



Commissioners

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Commission President

Tom Albro
Bill Bryant
John Creighton
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Tay Yoshitani
Chief Executive Officer

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**APPROVED MINUTES
COMMISSION REGULAR MEETING JULY 10, 2012**

The Port of Seattle Commission met in a regular meeting Tuesday, July 10, 2012, at Port of Seattle Headquarters, Commission Chambers, 2711 Alaskan Way, Seattle, Washington. Commissioners Albro, Bryant, and Tarleton were present. Commissioner Creighton was absent. Commissioner Holland was absent after 1:36 p.m.

1. CALL TO ORDER

The regular meeting was called to order at 1:07 p.m. by Gael Tarleton, Commission President.

2. EXECUTIVE SESSION pursuant to RCW 42.30.110

None.

PLEDGE OF ALLEGIANCE

3. (00:01:27) APPROVAL OF MINUTES

Regular meeting of May 8, 2012; special joint meeting of May 22, 2012; and special meeting of May 22, 2012.

Motion for approval of minutes for the regular meeting of May 8, 2012; special joint meeting of May 22, 2012; and special meeting of May 22, 2012 – Albro

Second – Bryant

Motion carried by the following vote:

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

Absent for the vote: Creighton

4. SPECIAL ORDERS OF BUSINESS

4a. (00:02:03) Commission Activities Report.

Presentation document(s): Commission agenda [memorandum](#) dated July 2, 2012, provided by Mary Gin Kennedy, Director of Commission Services.

Commissioner Albro commented on Commission activities during June including participation in six Century Agenda outreach activities; a Commission retreat to discuss the Century Agenda; a joint meeting with the King County Council Committee of the Whole; Commissioner testimony before the King County Council's Transportation, Economy and Environment Committee on the proposed SoDo sports arena's impact on Port operations and jobs; Commissioner interviews with various news organizations on the arena; participation in the "Mayor's Maritime Roundtable" hosted by the Seattle Marine Business Coalition and the Port; participation in the SR-99 tunnel launch pit ground-breaking event; "Puget Sound Business Journal Live" panel participation; meetings with visiting delegations from South Korea and Egypt; and attendance at the Puget Sound Regional Council General Assembly, Downtown Seattle Association's 2012 annual meeting, Trade Development Alliance Stakeholder Committee Meeting and annual dinner, 2012 Juneteenth event, and Port-wide PRIDE parade.

5. (00:04:51) UNANIMOUS CONSENT CALENDAR

- 5a. Authorization for the Chief Executive Officer to: (1) execute contracts to buy Common Use System Emulation (CUSE) computer hardware, podium casework, and holdroom seating; and (2) utilize Port crews for construction of the Airline Realignment – CUSE at Ticket Counters, Gates and Seating project at Seattle-Tacoma International Airport. This authorization is for \$1,887,000 of a total project cost of \$2,371,000 (CIP #C800473).**

Request document(s): Commission agenda [memorandum](#) dated June 27, 2012, and [attachment](#) provided by Michael Ehl, Director, Airport Operations; and Wayne Grotheer, Director, Aviation Project Management Group.

- 5b. Authorization for the Chief Executive Officer to: (1) advertise and execute a construction contract for the remodel of existing airline spaces, and (2) utilize Port crews for Airline Tenant Improvements – Airline Realignment (Expense) at Seattle – Tacoma International Airport. This authorization is for \$4,243,400 out of a total project budget of \$23,285,000.**

Request document(s): Commission agenda [memorandum](#) dated June 27, 2012, provided by Michael Ehl, Director, Airport Operations; and Wayne Grotheer, Director, Aviation Project Management Group.

- 5c. Authorization for the Chief Executive Officer to execute two indefinite delivery, indefinite quantity consulting contracts for environmental review, permitting, compliance and mitigation services, in the amount of \$1,050,000 each. There is no funding request associated with this authorization.**

Request document(s): Commission agenda [memorandum](#) dated June 28, 2012, provided by Paul Meyer, Manager, Seaport Environmental Programs; and Steve Rybolt, Environmental Management Specialist, Aviation Environmental Programs.

5d. Authorization for the Chief Executive Officer to execute all documents necessary to settle claims filed by Lorena Jo Potts, individually and as Personal Representative of the Estate of Donald Lee Potts (“Potts”). The terms of the compromise and settlement for which approval is requested shall release the Port for all damages claimed in the lawsuit. The claim of \$475,000 will be paid by the Port’s insurer, United States Aircraft Insurance Group.

Request document(s): Commission agenda [memorandum](#) dated June 28, 2012, provided by Craig Watson, General Counsel; and Anne Purcell, Senior Port Counsel.

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

Second – Albro

Motion carried by the following vote:

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

Absent for the vote: Creighton

(00:05:43) PUBLIC TESTIMONY

As noted on the agenda, public comment was received from the following individual(s):

- Parmindar Singh, independent operator contracted with Yellow Cab and member of the Western Region Taxi Cab Operator Association. Mr. Singh commented on illegal soliciting by town cars to passengers at the Airport.
- Gurdeep Singh, member of the Western Region Taxi Cab Operator Association. Mr. Singh commented on the lack of inspectors during the night shift at Airport baggage claim.
- Salah Mohamed, Yellow Cab employee and member of the Western Region Taxi Cab Operator Association. Mr. Mohamed commented on the lack of enforcement of the rules on town cars and asked for a level playing field for both taxi cabs and town cars at the Airport.
- Mike Magenta, member of the Western Region Taxi Cab Operator Association. Mr. Magenta commented on the lack of enforcement of the rules on town cars at the Airport.
- Sabriye Elmi, Twin Town Car Limo Service. Mr. Elmi commented on the difficulty encountered by town cars trying to pick up their customers.
- Omar Mumin, 8410 South 117th Place, Seattle, Washington. Mr. Mumin requested a parking lot for town cars to solicit cruise ship passengers.
- Mohammed Wako, Ali Express LLC. Mr. Wako commented on Shuttle Express soliciting and taking away business from private vans.
- Saam Ali, 4600 Davis Avenue South, Renton, Washington. Mr. Ali commented on tickets given to town car drivers by police for illegal soliciting, and the difficulty involved in picking up passengers.

Mr. Yoshitani commented on the public testimony and noted the Port has jurisdiction at the Airport and Terminal 91, but not at Terminal 66. He noted that staff is aware of the issues and concerns of both sides and is trying to come up with an equitable solution.

6. DIVISION, CORPORATE, AND COMMISSION ACTION ITEMS

- 6a. (00:28:00) **Second Reading and Final Passage of Resolution No. 3664: A Resolution of the Port Commission of the Port of Seattle approving the First Amendment of the Interlocal Agreement between the City of Auburn and the Port of Seattle to transfer approximately 55 acre feet of surplus floodplain storage credit to the City of Auburn and authorizing conveyance of a permanent easement to the City of Auburn. There is no funding associated with this Amendment.**

Request document(s): Commission agenda [memorandum](#) dated June 18, 2012, [Resolution No. 3664](#), Map [Exhibit A](#), [First Amendment](#) to the Interlocal Agreement, Original 1998 Interlocal [Agreement](#), and a [letter](#) from the Port dated November 13, 2003, provided by Bob Duffner, Senior Manager, Aviation Environmental Programs; and Allan Royal, Manager, Real Estate Development.

There was no presentation at this time. The Port Commissioners were briefed on Resolution No. 3664 during the June 26, 2012, Commission meeting, and received the request documents for review prior to the meeting of July 10, 2012.

Motion for second reading and final passage of [Resolution No. 3664](#) – Bryant

Second – Holland

Motion carried by the following vote:

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

Absent for the vote: Creighton

Commissioner Holland was absent after 1:36 p.m.

7. STAFF BRIEFINGS

- 7a. (00:29:45) **2013 Budget Process Briefing.**

Presentation document(s): Commission agenda [memorandum](#) dated June 28, 2012, and computer slide [presentation](#) provided by Dan Thomas, Chief Financial and Administrative Officer; Tammy Woodard, Assistant Director, Human Resources & Development; and Michael Tong, Corporate Budget Manager.

Presenter(s): Mr. Thomas, Mr. Tong, and Ms. Woodard.

Mr. Thomas stated that the Century Agenda milestones and goals will be incorporated into the budget process for the year 2013.

Mr. Tong provided an overview of the budget process, which includes the following:

- Assess business environment and industry conditions;
- Develop key assumptions, drivers, and targets;
- Issue budget calendar and guidelines;
- Update business plans in accordance with the Century Agenda;
- Prepare operating and capital budgets;
- Develop funding plans;
- Review and approve budgets; and
- File statutory budget with King County.

Mr. Tong noted the budget calendar is subject to change. He stated the second quarter financial briefing for 2012, as well as the briefing on budget assumptions for 2013, are likely to move to the August 14, 2012, Commission meeting.

Mr. Tong made a correction to the computer slide presentation, noting that the first reading of the budget resolution originally given as November 6, 2012, should read November 13, 2012, with second reading on November 27, 2012. Mr. Yoshitani noted that there is a short amount of time between the second reading and the statutorily required filing of the budget on December 5, 2012. He commented on the importance of the discussion of the tax levy, and recommended the Commissioners reach a decision about the tax levy before the meeting on November 27, 2012. Commissioner Albro requested a briefing in September regarding the funding plan for Port's portion of the Washington State Department of Transportation's deep-bored tunnel project.

Commissioner Tarleton requested the payroll assumptions from the 2012 budget process. Mr. Thomas responded that in 2012 the assumption was an average 3-percent increase in merit pay for non-represented staff, 2.2-percent increase in health benefits, a public employee's retirement system (PERS) increase of 8.5 percent, and that represented employees receive a pay increase based on cost of living adjustments, which for most contracts is an increase of 0-6 percent. Mr. Thomas noted the PERS increase for 2012 will be under what was originally budgeted for the year. Commissioner Albro noted that non-represented employees do not receive a cost of living adjustment and only receive a merit pay increase.

Ms. Woodard stated the Port is in the process of implementing a Total Rewards program. She noted the surveys used to assess the market and help inform payroll assumption decisions are just being published. She commented that the Port's financial outlook is also incorporated into the process for determining pay and benefits amounts. She noted staff is working with the benefits consultant to develop a health care strategy that will ensure the Port's health plans align with both the Total Rewards philosophy and federal health care reform legislation and ensure the Port will not be subject to the excise tax that is scheduled to go into effect in 2018.

8. NEW BUSINESS

None.

9. POLICY ROUNDTABLE

None.

10. ADJOURNMENT

There being no further business, the regular meeting was adjourned at 1:55 p.m.

Tom Albro
Secretary

Minutes approved: August 7, 2012.