



Commissioners

Bill Bryant
Chair and President
Tom Albro
John Creighton
Rob Holland
Gael Tarleton

Tay Yoshitani
Chief Executive Officer

P.O. Box 1209
Seattle, Washington 98111
www.portseattle.org
206.787.3000

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 – **Please note that the audio for the February 23, 2010 meeting is broken into two parts, and is designated as such within the minutes)***

**APPROVED MINUTES
COMMISSION REGULAR MEETING FEBRUARY 23, 2010**

The Port of Seattle Commission met in a special meeting at 12:00 p.m., Tuesday, February 23, 2010 in the International Auditorium at Seattle-Tacoma International Airport, Seattle, WA. Commissioners Albro, Bryant, Creighton, Holland and Tarleton were present.

1. CALL TO ORDER

The regular meeting was called to order at 12:05 p.m. by Bill Bryant, Chair and President.

2. EXECUTIVE SESSION pursuant to RCW 42.30.110

The meeting was immediately recessed to an Executive Session to discuss Legal Risk and Real Estate matters for approximately sixty minutes and reconvened to open public session.

Item Number 9 – Policy Roundtable – was advanced on the agenda:

9. POLICY ROUNDTABLE

Briefing and panel discussion of the Part 150 Noise and Land Use Compatibility Study Update

(Audio Part 1 – 00:00:40) Commissioner Bryant introduced the following elected officials, who were present to participate in the Policy Roundtable:

- Mayor Terry Anderson, SeaTac
- Mayor George Hadley, Normandy Park
- Mayor Jim Haggerson, Tukwila

- Mayor Linda Kochmar, Federal Way
- Deputy Mayor Rose Clark, Burien
- City Manager Tony Piasecki, Des Moines

PLEDGE OF ALLEGIANCE

Commissioner Bryant welcomed the participants, noting that the Policy Roundtable format is one to which members of the community are invited to discuss pertinent issues that will be coming forward to the Commission.

Commissioner Bryant stated that the Roundtable being held was the beginning of an extensive public process related to the Part 150 Noise Study. He noted that there would be another public workshop related to the Part 150 Study held the following evening at Mt. Rainier High School in Des Moines from 5:00-7:00 p.m., and he encouraged members of the public to attend and participate. He also stated that at the March 23, 2010 Commission Meeting, public comment would be heard related to the topic of the Study.

Presentation documents: Commission agenda [memorandum](#) dated February 18, 2010 from Stan Shepherd, Manager, Airport Noise Programs and Diane Summerhays, Director, Community Development. Also provided was a computer slide [presentation](#) titled, "Federal Aviation Regulation Part 150 – Aircraft Noise and Land Use Compatibility Study Update."

Presenter: Mr. Shepherd

As background, Mr. Shepherd provided a brief overview of the FAA Part 150 process, noting that a Part 150 noise study is an opportunity to evaluate the airport's noise impacts on the community and then evaluate, and possibly modify, some of the noise programs. He stated that the study is done in partnership with the airport, the FAA, the airport community, and that a major element of this study is to understand the impacts to the community of the third runway since it was opened last year.

Mr. Shepherd spoke about the schedule of the Part 150 process and commented on the importance of public participation, noting that public input at the public workshops to be held will drive the scope of the work.

Elements of discussion by the elected officials during the roundtable included:

- Deputy Mayor Clark, Burien – Importance of openness and of working together. Concern that planes are flying over areas where they did not in the past, and the possible resulting impacts to those new areas, including parks in those areas.
- City Manager Piasecki, Des Moines – Importance of looking at all options, and the issue of how 'reasonable' is defined. He commented on third-runway-related noise which now impacts the area in which he lives.
- Mayor Kochmar, Federal Way – Federal Way flight tracks into the descent zone is extremely noisy, and should turn someplace else; also additional noise when heavily loaded aircraft are taking off from the Airport at night. She commented on the possibility of planes flying over a

less-densely populated area during descent. Primary concerns of Federal Way residents are related to noise, noting that the number of flights will increase in the future, increasing the amount of noise. She wants Federal Way's voice to be heard.

- Mayor Hadley, Normandy Park – Importance of focus on noise reduction and mitigation for people who live here now rather than land use planning for the people who may live here in 20 or 30 years. Concern that Part 150 study is set up to look 5-10 years out, and that land-use planning is normally done for a much longer time period. Concern of Normandy Park residents is that the noise had moved closer to them, and that a wooded area which was previously a noise barrier, is now where the third runway is located. Concern that the study has eliminated recommendations made by the previous Citizens Advisory Committee, and they should be reviewed. Concern over single-event noise from heavily loaded aircraft taking off, which should be included as part of the study.
- Mayor Anderson, SeaTac – SeaTac interested in participating in the Part 150 Study, noting residents' concern over noise control issues. Thought that third runway was going to be used mainly for landing, but does not seem to be working out that way – noted difference between take-off thrust and landing thrust. Anxious to have SeaTac represented on the Technical Advisory Committee, and noted importance of upcoming workshops for public participation. Comments in support of a hush house, stating that it would be better than nothing.
- Mayor Haggerton, Tukwila – Stated that Tukwila is not directly impacted by the flight patterns as some of the other cities currently are, noting that Tukwila is more involved in the area of land use compatibility. He commented on noise related to engine run-ups done on Sundays, noting that this issue needs further attention. Concern was noted regarding water run-off which could be an issue with the new Rental Car Facility.
- Commissioner Tarleton – Commented on a major storm water management system which is being included as a part of the new Rental Car Facility. Expressed interest in looking at the single-event noise issue vs. the averaging of other flight noise. Commented on looking at the issue of the age of fleets and the rate at which they are being replaced.
- Deputy Mayor Clark – Would like to see Sea-Tac Airport and Boeing Field work together regarding the areas where they share flight tracks, and thus share noise.
- Commissioner Creighton – Commented on the need to continue to work together, not only through the Part 150 process, but in other areas outside the process, as well.
- Commissioner Holland – Requested the panelists to provide to the staff and Commission suggestions of people they would like to see participate on the Technical Advisory Committee.
- Deputy Mayor Clark – Suggested that the previous Part 150 Committee be reviewed, noting that she believes that many recommendations were not fairly looked at. She commented on the fact that even though people living in the noise-impacted areas pay property taxes, they must wait for a Part 150 Study to be done before receiving any federal funds to address those noise issues. She stated that she would like to see a Port Policy change implemented which would allow Port tax dollars to be used to help that situation.
- City Manager Piasecki – Reiterated the importance of looking at what is reasonable and what is legal, suggesting that issues such as nighttime curfews or restrictions on certain types of planes, be left on the table for discussion, and if there are things that seem reasonable for the Airport and Airlines to do, perhaps a lobbying effort in Washington, DC could be made in an effort to make changes that are agreed to be reasonable.

- Mayor Anderson – Stated that she believes the people of South King County basically feel that the economy supports the City of Seattle, but not necessarily the area of South King County. She commented on the importance of the Commissioners maintaining public involvement.
- Mayor Haggerton – Agreed that with the importance of Commissioners connecting directly and being open with members of the public.
- City Manager Piasecki – Suggested frequent briefings at City Council meetings, which could have at least one Commissioner in attendance. He also commented on the importance of having the study-related data available as widely as possible.
- Commissioner Holland – Reiterated the importance of transparency and trust building within the communities.
- Commissioner Albro – Commented on the importance of Sea-Tac Airport to the region and surrounding communities, noting that regional areas surrounding airports have disproportionate impacts compared to other areas. He noted that Part 150 studies are a way regionally to recognize what those impacts are to local communities and help make sure they are understood and mitigated according to FAA guidelines. He also asked that staff change their workplan to have briefings with City Councils, as opposed to only ‘on request.’
- Commissioner Tarleton – Requested that staff inquire with each agency as to who, by name, they would like to have as a representative on the Technical Review Committee.
- Deputy Mayor Clark – Recommended that Commissioners attend upcoming workshops that will be held related to the Part 150 Process.
- Commissioner Albro – Expressed interest in seeing modeling of noise data for the point where Sea-Tac Airport reaches 45 million passengers, and what the noise exposure map looks like.
- Mayor Anderson – Noted the importance of looking at air quality issues as well as noise issues.
- Mayor Hadley – Wondered what the impacts might be of simultaneous events at all three runways, as well as perhaps two taxiways.
- Mayor Haggerton – Commented on the composition of the current Commission, noting the opportunity for reaching out to the communities during this process.

Following the Roundtable, a brief recess was called at 2:10 p.m. and the regular meeting was reconvened at 2:20 p.m.

3. APPROVAL OF MINUTES

(Audio Part 2, 00:00:11) Motion for approval of the Minutes of the January 26, 2010 meeting – Holland

Second – Tarleton

Motion carried by the following vote:

In Favor: Albro, Creighton, Holland, Tarleton (4)

Commissioner Bryant was absent from the subject meeting.

Motion for approval of the Minutes of the February 2, 2010 meeting – Holland

Second – Creighton

Motion carried by the following vote:

In Favor: Albro, Bryant, Creighton, Holland, Tarleton (5)

4. **SPECIAL ORDER OF BUSINESS**

None.

5. (Audio Part 2, 00:01:16) **UNANIMOUS CONSENT CALENDAR**

- a. Authorization for the Chief Executive Officer to execute a Memorandum of Understanding (MOU) regarding Joint Appraisal of Woodinville Subdivision (Eastside Corridor) between the Port of Seattle and King County, the City of Redmond, Sound Transit, Puget Sound Energy and Cascade Water Alliance (Regional Partners). This authorization includes payment of the Port's allocated share (11 percent) of the total cost of the appraisal Not To Exceed \$10,000.

Request document: Commission agenda [memorandum](#) dated February 17, 2010 from Joe McWilliams, Managing Director, Real Estate Division, and draft [MOU](#) and [Exhibit](#).

Motion for approval of Item 5a – Tarleton

Second – Holland

Motion carried by the following vote:

In Favor: Albro, Bryant, Creighton, Holland, Tarleton (5)

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

- a. (Audio Part 2, 00:02:06) Authorization for the Chief Executive Officer to execute a new Collective Bargaining Agreement between the Port of Seattle and the International Association of Machinists, Local 289, representing Parts Procurement Representatives.

Request document: Commission agenda [memorandum](#) dated January 4, 2010 from Lisa Hornfeck, Manager, Labor Relations and copy of [agreement](#).

Presenter: Ms. Hornfeck

Motion for approval of Item 6a – Tarleton

Second – Holland

Motion carried by the following vote:

In Favor: Albro, Bryant, Creighton, Holland, Tarleton (5)

- b. (Audio Part 2, 00:04:56) Authorization for the Chief Executive Officer to execute a five-year lease, with an option to renew for one additional five-year term, with the Arctic Storm Management Group, LLC and to provide funds for tenant improvements and broker fee in the amount of \$344,557.**

Request document: Commission agenda [memorandum](#) dated February 16, 2010 from Melinda Miller, Director, Portfolio Management and Patricia Spangler, Real Estate Manager

Presenter: Ms. Miller

Ms. Miller noted that the property to be leased by Arctic Storm Management is comprised of approximately 20,000 square feet of office and warehouse space at Pier 69. She stated that when the Port was notified that the current tenants, Fugro Seafloor Surveys, would vacate at the end of their current lease in March, 2010, staff immediately reached out to the real estate brokerage market with leasing offerings in order to locate a new tenant. Arctic Storm Management Group, who manage fishing vessels, was selected.

Ms. Miller stated that staff had considered using a formal Request For Proposals (RFP) process for the selection of a tenant; however, after considering the current market, it was decided to use the brokerage community instead. She also noted that Arctic Storm Management was just at the end of their current lease, and had an RFP process been used, the window for Arctic Storm Management would have passed, and it would have significantly extended the time in order to gain a tenant.

Motion for approval of Item 6b – Albro

Second: Tarleton

Motion carried by the following vote:

In Favor: Albro, Bryant, Creighton, Holland, Tarleton (5)

- c. (Audio Part 2, 00:08:10) Authorization for the Chief Executive Officer to enter into a settlement agreement with SSA Terminals, LLC (SSAT) for certain unpaid rent for Terminal 25/28.**

Request document: Commission agenda [memorandum](#) dated January 6, 2010 from Ralph Graves, Managing Director, Capital Development; Michael Burke, Senior Manager, Container Leasing and Operations; and Paul Binting, Senior Port Counsel. Also provided was a copy of the settlement [agreement](#).

Presenter: Mr. Graves and Mr. Burke

Mr. Graves reviewed background of the Item, noting that in May of 2009, staff came to the Commission to notify them of a construction project on Terminal 25/30 which had encountered the problem with the cranes which were to be used at that site. The issue was that the cables were too large to fit into the cable trough that had been constructed for them. He stated that today's request was related to that issue, and was necessary to finalize the remedy to the initial problem. He reviewed the solution which was implemented, and also noted that due to the problem, the ability for the tenant, SSA Terminals, to occupy the Terminal was delayed.

It was noted that today's authorization would allow for a settlement agreement with SSA related to rent and other operational impacts during the period that the terminal operation was impacted by the issues with the cable trough.

Commissioner Tarleton suggested that in either 2010 or 2011, the Audit Committee review the background and details of this agreement and how it was reached. She also commented on the importance of having those details documented.

Motion for approval of Item 6c – Tarleton

Second – Holland

Motion carried by the following vote:

In Favor: Albro, Bryant, Creighton, Holland, Tarleton (5)

- d. (Audio Part 2, 00:16:54) Authorization for the Chief Executive Officer to advertise for a consultant for the 8th Floor Weather Proofing Project at the Seattle-Tacoma International Airport (Airport), to execute a contract for design services in the amount of \$600,000, and to perform contract administration. Total cost of the Project is \$13,050,000.**

Request document: Commission agenda [memorandum](#) dated January 27, 2010 from Michael Ehl, Director, Airport Operations and George England, Program Leader, Aviation Capital Improvement Program

Presenters: Mr. England and Diane Santiago, Manager, Airport Landside Operations

Ms. Santiago commented on the importance of this project, as the Airport's garage is the largest non-airline revenue source at the Airport. She also described the existing conditions in the area which is to be weather-proofed. She noted that small maintenance fixes which have been attempted have not been successful.

Mr. England reviewed the scope of the project, noting that the current leakage in the garage not only affects vehicles in the garage, but can also affect the stability of the garage structure.

He noted that staff hopes to complete this project in one season; however, due to weather-sensitivity of replacing the membrane, it may require two construction seasons.

Commissioner Tarleton commented on the importance of tracking the sales tax that will be generated as a result of this large project. Mr. England clarified that as this is a request for design services, the sales tax information is not routinely included, but will be included when the request for construction comes forward.

Commissioner Albro stated that he would like to have a better understanding, before seeing future authorization requests related to this project, of how staff arrived at the total dollar amount necessary for the project. Mr. England noted that staff could provide the details of the major components of the project.

Motion for approval of Item 6d- Albro

Second – Creighton

Motion carried by the following vote:

In Favor: Albro, Bryant, Creighton, Holland, Tarleton (5)

- e. **(Audio Part 2, 00:27:11) Request for Commission Ratification of a Developer Extension [Agreement](#) between the Port of Seattle and Highline Water District; authorization for the Chief Executive Officer to execute a Bill of Sale per the requirements of the Developer Extension Agreement; and authorization of an increase of the project authorized amount by \$300,000 to pay anticipated in-house and consultant costs to complete the Consolidated Aviation Warehouse Project at Seattle-Tacoma International Airport (Airport), for a total authorization of \$9,300,000. This authorization is not within the Current Revised Budget.**

Request document: Commission agenda [memorandum](#) dated February 10, 2010 from Ralph Graves, Managing Director, Capital Development Division and Wayne Grotheer, Director, Aviation Capital Improvement Program

Presenters: Mr. Graves and Mr. Grotheer

Mr. Graves noted that the Commission had been briefed on this Item at the February 9, 2010 Commission meeting, and then provided a brief review of the details.

Mr. Grotheer provided additional information, noting that the additional money being requested is primarily due to scope changes, part of which resulted from the fact that there was a change in the site location of the facility.

Motion for approval of Item 6e – Tarleton

Second – Holland

Motion carried by the following vote:

In Favor: Albro, Bryant, Creighton, Holland, Tarleton (5)

- f. **(Audio Part 2, 00:33:49)** The Port Commission Regular Meeting was recessed to the [Annual Meeting](#) of the Industrial Development Corporation and reconvened at 3:10 p.m.

7. STAFF BRIEFINGS

- a. **(Audio Part 2, 00:57:43)** Update on the Consolidated Rental Car Facility (RCF) Program

Presentation documents: Commission agenda [memorandum](#) dated January 29, 2010 from Michael Ehl, Director, Airport Operations; George England, Program Leader, Project Management Group; and Janice Zahn, Assistant Director, Engineering Construction Services. Also provided were an informational [attachment](#) and a computer slide [presentation](#).

Presenters: Mr. England and Ms. Zahn

Ms. Zahn provided a brief update on the construction side of the project, noting that construction is approximately 38% complete and that there is an average of 220 workers per day on the project, with 240 on some days.

Mr. England noted that construction documents related to the off-site roadway improvements project are being finalized. He also commented on the status of the Bus Maintenance Facility (BMF), and on updates to the specifications which are needed in order to meet procurement requirements. He noted that there is some concern that this will have an impact to the schedule of the BMF Project.

Mr. England reviewed Customer Facility Charge (CFC) collections as compared to projections, noting that it had dropped a bit the past month. Commissioner Tarleton stated her concern about an increasing gap when comparing forecasts over actuals, and suggested that perhaps the forecast needs to be revisited. Mr. England replied that staff is currently working to improve the modeling for the forecasts relative to collections.

8. NEW BUSINESS

(Audio Part 2, 01:06:53) Dave Soike, Deputy Director, Aviation Division provided a pre-brief on several Aviation items which would be coming forward at future Commission meetings, including: Escalator replacement project; Delta/South Satellite tenant reimbursement; baggage connection project related to Alaska Airlines' expansion on the North Satellite; water isolation valve upgrade project; and an amendment to the RCF Art Helix Project.

(Audio Part 2, 01:12:06) Public comment regarding the Eastside Rail Corridor was received from the following individuals:

- Lisa McConnell, Eastside Trail Advocates. Ms. McConnell spoke about the importance of having plans for a continuous pathway along the Eastside Corridor, whether rail is in place or not. A written copy of Ms. McConnell's comments was received; is, by reference, made a part of these minutes; is marked Exhibit 'A'; and is on file in Port offices.
- Georgine Foster, citizen. Ms. Foster stated that she would like to provide her remarks in writing and requested information on the appropriate way in which to communicate her information to the Commissioners.
- Robert Scheuerman, Eastside Rail Now. Mr. Scheuerman stated appreciation for the Port's purchase of the BNSF Eastside Corridor.

10. ADJOURNMENT

There being no further business, the meeting was adjourned at 3:37 p.m.

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

Rob Holland
Secretary