



**Commissioners**

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Tom Albro  
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Rob Holland  
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*(The approximate point in the video recording for the specific item is identified by hours, minutes, and seconds; example: 00:01:30)*

**APPROVED MINUTES  
COMMISSION SPECIAL MEETING SEPTEMBER 12, 2011**

The Port of Seattle Commission met in a special meeting Monday, September 12, 2011, at Port of Seattle Headquarters, Commission Chambers, 2711 Alaskan Way, Seattle, Washington. Commissioners Albro, Creighton, Holland, and Tarleton were present. Commissioner Bryant was absent.

**1. CALL TO ORDER**

The special meeting was called to order at 11:30 a.m. by Rob Holland, Commission Vice President.

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

The special meeting was immediately recessed to an Executive Session estimated to last 90 minutes to discuss ethics investigation, real estate, and labor negotiation matters. Following the Executive Session, which lasted approximately 85 minutes, the special meeting reconvened in open public session at 1:08 p.m.

**PLEDGE OF ALLEGIANCE**

**3. (00:01:35) APPROVAL OF MINUTES**

Special meeting of June 28, 2011, and regular meeting of July 12, 2011.

**Motion for approval of minutes for the June 28, 2011, special meeting, and the July 12, 2011, regular meeting – Creighton**

**Second – Tarleton**

**Motion carried by the following vote:**

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

**Absent for the vote: Bryant**

**4. SPECIAL ORDERS OF BUSINESS**

**a. (00:02:20) The Port Centennial 1911-2011.**

Presentation document(s): Commission agenda [memorandum](#) dated September 6, 2011, computer slide [presentation](#), and [proclamation](#) of the Governor provided by Jane Kilburn, Public Affairs Director.

Commissioner Tarleton presented the Centennial moment for September, which recalled the first Port of Seattle Commission meeting on September 12, 1911. She described the establishment of the Port of Seattle and election of its first commissioners, and noted the early work of the Port and its milestone activities over the past century. Commissioner Tarleton remarked that 194,000 jobs, \$17 billion in business revenue, and \$867 million in state and local taxes are attributable to the Port and Port-related business in the fishing, maritime, and aviation sectors.

Commissioner Albro read a proclamation of the Governor designating September 5, 2011, Port of Seattle Day in Washington and noting the creation of the Port in 1911, the diversity of the Port's business endeavors, the Port's economic leadership, and its commitment to environmental stewardship.

**b. (00:06:48) Presentation of U.S. flag flown over U.S. Capitol on Port Centennial.**

Presentation document(s): Commission agenda [memorandum](#) dated September 1, 2011, provided by Ryan McFarland, Public Affairs Policy Analyst.

Presenter(s): Tom Young, Deputy District Director for Congressman Dave Reichert.

Mr. Young addressed the Commission on behalf of Congressman Reichert, noting the local and regional contribution of the Port of Seattle and its role in regional trade. He read a certificate describing the flying of a U.S. flag over the U.S. Capitol on September 5, 2011, at Congressman Reichert's request, in honor of the Port's Centennial. Commissioner Creighton commented on the valuable work of Washington's congressional delegation to promote effective trade policies.

**5. (00:10:40) UNANIMOUS CONSENT CALENDAR**

**a. Authorization for the Chief Executive Officer to execute a new services contract to provide drug and alcohol testing as part of the Project Labor Agreement Substance Abuse Program for application to all contractor craft personnel working on Airport and Seaport construction projects covered under a project labor agreement. The initial contract would be executed for a one-year term with four annual renewal options for a maximum term through September 30, 2016, with an estimated five-year total value of \$500,000, based upon specific projects for which the Commission has determined the need for a project labor agreement.**

Request document(s): Commission agenda [memorandum](#) dated September 2, 2011, provided by Ralph Graves, Director of Capital Development Division, and Gary Schmitt, Director of Labor Relations.

- b. **Authorization for the Chief Executive Officer to execute appropriate contract documents with Century Link (previously Qwest) to continue Qwest Metropolitan Optical Ethernet services until December 31, 2015, at a cost not to exceed \$990,000.**

Request document(s): Commission agenda [memorandum](#) dated September 2, 2011, provided by Peter Garlock, Chief Information Officer.

- c. **Authorization for the Chief Executive Officer to execute appropriate contract documents utilizing the Washington State Department of Information Services for the purpose of procuring technology equipment/hardware. This is not a request for funding. All purchases will be made with previously approved expense budget funding or approved capital project funding by December 31, 2015.**

Request document(s): Commission agenda [memorandum](#) dated September 6, 2011, provided by Peter Garlock, Chief Information Officer.

- d. **Authorization for the Chief Executive Officer to execute a new Collective Bargaining Agreement between the Port of Seattle and the International Brotherhood of Electrical Workers, Local Union No. 46, representing Electronic Technicians covering the period from June 1, 2011, through May 31, 2014. The total additional cost to the Port for the first year of the contract is \$79,281.28 for total wage increase and \$7,948.80 for health and welfare, for a total overall increase for year one of \$87,230.08 covering all employees.**

Request document(s): Commission agenda [memorandum](#) dated September 7, 2011, and collective bargaining [agreement](#) provided by Lisa Hornfeck, Labor Relations Manager.

**Motion for approval of consent items 5a-5d – Tarleton**

**Second – Albro**

**Motion carried by the following vote:**

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

**Absent for the vote: Bryant**

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

- a. **(00:11:40) Approval for Century Agenda Committee preliminary goals arising from the “Achieving our Environmental Goals” Roundtable.**

Request document(s): Commission agenda [memorandum](#) dated September 8, 2011, provided by Tom Barnard, Research and Policy Analyst, and Geri Poor, Regional Transportation Manager.

Presenter(s): Mr. Barnard; Ms. Poor; Stephanie Jones Stebbins, Seaport Environmental and Planning Director; and Elizabeth Leavitt, Aviation Planning & Environmental Services Director.

Mr. Barnard summarized the Century Agenda panel on environmental goals held August 9, 2011, noting comments related to stormwater cleanup as a component of Duwamish River cleanup

efforts, opportunity for Port leadership to initiate leading-edge environmental efforts, and the need for a strategic and collaborative environmental approach. He presented the following 25-year goals arising from the roundtable:

- Reduce air emissions by 50 percent at the Seaport with a focus on diesel particulate reductions;
- Reduce air emissions by 50 percent at the Airport;
- Reduce Port carbon emissions by 50 percent and help lead the industry's greenhouse gas (GHG) reduction strategies;
- Work with airline partners to reduce aircraft-related GHG emissions at Seattle-Tacoma International Airport by 25 percent below 2005 levels;
- Meet future growth in energy through conservation and renewable sources;
- Restore, create, and enhance 40 acres of habitat;
- Anchor the region's urban industrial land use to prevent sprawl in less-developed areas of Puget Sound; and
- Create partnerships that lead the industry in stormwater quality improvements and ensure all stormwater leaving Port-operated facilities meets or exceeds agency requirements.

Commissioner Tarleton commented on her July 12, 2011, amendment of the 25-year goal for moving people to add the word "green" in the goal to "make Seattle-Tacoma International Airport the West Coast green gateway of choice for international travel." She commented that in light of the subsequent panel discussion on environmental goals, environmental stewardship would be one of many reasons for the Airport to be the gateway of choice. Therefore, she proposed amending the second goal related to moving people to restore it to its original wording.

Ms. Leavitt commented on goals related to conventional air pollutants and GHG emissions and stated that no objections to the Aviation-related goals have been expressed by the Airport's business partners. She explained that the bulk of emissions at the Airport result from sources not owned by the Airport, including aircraft and ground vehicles coming to and from the Airport.

Ms. Jones Stebbins reported that the focus of emissions reduction for the Seaport is on diesel particulate emissions from Port-owned and independent sources, while the focus for reduction of carbon emissions is on Port-owned sources.

Commissioner Tarleton remarked on the long-term nature of preliminary environmental goals and requested that use of 2005 emissions inventories be used as the baseline for emissions reduction at both the Airport and Seaport. She commented on the potential to adopt Port goals that can influence and anticipate future federal environmental regulation.

Commissioner Albro proposed that the Commission set a 2005 benchmark for emissions measurement. He suggested incorporating Chief Executive Officer Yoshitani's slogan into a preamble to the Century Agenda goals by stating that the Port of Seattle will become the "cleanest, greenest, most energy-efficient port in North America" by pursuing the various goals.

In response to Commissioner Albro, Ms. Leavitt stated that the Port's emissions inventory accounts for all GHG emissions related to fuel loaded onto aircraft at the Airport, although the Airport did not take responsibility for emissions above 3,000 feet. She explained that the measurement was based on fuel loaded at the Airport, not on emissions occurring within a particular air space or geography or on fuel loaded at layover or destination airports. Ms. Leavitt added that it is unlikely the Airport can meet its GHG goal without implementation of biofuels.

At the request of Commissioner Albro, without objection, the goal to "meet future growth in energy through conservation and renewable sources" was amended to read "meet future growth in energy usage through conservation and renewable sources."

In response to Commissioner Albro, Ms. Jones Stebbins stated that the habitat restoration goal of 40 acres would be in addition to the 21 acres the Port has already restored and the 10 acres the Port has already enhanced. She added that this restoration, creation, and enhancement may be most wisely implemented elsewhere than in the Lower Duwamish watershed, such as Duwamish River locations farther upstream, within the Ship Canal, or elsewhere in Elliott Bay.

In response to Commissioner Tarleton, Ms. Jones Stebbins clarified that the 40 additional acres of habitat work would be related to mitigation in the Green-Duwamish watershed or Elliott Bay. Commissioner Tarleton requested that the total amount of acreage to be mitigated be described and that a distinction be made between Airport and Seaport mitigation.

In response to Commissioner Tarleton, Ms. Jones Stebbins explained that the goal to reduce Port carbon emissions by 50 percent applies Port-wide to both Seaport and Aviation. Commissioner Tarleton asked for clarification of the language for the goal to be more explicit.

Commissioner Creighton commented on the importance of working collaboratively with airlines when setting the goal to work with airline partners to reduce aircraft-related GHG emissions by 25 percent below 2005 levels.

On motion by Commissioner Albro, seconded by Commissioner Creighton, final disposition of item 6a – Approval for Century Agenda Committee preliminary goals arising from the "Achieving our Environmental Goals" Roundtable – was postponed to a subsequent Commission meeting, and the preliminary Century Agenda 25-year goals related to moving people originally approved as agenda item 6c on July 12, 2011, were further amended to remove the word "green" in the second preliminary goal so that the preliminary moving-people goals would then read as follows:

**Fully meet the region's air transportation needs for the next 25 years; Make Seattle-Tacoma International Airport the West Coast "Green Gateway of Choice" for international travel; Double the number of international flights and destinations; Double the economic value of cruise traffic to Washington State; Be a catalyst for establishing this region as a premier destination for tourists from Asia, Europe, and other targeted international areas.**

In response to Mr. Barnard, Commissioner Albro clarified that approval of 25-year goals related to the environment would precede a staff proposal of five-year milestones on the same subject.

**Motion to postpone further consideration of item 6a to a time certain and to amend previously approved preliminary goals – Albro**

**Second – Creighton**

**Motion carried by the following vote:**

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

**Absent for the vote: Bryant**

*At the discretion of the Chair, the Commission advanced to consideration of –*

## **7. STAFF BRIEFINGS**

### **a. (00:48:33) Air Cargo Logistics Development Strategy Briefing.**

Presentation document(s): Commission agenda [memorandum](#) dated September 2, 2011, and computer slide [presentation](#) provided by Michael Ehl, Airport Operations Director, and Tom Green, Air Cargo Operations and Development Senior Manager.

Presenter(s): Mr. Green.

*At the discretion of the Chair, prior to presentation by staff, the Commission entertained public comment on agenda item 7a as follows –*

Public comment was received from the following individuals:

- Mayor Joan McGilton, City of Burien. Mayor McGilton commented on Port use of the Northeast Redevelopment Area for air cargo and thanked the Port for working collaboratively with the City of Burien. She stated that the City has a land-use proposal to relocate automobile dealerships to the former Lora Lake Apartments property and introduced Councilmember Gordon Shaw to describe the project.
- Councilmember Gordon Shaw, City of Burien. Councilmember Shaw commented on the City's recognition of the need to accommodate some impacts of the Airport as a regional facility. He spoke of the Port's commitment to mitigate the Airport's impacts on the City of Burien and the City's proposal to convert the Lora Lake Apartments site from residential uses to commercial uses by promoting moving automobile dealerships to the site. Mr. Shaw explained that the City's proposal would establish an auto mall on the site that would increase the competitive advantage of automobile dealers and free land on First Avenue South for retail redevelopment. He said that the Lora Lake Apartments site was the only viable option for this plan and asked the Port to refrain from developing the property for air cargo uses. Mr. Shaw commented on the City's interest in working with the Port to identify other suitable sites for air cargo and Airport-compatible uses.
- Dean Anderson, Burien Toyota. Mr. Anderson commented on the local commercial benefits of using the Lora Lake Apartments site as an auto mall.
- David McKinney, Toyota Motor Sales USA. Mr. McKinney remarked on Toyota's support for plans for Burien Toyota to expand on the Lora Lake Apartments site.

In response to Commissioner Creighton, Mr. Anderson stated that the proximity of the auto mall to the noise of the Airport would not be a significant concern.

*Following public comment, the Commission received the staff presentation on agenda item 7a as follows –*

Mr. Green outlined a previous briefing on air cargo on February 22, 2011, and listed the preliminary Century Agenda goals affecting air cargo arising from the May 10, 2011, Century Agenda roundtable discussion on moving cargo and approved by the Commission on July 12, 2011. He described the Airport's air cargo initiative as comprised of air service marketing and business development, on-site Airport capital facilities renovation and development, and development of off-site Airport logistics support facilities. He added that outreach to regional stakeholders in improvement of freight mobility is also an important consideration.

In response to Commissioner Tarleton, Mr. Green noted that location of cargo logistics development closer to the Airport benefits overall freight mobility in the region. Commissioner Albro commented on the importance of breaking ground on extension of SR-509 to developing additional cargo capacity.

Mr. Green commented that marketing and business development to increase air cargo would focus on development of additional international routes focused on Asia, Europe, and the Middle East, and would promote both freighter main-deck service and belly-cargo service. He stated that enhancement of existing service would focus on developing new destinations and increasing frequency of service.

Mr. Green presented site plans showing the location of existing air cargo facilities at the Airport and mentioned projects that would enhance on-site Airport cargo facilities, including expansion of hardstands and cargo transfer buildings.

In response to Commissioner Creighton, Mr. Green explained that Cargo Area 5 is not currently active, but is being developed at Building 18 on the site plan, the former United States Postal Service facility.

Regarding off-site Airport logistics development, Mr. Green described the gateway logistics center concept focused on properties north of the airfield in the cities of Burien and SeaTac that would promote linkage to the Airport, universal branding, and common design and property management. He commented on the value of a logistics center as a consolidated, if not contiguous, development that would become part of the Airport's market branding and promote business efficiencies. He added that the economic development generated by successfully implementing a logistics center would stimulate continued demand for such a center.

Mr. Green presented employment projections indicating growth in the transportation and warehousing sector, which he stated demonstrates a favorable climate for pursuing a logistics center at this time. Commissioner Tarleton added that although manufacturing growth is projected to drop nationally, the Manufacturing Industrial Council has projected slight growth during the same time frame in manufacturing for the Puget Sound region.

Mr. Green noted that economic benefit associated with cargo logistics is geographically broader than that associated with alternate commercial use development.

Mr. Green outlined three Port-owned properties north of the Airport suitable for cargo development, including Northeast Redevelopment Area (NERA) 1, also referred to as the Lora Lake property; the L-Shaped Property, closest to the airfield cargo area, and NERA 3, which has the largest developable area. He stated these properties represent approximately 63 acres capable of supporting over 900,000 square feet of industrial development.

In response to Commissioner Albro, Mr. Green stated that the site labeled the Doug Fox parcel close to the airfield cargo area was not included in the presentation because other uses not associated with air cargo are being considered for the parcel, which has dimensions that are not ideally suited to the size and configuration of air-cargo-related structures.

In response to Commissioner Creighton, Mr. Green stated that there is property in the area not currently owned by the Port that might be appropriate for air cargo uses.

Mr. Green identified a number of factors to be determined, including the Port's role in developing an air cargo logistics center, development strategy, marketing approach, branding, jurisdictional agreements, and identification of development costs. He noted that environmental review connected to the properties presented is substantially complete, depending on future specific proposals.

Mr. Green outlined next steps proposed in developing an air cargo logistics center, and concluded that the logistics development strategy supports regional goals related to job creation, enhancement of the tax base, support of regional manufacturers, facilitation of international passenger service, and development in the logistics industry.

Commissioner Albro requested information on a version of the air cargo logistics strategy that omits use of NERA 1, the Lora Lake Apartments site, and exploration of strategies for managing revenue from a logistics hub outside the purview of the Airport Development Fund.

*The Commission returned to consideration of –*

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

- b. (01:43:05) Authorization to (1) execute contracts to multiple vendors for the Electrified Ground Support Equipment (EGSE) vehicle procurement and (2) execute a contract for EGSE charging units. The maximum value of these contracts over two years could be \$35 million depending upon airline participation.**

Request document(s): Commission agenda [memorandum](#) dated September 2, 2011, and computer slide [presentation](#) provided by David Soike, Aviation Facilities and Capital Program Director, and Wayne Grotheer, Aviation Project Management Group Director.

Presenter(s): Mr. Soike, Mr. Grotheer, and Russ Simonson, Senior Environmental Program Manager.



Mr. Soike described the cost of rolling stock vehicles and charging stations for electrified ground support equipment (EGSE) at the Airport, noting available grant funding. He explained that the charging of each vehicle at charging stations would be identifiable for billing purposes. Mr. Soike outlined how the airlines work collaboratively through their fuel consortium to ensure the ability of all the airlines to obtain fuel and equitably share the costs of maintaining the fuel system. He indicated the same model would apply to electric charging stations.

Mr. Grotheer reported on the additional electrical load associated with installation of chargers for EGSE and described electrical infrastructure enhancements necessary to accommodate the added electrical load. He commented on research already begun to identify manufacturers and outlined next steps toward obtaining chargers and vehicles. Mr. Grotheer described the design phase as including design of a partial C Concourse prototype; design of the rest of C Concourse, D Concourse, and North Satellite; and design of the rest of the terminal in order to accelerate the areas used by Alaska Air Group, the project's most supportive customer. He stated that construction would be phased similarly.

Mr. Simonson outlined operating and environmental benefits of the project, including the following:

- Ability to take advantage of wholesale electrical rates;
- Availability of environmental initiative grants;
- Reduction of fuel and fleet maintenance costs estimated at approximately \$3 million annually;
- Potential reduction of petroleum use by 1 million gallons per year;
- Potential reduction of CO<sub>2</sub> emissions by 10,000 tons per year;
- Reduction of other air pollutants;
- Protection of air quality; and
- Potential eligibility for emission reduction credits for other Airport projects.

Mr. Soike commented on the positive consideration for the project by various airlines and requested Commission approval.

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

**Second – Albro**

**Motion carried by the following vote:**

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

**Absent for the vote: Bryant**

**7. STAFF BRIEFINGS**

**b. (01:56:34) Briefing on the Airport Realignment Program at Seattle-Tacoma International Airport.**

Presentation document(s): Commission agenda [memorandum](#) dated September 2, 2011, and computer slide [presentation](#) provided by Michael Ehl, Airport Operations Director.

Presenter(s): Tina Soike, Airport Operations Senior Manager, and Sean Anderson, Capital Project Manager.

Ms. Soike outlined the Airport Realignment Program elements, including seven integrated capital improvement projects estimated at about \$33 million, associated capital projects estimated at about \$70 million, and various airline tenant improvement projects related to relocation of airline operations estimated at about \$20-\$25 million in expense costs.

Ms. Soike explained that industry changes, such as airline mergers, and the limited footprint of the Airport facility have resulted in the need to relocate airline gates and ticket counters in order to alleviate congestion and provide efficiencies for the airlines. She reported that the current signatory lease and operating agreement (SLOA) includes provisions for a one-time airline reallocation and that the airlines were provided a notice of intent regarding the realignment project on December 9, 2010. Ms. Soike listed the airlines affected by the reallocation.

Ms. Soike presented a diagram showing the proposed moves and described the logistical challenges associated with moving airlines into spaces as they are vacated by other airlines. She explained that gate moves also affect relocation of ramp offices, ticket offices, and baggage handling systems and offices.

Mr. Anderson presented a schedule of moves beginning in late 2011 and continuing through late 2013. In response to Commissioner Tarleton, Mr. Anderson stated that a public information campaign is planned to keep the traveling public informed of changes at the Airport in advance of and during the relocations.

Mr. Anderson described specific projects and project amounts already authorized as part of the realignment and those remaining to be authorized. In response to Commissioner Creighton, Ms. Soike stated that upgrades to provide for airline common use facilities at the Airport would provide flexibility for future realignments.

In response to Commissioner Albro, Ms. Soike stated that international airlines would be accommodated at the south end of the Airport, depending on the location of a long-term Federal Inspection Services facility.

In response to Commissioner Tarleton, Ms. Soike reported that passenger volumes at various security checkpoints are expected to shift with the realignment, and Mr. Anderson added that staff is working with the Transportation Security Administration (TSA) to provide real-time information to travelers about wait times at various checkpoints.

**c. (02:10:07) Capital Improvement Projects for the Second Quarter, 2011.**

Presentation document(s): Commission agenda [memorandum](#) dated September 2, 2011, computer slide [presentation](#), and second quarter [report](#) provided by Ralph Graves, Managing Director of Capital Development.

Presenter(s): Mr. Graves.

Mr. Graves commented on the Airport Realignment project, and noted that streamlining the Port Commission's delegation of authority to the Chief Executive Officer in Resolution No. 3605, as amended, promises to simplify authorization of multiple related projects in the context of the overall project, and provide a broader view of individual components.

Mr. Graves presented overall statistics on the status of 2011 second quarter capital improvement projects, noting that the statistics were consistent with past quarters. He commented on work on the Aviation division's North Expressway Relocation project, Federal Inspection Services booths, Des Moines Creek Street vacations, Central Preconditioned Air project, and C1 to C88 Baggage Handling System connections.

Mr. Graves mentioned work on Seaport's project to repair a tower and spouts at the Terminal 86 grain facility, which he reported is over budget by about \$180,000.

Regarding Corporate division projects, Mr. Graves commented on delays in Information and Communications Technology projects, including the PeopleSoft Financial System upgrade, the Port website redesign, and implementation of the Skire™ Unifier™ construction contract documentation management system.

**d. (02:14:34) Briefing on Port Liability Insurance Renewal for 2011-2012.**

Presentation document(s): Commission agenda [memorandum](#) dated September 6, 2011, and computer slide [presentation](#) provided by Jeff Hollingsworth, Risk Manager.

Presenter(s): Mr. Hollingsworth.

Mr. Hollingsworth reported on the status of the Port's liability insurance coverage, which will be renewed on October 1, 2011. He outlined the Port's coverage and described the factors affecting liability and premiums and noted that while Aviation coverage is unique to Airport operations only, other coverage also extends to certain aspects of Airport operations.

Mr. Hollingsworth presented a graph of liability insurance premiums since 2000 and noted factors affecting reductions in insurance costs over time. He commented that the total current liability premium for the Port's expiring coverage was \$690,000 and that the premium for 2011-2012 is anticipated to be slightly higher.

Mr. Hollingsworth commented on liability coverage issues affecting the new policy period, including purchase of terrorism insurance, potential to increase the Airport limit from \$300 million to \$500 million, inclusion of ramp insurance in the Airport's policy, and excess worker compensation, which the Port has not carried for the past six years due to its cost.

In response to Commissioner Tarleton, Dan Thomas, Chief Financial Officer, commented that the Port is self-insured for workers compensation claims, and that the value of the additional insurance has to be weighed against the cost of long-term premiums.

Mr. Hollingsworth commented on the risk factors affecting the excess workers compensation premium and strategies for encouraging premium reductions. He also presented operational issues for the Real Estate and Aviation divisions affecting liability insurance premiums.

Mr. Hollingsworth stated that the renewal estimate for the Port's liability insurance premium is between \$700,000 and \$1.05 million.

**8. NEW BUSINESS**

**(02:27:46) Park and Fly Facilities in the City of SeaTac.**

Mark Reis, Aviation Division Managing Director, presented a preliminary briefing on emerging real estate issues in the City of SeaTac. Mr. Reis reported that the SeaTac City Council is considering recommended zoning changes that would change the city's parking code requirements and affect property adjacent to the Airport. He said one proposal would relax the restrictions on the number of parking stalls resulting in requiring fewer amenities in exchange for increased parking density. The other, more sweeping change, would remove many of these requirements and would encourage building of larger parking structures.

Mr. Reis indicated the SeaTac City Council might act on one of these proposals early in 2012, and he explained that a possible outcome could be addition of approximately 7,000 parking stalls in the area, deflation in the market value of the available parking space, and reduction in annual Airport parking revenue by between \$5 and \$11 million.

Commissioner Albro requested a more detailed briefing on this information, including more information on the Airport's benefit to the City of SeaTac's budget from Airport-generated tax revenue.

**9. POLICY ROUNDTABLE**

None.

**10. ADJOURNMENT**

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

John Creighton  
Secretary

Minutes approved: November 22, 2011.