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APPROVED MINUTES COMMISSION REGULAR MEETING FEBRUARY 24, 2015

The Port of Seattle Commission met in a regular meeting Tuesday, February 24, 2015, in the International Auditorium at Seattle-Tacoma International Airport, Seattle, Washington. Commissioners Albro, Bowman, Bryant, and Gregoire were present. Commissioner Creighton was present after 1:32 p.m. Commissioner Gregoire was absent after 3:48 p.m. Commissioner Bryant was absent after 4:30 p.m.

1. CALL TO ORDER

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

2. EXECUTIVE SESSION pursuant to RCW 42.30.110

The public meeting was immediately recessed to an executive session estimated to last 60 minutes to discuss matters relating to sale or lease of real estate, potential litigation, legal risk, collective bargaining negotiations, and performance of a publicly bid contract. Following the executive session, which lasted approximately 35 minutes, the public meeting reconvened at 1:07 p.m.

PLEDGE OF ALLEGIANCE

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

3. SPECIAL ORDERS OF BUSINESS

ANNOUNCEMENT

Linda Styrk, Managing Director, Maritime, reported that negotiations in the labor dispute between the International Longshore Workers Union (ILWU) and Pacific Maritime Association (PMA) were settled and that normal operations at West Coast ports had resumed over the weekend. She noted the devastating effects of the protracted labor dispute and commented on plans to recover from import and export disruptions. It is estimated that clearing the container backlog in Elliott Bay will take about two weeks, contrasted with Southern California ports that will not have ships unloaded for three weeks and also have three months of cargo to process.

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.]

Agenda item 4a was removed from the Unanimous Consent Calendar and was laid on the table without objection.

- 4a. Approval of the minutes of the special meetings of July 1 and September 30; the morning special meeting of July 22; and the regular meeting of November 25, 2014. *[laid on the table]***
- 4b. Approval of the [Claims and Obligations](#) for the period January 1-January 31, 2015, in the amount of \$45,616,704.34 including accounts payable check nos. 901752-902354 in the amount of \$33,542,824.59 and payroll check nos. P-178991-179293 in the amount of \$12,073,879.75 for a fund total of \$45,616,704.34.**
- 4c. Authorization for the Chief Executive Officer to (1) design, prepare construction documents, and implement advanced measures as necessary to replace distressed pavement and joint sealant for the 2016 Airfield Pavement portion of the 2016-2020 Airfield Pavement Program at the Seattle-Tacoma International Airport in the amount of \$200,000; and (2) utilize a project labor agreement for this project. The total estimated program cost is \$32,500,000. The 2016 portion is estimated at the projected average yearly cost of \$6,500,000. (CIP #C800483)**

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

- 4d. Authorization for the Chief Executive Officer to execute an interlocal agreement (ILA) with the Washington Conservation Corps in a form substantially as attached in Exhibit A. This ILA will provide for natural resource maintenance services totaling \$700,000 over five years in support of wetland mitigation site management at the Seattle-Tacoma International Airport and natural resource management at the Airport and other Port properties. No funding is associated with this authorization.**

Request document(s) included a Commission agenda [memorandum](#) and Washington Conservation Corps Sponsor [contract](#).

- 4e. Authorization for the Chief Executive Officer to (1) authorize Port staff to proceed with the Human Capital Management System Upgrade project and (2) authorize the procurement of required hardware, software, and vendor services for a total project cost not to exceed \$1,500,000. (CIP #C800745)**

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

- 4f. Authorization for the Chief Executive Officer to execute two professional services indefinite delivery, indefinite quantity contracts for airfield technical support services in the amount of \$2,000,000 per contract for a total of \$4,000,000 with a contract ordering period of three years in support of upcoming airfield capital improvement projects at Seattle-Tacoma International Airport. A budget request is not associated with this authorization.**

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

- 4g. Authorization for the Chief Executive Officer to execute one professional service indefinite delivery, indefinite quantity contract for traffic engineering and transportation planning technical support services in the amount of \$500,000 with a contract ordering period of three years in support of landside facilities and operations at Seattle-Tacoma International Airport. A budget request is not associated with this authorization.**

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

Motion for approval of consent items 4b, 4c, 4d, 4e, 4f, and 4g carried by the following vote:

In Favor: Albro, Bowman, Bryant, Gregoire (4)

Absent for the vote: Creighton

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):

- Mike Dash, Seattle resident, who commented on global climate change and in opposition to interim use of Terminal 5 by Foss Maritime.
- Richard Voget, Seattle resident, who commented on Arctic oil drilling and global climate change.
- Jabe Blumenthal, Seattle resident, who commented on Arctic oil drilling and in opposition to interim use of Terminal 5 by Foss Maritime.
- David Fukuhara, Concourse Concessions, who commented in opposition to the dining and retail proposals in agenda item 7c and on the need for better lease terms for Airport Concessions Disadvantaged Business Enterprises.
- Jared Howe, 350 Seattle, who commented on and in opposition to interim use of Terminal 5 by Foss Maritime.

Commissioner Creighton was present after 1:32 p.m.

- Peter Goldman, Seattle resident, who commented on lease transparency and in opposition to interim use of Terminal 5.
- Eddie Rye Jr., Community Coalition for Contracts and Jobs, who commented on discrimination and against lease extensions for HMS Host and Hudson.
- Kenan Block, Seattle resident, who commented in opposition to interim use of Terminal 5 by Foss Maritime and urged a vote on the lease.
- Chris Wilke, Executive Director, Puget Soundkeeper Alliance, who commented in opposition to interim use of Terminal 5 by Foss Maritime and urged further State Environmental Policy Act review and a vote on the lease.
- Hayward Evans, Community Coalition for Contracts and Jobs, who commented on lease inequities for Airport Concessions Disadvantaged Business Enterprises and against lease extensions for HMS Host.
- KC Golden, Senior Policy Advisor, Climate Solutions, who commented on global climate change and Arctic oil drilling and submitted an IPCC 5th Synthesis Report, which is attached as minutes [Exhibit A](#) and is available for public review.

- Alexis Oliver, Director, Office of Minority Women Business Enterprises, who commented on the need for outreach to disadvantaged communities regarding the Airport Dining and Retail program.
- Emily Johnson, Community Coordinator, 350 Seattle, who commented on Arctic oil drilling and in opposition to interim use of Terminal 5 by Foss Maritime.
- Diane Shisk, 350 Seattle, who commented in opposition to interim use of Terminal 5 by Foss Maritime and urged further public engagement in the lease decision.
- Dr. Baba Kofi Weusijana, 350 Seattle, who commented on the dangers of Arctic oil drilling and in opposition to interim use of Terminal 5 by Foss Maritime.
- Mark Smith, Seattle resident and Greenpeace member, who commented in opposition to interim use of Terminal 5 by Foss Maritime.
- Kate Melges, Greenpeace, who commented on Arctic oil drilling and in opposition to interim use of Terminal 5 by Foss Maritime.
- Graham Evans, Aqua Consulting, who commented on Arctic oil drilling and public opinion.
- Joelle Robinson, Seattle resident, who commented on climate change and public opinion and in opposition to interim use of Terminal 5 by Foss Maritime.
- Kurtis Dengler, Seattle resident, who commented on Arctic oil drilling and the need for additional public engagement on the Port's lease with Foss Maritime.

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

6. DIVISION, CORPORATE, AND COMMISSION ACTION ITEMS

- 6a. First Reading of Resolution No. 3703: A Resolution of the Port Commission of the Port of Seattle, authorizing the sale and issuance of limited tax general obligation and refunding bonds of the Port in the aggregate principal amount of not to exceed \$200,000,000 for eligible Port purposes, including payment of all or a portion of the Port's contribution for the Alaskan Way viaduct replacement program, and refunding of certain outstanding obligations of the Port; and authorizing a Designated Port Representative to approve certain matters relating to the bonds including date or dates of the sale of the bonds, approval of the bid offering, acceptance of bids for the bonds, execution of all documents and actions necessary to sell and deliver the bonds, preparation and dissemination of a preliminary official statement and final official statement; and providing for continuing disclosure.**

Request document(s) included a Commission agenda [memorandum](#) and draft [Resolution No. 3703](#). A [Viaduct Replacement Program](#) funding agreement was provided on the day of the meeting.

Presenter(s): Elizabeth Morrison, Director, Corporate Finance.

The motion for First Reading of Resolution No. 3703 carried by the following vote:

In favor: Albro, Bowman, Bryant, Creighton, Gregoire (5)

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

- 6b. Authorization for the Chief Executive Officer to execute a contract for a Capital Program Leader Consultant Service for the International Arrivals Facility program at Seattle-Tacoma International Airport for an amount estimated at \$1,000,000. (CIP #C800583)**

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

Presenter(s): Ralph Graves, Managing Director, Capital Development.

During the presentation and discussion, Commissioner Bowman commented that she would abstain from a vote on the measure today due to a lack of detail in the agenda memorandum.

Motion for approval of item 6b carried by the following vote:

In Favor: Albro, Bryant, Creighton, Gregoire (4)

Abstaining: Bowman

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

6c. Approval of the Chief Executive Officer's calendar year 2015 Goals and Objectives.

Request document(s) included a Commission agenda [memorandum](#) and [2015 CEO Strategies & Objectives](#). [Presentation slides](#) were provided on the day of the meeting.

Presenter(s): Ted Fick, Chief Executive Officer.

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

In Favor: Albro, Bowman, Bryant, Creighton, Gregoire (5)

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

7. STAFF BRIEFINGS

7a. Proposal on new Delegation of Authority and process to develop policy directives.

Presentation document(s) included a Commission agenda [memorandum](#), presentation [slides](#), Port of Seattle Commission [Delegation of Responsibility and Authority](#) to the CEO, [draft resolution](#), Draft [Motion](#) Regarding Establishment of Committees to Formulate Port Policy Directives, and Draft [Motion](#) Regarding Formulation and Establishment of Energy and Sustainability Policy Directives.

Presenter(s): Tom Barnard, Research and Policy Analyst, Office of the Commission, and Lindsay Wolpa, Issues and Policy Manager, Office of the Commission.

The organization for a revised delegation of authority was described. Objectives include clear delineation of roles of the CEO and Commission in light of the vision contained in the Century Agenda, alignment of long-range plans with the Century Agenda and annual budget, and provision of policy directives to guide balancing of trade-offs and delineate authority limits and auditable standards.

Policy directives will be developed over time through a flexible, transparent, temporary committee process that involves collaboration between Commissioners, staff, and external consultants as needed. Areas of focus for policy directives include Energy and Sustainability; Project Management, Contracting, and Purchasing; Real Property Sales, Development, and Leasing; Strategic Economic Development; Workforce Development, Social Responsibility, and Labor; and Small and Disadvantaged Businesses.

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

At the discretion of the Chair, agenda item 7b was removed from the agenda prior to publication and the Commission advanced to consideration of —

7c. Airport Dining and Retail Outreach and Leasing Plans.

Presentation document(s) included a Commission agenda [memorandum](#), presentation [slides](#), approved [minutes](#) of the April 22, 2003, special Port of Seattle Commission meeting, Airport Dining and Retail Program [outreach plan overview](#), food service packaging [plan](#), and retail/service packaging [plan](#).

Presenter(s): Deanna Zachrisson, Business Leader, Airport Dining and Retail, and Luis Navarro, Director, Office of Social Responsibility.

The objectives of the Airport Dining and Retail program based on Commission direction were noted. These include creation of a Northwest sense of place, encouraging fair competition, balancing large operators with small and minority-owned businesses, encouraging quality employment, providing value for travelers, and making investment affordable and efficient.

As program redevelopment and lease transition approach, long-term stakeholder outreach is planned. The Office of Social Responsibility and Business Development are expected to coordinate efforts closely during the transition. There was discussion of outreach to the minority and disadvantaged communities in general, rather than simply focusing efforts on registered Airport Concessions Disadvantaged Business Enterprises, to provide help in their becoming certified.

Commissioner Gregoire was absent after 3:48 p.m.

There was discussion of making opportunity development a focus of outreach and emphasizing ways in which to make doing business at the Airport less cumbersome. As new units are designed and built, opportunities for service providers and contractors will also emerge and these companies will also be the object of outreach efforts. Local public involvement firm PRR will assist the outreach strategy.

The preliminary concessions packaging plan was presented and the criteria for packaging units was described. The competitive evaluation process was discussed. There are many criteria to use to evaluate proposals, not just revenue potential. Next steps will include outreach to current tenants

and stakeholder groups and commencing public events. There was discussion of the composition of the evaluation team.

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

7d. Legislative Update for February 24, 2015.

Presenter(s): Clare Gallagher, Government Relations Manager, Public Affairs.

Commissioner Bryant was absent after 4:30 p.m.

Key legislative issues and advocacy considerations for the Port at the local, state, and federal levels were enumerated and discussed.

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 4:37 p.m.

Tom Albro
Secretary

Minutes approved: September 22, 2015.