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**APPROVED AMENDED MINUTES
COMMISSION REGULAR MEETING MAY 14, 2019**

The Port of Seattle Commission met in a regular meeting Tuesday, May 14, 2019, in commission chambers at Port of Seattle offices, 2711 Alaskan Way, Seattle, Washington. Commissioners Bowman, Calkins, Felleman, and Steinbrueck were present. Commissioner Gregoire was present until 3:30 p.m.

1. CALL to ORDER

The meeting was called to order at 11:03 a.m. by Commission President Stephanie Bowman.

2. EXECUTIVE SESSION pursuant to RCW 42.30.110

The public meeting was immediately recessed to an executive session to discuss one matter related to litigation and legal risk and one matter related to national security with the intention of reconvening the public session at 12:00 noon. Following the executive session, which lasted approximately 60 minutes, the public meeting reconvened at 12:25 p.m. Commissioner Bowman led the flag salute.

3. APPROVAL of the AGENDA

Without objection, the preliminary agenda was revised to remove agenda item 6e from the Unanimous Consent Calendar for separate discussion and vote.

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):

- Jan von Lehe, Seattle resident, regarding the cruise industry and environmental stewardship.
- Dale Bright, Political Director, Laborers' Local 242 (Laborers' International Union of North America – LIUNA), regarding the cruise showcase.
- J.C. Harris, Des Moines resident, regarding the environmental impact of air traffic growth, and noise remediation funding.
- Alex Tsimerman, Stand Up America, regarding the demographic composition of local government leadership.
- *In lieu of spoken comment, Anne Kroeker, Des Moines resident, submitted written remarks, which are attached as minutes Exhibit E.*

The following individuals commented regarding the Maritime Innovation Center:

- In lieu of spoken comment, Lisa Brown, Director, State of Washington Department of Commerce submitted written materials regarding the Maritime Innovation Center, which are attached as minutes Exhibit A.
- John Lockwood, University of Washington Applied Physics Lab. Admiral Lockwood USCG, ret. submitted written materials, which are attached as minutes Exhibit B.
- Will Ayers, Elliott Bay Design Group.
- Elizabeth Scallon, Weworks Innovation Lab.
- Peter Tarabochia, Vice President, Elliott Bay Design Group.
- Lara Petersdottir, Executive Director, Pacific Northwest Ocean Cluster.
- Bill Wescott, Woodinville resident.

The following individuals commented regarding taxis at the airport:

- In lieu of spoken comment, A. Sheikh, Tukwila Resident submitted written materials regarding the taxis at the airport, which are attached as minutes Exhibit C.
- Ram Singh.
- Sukwindet Singh.
- Abdirahim Hassan, Driver, Flat Rate For Hire.
- Chris Van Dyke, President/CEO, NetCar Technology.

The following individuals commented regarding accessible taxi service at the airport:

- Cindi Laws, Executive Director, Wheelchair Taxi Association. Ms. Laws submitted written materials, which are attached as minutes Exhibit D.
- Aamar Kahn.
- Salah Mohamed.
- Wayne Gilmore.

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 meeting of April 16, 2019.

6b. Approval of the Claims and Obligations for the period April 1, 2019, through April 30, 2019, including accounts payable check nos. 929433-929871 in the amount of \$5,305,391.15; accounts payable ACH nos. 016320-017195 in the amount of \$68,397,311.52; accounts payable wire transfer nos. 015096-015122 in the amount of \$14,327,735.36, payroll check nos. 192564-192799 in the amount of \$280,729.33; and payroll ACH nos. 906479-910699 in the amount of \$10,794,791.86 for a fund total of \$99,105,959.22.

Request document(s) included an agenda memorandum.

- 6c. Authorization for the Executive Director to (1) proceed with a Maximo Enterprise Asset Management upgrade project and (2) procure required hardware, software, and vendor services for a total project cost not to exceed \$500,000.**

Request document(s) included an agenda memorandum.

- 6d. Authorization for the Executive Director to execute a First Amendment to the Opus Lease Agreement at the World Trade Center West, which would extend the original 60-month lease term by 16 months to a 76-month lease term.**

Request document(s) included an agenda memorandum, presentation slides, and lease amendment.

As noted above, agenda item 6e was temporarily postponed.

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

In favor: Bowman, Calkins, Felleman, Gregoire, Steinbrueck (5)

7. SPECIAL ORDERS of BUSINESS

Agenda item 7a was removed from the agenda prior to publication.

7b. Briefing on the results of the 2019 maritime economic impact analysis.

Presentation document(s) included an agenda memorandum, presentation slides, and economic impact analysis report.

Presenter(s): Stephanie Jones Stebbins, Managing Director, Maritime, and Joseph Gellings, Senior Planner, Maritime.

A study of the impact of maritime activities upon the local economy was conducted by Community Attributes Inc.; use of a local firm allowed for comparison to studies of other Washington state industries.

- The cruise business has 1.2 million passenger calls per year, resulting in 5,500 local jobs and a total business output of \$895.6 million.
- Seattle is a home port, which means most passengers visit twice, at departure and return.
- Cruise lines procure goods and services here, and passengers purchase goods and services before and after their cruises.

Commissioners expressed an interest in maintaining the economic impact of cruise business while reducing environmental impacts, and in marketing other local attractions (wineries, ecotourism) to cruise passengers.

- Commercial fishing results in \$1.4 billion in revenue and 11,300 local jobs.
- In 2019, 300 fishing vessels used Port of Seattle facilities.

- Nearly 50 percent of the North Pacific fishery catch is made by vessels whose homeport is Seattle.
- The Northwest Seaport Alliance (NWSA) is the fourth largest gateway for containerized imports.
- The NWSA is responsible for 58,400 jobs and has a \$12.4 billion total business output.
- Smaller lines of business (marinas, moorage, tug and barge, and the grain terminal) were not presented in detail but are examined in the report document.

ITEMS REMOVED from CONSENT

- 6e. Motion 2019-05: A motion of the Port of Seattle Commission adopting the charter of the 2019 Aviation Special Committee, as attached, to develop recommendations to the Port of Seattle Commission on meeting the region's air transportation needs at Seattle-Tacoma International Airport for the next 25 years and encouraging cost-effective expansion of domestic and international passenger and cargo service; replacing the charter of the Aviation Special Committee adopted March 13, 2018.**

Request document(s) included a draft text of Motion 2019-05 and committee charter. The adopted version of the motion is attached.

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

Previously, Motion 2019-05 was laid on the table on April 23, 2019.

Changes were made since this item was discussed on April 23, 2019, to limit the scope, remove oversight recommendations for the Sustainable Airport Master Plan, and create date deliverables.

The charter was amended to limit the duration to the remainder of the calendar year. Interest was expressed in making the Aviation Committee a standing committee, and commissioners discussed conducting public meetings of the committee to be attended by the public and additional commissioners. Public meetings would increase transparency but limit flexibility and smooth communication between committee members. It was suggested that transparency of committee work could be increased with reports to the full commission. A thoughtful examination of the process for and repercussions of establishing a standing committee should be carefully examined before moving forward.

AMENDMENT

The following amendment to the charter was adopted without objection:

- On lines 64 and 65, delete "for the duration of the Sustainable Airport Master Plan process" and insert in lieu thereof: until the end of the calendar year.

The motion for adoption of Motion 2019-05, as amended, carried by the following vote:

In favor: Bowman, Calkins, Felleman, Gregoire, Steinbrueck (5)

8. AUTHORIZATIONS and FINAL ACTIONS

- 8a. Authorization for the Executive Director to (1) authorize an additional \$1,850,000 in design funding for the Port's redevelopment of the historic Seattle Ship Supply Building at Fishermen's Terminal into a new Maritime Innovation Center building and (2) execute an amendment to the existing service agreement for Fishermen's Terminal Phased Design Services with Miller Hull Partnership LLP in the amount of \$1,000,000 to complete the final planning, design, and permitting of the Maritime Innovation Center, for a new not-to-exceed contract value of \$5,000,000. The requested Maritime Innovation Center design authorization brings the total authorization to date for CIP #C801804 to \$2,150,000 out of an estimated project cost of \$10,500,000.**

Request document(s) included an agenda memorandum, presentation slides, and business plan.

Presenter(s): Dave McFadden, Managing Director, Economic Development; Tim Leonard, Capital Project Manager; and Jennifer States, Business Development Manager and Senior Consultant, DNV GL.

The mission of the Maritime Innovation Center will be to develop and generate good-paying sustainable maritime and ocean industry jobs. The center is expected to provide business development assistance, networking support, educational programs, outreach services, facility services, and virtual services. The port will act as landlord to a selected operating partner.

The request currently under consideration is design funding to determine the cost of constructing the center in the historic ship supply building at Fishermen's Terminal. While other locations are possible, a final determination will be made in the first quarter of 2020 after design work is complete. As an iconic structure and the first building constructed by the Port of Seattle, the ship supply building is expected to be the preferred location.

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

In favor: Bowman, Calkins, Felleman, Gregoire, Steinbrueck (5)

- 8b. Authorization for the Executive Director to proceed with Phase II of the Airport Terminal Accessibility and Safety Enhancements project at Seattle-Tacoma International Airport for a total estimated project cost of \$16,116,000 and advertise and execute a major works construction contract for the project in the amount of \$8,337,000. *[corrected action request]***

Request document(s) included a corrected agenda memorandum, presentation slides, and letter of support. A corrected agenda memorandum was provided at the time of the meeting.

Presenter(s): Ray Moreno, Capital Project Manager, and Mark Leutwiler, Senior Manager Security Strategy and Intelligence.

Phase 1 of this project was completed in January 2019. The scope has been expanded to include bollards in the third floor parking garage, sidewalk resurfacing, and accessibility ramps spaced at 100-foot intervals. No existing traffic lanes have been removed.

Commissioners enquired about the diversity in contracting goal, which is eight percent. It is not higher because the majority of costs for this project are for materials, not labor. The minority advisory group recommended the eight percent goal.

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

In favor: Bowman, Calkins, Felleman, Gregoire, Steinbrueck (5)

9. PRESENTATIONS, REPORTS, and STAFF BRIEFINGS

9a. 2019 First Quarter Capital Improvement Projects Report.

Presentation document(s) included an agenda memorandum, presentation slides, and report.

Presenter(s): Dave Soike, Chief Operating Officer; Ralph Graves, Senior Director, Capital Development; Krista Sadler, Director, ICT Technology Delivery; Greg Carey, Capital Program Leader; Fred Chou, Capital Program Leader; and Ken Warren, Capital Program Leader.

This report was presented in a new format that shows progress status for larger projects. There will be less reporting on projects that are on schedule and on budget. Inclusion of major project updates in the CIP report will replace individual quarterly project updates. Updates on smaller projects will also be presented when relevant, and all variances will be included in the report.

Factors considered in reporting are customer service, community and environmental health, economic opportunity, and financial stewardship and asset preservation. In 2018, capital projects benefitted the community by creating the equivalent of 700 jobs and paying \$49 million in sales tax on construction. Baggage Optimization, the North Satellite, and Central Terminal are focused on improving customer experience.

International Arrivals Facility:

- The entire roof is now in place with the exception of some expansion joints and skylight trim.
- The final building envelope is almost complete.
- The flyover bridge steel has been erected.
- There is not room in the current schedule for slippage; everything must go well in order to finish on time.
- Some changes have been necessitated by new Customs and Border Protection requirements regarding passport check podiums, but they should not be an issue.

North Satellite:

- Phase 1A was successfully completed, with five new gates open.
- West side restrooms were opened ahead of schedule.
- Phase 2 begins in June, when the existing facility will close.
- The next milestones are the opening of phase 1B, the remaining portion of the expansion, and demolition of the existing building.

Baggage Optimization:

- The project is six months behind schedule.
- Phase 1 will be complete in January 2020.
- Advertisement for Phase 2 will occur in July 2019.

Commissioner Gregoire was present until 3:30 p.m.

Terminal 46 Cruise:

- Design and consultant support funds were received on March 26, 2019.
- Design work will begin soon.
- The process of selecting an investment partner is underway.

New schedule variances:

- Mechanical Energy Conservation (due to contractor resource availability).
- Stormwater Pond Bird Deterrent Improvements (due to added scope because of February 2019 snowstorms).
- Airport Dining and Retail Kiosk Expansion (due to a change in Concourse A kiosk location).
- Rental Car Facility Bus Tracking System (due to signage design changes).
- Supplier Outreach and Procurement System (due to resource constraints).

It is anticipated that the Central Terminal Infrastructure project will go over budget. Commissioners asked for more advance notice when there is a budget variance of 20 percent or more, and for staff to differentiate between minor impacts and major impacts (a schedule variance of a few weeks versus a schedule variance of several months, for example).

10. QUESTIONS on REFERRAL to COMMITTEE – None.

11. ADJOURNMENT

There was no further business, and the meeting adjourned at 4:10 p.m.

Prepared:

Attest:

Amy Dressler, Deputy Commission Clerk

Peter Steinbrueck, Commission Secretary

Minutes approved: June 11, 2019, and subsequently amended July 9, 2019.