

**Commissioners**

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Chair and President  
John Creighton  
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 REGULAR MEETING JUNE 9, 2009**

The Port of Seattle Commission met in a regular meeting at 1:00 p.m., Tuesday, June 9, 2009 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 1:00 p.m. by Bill Bryant, Chair and President. In accordance with RCW 42.30.90, the meeting was immediately adjourned, due to lingering fumes at Pier 69 caused by a small fire near the building earlier in the day. The meeting was reconvened at 1:15 in the Sound Room on the 3<sup>rd</sup> Floor of Bell Harbor Conference Center, 2211 Alaskan Way, Seattle, 98121.

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

None.

**PLEDGE OF ALLEGIANCE**

**3. APPROVAL OF MINUTES**

**(00:01:13) Motion for approval of minutes of the April 30 Special Joint Meeting with the Port of Tacoma and the May 5 Special Meeting – Hara**

**Second - Tarleton**

**Motion carried by the following vote:**

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

**4. SPECIAL ORDER OF BUSINESS**

None.

**5. (00:01:54) UNANIMOUS CONSENT CALENDAR**

Commissioner Bryant noted that Item 5c would be removed from the Consent Calendar for discussion and a separate vote.

- a. **Authorization for approval or of outstanding Claims and Obligations for the period of May 1 through May 31, 2009 in the amount of \$43,252,689.11.**
- b. **Authorization for the Chief Executive Officer to increase scope to include construction of an underground infrastructure connection as part of the runway 16L/34R reconstruction project, for an estimated cost of \$60,000; and to use the active Icon Materials contract for the runway 16L/34R reconstruction to complete this work within the current authorized budget and reimbursable by the FAA.**

Request document: Commission agenda [memorandum](#) dated May 22, 2009 from Michael Ehl, Director, Airport Operations and Robert F. Riley, Director, Aviation Capital Improvement Program

- d. **Authorization for the Chief Executive Officer to advertise and execute a group of ID/IQ (Indefinite Quantity/Indefinite Delivery) Service Agreements to support the seven scopes of work for the Engineering Department.**

Request document: Commission agenda [memorandum](#) dated May 12, 2009 from Raymond P. Rawe, Director, Engineering Services

- e. **Authorization for Port General Counsel to enter into a Stipulation for Immediate Use and Possession of Port property being condemned by the City of Des Moines for a proposed misdemeanor correctional facility.**

Request document: Commission agenda [memorandum](#) dated May 6, 2009 from Diane Summerhays, Director, Aviation Community Development and Craig R. Watson, General Counsel

**Motion for approval of Consent Calendar Items 5a, 5b, 5d, and 5e – Tarleton**

**Second – Davis**

**Motion carried by the following vote:**

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

- c. (00:02:37) Authorization for the Chief Executive Officer to enter into individual Indefinite Delivery/Indefinite Quantity (IDIQ) contracts for Real Estate Services, Cranes, Docks, Buildings, Infrastructure and Project Management services to be used to support Seaport, Real Estate, Aviation and Capital Development Divisions' Service Directives. Total amount for all contracts will not exceed \$5,000,000. This action authorizes forming "empty" contracts; funds for work under the contracts will be approved as part of Operating Budgets or on a project basis**

Request document: Commission agenda [memorandum](#) dated May 19, 2009 from Mark Longridge, Capital Project Manager

Presenter: Mr. Longridge

Mr. Longridge provided a background of the projects included within the request, noting that there were 6 contracts included ranging from \$250,000 to \$750,000 and referenced the commission memo for a breakdown of the specific contracts. Responding to questions from Commissioner Hara about small businesses, Mr. Longridge stated that for each of the contracts, small business subcontracting ability analysis worksheets are completed with the Office of Social Responsibility, so they are involved in each procurement.

Responding to Commissioner Tarleton's question, staff clarified that this was not a request for funding approval, but rather a request for approval of a contract vehicle structure.

**Motion for approval of Item 5c – Tarleton**

**Second – Davis**

**Motion carried by the following vote:**

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

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

- a. (00:08:43) Request to amend Resolution No. [3619](#), Second Reading and Final Passage, as amended. Authorizing the issuance and sale of Revenue Bonds, Series 2009A and Series 2009B in the aggregate principal amount of not to exceed \$425,000,000.**

**PORT COMMISSION MINUTES OF THE REGULAR MEETING  
TUESDAY, JUNE 9, 2009**

**P. 4**

Request document: Commission agenda [memorandum](#) dated June 4, 2009 from Elizabeth Morrison, Senior Manager, Corporate Finance

Presenter: Ms. Morrison

Ms. Morrison addressed both Items 6a and 6b simultaneously at the request of the Commission.

Ms. Morrison provided information on Port ratings received since First Reading of the resolutions on June 2. Moody's confirmed the Aa2 rating on the Port's First Lien and Standard and Poor's confirmed the AA- rating. She noted that a rating from Fitch was anticipated the following day.

Staff noted that they would plan to return to the Commission on June 23 with two related items, those being a request for authorization to restart the Rental Car Facility Project; and a request to amend Resolution No. 3599, which sets the CFC rates and describes the parameters under which staff can adjust the rate without further Commission action.

Regarding recommended amendments to Resolution 3619, Ms. Morrison explained that changes would be mainly administrative in nature to add clarity that some bonds may be issued as Capital Appreciation Bonds and that the only material amendment would be setting of delegation parameters, limiting the size and interest rate, and that staff cannot exceed the limitations without further Commission action.

**Motion to amend Resolution No. 3619 – Davis**

**Second – Tarleton**

**Motion carried by the following vote:**

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

**Motion for Resolution No. 3619, Second Reading and Final Passage, as amended – Davis**

**Second – Tarleton**

**Motion carried by the following vote:**

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

- b. (00:17:07) Resolution No. [3620](#), Second Reading and Final Passage.  
Authorizing the issuance and sale of Subordinate Lien Revenue Bond  
Anticipation Note, 2009 in the principal amount of not to exceed \$100,000,000.**

Request document: Commission agenda [memorandum](#) dated June 4, 2009 from Elizabeth Morrison, Senior Manager, Corporate Finance

Presenter: Ms. Morrison

**Motion for Resolution No. 3620, Second Reading and Final Passage – Hara**

**Second – Tarleton**

**Motion carried by the following vote:**

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

- c. ***ITEM WITHDRAWN* Resolution No. 3621, First Reading. Authorizing the issuance and sale of CFC Revenue Bond Anticipation Note, 2009 in the principal amount of not to excel \$100,000,000.**
- d. **(00:27:27) 1) Resolution No. [3617](#), Second Reading and Final Passage. Declaring surplus and no longer needed for Port purposes, nine parcels of Port-owned real property located in SeaTac, Washington, which are needed by Washington State Department of Transportation (WSDOT) for future SR509 expansion to Interstate 5 and authorizing transfer of said parcels to WSDOT in exchange for ESDOT Properties and certain airspace leases needed for current and future Aviation projects; and 2) Authorization for the Chief Executive Officer to enter into a long-term ground lease for a total of 6.16 acres in the vicinity of the Tyee Valley Golf Course.**

Request document: Commission agenda [memorandum](#) dated June 3, 2009 from James R. Schone, Director, Aviation Business Development and W. Allan Royal, Manager, Port Real Estate Development.

Presenter: Mr. Royal

**Motion for Resolution No. 3617, Second Reading and Final Passage – Creighton**

**Second – Tarleton**

**Motion carried by the following vote:**

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

**Motion for approval of authorization for the Chief Executive Officer to enter into a long-term ground lease for a total of 6.16 acres in the vicinity of the Tyee Valley Golf Course – Davis**

**Second – Hara**

**Motion carried by the following vote:**

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

- e. (00:37:40) Authorization for the Chief Executive Officer to execute an Agreed Order with the Washington Department of Ecology, issued under the Model Toxics Control Act (MTCA), for environmental investigation of and evaluation of remediation methods for the Lora Lake Apartments property.

Request documents: Commission agenda memorandum dated May 1, 2009 from Elizabeth Leavitt, Director, Aviation Environmental Programs and Paul Agid, Environmental Program Supervisor, Aviation Environmental Programs and copy of Agreed Order.

Presenters: Ms. Leavitt and Mr. Agid

Mr. Agid commented on the history of the contamination at the Lora Lake property from the 1940's through the 1980's. He noted that the Department of Ecology (DOE) will oversee the actions of the Port in accord with an agreed scope of work. He noted principal elements of the scope of work were to protect the property in order to avoid migration of contaminants during the structure demolition; develop a summary report of existing data and identify any data gaps; develop a plan for remedial investigation; determine a method of remediation; and enter into a Public Participation Plan with DOE.

Mr. Agid stated that it was anticipated that there would be a second Agreed Order issued in the future, which would cover the actual detail planning for, and implementation of, the site remediation. He commented that by that time it was hoped that the Port and the City of Burien would have a cooperative redevelopment plan for the site.

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

- David South, Washington State DOE, Lora Lake site manager. Mr. South noted that there will be an extensive public comment period, which would begin a few days after the Agreed Order was signed.

**Motion approval of Item 6e – Tarleton**

**Second – Hara**

**Motion carried by the following vote:**

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

- f. (01:02:42) Authorization for 1) transmittal of the Port of Seattle's State Auditor's Office (SAO) Annual Report Summary for the Performance Audit

**Report, Port of Seattle Construction Management from the Chief Executive Officer (CEO) to the Port Commission; and 2) Authorization for the Commission President to submit the report to the State Auditor's Office (SAO) as required by RCW 43.09.470.**

Request documents: Commission agenda [memorandum](#) dated April 27, 2009 from Dakota Chamberlain, Director, Seaport Project Management; [draft SAO Report Summary](#); and copy of [CEO letter](#) to Port Commission.

Presenter: Mr. Chamberlain

Mr. Chamberlain provided a brief background of the SAO 2007 performance audit of the Port's capital Construction Management, and the areas which had been addressed. He stated that the final report in response to the audit would be delivered to the SAO prior to the July 1 deadline.

**Motion for approval of Item 6f – Hara**

**Second – Davis**

**Motion carried by the following vote:**

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

- g. (01:21:00) Authorization for the Chief Executive Officer to execute a new Collective Bargaining Agreement between the International Brotherhood of Teamsters Local Union No. 117 representing Credential Specialists.**

Request documents: Commission agenda [memorandum](#) dated April 1, 2009 from David Leon, Labor Relations Manager and Gary Schmitt, Labor Relations Director

Presenter: Mr. Leon

**Motion for approval of Item 6g – Tarleton**

**Second – Hara**

**Motion carried by the following vote:**

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

## **7. STAFF BRIEFINGS**

- a. (01:22:41) Briefing on Capital Improvement Projects Report for the First Quarter 2009**

Presentation documents: Commission agenda [memorandum](#) dated May 22, 2009 from Ralph Graves; computer slide [presentation](#); and [report](#).

Presenter: Mr. Graves

Mr. Graves provided a briefing of the status of Capital Improvement Projects for all divisions within the Port. He noted that of 84 projects listed in the report, 35 projects are within or ahead of target schedule and budget; 46 have either a target schedule or budget off; and 3 have both schedule and budget off.

It was also noted that the Quarterly reports are available online under the Accountability site and are also linked to Commission agendas and minutes.

**8. NEW BUSINESS**

None.

**9. POLICY ROUNDTABLE**

None.

**10. ADJOURNMENT**

There being no further business, the meeting was adjourned at 2:50 p.m.

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

Lloyd Hara  
Secretary