



Commissioners

Gael Tarleton
Commission President
Tom Albro
Bill Bryant
John Creighton
Rob Holland

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

Tay Yoshitani
Chief Executive Officer

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**APPROVED MINUTES
COMMISSION REGULAR MEETING FEBRUARY 28, 2012**

The Port of Seattle Commission met in a regular meeting Tuesday, February 28, 2012, in the International Auditorium at Seattle-Tacoma International Airport, Seattle, Washington. Commissioners Albro, Bryant, Creighton, Holland, and Tarleton were present.

1. CALL TO ORDER

The regular meeting was called to order at 12 noon by Gael Tarleton, Commission President.

2. EXECUTIVE SESSION pursuant to RCW 42.30.110

The regular meeting was immediately recessed to an executive session estimated to last approximately 60 minutes to discuss matters relating to litigation and performance of a public employee. Following the executive session, which lasted approximately 55 minutes, the regular meeting reconvened in open public session at 1:08 p.m.

PLEDGE OF ALLEGIANCE

3. (00:01:32) APPROVAL OF MINUTES

Special meeting of December 6, 2011.

Motion for approval of minutes for the special meeting of December 6, 2011 – Creighton

Second – Bryant

Motion carried by the following vote:

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

4. SPECIAL ORDERS OF BUSINESS

4a. (00:02:17) Pat Davis Women's Legacy of Leadership Award Presented to Diane Summerhays.

Presentation document(s): Commission agenda [memorandum](#) dated February 17, 2012, provided by Marjorie Hillson, Assistant Director Human Resources and Development – Diversity and Consulting Services.

Presenter(s): Kristal Roberts, Organizational Development Manager.

Commissioner Tarleton noted that former Commissioner Pat Davis, for whom the Pat Davis Women's Legacy of Leadership Award was named, was present in the audience. Ms. Roberts described the history of and criteria for receipt of the award and announced the selection of Diane Summerhays as the third recipient of the award. She commented on Ms. Summerhays' more than 26 years of service to the Port, her recent retirement as Director of Aviation Community Development, and her many contributions to the Port during her career. Ms. Roberts noted that the Pat Davis Women's Legacy of Leadership Award is not extended routinely or on a particular schedule, but only in the presence of a worthy candidate, and invited the Commission to join the Port's Women's Initiative in honoring Ms. Summerhays. Ms. Summerhays offered brief remarks of appreciation.

5. (00:08:30) UNANIMOUS CONSENT CALENDAR

5a. Authorization for the Chief Executive Officer to direct staff to develop design documents, conduct environmental review, obtain permits, and prepare construction documents for the Pier 69 North Apron Corrosion Control project for an estimated cost of \$200,000 bringing the total authorized cost of this project to \$300,000. The total project cost is estimated at \$3,966,000 (CIP #C800313).

Request document(s): Commission agenda [memorandum](#) dated February 17, 2012, and computer slide [presentation](#) provided by Nick Milos, Manager, Corporate Facilities; and Catherine Chu, Capital Construction Project Manager.

5b. Authorization for the Chief Executive Officer to proceed with design development, environmental review, permit applications, and preparation of construction documents for the Seaport Pier 66 Apron Pile-Wrap project for an estimated cost of \$135,000 bringing the total authorized cost of this project to \$167,000. The total estimated project cost is \$2,378,000 (CIP #C800516).

Request document(s): Commission agenda [memorandum](#) dated February 17, 2012, and computer slide [presentation](#) provided by Mike McLaughlin, Director, Cruise & Maritime Operations; and Fred Chou, Project Manager, Seaport Project Management.

5c. Authorization for the Chief Executive Officer to: (1) proceed with construction and authorize the use of Port crews for construction activities; (2) approve additional project scope and budget of \$2,820,000; (3) amend consulting agreement with URS Corporation from \$192,800 to a total of \$660,000 for additional scope design and construction support activities; (4) amend consulting contract with InterSystems USA Inc. (ITS) from \$350,000 to \$650,000; and (5) dispose of surplus equipment in accordance with Port Policy PUR-1 to deliver the FIMS Phase II Project. The estimated total cost for this project is \$8,220,000. In addition, this memo provides notification to the Port of Seattle Commission in accordance with RCW 53.19.060 that the amended amounts for URS Corporation and ITS exceed 50% of the original contract value (CIP #C101117).

Request document(s): Commission agenda [memorandum](#) dated February 21, 2012, provided by Michael Ehl, Director, Airport Operations.

5d. Authorization for the Chief Executive Officer to execute one indefinite delivery/indefinite quantity professional services contract for environmental field support services totaling \$2,322,000 with a contract ordering period of three years in support of various programs at Seattle-Tacoma International Airport. There is no budget request associated with this authorization.

Request document(s): Commission agenda [memorandum](#) dated February 17, 2012, provided by Robert Duffner, Senior Manager, Aviation Planning and Environmental; and Don Robbins, Senior Environmental Program Manager.

5e. Authorization for the Chief Executive Officer to (1) prepare full design documents; (2) execute contracts to prepurchase single-mode fiber optic cable; and (3) authorize Port Crews to install new single-mode fiber optic cable to the industrial waste treatment plant (IWTP) and to Gate E-45 for the IWTP Fiber Installation project at Seattle-Tacoma International Airport for a total cost of \$514,000 (CIP #C800461).

Request document(s): Commission agenda [memorandum](#) dated February 17, 2012, and [diagram](#) provided by David Soike, Director, Aviation Facilities and Capital Program; and Wayne Grotheer, Director, Aviation Project Management Group.

Motion for approval of consent items 5a, 5b, 5c, 5d, and 5e – Bryant

Second – Albro

Motion carried by the following vote:

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

(00:09:15) PUBLIC TESTIMONY

As noted on the agenda, public comment was received from the following individuals:

- Christopher Brown, 9688 Rainier Avenue South, Seattle, Washington. Mr. Brown commented on the expected filing of a class-action lawsuit regarding funding provided to Aviation High School by the Port. Mr. Brown also requested the Commission rescind a memorandum of agreement with the State of Washington to provide \$300 million toward the Alaskan Way Viaduct and Seawall Replacement program, noting deviations from highway safety standards, including excessive grade, lack of escape routes for disabled persons, and diversion of traffic to surface streets. Mr. Brown submitted a copy of a letter dated February 23, 2012, regarding these two topics, a copy of which is, by reference, made a part of these minutes, is marked [exhibit A](#), and is available for inspection in Port offices.
- H.E. Bud Shasteen, 7333 39th Avenue Southwest. Mr. Shasteen commented in opposition to the replacement of the Alaskan Way Viaduct with a deep-bored tunnel and asked the Port Commission not to fund the project.
- Dorli Rainey, 320 West Roy Street, No. 213. Ms. Rainey commented in opposition to the deep-bored tunnel and requested the Commission rescind its memorandum of agreement with the Washington State Department of Transportation. She recommended

using the money to improve the Airport by providing better access to the terminal from public transit.

- Ed Plute, 310 Northwest 84th Street, Seattle, Washington, submitted written comments opposing the Port's memorandum of agreement with the Washington State Department of Transportation and the deep-bored tunnel. A copy of the document is, by reference, made a part of these minutes, is marked [exhibit B](#), and is available for inspection in Port offices.
- Stefan Moritz, Director of Strategic Affairs for Unite Here Local 8. Mr. Moritz stated that Unite Here is disappointed there is no guaranteed job security for employees in the concessions program at the Airport and was unhappy with the outcome of the policy direction motion adopted on February 14, 2012, under agenda item 6a. Mr. Moritz spoke in opposition to extending an Airport concessions lease to McDonalds and stated the Commission should not compromise the interests of its constituents by catering to large corporations.
- Julie Williams, employed by HMS Host. Ms. Williams spoke in opposition to having a McDonalds at the Airport and noted that McDonalds is not a small business, is not a local business, and does not represent fair-wage jobs.

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

7. STAFF BRIEFINGS

7a. (00:19:25) Recognition of Seattle-Tacoma International Airport's Perfect Score in the Annual Federal Aviation Administration Federal Aviation Regulations Part 139 Airport Certification/Safety Inspection.

Presentation document(s): Commission agenda [memorandum](#) dated February 22, 2012, and computer slide [presentation](#) provided by Michael Ehl, Director Aviation Operations.

Presenter(s): Mr. Ehl.

Mr. Ehl reported that for the fifth time in the last 10 years, Seattle-Tacoma International Airport had completed its annual Federal Aviation Administration (FAA) certification inspection with no discrepancies. He explained that certification is crucial to continued airfield operations and described operations covered under Federal Aviation Regulations Part 139 and reviewed during annual FAA inspections, including wildlife hazard mitigation plans, recordkeeping, employment of qualified personnel, maintenance of airport surfaces, self-inspection programs, fire department personnel, maintenance of the Airport Emergency Plan, and snow and ice control. He noted that obtaining zero discrepancies in an FAA inspection reflects the commitment of Airport staff to ensuring public safety. In response to Commissioner Creighton, Mr. Ehl commented that Airport performance during the January snow and ice storm was exceptional, surpassed its goal to keep open three runways 55 percent of the time, and was well managed.

Following consideration of agenda item 7a, the Commission advanced to consideration of –

7b. (00:30:22) Greener Skies Over Seattle.

Presentation document(s): Commission agenda [memorandum](#) dated February 21, 2012, and computer slide [presentation](#) provided by Stan Shepherd, Manager Airport Noise Programs.

Presenter(s): Mr. Shepherd and David Suomi, Acting Regional Administrator of the Federal Aviation Administration's (FAA's) Northwest Region.

Mr. Suomi congratulated the Airport for its perfect Part 139 inspection score. He provided an update on the Greener Skies Over Seattle program and described the NextGen initiative that is intended to ease airspace congestion, increase capacity, prepare for new types of aircraft, and reduce aviation's environmental impacts.

Mr. Suomi outlined the Greener Skies project as a component of the NextGen program, noting two initiatives, one to establish standard arrival routes (STARs) and required navigation performance (RNP) approaches and involving flight simulation trials and environmental assessments; and another initiative to implement the improvements resulting from the first initiative.

Mr. Suomi described the benefits of consistent, controlled aircraft approaches that shorten flight-path length, route aircraft over less noise-sensitive areas such as Elliott Bay, reduce greenhouse gas emissions, and reduce operational costs. He presented examples of existing flight-path approaches and contrasted them with an optimized profile descent (OPD) flight path, noting how OPD would reduce the approach distance, save fuel, absorb delays at cruising altitude farther from the Airport, and reduce hydrocarbon emissions by adopting a continuous descent pattern requiring minimum engine thrust. He stated that the objective is to implement use of OPD 85 percent of the time by 85 percent of aircraft. Mr. Suomi noted that OPD would reduce ineffective communications between pilots and air traffic control while increasing predictability and flight stability.

Mr. Suomi presented a profile view of aircraft approaches before and after implementation of OPD and demonstrated the quantifiable benefits of idle descent over traditional, level-off descent, which he said uses 4-5 time more fuel than idle descent, reduces annual flight hours by 4800, saves 2.9 million gallons of fuel annually, and reduces annual CO₂ emissions by 30,500 metric tons, an amount equivalent to removing 5,600 cars from the Seattle region annually. He presented an illustration showing a significantly narrower flight path for OPD compared to current aircraft approach vectors, which reduces the area over which aircraft have to pass from a vector about a mile wide to one about the width of the airplane's wing span.

Mr. Suomi reported on factors that make Seattle a good location for NextGen implementation, noting availability of an appropriate lead carrier, presence of a committed airport operator, the degree of complexity in Seattle's airspace, percentage of operators equipped for OPD implementation, legislative support for the program in the Seattle area, and good rapport with bargaining units.

Commissioner Albro commented on the noise reduction benefits represented by the narrowing of approach flight paths with OPD. Mr. Suomi noted that the environmental assessment for the Greener Skies Over Seattle program is expected to be complete in October 2012 with publication of the program approach in March 2013.

Following consideration of agenda item 7b, the Commission returned to consideration of –

6. DIVISION, CORPORATE, AND COMMISSION ACTION ITEMS

- 6a. (00:59:35) Authorization for the Chief Executive Officer to execute a possession and use agreement between the Washington State Department of Transportation, the Port of Seattle, and Total Terminals International LLC for the partial taking of Port of Seattle**

Terminal 46 for Phase 3 of the South Holgate Street to South King Street Viaduct Replacement Project.

Request document(s): Commission agenda [memorandum](#) dated February 27, 2012, [exhibit A](#), [exhibit B](#), [possession and use agreement](#), and computer slide [presentation](#) provided by Michael Campagnaro, Manager, Seaport Leasing and Asset Management; and Christine Wolf, Transportation Program Planner, Seaport Leasing and Asset Management.

Presenter(s): Mr. Campagnaro and Ms. Wolf.

Ms. Wolf described the request as covering minor adjustments to a previously approved real estate transaction that are necessary to accommodate project design changes beneficial to the Port and the community. She presented graphics showing the original design that called for an underpass beneath the BNSF Railroad and East Marginal Way to access the Seattle International Gateway rail yard from Terminal 46 and the revised design calling for a bridge instead. She noted that the newer design allows for a north-south connection on the waterfront side of the grade separation, revises a turning lane design that improves traffic flow along the Atlantic Street corridor, and improves safety conditions for bicycles.

Mr. Campagnaro reported that use of a possession and use agreement rather than purchase and sale agreement is due to the Washington State Department of Transportation (WSDOT) project schedule and that the area over which WSDOT requires property rights constitutes approximately 4800 square feet plus about 2500 square feet of aerial rights. He stated that Port staff and the terminal operator are in agreement with the area needed by WSDOT and added that WSDOT will compensate the Port based on WSDOT's appraised value of the area, although final compensation can be negotiated at a later date. Mr. Campagnaro commented that staff would return to Commission in the future to review the final negotiated compensation for the land areas, amendment of the Total Terminals International lease to remove the transferred areas from the lease, and to approve the transfer of title of the affected property.

Motion for approval of item 6a – Albro

Second – Bryant

Motion carried by the following vote:

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

6b. (01:08:48) Authorization for the Chief Executive Officer to: (1) proceed with design and installation of replacement and/or refurbishment of Airport-owned passenger loading bridges (PLBs) that are at or beyond their useful life; (2) authorize execution of contacts to purchase new PLBs and replacement PLB components for refurbishment; and (3) approve the use of Port crews to perform work related to (a) modification/refurbishment of an existing PLB and (b) installation of new PLBs at Seattle-Tacoma International Airport. The amount of this request is \$2,405,000. It is anticipated that one PLB will be replaced and up to three PLBs will be refurbished under this scope of work (CIP #C800267).

Request document(s): Commission agenda [memorandum](#) dated February 17, 2012, and [graphic](#) of passenger loading bridge improvements provided by John Christianson, General Manager, Aviation Maintenance; and Wayne Grotheer, Director, Aviation Project Management Group.

Presenter(s): David Soike, Director, Aviation Facilities and Capital Program; and Alan Olson, Capital Project Manager.

Mr. Olson reported that there are 74 passenger loading bridges (PLBs) at the Airport, of which 51 are owned by the Airport. He explained that the project would replace or refurbish PLBs that have exceeded their useful life, according to a prioritized list of PLBs between 24-38 years old, and stated that PLBs would be replaced or refurbished based on their mechanical condition and age. Mr. Olson noted that refurbishment represents approximately half the cost of replacement and extends the life of the equipment by 20 years.

Mr. Soike described the application of the Port's Continuous Process Improvement (CPI), or "Lean" initiative to the PLB project. He reported that operating engineers were asked to apply CPI principles to the weekly PLB preventive maintenance check process, resulting in an overall three-percent improvement in work due to reduction of process time per bridge by 15 minutes, which translates to 215 hours per year. He stated weekly work orders were reduced from 51 to 12 and paperwork was reduced from 100 pieces of paperwork to 24 pieces per week. Mr. Soike noted that travel distances and fuel consumption were also reduced by identifying improved efficiencies.

Mr. Soike commented that CPI improvements are related to collection of metrics and external certification efforts intended by Chief Executive Officer Yoshitani to improve the Port's internal efficiency.

Motion for approval of item 6b – Creighton

Second – Holland

Motion carried by the following vote:

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

Agenda items 7a and 7b having been disposed of previously, the Commission advanced to consideration of –

7. STAFF BRIEFINGS

7c. (01:17:22) Ground Run-Up Enclosure ("hush house") Siting Study.

Presentation document(s): Commission agenda [memorandum](#) dated February 21, 2012, [letter](#) dated from June 27, 2011, from Airlines Airport Affairs Committee, and computer slide [presentation](#) provided by Stan Shepherd, Manager Airport Noise Programs; and Tom Hooper, Aviation Planner.

Presenter(s): Mr. Shepherd, Mr. Hooper, and Rob Adams, Executive Vice President, Environmental Services Division of Landrum and Brown.

Mr. Shepherd described a typical three-sided ground run-up enclosure (GRE) that could reduce noise levels from engine run-ups by 15-20 decibels and accommodate approximately 96 percent of the engine run-ups at the Airport by providing for aircraft as large as a Boeing 737-900. He explained that construction of a GRE is a component of the Airport's Part 150 study that, if approved, might be eligible for grant funding. He noted that GREs are common at many airports in North America and worldwide.

Mr. Hooper presented four potential sites for construction of a GRE, noting each site's relative merits relating to community noise impacts, compatibility with existing and future facilities, operational impacts, cost, and environmental considerations. He stated that option A represents an expansion of the airfield to the south that might reduce employee parking capacity, would pose a conflict with taxiway A about 30 percent of the time, is relatively expensive to develop, and would be located near a critical area. He noted option B, located near the Alaska Airlines maintenance facility, poses some line-of-sight issues and would affect existing aircraft remain-overnight (RON) parking positions. He commented that option D, located at the former U.S. Postal Service facility, is not very close to the Alaska or Delta maintenance facilities and may represent a loss of two or three RON positions. He reported that option E at the east end of the airfield in the north cargo area is close to a residential area but far from Alaska and Delta maintenance facilities. In response to Commissioner Creighton, Mr. Hooper explained that option C had been ruled out previously as impractical.

Mr. Adams presented a graphic showing the location of current engine run-ups at the north and south ends of runway 16L/34R and the noise contours associated with run-ups at those locations. He compared the current noise contours with prospective noise contours associated with use of GREs at location options A, B, and D, noting noise reduction on the three built sides of the GRE and a noise contour similar to existing conditions on the open side. He explained that the Lmax contours provided represent a measurement of single-event, maximum noise as opposed to DNL contours, which represent average noise levels.

In response to Commissioner Creighton, Mr. Adams explained that the noise contour projections represent a westward orientation of the open side of each GRE, consistent with the direction of prevailing winds in the area.

In response to Commissioner Albro, Mr. Adams stated that during the design phase of construction for a particular GRE, a detailed analysis would be conducted that might result in a GRE orientation that could be positioned more toward the southwest.

Mr. Adams noted there is a cumulative effect to concentrating engine run-ups in a GRE that were previously conducted at multiple locations on the airfield and pointed out that larger aircraft would potentially continue to conduct their run-ups outside the GRE. He reported that airline maintenance staff tend to report operational benefits to conducting run-ups in a GRE as opposed to other airfield locations.

Mr. Shepherd commented on next steps, including Commission involvement in deciding whether to include a GRE recommendation in the Part 150 study, obtaining approval from the Federal Aviation Administration for funding eligibility for constructing a GRE, and continued collaboration with the airlines.

7d. (01:42:45) Monthly Briefing – Update on the Consolidated Rental Car Facility Program.

Presentation document(s): Commission agenda [memorandum](#) dated February 22, 2012, briefing [attachment](#), and computer slide [presentation](#) provided by 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.

Mr. England reported on efforts to pursue Leadership in Energy and Environmental Design (LEED) certification from the U.S. Green Building Council (USGBC), and the project's receipt of approval of LEED certification with a silver rating.

Ms. Zahn reported on the status of the project, noting approximately 75 project workers on site and about 100 workers involved in tenant improvements. She reported there have been no lost-time safety incidents for the past few years; commented on commissioning activities for the fueling facility, communications system, and emergency power system; noted approval of the elevator system; and stated work is on schedule for the May 17, 2012, opening date.

Ms. Zahn commented on the status of contractor claims for which no-cost time extensions have been granted to the contractor and noted that staff is working with Pierce Transit to obtain enough buses to conduct a maximum capacity test of the new facility, delay of which is not expected to affect the opening date. Ms. Zahn reported that the Commission would be asked in March to authorize a change order for a time extension of approximately 120 days. She stated the new on-ramp to SR-518 is open.

Mr. England reported on preparations for the rental car companies' overnight cut-over to use of the new facility and stated that employment offers to bus drivers have been accepted. He presented an update on program costs, noting that it has been determined that the entire Off-Site Road Improvements budget has to be considered public expense, although the costs have been determined to be Customer-Facilities-Charge (CFC) eligible. He stated this would not affect the updated project budget as presented.

Mr. England presented updated CFC trends, which continue to grow above forecast.

8. NEW BUSINESS

8a. (01:54:00) Motion to award the Chief Executive Officer an "Outstanding" performance rating for 2011.

Commissioner Tarleton announced that the Commission had discussed the Chief Executive Officer's (CEO's) performance evaluation and rating in executive session and would approve the evaluation and rating in public session today consistent with the performance ratings common to all Port employees. She explained that the CEO's goals and objectives for 2012 were presented to and approved by the Commission in January, and Mr. Yoshitani had provided his own assessment of his 2011 performance to the Commission.

Commissioner Tarleton commented on Mr. Yoshitani's leadership in focusing on the agency's financial health and job creation during turbulent times while respecting diversity; his forward-looking collaboration with the Commission, including embracing of the Century Agenda and development of ambitious implementation goals; and his clear view of strategic opportunities and potential risks.

Commissioner Creighton commented Mr. Yoshitani's focus on the Port's fiscal strength, including a recent bond refunding that resulted in savings of approximately \$85 million. Commissioner Albro commented on his travel to Asia with Mr. Yoshitani and Mr. Yoshitani's ability to cultivate valuable relationships for the Port.

Mr. Yoshitani thanked the Commissioners and commented on the strength of the working relationship between Port staff and the Commission. He acknowledged that the success of the Port is a team effort.

[Clerk's Note: A copy of the CEO's 2011 Goals and Objectives was provided to the Commissioners prior to the meeting and was made available to the public for reference following the meeting. A copy of the document is, by reference, made a part of these minutes, is marked [exhibit C](#), and is available for inspection in Port offices.]

Motion to award the Chief Executive Officer an "Outstanding" performance rating for 2011 – Creighton

Second – Albro

Motion carried by the following vote:

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

9. POLICY ROUNDTABLE

None.

EXECUTIVE SESSION pursuant to RCW 42.30.110

The regular meeting was recessed to an executive session at 3:12 p.m. Following the executive session, which lasted approximately 15 minutes, the regular meeting reconvened in open public session at 3:48 p.m. Commissioner Tarleton announced that the executive session had been convened to discuss a matter related to real estate.

10. ADJOURNMENT

There being no further business, the regular meeting was adjourned at 3:48 p.m.

Tom Albro
Secretary

Minutes approved: April 24, 2012.