



Commissioners

Bill Bryant
Commission 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

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**APPROVED MINUTES
COMMISSION SPECIAL MEETING June 28, 2011**

The Port of Seattle Commission met in a special meeting Tuesday, June 28, 2011, at Federal Way City Hall, 33325 Eighth Avenue South, Federal Way, Washington. Commissioners Albro, Bryant, Creighton, Holland, and Tarleton were present. Commissioner Creighton arrived at 1:25 p.m. Commissioner Tarleton was excused after 2:38 p.m.

1. CALL TO ORDER

The regular meeting was called to order at 1:05 p.m. by Bill Bryant, Commission President.

2. EXECUTIVE SESSION pursuant to RCW 42.30.110

None.

PLEDGE OF ALLEGIANCE

Following the flag salute, Commissioner Bryant thanked the City of Federal Way for hosting the Port of Seattle Commission and extended the Commission's appreciation to the Mayor and City Council of the City of Federal Way. He noted that the Port Commission meets in various locations outside its corporate facilities several times a year, especially when there is a topic on the agenda of particular interest to the community hosting the meeting.

Commissioner Bryant introduced Mayor Skip Priest, who welcomed the Commission to Federal Way and commented on the topic of airport noise, which is on the Commission's agenda as item 7a, the Part 150 Aircraft Noise Study. He thanked the Commission for visiting Federal Way in order to provide an opportunity for interested members of the community to comment on this topic.

3. (00:04:00) APPROVAL OF MINUTES

Regular Meeting of May 3, 2011.

Motion for approval of minutes for the May 3, 2011, regular meeting – Albro

Second – Tarleton

Motion carried by the following vote:

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

Absent for the vote: Creighton

4. SPECIAL ORDER OF BUSINESS

None.

5. (00:04:27) UNANIMOUS CONSENT CALENDAR

- a. Authorization for the Chief Executive Officer to execute a Third Amendment to the lease with Seaview Boatyard West, Inc. This amendment will result in \$2,901.52 additional annual revenue to the Port.**

Request document(s): Commission agenda [memorandum](#) dated June 22, 2011, [lease amendment](#), and Shilshole Bay Marina [site map](#) from Melinda Miller, Portfolio Management Director, and Betty Love, Real Estate Manager.

Motion for approval of consent Item 5a – Tarleton

Second – Holland

Motion carried by the following vote:

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

Absent for the vote: Creighton

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

7. STAFF BRIEFINGS

- a. (00:05:22) Part 150 Study Aircraft Noise and Land Use Compatibility Study Update.**

Presentation document(s): Commission agenda [memorandum](#) dated June 22, 2011, and computer slide [presentation](#) from Stan Shepherd, Airport Noise Programs Manager.

Presenter(s): Mr. Shepherd; Marco Milanese, Aviation Community Relations Manager; and Rob Adams, Executive Vice President, Environmental Services Division of Landrum and Brown.

Mr. Shepherd noted that the Part 150 study had begun in late 2009, and was expected to be complete by late 2011 or early 2012. Since the most recent Commission briefing, work of staff has included the following:

- Evaluation of noise and land-use data and preparation of noise exposure maps;
- Evaluation of recommendations by the public; and
- Study of feasible noise reduction alternatives.

Mr. Shepherd outlined the next steps in the Part 150 study process, including the following:

- Preparation of draft Part 150 documents;
- An additional public meeting with a public comment period;
- Finalizing the noise compatibility program;
- An early December Commission briefing; and
- Presentation of a Part 150 resolution for Commission action in December.

In response to Commissioner Bryant, Mr. Shepherd stated that a mayors' roundtable had been held on February 23, 2010.

Mr. Shepherd estimated potential cost of the mitigation program developed in response to the study in excess of \$30 million, of which 80 percent would be grant eligible through the Federal Aviation Administration (FAA) as Part 150-approved mitigation measures. He explained that grant eligibility does not guarantee availability of grant money for mitigation, but that to be eligible for the funding, the mitigation must be approved by the FAA. Mr. Shepherd noted that the Port is committed to the Highline School District and Highline Community College for noise mitigation through 2016 in an amount of \$43 million.

Mr. Adams described the mapping of existing and future noise levels around the Airport on contour maps, which define the areas within which the FAA will approve eligibility for grant funding. He explained that the 65 day-night sound level (DNL) is of particular interest in determining eligibility for FAA funding. Areas within the 65 DNL contour can be made eligible for 80-percent funding with an approved Part 150 study.

Mr. Adams reported that the forecasted 65 DNL contour for 2016 encloses a smaller area compared with the current noise remedy boundary around the Airport that was defined in the mid-1980s. In response to Commissioner Albro, Mr. Adams stated that the 65 DNL used to determine the current noise remedy boundary bore a similar relationship to the proposed noise remedy boundary and 2016 forecasted 65 DNL. In both cases, the noise remedy boundary is larger than the 65 DNL in order to avoid the boundary's splitting streets down the middle. Commissioner Albro requested that future presentations display the previous 65 DNL.

Commissioner Creighton arrived at 1:25 p.m.

Mr. Adams listed the following noise mitigation options under review:

- A one-time, final opportunity for single-family residences within the current noise remedy boundary to take advantage of sound insulation;

- Residential sound insulation within the revised boundary for single-family residences and condominiums;
- A pilot project for sound insulation for apartment buildings in the revised boundary;
- Installation of air conditioning in conjunction with new sound insulation work;
- Avigation easements for individual mobile homes on private land within the revised noise remedy boundary;
- A feasibility study on installing sound insulation for churches inside the revised boundary;
- Partnering with local jurisdictions on long-term land-use and noise compatibility planning;
- Voluntary acquisition and relocation services for residential properties in the south approach transition zone (ATZ) for the Third Runway; and
- Construction of a ground run-up enclosure (GRE), or “hush house” to mitigate noise from engine maintenance.

In response to Commissioner Albro, Mr. Adams stated there are 16 single-family residences and six apartment buildings in the south ATZ for the Third Runway.

Mr. Adams described design considerations, costs, and potential benefits of constructing a GRE and presented possible locations for a GRE facility. In response to Commissioner Albro, Mr. Adams explained the effect of prevailing winds on orientation of the GRE and described some alternative GRE designs. He commented on the noise profile of a GRE to deflect noise upward that would otherwise spread laterally from its concentration toward the rear of the aircraft. He also described the areas at the Airport where engine run-ups occur currently.

Other options outlined by Mr. Adams included the following:

- Evaluating the need to add noise monitoring terminals;
- Evaluating new noise reporting techniques;
- Enhancement of the Airport’s Fly Quiet program;
- Incorporating Air Traffic Control Tower reporting to compare operational modes to runway use goals; and
- Updating noise exposure maps as necessary.

In response to Commissioner Tarleton, Mr. Adams stated that the Port funds and manages the noise monitoring system, some of the equipment for which would be eligible for 80-percent FAA grant funding. He reported that staff at the noise office uses the noise monitoring system information to respond to noise complaints and to prepare noise contours for Part 150 studies and other environmental studies. In response to Commissioner Bryant, Mr. Adams clarified that the FAA does not require airports to maintain a noise monitoring system, which is a voluntary Airport program.

In response to Commissioner Creighton, Mr. Adams explained that continued collection of noise data is in preparation for future Part 150 studies and does not necessarily affect the assessment of the current study. Regarding funding of a possible GRE by the airlines, Mr. Adams added that if the GRE is incorporated into the Part 150 study and approved by the FAA, it would be eligible for 80-percent grant funding, on the same terms as other approved programs.

Mr. Adams reported that there were many additional options proposed in the course of public comment that are not under consideration currently as viable Part 150 options, including the following:

- Construction of a noise wall or berm, which would not be suitable on the west side of the Airport due to the topography, but might be useful in connection with construction of a GRE;
- Additional restrictions on ground run-up activities, which would be more restrictive on the airlines than the restrictions imposed at other airports;
- Changing flight paths of aircraft, which would not be available with respect to arriving aircraft and which would only move the noise from departing aircraft to affect a different population; and
- Purchase of all areas within the 65 DNL by the Port, which might erode the communities and tax bases of the neighboring jurisdictions.

Mr. Milanese described the public outreach efforts during preparation of the Part 150 study, including the Saturday workshop held April 9, 2011, at the Airport Arrivals Hall from 10 a.m. to 4 p.m. that was structured as an open house with airfield tours. He reported that the next public workshop would be held in the fall and will include a public testimony section.

He described the means by which public notice was publicized, including ads in local papers, flyers distributed to libraries, schools, and community centers, email, a dedicated Part 150 website, and Airport newsletter announcements. He stated there would be a briefing for the Highline Forum on June 29, 2011. Mr. Milanese reported that Part 150 presentations had been provided to the City Councils of Federal Way, Des Moines, SeaTac, Burien, and Normandy Park, and the Highline School District. A mayoral roundtable is tentatively scheduled for August 23, 2011.

Mr. Milanese concluded by reporting the efforts undergone to engage immigrant and limited-English speaking populations in the Part 150 process, especially in the Spanish, Vietnamese, Somali, and Cambodian languages.

In response to Commissioner Albro, Mr. Shepherd stated that staff has data for single-event noise, but that the FAA requires the use of the 65 DNL metric for Part 150 purposes, which is based on an averaging of noise. Mr. Shepherd clarified that mitigation outside of the noise boundary established in connection with the 65 DNL contour would have to be borne by Airport-generated revenue. Commissioner Albro requested additional information on single-event aircraft noise in map form.

Commissioner Tarleton requested additional information on the population density within the current and proposed noise remedy boundaries. She asked for information on the methodology for deciding where to locate noise monitoring systems, including the pros and cons of adding facilities versus relocating existing systems and the relationship between the noise-monitoring-system-location methodology and population density.

The Airlines Airport Affairs Committee (AAAC) of Seattle submitted a letter expressing concerns over the cost of constructing a GRE at the Airport. The letter is, by reference, made a part of these minutes, is labeled [Exhibit A](#), and is on file in Port offices.

Public comment was received from the following individuals:

- Linda Kochmar, Federal Way City Council. Councilmember Kochmar acknowledged the role of the Airport as a regional economic engine and important employer for residents of south King County. She commented on the lack of responsiveness by Airport officials toward the airport noise concerns of the City of Federal Way; noise issues within the city, especially along the shoreline; lack of noise insulation programs for residents within Federal Way; nightly single events of aircraft noise by EVA Air; and the failure of airlines to follow their assigned flight paths.
- Nancy Combs, 30441 Twenty-First Avenue Southwest, Federal Way. Ms. Combs stated that she is a 50-plus-year resident of Federal Way and commented on the effects of vibration and noise on her home, although she said she has been told she does not live close enough to the Airport to benefit from noise mitigation programs. She said she expects the Port to do something more than sympathize with her concerns.
- Fred Konkell, Chair of the Marine Hills Architectural Control Committee. Mr. Konkell commented that aircraft departing the Airport are making their turns too soon and stated that larger aircraft, such as the Boeing 737, should not be using the Third Runway.
- David Berger, 917 South 294th Place, Federal Way. Mr. Berger suggested that the maps of the noise mitigation boundaries be presented at a larger scale for the benefit of the public.
- Debi Wagner, Aviation Justice. Ms. Wagner stated she is a resident of Burien and commented in favor of building a noise wall on the west side of the Airport. She also commented on the detrimental effects of aircraft emissions and submitted a copy of her book, *Over My Head*, for distribution to the Commissioners. Ms. Wagner also provided written comments, which are, by reference, made a part of these minutes, are labeled [Exhibit B](#), and are on file in Port offices.
- Viola Mullins, 31412 Tenth Avenue South. Ms. Mullins approached the dais and commented on her health concerns and the lack of handicapped parking spaces at City Hall.
- Brandon Moak, 29622 Eleventh Avenue Southwest, Federal Way. Mr. Moak commented on the difficulties experienced by his grandmother, who lives in the Redondo/Riviera neighborhood, and commented that he believes noise and use of the Airport have increased over the years and questioned the effectiveness of the Port's noise monitoring efforts and the value of the noise data collected.

In response to inquiries by Commissioners Holland and Bryant, Mr. Shepherd indicated the approximate location of Federal Way and the Marine Hills neighborhood on the noise remedy boundary map.

The Commission returned to consideration of –

6. DIVISION, CORPORATE, AND COMMISSION ACTION ITEMS

- a. **(01:18:14) Authorization for the Chief Executive Officer to implement a revised incentive program for new commercial air service for Seattle-Tacoma International Airport to be consistent with the recently-published Federal Aviation Administration guidelines.**

Request document(s): Commission agenda [memorandum](#) dated June 16, 2011, from Michael Ehl, Director of Aviation Operations, and Kazue Ishiwata, Air Services Development Manager.

Presenter(s): Ms. Ishiwata.

Ms. Ishiwata reported on proposed revisions to the Airport's commercial air service incentive program, noting the following:

- Initiation of the program in 2005, with revisions in 2007 and 2009;
- The need to compile all revisions into a single program;
- The need to implement revisions in order to comply with new FAA guidelines;
- That core program elements are not proposed to be changed; and
- Changes are proposed to duration of the incentive offered from a maximum of three years to a maximum of two years and certain eligibility criteria would be eliminated, both as required by the FAA.

Ms. Ishiwata explained that the eligibility criteria to be eliminated include size of aircraft and restriction of the program to signatory lease holders. She added that the proposed changes had been fully vetted with the Port's legal and finance and budget departments and the FAA.

Ms. Ishiwata highlighted the following aspects of the incentive program:

- The program's objective is to encourage airlines to initiate or add new services by providing financial benefit;
- Services initiated under the program must be viable on their own since the program is not intended to subsidize otherwise unprofitable services;
- Carriers value the program as an element in mitigating risk for initiating new services; and
- There is a significant investment by airlines to initiate transoceanic routes.

She noted the following program incentive elements, which are applied according to the category of service offered:

- Discounted international arrival facility charge from the standard rate;

- Temporary waivers of landing fee and terminal facility charges; and
- The joint marketing program.

Ms. Ishiwata reported that the incentive program is comparable to the middle range of similar programs offered by other airports around the country and has enabled growth of 34 percent in passengers to Asia and Europe between 2006 and 2010. She highlighted the job opportunities that correspond to the initiation of the additional international services targeted by the incentive program.

In response to Commissioner Bryant, Ms. Ishiwata confirmed that there is no budget impact involved in consolidating and revising the incentive program as presented. Commissioner Bryant asked what economic impact new international service has on the community, which Ms. Ishiwata stated is not entirely clear due to the variety of numbers provided by various airports around the country and the variables involved.

In response to Commissioner Albro, Ms. Ishiwata explained that standard charges for international arrivals at Sea-Tac are disproportionately larger compared to other peer airports due to the large square footage of the Federal Inspection Service area, which other airports tend to subsidize from non-aeronautical revenues through negotiated agreements.

Motion for approval of Item 6a – Creighton

Second – Tarleton

Motion carried by the following vote:

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

Commissioner Tarleton was excused after 2:38 p.m.

- b. (01:33:41) Authorization for the Chief Executive Officer to execute one (1) professional services Indefinite Delivery/Indefinite Quantity contract to perform Surface Water Monitoring and Testing Services with a total value of \$3,000,000 and a contract duration of four (4) years at the Seattle-Tacoma International Airport. No funding is associated with this authorization.**

Request document(s): Commission agenda [memorandum](#) dated June 16, 2011, from Elizabeth Leavitt, Director of Aviation Planning and Environmental Programs, and Bob Duffner, Aviation Environmental Program Manager.

Presenter(s): Mr. Duffner.

Mr. Duffner outlined the action request, noting the following:

- Purpose of the contract to perform surface water monitoring and testing services;
- Contract duration of four years;
- Contract value of \$3 million;

- Sources of future funding, since no funding is associated with the current request;
- That 85 percent of the total contract capacity is expected to be used for compliance with the Airport's National Pollution Discharge Elimination System (NPDES) permit;
- Strict monitoring and reporting requirements of the NPDES;
- Potential enforcement actions for failure to comply with the NPDES requirements;
- Multi-year water-quality studies that would benefit from service continuity through all phases of the required studies; and
- Desire to realign surface water monitoring and testing services with the timeframe of the NPDES permit.

Motion for approval of Item 6b – Albro

Second – Holland

Motion carried by the following vote:

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

Absent for the vote: Tarleton

- c. (01:38:50) **Authorization for the Chief Executive Officer to execute three Indefinite Delivery/Indefinite Quantity contracts for Real Estate Services for the Seaport, Real Estate, Aviation, and Capital Development Divisions. The contracts will be three years in duration (one year with two one-year options) and the three combined contracts will be for a total amount not to exceed \$3,000,000.**

Request document(s): Commission agenda [memorandum](#) dated June 20, 2011, from Nora Huey, Director of Central Procurement Office, and W. Allan Royal, Real Estate Development Manager.

Presenter(s): Mr. Royal and Ralph Graves, Capital Development Division Managing Director.

In response to Commissioner Bryant, Mr. Royal reported that the source of funds for an indefinite delivery/indefinite quantity (IDIQ) contract come from operational funds or Commission-approved funds at the level of specific service directives. There are no funds associated with the IDIQ itself. He explained that the IDIQ provides necessary flexibility to respond to unanticipated contract needs in the most timely manner possible.

Mr. Royal explained that specific funding authorizations would be brought forward for Commission approval, depending on the size of the required authorization.

In response to Commissioner Albro, Mr. Royal addressed the overlaps between the scope of the three IDIQs and explained that the overlaps ensure adequate capacity within the contract for the overlapping scope.

Motion for approval of Item 6c – Albro

Second – Holland

Motion carried by the following vote:

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

Absent for the vote: Tarleton

7. STAFF BRIEFINGS

b. (01:44:12) Briefing on the Port Property Insurance Renewal for the Policy Year Beginning on July 1, 2011.

Presentation document(s): Commission agenda [memorandum](#) dated June 3, 2011, and computer slide [presentation](#) from Jeff Hollingsworth, Risk Manager.

Presenter(s): Mr. Hollingsworth.

Mr. Hollingsworth presented an overview of the Port's property insurance program, noting the following:

- Current structure of the property insurance program, including major deductible amounts, main limits insured, and carriers;
- Annual premium costs since 2000 compared to property values;
- Outline of current coverage;
- Cost factors, including real estate appraisals, trending of existing values, and new construction;
- Aviation and non-Aviation property losses and recoveries, which have been at or above 60 percent since 2005;
- Capital project insurance coverages, including separate insurance for the Rental Car Facility and East Marginal Way Grade Separation projects;
- Challenges involved in providing catastrophic earthquake coverage, including alternatives available in the absence of the Port's carrying earthquake insurance; and
- Estimated property insurance renewal cost.

Mr. Hollingsworth explained that the Port's premiums have remained low despite rising property values due to a favorable rate climate and internal changes that have allowed the Port to assume more risk and drop earthquake insurance.

In response to Commissioner Albro, Mr. Hollingsworth stated that the Port's deductible is \$500,000 per occurrence with sub-deductibles depending on the program and confirmed that the recoveries reported represent recoveries to the Port from responsible parties.

In response to Commissioner Albro, Mr. Hollingsworth reported that terrorism coverage is more available than earthquake insurance due to the carriers' ability to spread the risk over a larger pool. He stated the coverage is more market-related than exposure-related and added that the Port is covered in the event of fire following an earthquake.

c. (01:55:47) Review of the work of Audit Committee.

Presentation document(s): Commission agenda [memorandum](#) dated June 20, 2011, from Tom Barnard, Research and Policy Analyst.

Presenter(s): Mr. Barnard.

Mr. Barnard reported on recent work of the Audit Committee and noted that Christina Gehkre joined the committee this year as its new public member. Mr. Barnard highlighted the following work of the committee:

- Review of lease and concessions audits;
- Limited operational audits of the Capital Improvement Program;
- Comprehensive operational audits of Sea-Tac Airport utilities and public parking;
- Review of long-range goals and objectives, including the annual risk analysis that informs the committee's work plan and an examination of audit typology;
- Continued improvements in the committee's work;
- Review of Audit Committee charter revisions;
- Quality-control review of the work of the Internal Audit Department; and
- Internal Audit Department budget recommendations.

Commissioner Albro commented on the role of the Audit Committee and Internal Audit Department to ensure that policies adopted by the Port Commission are being followed by Port staff. He stated that the Port as an institution is guided by the following three principles, which work in concert with each other:

- Establishment of a strategic plan;
- Delegation to and empowerment of senior executives to accomplish the strategic plan; and
- Ensuring policy compliance by staff within established limits.

Commissioner Albro reported that the Audit Committee intends to implement quarterly briefings to the Commission, revise its role in proposing a budget for the Internal Audit Department consistent with standard best practices, and seek further guidance from the Commission as to its preferences for the committee's focus.

Commissioner Creighton complimented the work of the Audit Committee and remarked on the evolution of the committee's work from a focus on contract and lease revenue audits toward increased involvement in operational performance audits.

d. (02:05:13) Briefing – Total Rewards Philosophy.

Presentation document(s): Commission agenda [memorandum](#) dated June 21, 2011, and computer slide [presentation](#) from Tammy Woodard, Total Compensation Senior Manager.

Presenter(s): Ms. Woodard and David Leon, Benefits Manager.

Ms. Woodard described the development of elements of a Total Rewards philosophy in general, which has expanded beyond traditional pay and benefits to include a broader variety of programs. She stated that most Total Rewards programs are broadly defined and flexible and contribute to salary and benefits resolutions, collective bargaining agreements, and payroll-related budget discussions.

Mr. Leon presented a preliminary graphic model of the Port's Total Rewards program, which is based on the organization's mission, values and culture, and people and business strategies. He reported that the elements of the Port's Total Rewards program include the following:

- Base pay and base pay increases;
- Fully or partially Port-funded benefits;
- Employee benefits, such as deferred compensation and long-term care;
- Mandated benefits, such as social security, unemployment compensation, and workers compensation;
- Learning opportunities;
- Leadership and development programs;
- Seminars, conferences, and external training;
- Service awards;
- Retirement and other recognition; and
- Various intangible benefits, such as opportunities for public service or community involvement, unique type of work and work locations, employee interest networks, and wellness opportunities.

Ms. Woodard described the factors affecting development of a dynamic Total Rewards philosophy for the Port of Seattle, and the importance of identifying the types of rewards that will attract, engage, and retain employees now and in the future. She outlined the next steps in development of the Port's Total Rewards philosophy, which may take three to five years to effectively align the program with this philosophy.

Commissioner Albro commented on the value of achieving measurable objectives that have a significant impact on the community as a worthwhile reward of Port employment.

e. (02:20:41) Monthly Briefing – Update on the Consolidated Rental Car Facility Program.

Presentation document(s): Commission agenda [memorandum](#) dated June 22, 2011, [Attachment A](#), and computer slide [presentation](#) from Michael Ehl, Airport Operations Director; George England, Project Management Group Program Leader; and Janice Zahn, Engineering Construction Services Assistant Director.

Presenter(s): Mr. England and Ms. Zahn.

Ms. Zahn reported the following status updates on the progress of the Consolidated Rental Car Facility (RCF), Bus Maintenance Facility (BMF), and Off-Site Roads projects:

- There are approximately 200 workers on site for the three projects;

- Construction of the RCF is 92 percent complete;
- Construction of the Off-Site Roads is 50 percent complete;
- Construction of the BMF is 23 percent complete;
- Terrazzo flooring in the RCF customer service building is complete;
- Mechanical and electrical systems are almost complete in the RCF quick turnaround areas (QTAs);
- Helix art is almost complete at the RCF;
- The temporary stormwater pond on the southeast corner of the RCF property is in the process of being back-filled;
- The slab and foundation are complete at the BMF;
- Foundations are being started for the bus wash and compressed natural gas facilities;
- In the Off-Site Roads project, bridge widening, work along International Boulevard, and work on two new ramps continues;
- The BMF is on track for facility completion in mid-February 2012;
- Electrical power should be turned on at the RCF in July 2011;
- Additional costs for the RCF are at approximately \$13.9 million, which Ms. Zahn believes can be funded from contingency funds;
- There will be a need to transfer \$600,000 from program unallocated contingency funds in order to deal with unforeseen contaminated soil conditions in the Off-Site Roads project; and
- The BMF contingency of \$1.4 million is not likely to be needed.

In response to Commissioner Albro, Ms. Zahn explained that the agreement to secure an independent electrical estimator is a three-party agreement between the Port, the general contractor/construction management contractor, and a subcontractor.

Commissioners Albro and Bryant voiced concerns over the dwindling amount of RCF contingency funds. Mr. Reis explained that construction contingency is often budgeted with the intention of being spent and stated there is non-construction contingency in the budget as well.

Mr. England reported that bids for the Main Terminal improvement, for which the engineer's estimate was \$941,000, had yielded a low bid from Skanska USA Building Inc. at \$738,000. He stated this means that there will be savings from the Main Terminal portion of the project to be transferred to the unallocated contingency funds. Savings from the main terminal will probably be transferred to cover a shortfall in the Off-Site Roads contingency funds. He commented that he still expects the overall project to be completed within the \$419 million budget.

Mr. England commented that the Small Operator Area project will be advertised in late July 2011, and that AT&T is considering locating their equipment in the large station that operates the Airport Main Terminal cell phone and wi-fi system.

Mr. England stated that following the industry meeting in May, all but one 100-percent designs have been submitted by the rental car companies. Their permit submissions are expected in the coming week, with physical work to commence in early August, rather than July 5. Nevertheless,

he said he is still confident the rental car companies will have enough time to complete their work prior to opening when the BMF is completed.

Regarding the customer facility charge (CFC) collections, Mr. England reported that they are over forecast by about \$1.8 million.

8. NEW BUSINESS

(02:40:50) Commissioner Creighton requested more clarity in future FAA Part 150 presentations regarding the reasoning behind staff's selection or rejection of noise remedy recommendations from the public as the final Part 150 recommendations are developed.

9. POLICY ROUNDTABLE

None.

10. ADJOURNMENT

There being no further business, the regular meeting was adjourned at 3:50 p.m.

John Creighton
Secretary

Minutes approved: August 16, 2011.