

Commissioners

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Chair and President
Bill Bryant
Patricia Davis
Lloyd Hara
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An audio of the meeting proceedings and meeting materials are available on the Port of Seattle web site -

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(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 NOVEMBER 25, 2008**

The Port of Seattle Commission met in a regular meeting at 12:00 p.m., Tuesday, November 25, 2008 in the International Conference Center, Airport Office Building, Seattle-Tacoma International Airport, Seattle, WA. Commissioners Bryant, Creighton, Davis, Hara and Tarleton were present.

1. CALL TO ORDER

The regular meeting was called to order at 12:07 p.m. by John Creighton, Chair and President.

2. EXECUTIVE SESSION pursuant to RCW 42.30.110

The regular meeting was immediately recessed to an executive session to discuss Legal, Contract and Real Estate matters for approximately one hour and reconvened to public session.

PLEDGE OF ALLEGIANCE

3. APPROVAL OF MINUTES

(00:01:18) Motion for approval of minutes of the joint special work session of October 8 , 2008 – Bryant

Motion carried by the following vote:

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

4. **SPECIAL ORDER OF BUSINESS**

None.

5. **UNANIMOUS CONSENT CALENDAR**

None.

General Business was advanced on the agenda as follows:

11. **GENERAL BUSINESS**

- a. ***(ITEM DEFERRED)*** Resolution No. 3609, First Reading. 2009 Salary and Benefit Resolution.
- b. **(00:01:48) Resolution No. [3607](#) and Resolution No. 3608; Second Reading and Final Passage. Adopting final budget for 2009, and directing King County Council as to the specific sums to be levied on assessed property for 2009.**
 1. **Public Hearing**
 2. **Second Reading and Final Passage**

Request document: Commission agenda [memorandum](#) dated November 10, 2008 from Michael Tong, Corporate Budget Manager; computer slide [presentation](#); and spreadsheets detailing Seaport and Real Estate projects as related to different funding scenarios.

Presenters: Dan Thomas, Chief Financial Officer, Mr. Tong, and Elizabeth Morrison, Senior Manager, Corporate Finance

Prior to the presentation, Mr. Thomas informed the Commission that for Second Reading and Final Passage of the budget and tax levy resolutions, changes discussed at First Reading had been incorporated, specifically concerning a reduction in the concessions revenue at the Airport, based on a reduced enplanement forecast, as well as including some deferred maintenance within the Seaport and Real Estate divisions.

Topics review within the presentation:

- 2009 Budget
 - Proposed Budget Changes
 - Operating Budget Summary
 - Port-wide FTE's Summary
- 2009 Tax Levy
 - Levy Sources and Uses
 - Capital Spending Capacity
 - Alternative Levy Scenarios and Comparison

- Plan of Finance, 2009-2013
- Funding Sources – Seaport and Real Estate
- Funding Sources – Aviation
- Debt Service Coverage
- Port-wide Revenue Bond Debt Service Coverage

During the presentation, Commissioner Creighton referenced a letter received from The Municipal League of King County. A copy of the letter is, by reference, made a part of these minutes, is marked Exhibit “[A](#),” and is on file in Port offices.

Following the presentation, Mr. Thomas commented that he would be suggesting amendments to Resolution No. 3607, in order to bring into alignment the changes recommended since First Reading, regarding Airport concessions and deferred maintenance.

Commissioner Hara moved for Second Reading and Final Passage of Resolution No. 3607, with the following amendment.

‘That on page two of the resolution, the dollar amount for the tax levy noted as \$84,010,011 be lowered to \$75,899,369 in both sections where mentioned. He commented that by so doing, the tax levy would be set at 19.7 cents for 2009.’

Commissioner Bryant moved for Second Reading and Final Passage of Resolution No. 3608, including an amendment that would make it consistent with the proposed amendment to Resolution No. 3607.

Mr. Thomas clarified that Resolution No. 3608 would only be necessary if the tax levy was being increased; thus, a vote was only needed on Resolution No. 3607.

Mr. Thomas also noted that within the Final Passage of Resolution No. 3607, included would be changes to Airport non-airline revenues and an increase for deferred maintenance costs as had been discussed by the Commission.

Commissioner Hara moved to amend Resolution No. 3607 further, to include the changes as described by Mr. Thomas.

(00:36:37) Commission President Creighton declared the meeting as an open Public Hearing, and comments were received from the following individuals regarding the budget:

- Bruce Carter, Municipal League of King County
- Horace Parker, Citizen
- Adam Lloyd, Citizen

Commission President Creighton suggesting hearing public testimony from those present who wanted to speak regarding a proposed fee increase to courtesy vehicles at Sea-Tac Airport.

Comment was received from the following individuals:

- Sandy Sidell, Dollar/Thrifty Group
- Jeff Hart, Manager, Marriott SeaTac

Commissioner Creighton declared the Public Hearing closed following public comment. Commissioner Creighton also suggested that although he wanted to proceed with the budget resolution as proposed, he would like staff to return to discuss further the issue of courtesy vehicle fee increases.

Commissioner Creighton re-opened the meeting for public comment, and the following individual spoke:

- Herald Ugles, I.L.W.U. , Local 19

The public hearing was then closed by Commissioner Creighton.

Prior to the vote, Commissioner Davis stated that for the first time in her history with the Port Commission, she would be voting against the proposed budget, due to concern of cutting into the Port's core business and not continuing to invest to keep the Port's customers here, to keep the Port's tenants whole, and to keep trade flows coming.

Vote to amend Resolution No. 3607

Motion carried by the following vote:

In Favor: Bryant, Creighton, Hara, Tarleton (4)

Opposed: Davis (1)

Motion for Second Reading and Final Passage of Resolution No. 3607, as amended, carried by the following vote:

In Favor: Bryant, Creighton, Hara, Tarleton (4)

Opposed: Davis (1)

Marine, Aviation, and Capital Development Items were advanced on the agenda as follows:

7. MARINE ITEMS

a. (01:27:36) Request for authorization to execute the Sixteenth Amendment to Lease with Seafreeze Limited Partnership at Terminal 115.

Request document: Commission agenda [memorandum](#) dated November 7, 2008 from Michael McLaughlin, Director, Cruise and Industrial Properties and Greg Englin, Business Development & Real Estate Manager

Presenter: Mr. Englin

Motion for approval of Item 7a – Bryant

Motion carried by the following vote:

In Favor: Bryant, Creighton, Hara, Tarleton (4)

Absent for the vote: Davis

Commission President Creighton called for a five-minute recess and the meeting was reconvened at 3:05 p.m.

8. AVIATION ITEMS

a. (01:40:00) Request for authorization to separate an originally advertised \$300,000 work scope into two contracts of \$150,000 to two firms, for the completion of a Baggage System Master Plan Study.

Request document: Commission agenda [memorandum](#) dated November 17, 2008 from Dave Soike, Deputy Managing Director, Aviation Division and Nora Huey, Director, Central Procurement Office

Presenter: Nick Harrison, Senior Manager, Airport Operations and Dave Tomber, Planning Program Manager

Motion for approval of Item 8a – Davis

Motion carried by the following vote:

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

9. CAPITAL DEVELOPMENT

a. (02:02:25) Request for authorization to 1) Issue Change Order to Small Works Contract SW-0313972 in the amount of \$6,701.65, excluding sales tax, and 2) Authorize Small Works Contract SW-0313972 to be increased to \$206,700.65, excluding sales tax

Request document: Commission agenda [memorandum](#) dated November 17, 2008 from Ralph Graves, Managing Director, Capital Development Division and Larry McFadden, General Manager, Port Construction Services

Presenters: Mr. Graves and Mr. McFadden

Motion for approval of Item 9a – Tarleton

Motion carried by the following vote:

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

10. REAL ESTATE

None.

6. POLICY AND STAFF BRIEFINGS

a. (02:07:53) Terminal 30 and Terminal 91 Update

Presentation documents: Commission agenda [memorandum](#), [attachment](#), and [table](#) dated November 10, 2008 from Michael Burke Director, Container Operations and Dakota Chamberlain, Manager, Seaport Project Management

Presenter: Mr. Chamberlain

12. NEW BUSINESS

None.

13. ADJOURNMENT

There being no further business, the meeting was adjourned at 3:40 p.m.

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