



Commissioners
John Creighton
Chair and President
Bill Bryant
Patricia Davis
Lloyd Hara
Gael Tarleton

Tay Yoshitani
Chief Executive Officer

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An audio of the meeting proceedings and meeting materials are available on the Port of Seattle web site -

<http://www.portseattle.org/about/organization/commission/commission.shtml>

(The approximate point in the audio recording for the specific item is identified by minutes and seconds; example: 01:30.)

**APPROVED MINUTES
COMMISSION SPECIAL MEETING OCTOBER 27, 2008**

The Port of Seattle Commission met in a regular meeting at 3:00 p.m., Monday, October 27, 2008 in the Commission Chambers at Pier 69, 2711 Alaskan Way, Seattle, WA. Commissioners Bryant, Creighton, Davis, Hara and Tarleton were present.

1. CALL TO ORDER

The regular meeting was called to order at 3:10 p.m. by John Creighton, Commission Chair and President.

2. EXECUTIVE SESSION pursuant to RCW 42.30.110

None.

PLEDGE OF ALLEGIANCE

3. APPROVAL OF MINUTES

None.

4. SPECIAL ORDER OF BUSINESS

None.

5. (00:01:05) UNANIMOUS CONSENT CALENDAR

- a. Request for approval to execute a contract for auditing services for a Financial Statement, Single Audit (federal grant compliance) and the Passenger Facility**

Charge auditing services of the Port's 2008 operating period with Moss Adams in the amount of \$608,000.

Request Document: Commission agenda [memorandum](#) dated October 8, 2008 from Dan Thomas, Chief Financial Officer and Rudy Caluza, Director, Accounting and Financial Reporting.

Motion for approval of Item 5a – Hara

Motion carried by the following vote:

In Favor: Bryant, Creighton, Davis, Hara, Tarleton (5)

General Business Items were advanced on the agenda as follows:

11. GENERAL BUSINESS

c. (00:03:19) Request for authorization to execute a Memorandum of Understanding between the International Union of Painters and Allied Trades, AFL-CIO, District Council No. 5 and the Port of Seattle

Request Document: Commission agenda [memorandum](#) dated October 2, 2008 from Gary Schmitt, Labor Relations Director

Presenter: Mr. Schmitt

Motion for approval of Item 11c – Bryant

Motion carried by the following vote:

In Favor: Bryant, Creighton, Davis, Hara, Tarleton (5)

d. (00:04:17) Request for authorization to execute a new Labor Agreement with the International Brotherhood of Electrical Workers Local 46, representing Electricians

Request Document: Commission agenda [memorandum](#) dated September 22, 2008 from Gary Schmitt, Labor Relations Director

Presenters: Mr. Schmitt and Lisa Hornfeck, Labor Relations Manager

Motion for approval of Item 11d – Davis

Motion carried by the following vote:

In Favor: Bryant, Creighton, Davis, Hara, Tarleton (5)

- b. (00:48:40) Request for authorization to advertise and award a personal service consulting contract for federal government issue advocacy services for a maximum of four years, which includes four one-year options that are annually reviewed and exercised with a cost not to exceed \$1.2 million over the 2009-2012 contract period.**

Request document: Commission agenda [memorandum](#) dated October 22, 2008 from Kurt Beckett, Director of External Affairs.

Presenter: Mr. Beckett

Motion for approval of Item 11b – Hara

Commissioner Davis clarified that with the approval of this item, staff would not need to return to Commission each year for approval of the contract.

Motion carried by the following vote:

In Favor: Bryant, Creighton, Davis, Hara, Tarleton (5)

- a. (00:12:49) Request for authorization to sign Settlement Agreement with the Malarkey Parties, the Duwamish Parties, the City of Seattle and King County regarding Terminal-117 Site and Lower Duwamish Site Cleanup Costs, and Natural Resource Damage Liability**

Request Document: Commission agenda [memorandum](#) dated October 22, 2008 from Wayne Grotheer, Director, Seaport Finance and Asset Management and Susan Ridgley, Senior Port Counsel

Presenters Ms. Ridgley and Stephanie Jones-Stebbins, Seaport Environmental Manager

Motion for approval of Item 11a – Davis

Public comment regarding Item 11a was received from the following:

- Heather Trim, People for Puget Sound

Motion carried by the following vote:

In Favor: Bryant, Creighton, Davis, Hara, Tarleton (5)

The agenda was returned to Policy and Staff Briefings as follows:

6. POLICY AND STAFF BRIEFINGS

a. (00:27:58) Terminal 30 and Terminal 91 Update – Financial and Schedule Status

Presentation Documents: Commission agenda [memorandum](#), [attachment](#), and [table](#) dated October 2, 2008 from Michael Burke, Director, Container Operations and Dakota Chamberlain, Manager, Seaport Project Management

Presenter: Mr. Chamberlain

Public comment regarding Item 6a was received from the following:

- Fred Felleman, Friends of the Earth

b. (00:36:17) Briefing on Seaport Capital Budget and Real Estate Operating and Capital Budget

Presentation documents: Commission agenda [memorandum](#) dated October 13, 2008 from Michael Tong, Corporate Budget Manager and computer slide [presentation](#).

Presenters: Seaport Division – Charlie Sheldon, Managing Director, Seaport and Boni Buringrud, Manager, Seaport Finance and Budget. Real Estate Division – Joe McWilliams, Managing Director, Real Estate and Property Management. Port-wide Rollup Summary – Mr. Tong

Topics Reviewed

(00:36:55) Seaport Division **Ms. Buringrud noted that there was additional updated information included in the presentation. All information is included within these minutes.

- Capital Budget Review
- Key Strategies
- Capital Plan Summary
- Committed Capital Plan – Key Changes
- Committed Capital, Under Contract
- Committed Capital, Commission Authorized
- Committed Capital, Division Pending
- Capital Business Plan Prospective
- Business Plan Prospective – Revenue/Capacity Growth
- Business Plan Prospective – Renewal/Enhancement
- Business Plan Prospective – Environmental Safety

(01:07:28) Real Estate Division – Operating Budget

- Key Assumptions
- Org Revenues by Group
- Org Expenses by Group
- Business Group Income from Ops
- Real Estate Org Expense Budget
- Initiatives
- Full-time Equivalents (FTEs)
- Unfunded Maintenance
- Real Estate Budget Summary
- Risks

Real Estate Division – Capital Budget

- Capital Budget Review
- Real Estate Capital Plan Summary
- Real Estate Committed Capital Plan – Key Changes
- Committed Capital, Under Contract
- Committed Capital, Division Pending
- Capital, Business Plan Prospective
- Business Plan Prospective – Revenue/Capacity Growth
- Business Plan Prospective – Renewal/Enhancement

(01:58:09) Port-wide Rollup – 2009 Preliminary Budget

- Preliminary Budget
 - Total Revenues
 - Operating Expenses
 - Operating Income Before Depreciation
 - Operating Income After Depreciation
- Net Operating Income
- 2009 Major New Budget Items
- Port-wide FTEs Summary

7. MARINE ITEMS

None.

8. AVIATION ITEMS

None.

9. CAPITAL DEVELOPMENT

None.

10. REAL ESTATE

None.

12. NEW BUSINESS

Commissioner Davis provided a brief report on the kickoff of the SR519 construction project, which she attended on behalf of the Port on October 23.

Commissioners also commented on their recent attendance at the Blacks In Government event, where Joyce Kirangi, Internal Audit Manager, was presented their 2008 Leader of the Year award.

Commissioner Davis then gave background on the recent WCIT Senators' Conference, which she attended along with Commissioner Tarleton.

Commissioner Creighton commented on a recent Seattle Chamber Leadership Conference, which he attended along with Commissioner Hara and CEO Yoshitani.

13. ADJOURNMENT

There being no further business, the meeting was adjourned at 5:30 p.m.

(A digital recording of the meeting is available on the Port's website.)

Bill Bryant
Secretary