



**Commissioners**

Gael Tarleton  
Commission President

Tom Albro  
Bill Bryant  
John Creighton  
Rob Holland

P.O. Box 1209  
Seattle, Washington 98111  
[www.portseattle.org](http://www.portseattle.org)  
206.787.3000

Tay Yoshitani  
Chief Executive Officer

*Audio and video recordings of the meeting proceedings and meeting materials are available on the Port of Seattle web site – [www.portseattle.org](http://www.portseattle.org). The approximate point in the video recording for each agenda item is identified by hours, minutes, and seconds; example: 00:01:30.*

**APPROVED MINUTES  
COMMISSION SPECIAL MEETING JULY 24, 2012**

The Port of Seattle Commission met in a special meeting Tuesday, July 24, 2012, at Port of Seattle Headquarters, Commission Chambers, 2711 Alaskan Way, Seattle, Washington. Commissioners Albro, Bryant, Creighton, Holland, and Tarleton were present.

**1. CALL TO ORDER**

The special meeting was called to order at 12:10 p.m. by Gael Tarleton, Commission President.

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

The special meeting was immediately recessed to an executive session estimated to last approximately 60 minutes to discuss matters relating to labor negotiations and potential litigation. Following the executive session, which lasted approximately 45 minutes, the special meeting reconvened in open public session at 1:10 p.m.

**PLEDGE OF ALLEGIANCE**

**3. (00:01:24) APPROVAL OF MINUTES**

Special meeting of June 4, 2012, and regular meeting of June 5, 2012.

**Motion for approval of minutes for the special meeting of June 4, 2012, and the regular meeting of June 5, 2012 – Albro**

**Second – Bryant**

**Motion carried by the following vote:**

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

**4. SPECIAL ORDER OF BUSINESS**

**4a. (00:01:48) Washington Criminal Justice Training Commission 2011 Instructor of the Year.**

Presentation document(s): Commission agenda [memorandum](#) dated July 13, 2012, provided by Colleen Wilson, Port of Seattle Police Chief.

Presenter(s): Chief Wilson.

Chief Wilson introduced Sergeant Lisa Neymeyer, recipient of the Washington Criminal Justice Training Commission's 2011 Instructor of the Year Award. Chief Wilson described the collaborative, interjurisdictional training model for law enforcement officers in the state of Washington and recognized Sergeant Neymeyer's leadership, integrity, and accountability. Sergeant Neymeyer thanked the Commission for acknowledging the award and thanked Chief Wilson for making it possible for her to take time away from the Port of Seattle Police Department to serve as an instructor for the Criminal Justice Training Commission.

**5. (00:07:02) UNANIMOUS CONSENT CALENDAR**

*At the request of Commissioner Creighton, item 5i was removed from the unanimous consent calendar for separate discussion and vote.*

**5a. Approval of the [claims and obligations](#) for the period of June 1, 2012, through June 30, 2012, in the amount of \$38,028,088.22.**

**5b. Authorization for the Chief Executive Officer to proceed with the South Satellite Heating, Ventilating, Air Conditioning, Lighting, and Ceiling Replacement project and prepare design documents; perform project management and administration; and use Port crews to support site investigation needed to develop the contract documents. The funding request for this work is \$6,500,000, and the total project cost is \$37,011,000.**

Request document(s): Commission agenda [memorandum](#) dated July 13, 2012, provided by David Soike, Director, Aviation Facilities and Capital Program; and Wayne Grotheer, Director, Aviation Project Management Group.

**5c. Authorization for the Chief Executive Officer to design the Federal Inspection Services Short-Term Improvements project in an amount not to exceed \$284,000 out of a total estimated project cost of \$1,041,000.**

Request document(s): Commission agenda [memorandum](#) dated July 13, 2012, provided by Nick Harrison, Senior Manager, Airport Operations; and Wayne Grotheer, Director, Aviation Project Management Group.

**5d. Authorization for the Chief Executive Officer to design, prepare construction documents, and perform advanced preparatory work at boarding gates needed for maintaining airline operations for the 2013 Airfield Apron Pavement Replacement project in the amount of \$200,000. The total estimated project cost in 2013 is \$10,000,000.**

Request document(s): Commission agenda [memorandum](#) dated July 17, 2012, and airfield [diagram](#) provided by Michael Ehl, Director, Airport Operations; and Wayne Grotheer, Director, Aviation Capital Improvement Program.

- 5e. Authorization for the Chief Executive Officer to prepare full design and construction bid documents for the Parking Garage Emergency Lights project at Seattle-Tacoma International Airport in the amount of \$1,157,081, with a total estimated budget for the completed project of \$5,269,600.**

Request document(s): Commission agenda [memorandum](#) dated July 6, 2012, provided by David Soike, Director, Aviation Facilities and Capital Program; and Wayne Grotheer, Director, Aviation Project Management Group.

- 5f. Authorization for the Chief Executive Officer to execute a new collective bargaining agreement between the Port of Seattle and the Teamsters Local 117, representing Police Officers for January 1, 2012, through December 31, 2014. The estimated combined total cost increase to the Port for the duration of the contract is \$904,508.**

Request document(s): Commission agenda [memorandum](#) dated July 17, 2012, and collective bargaining [agreement](#) provided by Trish Murphy, Labor Relations Manager.

- 5g. Authorization for the Chief Executive Officer to execute a new collective bargaining agreement between the Port of Seattle and the Teamsters Local 117, representing Police Sergeants for January 1, 2012, through December 31, 2014. The estimated combined total cost increase to the Port for the duration of the contract is \$214,396.**

Request document(s): Commission agenda [memorandum](#) dated July 17, 2012, and collective bargaining [agreement](#) provided by Trish Murphy, Labor Relations Manager.

- 5h. Authorization for the Chief Executive Officer to execute a new collective bargaining agreement (CBA) between the Port of Seattle and the Teamsters Local 763, representing Police Commanders for January 1 through December 31, 2012. The CBA covers five full-time equivalent positions. The total estimated additional cost to the Port for the duration of the one-year contract is \$10,442.**

Request document(s): Commission agenda [memorandum](#) dated July 17, 2012, and collective bargaining [agreement](#) provided by Trish Murphy, Labor Relations Manager.

**Motion for approval of consent items 5a, 5b, 5c, 5d, 5e, 5f, 5g, and 5h – Albro**

**Second – Creighton**

**Motion carried by the following vote:**

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

*At the request of Commissioner Creighton, item 5i was removed from the unanimous consent calendar for separate discussion and vote as follows:*

- 5i. (00:08:12) Authorization for the Chief Executive Officer to (1) execute a contract with the low responsive and responsible bidder for the combined South Satellite**

**Concessions Project (CIP #C800412) and South Satellite Additional Gate Lobby Project (CIP #C800466) in the amount of \$1,771,981, as required by Resolution No. 3605, as amended, Section 4.2.3.4., due to the bids being greater than 10 percent over the engineer's estimate; (2) increase the budget for the South Satellite Concessions Project (CIP #C800412) by \$207,200 to \$2,742,900 to cover additional costs related to the bid; and (3) increase the budget for the South Satellite Additional Gate Lobby Project (CIP #C800466) by \$171,000 to \$1,515,000 to correct design deficiency. The total amount requested for additional budget funding is \$378,200.**

Request document(s): Commission agenda [memorandum](#) dated July 20, 2012, provided by Wayne Grotheer, Director, Aviation Project Management Group.

Presenter(s): Sean Anderson, Capital Project Manager.

Commissioner Creighton explained he had requested removal of item 5i from the consent agenda in order to have more discussion on Airport capital projects related to large project amounts. He stated that going forward, the Commission would want a presentation from staff on the relationship of any capital project, even very small ones, to the Century Agenda. Commissioner Bryant requested additional information from staff on the cumulative effect on bond issuance of the items on the July 24 agenda.

Mr. Anderson explained that bids opened on July 17, 2012, had exceeded the engineer's estimate by at least 13 percent. He reported the bids received were similar to one another and appeared to reflect market conditions. He also noted that reevaluation of the engineer's estimate indicated weakness in accounting for additional badging considerations, the need for contractors to mobilize and demobilize during project phasing, and inadequate budget for installation of fiber optic cable in the gate lobby.

In response to Commissioner Creighton, Mr. Anderson confirmed that a new bid would not be required for the project.

**Motion for approval of item 5i – Bryant**

**Second – Albro**

**Motion carried by the following vote:**

**In Favor: Albro, Bryant, Tarleton (3)**

**Opposed: Creighton (1)**

**Abstaining: Holland (1)**

**(00:19:00) PUBLIC TESTIMONY**

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

- Robert Scheuerman, representing Eastside Rail Now. Mr. Scheuerman commented that rail service providers appear interested in using the Eastside Rail Corridor and suggested the Port retain ownership of the Corridor and grant King County an easement there rather than transferring a portion of the Corridor to the County.

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

- 6a. (00:21:15) Ratification of the appointment of two new external members of the Port's Art Oversight Committee, Carolyn Law as "visual artist" and Laura Haddad as "representative of the community at large," in accordance with the Port's Art Program Policy and Guidelines.**

Request document(s): Commission agenda [memorandum](#) dated June 21, 2012, [resume](#) and review and submission [certificate](#) for Carolyn Law, and [resume](#) and review and submission [certificate](#) for Laura Haddad provided by Keith Gillin, Aviation Architecture Manager, and Colleen McPoland, Aviation Art Program Manager.

Presenter(s): Ms. McPoland.

Ms. McPoland commented on the role of the Art Oversight Committee to provide guidance, leadership, and support to the Port in its policy to incorporate high-quality, contemporary public art reflective of Northwest culture and environment. She described the composition of the committee and the process for identifying new members. Ms. McPoland explained that committee members and their immediate family members and business partners cannot apply for artwork commissions during their tenure on the committee.

**Motion for approval of item 6a – Bryant**

**Second – Albro**

**Motion carried by the following vote:**

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

*At the discretion of the Chair, the following agenda item –*

- 6b. (00:25:40) Second Reading and Final Passage of Resolution No. 3662: A Resolution of the Port Commission of the Port of Seattle declaring certain real property located in King County (portions of the Woodinville Subdivision) and any improvements located thereon surplus and no longer needed for Port purposes, authorizing its transfer to King County and authorizing the Chief Executive Officer to execute all documents related to such transfer; and further authorizing the Chief Executive Officer to execute a permanent easement granting King County easement rights over a portion of the Port's freight section of the Woodinville Subdivision for future recreational trail uses. The Port will receive \$15,000,000 (minus 50 percent of closing costs and a \$1,900,000 credit to King County for the previous acquisition of an easement over the property to be transferred).**

*– was postponed to a subsequent Commission meeting.*

- 6c. (00:38:21) Authorization for the Chief Executive Officer to design, perform construction support and project management services, and overall project support in an amount not to exceed \$32,000,000 for the renovation of the North Satellite passenger terminal and the Satellite Transit System station lobbies (North Satellite / Concourse C / North Baggage Claim) at Seattle-Tacoma International Airport for an eventual total estimated project cost of \$194,300,000.**

Request document(s): Commission agenda [memorandum](#) dated July 18, 2012, provided by Michael Ehl, Director, Airport Operations; and Wayne Grotheer, Director, Aviation Project Management Group.

Presenter(s): George England, Capital Program Leader; and Tina Soike, Senior Manager Airport Operations.

Ms. Soike described the authorization request and the close collaborative relationship between and unique interests of the Airport and the Alaska Air Group in managing a renovation of this scale. She noted inclusion of work space for Alaska within the Airport project group and the identification of concurrence milestones by the Airport and Alaska. She stated concurrence has been obtained for the preliminary planning and definition project notebook and that the next concurrence milestone is the 15-percent design submission. Ms. Soike described the benefits and project elements of the NorthSTAR program, of which renovation of the North Satellite is the largest. She explained that portions of the program would be funded by Alaska and noted that the project had been approved by a majority-in-interest vote of the airlines.

Commissioner Albro commented on tenant-borne expenses of the airlines, and stated no tax dollars are used for the airfield or the terminals.

Mr. England outlined the scope of the project, noting inclusion of an Alaska board room, renewal or replacement of 40-year-old infrastructure, and incorporation of environmental sustainability measures. He reported that 30-percent design is expected to be complete by March 2013, final design should be completed by February 2014, and early construction may begin late in 2013. He stated completion is scheduled for 2016 and that the project will add \$0.75-\$1.00 to the cost per enplanement, which was included in the financial projections provided to the airlines prior to their majority-in-interest vote.

Commissioner Albro commented on the project's consistency with Century Agenda preliminary goals to increase jobs, double the number of international flights and destinations, and grow domestic air travel cost effectively.

Commissioner Creighton stated his concerns over remaining concerns by Alaska Air Group over project control.

In response to Commissioner Bryant's questions about the amount of a future bond issuance for 2013 to fund the project, Dan Thomas, Chief Financial and Administrative Officer, referred to the 2012-2016 plan of finance presented in 2011 and explained that the bonds to be issued would include funding for other projects as well.

Commissioner Tarleton noted the age of the infrastructure to be renovated and stated her hope that the project would facilitate working with Alaska on other Airport issues, such as opportunities for employees of Alaska's subcontractors.

In response to Commissioner Bryant, Mr. England reported that staff believes they have addressed the project goals of both the Port and Alaska and that Alaska is enthusiastic about moving the project forward.

**Motion for approval of item 6c – Albro**

**Second – Bryant**

**Motion carried by the following vote:**

**In Favor: Albro, Bryant, Tarleton (3)**

**Opposed: Creighton, Holland (2)**

## **7. STAFF BRIEFINGS**

### **7a. (01:01:53) Exchange of Real Property with the BNSF Railway Company at Terminal 5.**

Presentation document(s): Commission agenda [memorandum](#) dated July 17, 2012, and computer slide [presentation](#) provided by Michael Burke, Director, Seaport Leasing and Asset Management.

Presenter(s): Mr. Burke and Len Johnson, Seaport Real Estate Specialist.

Mr. Burke presented background related to the expansion of Terminal 5 and shipping company APL's consolidation of West Coast gateways. He described development of a proposal to expand Terminal 5 in conjunction with agreements with the BNSF Railroad to accommodate expansion of the Terminal 5 container yard. He pointed out that the Port has no condemnation rights over the railroad, without whose cooperation expansion of Terminal 5 would not have been possible. Mr. Johnson commented on the exchange land value differential in the agreement in favor of BNSF, which he said from an operational perspective is a fair exchange.

Commissioner Creighton requested more information on the topic of the role of rail in the Port's growth plans.

### **7b. (01:11:13) Annual Briefing on Art Projects and Art Program Policy and Guidelines.**

Presentation document(s): Commission agenda [memorandum](#) dated July 5, 2012, *Emerald City* project descriptions by the [Public Art Network](#) and [Eco-Structure](#) magazine, [Daily Journal of Commerce](#) description of helix and parking screen artwork, and computer slide [presentation](#) provided by Colleen McPoland, Manager, Aviation Art Program; and Cassie Fritz, Manager, Seaport Project Management Support Services.

Presenter(s): Ms. McPoland; Ms. Fritz; Keith Gillin, Airport Facilities & Infrastructure Systems Manager; and Jon Sloan, Seaport Environment Compliance and Strategy Manager.

Mr. Gillin commented on the Port's art program, including a summary of two recent art installations at the new Consolidated Rental Car Facility, an installation at the Smith Cove Cruise Terminal, and one connected to the Terminal 117 Habitat Restoration project.

Ms. McPoland reported on the positive reception of completed Port art projects by outside organizations, including the Public Art Network, *Eco-Structure* magazine, and the *Daily Journal of Commerce*. She presented photographs of the *Emerald City* installation at the Airport and artwork at the Consolidated Rental Car Facility, including the parking garage helices and spinning wheels installation.

Ms. Fritz described and presented photographs of the welcome figures installed at the Smith Cove Cruise Terminal and provided an art budget update. In response to Commissioner Creighton, Ms. Fritz and Ms. McPoland explained that maintenance costs for the art program are considered in the budgeting process.

Mr. Sloan reported on the art component of the Terminal 117 Habitat Restoration project. He commented on the use of integrated art as a transition between the habitat restoration area and the adjacent developed areas and noted selection of Bainbridge Island artist Kristen Tollefson.

**8. (01:34:00) NEW BUSINESS**

Commissioner Tarleton announced that the Port of Seattle had received the Secretary of Defense Employer Support Freedom Award for the Port's support of members of the National Guard and Military Reserve. She explained that of approximately 3,300 nominees, the Port is one of only 15 employers to be recognized with this prestigious award for 2012.

**9. POLICY ROUNDTABLE**

None.

**10. ADJOURNMENT**

There being no further business, the special meeting was adjourned at 2:47 p.m.

Tom Albro  
Secretary  
Minutes approved: August 14, 2012.