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**APPROVED MINUTES
COMMISSION REGULAR MEETING FEBRUARY 10, 2015**

The Port of Seattle Commission met in a regular meeting Tuesday, February 10, 2015, at Port of Seattle Headquarters, Commission Chambers, 2711 Alaskan Way, Seattle, Washington. Commissioners Albro, Bowman, Creighton, and Gregoire were present. Commissioner Bryant was absent.

1. CALL TO ORDER

The meeting was called to order at 12:05 p.m. by Commission Co-President Courtney Gregoire.

2. EXECUTIVE SESSION pursuant to RCW 42.30.110

The special meeting was immediately recessed to an executive session estimated to last 60 minutes to discuss matters relating to potential litigation, legal risk, and collective bargaining negotiations. Following the executive session, which lasted approximately 60 minutes, the special meeting reconvened in open public session at 1:20 p.m.

PLEDGE OF ALLEGIANCE

A recording of this part of the meeting has been made available online.

3. SPECIAL ORDERS OF BUSINESS

3a. Commission Briefing on SR-99 Alaskan Way Viaduct Replacement Program and Alaskan Way Street Construction.

Presentation document(s) included a Commission agenda [memorandum](#) and [presentation slides](#). Additional materials were provided at the time of the presentation and are available for review as minutes [Exhibit A](#).

Presenter(s): Kurt Beckett, Deputy Chief Executive Officer; Mike Merritt, Manager, Puget Sound/Washington Government Relations; Geraldine Poor, Manager, Regional Transportation; Lynn Peterson, Washington State Secretary of Transportation; Todd Trepanier, Administrator, Alaskan Way Viaduct Replacement Program; and Angela Brady, Manager, Waterfront Program Design and Delivery, City of Seattle.

The status of the Alaskan Way Viaduct Replacement project, in which the state Department of Transportation (WSDOT), King County, the City of Seattle and the Port of Seattle are partners, was presented. Approximately 21 of 30 component projects in the replacement program have been completed, including SR-519 improvements near Safeco Field and improvements to SR-99

between Holgate Street and King Street (“SR-99 Alaskan Way Viaduct South Holgate Street to South King Street Stage 3 Atlantic Street Bypass Project”). Both of these projects directly affect freight mobility improvement near Port facilities. Funding sources for the \$3.1 billion program were reviewed, including \$281 million from the Port, the third largest contributor. The 9,000-foot SR-99 tunnel is the main component of the program. It is being executed as a design-build contract. The status of the tunnel-boring machine and soil conditions were reviewed.

Commissioners expressed interest in the time frame for keeping the Viaduct operational during tunnel construction delays. The WSDOT Bridge Preservation Office continues to conduct frequent inspections of the Viaduct to ensure that it continues to be safe to use as tunnel construction is postponed.

There was Commissioner interest in the reliability of federal funding for the project, of which \$32 million has yet to be expended. WSDOT believes that funding is secure. State gas tax funding is also considered secure with \$430 million left to be expended.

City of Seattle waterfront redevelopment projects related to the Viaduct replacement were discussed. Commencement of construction on Alaskan Way improvements is dependent on removal of the Viaduct. Commissioners inquired about the City’s Railroad Way project that would connect the stadiums in SoDo with the waterfront via pedestrian access.

The funding agreement for the Port’s contribution to the program was presented. Port-initiated design refinements, such as to the street sections in certain areas, are being sponsored by WSDOT. Port funding is not attached to specific projects, but there are project components that directly benefit Port operations. General obligation bonds are being used to fund the Port’s contribution not to exceed \$300 million. Payments will be made in May of 2015 and 2016.

A recording of this part of the meeting has been made available online.

3b. Duwamish Area SoDo Transportation Update.

Presentation document(s) included a Commission agenda [memorandum](#) and [presentation slides](#).

Presenter(s): Mike Merritt, Local/State Government Relations Officer; Geraldine Poor, Regional Transportation Manager; and Robert C. Eaton, Government Affairs, Amtrak. Additional materials were provided at the time of the presentation and are available for review as minutes [Exhibit B](#).

The status of freight mobility projects in the Duwamish Manufacturing and Industrial Center, including the SoDo neighborhood, was presented. Port investments in Seaport terminals and area roadways were highlighted. Upcoming road projects were outlined and additional anticipated transportation system challenges were noted. The status of planning for a City of Seattle heavy haul corridor designed to accommodate freight movement was discussed. Containers hauled away from Port facilities can exceed weight limits set by the City for surface streets and require special road maintenance and safety considerations.

The need to resolve mobility conflicts at major railroad crossings was discussed, as was the need to provide alternative access for freight to I-5. The unique conditions of Amtrak’s rail yard in SoDo and attendant access and safety challenges were presented. Based on passenger rail activity

forecasts not including freight movement, it is projected that Holgate Street in its current configuration would be closed for rail traffic for over 12 hours per day by 2023. Commissioners emphasized the importance of a grade crossing solution with the City of Seattle in 2015. Funding for railroad crossings was discussed.

A recording of this part of the meeting has been made available online.

4. UNANIMOUS CONSENT CALENDAR

[Clerk's Note: Items on the Unanimous Consent Calendar are considered routine and are not individually discussed. Port Commissioners receive the request documents prior to the meeting and may remove items from the Consent Calendar for separate discussion and vote in accordance with Commission bylaws.]

- 4a. Approval of the minutes of the regular meeting of May 6, the special meetings of May 13 and 27, and the regular meetings of June 10 and 24, 2014.**
- 4b. Authorization for the Chief Executive Officer to advertise and execute one or more consulting services indefinite delivery, indefinite quantity contracts for technical analyses necessary for planning, design, and implementation of dredging projects for a total maximum value of \$3,000,000 with a three-year contract ordering period. No funding is associated with this authorization.**

Request document(s) included a Commission agenda [memorandum](#).

- 4c. Authorization for the Chief Executive Officer to (1) advertise, award, and execute a major public works contract for the construction of the [Airport Parking Garage Lighting] project; and (2) authorize the purchase of LED retrofit kits to be installed by Port Maintenance in an amount not to exceed \$4,952,000. This request is in addition to the previous design authorization of \$1,243,000 and brings the total project authorization to \$6,235,000 (CIP #C800581).**

Request document(s) included a Commission agenda [memorandum](#).

- 4d. Authorization for the Chief Executive Officer to execute up to four indefinite delivery, indefinite quantity contracts for mechanical and electrical design services for a total maximum value of \$6,000,000. Each contract will have a contract ordering period of three years. No funding is associated with this authorization.**

Request document(s) included a Commission agenda [memorandum](#).

The motion for approval of consent items 4a, 4b, 4c, and 4d carried by the following vote:

In favor: Albro, Bowman, Creighton, Gregoire (4)

Absent for the vote: Bryant

A recording of this part of the meeting has been made available online.

5. PUBLIC TESTIMONY

Public comment was received from the following individual(s):

- Dan Mathews, Kidder Mathews, who commented on competitive real estate processes.
- Richard Kolpa, ProLogis, who commented on real estate opportunities with the Port.
- Eddie Rye Jr., Community Coalition for Contracts and Jobs, who commented on a letter in support of minority and veteran Airport Concessions Disadvantaged Business Enterprises at Seattle-Tacoma International Airport.
- Charlie James, Martin Luther King County Institute, who commented on uniformity in lease terms for companies in the Airport Dining and Retail program.
- Hayward Evans, Community Coalition for Contracts and Jobs, who commented on his desire to see a disparity study conducted on Airport Concessions Disadvantaged Business Enterprises and on the structure of the Port Commission.
- Bob Armstead, President, National Association of Minority Contractors, Washington Chapter, who commented on compliance with Title VI of the 1964 Civil Rights Act.
- Toshiko Hasagawa, Seattle Chapter of the Japanese-American Citizens League, who requested extension of leases for businesses in the Airport Concessions Disadvantaged Business Enterprise program.

A recording of this part of the meeting has been made available online.

6. DIVISION, CORPORATE, AND COMMISSION ACTION ITEMS

- 6a. Request Commission authorization for the Chief Executive Officer to: (1) direct staff to develop design documents, conduct sediment testing and environmental review, obtain permits, and prepare construction documents for the Terminal 18 Maintenance Dredging Project for an estimated cost of \$750,000 out of a total project cost estimate of \$2,095,000, and (2) advertise for bids and execute a major construction on-call contract for future dredging and pile repair and removal projects for an estimated initial cost of \$250,000. The proposed contract duration and not-to-exceed value are three years and \$4,000,000.**

Request document(s) included a Commission agenda [memorandum](#).

Presenter(s): David Amble, Seaport Asset Manager.

The motion for approval of agenda item 6a carried by the following vote:

In favor: Albro, Bowman, Creighton, Gregoire (4)

Absent for the vote: Bryant

A recording of this part of the meeting has been made available online.

Without objection, the following agenda item –

6b. First Reading of Resolution No. 3703: A Resolution of the Port Commission of the Port of Seattle related to real estate development and construction work on Port-owned land leased to Port tenants. *[laid on the table]*

– was laid on the table and Resolution No. 3703 did not obtain First Reading.

A recording of this part of the meeting has been made available online.

As previously published on the day's agenda, item 6c was withdrawn from consideration prior to convening.

Without objection, the following agenda item –

6d. Motion Regarding Formulation and Establishment of Energy and Sustainability Guiding Principles. *[laid on the table]*

– was laid on the table.

A recording of this part of the meeting has been made available online.

7. STAFF BRIEFINGS

7a. Real Estate Policy (RE-7): Competitive Procurement in Long-Term Leases of Real Property.

Presentation document(s) included a Commission agenda [memorandum](#) and [presentation slides](#).

Presenter(s): Joe McWilliams, Managing Director, Real Estate Division.

There was a discussion about balancing the Port's interests in competitively bid real estate opportunities with the process of direct negotiation. Leases longer than an overall 10-year term would generally be competitively bid, while leases of shorter duration generally would involve direct negotiation. There was a discussion on the factors involved in making exceptions to this general rule. It was reported that Port interests tend to be better served by competitive processes for most leases. For leases interconnected with policy issues, such as land use or other public interest, direct negotiation tends to produce better results. Commissioners expressed interest in the stage of the leasing process at which the public might contribute comment. Convening of a roundtable discussion with key stakeholders on the topic of real estate policy was proposed.

A recording of this part of the meeting has been made available online.

7b. Office of Social Responsibility Community Outreach.

Presentation document(s) included a Commission agenda [memorandum](#) and [statement](#) on Airport Concessions Disadvantaged Business Enterprises.

Presenter(s): Luis Navarro, Director, Office of Social Responsibility.

There was a discussion of the Office of Social Responsibility's public outreach efforts in the minority and small business communities. Stakeholder committee sessions on the Airport Dining and Retail program were noted. The recent disparity study conducted for the Port did not include the Airport Concessions Disadvantaged Business Enterprise (ACDBE) program, and Commissioners emphasized a desire to understand what the scope of such a study that would include ACDBEs would entail. They discussed engaging stakeholders on substantive issues associated with questions of disparity in the ACDBE program and in the Port in general.

A recording of this part of the meeting has been made available online.

7c. Strategy for a Sustainable Sea-Tac (S3) Briefing.

Presentation document(s) included a Commission agenda [memorandum](#) and [presentation slides](#).

Presenter(s): Elizabeth Leavitt, Director, Aviation Planning and Environmental, and Leslie Stanton, Manager, Environmental Strategy and Sustainability.

The Strategy for a Sustainable Sea-Tac is a precursor to incorporating future environmental goals into the Sustainable Airport Master Plan (SAMP). Environmental goals and objectives proposed for inclusion in the SAMP were presented and include economic and social considerations. Topics discussed included airline use of pre-conditioned air at gates, balancing emissions reduction goals with significant capacity growth, development and use of Aviation bio-fuels, the FAA's Greener Skies Initiative, and analysis of climate change adaptation as applicable to the Airport. The sustainability strategy under development through 2015 is intended to be incorporated into the SAMP.

A recording of this part of the meeting has been made available online.

As previously published on the day's agenda, item 7d was withdrawn from consideration prior to convening.

7e. Seaport Alliance Update.

Presenter(s): Kurt Beckett, Deputy Chief Executive Officer.

Mr. Beckett reported on status of the Legislature's consideration of Port Development Authority legislation. Commercial strategy development for the Seaport Alliance is progressing and planning is underway to rebuild customer relationships following eventual resolution of the West Coast labor dispute between the ILWU and Pacific Maritime Association (PMA). The Ports of Tacoma and Seattle continue to issue cargo statistics jointly. Requirements for proper management of Seaport Alliance public records were summarized, and recommendation for a Seaport Alliance Public Records Officer was announced.

A recording of this part of the meeting has been made available online.

8. ADDITIONAL NEW BUSINESS – None.

9. ADJOURNMENT

There was no further business, and the meeting adjourned at 4:45 p.m.

Tom Albro
Secretary

Minutes approved: September 8, 2015.