



Commissioners

Bill Bryant
Chair and President
Tom Albro
John Creighton
Rob Holland
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 APRIL 13, 2010**

The Port of Seattle Commission met in a regular meeting at 1:00 p.m., Tuesday, April 13, 2010 at Port of Seattle Headquarters, Commission Chambers, 2711 Alaskan Way, Seattle, Washington. Commissioners Bryant, Holland and Tarleton were present. Commissioner Albro participated via teleconference. Commissioner Creighton was absent.

1. CALL TO ORDER

The regular meeting was called to order at 1:14 p.m. by Bill Bryant, 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

a. (00:01:24) Go Green at the Port: Celebrating the 40th Anniversary of Earth Day

Presentation document: Computer slide [presentation](#) from Stephanie Jones Stebbins, Seaport Environmental Programs and Elizabeth Leavitt, Aviation Planning & Environmental Programs

Presenters: Ms. Jones Stebbins and Ms. Leavitt

Mr. Yoshitani indicated that today's presentation is a part of the celebration of the 40th anniversary of Earth Day.

Ms. Jones Stebbins opened the presentation by referring to the 'Green Gateway', a study which showed that the lowest carbon footprint to bring goods from Asia into the US Midwest, was through the Pacific Northwest.

Ms. Leavitt spoke about the Port's 2009 Annual Environmental Report, which had recently been issued to the community, noting that the report is also available online at the Port's website.

Ms. Jones Stebbins and Ms. Leavitt mentioned environmental projects and programs of the Port, including the Bell Harbor at Pier 66, which has had a 58% reduction in energy use resulting in a savings of over \$200,000 per year. Also referenced was the Consolidated Rental Car Facility, noting that this is the Port's first LEED constructed project, and is on track to receive a LEED Certified rating and noting that Turner Construction has to date recycled 99% of their construction waste.

Ms. Jones Stebbins and Ms. Leavitt spoke about upcoming events during Earth Week to raise awareness of environmental and sustainability programs and to encourage participation across Port staff as well as the community.

b. (00:12:19) Recognition of the 2010 Officer of the Year

Presentation document: Commission agenda [memorandum](#) dated April 13, 2010 from Colleen Wilson, Chief of Police, Port of Seattle Police Department

Presenter: Chief Wilson

Chief Wilson introduced the Port's Officer of the Year, Clem Jimenez, a 21-year veteran of the department, noting that this is an award of his peers, and commenting on a number of citizen compliments which he has received over the past year.

c. (00:15:07) Recognition of Small Business Champion Awards

Presentation document: Commission agenda [memorandum](#) dated April 5, 2010 from Luis Navarro, Director, Office of Social Responsibility

Presenter: Mr. Navarro

Mr. Navarro introduced the recipients of the Port's Small Business Champion Awards. The internal awardees, the team of John Deen, CPO Contract Administrator and Jeff Martens, Aviation Maintenance Small Works Inspector, who worked as a team assisting a small business with a project in order that it be completed without any delays. The external honoree of Westgro Corporation, a landscaping team, was represented two of their employees.

5. (00:21:57) UNANIMOUS CONSENT CALENDAR

- a. Authorization for the approval of outstanding [Claims and Obligations](#) for the period of March 1 through March 31, 2010 in the amount of \$44,135, 339,89.
- b. Authorization for the Chief Executive Officer to execute a contract for maintenance and repair of mechanical systems (Heating, Ventilation and Air Conditioning – HVAC) systems at Seaport and Real Estate assets. The contract, which will be competitively bid, will be awarded for one year with four one-year options to be exercised at the Port's sole discretion; the total value of the contract will not exceed \$2,200,000.

Request document: Commission agenda [memorandum](#) dated March 25, 2010 from Lindsay Pulsifer, General Manager, Marine Maintenance and Nora Huey, Director, Central Procurement Office

- c. Approval of revised Port Commission Meeting [Minutes](#) of September 1, 2009

Motion for approval of Items 5a–5c: Tarleton

Second – Holland

Motion carried by the following vote:

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

Commissioner Creighton was absent for the vote.

6. DIVISION, CORPORATE AND COMMISSION ACTION ITEMS

- a. (00:23:00) Authorization for the Chief Executive Officer to execute an Interlocal Agreement (ILA) with the Washington Conservation Corps (WCC) for natural resource maintenance services totaling \$700,000 over five years in support of wetland mitigation site management at Seattle-Tacoma International Airport and other natural resource management at Port properties. No funding is associated with this authorization.

Request document: Commission agenda [memorandum](#) dated February March 18, 2010 from Bob Duffner, Water Resources Manager, Aviation Environmental and Elizabeth Leavitt, Director, Aviation Planning and Environmental. Also provided was a copy of the [ILA](#).

Presenters: Mr. Duffner; Josh Feigin, Environmental Management Specialist; and Bridget Mason, Outreach and Development Coordinator, Washington Conservation Corps

Mr. Duffner stated that the funds which will support the work to be performed under the proposed ILA will come from Commission-approved annual operating budgets or future individual project authorizations. He noted that this ILA will essentially be a working partnership with the WCC, and

will enable the Port to meet a number of natural resource maintenance obligations and also provide valuable work for young adults in the area in the field of environmental management.

Mr. Feigin noted that to a great extent, the need for this agreement stems from long-term compliance requirements associated with the wetland mitigation sites created to compensate for impacts associated with construction of the Third Runway and Masterplan Projects.

Ms. Mason spoke on behalf of the Department of Ecology's Washington Conservation Corps, who works to protect and restore the natural resources of Washington State. She provided information on the WCC which is part of the federal AmeriCorps program, and noted that each year there are 180 members who participate in the program, each serving for 1700 hours. She also spoke about her own time spent as a volunteer with the program.

Commissioner Tarleton commented on the importance of having people with talent and time and commitment moving forward with large regional environmental projects.

Commissioner Holland noted that, within the recruiting process for these projects, there might be consideration of young people who live near Port operations. Ms. Mason commented that the program does have targeted hiring.

Motion for Item 6a - Tarleton

Second – Albro

Motion carried by the following vote:

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

Commissioner Creighton was absent for the vote

Mr. Yoshitani recognized Dwayne Lee, who was present in the audience, who had previously worked as a consultant for the Port, who helped work through a number of issues related to the State Auditor's Office (SAO) audit, and who has returned to help in work to create metrics in the areas of construction, engineering, and capital development.

- b. (00:40:47) Authorization for the Chief Executive Officer to advertise a request for qualifications, issue a request for proposals, execute the design-build contract, apply a Project Labor Agreement (PLA), and construct the Renew/Replace 42 Escalators and 2 New Escalators Project (CIP #C800237) at Seattle-Tacoma International Airport (Airport) for an additional amount of \$51,817,000, bringing the total authorization to \$55,000,000.**

Request document: Commission agenda [memorandum](#) dated March 26, 2010 from Michael Smith, Mechanical Manager, Aviation Facilities and Infrastructure and Wayne Grotheer, Director, Aviation Project Management Group

Presenters: Mr. Grotheer and Joe Nessel, Capital Project Manager

Mr. Grotheer stated that the 42 escalators for renewal/replacement date from the early 1970's and have reached the end or beyond of their useful life. He noted that the 2 new escalators proposed would be located in the south satellite and would supplement existing escalators, would address future growth, and would also improve redundancy and reliability.

Mr. Grotheer noted that the reason for seeking to apply a Project Labor Agreement is primarily to prevent work stoppage by having no-strike provisions, and also to provide safety benefits. He also said that today's authorization request was being narrowed from what was stated in the Commission memo, to instead be "*advertise a request for qualifications, issue a request for proposals, and apply a Project Labor Agreement,*" and noted that staff would return to Commission at a future date to request approval to execute the design-build contract and to proceed with construction.

Mr. Nessel spoke about reasons that the design-build method would be beneficial to this project, and noted that this approach would promote innovation and competition, and would also allow for shorter project duration, keeping disruption to the Airport at a minimum.

Staff responded in the affirmative to Commissioner Albro's request that they provide to Commissioners a breakdown of soft costs related to this project.

Mr. Grotheer clarified that staff will return to the Commission in the near future with a revised dollar amount which will need to be authorized.

Following further discussion of the use of Project Labor Agreements, Commissioner Albro suggested that it may be beneficial to have a briefing on the use of PLA's and when they are needed as well as when they are not.

Following Commission discussion, a revision to the request was proposed, and the revised request was voted on as follows (added language in italics):

Authorization for the Chief Executive Officer to advertise a request for qualifications and apply a Project Labor Agreement *to the Project, should it be authorized.*

Motion for approval of Item 6b, as revised - Tarleton

Second – Holland

Motion carried by the following vote:

In favor: Albro, Bryant, Holland, Tarleton (4)

Commissioner Creighton was absent for the vote

7. STAFF BRIEFINGS

a. (01:06:31) Capital Improvement Projects Report for Fourth Quarter, 2009

Presentation documents: Commission agenda [memorandum](#) dated March 8, 2010 and Computer slide [presentation](#) from Ralph Graves, Managing Director, Capital Development Division. Also provided was the Capital Improvement Projects Fourth Quarter [Report](#) 2009

Presenter: Mr. Graves

Mr. Graves provided a brief summary of the status of capital improvements for the 4th quarter of 2009, covering the following areas:

- Aviation Projects
 - Overall status
 - Quarterly variance summary
 - Projects with reportable variances
 - Construction contract growth that exceeds 10%
- Seaport Projects
 - Overall status
 - Quarterly variance summary
 - Projects with reportable variances
 - Construction contract growth that exceeds 10%
- Real Estate Projects
 - Overall status
 - Quarterly variance summary
 - Construction contract growth that exceeds 10% (none)
- Corporate Division Projects – Information and Communications Technology
 - Overall status
 - Quarterly variance summary
 - Projects with reportable variances
 - Construction contract growth that exceeds 10% (none)

b. (01:18:43) Briefing on Strategic Planning for Future Development of Terminal 91

Presentation documents: Commission agenda [memorandum](#) dated March 24, 2010 and computer slide [presentation](#) from Eric Hanson, Manager, Seaport Planning

Presenters: Mark Griffin, Senior Manager, Real Estate Development and Mr. Hanson

Mr. Griffin noted that the proposed planning work at Terminal 91 being presented is a response to a few factors, including continuing discussions with existing maritime industrial tenants at Terminal 91 about their operations and needs; identifying the need to ensure the Terminal's operations continue to function as smoothly as possible, particularly with the addition of the new Cruise Terminal. In addition, he noted, it is hoped that Terminal 91 can be better positioned to attract new industrial tenants as the overall economy begins to rebound.

Mr. Hanson noted that the Terminal 91 facility is over one hundred years old and was formerly used by the U.S. Navy. He also reviewed a history of the uses of Terminal 91 and surrounding areas, including current uses. He pointed out that there are currently vast quantities of under-utilized space in the area just north of Pier 91, and noted that this is what the current proposed plan is related to.

Mr. Hanson reviewed goals of the proposed plan, and also noted that as part of developing the site, there will be a requirement for significant new infrastructure, mainly for utilities.

Mr. Hanson noted that the working assumptions of the plan are driven by Century Agenda Guidelines, and commented on the importance of the following:

- Attracting expansion of 'core mission' customers
- Attracting broader types of economic activity that comply with existing industrial zoning
- Incorporating revenue streams expected from full, fair market value leases into the financial analysis in order to test the financial sustainability of total site development.
- Exploring models of sustainable growth

Mr. Hanson addressed the anticipated schedule for the proposed plan, stating that there was a timeline of approximately fifteen months, and also noted that there will be plenty of opportunity for public comment and involvement. He also clarified that the intent is to remain with the current industrial zoning and does not foresee any change to that.

Commissioners Holland and Tarleton suggested that it might be prudent to begin having discussions with the City now about the basic working assumptions that will be part of the discussion of the development of a site plan.

Commissioner Bryant stated that he hoped by the end of this year, the Commission will be able to provide to staff direction on how they want the Real Estate portfolio to be managed for the next decade or two. He also suggested that staff coordinate carefully with the City going forward.

Commissioner Albro commented on the importance of maintaining a focus on transportation issues as related to this site.

8. NEW BUSINESS

(01:45:01) Public comment was received from the following:

- Fred Felleman, Friends of the Earth. Mr. Felleman commented on a Capital Improvement Project regarding an upgrade to lighting at Terminal 46, wondering whether the Port has looked at making sure that when lighting upgrades are done, it is as fish-friendly as possible. He also commented on the importance of encouraging less driving, as impacts related to the Viaduct replacement begin to take place, as well as other Port-related 'green' issues

Commissioner Holland commented on the importance of communicating to the extended community, the Port's environmental policies and programs.

9. POLICY ROUNDTABLE – BUDGET WORKSHOP

None.

9. ADJOURNMENT

There being no further business, the meeting was adjourned at 3:05 p.m.

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

Rob Holland
Secretary