s) included a draft motion. The adopted version of the full text of the motion is attached as minutes [Exhibit E](#). The text of the Century Agenda Strategies and Objectives, as amended by this and other motions of December 19, is attached as minutes [Exhibit D](#).

Presenter(s): Aaron Pritchard, Commission Issues and Policy Manager.

The text of the motion reads as follows:

**The Port finds that minority and women businesses are under-represented and have been under-utilized on Port contracts. The purpose of this motion is to amend the Century Agenda to reflect new goals that will increase participation by minority and women owned and controlled businesses in Port contracting for public works, consulting services, supplies, material, equipment, and other services.**

**Century Agenda, Strategy 3 shall be amended as follows:**

**Insert “women and minority business enterprise growth” to read:**

**“Use the Port’s influence as an institution to promote women and minority business enterprise growth, small business growth, and workforce development.”**

**Insert new objective 10:**

**10. Triple the number of WMBE firms that contract with the Port and increase to 15% the percentage of dollars spent on WMBE contracts within five years, 2018 - 2023.**

**11. Increase the proportion of funds spent by the Port with qualified small business firms on construction, consulting, goods and services to 40 percent of the eligible dollars spent.**

**12. Increase workforce training, job and business opportunities for local communities in maritime, trade, travel and logistics.**

**Renumber subsequent objectives as appropriate.**

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

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

**6c. Second Reading and Final Passage of Resolution No. 3737, a Resolution of the Port of Seattle Commission to establish a Diversity in Contracting Policy Directive to increase women and minority business opportunities and to repeal Resolutions No. 3506 and No. 3618. *[subsequently laid on the table]***

Request document(s) included a Commission agenda [memorandum](#) and draft resolution. A copy of the final draft of [Resolution No. 3737](#) will be made available upon adoption.

*Previously, the Commission approved First Reading of Resolution No. 3737 on December 5, 2017, and considered a presentation on potential amendments to the resolution on December 12, 2017.*

Commissioners commented with appreciation on the work that has gone into crafting the policy directive and expressed a desire to make additional refinements before adoption.

*Without objection, further consideration of agenda item 6c was laid on the table.*

**6d. Motion of the Port of Seattle Commission to develop a Port of Seattle Sustainable Aviation Fuels strategy.**

No request documents were provided prior to the meeting, but a draft of the motion was presented at the time of the meeting and the [final text of the motion](#) will be made available upon adoption.

Presenter(s): Veronica Valdez, Commission Specialist, and Stephanie Meyn, Senior Environmental Program Manager, Aviation Environmental.

The provisions of the motion were summarized. Commissioners commented on the opportunity for use of alternative aviation fuels to significantly reduce greenhouse gas emissions and particulate matter concentrations. They noted the need to send a strong market signal and opined on the need for state tax credits related to sustainable fuels and market implications for use of alternative fuels in non-aviation sectors. Commissioners discussed whether the motion was premature in light of its effect on airport lease negotiations (signatory lease and operating agreement, or SLOA) and consideration of airport rates and charges.

**The motion to lay the motion on the table failed to pass. The vote was:**

**In favor: Albro, Gregoire (2)**

**Opposed: Bowman, Creighton, Felleman (3)**

The motion reads as follows:

**The Port of Seattle is committed to implementing its long-standing goal of transitioning from traditional jet fuel to sustainable aviation fuels (SAF) at Seattle-Tacoma International Airport (Sea-Tac). Over the years, significant progress has been made to establish the economic and logistical feasibility of this effort. Transitioning to SAF will not only advance the Port's Century Agenda Greenhouse Gas (GHG) Reduction Goals but may also contribute to the reduction of aviation-related ultrafine particulate emissions. In addition, these efforts have the potential to create new sources of employment and economic opportunities throughout our region and state related to production, transmission, and deployment of SAF.**

**To advance the Port's well-established efforts to transition to SAF at Sea-Tac, the Port of Seattle shall adopt the following goals:**

- **By 2028, 10 percent of jet fuel available at Sea-Tac will be produced locally from sustainable sources.**
- **By 2035, 25 percent of jet fuel available at Sea-Tac will be produced locally from sustainable sources.**



- By 2050, the maximum blend currently approved for jet fuel will be produced locally from sustainable sources (e.g., 50 percent from sustainable sources is the maximum blend currently approved for HEFA-based SAF).

These timelines may be adjusted with technological advances, regulatory changes, and policy updates.

The SAF must meet the following principles: reduce lifecycle aviation-related greenhouse gas emissions; be drop-in fuel so no infrastructure or aircraft engine modifications are required; not take land out of food production; and reach price competitiveness.

The following steps will enable the Port to achieve these goals:

- In 2018, the Port will reach an agreement with the major airline tenants at Sea-Tac to establish a mutual commitment to advance the use of SAF that meets International Air Transportation Association (IATA) and ASTM International fuel standards and protocols to ensure safe and effective use.
- Create a market signal to facilitate the establishment of a domestic/local source of SAF at a commercially competitive rate.
- Ensure a commitment from the airlines that they will use SAF preferentially to meet goals established in the motion as long as there is a commercially competitive supply.
- Drive initiatives to ensure cost competitiveness for SAF through a variety of methods that are not mutually exclusive, including:
  - Work with airlines to support state and federal legislation establishing a cost-effective Low Carbon Fuel Standard (LCFS) consistent with bills, executive orders, policies and regulations implemented in the States of California and Oregon and the Province of British Columbia; or similar provision that includes options for aviation tax credits as well as renewable diesel for marine and on-road use.
  - Work with airlines to advocate to the Federal Aviation Administration (FAA), federal and state legislators, regulatory agencies, industry groups, and other partners for use of airport revenues to offset costs of SAF through their co-benefits.
  - Work with airlines to advocate to the FAA for new grant programs, or to adjust existing Voluntary Airport Low Emissions (VALE) grant programs to support SAF through their co-benefits.
  - Seek mutual financial investments with the Port and its partners.
  - To help create the demand for renewable diesel, which can be an important part of making the market demand for SAF, the Port shall work with the following partners including, but not limited to: Washington State Ferries, cruise lines, tug boat operators, other harbor craft, truck operators, fishing boats, the United States Coast Guard, and the Department of Defense.

**AMENDMENT**

Without objection, the motion's statement of policy direction was amended to include reference to community and stakeholder engagement.

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

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

7. **STAFF BRIEFINGS** – None.

8. **ADDITIONAL NEW BUSINESS** – None.

9. **RECESSED AND ADJOURNED**

The meeting was recessed at 4:32 p.m. to an executive session to discuss one matter relating to performance of public employee(s). Following the executive session, which lasted approximately 45 minutes, the Commission adjourned at approximately 5:20 p.m. without returning to public session.

Prepared:

Paul J. White, Commission Clerk

Attest:

Ryan Calkins, Commission Secretary

Minutes approved: June 12, 2018.