



# COMMISSION REGULAR MEETING AGENDA

## Port of Seattle Commission

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**Port of Seattle:**  
*Creating Economic  
Vitality Here*

## Business Strategies:

- Ensure Airport and Seaport Vitality
- Develop New Business and Economic Opportunities for the Region and the Port
- Enhance Public Understanding and Support of the Port's Role in the Region
- Be a Catalyst for Regional Transportation Solutions
- Be a Leader in Transportation Security
- Exhibit Environmental Stewardship through our Actions
- Be a High-Performance Organization

Port of Seattle  
Commission Chambers  
Pier 69, 2711 Alaskan Way  
Seattle, Washington 98111

## REGULAR MEETING

**Date: June 5, 2012**

## ORDER OF BUSINESS

- 12:00 noon**
1. Call to Order  
Recess to:
  2. Executive Session, if necessary\*
- 1:00 p.m.**
3. Call to Order or reconvene to Open Public Session
  3. Approval of Minutes
  4. Special Order of Business
  5. Unanimous Consent Calendar\*\*
  6. Division, Corporate and Commission Action Items
  7. Staff Briefings
  8. New Business
  9. Policy Roundtables
  10. Adjournment

## 1. CALL TO ORDER AND PLEDGE OF ALLEGIANCE

2. EXECUTIVE SESSION\* - Pursuant to RCW 42.30.110, if necessary.

## 3. APPROVAL OF MINUTES

Approval of the minutes of the regular meetings of April 3, 2012, and April 10, 2012.

## 4. SPECIAL ORDER OF BUSINESS

- a. Commission Activities Report. ([memo enclosed](#))
- b. Reserve Sailor of the Year: Sergeant Doug Newman, Port of Seattle Police Department. ([memo and PowerPoint enclosed](#))

## 5. UNANIMOUS CONSENT CALENDAR\*\*

**Notice:** *There will be no separate discussion of Consent Calendar items as they are considered routine by the Port of Seattle Commission and will be adopted by one motion. If a Commissioner or a member of the public requests discussion on a particular item, that item will be removed from the Consent Calendar and considered separately.*

- a. Authorization for the Chief Executive Officer to execute a lease for a five year and two month term substantially as drafted in Attachment 1 and according to the terms laid out in this memorandum at a fair market rate, with Wounded Warrior Project at Pier 66 and to reimburse the tenant in an amount not to exceed \$137,284 for tenant improvements of \$112,769 and the brokerage commission of \$24,515. ([memo and attachment enclosed](#))

\* An Executive Session may be held at any time after the convening time, if necessary.

\*\* Unless otherwise requested by a Port Commissioner, all items under the Unanimous Consent Calendar will be considered as a single item.

\*\*\* Cellular telephones and pagers should be off or on vibrate mode during the Public Session.

**5. UNANIMOUS CONSENT CALENDAR Continued**

- b. Authorization for the Chief Executive Officer to execute one two-year lease option as provided for in the Lease and Concession Agreement with Massage Bar Inc. The total lease term, if the option is exercised, is seven years. ([memo](#), [attachment](#), and [article enclosed](#))
- c. Authorization for the Chief Executive Officer to execute one two-year lease option as provided for in the lease and concession agreement with butter LONDON Inc. The total lease term, if the option is exercised, is seven years. ([memo](#) and [attachment enclosed](#))
- d. Authorization for the Chief Executive Officer to authorize all work, execute indefinite delivery, indefinite quantity (IDIQ) contracts and all service directives and amendments for personal services to support the concession tenant-funded joint concession marketing program. The total combined value of all of these procurements is estimated at \$1.75 million for contracts whose terms range from three to five years in duration. ([memo](#), [attachment](#), and [signage sample enclosed](#))
- e. Authorization for the Chief Executive Officer to execute indefinite delivery, indefinite quantity (IDIQ) contracts for environmental site management support services for both the Seaport Environmental and Aviation Environmental programs. Four IDIQ contracts will be issued for the not-to-exceed amount of \$1,500,000 each with a three-year contract ordering period for a total maximum value of \$6,000,000. No funding is associated with this authorization. ([memo enclosed](#))
- f. Ratification of Port of Seattle actions related to purchasing contracted airport snow removal services at Seattle-Tacoma International Airport during the snow and ice storm the week of January 15, 2012. ([memo enclosed](#))

**PUBLIC TESTIMONY:** The Commission has changed its practice of taking public testimony at the time of the presentation of an agenda item and will amend its bylaws to reflect this change. The Port Commission will only take public testimony after the unanimous consent agenda before considering action items or staff briefings, under New Business or during a Public Hearing. Any person wishing to speak must sign up to testify and identify the specific agenda item or topic they are addressing. Public testimony will normally be limited to two minutes for individuals and representatives of organizations and is at the discretion of the Chair. Written comments for any agenda item may be submitted to Commission Records staff at any time during the meeting for distribution to Commissioners and inclusion in the meeting record.

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

- a. Authorization for the Chief Executive Officer to negotiate and execute a lease and concession agreement with McDonald's Corporation to operate a restaurant in a currently vacant location on Concourse B for a term of 12 years. The draft lease (Exhibit E) is not necessarily the final version and is subject to negotiation within the stated parameters provided in this memorandum. ([memo](#), [attachment](#), [map](#), [PowerPoint](#), [fact sheet](#), and [draft lease enclosed](#))
- b. Authorization for the Chief Executive Officer to: A: For CIP #C800412, (1) advertise for construction bids and execute construction contracts and (2) execute contracts to purchase furnishings and casework for the South Satellite Concessions Project at Seattle-Tacoma International Airport (Airport). This authorization is for \$2,185,700 of a total estimated project cost of \$2,535,700; and, B: For CIP #C800466, (1) advertise for construction bids and execute construction contracts and (2) execute contracts to purchase furnishings and casework for the South Satellite Additional Gate Lobby Project at the Airport. This authorization is for \$930,000 of a total estimated project cost of \$1,344,000. The total combined authorization request for both projects is for \$3,115,700 of a total combined estimated project cost of \$3,879,700. ([memo](#) and [PowerPoint enclosed](#))
- c. Authorization for the Chief Executive Officer to execute substantially consistent with the terms described in this memorandum: (i) a ground lease and related agreements with Puget Sound Energy, Inc. (PSE) and Benaroya Capital Co. LLC or an affiliated entity (Benaroya); and (ii) a Second Development Agreement with the City of Des Moines (City), including authorization to pay the City \$6 million to fully satisfy all frontage improvements in-lieu fees that will become due as the Des Moines Creek Business Park (DMCBP) site is developed. The Port's actual out-of-pocket expenses from the proposed ground lease are anticipated to total approximately \$545,000. The Port will also provide rent credits to PSE in an amount not to exceed \$1.836 million for stormwater and street improvements benefitting both PSE's leased premises and the larger DMCBP site that Benaroya will construct as part of the project. ([memo](#), [map](#), [draft lease](#), [draft agreement](#), and [PowerPoint enclosed](#))
- d. Authorization for the Chief Executive Officer to: (1) utilize 0.16 acres (6,900 square feet) of Port-owned commercial waterway district property for shoreline rehabilitation project in the Duwamish Waterway in conjunction with 0.17 acres (7,450 square feet) of City of Seattle right-of-way on South Riverside Drive; (2) obtain permit approvals for shoreline rehabilitation project; and (3) approve the expenditure of funds from Washington State Department of Transportation for use by Port crews to construct a shoreline rehabilitation project for an estimated construction cost of \$250,000 which will be reimbursed 100 percent with state funds. This project is being accomplished through an existing contract with the Washington State Department of Transportation, which expires on December 31, 2012. ([memo](#), [map](#), [SEPA checklist](#), and [amendment enclosed](#))

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

- e. Authorization for the Chief Executive Officer to change the scope of this previously authorized project as follows: (1) remove the replacement of the passenger loading bridge (PLB) at Gate N3 as originally authorized; (2) proceed with design, purchase and installation of one new PLB and associated fixed walkway section at Gate S3; and (3) add the refurbishment of the fixed walkway section at Gate S12 at Seattle-Tacoma International Airport. No new budget is requested in association with these actions (CIP #C800267). ([memo](#) and [attachment](#) enclosed)
- f. Authorization for the Chief Executive Officer to proceed with design, permitting, and project management for recommended Option 3 for the Fishermen's Terminal (FT) Net Sheds Buildings Code Compliance Improvements in the amount of \$650,000. Staff will return to Commission at the end of 2012 with additional design and cost information including construction details. The preliminary estimated total project cost is \$4,700,000 for 7 net shed buildings to \$6,000,000 for all nine net shed buildings per the recommended storage Option #3. ([memo](#), [citation letter](#), and [PowerPoint](#) enclosed)
- g. Authorization for the Chief Executive Officer to execute a Memorandum of Understanding (MOU) memorializing the pension rehabilitation plan agreement between the Port of Seattle and the International Brotherhood of Electrical Workers, Local Union No. 46 representing Electronic Technicians effective upon execution, and retroactive to December 1, 2011, through May 31, 2014. The total overall additional cost to the Port for the term of this MOU is \$57,867 covering all employees. ([memo](#) and [attachment](#) enclosed)
- h. Authorization for the Chief Executive Officer to execute a memorandum of understanding (MOU) between the Port of Seattle and the International Brotherhood of Teamsters, Local Union No. 117 representing Non-Sworn Supervisors effective March 26, 2012, through December 31, 2013. The MOU modifies the Non-Sworn Supervisors Collective Bargaining Agreement – Police Administrative Supervisor Hours of Work, Meal Period, and Wages. The total additional estimated cost to the Port for the MOU is \$11,391.81 over the twenty-one (21) month period. ([memo](#) and [attachment](#) enclosed)
- i. Second Reading and Final Passage of Resolution No. 3663: A Resolution of the Port Commission of the Port of Seattle restating the Port of Seattle Statement of Investment Policy; authorizing its implementation by the Treasurer of the Port and Repealing Resolutions No. 3569 and No. 3589 in their entirety. ([memo](#), [resolution](#), [exhibit A](#), and [redline](#) enclosed)

**7. STAFF BRIEFINGS**

- a. Briefing on the Port Property Insurance Renewal for the Policy Year Beginning on July 1, 2012. ([memo](#) and [PowerPoint](#) enclosed)

**8. NEW BUSINESS****9. POLICY ROUNDTABLE**

None.

**10. ADJOURNMENT**