



P.O. Box 1209  
Seattle, Washington 98111  
[www.portseattle.org](http://www.portseattle.org)  
206.787.3000

## **APPROVED MINUTES COMMISSION SPECIAL MEETING JUNE 25, 2019**

The Port of Seattle Commission met in a special meeting Tuesday, June 25, 2019, in the International Auditorium at Seattle-Tacoma International Airport, Seattle, Washington. Commissioners Calkins, Felleman, Gregoire, and Steinbrueck were present. Commissioner Gregoire was present until 3:34 p.m. Commissioner Bowman was excused.

### **1. CALL to ORDER**

In accordance with the public meeting notice previously published, the meeting convened at 10:51 a.m. to conduct an executive session.

### **2. EXECUTIVE SESSION pursuant to RCW 42.30.110**

The notice posted during the executive session included one matter related to collective bargaining negotiations, one matter related to potential litigation and legal risk, and one matter related to performance of a public employee. The time for reconvening was posted as 12:15 p.m., in accordance with the public meeting notice previously published. Following the executive session, which lasted approximately 95 minutes, the public meeting reconvened at 12:30 p.m. Commission Vice President Fred Felleman led the flag salute.

### **3. APPROVAL of the AGENDA**

Without objection, the preliminary agenda was approved without revisions.

### **4. EXECUTIVE DIRECTOR'S REPORT**

Executive Director Steve Metruck previewed items on the day's agenda and made announcements.

### **5. PUBLIC COMMENT**

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

- Chris McClain, Iron Workers Local 86, regarding recent labor negotiations with the port.
- Ron Dahl, International Union of Operating Engineers Local 302, regarding recent labor negotiations with the port.
- Nicole Grant, Executive Secretary-Treasurer, Martin Luther King County Labor Council, in support of labor groups negotiating with the Port of Seattle.
- Heather Worthley, Executive Director, Port Jobs, regarding the services of Port Jobs. Ms. Worthley submitted written materials, which are attached as minutes [Exhibit A](#).

- J.C. Harris, [www.seatacnoise.info](http://www.seatacnoise.info), regarding the University of Washington ultrafine particulate matter study and air monitoring within airport communities.
- David Goebel, founder, Vashon Island Fair Skies, regarding the aircraft impacts of the Federal Aviation Administration's NextGen program on Vashon Island. Mr. Goebel submitted written materials, which are attached as minutes [Exhibit B](#).
- Anne Kroeker, Des Moines resident, regarding negative community impacts of the port's cruise business.

**6. UNANIMOUS CONSENT CALENDAR**

*[Clerk's Note: Items on the Unanimous Consent Calendar are not individually discussed. Commissioners may remove items for separate discussion and vote when approving the agenda.]*

**6a. Approval of the minutes of the special meetings of May 28 and June 4, 2019.**

**6b. Authorization for the Executive Director to: (1) complete design and construction of Phase II of the modernization of HVAC controls at the Bell Harbor International Conference Center at Pier 66 in an amount not to exceed \$450,000 of a total estimated project cost of \$750,000; and (2) use port crews to complete the work (CIP #C801006).**

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

**6c. Approval of a revised Commission 2019 international travel plan to include additional travel in the third quarter.**

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

**The motion for approval of consent items 6a, 6b, and 6c carried by the following vote:**

**In favor: Calkins, Felleman, Gregoire, Steinbrueck (4)**

**Absent for the vote: Bowman**

**7. SPECIAL ORDERS of BUSINESS**

**7a. Delta Air Lines Presentation.**

There were no presentation materials provided.

Presenter(s): Tony Gonchar, Vice President-Seattle, Delta Airlines.

In recognition of Delta's five years of operating out of Seattle-Tacoma International Airport as a Delta hub airport, Mr. Gonchar made brief remarks of appreciation. He presented the port with two Delta aircraft models and commented on Delta's role as an airport partner.

**7b. International Arrival Facility Progress Briefing (CIP #C800583).**

Presentation document(s) included an agenda [memorandum](#) and [presentation slides](#). Three brief video clips were presented and are available upon request.

Presenter(s): Janet Sheerer, Capital Project Manager; Stephen St. Louis, Capital Project Manager; Steve McCabe, Deputy Program Leader; Brian Ahern, Vice President, Clark Construction; Bill Calhoun, Executive Vice President, Clark Construction; Chip Hastie, Executive Vice President, Project Review, Clark Construction; and John Okamoto, Executive Review Panel Member.

Progress on International Arrival Facility program elements was summarized. Commissioners commented on environmental certification of the facility and asked about schedule challenges and alternative sequencing for opening parts of the new facility. Commissioners inquired about system testing, federal agency staffing levels, and passenger throughput.

The process for assembling and delivering the pedestrian walkway component of the program was described. The walkway's weight is about the same as 18 Boeing 737s and the core towers are eight stories high. It will take three to four hours to move the walkway into position.

The ongoing work to manage the relationship between the port and the progressive-design-builder and overcome project challenges was described. The observations of the Executive Review Panel indicate the program is being appropriately and transparently managed.

## **8. AUTHORIZATIONS and FINAL ACTIONS**

- 8a. Authorization for the Executive Director to execute and deliver a purchase and sale agreement and all necessary documents to acquire property near Seattle-Tacoma International Airport on 28th Avenue South from Sound Transit and execute and deliver a guideway easement for their existing light rail operation in this location for an approximate cost of \$3,335,746 (CIP #C800143).**

Request document(s) included an agenda [memorandum](#), [presentation slides](#), [memorandum of understanding](#), [appraisal report](#), and [guideway easement](#).

Presenter(s): Allan Royal, Aviation Property Manager.

**The motion for approval of agenda item 8a carried by the following vote:**

**In favor: Calkins, Felleman, Gregoire, Steinbrueck (4)**

**Absent for the vote: Bowman**

- 8b. Authorization for the Executive Director to execute a service contract for Seattle-Tacoma International Airport Janitorial Service in the newly created Zone 5, which includes the new International Arrival Facility, for a period of up to five years.**

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

Presenter(s): Stuart Mathews, Director Aviation Maintenance, and Jinah Kim, Senior Manager, Aviation Maintenance Custodial Services.

**The motion for approval of agenda item 8b carried by the following vote:**

**In favor: Calkins, Felleman, Gregoire, Steinbrueck (4)**

**Absent for the vote: Bowman**

**8c. Authorization for the Executive Director to execute contracts for banking services for up to ten years, a five-year base term with option(s) to extend for up to five additional years. The estimated contract amount is \$48,200,000 over ten years.**

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

Presenter(s): Diane Campbell, Treasury Manager.

The terms, services, and fees associated with the contract were summarized. The legal requirements limiting who can provide the banking services were explained. Most of the commercial activity associated with the banking services in question is generated by the port's parking operation, and the number of transactions continues to increase.

**The motion for approval of agenda item 8c carried by the following vote:**

**In favor: Calkins, Felleman, Gregoire, Steinbrueck (4)**

**Absent for the vote: Bowman**

**8d. Motion 2019-10: a motion of the Port of Seattle Commission adopting principles to guide outreach and development of the South King County Fund policy.**

Request document(s) included an agenda memorandum and [outreach schedule](#). A copy of the amended and adopted version of [Motion 2019-10](#) is attached. A summary of port community programs was provided at the meeting and is attached as minutes [Exhibit C](#).

Presenter(s): Aaron Pritchard, Commission Policy Manager, and Andy Gregory, Environmental Engagement Program Manager.

*Previously, the Commission adopted Motion 2018-14 on November 27, 2018, establishing funding in 2019-2023 not to exceed \$10 million for a South King County Support Program. Motion 2019-07 adopted May 28, 2019, formalized the Duwamish Valley Community Equity Program.*

It was reported that the principles contained in the motion are intended to guide outreach and development of the South King County Fund established by Motion 2018-14. A community engagement plan was described. Commissioners commented on the summary of port community programs, noting partnership funding programs not listed. It was reported that staff intends to model the implementation of the South King County Fund on the Duwamish Valley Community Equity Program.

#### **AMENDMENT 1**

Upon motion and second for adoption of Motion 2019-10, the following amendment was offered: On page 3, line 109, insert the following new paragraph:

In September of 2019, the Commission intends to review a South King County Fund Policy Directive to guide the development of the SKCF program and a motion to instruct the implementation of pilot projects. As part of the policy direction, the Commission intends to retain review and approval authority for proposed projects and to retain the authority to

approve funding of projects recommended by Port staff, as well as projects recommended through community input.

**AMENDMENT 1 to AMENDMENT 1**

Upon motion and second for adoption of Amendment 1, the following amendment to the amendment was offered: In the first line, delete "In September of 2019,"

**Amendment 1 to Amendment 1 was adopted by the following vote:**

**In favor: Calkins, Felleman, Gregoire, Steinbrueck (4)**

**Absent for the vote: Bowman**

The question recurred on adoption of Amendment 1, as amended.

**Amendment 1, as amended, was adopted by the following vote:**

**In favor: Calkins, Felleman, Gregoire, Steinbrueck (4)**

**Absent for the vote: Bowman**

The question recurred on Motion 2019-10, as amended.

**The motion for adoption of Motion 2019-10, as amended, carried by the following vote:**

**In favor: Calkins, Felleman, Gregoire, Steinbrueck (4)**

**Absent for the vote: Bowman**

**9. PRESENTATIONS, REPORTS, and STAFF BRIEFINGS**

**9a. Preview of 2020 Maritime Division Business Plan and Budget Development.**

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

Presenter(s): Stephanie Jones Stebbins, Managing Director, Maritime, and Kelly Zupan, Director, Seaport Finance and Budget.

It was reported that the Maritime Division budget proposed for 2020 will focus on capital development. The budget preparation process aligns the Century Agenda to the division's strategic and business planning, budget proposals, and 2020 performance plans. The analysis of strengths, weaknesses, opportunities, and threats ("SWOT") relevant to the division's participation in the ocean economy was summarized. The progress of various Maritime Division lines of business was described. Commissioners commented on relevant industry threats, increasing size of cruise ships, ecotourism, and maritime data needs.

*Commissioner Gregoire was present until 3:34 p.m.*

Commissioners noted the 98 percent occupancy rate of industrial property. They asked about the division's goal to achieve a positive net operating income by 2024. Commissioners also commented on provision of electrical power (shorepower) at Pier 66 for Norwegian Cruise Line vessels.

**ANNOUNCEMENTS**

Commissioners commented on recent demonstrations of facial recognition technology by Delta Air Lines in Atlanta and the prospect of developing biometrics policies for the port. A June conference in Riga, Latvia, on sustainability practices for port cities was described. Commissioners noted that the port will begin to drive new piles at Terminal 5 in August.

**10. QUESTIONS on REFERRAL to COMMITTEE** – None.

**11. ADJOURNMENT**

There was no further business, and the meeting adjourned at 4:04 p.m.

Prepared:

Paul J. White, Commission Clerk

Attest:

Peter Steinbrueck, Commission Secretary

Minutes approved: July 23, 2019.